

Mid Term Evaluation

Evaluation Report of Agricultural Development Strategy for 2015-2020 based on the implementation of its Action Plan from 2015 through 2017

Prepared by: Goran Živkov (FAO) and Policy and Analysis Department of the Ministry of Environmental Protection and Agriculture of Georgia

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List of abbreviations

AD	Administrative Department
ACDA	Agriculture Cooperative Development Agency
ALMD	Amelioration and land management department
APMA	Agricultural Projects Management Agency
EBRD	European Bank for Reconstruction and Development
ENPARD	European Neighborhood Programme for Agriculture and Rural Development
ED	Economic Department
EU ID	EU Integration Department
FAD	Food and Agriculture Department
FAO	Food and Agricultural Organization of the United Nations
FDI	Foreign Direct Investments
GDP	Gross Domestic Product
GI	Geographical identification
GIZ	German International Zussamen
GVA	Gross Value Added
HACCP	Hazards and Critical Control Points
IFC	International Finance Corporation
IPM	Integrated Pest Management
IRD	International Relations Department
ITD	Information Technology Department
LEPL	Legal Entity of Public Law
LFA	Less favourable areas
LMAG	Laboratory of the Ministry of Agriculture of Georgia.
LPAD	Law and Parliamentary Affairs Department
MEK	LTD. Mekanizatori
MEPA	Ministry of Environmental Protection and Agriculture
MPD	Melioration Policy Department
NFA	National Food Agency
NIPC	National Intellectual Property Centre SAKPATENTI
NSRC	National Scientific-Research Centre
NWA	National Wine Agency
PAD	Policy and Analysis Department
PDO	Protected Designation of Origin
RCD	Regional Coordination Department
SMEs	Small and Medium-sized Enterprises
UASCG	United Amelioration Systems Company of Georgia
WB	World Bank
WTO	World Trade Organization
MAdj	Ministry of Agriculture of the Autonomous Republic of Adjara

1. Introduction

The Strategy for Agricultural Development in Georgia for 2015-2020 was adopted by Decree #167 of February 11, 2015 of the Government of Georgia “On Approving the Agricultural Development Strategy of Georgia for 2015-2020”.

The vision of the Agriculture Development Strategy of Georgia is to create an environment that will increase competitiveness in agro food sector, promote stable growth of high quality agricultural production, ensure food safety and security, and eliminate rural poverty through sustainable development of agriculture and rural areas.

Based on the strategic vision 7 priority areas were outlined: 1. Enhanced competitiveness of rural entrepreneurs; 2. Institutional Development; 3. Amelioration and Soil Fertility; 4. Regional and sectorial development - value chain development; 5. Ensuring Food Security; 6. Food Safety, Veterinary and Plant Protection; 7. Climate Change, Environment and Biodiversity.

The main objective of the Report is to measure what was achieved in 2015-2017. Additionally, it is focusing on recommendations, since Georgia is in process of preparing for development of the new agricultural Strategy with the idea to combine agricultural and rural development strategy into one document.

Side effects of the evaluation process include:

- Increase capacity and strengthen coordination position of the Policy and Analytical Department in monitoring and evaluation of the Strategy and Action plan
- Increase awareness among subordinated MEPA department about importance of proper action plan definition and monitoring

The report is created with joint efforts of the external evaluator and Policy and Analysis Department with support of the FAO project.

Table 1: Main elements of the Mid-term evaluation (Strategy and Action plan) for implementation of the Agricultural development strategy 2015-2020.

Purpose of the evaluation	Mid-term covering period of 2015-2017, with idea to focus not only on estimation of the measurement of the effects, impact, and sustainability then also on identification of the factors of success and failure as well as provision of the recommendations
Methodological approach	Quantitative and qualitative (numerical and descriptive)
Time	Ex-post, mid-term evaluation
Who is involved	Participative
Who is doing it	Internal (Policy and Analysis Department) with external consultancy support
By outcomes	A summative evaluation with idea to shape future activities

2. Executive summary

2015-2017 Action Plan for implementation of Agricultural Development Strategy of Georgia for 2015-2020 consisted of 108 actions – 39 actions were fully implemented, 65 were on-going and only 4 has not been implemented.

The Ministry regularly (annually, as prescribed by the Georgian regulation) reported on achievements. This facilitated in the implementation of the action plan and resulted in the following:

- Food safety system development and DCFTA approximation legislative plan set-up
- Trade of agricultural products of Georgia which is increasing in last three years with average growing rate of 12.5%
- Value of production of Georgian agricultural products (current prices, million GEL) was increased from 8 billion to 9 billion in last three years
- Number of the newly established cooperatives and registered food business operations
- Competitiveness improvement - new modern orchards under the project “Plant the Future” established, availability of new irrigation infrastructure, APMA & ACDA investment
- Finally, the results are seen in successful implementation of the Action plan where only 4 actions will not be implemented accordingly and all main parameters are implemented to the:
 - Full relevance and sustainability
 - High level of implementation quality
 - High level of efficiency and effectiveness
 - Good impact

However, the `Monitoring Report on the Implementation of the Agriculture Development Strategy Action Plan 2016` elaborated by the MEPA Policy and Analysis Department in 2017 showed that the Action Plan needs to be amended so that action plan programs are more realistic with measurable indicators and budget allocations on a yearly basis.

The key recommendations for the next period:

- Establish well-functioning Farm registry
- Create good Paying Agency (merging APMA, ACDA and part of the ICCs)
- Improve work of the Scientific centre in directions to be able to understand and select new technologies applicable in Georgia
- Change plant the future in direction of spreading knowledge/technology and not only establishing new orchards
- Establish innovations grants which will promote new varieties, new technologies and new mechanisation and equipment
- Start to develop mechanisation and input market
- Combine agricultural and rural development strategy into one document which will be based on European model of defining support policy and measures at two main pillars – direct and rural development support

3. Methodology

Methodology applied was in line with Georgian and international good practice

The Monitoring and Evaluation aims to assess the mid-term implementation of Strategy and the Action plan for the period of 2015-2017 of the Georgian Agricultural Development Strategy (2015-2020).

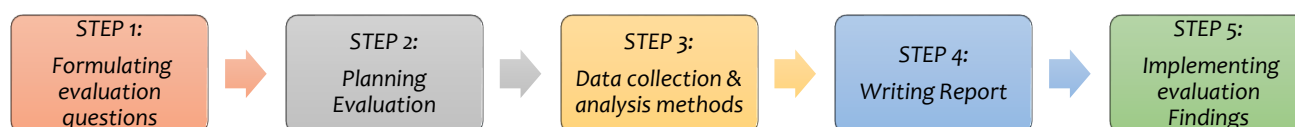
The report was made in line with the Handbook for Policy Planning which has been developed by the Administration of the Government of Georgia¹.

The chosen method of evaluation was independent external experts assist the ministries or organizations responsible for evaluation. In this particular case the report was created with joint efforts of the external evaluator and Policy & Analysis Department with support of the FAO project. All structural units took active part in the evaluation process.

Methodology applied:

- Desk review
 - Existing internal Monitoring and evaluation documents, in particular were useful
 - ENPARD monitoring and evaluation reports
 - Monitoring Report on the Implementation of the Agriculture Development Strategy Action Plan 2016
 - Ministry internal documents like budgets, organisational charts, employees structure etc.
 - Ministry annual reports from 2014, 2015, 2016, and 2017
 - External reports about Georgian agriculture prepared by donors, NGOs, or research institutions
- Interviews with key informants from all Ministry departments
- Discussion within the team and with the Policy & Analysis Department directly responsible for Action Plan creation, monitoring and evaluation on behalf of the Ministry.
- Interview with other stakeholders involved in policy creation, implementation or monitor;
- Prepare first draft of the report
- Present initial findings report to MEPA authorities (Minister, Deputy Ministers, Head of Departments), which was held in December 8, 2018.

Figure 1: Steps in performing evaluation



¹ Policy Planning Manual has been developed by the Administration of the Government of Georgia and represents a handbook for the Ministries of Georgia and the offices of the State Ministers. The Handbook presents the system and phases of policy planning, types of documents and their hierarchy, and the systems of monitoring, evaluation and reporting.

Table 2: Evaluation process

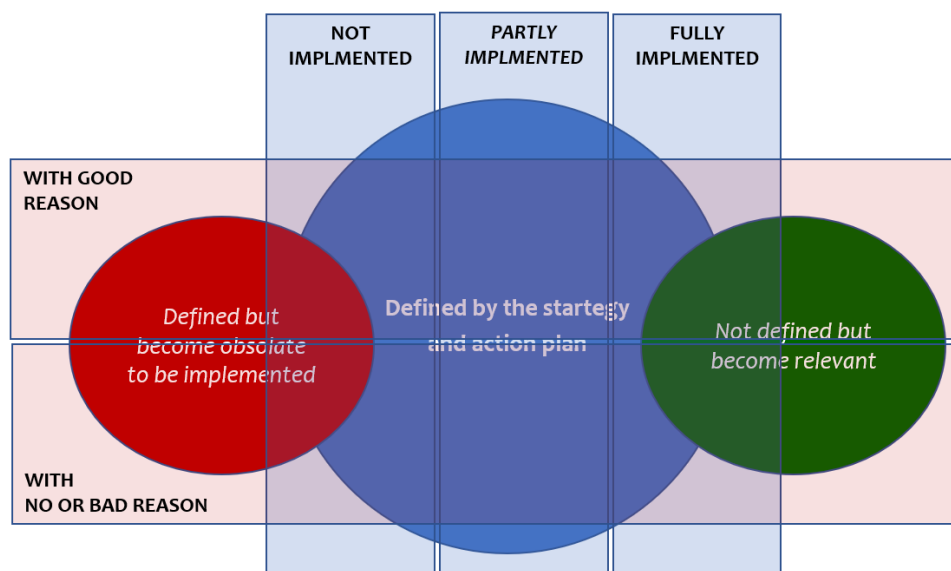
<p>Formulating evaluation questions: WHAT we want to know?</p>	<p>The main evaluation questions are:</p> <ul style="list-style-type: none"> • To what extent is the Action plan for Strategy implementation achieved in 2015-2017 • What are the lessons learned from the Action Plan implementation? • How can the situation be improved?
<p>Planning Evaluation: WHAT resources do we have? HOW will we evaluate? WHO should undertake it?</p>	<p>Resources:</p> <ul style="list-style-type: none"> • External consultant • Policy and Analysis Department of the Ministry. • Ministries' other departments: <p>Methodology:</p> <ul style="list-style-type: none"> • Policy Planning Handbook • Good international evaluation standards
<p>Data collection & analysis methods: WHAT data do we need? HOW do we collect? HOW do we analyse data?</p>	<p>All interviewed people were extremely supportive by providing all requested data and being open in analysing the situation regarding achievements in their field of responsibility and in particular regarding the Action Plan.</p>
<p>Writing Report: WHAT is the format? WHO needs it? HOW do we communicate?</p>	<p>Writing Report:</p> <ul style="list-style-type: none"> • Draft Report was prepared by the external consult with support of the Policy and Analysis Department <p>Main beneficiary of the Report:</p> <ul style="list-style-type: none"> • MEPA to make adjustment in the policy creation process and actions <p>Communications:</p> <ul style="list-style-type: none"> • Presentation of the MEPA senior management • Making Report available for wide public
<p>Implementing evaluation Findings: WHAT and WHEN should be implemented? HOW do we monitor progress?</p>	<p>Findings should be used for:</p> <ul style="list-style-type: none"> • Improvement of the policy creation, implementation, and control • Preparation of the New Strategy and Action Plan

Ministry is dynamic institution while agrarian policy is dynamic process

There is a constant and ongoing discussion to what extent the Ministry has to be determined in implementation of the defined directions and actions by the action plan. There is no right answer to this question, so they have to be looked at case by case. However, several good practices have to be taken into consideration:

- To have a regular monitoring process which will make arguments for and against, and suggest a decision to the senior management of the Ministry
- Better to add new action and improve Action Plan than to neglect that action exists

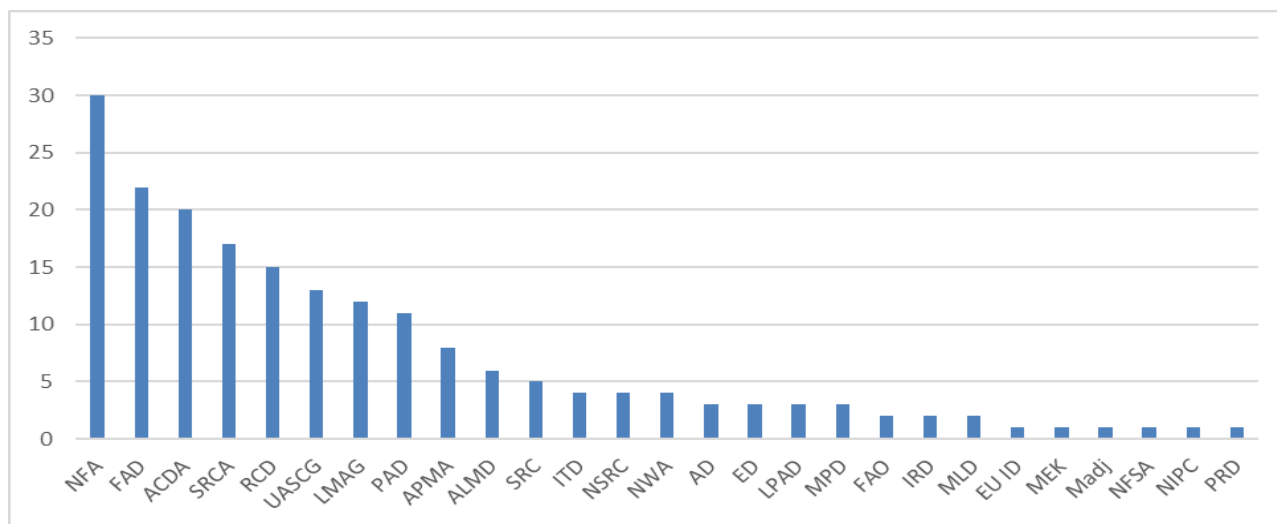
Figure 2: Dynamism in the Ministry and Action plan implementation



All actions are not equally important

In Action plan and Strategy some agencies have many actions while some have few. Some of the departments do not have even a single action. This does not mean that those who have more actions are doing more and vice versa.

Graph 1: Number of actions by responsible institutions



Creation of Action plan requires teamwork. It is difficult to achieve all team members having the same capacity and experience in definition of the actions neither to have a unique opinion on what should be the actions. Consequently, it is good practice that the most experienced people from responsible department are coordinating activities in action definition. This was exactly what was done with the New Action plan 2018-2020, i.e. based on the corrective measures identified in the 'Monitoring Report on the Implementation of the Agriculture Development Strategy Action Plan 2016', the Policy and Analysis Department coordinated elaboration of amendments to the existing Action Plan for 2015-2020. As a result, the new Action Plan 2018-2020 has specific and realistic programs with measurable indicators and budget allocations on a yearly basis.

Budget is the most difficult to estimate and predict

Very often, like in case of the Action plan for implementation of Georgian agricultural development strategy of 2015-2020, the main discrepancies are found with the allocated and utilised budget for particular actions. The main reason for that facts is difficulties in long term budget planning at the level of specific actions. Very often the only cost for the action is cost of employment (accreditation of some methods in LEPL Laboratory of the Ministry of Agriculture of Georgia, capacity improvement of the farmers provided by Scientific Research Centre or ICC etc.). Also, cost of the certain action will depend on the budget availability and level of priority, which often is not easy to estimate (very likely resources for promotion will be reduced to eradicate stink bugs which are destroying hazelnuts orchards and which are not planned by the Action plan – this is exactly what was happened).

4. Background and main trends during Strategy and AP implementation

Implementation of the any Strategy and Action plan depends on:

- The capacity and readiness of the Ministry of Agriculture and other involved institutions to manage changes and reforms
- The willingness of people throughout the sector to accept change and to do things, rather than how they have been done in the past
- The complexity of the external factors that are influencing implementation.

Therefore, in this section is given set of the cause / consequences and activities / results that influenced implementation of the Action plan during the period 2015 – 2017.

Environment during Strategy and action plan implementation was very dynamic

Table 3: Main events influenced Action plan implementation 2015-2017

2012-2014	Important PFM reforms were implemented in Georgia, especially in budgeting, through the introduction of strategic budgeting (policy-based budgeting), medium term budgeting, and programme budgeting. This reform provided the appropriate conditions for a new Budget Support programme.
2014	ENPARD I launched
February 2015	Strategy for agriculture development adopted by Government of Georgia Strategy define new vision for the sector “Development of agricultural sector of Georgia, based on the principles of sustainable development, is focused on encouraging proper environment for reliable growth of high-quality agricultural production, on enhancing competitiveness, providing food security and safety, and overcoming poverty in rural areas.”
May 2015	Action plan for Strategy development adopted by the Ministry
8 October 2016	Parliamentarian elections
December 2016	Adopted Rural Development Strategy of Georgia for 2017-2020 adopted by Government together with Action plan for 2017
July 18 th , 2017	Minister of Agriculture of Georgia approved the methodology for monitoring and evaluation of the implementation of the Strategy and Action Plan by the Decree No. 2-129.
October 2017	Local elections
December 7 th 2017	Announced that the Ministry of Environmental Protection and Natural Resources and the Ministry of Agriculture have been merged, forming the Ministry of Environmental Protection and Agriculture
December 2017	Final Report of the Evaluation of ENPARD 1 was published. The report stated that the Action plan derived from Strategy 2015-2020 was satisfactorily implemented ² .

² Evaluation of ENPARD, Final Report, page 11

2017	ENPARD II launched
March 2018	Started process of merging two Ministries

Ministry was getting more responsibility which require more people

No so far from today (in 2005-2008) the Ministry of Agriculture of Georgia has not more than a several hundred people in the whole Ministry apparatus. However, at the end of 2017 the number of people working in the Ministry of Agriculture, together with all subordinated LEPLs was 3.724 persons of which:

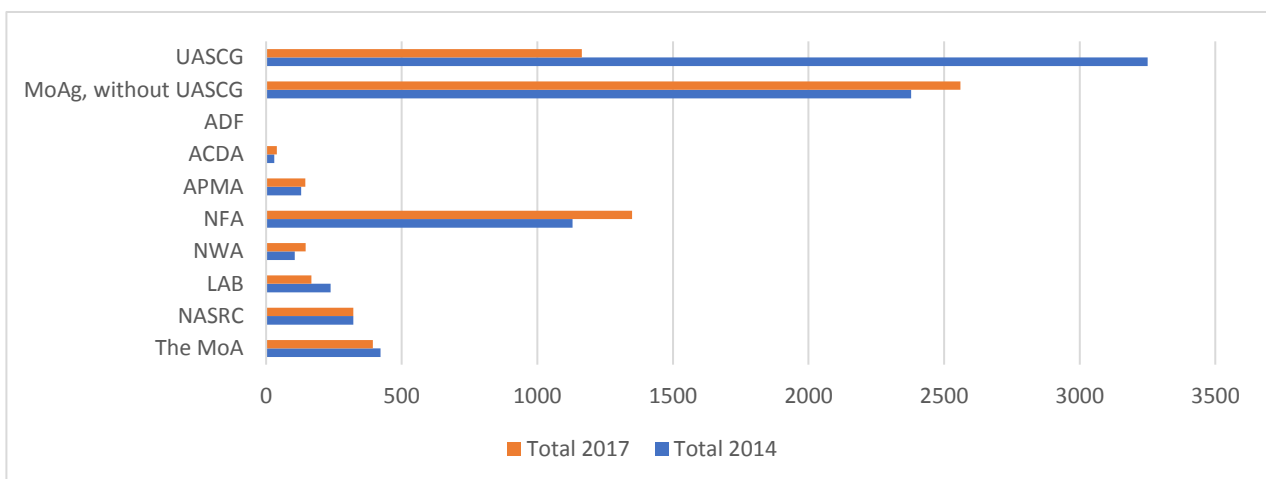
- 36% are contracted while 64% are civil servants, which is a significant decrease in the number of contracted employees in comparison with 2014 (65% contracted).
- 31% are working in United Amelioration Systems Company of Georgia (UASCG), which is significant decrease in comparison with 2014 (when 57% was working in UASCG)

When excluding people working in the United Amelioration System Company of Georgia (UASCG) it is noticed that the number of people working in the Ministry is increased by 7.6% in comparison with 2014. The reasons for the increase was new responsibility and quality improvement of existing activities. In particular increase was result of:

- Increased concern about food safety in the World and Georgia
- EU approximations requirements which set up significant food safety responsibility and which Georgia is fulfilling accordingly
- Sector grow, that required more people to manage production and export
- Increased budget for support to the sector and changes of the way of supporting sector which required more controls, presence in the field etc.
- Process of renovation of irrigation system
- Decision to open new field of activities like cooperation (ACDA), technology transfer (Scientific research centre),

Each Ministry can be more efficient and can increase productivity of their employees. This works for Georgian MEPA as well. Therefore, the Ministry has constantly to work on challenging work processes and productivity. However, the decision to accept and deal with new tasks and responsibilities instead of working in well-known comfort zone was one of the best features of the senior management of the MEPA.

Graph 2: Number of people working in MEPA by departments in period 2014-2018

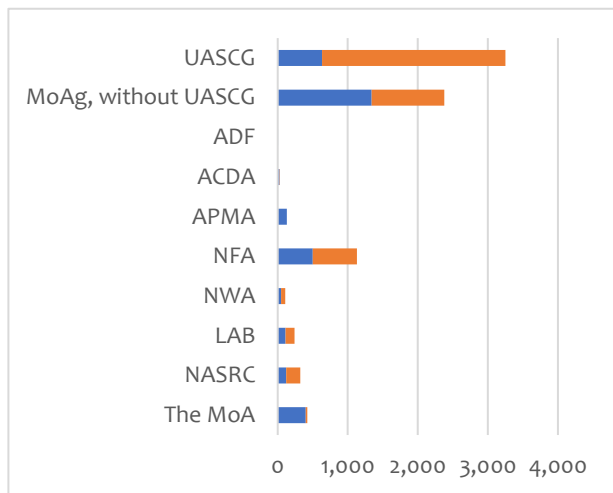


In 2014 there were 631 key staff employed at the Amelioration Company. In 2017 the key staff is 989. From other side in the same period of time number of contracted people working in the UASCG was decreased

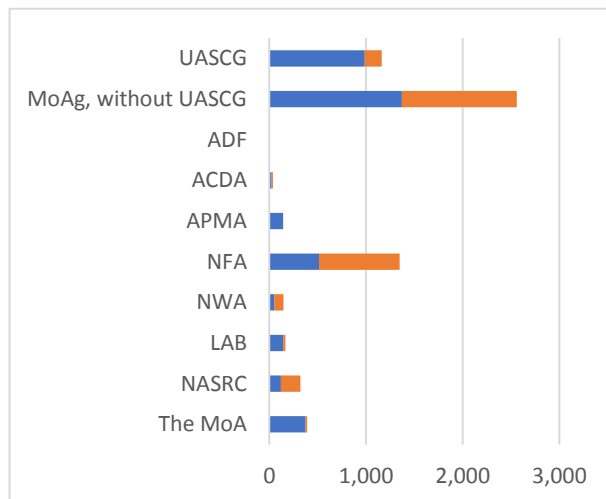
from 2.620 to 175. The intention is obviously to reduce cost for irrigation system establishment by increasing efficiency and reducing the number of contracted workers. This reduction didn't influence actions in the way that was not possible to be implemented then influence only in efficiency improvement.

The same approach (but at the lower level due to the lowest number of workers is noticed at National Laboratory Agency) where number of contracted people was reduced from 53% to 14%.

Graph 3: Number of civil servant and contracted people working in the MoA in December 2014



Graph 4: Number of civil servant and contracted people working in the MoA in December 2017

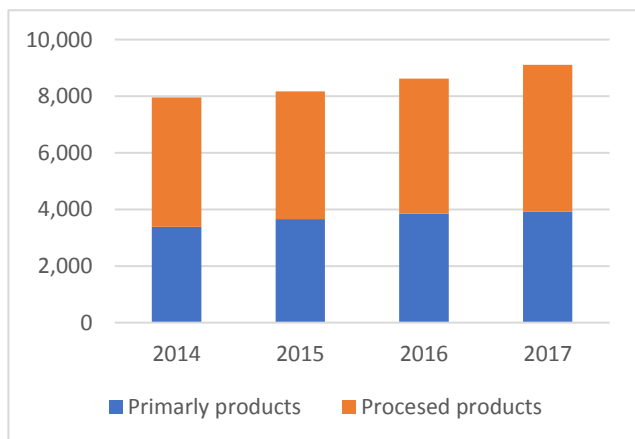


Country's total production in base prices is constantly increasing

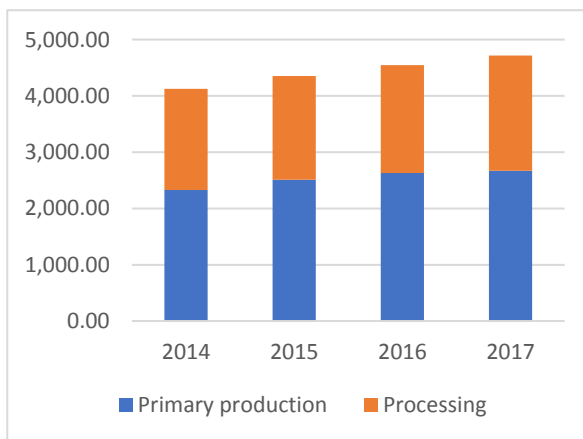
According to the preliminary data of 2017, the value added created in the agricultural sector exceeds GEL by 4.7 billion. The equivalent figure in 2016 was GEL 4.5 billion. In 2017, value added to the agricultural sector increased by 3.7% compared 2016 and by 43.8% compared to 2012.

During Action plan implementation period value of production and GVA of overall Georgian products was increased i GEL but also Euros and USD. These are good achievements especially having in mind that World prices in this period was not increased (FAO Food Price Index in January 2015 was 180 while in December 2017 was 171).

Graph 5: Value of production of Georgian products (current prices, million GEL)



Graph 6: Total Added Value in Agricultural Sector (current prices, million GEL)

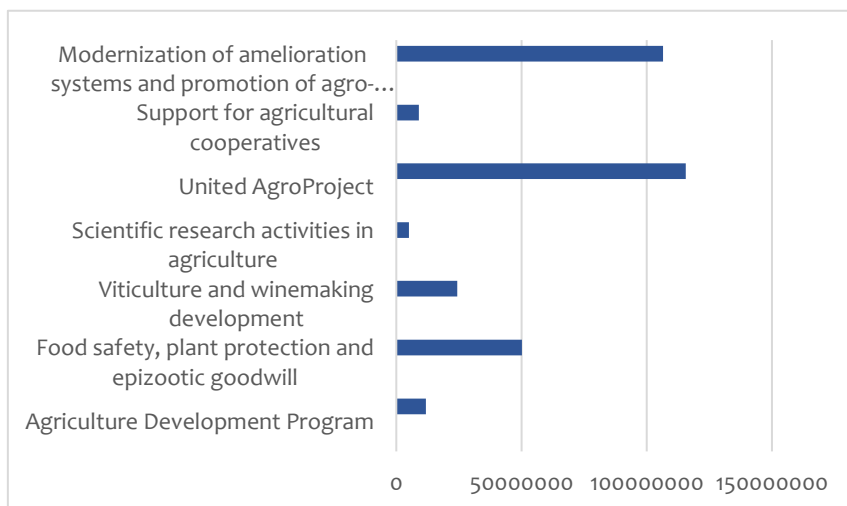
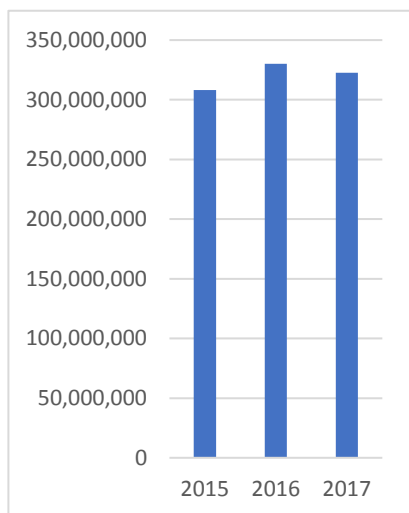


MEPA budget was not obstacle for the Action plan implementation

Agricultural budget of Georgia measured by the main indicators (per farm, per hectare, as percentage of overall budget, as percentage of GDP) is in line with similar countries (Moldova, Azerbaijan, Serbia, Bosnia

and Herzegovina...) and higher than majority of the CIS countries (Armenia, Ukraine, etc.). The whole budget is directed towards Action plan implementation. The majority of resources are allocated towards infrastructure development, in particular irrigation (over 33%) and different support measures (over 36%) such as cheap credits, investment support, insurance premium subsidy, Georgian tea rehabilitation project, etc.)

Graph 7: Overall agricultural budget **Graph 8: Distribution of the main Agricultural budget**

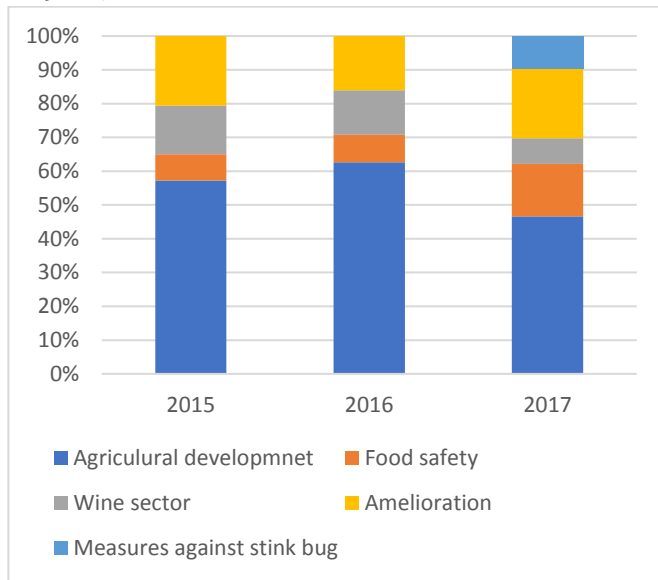


Quality of the agrarian budget is increasing constantly

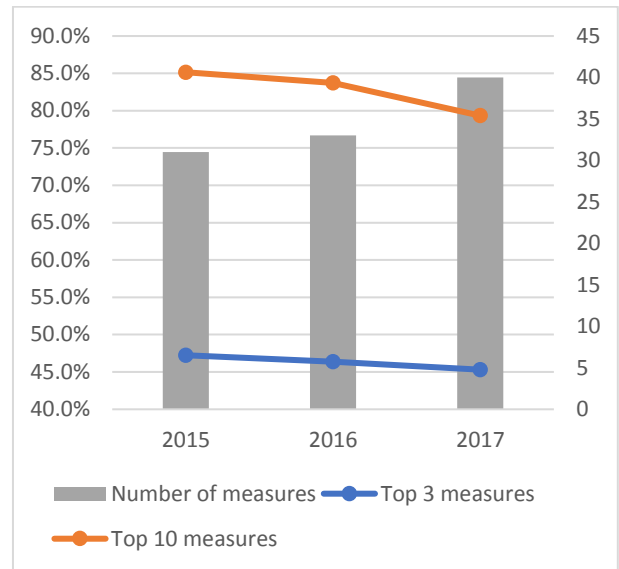
Quality of the budget allocations is constantly increasing and is visible from several indicators like:

- Adding more investment and targeted measure support (plant the future, credit support, insurance development measures, stinky bugs eradication programme etc.) versus direct support (ploughing programme, support to price of grapes, etc.).
- Increasing investments into infrastructure development, particularly in irrigation
- Increasing institutional support like NFA and Laboratories
- Constantly increasing number of measures, from 31 in 2014 to 40 in 2017
- Decreasing share of the “big measures” – top 3 and top 10 by allocations

Graph 9: Share of the main group of measures in period 2015-2017



Graph 10: Budget analysis by number and share of the measures

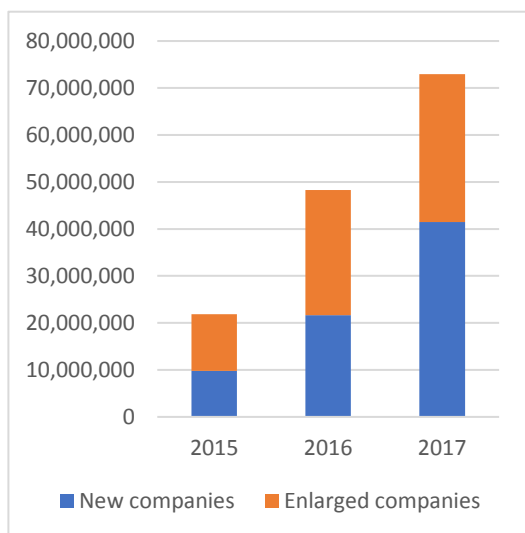


Total number and capacity of the agricultural enterprises are increased

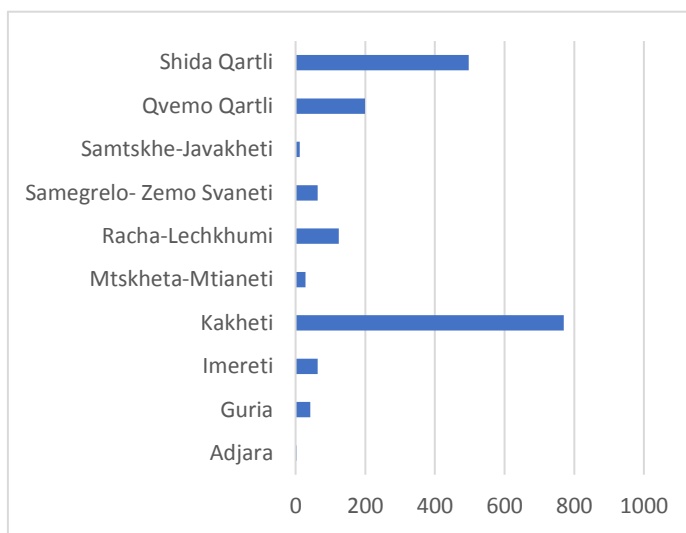
Due to the different MEPA programmes, and particularly through: Preferential Agrocredit, Produce in Georgia (agricultural part), Co-financing of Agro Processing, and Storage Enterprises (implemented mainly through APMA). The main positive results that are achieved are:

- In 2013-2017, 166 new agricultural enterprises were formed
- Existing companies that benefited from the MEPA support programme increase their turnover
- Competitiveness was improved due to the investment in new equipment and machinery
- Taxes collected by beneficiary are increased (see graph 12) and overcome level of support

Graph 11: Taxes paid in the companies benefiting from Ministry programme



Graph 12: Distribution of new ha under programme plant the future



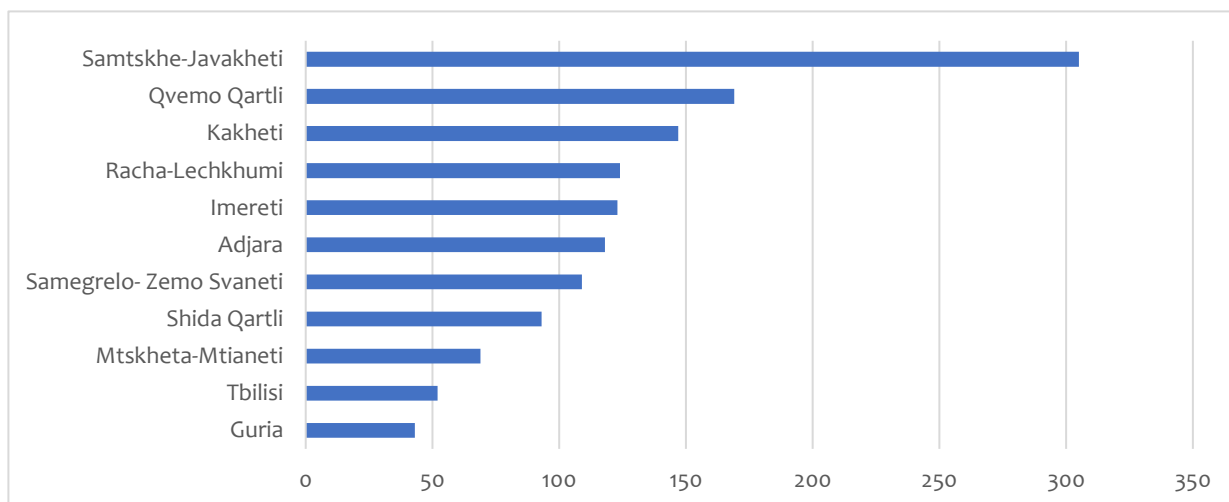
The APMA co-financing for new enterprises amounted to 60 million GEL, including 15 million GEL in the form of grants. 74 million GEL have been given away to existing enterprises to improve production capacities (the sum includes co-financing the interest rate of all loan taken by the enterprises under Preferential Agrocredit project). Taxes paid by the new enterprises financed and enacted amounted to 168 million GEL (2013-2017 period), and by expanded enterprises - 200 million GEL.

The results are that at the beginning of 2017, there were 4,249 enterprises in the agricultural sector, out of which 1,753 were based in Tbilisi. From them, 1,035 operative enterprises produce primary agricultural goods, while the others work on processing agricultural products.

In all regions in Georgia are an established, significant number of cooperatives

Cooperative development was part of the overall agricultural strategy which was represented by significant number of actions (19) in the Action plan. Focus is particularly given to the regional distribution of cooperatives. All Actions related to the cooperatives were successfully achieved, even more than planned.

Graph 13: Newly formed cooperatives in period 2015-2017, status by December 2017



ENAPRD in cooperation with other donor, supports and to certain extend determine policy of the MEPA

The aim of the ENPARD I programme is to increase food production and reduce rural poverty in Georgia. ENPARD supports the implementation of the Government's key sector strategy – the 'Strategy for the Agricultural Development of Georgia 2015-2020'. EU assistance through ENPARD reflects the high priority given to agricultural and rural development as one of the three strategic areas of cooperation within the SSF for EU Support for Georgia (2014-17). The programme is complementary to various other EU funded actions ongoing in the fields of food safety, regional development, and vocational education.

Table 4: Donor support to the Agriculture sector

Programme / Donor	Type	Projects
ENPARD I 2013-2016 EUR 40 million initially plan + top up of EUR 12 million (signed in July 2014) = EUR 52 million	Budget support <i>EUR 18 million initially plan + extension of EUR 6.5 million = EUR 24.5 million in four tranches</i>	
	Complementary support - Grants EUR 18.7 million	NGOs: Small Farmers Cooperation Measures EUR 18.7 million
	Complementary support - Technical assistance EUR 7.8 million Audit Monitoring – EUR 0.6 million Visibility – EUR 0.4 million	NGOs: Rural Development Measures in three municipalities of Georgia: a) Lagodekhi; b) Borjomi and c) Kazbegi UNDP: Capacity Building to the Ministry of Agriculture in the Autonomous Republic of Ajara FAO: RESEARCH INSTITUTIONS: Two projects assisting capacity building of agriculture-related education and research institutions
ENPARD II 2016-2018 ENPARD II started its implementation in 2016 with financial support amounting to 50 million EUR.	Budgetary support <i>EUR 27 million</i>	
	Complementary support - EUR 23 million	FAO: NGOs: Rural Development Measures in three municipalities of Georgia: a) Lagodekhi; b) Borjomi and c) Kazbegi EVROLUX: Technical Assistance to capacity building for ACDA and cooperative members UNDP: Capacity Building to the Ministry of Agriculture in the Autonomous Republic of Ajara RESEARCH INSTITUTIONS: Two projects assisting capacity building of agriculture-related education and research institutions
ENPARD begun implementation in 2018. The European Union's financial support will amount to EUR 77.5 million. The purpose of ENPARD III is to promote inclusive and sustainable growth and development, creating employment and livelihoods for the poor and excluded. Special measures will help build the resilience of vulnerable people in remote regions and to promote the economic and social empowerment of rural women.		
USAID	REAP Project, ZRDA project	
ADA	Fostering Local and Regional Development in Georgia, NAITS	

Specific objective and related actions of ENPART I were:

- Strengthened cooperation amongst small farmers to increase production and achieve economies of scale by establishing business-oriented cooperation forms, such as small farmers' cooperatives
- Improved access to capacity building by small farmers via the organisation of an agricultural extension system based on district level consultation & information centres

- Improved efficiency of institutions involved in agriculture, including capacity building to the Ministry of Agriculture (MoA), the Cooperative Development Agency (ACDA), and the Ministry of Agriculture of the Autonomous Republic of Ajara
- Regulated and developed geographical indications
- Improved employment and living conditions
- Creation extension system and adoption of the strategy

The expected results of ENPARD II are as follows:

- Result 1: enhanced competitiveness and sustainability of the agriculture sector;
- Result 2: improved Sanitary and Phytosanitary (SPS) measures, food safety and food quality standards and procedures for inspection and control;
- Result 3: improved employment and living conditions in the rural areas through the diversification of the rural economy.

All ENPARD I conditions was met which contribute to the Action plan implementation

Budget Support was disbursed under four individual tranches from 2013-2016 (a 4-year programme), subject to compliance with the General and Specific Conditions agreed in the Policy Reform Matrix (Public Financial Management; Budget transparency; and Implementation of the Sector Strategy.). The General Conditions (the Budget Support eligibility criteria) were fully met. Additionally there has been progress with implementing the Agricultural Sector Strategy (including a detailed Action Plan), which was approved in May 2015, and ENPARD is based on the updated Strategy.

The following tranches have more specific requirements (see table 5).

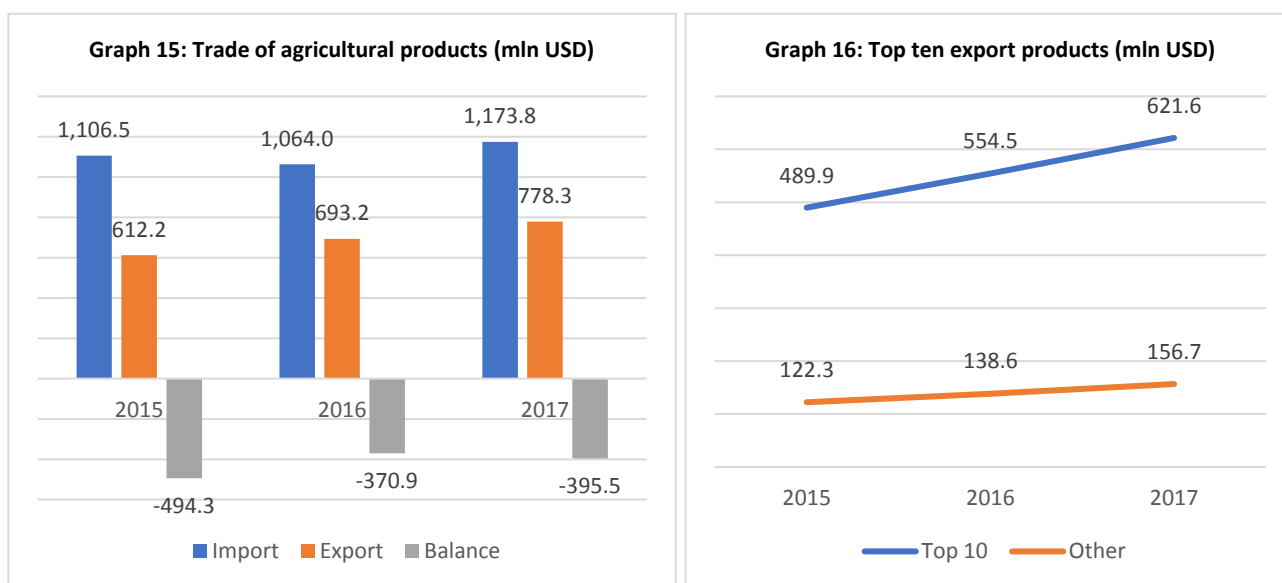
Table 5: Conditions for direct budgetary support under ENPARD

<i>Tranche 2:</i>
<p>1. Strengthened farmers cooperation</p> <p>1.1. Legislation to promote a business-oriented small farmers group which is approximated with international and European criteria and standards and which removes disincentives and establish incentives is adopted</p> <p>1.2. A 30% increase in percentage of small farms in targeted areas who are aware about business-oriented cooperation</p> <p>2. Capacity building for small farmers</p> <p>2.1 At least three district level MoA centres to provide consultation and advice to small farmers are officially established and staffed</p> <p>3. Capacity building of institutions involved in agriculture</p> <p>3.1 Policy unit established in the MoA and individual responsibilities in the unit defined and staff recruited and working according to its mandate</p> <p>3.2 HR appraisal, training and development programme approved and funds for its implementation allocated</p>
<i>Tranche 3</i>
<p>1. Strengthened farmers cooperation At least 50 agricultural cooperatives officially registered</p> <p>2. Capacity building for small farmers At least 30 district level MoA centres already providing consultation and advice to small farmers, based on international standards and proven models as reflected, inter alia, in FAO's extension manuals</p> <p>3. Capacity building of institutions involved in agriculture Annual agricultural statistics reports produced according to international standards set in the system of integrated agricultural censuses and surveys</p>
<i>Tranche 4</i>
<p>1. Strengthened farmers cooperation</p> <p>1.4 The roles and procedures granting and terminating status of an agricultural cooperative finalised and operational</p> <p>1.5 Registry of agricultural cooperatives granted status is listed on public website of the ACDA plus a related database containing activity details of registered coops updated on a regular basis</p> <p>2. Capacity building for small farmers</p> <p>2.3 Training programme for agricultural cooperatives managers provided to managers of already registered coops</p> <p>2.4 State budget provisions for ACDA are included in successive state budget laws</p> <p>2.5 Financing scheme to support agricultural cooperatives is adopted by the government</p> <p>3. Capacity building of institutions involved in agriculture</p> <p>3.4 Extension information packages disseminated through the ICCs</p> <p>3.5 System and procedures for agricultural statistics collection at district level providing input into agricultural policy, development and monitoring</p>

However, all interim and Final Evaluations of the ENPARD Programme I confirm that all criteria are met and consequently 100% of direct budgetary support was transferred to the Government of Georgia.

Positive export trends (27% growth) and stagnation of import of agricultural products

Trade of agricultural products is one of the best indicators of agricultural development trends. Concerning trade, Georgian agriculture in the period 2015-2017 was developing significantly since growth of export was 27%. At the same time, it is noticeable that highest number of products started to be exported and that the share of the top products was decreasing.



Capacity and working conditions of the Ministry is significantly improved

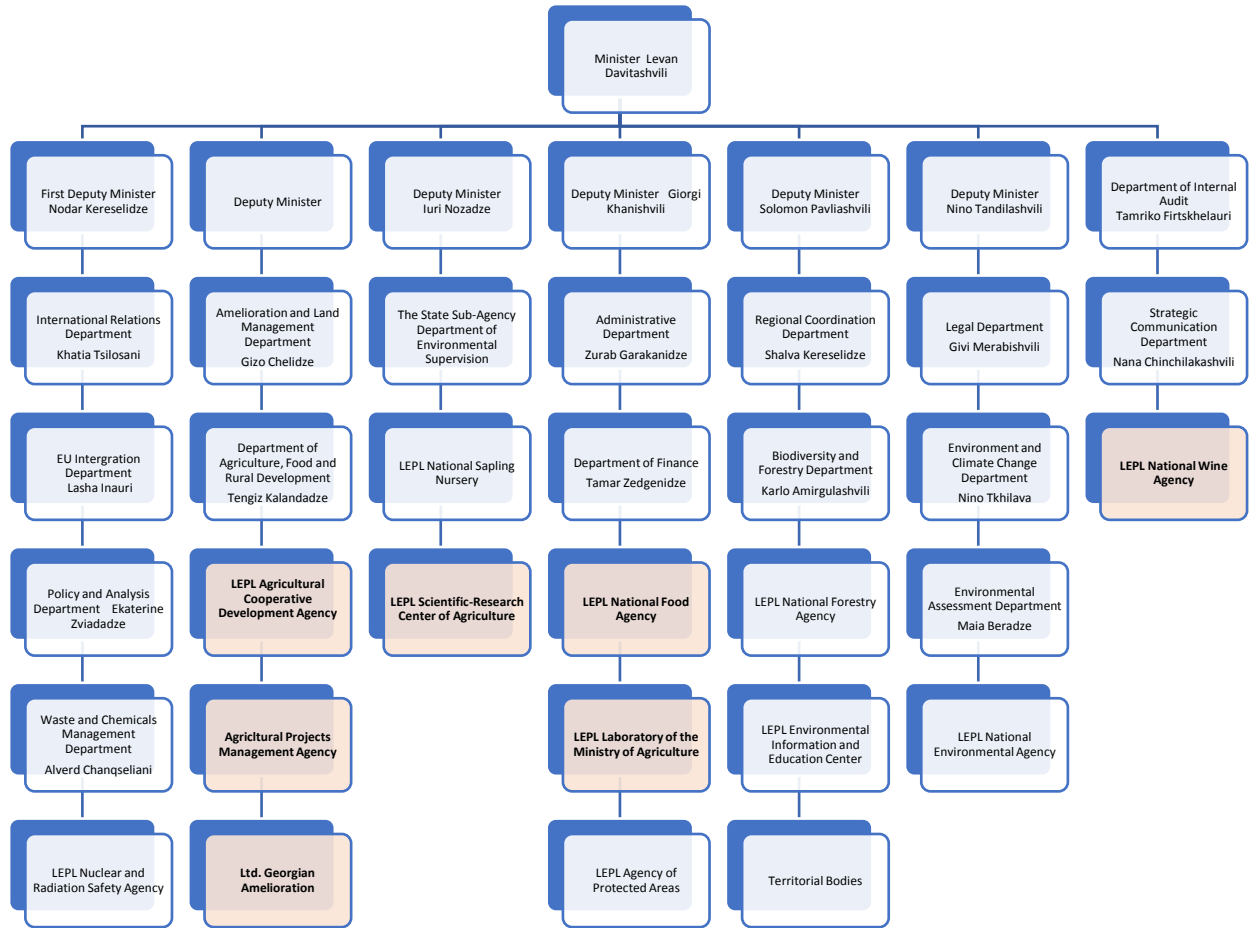
Staff capacity can be brought from outside (through employment) or created (by staff capacity building). In public service in countries in transition, staff capacity is usually created. That's why it is necessary to have a staff capacity improvement system in place, either through training on-the-job or through training courses. Of course, one should never neglect the employment system as an opportunity to select the best candidate for the job, especially since in public service there is a big turn-over of staff. In that regards MEPA is not different than other agrarian Ministries in the region.

Number of the people working in the MEPA is increasing. Working conditions are also improving. Several new buildings were renovated and have created good working conditions for MEPA central apparatus as well as LEPLs. Due to the training programmes organised by different projects as well as MEPA human resource department, capacity of the Ministry people was improved.

Constant adjustment into Ministry organisation structure.

MEPA is constantly challenging organisational structure of the Ministry. As result, organisational structure is improving. Just before implementation of the Action plan, the Scientific Research Center and Agricultural Cooperative Agency were formed. During implementation of the Action plan they got a significant number of new responsibilities.

Figure 3: Ministry organisation of chards



5. Action plan achievements

5.1. General findings

Action plan is realised to the satisfactory level

It is very difficult to precisely measure level of implementation of the programs which are still ongoing, where 71% of the actions (76 from 106 actions) should not finish-yet and where many of the measures are basic responsibilities of the Ministry and its regular work. Therefore, we can identify several options:

- Constant ongoing actions (basic ministry functions) and one term actions
- Should finish in the period of 2015-2017 and should not be finished in the period of 2015-2017
- Finished / partly finished / not finished
- All possible combinations of them

Table 6: Structure of the actions and explanation of the expected achievements

		Finished	Partly finished / Going accordingly	Not finished / Not going accordingly
Constant ongoing actions (basic ministry functions)	Should finished in period of 2015-2017	As it should be	Not well define time of the action	If it is not obsolete then action is not implemented accordingly
	Should not be finished in period of 2015-2017	Going ahead of the time	Accordingly, As it should be	If it is not obsolete then action is not implemented accordingly but still is possible to overcome problem and finish
One term action	Should finished in period of 2015-2017	As it should be	Not well targeted time for finalisation of the action	If it is not obsolete then action is not implemented accordingly
	Should not be finished in period of 2015-2017	Going in front of the time	Accordingly, As it should be	If it is not obsolete then action is not implemented accordingly but still is possible to overcome problem and finish

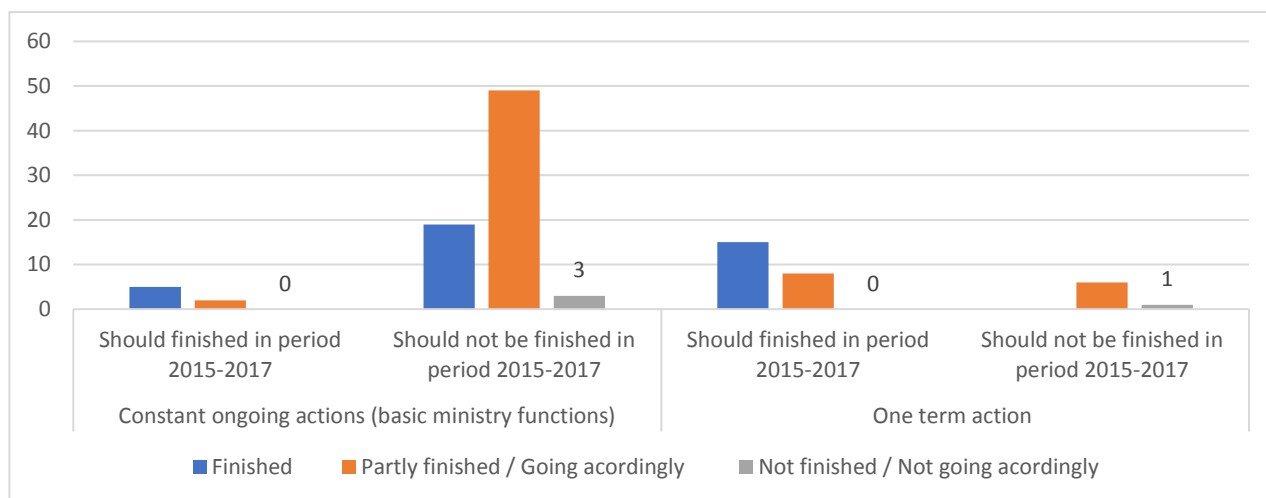
Table 7: Action plan mid term achievements

		Finished	Partly finished	Not finished
Constant ongoing actions (basic ministry functions)	Should finished in period of 2015-2017	5	2	0
	Should not be finished in period of 2015-2017	19	49	3
One term action	Should finished in period of 2015-2017	15	8	0
	Should not be finished in period of 2015-2017	0	6	1

However, it is very clear that majority of the actions are implemented and that there is no actions that should be finished and not finished yet. However, it is obvious that some of them will not be implemented since finalisation of the implementation is stopped although it is planned to be finished at 2020. Typical actions which is obvious that will not be implemented are:

- Transformation of the Agricultural Cooperatives Development Strategy (ACDA) unto membership driven organisation
- Commercialization of the "United Amelioration Systems Company of Georgia" Ltd. and transformation in profitable organization

Table 8: Number of actions and level of implementation



The main reason why some actions are not achieved is more bad definitions or that they become obsolete followed by real intentions not to implement (like: make all quality soil map for whole Georgia) them since situation and expectations was changed (like: ACDA is transforming into PA and not membership driven association or it is obvious that LTD Amelioration Company could not be profitable organisation).

Table 9: Strategic direction by institution responsible for implementation

SD1	SD2	SD3	SD4	SD5	SD6	SD7
ACDA 20	AD 3	ALMD 5	FAD 8	PAD 1	EU ID 1	FAD 5
APMA 4	FAD 3	SRCA 1	APMA 4	FAD 1	FAD 5	ALMD 1
FAO 2	ED 3	UASCG 13	MEK 1	RCD 1	LMAG 12	RCD 2
IRD 1	IRD 1		NFA 1		NFA 28	SRCA 7
ITD 1	ITD 3		NIPC 1		NSRC 4	
MAdj 1	LPAD 3		NWA 2			
MLD 2	MPD 3		PAD 4			
NWA 2	NFA 2		RCD 5			
PAD 2	PAD 4		SRCA 9			
PRD 1	RCD 4					
RCD 3						
SRC 5						

Implementation level is high. Report also measured Evaluation parameters like relevance, effectiveness, efficiency, implementation quality, impact and sustainability to the level which capacity of the report was planned. In summary all main parameters are implemented to the:

- Full relevance and sustainability
- Very high level of implementation quality
- High level of efficiency and effectiveness
- Good impact

Table 10: Evaluation matrix by evaluation criteria

<p>Relevance / Topicality <i>compliance of programme goals and objectives with public needs and Government priorities;</i></p>	<ul style="list-style-type: none"> – All actions defined in the AP are relevant, however many actions that Ministry is doing is not defined. Situation was improved with new AP 2018-2020. This is example of good practice dealing with dynamism in one institution. – Since for agriculture is important EU ENPARD programme all actions are in line are relevant to the successful implementation of the ENPARD criteria for direct budgetary support.
<p>Effectiveness <i>compliance of the achieved results of the strategy to the planned results, as well as to the needs of direct and indirect beneficiaries;</i></p>	<ul style="list-style-type: none"> – Ministry actions was fully in line with Strategy and Government priorities. – Ministry actions contributed to the development of the sectors which is visible in the overall indicators presented in the evaluation report like: export of agricultural products, value of production, enterprises establishment etc. – Ministry has good cooperation with donor project, constantly filling requirements set by the donor/government priorities which is proven by the high level of donor support as well as high level of satisfactory achievements through donor projects.
<p>Efficiency <i>achievement of results at the lowest costs (the ratio of results to the required costs (resources) should be determined);</i></p>	<ul style="list-style-type: none"> – Agrarian budget is in line with the need of the sector – A number of people working in the Ministry are high and always have to be challenged. However Georgian Ministry of agriculture faces an even wider range of responsibilities than a well-established Ministry in a EU country because it has the additional tasks of guiding the agricultural sector through the transition process, which includes: (1) privatization, land registration and developing functioning agricultural markets (in particularly land and credit) and (2) development of support institutions like those that are dealing with food safety, land registration, farm and animal registry, market information system and many others, (3) implement obligations committed by signing international agreements like DCFTA, WTO etc. Consequently, Georgian policy makers have to be equipped with wide range of policy tool and knowledge to be able to define the most appropriated development approach. – Digital solutions in agriculture become tool to save cost and improve efficiency
<p>Implementation <i>quality of implementation process and structures;</i></p>	<ul style="list-style-type: none"> – Overall implementation capacity and quality is fine, However, there are several organizational proposals for improvement (see detail recommendations part of the evaluation report), the main ones are: – <i>Merging APMA, ACDA, and ICC is good, logical, and in line with the latest development</i> – <i>National Wine Agency have to finish process of transformation</i>
<p>Impact <i>intended and unintended impacts;</i></p>	<ul style="list-style-type: none"> – It is not easy to measure particular impact of the selected measures since there is high interactions between different actions of the particular Ministry and LEPLs activities (for example: loans for processing cannot have impact without efficient registration in the NFA or land consolidation could not be done before efficient land/farm registry etc.). Therefore, the most efficient way to look into impact is to measure overall impact of the sector through indicators like overall output, export of agricultural products etc. – All analysed and presented indicators are showing high impact by the implemented actions.
<p>Sustainability <i>Long-term results and impacts of the strategy.</i></p>	<ul style="list-style-type: none"> – New Strategy will be elaborated in 2020 However, in the meantime activities should be directed in regular challenging, discussion, and reporting on existing actions.

5.2. Recommendations

5.2.1. Action plan definitions

Action plan 2015 – 2017 could be better in defining action

Despite several attempts (at least 4 drafts strategies in the period of 2003-2015) to create Agricultural Strategy for Georgia, the Agricultural Development Strategy (2015-2020) and following Action plan was the first agricultural strategic vision since Soviet times. The biggest value of the Strategy and Action plan is that is prepared almost exclusively by the Ministry people and developed through a broad consultation process. Then it is logical that some of the actions are not well defined and that many of them are basic Ministry functions or daily operations like:

- Policy creation, implementation, and control
- Promotions of Georgian agriculture – at international or national markets, using different ways such as, meetings with farmers, Ministers or other stakeholders, fairs, with press releases, etc.)
- Maintaining channels or building new ones
- Supporting farmers, companies, and cooperatives using different methods such as price support, rural development support, cheap credits, etc.
- and others

However, it is a dilemma to which level actions should be defined by the Action plan for Strategy implementation and which ones are implied by the basic Ministry functions defined by the law by Government. There is no clear answer to this question since it must go activity by activity and partner by partner and also have experience in defining actions. It is obvious that there is more experience in defining the new action plan of 2018 – 2020.

In addition to this, main several additional remarks could be noticed regarding the Action plan of 2015 – 2017 defined actions, primarily those are:

- Quantitative indicators are not well defined in majority cases since they are not targeted toward exact expected results
- Did not have a similar approach to the action definitions which cause high variation of the actions from too small one to too big.
- Too many qualitative indicators which are difficult to measure
- Donor support and actions should be better integrated into actions plan
- Budget doesn't correlate with actions and there is high level of approximation

New Action plan 2018 – 2020 overcome majority of the obstacles of the previous one

At the end of 2017 and beginning of 2018, the Policy Analysis Department together with the Ministry cabinet and other LEPLs defined the new action plan for 2018-2020. This Action plan overcomes all problems identified during implementation of the initial Action plan: indicators are better defined, the budget is more realistic, responsibilities are clearly divided, definitions of Actions and basic Ministry functions are more distinct, donors' involvement are more precise.

5.3. Particular action findings

5.3.1. SD 1: Increase competitiveness in the sector of agriculture

Highest number of actions (over 70%) is planned to be implemented during all periods of Action plan implementation. This makes sense perfectly since actions like credits, support to the cooperatives, land market, training of farmers of ministry employees, promotions etc. are basic functions of the Ministry and doesn't have beginning nor end. From the other side there are 21% of actions which are planned to be finished in one or two years of Action plan implementation. Majority of those actions are one-term activities like extension strategy preparation, definition of measures for support wine sector, preparation of land quality map etc.

For SD 1 the planned budget was 622.035.000 GEL, from which funding from state comprise is 67%. The highest amount of money is allocated for measure 1.4 - Developing specific tools to strengthen the agricultural credit and leasing system, and in particularly for programme: Concessional Agro Credit Project. Lowest amount for measure Restoration of soil quality data base within the land cadastre and registration project - Land Consolidation (LCC) component. Only 6 programmes were planned to be exclusively financed from state budget while majority other has partners in implementation and financing. This was the case during implementation and also showing openness of the Ministry and extremely high capacity for attraction of the donor money.

For the majority number of measures Agricultural Cooperatives Development Agency (20) is responsible, followed by Agricultural Projects' Management Agency (4).

There is very high level of competition of the defined actions under SD1. in particular activities that APMA and ACDA performed during period which covers this evaluation report was done even more than initially planned regarding budget spent, defined indicators as well as achieved results. Activities of those two agencies was priority for Ministry regarding budgeting. It is in average in period 2015-2017, through APMA project spend 41% of the overall Ministry budget while through ACDA 1.6%.

5.3.1.1. Main recommendations regarding SD 1

- Wine sector is important, with well-developed private sector. However, sector is still supported with significant budget. Impression and comparison with other countries shows that many of the actions can be transfer to the private sector.
- Finalise process of transformation of the National Wine agency into members driven organisation
- Agro-credits (action 1.4.1) gave good results, however it has to be challenged all the time. The key problem of the current schemes is that it is quite expensive (co-finances of the interest rate on the loans in an amount of 11%, up to 66 months or co-finances of the interest rate on the loans of 10%, up to 24 months). Interest rate is decreasing constantly in the World and Georgia and it is worthwhile to analyse if it is possible to achieve better results with Guaranty found for agricultural loans, or reducing state contribution to the subsidised loans.
- Land consolidation and land registration activities (in responsibility of MEPA but in cooperation with other Government institutions responsible for land property as well as with donors) are too important to be neglected (actions 1.3.3)
- The ACDA establishment is proven to be good idea, however it is necessary to realistically look into the number and capacity of the formed cooperatives with intention to develop a policy which will go to the next stage of cooperation

5.3.1.2. SD 1 detail analysis of the implemented / not implemented actions

Table 11: Implementation level of SD1

1.1	Improved farmer knowledge and information and the delivery of efficient agricultural extension service support	1.1.1	Upgrading the skills and technical capabilities of farmers and rural entrepreneurs	SRC RCD MAAdj	PARTLY IMPLEMENT Large never ending tasks, with unclear indications. However, there is significant programme of farmers training mainly provided by donors and particularly to the cooperative members. Estimation is that around several thousands of farmers passed through different training programmes. This figure is larger planned by the AP indicator, however, there is still no existing systematic training programme organised by a state extension service. MADE MORE SPECIFIC WITH A NEW AP
		1.1.2	Development of extension strategy (2015-2016)	RCD FAO PAD SRC	IMPLEMENTED Strategy adopted and developed with slight delay. Main activities were done by FAO experts. However, Strategy doesn't correspond to the need of MEPA and need to be revised, especially in the new environment created by merging APMA, ACDA and ICCs.
1.2	Research and development	1.2.1	Participation in preparation of high-quality specialists in agriculture (2015-2020)	SRC	PARTLY IMPLEMENTED / NOT RELEVANT Georgia is missing good agricultural agronomists working in the field as a part of the system. Actions done by the Scientific research center by employing agronomists are not systematic and will not solve the problem. An education system and development of the input supply will gradually increase the capacity of the specialization in agriculture. Encouraging facts are that a number of students in the field of agricultural sciences is increasing. In 2015-2016, 2,293 students studied agricultural sciences at state and private, higher educational institutions and professional programs, which is twice as much as the same figure of 2013 and 2014 academic year. WITH NEW AP IMPROVED
1.3	Developing agricultural land market and introducing modern approaches in land use	1.3.1	Measures for the wine sector development (2015)	NWA	IMPLEMENTED Wine sector is not missing a budget nor measure for support. Even more in the period of 2015-2017 measures for supporting grape/wine production has high budget share.
		1.3.2	Restoration of soil quality data base within the land cadastre and registration project - Land Consolidation (LCC) component (2015)	MLMD	NOT IMPLEMENTED – OBSOLETE, NOT WELL DEFINED Mixing soil quality data and land consolidation. Soil quality data is good to know but it is extremely expensive with limited usage possibility. Land consolidation is one of them but not the most crucial one. Budget was not properly designed (only 25 used GEL in 2015)
		1.3.3	Elaboration of the land consolidation plan (2015-2017)	MLMD	PARTLY IMPLEMENTED Expected activities to start the pilot project of land consolidation doesn't exist like expected output to have a Plan of land consolidation in place. Land consolidation is important and have to be under priority of the MEPA. There are

					<p>limited to no achievements in this field until now. Even the new AP doesn't define those actions.</p> <p>The capacity in this field had significantly increased positively, employees are aware of importance, activities which have to be taken account to and problems which follows land consolidation actions.</p>	
1.4	Developing specific tools to strengthen the agricultural credit and leasing system	1.4.1	Concessional Agro Credit Project (The project's start and completion date have not yet been determined)	APMA	<p>IMPLEMENTED</p> <p>All indications (although very general) are achieved. Up until 2017 was co-financed: 13,924 loans for turnover assets, 15,839 loans for fixed assets and 15 loans of leasing.</p> <p>Used budget is significantly higher than initially planned by AP.</p>	
		1.4.2	Processing enterprises co-financing project The project's start and completion date have not yet been determined)	APMA	<p>IMPLEMENTED</p> <p>Since 2014 31 processing enterprises were signed. All the regions in Georgia are represented by the programmes.</p>	
		1.4.3	Improvement in qualification of professionals employed in financing the agriculture (2015-2016)	APMA	<p>IMPLEMENTED</p> <p>APMA has continuous programmes of education of the credit and risk of officers (63 persons)</p>	
1.5	Supporting development of agricultural insurance market	1.5.1	Agro-insurance program (2014-2020)	APMA	<p>IMPLEMENTED</p> <p>Up to the year 2017, 47,485 insurance policies were issued countrywide, 39,138 ha of land was insured with the insurance limit of GEL to be 326,842,630.</p> <p>Subsidies paid is lower than the amount paid for damage compensation (GEL 20,412,269).</p>	
1.6	Supporting the development of cooperation in agriculture	1.6.1	Trainings in the areas of introduction of modern technologies and production methods (2015-2020)	ACDA SRC	<p>IMPLEMENTED</p> <p>Trainings are provided through the ACDA and EU projects</p>	<p>ACDA is a unique institution for cooperative development since it is not membership driven, but state managed and supported. EU Delegation in Georgia has high influence at establishment, funding and development.</p> <p>ACDA has the highest number of actions defined in the AP 2015-2017, which doesn't mean that their responsibility and importance is the highest among all LEPLs, but the fact that ACDA has developed</p>
		1.6.2	Support to introduction of modern standards in cooperatives (2015-2020)	ACDA	<p>IMPLEMENTED</p> <p>More than initially planned, 100 cooperatives introduced some kind of voluntarily or obligatory standards. Majority of them are those who received state or donor grants.</p>	
		1.6.3	Introduction of a unified electronic management system (2015-2020)	ITD ACDA SRC	PARTLY IMPLEMENTED	
		1.6.4	Fairs and sale events (2015-2020)	ACDA	<p>IMPLEMENTED</p> <p>Local sales events where cooperatives took active participations were organised</p>	
		1.6.5	Introduction of the "Information Bank" (2015-2020)	ACDA	<p>There is no sense to have separated information for cooperative members and not cooperative members</p>	
		1.6.6	Stimulation of involvement of women and vulnerable group's representatives in cooperatives	ACDA	<p>IMPLEMENTED</p> <p>Gender equality was taken into account while defining</p>	

		(2015-2020)		grant schemes for cooperatives	their actions with high detail.
	1.6.7	Development of capacities of the LELP Agriculture Cooperatives Development Agency (ENPARD) (2015-2016)	ACDA	IMPLMENTED The whole component of the EU project was directed towards the capacity improvement of ACDA.	Many of the actions were directed towards activities based on development of farmers and ACDA employee's skills, information, delivery and other soft measures while in the meantime, ACDA activities were more directed towards implementing different grants programmes. Consequently, working in the ACDA required different skills from agricultural and cooperative developments to grant management design and implementation. They're very successfully managing this challenge. During implementation of the AP, ACDA has been supported by the EU project which help successful implementation of many activities.
	1.6.8	Improvement of legislation (2015-2020)	ACDA	IMPLEMENTED Legislation was changed.	
	1.6.9	International conferences (2015-2020)	ACDA	IMPLEMENTED ACDA management and employees participated at the many conferences to gain international experience	
	1.6.10	Support to formation of cooperative shops and markets network (2016-2020)	ACDA	PARTLY IMPLMENTED, OBSOLATE ACDA supports development of markets for their members, however, this should not be their role to create market possibilities	
	1.6.11	Grant program for cooperatives (2015-2020)	ACDA	IMPLEMENTED These were the main activities of the ACDA, starting from 2015 and increasing in following years	
	1.6.12	Stimulation of involvement of youth in cooperatives (2016-2020)	ACDA	IMPLEMENTED Through different grant programmes, advantages are given to the youth members of the coops.	
	1.6.13	Elaboration and implementation of a long-term strategy for cooperation development; Transformation of the LEPL Agriculture Cooperatives Development Agency into the membership-based organization (2016-2018)	ACDA	NOT IMPLEMENTED The strategy was developed but not implemented. There is no capacity and readiness from cooperatives and neither have the interest to form ACDA and to convert ACDA into a membership driven organisation	
	1.6.14	Modernization of services (2016-2018)	ACDA	IMPLEMENTED AgiokCDA implement majority of the service online	
	1.6.15	Support to establishment of agro credit system (2017-2018)	ACDA	IMPLEMENTED A cooperation with ACDA was providing credits while ACDA was focusing on grants.	
	1.6.16	Introduction of standardization system for cooperatives (2017-2020)	ACDA	IMPLEMENTED Confirmation that farmers have received sets of skills detailed enough to manage	

					cooperatives was part of the majority training.
		1.6.17	Support towards branding for cooperatives (2016-2020)	ACDA	IMPLEMENTED Not the same as measured however, both branding and promotion were provided to more than the initially planned 150 coops.
		1.6.18	Offering additional services to agricultural cooperatives (2017-2020)	ACDA	IMPLEMENTED Different services are provided to the cooperatives, mainly marketing and other service information. However, there is space for systematic service delivery programmes which will not be linked with any donor projects.
		1.6.19	Establishment of a "Cooperation Support Council ("Darbazi") (2015-2020)	ACDA	IMPLEMENTED Implemented but without serious impact
		1.6.20	Program for popularization of agricultural cooperation (2015-2020)	ACDA	IMPLEMENTED To extend cooperative ideas, and for cooperatives to be promoted
1.7	Developing tools to increase awareness of agricultural investment opportunities	1.7.1	Preparation of recommendations and information database on investment potential of sub sectors (2015-2020)	FAO PAD RCD	IMPLEMENTED Not only that was brochure prepared at a national level, and also for each of the specific regions that was identified for comparative advantages and investment opportunities, which help All material is presented at different fairs by public and private companies and made available using different distribution channels. Quality of the prepared material and promotion was good.
1.8	Implementing national agri-food promotions and marketing program	1.8.1	Measures promoting Georgian wine and viticulture (2015-2020)	NWA	IMPLEMENTED Each year significant budget is allocated for three measures that are promoting Georgian wine
		1.8.2	National agri-food popularization measures (2015-2020)	IRD PRD	IMPLEMENTED As regular Ministry activities, the promotion is constantly happening.

5.3.1.3. New measures 2018-2020

The newly defined measures are in line with the MEPA needs, they are less detailed but at the same time more measurable. All actions are directed towards increasing competitiveness of Georgian agricultural sectors, targeting different subsectors, institutions and actions.

Table 12: New measures under Action plan 2018-2020 for SD1

Measure 1.1 Improve farmer knowledge and delivery of efficient agricultural extension services	1.1.1 Qualification improvement and training program for shareholders of agricultural cooperatives
	1.1.2 Improve farmers' knowledge
Measure 1.2 Developing agricultural land markets and	1.2.1 Viticulture development measures

introducing modern approaches into land use	
Measure 1.3 Establishing/Developing specific tools to strengthen the agricultural credit and leasing system	1.3.1 Preferential agro-credits
	1.3.2 "Young Entrepreneur" Support program for young entrepreneurs in rural area
Measure 1.4 Developing of agricultural insurance market	1.4.1 Measures to provide agro-insurance
Measure 1.5 Supporting the development of cooperation in agriculture	1.5.1 Support to the Beekeeping Agricultural Cooperatives
	1.5.2 Introduction of International Standards in Agricultural Cooperatives and promotion of the produced agricultural goods
	1.5.3 Infrastructure Development in agricultural cooperatives
Measure 1.6 Facilitating the promotion of national agri-food products and implementing of a marketing program	1.6.1 Promotion of Georgian agro-food products
	1.6.2 Promotion of the origin of Georgian vine
	1.6.3 Laboratory Research of Wine

5.3.1. SD 2: Institutional development

Institutional development is one of the common strategic objectives of each Ministry. Besides the organisational and human capacity improvement (as typical institutional development actions), the focus in the Strategy and Action plan 2015-2020 was given towards development of preconditions (plan how to do it, software, pilot...) for farm / land registration. This was a good decision which created high implementation level of the SD 2. In the following phase all those preconditions and lessons learned have to be utilised and actions have to be less moderate.

Some actions were not finished on time like:

- Development of the training center, which didn't significantly influence work of the Ministry
- LPIS software completion, which is fine since all organisational structure for proper paying agencies was not in place and it could have happened that the software is obsolete

Majority of the defined measures was supposed to be finished in first two years of the Action plan implementation. Only two measures should last during the whole implementation period. Due to the specificity of the actions (institutional development) which affect all MEPA departments and LEPLs, it is logical that this action has a high number (10) of responsible institutions.

5.3.1.1. Main recommendations regarding SD 2

- Paying Agency with all elements functioning well (see box: Farm registry, LPIS, Payment, IACS as basic tool of the Paying Agency) based on good experience from EU countries is one of the biggest challenges for the MEPA. This is the task which requires resources (human, money), knowledge and time. No doubt, MEPA policy makers are aware of the complexity of the task.

Table 13: Implementation level of SD2

2.1	Strengthen the human resource management and training system of the Ministry of Agriculture	2.1.1	Improve the MoA organisational structure, procedures and operation (2015)	AD LPAD ED	IMPLEMENTED This is a regular Ministry task which MEPA is doing very good job at constantly challenging and adopting organizational structure, procedures and operations. This in particular was from 2015 and was done successfully.
		2.1.2	Strengthen the human resource management and training system of the Ministry of Agriculture (2015-2017)	AD LPAD ED ITD	PARTLY IMPLEMENTED Training programmes were organized and conducted by donor support. Trainings covered wide range of topics

					developed based on the needs assessment, including technical but also soft skills. Trainings use a wide range of different training methodologies like On-the job training, study tours, ex cathedra, etc. Additionally, it was adopted the joint human resources management policy in the MEPA The Educational Training Center was not yet established
		2.1.3	Introduction of staff evaluation system (2016-2018)	AD LPAD ED ITD	IMPELMENTED Implemented and finished on time. This one term action contributed for MEPA HR department capacity and procedures improvement.
2.2	Complete research and make decision on information to be collected and processed	2.2.1	Design and develop software programme (2015-2020)	ITD PAD RCD	PARTLY IMPLEMENTED Software programmes on farm registry and land-parcel identification system were created for the pilot phase but not for full utilisation for all of Georgia. A legislative base is prepared, a coordination mechanism was established and an open source platform was developed but not fully implemented.
2.3	Create farm registry	2.3.1	Determine the status of a Farmer / land owner and draw out the rules of registration (2015-2016)	FAD RCD MPD PAD	OBSOLATE This action was supposed to form a working group of representatives from the responsible institutions and partner organizations (The Georgian Academy of Agricultural Sciences; The National Food Agency; FAO; National Agency of Public Registry; including private sector) and to find the answer who are the farmers.
		2.3.2	Create a plan for a programme on land-parcel identification system (LPIS) (2015)	RCD FAD MPD PAD NFA	IMPLEMENTED The Plan for land registration is developed with donor support. Recommendations are very relevant and the document is high quality. Envisaged implementation period over the duration of the Action plan 2015-2020.
		2.3.3	Create a software programme on land-parcel identification systems (LPIS) (2016-2020)	RCD FAD MPD PAD NFA	STARTED IMPLEMENTATION
2.4	Strengthen coordination between the MoA and the donor community and other stakeholders	2.4.1	Maintain/improve donor coordination meetings (2015-2020)	IRD	IMPLEMENTED The Georgian Ministry of agriculture is a very good example on how to organize and implement donor coordination mechanisms. This resulted in the highest amount of money that was allocated to the agricultural sector in Georgia by a donor community and high level of satisfactory finished projects.

5.3.1.2. New measures 2018-2020 under SD2

Institutional development have complex sets of actions which need to be implemented. Majority of them are considered to be regular Ministry work and consequently not developed as action. However, this is a very important part of any Ministry and should be institutionalised and monitored, therefore, it will be important while developing a New Strategy to take into consideration the actions which will have to be comprised with

- Organisational development of the MEPA and supporter institutions
- Human resource development
- Data and information collection, processing and dissemination
- Improvement of the procedures (in all three segments of Ministry work – policy creation, implementation and control)

Table 14: New measures under Action plan 2018-2020 for SD2

Measure 2.1 Establishment of efficient marketing information system, data collecting, processing and disseminating among the different stakeholders of the agricultural sector	2.1.1 Establishment and management of electronic program
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5.3.2. SD3: melioration and soil fertility

Georgia belongs to countries where it is difficult to irrigate agricultural land due to both sides:

- Offer: complicated relief, fast rivers, deep and unstable ground water level
- Demand: low agricultural outputs, low prices (in many cases) and high production cost

Figure 4: Main reasons for low output

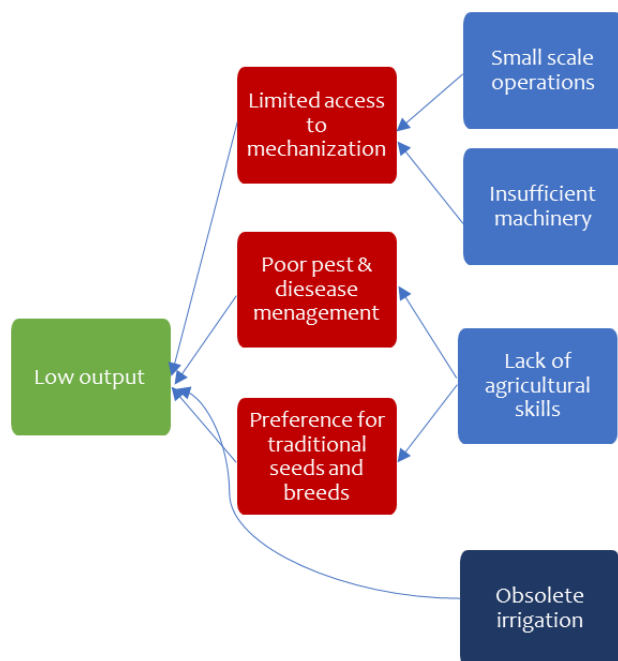
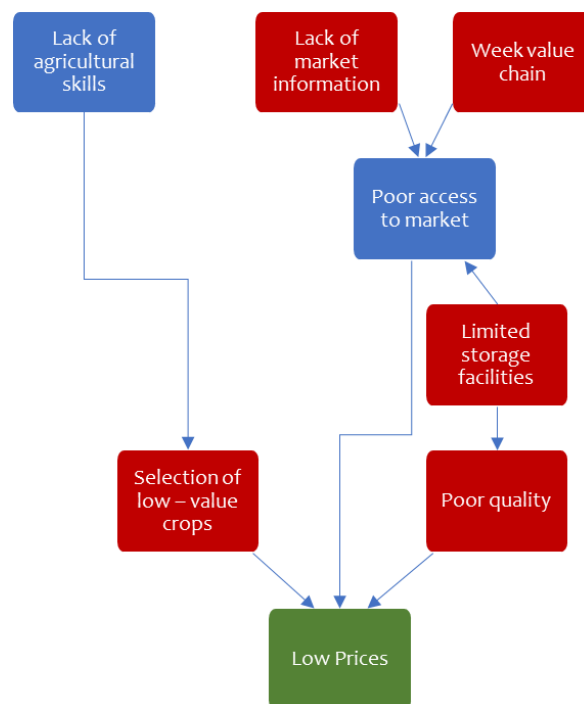


Figure 5: Main reasons for low prices



Therefore, question which should be asked:

- Is it possible to develop commercially sustainable irrigation if the offer is expensive and demand is low?
- Can we reduce price of irrigation when it is to a limited number of irrigation users?
- Is it possible by subsidising water users to develop a sustainable irrigation system?
- Where is the break level of subsidies which have to be paid?
- and many others legitimate questions

There are no easy answers on the-questions mentioned above. However, they need to be constantly asked.

Decision about the most appropriated water and irrigation system have to be based on research of the different systems and other country experiences, cost benefit analysis and MEPA vision. Donor opinions should be taken seriously but not exclusively since they have their (personal or organisational) interest, which doesn't need to correlate with MEPA interest.

From other side "Georgian Amelioration" LTD carries out large-scale rehabilitation works for amelioration infrastructure. As a result, the area of land irrigated in the country increased from 45,000 ha to 120,000 ha, and the area of drained land increased from 14,000 ha to 36,900 ha. To achieve what is necessary to perform restoration works at amelioration channels with total length of 2,684 km, as well as 31 headworks and 24 pumping stations.

Soil quality is an important part of the country's development, however, the role of the government in maintenance and improvement of the soil quality in the market's economy (based on private ownership) is limited. This fact was well recognised by policy makers and action which was to define what was going into the direction of inventory of the soil quality, preparation of the legislation and recommendations on how to maintain soil fertility.

5.3.2.1. Main recommendations regarding SD 3

Obviously "Georgian Amelioration" LTD did good work in setting up new opportunities for irrigation for Georgian farmers, however, cost for this operation was not small and still is not sustainable since the total investment + operational cost is higher than the farmer's ability to pay for the service, therefore, sustainability of this approach is questioned and has to be:

- Constantly challenged and approached
- To permanently improve the efficiency on the service provision asking how can we do more with less.
- Focused on the project and area where demand exists
- Working not only at supply side, but also creating and increasing demand

Table 15: Implementation level of SD3

3.1	Improvement of the irrigation and drainage systems.	3.1.1	Construction and rehabilitation of the reservoirs and irrigation systems (2015-2020)	UASCG ALMD	<i>PARTLY IMPLEMENTED</i> A large project which has to irrigate 28,000 hectares. Most work was done at some projects while others are going in as planned to the majority of the projects. 35% of the work was grant while 65% was contribution of the government of Georgia.	<i>Majority of the actions are construction or reconstruction of different irrigation facilities performed by the Georgian amelioration Ltd.</i> <i>Some of the projects are long lasting</i>
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		3.1.2	Implementation of the modern technologies and the detailed research of the management for the effective use of irrigation water (2015-2016)	UASCG	IMPLEMENTED Fully finished, timely.	<p>developments which are difficult to finish during action plan implementations.</p> <p>The majority of the projects are done in cooperation with donors (primarily World bank).</p> <p>The infrastructural projects are being implemented in different phases.</p>
		3.1.3	improvement of the hydrometric service (2016-2017)	UASCG	PARTLY IMPLEMENTED Ongoing, good progress, In cooperation with WB	
		3.1.4	Rehabilitation of the drainage systems (2015-2020)	UASCG	IMPLEMENTED This is routine work. Each year around two pumping stations are installed and planned areas are drained.	
		3.1.5	Restoration of the drip and sprinkler irrigation systems and promotion of formation new system (2015-2016)	UASCG	NOT IMPLEMENTED Good big farmers are using drip and similar types of irrigation while small scale farmers are not. UASCG is still not working with individual small farmers on provision of these services. Pilot phase stated but not implemented.	
		3.1.6	Optimal and fair distribution of water resources and improvement of tariff systems, optimization and implementation (2015-2016)	UASCG	PARTLY IMPLEMENTED Inventory was done in 2017. Consecutive will be implemented but very likely never to the full extent of what optimization and analysis are constantly doing.	
		3.1.7	Organization of the farmers and support of institutional union, engagement of water user groups in the rehabilitation of internal farming systems (2015-2018)	UASCG ALMD	NOT IMPLEMENTED The Water users association law is expected to be in place in 2019 while activities in establishing water users associations will start when infrastructure is in place – estimation is 2020.	
		3.1.18	Improvement of GIS database (2015-2020)	UASCG	IMPLEMENTED All activities are in progress, going according to the plan.	
		3.1.9	Ensuring of the software (2015-2020)	UASCG	IMPLEMENTED Activities are in progress, going according to the plan, however, some functions of the system are already working. Reporting is already in place	
		3.1.10	Billing system (Service contracting and payment registration system) improving (2015-2017)	UASCG	IMPLEMENTED All farmers are contracted and connected to the billing system.	

		3.1.11	Preparation and monitoring of ameliorated areas cadastre (2015-2017)	UASCG	PARTLY IMPLEMENTED Not properly estimated work since it is a huge task which is not able to be performed in the planned period. Work in progress.	
		3.1.12	Commercialization of the "United Amelioration Systems Company of Georgia" Ltd. and transformation in profitable organization (2015-2020)	UASCG	NOT IMPLEMENTED	
3.2	Rational usage of soils	3.2.1	The study of general condition of the soil in Georgia (Inventory) (2015-2020)	ALMD SRCA UASCG	PARTLY IMPLEMENTED Project started, however it was realised that was high cost but low impact	All activities under soil fertility actions are long lasting and permanent work of the Ministry. Additionally, activities are planned to be finished until 2020 (one until 2019) which makes it difficult to do mid-term evaluations. Even more, some of the planned activities are obsolete since this is not the role of the Ministry. Budget is also not planned properly.
		3.2.2	Improving of the soil-related legislation (2015-2020)	ALMD	PARTLY IMPLEMENTED Legislation is updated, drafted, agreed and prepared including bylaws. Waiting to be adopted.	
		3.2.3	Study of soils (including degraded) fertility and the efficiency of fertilizers and ameliorants (2015-2019)	ALMD	PARTLY IMPLEMENTED Information and data are being collected, regular work of the Ministry	

5.3.2.2. New measures 2018-2020 under SD3

The two measures 3.1 (Improvement of the irrigation and drainage systems) and 3.2 (Rational use of soils) are still in place and they were not changed, however, the actions are changed. The main difference between old and new actions are:

- Finished actions are not in the programme anymore
- Some of the unfinished actions are grouped.

As result, there are only three focused actions, with more precisely developed indicators.

Table 16: New measures under Action plan 2018-2020 for SD3

Measure 3.1 Improvement of the irrigation and drainage systems	3.1.1 Rehabilitation of amelioration systems
	3.1.2 Improvement of irrigation and drainage systems (WB)
	3.1.3 Rehabilitation of irrigation system of Zemo Samgori (ORIO)
Measure 3.2 Rational use of soils	3.2.1 Study Land Fund of Georgia in order to restore and improve soil fertility

5.3.3. SD4: Regional and sectoral development - development of value chain

The Strategy directions 4 deal with the core of the Ministry task – rural and regional development, Value chain development, sector programme and following support policies, promotion of the agricultural products, identification and promotion of the investment potential at regional levels, quality-oriented agriculture (in particular GI), seed and planting material certification and improvement of livestock

breeding programmes and development of input supply. Those are some of the key obstacles for development (poor service and input supply, no proper certification system in place etc.) but also where the potential for sector development is laying.

This type of the actions is not easy to define since majority of the actions are regular work of the Ministry, so, many of the actions that are not defined are implemented as regular Ministry work.

MEPA is still lacking analytical capacity to be able to identify marketing opportunities and sending signals to the private sector. Sector and factor competitiveness analysis which will compare Georgia with main competitors are rarely done and usually is donor driven. Similar situations are with sector studies. The great work was performed while developing regional investment opportunities but this shouldn't be one time actions then constant data collections, processing and dissemination.

Proper market information system which will collect, process and disseminate prices at local and wholesale markets and compare them with international prices, are still not functioning well.

Georgia is far ahead of the all CIS countries regarding Geographical identification (GI) in all of the segments important for developing it – regulatory, stakeholder capacity, consumer awareness and potential products identification (not only in wine sector then others as well).

Georgia made significant efforts in establishment and introduction of the rural development policy into the overall policy of the MEPA.

5.3.3.1. *Main recommendations regarding SD 4*

Georgia adopted many reforms, therefore it is time to improve seed and planting material certification and agricultural input supply:

- Seed and planting material certification should be speed up, and have the quality improved.
 - Certified seed provides opportunity new technologies and improved varieties. It contributes to producer competitiveness increasing yield, quality and disease resistance.
 - Support in setting up new orchards (through Plant the future programme) can just be a “spreading disease programme” without proper planting material certification
- Input supply needs to be controlled better and to guaranty what is labelled in the bag to be exactly what is inside of the products obtained.

Other recommendations related to the SD 4 are:

- All elements of the Market information system (collection, process and dissemination) have to be improved
- Focus more on opportunity at foreign and local markets
- Establish a quality scheme (based on EU model) which will define all potential quality marks and implement those with the highest potential at local and foreign market
- Agricultural and rural development policies should be integrated and based on European model of defining support policies and measures at two main pillars – direct and rural development support.
- Establish legislation and create incentives for establishment of the livestock breeder associations which will be herd book holders
- Prepare multi-year sector / support programme at more systematic way using good EU experience (prepare sector study, objectives, where to focus – which sector, beneficiary, region, investment, good practice, measure capacity of absorption ...)

Table 17: Implementation level of SD4

4.1	Define and support agricultural development and investment strategies for each region	4.1.1	Elaboration of the municipal development programs (2015)	RCD FAD PAD	IMPLEMENTED The high quality documents for each of the regions were prepared to identify perspective and priority sectors including investment opportunities. The output and process was useful since the help Ministry started to improve capacity, data at the local level from other side and to provide useful information to producers and potential investors from other side.
		4.1.2	Elaboration and implementation of the rural development program (2017-2020)	RCD FAD PAD SRCA	IMPLEMENTED Rural development policy, in a systematic way, was introduced in the Ministry in 2016 when the RD Strategy was developed, measures established and implementation (parallel by donors and Ministry) started.
4.2	Development of Georgian agricultural sectoral programmes, implementation and monitoring	4.2.1	Elaboration of the sectoral development programs (2015-2020)	FAD PAD RCD SRCA LEPL and NPLEUM APMA	PARTLY IMPLEMENTED MEPA has a sector programme link with measures and budget. However, since this is one of the key Ministry documents which is too large to extend definite agricultural and rural developments. All of the good practice for when we had to prepare these documents was done: formation of working groups; identification of obstacles to development of agricultural main directions; elaboration of relevant programs; study of the best international practice/experience; preparation of relevant target programs; permanent updates of current studies. However, due to the importance this process should be performed more deliberately.
4.3	Support the further development of geographical indication schemes and Georgian brands	4.3.1	Supporting the development of appellations of origin and geographical indications system (2015-2020)	NIPC NFA NWA	IMPLEMENTED Not only defined measures by the Action plan regarding GI (sharing the best practice; development of regulation; preparation/dissemination of guidelines; organizing the workshops) were implemented then much more.
		4.3.2	Identification and study of specific viticulture zones with perspective in order to increase vine production with geographical indication (2015-2020)	SRCA NWA	IMPLEMENTED This is one of the long term Ministry activities which are going according to the plan.
4.4	Support the development of seed and seedling production	4.4.1	Support to development of production of seed and planting materials (2016-2020)	SRCA FAD	PARTLY IMPLEMENTED Some of the measures are fully done like: analysis of current situation; creation of seed and planting materials producers; exporters and importers registry; support to the

					creation of the virus free and species wise guaranteed nurseries; support to dissemination/promotion and commercialization of nursery plants and planting materials of local rare and new species. However, many of the actions are partly done like Implementation of studies for using the optimal species root-stock; creation of the data base on the basis of received information; Improvement and promotion of production technologies of high-quality seed and planting materials. Some were not defined by the action plan and should have been.
4.5	Support the seed certification process	4.5.1	Introduction of the certification system in Georgia in full compliance with international standards (2017-2020)	SRCA FAD	IMPLEMENTED All actions are implemented: laboratory created; legislation established; alignment with international standards is done. Still there is a lot of work which has to be performed to establish successful seed and a certification system.
4.6	Breed development	4.6.1	Development of the breeding animal husbandry (2018-2020)	SRCA FAD	SHOULD NOT BE IMPLEMENTED IN THE PERIOD UNTIL 2017
4.7	Promotion of the post-harvest primary processing technologies (development of the storage, sorting, packing, processing and distribution sectors)	4.7.1	Promotion of the post-harvest primary processing technologies (development of the storage, sorting, packing, processing, distribution and logistic sectors) (2015-2020)	SRCA	IMPLEMENTED Primarily through APMA programmes "Project for Co-Financing Agricultural Products Processing and Storage Enterprises" as well as through EU and USAID donor projects these measures are fully implemented and continuing implementation.
		4.7.2	Determination of the demand for post-harvest technology and processing capabilities (2015-2016)	PAD RCD FAD APMA	IMPLEMENTED Policy and Analytical Department develop methodology and regular update the priorities based on the research and available information which are followed by grant assistance.
4.8	The increase of affordability of agricultural production materials and services	4.8.1	Plant the future (2015-2016)	APMA SRCA	IMPLEMENTED Project is implemented and continuing implementation. Until 2017 it has set up 2,515 hectares on new orchards.
		4.8.2	Small Farmer's 2015 spring support project (2015)	APMA	IMPLEMENTED As a result of the four-year program implementation, abandoned and uncultivated lands have become suitable for the use of agricultural purposes. Benefits ensured for small farmers within "Assistance to Small Farmers during the Spring Season" in 2016: 772,626 project beneficiaries receive support in cultivating 222,753 ha of land. A total quantity of beneficiaries 2013-2016 were 898,384.
4.9	The increase of affordability of	4.9.1	Research, classification and adaptation of agricultural modern	SRC FAD	IMPLENTED BUT NOT WELL-DEFINED MEASURES

	agricultural equipment		technologies of processing agricultural crops considering the specifics of Georgia's nature (2015-2020)	RCD Meh	The role of the Ministry is to create areas of environment for private sectors to have successful business operations in the field of agriculture. They are applying different technologies while research and extension services can send those messages about market trends and potential best practices. In those regards the Ministry established SRC and still is working on defining their role and making them functional.
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5.3.3.2. New measures 2018-2020 under SD4

Newly defined measures are focusing on the support projects that are already in the phase of implementation. Majority of them were not defined this way in the Action plan from 2015-2017. Hence, the new action plan is more precise with better developed indicators.

Table 18: New measures under Action plan 2018-2020 for SD4

Measure 4.1 Development, implementation and monitoring of sectorial agricultural programs	4.1.1 Support of the Georgian Tea Rehabilitation Program
	4.1.2 State Program "Rational Use of State Owned Grasslands and Pastures in High Mountainous Regions"
Measure 4.2 Supporting the further development of geographic indication and appellations of origin schemes	4.2.1. Support the further development of geographic indication and appellations of origin schemes
Measure 4.3 Supporting the implementation of the post-harvest services (supporting the development of storage, grading/sizing, packaging, processing and distribution sectors)	4.3.1 Co-financing of Agro Processing and Storage Enterprises
	4.3.2 Scientific Research of methods of storing agricultural products and processing them
Measure 4.4 Increase access to agricultural inputs and services	4.4.1 Plant the Future

5.3.4. SD5: Ensuring food security

Food security is a flexible concept as reflected in the many attempts at the definition in research and policy usage. Even a decade ago, there were about 200 definitions in published writings. The current one derived from the 1996 World Food Summit said that: "Food security exists when all people, at all times, have physical and economic access to sufficient safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life". Food security is a multi-dimensional phenomenon. National and international political action seems to require the identification of simple deficits that can be the basis for setting of targets, thus necessitating the adoption of single, simplistic indicators for policy analysis. Something like the "State of global food insecurity" analysis has to be undertaken. Since food insecurity is about risks and uncertainty, the formal analysis should include both chronic sub-nutrition and transitory and acute insecurity that reflects economic and food system volatility.

Having all of that in mind it is important that the Ministry is constantly:

- Measuring different aspects of food security indicators
- Taking food security aspects while designing policy measures

Table 19: Implementation level of SD5

5.1	Monitoring of food security	5.1.1	Establishment of Food safety monitoring system (2015-2020)	PAD; FAD; RCD	IMPLEMENTED Data quality in all segments important for food security indicators significantly improved. This helps so that food security measurement is improved. Consequently, MEPA is able to have better food security policies.
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The newly defined measure is a logical continuation of the previous one which aimed to establish a monitoring system while the new one is to regularly monitor and analyse the food security situation.

Table 20: New measures under Action plan 2018-2020 for SD5

Measure 5.1 Food Security monitoring	5.1.1 Food Security Situation Analysis
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5.3.5. SD6: Food Safety, Veterinary and Plant Protection³

In order to guarantee safe food to the local consumers and to open foreign market, Georgian agricultural products will need to fulfil food safety requirements. The role of the Government ensuring food safety is crucial since the Government defines level and speed of the policy creation, implementation and control.

During the last several years, Georgian Government reform efforts to develop the nation’s food safety system has been faster and more systematic than in any of the CIS countries. From one hundred employees with very limited capacities ten years ago, Georgian food safety system today is respectable and able to open foreign markets for Georgian products and ensure food safety products for local population.

LEPL National Food Agency of the Ministry of Agriculture of Georgia is the competent authority carrying out state control over the food safety, veterinary and plant protection fields. One of the main functions of the Agency is to protect human lives and health through the provision of safe food. The Agency’s activities are being implemented by the central office and 12 regional structural units.

From the total number of 29 actions that are defined by Strategy and the Action plan for 28, NFA is responsible for implementation. Majority of the actions are regular work of the NFA and should not be finished before 2020. Only 5 actions is planned to be finished before 2017 and all did finished at satisfactory manner. In particularly successes are made in:

- Establishment of human and capacity of the veterinarian, phyto and SPS policy makers and inspectors
- Harmonization of the regulations and laws with the EU legislation in the field of food safety, veterinary and plant protection;
- Increased number of control samples in all categories
- Improvement of communication with producers, traders, processors and consumers
- Improvement of coordination among food safety actors
- Improving working conditions by establishment of necessary infrastructure
- Establishment of the control plans and strategy for eradication of different diseases which is in the process of recognition by EU and OIE

Even better level of the implementation of the planned actions was achieved in those for which responsibility was under Laboratory of the Ministry of Agriculture of Georgia. From total 7 actions all are implemented fully except action regarding accreditation of the ISTA laboratory. Reason is the decision was made that LMAG laboratory will not go for ISTA certification then laboratory of the Scientific Research Center. Similar situation is when The GAC became an associated member of the European Accreditation (EA); however, it had not granted mutual recognition of accreditation of laboratories and other certifying bodies.

³ This report regarding food safety is focusing on evaluation of the Action plan 2015-2017 and is not going to detail in making recommendations for improvement of food safety since other independent evaluation reports are going into more detail, like: <http://www.epfound.ge/wp-content/uploads/2018/09/FSR-Assesment-2017-Final-Draft-ENG.pdf>

Table 21: Approximation plan for NFA

Policy Area	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Food Safety	16	13	9	6	7	9	7	7	8	7	4	9	-
Veterinary	10	9	7	9	7	7	5	9	3	5	4	6	3
Phytosanitary	4	3	3	9	8	10	4	10	12	7	7	8	-
Total	30	25	19	24	22	26	16	26	23	19	15	23	3

The approximation of the legislations is going fully in line with the plan regarding adoption of the laws in the parliament and very good regarding implementation of those legal regulations.

Table 22: Implementation level of SD6

6.1	Developing efficient and flexible food safety system that will be consistent with EU legislation and reflecting specific features of the Georgian agricultural market	6.1.1	Sanitary and Phytosanitary measures (SPS) in accordance with DCFTA (2015-2020)	FAD EU ID NFA	IMPLEMENTED Approximation is going according to the plan. Georgia is the only country with such results.	Food safety measures are difficult to evaluate separately since majority of the activities are interlinked. DCFTA's approximation plan from 2015-2027 were completed with 100% accuracy. MEPA has now approximated all 74 acts according to plan, with 38 related to food safety, 19 for veterinary standards, and 10 for phytosanitary protection. Only in 2017 NFA was responsible at control in: 196 slaughterhouses; 411 meat processing facilities; 105 dairy processing enterprises (including, 42 cheese enterprises); 1,129 public catering facilities; 422 food supply facilities at nursery schools and 247 – school lunchrooms; 35 enterprises working on fish and fish products; 62 agricultural markets; 47 enterprises working on Semi-finished products; 631 bread and pastry facilities, bakeries and confectionaries; 91 enterprises working on production of alcoholic and non-alcoholic beverages; 793 markets NFA implemented its “Institutional Reform and Development Plan,” where NFA conducted or facilitated numerous capacity building trainings
		6.1.2	Elaboration of technical regulations of food (2015-2020)	FAD NFA	IMPLEMENTED	
		6.1.3	Establishment of the modern and functional risk assessment system (2015-2020)	FAD NSRC NFA LMAG	IMPLEMENTED	
		6.1.4	Study by EFSA harmonized methodology of "actual nutrition" (2016-2017)	NSRC	PARTLY IMPLEMENTED It is ongoing discussion with GEOSTAT. It is late but with promising to be finished.	
		6.1.5	Risk Communication (2015-2017)	FAD NSRC NFA	PARTLY IMPLEMENTED	
		6.1.6	Registration of food business operators (2015-2017)	NFA	IMPLEMENTED Small holding still ongoing	
		6.1.7	State control of business operators (2015-2020)	NFA	PARTLY IMPLEMENTED	
		6.1.8	Laboratory investigation of food (2015-2020)	NFA	IMPLEMENTED	
		6.1.9	Activities to promote export of honey in to the EU (2015-2020)	NFA LMAG	IMPLEMENTED. Participating in Green week and other fairs	
		6.1.10	Activities to promote export of fish in the EU (2015-2020)	NFA LMAG	NOT IMPLEMENTED. Plan to do in forthcoming period.	
		6.1.11	Development and implementation of educational programs in order to improve competence and knowledge of authorized personnel	NFA	PARTLY IMPLEMENTED Permanent activity	

			(2015-2020)			including, 31 trainings, 1 workshop, and 2 study tours. The total number of things participated in by NFA is 322 and also, NFA organized 11 trainings on Standard Operational Procedures for a total of 243 FBO representatives and 120 NFA regional inspectors from all regions.
		6.1.12	Improvement of educational levels of food business operators, private sectors and farmers, media and consumers (2015-2020)	NFA	PARTLY IMPLEMENTED Permanent activity	
6.2	Veterinary	6.2.1	Electronic Integrated Disease Surveillance System will be introduced nationwide (2015-2020)	NFA	IMPLEMENTED	The NFA and the National Center of Disease Control and Prevention enhanced their communication and cooperation by establishing a joint committee to develop an epidemiological enteric control program, complete with improved laboratory testing requirements and processes. Vaccinations made in 2017 on 2,662,545 animals against FMD; 1,045,695 animals against anthrax; 280,576 animals against rabies; 232,751 cattle against brucellosis; 826,312 sheep and goats against sheep and goat pox; 341 461 small ruminants against PPR; 291,527 cattle were vaccinated against lumpy skin disease Tested: 153,088 cattle for brucellosis; 4,992 cattle and sheep and goats for non structural proteins (NSP); 1137 large and small ruminants on FMD structural protein (SP) NFA employs or contracts about 650 veterinary specialists of varying qualification, whose average age is 65 years old. This potential lack of qualified workforce is a significant issue.
		6.2.2	Development/implementation of preventive and elimination programs of animal infectious diseases (2015-2020)	NFA	IMPLEMENTED	
		6.2.3	Implementation of veterinary state control on the basis of risk assessment (2015-2020)	NFA	IMPLEMENTED	
		6.2.4	Introduction of livestock identification and registration systems (2015-2020)	NFA	PARTLY IMPLEMENTED Ongoing project FAO/SDC/ADA	
		6.2.5	Development of the strategic plan of activities to be conducted against infectious diseases on the basis of the National Program for Animal Health (2015-2020)	FAD NFA	IMPLEMENTED Permanent activity which is implemented accordingly until now	
		6.2.6	Testing and conducting laboratory research (2015-2020)	NFA LMAG	IMPLEMENTED	
		6.2.7	Registration and control schemes of veterinary pharmaceuticals will be improved in accordance with the EU and OIE requirements (2015-2020)	NFA	PARTLY IMPLEMENTED Ongoing activities	
		6.2.8	Development of the schemes for creation and issuance of veterinary certificates in accordance with OIE requirements. (2015-2020)	NFA	IMPLEMENTED	
		6.2.9	Creation of the modern system for disposal of biological waste, including cadaver destruction. (2015-2020)	NFA	PARTLY IMPLEMENTED Ongoing activities	
		6.2.10	Improvement of the veterinary educational system (2015-2020)	NFA	PARTLY IMPLEMENTED Many action are perform to fill this action	
6.3	Plant protection and phytosanitary reliability	6.3.1	Improvement of the registration system of pesticides and agrochemicals (2015-2020)	NFA	PARTLY IMPLEMENTED Ongoing project funded by Czech	
		6.3.2	Introduction of the system for preliminary prognosis of	NFA	IMPLEMENTED	

			spreading of pathogenic organisms (2015-2020)		
		6.3.3	Promotion of the complex combatting systems, including biological means, in the regions of intensive pesticide use and training courses for farmers. (2015-2020)	NFA	IMPLEMENTED
		6.3.4	In order to protect the country's territory against the occurrence and spread of harmful organisms, they should be monitored, supervised and diagnosed. Prognosis and combat activities should be conducted. (2015-2020)	NFA	PARTLY IMPLEMENTED This is one of the main activity of the NFA and main action under functioning of the food safety system.
		6.3.5	Development of the registry for business operators working in production of phytosanitary regulated objects, production, primary production, processing, distribution, as well as plant protection, pesticides and agrochemicals (2015-2020)	NFA	PARTLY IMPLEMENTED Going activities according to the plan
		6.3.6	Improvement of the phytosanitary certification system (2015-2020)	NFA	IMPLEMENTED
		6.3.7	Research of the plant protection integrated systems and implementation of the results of the research (2015-2020)	NSRC NFA LMAG	PARTLY IMPLEMENTED
6.4	Strengthen laboratorial capacities and validate methodological approaches to the current food safety, animal health and phytosanitary system	6.4.1	Accredited to ISO 17025; Certification ISO 9001: 2005 (2014-2015)	LMAG	IMPLEMENTED Certification obtained.
		6.4.2	Construction of new buildings and equipment to diagnose diseases of plant quarantine 2015	LMAG	IMPLEMENTED Building constructed and equipment in place.
		6.4.3	Plant disease diagnostic networks accreditation 2016	LMAG	IMPLEMENTED Accredited.
		6.4.4	Quality assurance system fulfilling the requirements of the ISTA Accreditation Standard (2015-2016)	LMAG	PARTLY IMPLEMENTED Decision was made that LMAG laboratory will not go for ISTA certification then laboratory of the Scientific Research Center. LMAG is able to perform seed testing from private sector.
		6.4.5	A full range of food testing capability in accordance with the requirements of EU - advanced analytical chemistry equipment for the food tasting, 2015	LMAG	IMPLEMENTED Plan is in place. Priorities defined, the purchasing and capacity building is developing based on priorities. Still lacking some equipment
		6.4.6	A full range of food testing capability in accordance with	LMAG	IMPLEMENTED

			the requirements of EU - microbiological and physico-chemical (2015-2020)		Plan is in place. Priorities defined, the purchasing and capacity building is developing based on priorities.
		6.4.7	Network functioning of detection of especially dangerous pathogens, EPIDEMIC. Surveillance and Response (2015-2020)	LMAG	IMPLEMENTED Based on priorities.

Newly defined measures are grouping actions based on the main food safety activities. Additionally budgeting is more accurate since it is more precisely linked with NFA budget. This is good approach since many of the actions are categorised as basic NFA activities. Hence, the new action plan is more precise.

Table 23: New measures under Action plan 2018-2020 for SD6

Measure 6.1 Establishment of the efficient and flexible system of food safety state control, approximation of Georgian legislation with the relevant EU legislation taking into account the peculiarities of the food chain in Georgia	6.1.1 Sanitary and phytosanitary (SPS) measures according to the Deep and Comprehensive Free Trade Area (DCFTA), between Georgia and the European Union
	6.1.2 State control of food safety
Measure 6.2 Veterinary	6.2.1 Animal health protection and identification – registration
	6.2.2 State control and monitoring of veterinary preparations
Measure 6.3 Plant protection and phytosanitary reliability	6.3.1 Plant protection and phytosanitary reliability
	6.3.2 Measures to be taken against brown marmorated stink bug
Measure 6.4 Strengthening Laboratory Capabilities and conducting International Standard-based studies (tests) in food safety, animal health and phytosanitary control	6.4.1 Diagnostics of food, animal and plant diseases

SD7: Environment and Biodiversity Conservation

Strategic direction number 7: Environment and Biodiversity Conservation have been the most moderately implemented. Also, it is difficult to measure activities like climate smart agriculture, response to the climate change, taking into consideration of the ecosystem approach etc. Only well implemented measures are those with clear links towards agriculture like variety conservation. The main reasons should be found in the facts that the Ministry of agriculture main indicators of the achievements are agricultural output, export of agricultural products, production improvement etc. Environmental protection is a crosscutting issue in agriculture. Additionally, the Ministry of agriculture doesn't have any environmental experts but mainly agronomists.

Many things will be changed after merging Ministry of agriculture and environmental and creating MEPA.

Table 24: Implementation level of SD7

7.1	Maintain good agricultural practices, biodiversity and environmental sustainability programmes	7.1.1	Promoting good agricultural practices in the agricultural sphere	SRCA RCD FAD	PARTLY IMPLEMENTED Good agricultural practice manuals are produced and some efforts are made in their implementation in the field.
		7.1.2	Promotion of bio-agro-methods and increase awareness of farmers toward bio production. (2015-2020)	SRCA RCD FAD	IMPLEMENTED Organic production is in the focus of Strategy as well as ministry activities. However, the level of the achievements is moderately the same as the level in any other CIS countries.
		7.1.3	Adoption of measures against of soil degradation (desertification, salinization, erosion) resulting from climate change.	ALMD	PARTY IMPLEMENTED The Ministry doesn't have many possibilities to implement those measures

					except to make information campaigns and to raise awareness among farmers.
		7.1.4	Elaboration of activities for development of aquaculture in Georgia, taken into consideration of ecosystem approaches (2015-2020)	SRCA FAD	PARTLY IMPLEMENTED Activities that were done were mainly related to the Inventory of fresh water and fish resources, to estimate the state of fish resources and economic assessment, usage of sustainable methods of fish natural resources creation of the legislation provision of the incentives. However, activities regarding fish breeding, management of Ichthyofauna, multi-objective optimization of fish breeding production was partly implemented.
7.2	Genetic bank development for conservation of agro-diversity and endemic species.	7.2.1	Creation of a Gene bank of domestic animals, fishes, insects useful for agricultural purposes (2015-2020)	FAD SRCA	IMPLEMENTED Georgia has one of the greatest ex situ gene banks of the grape variety. Creation of the Scientific research centre which is directly responsible for the maintenance of the collection, to significantly improve level and quality of the implementation. However, there is a need to expand the collection to other crops and constantly reform their description according to the international standards (IPGRI).
		7.2.2	Development of intensive agricultural technologies with reserving sustainable biodiversity. (2015-2020)	FAD SRCA	PARTLY IMPLEMENTED There are activities of the Scientific Research center in direction of the: (i) collection of the old varieties, (ii) field trials with purpose to select the most appropriated varieties. Other activities which have intention to provide adequate GIS mapping systems and evaluation of the existing production is partly implemented.
		7.2.3	Research and preservation of annual, perennial and rare forest gene pools, arrangement of collection plants, examination of species, best recommendations for production. (2015-2018)	SRCA	PARTLY IMPLEMENTED This action is difficult to measure and it is regular work of the SRCA and private sector.
7.3	Promotion of climate smart agricultural practise	7.3.1	Minimize the negative impact resulting of the climate change and natural disasters and establish the information base (2015-2020)	SRCA	Climate change is a topic in the MEPA Investigation of climate change parameters and to analyse risks of the impacts on the agricultural productivity. - Adopt new technologies in the agricultural sphere for insuring negative impacts of climate change. Prevention of negative processes on the agricultural biodiversity. - Adaptation to climate change in accordance with the EU-Georgia Association Agreement (Creation of windbreaks, rehabilitation of damaged forest, recultivation of soils, and implementation of other reconstructive measures).

The new measures are simplifying actions and making it more realistic and measurable.

Table 25: New measures under Action plan 2018-2020 for SD7

Measure 7.1 Developing biodiversity and sustainable environmental programs under the "Good Agricultural Practice" Principles	7.1.1 Promoting the introduction of "good agricultural practices" in agriculture
Measure 7.2 Creating/managing the genetic bank in order to maintain agribusiness and endemic varieties	7.2.1 Restoration and improvement of local varieties and populations of birds, fish and agricultural-rich insects and creation of genetic bank in Georgia
	7.2.1 Maintaining the gene pool of annual and perennial crops, developing their cultivation and care practices, as well as innovative technologies for bio-agro-production
Measure 7.3 Promote the introduction of climate-smart agricultural practices	7.3.1 Modernization of agriculture and market access and sustainability

6. Recommendations

General organisational and development recommendations:

- To continue: (i) to be absolute leader among CIS and SEE countries in attracting donor money for agriculture, (ii) be successful in donor coordination activities, (iii) building trust and partnership with all donors.
- MEPA is ready to be first among CIS countries (Moldova has some kind of Paying Agency) which will create a functional Paying Agency (by merging APMA, ACDA and ICCs). The PA, in a decent period of time, should be able to successfully manage the national agrarian budget (probably environmental as well), different donor grants and to receive accreditation for managing EU funds.
- Farm registry should be basic for the operations of the future Paying agency and consequently it is time to be established. Some of the new arises opportunities (satellite images, mobile phone application, own parcel drawings etc.) could be used.
- Combine agricultural and rural development strategies into one document which will be based on the European model of defining support policy which measures at two main pillars – direct and rural development support. Also, implement those policies according to the new approach.
- Land registration should be priority for the Ministry
- SRC still doesn't have a clear Scope of Work apart of the genetic resources
- Start to develop mechanisation market by privatisation of the LTd Mechanizatory
- MEPA is a big organisation, among the biggest Ministry (regarding number of employees per hectare, per budget) among the SEE countries. Consequently, management becomes more complicated. Therefore, Ministry should more focus at efficiency by constantly challenging procedures, processes and employees.

Main recommendations regarding SD 1

- Wine sector is important, with well-developed private sector. However, sector is still supported with significant budget. Impression and comparison with other countries shows that many of the actions can be transfer to the private sector.
- Finalise process of transformation of the National Wine agency into members driven organisation
- Agro-credits (action 1.4.1) gave good results, however it has to be challenged all the time. The key problem of the current schemes is that it is quite expensive (co-finances of the interest rate on the loans in an amount of 11%, up to 66 months or co-finances of the interest rate on the loans of 10%, up to 24 months). Interest rate is decreasing constantly in the World and Georgia and it is worthwhile to analyse if it is possible to achieve better results with Guaranty fund for agricultural loans, or reducing state contribution to the subsidised loans.
- Land consolidation and land registration activities (in responsibility of MEPA but in cooperation with other Government institutions responsible for land property as well as with donors) are too important to be neglected (actions 1.3.3)
- The ACDA establishment is proven to be good idea, however it is necessary to realistically look into the number and capacity of the formed cooperatives with intention to develop a policy which will go to the next stage of cooperation

Main recommendations regarding SD 2

- Paying Agency with all elements functioning well (see box: Farm registry, LPIS, Payment, IACS as basic tool of the Paying Agency) based on good experience from EU countries is one of the biggest challenges for the MEPA. This is the task which requires resources (human, money), knowledge and time. No doubt, MEPA policy makers are aware of the complexity of the task. Preparatory measures are done through Action plan 2015-2017, institutions and people collect knowledge and experience and time is to start and finish the process of establishing a functional Paying agency by merging APMA, ACDA and ICC with all functional parts - farm registry, LPIS, Payment, IACS.
- In the public institution's training programme is often neglected, or not systematic, neither based on properly defined training needs. Very often is it donor driven. MEPA management should insist on regular reporting and evaluation of the capacity of the employees as well as training programmes based on identified findings.

Main recommendations regarding SD 3

Obviously "Georgian Amelioration" LTD did good work in setting up new opportunities for irrigation for Georgian farmers, however, cost for this operation was not small and still is not sustainable since the total investment + operational cost is higher than the farmer's ability to pay for the service, therefore, sustainability of this approach is questioned and has to be:

- Constantly challenged and approached
- To permanently improve the efficiency on the service provision asking how can we do more with less.
- Focused on the project and area where demand exists
- Working not only at supply side, but also creating and increasing demand

Main recommendations regarding SD 4

Georgia adopted many reforms, therefore it is time to improve seed and planting material certification and agricultural input supply:

- Seed and planting material certification should be speed up, and have the quality improved.
 - Certified seed provides opportunity new technologies and improved varieties. It contributes to producer competitiveness increasing yield, quality and disease resistance.
 - Support in setting up new orchards (through Plant the future programme) can just be a "spreading disease programme" without proper planting material certification
- Input supply needs to be controlled better and to guaranty what is labelled in the bag to be exactly what is inside of the products obtained.

Other recommendations related to the SD 4 are:

- All elements of the Market information system (collection, process and dissemination) have to be improved
- Focus more on opportunity at foreign and local markets
- Establish a quality scheme (based on EU model) which will define all potential quality marks and implement those with the highest potential at local and foreign market

- Agricultural and rural development policies should be integrated and based on European model of defining support policies and measures at two main pillars – direct and rural development support.
- Establish legislation and create incentives for establishment of the livestock breeder associations which will be herd book holders
- Prepare multi-year sector / support programme at more systematic way using good EU experience (prepare sector study, objectives, where to focus – which sector, beneficiary, region, investment, good practice, measure capacity of absorption)