

# **Agriculture and Rural Development Strategy of Georgia 2021-2027 and Action Plan 2021-2023**

## **Performance Monitoring Report for 2022**

2023

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## Summary

The 2021-2027 Strategy of Agriculture and Rural Development of Georgia, approved by the Decree No. 2665 of the Government of Georgia on December 20, 2019, is part of the national policy of development of the country, all sectoral or multi-sectoral development directions and a set of specific measures to ensure sustainable rural and agriculture development.

Three strategic directions have been set for the implementation of the strategic vision of agriculture and rural development:

- Competitive agricultural and non-agricultural sectors.
- Sustainable use of natural resources, retaining the eco-systems, adaptation to climate change.
- Effective systems of food/feed safety, veterinary and plant protection.

The 2021-2023 Action Plan of the Agriculture and Rural Development Strategy of Georgia for 2021-2027 includes sixty-nine activities for the year 2022, 13 of which cover the annual implementation of the European Neighbourhood Program for Agriculture and Rural Development (ENPARD) fourth phase performance indicators.

In 2022, according to the 2021-2023 Action Plan, the total budget envisaged for financing the activities was GEL **610,588,620**, while the actual budget utilisation in the reporting period amounted to GEL **799,784,428.31**.

Strategic goal	Objective	Number of activities	Budget estimate for 2022 (GEL)	Budget expenditure for 2022 (GEL)
<b>1. Competitive agricultural and non-agricultural sectors</b>	1.1: To raise awareness/knowledge of farmers and entrepreneurs	3	275,000	532,102.17
	1.2: To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments.	21	296,308,820	387,605,268.59
	1.3 To support the integration of farmers/entrepreneurs into the market	5	13,500,000	12,249,263.58
	<b>1.4: To stimulate young farmers and entrepreneurs in rural areas</b>	1	0	0
	1.5: To increase access to infrastructure and services	10	129,449,300	244,141,973.36
	1.6: To improve the irrigation and drainage systems	4	68,000,000	54,391,695
	1.7 To develop rural tourism and relevant tourism products	3	950,000	839,087
<b>First strategic goal</b>		<b>47</b>	<b>508,483,120.00</b>	<b>699,759,389.70</b>
<b>2. Sustainable usage of natural resources, retaining of the eco-system, adaptation to climate change</b>	2.1: To disseminate climate-smart and environmentally adapted agricultural practices and support the development of bio/organic production	1	0	0
	2.2: To support the development of ecotourism	2	16,650,000	16,785,406.61

	2.3: Sustainable usage of forest resources	3	23,700,000	22,760,820
	<b>2.4: To support the implementation of energy-efficient and renewable energy technologies and practices</b>	1	0	0
	2.5: To maintain agrobiodiversity	2	2,000,000	1,929,488
<b>Second Strategic Goal</b>		<b>9</b>	<b>42,350,000</b>	<b>41,475,714.61</b>
<b>3. Effective systems of food/feed safety, veterinary and plant protection</b>	3.1: To approximate the sanitary and phytosanitary regulatory legislation of Georgia to the EU legislation	2	0	0
	3.2: To ensure that the products supplied to the local and export markets comply with sanitary and phytosanitary standards	7	51,750,000	49,869,744
	3.3: To develop the laboratory capacities	1	7,855,500	8,578,021
	3.4: Quality assurance of agricultural inputs	3	150,000	101,559
<b>Third Strategic Goal</b>		<b>13</b>	<b>59,755,500</b>	<b>58,549,324</b>
<b>Total</b>		<b>69</b>	<b>610,588,620.00</b>	<b>799,784,428.31</b>

### Agri-food sector - Development Trends

In the area of the development of the agri-food sector, significant positive results were observed in 2022.

According to preliminary data for 2022, the output in the business sector in agriculture, forestry, and fisheries amounted to GEL 7.1 billion, which is 45.4% higher than in 2018, and 12.2% higher than in 2021.

According to preliminary data for 2022, the total output from the processing of agricultural products totalled GEL 8.5 billion, which is 61.1% higher than the 2018 figure and 16.1% more than the 2021 figure.

According to preliminary data for 2022, the added value indicator was GEL 4.4 billion, which is 44.8% higher than the 2018 figure, and 12.6% higher than the 2021 figure.

In 2022, the value of exports of agri-food products amounted to USD 1,262 million, which is USD 296 million (30.6%) higher than in 2018, and 10.5% higher than in 2021.

## Strategic Goal 1: Competitive agricultural and non-agricultural sectors

Strategic goal 1 - Competitive agricultural and non-agricultural sectors – includes seven objectives and forty-seven activities.

### Objective 1.1 To raise awareness/knowledge of farmers and entrepreneurs.

To accomplish Objective 1.1, 3 activities were carried out in 2022 – providing effective extension services to farmers, implementing agricultural vocational education programs, and developing skills in rural areas. The activities under the Objective were implemented by the Ministry of Environmental Protection and Agriculture of Georgia, its sub-agencies, and the Ministry of Education and Science of Georgia.

#### **As a result of the activities carried out to achieve the goals of the Objective throughout the year 2022:**

- ⇒ Consulting services were provided to 32,752 beneficiaries (individuals and legal entities).
- ⇒ Eight hundred-three persons were enrolled in agricultural vocational education programs, which is 32.7% higher than the 2021 figure (605 persons).
- ⇒ As part of admissions announced in 2022, 6,267 women were enrolled in vocational education programs (other than agricultural ones 081), 88.5% higher than the 2019 indicator.

**State expenditures for achieving Objective 1.1 was GEL 532,102.17 in 2022.**

### Activity 1.1.1. Provision of effective extension services to farmers

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the activity: Implement agricultural extension services for farmers and rural population employed in agriculture at the office, remotely, and in field conditions. In parallel with field-specific information and consultation activities, extension services promote implemented and ongoing projects of the Rural Development Agency.

#### **Realised Activities**

In 2022, a total of 20,551 consultations were provided by nine regional offices and forty-five extension centres. Consulting services were provided to 32,752 beneficiaries (individuals and legal entities). In rural areas, the number of information-extension meetings with the local population was 1,239.

Consulting services were provided through various means: in the office; via telephone conversations; SMS notifications; visits to sites of interested parties; group meetings with farmers in villages; meetings at the community centres of the Ministry of Justice; via e-mail and social networks.

To ensure higher access to extension services, regional offices and the employees of extension centres use the following electronic platforms:



- **regions.mepa.gov.ge** - operative response to farmers' issues/problems; registration/recording of provided consultations; recording of the acts of nature; recording of the training to farmers; options to send various informational notices.
- **elibrary.mepa.gov.ge** - comprises an electronic library; a national network of demonstration plots; a calendar of activities; successful projects; field to sign up for news and updates.
- **my.mepa.gov.ge** - The unified electronic portal of farmers.

2022 the Department of Regional Relations was involved in the Rtveli 2022 (Vintage 2022), the 2022 Non-Standard Apple Sales Promotion Programs, and the Support Hazelnuts Production Program.

Operational-statistical data document – Regional offices developed databases in 2022 for internal use.

### Indicator Realisation and Budget Expenditure

In 2022, it was planned to provide consulting services to 70,000 beneficiaries (individuals and legal entities). During the reporting period, consulting services were provided to 32,752 beneficiaries (individuals and legal entities). The low percentage of the performance of the 2022 indicator is caused by the fact that data about all the consultations are recorded electronically on Regions.mepa.gov.ge, only in case of consent from a recipient of consultation. Respectively, refusal to use personal data impedes having a complete record of the data about the provided consultations.

The activity was carried out at an administrative cost.

Objective 1.1 To raise awareness/knowledge of farmers and entrepreneurs	
Number and title of an activity:	Activity 1.1.1. Provision of effective extension services to farmers
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, consulting services will be provided to 70,000 beneficiaries (individuals and legal entities).	<b>Realised:</b> In 2022, consulting services were provided to 32,752 beneficiaries (individuals and legal entities).
Budget	
<b>Estimated:</b> <u>GEL 0.00</u>	<b>Actual:</b> <u>GEL 0.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating				X	
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
Status			X			

## Activity 1.1.2: Implementation of vocational education programs in Agriculture

Responsible agency: The Ministry of Education and Science of Georgia / Department of Vocational Education Development.

The goal of the activity: Offering agricultural programs to interested individuals to supply relevant specialists for the agricultural sector.

### Realised Activities

It was planned to increase the number of students enrolled in vocational education programs in agriculture by 3% compared to the 2021 indicator. Throughout 2022, vocational education program providers conducted active operations to enrol a new pool of students. Among other things, they developed and added innovative programs. As a result, the number of spots for vocational education programs increased, reaching 17,200 in 2022. According to the data provided by the Education Management Information System (EMIS), 803 persons were enrolled in agricultural vocational education programs, which is 32.7% (605 persons) higher than the 2021 figure.

### Indicator Realisation and Budget Expenditure

According to the Action Plan, in 2022, the forecast budget of GEL 275,000.00 was planned. The voucher funding for students enrolled in the programs above in 2022 amounted to GEL 532,102.17.

Objective 1.1 To raise awareness/knowledge of farmers and entrepreneurs	
Number and title of the activity:	Activity 1.1.2: Implementation of vocational education programs in Agriculture
Responsible agency:	The Ministry of Education and Science of Georgia Department of Vocational Education Development
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, the number of students enrolled in agricultural vocational education programs will increase by 3% compared to the 2021 indicator.	<b>Realised:</b> In 2022, 803 persons were enrolled in agricultural vocational education programs, which is 32.7% higher than the 2021 figure (605 persons).
Budget	
<b>Estimated:</b> <u>GEL 275,000.00</u>	<b>Actual:</b> <u>GEL 532,102.17</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
			X			

### Activity 1.1.3: Skills development in rural areas (ENPARD IV, Indicator 2.3)

Objective 1.1 To raise awareness/knowledge of farmers and entrepreneurs	
Number and title of the activity:	Activity 1.1.3: Skills development in rural areas (ENPARD IV, Indicator 2.3)
Responsible agency:	The Ministry of Education and Science of Georgia / LEPL Education Management Information System (EMIS)
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022: the number of women enrolled in technical and vocational education programs providing skills necessary for rural non-agricultural employment will increase by at least 5% compared to 2019.	<b>Realised:</b> As part of the admissions announced in 2022, the number of students enrolled in vocational education programs (other than agricultural programs – 081) was 13,411 individuals. Of those, 6,267 were women, and 7,144 were men.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

### Objective 1.2: To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments.

In order to accomplish the Objective 1.2, 21 activities were implemented in 2022, including equipping agricultural cooperatives with processing appliances and equipment, support the development/cultivation of modern orchards, promoting the production of Georgian tea, subsidizing insurance premium, co-funding interest on agro credits to promote the development of agro insurance, co-financing the procurement of harvesting equipment for farmers, co-financing the establishment/revamping of storage and processing enterprises, quality schemes development and support at the national and regional level, co-financing interest on credit and leasing in industries, co-financing interest on credit and leasing for the development/expansion of hospitality industry, organizing the greenhouse cluster, co-financing projects in non-agricultural and renewable energies/energy efficiency projects, and supporting owners of agricultural land plots (in response to the challenges caused by COVID-19) with state subsidies. Support the development of business activities of cooperatives and/or producers' associations, support the development of business of agri-food products producers, support the modernisation of business activities of cooperatives, support the employment of women in non-agricultural activities in rural areas, support the financial sustainability of the selected LEADER/CLLD initiatives.

All activities of the Objective were carried out by the Ministry of Environmental Protection and Agriculture of Georgia and its sub-agencies.

**1.1 As a result of activities carried out to achieve the goals of the Objective during the year 2022:**

- ⇒ Nine agricultural cooperatives were equipped with the equipment for an enterprise receiving raw material processing.
- ⇒ Co-financing the purchase of equipment for honey production for six cooperatives was carried out.
- ⇒ An additional 3,857.39 ha of new orchards were planted/contracted.
- ⇒ 31.12 ha of tea plantations were rehabilitated.
- ⇒ About 16,465.04 ha of agricultural land was insured.
- ⇒ Co-financing was provided for the interest of 30,254 preferential agricultural loan/lease.
- ⇒ Co-financing was provided for the purchase of harvesting equipment for sixty-seven beneficiaries.
- ⇒ The creation of eighty-eight processing enterprises and/or storage infrastructure was fully or partially financed.
- ⇒ Specifications of five new geographical indications were developed.
- ⇒ Co-financing was provided for the expansion/re-equipment/modernisation of 255 new or/and existing enterprises.
- ⇒ The co-financing was provided for 173 hotels under the program of co-financing of the loan interest as part of the State Program in the regions Produced in Georgia in the field of the hospitality industry.
- ⇒ In the frame of the Project Imereti Agro Zone in 2022, the terms of reference for complex projects of the Baghdati land plot key infrastructure (external and internal roads, natural gas and electricity supply network, drainage and irrigation system, sewage system, fencing and levelling) was prepared.
- ⇒ Twenty-five beneficiaries received co-financing from the Agency for non-agricultural and renewable energy/energy efficiency projects.
- ⇒ 326,651 beneficiaries (farmers/owners of agricultural land plots) received subsidies.
- ⇒ In 2020-2022, 36 cooperatives and/or producers' associations received at least one entrepreneurial loan from a commercial bank or microfinance organisation.
- ⇒ In 2020-2022, the right to use the quality seal logo was granted to thirty-one companies.
- ⇒ In 2020-2022, preparatory works were carried out, and one cooperative registered the cooperative trademark at Sakpatenti in 2022.
- ⇒ The number of women employed in non-agricultural sectors in rural areas was 112,000 in 2020 (baseline indicator in numbers). In 2021 it was 111,963 (baseline indicator in numbers). The 2022 indicator is being processed.
- ⇒ In 2022, the LEADER/CLLD approach-based local support program was developed.
- ⇒ In 2022, the purchase of agricultural equipment was co-financed for 1,911 beneficiaries.
- ⇒ In 2022, co-financing was provided for establishing a new enterprise or the expansion/revamping of a new enterprise for forty-three beneficiaries.
- ⇒ In 2022, 916.84 ha windbreaks (field protection) were inventoried.

**In 2022, state expenditures for achieving Objective 1.2 were GEL 699,759,389.70.**

## **Activity 1.2.2. Equipping agricultural cooperatives with processing equipment**

### **(a) develop infrastructure of agricultural cooperatives**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the activity: Facilitating the production of dairy products in Georgia, stimulating the establishment of enterprises receiving and processing milk equipped with modern technologies within agricultural cooperatives, improving the quality and competitiveness of local production, supporting the improvement of cattle breeding in cooperatives, and improving the socio-economic conditions of the rural population.

### **Realised Activities**

In 2022, consultative meetings were held with representatives of dairy cooperatives in the frame of the State Program for Rational Use of State-owned Grazing and Pasture lands in High Mountainous Regions about the conditions and obligations for participation in the competition for the identification of cooperatives willing to subsequently manage dairy enterprise built and equipped with milk processing equipment in Dusheti Municipality village Shuapkho and milk enterprises to be built and equipped with processing equipment in Dmanisi, Tsalka and Akhalkalaki Municipalities.

Furthermore, consultation meetings were held about the conditions, obligations, and participation in the program for the co-financing of storage enterprises of cooperatives.

The following outcomes were obtained because of the measures carried out in 2022 within the framework of the activity:

#### **1) State Program for Co-financing Storage Enterprises of Agricultural Cooperatives:**

- The number of beneficiaries with whom a contract was concluded - 9.
- The value of the Agency co-financing in the approved projects - is GEL 4,050,000.

### **Indicator Realisation and Budget Expenditure**

2022 was planned to equip ten agricultural cooperatives with the equipment necessary for enterprises receiving and processing raw materials. During the reporting period, nine contracts were signed under the program, and the value of the Agency co-financing in the approved projects was GEL 4,050,000.

In 2022, 9 agricultural cooperatives were partially equipped with product storage/warehouse infrastructure. The estimated budget for the activities was GEL 3,392,000.00. In contrast, budget utilisation was GEL 1,882,355.34 since the process has yet to be completed, and it is planned to spend the remaining funds (in tranches) and complete the process in 2023.

*The precondition for the co-financing under the State Program for Co-funding of Storage Enterprises of Agricultural Cooperatives is submitting a document proving the fulfilment of construction work by beneficiaries. Since beneficiaries could not complete work in 2022, the budget could not be fully utilised. The remaining funds will be disbursed in 2023.*

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
Number and title of the program:	Activity 1.2.2: Equipping agricultural cooperatives with processing equipment
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, 10 agricultural cooperatives will have the equipment necessary for enterprises receiving and processing raw materials.	<b>Realised:</b> In 2022, 9 cooperatives were partially equipped with the equipment for enterprises receiving and processing raw materials.
Budget	
<b>Estimated:</b> <u>GEL 3,392,000.00</u>	<b>Actual:</b> <u>GEL 1,882,355.34</u>

Progress evaluation	Rating	Fully completed	Mostly completed	Partially completed	Not completed	
			The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated
	Status		X			

### (b) Support bee-keeping agricultural cooperatives

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the activity: Improvement of the material-technical basis of bee-keeping farms of agricultural cooperatives, enhance the quality and the volume of produced honey and other bee-keeping products.

#### Realised Activities

In 2022, consultative meetings were held with representatives of beekeeping cooperatives about the conditions of the ongoing program and challenges in the field.

A few consultations and meetings were held as part of the State Program for Unified Production Support to Bee-keeping Agricultural Cooperatives about the management conditions of the enterprise built in Gori Municipality Village Berbuki, equipped with honey receiving and processing and packaging equipment, about obligations and participation.

The following results were attained following the activities conducted under the Activity in 2022:

- ✓ The number of beneficiaries with whom the contract was signed - 5.
- ✓ Amount of co-financing of the Agency in approved projects - GEL 108,000.

The competition announced as part of the State Program for Unified Production Support to Bee-keeping Agricultural Cooperatives for transferring the enterprise built in Gori Municipality Village Berbuki, equipped with honey receiving and processing and packaging equipment, failed. Therefore, the enterprise moved to the State Property Management Agency of Georgia.

### Indicator Realisation and Budget Expenditure

In 2022, as part of the activity, it was planned to equip seven cooperatives with the tools/equipment for honey production. Over the reporting period, five contracts were signed, and the amount of co-funding provided by the Agency in the approved projects amounted to GEL 108,000, while six cooperatives were equipped with tools/equipment necessary for honey production.

In 2022, the estimated budget for the measures under the Activity was GEL 116,820.00, and budget utilisation was GEL 116,820.00

*The budget was fully utilised as a part of the State Program for Supporting Bee-keeping Agricultural Cooperatives since most beneficiaries requested a maximum co-financing amount, and six were funded.*

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
Number and title of the Program:	Activity 1.2.2: Support bee-keeping agricultural cooperatives
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, 7 cooperatives will have the instruments/equipment necessary for honey production.	<b>Realised:</b> In 2022, 6 cooperatives had the instruments/equipment necessary for honey production.
Budget	
<b>Estimated:</b> <u>GEL 116,820.00</u>	<b>Actual:</b> <u>GEL 116,820.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

### Activity 1.2.3. Promoting the cultivation of modern orchards

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The Goal of the Program: Efficient use of agricultural lands in Georgia through the cultivation of perennial crops, which will replace imported products and increase export potential, facilitate the provision of raw materials to processing enterprises and improve the socio-economic situation of the rural population.

#### **Realised activities.**

In 2022, the following changes were made to the state program Plant the Future:

- As part of the component of co-financing of perennial orchards - Land plots leased from individuals or legal entities became eligible under the program since leasing land plots from the state are associated with a lengthy process, and potential beneficiaries might not even be able to find a specific and desirable land plot. It was deemed advisable to stimulate beneficiaries without land plots and those who cannot find or use relevant land plots under the state lease conditions.
- As part of the Component for the co-funding of arranging hail protection and/or sound/borehole/pumping stations, raspberry and blackberry were added to apple, pear, and cherry crops. Furthermore, it became allowable to finance locally produced hail protection systems and install them to stimulate and promote local production's growth maximally. Levan Samkharauli National Forensic Bureau, LEPL, has reviewed and determined a new market value for arranging a well/borehole (including a pumping station) as part of the same Component. Hence, the values of co-financing/reimbursement were revised. Based on the program conditions, a beneficiary will receive at most 50% funding/reimbursement in case of the arrangement of a well/borehole (including a pumping station), not to exceed GEL 18,800 per beneficiary, as for agricultural cooperatives, in case of the villages along the administrative boundary line and high mountainous settlements, at most 60% and not to exceed GEL 22,600 per beneficiary.

In 2022, visits were made to nine orchards cultivated as part of the State Program Plant the Future in Shida Kartli, Kvemo Kartli, Guria, Imereti, Samegrelo and Kakheti Regions.

The following outcomes were obtained because of the measures carried out in 2022 within the framework of the activity.

- Several contracts (projects) concluded during the reporting period – 667 (out of which: 537 contracts were signed within the orchards component; 3 agreements were concluded within the nursery component; 2 contracts were signed under the component of arranging the hail protection system; 44 contracts were concluded under the drip irrigation systems development component; 81 contracts were signed under the component of arranging wells/boreholes.);
- According to the contracts concluded during the reporting period, the total contracted area is 4,824.10 ha (out of which: the contracted area under the orchards component is 3,857.39 ha; the contracted area under the hail protection system arrangement component is 14.20 ha; the contracted area under the drip irrigation system arrangement component is 307.74 ha; the contracted area under the well/borehole arrangement component is 644.76 ha);
- During the reporting period, the co-financing of the Agency according to the signed contracts is GEL 33,723,033; of this, the co-financing by the Agency defined by the agreement within the framework of the orchards component is GEL 31,257,405; the co-financing by the Agency defined by the agreement under the nursery component is GEL 406,808; the co-financing by the Agency defined by



the agreement under the hail protection system component is GEL 75,560; the co-financing by the Agency defined by the agreement under the drip irrigation systems arrangement component is GEL 643,962; the co-financing by the Agency defined by the agreement under the well/borehole arrangement component is GEL 1,339,298);

- The area of orchards contracted within the orchard's component during the reporting period is 3,857.39 ha.

### Indicator Performance and Budget Expenditure

In 2022, as part of the activity, it was planned to cultivate/contract an additional 3,500 ha of new orchards. Intensive and semi-intensive type orchards with an area of 3,857.39 ha were planted/contracted during the reporting period.

In 2022, the estimated budget was GEL 27,000,000.00, and the budget utilisation was GEL 33,513,601.36.

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
Number and title of the program:	Activity 1.2.3: Supporting the Establishment of modern orchards
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, 3,500 ha of additional new orchards will be cultivated/contracted.	<b>Realised:</b> In 2022, 3,857.39 ha of new orchards were cultivated/contracted.
Budget	
<b>Estimated:</b> <u>GEL 27,000,000.00</u>	<b>Actual:</b> <u>GEL 33,513,601.36</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
			X			

### Activity 1.2.4: Promoting the production of Georgian tea.

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the Program: Make effective use of the potential of tea plantations in Georgia, promote the growth of local tea (including bio tea) production, thereby increasing the level of self-sufficiency and the export potential; rehabilitation both privately- and state-owned wild tea plantations; employment of

population and improvement of their socio-economic situation; promoting the establishment of modern tea primary processing enterprises.

### Realised Activities

In 2022, for further enhancement of the program's visibility, communication was made with a few beneficiaries about beneficiaries of the program, as well as potential beneficiaries and the progress of the program. Furthermore, a meeting was held with the farmers in Ozurgeti Municipality Village Anaseuli, where a detailed presentation was held about the State Program for the Rehabilitation of Tea Plantations - Georgian Tea.

In 2022, several beneficiaries had a deadline for submitting the documents to prove the fulfilment of the production plan, to meet the obligations taken under the Program. All beneficiaries have timely submitted documents proving the fulfilment of relevant obligations.

In 2022, the following results were attained because of the measures carried out under the Activity:

- ✓ The number of beneficiaries involved in the program - 3.
- ✓ The total area of plantations to be rehabilitated – is 31.12 ha.
- ✓ The total cost of rehabilitation works on rehabilitated plantations - GEL 107,998.
- ✓ Amount of co-financing in approved projects - GEL 75,049.

### Indicator Realisation and Budget Expenditure

In 2022, as part of the activity, it was planned to rehabilitate 250 ha of tea plantations. Full/partial rehabilitation of the 31.12 ha area occurred during the reporting period.

*The low indicator of the fulfilment of 2022 indicator is that there was high activity in 2021 from potential project beneficiaries, and instead of the planned 350 ha, rehabilitation contracts were concluded for 616 hectares. Hence, in 2022 the activeness of beneficiaries was low.*

In 2022, the estimated budget for the measures under the activity was GEL 500,000.00, and the actual budget utilisation was GEL 1,065,862.35.

*The misbalance between the 2022 indicator and budget utilisation is that most of the budget expended in 2022 was utilised for rehabilitating relevant plantations covered under the contracts made in 2021.*

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
The number and title of the program:	Activity 1.2.4: Promoting the production of Georgian tea
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, 250 ha of tea plantations will be rehabilitated.	<b>Realised:</b> In 2022, the 31.12 ha area was fully/partially rehabilitated.
Budget	

<b>Estimated:</b> <u>GEL 500,000.00</u>	<b>Actual:</b> <u>GEL 1,065,862.35</u>
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Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			X		
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.2.5: Subsidizing insurance premium for the development of agro insurance

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the activity: Development of the insurance market in the agricultural sector; supporting agricultural activities; increasing the competitiveness of persons employed in the agricultural sector; maintaining income and reducing risks for those engaged in agricultural activities.

#### Realised Activities

Throughout 2022, as part of the concluded contracts, the Agency co-financed policies issued by six insurance companies. Various TV channels covered the progress of the program. Documentary monitoring of insurance policies was carried out, and state subsidies were transferred. Consultations were held with insurance companies and international consultants on changes in the agro-insurance program and the development of new insurance products.

The following outcomes were obtained because of the measures carried out in 2022 within the framework of the activity:

- ✓ The number of policies issued - 14,586.
- ✓ The cost of insured harvest – GEL 167,339,494.
- ✓ Insured harvest area - 16,465.04 ha.
- ✓ The Agency share in the insurance premium (co-financing by the Agency) – GEL 8,489,629.

Work was underway throughout 2022 to analyse all the issues and problems that had occurred in previous years and to take these factors into account in the program, which, in turn, would contribute to the highly efficient implementation of the following year's program.

#### Indicator Realisation and Budget Expenditure

In 2022, it was planned to insure about 19,000 hectares of agricultural land as part of the activity. During the reporting period, 16,465.04 ha of agricultural land was insured.

In 2022, the estimated budget for the measures under the activity was GEL 12,000,000.00, and the actual budget utilisation was GEL 8,485,950.08.

**Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments**

Number and title of the program:	Activity 1.2.5: Subsidizing insurance premium for the development of agro insurance
Responsible agency:	Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, about 19,000 ha of agricultural land will be insured.	<b>Realised:</b> In 2022, 16,465.04 ha of agricultural land was insured.
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 12,000,000.00</u>	<b>Actual:</b> <u>GEL 8,485,950.08</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

**Activity 1.2.6: Co-financing of interest rates on agro credits**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the activity: Supporting the production processes of primary agricultural production, processing and storage, and sales by providing cheap and accessible funds to individuals and legal entities.

**Realised Activities**

Throughout 2022, consultations were held on borrowing opportunities and relevant procedures. Consultations were provided to both potential and existing project beneficiaries, as well as representatives of financial institutions. The Agency's Information Service (Call Center) was involved in the consultations. Presentations and TV reports were made. Furthermore, to raise awareness and accessibility of the program, visits were made to different regions. News coverage was prepared on the establishment of new enterprises and the re-equipment/expansion of the existing ones.

In 2022, several changes were introduced to the project; new goals were added, such as funding non-stationary technological lines, agro drones and a meteo station. Also, sub-components of financing grape and apple-purchasing enterprises were activated in the working capital component.

As part of the activity, the following measures were implemented in 2022:

- The number of loans issued - 18,861.
- The number of individual beneficiaries - 16,616.
- The amount of loan issued – is GEL 992,873,508.

### Indicator Realisation and Budget Expenditure

In 2022, co-financing an interest rate of 13,500 preferential agricultural loans/leasing was planned as part of the activity. During the reporting period, 30,254 preferential agricultural loan/leasing interest rates were co-financed (services provided).

In 2022, the estimated budget for the measures under the activity was GEL 121,000,000.00, and the actual budget utilisation was GEL 185,449,000.00.

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
Number and title of the program:	Activity 1.2.6: Co-financing of interest rates on agro credits
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, an interest rate of 13,500 preferential agricultural loans/leasing will be co-financed.	<b>Realised:</b> In 2022, an interest rate of 30,254 preferential agricultural loans/leasing was co-financed (services provided).
Budget	
<b>Estimated:</b> <u>GEL 121,000,000.00</u>	<b>Actual:</b> <u>GEL 185,449,000.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.2.7: Co-financing purchasing of harvesting machinery for farmers.

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the activity: The program aims to carry out agri-technical measures for crops within the respective agricultural timeframes, strengthening the mechanisation basis in the country. To this end, the program provides for co-financing of the harvesting equipment by 30% and 50%.

### Realised Activities

Within the program's framework, during 2022, harvesting machinery for crops was co-financed for all regions of Georgia. The training was conducted for the staff of the consultation centres in the regions to promote the program and better familiarise them with the conditions. In 2022, 67 beneficiaries benefited

from the program. New harvesting machinery for crops worth over eleven million was imported into the country.

The following outcomes were obtained because of the measures carried out in 2022 within the framework of the activity:

- The number of concluded contracts - 69.
- The number of beneficiaries engaged in the program - 67.
- Agency co-financing in the approved projects – GEL 4,568,994.
- Total investment in approved projects – GEL 11,228,821.

The situation around the world and military activities conducted by the Republic of Russia in Ukraine represents the risk of delaying the project implementation process. Due to the cargo, shipments have become limited, and equipment-producing companies cannot operate at total capacity.

To mitigate this impediment, communication with the beneficiaries was being carried out to speed up the elimination of the problems encountered during the program's implementation. Furthermore, the deadlines for the implementation of the goals were extended.

#### Indicator Realisation and Budget Expenditure

In 2022, co-financing the purchase of harvesting machinery for thirty-five beneficiaries was planned as part of the activity. During the reporting period, the purchase of harvesting machinery for sixty-seven beneficiaries was co-financed.

In 2022, the estimated budget was GEL 5,000,000.00, and the actual budget utilisation was GEL 4,488,390.90.

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
Number and title of the program:	Activity 1.2.7: Co-financing purchasing of harvesting machinery for farmers
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022 the purchase of harvesting machinery for thirty-five beneficiaries will be co-financed.	<b>Realised:</b> In 2022, the purchase of harvesting machinery for sixty-seven beneficiaries was co-financed.
Budget	
<b>Estimated:</b> <u>GEL 5,000,000.00</u>	<b>Actual:</b> <u>GEL 4,488,390.90</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	<b>X</b>				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
			<b>X</b>			

## **Activity 1.2.8: Co-financing of establishment/reequipping of processing and storage enterprises**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the program: Establishment of new processing enterprises in municipalities and rehabilitation of inactive enterprises; geographical diversification of processing enterprises; development of raw material base; increasing the income of the rural population.

### **Realised Activities**

In 2022, applications, documents, and business plans of beneficiaries interested in setting up a storage and processing enterprise were received. Based on the applications received during 2022, the co-financing of fifty-eight new processing and storage enterprises started. Also, the construction of forty enterprises was completed.

The following outcomes were obtained because of the measures carried out in 2022 within the framework of the project:

- ✓ The number of enterprises established under the project - 40.
- ✓ The number of municipalities where new enterprises have been established - 14.
- ✓ There are new projects approved within the storage and processing enterprises - 58.
- ✓ The total cost of approved applications - is GEL 71,758,457.
- ✓ The amount of co-financing by the Agency in the approved projects – GEL 26,269,161.

The number of enterprises established/completed in the period from the beginning of the project to 31.12.2022 was 128, and the number of municipalities where these enterprises are located was thirty-six.

By the end of the reporting period, the total number of projects and projects being implemented amounted to 218 (81 processing and 137 storage enterprises).

The situation around the world poses a risk of delaying the project implementation process: hostilities led by the Russian Federation on the territory of Ukraine. As a result, cargo shipments have been limited, and equipment manufacturing companies cannot operate at total capacity; 2. exchange rate fluctuations, as operations are carried out in different currencies (GEL, USD, RUB, and EUR); 3. Furthermore, climatic conditions may cause delays as projects are being implemented in the regions, and construction works are virtually halted in some regions from late autumn to mid-spring.

To mitigate these barriers, communication with beneficiaries was being carried out to expedite the elimination of problems encountered during the implementation of projects.

### **Indicator Realisation and Budget Expenditure**

In 2022, full or partial financing of establishing 24 processing enterprises and/or storage infrastructure was planned as part of the activity. Establishing 88 processing enterprises and/or storage infrastructure was fully or partially financed during the reporting period.

In 2022, the estimated budget for the measures under the activity was GEL 18,000,000.00, and the actual budget utilisation was GEL 24,867,992.35.

<b>Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments</b>	
Number and title of the program:	Activity 1.2.8: Co-financing of establishment/reequipping of processing and storage enterprises
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, establishing twenty-four processing enterprises or/and storage infrastructure will be fully or partially financed.	<b>Realised:</b> In 2022, the establishment of eighty-eight processing enterprises and/or storage infrastructure was fully or partially financed.
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 18,000,000.00</u>	<b>Actual:</b> <u>GEL 24,867,992.35</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### **Activity 1.2.9: Development of quality schemes and promotion at national and regional levels**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / Department of Agriculture, Food and Rural Development.

The goal of the activity: Promotion of local products.

**Realised Activities:** Specifications of three products were developed during the reporting period. Namely: Georgian Bay leaf, Tkemali and Adjika. Specifications of Traditional Beer of Georgian Mountainous Areas were developed and prepared for submission for registration as geographical indications. Furthermore, specifications for Bolnisi Early Potato are in the process of development.

#### **Realisation and Budget Expenditure**

Implementation of the activity did not require a separate approved budget.



**Objective 1.2: To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments**

Number and title of the activity:	Activity 1.2.9: Development of quality schemes and promotion at national and regional levels
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / Department of Agriculture, Food and Rural Development
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, specifications for five new geographical indications will be developed.	<b>Realised:</b> In 2022, specifications for five new geographical indications were developed.
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 0</u>	<b>Actual:</b> <u>GEL 0</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

**Activity 1.2.10: Co-financing interest rate for credit and leasing of an industrial component**

Responsible agency: The Ministry of Economy and Sustainable Development of Georgia/LEPL Enterprise Georgia.

The goal of the activity: Necessary financial support for the development of micro and small businesses, the introduction of modern entrepreneurial culture and the creation of new jobs, starting businesses and/or revamping the existing businesses through co-financing of loan/leasing interest.

As part of the industrial and universal industrial component of the program Enterprise Georgia, the Agency is performing co-financing of the annual (effective) interest rate charged to the credit issued to a beneficiary, in the frame of the allocation thereof under the state budget, according to the conditions stipulated by the program. In the case of a loan under the industrial component, the Agency is subsidising loan interest for three years, NBG refinancing rate plus 3% and in the case of leasing, at the duration of the leasing, NBG refinancing rate plus 5% while, in the case of a loan under the universal industrial (business universal) loan, the Agency subsidises the loan interest for the duration of the loan, NBG refinancing rate minus 5% and in case of leasing for the duration of the leasing, NBG refinancing rate minus 3%.

**Realised Activities**

As part of the Enterprise Georgia, LEPL Industrial and Business Universal Program, as of December 31, 2022, GEL 14,655,831 was transferred for co-financing interest on loan/lease for expansion/revamping/modernisation of 255 new or existing enterprises.

## Indicator Realisation and Budget Expenditure

During the reporting period, GEL 14,655,831 was transferred for co-financing interest on loan/lease for expansion/revamping/modernisation of 255 new or existing enterprises under the Industrial and Business Universal Program. In the mentioned strategy, the estimated budget 2022 was produced based on the 2021 budget, although a higher budget was approved for the programs mentioned in 2022. Respectively, more companies that estimated could benefit from the mentioned program.

Objective 1.2: To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
Number and title of the activity:	Activity 1.2.10. The co-financing interest rate for credit and leasing of an industrial component
Responsible agency:	The Ministry of Economy and Sustainable Development of Georgia/LEPL Enterprise Georgia.
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, co-financing will be provided for the expansion/revamping/modernisation of ninety new or existing enterprises.	<b>Realised:</b> In 2022, co-financing was provided for the expansion/revamping/modernisation of 255 new or existing enterprises.
Budget	
<b>Estimated:</b> <u>GEL 4,000,000</u>	<b>Actual:</b> <u>GEL 14,655,831</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

### Activity 1.2.11: Co-financing an interest rate for credit and leasing for the development/expansion of the hospitality industry

Responsible agency: The Ministry of Economy and Sustainable Development of Georgia/LEPL Enterprise Georgia.

The goal of the activity: Development and promotion of entrepreneurship.

As part of the industrial and universal industrial component of the program Enterprise Georgia, the Agency is performing co-financing of the annual (effective) interest rate charged to the credit issued to a beneficiary, in the frame of the allocation thereof under the state budget, according to the conditions stipulated by the program. In the case of a loan under the industrial component, the Agency is subsidising loan interest for three years, NBG refinancing rate plus 3% and in the case of leasing, at the duration of the leasing, NBG refinancing rate plus 5% while, in the case of a loan under the universal industrial (business universal) loan, the Agency subsidises the loan interest for the duration of the loan, NBG

refinancing rate minus 5% and in case of leasing for the duration of the leasing, NBG refinancing rate minus 3%.

**Realised Activities:** Co-financing the interest on credit and leasing in the hotel industry development/expansion – data. As part of Industrial and Business Universal Programs of Enterprise Georgia, LEPL, as of December 31, 2022, GEL 11,786,940 was transferred for co-financing interest on loan/leasing to 173 new/existing hotels for expansion/revamping/modernisation.

**Indicator Realisation and Budget Expenditure:**

<b>Objective 1.2: To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments</b>	
Number and title of the activity:	1.2.11. Co-financing an interest rate for credit and leasing for the development/expansion of the hospitality industry
Responsible agency:	The Ministry of Economy and Sustainable Development of Georgia/LEPL Enterprise Georgia.
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, co-financing of expansion/revamping/modernisation of eighty new or existing hotels will be provided.	<b>Realised:</b> In 2022, co-financing was provided for the expansion/revamping/modernisation of 173 new or existing hotels.
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 8,000,000</u>	<b>Actual:</b> <u>GEL 11,786,940</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

**Activity 1.2.12: Establishment of greenhouse cluster**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency; Imereti Agro Zone Ltd.

The goal of the activity: Stimulating the maximum use of the export potential of the traditional export sector of Western Georgia, in particular, the greenhouse sector (greens and greenhouse vegetables) and hence, increase the export revenues, promoting access to new markets for traditional export industries and consequently diversifying export markets; creating preconditions for the growth of revenues for entrepreneurs traditionally involved in the sector (small and medium) through the use of new

opportunities; creating a model for greenhouse sector modernisation and knowledge sharing across the country; creating preconditions for establishing Kutaisi as a logistical hub.

### **Realised Activities**

In 2022, Imereti Agro Zone, Ltd founded the Horticulture Training and Demonstration Center (HTDC), a non-entrepreneurial (non-commercial) legal entity. 4.2ha non-agricultural land plot in Baghdati city, adjacent to the college Iberia, was selected for HTDC. The territory has already been delineated, and final works are underway to transfer the part of the land plot 2.7 ha to HTDC into use. The entire geological and geodesic examination has already been performed on the territory. Furthermore, a group has been formed made up of the members of HTDC, and it will prepare a term of reference for the detailed design of the building, structure, and territory.

Moreover, Imereti Agro Zone, Ltd received a 1.4 ha land plot from the state adjacent to the territory selected for the HTDC. This non-entrepreneurial (non-commercial) legal entity will be transferred to the Horticulture Training and Demonstration Center, a non-entrepreneurial (non-commercial) legal entity into use soon.

Currently, 12A, 35B (including Georgian Herbs Producers' Association with over 1,000 farmers and the Seed Producers and Nurseries Association of Georgia), and 4C class members are part of the Horticulture Training and Demonstration Center, non-entrepreneurial (non-commercial) legal entity. Intensive work is underway on attracting new members; numerous meetings were conducted with the farmers operating in the Tskaltubo Municipality during the search for potential members. As part of the meetings, the problems of the farmers and their solutions are identified.

In 2022, a final report of the expression of interest announced in 2021 and the receipt of proposals was prepared. Furthermore, standard contracts for selling land plots and leasing out were developed.

Under the call for proposals announced in 2021, from among the submitted proposals, the final stage of negotiations is underway with two companies, as part of which 10ha territory of the Baghdati land plot will be leased out.

In 2022, the implementation of Phase 1 of the Development of the Imereti Agro Zone, Ltd greenhouse farms' cluster was launched, as part of which the Imereti Agro Zone, Ltd acquired 2-year consultation services.

For the detailed design of the Baghdati plot, terms of reference were developed based on which the market survey was conducted to determine an estimated detailed design cost.

Moreover, in 2022 intensive preparation was underway for the call for proposals to be announced in 2023, preparatory works were conducted, and the conditions for the proposal submission were agreed upon.

In 2022, Imereti Agro Zone, Ltd and the Horticulture Training and Demonstration Center became full-fledged members of international Organisation/associations, such as:

- European Business Association - EBA.
- UN Global Compact.

- Imereti Agro Zone, Ltd has additionally joined the following Organisation:
- EU Georgia Business Council - EUGBC.

### Indicator Realisation and Budget Expenditure

In 2022, infrastructure projects will be developed, and relevant works will be implemented. During the reporting period, terms of reference for detailed designs for critical infrastructure (internal and external roads, natural gas and electricity supply network, drainage and irrigation system, sewage system, fencing and levelling of the territory, etc.) were prepared for the Baghdati land plot.

The estimated budget for 2022 was GEL 1,000,000.00, and the actual budget utilisation was GEL 3,500,000.00.

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
Number and title of the program:	Activity 1.2.12: Establishment of greenhouse cluster
Responsible agency:	Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022 infrastructure projects will be prepared, and relevant works will be conducted.	<b>Realised:</b> In 2022, terms of reference for detailed design for the vital infrastructure of the Baghdati land plot (internal and external roads, natural gas and electricity supply network, drainage and irrigation system, sewage system, fencing and levelling of the territory, etc.) was prepared for the Baghdati land plot.
Budget	
<b>Estimated:</b> GEL 1,000,000.00	<b>Actual:</b> GEL 3,500,000.00

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

### Activity 1.2.13: Co-financing projects in the field of non-agricultural and renewable energy/energy efficiency

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the activity: Supporting the development of non-agricultural entrepreneurial activities in rural areas, which, in turn, will facilitate stimulating the economic development of the municipality, improving the socio-economic situation, diversifying the economy, creating new jobs, overcoming the challenges related to the environment and climate change and the efficient use of natural resources.

### Realised Activities

In 2022, under the program, the existing enterprises, as well as new start-up businesses, were financed in the target municipalities (Khulo, Keda, Borjomi, Akhalkalaki, Dedoplistskaro, Tetrtskaro, Lagodekhi, Kazbegi). The training was conducted for the staff of the counselling centres in the regions to promote the program and better understand the conditions. Non-agricultural and energy-efficient projects were funded under the program.

In 2022, the following outcomes were obtained because of the activities conducted within the framework of the program:

- The number of concluded contracts - 25.
- The number of beneficiaries involved in the program - 25.
- Agency co-financing in approved projects – GEL 2,331,237.
- Total investment in approved projects – GEL 3,285,098.

### Indicator Realisation and Budget Expenditure

In 2022, as part of the activity, it was planned that five beneficiaries would receive co-financing from the Agency. Twenty-five beneficiaries were contracted/co-financed during the reporting period.

The estimated budget for 2022 was GEL 700,000.00, and the actual budget utilisation was GEL 5,157,473.47.

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments						
Number and title of the program:			Activity 1.2.13: Co-financing projects in the field of non-agricultural and renewable energy/energy efficiency			
Responsible agency:			The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency			
Reporting (monitoring) period:			01.01.2022 - 31.12.2022			
Performance Indicators						
<b>Planned:</b> In 2022, 5 beneficiaries will receive co-financing from the Agency.			<b>Realised:</b> In 2022, 25 beneficiaries were contracted/co-financed.			
Budget						
<b>Estimated:</b> <u>GEL 700,000.00</u>			<b>Actual:</b> <u>GEL 5,157,473.47</u>			
		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				

Progress evaluation		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.2.14: Stimulating agricultural landowners with state subsidies (In response to challenges caused by COVID-19)

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the activity: Supporting the primary production of agricultural products by stimulating the owners of agricultural land plots registered with the LEPL National Agency of Public Registry.

#### Realised Activities

In 2022, JSC Liberty Bank started distributing relevant agro cards to project beneficiaries and accruing relevant agro points corresponding to information provided by the Agency. With accrued agro points, project beneficiaries could purchase agricultural goods from companies that sell agricultural goods and have received valid permanent recognition from the LEPL National Food Agency.

In 2022, the following outcomes were obtained because of the activities conducted within the framework of the project:

- ✓ The number of farmers with points accrued on their cards - was 326,651.
- ✓ The subsidy amount accrued on the cards (GEL) – GEL 38,987,813.
- ✓ The number of farmers who used agro cards - 299,548.
- ✓ The amount of subsidy utilised (GEL) – GEL 35,752,914.

#### Indicator Realisation and Budget Expenditure

In 2022, 240,000 beneficiaries (farmers/agricultural landowners) will receive the subsidy. 326,651 beneficiaries (farmers/agricultural landowners) received subsidies during the reporting period.

The estimated budget for the measures under the activity for 2022 was GEL 35,000,000.00, and the actual budget utilisation was GEL 35,752,914.10.

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
Number and title of the activity:	Activity 1.2.14: Stimulating agricultural landowners with state subsidies (In response to challenges caused by COVID-19)
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

Performance Indicators	
<b>Planned:</b> In 2022, 240,000 beneficiaries (farmers/agricultural landowners) will receive the subsidy.	<b>Realised:</b> In 2022, 326,651 beneficiaries (farmers/agricultural landowners) received the subsidy.
Budget	
<b>Estimated:</b> <u>GEL 35,000,000.00</u>	<b>Actual:</b> <u>GEL 35,752,914.10</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

### Activity 1.2.15: Business Sophistication of Cooperatives and/or Producers' Associations (ENPARD IV, Indicator 1.4)

Objective 1.2 To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments.	
Number and title of the activity:	Activity 1.2.15: Business Sophistication of Cooperatives and/or Producers' Associations (ENPARD IV, Indicator 1.4)
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.07.2020 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, 35 cooperatives and/or producers' associations will receive at least one entrepreneurial loan from a commercial bank or microfinance organisation from 01.07.2020-31.12.2022.	<b>Realised:</b> For 01.07.2020-31.12.2022, 36 cooperatives received at least one entrepreneurial loan from a commercial bank or a microfinance organisation.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

### Activity 1.2.16: Business Sophistication of agro-food producers (ENPARD IV, Indicator 1.5)



Objective 1.2 To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments.	
Number and title of the activity:	Activity 1.2.16: Business Sophistication of agro-food producers (ENPARD IV, Indicator 1.5)
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/Marketing Board/Department of Agriculture, Food and Rural Development
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicator	
<b>Planned:</b> In 2022: additional thirty agro-food product producers will receive at least one quality mark during the period of 01.01.2020 - 31.12.2022	<b>Realised:</b> From 01.01.2020 to 31.12.2022, 31 companies received the right to use a quality mark logo.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

#### Activity 1.2.17: Business upgrading of cooperatives (ENPARD IV, Indicator 1.8)

Objective 1.2 To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments.	
Number and title of the activity:	Activity 1.2.17: Business upgrading of cooperatives (ENPARD IV, Indicator 1.8)
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2020 - 31.12.2022
Performance Indicators	
<b>Planned:</b> 2023 at least fifteen cooperatives will register agro-food products, brands, and/or trademarks for 2020-2023.	<b>Realised:</b> In 2022, preparatory works were conducted, and one cooperative registered a trademark of the cooperative at Sakpatenti 2022.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			X		
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

**Activity 1.2.18 Employment of women in rural areas in non-agricultural fields (ENPARD IV, Indicator 2.9)**

Objective 1.2 To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments.	
Number and title of the activity:	Activity 1.2.18 Employment of women in rural areas in non-agricultural fields (ENPARD IV, Indicator 2.9)
Responsible agency:	Ministry of Environmental Protection and Agriculture of Georgia / member agencies of the Interagency Coordinating Council for Agriculture and Rural Development.
Reporting (monitoring) period:	01.01.2020 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2023, the number of women employed in non-agricultural fields in rural areas will increase by 10% compared to 2020.	<b>Realised:</b> The number of women employed in non-agricultural fields in rural areas was 112,000 in 2020 (baseline indicator in numbers); the figure for 2021 was 111,963 (baseline indicator in numbers), and the indicator for 2022 is being processed.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			X		
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

**Activity 1.2.19. Financial sustainability of selected LEADER/CLLD initiatives (ENPARD IV, Indicator 2.8)**

Objective 1.2 To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments.	
Number and title of the activity:	Activity 1.2.19. Financial sustainability of selected LEADER/CLLD initiatives (ENPARD IV, Indicator 2.8)
Responsible agency:	Ministry of Environmental Protection and Agriculture of Georgia / member agencies of the Interagency Coordinating Council for Agriculture and Rural Development.
Reporting (monitoring) period:	01.01.2020 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2023: with the state funding, a system and mechanism for financing selected rural development projects initiated by LEADER/CLLD (registered/recognised) will be established and operational.	<b>Realised:</b> In 2022, the local support program based on the LEADER/CLLD approach was developed.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.2.20: Co-financing of the purchase of agricultural mechanisation for farmers

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency.

The goal of the activity: The program's goal is the implementation of agro-technical activities within the agricultural timeframes relevant to crops—the enhancement of the mechanisation base in the country. For the purpose above, the Program envisages co-financing of new (not in operation) agricultural equipment. Under the Program, agricultural tractors, implements, and hand tractors were financed at 30-35%, not to exceed GEL 70,000.

#### Realised Activities

During 2022, agricultural equipment was co-financed for all regions of Georgia under the program. The training was conducted for the employees of consultation centres in the regions to promote the program and enhance their awareness. Throughout 2022, the program has served over 1,900 beneficiaries. Special agricultural equipment with hundreds of millions of GEL was imported into the country.

In 2022, the following outcomes were obtained because of the activities conducted within the framework of the program:

- The number of concluded contracts - 108.
- The number of beneficiaries engaged in the program - 108.
- Agency co-financing in the approved projects – GEL 1,833,632.
- Total investment in the approved projects – GEL 5,511,853.

The global hostilities led by the Russian Federation on the Ukrainian territory pose a risk of the delay of the program implementation. This limits cargo shipments, and equipment-producing companies can only operate at a small capacity.

To minimise this obstacle, communication was led with beneficiaries to speed up the process of eliminating the problems that emerged during program implementation. Furthermore, the timeframes for the fulfilment of objectives were extended.

#### Indicator Realisation and Budget Expenditure

In 2022, as part of the activity, it was planned to co-finance the purchase of agricultural equipment for 4,000 beneficiaries. Over the reporting period, financing for the purchase of agricultural equipment was financed by 1,911 beneficiaries.

The average value of agricultural equipment purchased under the program is higher than planned at the initial stage and is around GEL 70,000. Respectively, as part of the existing budget, co-financing was provided to 1,911 beneficiaries.

The estimated budget for 2022 was GEL 40,000,000.00, while the actual budget utilisation was GEL 38,833,132.64.

The Agency issues co-financing under the program after a beneficiary fully meets obligations. Specifically, after it pays its co-participation amount and receives agricultural equipment, some beneficiaries fail to meet the precondition for co-financing. Hence, part of the program budget could not be utilised.

<b>Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments</b>	
Number and title of the activity:	Activity 1.2.20: Co-financing of the purchase of agricultural mechanisation for farmers
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, the purchase of agricultural equipment will be co-financed for 4,000 beneficiaries.	<b>Realised:</b> In 2022, the purchase of agricultural equipment was co-financed for 1,911 beneficiaries.
Budget	
<b>Estimated:</b> <u>GEL 40,000,000.00</u>	<b>Actual:</b> <u>GEL 38,833,132.64</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			X		
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.2.21: Establish new enterprises in four pilot regions or expand/ upgrading of the existing enterprises.

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency

The goal of the activity: The goal of the program is to promote increased competitiveness of Georgia and its regions, balanced socio-economic development and the improvement of the living conditions of the residents of the regions, reduction of regional disparities and territorial development.

#### Realised Activities

For the promotion of the program and better information about the conditions, meetings were conducted with the residents in the pilot regions. In 2022, 43 beneficiaries benefited from the program.

In 2022, the following outcomes were obtained because of the activities conducted within the framework of the program:

- The number of concluded contracts - is 43.
- The number of beneficiaries engaged in the program - 43.
- Agency co-financing in the approved projects – GEL 18,122,552.
- The amount of the issued loan – is GEL 30,272,030.

The global events and hostilities led by the Russian Federation on the territory of Ukraine pose the risk of delaying the program implementation. The aforementioned has caused limited cargo shipments, and beneficiaries may need help with the timely receipt of imported assets. Still, since the timeframe for achieving the goal is 18 months, the risk of delay in program implementation is low.

### Indicator Realisation and Budget Expenditure

In 2022, as part of the activity, it was planned to co-finance the establishment of new enterprises or expansion/revamping of existing enterprises for thirty-five beneficiaries. During the reporting period, co-financing for establishing a new enterprise or expansion/revamping of an existing enterprise was provided to forty-three beneficiaries.

The estimated budget for 2022 was GEL 20,000,000.00, while the actual budget utilisation was GEL 17,569,004.00.

*The misbalance between the estimated budget and actual budget utilisation is due to the low activeness of the Guria, Racha-Lechkhumi, and Kvemo Svaneti regions. The budget envisaged for the Kakheti and Imereti regions has been fully utilised.*

Objective 1.2. To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments	
Number and title of the program:	Activity 1.2.21: Establishing new enterprises or the expansion/revamping of existing enterprises in four pilot regions
Responsible agency:	Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, it was planned to co-finance the establishment of new enterprises or the expansion/revamping of the existing enterprises for thirty-five beneficiaries.	<b>Realised:</b> In 2022, co-financing the establishment of new enterprises or the expansion/revamping of existing enterprises was co-financed for forty-three beneficiaries.
Budget	
<b>Estimated:</b> <u>GEL 20,000,000.00</u>	<b>Actual:</b> <u>GEL 17,569,004.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.2.22 Inventory of windbreaks (field protection) belts

Responsible agency: The Ministry of Environmental Protection and Agriculture/ The National Agency for Sustainable Land Management and Land Use Monitoring, LEPL

The goal of the activity: Identification of windbreaks in Georgia, inventory, describing their actual condition, registration of state-owned windbreak belt territory as an agricultural land plot at the National Agency of Public Registry, LEPL and granting the status of a windbreak (field protection) belt.

#### Realised Activities

The wind break (field protection) belt inventory is performed by the National Agency for Sustainable Land Management and Land Use Monitoring by outsourcing services. Via an electronic tender, state procurement of the services of the inventory of windbreak (field protection) belts in Sagarejo and Marneuli municipalities (total area – 880 ha) was performed.

An inspection group has been formed within the National Agency for Sustainable Land Management and Land Use Monitoring to control compliance with contract conditions. The group is comprised of the employees of the Monitoring Division of the Agency. From July through December 2022, service providers gradually submitted to the Agency materials about the results of the inventory of windbreak belts. With the purpose of the inspection, on-site (field) inspection of land plots was performed nineteen times in Sagarejo municipality and fourteen times in Marneuli municipality (random selection). Relevant reports were produced. In a few cases, deficiencies were identified concerning which recommendations were issued, and they were considered by the service providing Company; subsequently, the provided services were accepted as fulfilled in Sagarejo Municipality for 571.14 ha territory and in Marneuli Municipality for 345.70 ha, total area – 916.84 ha.

#### Indicator Realisation and Budget Expenditure

Under the Windbreak belt inventory plan approved under Order N2-66 dated February 2, 2022, of the Minister of Environmental Protection and Agriculture, throughout 2022, it was planned to inventory 880 ha wind break (field protection) belts. During the inventory, more windbreak (field protection) belts were identified on-site than planned. The difference above is due to the inaccuracy of the 2004 land balance data. The results of the inventory of the wind break (field protection) belt were as follows: 595 units of land plots were inventoried in Sagarejo Municipality, a total of 571.14 ha area, while in Marneuli Municipality, 608 units of land plots were inventoried, a total of 345.7 ha area wind break (field protection) belts, with total area 916.84 ha.

The wind break (field protection) belts inventoried in the Telavi Municipality in 2021 were registered at the National Agency of Public Registry (NAPR), in particular:

Eight hundred fifty-three land plots were registered under state ownership and windbreak status, with an area of 262 ha.

The status of 180 windbreak belts within the boundaries of the land plots registered under the state ownership was a registered area of 57ha.

Concerning budget utilisation, the National Agency for Sustainable Land Management and Land Use Monitoring conducts the inventory of the wind break (field protection) belts via outsourcing services. Consequent to the market research results and the budget, an electronic tender was announced for GEL 600,000.00. The winning bidder's price was GEL 480,001.00, and a relevant contract was concluded for this amount, giving rise to the savings in the tender in the amount of GEL 119,999.00. The activity was implemented under the windbreak (field protection) belt inventory state program.

<b>Objective 1.2: To develop agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; To increase access to various financial instruments</b>	
Number and title of the activity:	Activity 1.2.22: Inventory of windbreak (field protection) belts
Responsible agency:	The Ministry of Environmental Protection and Agriculture/ The National Agency for Sustainable Land Management and Land Use Monitoring, LEPL
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, about 880 ha area of windbreak (field protection) belts (Sagarejo – 529 ha; Marneuli – 351 ha) were inventoried in Sagarejo and Marneuli municipalities and registered in the Public Registry;	<b>Realised:</b> In 2022, 916.84 ha wind break (field protection) belts were inventoried. (571.14 ha was inventoried in the Sagarejo Municipality and 345.7 ha – in the Marneuli Municipality).
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 600,000.00</u>	<b>Actual:</b> <u>GEL 480,001.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

### Objective 1.3 To support the integration of farmers/entrepreneurs into the market.

To accomplish Objective 1.3, 5 activities were carried out in 2022, including support/measures for the promotion of Georgian agro-food products, ensuring the promotion of Georgian vine origin, developing a system of appellations of origin and geographical indications, supporting the implementation of international food production standards, and establishing the Cadastre of vineyards. The Ministry of Environmental Protection and Agriculture of Georgia and its agencies carried out all objectives of the Objective.

The Ministry of Environmental Protection and Agriculture and its sub-agencies implemented all the activities under the Objective.

**For the attainment of the goals under the objective throughout 2022:**

- ⇒ Georgian agro-food products participated (their participation was ensured) in eight exhibitions-tasting events in different countries and within the country.
- ⇒ Forty-one exhibitions/festivals of Georgian agro-food products were held internationally and nationally.
- ⇒ Participation in sixty-five tastings/forums/seminars (including online tasting) events in different countries and within the country was ensured.
- ⇒ In 2022, specifications were developed for four new protected appellation of origin wines (Zegaani, Okureshi Usakhelouri, Okami, Asuretuli Shala).
- ⇒ In 2022, an application was submitted to register a collective trademark Alazani Valley in the Republics of Kazakhstan and Belarus.
- ⇒ Forty-four beneficiaries ensured the introduction of international food safety standards and certification (ISO-22000 / HACCP / GLOBAL G.A.P / BIO / BRC / IFS / FSSC-22000)
- ⇒ In 2022, the cadastre was developed for vineyards in Shida Kartli, Kvemo Kartli, Samtskhe-Javakheti and Mtskheta Mtianeti regions. Orthophotos were taken for 7,000 ha, and boundaries of vineyards were drawn for around 2,300 ha.

**State expenditures in 2022 for the activities towards the Objective 1.3 are GEL 12,249,263.58.**

### **Activity 1.3.1.: Supporting/implementing activities to promote Georgian agro-food products.**

Responsible agency: Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency

The goal of the activity: promote Georgian agro-food products.

#### **Realised Activities**

Georgia took part in six international exhibitions; two exhibitions were held in Georgia.

- During November 18-20, over fifty local producers participated in the international Agro/Food/Drink/Tech/Expo 2022.
- During October 17-20, 10 Georgian companies participated in Riyadh's Saudi Agriculture International Trade Exhibition.
- During September 8-10, the products of around 20 Georgian companies were exhibited at the international exhibition RIGA FOOD 2022, held in Riga, Latvia.
- During August 24-28, 8 honey producers presented their products at the exhibition APIMONDIA 2022 in Istanbul, the Republic of Turkey.
- On May 26, 14 companies participated in the exhibition dedicated to the Independence Day of Georgia in Gori.
- On May 18-20, 14 companies participated in the international exhibition CASPIAN AGRO 2022 in Baku, the Republic of Azerbaijan.



- During April 5-7, six Georgian companies participated in the international exhibition FRUITLOGISTICA 2022, held in Berlin, the Federal Republic of Germany.
- During March 10-14, the Georgian stand was arranged at the international agricultural exhibition Agriteq 2022 in Doha, Qatar. 14 Georgian companies participated in this international exhibition.

### Indicator Realisation and Budget Expenditure

The plan for 2022 was the participation/ensuring participation of Georgian agro-food products in five international exhibitions in various countries of the world and Georgia. Over the reporting period, Georgian agro-food products participated/participation was ensured in eight exhibition-tasting activities internationally and in Georgia.

In 2022, the estimated budget for the measures under the activity was GEL 500,000.00, and the actual budget utilisation was GEL 1,444,302.68.

Objective 1.3 To support the integration of farmers/entrepreneurs into the market	
Program number and title:	Activity 1.3.1: Supporting/implementing activities to promote Georgian agro-food products
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/ non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, it was planned to participate/ensure participation of Georgian agro-food products in five international exhibition-tasting events in various countries and Georgia.	<b>Realised:</b> In 2022, Georgian agro-food products participated/participation was ensured in eight exhibition-tasting activities internationally and in Georgia.
Budget	
<b>Estimated:</b> <u>GEL 500,000.00</u>	<b>Actual:</b> <u>GEL 1,444,302.68</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Realised activities

On March 9-10, 2022, Vinexpo America, an international exhibition of wine and spirits, was held in New York, USA. From March 28 to April 1, a professional training course was provided to the representatives of small wine cellars from Racha-Lechkhumi. On March 29, Levan Mekhuzla, the Chair of the National Wine Agency, met with the representatives of about seventy major wine-producing and exporting companies and familiarised them with the goals, requirements and technical aspects related to

participation in the new Georgian wine promotion program. At the end of last year, the Government of Georgia approved the State Program for the Promotion of Georgian Wine, aimed at bolstering the visibility of Georgian wines around the globe and enhancing exports to new markets. On April 28, the tasting of Georgian wine was held in London. On May 6, the Exhibition Georgia – 8,000 Years of Winemaking was opened in Zurich, Switzerland. Exhibits related to the culture and history of Georgian wine, artefacts and other informational-illustrative material were exhibited for six months at the Zurich ethno wine museum Ortsmuseum Hongg. The tasting of Georgia wine was held on May 1 in the UK. Georgian wine importers presented about 60 Georgian wines during the London tasting. On May 13, ZERO COMPROMISE, the natural wines festival, was held in Tbilisi. The third festival, ZERO COMPROMISE, was held in Tbilisi at the former Silk Factory. On May 14, 13<sup>th</sup> the New Wine Festival was held in Mtatsminda Park. On May 14-15, RAW (The Artisan Wine Fair) was held in London, the UK. On May 15-17, ProWein-2022, the international exhibition of wine and spirits, was held in Dusseldorf, Germany. On May 16, the Wine Hub, a Georgian wine masterclass and presentation, was held at the Stockholm School of Sommeliers, Sweden, to promote Georgian wine in the Nordic States. On May 20, the tasting of Georgian wine was held in Shenzhen, China. On May 19, a Georgian wine-tasting seminar was held in Warsaw, the capital of Poland. On May 25, another tasting of Georgian wine and a seminar was held in Warsaw, the capital of Poland, aimed at promoting Georgian wine and the diversification of export markets. On May 20-23, ROME WINE EXPO was held in Rome, Italy. On June 10-12, WinExpo Georgia 2022, the 14<sup>th</sup> international exhibition of wine and spirits, was held. On June 7-9, the London Wine Fair 2022, an international fair of wine and spirits, was held at the Olympia London, an Exhibition Center in London. On June 19, the wine festival Merano was held; this festival has been held in Italy since 1992. On June 13-17, a team of British wine professionals visited Georgia. On June 21, a Georgian wine presentation was held in Gdansk, Poland. During June 24-26, the first wine festival of Racha-Lechkhumi was held. The tasting of Georgian wine was held for importers and distributors in Shenzhen, China. As part of the activities aimed at the diversification of markets, National Wine Agency representatives visited the Kingdom of Denmark during June 20-23. The screening of the scientific documentary - Georgia, the Homeland of Wine - was held in Aarhus, Denmark. The tasting of Georgian wines followed the screening. On July 8, 36 Georgian wine-producing companies presented over one hundred different wines during the tasting in Leipzig; during August 13-20, wine professionals from the US visited Georgia for a visit. During August 26-28, Ivane Javakhishvili Tbilisi State University hosted the 14<sup>th</sup> Conference of the American Association of Wine Economists. On September 3, about three hundred visitors attended the event Discover Georgian Wine held in Tokyo, the capital of Japan. During September 5-9, wine professionals from Asia (China, Hong Kong, Singapore) visited Georgia under the leadership of Debra Meiburg, Master of Wine, director of the marketing company "Meiburg Wine Media", the contractor of the National Wine Agency. During September 12-15, a team of British wine professionals visited Georgia to enhance the visibility of Georgian wine on the UK wine market and boost its export potential. On September 22, a major event dedicated to Georgian wine was held in Seoul, the capital city of the Republic of Korea. One hundred forty visitors attended the event. International Wine & Spirit Competition (IWSC), an international wine competition, was held in Georgia. 288 Georgian wines received medals, sixteen gold, sixty-three silver and 209 bronze. On November 6-7, Georgian Qvevri wines were represented at the RAW Wine, the exhibition of natural wines in Los Angeles. On November 13-14, they were represented in New York City at the exhibition of the same format, RAW Wine NY. In 2023, Georgia will become chair of the World Wine Trade Group (WWTG). Levan Mekhuzla, Chair of the National Wine Agency, participated in an annual WWTG meeting held on November 6-9 in Santa Rosa, California,

USA. On November 11-13, seven Georgian wine companies participated in Stockholm Food and Wine Exhibition in Sweden. 24 Georgian wine-producing companies participated in the international exposition EnoExpo 2022 on November 16-18 in Krakow, Poland. On November 15-17, the Georgian Wine Forum was successfully held in California. 18 Georgian Qvevri wine cellars presented their Qvevri wines at RAW Wine, the exhibition of natural wines, on November 27, in Berlin. On November 23-30, as part of the Georgian wine week in Berlin, tasting of Georgian wines from 10 small Georgian wine cellars was held at three locations. December 3-4, 2022, the Georgian Winemaking Women Without Borders project was implemented in Krakow on December 3-4.

### Indicator Realisation and Budget Expenditure

Objective 1.3: To support the integration of farmers/entrepreneurs into the market	
Number and title of the activity:	Activity 1.3.1: Supporting/implementing activities to promote Georgian agro-food products
Responsible agency:	LEPL National Wine Agency of the Ministry of Environmental Protection and Agriculture of Georgia
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicator	
<b>Planned:</b> In 2022, participation/ensuring participation in eleven exhibitions and tasting of Georgian agro-food products in various countries and within the country; eighteen exhibitions of wines and spirits will be organised in different countries of the world and within the country.	<b>Realised:</b> In 2022, 41 exhibitions/festivals of Georgian agro-food products on international and local markets and sixty-five tasting events (including online tasting events) in various countries and within the country.
Budget	
<b>Estimated:</b> <u>GEL 12,000,000.00</u>	<b>Actual:</b> <u>GEL 9,451,700.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
						X

### Activity 1.3.2: Stimulating Promotion of Georgian Wine Origin

Responsible agency: Ministry of Environmental Protection and Agriculture of Georgia/LEPL National Wine Agency.

The goal of the activity: Study Aboriginal vine varieties and wild vines by ampelography and molecular genetics methods.

### Realised Activities

Bi-lingual (Georgian and English) books were produced and published – Climate Analysis for Modern Georgian Viticulture: Practical Guide for Viticulturists - authored by the University of Milan and Georgian researchers. The books are practical and are aimed at technical employees of winegrowers. Carbonised grape seeds discovered on the territory of the Gonio-Apsaros Fortress and provided by the Agency for

Cultural Heritage of Adjara were dated at the D-Reams Laboratory, Weizmann Institute of Israel, using the radiocarbon method, and was established that they date to late medieval ages. Twenty grape seeds from the Gonio-Apsaros fortress were sent to Laurent Bouby, a researcher at Montpellier University, for biometric dating to recover the historical timeline of winegrowing on the territory of Georgia. Gabriele Cola, a researcher at the University of Milan, collected and processed the data on the phenological phases of wild and cultivated vines supplied thereof for 2017-2022, as well as agro-climatic data for respective years to identify the specificities of phenological phases among these groups based on climatic parameters. The material was collected for publishing a scholarly article in the future. Participation was ensured in the Fifth *Uvino* Forum of America conference held at the University of California (USA), Davis, on November 16, 2022. At the Conference, project participants David Magradze, Laura Rustioni (Salento University), Gabriele Cola and Gabriela Di Lorenzi (University of Milan) made four presentations about the works conducted under the project dedicated to Georgian vine genetic resources and agro-climatic specificities of Georgian viticulture. Three scholarly articles co-authored by D. Magradze were published on behalf of the National Wine Agency.

### Indicator Realisation and Budget Expenditure

Objective 1.3: To support the integration of farmers/entrepreneurs into the market	
Number and title of the activity:	Activity 1.3.2: Stimulating Popularization of Georgian Wine Origin
Responsible agency:	LEPL National Wine Agency of the Ministry of Environmental Protection and Agriculture of Georgia
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> 2022 twenty Aboriginal and wild vine varieties will be studied based on ampelography and molecular genetics methods.	<b>Realised:</b> In 2022, twenty Aboriginal and wild vine varieties were studied based on ampelography and molecular genetics methods.
Budget	
<b>Estimated:</b> GEL 50,000	<b>Actual:</b> <u>GEL 22,900</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Eager	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			X

### Activity 1.3.3: Developing a system for an appellation of origin and geographical indications.

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/LEPL National Wine Agency.

The goal of the activity: Protection of Georgian appellations of origin and geographical indications at local and international markets.

### Realised Activities

In 2022, specifications were developed for four new protected appellation of origin wines (Zegaani, Okureshi Usakhelouri, Okami, Asuretian Shala)

### Indicator Realisation and Budget Expenditure

Legal services were procured within the program's framework to protect the collective trademark "Alazani Valley" abroad in Estonia. As part of this service, the patent holder filed a request for reconsideration of the trademark application, which the Estonian Patent Office satisfied. Qvevri is the first non-food product added to the State Register of Appellations of Origin and Geographical Indications. The protection of Qvevri as a geographical indication is significant for Georgia, which has an 8-thousand-year continuous history of winemaking. Making wine using the traditional Georgian method relates to the national wine vessel - Qvevri. Making a Qvevri is the intellectual product of the Georgian people. The name of the 25<sup>th</sup> appellation of origin was registered: Maghraani Kisi.

<b>Objective 1.3: To support the integration of farmers/entrepreneurs into the market</b>	
Number and title of the activity:	Activity 1.3.3: Developing a system for an appellation of origin and geographical indications
Responsible agency:	LEPL National Wine Agency of the Ministry of Environmental Protection and Agriculture of Georgia
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022 around 20 Georgian appellations of origin wines will be protected in various world countries.  In 2022, forms of a specification to produce three new protected appellation of origin wines will be developed;	<b>Realised:</b> In 2022, an application was filed to register a collective trademark Alazani Valley in the republics of Kazakhstan and Belarus.  In 2022, specifications were developed for four new protected appellation of origin wines (Zegaani, Okureshi Usakhelouri, Okami, Asuretian Shala)
<b>Budget</b>	
<b>Estimated:</b> GEL 50,000.00	<b>Actual:</b> GEL 33,900.00

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			X		
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### **Activity 1.3.4: Promoting the introduction of international standards for food production.**

Responsible agency: Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency

The goal of the activity: Supporting the enhancement of quality, safety, traceability, and competitiveness of the products produced/to be produced by beneficiaries funded/to be funded within the framework of the programs/projects implemented by the Agency by co-financing the relevant activities, which comprises:

- Introduction of international food safety systems and standards.
- Assisting in branding and packaging design to optimise marketing activities.
- Co-financing the equipment necessary for agricultural cooperatives to bring products into the final marketable state.

#### **Realised Activities**

In 2022, the following activities were implemented, and results were obtained under the project:

- Throughout the year, communication/consultations were conducted with current and potential program beneficiaries to enhance the program's visibility and refinement/optimisation conditions and procedures.
- The USAID Agriculture Program and the Technical Assistance office conducted training on various topics for the beneficiaries of the Rural Development Agency, a non-entrepreneurial (non-commercial) legal entity.

#### **Furthermore, the following activities were implemented during the reporting period:**

- International food safety standards – 51 contracts were signed.
- Branding – 31 contracts were signed.
- Co-financing the equipment for agricultural cooperatives to bring products into a final marketable state – 9 contracts were signed.
- Trademark registration – 3 contracts were signed.
- The number of International Food Safety Standards implemented under the State Technical Assistance Program – 44 standards were introduced.
- The number of products/companies branding under the State Technical Assistance Program – 19 brandings were implemented.
- Registration of a trademark – was made by one beneficiary.
- The total value of approved applications was GEL 1,879,306.79 and USD 34,455.00.
- The total co-financing the Agency issued for approved applications was GEL - 1,143,849.76 and USD 10,996.50.

#### **Indicator Realisation and Budget Expenditure**

In 2022, as part of the activity, it was planned that sixty beneficiaries would introduce international food safety standards (ISO-22000, HACCP, GLOBAL G.A.P, BIO, BRC, FSSC-22000). During the reporting period, forty-four beneficiaries ensured the introduction of international food safety systems and standards (ISO-22000, HACCP, GLOBAL G.A.P, BRC, FSSC-22000, FSSC v.5.1.) and certification, nineteen beneficiaries fully branded their products/companies, and one beneficiary registered a trademark.

The estimated budget for the measures under the Activity was GEL 500,000, and the actual budget utilisation was GEL 855,160.90.

<b>Objective 1.3 To support the integration of farmers/entrepreneurs into the market</b>	
The number and title of the program:	Activity 1.3.4: Promoting the introduction of international standards for food production
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, 60 beneficiaries will introduce international food safety standards (ISO-22000, HACCP, GLOBAL G.A.P, BIO, BRC, FSSC-22000).	<b>Realised:</b> In 2022, 44 beneficiaries ensured the introduction of international food safety systems, standards, and certification (ISO-22000, HACCP, GLOBAL G.A.P, BRC, FSSC-22000, FSSC v.5.1.).
Budget	
<b>Estimated:</b> <u>GEL 500,000.00</u>	<b>Actual:</b> <u>GEL 855,160.90</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

### Activity 1.3.5. Establishing a cadastre of vineyards

Responsible agency: Ministry of Environmental Protection and Agriculture of Georgia/LEPL National Wine Agency.

The goal of the activity: Establishing an institutional cadastre of the vineyards of Georgia.

#### Realised Activities

The Cadastre of Vineyards Program will be implemented in the Kvemo Kartli, Shida Kartli and Samtskhe-Javakheti regions and will comprise all wine-growing regions of Georgia soon. During the reporting period, the cadastre works were planned for the current year, timeline and scale of works were determined. Meetings were conducted in the regions to plan cadastral works, timelines, and activities in Kvemo Kartli, Mtskheta-Mtianeti, Shida Kartli and Samtskhe-Javakheti administrative units. Furthermore, the information update in the Kakheti and Racha-Lechkhumi vine-growing zones is performed continuously.

Winegrowers delivered grapes to a wine cellar in the Kakheti viticulture and winemaking zone, the database for the cadastre was updated based on the extracts issued from the ABACO cadastral database, and it was refined through discussions with the ABACO experts. The winning company started taking orthophotos for the cadastral maps in Kvemo Kartli. Furthermore, it is taking aerial photos of the vineyards in the Kvemo Kartli region's Marneuli, Gardabani, Tetrtskaro and Bolnisi, Mtskheta-Mtianeti region's Mtskheta and Dusheti, Shida Kartli Region's Kaspi, Kareli, Khashuri and Gori and Samtskhe-Javakheti Region's Akhaltsikhe, Borjomi, Aspindza and Adigeni Municipalities vineyards, it has submitted orthophotos. Currently, the submitted material examination is underway. In Kvemo Kartli, Shida Kartli and Mtskheta-Mtianeti Regions, operators of the Cadastre of Vineyards identify vineyards and collect information about winegrowers and their vineyards.

### Indicator Realisation and Budget Expenditure

Kartli region's maps have been uploaded to the integrated database of the Vineyards' Cadastre. Eighteen operators were trained and assigned to the administrative units of Kvemo Kartli, Mtskheta-Mtianeti, Shida Kartli and Samtskhe-Javakheti. Cadastral vineyard information was updated for Kakheti and Racha-Lechkhumi viticulture zones, and 6,226 new extracts were issued. The Cadastre of Georgia's Vineyards 2021 Report was prepared, published, and printed in Georgian and English (51 pg). The collection of data for developing a similar report for 2022 is underway. The working group on the Cadastre of Vineyards under the National Wine Agency hosted the delegation of the Armenian Vine and Wine Fund (Government Agency) organised by the GIZ and Ana Luz, an international expert, to enable the exchange of information and experience.

<b>Objective 1.3: To support the integration of farmers/entrepreneurs into the market</b>	
Number and title of the activity:	Activity 1.3.5: Establishing a cadastre of vineyards
Responsible agency:	LEPL National Wine Agency of the Ministry of Environmental Protection and Agriculture of Georgia
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, the cadastre of vineyards in the Shida Kartli, Kvemo Kartli, Samtskhe-Javakheti and Mtskheta-Mtianeti Administrative regions will be developed.	<b>Realised:</b> In 2022, the cadastre of vineyards was completed for Shida Kartli, Kvemo Kartli, Samtskhe-Javakheti and Mtskheta-Mtianeti regions, 7,000 ha orthophotos were taken, and boundaries of around 2,300 ha vineyards were drawn.
<b>Budget</b>	
<b>Estimated:</b> GEL 400,000.00	<b>Actual:</b> GEL 441,300.00

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	<b>X</b>				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
						<b>X</b>



## Objective 1.4: To stimulate young farmers and entrepreneurs in rural areas.

For the implementation of Objective 1.4, 1 activity was realised in 2022; in particular – training was delivered for rural youth on legal and civic topics at community centres (28 district centres). The Ministry of Justice of Georgia implemented the activity.

### As a result of the activities for the achievement of the objective:

- ⇒ In 2022, training was conducted on legal and/or civic matters at 14 district community centres and around 250 interested individuals were trained.

### Activity 1.4.1. Conduct training at community centres (28 district centres) for rural youth on legal and civic matters.

Responsible agency: The Ministry of Justice of Georgia

The goal of the activity: Support the enhancement of knowledge/awareness of interested rural youth by delivering training on legal and civic matters.

#### Realised Activities

Throughout 2022, intensive training was conducted for rural youth on various legal matters. Meetings were conducted at 14 district community centres, and various interested individuals received consultations around the topics of their interest. Presentations were made on essential topics such as entrepreneurship, citizenship, registration of marriage, etc. Around 250 interested individuals were trained.

As part of the Activity, meetings were conducted at the following branches of the Public Service Hall (former community centres) throughout 2022:

1. Tkviavi Community Center - July 23
2. Mejvriskhevi Community Center – August 7
3. Mukhrani Community Center – August 21
4. Berdzenauli Community Center – September 3
5. Didi Jikhaishi Community Center – September 10
6. Iormughanlo Community Center – September 17
7. Kachaghani Community Center – September 18
8. Shashiani Community Center – September 25
9. Zeindari Community Center – October 1
10. Kazreti Community Center – October 1
11. Bakuriani Community Center – October 29
12. Vale Community Center – October 30
13. Martkopi Community Center – November 20
14. Sartichala Community Center – November 19

In 2023, training will be continued in 14 additional branches, and around 250 individuals will be trained.

## Indicator Realisation and Budget Expenditure

In 2022, as part of the activity, it was planned to train around 250 interested individuals. Over the reporting period, legal and/or civic training was conducted at 14 district community centres. Around 250 interested individuals were trained. The trainer employees of the Public Service Hall delivered the training.

The activity was implemented under administrative expenses.

<b>Objective 1.4: To stimulate young farmers and entrepreneurs in rural areas</b>	
Number and title of the activity:	Activity 1.4.1. Deliver training for rural youth on legal and civic matters at community centres (28 district centres)
Responsible agency:	The Ministry of Justice of Georgia
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, training on legal and civic matters will be delivered at 14 district community centres (around 250 young entrepreneurs/farmers will be trained);	<b>Realised:</b> In 2022, legal and/or civic training was held at 14 district community centres. Around 250 interested individuals were trained.
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 0</u>	<b>Actual:</b> <u>GEL 0</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	<b>X</b>				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		<b>X</b>			

## Objective 1.5: To Increase Access to Infrastructure and Services

To accomplish Objective 1.5, 11 activities were carried out in 2022, including ensuring the development of a farmer's/farms registry, developing infrastructure for educational institutions (schools), improving geographical access to vocational education, improvement of road infrastructure in rural areas, supporting preschool facilities in rural areas, construction and rehabilitation of premises of sports and cultural facilities in rural areas, rehabilitation of water supply and sewage systems in rural areas. All activities of the Objective were implemented by the Ministry of Environmental Protection and Agriculture of Georgia, its sub-agencies, the Ministry of Education and Science of Georgia, and the Ministry of Regional Development and Infrastructure of Georgia.

### As a result of activities carried out to achieve the goals of the Objective during the year 2022:

- ⇒ 18,280 farmers/farms were registered in the farmers'/farms' registration program.
- ⇒ In 2022, one school was constructed, the construction of 4 public schools commenced, and six public schools were fully rehabilitated.

- ⇒ In 2022, construction works for establishing vocational educational institutions were completed in three municipalities (Tskaltubo, Lanchkhuti, and Khashuri).
- ⇒ The road cover was arranged/rehabilitated on 651 km of local road sections.
- ⇒ Fourteen preschool facilities were constructed/rehabilitated.
- ⇒ Forty-five sports and cultural facilities were constructed/rehabilitated.
- ⇒ 317 km water supply system and twenty-one auxiliary structures were built/rehabilitated.

**In 2022, the state spent GEL 244,081,973.36 to achieve Objective 1.5.**

### **Activity 1.5.1: Ensure the development of a farmer registry.**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency

The goal of the activity: to register all entities engaged in the agricultural business all over Georgia (except those carrying out the agricultural activities only by order of the legal entity(ies) registered in Georgia and/or based on the concluded employment agreement), allowing the state to possess, among other things, the statistical information, which will be used for correct selection of target groups and planning and implementation of various stimulating projects/programs for them according to their needs.

#### **Realised Activities**

In 2022, registration of new farmers/farms and checking the data of the farmers/farms registered in 2018-2021 was carried out. In 2022, the activities were implemented to refine the electronic system for registering farmers/farms (including Management of Processes and Control - the electronic module implemented by the Abaco company in 2019) to make the system more dynamic and interactive.

As a result of the measures taken within the framework of the activity, in 2022, 18,280 farmers/farms were registered under the Farmers/Farms Registration Project. In total, the number of farmers/farms registered within the framework of the project from its commencement amounted to 173,333.

#### **Indicator Realisation and Budget Expenditure**

In 2022, it was planned to register 8,800 farmers/farms. During the reporting period, 18,280 farmers/farms were registered.

For 2022, the estimated budget for the measures under the activity was GEL 300,000.00, and the actual budget utilisation was GEL 290,637.68.

<b>Objective 1.5: To increase access to infrastructure and services</b>	
Number and title of the program:	Activity 1.5.1: Farmers/farms registration project
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency
Reporting (monitoring) period:	01.01.2022 - 31.12.2022
<b>Performance Indicators</b>	

<b>Planned:</b> Eight thousand farmers/farms will be registered in 2022.	<b>Realised:</b> In 2022, 18,280 farmers/farms were registered.
<b>Budget</b>	
<b>Estimated:</b> GEL 300,000.00	<b>Actual:</b> GEL 290,637.68

Progress evaluation		Fully completed	Mostly completed	Partially completed	completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.5.2: Development of infrastructure for education (schools) institutions

Responsible agency: Ministry of Education and Science of Georgia/LEPL Educational and Scientific Infrastructure Development Agency

The goal of the activity: Raised access to infrastructure and services.

#### Realised Activities

Complete rehabilitation of six public schools commenced.

- *Gardabani Municipality Village Matkopi Public School # 1 – full rehabilitation is underway.*
- *Gardabani Municipality Village Sartichala N 2 Public School – full rehabilitation is underway.*
- *Senaki Municipality Village Nosiri Public School – full rehabilitation is underway.*
- *Gori Municipality Village Mejriskhevi Public School – full rehabilitation is underway.*
- *Senaki Municipality Village Dzveli Senaki Arnold Chikobava Public School – full rehabilitation is underway.*
- *Dedoplistskaro N 1 Public School – during the initial state of the complete rehabilitation of this school, heavy damage to the roof tiles of the building was identified, and a relevant expert assessed the situation and based on cost-efficiency, a decision was made to suspend full rehabilitation of the school and a plan was made for the construction of a new school.*

The construction of one school was completed, and the construction of 4 public schools was commenced.

- *A new public school in Adigeni Municipality Village Abastumani –construction is underway.*
- *The construction of N 7 Tkibuli Public School – Completed.*
- *Dedoplistskaro Municipality Village Ozaani Public School – construction underway.*
- *Samtredia Municipality Village Nabakevi Public School – construction underway.*
- *Khoni Municipality Village Chaismurneoba Public School – construction underway.*
- *The tender announced for constructing a public school in Mestia Municipality Village Ipara failed. A new tender will be announced in the nearest future.*
- *Design documentation is being prepared for constructing a public school in Kharagauli Municipality Village Tskalaforeti. Additional geological surveys became necessary; a tender will be announced based on the survey in the nearest future.*

## Indicator Realisation and Budget Expenditure

For 2022, contract values and commitment to rehabilitate around five public schools was GEL 3,548,590.26, and actual expenditures were GEL 3,548,588.83.

For 2022, contract values and commitments for constructing around six public schools were GEL 3,437,538.39, and actual expenditures for this activity are GEL 3,426,585.21.

1.5 To increase access to infrastructure and services	
Number and title of the activity:	1.5.2. Development of infrastructure for education (schools) institutions
Responsible agency:	Ministry of Education and Science of Georgia/LEPL Educational and Scientific Infrastructure Development Agency
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, the Agency plans to start construction of up to six public schools and rehabilitate up to five.	<b>Realised:</b> In 2022, the construction of one school was completed, and the construction of four public schools and the complete rehabilitation of 6 public schools commenced.
Budget	
<b>Estimated:</b> <u>GEL 7,649,300.00</u>	<b>Actual:</b> <u>GEL 6,975,174.04</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

### Activity 1.5.3: Improving geographical access to vocational education.

Responsible agency: The Ministry of Education and Science of Georgia/Department of Vocational Education Development

The goal of the activity: The goal is to improve the geographical coverage of vocational institutions in the country to make vocational education accessible in all municipalities of Georgia.

#### Realised Activities

Per Activity 1.5.3, under Objective 1.5 of the 2021-2023 Action Plan of the 2021-2027 Strategy of Agriculture and Rural Development of Georgia, it was envisaged to establish vocational education opportunities in one additional municipality. As a result of infrastructure works conducted over the reporting period, vocational education opportunities were established in three municipalities (Tskaltubo,

Lanchkhuti, and Khashuri). In 2023, newly developed vocational education facilities will actively continue intensive work towards obtaining authorisation.

### Indicator Realisation and Budget Expenditure

The estimated budget following the 2021-2023 Action Plan of the 2021-2027 Strategy of Agriculture and Rural Development of Georgia was GEL 1,500,000.00. The funding of this direction over the reporting period was GEL 3,536,161.64.

1.5 To increase access to infrastructure and services	
Number and title of the activity:	Activity 1.5.3: Improving geographical access to vocational education
Responsible agency:	Ministry of Education and Science of Georgia/ Department of Vocational Education Development
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, the opportunity to get vocational education will be created (infrastructure) in at least one additional municipality.	<b>Realised:</b> Over the reporting period, construction works for establishing vocational education institutions were completed in three additional municipalities (Tskaltubo, Lanchkhuti, and Khashuri).
Budget	
<b>Estimated:</b> <u>GEL 1,500,000.00</u>	<b>Actual:</b> <u>GEL 3,536,161.64</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
						X

### Activity 1.5.4: Improvement of road infrastructure in rural areas

Responsible agency: The Ministry of Regional Development and Infrastructure of Georgia

The goal of the activity: Repairing-rehabilitation of the obsolete local and rural road infrastructure or/and creation of new road infrastructure

#### Realised Activities

The funds are being allocated from the fund for the projects to be implemented in the regions of Georgia, which are reflected in the Law on the State Budget (5507) and the governing document for the years 2022-2025 on Basic Data and Directions of the Country (GEL 430 mln). The Ministry of Regional Development and Infrastructure is coordinating the implementation processes of the infrastructure projects identified by the municipalities per the prescribed procedure.

The works related to improving the road infrastructure are being carried out within the framework of the projects to be implemented in the regions of Georgia, and, respectively, the municipalities are explicitly responsible for selecting the types of infrastructure projects. In 2022, like in 2021, the municipalities submitted more road infrastructure improvement projects than in prior years, exceeding the budget and performance indicators by more than double.

### Indicator Realisation and Budget Expenditure

In 2022, within the framework of the activity, arranging or rehabilitation of the road cover was planned on 250 km of local motor road sections. 651 km of road cover was arranged or rehabilitated during the reporting period.

The estimated budget for the measures under the Activity for 2022 was GEL 75,000,000.00, and the utilisation was GEL 189,500,000.

Objective 1.5: To increase access to infrastructure and services	
Number and title of the activity:	Activity 1.5.4 Improvement of road infrastructure in rural areas
Responsible agency:	Ministry of Regional Development and Infrastructure of Georgia
Performance Indicators	
<b>Planned:</b> In 2022, road covering will be arranged or rehabilitated on about 250 km of local motor road sections	<b>Realised:</b> In 2022, road cover was arranged or rehabilitated on 651 km of local motor road sections
Budget	
<b>Estimated:</b> <u>GEL 75,000,000.00</u>	<b>Actual:</b> <u>GEL 189,500,000.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.5.5: Supporting preschool facilities in rural areas.

Responsible agency: The Ministry of Regional Development and Infrastructure of Georgia

The goal of the activity: Construction and rehabilitation of kindergartens and establishing the corresponding standard conditions for kids and teachers to support preschool education at the local and village levels.

### Realised Activities

The amounts are being allocated from the fund of the projects to be implemented in the regions of Georgia, which are reflected in the Law on the State Budget (5507) and the governing document for the years 2022-2025 on Basic Data and Directions of the Country (GEL 430 mln). According to the defined

procedure, the Ministry of Regional Development and Infrastructure coordinates the implementation processes of the infrastructure projects identified by the municipalities.

### Indicator Realisation and Budget Expenditure

In 2022, within the framework of the activity, the construction/rehabilitation of eight kindergartens was planned. Fourteen kindergartens were constructed/rehabilitated during the reporting period.

The estimated budget for the measures under the activity for 2022 was GEL 2,500,000, while the actual budget utilisation was GEL 2,890,000.

Objective 1.5: To increase access to infrastructure and services	
Number and title of the activity:	Activity 1.5.5. Supporting preschool facilities in rural areas
Responsible agency:	Ministry of Regional Development and Infrastructure of Georgia
Performance Indicators	
<b>Planned:</b> In 2022, 8 kindergartens will be built/rehabilitated	<b>Realised:</b> In 2022, 14 kindergartens were built/rehabilitated
Budget	
<b>Estimated:</b> <u>GEL 2,500,000.00</u>	<b>Actual:</b> <u>GEL 2,890,000.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.5.6: Construction and rehabilitation of premises of sports and cultural institutions in rural areas

Responsible agency: The Ministry of Regional Development and Infrastructure of Georgia

The goal of the activity: Construction/rehabilitation of the sports premises and cultural institutions at the local and village level to support promoting a healthy lifestyle among the population, particularly among youth.

#### Realised Activities

The amounts are being allocated from the fund of the projects to be implemented in the regions of Georgia, which are reflected in the Law on the State Budget (5507) and the governing document for the years 2022-2025 on Basic Data and Directions of the Country (GEL 430 mln). According to the defined procedure, the Ministry of Regional Development and Infrastructure coordinates the implementation processes of the infrastructure projects identified and planned by the municipalities.

### Indicator Realisation and Budget Expenditure



In 2022, within the framework of the activity, it was planned to construct/rehabilitate eight sports and cultural facilities. Forty-five sports and cultural facilities were constructed/rehabilitated during the reporting period.

The estimated budget for the measures envisaged under the activity for 2022 was GEL 2,500,000, while the actual budget utilisation was GEL 6,700,000.

<b>Objective 1.5: To increase access to infrastructure and services</b>	
Number and title of the activity:	Activity 1.5.6. Construction and rehabilitation of sports and cultural facilities in rural areas
Responsible agency:	The Ministry of Regional Development and Infrastructure of Georgia
<b>Performance Indicators</b>	
<b>Planned:</b> Eight sports and cultural facilities will be constructed/rehabilitated on an annual basis	<b>Realised:</b> In 2022, 45 sports and cultural facilities were constructed/rehabilitated.
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 2,500,000.00</u>	<b>Actual:</b> <u>GEL 6,700,000.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

## Activity 1.5.7: Rehabilitation of water supply and sewage systems in rural areas

Responsible agency: The Ministry of Regional Development and Infrastructure of Georgia / United Water Supply Company of Georgia.

The goal of the activity: Provision of potable water of corresponding quality to residents through the construction and rehabilitation of water supply networks and headworks (water reservoirs, boreholes, water intakes), among other things, organising of the sewage systems and construction of the relevant sewage treatment structures following international standards to minimise harmful impact on the environment.

### Realised Activities

The essential part of the funds is being allocated from the state budget of Georgia (2504). LLC United Water Supply Company of Georgia of the Ministry of Regional Development and Infrastructure is responsible for implementing the projects. Moreover, a part of the projects is being implemented from the fund of the projects to be implemented in the regions of Georgia, which are reflected in the Law on the State Budget (5507) and the governing document for the years 2022-2025 on Basic Data and Directions of the Country (GEL 430 mln). According to the defined procedure, the Ministry of Regional Development and Infrastructure supervises the works by LLC United Water Supply Company of Georgia and colour coticles implementation processes of the infrastructure projects identified and planned by the municipalities.

### Indicator Realisation and Budget Expenditure

In 2022, within the framework of the activity, it was planned to construct/rehabilitate 100 km of the water supply system and four corresponding auxiliary structures (borehole, reservoir, treatment plant). 317 km of water supply, sewage systems, and twenty-one auxiliary structures were constructed/rehabilitated during the reporting period.

The estimated budget for the measures under the activity for 2022 was GEL 40,000,000, while the actual budget utilisation was GEL 34,250,000.

Objective 1.5: To increase access to infrastructure and services	
Number and title of the activity:	Activity 1.5.7. Rehabilitation of water supply system in rural areas
Responsible agency:	The Ministry of Regional Development and Infrastructure of Georgia / United Water Supply Company of Georgia
Performance Indicators	
<b>Planned:</b> In 2022, about 100 km of the water supply system and about four headworks and treatment plants will be constructed/rehabilitated	<b>Realised:</b> In 2022, a 317 km water supply system and twenty-one auxiliary structures (headworks and treatment plants) were constructed/rehabilitated
Budget	
<b>Estimated:</b> <u>GEL 40,000,000.00</u>	<b>Actual:</b> <u>GEL 34,250,000.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.5.9: Access to essential public services - waste management (ENPARD IV, Indicator 2.4)

Responsible agency: The Ministry of Regional Development and Infrastructure of Georgia/Solid Waste Management Company of Georgia

The goal of the activity: Construction of a new dumpsite corresponding to European standards and closing and maintaining the existing ones.

#### Realised Activities

In 2022, necessary actions for subsequent maintenance of closed dumpsites were carried out following the established procedures.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			X		
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.5.10: Access to infrastructure in rural settlements (ENPARD IV, Indicator 2.5)

Responsible agency: The Ministry of Regional Development and Infrastructure of Georgia/ United Water Supply Company of Georgia / Municipalities of Georgia

The goal of the activity: ENPARD IV - Indicator 2.5 envisages increasing access to new and upgraded infrastructure (roads, kindergartens, sports, cultural facilities, water supply and sewerage systems) for the local population.

#### Realised Activities

In compliance with ENPARD IV - Indicator 2.5, in comparison with the baseline data (815,000 citizens) of the year 2019, access to new and upgraded infrastructure was planned to be increased by an additional 280,000 citizens (35.6%) by the end of the year 2022.

As of 2022, additionally, over 665,000 (81.6%) citizens of Georgia have access to the corresponding upgraded infrastructure. Based on the strategic goals, the calculations do not consider five self-governing cities (Tbilisi, Rustavi, Kutaisi, Poti, Batumi) and Adjara, AR.

Hence, ENPARD IV Program’s Indicator 2.5 has been exceeded.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

### Activity 1.5.11: Access to essential public services - education (ENPARD IV, Indicator 2.7)

Responsible agency: The Ministry of Regional Development and Infrastructure of Georgia / LEPL Municipal Development Fund of Georgia of the Ministry of Regional Development and Infrastructure of Georgia / Municipalities of Georgia.

The goal of the activity: ENPARD IV - Indicator 2.7 envisages increasing access to new and upgraded school infrastructure (rehabilitation/construction of schools) for public school students in rural settlements and towns/cities.

#### Realised Activities

In compliance with ENPARD IV - Indicator 2.7, compared with the baseline data (124,000 students) for 2019, access to new and upgraded school infrastructure will be increased for an additional 80,600 students (65%).

As of 2022, about 84,000 students (67.6%) already have access to their respective upgraded infrastructure. Based on the strategic goals, the number of students in the schools of five self-governing cities (Tbilisi, Rustavi, Kutaisi, Poti, Batumi) and Adjara AR are not considered in the calculations.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

## Objective 1.6 To Improve the Irrigation and Drainage Systems

To implement Objective 1.6 in 2022, 4 activities were carried out, including rehabilitating amelioration systems, rehabilitating irrigation and drainage (main channels) systems, and developing the water resources consumers' digital database. All activities of the Objective have been implemented by the Ministry of Environmental Protection of Agriculture of Georgia and its agencies.

### **As a result of the activities carried out to achieve the goals of the Objective throughout 2022:**

- ⇒ The area of the lands to be regularly irrigated was increased by 2.34 thousand ha.
- ⇒ The water supply of the irrigated land has been improved by 3.24 thousand ha.
- ⇒ In 2022, the total volume of irrigation water in the target area was 83 million m<sup>3</sup>; the irrigated land area was around 7,808 ha.
- ⇒ The number of water users receiving improved irrigation services – is 2,461; the total number of beneficiaries is 5,758.
- ⇒ Around 35,206 users were registered in the digital database of water users.
- ⇒ In 2020-2021-2022, the area of the land ameliorated under the state funding was increased: in 2020 - by 4,6 %, in 2021 - by 2,75%. In 2022 - by 3,54, by a total of 10,89%.

**In 2022, state expenditures for implementing Objective 1.6 were GEL 54,391,695.**

### **Activity 1.6.1: Rehabilitation of amelioration systems**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LTD Georgian Amelioration

The goal of the activity: Rehabilitation of the irrigation and drainage systems

#### **Realised Activities**

In 2022, as part of the capital activities, the following was being carried out: rehabilitation of headwork, main channels, primary and other distribution units, drain tunnels, and other hydro-technical structures; restoration of channel linings; the arrangement of additional distribution channels and hydro-technical structures to give way to the water to the land plot blocks; rehabilitation/modernisation of the existing pumping stations, restoration of electric-mechanical devices and replace them with new ones.

During 2022, rehabilitation works were being carried out on 70 sites of the irrigation system, out of which 34 were completed and four projects were terminated. During 2022, rehabilitation works of the drainage systems were underway on six sites. Of those, four projects were completed.

An amendment was entered in Ordinance N 149 dated January 26, 2022, via Ordinance N 1820 dated October 10, 2022. The budget of the Sub-Program Rehabilitation of Amelioration Systems and the Purchase of Equipment (Program Code 31 06 01) was set at GEL 36 000 000 instead of GEL 38,000,000.

The timeframes for the completion of some of the sites were adjusted and will be completed in 2023. Hence, the unfulfilled indicators will be met in 2023. Furthermore, some construction tenders failed due to the sharp increase in the prices of the materials. The prices are being recalculated at current market terms, which increases the cost of the facilities, and they will be completed in the upcoming years.

### Indicator Realisation and Budget Expenditure

During 2022, within the framework of the activity, it was planned to increase the area of regularly irrigated land up to 5.98 thousand ha; improve water supply for 3.24 thousand ha of irrigated lands.

During the reporting period, the amelioration infrastructure was rehabilitated; about 2.34 thousand ha were moved from the conditionally irrigated land category to the regularly irrigated land category (including 1.2 ha that entered the Company capital in 2022 as a result of the projects implemented by IFAD); the water supply of the 3.24 thousand ha irrigated lands was improved.

Objective 1.6: To improve the irrigation and drainage systems	
Number and title of the activity:	Activity 1.6.1 Rehabilitation of Amelioration Systems
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LTD Georgian Amelioration
Reporting (monitoring) period:	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, the area of regularly irrigated land will be increased by 5.98 thousand hectares; the provision of water in irrigated areas will be improved by 3.24 thousand ha.	<b>Realised:</b> In 2022, the area of regularly irrigated land increased by 2.34 thousand ha; water provision to irrigated lands was improved by 3.24 thousand ha;
Budget	
<b>Estimated:</b> <u>GEL 38,000,000.00</u>	<b>Actual:</b> <u>GEL 36,000,000</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			<b>X</b>		
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
			<b>X</b>			

## Activity 1.6.2: Rehabilitation of Irrigation and Drainage (main channels) systems

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / The Department of International Relations and European Integration / Georgian Amelioration LTD

Partner Organization: The World Bank (WB)

The goal of the activity: Rehabilitation of irrigation channels

Realised Activities: rehabilitation of secondary and tertiary distribution channels in the target area (Zeda Ru, Kvemo Samgori) is underway; baseline research was conducted based on which tender documents were produced, and a company was selected for the development of the communication strategy and the establishment of water user organisations.

### Indicator Realisation and Budget Expenditures

Objective 1.6: To improve the irrigation and drainage systems	
Number and title of the activity:	Activity 1.6.2: Rehabilitation of Irrigation and Drainage (main channels) systems
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / Department of International Relations and European Integration / Georgian Amelioration LTD
Partner Organization	The World Bank (WB)
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, <ul style="list-style-type: none"> <li>The total irrigation water supply in the target area will be increased to 95 million m<sup>3</sup>.</li> <li>Irrigated land area will be increased to 12,000 ha.</li> <li>The number of users receiving improved irrigation services will increase to 6,400.</li> <li>Total number of beneficiaries - 21,400</li> </ul>	<b>Realised:</b> In 2022, <ul style="list-style-type: none"> <li>The total irrigation water supply in the target area increased to 83 million m<sup>3</sup>.</li> <li>Irrigated land area, according to 2022 data, increased to 7,808 ha.</li> <li>The number of users receiving improved irrigation services increased to 2,461.</li> <li>The total number of beneficiaries was increased to 5,758</li> </ul>
Budget	
<b>Estimated:</b> GEL 30,000,000	<b>Actual:</b> GEL 18,391,695

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

### Activity 1.6.3: Developing the water resources consumers' digital database.

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / Georgian Amelioration LTD

The goal of the activity: Establish the digital database of water resource consumers.

#### Realised Activities

In the digital database of water resources users, the applications of 35,206 subscribers were registered as of 31.12.2022. Among them, 8,713 are new subscribers registered in 2022.

#### Indicator Realisation and Budget Expenditure:

Thirty-five thousand two hundred-six users were registered in 2022.

Objective 1.6: To improve the irrigation and drainage systems	
Number and title of the activity:	Activity 1.6.3. Developing the water resources consumers' digital database
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / Georgian Amelioration LTD
Reporting (monitoring) period:	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> About 36,000 consumers will be registered	<b>Realised:</b> In 2022, 35,206 consumers were registered
Budget	
<b>Estimated:</b> <u>zero</u>	<b>Actual:</b> <u>zero</u>

*Note: In the digital database of water resources users, the applications of 35,206 subscribers were registered as of 31.12.2022. Among them, 8,713 are new subscribers registered in 2022.*

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 1.6.4: Land amelioration (ENPARD IV, Indicator 2.6)

Objective 1.6: To improve the irrigation and drainage systems	
Number and title of the activity:	Activity 1.6.4: Land amelioration (ENPARD IV, Indicator 2.6)
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / Georgian Amelioration LTD
Reporting (monitoring) period	01.01.2020 – 31.12.2023
Performance Indicators	
<b>Planned:</b>	<b>Realised:</b>



During 01.01.2020 - 31.12.2023, the area ameliorated under state financing will be increased by at least 15% compared with the baseline indicator (2019).	During 2020-2021-2022, the area ameliorated under state financing increased: by 4.6% in 2020, by 2.75% in 2021, by 3.54% in 2022, and an overall increase was 10.89%.
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Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

## Objective 1.7 To develop rural tourism and relevant tourism products.

To implement Objective 1.7 in 2022, 3 activities were carried out, including developing the tourist product in rural areas, developing small-scale tourism infrastructure, and developing private sector skills in tourism services (requalification program). The Ministry of Economy and Sustainable Development and its agencies fulfilled all objectives of the Objective.

### As a result of the implementation of the activities to achieve the goals of the Objective during the year 2022:

- ⇒ Two new touristic products were developed.
- ⇒ Two small-scale tourism infrastructure projects were developed.
- ⇒ Six hundred tourism sector representatives were retrained.

**In 2022, state expenditures for implementing Objective 1.7 were GEL 839,087.**

### Activity 1.7.1: Development of tourist products in Rural area

Responsible agency: The Ministry of Economy and Sustainable Development of Georgia / LEPL Georgian National Tourism Administration.

The goal of the activity: Development and promotion of tourism.

Realised Activities: During the reporting period, wine tourism facilities were inspected, and the road signs project was prepared for 28 new wine tourism facilities throughout the country. Installation of the mentioned signs is planned for 2023. Mountain-hiking trails were designed in Kakheti, Svaneti, Samtskhe-Javakheti and Imereti.

**Indicator Realisation and Budget Expenditure:** In 2022, 2 new touristic products were developed. GEL 329,671 was spent on the implementation of the activity.

Objective 1.7: To develop rural tourism and relevant tourism products	
Number and title of the activity:	Activity 1.7.1: Development of touristic products in rural areas

Responsible agency:	The Ministry of Economy and Sustainable Development of Georgia / LEPL Georgian National Tourism Administration
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, 2 new additional touristic products will be created.	<b>Realised:</b> In 2022, 2 new touristic products were created (wine route and hiking trails)
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 350,000.00</u>	<b>Actual:</b> <u>GEL 329,671</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

### Activity 1.7.2: Development of small-scale tourism infrastructure

**Responsible agency:** The Ministry of Economy and Sustainable Development of Georgia / LEPL Georgian National Tourism Administration.

**The goal of the activity:** Development and promotion of tourism.

**Realised Activities:** Procuring the works for signposts for Wine Route was performed. Furthermore, mountain hiking trails were arranged in Kakheti, Svaneti, Samtskhe-Javakheti and Imereti. Signposts throughout Georgia were installed for 32 new recommended wine tourism facilities (wine cellars and enterprises).

**Indicator Realisation and Budget Expenditure:** Two small-scale infrastructure projects were developed during the reporting period, and the budget was GEL 137,918.

<b>Objective 1.7: To develop rural tourism and relevant tourism products</b>	
Number and title of the activity:	Activity 1.7.2: Development of small-scale tourism infrastructure
Responsible agency:	The Ministry of Economy and Sustainable Development of Georgia / LEPL Georgian National Tourism Administration
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, 1 small-scale infrastructure project will be developed.	<b>Realised:</b> In 2022, 2 small-scale infrastructure projects were developed.
<b>Budget</b>	

<b>Estimated:</b> <u>GEL 200,000.00</u>	<b>Actual:</b> <u>GEL 137,918</u>
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Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

### Activity 1.7.3: Development of the private sector skills in the sphere of tourism services (requalification program)

Responsible agency: The Ministry of Economy and Sustainable Development of Georgia / LEPL Georgian National Tourism Administration.

The goal of the activity: Development and promotion of tourism.

#### Realised Activities

In 2022, the National Tourism Administration implemented ten training courses on diverse topics as part of the Rural Development Program.

#### Indicator Realisation and Budget Expenditure:

Six hundred beneficiaries were requalified during the reporting period. The total expenditure for the activity was GEL 371,498.

Objective 1.7: To develop rural tourism and relevant tourism products	
Number and title of the activity:	Activity 1.7.3: Development of the private sector skills in the sphere of tourism services (requalification program)
Responsible agency:	The Ministry of Economy and Sustainable Development of Georgia / LEPL Georgian National Tourism Administration
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, 600 representatives from the tourism sector will be requalified.	<b>Realised:</b> In 2022, 600 representatives from the tourism sector were requalified.
Budget	
<b>Estimated:</b> <u>GEL 400,000</u>	<b>Actual:</b> <u>GEL 371,498</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

## Strategic Goal 2: Sustainable usage of natural resources, eco-system retention, and adaptation to climate change.

Strategic goal 2 - Sustainable usage of natural resources, retaining of the eco-system, and adaptation to climate change includes five objectives and nine activities.

### Objective 2.1: To disseminate climate-smart and environmentally adapted agricultural practices and promotion of bio-organic production development.

**As a result of the activities carried out to achieve the goals of the Objective during the year 2022:**

⇒ An assessment of the national adaptation plan for the agricultural sector was not commenced.

#### Activity 2.1.1: Identification and facilitation of opportunities for adaptation to climate change

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / Department of Environment and Climate Change.

Partner organisation: UN Environment

The goal of the activity: Strengthen the adaptation of the agricultural sector of Georgia to climate change through the analysis of the existing opportunities and developing a new action plan based on the mentioned analysis.

#### Realised Activities

Strengthening Georgia's agricultural sector's adaptation to climate change is part of the more comprehensive project envisaging studying the opportunities for adaptation of the country to climate change and identifying further actions to enhance the mentioned opportunities. Within the framework of the project, it is planned to develop the National Adaptation Plan (NAP); The development of the adaptation plan for the agricultural sector is deemed a part of the NAP.

The project was developed, and in 2020 it was submitted to the Green Climate Fund (GCF). Even though funds have been allocated for the project, its final approval is being delayed for several reasons (including the negative role of the COVID-19 pandemic).

In 2022, an international implementer of the project (United Nations Environmental Program – UNEP) identified a local implementer – this will be the Environmental Education and Information Center, LEPL.

Currently, technical elements of the project are being agreed upon among the GCF, UNEP and the local implementing agency.

The action has yet to be implemented since the project has not commenced.

## Indicator Realisation and Budget Expenditure

Implementation has yet to commence.

Objective 2.1: To disseminate climate-smart and environmentally adapted agricultural practices/promotion of bio-organic production development	
Number and title of the activity:	Activity 2.1.1. Identification and facilitation of opportunities for adaptation to climate change
Responsible agency:	The Ministry of Economy and Sustainable Development of Georgia / LEPL Georgia's Innovation and Technology Agency
Reporting (monitoring) period	30.12.2022 – 30.01.2023
Performance Indicators	
<b>Planned:</b> In 2022, the evaluation of the national adaptation plan for the agricultural sector will commence	<b>Realised:</b> In 2022: was not fulfilled
Budget	
<b>Estimated:</b> <u>zero</u>	<b>Actual:</b> <u>zero</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating				<b>X</b>	
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status	<b>X</b>				

## Objective 2.2: To support the development of ecotourism.

To accomplish Objective 2.2, two activities were implemented in 2022 - Improvement of the infrastructure of the touristic routes of protected areas and providing infrastructure for protected areas. The activity under the Objective was implemented by the Ministry of Environmental Protection and Agriculture sub-agency, LEPL Agency of Protected Areas.

### As a result of the activities carried out to achieve the goals of the Objective during the year 2022:

- ⇒ In 2022, 8 eco-touristic infrastructures were arranged/rehabilitated in the protected areas.
- ⇒ Protection infrastructure – 50 units of blockages - was arranged in the protected territories.
- ⇒ One hundred eighty-three units of various anti-incendiary fittings and equipment were purchased for the protected areas.

State expenditures for the achievement of Objective 2.2 in 2022 were GEL 16,785.406.61.

## Activity 2.2.1: Improvement of the infrastructure of the touristic routes of the protected areas

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL Agency of Protected Areas

The activity's goal is to develop ecotourism and effective communication with society.

### Realised Activities

In 2022, the arrangement/rehabilitation of eco-touristic infrastructure was underway in 8 different protected areas:

1. The arrangement of the hiking trails network and related recreational-touristic infrastructure on the territory of the Borjomi-Kharagauli National Park.
2. Arrangement of the educational trails network infrastructure in Batsara-Babaneuri.
3. Arrangement of hiking trails network and attendant recreational-touristic infrastructure in the Vashlovani protected areas.
4. In Javakheti protected areas, specifically in Tetrobi Managed Reserve, arrangement of the hiking trails network and attendant recreational-touristic infrastructure.
5. Arrangement of the network of hiking trails connecting the areas within the purview of the Kintrishi Protected Areas Administration and
6. Mtirala National Park Administration and attendant recreational-touristic infrastructure.
7. Arrangement of the hiking trails network and attendant recreational-touristic infrastructure in the Lagodekhi protected areas.
8. Prometheus Cave touristic infrastructure was repaired within the Imereti Caves Protected areas.

### Indicator Realisation and Budget Expenditure

In 2022, within the framework of the activity, it was planned to arrange two eco-touristic infrastructures/or rehabilitate the existing ones in the protected territories. During the reporting period, the works of arrangement/rehabilitation of eco-touristic infrastructure were underway in 8 (eight) protected areas. Among them, in 7 (seven) protected areas, the arrangement of eco-touristic infrastructure was underway (Borjom-Kharagauli, Batsara-Babaneuri, Vashlovani, Javakheti, Kintrishi, Mtirala, Lagodekhi) and eco-touristic infrastructure on 1 (one) protected area was rehabilitated (Prometheus).

During the reporting period, the actual budget utilisation was GEL 16,711,761.61. The afore-mentioned project is a multi-year procurement that spans 2021-2023 and comprises GEL 38 million, of which GEL 16,711,761.61 was spent in 2022 for the arrangement/rehabilitation of eco-touristic infrastructure in eight protected areas.

Objective 2.2: To support the development of ecotourism	
Number and title of the activity:	Activity 2.2.1: Improvement of the infrastructure of the touristic routes of the protected areas
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL Agency of Protected Areas
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	

<b>Planned:</b> Establishing two eco-touristic infrastructures/or rehabilitation of existing ones in 2022	<b>Realised:</b> In 2022, eco-touristic infrastructure was arranged/rehabilitated in eight protected areas
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 16,500,000.00</u>	<b>Actual:</b> <u>GEL 16,711,761.61</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 2.2.2: Providing Infrastructure for Protected Areas

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL Agency of Protected Areas

The goal of the activity: Protection of the protected areas and resource management

#### Realised Activities

During 2022:

- in nine different protected areas, security infrastructure was arranged - 50 blockages were arranged in: (Algeti, Vashlovani, Tbilisi, Kintrishi, Kolkheti, Mariamjvari, Martvili, Mtirala, Kazbegi).
- One hundred eighty-three several anti-incendiary equipments were purchased for the protected territories.

#### Indicator Realisation and Budget Expenditures

In 2022, as part of the activity, it was planned to arrange/rehabilitate three units of security infrastructure (ranger house, blockage, etc.) and purchase fifty anti-incendiary supplies/equipment units.

During the reporting period, protection infrastructure was developed in nine protected areas – 50 blockages were arranged, and diverse types of 183 anti-incendiary supplies/equipment were purchased for the protected areas.

Objective 2.2: To support the development of ecotourism	
Number and title of the activity:	Activity 2.2.2: Providing Infrastructure for Protected Areas
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL Agency of Protected Areas
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	

<b>Planned:</b> In 2022 <ul style="list-style-type: none"> <li>• Three units of security infrastructure (ranger house, blockage, or other) will be arranged/rehabilitated in protected areas.</li> <li>• Fifty units of anti-incendiary equipment will be purchased.</li> </ul>	<b>Realised:</b> In 2022 <ul style="list-style-type: none"> <li>• Security infrastructure – 50 blockages were arranged in the protected areas.</li> <li>• Several types of 183 anti-incendiary equipment were purchased for the protected areas.</li> </ul>
<b>Budget</b>	
<b>Estimated:</b> GEL 150,000.00	<b>Actual:</b> GEL 73,645.00

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

### Objective 2.3: Sustainable usage of forest resources

To accomplish Objective 2.3, four activities were carried out in 2022, including managing timber resources, forest maintenance and restoration measures, and the forest inventory. The activity of the Objective – assistance to environmental sustainability - was carried out by the Ministry of Environmental Protection and Agriculture and its sub-agency LEPL National Forestry Agency.

#### As a result of the activities carried out to achieve the goals of the Objective during the year 2022:

- ⇒ Accessibility was ensured to the allocated 518 386,8 m<sup>3</sup> timber resources.
- ⇒ Forest rehabilitation/planting (facilitating natural regeneration) was done on a 1472,9-ha new area.
- ⇒ Draft forest management plans were additionally developed for 191,868 ha – Dedoplistskaro-Signage (23 826 ha), Ambrolauri (81 069 ha), Tsalka-Tetritskaro (56 126 ha) and Adigeni (30 847 ha), forest sections.

**State expenditures for the implementation of the Objective 2.3 were GEL 22,760,820.**

#### Activity 2.3.1: Management of timber resources

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Forestry Agency

The goal of the activity: To ensure access to timber resources, identify relevant areas, and implement forestry measures to produce timber in the pre-selected forest section areas; preparation and sale of timber as part of the logging performed by the Agency.

#### Realised Activities



To provide timber (except for unique logging) to the population and budgetary and other organisations, 306,561.3 m<sup>3</sup> of felling areas were allocated. Within the unique and maintenance logging framework, 211,825 m<sup>3</sup> of felling areas were allocated - 518 386,8 m<sup>3</sup> of timber.

In 2022, the Agency produced 187,026.7 m<sup>3</sup> from the particular and maintenance felling areas; 151,567 m<sup>3</sup> of resources were sold via auction and direct purchase; of this, 125 100 m<sup>3</sup> was sold via auction, and 26 467 m<sup>3</sup> via a direct sale (provision to budgetary organisations) - 20 771 m<sup>3</sup>.

During the reporting period, 277,580.1 m<sup>3</sup> of firewood was logged from social logging felling areas, and the timber resource issued (sold) via the timber production tickets is 301,873.2 m<sup>3</sup> (38,438 households).

To increase accessibility to the resources in the allocated felling areas, a 6.03 km forest road was arranged, and a 66.11 km forest road was rehabilitated.

Objective 2.3: Sustainable usage of forest resources	
Number and title of the activity:	Activity 2.3.1: Management of timber resources
Responsible agency:	Ministry of Environmental Protection and Agriculture of Georgia /LEPL National Forestry Agency
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, 600,000 m <sup>3</sup> of the allocated timber resources will be accessible.	<b>Realised:</b> In 2022, access was ensured to 518 386,8 m <sup>3</sup> timber resources.
Budget	
<b>Estimated:</b> <u>GEL 21,000,000</u>	<b>Actual:</b> <u>GEL 20,777,430</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

### Activity 2.3.2: Forest Maintenance and Restoration

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Forestry Agency

The goal of the activity: Supporting the preservation of the ecological state of forests; an arrangement of temporary forest nurseries on the territories of the forest sections selected according to priorities; and implementing reforestation and afforestation measures on the preliminarily identified areas subject to restoration.

## Realised Activities

In 2022, the measures of reforestation and afforestation were implemented at 1811.9 ha in five regions, including reforestation (promoting natural forest regeneration, maintenance) on 1472.9 ha new area. Furthermore, a few activities planned under the reforestation projects commenced in 2021 were carried out in the 339-ha area.

According to the forestry services, reforestation and afforestation and maintenance measures were taken in Kvemo Kartli – 18.7 ha, Samtskhe-Javakheti – 80.8 ha, Imereti region – 375.1 ha, Kakheti – 1,334.8 ha, Shida Kartli – 2.5 ha areas.

Objective 2.3: Sustainable usage of forest resources	
Number and title of the activity:	Activity 2.3.2: Forest maintenance and restoration
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Forestry Agency
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> 2022 the forest will be planted/restored on an additional 100 ha.	<b>Realised:</b> In 2022, reforestation measures (supporting natural regeneration) were implemented in 1,472.9 new areas.
Budget	
<b>Estimated:</b> <u>GEL 1,850,000</u>	<b>Actual:</b> <u>GEL 1,291,100</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

### Activity 2.3.3: Implementation of forest inventory

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Forestry Agency

The goal of the activity: Development of the forest management plan reflecting the forestry measures directed to forest protection, improvement of the state of resources, rational and multi-purpose usage and reproduction; updating the outdated information on the state of forest resources, registration of forest resources, identification, and analysis of the forestry production, indicators, and quality of forest resources; specifying the state forest fund boundaries and preparation of the related cartographic

material; improvement of the existing forest registration material resources and ensuring processing the information employing modern software.

**Realised Activities:**

The forest registration works were completed, and the forest management plan was developed.

Draft forest management plans were developed for a 191,868-ha area for the following forest sections: Dedoplistskaro-Signagi (23,826 ha), Ambrolauri (81,069 ha), Tsalka-Tetritskaro (56,126 ha), and Adigeni (30,847 ha).

The procedures for approving forest management plans for the areas above are underway.

Objective 2.3: Sustainable usage of forest resources	
Number and title of the activity:	Activity 2.3.3: Implementation of forest inventory
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia /LEPL National Forestry Agency
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, draft forest management plans will be developed for three forest areas (126.8 thousand ha).	<b>Realised:</b> In 2022: draft forest management plans were additionally developed for a 191,868-ha area for the Dedoplistskaro-Signagi (23,826 ha), Ambrolauri (81,069 ha), Tsalka-Tetritskaro (56,126 ha), and Adigeni (30,847 ha) forest sections.
Budget	
<b>Estimated:</b> <u>GEL 850,000</u>	<b>Actual:</b> <u>GEL 692,290</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					X

**Objective 2.4: To support the implementation of energy-efficient and renewable energy technologies and practices.**

To implement Objective 2.4, 1 activity was realised in 2022 on developing sub-legal acts on biofuel production. The Ministry of Economy and Sustainable Development of Georgia implemented the activity.

**As a result of the activities carried out to achieve the goals of the Objective during the year 2022:**

⇒ The first draft of 1 sub-legal act was developed.

## Activity 2.4.1: Develop sub-legal acts on the production of biofuel.

Responsible agency: The Ministry of Economy and Sustainable Development of Georgia

The goal of the activity: Sustainable usage of natural resources, retaining the eco-system, and adaptation to climate change.

### Realised Activities

A donor organisation has been identified that will develop and refine sub-legal acts. Furthermore, the first draft of 1 sub-legal act has already been prepared and must be discussed with stakeholders. The discussion around the mentioned draft is planned for 2023. For the approval of sub-legal acts, it is necessary to first amend the Law of Georgia on the Production of Energy from Renewable Sources and the Promotion of its Use and its subsequent approval by the Parliament of Georgia, and it has been postponed for 2023. The development of the afore-mentioned amendments has been necessitated by the transposition of the new directive (EU) 2018/2001 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 December 2018 on the promotion of the use of energy from renewable sources (recast). Currently, the draft version of the amendment to the law has already been prepared. Hence, after the law is amended, drafts of the sub-legal acts on biofuel production will be finalised and approved during 2023.

### Indicator Realisation and Budget Expenditures

The first draft of one sub-legal act was developed during the reporting period.

Objective 2.4 To support the implementation of energy-efficient and renewable energy technologies and practices	
Number and title of the activity:	Activity 2.4.1. Preparation of drafts of sub-legal acts on the production of biofuel
Responsible agency:	The Ministry of Economy and Sustainable Development of Georgia
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022: development of 4 4 sub-legal acts on the production of biofuel	<b>Realised:</b> A first draft of one sub-legal act was developed.
Budget	
<b>Estimated:</b> zero	<b>Actual:</b> zero

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			X		
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

## Objective 2.5: To maintain agro-biodiversity.

To accomplish Objective 2.5, two activities were carried out in 2022, including researching local breeds and the bio population of Georgian fauna and researching annual and perennial crops. The Ministry of Environmental Protection and Agriculture of Georgia and its sub-agency LEPL Agricultural Scientific-Research Center fulfilled all the activities under the objective.

### As a result of the activities carried out to achieve the goals of the Objective during the year 2022:

- ⇒ In 2022, the number of research heads was 14,374; the number of breeding animals – 80 heads.
- ⇒ The projected number of perennial crops 2,223 are included in the collection; the number of samples conserved in the gene bank is 879.

**State expenditures for the implementation of Objective 2.5 in 2022 were GEL 1,929,488.**

### Activity 2.5.1 Researching local breeds and bio population of Georgian Fauna.

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL Agricultural Scientific -Research Center

The goal of the activity: Restoration and improvement of the local species and populations of domestic animals, birds, fish, and beneficial insects and the creation of their genetic bank.

#### Realised Activities

- The study of the exterior characteristics, the productivity of cows, and the development of calves of the experimental livestock of the Megrelian red species were in progress on the base farm in the Nakhshirgele, Khobi Municipality village.
- The research was conducted to study the milk productivity of the experimental herds of the Megrelian red species.
- Research materials were accumulated for 72 cows and 25 calves of the Caucasian brown species of the base farm herds.
- The materials of the examination of control milking of cows, tests of milk samples and calf-breeding were logged in the electronic journal of the research.
- The indicators of the growth of heifers of Caucasian brown species in the herds of dairy cooperatives were studied in dynamics, and the economic-productivity indicators of the herd are in progress.
- The breeding of experimental Georgian mountain species, gaining offspring, studying productivity, livestock mating and feeding monitoring was performed.
- Monitoring 20 Caucasian brown species heifers and four young steers was performed at village Gomareti pastures, Dmanisi Municipality.
- The monitoring of the usage of breeding stocks handed over to the Gomarety dairy cooperative in the Dmanisi Municipality was performed.

- The farm is being prepared for turning into the breeding farm; twenty-three cows have been selected as the mothers of future brood; of those, two cows were sent to the Republican Stockbreeding Exhibition, 1 of which became the champion within the species.
- In the Dmanisi experimental station, feeding monitoring was performed, and the serving sizes were adjusted for various ages of experimental livestock.
- The Georgian Mountain cow population expedition research in Adjara was launched in the high mountainous zone. An expedition study of the Adjara population in Khulo, Shuakhevi and Keda municipalities was performed at eight agricultural farms, and phenotyping of over 50 livestock, including 13 typical cows, was conducted.
- Works involving the research of productivity and organising zoo technical breeding inventory were conducted in Alatubani and Jigrasheni farms. A total of 121 livestock were involved.
- At the Akhaltsikhe base, the Georgian mountain herd transferred from the Scientific-research Center of Agriculture breeding was conducted. Monitoring is underway over 14 heads of experimental mountain livestock.
- Expedition research was organised in Tianeti and Dusheti municipalities to identify Georgian mountain breeding stock steers.
- The monitoring of breeding stock young was conducted in the Dmanisi municipality.
- The Research materials obtained at the experimental bases underwent biometric processing.
- Fifty-one piglets were obtained from Kakhetian pigs; productivity is 5.1 piglets.
- Megrelian goats were auctioned under a condition to a goat dairy farm in Senaki.
- Monitoring of the growth and development of kids was performed.
- A survey of egg-laying productivity was performed among hens, ducks, and turkeys.
- The egg-laying intensity of Javakhi grey and colourful goose, Kolkhis pheasant and straw-coloured turkey, and eggs' physical and incubation characteristics were studied.
- Business trips were organised to the farms where local hens had been handed over.
- Egg-laying intensity and physical characteristics of local hens, turkey and Kolkhis pheasants, and younglings' growth dynamics were studied.
- The results of hibernation of bee families were studied.
- Thirty mother bees were removed from breeding families, and 140 were removed from reproducing bee gardens for transferring to farmers.
- An Autumn survey of bee families was conducted.
- Twenty-five best bee families were selected for the breeding core.
- Two hundred thirty inseminated female bees were removed from breeding and reproducing families.
- 180 kg honey was obtained.
- In Chokhatauri Municipality, the mountaineering places in 5 quarters were established by processing forest evaluation materials.
- Partial microscopic testing of silkworm eggs was performed. Forty varieties of silkworm eggs were tested. Three hundred boxes were produced.
- The production of silkworm eggs for the next generation of silkworms is in progress.
- Six thousand nadis of healthy pure breed silkworm eggs and 500 gr hybrid silkworm eggs were produced.
- In spring, the classification, shearing, washing of sheep, and wool sampling were performed.

- The population of Tusheti sheep, 30 heads, were auctioned under conditions to the Kareli Municipality; 4 breeding sheep - with four lambs were identified for breeding.
- In Village Rike, Zugdidi Municipality, monitoring was performed at a fish farm made up of the breeding groups of the local carp population; that had been auctioned under conditions to maintain, develop, and disseminate throughout Georgia population of local carp in the same fish farm.
- Fish biomass was determined for realisation.
- Recommendations will be produced for the farmers interested in heliculture.
- Identifying the regions unfavourable concerning some infectious diseases of livestock was underway to identify tentatively high-risk areas to conduct subsequent epidemiological studies.
- Research is underway on Megrelian red cow species to identify cattle and micro areas prone to brucellosis.
- Expeditions were conducted in five municipalities. One hundred twenty-two blood samples were taken in 33 different micro areas to research cattle brucellosis and 23 faeces samples for further diagnostics of helminthic infections.
- Scientific conclusions were produced based on the existing data for effective management of preventative measures for rabies, and relevant recommendations were developed and sent to the FSA for review.
- One hundred forty-nine heads were examined in 6 municipalities of Samegrelo, and 16 positive brucellosis cases were detected.
- Fifty-seven new units were added to the Georgian food products nutrition base. The database is ready for integration into the computer software Nutritics.
- Recipes of 12 national dishes were standardised, and their nutritional characteristics were calculated.
- Qualitative and quantitative risk assessment methods were determined for Georgia's invasive insect, spotted wing drosophila (*Drosophila suzukii*).
- A document with the conclusions on phytosanitary risk assessment of *Drosophila suzukii* was developed.
- The risk of invasion, spread, and establishment of *Drosophila suzukii* in Georgia was determined using the qualitative method, using the program CAPRA, recommended by the EPPO (European Plant Protection Organization).
- An experimental study model to determine alternative methods of the risk assessment of the emergence of resistance to Fluoroquinolones group antibiotics in *Campylobacter jejuni* and *Campylobacter coli* populations prevalent among Broilers was developed, and the initial data was obtained.
- A conceptual risk assessment model was developed based on the One Health approach to assess the risk of rabies infection among domestic animals.
- Alfalfa mowed mass was baled and transported to Dmanisi.

### **Indicator Realisation and Budget Expenditure**

The plan for 2022 was: the number of heads in the study 4,436 heads; the number of breeding animals 80 heads.

The number of heads in the study is 14,374; the number of breeding animals is 80.

The planned budget for the program implementation 2022 was GEL 500,000, while the actual budget utilisation was GEL 857,131.

<b>Objective 2.5: To maintain agrobiodiversity</b>	
Number and title of the activity:	Activity 2.5.1: Researching local breeds and bio population of Georgian Fauna
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL Agricultural Scientific - Research Center
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022: the number of heads in the study: is 4,436, heads the number of breeding animals is eighty heads.	<b>Realised:</b> In 2022, the number of heads in the research will be 14,374; the number of breeding animals will be 80 heads. Note: Such an increase is due to the trials conducted on snails in Khobi Municipality. They were completed during the reporting year and will not be conducted in the current year. Without this quantity, the number of existing individuals is equal to the planned number).
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 500,000</u>	<b>Actual:</b> <u>GEL 857,131</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
Status		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
			X			

### Activity 2.5.2: Researching annual and perennial crops.

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL Scientific Research Center

The goal of the activity is: Preserve genetic funds for annual and perennial crops, elaborating innovative technologies for planting and producing, and bio-agro-production.

#### Realised Activities

- The scheme for using bio preparations was developed for each crop.
- For the Tsilkani experimental plot, following the compatibility principles of cereal, legume, and technical and vegetable crops, plants with aromatic and pesticide activity were selected, and the schemes for the selected plantations were developed.
- Qualitative characteristics of barley, wheat, oats, and rye seeds were examined.
- Around 15 bio preparations were applied to the mixed plantations of the experimental versions.



- The material was drawn from 20 different vine varieties for DNA extraction, and DNA extraction was performed.
- Over 300 samples of vine shoots from the Jighaura base mother plant and collection vineyards were taken and examined; furthermore, the samples of 350 vine shoots supplied through the FAO projects were examined.
- The pigments content, minimal – Fo, maximum – Fm and variable – Fv fluorescence intensities were examined in the leaves of 13 selected Georgian vine varieties.
- Immunoenzymatic assay of the collected fruit tree samples was performed.
- Vine rootstock and mother plant were researched at the Jighaura base, and laboratory diagnostics of 4 types of viral infections were performed.
- Dominant pest species of fruit crops (apples, plums, peaches, pear, apricot) and hazelnut diseases were identified.
- The prevalence of the pathogen *Nosema maddoxii* in the spring population of stink bugs was established in two different regions, namely, Guria and Samegrelo.
- The technological scheme of the flat pruning machine assembly on the self-propelled chassis and sketch drawings of the working parts were worked out.
- Autumn tests of the rollator and upgraded chisel were carried out, and the results of the tests were analysed.
- A new collection plot (Jighaura) of introduced fruit trees was developed, and around ten new forms expanded the collection of local species.
- Spring pruning was performed via UFO and Spanish bush methodology.
- Morphological characterisation and mechanical description of fruit for apples, pear, almonds, and walnuts (26 varieties) leaves were performed.
- The observation was performed over the process of apple (4 varieties and five varieties of almonds – ripeness phenophase (beginning of ripening, mass ripening). The information was added to the database.
- Autumn works were performed in the fruit tree collection orchards.
- Biometric monitoring of the growth of cherry trees trained under the new system was performed.
- According to descriptors, research varieties, Orbeluri Ojaleshi and Tsojikouri, were described, and the identity of the variety under study was specified.
- Wine decanting was performed, and 700 l of red and 850 l of white wine was obtained; 350 bottles of 25 varieties were bottled.
- Twenty-seven varieties of grapes were processed, and the wine samples were vinified.
- Labelling of 2021 vintage study samples was performed. A total of 1,230 bottles of 77 varieties were labelled.
- The obtained wine materials measured the following indicators: alcohol, residual sugar, titratable acidity, pH, and volatile acidity.
- Annual and perennial crops were selected for testing a novel sulfur clay composite, and a scheme for applying bio preparations was developed.
- Third-generation hybrids of tomatoes have been produced in a greenhouse.
- Seed material was processed following the harvest.
- Onion and garlic harvest was taken. Also, flaxseed was harvested.
- The soil was cultivated for fall, and the following was planted: Lathyrus, second-generation chickpea mutants.

- Autumn planting of onions and garlic.
- Biometric processing of flaxseed and tobacco material was performed.
- Fall-headed grains were planted in Dedoplistskaro, Telavi, Tsilkani, Akhalkalaki and Akhaltsikhe municipalities.
- Cultivation was performed in the broccoli and cauliflower nursery.
- Twenty-one samples of three varieties of beans were planted in an open field.
- Spring legume crops were planted.
- Asparagus and artichoke harvest were taken.
- Phenological observation and biometric recordings were performed on artichoke and asparagus.
- Tobacco seedlings were replanted in an open field.
- At the Tsilkani base, the artificial crossbreeding of corn (1,887 cobs were crossbred).
- 20 Goji Berry plants and ten chrysanthemum plants were propagated.
- Esparcet and spring barley were sown on a 1.03 ha area; the control version has been labelled.
- Broccoli and okra seeds were sown in seedling cassettes.
- The following crops were sown as mixed crops in the experimental plot of Tsilkani: corn, beans, black radish, parsley, celery, Lathyrus, beets, flaxseed, lacy phacelia, thyme, basil, dill, artichoke, garden heliotrope and calendula.
- Experimental planting of cereal grains was conducted in Kakheti and Tsilkani bases.
- Wine yeast spontaneous microflora biomasses of Kisi and Khikhvi vine varieties were obtained.
- During the reporting period, the following were identified: prospective Kiwi species form, yellow kiwi, and red kiwi obtained through selection in China, prospective feijoa species form Apollo, and yellow kiwi were planted on the collection plot.
- Red kiwi plants, lemon Meyer, lemon Bjuji, and lemon Akhalkartuli were grafted.
- In Chakvi, the Kolkhida tea variety's mother plant was found.
- After pruning, tea variety Kolkhida plants developed a trained bush designated as mother plants for obtaining standard saplings.
- The selected citrus varieties and forms were propagated via standard grafting. A total of around 500 plants were grafted.
- Actinidia and cherry-laurel plants were grafted.
- The training was delivered to farmers on agro technologies for the maintenance and production of subtropical crops.
- Poplar grafting was planted.

### **Indicator Realisation and Budget Expenditure**

In 2022, the plan was: number of perennial crops conserved in the collection 897; several samples in the gene bank 900.

Actual: the protected number of perennial crops included in the collection is 2,223; the number of samples in the gene bank is 879.

The planned budget for the program for 2022 was GEL 1,500,00, while the actual budget utilisation was GEL 1,072,357.

<b>Objective 2.5: To maintain agro-biodiversity</b>	
Number and title of the activity:	Activity 2.5.2: Perform studies on annual and perennial crops.
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL Scientific Research Center
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, the projected number of perennial crops included in the collection was 897; the number of samples in the gene bank was nine hundred.	<b>Realised:</b> The projected number of perennial crops included in the collection was 2,223; several samples conserved in the gene bank were 879.
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 1,500,000</u>	<b>Actual:</b> <u>GEL 1,072,357</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

## Strategic goal 3: Effective systems of food/feed safety, veterinary and plant protection

Strategic goal 3 - Effective food/feed safety systems and veterinary and plant protection include four objectives and thirteen activities.

### Objective 3.1: To approximate Georgia's sanitary and phytosanitary regulatory legislation to the EU legislation.

To accomplish Objective 3.1, two activities were carried out in 2022, including drafting Georgia's sanitary and phytosanitary regulatory legislation approximated with EU legislation. The activity under the Objective was implemented by the Ministry of Environmental Protection and Agriculture of Georgia.

#### As a result of the activities carried out to achieve the goal of the Objective during the year 2022:

- ⇒ In 2022, it was envisaged to approximate Georgia's sanitary and phytosanitary regulatory legislation with the EU legislation based on twenty-six legal acts of the EU; five legal acts were deemed irrelevant. Seventeen decrees of the government of Georgia have been approved. Three draft decrees have been submitted, and one draft decree has been prepared.

### Activity 3.1.1: To elaborate draft of Georgia's sanitary and phytosanitary regulatory legislation approximated with the EU legislation.

Responsible agency/department: Ministry of Environmental Protection and Agriculture of Georgia / Agriculture, Food and Rural Development Department, Legal Department, Department of International Relations, and EU Integration

The goal of the activity: Approximation of the legislation regulating Georgian sanitary and phytosanitary spheres with the EU legislation within the framework of the DCFTA (Deep and Comprehensive Free Trade Area).

#### Realised Activities

In 2022, to elaborate on the sanitary and phytosanitary regulatory legislation of Georgia approximated with EU legislation, it was envisaged to approximate with the EU 26 legal acts of these five legal acts of the EU were deemed irrelevant. From those above, 17 Government of Georgia degrees have been approved, three decrees have been submitted for approval, and one draft decree has been developed.

#### Indicator Realisation and Budget Expenditure

**Objective 3.1: To approximate the sanitary and phytosanitary regulatory legislation of Georgia to the EU legislation**

Number and title of the activity:	Activity 3.1.1. To elaborate, Georgia's sanitary and phytosanitary regulatory legislation approximated the EU legislation.
Responsible agency/department:	The Ministry of Environmental Protection and Agriculture of Georgia / Agriculture, Food and Rural Development Department, Legal Department, Department of International Relations, and EU Integration
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, draft resolutions of the Government of Georgia in food safety, veterinary and plant protection will be submitted for approval to ensure approximation with the EU 26 legal acts.	<b>Realised:</b> In 2022, 5 legal acts were deemed irrelevant, and 17 Government of Georgia resolutions have been approved. Three draft resolutions have been submitted for approval, and one has been drafted.
<b>Budget</b>	
<b>Estimated:</b> <u>GEL0</u>	<b>Actual:</b> <u>GEL0</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		<b>X</b>			
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		<b>X</b>			

### Activity 3.1.2. Assisting the development of the Food Safety Quality Management System (QMS) (ENPARD IV, Indicator 1.7)

<b>Objective 3.1: To approximate the sanitary and phytosanitary regulatory legislation of Georgia to the EU legislation</b>	
Number and title of the activity:	Activity 3.1.2. Assisting the development of the Food Safety Quality Management System (QMS) (ENPARD IV, Indicator 1.7)
Responsible agency/department:	Ministry of Environmental Protection and Agriculture of Georgia/ LEPL National Food Agency
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2023: The document management system will be created for LEPL National Food Agency based on the best international practice (accreditation standard ISO 9001:2015)	<b>Realised:</b> The development of a full-fledged certified quality management system in Georgia's state food safety control is underway.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			X		
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Objective 3.2: To ensure that the products supplied to the local and export markets comply with sanitary and phytosanitary standards.

To accomplish Objective 3.2, seven activities were implemented in the year 2022, including conducting laboratory research in the sphere of food safety, preventive vaccination of animals, treatment of plants against pests, treatment of the areas against stink bugs, laboratory research of samples of the wines represented on the market. The activities of the objective were carried out by the Ministry of Environmental Protection and Agriculture of Georgia and its sub-agencies.

#### As a result of the activities carried out to achieve the goals of the Objective during the year 2022:

- ⇒ Eight thousand one hundred ninety-one scheduled inspections were performed.
- ⇒ Three thousand nine hundred twenty food samples were lab tested.
- ⇒ Seven thousand five hundred sixty-six documentary inspections were conducted.
- ⇒ Four million four hundred fifty-eight thousand fifteen heads of animals were vaccinated/investigated (against foot-and-mouth, anthrax, rabies, brucellosis, lumpy skin disease, minor livestock plague, spongiform encephalopathy, sheep catarrhal fever, tuberculosis); in epidemiological hotspots of Crimean-Congo Haemorrhagic Fever, 23 458 heads of cattle were treated; overall, 4,481,473 heads of animals were vaccinated/examined and treated.
- ⇒ One million twenty-two thousand three hundred forty-eight cattle have been identified.
- ⇒ One million seventy-two thousand one hundred sixty-three heads of cattle were treated against external pests at veterinary supervision stations.
- ⇒ One hundred eighty-six samples were examined to monitor the quality of veterinary preparations.
- ⇒ Scheduled inspections of 767 sites subjected to veterinary control were performed.
- ⇒ For laboratory monitoring, 1,894 tests were performed from 443 samples of biological material of live animals and feed of meat-producing animals for 15 indicators; to test for salmonellosis and enterobacteria, the examination of 50 processed food for pets and 20 fish powder samples were examined.
- ⇒ 103,260 ha area was treated against locusts, fall webworm moths, *Cydalima perspectives*, and other pests.
- ⇒ Three hundred eighty samples were examined to determine the quality of pesticides and agrochemicals.
- ⇒ In 2022, about 251,185 ha area was treated against stink bugs.
- ⇒ In 2022, 1,692 samples of alcoholic beverages were taken for testing at the wine laboratory.
- ⇒ The percentage share of the business operators inspected by LEPL National Food Agency that had reached compliance with the relevant food safety regulations relative to the total indicator was at least 17.4% in 2021 and at least 18.5% in 2022.

**In 2022, state expenditures for implementing Objective 3.2 were GEL 49,869,744.00.**

### Activity 3.2.1: Carry out laboratory tests in food safety.

Responsible agency: Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency.

The goal of the activity: Reduction/elimination of facts of sale of harmful food on the consumer market; compliance of the sanitary-hygienic state of food/animal feed business operators with the requirements set forth under the legislation.

#### Realised Activities

Overall, the following was implemented:

- Scheduled inspection – 8,191
- Ad hoc inspection - 953
- Rechecking - 9 293

Seven thousand five hundred sixty-six documentary inspections were performed; 3,920 food samples were taken and investigated; 1,013 supervisions were conducted. A total of 4,231 administrative delinquencies were identified because of food safety state control.

#### Indicator Realisation and Budget Expenditure

In 2022, the Agency carried out 8,191 planned inspections, 7,566 documentary inspections, and 3,920 food samples were tested in a laboratory.

Objective 3.2 To ensure that the products supplied to the local and export markets comply with sanitary and phytosanitary standards						
Number and title of the activity:		Activity 3.2.1: Carry out laboratory tests in food safety				
Responsible agency:		The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency				
Reporting (monitoring) period		01.01.2022 – 31.12.2022				
Performance Indicators						
<b>Planned:</b>			<b>Realised:</b>			
<ul style="list-style-type: none"> <li>• Seven thousand scheduled inspections will be performed.</li> <li>• Eight thousand documentary inspections will be performed.</li> <li>• Laboratory investigation of 4,500 food samples will be performed.</li> </ul>			<ul style="list-style-type: none"> <li>• Eight thousand one hundred ninety-one planned inspections were performed.</li> <li>• Seven thousand five hundred sixty-six documentary inspections were performed.</li> <li>• Three thousand nine hundred twenty food samples underwent laboratory investigation.</li> </ul>			
Budget						
<b>Estimated:</b> GEL 1,150,000.00			<b>Actual:</b> GEL 1,968,036.00			
Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			

		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 3.2.2: Implementing animal preventive vaccinations.

Responsible agency: LEPL National Food Agency

Partner organisations: DTRA, USDA, FAO, EuFMD, CDC, and local self-government.

The goal of the activity: Achieving stable epizootic reliability against hazardous diseases; reduction of zoonotic disease cases in animals and people; supporting provision of safe food of animal origin to the consumers.

#### Realised Activities

##### Vaccinated:

- **917,750** heads of cattle and **1,539,399** heads of small livestock were vaccinated/revaccinated against foot-and-mouth disease.
- **423,541** heads of cattle, **651,338** heads of small livestock and **3,859** horses were vaccinated/revaccinated against anthrax.
- **143,700** heads of cattle and **79,081** heads of small livestock were vaccinated against brucellosis.
- **298,186** heads of domestic carnivorous (dogs, cats) animals and **12 000** heads of agricultural animals received preventative rabies vaccination.
- **315,875** heads of small livestock were vaccinated against the minor livestock plague.
- **63,786** heads of cattle were vaccinated against nodular dermatitis.
- **9,500** heads of cattle were investigated for tuberculosis using the allergic method.

##### Treated

- **23 458** heads of cattle in the Crimean-Congo epidemiological hotspots.
- **13 346** heads of cattle and **1 058 817** heads of small livestock were treated against ectoparasites at veterinary supervision stations during the migration to seasonal pastures.

Identified: **492,674** heads of cattle, **526,008** heads of small livestock and **3,666** heads of pigs.

Rechecked: To monitor the quality of veterinary preparations, **186** samples (including one unplanned) of the veterinary preparations were purchased and sent to the laboratory for examination. **967** facilities subject to control were inspected: overall, 767 were inspected.

#### Indicator Realisation and Budget Expenditure

In 2022, the Agency completed the preventative vaccination at over 100% and identification – at over 100%. The level of post-vaccination strain is over 70%. The program indicator was achieved.



Objective 3.2 To ensure that the products supplied to the local and export markets comply with sanitary and phytosanitary standards	
Number and title of the activity:	Activity 3.2.2: Implementing animal preventive vaccinations
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022: <ul style="list-style-type: none"> <li>• <b>3,835,120</b> heads of animals will be vaccinated/investigated (for foot-and-mouth, anthrax, rabies, brucellosis, nodular dermatitis, sheep and goat plague, spongiform encephalopathy, Malignant catarrhal fever (MCF), tuberculosis).</li> <li>• <b>583,000</b> livestock will be identified.</li> <li>• <b>920,000</b> heads of livestock will be treated for external parasites at veterinary supervision facilities.</li> <li>• 190 samples will be investigated to monitor the quality of veterinary preparations.</li> <li>• A scheduled inspection of 846 facilities subject to veterinary control will be performed.</li> <li>• investigation of 1,894 samples to be tested from 445 samples; for the investigation of salmonellosis and enterobacteria, examine the 100 processed pet foods and 80 fish powder samples;</li> </ul>	<b>Realised:</b> In 2022: <ul style="list-style-type: none"> <li>• <b>4,458,015</b> heads of animals were vaccinated/investigated (for foot-and-mouth, anthrax, rabies, brucellosis, nodular dermatitis, sheep and goat plague, spongiform encephalopathy, Malignant catarrhal fever (MCF), tuberculosis); <b>23 458</b> heads of cattle were treated in Crimean-Congo epidemiological hotspots; a total of <b>4,481,473</b> heads of animals were vaccinated/investigated and treated.</li> <li>• <b>1,022,348</b> livestock were identified.</li> <li>• <b>1,072,163</b> heads of cattle were treated for external parasites at veterinary supervision stations.</li> <li>• <b>186</b> samples were examined to monitor the quality of veterinary preparations.</li> <li>• Scheduled inspections of <b>767</b> facilities subjected to veterinary control were performed.</li> <li>• With the goal of laboratory monitoring, an investigation of 1,894 samples from 443 samples of biological material of live animals and feed of meat-producing animals was performed for 15 indicators; for the investigation of salmonellosis and enterobacteria, examine the 100 processed pet foods and 80 fish powder samples for the investigation of salmonellosis and enterobacteria, 50 processed pet food and 80 fish powder samples were tested;</li> </ul>
Budget	
<b>Estimated:</b> <u>GEL 10,000,000.00</u>	<b>Actual:</b> <u>GEL 11,892,168.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		X			

### Activity 3.2.3: Plants treatment against harmful insects

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency.

The goal of the activity: Take measures against especially harmful organisms over the entire territory of the country, avoiding damaging the crops and losing the harvest.

#### Realised Activities

As a result of the phytosanitary monitoring, the area of spreading of non-quarantine harmful organisms was defined, and the liquidation measures were taken with the help of the special equipment available at the Agency:

- ✓ **99 940** ha area was treated against locusts in East Georgia (Kakheti, Kvemo Kartli, Shida Kartli and Mtskheta-Mtianeti).
- ✓ 3,320 ha were treated against fall webworm moths in the Kakheti region.
- ✓ 340 samples of pesticides and forty samples of agrochemicals underwent laboratory testing.

#### Indicator Realisation and Budget Expenditures

In 2022, the authorised persons of the Agency performed control of the facilities selling pesticides and agrochemicals throughout Georgia in about **572** facilities. During the planned inspections, business operators were fined due to sixty facts of administrative violation. Furthermore, the procedures of acknowledging about six hundred sales facilities were carried out under the legislation-prescribed rule.

As part of the inspection of the quality of chemicals, 340 samples of pesticides and forty samples of agrochemicals were taken, a total of 380 samples, and they were transferred to the laboratory for investigation.

The preliminary monitoring of locusts was implemented, and about **99,940 ha** area was treated in Kakheti, Kvemo Kartli, Shida Kartli, Samtskhe-Javakheti, the city of Tbilisi, and Mtskheta-Mtianeti.

The list of quarantine harmful organisms and the number of samples to be investigated in the program's framework for the current year were determined. For the given period, **1,319 samples** were tested in the laboratory to detect harmful quarantine organisms.

Objective 3.2 To ensure that the products supplied to the local and export markets comply with sanitary and phytosanitary standards	
Number and title of the activity:	Activity 3.2.3: Plants treatment against pests
Responsible agency:	Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	

<b>Planned:</b> In 2022, <ul style="list-style-type: none"> <li>• <b>22,000 ha</b> will be treated against locusts, fall webworm moths, box tree moths and other pests.</li> <li>• About <b>350 samples</b> will be tested to determine the quality of pesticides and agrochemicals.</li> </ul>	<b>Realised:</b> In 2022, <ul style="list-style-type: none"> <li>• <b>103 260 ha</b> area was treated against locusts, fall webworm moths, box tree moths and other pests.</li> <li>• <b>380 samples</b> were tested to determine the quality of pesticides and agrochemicals.</li> </ul>
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 9,000,000.00</u>	<b>Actual:</b> <u>GEL 4,801,962.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	<b>X</b>				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		<b>X</b>			

**Activity 3.2.4: Treatment of the lands against stink bugs**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency.

The goal of the activity: Reducing the number of stink bugs and their control; avoiding damage to crops and economic losses; stopping the spreading-propagation of the pest in East Georgia.

**Realised Activities**

In the first half of the year, monitoring was implemented over the diapause phases of stink bugs in the areas of their hibernation, and the areas for the installation of pheromones during the year were determined in advance. Around 6,471 pheromones were placed for monitoring, and around 83,583 pheromones were installed at attract and destroy stations. The 251,185-hectare area was treated.

**Indicator Realisation and Budget Expenditure**

Within the framework of the measures against the stink bugs, based on Order No. 2-272, dated February 3, 2022, of the Minister of Environmental Protection and Agriculture, the Centre for the Management of the Measures against stink bugs was established in West Georgia.

Monitoring of the diapause phase of the test was performed in the locations of hibernation. Around 6,500 pheromones were installed for monitoring, and around 93,000 pheromones on attract and destroy stations. The technical groups brought the spraying equipment into working order, an action plan was developed, and freelance workers were hired according to the plan. Small-scale spraying on 83,805 ha and 167,380 ha were treated with thermal fog. Overall, around **251,185 ha** were treated against the stink bugs.

<b>Objective 3.2 To ensure that the products supplied to the local and export markets comply with sanitary and phytosanitary standards</b>	
Number and title of the program	Activity 3.2.4: Treatment of the lands against stink bug
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicators</b>	
<b>Planned:</b> In 2022, 250,000 ha will be treated against stink bugs (4 times).	<b>Realised:</b> In 2022, around 251,185 ha area was treated against stink bugs.
<b>Budget</b>	
<b>Estimated:</b> GEL 31,000,000.00	<b>Actual:</b> GEL 30,664,178.00

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		<b>X</b>			
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		<b>X</b>			

**Activity 3.2.5 Conducting laboratory tests of the wine samples presented on the market.**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Wine Agency.

The goal of the activity: Eliminate the appearance of falsified and low-quality wine products on the local and export markets.

**Realised Activities**

During the reporting period, as part of the state control and supervision, 943 samples were taken. Of these, violations were found in 30 samples, and the examination is still underway on 19 samples. As part of an inspection, 624 samples were taken, a violation was found in forty-three samples, and examination is underway on six samples. As part of the local market control, 125 samples were taken, and they are under examination. As part of the inspections above, 1,692 samples of alcoholic beverages were taken.

**Indicator Realisation and Budget Expenditure**

During 2022, state supervision and state control was conducted in forty-eight companies, 943 samples were taken, an inspection was performed 243 times, 624 samples were taken from the products designated to export, and local market control was performed. 125 samples were taken, and 1,692 samples of alcoholic beverages were taken.

Objective 3.2 To ensure that the products supplied to the local and export markets comply with sanitary and phytosanitary standards	
Number and title of the program:	Activity 3.2.5: Conducting laboratory tests of the wine samples presented on the market
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Wine Agency
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022: 900 samples of alcoholic beverages will be taken for laboratory testing of wine.	<b>Realised:</b> In 2022, 1,692 samples of alcoholic beverages were taken for laboratory testing of wine.
Budget	
<b>Estimated:</b> <u>GEL 600,000.00</u>	<b>Actual:</b> <u>GEL 543,400.00</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	<b>X</b>				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					<b>X</b>

### Activity 3.2.6 Ensuring Food Business Operators (FBO) Compliance with national food safety regulations (ENPARD IV, Indicator 1.3)

Objective 3.2 To ensure that the products supplied to the local and export markets comply with sanitary and phytosanitary standards	
Number and title of the program:	Activity 3.2.6 Ensuring Food Business Operators (FBO) Compliance with national food safety regulations (ENPARD IV, Indicator 1.3)
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency
Reporting (monitoring) period	01.01.2021 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022: the percentage share of the NFA inspected FBOs achieved compliance with relevant food safety regulations in the full indicator is at least 16%.	<b>Realised:</b> In 2022, the percentage share of the NFA inspected FBOs achieved compliance with relevant food safety regulations in the full indicator was at least 17.4% in 2021 and at least 18.5% in 2022.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	<b>X</b>				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status					<b>X</b>

### Activity 3.2.7 Food safety compliance of livestock products (ENPARD IV, Indicator 1.6.)

Objective 3.2 To ensure that the products supplied to the local and export markets comply with sanitary and phytosanitary standards	
Number and title of the program:	Activity 3.2.7 Food safety compliance of livestock products (ENPARD IV, Indicator 1.6.)
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency
Reporting (monitoring) period	01.01.2021 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2023: the indicator of non-compliance of meat, meat products, milk and dairy products with safety standards will be reduced by around 8.3%.	<b>Realised:</b> In 2022: 3,106 inspections were held with meat, meat products, milk, and dairy products business operators to establish compliance with the legislation, and non-compliances were identified in 47.6%. % of non-compliance has been reduced by 6% compared to the prior year.

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating		X			
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

### Objective 3.3: To develop laboratory capacities.

One activity was carried out in 2022 to implement Objective 3.3, including the introduction of new methods and parameters of research. The activities under the Objective were carried out by the Ministry of Environmental Protection and Agriculture of Georgia and its sub-agency LEPL Laboratory of the Ministry of Agriculture.

#### As a result of the implementation of the activities to achieve the goals of the Objective during the year 2022:

- ⇒ In 2022, within the framework of the ISO 17025 standard, based on the ISO 9001:2015 certificate, fifty-three new methods and 15 new parameters related to the diseases of food products, water, plants, and animals were implemented and/or accredited in the laboratory.

State expenditures in 2022 for implementing Objective 3.3 was GEL 8,578,021.

#### Activity 3.3.1. Introducing new methods and parameters of research

Responsible agency: LEPL Laboratory of the Ministry of Agriculture.

The goal of the activity: Undergo the international accreditation process according to ISO 17025 (veterinary, food safety, plant disease diagnostics) by the network of the LEPL Laboratory of the Ministry of Agriculture.

### **Realised Activities**

The accreditation process of ISO 17025 of the planned and other spheres carried out by the GAC of the United National Accreditation Agency was completed successfully. As a result, the following was added to the accreditation sphere:

In food research - 17 new methods and 15 parameters (*determine aflatoxin B1 in cereals using the High Performance Liquid Chromatography (HPLC); establish the presence of Amitraz and its metabolites in honey, using the Quenchers method via LC/MS/MS; establish Bromuconazole and Clotrimazole in honey using the Quenchers method via LC/MS/MS; determine Tetracycline group: Tetracycline, Oxytetracycline and Chlortetracycline in tissue via the CHARM II analyser; determine pesticides in fruits, vegetables and juices using the CHARM II analyser; determine Aflatoxin B1 in cereals and feed using the CHARM II analyser; determine Amphenicols group in tissue using the CHARM II analyser; the method of detection of E.coli and the determination of highest probability figure; DA method for the detection of campylobacteria in food products and feed; DA method for counting campylobacteria in food products and feed; establish weight content of table salt in breadstuff; establishing sugars in flour confectionary products; establish sugars in breadstuff; establish sugars in lactic acid products; establish weight content of bread in meat products; establish excessive water content in frozen whole chicken using the dripping method*).

In the diagnostics of harmful plant organisms - 25 new methods (*isolation of nematode cysts from soil using organic solvents; isolation of nematodes from potato tuber, roots and herbal samples using the enzyme method; detection of the wheat disease causing Ophiobolins graminids and its identification using the biological method; detection of Pseudomonas corrugata, causing the tomato stem pith necrosis and morphological-biochemical identification; detection and identification of Pseudomonas syringae pv. Morsprunorum, causing bacterial canker in stone fruits using the classical bacteriological method; identification of bacteria Pseudomonas syringae pv. Morsprunorum, causing bacterial canker of stone fruits using the polymerase chain reaction (PCR); identification of Flavobacteria michiganensis subsp. Michiganensis, causing bacterial canker of tomatoes, using the PCR; identification of bacteria Pseudomonas corrugata causing the necrosis of tomato flesh, using the PCR; identification of bacteria Pseudomonas savastanoi pv. Savastanoi, causing the olive knot disease, using the PCR; identification of fungus phytophthora ramorum, causing phytophthora, using the PCR; Identification of the Apple Chlorotic Leaf Spot Virus (ACLSV); identification of the Apple Stem Grooving Virus (ASGV); identification of the Apple Stem Pitting Virus (ASPV); identification of the Blueberry Shock Virus (BIShV); identify the Cucumber Mosaic Virus (CMV); identify Raspberry Bushy Dwarf Virus (RBDV); identify Raspberry ringspot virus (RpRSV); identify Strawberry latent ringspot virus (SLRSV); identify Tomato Black Ring Virus (TBRV); detection and identification of Hymen scyphus Fraxinus (Chalara fraxinea); detection and morphological-bio-chemical identification of Pseudomonas corrugata, causing tomato stem pith necrosis; morphological-morphometric identification of Xiphinema italiae; morphological-morphometric characterization and identification of Xlibris dispar (pear blight beetle); morphological identification of Polygonum pensilvanicum L.; morphological identification of Crassula helmsii (Kirk) Cockayne*).

In the diagnostics of animal diseases - 2 new methods (*detection of Salmonellosis group bacteria from primary sources (faeces of animals, dust, and swab); initial isolation of pathogens of diseases caused by gram-positive cocci diplococci from pathological material of animals*)

In addition to the accredited method, nine methods are implemented at the laboratory (6 in the diagnostics of animal diseases and three in food examination), and they will be accredited in 2023.

## Indicator Realisation and Budget Expenditures

In 2022, within the framework of the ISO 17025 standard, based on the ISO 9001:2015 certificate, 53 new methods and 15 new parameters on the food, water, plants, and animal diseases were implemented in the laboratory, out of which 44 methods and 15 parameters were accredited; it was planned to implement and/or accredit 20 new methods and 15 new parameters of research.

The estimated budget for the program's implementation in 2022 is GEL 7,855,500, and the actual budget utilisation was GEL 8,578,021.

Objective 3.3 To build the laboratory capacities.	
Number and title of the activity:	Activity 3.3.1: Introducing new methods and parameters of research
Responsible agency:	LEPL Laboratory of the Ministry of Agriculture
Reporting (monitoring) period	01.01.2022 - 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, within the framework of the ISO 17025 standard, based on the ISO 9001:2015 certificate, twenty new methods and fifteen new parameters on food, water, plants, and animal diseases will be implemented and undergo an accreditation process at the laboratory.	<b>Realised:</b> In 2022, within the framework of the ISO 17025 standard, based on the ISO 9001:2015 certificate, fifty-three new methods and fifteen new parameters on the food, water, plants, and animal diseases were introduced at the laboratory, of those, 44 new methods and 15 new parameters underwent the accreditation process.
Budget	
<b>Estimated:</b> <u>GEL 7,855,500</u>	<b>Actual:</b> <u>GEL 8,578,021</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
			X			

## Objective 3.4: Quality assurance of agricultural inputs

To achieve Objective 3.4, 3 activities were implemented in 2022, including the study of the land fund of Georgia and scientific research on the methods for storing and processing agricultural products. The activities of the Objective were carried out by the Ministry of Environmental Protection and Agriculture and its sub-agency LEPL Scientific Research Center of Agriculture.

**As a result of the implementation of the activities to achieve the goals of the Objective during the year 2022:**

⇒ in 2022, the amount of certified seed material was 1,402 tons.



- ⇒ The number of certified sapling materials is 1,302,502 saplings.
- ⇒ In 2022, soil conditions were studied on a 20,000-ha area, and five maps were developed.
- ⇒ In 2022, 8 articles were published; 4 recommendations were developed.

**State expenditures for the implementation of Objective 3.4 in 2022 were GEL 101,559.00.**

### **Activity 3.4.1: Further development of the certification scheme of seeds and planting materials**

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency / LEPL Scientific-Research Center of Agriculture

The goal of the activity: Search, identify and characterise traditional varieties of field crops for entry into the national catalogue; the development of the system of certification of seeds and planting materials.

#### **Realised Activities**

- EU Directive COMMISSION IMPLEMENTING DIRECTIVE 2014/98/EU was reviewed.
- The details of the certification scheme of bay leaf were developed.
- Documentation about the condition of six nurseries was examined, and five nurseries were assessed as positive. Directions were provided to one nursery about the submission of complete documentation.
- 62,000 labels have been issued.
- To examine the situation, documents submitted by nine nurseries were reviewed.
- International requirements to produce planting material were examined.
- The inspection was performed on ten seed-producing farmers.
- Work is underway on the bay leaf crop certification scheme (based on European technical regulations).
- Examining the methodologies for field inspection at mother plant orchards was underway.
- Inspections on site and visual inspection of mother plant orchards were performed at nine bay leaf-producing farmers.
- Field inspections of seed plots are underway with wheat seed producers.
- Control units of the seed material taken from certified lots of wheat are tested.
- A certificate was issued for 17 lots of planting materials.
- Consultations about certification requirements for bay leaf crop planting and propagation material were provided.
- ten planting materials and five seed material producers were added to the registry of the seed and planting material producers.
- 96 certificates for seeds and planting materials were issued.
- 17 local vine varieties were added to the catalogue.
- 2 Georgian selection varieties of wheat were added to the catalogue.
- Fifty-two nurseries were inspected to assess their qualifications.

## Indicator Realisation and Budget Expenditures

This activity needs a dedicated budget. It is part of Program 2.5.2. There is no dedicated budget for this activity, and it is part of Program 2.5.2: Preserve genetic funds for annual and perennial crops, elaborating innovative technologies for plantation, treatment, and bio-agro-production.

In 2022, the following was planned according to the indicator: certified seed material: 2,000 tons; certified sapling material: 200,000 saplings; certified seed material is 1,402 tons; certified sapling material is 1,302,502 saplings.

Objective 3.4: Quality assurance of agricultural inputs	
Number and title of the activity:	Activity 3.4.1: Further development of the seed and planting materials certification scheme
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia / LEPL National Food Agency / LEPL Scientific-Research Center on Agriculture
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, certified seed material (annual): 2,000 tons; certified sapling material (annual): 200,000 saplings.	<b>Realised:</b> In 2022, certified seed material is 1,402 tons; certified sapling material is 1,302,502 saplings;
Budget	
<b>Estimated:</b> <u>GEL 0</u>	<b>Actual:</b> <u>GEL 0</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating			X		
Status		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
			X			

### Activity 3.4.2: Study of Georgian Land Fund

Responsible agency: Ministry of Environmental Protection and Agriculture of Georgia/LEPL Scientific Research Center of Agriculture.

The goal of the activity: Restoring the structure and improving the fertility of the degraded soils.

#### Realised Activities

Within the framework of studying the general state of the Georgian soil:

- A grid of soil sample-taking points has been developed for Tetrtskaro, Marneuli and Signage municipalities.
- A schedule for soil sampling was developed.
- 30 soil samples were taken in the Dedoplistskaro Municipality; the samples were prepared for lab tests and examined.

- 46 samples from Tetrtskaro, Marneuli and Bolnisi municipalities have been drawn, prepared for testing, and examined at a laboratory.
- The results of soil tests were entered into the electronic database, and the electronic database was updated.
- Soil field tests were performed in Dedoplistskaro, Gurjaani, Kazbegi, Danish and Tsageri municipalities.
- 58 soil samples were taken in the fields.
- Soil samples were prepared for laboratory testing, and a laboratory examination was performed.
- Soil examination results were entered into the electronic database, and the electronic database was updated.
- Using the cartography methods, the following was developed: a digital map of organic carbon reserve in soil, digital maps of nitrogen, phosphorus and potassium reserve in soil, and digital maps of the organic substances content and pH of soil.
- For soil fertility assessment at the experimental-demonstration plots of the Scientific-research Center of Agriculture, 30 soil samples were prepared for laboratory testing.
- 27 soil samples were tested in a laboratory to establish the soil's physical, chemical, and physical-chemical characteristics.
- Soil samples were taken from the Tsilkani experimental demonstration plot, and ten soil samples were taken from the greenhouse farm.
- Soil samples were taken from the experimental plot under perennial crops; 20 soil samples were taken.
- 2 soil samples were prepared for laboratory testing, and laboratory tests were performed for the soil's physical, chemical, and physical-chemical characteristics.
- Laboratory test results were entered into the electronic database.
- The electronic database was updated.
- 30 soil samples were taken for laboratory testing.
- The samples were prepared for laboratory testing, and laboratory tests were performed for soil physical, chemical, and physical-chemical characteristics.
- Laboratory test results were entered into the electronic database, and the electronic database was updated.

### **Indicator Realisation and Budget Expenditure**

In 2022, it was planned to examine the soil condition on a 20,000-ha area; create five maps showing organic carbon reserves in the soil:

During the reporting period: soil condition was examined on a 20,000 ha area; five maps showing organic carbon reserves in soil were developed.

For 2022, the budget planned for program implementation was GEL 100,000, adjusted during the year, and GEL 83,200. As for actual budget utilisation, it was GEL 78,797.

Objective 3.4: Quality assurance of agricultural inputs	
<b>Number and title of the activity:</b>	Activity 3.4.2: Study of Georgian Land Fund
<b>Responsible agency:</b>	The Ministry of Environmental Protection and Agriculture of Georgia/LEPL Scientific Research Center of Agriculture
Reporting (monitoring) period	01.01.2022 – 31.12.2022
Performance Indicators	
<b>Planned:</b> In 2022, soil conditions in a 20,000-ha area will be studied. Five maps showing organic carbon reserves in the soil will be developed.	<b>Realised:</b> In 2022, Soil conditions were studied on a 20,000-ha area. Five maps were created showing organic carbon reserves in the soil.
Budget	
Estimated: GEL 100,000	Actual: GEL 78,797

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	X				
	Status	The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed

### Activity 3.4.3: Scientific research of the methods for storing and processing agricultural products.

Responsible agency: The Ministry of Environmental Protection and Agriculture of Georgia/LEPL Scientific Research Center of Agriculture.

The goal of the activity: Scientific research of the methods for storing and processing agricultural products.

#### Realised Activities

- Specific versions determined the amounts of losses in grape varieties.
- Three varieties of cherries were assessed according to biochemical indicators and storability.
- Determining the losses during storage is underway for five garlic varieties and two onions.
- Samples of table grape varieties have been taken to determine storability. The efficiency of a combined solution will be identified.
- Phytochemical indicators were determined in the samples obtained in 2021 (sea-buckthorn, arrow wood, beets, pomegranate juices, dried rosehip, and sea-buckthorn pressure extract)
- Experiments were conducted for obtaining low alcohol content drinks based on apple cider (2 versions) and fermented juice of wild pear.
- Sixteen samples for the examination have been obtained, and they will be used to develop technology for obtaining various preventative drinks.
- Through extraction, samples for analysis were prepared (dried cherries – four varieties and dried plums – 3 varieties), a total of 7 versions.
- The results of the storage of table grapes samples have been analysed and assessed concerning storability as well as biochemical indicators.

- The positive effect of the combined solution has been identified in the storage process according to biochemical indicators of 6 varieties of table grapes.
- The experimental and biochemical study results were processed on stone fruits (peaches and nectarine, 2-2 varieties). Based on the study, the effectiveness of the combined solution has been identified in the stone fruit storability and losses at the end of the storage.
- Chemical reagents were prepared for chemical analysis in experimental samples, and a storage refrigerator was prepared for experiments.
- The results of an experiment and biochemical tests in the varieties of cherry were analysed and processed.
- 2 forms of garlic have been obtained, and preliminary processing for storage is underway, bringing to the condition and drying.
- Technical and main technical characteristics of the sour cherry (four varieties) were determined, which will be used to determine the yield during drying.
- Sour cherries (4 varieties) and plums (5 varieties) were dried using the convection method by varieties; osmotic dehydration is involved in the drying (1 variety).
- The main technical characteristics of dried fruit were determined: soluble dry substance, °B; pH; titratable acidity, % by varieties.
- An assortment was produced with honey based on the composition of the varieties of dried fruits and vegetables.
- The samples of grape remnants to be introduced in yoghurt were prepared.
- The dosages of the ingredients to be introduced into yoghurt were determined.
- Some of the parameters of yoghurt were determined: chemical composition %, the total amount of phenolic compounds and fibre content.
- Chemical analysis of Sulguni smoked using various kinds of wood was performed.
- 10 samples were sent to the Republic of Latvia (to test 3.4 Benzo(a)pyrene); recommendations will be developed based on the derived results.
- Five recipes for making yoghurt using various additives have been obtained (sweeteners: Stevioside, deionised grapes concentrate and filling: grape skin, grapeseed).

### Indicator Realisation and Budget Expenditure

In 2022, according to the indicator, it was planned to publish four articles and develop one recommendation. Eight scientific papers were published during the reporting period, and four recommendations were developed. In 2022, the planned budget for the program implementation was GEL 50,000, and the actual budget utilisation was GEL 22,762.

Objective 3.4: Quality assurance of agricultural inputs	
Number and title of the activity:	Activity 3.4.3: Scientific research of the methods for storing and processing agricultural products
Responsible agency:	The Ministry of Environmental Protection and Agriculture of Georgia/LEPL Scientific Research Center of Agriculture
Reporting (monitoring) period	01.01.2022 – 31.12.2022
<b>Performance Indicator</b>	

<b>Planned:</b> Four articles will be published, and one recommendation will be developed	<b>Realised:</b> In 2022, 8 articles were published; four recommendations were developed
<b>Budget</b>	
<b>Estimated:</b> <u>GEL 50,000</u>	<b>Actual:</b> <u>GEL 22,762</u>

Progress evaluation		Fully completed	Mostly completed	Partially completed	Not completed	
	Rating	<b>X</b>				
		The implementation process still needs to be initiated.	Implementation process ongoing	Implementation process suspended	Implementation process terminated	Implementation process completed
	Status		<b>X</b>			