

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

**Performance Monitoring Report for 2023**

2024

## Summary

The 2021-2027 Strategy of Agriculture and Rural Development of Georgia approved by Decree No. 2665 of the Government of Georgia on December 20, 2019, is part of the national policy for the development of the country, all sectoral or multi-sectoral development documents, and specific measures, implementation of which, ensures sustainable rural and agriculture development.

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

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

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

According to the 2021-2023 Action Plan, in 2021, the financing of activities was envisaged with a total budget of GEL **841,459,100**, while the actual budget utilization in the reporting period amounted to GEL **975,876,052.89**.

| Strategic goal  | Objective  | Number of activities | Budget estimate for 2021 (GEL) | Budget expenditure for 2021 (GEL) |
|---|--|----------------------|--------------------------------|-----------------------------------|
| <b>1. Competitive agricultural and non-agricultural sectors</b> | 1.1: Raising awareness/knowledge of farmers and entrepreneurs  | 2                    | 275,000.00                     | 506,825.09                        |
|   | 1.2: Developing agricultural and non-agricultural value chains by focusing on diversification, innovative technologies, cooperation, and support to producers' unions; Increasing access to various financial instruments. | 23                   | 335,598,300.00                 | 335,823,982.73                    |
|   | 1.3 Integration of farmers/entrepreneurs on the market   | 5                    | 17,350,000.00                  | 17,348,964.15                     |
|   | 1.4: Stimulating rural-based young farmers and entrepreneurs   | 1                    | 0.00                           | 0.00                              |
|   | 1.5: Increasing access to infrastructure and services  | 9                    | 304,012,400.00                 | 422,102,712.07                    |
|   | 1.6: Improving irrigation and drainage systems   | 4                    | 70,000,000.00                  | 78,558,781.00                     |
|   | 1.7 Developing rural tourism and relevant tourism products   | 3                    | 950,000.00                     | 777,820.36                        |
| <b>Strategic goal I</b>   |  | <b>47</b>            | <b>728,185,700.00</b>          | <b>855,119,085.40</b>             |

|   |  |           |                       |                       |
|---|--|-----------|-----------------------|-----------------------|
| <b>2. Sustainable use of natural resources, maintaining the ecosystem, adaptation to climate change</b> | 2.1: Promoting climate-smart and eco-friendly agricultural practices and fostering the development of bio/organic production | 1         | 0.00                  | 0.00                  |
|   | 2.2: Promoting eco-tourism   | 2         | 17,150,000.00         | 19,604,488.56         |
|   | 2.3: Sustainable use of forest resources   | 3         | 37,216,300.00         | 33,620,650.00         |
|   | 2.4: Promoting adoption of energy-efficient and renewable energy technologies and practices                                  | 1         | 0.00                  | 0.00                  |
|   | 2.5: Conservation of agro biodiversity   | 2         | 1,990,700.00          | 2,391,927.93          |
| <b>Strategic goal II</b>  |  | <b>9</b>  | <b>56,357,000.00</b>  | <b>55,617,066.49</b>  |
| <b>3. Effective systems of food/feed safety, veterinary and plant protection</b>                        | 3.1: Approximation of the regulatory legislation of Georgia to the EU legislation in sanitary and phytosanitary fields       | 2         | 0.00                  | 0.00                  |
|   | 3.2: Ensuring compliance of the products supplied to the local and export markets with sanitary and phytosanitary standards  | 6         | 47,630,700.00         | 55,276,246.00         |
|   | 3.3: Building laboratory capacities  | 1         | 9,136,800.00          | 9,733,523.00          |
|   | 3.4: Quality assurance of agricultural inputs  | 3         | 148,900.00            | 130,132.00            |
| <b>Strategic goal III</b>   |  | <b>12</b> | <b>56,916,400.00</b>  | <b>65,139,901.00</b>  |
| <b>Grand Total</b>  |  | <b>68</b> | <b>841,459,100.00</b> | <b>975,876,052.89</b> |

## Agri-food sector - Development Trends

Significant positive results were observed in 2021, in development of the agri-food sector.

According to the data of 2022, the indicator of the output of products in rural, forestry and fish farms (output of primary agricultural products) amounted to 7.4 billion GEL, which is 39.8% higher than the indicator of 2018, and 10.2% higher than the data of 2021.

According to the data for 2022, the indicator of the output of products obtained because of the processing of agricultural products amounted to 9.0 billion GEL, which exceeds the indicator of 2018 by 58.7% and the data for 2021 - by 16.1%.

According to the data for 2022, the gross domestic product created in the sector amounted to 4.8 billion GEL, which is 40.8% higher than the 2018 indicator, and 10.1% higher than the 2021 data.

In 2023, the export value of agri-food products amounted to 1 437 million US dollars, which is 471 million US dollars (48.8%) higher than the indicator of 2018, and 14.8% more than the data of 2022.

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

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

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

1.1. To accomplish Objective 1.1, 2 activities were conducted in 2023 – provision of effective extension services to farmers and implementation of vocational education programs in the field of agriculture. Activities of the Objective were implemented by the Ministry of Environmental Protection and Agriculture of Georgia, its agencies, and the Ministry of Education and Science of Georgia.

#### As a result of the activities implemented to achieve the goals, in 2023:

- ⇒ Consulting services were provided to 33,688 beneficiaries (individuals and legal entities).
- ⇒ 750 persons were enrolled in vocational education programs in the field of agriculture, which is 31% higher than the baseline (2022) data (516 persons).

**1.1 In 2023, the state spent GEL 506,825.09 to achieve the objective.**

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

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

Goal of the activity: Implementation of agricultural extension for farmers and rural population employed in the field of agriculture in office, remote, and field conditions. Extension services, in parallel with performing information and consultation activities per field, ensure the promotion of implemented and ongoing projects of the Agency.

## Realized activities.

In 2023 a total of 24,342 consultations were provided by nine regional offices and forty-five extension centres. Consulting services were provided to 33,688 beneficiaries (individuals and legal entities). In rural areas, the number of information-extension meetings with the local population was 908.

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; and 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:

- 1. **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.
- 2. **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.
- 3. **my.mepa.gov.ge** - The unified electronic portal of farmers.

In 2023 the Department of Regional Relations was involved in the Rtveli 2023 (Vintage 2023), the 2023 Non-Standard Apple Sales Promotion Programs, and the Support Hazelnuts Production Program; as well as in the measures to be carried out to support the population affected by the hailstorm in Kakheti region on 2 and 17 September 2023.

Regional offices developed an operational-statistical data document for internal use – “databases in 2023”.

## Indicator Realisation and Budget Expenditure

In 2023, it was planned to provide consulting services to 50,000 beneficiaries (individuals and legal entities). During the reporting period, consulting services were provided to 33,688 beneficiaries (individuals and legal entities).

**Note:** The low percentage of the performance of the 2023 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. Besides, the activity was conducted 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:  | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, consulting services will be provided to 50,000 beneficiaries (individuals and legal entities). 2023 | <b>Realized:</b><br>In 2023, consulting services were provided to 33,688 beneficiaries (individuals and legal entities).                       |
| <b>Budget</b>   |  |
| <b>Estimated:</b> <u>0.00 GEL</u>   | <b>Realized:</b> <u>0.00 GEL</u>   |

|                     |        | Fully completed   | Mostly completed               | Partially completed              | Not completed                     |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| Progress evaluation | 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 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.

**Realized Activities**

It was planned to increase the number of students enrolled in vocational education programs in agriculture by 3% compared to the 2022 indicator. The number of positions for vocational education programs reached 981, in the reporting period. According to the data provided by the Education Management Information System, in 2023 about 750 individuals were enrolled in agricultural vocational education programs, which is not 3% higher than the 2022 figure (803 persons). However, actual performance in 2023 was 31%. Besides, according to the indicator (1.1.2.1), the increase in the number of students enrolled in agricultural vocational education programs, compared with baseline data, reached 11.4%, which according to the actual figure compiled a 54% increase (from baseline to final figure), which means fulfilment of commitment provided by the indicator.

**Indicator Realisation and Budget Expenditure**

According to the Action Plan, in 2023, the forecast budget of GEL 275,000.00 was planned. The voucher funding for students enrolled in the programs above in 2023 amounted to GEL 506,825.09.

| 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, Science, and Youth Affairs of Georgia Department of Vocational Education Development   |
| Reporting (monitoring) period   | 01.01.2023 – 31.12.2023   |
| Performance Indicators  |   |
| <b>Planned:</b><br>In 2023, the number of students enrolled in agricultural vocational education programs will increase by 3% compared to the 2022 indicator. | <b>Realized:</b><br>In 2023, 759 persons were enrolled in agricultural vocational education programs, which is 31% higher than the 2022 figure (516 persons). |
| Budget  |   |
| <b>Estimated:</b> <u>275,000.00 GEL</u>   | <b>Actual:</b> <u>506,825.09 GEL</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 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, 23 activities were implemented in 2023, including equipping agricultural cooperatives with processing appliances and equipment, supporting 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, supporting the development of business activities of cooperatives, supporting the employment of women in non-agricultural activities in rural areas, support the financial sustainability of the selected LEADER/CLLD initiatives, co-financing the purchase of agricultural machinery for farmers, inventory of windbreak (field protection) strips, financial and technical support for economically inactive women for setting up greenhouses, subsidizing the cost of goods necessary for maintenance and cultivation of hazelnuts, for owners of hazelnut orchards, promoting the development of socio-economic and environmental activities in rural areas, promoting the growth of bio production in the regions, in order to introduce, test and/or improve innovative products, services and technologies and their further commercialization, financing local startups, in order to promote exports, co-financing of companies' participation in international exhibitions, implementation of the program for establishing market connections (Business lead generation) for Georgian agro-companies.

All activities of the Objective were conducted by the Ministry of Environmental Protection and Agriculture of Georgia and its sub-agencies and the Ministry of Economy and Sustainable Development of Georgia.

**As a result of activities conducted to achieve the goals of the Objective during the year 2023:**

- ⇒ Co-financing of arrangement/equipment of raw material receiving-processing enterprises of three agricultural cooperatives was implemented.
- ⇒ Co-financing the purchase of equipment for honey production for eight cooperatives was conducted.
- ⇒ An additional 2,610.32 ha of new orchards were planted/contracted.
- ⇒ 120.97 ha area was fully/partially rehabilitated.
- ⇒ 16,641.34 ha of agricultural land was insured.
- ⇒ Co-financing was provided for the interest of 38,907 preferential agricultural loan/lease (service was provided).
- ⇒ Co-financing was provided for the purchase of harvesting equipment for sixty-two beneficiaries.
- ⇒ The creation of fifty-nine processing enterprises and storage infrastructure was fully or partially financed.
- ⇒ Specifications of six new geographical indications were developed.
- ⇒ Co-financing was provided for the expansion/re-equipment/modernization of 432 new and/or existing enterprises.

- ⇒ The co-financing was provided for the expansion/rearmament/modernization of 171 new or existing hotels.
- ⇒ Seventeen cooperatives have registered agro-food products, brands, and trademarks.
- ⇒ In 2023, a local support program based on the LEADER/CLLD approach was approved. According to the Ministry, three authorization seekers (non-entrepreneurial/non-commercial legal entities) have applied and the procedure of considering their applications has been started.
- ⇒ Co-financing of the purchase of agricultural equipment was implemented for fifty-two beneficiaries.
- ⇒ 2718.75 ha of windbreak (field protection) strips have been inventoried. (Dedoflistskaro-1503.3 ha; Kaspi-560.83 ha; Kareli-499.73 ha; Dusheti-154.89 ha).
- ⇒ Co-financing of setting up greenhouses for eight women beneficiaries was implemented.
- ⇒ 43,952.71 ha of hazelnut plantations were subsidized.
- ⇒ The "Leader Program" was approved by the Government of Georgia.
- ⇒ The process of certification of forty beneficiaries' organic farms got started.
- ⇒ Forty-one startups were financed in the reporting year in regions of Georgia.
- ⇒ Co-financing was provided to seventy beneficiaries producing agricultural products for participation in various international exhibitions in the respective priority markets.
- ⇒ In 2023, business meetings (b2b) with selected foreign potential buyers were organized for fifty companies.

**In 2023 state expenditures for achieving Objective 1.2 were GEL 335,823,982.73.**

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

(a) developing infrastructure of agricultural cooperatives

(b) Supporting beekeeping 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: The goal of the "State Program for the Support of Agricultural Cooperatives in Beekeeping" is to improve the material and technical base of the bee farms of agricultural cooperatives and to increase the quality and volume of produced honey and other bee products. The purpose of the "State Program of Co-financing of Storage Facilities of Agricultural Cooperatives" is to promote agricultural cooperation and standardization of primary agricultural products. The goal of the State Program of Co-financing of Refrigerators for the Storage of Berry Crops for Agricultural Cooperatives is to promote agricultural cooperatives and ensure the storage, in compliance with agro-technological standards, of the yield from berry orchards developed within the framework of the projects/programs implemented by the Rural Development Agency.

#### **Realized Activities**

As a result of the measures implemented in 2023, the following outcomes were achieved:

1) "State program of support for beekeeping agricultural cooperatives":

- The number of beneficiaries with whom a contract was concluded - 6.
- The value of the Agency co-financing in the approved projects - GEL 97,048

2) "State co-financing program for storage refrigerators for berry crops for agricultural cooperatives":

- The number of beneficiaries with whom a contract was concluded - 1.
- The value of the Agency co-financing in the approved projects - GEL 250,000

**Indicator Realisation and Budget Expenditure**

In 2023, within the framework of the programs, co-financing of the arrangement/equipment of raw material receiving-processing enterprises of thirteen agricultural cooperatives will be implemented. During the reporting period, co-financing of the arrangement/equipment of raw material receiving-processing enterprises of three agricultural cooperatives and co-financing of the purchase of tools and equipment to produce honey for eight cooperatives was conducted.

In 2023, for the measures implemented within the framework of the activity, the estimated budget was set at 5,000,000.00 GEL, while the actual utilization of the budget amounted to 2,322,064.56 GEL.

**Note:** Co-financing is provided in tranches according to the fulfilment of obligations by the beneficiaries, and the mentioned process can last longer than one year.

| 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:   | 01.01.2023 - 31.12.2023   |
| Performance Indicators   |   |
| <b>Planned:</b><br>In 2023, 13 agricultural cooperatives will have the equipment necessary for enterprises receiving and processing raw materials.   | <b>Realized:</b><br>In 2023, co-financing of the arrangement/equipment of three agricultural cooperatives with the equipment for enterprises receiving and processing raw materials and co-financing of the purchase of tools and equipment to produce honey for eight cooperatives were conducted. |
| Budget   |   |
| <b>Estimated</b> 5,000,000.00 GEL  | <b>Actual</b> 2,322,064.56 ლარი   |

| 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 | Implementation process completed |  |
|                     | Status |   | X                              |                                  |                                   |                                  |  |

### **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.

#### **Realized activities.**

In 2023, the following changes were made to the state program Plant the Future:

1. As part of the orchard component, the beneficiary was given the opportunity, both through the import of seedlings, and in the case of purchasing seedlings at a local nursery, to fully or partially transfer/credit the amount of his/her participation to the bank account of the supplier of seedlings before applying to the agency and after applying. at the same time, the 6-month transfer period, which was allowed only for imported seedlings before the implementation of the change, has been increased to no more than 12 months, which will be considered as the beneficiary's participation after signing the contract. The extension of the term is due to the consideration of the agro-time aspect because in many cases it is necessary to place an order with foreign nurseries 12 months in advance for the specific seedlings that the potential beneficiary needs within the framework of the program. Current practice has demonstrated that 6 months is not a sufficient term and depending on the productivity and production volumes of local nurseries, the beneficiaries must request seedlings in advance, and it takes a long time for the nursery to ensure the desired number of seedlings. Accordingly, in many cases, nurseries demand part of the cost of seedlings from the beneficiaries in advance.

2. As part of the orchard component, paragraph 6 of Article 12 provided for the condition that the agency's co-financing will be ensured after the beneficiary submits a document confirming the full transfer of the amount of his/her participation to the agency. An amendment was introduced and the beneficiaries were given the opportunity, after signing the contract, to transfer to the account of the supplier(s) the amount of their participation stipulated in the co-financing agreement signed with the agency in full and the amount of co-financing acceptable under the agreement in full or in part, because in many cases the amount of the beneficiary's participation transferred to the suppliers is insufficient, as an advance payment for the products to be delivered according to the agreement/invoice.

In 2023, 8 orchards developed within the framework of the state program "Plant the Future" were visited in Shida Kartli, Guria, Samegrelo-Zemo Svaneti, and Kakheti regions.

The following outcomes were obtained because of the measures carried out in 2023 within the framework of the activity.

1. Several contracts (projects) concluded during the reporting period – 532 (out of which: 412 contracts were signed within the orchards component; 2 agreements were concluded within the nursery component; 10 contracts were signed under the component of arraigning the hail protection system; 46 contracts were concluded under the drip irrigation systems development component; 63 contracts were signed under the component of arranging wells/boreholes.);
2. According to the contracts concluded during the reporting period, the total contracted area is 3,272.16 ha (out of which: the contracted area under the orchards component is 2,610.32 ha; the

- contracted area under the component of replacement of damaged seedlings is 51.07 ha; the contracted area under the hail protection system arrangement component is 71.89 ha; the contracted area under the drip irrigation system arrangement 299.86.76 ha);
3. During the reporting period, the co-financing of the Agency according to the signed contracts is GEL 31,191,092; (of this, the co-financing by the Agency defined by the agreement within the framework of the orchards component is GEL 29,008,899; the co-financing by the Agency defined by the agreement under the nursery component is GEL 133,092; the co-financing by the Agency defined by the agreement under the hail protection system component is 474,278; the co-financing of the agency defined by the agreement under the financing component of the purchase of the spraying device is GEL 5,000; the co-financing by the Agency defined by the agreement under the drip irrigation systems arrangement component is GEL 492,003; the co-financing by the Agency defined by the agreement under the well/borehole arrangement component is GEL 1,077,821);
  4. Total investment in the reporting period according to signed contracts is GEL 71,473,944 (of this, the total investment defined by the agreement within the framework of the orchards component is GEL 63,388,385; the total investment defined by the agreement under the nursery component is GEL 155,274; the total investment defined by the agreement under the hail protection system component is 4,574,512; the total investment defined by the agreement under the financing component of the purchase of the spraying device is GEL 5,000; the total investment defined by the agreement under the drip irrigation systems arrangement component is GEL 1,164,242; the total investment defined by the agreement under the well/borehole arrangement component is GEL 2,186,531);

#### Indicator Performance and Budget Expenditure

In 2023, as part of the activity, it was planned to cultivate/contract an additional 4,120 ha of new orchards. Intensive and semi-intensive type orchards with an area of 2,610.32 ha were planted/contracted during the reporting period.

In 2023, the estimated budget was GEL 35,000,000.00, and the budget utilization was GEL 26,014,308.03.

| <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 1.2.3: 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:  | 01.01.2023 - 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, 4,120 ha of additional new orchards will be cultivated/contracted.  | <b>Realized:</b><br>In 2023, 2,610.32 ha of new orchards were cultivated/contracted  |
| <b>Budget</b>   |  |
| Estimated: GEL 35,000,000.00  | Actual: GEL 26,014,308.03  |

| 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 1.2.4: 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.

#### **Realized Activities**

In 2023, 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 2023, 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 2023, the following results were attained because of the measures carried out under the Activity:

1. The number of beneficiaries involved in the program - 4.
2. The total area of plantations to be rehabilitated - 120.97 ha.
3. The total cost of rehabilitation works on rehabilitated plantations - 438,137 GL.
4. Amount of co-financing in approved projects - 305,136 GEL

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

In 2023, as part of the activity, it was planned to rehabilitate 250 ha of tea plantations. Full/partial rehabilitation of the 120.97 ha area occurred during the reporting period.

In 2023, the estimated budget for the measures under the activity was GEL 100,000.00, and the actual budget utilization was GEL 463,911.21.

**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  | 01.01.2023 - 31.12.2023  |
| <b>Performance Indicators</b>  |  |
| <b>Planned:</b><br>In 2023, 160 ha of tea plantations will be rehabilitated. | <b>Realized:</b><br>In 2023, the 120.97 ha tea plantations were fully/partially rehabilitated.   |
| <b>Budget</b>  |  |
| Estimated: GEL <u>1,000,000.00</u>   | Actual: GEL <u>463,911.21</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 1.2.5: 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.

**Realized Activities**

Throughout 2023, 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 2023 within the framework of the activity:

1. The number of policies issued - 15,035.
2. The cost of insured harvest – GEL 167,683,280.
3. Insured harvest area - 16,641.34 ha
4. The Agency share in the insurance premium (co-financing by the Agency) – GEL 11,499,259.

Work was underway throughout 2023 to analyze 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 2023, it was planned to insure about 24,000 hectares of agricultural land as part of the activity. During the reporting period, 16,641.34 ha of agricultural land was insured.

In 2023, the estimated budget for the measures under the activity was GEL 10,800,000.00, and the actual budget utilization was GEL 11,488,760.90.

**Note:** *The actual performance of the indicator depends on the activity of the potential beneficiaries.*

| 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:   | 01.01.2023 - 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>In 2023, about 24,000 ha of agricultural land will be insured.  | <b>Actual:</b><br>In 2023, 16,641.34 ha land area was insured  |
| Budget   |  |
| <b>Estimated:</b> <u>10,800,000.00 GEL</u>   | <b>Actual</b> <u>11,488,760.90 GEL</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.

## Realized Activities

Throughout 2023, 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 2023, according to the changes introduced to the project, four sub-components of the working capital component were launched - grape processing enterprises, grape processing enterprises that will purchase grapes for alcohol production, non-standard apple purchasing enterprises, and annual crops financing sub-component. A sub-component of financing the primary production of nuts was added to the working capital component. Besides some new targets were added to the project.

As part of the activity, the following measures were implemented in 2023:

1. The number of loans issued - 10,000.
2. The number of individual beneficiaries - 9,034.
3. The amount of loan issued - GEL 1,031,194,901.

## Indicator Realisation and Budget Expenditure

In 2023, co-financing an interest rate of 24,000 preferential agricultural loans/leasing was planned as part of the activity. During the reporting period, 38,907 preferential agricultural loan/leasing interest rates were co-financed (services provided).

In 2023, the estimated budget for the measures under the activity was GEL 200,000,000.00, and the actual budget utilization was GEL 206,158,782.11.

| 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  | 01.01.2023 - 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>In 2023, an interest rate of 13,500 preferential agricultural loans/leasing will be co-financed   | <b>Realized:</b><br>In 2023, an interest rate of 38,907 preferential agricultural loans/leasing was co-financed (services provided).           |
| Budget   |  |
| <b>Estimated:</b> GEL <u>200,000,000.00</u>  | <b>Actual:</b> GEL <u>206,158,782.11</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 mechanization basis in the country. To this end, the program provides for co-financing of the harvesting equipment by 40% and 50%.

#### Realized Activities

Within the program's framework, during 2023, 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.

The following outcomes were obtained because of the measures carried out in 2023 within the framework of the activity:

1. The number of concluded contracts - 62.
2. Agency co-financing in the approved projects -GEL 6,307,042.
3. Total investment in approved projects - GEL 18,484,026.

#### Indicator Realisation and Budget Expenditure

In 2023, 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-two beneficiaries was co-financed.

In 2023, the estimated budget was GEL 7,000,000.00, and the actual budget utilization was GEL 6,083,746.48.

| 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:   | 01.01.2023 - 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b>  | <b>Realized:</b>   |

|  |  |
|--|--|
| In 2023 the purchase of harvesting machinery for sixty-five beneficiaries will be co-financed. | In 2023, the purchase of harvesting machinery for sixty-two beneficiaries was co-financed. |
| <b>Budget</b>  |  |
| <b>Estimated: GEL 7,000,000.00</b>   | <b>Actual: GEL 6,083,746.48</b>  |

|                     |        |   |                                |                                  |                                   |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| 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 1.2.8: 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.

**Realized Activities**

In 2023, applications, documents, and business plans of beneficiaries interested in setting up a storage and processing enterprise were received.

The following outcomes were obtained because of the measures carried out in 2023 within the framework of the project:

1. The number of enterprises established under the project - 45.
2. The number of new projects approved as part of the storage and processing enterprises component - 40.
3. The total cost of approved applications – GEL 53,346,719.
4. The amount of co-financing by the Agency in the approved projects – GEL 15,199,615.

**Indicator Realisation and Budget Expenditure**

In 2023, full or partial financing of establishing twenty-two processing enterprises and/or storage infrastructure was planned as part of the activity. Establishing fifty-nine processing enterprises and/or storage infrastructure was fully or partially financed during the reporting period.

In 2023, the estimated budget for the measures under the activity was GEL 25,000,000.00, and the actual budget utilization was GEL 15,940,138.20.

**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 1.2.8: 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:  | 01.01.2023 - 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, establishing twenty-two processing enterprises and/or storage infrastructure will be fully or partially financed. | <b>Realized:</b><br>In 2023, the establishment of fifty-nine processing enterprises and/or storage infrastructure was fully or partially financed. |
| <b>Budget</b>   |  |
| <b>Estimated: GEL 25,000,000.00</b>   | <b>Actual: 15,940,138.20 GEL</b>   |

| 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

**Realized Activities:** Specifications were developed during the reporting period. Namely: geographical indication - "Svanetian salt", "Gori apple", "Georgian nut", "Kakhetian bacon", designation of origin "Ninotsminda cheese/Bogdanovka Georgian cheese". Besides, the developed specifications of "Traditional Rachian Ham" and "Traditional Beer of Mountains of Georgia" for registration as a geographical indication, and the specification of "Sulguni of Askhi Mountain" as a designation of the place of origin have been sent to the National Intellectual Property Centre of Georgia "Sakpatent". Also, the specification of the geographical indication "Peach of Gurjaani" is being developed.

#### Realization and Budget Expenditure

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

|   |  |
|---|--|
| <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 1.2.9: 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   | 01.01.2023 – 31.12.2023   |
| <b>Performance Indicators</b>   |   |
| <b>Planned:</b><br>In 2023, specifications for four new geographical indications will be developed/revised. | <b>Realized:</b><br>In 2023, specifications for six new geographical indications were developed/revised.                    |
| <b>Budget</b>   |   |
| <b>Estimated:</b> GEL 0   | <b>Actual:</b> GEL 0  |

| 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 1.2.10: 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 subsidizing 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 subsidizes 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%.

**Realized Activities** As part of the Enterprise Georgia, LEPL Industrial, and Business Universal Program, GEL 19.9 million was transferred for co-financing interest on loan/lease for expansion/revamping/modernization of 432 new or existing enterprises.

**Indicator Realisation and Budget Expenditure:** As of December 31, 2023, as part of the Enterprise Georgia, LEPL Industrial, and Business Universal Program, GEL 19.9 million was transferred for co-

financing interest on loan/leases for expansion/revamping/modernization of 432 new or existing enterprises.

| <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 1.2.10. 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   | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, co-financing will be provided for the expansion/revamping/modernization of two hundred new or existing enterprises.   | <b>Realized:</b><br>In 2023, co-financing was provided for the expansion/revamping/modernization of 432 new or existing enterprises. |
| <b>Budget</b>   |  |
| <b>Estimated: GEL <u>10,000,000</u></b>   | <b>Actual: GEL <u>19,965,020</u></b>   |

| 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 subsidizing 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 subsidizes 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%.

**Realized 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, 2023, GEL 14.5 million was transferred for co-financing interest on loan/leasing to 171 new/existing hotels for expansion/revamping/modernization.

**Indicator Realisation and Budget Expenditure:**

In 2023, as of December 31, 2023, GEL 14.5 million was transferred by the Agency, for co-financing interest on loan/leasing to 171 new/existing hotels for expansion/revamping/modernization.

| <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   | 01.01.2023 – 31.12.2023   |
| <b>Performance Indicators</b>   |   |
| <b>Planned:</b><br>In 2023, co-financing of expansion/revamping/modernization of 140 new or existing hotels will be provided.   | <b>Realized:</b><br>In 2023, co-financing was provided for the expansion/revamping/modernization of 171 new or existing hotels. |
| <b>Budget</b>   |   |
| <b>Estimated: GEL 8,000,000</b>   | <b>Actual: GEL 14,493,261</b>   |

| 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

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 modernization and knowledge sharing across the country; creating preconditions for establishing Kutaisi as a logistical hub.

### **Realized Activities**

In 2023, an American expert from ACDI/VOCA visited Georgia at the initiative of "Imereti Agro Zone" LLC and JSC "Horticulture Training and Demonstration Centre". The mentioned expert conducted training for about a hundred greenhouse farmers in Baghdati and Tskaltubo municipalities, for ten days. Besides, the expert visited local greenhouse farms and provided individual recommendations to greenhouse farmers tailored to their needs. As a result of the mentioned activity, thirty-five new B class members were added to the "Horticulture Training and Demonstration Centre". After the mentioned visit, the relevant report was presented by the expert.

In 2023, a meeting was organized by Imereti Agro Zone LLC with B-class greenhouse farmers, members of the "Horticulture Training and Demonstration Center", where the model of the business plan of 2,000 square meters of the technological greenhouse, necessary for arranging a modern, successful greenhouse farm, was presented.

In 2023, representatives of "Imereti Agro Zone" LLC attended the "Fruit Logistica" international exhibition, which was held in Germany, namely in the city of Berlin.

Also, within the framework of the project in 2023, to study the technical and economic indicators of the "Horticulture Training and Demonstration Center" (HTDC) project, Dutch experts arrived for a 5-day visit. They visited the project sites and met and interviewed local greenhouse farmers. The acting ambassador of the Kingdom of the Netherlands and the economic policy expert of the Embassy of the Kingdom of the Netherlands in Georgia attended the meeting together with the experts.

Also, in 2023, an updated financial model of "Imereti Agro Zone" LLC was developed.

On September 1, 2023, "Imereti Agro Zone" LLC announced the acceptance of proposals for 2023 with updated conditions (RFP process). The process of receiving the mentioned proposals included the sale of the plot of land of Baghdati municipality and the acceptance of other alternative proposals. As part of the RFP process, an investor briefing was held, which was attended by twenty-two stakeholder company representatives from sixteen countries.

The 2023 RFP process ended on October 31, and a total of five proposals from four countries were submitted within the RFP. At this stage, the received proposals are being discussed.

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

In 2023 the design of the training and demonstration centre will be prepared, and the arrangement of relevant infrastructure will be started. *The plots of land, on which the design and subsequent infrastructure arrangement and development should be carried out, were not transferred.* It was also not possible to find investors in the expression of interest announced by Imereti Agro Zone regarding the arrangement of the cluster.

The estimated budget for 2023 was 1,000,000.00 GEL, and the actual utilization of the budget was 1,000,000.00 GEL.

**Note:** During the reporting period of 01.01.2023-31.12.2023, the transfer of the plots of land, on which the design and subsequent infrastructure arrangement and development should be carried out, was not done. As for the spent 1,000,000 GEL: To partially finance the 2023 operating costs of Imereti Agro Zone LLC and the 2023 cost for consulting services procured by Imereti Agro Zone LLC on June 27, 2022, the agency ensured the transfer of the subsidy amount of 1,000,000 GEL to the account presented by Imereti Agro Zone LLC.

| <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 1.2.12: 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:  | 01.01.2023 - 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, the design of the training and demonstration center will be prepared, and the arrangement of the relevant infrastructure will be started.   | <b>Realized:</b><br>In 2023 <i>the plots of land, on which the design and subsequent infrastructure arrangement and development should be carried out, were not transferred.</i> It was also not possible to find investors in the expression of interest announced by Imereti Agro Zone regarding the arrangement of the cluster. |
| <b>Budget</b>   |  |
| <b>Estimated: GEL 1,000,000.00</b>  | <b>Actual: GEL 1,000,000.00</b>  |

| 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)**

| <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 1.2.17: 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 - 31.12.2023   |
| <b>Performance Indicators</b>  |   |
| <b>Planned:</b><br>2023 at least fifteen cooperatives will register agro-food products, brands, and/or trademarks for 2020-2023. | <b>Realized:</b><br>Seventeen cooperatives registered agri-food products, brands, and/or trademarks |

|                     |        |   |                                |                                  |                                   |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| 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)

|  |   |
|--|---|
| <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 1.2.18 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 - 31.12.2023   |
| <b>Performance Indicators</b>  |   |
| <b>Planned:</b><br>In 2023, the number of women employed in non-agricultural fields in rural areas will increase by 10% compared to 2020.  | <b>Realized:</b><br>The number of women employed in non-agricultural fields in rural areas was 111 970 in 2020 (baseline indicator in numbers); the figure for 2022 was 127 179 (13.6% higher than the baseline indicator), and the indicator for 2023 is being processed, the final figure will be available by the end of May of this year. |

|                     |        |   |                                |                                  |                                   |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| 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 - 31.12.2023   |
| Performance Indicators   |   |
| <b>Planned:</b><br>In 2023: with the state funding, a system and mechanism for financing selected rural development projects initiated by LEADER/CLLD (registered/recognized) will be established and operational.                   | <b>Realized:</b><br>In 2023 the local support program based on the LEADER/CLLD approach was approved. According to the Ministry, three authorization seekers (non-entrepreneurial/non-commercial legal entities) have applied and the procedure of considering their applications has been started. |

| 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 mechanization 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: Promoting agricultural cooperatives and increasing their access to agricultural equipment.

**Realized Activities**

During 2023, agricultural equipment was co-financed for all regions of Georgia under the program. The training was conducted for the employees of consultation centers in the regions to promote the program and enhance their awareness.

In 2023, the following outcomes were obtained because of the activities conducted within the framework of the program:

1. The number of concluded contracts - 60.
2. The number of beneficiaries engaged in the program - 52.
3. Agency co-financing in the approved projects -GEL 3,215,191.
4. Total investment in the approved projects – GEL 6,443,413.

### Indicator Realisation and Budget Expenditure

In 2023, as part of the activity, it was planned to co-finance the purchase of agricultural equipment for one hundred beneficiaries. Over the reporting period, financing for the purchase of agricultural equipment was financed by fifty-two beneficiaries.

**Note:** *The actual performance of the indicator depends on the activity of the potential beneficiaries.*

The estimated budget for 2023 was GEL 4,771,900.00, while the actual budget utilization was GEL 2,847,139.27.

**Note:** *The actual performance of the indicator depends on the activity of the potential beneficiaries.*

| 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 1.2.20: Co-financing of the purchase of agricultural mechanization 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:   | 01.01.2023 - 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>In 2023, the purchase of agricultural equipment will be co-financed for one hundred beneficiaries.  | <b>Realized:</b><br>In 2023, the purchase of agricultural equipment was co-financed for fifty-two beneficiaries                                |
| Budget   |  |
| <b>Estimated:</b> GEL <u>4,771,900.00</u>  | <b>Actual:</b> GEL <u>2,847,139.27</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 1.2.22 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.

#### Realized 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 Dedoplistskaro, Kareli, Kaspi, and Dusheti municipalities 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. During the year, the supplier presented to the agency the materials on the results of the inventory of windbreak belts. On-site inspection of plots (based on selection principle) was carried out (in the field), in Dedoplistskaro municipality 8 times, in Kareli municipality 6 times, in Kaspi municipality 9 times and in Dusheti municipality 7 times, on which relevant reports were prepared. In some cases, deficiencies were identified, recommendations were made, which were taken into account by the company, and as a result, an area of 1503.3 ha in Dedoplistskaro municipality, an area of 499.73 ha in Kareli municipality, an area of 560.83 ha in Kaspi municipality, and an area of 154.89 ha in Dusheti municipality were considered completed (total 2718.75 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 2023, it was planned to inventory 3153.4 ha wind break (field protection) belts. During the inventory, fewer 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: 1232 units of land plots were inventoried in Dedoplistskaro municipality, a total of 1503.3 ha area; 1896 units of land plots were inventoried in Kareli municipality a total of 499.73 ha area; 1409 units of land plots were inventoried in Kaspi municipality, a total of 560.83 ha area and 479 units of land plots were inventoried in Dusheti municipality, a total of 154.89 ha area of windbreak belts, with total area of 2718.75 ha. Besides, land plots with a total area of 1399.46 ha were registered in the National Public Registry Agency with the right of state ownership and the status of windbreak zone, including 9.30 ha in Telavi Municipality; 417.09 ha in Sagarejo municipality, 322.07 ha in Marneuli municipality, 651 ha in

Dedoplistskaro municipality (inventory of windbreak belts in Telavi, Sagarejo and Marneuli municipalities was carried out in 2021-2022). Concerning budget utilization, 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 1,500,000.00. The winning bidder's price was GEL 1 492 000.00, and a relevant contract was concluded for this amount, giving rise to the savings in the tender for GEL 8 000.00.]

The budget was implemented in proportion to the works performed by the service provider company, and since there was a difference between the planned and inventoried windbreaks (3153.40 ha of windbreaks were planned to be inventoried, and 2718.75 ha were inventoried), the budget could not be fully utilized.

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   | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, about 3,153.4 ha area of windbreak (field protection) belts (Dedoflistskaro-1,313.7 ha; Kaspi-843.2 ha; Kareli-819 ha; Dusheti-177.5 ha) will be inventoried in and registered in the Public Registry.          | <b>Realized:</b><br>In 2023, 2718.75 ha wind break (field protection) belts were inventoried (Dedoflistskaro-1503.3 ha; Kaspi-560.83 ha; Kareli-499.73 ha; Dusheti-154.89 ha). |
| <b>Budget</b>   |  |
| <b>Estimated:</b> GEL <u>1,492,000.00</u>   | <b>Actual:</b> GEL <u>1,286,339.91</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 1.2.23: Financial and technical assistance for the establishment of greenhouses for economically inactive women (Marneuli, Lagodekhi)

Responsible agency: 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 integrate economically inactive women in the pilot municipality into full members of society, improve their socio-economic status, and stimulate women's involvement in agricultural activities.

### Realized Activities

In 2023, the program was changed the program became admissible in three new municipalities: Chokhatauri, Chkhorotsku, and Vani. To promote the program and present the conditions better, meetings were held with the population living in the pilot regions.

In 2023, the following outcomes were obtained because of the activities conducted within the framework of the program:

1. The number of concluded contracts - 8.
2. The number of beneficiaries engaged in the program - 8.
3. Agency co-financing in the approved projects - GEL 164,222.
4. Total investment in approved projects – GEL 182,996.

The risk of delaying the implementation of the program is low activity on the part of the beneficiaries and failure to fulfil the objectives stipulated in the agreement.

### Indicator Realisation and Budget Expenditure

In 2023, as part of the activity, ten female beneficiaries will be co-financed to set up a greenhouse. During the reporting period, eight female beneficiaries were co-financed for setting up greenhouses.

The estimated budget for 2023 was GEL 400,000.00, while the actual budget utilization was GEL 752,647.15.

| 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 1.2.23: Financial and technical assistance for the establishment of greenhouses for economically inactive women (Marneuli, Lagodekhi) |
| Responsible agency:  | Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency     |
| Reporting (monitoring) period:   | 01.01.2023 - 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>In 2023, 10 women beneficiaries will be co-financed to set up greenhouses.  | <b>Realized:</b><br>In 2023, 8 female beneficiaries were co-financed to set up greenhouses.  |
| Budget   |  |

|   |                                      |
|---|--------------------------------------|
| <b>Estimated:</b> <u>GEL 400,000.00</u> | <b>Actual:</b> <u>GEL 752,647.15</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 1.2.24: Subsidizing the cost of goods necessary for the care and cultivation of hazelnuts for owners of hazelnut orchards.**

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

The goal of the activity: Promotion of the primary production of hazelnuts in Georgia by stimulating the owners of hazelnut orchards.

#### **Realized Activities**

The program was implemented in all municipalities of Georgia, except for self-governing cities. The potential beneficiary of the program was a natural person who was a citizen of Georgia, who owned and/or owned and/or had nut orchard(s) on land plot(s) leased from the state and/or municipality and/or the Autonomous Republic of Adjara.

To receive a subsidy under the terms of the program, a potential beneficiary should have owned and/or co-owned and/or used and/or owned hazelnut orchard(s) totalling not less than 0.2 ha and not more than 3 ha in Georgia as of the date of implementation of the decree. The amount of the subsidy is determined by calculating 500 GEL per 1 ha of hazelnut orchard. Beneficiaries included in the program were given a subsidy by crediting the corresponding points to the Liberty Bank agrocard.

Within the framework of the program, from November 7, 2022, to April 28, 2023, a total of 98,150 beneficiaries have been registered, of which the number of registered unique beneficiaries is 64,841 and the area is 47,325.66 ha.

90,834 beneficiaries have been registered within the framework of the program from November 7, 2022, to April 28, 2023, including 0.2 ha to 3 ha, of which the number of registered unique beneficiaries is 62,541 and the area is 44,536.21 ha. The total amount of the subsidy is 22,268,107 GEL.

In 2023, the following outcomes were obtained because of the activities conducted within the framework of the program:

1. Number of beneficiaries who have been awarded points - 61,418.
2. The area for which the corresponding points were credited to the beneficiaries - 43,952.71 ha.
3. Number of accrued points - 21,976,355 GEL.

4. The number of points redeemed by the beneficiaries - 20,922,694 GEL.

### Indicator Realisation and Budget Expenditure

In 2023, within the framework of the activity, 40,000 ha of hazelnut plantations will be subsidized. During the reporting period, 43,952.71 ha of hazelnut plantations were subsidized.

The estimated budget for 2023 was GEL 20,000,000.00, while the actual budget utilization was GEL 21,492,237.95.

| <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 1.2.24: Subsidizing the cost of goods needed for the care and cultivation of hazelnuts for owners of hazelnut orchards                |
| Responsible agency:   | The Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency |
| Reporting (monitoring) period:  | 01.01.2023 - 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, 40,000 ha of hazelnut plantations will be subsidized.   | <b>Realized:</b><br>In 2023, 43,952.71 ha of hazelnut plantations were subsidized.   |
| <b>Budget</b>   |  |
| <b>Estimated:</b> <u>GEL 20,000,000.00</u>  | <b>Actual:</b> <u>GEL 21,492,237.95</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 1.2.25: Promotion of the development of socio-economic and environmental activities in rural areas

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: Providing financial assistance to beneficiaries participating in the program for the promotion of economic, social, and environmental activities in rural areas through co-financing; promoting the development of entrepreneurial activities in rural areas; Improving the socioeconomic condition of the population living in rural areas, economic diversification, and creation of new, long-term jobs.

## Realized Activities

The "LEADER Program" was approved by the Government of Georgia.

### Indicator Realisation and Budget Expenditure

In 2023, as part of the activity, the "Leader Program" will be approved by the Government of Georgia. During the reporting period, the "Leader Program" was approved by the Government of Georgia.

The estimated budget for 2023 was GEL 1,000,000.00, while the actual budget utilization was GEL 0.00.

| <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 1.2.25: Promotion of the development of socio-economic and environmental activities in rural areas                                |
| Responsible agency:   | Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency |
| Reporting (monitoring) period:  | 01.01.2023 - 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, as part of the activity, the "Leader Program" will be approved by the Government of Georgia.  | <b>Realized</b><br>In 2023, the "Leader Program" was approved by the Government of Georgia.  |
| <b>Budget</b>   |  |
| <b>Estimated:</b> <u>GEL 1,000,000.00</u>   | <b>Actual:</b> <u>GEL 0.00</u>   |

### Note:

By the updated action plan of the "Agriculture and Rural Development Strategy", the activity indicator of the "Leader Program" for 2023 was changed to: "The "Leader Program" will be approved by the Government of Georgia in 2023". The "Leader Program" was approved by the Government of Georgia on 28.01.2023, so the indicator was fulfilled. As for the planned budget for 2023 (1,000,000 GEL), it was for the initial activity indicator, and following the change of the indicator, this budget was no longer spent.

| 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 1.2.26: Promoting the growth of organic production.

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 purpose of the bioproduction promotion program is to support bioproduction, and to ensure the growth of the production of bioproducts.

## Realized Activities

To promote the program and present the conditions better, meetings were held with the population living in the pilot regions.

In 2023, the following outcomes were obtained because of the activities conducted within the framework of the program:

1. The number of concluded contracts - 40.
2. The number of beneficiaries engaged in the program - 40.
3. Agency co-financing in the approved projects - 411,280 GEL
4. Total investment in approved projects - 630,227 GEL.

## Indicator Realisation and Budget Expenditure

In 2023, within the framework of the activity, the certification process of thirty beneficiary farms will be started. During the reporting period, the certification process of forty beneficiaries' organic farms was started.

The estimated budget for 2023 was GEL 500,000.00, while the actual budget utilization was GEL 83,706.50.

**Note:** *The transition to organic production requires a conversion period of at least 3 years. Therefore, the fulfilment of the obligations of the program, on which the receipt of tranches depends, may last longer than one year.*

| 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 1.2.26: Promoting the growth of organic production  |
| Responsible agency:  | Ministry of Environmental Protection and Agriculture of Georgia/non-entrepreneurial (non-commercial) legal entity Rural Development Agency |
| Reporting (monitoring) period:   | 01.01.2023 - 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>In 2023, the certification process of thirty beneficiary organic farms will be started.   | <b>Realized:</b><br>In 2023, the process of certification of forty beneficiary organic farms was started.                                  |
| Budget   |  |
| <b>Estimated:</b> <u>GEL 500,000.00</u>  | <b>Actual:</b> <u>GEL 83,706.50</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 1.2.27: Financing local startups with the purpose of introduction, testing, and/or improvement of innovative products, services, and technologies in the regions and their further commercialization

**Responsible agency:** Ministry of Economy and Sustainable Development of Georgia / LEPL "Georgian Innovation and Technology Agency"

The goal of the activity: The goal of the activity is to strengthen the local innovative and technological ecosystem in the regions of Georgia and create technological startups through the development/usage and commercialization of innovative products, services, technologies, and processes.

#### Realized Activities

Starting in 2023, the "Georgian Innovations and Technologies Agency" started implementing the "Innovation Grants for Regions" grant program. The grant program has already been held in ten regions of Georgia, namely Adjara, Guria, Imereti, Samegrelo, Svaneti, Racha-Lechkhumi, Shida-Kartli, Mtskheta-Mtianeti, Samtskhe-Javakheti, Kvemo-Kartli and Kakheti. Within the framework of the program, the total number of applicants was 366, of which 135 were women, and 231 were men. The agency financed forty-one beneficiaries within the framework of the mentioned program, including fourteen women and twenty-seven men. By regions, the quantitative and gender distribution of beneficiaries is as follows: Adjara (7 beneficiaries; 3 women/4 men), Guria (2 beneficiaries; 1 woman/1 man), Imereti (2 beneficiaries; 0 women/2 men), Samegrelo (6 beneficiaries; 1 woman/5 men), Svaneti (2 beneficiaries; 1 woman/1 man), Racha-Lechkhumi (2 beneficiaries; 1 woman/1 man), Shida-Kartli (4 beneficiaries; 2 women/2 men), Mtskheta- Mtianeti (2 beneficiaries; 1 woman/1 man), Samtskhe-Javakheti (2 beneficiaries; 1 woman/1 man), Kvemo-Kartli (4 beneficiaries; 0 women/4 men) and Kakheti (8 beneficiaries; 3 women/5 men) ).

#### Indicator Realisation and Budget Expenditure

Within the framework of this activity, financing of 40 beneficiaries was planned, and to ensure this, 1,000,000 GEL was envisaged by the forecast budget. The agency provided funding to forty-one beneficiaries, and the actual utilization of the budget amounted to 917,255.46 GEL. Because the terms of the agreements signed with some of the beneficiaries and the implementation of their projects are different, the Agency is planning to transfer 10% of the grant money within the framework of the 2024 state 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 1.2.27: Financing of local startups with the purpose of introduction, testing, and/or improvement of innovative products, services, and technologies in the regions and their further commercialization |
| Responsible agency:  | Ministry of Economy and Sustainable Development of Georgia/LEPL "Georgian Innovation and Technology Agency"  |
| Reporting (monitoring) period  | 01.01.2023 – 31.12.2023  |

| Performance Indicators  |   |
|---|---|
| <b>Planned:</b><br>Forty innovative startups funded in the regions of Georgia | <b>Realized:</b><br>In the reporting year, forty-one startups were financed in the regions of Georgia |
| Budget  |   |
| <b>Estimated:</b> <u>GEL 1,000,000</u>  | <b>Actual:</b> <u>GEL 917,255.46</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 1.2.28: Co-financing of companies' participation in international exhibitions to promote exports.

Responsible agency: Ministry of Economy and Sustainable Development of Georgia / LEP "Produce in Georgia."

The goal of the activity: Promotion of Georgia's export potential

Organization of B2B exhibitions on strategic and priority markets and co-financing of companies representing different sectors in Georgia, to connect with new partners and diversify export markets. The agency provides 80-90% co-financing of costs related to the event for small and medium-sized businesses (enterprises of category III-IV).

#### Realized Activities:

To promote exports, in 2023, the agency financed 107 times the participation of seventy agricultural products-producing companies in five international events, within the framework of which a total of 4.5 million GEL was transferred (part of the mentioned amount was transferred in 2022).

#### Indicator Realisation and Budget Expenditure:

To promote exports, in 2023, the agency financed 107 times the participation of seventy agricultural products-producing companies in five international events, within the framework of which a total of 4,514,664 GEL was transferred (part of the mentioned amount was transferred in 2022).

| 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:  | 1.2.28. Co-financing of companies' participation in international exhibitions to promote exports |
| Responsible agency:  | Ministry of Economy and Sustainable Development of Georgia/LEPL Produce in Georgia               |

|  |   |
|--|---|
| Reporting (monitoring) period  | 01.01.2023 – 31.12.2023   |
| <b>Performance Indicators</b>  |   |
| <b>Planned:</b><br>In 2023, co-financing will be provided to fifty agro-producing beneficiaries to be presented at various international exhibitions in the respective priority markets. | <b>Realized:</b><br>Co-financing was provided to seventy beneficiaries producing agricultural products to be presented at various international exhibitions in the respective priority markets. |
| <b>Budget</b>  |   |
| <b>Estimated:</b> 3,000,000 ლარი   | <b>Actual:</b> 4,514,664 ლარი   |

|                     |        |   |                                |                                  |                                   |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| 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 1.2.29: Implementation of the program for establishing market connections (Business lead generation) for Georgian agro companies.**

**Responsible agency:** Ministry of Economy and Sustainable Development of Georgia / LEPL "Produce in Georgia."

The goal of the activity: Increasing export and competitiveness of Georgian agro companies on target markets

To establish export market connections for Georgian agro-companies, in 2022-2023, a program was carried out under the initiative of the "Produce in Georgia" agency, with the support of the USAID agriculture program and in partnership with the Rural Development Agency, within the framework of which Georgian producers and interested buyers in Germany and the Persian Gulf countries were connected.

Blueberry and walnut crop producers, as well as food processing export-oriented enterprises were selected for participation in the program.

**Realized Activities:**

As of December 2023, business meetings (b2b) were organized for fifty selected companies with selected foreign potential buyers within the framework of the program, implemented with USAID funding. Since the program is implemented with the funding of USAID, the agency does not have information about the actual implementation of the budget.

**Indicator Realisation and Budget Expenditure:**

As of December 2023, business meetings (b2b) were organized for fifty selected companies with selected foreign potential buyers within the framework of USAID funded program, implemented. Since the

program is implemented with the funding of USAID, the agency does not have information about the actual implementation of the budget.

| <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:   | 1.2.29. Business lead generation - a program for establishing market connections for Georgian agro-companies   |
| Responsible agency:   | Ministry of Economy and Sustainable Development of Georgia/LEPL Produce in Georgia   |
| Reporting (monitoring) period   | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b> In 2023, the organization of business meetings (b2b) for fifty companies with foreign potential buyers selected for them.   | <b>Realized:</b> In 2023, business meetings (b2b) with selected foreign potential buyers were organized for fifty companies.                                   |
| <b>Budget</b>   |  |
| <b>Estimated:</b> <u>634,400 GEL</u>  | <b>Actual:</b> Since the program is implemented with the funding of USAID, the agency does not have information about the actual implementation of the budget. |

| 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 1.3** The integration of farmers/entrepreneurs into the market

To accomplish Objective 1.3, 5 activities were conducted in 2023, including support/measures for the promotion of Georgian agro-food products, 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 conducted all objectives of the Objective.

**For the attainment of the goals under the objective throughout 2023:**

- ⇒ Georgian agro-food products participated (their participation was ensured) in nine exhibitions-tasting events in different countries and within the country.
- ⇒ Fourteen exhibitions/festivals of Georgian agro-food products were held internationally and nationally and participation of one hundred Georgian products was ensured.
- ⇒ In 2023, specifications were developed for one new protected appellation of origin wines.
- ⇒ ☑ In 2023, 32 beneficiaries have implemented and certified international food safety system standards (ISO-22000, HACCP, GLOBAL G.A.P, BRC, FSSC-22000, FSSC v.5.1.), and 29 beneficiaries have fully branded products/companies, 10 beneficiaries registered the trademark and 7 cooperatives provided the necessary equipment to finalize the form of products for the agricultural cooperatives.
- ⇒ In 2023, the vineyard cadastre program was developed and implemented in four viticultural regions of Western Georgia - Imereti, Guria, Samegrelo, and Adjara.

**State expenditures in 2023 for the activities towards the Objective 1.3 are GEL 17,348,964.15**

### **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.

#### **Realized Activities**

Nine events were held within the framework of the sub-program (including eight international and one local event):

- During November 12-14, 6 Georgian products participated in the international exhibition held in Chicago, U.S. Private Label Trade Show.
- During October 23-26, 8 Georgian companies participated in Riyadh's Saudi Agriculture International Trade Exhibition.
- During October 3-6, several organizations participated in four areas at the international exhibition Sommet De l'elvage, held in France, in the city of Clermont-Ferrand.
- During September 7-9, the products of around 8 Georgian companies were exhibited at the international exhibition RIGA FOOD 2023, held in Riga, Latvia.
- On May 26, 14 companies participated in the exhibition dedicated to the Independence Day of Georgia in Mtskheta.
- On May 17-19, 10 companies participated in the international exhibition CASPIAN AGRO 2023 in Baku, the Republic of Azerbaijan.
- During March 15-19, 14 Georgian companies participated in the international agricultural exhibition Agriteq 2023 in Doha, Qatar.
- During February 8-10, 14 Georgian companies participated in the international exhibition FRUITLOGISTICA 2023, held in Berlin, the Federal Republic of Germany.
- On January 20-29, 16 Georgian companies, including the National Tourism Administration of Georgia participated in the international exhibition held in the Federal Republic of Germany - International Green Week Berlin 2023

## Indicator Realisation and Budget Expenditure

The plan for 2023 was the participation/ensuring participation of Georgian agro-food products in ten international exhibitions in various countries of the world and Georgia. Over the reporting period, Georgian agro-food products participated/participation was ensured in nine exhibition-tasting activities internationally and in Georgia.

In 2023, the estimated budget for the measures under the activity was GEL 1,500,000.00, and the actual budget utilization was GEL 2,454,572.58.

**Note:** During the year, the livestock exhibition "Sommet Levage" held in France was added to the existing exhibitions, where Georgia became the host country, meaning covering the costs for setting up the Georgian pavilion, due to which is planned to exceed the budget.

| Activity 1.3 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:   | 01.01.2023 - 31.12.2023   |
| Performance Indicators   |   |
| <b>Planned:</b><br>In 2023, it was planned to participate/ensure participation of Georgian agro-food products in ten international exhibition-tasting events in various countries and Georgia. | <b>Realized:</b><br>In 2023, Georgian agro-food products participated/participation was ensured in nine exhibition-tasting activities internationally and in Georgia. |
| Budget   |   |
| <b>Estimated:</b> <u>GEL 1,500,000.00</u>  | <b>Actual:</b> <u>GEL 2,454,572.58</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 |

## Within the competence of the National Wine Agency of the State Winery

### Activity 1.3.2: Stimulating Promotion of Georgian Agri-Food Products

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

The goal of the activity: Income from exports will increase by 8-10% compared to the previous year. At least twenty exhibitions of wine and alcoholic beverages will be organized in different countries of the world. About four hundred Georgian wine-producing companies will participate in the planned events. Tasting presentation of up to 180 Georgian wines (in Georgia and outside of Georgia).

### **Realized Activities**

- Georgia became the chair country of the World Wine Trade Group (WWTG). On October 30-31, the annual meeting of the World Wine Trade Group (WWTG) was held in Tbilisi.
- On February 12-13, 13 Georgian wine-producing companies participated in the international exhibition of wine and alcoholic beverages "VinExpo Paris" held in Paris, the capital of France.
- On March 7-10, 16 Georgian wine-producing companies participated in the food and beverage exhibition "Foodex Japan 2023" in the capital of Japan, Tokyo.
- On March 8-9, 26 Georgian wine-producing companies presented their products at the international exhibition of wine and alcoholic beverages "Vinexpo New York".
- On March 19-21, 25 Georgian wine companies participated in the "ProWein-2023" exhibition in Düsseldorf, Germany.
- On April 12-14, the international wine and food exhibition "The 108th China Food & Drinks Fair" was held in Chengdu, People's Republic of China.
- On April 18-23 and April 23-24 in Los Angeles, "RAW Wine" was presented at the exhibition of natural wines.
- In April, a tour of German wine professionals took place in Georgia. Wine professionals from China and Singapore visited Georgia on May 2-7, organized by Debra Meiburg, head of marketing company "Meiburg Wine Media", master of wine. On July 13-16, a tour of American wine importers was held in Georgia.
- On July 22, the second Racha-Lechkhumi wine festival was held in the town of Tsageri.
- On August 28, a Georgian wine tasting was held in Amsterdam, the capital of the Kingdom of the Netherlands.
- German wine master Konstantin Baum visited Georgia on September 6-9.
- On September 8-10 in the city of Daejeon, Republic of Korea, at the international festival "Daejeon International Wine Festival", the wines of 15 Georgian wine producers were presented.
- On September 10-15, with the support of the National Wine Agency, Sarah Abbott, the British master of wine, the head of the contractor company of the National Wine Agency, "Swirl Wine Group", and a group of twelve wine professionals visited Georgia.
- On September 12-17, American wine professionals visited Georgia.
- On September 13-17, under the organization of the German marketing company "ff. k Public Relations", the agency's contractor, journalists, influencers, and bloggers working on wine in Germany, visited Georgia.
- On September 26, within the framework of the international event "Wine Campus", a master class and tasting of Georgian wine for representatives of the field of gastronomy and sales took place in the city of Dusseldorf.
- On September 26, in the United States of America, in the city of New York, a large-scale tasting of Georgian wine was held.
- On September 28, a Georgian wine tasting was held in Riga, the capital of Latvia, with the support of the National Wine Agency of the CIS and the organization of the marketing company "TRIBE INTERNATIONAL", the agency's contractor in the Baltic countries.

- On September 29, within the framework of the World Rugby Championship, a large-scale presentation of Georgian wine was held in the city of Bordeaux.
- On October 5, a large-scale presentation of Georgian wine was held in Seoul, the capital of the Republic of Korea, with the support of the National Wine Agency and the agency's contractor Korean marketing company "Wine21.com".
- More than eighty guests, including sommeliers, importers, and wine journalists, attended the event held on October 1 in Tokyo, the capital of Japan.
- On October 13-15, the Georgian Wine Festival was hosted by Dartington Castle, County Devon. The event was held with the support of the National Wine Agency, as well as the agricultural program of the US Agency for International Development (USAID) and the organization of the agency's contractor company, "Swirl Wine Group".
- On October 16-19, a tour of Polish wine professionals was held in Georgia.
- On October 19, the Georgian wine-tasting seminar "Georgia - Homeland of Wine" was held in the city of Hamburg.
- On October 21, the wine festival "New Small Cellars on the Big Arena" was held in Mtatsminda Park, Tbilisi. At the festival, the products of forty wine producers from all wine-growing regions of Georgia were presented.
- On October 23-29, a group of wine professionals from the Republic of Korea visited Georgia.
- On October 17-19, a delegation of fourteen people from the People's Republic of China visited Georgia.
- On November 4, a seminar "German wine market and ways to enter it" was held in Tbilisi. The seminar was attended by about 70 Georgian wine producers, and led by Meike Frers, director of "ff. k Public Relations", Katja Apelt, editor-in-chief of the specialized wine publication "Wein+Markt" and importer company "HAWESKO" Manager Caro Lange.
- On November 5-10, a group of wine professionals from the Republic of Korea visited Georgia.
- On November 7-11, 26 producers of Georgian wine taken part in the international exhibition of wine and alcoholic beverages "EnoExpo 2023" in the city of Krakow. The Georgian wine tasting was also held in one of the most famous historical "Przegozal Palace" in Krakow, where the products of 15 Georgian wine companies taking part in the "EnoExpo 2023" exhibition were presented. Also, "Georgian wine evening" was held in one of Krakow's wine bars, where the products of Georgian wine producers were presented.
- A Georgian wine festival was also held in the city of Krakow, in which about twenty-five wine companies took part.
- On November 7, the "International Amber Wine Conference" was held in Shanghai, People's Republic of China.
- On November 8-10, 27 Georgian wine-producing companies took part in ProWine Shanghai, one of the most prestigious and important exhibitions in the field of wine in Shanghai, People's Republic of China.
- On November 9, a Georgian wine seminar was held in Osaka, Japan.
- 13 Kvevri wine-producing companies and wineries took part in the international exhibition of natural wines "RAW Wine" (The Artisan Wine Fair) held on November 13 in the city of New York, USA.
- On November 14-16, the "Georgian Wine Forum" was held in the state of Texas.
- On November 24-27, in Monaco, in the city of Monte-Carlo, at the wine and gastronomy festival "Salon Monte Carlo Gastronomie", the wines of nine Georgian wine-producing companies were presented.
- The presentation of the video "Motherland of Wine Presents ", prepared to be broadcast on CNN, was held in Tbilisi on November 26 and was attended by representatives of the Georgian government, wine industry, non-governmental sector, academy and art, and veteran winemakers.
- On November 21, in Reykjavik, the capital of Iceland, the screening of the scientific documentary film "Georgia, the Homeland of Wine" was held in the "Bioparadis" cinema.
- On November 23, presentation-tastings of Georgian wine were held in the business center of Reykjavík (Óðinsgata7,101 Reykjavík) and the Icelandic wine monopoly company "Windbudini".

- On November 25, a tasting presentation of Georgian wine was held in Copenhagen, jointly organized with the largest importer of Georgian wine in Denmark "Rosfort&Rosfort".
- On November 27, under the joint organization of the National Wine Agency, "Georgian Wine House" in Zurich (GeoHaus GmbH) and the leading European wine magazine "Vinum" (www.vinum.eu), a tasting-presentation of Georgian wine was held in the capital of Switzerland, Zurich.
- On December 1-2, in Tbilisi, the international Kvevri wine competition was held for the seventh time.
- 15 cellars of the Kvevri wine producers took part in the international exhibition of natural wines "RAW Wine Berlin 2023" held in Berlin on December 3.
- On December 14, in Sapporo, the capital of Hokkaido province, a Georgian wine-tasting seminar was held for representatives of the distribution company "Washidu", the owner of restaurants and wine shops.
- On December 18, a large-scale tasting of Saperavi & Amber Wine Grand Tasting was held in the city of New York in the United States of America.

### Indicator Realisation and Budget Expenditure

In 2023, Georgian wine was presented in fifteen countries worldwide. About four hundred Georgian wine-producing companies took part in the planned events. Fourteen exhibitions, twenty festivals, and one hundred tastings were held. Actual budget use was 13,261,187.00 GEL.

| 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 /LEPL National Wine Agency   |
| Reporting (monitoring) period:   | 01.01.2023 – 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b> In 2023, participation in eleven exhibition-tasting events of Georgian agro-food products in different countries of the world and within the country; organized eighteen exhibitions of wine and alcoholic beverages in different countries of the world and within the country. | <b>Realized:</b> In 2023, 14 exhibitions were organized, and participation in exhibition-tasting events of one hundred Georgian agro-food products was ensured in different countries of the world and within the country. |
| Budget   |  |
| <b>Estimated:</b> <u>GEL 14,000,000.00</u>   | <b>Actual:</b> GEL <u>13,261,187</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 on 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. Searching for literary sources, collection, and preparation of two scientific publications; and Presentation of results at a scientific conference.

### Realized Activities

The partner institutions and scientists who will take part in this year's research have been determined. An implementation plan was drawn up. An agreement was signed with Professor Patrick McGovern of the University of Pennsylvania on the study of organic acids in wild and cultivated grapevine samples of Georgia. An agreement was reached with the staff of the Batumi Archaeological Museum on radiocarbon dating of the vine pods preserved there. Archaeological excavations on Shulaveri Hill continued, and samples were sent to various partner universities for research. Within the framework of the program, on October 10-13, an international conference "Georgian Vine and Wine Culture Research Scientific Project" was held in Tbilisi - results and news. The conference was organized by the National Wine Agency of the Ministry of Environment and Agriculture of Georgia and supported by the Government of Georgia. It was attended by twenty-two scientists, researchers, and experts from eleven countries. The conference was dedicated to the discussion of the results of the research conducted in the fields of archaeology, molecular biology, DNA, agroclimatology, winemaking, and viticulture. It was the first time that the research conducted within the program was presented on such a scale.

### Indicator Realisation and Budget Expenditure

Archaeological excavations were conducted on Shulaveri Hill, samples were sent for research to various partner universities. An agreement has been reached with the staff of the Batumi Archaeological Museum on radiocarbon dating of the vine pods kept there. The international conference "Georgian vine and wine culture research project" - results and news was held in Tbilisi. Budget use - 68 022.00 GEL.

| 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   | 01.01.2023 – 31.12.2023   |
| Performance Indicators  |   |
| <b>Planned:</b> In 2023 twenty Aboriginal and wild vine varieties will be studied based on ampelography and molecular genetics methods. | <b>Realized:</b> Archaeological excavations were conducted on Shulaveri Hill, and samples were sent for research to various partner universities. An agreement has been reached with the staff of the Batumi Archaeological Museum on radiocarbon dating of the vine pods kept there.<br><br>The international conference "Georgian vine and wine culture research project" - results and news was held in Tbilisi. |
| Budget  |   |
| <b>Estimated:</b> GEL <u>100,000</u>  | <b>Actual:</b> GEL <u>68,022</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                              |                                  |                                   |                                  |

### 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: Appellations of place of origin of Georgian wine and designations related to Georgian wine will be protected in strategic markets, and arrangements for the identification and registration of new appellations of place of origin will be provided. Names of twenty places of origin of Georgian wine and one geographical designation of alcoholic beverage of grape origin, as well as all important things related to Georgian wine will be marked.

#### Realized Activities

The application for the registration of the verbal part "Cradle of Wine" as a trademark in Great Britain in the name of the National Wine Agency - in the classes of nice classification, was prepared by the contractor legal company and submitted to the Patent Office of Great Britain.

#### Indicator Realisation and Budget Expenditure

The application for the registration of the verbal part "Cradle of Wine" as a trademark in Great Britain in the name of the National Wine Agency of the National Wine Agency - in the classes of nice classification, was prepared by the contractor legal company and submitted to the Patent Office of Great Britain. Actual budget utilization - 12,586 GEL.

| Objective 1.3: To support the integration of farmers/entrepreneurs into the market  |   |
|---|---|
| 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   | 01.01.2023 – 31.12.2023   |
| Performance Indicators  |   |
| <b>Planned:</b> In 2023 around 20 Georgian appellations of origin wines will be protected in various world countries; forms of a specification to produce three new protected appellation of origin wines will be developed | <b>Realized:</b> In 2023, 1 Georgian appellation of origin wine was protected in various world countries (for the registration of the verbal part "Cradle of Wine" as a trademark, in the name of the National Wine Agency - in the Nice classification classes, in Great Britain, the contractor legal company prepared and submitted an application to the Great Britain patent in the agency). |

|   |   |
|---|---|
|   | In 2023, 1 form of a specification to produce new protected appellation of origin wine was developed. |
| <b>Budget</b>                           |   |
| <b>Estimated:</b> GEL <u>100,000.00</u> | <b>Actual:</b> GEL <u>12,586.00</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 1.3.4. 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:

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

**Realized Activities**

In 2023, the following activities were implemented, and results were obtained under the project:

1. Throughout the year, communication/consultations were conducted with current and potential program beneficiaries to enhance the program’s visibility and refinement/optimization conditions and procedures.

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

1. International food safety standards – 49 contracts were signed.
2. Branding – 26 contracts were signed.
3. Co-financing the equipment for agricultural cooperatives to bring products into a final marketable state – 5 contracts were signed.
4. Trademark registration – 8 contracts were signed.

5. The number of International Food Safety Standards implemented under the State Technical Assistance Program – 32 standards were introduced.
6. The number of products/companies branding under the State Technical Assistance Program – 29 brandings were implemented.
7. Co-financing of the equipment necessary to provide the final commodity type of products to agricultural cooperatives - was implemented for seven cooperatives.
8. Registration of a trademark – was made by ten beneficiaries.
9. The total value of approved applications was GEL 1,657,868.65.
10. The total co-financing the Agency issued for approved applications was GEL 839,665.00.

### Indicator Realisation and Budget Expenditure

In 2023, 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, 32 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, 29 beneficiaries fully branded their products/companies, and 10 beneficiaries registered their trademarks and 7 cooperatives provided the necessary equipment for agricultural cooperatives to provide the final commodity type of products.

**Note:** *The actual performance of the indicator depends on the activity of the potential beneficiaries.*

In 2023, the estimated budget for the measures under the Activity was GEL 1,000,000.00, and the actual budget utilization was 897,715.57.

**Note:** *The actual performance of the indicator depends on the activity of the potential beneficiaries.*

| Objective 1.3 To support the integration of farmers/entrepreneurs into the market   |  |
|---|--|
| 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:  | 01.01.2023 - 31.12.2023  |
| Performance Indicators  |  |
| <b>Planned:</b><br>In 2023, 60 beneficiaries will introduce international food safety standards (ISO-22000, HACCP, GLOBAL G.A.P, BIO, BRC, FSSC-22000). | <b>Realized:</b><br>In 2023, 32 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.). Twenty-nine beneficiaries fully branded their products/companies, ten beneficiaries registered trademarks, and seven cooperatives provided the necessary equipment to give the final commercialization of products to agricultural cooperatives. |
| Budget  |  |
| <b>Estimated:</b> <u>GEL 1,000,000.00</u>   | <b>Actual:</b> <u>GEL 897,715.57</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 1.3.5. 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 a cadastre of administrative boundaries of Imereti, Guria, Samegrelo, and Ajara regions.

#### Realized Activities

The Cadastre of Vineyards Program was implemented in West Georgia (Imereti, Guria, Samegrelo, and Adjara), and with that, the program covered all wine-growing regions of Georgia. About 48,700 hectares of land are described in all wine-growing regions of Georgia. The cadastre of vineyards is created by identifying each vineyard plot and describing detailed information about winegrowers and vineyards. Information on a registered vineyard includes grape varieties, planting dates, vineyard conditions, location, area, and other data. All EU member states with a developed wine industry have a cadastre of vineyards. During the 2023 harvest, grapes were delivered to the wineries by the winegrowers based on the extracts issued from the cadastral database (ABACO). Cadastral information was continuously updated in Kakheti, Kvemo Kartli, Shida Kartli, Mtskheta-Mtianeti, Meskheta, and Racha-Lechkhumi viticulture zones. Organized by the National Wine Agency, the German International Cooperation Society GIZ, the Ministry of Environmental Protection and Agriculture of Georgia, and local self-government bodies, the scope of training on the regulation of the viticulture and wine industry, presentations on cadastre were presented in Tbilisi and Telavi, Kvareli, Signaghi, Sagarejo and Bolnisi municipalities. The 2022 report was prepared and published in Georgian and English languages (with the financial support of GIZ) to present the results of the cadastre of vineyards - under the name "Cadastre of vineyards of Georgia, 2021 report" (53 p.). Data collection has begun for the preparation of a similar report for 2023. During the year, the vineyard cadastre database was systematically improved, and discussions were held with the company "ABACO" in improving the operation of the database.

#### Indicator Realisation and Budget Expenditure

The vineyard cadastre program was implemented this year in four viticultural regions of Western Georgia - Imereti, Guria, Samegrelo, and Adjara. Cadastral information was continuously updated in Kakheti, Kvemo Kartli, Shida Kartli, Mtskheta-Mtianeti, Meskheta, and Racha-Lechkhumi viticulture zones.

Actual budget utilization - GEL 654900.00.

| Objective 1.3: To support the integration of farmers/entrepreneurs into the market |  |
|--|--|
| 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   | 01.01.2023 – 31.12.2023   |
| <b>Performance Indicators</b>   |   |
| <b>Planned:</b><br>In 2023, the cadastre of vineyards in Imereti, Guria, and Samegrelo regions will be developed. | <b>Realized:</b><br>In 2023, the cadastre of vineyards was completed for four regions Imereti, Guria, Samegrelo, and Adjara. Cadastral information was continuously updated in Kakheti, Kvemo Kartli, Shida Kartli, Mtskheta-Mtianeti, Meskheti, and Racha-Lechkhumi viticulture zones. |
| <b>Budget</b>   |   |
| <b>Estimated:</b> GEL <u>650,000.00</u>   | <b>Actual:</b> GEL 654,881.00   |

|                     |        |   |                                |                                  |                                   |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
|                     |        | Fully completed   | Mostly completed               | Partially completed              | Not completed                     |                                  |
| Progress evaluation | Rating | <b>X</b>  |                                |                                  |                                   |                                  |
| Progress evaluation |        | 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 1.4: To stimulate young farmers and entrepreneurs in rural areas.**

For the implementation of Objective 1.4, 1 activity was realized in 2023; 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 2023, training was conducted on legal and/or civic matters at 16 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: Stimulation of young farmers and entrepreneurs in rural areas

##### **Realized Activities:**

In the reporting period, training was planned to be conducted in 14 district centres according to the action plan. In 2023, training covered sixteen branches and 405 residents attended. Meetings were held in Kaspi, Adigeni, Dmanisi, Gomi, Tetrtskaro, Kachreti, Dusheti, Akhalsopeli, Tkibuli, Sachkhere, Fasanauri, Manglisi, Aspindza, Khobi, Tsnori and Abasha branches.

Out of 405 attendees, 183 were women and 222 were men.

## Indicator Realisation and Budget Expenditure

In 2023, 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 16 district community centres. Around 405 interested individuals were trained.

The trainer employees of the Public Service Hall delivered the training.

The activity was implemented under administrative expenses.

| Objective 1.4: To stimulate young farmers and entrepreneurs in rural areas   |   |
|--|---|
| 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  | 01.01.2023 – 31.12.2023   |
| Performance Indicators   |   |
| <b>Planned:</b><br>In 2023, training on legal and civic matters will be delivered at 14 district community centres (around 250 young entrepreneurs/farmers will be trained); | <b>Realized:</b><br>In 2023, legal and/or civic training was held at 16 district community centres. Around 405 interested individuals were trained. |
| 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 | <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, 9 activities were carried out in 2023, including ensuring the development of a farmer's/farms registry, developing infrastructure for educational institutions (schools), improving geographical access to vocational education, improving 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 2023:**

- ⇒ 17,897 farms/farmers were registered in the farm/farmer registration program.
- ⇒ In 2023, construction works for 2 public schools were completed and were ongoing; the construction process of LLEP No1 Public School of Dedoplistskaro City was started. Full rehabilitation of 6 public schools was completed. Full rehabilitation works are ongoing in up to 50 public schools.
- ⇒ In 2023, work continued in two additional municipalities (Bolnisi, Borjomi) in the direction of receiving professional education.
- ⇒ In 2023, 544 km of road sections of local significance were paved or rehabilitated.
- ⇒ 9 kindergartens were built/rehabilitated.
- ⇒ 15 sports and cultural facilities were built/rehabilitated.
- ⇒ In 2023, 234.9 km of water supply and drainage systems and 11 headwater and treatment facilities were built/rehabilitated.
- ⇒ In 2023, the Senaki Technopark was fully equipped.

**In 2023, the state spent GEL 422,102,712.07 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.

**Implemented Activities**

In 2023, registration of new farmers/farms was carried out.

In 2023, 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. Also, technical works were carried out to create online access to data (web service), in connection with the integration of the data of the State Services Development Agency, the National Public Registry Agency, and the National Food Agency. Analysis and editing/changes of existing fields were carried out in the register of farmers.

As a result of the measures taken within the framework of the activity, in 2023, 17,897 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 191,230.

### Indicator Realization and Budget Execution

In 2023, it was planned to register 12,000 farmers/farms. During the reporting period, 17,897 farmers/farms were registered.

In 2023, the estimated budget for the measures under the activity was GEL 300,000.00, and the actual budget execution was GEL 298,424.13.

| Objective 1.5: To increase access to infrastructure and services   |  |
|--|--|
| 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:   | 01.01.2023 - 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>Twelve thousand farmers/farms will be registered in the Farms/Farmers Registration Program in 2023. | <b>Completed:</b><br>17,897 farmers/farms were registered in the Farms/Farmers Registration Program in 2023.                                   |
| Budget   |  |
| <b>Estimated:</b> <u>GEL 300,000.00</u>  | <b>Actual:</b> <u>GEL 298,424.13</u>   |

| Progress evaluation |        | Fully completed   | Mostly completed               | Partially completed              | 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 1.5.2: Development of infrastructure for general education institutions

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

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

#### Implemented Activities

##### 1.5.2.3 – Start of construction of more than 50 public schools:

In connection with the start of the construction of more than 50 schools, the construction process of public-school No. 1 of the city of Dedoplistskaro, LSI, has been started by the Educational and Scientific Infrastructure Development Agency of LSI, and the construction works of the rest of the schools are at the starting stage. The process of preparation of the project documentation and agreement is underway.

##### 1.5.2.4 - It is planned to complete the construction of up to 4 public schools:

Construction of 2 schools has been completed:

- LEPL - Public school of Chaistharigi Village of Khoni Municipality.
- LEPL - Public school of Abastumani Village of Adigeni municipality.

The budget amounted to GEL 2,149,722.38.

Construction works were ongoing in 3 public schools:

- LEPL - Public school of Ozaani Village of Dedoplistskaro Municipality:
- LEPL - Public school of Nabakevi Village of Samtredia Municipality.
- LEPL - Public school N11 of Gori City.

The budget in 2023 amounted to GEL 2,626,968.8.

#### **1.5.2.5 - Complete full rehabilitation of up to 5 public schools.**

Full rehabilitation of 6 public schools completed:

- LEPL - Gardabani Municipality Village Matkopi Public School #1.
- LEPL - Senaki Municipality Village Dzveli Senaki Public School.
- LEPL - Gardabani Municipality Village Sartichala N 2 Public School.
- LEPL - Senaki Municipality Village Nosiri Public School.
- LEPL – Telavi Municipality Village Kurdgelauri Public School (Building N2).
- LEPL - Lagodekhi Municipality Village Apeni № 2 Public School

The budget amounted to GEL 5,140,690.41.

#### **1.5.2.6 - Commencement of full rehabilitation of over 90 schools.**

In connection with the commencement of full rehabilitation of more than 90 schools, full rehabilitation works are being carried out in 50 public schools and preparatory works are underway for the start of rehabilitation in the rest of the schools; In the reporting year, 131,324,798.35 GEL was allocated for the rehabilitation of public schools within the framework of the above-mentioned strategy.

#### **1.5.2.7 - Upgrading/equipment of 500 public schools with inventory will be carried out.**

In 2023, the Educational and Scientific Infrastructure Development Agency equipped 408 public schools with blackboards, the budget was 884,382.00 GEL.

Equipping 573 public schools with classroom desks and chairs, budget 14,886,288.00 GEL.

Equipping 45 public schools with office furniture, budget 513,064.00 GEL.

#### **Indicator Realization and Budget Execution**

In 2023 for the following measures:

- It is planned to complete the construction of up to 4 public schools.

- Start of construction of more than 50 public schools
- Complete rehabilitation of up to 5 public schools
- Start of full rehabilitation of more than 90 schools.
- 500 public schools will be upgraded/equipped with inventory.

179,085,000 GEL was estimated, and the amount spent is 157,525,913.94 GEL.

| 1.5 Increase in access to infrastructure and services  |   |
|--|---|
| Number and title of the activity:  | 1.5.2. Development of infrastructure for general education institutions   |
| Responsible agency:  | Ministry of Education and Science of Georgia/LEPL Educational and Scientific Infrastructure Development Agency  |
| Reporting (monitoring) period  | 01.01.2023 – 31.12.2023   |
| Performance Indicators   |   |
| <b>Scheduled:</b><br>In 2023, it is planned to complete the construction of up to 4 public schools and start the construction of more than 50 public schools, as well as complete the full rehabilitation of up to 5 public schools and start the full rehabilitation of more than 90 schools. Upgrading/equipment of 500 public schools with inventory will be carried out. | <b>Completed</b><br>In 2023, the construction of 2 public schools was completed and 3 were in progress; In connection with the commencement of the construction of more than 50 schools, the construction process of public-school No. 1 of the city of Dedoplistskaro has started, and the construction works of the rest of the schools are at the initial stage. The process of preparation and agreement of project documentation is underway, and the full rehabilitation of 6 public schools has been completed. Full rehabilitation works are being carried out in about 50 public schools and preparatory works are underway for commencement of rehabilitation in the rest of the schools. |
| Budget   |   |
| Estimated: GEL <u>179,085,000.00</u>   | Actual: GEL <u>157,525,913.94</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 1.5.3: 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.

### Implemented 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 two additional municipalities. In the reporting period, work was continued in two additional municipalities (Bolnisi, and Borjomi) in the direction of vocational education development. At the same time, the admission of students was announced for the first time at the Lanchkhuti training base of A(A)IP College "Horizonti", and the vocational educational institutions of Khashuri and Tskaltubo actively continued their work to obtain authorization in 2023 with the support of the Ministry.

### Indicator Realization and Budget Execution

The estimated budget following the 2021-2023 Action Plan of the 2021-2027 Strategy of Agriculture and Rural Development of Georgia was GEL 4,365,400. The funding of this direction over the reporting period was GEL 3,506,094.

| 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/<br>Department of Vocational Education Development   |
| Reporting (monitoring) period   | 01.01.2023 – 31.12.2023   |
| Performance Indicators  |   |
| <b>Scheduled:</b><br>In 2023, at least two additional municipalities (Bolnisi, Borjomi) will have the opportunity to receive professional education (infrastructure). | <b>Done:</b><br>In the reporting period, work continued in two additional municipalities (Bolnisi, and Borjomi) in the direction of receiving professional education. |
| Budget  |   |
| <b>Estimated:</b> GEL <u>4,365,400.00</u>   | <b>Actual:</b> GEL <u>3,506,094</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 (Note: Implementation is ongoing as infrastructure works continue) |                                  |                                   |                                  |

### 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

#### Implemented Activities

The funds are 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 2022-2026 on Basic Data and Directions of the Country. 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 2023, like in 2022, the municipalities submitted more road infrastructure improvement projects than in prior years, exceeding the budget and performance indicators by more than double.

#### Indicator Realization and Budget Execution

In 2023, within the framework of the activity, arranging or rehabilitation of the road cover was planned on 250 km of local motor road sections. 544 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 execution was GEL 183,780,000.

| 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  |
| Reporting (monitoring) period  | 01.01.2023 – 31.12.2023   |
| Performance Indicators   |   |
| <b>Planned:</b><br>In 2022, road covering will be arranged or rehabilitated on about 250 km of local motor road sections | <b>Completed:</b><br>In 2022, road cover was arranged or rehabilitated on 544 km of local motor road sections |
| Budget   |   |

|  |  |
|--|--|
| <b>Estimated:</b> <u>GEL 75,000,000.00</u> | <b>Actual:</b> <u>GEL 183,780,000.00</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.

#### Implemented 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 2022-2026 on Basic Data and Directions of the Country. 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 Realization and Budget Execution

In 2023, as part of the activity, it was planned to build/rehabilitate 8 kindergartens. During the reporting period, 9 kindergartens were built/rehabilitated.

The estimated budget for the measures under the activity for 2023 was GEL 2,500,000, while the actual budget execution was GEL 2,430,000.

| 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         |
| Reporting (monitoring) period   | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, 8 kindergartens will be built/rehabilitated | <b>Completed:</b><br>In 2023, 9 kindergartens were built/rehabilitated |
| <b>Budget</b>   |  |

|   |  |
|---|--|
| <b>Estimated:</b> <u>GEL 2,500,000.00</u> | <b>Actual:</b> <u>GEL 2,430,000.00</u> |
|---|--|

|                     |        | Fully completed   | Mostly completed               | Partially completed              | Not completed                     |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| Progress evaluation | 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.

#### Implanted 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 2022-2026 on Basic Data and Directions of the Country. 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 Realization and Budget Execution

In 2023, within the framework of the activity, it was planned to construct/rehabilitate 8 sports and cultural facilities. 15 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 execution was GEL 3,240,000.

| Objective 1.5: To increase access to infrastructure and services   |  |
|--|--|
| 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                               |
| Reporting (monitoring) period  | 01.01.2023 – 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>8 sports and cultural facilities will be constructed/rehabilitated on an annual basis | <b>Completed:</b><br>In 2022, 15 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 3,240,000.00</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, organizing of the sewage systems and construction of the relevant sewage treatment structures following international standards to minimize harmful impact on the environment.

#### Implemented 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 2022-2026 on Basic Data and Directions of the Country. According to the defined procedure, the Ministry of Regional Development and Infrastructure supervises the works by LLC United Water Supply Company of Georgia and coordinates implementation processes of the infrastructure projects identified and planned by the municipalities.

#### Indicator Realization and Budget Expenditure

In 2023, 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). 234.9 km of water supply, sewage systems, and 11 auxiliary structures were constructed/rehabilitated during the reporting period.

The estimated budget for the measures under the activity for 2023 was GEL 40,000,000, while the actual budget execution was GEL 71,090,000.

| <b>Objective 1.5: To increase access to infrastructure and services</b> |  |
|---|--|
| 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  |
| Reporting (monitoring) period  | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>  |  |
| <b>Planned:</b><br>In 2022, about 100 km of the water supply system and about 4 headworks and treatment plants will be constructed/rehabilitated | <b>Completed:</b><br>In 2023, a 234.9 km water supply system and 11 auxiliary structures (headworks and treatment plants) were constructed/rehabilitated |
| <b>Budget</b>  |  |
| <b>Estimated:</b> <u>GEL 40,000,000.00</u>   | <b>Actual:</b> <u>GEL 71,090,000.00</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 1.5.11: Access to essential public services - ensuring access to educational infrastructure (EU Neighborhood Program for Agriculture and Rural Development (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.

**Implemented Activities**

In compliance with ENPARD IV - Indicator 2.7, compared with the baseline data (124,000 students) for 2019, in 2023, access to new and upgraded school infrastructure will be increased for an additional 80,600 students (65%).

As of 2023, about 85,760 (69.2%) students already have access to their respective upgraded infrastructure. Based on the strategic goals, the number of students in the schools of 5 self-governing cities (Tbilisi, Rustavi, Kutaisi, Poti, Batumi) and Adjara AR are not considered in the calculations.

Accordingly, Indicator 2.7 of the ENPARD IV program is fulfilled.

| 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 1.5.12: Expansion of innovation hub/center networks in regions

Responsible agency: Ministry of Economy and Sustainable Development of Georgia / LSI "Georgian Innovations and Technologies Agency"

The goal of the activity: The goal of the activity is to promote the development of the innovative and entrepreneurial ecosystem in the regions of Georgia by providing appropriate infrastructure. Opening the Technopark is aimed at providing innovative services and raising technological and entrepreneurial awareness among the population. The infrastructure of Technopark will contribute to the development of a knowledge-based economy in the country, the creation of a highly qualified and highly paid workforce, the introduction of an inclusive economy, and the mobilization of investments.

#### Implemented Activities:

Preparatory works for the opening of Senaki Technopark started in 2022 and continued actively in 2023, and Technopark was fully equipped with modern technologies. Senaki Technopark is a physical space where technological, educational, and professional resources are gathered for the development of innovation and technology-based businesses. Technopark brings together people of different ages, orientations, and ideas and encourages them to create innovative, technology-based products that will be competitive both in local and global markets using the infrastructure of Technopark. Senaki Technopark presents a universal laboratory of industrial innovations (fab) - with the latest equipment: 3D printers, laser cutters, CNC programmable (router), 3D scanners, electronics and robotics kits, and others. The official opening ceremony of Technopark is planned for the near future.

#### Indicator Realization and Budget Execution:

The estimated budget for the performance of the indicator was 262,000 GEL. In the reporting period, the agency absorbed 232,280 GEL. The difference between planned and actual budget performance is due to the savings resulting from conducting electronic tendering.

| 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 |
| Reporting (monitoring) period                                    | 01.01.2023 – 31.12.2023   |
| <b>Performance Indicators</b>                                    |   |

|  |   |
|--|---|
| <b>Planned:</b><br>In 2023, Senaki Technopark is opened/equipped | <b>Completed:</b><br>Senaki Technopark was fully equipped |
| <b>Budget</b>  |   |
| <b>Estimated:</b> <u>GEL 262,000.00</u>                          | <b>Actual:</b> <u>GEL 232,280.00</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                                |

### Objective 1.6 To Improve the Irrigation and Drainage Systems

To implement Objective 1.6 in 2023, 4 activities were carried out, including rehabilitating amelioration systems, rehabilitating irrigation, and drainage (main canals) 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 2023:**

- ⇒ The area of the lands to be regularly irrigated was increased by 3.66 thousand ha.
- ⇒ The water supply of the irrigated land has been improved by 1.75 thousand ha.
- ⇒ In 2023, irrigation and drainage services are provided in 17,400 ha; 8,750 ha area is provided with optimal irrigation conditions; The irrigated area per unit of water supplied to the Kvemo Samgori irrigation scheme (m<sup>2</sup>/m<sup>3</sup>) is 1.91 m<sup>2</sup>/m<sup>3</sup>; The irrigated area per unit of supplied water (m<sup>2</sup>/m<sup>3</sup>) for the upper stream irrigation scheme is 0.68 m<sup>2</sup>/m<sup>3</sup>; Landowners with access to new and improved irrigation services (quantity) Target 10,679 landowners.
- ⇒ Around 32,213 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 5.8%, in 2021 - by 2.9%. In 2022 - by 1.4%, in 2023 - by 5.5% - by a total of 15.6%.

**In 2023, state expenditures for implementing Objective 1.6 were 78,558,781.00.**

#### 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

#### Implemented Activities

In 2023, 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/modernization of the existing pumping stations, restoration of electric-mechanical devices and replace them with new ones.

On irrigation systems, within the framework of the capital budget, works were carried out for 81 facilities, 46 facilities were completed, and 2 were suspended; Rehabilitation works of drying (drainage) systems were in progress at facility 1, facility 1 was completed.

Several facilities have had their completion date adjusted, become construction-transitional, and will be completed in later years.

### Indicator Realization and Budget Execution

During 2023, within the framework of the activity, it was planned to increase the area of regularly irrigated land up to 6.7 thousand ha; and improve water supply for 0.9 thousand ha of irrigated lands.

During the reporting period, the amelioration infrastructure was rehabilitated; about 3.66 thousand ha were moved from the conditionally irrigated land category to the regularly irrigated land category; the water supply of 1.75 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  |
| Performance Indicators  |  |
| <b>Planned:</b><br>In 2022, the area of regularly irrigated land will be increased by 6.7 thousand hectares; the provision of water in irrigated areas will be improved by 0.9 thousand ha. | <b>Completed:</b><br>In 2023, the area of regularly irrigated land increased by 3.66 thousand ha; water provision to irrigated lands was improved by 1.75 thousand ha; |
| Budget  |  |
| <b>Estimated:</b> <u>GEL 40,000,000.00</u>  | <b>Actual:</b> <u>GEL 48,500,000</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 |

### 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: The goal of the program is to improve the delivery of irrigation services in the selected geographic area, which in turn will have an impact on increasing agricultural productivity and will contribute to the increase of employment in rural areas.

### Implemented Activities:

Rehabilitation works on Kvemo Samgori and Zeda Rus irrigation schemes have been completed. In the rehabilitation of the second and third-level distribution networks - in the pilot region (Kvemo Samgori) a communication strategy was developed, and events such as training and familiarization meetings, fieldwork, trainer of training, etc. were held. - The final assessment of the project was carried out. - The project is completed.

### Indicator Realization and Budget Execution

Unit area irrigated with supplied water in Kvemo Samgori: 117% - Unit area irrigated with supplied water on the upper stream system: 73% - Area provided with water: 17,400 ha - Optimized area provided with water (because of the rehabilitation of the secondary and tertiary distribution canals): 8750 ha – number of landowners with improved water supply: 152% (10,679 landowners). The budget is 100% executed.

| 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   | 01.01.2023 – 31.12.2023   |
| Performance Indicators  |   |
| <p><b>Planned:</b><br/>In 2023,</p> <ol style="list-style-type: none"> <li>The area provided with irrigation and drainage services will be (ha) Target value: 17,400 ha.</li> <li>The area will be provided with optimal irrigation conditions; Target value: 8,750 ha.</li> <li>For the Kvemo Samgori irrigation scheme, the irrigated area per unit of water supplied (<math>m^2/m^3</math>) will be the target value of <math>1.63 m^2/m^3</math>.</li> <li>The irrigated area per unit of supplied water (<math>m^2/m^3</math>) for the upper Russian irrigation scheme will be a target of <math>0.93 m^2/m^3</math>.</li> </ol> | <p><b>Completed:</b><br/>In 2023,</p> <ol style="list-style-type: none"> <li>Irrigation and drainage services are provided on the area of 17,400 ha.</li> <li>8,750 ha of area has been provided with optimal irrigation conditions.</li> <li>The irrigated area per unit of water supplied to Kvemo Samgori irrigation scheme (<math>m^2/m^3</math>) is <math>1.91 m^2/m^3</math>.</li> <li>The irrigated area per unit of supplied water (<math>m^2/m^3</math>) for the upper stream irrigation scheme is <math>0.68 m^2/m^3</math>.</li> </ol> |

|  |  |
|--|--|
| 1. 5. Landowners with access to new and improved irrigation services (quantity) Target 7,000 landowners. | 5. Landowners with access to new and improved irrigation services (quantity) Target 10,679 landowners. |
| <b>Budget</b>  |  |
| <b>Estimated:</b> GEL 30,000,000   | <b>Actual:</b> GEL <u>30,058,781</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 |   |                                |                                  |                                   | X                                |

### Activity 1.6.3: Developing a digital database for water resources consumers.

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.

#### Implemented Activities

In the digital database of water resources users, the applications of 32,213 subscribers were registered as of 31.12.2023. Among them, 4,966 are new subscribers registered in 2023.

#### Indicator Realization and Budget Execution:

32,213 users were registered in 2023.

| 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 |
| Performance Indicators  |   |
| <b>Planned:</b><br>In 2023, about 35,000 consumers will be registered (among them: 5,250 new users) | <b>Completed:</b><br>In 2023, 32,213 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 32,213 users were registered as of 31.12.2023. Among them 4,966 are new users registered in 2023.

| 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 activities (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><br>During the period between 01.01.2020 and 31.12.2023, the area ameliorated under state financing will be increased by at least 15% compared with the baseline indicator (2019). | <b>Completed:</b><br>During 2020-2021-2022-2023, the area ameliorated under state financing increased: by 5.8% in 2020, by 2.9%; in 2021, by 1.4% in 2022, by 5.5% in 2023 and an overall increase was 15.6%. |

**Note:** compared to the baseline data it has increased by 15.6%, of which 1.7% (2902 ha) is the result of projects implemented by donors, which is not yet reflected in the capital of the reclamation of Georgia LLC.

| 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 Development of tourism and relevant tourism products in rural areas.

To implement Objective 1.7 in 2023, 3 activities were carried out, including developing tourist products 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 2023:**

- ⇒ 2 new tourist products were developed (Wine Route and hiking paths).
- ⇒ 1 small-scale tourism infrastructure project was developed.
- ⇒ Six hundred tourism sector representatives were retrained.

**In 2023, state expenditures for implementing Objective 1.7 were GEL 777,820.36.**

### **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.

#### **Implemented Activities:**

The Wine Route Project - in 2023, 28 new wine hosting facilities were included in the project, and road signs were installed for them in the following regions: Kakheti (13 wineries and enterprises), Mtskheta-Mtianeti (5 wineries), Samtskhe-Javakheti (3 wineries), Imereti (5 wineries), Racha (1 wine cellar) and Adjara (1 wine cellar).

In 2023, within the framework of the project of expansion and development of the mountain hiking trails network, installation and marking of the infrastructure of the trails was carried out in the following regions: Imereti region, Tskaltubo municipality - 3 trails, total length 11 km; Samegrelo region - the infrastructure of the Tobavarchkhili 104 km trail network was upgraded; Mtskheta-Mtianeti region, Dusheti municipality - 5 trails, total length - 70 km.

#### **Indicator Realization and Budget Execution:**

In 2022, 2 new touristic products were developed. GEL 280,488 was spent on the implementation of the activity.

| <b>Objective 1.7: To develop rural tourism and relevant tourism products</b>     |  |
|--|--|
| 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  | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>  |  |
| <b>Planned:</b><br>In 2023, 2 new additional touristic products will be created. | <b>Completed:</b><br>In 2022, 2 new tourist 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 280,488</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.

#### **Implemented Activities:**

Projects were prepared for the following trails: Tusheti protected landscape - total length 80 km. Thrusos protected landscape - total length 20 km. Gudauri-Khada valley connecting path - 13 km. Path connecting Karkucha-Gudamakari valley - 16 km. Sioni-Sabue (municipality of Tianeti and Akhmeta) - 15 km. Bochormi Castle (Tianeti municipality) trail - 3 km.

#### **Indicator Realization and Budget Execution:**

1 small-scale infrastructure project was developed during the reporting period, and the budget was GEL 173,480.

| <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   | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, 1 small-scale infrastructure project will be developed. | <b>Completed:</b><br>In 2023, 1 small-scale infrastructure project was developed.                              |
| <b>Budget</b>   |  |
| <b>Estimated:</b> <u>GEL 200,000.00</u>   | <b>Actual:</b> <u>GEL 173,480</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 1.7.3: 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.

#### Implemented Activities:

In 2023, the National Tourism Administration implemented 10 training courses, and 600 participants were retrained.

#### Indicator Realization and Budget Execution:

600 beneficiaries were retrained during the reporting period. The total expenditure for the activity was GEL 323,852.36.

| 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  | 01.01.2023 – 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>In 2023, 600 representatives from the tourism sector will be requalified. | <b>Completed:</b><br>In 2023, 600 representatives from the tourism sector were requalified.                          |
| Budget   |  |
| <b>Estimated:</b> GEL 400,000  | <b>Actual:</b> 323,852.36  |

|                     |        |   |                                |                                  |                                   |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| 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 5 objectives and 9 activities.

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

**As a result of the activities carried out to achieve the goals of the Objective during the year 2023:**

⇒ In 2023 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 organization: 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.

#### **Implemented Activities:**

Strengthening the adaptation of Georgia's agricultural sector to climate change is part of a broader project that provides for the study of the country's climate change adaptation capabilities and the determination of future actions to strengthen the said capabilities. Within the framework of the mentioned project, it is planned to develop a National Adaptation Plan (NAP), which includes the development of an adaptation plan for the agricultural sector. The project was developed and submitted to the Green Climate Fund (GCF) in 2020 - although the necessary funds for the project have been allocated, the final approval of the project is being delayed for various reasons (including the significantly negative role played by the COVID-19 pandemic). In 2022, the international implementer of the project (the United Nations Environment Program - UNEP) identified the local implementer - it will be the Center for Environmental Education and Information of LSI. In 2023, the translation of the technical documentation of the project was completed, after which the project went through national procedures and was approved by the Government of Georgia – implementation of the project is planned to start in 2024. Since the project has not been started yet, the mentioned action has not been performed either.

#### **Indicator Realization and Budget Execution:**

Implementation has yet to commence.

| <b>Objective 2.1: To disseminate climate-smart and environmentally adapted agricultural practices/promotion of bio-organic production development</b> |  |
|---|--|
| 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   | 30.12.2023 – 30.01.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023, the vulnerability of crops to climate change will be assessed   | <b>Completed:</b><br>In 2023: was not fulfilled  |
| <b>Budget</b>   |  |
| <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 2023 - 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 2023, 12 eco-touristic infrastructures were arranged/rehabilitated in the protected areas.
- ⇒ Protection infrastructure – 56 units of blockages - was arranged in the protected territories.
- ⇒ 215 units of various anti-incendiary fittings and equipment were purchased for the protected areas.

**2.2 The forecast budget for the activities planned for the task was determined at 16,650,000 GEL. State expenditures for the achievement of Objective 2.2 in 2023 were GEL 19,604,488.56.**

### 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.

### **Implemented Activities:**

In 2023:

The arrangement/rehabilitation of eco-touristic infrastructure was underway in 12 different protected areas:

- In the reporting period of 2023, a network of 356 km long ecotourist trails was organized in 7 protected areas: Bachra-Babaneuri (18 km), Mariamjvari (25 km), and Tetroba (50 km), Imereti-Samegrelo (58 km), Lagodekhi (105 km), Erusheti (100 km) in protected areas.
- One administrative building was built (integrated with the ranger station), in the protected area of Mariamjvari.
- 23 tourist shelters were built in 7 protected areas - Borjom-Kharagauli (8), Lagodekhi (1), Tetrobi (3), Mtirala (3), Kintrish (2), Erusheti (4) and Mariamjvari (2).
- 4 viewing platforms were arranged - in Batsra-Babaneuri protected areas.
- 33 picnic areas were organized in 9 protected areas - Borjomi (4), Batsura-Babaneuri (1), Martvili and Okatse (3), Lagodekhi (11), Mariamjvari (2), Tetrobi (3), Vashlovani (3), Imereti (2) and Erusheti (4).
- 20 fireplaces were organized in 8 protected areas - Borjomi (4), Batsura-Babaneuri (1), Martvili and Okatse (3), Mariamjvari (2), Tetrobi (3), Mtirala (1), Imereti (2) and Erusheti (4).
- 115 benches were installed in 8 protected areas - Borjom-Kharagauli (30), Batsra-Babaneuri (6), Martvili and Okatse (3), Lagodekhi (50), Tetrobi (10), Mtirala (2), Imereti (2) and Erusheti (12).
- 13 horse tying places were organized in 3 protected areas - Borjom-Kharagauli (4), Lagodekhi (5) and Erusheti (4).
- 27 latrines were arranged in 7 protected areas - Borjom-Kharagauli (4), Batsura-Babaneuri (2), Lagodekhi (10), Mariamjvari (2), Tetrobi (3), Mtirala (2) and Erusheti (4).
- 3 bridges were erected - in the protected areas of Lagodekhi.
- Artistic night lighting was installed in 2 protected areas - Martvili canyon and Okatse waterfall.
- Small tourist infrastructure was rehabilitated in 4 protected areas, namely:
  - Protected areas of Imereti caves - rehabilitation of railings and external lighting system, paving, educational field in the cave.
  - Borjom-Kharagauli National Park - parking rehabilitation.
  - Kolkheti National Park - rehabilitation of the administration yard, berth, and ranger.
  - Natural monuments of Martvili and Okatse - landscaping of the yard of Martvili Canyon visitor center.
- 4 administrative buildings were rehabilitated - Borjomi (1) and Kolkheti (1); Martvil Canyon (1), Prometheus Cave (1).
- 10 tourist shelters were rehabilitated in 4 protected areas - Lagodekhi (2), Vashlovani (6), Mtirala (1) and Kolkheti (1).
- 6 picnic areas were rehabilitated - Vashlovani.
- 2 bird observation towers were rehabilitated - in Kolkheti National Park.

### **Indicator Realization and Budget Execution**

In 2023, within the framework of the activity, it was planned to arrange 2 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 12 protected areas. Protected areas of Borjom-Kharagauli, Batsra-Babaneuri, Martvili and Okatse, Lagodekhi, Mariamjvari, Titoba, Vashlovani, Mtirala, Kintrish, Kolkheti, Imereti and Erusheti.

During the reporting period, the actual budget execution was GEL 19,549,659.56. The afore-mentioned project is a multi-year procurement that spans 2021-2023 and comprises GEL 38 million, of which GEL 19,549,659.56 was spent in 2023 for the arrangement/rehabilitation of eco-touristic infrastructure in 12 protected areas.

| <b>Objective 2.2: To support the development of ecotourism</b>   |   |
|--|---|
| 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  | 01.01.2023 – 31.12.2023   |
| <b>Performance Indicators</b>  |   |
| <b>Planned:</b><br>Establishing two eco-touristic infrastructures/or rehabilitation of existing ones in 2023 | <b>Completed:</b><br>In 2023, eco-touristic infrastructure was arranged/rehabilitated in 12 protected areas |
| <b>budget</b>  |   |
| <b>Estimated:</b> <u>GEL 17,000,000.00</u>   | <b>Actual:</b> GEL <u>19,549,659.56</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

**Implemented Activities:**

During 2023:

- In 7 different protected areas, security infrastructure was arranged - 56 blockages were arranged (Tana, Kvereti, Borjom-Kharagauli, Machakhela, Tbilisi, Kintrish, Kolkheti).
- 215 various pieces of anti-incendiary equipment were purchased for the protected territories.

### Indicator Realization and Budget Execution

In 2023, 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 7 protected areas – 56 blockages were arranged, and diverse types of 215 pieces of 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   | 01.01.2023 – 31.12.2023  |
| Performance Indicators  |  |
| <b>Planned:</b><br>In 2023<br>→ Three units of security infrastructure (ranger house, blockage, or other) will be arranged/rehabilitated in protected areas.<br>→ Fifty units of anti-incendiary equipment will be purchased. | <b>Completed:</b><br>In 2023<br>→ Security infrastructure – 56 blockages were arranged in the protected areas.<br>→ Several types of 215 anti-incendiary equipment were purchased for the protected areas. |
| Budget  |  |
| <b>Estimated:</b> <u>GEL 150,000.00</u>   | <b>Actual:</b> <u>GEL 54,829.00</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                              |                                  |                                   |                                  |

## Objective 2.3: Sustainable usage of forest resources

To accomplish Objective 2.3, 3 activities were carried out in 2023, 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 2023:

- ⇒ In 2023, accessibility was ensured to the allocated 450,453.5 m<sup>3</sup> timber resources.
- ⇒ In 2023, forest rehabilitation/planting (facilitating natural regeneration) was done on a 1714,6 ha of new area.
- ⇒ Draft forest management plans were additionally developed for 138 299 ha in the Telavi Forest area (52 331 ha). The first stage has been completed in the Kvareli forest area (45,044 ha), and the works provided for in the first stage are underway in the Tianeti forest area (40,924 ha).

**State expenditures for the implementation of the Objective 2.3 were GEL 33,620,650.00.**

### 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.

#### Implemented Activities

To provide timber (except for unique logging) to the population and budgetary and other organizations, 297,311 m<sup>3</sup> of felling areas were allocated. Within the unique and maintenance logging framework, 153,142.5 m<sup>3</sup> of felling areas were allocated - 450,453.5 m<sup>3</sup> of timber.

In 2023, the Agency produced 160 010,4 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, 99 841m<sup>3</sup> was sold via auction, and 25356,98 m<sup>3</sup> via a direct sale (provision to budgetary organizations - 19037,68 m<sup>3</sup>.)

During the reporting period, 251 011,3 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 276 909,2 m<sup>3</sup> (34 196 households). The timber resource issued (sold) with timber production tickets amounts to 276,909.2 cubic meters (34,196 households), while tickets for the use of Stock Business Yards to the population were sold for 6319.3 cubic meters. To increase access to resources in the designated forests, 10.53 km of forest road was built, and rehabilitation was carried out for 71.48 km of forest road.

| 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  | 01.01.2023 – 31.12.2023   |
| <b>Performance Indicators</b>  |   |
| <b>Planned:</b><br>In 2023, 600,000 m <sup>3</sup> of the allocated timber resources will be accessible. | <b>Completed:</b><br>In 2022, access was ensured to 450,453.5 m <sup>3</sup> of timber resources. |
| <b>Budget</b>  |   |
| <b>Estimated:</b> <u>GEL 34,211,300</u>  | <b>Actual:</b> <u>GEL 30,913,700</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.

#### Implemented activities:

20 forest restoration projects for the area of 1714.6 ha have been prepared for 2023 forest restoration activities. Among them: 1. Guria (1 project) – 677.0 ha 2. Imereti (6 projects) – 136.0 ha 3. Racha-Lechkhumi Kvemo Svaneti (2 projects) – 140.6 ha 4. Samtskhe-Javakheti (2 projects) – 371.5 ha 5 Shida Kartli (1 project) – 21.7 ha 6. Kvemo Kartli (3 projects) – 88.1 ha 7. Kakheti (3 projects) – 279.7 ha.

In 2023, forest restoration (promoting natural renewal) measures were implemented in a new area of 1714.6 ha.

| 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   | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>   |  |
| <b>Planned:</b><br>In 2023 the forest will be planted/restored on an additional 100 ha. | <b>Completed:</b><br>In 2023, reforestation measures (supporting natural regeneration) were implemented in 1714,6 new areas. |
| <b>Budget</b>   |  |
| <b>Estimated:</b> <u>GEL 2,155,000</u>  | <b>Actual:</b> <u>GEL 1,276,625</u>  |

|                     |        | Fully completed   | Mostly completed               | Partially completed              | Not completed                     |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| Progress evaluation | 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.

#### Implemented Activities:

The forest registration works are completed, and the forest management plan has been developed. Draft forest management plans were developed for a 190,510-ha area for the following forest sections: Dedoplistskaro-Signagi (23,826 ha), Ambrolauri (80 635 ha), Tsalka-Tetritskaro (55 202 ha), and Adigeni (30,847 ha). Also, forest registration and field works are being carried out in Telavi Forest area (52 331 ha), Kvareli forest area (45 044 ha), and Tianeti forest area (40 924 ha) to develop a forest management plan. In addition to the field works of forest registration using the statistical method (FMI) were carried

out in Lanchkhuti, Chokhatauri, Dedoplistskaro, Kvarli, and Telavi Forest districts on a total area of 186,943 ha.

In 2023: Additionally, drafts of forest management plans have been drawn up on an area of 138,299 ha in the Telavi forest area (52,331 ha), the first stage has been completed, the second stage has been completed on 30,000 ha, the first stage has been completed in the Kvareli forest area (45,044 ha) and the second stage has been completed on 30,000 ha. , in the Tianeti forestry area, the works provided for in the first stage (40,924 ha) 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   | 01.01.2023 – 31.12.2023  |
| Performance Indicators  |  |
| <b>Planned:</b><br>In 2023, draft forest management plans will be developed for 3 forest areas (128 thousand ha). | <b>Completed:</b><br>In 2023: draft forest management plans were additionally developed. On the area of 138,299 ha, the first stage has been completed in the Telavi Forest area (52,331 ha), the first stage has been completed in the Kvareli forest area (45,044 ha), and the works provided for in the first stage (40,924 ha) are in progress in the Tianeti forest area. |
| Budget  |  |
| <b>Estimated:</b> <u>GEL 850,000</u>  | <b>Actual:</b> <u>GEL 1,430,325</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 completed in 2023 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 2023:**

⇒ The first draft of 1 by-law 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.

#### Implemented Activities

A donor organization has been identified that will develop and refine sub-legal acts. Furthermore, the first draft of 1 by-law has already been prepared and must be discussed with stakeholders. The discussion around the mentioned draft is planned for 2024. 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 finalized and approved in 2024.

#### Indicator Realization and Budget Execution

The first draft of 1 by-law was developed during the reporting period.

| Objective 2.4 Supporting the introduction of energy-efficient technologies and practice |  |
|---|--|
| 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   | 01.01.2023 – 31.12.2023  |
| Performance Indicators  |  |
| <b>Planned:</b><br>In 2022: 1 by-law was submitted to the Parliament for approval       | <b>Completed:</b><br>A first draft of the 1 by-law act was developed.                |
| Budget  |  |
| <b>Estimated:</b> zero  | <b>Actual:</b> zero  |

| 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 2.5: To maintain agro-biodiversity.

To accomplish Objective 2.5, 2 activities were carried out in 2023, 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 2023:**

- ⇒ In 2023, the number of research participants was 5467; the number of breeding animals – 90 heads.
- ⇒ The projected number of perennial crops 2,223 are included in the collection; the number of samples conserved in the gene bank is 1087.

**State expenditures for the implementation of Objective 2.5 in 2023 were GEL 2,391,927.93.**

### **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.

#### **Implemented Activities:**

- Research is conducted on local breeds and populations of domestic animals, birds, fish, and agricultural insects: the typical fertility of local breeds and populations is sought, micro-breeding cores are studied and created and transferred to the farm by auction, where the supervision of relevant specialists of the center and relevant research continues.
- Based on the complex assessment of the herd in the Gomareti farm, a herd breeding core was formed, and the work of preparing the farm for breeding began.
- Cattle inventory was conducted.
- The electronic journals include materials on the study of Meguri red breed herds, Caucasian Tsabla cattle of Dmanisi station and Gomareti farm, and Georgian mountains breed.
- Individual productivity cards have been arranged, valuation has been carried out, and work has been done on 70 cows of the Caucasian Tsabls variety, 38 cows of the Megrelian red breed, and 8 cows of the Georgian mountain variety.
- Current works of breeding and selection of micro-herds of Georgian mountain breed cattle are carried out on 19 heads of the trial farm, including 8 cows and 11 calves.
- The current study of dairy productivity and calf development was carried out on the test bases of the Megrelian red breed.

- In the herd of Gomareti village of Dmanisi municipality, the formation of a breeding cattle selection group has started. A selection group was created of 25 heads.
- In the breeding station of Dmanisi, the study of the development of the young Caucasian Tsabla breed, cooling of the cuttings, and receiving the supplement was continued. Weighing and measuring were done with 6 calves.
- In the Javakheti zone, the study of the productivity of trial farms was continued: In the Alatubani farm, 40 cows and 1 bull were inspected.
- 3 young bulls were selected for further breeding in Ganthiadi's test base.
- The materials of the study of Megruli red breed herds, Caucasian Tsabla breed of Dmanisi station, and Gomareti farm have been included in the electronic journals.
- The growth dynamics of Kakhuri and Svani store pigs were established.
- A mission was carried out to identify fruit-bearing forest massifs and typical specimens of Kakhuri and Svan pigs.
- Production of zootechnical registration of Kakhuri pigs is underway - profit, identification, determination of fertility, study of growth dynamics up to 12 months,
- Development of a recipe for feed enriched with new functional compounds in pig farming is in progress.
- The instructions for the certification of poultry, pigs, and sheep have been drawn up.
- Monitoring of growth and development has been carried out in collection groups of Georgian semi-soft-wool and soft-wool fat-tailed sheep breeds that have reached the verge of extinction.
- The number of semi-soft-wool and soft-wool sheep is 64, incl. 25 soft-wool, 39 semi-soft-wool.
- A total of 37 Tushuri sheep were found. Weighted total mortality by sex-age groups. Biometric processing of received data is underway.
- Currently, 78 Imeruli sheep are involved in the research. The juvenile is weighed. Milk samples are processed. Biometric data processing is in progress. Autumn valuation has been carried out. Imeruli sheep are class 1. The yield of Imeruli sheep wool is calculated.
- There are a total of 29 goats of the Megrelian breed of the 1st class, 2 goats are of the elite class. The juvenile's body measurements were taken, an initial valuation was carried out, goat's fertility was monitored.
- Determination of spring eggs and physical parameters of birds started in those farms that were given local birds.
- Determining the indicators of summer and autumn laying of local chicken, straw turkey, and striated duck and studying the physical indicators of eggs continues.
- Winter season food recipes are developed and feed is prepared for local poultry and turkey.

- At the farm in Simoneti Village of Terjola municipality, local poultry is raised and observed.
- Studying the dynamics of juvenile growth of Javakhuri goose populations is underway.
- 13 exterior measurements of hybrid carp were taken.
- Biomass of 3-year-old hybrid carp is determined.
- 167 soil samples were collected in the municipalities of Akhaltsikhe, Aspindza, Adigeni, Bolnisi, and Dmanisi.
- Activities continued in the Khashmi sturgeon farm - inspection and confirmation of hybrid fish varieties with morphological signs were carried out.
- The results of the wintering of bee families were determined. The food supply of the breeding bee families was replenished.
- A census of beehives has been conducted.
- Valuation of Guri population of bee families was carried out.
- An autumn census of bee families was conducted.
- Honey productivity for each breeding family ranged from 9.3 to 11.7 kg.
- During the fall census, the average strength of breeding bee families was 6.5-7 - bees.
- A morphological study of the Megrelian population was carried out.
- Healthy grains with approximately 800-1000 plaques were distinguished; A bag of silk was obtained from 65 varieties of mulberry silkworm, which was cut and prepared to receive the next generation grain.
- Microanalysis of dried butterfly was carried out; Graine plaques of healthy individuals were selected.
- About 1,500 grafts of healthy mulberry and 20 g of hybrid mulberry of 70 varieties of mulberry silkworm were produced and selected.
- Information on the taxonomy of vector insects, vector insects, distribution in the world, and possible role in invasion and spread of bluetongue disease has been processed for risk assessment.
- The risk of invasiveness of bluetongue invasion in Georgia was analyzed, a package of recommendations to be implemented was developed and a single guidance document on bluetongue risk assessment was prepared.
- Information on hazard assessment of the risk caused by consumption of different categories of food contaminated with dyes of the Sudan group has been processed. The working version of the risk assessment document is presented.
- A group of scientists assessing the risk of Flatid Planthopper was formed.
- The risk assessment methodology developed according to the EPPO PM 5/2 standard has been selected by the phytosanitary risk assessment team.

- A risk assessment document on ways of invasion and spread of Flatid Planthopper in the country was created.
- The Risk Assessment Service, together with risk managers and stakeholders, formulated the final version of risk minimization recommendations for all three risks in the study (bluetongue, Sudan group dye, Flatid Planthopper).
- An analysis was conducted - on the prevalence of helminthic diseases of animals examined from a veterinary point of view - on the obtained results and it was determined that West Georgia remains unreliable regarding various helminthic diseases; A plan schedule was prepared for the expeditions in the mountainous regions of West Georgia and micro-areas were determined for collecting samples.
- Expeditions were organized for serological examination of blood samples of cattle of Samegrelo-Zemo Svaneti and Guria regions on high mountain pastures.
- An expedition was conducted in the Guria region. 46 blood samples were tested for brucellosis. 4 infected animals were identified.
- Expeditions were carried out for the serological examination of blood samples of the Samegrelo-Zemo Svaneti and Guria regions on the high mountain slopes. A serological testing of blood samples of 120 cattle was conducted. In the Guria region, 6 brucellosis-afflicted cattle were identified.
- Also, 22 combined coprological samples of cattle were taken in the mentioned regions, and they were preserved for further parasitological research.
- Veterinary service visited Imereti and Ajara regions, 137 blood samples were collected, 15 were examined, and 2 cases of brucellosis were detected.

**Indicator Realization and Budget Execution**

The plan for 2023 was: the number of heads in the study 4658 heads; the number of breeding animals 90 heads.

The number of heads in the study is 5467; the number of breeding animals is 90.

The planned budget for the program implementation in 2023 was GEL 498,000, while the actual budget execution was GEL 530,389.25.

| <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  | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>  |  |
| <b>Planned:</b><br>In 2022: the number of heads in the study: is 4658, and the number of breeding animals is 90 heads. | <b>Completed:</b>  |

|                                      |   |
|--------------------------------------|---|
|                                      | In 2023, the number of heads in the research will be 5467; the number of breeding animals will be 90 heads. |
| <b>Budget</b>                        |   |
| <b>Estimated:</b> <u>GEL 498,000</u> | <b>Actual:</b> <u>GEL 530,389.25</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 2.5.2: 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 to preserve genetic funds for annual and perennial crops, elaborating innovative technologies for planting and producing, and bio-agro-production.

#### Implemented Activities:

- Research was carried out in the direction of preserving the gene pool of annual and perennial crops, their cultivation, maintenance, and development of innovative technologies of bio-agriculture, the purpose of which is to find, restore, and preserve local genetic resources, which meant the creation of both living collections and a genebank for their long-term conservation.
- Biopreparations have been studied as part of the research conducted for the development of bio agriculture.
- Following the principles of mutual compatibility, aromatic plants were selected and planted for the trial plot of Tsilkni for sowing with different crops.
- Research was conducted to study the modern machinery and technologies to produce crops: the processing of soil and environment protection moisture-retaining technologies and technical means were carried out.
- For testing of a new form of sulfur clay composite, vines were selected from perennial crops, tomatoes, pumpkins, and cucumbers from annual crops. Studies are underway to study its effects.
- 1 expedition was organized to Dedoplistskaro municipality and 2 expeditions to Pshav-Khevsureti and Dusheti municipalities to find new samples of barley.
- Bioeconomic indicators of different varieties of barley have been developed:
- Harvesting and biometric processing of test samples of beans, peas, tomatoes, spring onions, flax, and cabbage were carried out.

- The presentation "Agrotechnology of Growing Blueberries" was prepared.
- 950 l of red wine and 1050 l of white wine were collected from last year's harvest for further research.
- Assessment and analysis of the health and chemical parameters of up to 210 varieties of vines were performed.
- Control of alcoholic fermentation of 112 varieties of grapes is underway.
- Total sugar content, titer acidity, and pH indicator of grape juice were determined within the research samples of grapes according to each variety.
- The enocarpological characteristics of the studied varieties were researched.
- During the reporting period, the content of pigments (chlorophyll a and b; carotenoids), dynamics of free water and dry matter, variable fluorescence - Fv, and intensity of electron transport - ETR between photosystems were investigated in the leaves of experimental grape varieties.
- The number of pigments, changes in fluorescence parameters, dynamics of photosynthesis intensity, and transpiration were studied in vine leaves treated with 5% kaolin.
- The growth of blis trees formed by the new system was measured biometrically.
- 6 varieties of apple, 4 varieties of quince, and 5 varieties of almonds were studied – the phenophase of maturity was observed.
- A biometric census of nut trees (almonds, walnuts) was carried out.
- The average yield of 4 types of quinces and 5 types of almond trees was determined. Fruit characterization of 4 varieties of quince and 5 varieties of almond was carried out.
- To certify seeds and planting material, 5 producers of planting material were added to the register of producers of seed and planting material.
- Based on the received application, 3 nurseries were inspected.
- During the reporting period, pheasant eggs were received, which were frozen and stored in the refrigerator, to attract and reproduce parasitoids.
- For the study of rare and relict forest species of Georgia, business trips were organized to Ajara and Guria, and an inventory of research species was carried out.
- The limits of distribution of the studied species, emergence, frequency, groves, and micro groups were specified.
- Materials on the productivity of poplars have been processed, carbon accumulation potential, heat capacity, and energy potential have been determined, and recommendations have been prepared.
- Morphometric measurements are being carried out on oak leaf samples, and the characteristics of the species are specified; Inventory materials about oak trees were processed.

- Alternaria 10-15%, and anthracnose 20% were detected in the nut culture, and trials were set up to study their toxicity.
- Laboratory research of 4 grapevine viral diseases, hazel, blueberry, and olive garden diseases is underway.
- The species composition of the main problematic diseases of fruit crops on the test-demonstration plot was studied and treated with biopreparations.
- The search for Brown marmorated stink bug bioagents in fruit crops and nuts was carried out.
- As a result of route investigations, symptomatic samples of vine phytoplasma diseases were collected for analysis, and laboratory diagnostics were carried out.
- DNA extraction material from 30 grape varieties was collected and DNA extraction was carried out.
- PCR reactions were performed on the DNA of different varieties of grapevine using microsatellite DNA markers of grapevine. 70 samples of PCR products were obtained.
- The number of pigments and water, as well as the characteristics of fluorescence and the intensity of photosynthesis, were studied in the unshaded and shaded leaves of the study grape varieties, as well as in the leaves of the vine treated with 5% kaolin.
- To test the profiler and chisel, sowing of autumn wheat was carried out in the village of Shavshvebi of Gori municipality, and then profiling of the sown area.
- 14 ha of the cultivated area was plowed with a modernized chisel test sample and its demonstration was carried out.
- As part of the study of the spontaneous microflora of yeast of different varieties of Georgian wheat, strains were selected based on the research: 6 strains for Tetri Dika, 9 strains for Makha, and 5 strains for Chelta Zanduri.
- Research samples of tomato and peas were taken; The material is processed biometrically.
- Cultivation was carried out and fall crops were sown.
- Onions and cabbages were harvested and processed biometrically.
- Phenology and biometrics were studied for perennial and less common vegetable crops (artichoke and asparagus).
- Tobacco was harvested and tobacco biometrics were studied.
- Pre-sowing cultivation was carried out for head crops in Dedoplistskaro, Akhalkalaki, and Tsilkani.
- Harvesting of maize has been completed. The harvested crop would be stacked on the base of the mill; Botanical processing is underway.
- Data processing of the results obtained by the mutual influence of plants in mixed crops was carried out.

- Soil preparation was carried out - plowing for sowing autumn barley samples.
- Before sowing barley, seeds, and soil were poisoned with biopreparations.
- The study of the influence of bio preparation on the yield of selected crops, the quality indicators of the harvest, and harmful organisms was carried out.
- Asian stink bug wintering populations were collected in the Anaseuli laboratory during the reporting period at four locations (villages Surebi, Anaseuli, Naruja, Makvaneti).
- Collected stink bugs were subjected to microscopic examinations to detect entomopathogenic microorganisms.
- Phenological phases were observed on citrus, kiwi, feijoa, avocado, tea, and miscanthus plants located on the collection plot. Biometric measurements were taken on the plants in the collection plot.
- In December, kiwi, feijoa, and azimine plants were pruned. Miscanthus plants were cut.

#### Indicator Realization and Budget Expenditure

- In 2023, the plan was: number of perennial crops included in the collection – 917; samples in the gene bank 920.
- Actual: the protected number of perennial crops included in the collection is 2,223; the number of samples in the gene bank is 1087.
- The planned budget for the program for 2023 was GEL 1,492,700, while the actual budget execution was GEL 1,861,538.68.

| Objective 2.5: To maintain agro-biodiversity  |   |
|---|---|
| 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   | 01.01.2023 – 31.12.2023   |
| Performance Indicators  |   |
| <b>Planned:</b><br>In 2023, the projected number of perennial crops included in the collection was 917; the number of samples in the gene bank was 920. | <b>Completed:</b><br>In 2023, the projected number of perennial crops included in the collection was 2,223; several samples conserved in the gene bank were 1087. |
| Budget  |   |
| <b>Estimated:</b> <u>GEL 1,492,700</u>  | <b>Actual:</b> <u>GEL 1,861,538.68</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                              |                                  |                                   |                                  |

## 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 4 tasks and 12 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 2023, 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 2023:

- ⇒ In 2023, to bring Georgia's sanitary and phytosanitary regulatory legislation closer to EU legislation, it was planned to approximate with 20 legal acts of the European Union, of which, legislative approximation to 17 legal acts of the European Union was carried out in accordance with the plan, and 3 draft legal acts were submitted for approval.
- ⇒ The National Food Agency has successfully passed all stages and, in accordance with the commitments made within the EU ENPARD, received international standard quality management system certificate - ISO 9001:2015.

#### 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).

#### Implemented Activities

In 2023, to bring Georgia's sanitary and phytosanitary regulatory legislation closer to EU legislation, it was planned to approximate with 20 legal acts of the European Union, of which, legislative approximation to 17 legal acts of the European Union was carried out in accordance with the plan, and 3 draft legal acts were submitted for approval.

### Indicator Realization and Budget Execution

| 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  | 01.01.2023 – 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>In 2023, 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 20 legal acts. | <b>Completed:</b><br>In 2023, to bring Georgia's sanitary and phytosanitary regulatory legislation closer to EU legislation, it was planned to approximate with 20 legal acts of the European Union, of which, legislative approximation to 17 legal acts of the European Union was carried out in accordance with the plan, and 3 draft legal acts were submitted for approval. |
| 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                              |                                  |                                   |                                  |
|                     |        | The implementation process still needs to be initiated. | Implementation process ongoing | Implementation process suspended | Implementation process terminated | Implementation process completed |
|                     | Status |   | X                              |                                  |                                   |                                  |

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

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

| Number and title of the activity:  | Activity 3.1.2. 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  | 01.01.2023 – 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>In 2023: based on the best international practice (accreditation standard ISO 9001:2015), the document management system of the National Food Agency of the State Food Agency will be created | <b>Completed:</b><br>The National Food Agency has successfully passed all stages and, in accordance with the commitments made within the EU ENPARD, received the international standard quality management system certificate - ISO 9001:2015. |

|                     | Fully completed | Mostly completed  | Partially completed            | Not completed                    |                                   |                                  |
|---------------------|-----------------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| Progress evaluation | 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, 6 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 2023:

- ⇒ 8 635 scheduled inspections were performed.
- ⇒ 5798 food samples were lab tested.
- ⇒ 7102 documentary inspections were conducted.
- ⇒ 3,975,621 heads of animals were vaccinated (against foot-and-mouth, anthrax, rabies, brucellosis, lumpy skin disease, minor livestock plague, spongiform encephalopathy, sheep catarrhal fever, tuberculosis).
- ⇒ 1,114,627 cattle have been identified.
- ⇒ 968,518 heads of cattle were treated against external pests at veterinary surveillance stations.
- ⇒ One hundred eighty-six samples were examined to monitor the quality of veterinary preparations.
- ⇒ Scheduled inspections of 894 sites subjected to veterinary control were performed.
- ⇒ 50 samples of fishmeal and 25 samples of animal feed were tested for salmonella and enterobacteria.

- ⇒ To laboratory monitoring of prohibited substances and their residues, 2050 tests of 655 samples of biological material of live animals and food animal feed were carried out on 15 indicators.
- ⇒ In 2023, an area of up to 83,900 hectares was treated against locusts.
- ⇒ About 500 samples were tested to determine the quality of pesticides and agrochemicals.
- ⇒ An area of up to 357,999 hectares has been treated against the Asian pheasant.
- ⇒ In 2023, 2219 alcoholic beverage samples were taken for wine laboratory research.
- ⇒ The coefficient of non-compliance with the safety standards of meat products, milk and dairy products by the National Food Agency of the State of Ukraine is 4.7%.

**In 2022, state expenditures for implementing Objective 3.2 were GEL 55,276,246.00.**

### **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.

#### **Implemented Activities**

Overall, the following was implemented:

- Scheduled inspection – 8635; non-scheduled – 863; non-scheduled with the purpose to grant recognition – 256; rechecking – 8923.
- 7102 documental checks were performed.
- 5798 samples of food/tap water were collected for lab testing.
- Supervision – 868.
- Administrative delinquencies – 3878
- HACCP audit - 171

5798 food samples were taken and investigated; 868 supervisions were conducted. A total of 3878 administrative delinquencies were identified because of food safety state control.

#### **Indicator Realization and Budget Execution:**

According to the year 2023, the agency carried out 8635 planned inspections, 7102 document checks were carried out, 5798 food samples were subjected to laboratory research. During the state control of food safety, 3878 administrative delinquencies were detected. 868 inspections were carried out and 171 HACCP audits were conducted.

| <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 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   | 01.01.2023 – 31.12.2023   |
| <b>Performance Indicators</b>   |   |
| <b>Planned:</b> <ul style="list-style-type: none"> <li>8000 scheduled inspections will be performed.</li> <li>6800 documentary inspections will be performed.<br/>Laboratory investigation of 4800 food samples will be performed.</li> </ul> | <b>Completed:</b> <ul style="list-style-type: none"> <li>8635 planned inspections were performed.</li> <li>7102 documentary inspections were performed.<br/>5798 Three thousand nine hundred twenty food samples underwent laboratory investigation.</li> </ul> |
| <b>Budget</b>   |   |
| <b>Estimated:</b> <u>GEL 1,400,000.00</u><br>(Updated: GEL 1,974,000)   | <b>Actual:</b> <u>2,260,000.00</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 3.2.2: Implementing veterinary surveillance of animal preventive vaccinations.

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

Partner organizations: 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.

#### Implemented Activities:

##### Vaccinated:

- 853 562 heads of cattle and 612 316 heads of small livestock were vaccinated/revaccinated against foot-and-mouth disease.
- 406 977 heads of cattle, 653 030 heads of small livestock and 4 253 horses were vaccinated/revaccinated against anthrax.
- 143,700** heads of cattle and **79,081** heads of small livestock were vaccinated against brucellosis.
- 300 952 heads of domestic carnivorous (dogs, cats) animals received preventative rabies vaccination.
- 411 073 heads of small livestock were vaccinated against the minor livestock plague.
- Vaccination against brucellosis - 123,474 head of cattle and 47,857 head of small cattle.
- Vaccination against sheep and goat pox - 517,152 small cattle.
- 44 975 heads of cattle were vaccinated against nodular dermatitis.

- 300 heads of cattle were investigated for tuberculosis.

**Treated**

- 7,180 heads of cattle in the Crimean-Congo epidemiological hotspots.
- 8,088 heads of cattle and 953,250 heads of small livestock were treated against ectoparasites at veterinary surveillance stations during the migration to seasonal pastures.

**Identified:**

532,531 heads of cattle, 582,096 heads of small cattle have been identified; 1357 state veterinary control was carried out, of which:

- Schedules inspection -894.
- Un-scheduled inspection - 69.
- Rechecking - 89.
- Inspection for the purpose of recognition -16.
- Document check - 289.
- Registration inspection of clinics using psychotropic drugs -16.
- 122 administrative delinquencies were revealed.

**Rechecked:**

To monitor the quality of veterinary drugs, 184 samples of veterinary drugs were purchased and sent to the laboratory for examination. 1357 veterinary controls were carried out.

**Examined:**

50 samples of fishmeal and 25 samples of animal feed for salmonella and enterobacteria.

**Implemented:**

- To monitor the detection of anabolic and prohibited substances, veterinary drugs, and pollutants, taking a total of 655 samples of biological material (blood) of live animals and food animal feed, examining 15 indicators, and making 2050 tests.
- Taking 30 samples for the investigation of pesticides in the feed of food animals and examining them for indicators, as well as making 30 tests.

**Indicator Realization and Budget Execution**

In 2023, 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  | 01.01.2023 – 31.12.2023   |
| Performance Indicators   |   |
| <p><b>Planned:</b></p> <ul style="list-style-type: none"> <li>In 2023: 3,429,600 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>1,100,000 livestock will be identified.</li> <li>920,000 heads of livestock will be treated for external parasites at veterinary supervision facilities.</li> <li>Up to 28,000 cattle will be examined for animal diseases.</li> <li>Planned inspection of at least 50% of facilities subject to registered veterinary control, approximately 1,006 facilities, will be carried out.</li> <li>Purchase of 190 samples for laboratory research to monitor the quality of at least 15% of registered veterinary drugs. Of these, 185 planned samples and 5 non-planned samples.</li> </ul> <p>To monitor the safety of non-food animal feed for salmonella and enterobacteria research, 25-25 samples from 1 enterprise of processed pet food will be taken and examined 2 times a year (total 100 samples from 1 enterprise per year), and 5-5 samples from 1 enterprise of fishmeal will be taken and examined every 2- times (a total of 80 samples per year from 4 enterprises). Also, during the year, for the purpose of possible recognition of new fishmeal enterprises or unplanned inspection of the recognized enterprise and research of salmonella and enterobacteria, additional 5-5 samples will be examined. In total, 90 samples from fishmeal factories.</p> | <p><b>Completed:</b></p> <p>In 2022:</p> <ul style="list-style-type: none"> <li>3,975,621 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).</li> <li>1,114,627 livestock were identified.</li> <li>968,518 heads of cattle were treated for external parasites at veterinary supervision stations.</li> <li>894 scheduled inspections of facilities under Vet control were carried out.</li> <li>184 samples were examined to monitor the quality of veterinary preparations.</li> <li>50 samples of fishmeal and 25 samples of animal feed were tested for salmonella and enterobacteria.</li> </ul> <p>To laboratory monitoring of prohibited substances and their residues, 2050 analyzes of 655 samples of biological material of live animals and food animal feed were carried out on 15 indicators:</p> |
| Budget   |   |
| <b>Estimated:</b> <u>GEL 15,000,000.00</u><br>(Updated GEL 21,074,000.00)  | <b>Actual:</b> <u>GEL 20,897,000.00</u>   |

|                     |        |                    |                                |                                  |                                   |                                  |
|---------------------|--------|--------------------|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| Progress evaluation |        | Fully completed    | Mostly completed               | Partially completed              | Not completed                     |                                  |
|                     | Rating | X                  |                                |                                  |                                   |                                  |
|                     |        | The implementation | Implementation process ongoing | Implementation process suspended | Implementation process terminated | Implementation process completed |

|  |        |                                      |   |  |  |  |
|--|--------|--------------------------------------|---|--|--|--|
|  |        | process still needs to be initiated. |   |  |  |  |
|  | 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.

#### Implemented Activities:

During the reporting period, an area of up to 83,900 hectares was treated against locusts.

Pheromones and research materials were given to the regional departments for investigation to determine the phytosanitary condition of the country's territory and zones free from quarantine harmful organisms. 6,128 units of pheromone insect traps for entomological investigations were placed across the country.

Within the framework of phytosanitary supervision measures, 1433 samples were collected for the diagnosis of quarantine pests.

To prevent falsification of risky chemicals, control of pesticide/agrochemical retail facilities was implemented in 237 facilities. 500 samples were taken for pesticide and agrochemical research. During the state control, 35 administrative violations were revealed in accordance with the "Food/Animal Feed Safety, Veterinary and Plant Protection Code".

Based on the referral of the scientific-research center in qualified nurseries, inspections were carried out in 45 nurseries for the purpose of diagnosing harmful organisms, 1903 laboratory studies were conducted for the samples taken.

#### Indicator Realization and Budget Execution:

| 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   | 01.01.2023 – 31.12.2023   |
| Performance Indicators  |   |
| <b>Planned:</b><br>In 2022,<br><b>30,000 ha</b> will be treated against locusts, fall webworm moths, box tree moths and other pests.<br>About <b>400 samples</b> will be tested to determine the quality of pesticides and agrochemicals. | <b>Completed:</b><br>In 2022,<br><b>83 900 ha</b> area was treated against locusts, fall webworm moths, box tree moths and other pests.<br><b>500 samples</b> were tested to determine the quality of pesticides and agrochemicals. |
| Budget  |   |

| Estimated: GEL 4,700,000.00 |        | Actual: GEL 4,551,000.00                                |                                |                                  |                                   |                                  |
|-----------------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| 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 3.2.4: 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.

#### Implemented Activities:

During the reporting period, up to 6,820 units of pheromone traps were placed for the purpose of monitoring the Asian pheasant, and 113,551 units of pheromone were installed at 'attract and destroy' stations. An area of up to 357,999 hectares has been treated in the centers of the spread of the pest.

#### Indicator Realization and Budget Execution

| 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 3.2.4: 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   | 01.01.2023 – 31.12.2023   |
| Performance Indicators  |   |
| <b>Planned:</b><br>In 2023, 250,000 ha will be treated against stink bugs (4 times).  | <b>Completed:</b><br>In 2023, around 357 999 ha area was treated against stink bugs.            |
| Budget  |   |
| <b>Estimated:</b> GEL 25,830,700.00<br>(Updated GEL 27,028,000.00)  | <b>Actual:</b> GEL 26,691,000.00  |

|                     |        |   |                                |                                  |                                   |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| 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 3.2.5 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: Inspections, state control and state supervision will be carried out in 10% of wine companies registered in the National Wine Agency.

#### Implemented Activities

The process involves determining conformity of alcoholic beverage sample submitted for certification with the lot. To increase competitiveness of alcoholic beverages produced in Georgia on local and international markets, relevant services of the National Wine Agency regularly control the quality of Georgian wine and other alcoholic beverages. During the reporting period, 7 state and 408 inspection controls were carried out. Within the scope of state control, out of 286 samples of 59 companies checked, violations were found in 49 samples of 20 companies, and inspection control was carried out in 66 companies, out of 1332 samples taken, violations were found in 51 samples of 23 companies. Among the 74 companies inspected by the Agency's contractor companies Bureau Veritas Georgia LLC and SJS Georgia LLC, 601 samples were taken, of which violations were found in 27 samples of 9 companies. To certification, 28 administrative violation minutes were issued for submitting a sample of an alcoholic beverage of grape origin that did not match the lot, and 19 companies were fined.

#### Indicator Realization and Budget Execution

Within the framework of inspection, state control and state supervision, 754 inspections were carried out in 199 companies, 2219 samples of alcoholic beverages were taken, violations were found in 127 samples of 52 companies. Budget execution 877 246 GEL.

| 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   | 01.01.2023 – 31.12.2023  |
| Performance Indicators  |  |
| <b>Planned:</b><br>In 2023: 900 samples of alcoholic beverages will be taken for laboratory testing of wine.                        | <b>Completed:</b><br>In 2023, 2219 samples of alcoholic beverages were collected for laboratory testing of wine. |
| Budget  |  |
| <b>Estimated:</b> <u>GEL 700,000.00</u>   | <b>Actual:</b> <u>GEL 877,246.00</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 3.2.6 Ensuring life-stock products compliance with food safety standards (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 3.2.6 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   | 01.01.2023 – 31.12.2023  |
| Performance Indicators  |  |
| <b>Planned:</b><br>In 2023: the rate of non-compliance with safety standards for meat, meat products, milk and milk products will decrease to 8.3%. | <b>Completed:</b><br>In 2023, the ratio of non-compliance with safety standards of meat, meat products, milk and milk products are 4.7%; |

|                     |        |   |                                |                                  |                                   |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
|                     |        | Fully completed   | Mostly completed               | Partially completed              | Not completed                     |                                  |
| Progress evaluation | 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 3.3: To develop laboratory capacities.

1 activity was carried out in 2023 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, 51 new methods and 85 new parameters related to the diseases of food products, water, plants, and animals were implemented and/or accredited in the laboratory.

**State expenditures in 2023 for implementing Objective 3.3 was GEL 9,733,523.00**

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

Responsible agency: Ministry of Environment Protection and Agriculture of Georgia/LEPL State Laboratory 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.

#### Completed Activities

In 2023, the planned and additional area accreditation process ISO 17025 conducted by the Accreditation Center (GAC) of the Unified National Accreditation Body was successfully completed, as a result of which the following were added to the accreditation area: in food research - 9 new methods and 5 parameters (triphenylmethane dyes); in diagnostics of plant pests - 17 new methods; in the diagnosis of animal diseases - 9 new methods; In addition to the accredited methods, the laboratory has introduced 20 methods (13 in the direction of animal disease diagnosis and 7 in the direction of food research) and 80 parameters in the direction of pesticide research, which will be accredited in 2024.

#### Indicator Realization and Budget Execution

In 2023, within the framework of the ISO 17025 standard, on the basis of the ISO 9001:2015 certificate, a total of 51 new methods and 85 new parameters (in triphenylmethane dyes and pesticides) were introduced in the laboratory for food, water, plant and animal diseases, of which 31 methods and 5 parameters passed the accreditation process (triphenylmethane dyes); It was planned to introduce and/or accredit 12 new research methods and 7 new parameters. In 2023, the forecast budget for the implementation of the program amounted to 9,136,800, the approved budget was 9,419,306 GEL, during the year the plan was clarified/corrected, resulting in 9,982,986 GEL and its actual utilization amounted to 9,733,523 GEL.

| Objective 3.3.1. Introduction of new research methods and parameters  |   |
|---|---|
| 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   | 01.01.2023 - 31.12.2023   |
| Performance Indicators  |   |
| <p><b>Planned:</b><br/>In 2022, within the framework of the ISO 17025 standard, based on the ISO 9001:2015 certificate, 12 new methods and 7 new parameters on food, water, plants, and animal diseases will be implemented and undergo an accreditation process at the laboratory.</p> | <p><b>Completed:</b><br/>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, 51 new methods and 85 new parameters underwent the accreditation process. (In triphenylmethane dyes and pesticides), of</p> |

|                                 |   |
|---------------------------------|---|
|                                 | which 31 methods and 5 parameters (triphenylmethane dyes) passed the accreditation process. |
| <b>Budget</b>                   |   |
| <b>Estimated:</b> GEL 9,136,800 | <b>Actual:</b> GEL 9,733,523  |

|                     |        | Fully completed   | Mostly completed               | Partially completed              | Not completed                     |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| Progress evaluation | 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 3.4: Quality assurance of agricultural inputs

3.4 In order to fulfill the task, 3 activities were implemented in 2023, including further development of the seed and planting material certification scheme, study of the land fund of Georgia and scientific research of the methods of storage and processing of agricultural products. The activities of the task were carried out by the Ministry of Environment Protection and Agriculture of Georgia and the Scientific Research Center of Agriculture, which is included in its structure.

#### As a result of the activities carried out to achieve the goals of the task, during the year 2023:

- ⇒ In 2023, the amount of certified seed material will be 700 tons; The number of certified seedlings is 36153 seedlings.
- ⇒ In 2023, the condition of the soil has been studied on an area of 35,000 ha; 6 maps have been prepared.
- ⇒ In 2023, 4 articles were published; 5 recommendations were developed.

**State expenditures for the implementation of Objective 3.4 in 2023 were GEL 130,132.**

#### 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 characterize traditional varieties of field crops for entry into the national catalogue; the development of the system of certification of seeds and planting materials.

#### Realized Activities

- Data processing of the grain crops propagated and characterized in 2022 was carried out.
- A working collection was prepared for the gene bank.

- Recommendations were made regarding mandatory phytosanitary requirements for producers in the certification process.
- Samples of corn and legume seeds have been prepared for sowing.
- Resolution #478 "Qualification Requirements for Nurseries Producing Fruit Tree Propagation Material and Seedlings" details are reviewed.
- Considering international requirements, amendments and additions were prepared for inclusion in the Resolution N478, N40 and N587.
- Recommendations were made regarding mandatory phytosanitary requirements for producers in the certification process.
- 37 local and 2 selective varieties of vines were reviewed for inclusion in the catalog.
- 27 samples of seed material were taken from warehouse farms.
- Testing of control units of seed material taken from certified batches of wheat is underway.
- Sowing of corn and leguminous crops (beans, etc.) was carried out.
- Wheat samples from 69 lots were sown for the post-control test in the certification process.
- Varieties are characterized according to technical questionnaires; According to cultures, their constant signs are included in the technical questionnaire.
- Corn cob has been harvested and laboratory tests of the sampled seeds are underway.
- Expeditions were conducted in Samtskhe, Guria-Imereti and Samegrelo to collect genetic resources of traditional varieties of wheat, corn, and beans. A total of 208 samples of seeds of the mentioned crops were collected.
- The characteristics described in the corn and bean samples are included in the technical questionnaire.

### Indicator Realization and Budget Execution

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 2023, according to the indicator, the plan was as follows: the amount of certified seed material: 2,300 tons; Quantity of certified nursery material: 200,500 seedlings; The amount of certified seed material is 700 tons; The number of certified seedlings is 36153 seedlings.

| 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  | 01.01.2023 – 31.12.2023  |
| <b>Performance Indicators</b>  |  |
| <b>Planned:</b><br>In 2023, certified seed material (annual): 2,300 tons; certified sapling material (annual): 200,500 saplings. | <b>Completed:</b><br>In 2023, the amount of certified seed material will be 700 tons; The number of certified seedlings is 36153 seedlings;      |
| <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                                 |                                  |
| 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.

#### Implemented Activities

##### Studying the general state of the Georgian soil (inventory):

- A schedule for soil sampling was developed.
- 35 soil samples were taken in the field in Kaspi and Mtskheta Municipalities
- 107 soil samples were collected from Akhalkalaki, Aspindza, Tianeti and Kobuleti municipalities.
- 167 soil samples were collected from Akhaltsikhe, Aspindza, Adigeni, Bolnisi and Dmanisi municipalities.
- 154 soil samples where lab researched.
- The results of lab tests 154 soil samples have been included into the electronic base.
- 200 soil samples where lab researched, the results have been included into the electronic base.
- Data was processed in the format required for digital cartography.

##### Study and evaluation of soil fertility on the test-demonstration plots of the Scientific-research Center of Agriculture

- Sampling of soil fertility was carried out under spring crops and in greenhouses. 75 soil samples were taken from the test-demonstration plot of Tsilkni, Samtredia, Chokhatauri, Adigeni, Dedoplistskaro.
- 120 soil samples were taken from the test-demonstration plots of Akhalkalaki, Dedoplistskaro and Mtskheta.
- Sampling under perennial crops was carried out to study the fertile soil layer. 10 soil samples were taken from the test-demonstration plots of Samtredia, Chokhatauri and Adigeni.
- 99 soil samples have been prepared and examined for analysis.
- 24 soil samples were taken from the test-demonstration plot of Mtskheta and laboratory research of the chemical characteristics of 24 soil samples was carried out. The results are entered into an electronic database.
- 3 recommendations for increasing soil fertility under annual and perennial crops were prepared.
- Prepared 3 recommendations for increasing soil fertility under eared crops.
- 2 recommendations for increasing soil fertility under pastures and perennial crops were prepared.
- Laboratory research of chemical and physico-chemical characteristics of 72 soil samples was carried out.
- The results of soil studies were entered into the electronic database.

#### Indicator Realization and Budget Execution

In 2023, it was planned to examine the soil condition on a 20,000-ha area; create 5 maps showing organic carbon reserves in the soil:

During the reporting period: soil condition was examined on a 35,000-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 88088. As for actual budget utilization, it was GEL 78,797.

| Objective 3.4: Quality assurance of agricultural inputs  |  |
|--|--|
| Number and title of the activity:  | Activity 3.4.2: Study of Georgian Land Fund  |
| Responsible agency:  | The Ministry of Environmental Protection and Agriculture of Georgia/LEPL Scientific Research Center of Agriculture                               |
| Reporting (monitoring) period  | 01.01.2023 – 31.12.2023  |
| Performance Indicators   |  |
| <b>Planned:</b><br>In 2023, soil conditions in a 20,000-ha area will be studied. 5 maps showing organic carbon reserves in the soil will be developed. | <b>Completed:</b><br>In 2023, Soil conditions were studied on a 35,000-ha area. 6 maps were created showing organic carbon reserves in the soil. |
| Budget   |  |
| Estimated: GEL 100,000   | Actual: GEL <u>88,088</u>  |

|                     |        | Fully completed   | Mostly completed               | Partially completed              | Not completed                     |                                  |
|---------------------|--------|---|--------------------------------|----------------------------------|-----------------------------------|----------------------------------|
| Progress evaluation | 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 3.4.3: 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.

#### Implemented Activities

- The effectiveness of the new combined solution was revealed on the storage capacity of 6 varieties of table grapes and several biochemical indicators were determined: soluble dry matter, titratable acidity, total polyphenols, antioxidant activity.
- To improve the taste qualities of the blue persimmon varieties, chemical and biochemical parameters were studied in the persimmon varieties during the storage process (initial and stored fruits), the pH, moisture content, total polyphenols content and antioxidant activity were determined.
- Rheological parameters were determined in persimmon test fruits.
- Data obtained because of experimental and laboratory research were analyzed and processed statistically.
- To forecast the shelf life of fruit varieties, 2-2 test samples of persimmon, pomegranate, plum and nectarine varieties were taken, an experiment was set up - the samples were treated with a combined solution; The effectiveness of the combined solution on storage duration and losses will be revealed.
- To study the storage capacity of persimmon (*Diospyros kaki* L.) short varieties and to develop a method for improving organoleptic indicators, a project proposal and methodology were prepared, goals were set, and tasks were developed, a presentation was organized to solve it, and the project was approved at the method council.
- To study the shelf life of persimmon cultivars, laboratory tests were conducted on Hachia persimmon variety. (pH, pH, total phenols, antioxidant activity and tannin content) were studied in freshly harvested fruits.
- Work is underway on a brochure-recommendation on technologies for obtaining various processed products using biochemical vinegar.

- To study the influence of the smoking process on the content of 3,4 Benz  $\alpha$  pyrene in Sulguni cheese - in the municipalities of Aspindza, Adigeni and Akhaltsikhe, Sulguni smoking wood was collected for the purpose of the experiment.
- Andriatsminda Village of Akhaltsikhe municipality, in milk processing plant, Sulguni cheese intended for smoking was boiled and planted in brine for one month.
- In the milk processing plant in the village of Andriatsminda, Akhaltsikhe municipality, traditionally made Sulguni cheese was matured, dried, and Sulguni balls were smoked with birch wood to determine 3,4 Benz  $\alpha$  pyrene.
- To expand the range of natural beverages, the extraction of soluble substances, including essential oils, from the raw materials of biobarambo and leather fruits was carried out with ethanol, and the research sample of alcoholic beverage was set up. Research samples of vinegar were also obtained.
- 3 varieties of cherries and 5 varieties of plums were dried using convection method within the framework of the drying technology of some promising stone fruits. Pretreatment (blanching) parameters have been developed according to varieties.
- Research has shown that in the walnut jam production technology, it is appropriate to remove potash alum, which gives a significant effect.
- An analytical study of research samples: dry cherries (4 varieties), dry plums (5 varieties) was carried out - some chemical and technological indicators were evaluated.
- Incognito studies and tasting of a research yogurt product using different dosages of processed green walnuts were conducted.
- Some indicators of obtained yogurt were determined: chemical composition, total amount of phenolic compounds and fiber content.
- The chemical composition (%), energy value and microbiological indicators of yogurt obtained with the addition of processed green walnuts were determined in the laboratory of "Multitest" LLC; Yogurt samples were evaluated by members of the tasting commission.
- Biometric processing of received digital materials was conducted.
- A block diagram of yogurt technology with the addition of processed green walnuts was developed.
- A new technology for making yogurt and sugar-free yogurt with the addition of processed green walnuts has been developed (2 options).

#### **Indicator Realization and Budget Execution**

In 2023, according to the indicator, it was planned to publish 2 articles and develop 5 recommendations. 4 scientific papers were published during the reporting period, and 5 recommendations were developed. In 2023, the planned budget for the program implementation was GEL 48,900, and the actual budget execution was GEL 42 044.

| 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  |
| Performance Indicator  |  |
| <b>Planned:</b><br>In 2023, 2 articles will be published, and 5 recommendations will be developed. | <b>Completed:</b><br>In 2023, 4 articles were published, and 5 recommendations were developed.                     |
| Budget   |  |
| <b>Estimated:</b> <u>GEL 48,900</u>  | <b>Actual:</b> <u>GEL 42,044</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 |