

External review of the project
“Market Opportunities for Livelihood Improvement (MOLI) in Kakheti”
(7F-07587.01)

Review Report
By Urs Egger and George Murvanidze

MOLI is the abbreviation of Market Opportunities for Livelihood Improvement. MOLI in Kakheti Project (MOLI-Project) is the first phase of a 4 years market systems development project, which started in November 2011 with a eight-month Inception Phase. The implementation phase is from 1 July 2012 and will last till 31 October 2015. MOLI-Project is financed by the Swiss Agency for Development and Cooperation (SDC) and implemented by HEKS-EPER (the aid organization of the Protestant Churches of Switzerland) in partnership with HELVETAS Swiss Intercooperation (HSI) and the Association of Business Consulting Organizations (ABCO Georgia). HEKS-EPER as implementer bears the operational and fiduciary responsibility; HELVETAS has assigned the International Team Leader to the Project Implementation Unit (PIU) and provides technical backstopping to MOLI-Project. ABCO is the local partner organization responsible for developing business development plans and doing capacity development for targeted private enterprises.

MOLI-Project works in 5 municipalities in Kakheti region in eastern Georgia, namely: Sagarejo, Signaghi, Dedoplistskaro, Lagodekhi and Kvareli. It is using the Making Markets Work for the Poor (M4P) approach for implementing its three components:

- 1) Improved **production** targeted support in the areas of animal health, breeding practices and nutrition.
- 2) **Marketing** aimed at measures for improving dairy hygiene standards (food safety) and modernizing businesses and operation practices of dairy enterprises (and since 2014 with a pig slaughter house)
- 3) **Governance** and advocacy aimed at facilitation of increased networking of farmers and small and medium enterprises

This report of the External Review is based on studying official documents of the MOLI project and field visits from 13 October – 16 October 2014. Preliminary results of the mission were presented to the MOLI team on 16 October as well as to HEKS-EPER Regional Desk and SCO (SDC) in Tbilisi on 17 October. Their feedback is included in this report. The review team (RT) wants to thank the MOLI team and the business partners visited for the perfect organization of the mission, their openness and good discussions. The review team presents its recommendations based on the views from a broad selection of implementers, policy makers, development partners, service providers, direct and indirect beneficiaries. Their views are validated in relation to the results achieved, successes that can be leveraged and up-scaled, and proposing solutions for challenges. At the end the RT will propose some options for a possible phase II of MOLI project. It is assumed that readers of this report are familiar with the MOLI project.

1. Overall impression about MOLI's approach

MOLI applies M4P principles to the three intervention areas of improved livestock production, market access and governance and advocacy. The development of value chains and market systems will be encouraged through a combination of technical and financial support. Improving product offers and business practices will drive modernization and expansion of agribusiness in the target districts, with shared benefits for target enterprises and beneficiaries. Co-financing of business partners' investments is a prominent project activity which deviates from pure M4P approaches. In order to minimize distorting effects the selection of business

partners is of utmost importance. The project team has fixed the following practices in the project document:

- competitive selection of target enterprises, creation of business development plans with specific milestones for assisting farmers, comprehensive monitoring of enterprise performance and a results-based investment support system.
- Forms of collective action that promote mutually beneficial relationships between beneficiaries and target enterprises and encourage equitable solutions to shared problems. Socially committed small and medium enterprises will develop non-adversarial commercial relationships with farmers, creating a type of collective organization that includes both farmers and small businesses. This model provides a replicable alternative to traditional forms of farmer collective action which has a very poor record of sustainability in the context of post-collective agriculture.
- Improving frame conditions for the livestock sector through improved governance within private trading relationships, in target districts and in the regional/national arena. This activity area will be coordinated with Government of Georgia priorities and will include modest funding support for high priority public goods and services.
- in line with the M4P approach, the project will act as a facilitator in the livestock market while avoiding to become a market actor itself. Service providers in livestock value chains will be strengthened by offering incentives for modernizing their business practices and technological processes in ways that will benefit small livestock farmers. This will be complimented by fostering interactions between market players aimed at increasing the incomes of subsistence and semi-subsistence farmers.

The MOLI team is following these principles since the beginning of the project with the exception of starting collective actions. Nevertheless, social aspects were one out of eight different criteria in the selection process of business partners. Considering social commitment and the willingness to engage fairly with farmers was an important criteria, but not the major one. Other criteria have been: entrepreneurial skills, longstanding working experience in the sector, supply chain network, financial capacity for co-investing, management and human resources etc. Independently of the selection criteria, entrepreneurs are self-responsible for the success of their businesses. However, it has to be stated that the start of the project was quite slow with a very long inception phase. Also the selection of business partners for co-financing based on business plans developed by the project partner ABCO was quite a slow process. Since hardly any of the business partners visited made use of the documents for developing their business nor were they used for getting loans from a bank. It is therefore to consider in future selection processes to use this tool only on a case by case basis.

2. Changes in the environment since project start

Both the macro-economic context and the specific agricultural framework environment have changed significantly since the program was designed in 2011-2012. This is partly due to the change of government in late 2012, partly due to a changing external environment. The Government elected in 2012 puts strong emphasize on promoting agriculture mainly through loans at subsidized rates. This opens new opportunities for business partners, which have to be considered by the project in future – meaning to reduce co-financing activities.

A second for the project relevant change is the more strict implementation of food safety regulations. This fact puts pressure on businesses in food value chains to comply with these regulations. Consequently, investments are necessary. Dairies and slaughterhouses are prominently affected by this policy change.

The summer 2014 was characterized on one hand by the municipal elections in June which were one year delayed and on the other hand by a severe drought. How far the newly directly elected heads and councils of the municipalities will support rural development can influence the MOLI project quite strongly. The drought has affected the fodder crops negatively which will further decrease the low productivity of winter milk production. On the other

hand milk prices in Kakheti have increased to winter level (0.80 – 0.85 GEL). Though, higher prices cannot compensate farmers' income losses due to lower delivery of milk.

3. Relevance of objectives, consistency of activities with the LFA and justification of geographic extension

In spite of the changes in the environment the objectives of the project are still relevant and remain valid:

The purpose of the project is to enable the livestock market system to function more inclusively for subsistence and semi-subsistence livestock farmers in Kakheti, resulting in improved incomes, wellbeing and resilience to livelihood related disaster risks.

Whether the project activities resulted in higher productivity of small farmers' cattle can't be assessed by the RT since data are not yet available. Trends of higher yields in agriculture and livestock can anyhow be assessed after 3 – 5 years only. Therefore, a consolidation of the outcomes achieved in a next phase makes sense.

The implementation of the project followed the planning as defined in the LFA. One question mark has to be put with respect to the number of farmers delivering to MOLI's partner dairies. The RT got the impression that in some cases the number of milk suppliers increased due to a switch of milk collection centres. If this should be proven by data collected overall milk production in the project area would not increase.

After the inception phase a geographic extension to 5 districts was decided. This decision was justified since the MOLI team could handle with the same capacities the activities in the larger area. Performing business partners could be found in all districts.

Overall the MOLI project is well functioning. After a slow start the activities are now in full swing thanks to a motivated team. The developed and implemented business model in the different value chains is functioning in most cases.

4. Results achieved in the three components

4.1. Production

4.1.1. Feed

Improved feed (additional premixes such as vitamins, minerals etc.) is available for beneficiaries. The mill business partners are in general well-functioning. Increasing demand by farmers shows that they can see an impact in the performance of their animals. The link to their input suppliers could be successfully established by the project. Some have visions for developing own brands, but the project up to now hasn't been fully supporting such marketing strategies. Due to the increasing number of feed suppliers marketing will gain importance.

4.1.2. Mechanization services (MSP)

Mechanization services are available and more beneficiaries have access to this service. The service providers try to optimize e.g. tillage and the use of land plots by farmers. The MOLI team is optimistically assuming that all mechanization service providers can become agricultural advisors and distributors of inputs such as seeds or fertilizers. The project has mobilized one input supplier to deliver training to MSPs. The long-term impact of this training needs to be assessed in two years-time. To the RT it seems rather doubtful that they will be the future channels for distributing inputs and providing consultancies. Most of these MSP are just able to supply their mechanization ser-

vices. Given the old equipment they are using makes its replacement in the next few years a prioritarian challenge.

4.1.3. Veterinary services

In the first round of co-financing several vet pharmacies participated. The project interventions focused on updated training of vets of pharmacies and information exchange between players rather than only on the linkage on drug supply. This was triggered by changing the way the input supplier is working with vet pharmacies, not just in the case of the 5 pharmacies in the framework of MOLI, but as well on the 43 pharmacies INVET is working in Kakheti region. This is an indication for crowding-in. Though, it is clear that the link to the drug suppliers existed already before the project started. Some of them are working with vet technicians providing veterinarian services to farmers.

Whether this has an impact on the health status of the beneficiaries' cattle has to be checked by data of the monitoring system. The prophylactic part of veterinarian services (e.g. vaccination) is covered by governmental actions. The MOLI team recognized the limited effect of this group of business partners and stopped the support in the second round of co-financing.

As new business approach the MOLI team tried to link vet services to dairies. This can become a promising approach, although the RT hasn't meet veterinarians being linked through contracts to dairies. The major constraint in vet services in Georgia remains the limited number of active and trained veterinarians available. Government has recognized this lack and is offering incentives for students to become veterinarians. However, this new policy will have an impact only in a few years. The increase in the number of services provided to beneficiaries can only be assessed by the monitoring data being available at the end of 2014.

One innovative approach of the MOLI team is the linking of vet services to the Nakhiri System (herding). This allows to analyze and to treat a large number of cattle at one place. This approach has the potential to decrease costs for farmers if logistics and vets are available.

4.1.4. Artificial insemination

Higher yields in milk and meat are influenced by several factors. Better genetic material is one of them. Correctly used can artificial insemination (AI) can have a broad effect in the herd quality countrywide. On this background it was reasonable to integrate a company providing semen in the beginning of the project. Unfortunately, the company Caucasus Genetics (CG) showed a low performance. They do have the monopoly for importing semen which hinders competitive service provision. CG is supported by several projects and Government in building-up the infrastructure for a bull station and trainings. In a meeting with the RT they expressed their hope that the governmental program for eradicating brucellosis will bring them new and secured business if bulls in the villages have to be slaughtered.

It is not surprising that in the project's areas in 2014 only around 100 inseminations were done. AI for pigs seems to be more interesting than for cattle. Small farmers remain reluctant due to high costs, unsecure impact and necessary changes of their farming system (no herding with bulls anymore). Successful AI programs need a national breeding policy which is not in place in Georgia. Without such a national policy no positive impact can be expected.

4.1.5. Recommendations

- 1) Feed: continue and put more emphasize on marketing to clients
- 2) Mechanization services: check on potential for input supplying such as seed, fertilizer etc. and try to find different and specialized distribution channels
- 3) Vet services: stop of co-financing vet pharmacies is correct; monitor success of vet service provision by dairies
- 4) Artificial Insemination: terminate the contract for financial support with Caucasus Genetics

4.2. Market access

4.2.1. Dairies

Dairies in Kakheti supported by the project have improved the hygienic conditions of their production units. At the same time the level of their products' quality (mainly cheese) could be increased thanks to MOLI's interventions. Most of the dairies supported should be able to comply with the new stricter NFA regulations.

Due to the extreme drought this summer milk supply by farmers was lower than in normal years. Therefore an assessment of the trend in milk delivery and productivity was not possible by the RT. A trend can be estimated after 4 - 5 years only. Most dairies have increased the number of their suppliers. However, in some of the dairies visited this might be due to a shift of milk collection centers from another dairy. Paying higher prices is the strategy for such movements. Consequently, the impact at the level of beneficiaries can only be checked when monitoring results will be available.

4.2.2. Input suppliers

MOLI's interventions to link the Company Invet to business partners is successful. This company is a larger provider of veterinary medicines and other vet materials. According to discussions with the owner of Invet the trainings supported by MOLI was strategically important to develop their network. They are interested to increase their business also in other regions of Georgia and would appreciate further support.

According to MOLI's information no other suppliers in the area of veterinary drugs were interested in collaboration. The fact that other projects (e.g. Mercy Corps) are working with different suppliers has to be analyzed in more details. It might be a hint that the market for vet medicines in Georgia is divided among only few actors (oligopoly) or that the MOLI offer was not interesting enough for others. With regard to input suppliers working with improved feed (vitamins and minerals) or seed there is a certain interest for collaboration by competitors such as AGRO Trading Ltd. This interest can be further used by MOLI.

4.2.3. Slaughterhouse

Due to MOLI's advice the slaughterhouse in Ninigori added a slaughter line for pigs. The intention is that the small farmers would bring their pigs for slaughtering. The slaughterhouse has to comply with the stricter rules newly introduced by NFA. Actually they have to renovate the lab room totally.

Given the fact that small farmers rarely slaughter pigs and that they are not obliged to follow the new hygienic standards for own consumption it is rather doubtful whether an impact at level of beneficiaries can be achieved. For medium or larger producers the new slaughter line due to recently introduced hygienic standards certainly will be useful. The vision of the company's owner to add an

own piggery might use the limited capacities of the slaughterhouse already to a large degree. As a consequence the impact at beneficiaries' level will be rather limited. The second objective of the owner is to integrate his business one step further in the value chain through transporting the carcasses with cooling facility to the Tbilisi market.

4.2.4. Recommendations

- 1) Dairies: Analyze cheese market and develop a diversification strategy in other dairy products due to the danger of market saturation in Georgia
- 2) Input suppliers: Attract other suppliers for vet and other inputs
- 3) Slaughterhouse: monitor closely the potential benefit for small farmers based on the household survey 2015

4.3. Governance, DRR, gender

4.3.1. Governance

MOLI's experience shows the difficulty to organize entrepreneurs. This is a problem in all regions of the world since their priority is the business development. But in Georgia it is an even more challenging project activity since the Government actually is in a process of decentralization. Therefore, addressing the entrepreneurs' needs at the right level of Government is not always clear. Shifting competencies between Central Government, Districts and Municipalities leads to necessity of parallel advocacy activities. Visiting the newly elected mayor of Sagarejo Municipality showed how the political authorities try to find their way mainly through fund-raising activities at national level. Without sufficient financial resources available from local sources municipalities will further struggle in achieving better infrastructure etc.

MOLI's activities have started only recently. Needs expressed by the working groups are e.g. improved pasture management, overhauling irrigation schemes, easing business, support for drought affected enterprises etc. They contacted several authorities at regional and national level. The answers are still pending. Since this activity is taking time and needs patience some business partners doubted the effectiveness of this approach in discussions with the RT. Showing results to the entrepreneurs involved in short time will be an important factor for the success of this component.

4.3.2. DRR

Providing information about drought resistant plants by MOLI was already before 2014 a part of the strategy in DRR. This year has clearly demonstrated that this was well chosen. For next year the project has planned that input suppliers establish demonstration plots. This activity will prove its effectiveness only in 2015. Should the natural conditions 2015 be characterized by normality the success of such known attempts might be rather limited. Nevertheless, improving farmers knowledge about better adapted plants and related agricultural practices remains a permanent need.

4.3.3. Gender

The environment in Georgia for addressing gender issues is generally difficult. So there are only 3 women among the business partners involved. MOLI's activities at municipality level only recently have started by organizing women in so called Women Initiative Groups for formulating their needs (e.g. kindergarten). Results are not yet available. Due to time limitations the RT couldn't visit activities in this area.

4.3.4. Recommendations

- 1) Governance: strengthen activities for establishing structures of entrepreneurs on voluntary basis (e.g. association) and link to similar activities in other regions of Georgia
- 2) DRR: monitor input suppliers activities in 2015 in providing seeds of drought resistant varieties and crops as well as demonstration plots. Do not limit DRR activities to drought resistant varieties introduction only.
- 3) Gender: continue the activities of the working groups and integrate gender criteria in selection process of business partners

5. Monitoring and evaluation

The MOLI team has reorganized the monitoring system. The team developed the result chains according to DCED standards (see annex). The RT has checked the now used result chains which represent the logic of MOLI's approach. The monitoring system is linked to the result chains. Not all data could be checked, since some are only collected on annual basis (end of 2014).

A household survey is planned for 2015. This survey has to be done on the same questionnaires as the baseline study in the beginning of the project. It should be delivering results especially about productivity gains at beneficiaries' level. These data will be important to assess the impact of the project activities.

Recommendation: Reallocate a part of the annual budget in order to finance the household survey 2015

6. Project set-up

The MOLI project set-up is characterized by a relatively complicated structure. Three partners are in the project implementation involved: HEKS, HELVETAS Swiss Intercooperation (HSI) and ABCO. These three partners play different roles in the project set-up:

- HEKS is the implementing agency and the contracting partner of SDC, bearing the overall responsibility and providing the administration of the project
- HSI as international subcontractor deputes the team leader to the project and provides backstopping for the M4P approach
- ABCO as local subcontractor provides services for the business partners (business plans) which are separately paid by MOLI as project activity

This complicated structure has the potential to lead to sometimes unclear situations about decision making. This is especially the case for administrative issues which need to be signed by HEKS responsible staff working in Switzerland. Since the team leader is not allocated from the implementing agency the administrative competencies are too limited and decision making takes quite some time.

All these aspects have been discussed with the representatives of the organizations involved. Not surprisingly they have differing views on this aspect of the project implementation. Up to now no open conflicts have come up, but some concerns were raised that for the next phase a clarification of the roles and more efficient administrative mechanisms should be envisaged.

Recommendation: Lead agency discusses with its subcontracted partners ways of optimizing the set-up. Review the project set-up for next phase by SDC in discussion with the lead agency.

7. Performance of the MOLI team

In general the MOLI team is very motivated and well performing. The professional capacities are adequate for the tasks at the moment. It might be useful to build-up team members with a marketing background. Indicators as shown in the semi-annual report 2014 give strong hints that the outcomes by end of the phase should be achieved (see Annex 4). The financial data in the reports are within the budget frame.

Recommendation: Strengthen the team's marketing competencies as well as for Governance aspects in preparation for next phase.

8. Sustainability of the systemic changes

Basically, the business partners' models are functioning. After roughly one and a half year of implementing business partners activities a profound estimation of the sustainability is not yet possible. Some of the results chains already have "crowding-in" boxes allowing measuring sustainability of MOLI interventions. Those boxes – as it is the requirement of the DCED Standard – are measured in the Monitoring and Results Measurement Plans. Nevertheless, more attention in monitoring crowding-in effects could be given in future.

Recommendation: Include sustainability indicators in the monitoring system and the planning process for next phase

9. Ideas for strategic orientation of a second phase

9.1. Options

The positive experience of the MOLI business models should be extended to a larger area. At the same time some activities need further support in order to consolidate the results achieved. The following options can be combined to an overall project concept. Since this needs further investigations and studies the following ideas are presented as options. Most of these ideas were developed by the MOLI team and discussed with the RT.

- 1) Consolidation of existing experience and lessons learned in the dairy and meat value chain in the five actual districts
- 2) National actors in input supply such as e.g. Invet follow their business model and replicate it in other areas of Georgia. These relatively large actors don't need financial support for their business extension. However, if they would like to use the training material developed by the project MOLI should provide these materials.
- 3) Develop new value chain: poultry. The positive experience in the development of livestock value chains could also be implemented in the poultry value chain. Poultry exists on all small farms. However, the animals are mainly used for own consumption. In urban areas consumers are searching for poultry raised under natural conditions in rural areas. This potential could be used by small farmers with much lower investments necessary than e.g. in piggeries. The additional quantities produced would substitute imports to Georgia. The feed mills provide poultry feed already today. The poultry value chain offers quite a high potential for increased income of small farmers.
- 4) Expand the project to all districts in Kakheti except mountainous areas. The idea of extending the project area was an option since the beginning of the project. It would allow increase the out-reach of the successful approach.
- 5) Strengthen discussions about community owned pasture management. For small scale farmers being active in livestock pastures will remain a major source of fodder. Since the use of the pasture under municipalities' responsibility in most cases is not clearly regulated overgrazing is a common problem in Kakheti. The Governance component has the issue brought on the table. Since it is a problem all

over the country improvements in this area would be a very useful contribution for small livestock holders in Kakheti.

9.2. Necessary steps in between

In preparation of a second phase several steps are necessary. The MOLI project could take up the following recommendations in 2015:

- 1) Study dairy, meat and poultry markets at national level
- 2) Define external support to MOLI for the coming planning process
- 3) Review the backstopping concept in relation to the strengthening of team capacities in marketing

Tbilisi and Zurich, 10 November 2014

Annexes

1. Program of the mission

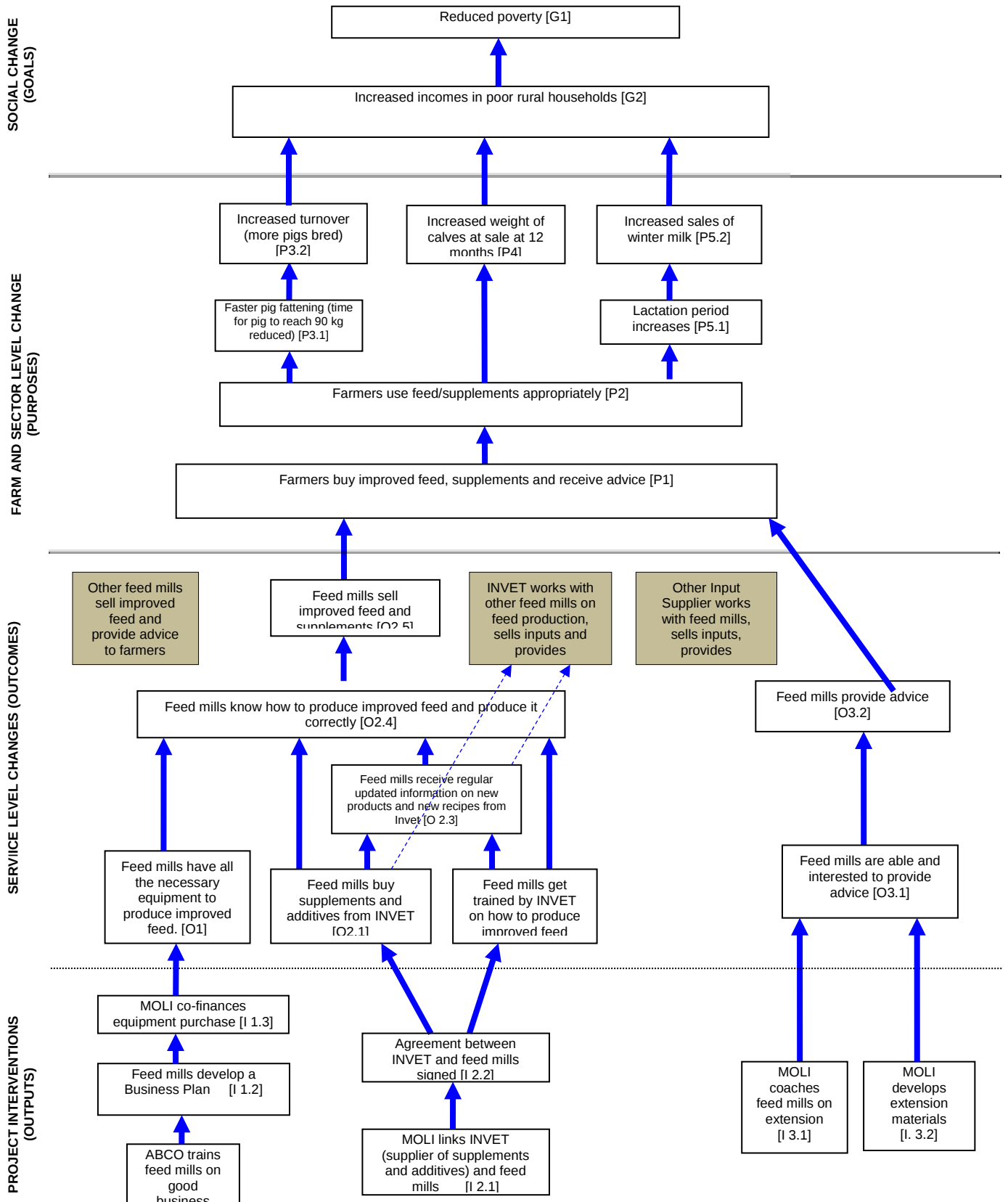
Date	When	Where	What	Remarks
Sunday, 12.10.2014			International Travel	SCO will organize transport from airport and book hotel
Monday, 13.10.2014	09:30 – 11:00h	SCO Tbilisi	Briefing of review mission with SDC	09:15 SCO driver will pick up at the hotel
	11:00 – 14:00h		Travel from Tbilisi to Signaghi; check-in at hotel in Signaghi	SCO will provide car and driver; MOLI-Project will book hotel rooms for review team
	14:00h – 19:00h	MOLI-Project Office	- Meeting the MOLI-Project team; - Presentation of MOLI-Project development and interventions	
Tuesday, 14.10.2014	09:00 - 09:40h	MOLI-Project Office	Meeting with the Senior Coordinator and Coordinator Production (Elene and Pavle)	
	09:45 - 11:00h	Signaghi - Qvemo Qedi	Travel	Field visit to project partner businesses and stakeholders in Dedoplistskaro district
	11:00 - 11:40h	Qvemo Qedi	- Omar Tuqsishvili (MSP)	
	12:00 - 12:45h	Zemo Qedi	- Besik Kavtaradze (Feed mill) *	
	12:45 - 13:45h	Zemo Qedi - Samreklo	Travel	
	14:15 - 15:00	Samreklo	- Jimsher Khatiashvili (Dairy)	
	15:20 - 16:00	Dedoplistskaro	- Beka Gonashvili (vet. Pharmacy and AI)	
	16:00 - 17:00	Dedoplistskaro - Signaghi	Travel	
	17:30 - 19:00h	MOLI-Project Office	Meeting with the Team Leader and Deputy Team Leader (Carsten and Ato)	
Wednesday, 15.10.2014	09:00 - 09:40h	MOLI-Project Office in Signaghi	Meeting with the Governance Coordinator and M&E Coordinator (Nino and Lavros)	
	09:45 - 10:45h	Signaghi - Sagarejo	Travel	Field visit to project partner businesses and stakeholders in Sagarejo district
	10:45 - 11:15h	Sagarejo	- Tamaz Tiginashvili (Feed mill)	
	11:30 - 12:15h	Sagarejo (Municipality Office)	- Giorgi Gzirishvili (Sagarejo Gamgebeli) *	
	12:30 - 13:30h	Center for Civil Engagement	- Meeting with Regional Development Centre (RDC) Ms Liza Sopramadse	
	13:45 - 14:15h	Sagarejo - Badiauri	Travel	

	14:15 - 14:45h	Badiauri	- Guram Nadashvili (Feed mill) *	
	14:45 - 15:15h		- Otar Gigiloshvili (MCC) *	
	15:15 - 16:00h	Badiauri - Signaghi	Travel	
	16:15 - 17:00 h	via Skype	Skype meeting with David Shalamberidze, Director INVET Ltd.	
	17:00 - 18:00h	MOLI-Project Office in Signaghi	- Konstantine (Koka) Zhgenti (ABCO)	Business Consultants; Partner organization in MOLI-Project
	18:15 - 19:15h	MOLI-Project Office in Signaghi	- Meeting with Deputy Team leader, Team leader, Senior Coordinator and Coordinator Governance & Advocacy: presentation about initial ideas of MOLI-Project phase 2	hand-out provided to review team
Thursday, 16.10.2014	09:30 - 09:45h	Signaghi - Tsnori	Travel	Field visit to project partner businesses and stakeholders in Signaghi and Lagodekhi districts
	09:45 - 10:15h	Tsnori	- Besik Kochiashvili (Vet. pharmacy) *	
	10:45 - 11:15h	Natsisqvilari	- Robert Barbakadze (Feed mill)	
	11:45 - 12:30h	Ninigori	- Vasil Sesitashvili (Slaughterhouse)	
	12:30 - 13:15h	Ninogori Signaghi	Travel	
	15:30 - 17:00h	MOLI-Project Office in Signaghi	Meeting the MOLI-Project team: presentation of preliminary findings and feedback by the review team	
	17:00 - 19:00h		Travel from Signaghi to Tbilisi	SCO will book hotel in Tbilisi
Friday, 17.10.2014	12:00 - 13:00h	Office of input supplier in Tbilisi	Dimitri Kvirikashvili (Caucasus Genetics)	Meeting with Input Supplier/Extension and Information Provider and/or other stakeholders in Tbilisi
	13:15 - 14:30h	HEKS-EPER Office Tbilisi	Nana Topuridze (Regional director)	Meeting with HEKS-EPER Regional Director South Caucasus
	15:00 - 16:30h	SCO Tbilisi	Debriefing with SCO	
Saturday, 18.10.2014			International Travel	SCO will organize transport from hotel to airport

* People involved in Governance activities

2. Result chains: the example of feed mills

Farmers benefit from improved feed production through engagement of feed mills (simple feed mill model)



Annex 3: Impressions



Welcome to MOLI Office



Mechanization Service Centre in Qvemo Qedi



Farmers packaging their cereals grinded at the feed mill in Zemo Qedi



Pig fattening as side business of the feed mill in Sagarejo



Stocking feed stuff for selling in winter at the mill in Sagarejo



Feed formula provided by the input supplier and used by the mills



The Municipality Office in Sagarejo



The mill in Badiauri



The milk collection centre in Badiauri



The famous city wall of Signaghi



Small mill in Nathisqvilari before up-grading



Waiting for the end at the slaughterhouse in Ninigori



The installation of the slaughter-line for cattle in Ninigori

Pictures by Urs Egger

Annex 4: Indicators at Output level by June 2014

The following table provides more detailed data about achievements of outcomes and outputs as of June 30, 2014.

Outcomes	Indicators	Reporting Period Achievement	Targets for entire phase
Outcome 1: Subsistence and semi-subsistence livestock farmers have increased production due to improved access to services, inputs and information on animal health, breeding and nutrition;	Number of communities covered by target services	70 communities covered; 1,514 households in 48 villages use treatments, of which 48 are female headed households.	1,800 households use treatments that reduce cattle mortality
	Number of subsistence and semi-subsistence livestock farmers accessing target services & information (Men/Women)	3,592 farmer households accessing target services & information (141 female headed households); 1,240 households have access to AI (26 female headed households)	1,800 households have access to AI or improved bull rotation
	Number of subsistence and semi-subsistence livestock farming households with access to improved animal nutrition	2,078 households (93 female headed households)	3,900 households have access to improved animal nutrition
	Service providers with improved business practices/acumen & outreach to subsistence and semi-subsistence livestock farmers	29 Rural SMEs plus 2 larger businesses supporting livestock farmers	45 target businesses
Outcome 2: Subsistence and semi-subsistence livestock farmers have increased their income and improved their well-being due to more favorable market access and terms of trade for dairy and meat products	% reduction in transaction costs of subsistence and semi-subsistence livestock farmers	To be measured annually (household survey)	10% reduction
	% reduction in transaction costs of female subsistence and semi-subsistence livestock farmers	To be measured annually (household survey)	10% reduction
	% increase in volume & value of trade of subsistence and semi-subsistence livestock farmers through supported/compliant entities	To be measured during household survey	20% above inflation
Outcome 3: Local and regional governments have the capacity to support inclusive and coherent growth of the agricultural sector which is more resilient to livelihood related disaster risk and are engaged with beneficiaries and stakeholders to support inclusive and coherent growth of the livestock sector which is more resilient to livelihood related disaster risks.	# of processing & intermediary entities integrating food safety compliance into business planning & practices	9 companies plus 2 non-compliant companies with a plan but no action.	20 enterprises
	# of households participate in supply chain management schemes to improve productivity, food safety and quality.	866 households	At least 800 farm households
	# of joint public/private sector agricultural initiatives supporting livestock development at municipal level	3 initiatives ¹⁵	at least 3
	% of village representatives with increased awareness of local agricultural policy and improved capacities to mitigate/prevent relevant local disaster risks.	To be measured annually (survey at same time as household survey)	at least 50%
	# of quality DRR (prevention & mitigation) measures implemented	2 Initiatives ¹⁶	at least 3
	Adequate structures and processes established to discuss local economic development (livestock sector inclusively) .	Working groups and stakeholder committees exist and are working in 3 target districts	at least 3

Source: HEKS-EPER, Semi-annual report 1.1.2014 – 30.6.2014, MOLI in Kakheti Project, Phase I