



ALCP | Alliances 2
Caucasus
REGIONAL MARKET ALLIANCES IN THE SOUTH CAUCASUS

ALLIANCES CAUCASUS 2
BI-ANNUAL REPORT,
MAY 1ST TO DECEMBER 31ST 2022



Schweizerische Eidgenossenschaft
Confédération suisse
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**Swiss Agency for Development
and Cooperation SDC**

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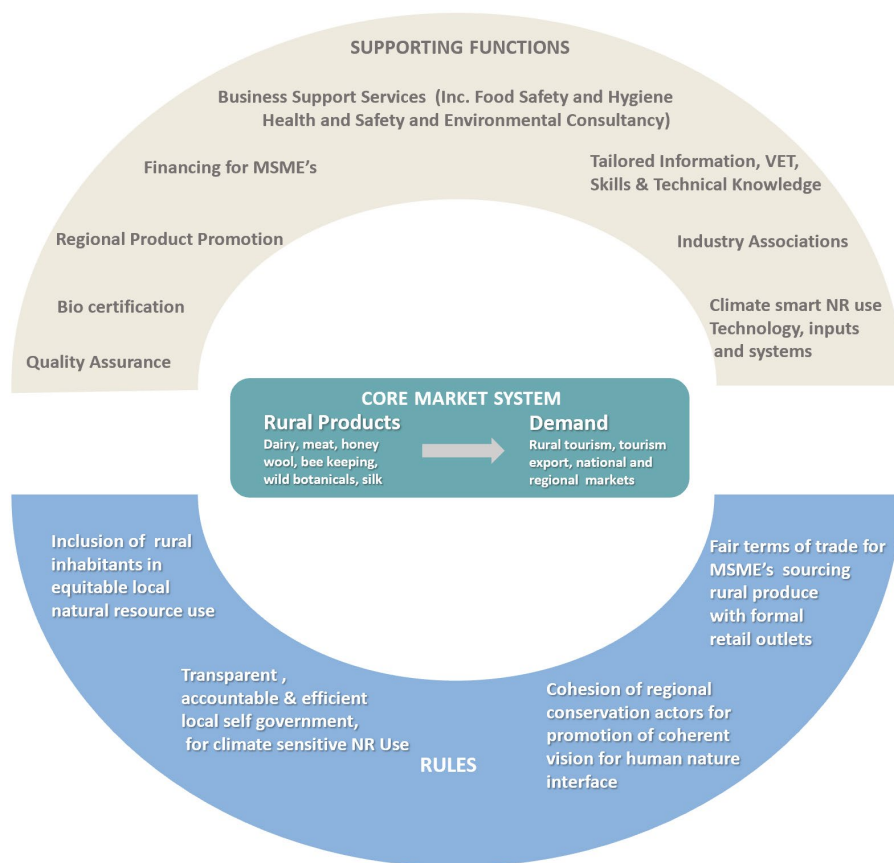
**Austrian
Development
Cooperation**



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Alliances Caucasus 2 runs from May 2022 to April 2026 with a budget of 6 million CHF. It is a market systems development programme funded by a consortium of donors, the Swiss Development Cooperation (SDC), Sweden and the Austrian Development Cooperation. It targets rural producers in Georgia, working in the rural product core market system and with associated supporting functions and rules. Its purpose is to increase incomes and improve livelihoods through better, sustainable productivity, resilient market access, local employment opportunities and more equitable inclusion in local natural resource use. Implemented through the lens of environmental sustainability it will seek to augment the lives of rural inhabitants through developing their knowledge of the value of rural resources and the potentiality of the environment in which they live. It will increase their participation in decision making concerning these resources and the availability of knowledge, inputs and skills to enable them to profit sustainably from them. It will tap into and further build a sustainable platform for rural producers to participate in added value, export and tourism markets.



Rural Producer Market System Diagram with Proposed Areas of Intervention

ALCP 2 will utilize extensive networks with all levels of the private sector, civil society and government. It will work in new as well as existing regions of programme operation in Georgia, including a new focus on Western Georgia; Samegrelo, Guria, Racha and Imereti as well as in other areas of the Northern Caucasus where entry points develop, for example for Georgian regional product development. It will continue to promote regional cross border trade and initiatives in information and equitable access to decision making between Georgia, Armenia and Azerbaijan. It incorporated in the first six months, a market research phase to deepen market research on new regions, value chains, key market actors and target group.



ALCP2 Operations and Outreach

Alliances began in pilot form in 2008¹. It became a flagship market systems development programme, enshrining some of the most fundamental concepts of MSD within its own development, flexibility, adaptation to context, iterative development, rigorous ongoing market intelligence, sensible resource use, in house capacity and commitment to inclusivity and sustainability. The ALCP 2 will build on and utilize over a decade of impact², experience, thought leadership and materials development. Therefore, ALCP 2 will not be starting from scratch, momentum in existing value addition and quality assurance interventions, local community outreach from Women's Rooms as well as ongoing environmental development initiatives emanating from the Goderdzi Alpine Garden, will be facilitated to equitably expand further in dairy, honey, rural start-ups and sustainable local rural development and impact will be registered from the beginning. The Alliances Results Measurement System has been run according to DCED standards since 2011 and was audited twice. The ALCP 2 Results Measurement system will also be built according to DCED standards and will be audited around the 24-month mark of the implementation phase.

¹ The Alliances programme, a market systems development programme working in the livestock market system in Georgia, was a Swiss Development Cooperation (SDC) project in cooperation with the Austrian Development Cooperation (from January 2020) implemented by Mercy Corps Georgia. It began in 2008 in Samtskhe Javakheti (SJ), Georgia. Alliances Kvemo Kartli (KK) was opened in 2011 with a second phase awarded to SJ. In 2014, the second phase of an expanded Kvemo Kartli was merged with a new branch of the programme in Ajara and a two year 'standby phase' (monitoring and sustainability phase) in SJ to form the Alliances Lesser Caucasus Programme (ALCP). From 2014 as the Alliances Lesser Caucasus Programme, Alliances management, programming and operations were fully harmonized. The programme has achieved substantial scale and systemic change well beyond the initial designated programme areas and targets and devoted itself to learning, excellence and participation in a global community of practice in Market Systems Development (MSD) including being twice successfully audited by the DCED Standard for Results Measurement (Donor Committee for Enterprise Development). It furthered learning and practice in Women's Economic Empowerment and harnessed market systems programming to generate significant impact in transversal themes with a 54% average of female usage and access across all interventions.

² From October 2008 to March 2017, 403,101 income beneficiary HHs generated 34.7 million USD (79.79 million GEL) in aggregated net attributable direct and indirect income for farmers, businesses and employees. From April 2017- to April 2022, the five year, 7.82 million CHF *Alliances Caucasus Programme* (ALCP),² utilized the platform created by the ALCP to significantly contribute to building sustainability in the SME sectors, regional promotion through cross border exchange and trade and export in the dairy, meat, honey and wool value chains. Scale: 56,181 direct, 33,382 indirect, improved information 388,810 Livestock and Honey Producers. NAIC: 21.1million USD (farmers 10.3, clients 6.3, employees 2.7 indirect 1.8.). Jobs: 457 (243 women, 214 men). Systemic change 33 cases crowding in, 64 cases business expansion. WEE % across all interventions 38% participating in decisions made on agricultural activities, 61% agency over spending/management of money derived from these activities. Export; 17 destination countries. Total Value 37.6 USD. See ALCP Impact Assessment 2017-2022 for more details.

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LIST OF ABBREVIATIONS

ADA	Austrian Development Agency
ADC	Austrian Development Cooperation
AI	Artificial Insemination
AJ	Ajara
ALCP	Alliances Caucasus Programme
AMR	Animal Movement Route
BDS	Business Development Services
BEAM	Building Effective and Accessible market
BEAT	Business Environmental Audit Tool
BEC	Business and Economic Centre
BIG	Business Institute of Georgia
BSEA	Black Sea Eco Academy
CARM	Community Accountability Reporting Mechanisms
CBA	Cost-Benefit Analysis
CEDAW	Convention of the Elimination of Discrimination Against Women (UN)
CEDRIG	Climate Environment Disaster Risk Reduction Implementation Guidance
CENN	Caucasus Environmental NGO Network
CIS	Commonwealth of Independent States
CHF	Swiss Franc
CNF	Caucasus Nature Fund
CSR	Corporate Social Responsibility
DCED	Donor Committee for Enterprise Development
DCFTA	Deep and Comprehensive Free Trade Agreement
DRR	Disaster Risk Reduction
DRRWG	DRR Working Group
EASC	Euro-Asian Council of Standardization Metrology and Certification
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EEU	Eurasian Economic Union
E+I	Employment and Income Network (SDC)
ENPARD	European Neighbourhood Programme for Agriculture and Rural Development
EUAA	European Union Association Agreement
EU	European Union
FAO	Food and Agriculture Organization
FFI	Flora and Fauna International
FS&H	Food Safety and Hygiene
FSIB	Food Safety Inspection Body (Armenia)
GARB	Georgian Association of Regional Broadcasters
GBU	Georgian Beekeepers Union
GEL	Georgian Lira (currency)
GEDSI	Gender Equality, Diversity and Social Inclusion
GHG	Green House Gas
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GMF	Georgian Milk Federation
GNTA	Georgian National Tourism Administration

GoG	Government of Georgia
GOST	Technical Standards maintained by EASC
GMP	Good Management Practice (FS&H assessment)
GMA	Georgian Marketing Agency
GMM	Georgian Milk Mark
GRETA	Green Economy: Sustainable Mountain Tourism and Organic Agriculture
GSA	Georgian Shepherds Association
GWC	Georgian Wool Company
HACCP	Hazard Analysis Critical Control Point
HH	Household
HoReCa	Hotel Restaurant Café
IAAD	International Association for Agricultural Development
IE	Individual Entrepreneur
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
ILO	International Labour Organization
ISF	Investment Support Facility
IUCN	International Union for the Conservation of Nature
JBA	Jara Beekeepers Association
KK	Kvemo Kartli
LAG	Local Action Group
LHP's	Livestock and Honey Producers
LLC	Limited Liability Company
LSG	Local Self Government
MAP	Monitoring Action Plan Meeting
M4P	Making Markets Work for the Poor Approach
MC	Mercy Corps
MFI	Micro-Finance Institution
MIA	Ministry of Internal Affairs in Georgia
MOU	Memorandum of Understanding
MENA	Middle East and North Africa
MEPA	Ministry of Environmental Protection and Agriculture
MOAA	Ministry of Agriculture Ajara
MRDI	Ministry for Regional Development and Infrastructure
MSA	Market Systems Approaches
MSD	Market Systems Development
MSME	Micro, Small and Medium Enterprise
NAIC	Net Attributable Income Change
NAITS	National Animal Identification Registration and Traceability System
NDC	Nationally Determined Contribution
NLA	National Agency for Sustainable Land Management and Land Usage Monitoring
NFA	National Food Agency
NNLA	Non-entrepreneurial Non-commercial Legal Entity
NNLP	Non-entrepreneurial Non-commercial Legal Person
OPA	Outside Programme Area
PPP	Public Private Partnership
RC's	Results Chains
RDA	Rural Development Agency

SDA	Strategic Development Agency
SCCSF	Support Centre for Civil Society Formation
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goals
SCO	Swiss Cooperation Office
SECO	State Secretariat for Economic Affairs
Sida	Swedish International Development Cooperation Agency
SJ	Samtskhe-Javakheti
SME	Small & Medium Enterprise
SPPA	Support Programme for Protected Areas (GFA Consultants Group)
SRCA	Scientific-Research Center of Agriculture
TJS	Transboundary Joint Secretariat (WWF)
TOR	Terms of Reference
TRACES	Trade Control and Export System
UK	United Kingdom
UNDP	United Nations Development Programme
USA	United States of America
USD	United States Dollar
WEE	Women's Economic Empowerment
WWF	World Wildlife Fund

INTRODUCTION TO THE ALCP2 REPORT

The ALCP2 report aims to give a thorough overview of programme implementation including progress against targets. To keep the main body of the report concise, detailed information has been included in comprehensive annexes. For a full and in-depth picture of programme activity and impact it is necessary to read the annexes. They include a description of qualitative, systemic and undefined impact, a selection of stakeholder perspectives, a full breakdown of all investments made in the reporting period and varying short case studies, reports or infographics highlighting happenings of note within the reporting period in more depth than is possible in the main body of the report. The ALCP2 maintains an extensive library of all publications on www.alcp.ge

1. STRATEGIC PROGRAMME OVERVIEW

This section contains a summary overview of the programmes achievements and progress to date and indication of the likelihood of achieving its stated aims. It includes a description of main steering implications for the direction of the programme in the next reporting period and any major constraints to programme implementation.

Table 1 Estimated Impact for ALCP2 May 1st, 2022, to November 30th 2022

Purpose: Income increased, and livelihoods improved for rural producers due to better, sustainable productivity, resilient market access, local employment opportunities and more equitable inclusion in natural resource use.	
Purpose Level Indicators	Total estimated results (% Against Target)
# of smallholder farmers/rural producers with increased incomes from agricultural production/natural resource-based livelihoods	1,153 (47% Women, 35% ethnic minority ⁱ) (6% of targeted 20,000)
# of persons having new or better employment	21 (11 Women / 10 Men, 33% ethnicity) (14% of targeted 150)
Increased income of rural households*	1,542,835 GEL / 528,368 CHF (54% for Women, 40% for ethnic minorities) (17% of targeted 9 million GEL / 2.8 million CHF) indirect
NAIC value generated by employees	81,150 GEL / 27,791 CHF (4% of targeted 2 million GEL / 0.6 million CHF)
NAIC value generated for programme clients	671,609 GEL / 230,003 CHF (13% of targeted 5 million GEL / 1.6 CHF)
NAIC value generated by crowding in entities	N/A (1 million GEL / 0.3 million CHF)
NAIC value of MSME financing and public grants	656,820 GEL / 224,938 CHF ⁱⁱ (33% of targeted 2 million GEL / 0.6 million CHF)
% of rural inhabitants/producers with improved general sense of wellbeing/positivity going forward/inclusion	N/A (20%).

* This will be measured as Net Attributable Income Change (NAIC) generated by activity directly attributable to the programme for the HH's of Rural Producers targeted and impacted by the programme.

1. *Programme Operations* all offices are open and functional including a new outreach office in Oni town, Racha which serves as an outreach office for West Georgia. Offices now include Marneuli Main Office, Batumi West Georgia Office, Telavi, Kakheti Sub Office and Oni, West Georgia Outreach Office.

2. *Programme Implementation:* The total consortium budget of the Mercy Corps ALCP2 is 6 million CHF. A grant agreement was signed with Sida in October with funding agreed for SEK 23 000 000 (Swedish kronor twenty-one million) equivalent to 2 million CHF. A grant agreement with SDC was signed in April 2022 for 3 million CHF and final consortium member ADA is anticipated to conclude a delegated cooperation in January with SDC for 1 million CHF following discussions over various funding models. As well as ongoing interventions in honey, dairy, women's room support and animal movement route support, the ALCP2 included an integrated market research phase in the first reporting period. Practical coordination with key SDC and ADA funded programmes NAITS and RSMEDP for intervention design in apiary registration and financial services to dairies and potentially honey sector companies was ongoing in the reporting period. The ALCP2 has undertaken to continue facilitation of the Animal Movement Route developing in the reporting period a AMR Sustainability Road Map. Please see Annex 5 Animal Movement Route Facilitation and Monitoring

Market research field work was successfully concluded in six months and analysis and report writing continued until December. The livestock producer and beekeepers focus group survey focussing on target group perceptions of climate change has been pivotal to applying the lens of environmental sustainability and climate change adaptation to rural producers and MSME's dependant on natural resources. Market research reports and focus group reports were concluded for Outcome 1 Inputs and skills, Outcome 2 honey export and queen bee production, regional Lori (bacon) production, wild botanicals and silk. Under Outcome 3 a governance report and a local natural resource use focus group report were undertaken. A Gender Equity Diversity and Social Inclusion (GEDSI) Report was finalized for the whole programme and GEDSI and climate change mainstreamed in all sectoral reports. The market research revealed many new stakeholders in new regions in the new value chains, supporting functions and rules. Analysis was concluded and entry points established ready for implementation to commence in January 2023. All reports can be found in the library at www.alcp.ge

3. *Mercy Corps Georgia:* Mercy Corps Georgia contributed to Mercy Corps emergency interventions in Ukraine by sending Logistics staff on temporary Short-Term Assignment (STA). Mercy Corps ALCP2 Operations Logistics Manager and Procurement Logistics Officer both did three months and two months respectively in Ukraine, Moldova and Romania. The ALCP2 team worked hard to cover the outstanding workload. A Mercy Corps internal audit will be conducted in spring for three weeks and a new online procurement system will be transitioned in March. A Gender Diversity and Inclusion Diagnostic of Mercy Corps Georgia programmes will also be conducted in the first quarter.

4. *Results Measurement and Programme Management.* The ALCP2 will undergo a Donor Committee for Enterprise Development Results Measurement System audit at approximately 24 months into the implementation period. The results measurement system for the ALCP2 is therefore being carefully designed and implemented according to DCED standards. An Annual Plan of anticipated programme activity for 2023 including management and operation is being submitted with this report.

5. *Support to the Operating Environment:* Discussions were held between SDC and senior programme management to discuss potential areas for SDC Regional Support and Policy Support to be provided with funds designated under partial action in the ALCP2 SDC credit proposal. The programme agreed to provide a concept note and outcome results framework for improved media content for rural producers and MSME's in the region under Regional Support early in the New Year. Policy support areas still need some clarification which is expected early on in implementation.

6. *Government liaison:* Key liaison with the Ministry of Economy and Sustainable Development, Ministry of Environment and Agriculture and Parliamentary Gender Equality Council was undertaken and will be ongoing

regarding fair trade in the dairy sector advocacy, animal movement route sustainability and women's rooms legal status and role in national local government infrastructure.

2. EVOLUTION OF THE CONTEXT (1 PAGE)

This section contains any major updates related to state institutions, state regulations, development programmes, economic changes or major internal and external events affecting the operating environment of the programme. It also describes any notable updates to the stakeholder analysis and any issues of note for policy dialogue at the donor level.

UPDATE TO THE OPERATIONAL ENVIRONMENT FOR THE REPORTING PERIOD

State Programmes: In July 2022, the Rural Development Agency (RDA) started the Bioproduction Promotion Programme, including the beekeeping sector as one of the priority sectors. In September 2022, the Dairy Modernization and Market Access for Small Dairy Producers/Farmers programme, funded by the International Fund for Agricultural Development (IFAD) was launched by the RDA. In 2022 the Agro Service Center of the Ministry of Agriculture of Ajara within the Beekeeping Development Supporting Program, co-funded the purchase of bee colonies for Ajarian beekeepers, including Jara beekeepers.

Dairy sector: Insufficient control of unregistered dairy enterprises by the National Food Agency (NFA) continues to create an unfair business environment for dairies processing natural raw milk. The implementation of regulations, which required all dairy producers to be registered with the NFA and in the public registry, was postponed during COVID-19 and is still not in use. Another key constraint in the dairy sector is unstable and unfair terms of trade between supermarkets and dairy suppliers as currently there is no detailed provision in law for prosecuting unfair retail practices. For detailed sectoral information see *Outcome 2 Intervention activities*. In this reporting period the SQIL project ran a pilot intervention to provide milking machines for free to milk supplier farmers in order to help supply clean milk to dairy enterprises in Kvemo Kartli and Kakheti regions. Nine GMM dairies supported their milk supplier farmers to participate and receive milking machines.

Regulations: All business operators producing food including bread, honey, milk, and dairy products, selling points and agri markets are required to implement a Hazard Analysis and Critical Control Point (HACCP) system by June 1st, 2023.

Honey: From January 1st, 2023, all beekeepers are required to register their apiary in the National Animal Identification, Registration and Traceability System (NAITS) system according to a regulation approved by the government of Georgia in October 2021.

Natural Resource Use: In November 2022 the implementation of a new Forest Code, in which farmers will not be able to cut firewood by themselves, has been postponed by the Government of Georgia until 2026.

Stakeholder Analysis: In this reporting period the ALCP2 broadened their stakeholder network in new value chains; queen bees and bee products, Lori (bacon) production, wild botanicals, silk and the cross-cutting themes; access to climate-smart information, skills and inputs and local development and equitable natural resource use for rural citizens. Ongoing relationships have been preserved and deepened with stakeholders in dairy and honey sectors. The list of new stakeholders are extensive and are provided in the Annexes of each market research report listed in the Outcome sections.

3. PROGRAMME OUTCOMES, THEIR PROGRESS AND IMPLEMENTATION

In this section, the ongoing status and impact to date for the reporting period per outcome will be described with their outputs and a narrative description of implementation activities per intervention. The intervention description includes details of main ALCP2 transversal themes, GEDSI, climate change and governance. For additional information on programme implementation see *Annex 1 Main Qualitative Findings*, *Annex 2 Stakeholder Perspectives*, *Annex 3 List of Interventions* (including financial contribution), *Annex 4 Jara Impact*, *Annex 5 Ongoing Animal Movement Route Facilitation* and *Annex 6 Overview of the Fair-Trade Initiative in the Dairy Sector*.

OUTCOME 1 ACCESS TO CLIMATE SMART INPUTS, AGRI INFORMATION, VET AND FINANCING

Outcome 1: Rural producers increase profitability and sustainability due to access to target services and inputs.	
Outcome 1 Indicators	Total results (% Against Target)
# of smallholder farmers applying agro-ecological/sustainable farming practices	394 ⁱⁱⁱ (10% Women, 3% ethnic minority) (4% of targeted 10,000)
# and % of farm/rural households with increased crop, rural products and livestock productivity	N/A (Women/Men, ethnicity) (10%)
# of entities crowding in	N/A (5)
# of entities expanding their businesses	1 ^{iv} (10% of targeted 10)
# of sustainability advocacy initiatives	1 (25% of targeted 4)
# of persons who consider that they are more resilient to deal with the adverse effects of climate change	N/A (TBD)
% of rural producers actively using learned sustainable practices	N/A (TBD)
# of local entities introducing climate smart initiatives	N/A (15)
Outputs	Indicators
1.1 Facilitated access to tailored agri-information and skills for rural producers and rural MSME's	5,650 ^v of consumers of information products that have agricultural and environmental content (Women/men, ethnicity) 7 ^{vi} of information channels with agricultural and environmental content Inc. newspapers/ TV programmes/ internet/ courses N/A # of universities/ VET colleges integrating/augmenting agri/ environmental journalism/ VET study modules N/A # of journalism university degrees/ VET certifications with agri/ environmental content gained through universities/VET colleges 34 ^{vii} of knowledge transfer services (e.g. SMS's, video's) from industry association/member organizations to members N/A Rural producers' level of satisfaction with quality and applicability of facilitated content (qualitative)
1.2 Facilitated access to affordable climate smart sustainable technologies and production systems for rural producers and MSME's.	N/A # of rural producers accessing target services & information (Women/men, ethnicity) N/A # of service providers &/or input suppliers with improved business practices/acumen & outreach to rural markets Rural producers perception of usefulness of facilitated inputs (qualitative)

1.3 Facilitated access to financing, start-up funds and business support and compliance services (including environmental audits and planning) for rural producers and MSME's.	N/A Value of financing leveraged from external sources (women/men/youth) N/A # of MSME's leveraging funding from external sources to the programme e.g. IFI's, government schemes, NGO's, and RSMEDP N/A # of women/youth rural businesses started N/A # of enterprises supported with business development services (e.g. business management certifications; Food Safety and Hygiene, Environment & Health and Safety N/A # of jobs in new or developed financed enterprises (women/ men/youth)
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OUTCOME 1 INTERVENTION ACTIVITIES (1 PAGE)

In this reporting period, the ALCP2 conducted the *Inputs Market Research* and *Livestock Producers and Beekeepers Focus Group Survey* during the integrated market research period based on which the programme has been able to identify key areas of facilitation. It also conducted light facilitation and sectoral monitoring of intervention areas in which the programme will intervene with new interventions, see below. Potential entry points include access to climate-smart information, skills, and inputs, including the outreach of climate-targeted sales and services in Georgia, Armenia and Azerbaijan, climate-targeted content development and dissemination among livestock producers and beekeepers, further development of regional and eastern partnership agri journalism and environment initiatives in Georgia, Azerbaijan and Armenia and improved targeted skills for relevant value chains. In November 2022 the ALCP2 held a coordination meeting with the Rural Small & Medium Enterprises Development programme (RSMEDP) and discussed cooperation for improving financial management and access to finance for rural MSMEs and farmers in the dairy and honey sectors through media and Women's Room networks.

Skills & Information Dissemination: In the reporting period the programme facilitation of the Georgian Beekeepers Union (GBU) partnership with the Rural Development Agency (RDA) and the Environmental Information and Education Center (EIEC) of the Ministry of Environment Protection and Agriculture to lead nationwide training for beekeepers³ has continued. In May 2022, the ALCP2 facilitated the GBU to create a training module for beekeepers across Georgia who would be reached through the RDA's Information Consultation Centres (ICC's). The Union conducted a training of trainers for nineteen member beekeepers who then held 83 trainings for 1,577 beekeepers, 158 of whom were women, twenty-one were Armenian and thirty-two Azerbaijani beekeepers. Best practices on bee disease control, treatment methods, quality honey production, and seasonal works were the main topics covered. The facilitation of the GBU to enhance relevant information services to members is also continuing. Five SMSs were sent to 5,650 beekeepers containing key tips for necessary seasonal activities in apiaries including disease control essentials. Four short video recommendations attracted 39,500 unique views on Facebook. The GBU also conducts Saturday Evening Livestreams for beekeepers on Facebook. From May to date, twenty-four live streams have been aired about using proper beeswax, bio treatment methods, bee diseases, and challenges in honey production, the stream reached 77, 600 views, 1,162 shares, and 2,006 comments. *Television:* three video recommendations⁴ on best practices for bee feeding, treatment and beeswax were streamed on the Public Broadcaster and Ajara TV in May and July 2022 as social advertisements reaching 183,000 viewers. *Printed materials:* 3,300 brochures on bee treatment and feeding were disseminated among beekeepers, vet pharmacies, VET colleges and ICCs.

³ An initiative commenced in 2021 facilitated by the ALCP.

⁴ *10 Things to Remember about Feeding, 9 Things to Remember before Treatment, 8 Things to Remember about Beeswax.*

Some activities under Outcome 1 are ongoing from the previous programme and represent areas in which the programme will initiate new interventions in the ALCP2 and have been subject to light facilitation and monitoring, these are reported below:

Expanding Jara teaching: a beekeeping course with integrated Jara beekeeping materials is being used in eight VET colleges using the programme facilitated *A Jara Honey Production Handbook*. 107 students have studied the course and 121 (30% women) students are currently studying it.

Continued capacity building in agri info sector: Eight student journalists and one established journalist attended a supplementary online agri-journalism course through a new online media platform of the Journalism Resource Centre, out of whom three were men.

Services and Financing to Rural Women and Vulnerable Groups: In September the Women's Rooms Union started a *Women's Informal Discussion Spaces in Rural Ajara* project funded by the Women's Fund in Georgia. Women's Rooms in Ajara conducted a training of trainers for eighty women regarding human rights, employment, non-paid jobs, etc., eight women with disabilities or mothers with disabled children are also included in these activities, each woman conducted one meeting among their neighbours in villages about the topics they went through during the TOT.

Access to Funds: The Women's Rooms Union continues the coordination of thirty-two Women's Rooms in Georgia to help rural women access government grants and information. In the reporting period, forty-six women (out of them two are Armenian women) and eight men have got small grants for their business start-ups from the Micro & Small Grants Programme of Enterprise Georgia, the ENPARD Georgia programme, the UNDP, Local Action Group (LAG), CENN, Agroservice Centre, Keda and Shuakhevi municipalities. The total amount of funds was 493,206 Gel and 52 jobs were created.

OUTCOME 2 SUSTAINABLE MARKET ACCESS IN DAIRY, BEEKEEPING, BACON, WILD BOTANICALS AND SILK MARKET SYSTEMS

Outcome 2: Sustainable and diversified MSMEs provide more reliable, value-added market access to rural producers.	
Outcome 2 Indicators	Total results
# of farmers/rural producers integrated into diversified value chains and markets	967 (53% Women, 36% ethnic minority) (14% of targeted 7,000)
# of entities crowding in	N/A (5)
# of entities expanding their businesses	7 ^{viii} (70% of target 10)
# of sustainability advocacy initiatives	7 ^{ix} (88% of targeted 8)
Value of exported products: (Cross border & other countries)	245,588 GEL / 84,105 CHF ^x (5% of targeted 5 million GEL / 1.6 million CHF)
Number of MSME's with access to value added and diversified markets (i.e. Bio certified, quality assurance, regional brand, diversified products)	1 ^{xi} (8% of targeted 12)
% of rural producers' with increased satisfaction with improved access to reliable value-added markets	N/A (TBD %/ qualitative)

Outputs	Indicators
2.1. Increased sustainability, self-representation, empowerment and advocacy for equitable terms of trade by rural producer member associations.	24 ^{xii} of retailers making positive changes to sourcing, purchasing and marketing/sales practice 10 ^{xiii} of suppliers with more positive experience of supply/sales 3 ^{xiv} of desired objectives reached by advocacy initiatives 391 ^{xv} of services provided to members 86% ^{xvi} increase in paying members N/A % of members and perception of improved sense of representation and empowerment (%/qualitative)
2.2. Increased value addition to rural products through enhanced image and promotion of Georgian regions, regional and national products.	N/A # of regional products developed N/A # of products with enhanced value addition N/A # of breeds with enhanced image and recognition N/A # of promotion initiatives N/A Producers and entities' perceptions of product image (qualitative)
2.3. Facilitated access to affordable certification (e.g. bio) and quality assurance (e.g. GMM) for rural producers and MSME's	1 ^{xvii} MSME's gaining certification (e.g. Bio) 24 of rural producers supply to certified MSME's 72,450 GEL Value of sales of certified MSME's (e.g. Bio) N/A Perceived benefit of attainment of certification. (qualitative)
2.4. Increased volume and value added MSME production of diversified rural products	1 ^{xviii} MSMEs with increased capacity/utilization of value-added meat, milk, honey, wool and other rural raw materials e.g. silk, wild flora, bee products, queen bees 942 rural producers supplying supported entities (Women/Men) and gaining access to diversified markets

OUTCOME 2 INTERVENTION ACTIVITIES (1 PAGE)

In this reporting period, the ALCP2 conducted extensive market research for Outcome 2 in honey export and queen bee production, regional Lori (bacon) production, wild botanicals and silk value chains. Dairy sector work was ongoing in facilitation of the expansion of the quality mark and advocacy for the regulation of fair terms of trade in the sector.

Dairy: The Business Institute of Georgia's (BIG)⁵ Georgian Milk Mark is proceeding well and successfully expanding in Western Georgia, adding one new Georgian Milk Mark (GMM) dairy in Samegrelo region in the reporting period. Currently the GMM has twenty-five dairies who have been granted permission to use the mark. Eighteen have already started using the mark on their cheese label, while the other seven are in the process of redesigning their labels to include the mark. Thirty-one dairies have applications in process. GMM cheese is now available in twenty-four mainstream supermarket chains. Information about each enterprise is uploaded on the Georgian Milk Mark [website](#). The ALCP2 continues to facilitate BIG to administer and publicize the mark and support the capacity development of the Georgian Milk Mark Federation (GMMF)⁶.

In this reporting period the ALCP2 team, BIG, the GMMF and programme consultants⁷ had meetings with the Minister and the Deputy Ministers of the Economy and Sustainable Development, where a roadmap for regulating fair trading practices was agreed. See *Annex 6 Overview of Dairy Fair-Trade Initiative*. In November, the GMMF also commenced a media campaign aimed at increasing consumer knowledge of labeling to differentiate between dairy products made with raw milk or powdered milk and encouraging the NFA to increase the number of inspections of non-registered dairies. To date, one article was released to nine online media outlets which have had 2,567 views. More articles and media interviews will follow. In the reporting period the federation had several Zoom and one in person meeting to discuss the main challenges affecting their businesses. There has been significant improvement in the GMMF engaging its members in discussions however the GMMF

⁵ Created through the facilitation of the ALCP, administers the GMM.

⁶ The Georgian Milk Mark Federation⁶ (GMMF) founded by BIG is a coalition of thirty dairies formed to advocate in the dairy sector.

⁷ Beka Natsvlshvili is a former member of parliament and author of a draft law on the Prohibition of Unfair Commercial Practice from Retailers towards Food producers and J&T Legal Consulting Company.

still needs to further build its management and organizational capacity. The federation subsequently announced a vacancy via Jobs.ge and Hr.ge for a new executive director of the federation in December 2022. The ALCP2 held a coordination meeting with the Rural Small & Medium Enterprises Development programme (RSMEDP) and discussed mechanisms for improving financial sustainability and finance opportunities for dairies who are members of the GMMF. The facilitation is ongoing.

Honey: In the reporting period the ALCP2 conducted Honey and Queen Bee Production Market Research and Livestock and Beekeepers Focus Group Survey in the target regions⁸, where entry points for interventions were revealed.

In the reporting period, the Georgian Beekeepers Union (GBU) increased its membership by 27%⁹, uniting nine beekeeping associations and nineteen honey companies with increased motivation to pay membership fees resulting in tripled income¹⁰ in 2022 demonstrating signs of organizational sustainability. Counting 5,650 beekeepers (548 women) in its database, the GBU has increased its mobility and responsiveness in providing apiary inspection services to beekeepers in seven regions¹¹ resulting in timely evaluation, diagnosis and treatment of apiaries, previously unavailable. Performing the role of non-governmental national representative of the honey sector, the GBU is lobbying on ongoing issues including on a Beekeeping Development Strategy with MEPA, on the Apiary Identification and Registration in the NAITs Programme with the NFA and FAO and creating favorable transhumance conditions for beekeepers by making an amendment to the Government resolution on Forest Use, as a result of which, a beekeeper will have to pay one Gel/ hive for placing an apiary in the forest, instead of ten. The GBU successfully advocated for the strongest ever representation of the Georgian honey sector at Apimondia¹² the premiere global honey exposition as a result of which the RDA financed¹³ the participation of the GBU and eight member companies, receiving a Gold Medal for outstanding design of a trade stand. Participant companies brought samples for potential export including bee venom, chestnut and acacia honey, honey vodka and queen bees. A short movie on Georgian beekeeping¹⁴ was produced for the event and e-poster entitled *A Revival of Georgian Traditional Beekeeping – Jara Beekeeping* was showcased at the congress.

The Jara Beekeepers Association¹⁵ (JBA) is continuing provision of beekeeping services to its members especially for bio certified beekeepers. It is playing a vital role in supporting members in maintaining bio certification, timely bio treatment of Jara apiaries, settling of swarms for increased production, efficient honey harvesting and ensuring regular sales. Jara beekeepers proudly identify themselves as the members of the JBA, are paying for the association services and value the benefits of membership as they feel more secure in terms of generating stable income. In 2022, the JBA with the support of the Ministry of Agriculture of Ajara's, Agro Service Center and bio-farm organization Elkana, was able to go through the first bio group certification in the honey sector for twenty-four existing bio certified members¹⁶. The programme facilitated the creation of this model for group certification resulting in a 39% decrease in certification costs and a 45% decrease in the cost per one kg of Jara honey (from 5\$/kg to 2.23\$). The JBA paid 20% of the total costs of certification from revenue from the sales of bio Jara honey compared to 10% last year. There was a 54% year on year increase in the 2022 Bio Jara honey aggregation with more estimated for 2023 as 285 new bee swarms were settled in Jara hives in June 2022 with the co-financing of the Agro Service Center secured through JBA advocacy. The JBA processing

⁸ Adjara, Guria, Samegrelo, Imereti, Racha, Samtskhe-Javakheti, Kakheti and Kvemo Kartli

⁹ 211% increase compared to 2018, GBU founding year.

¹⁰ 5,540 Gel in 2022.

¹¹ Currently beekeepers pay costs only. Ajara, Imereti, Samegrelo, Racha-Lechkhumi, Samtskhe-Javakheti, Kakheti, Mtskheta-Mtianeti.

¹² Held in 2022 in Istanbul.

¹³ 48,178 EUR from the state budget.

¹⁴ Facilitated by the ALCP2.

¹⁵ Created through the facilitation of the ALCP.

¹⁶ The first certification of an individual was in 2019. Three years of successful bio certification and accruing the knowledge and capacity allowed for the group certification to go ahead.

unit and KTW Agro Keda factory¹⁷ successfully underwent annual bio certification in December 2022¹⁸. There is an increasing demand for bio Jara honey, mainly from KTW Agro Keda, which doubled the amount of aggregation in 2022 with potential export to the EU. The Japanese market for bio Jara honey remains stable and promising. See *Annex 4 Jara Impact Fact Sheet*.

Bulk honey exporter Api Geo Ltd, is earning the trust of its partner French company Naturalim France Miel, by speeding up and improving their aggregation¹⁹ through conducting in-house laboratory testing²⁰ and became the largest exporter²¹ of bulk Acacia honey from Georgia to the EU in 2022. In-house laboratory testing facilitated during the reporting period is now allowing the inclusion of smaller scale beekeepers in the supply chain which was impossible before²². Knowledge about bulk honey aggregation, testing, processing and exporting is accruing in the sector, further opening up opportunities for Georgian honey. In November 2022 Api Geo sent a pilot shipment of Acacia honey to Saudi Arabia and Taplikatsi LLC²³ made a pilot export of three types of its brand honey to Canada, a new market for the company. Another pilot order from the USA is underway.

Bacon: In this reporting period the ALCP2 conducted sectoral market research in Georgian traditional Regional Lori (Bacon) Production and a Lori Focus Group Survey identifying high potential for the development of a regional model of production and promotion of Rachuli Lori (smoked bacon) and Kakhuri *Vichina* (brined pork smoked/non-smoked) produced from foraging, forest-reared pigs in Racha and Kakheti regions.

Wild Botanicals: In the reporting period the ALCP2 conducted Wild Botanicals sectoral market research and a Wild Botanicals Focus Group Survey in Samtskhe-Javakheti, Adjara, Guria, Racha, Kakheti and Mtskheta-Mtianeti, where potential entry points for planning interventions were revealed in an exciting and extensive sector in which much more must be learned concerning the value chain, commencing with a pilot intervention with a rural aggregator.

Silk: In the reporting period the ALCP2 conducted Sericulture Market Research and a Sericulture Focus Group Survey covering Kakheti, Kvemo Kartli, Imereti and Ajara regions and Tbilisi to find out the actual status of a sector which collapsed with the fall of the Soviet Union but which has a national level of government infrastructure in the form of a breeding station and museum and was granted Intangible Cultural Heritage. The research revealed a tiny base of existing household level producers who believe in the preservation of this ancient activity in the context of enriching craft making and the rural tourism offer.

¹⁷ Brand honey exporter facilitated by the ALCP to first honey export.

¹⁸ For the third time for KTW and second time for JBA.

¹⁹ 5 containers (97 tonnes of Acacia honey) shipped to France in 2022, 49% increase compared to 2021 (65 tonnes).

²⁰ More than 100 honey samples.

²¹ In 2022, 42% of total Georgian honey exported (97 tonnes) was from Api Geo. To date, the company has exported 162 tonnes.

²² Before in house testing the company had to rely on larger trusted suppliers with proven credibility and larger samples for testing.

²³ Company facilitated by the client to improve production and bottling systems.

OUTCOME 3 EQUITABLE ACCESS TO LOCAL NATURAL RESOURCE USE

Outcome 3: Local institutions provide improved access to more equitable local decision making and agency over natural resource use for rural producers	
Outcome 3 Indicators	Total results (% Against Target)
# of rural producers with improved equitable access to local decision making and agency over NR use	N/A (Women/men, ethnicity) (5,000)
# of local institutions providing improved access to local decision making and agency over NRM and use	N/A (10)
# of entities crowding in	N/A (5)
# local entities expanding their businesses	N/A (10)
# of sustainability advocacy initiatives	N/A (8)
% of rural producers' and local MSME's with increased level of satisfaction with inclusive local decision making concerning local natural resource use	N/A (%/qualitative TBD)
Proportion of women with a positive perception on their influence on business and economic-related decision-making	N/A (target TBD)
Outputs	Indicators
3.1 Increased informed, equitable participation in local natural resource use initiatives.	N/A # of rural producers with increased knowledge of local natural resource use and management N/A # of more inclusive local natural resource-based initiatives N/A # of rural producers benefitting from inclusive community initiatives N/A Rural producers' sense of empowerment (qualitative)
3.2. Facilitated access to resources and opportunities afforded by local rural hubs.	N/A # of rural inhabitants with increased access to resources derived through rural hubs N/A # of outreach events e.g. trainings, seminars, open days, for local residents and invited visitors N/A # of improved linkages public/private with rural hubs N/A # of visitor/users/accessing services of rural hubs. N/A # and of value women/men/youth instigated community/livelihood related initiatives N/A Perceived benefit to rural producers of these linkages (qualitative)
3.3. Increased cohesion and purpose of Caucasus region conservation and environment stakeholders.	N/A # of regional environmental and sustainable rural development initiatives N/A # of desired objectives reached by environment and sustainable rural development initiatives N/A # of joint/regional education, knowledge exchange and awareness raising activities on sustainable development and climate change

In this reporting period, the ALCP2 conducted extensive market research for Outcome 3 as part of the *Governance Analysis* and *Local Natural Resource Use Focus Group Survey* based on which key areas of facilitation were revealed. Meetings were held with the mayors of the seven municipalities in five regions²⁴ and conservation stakeholders and rural producers throughout Georgia. They revealed uncontrolled local development, a lack of information about ongoing or planned developments, lack of transparency and accountability of local self-governments as well as regional and central government in respect to the awareness of local inhabitants of their rights in local natural resource use. This is hampering the sustainable use of natural resources and resulting in chaotic local development spoiling precious biodiversity, landscape, traditions and culture of unique mountain regions in Georgia. The ALCP2 facilitation of transparent, accountable and efficient local government, public access to opportunities through rural hubs and uniting conservation civil society for united rural vision will be based on the key entry points revealed during the research with local self-governments, conservation organizations and rural hubs.

Rural Hubs: Goderdzi Alpine Garden (GAG) has become an integral part of the must-see tourist attractions in Khulo promoted through various media channels, local government and government tourism agencies. With 69,000 visitors since its opening in 2019, it had a 29% increase in visitors compared to the previous year. 3,000 visitors out of 22,000 were international, whereas it was only 500 in 2021. It has helped develop the Goderdzi Pass as a rural tourism destination attracting more visitors and bringing new market opportunities to rural producers for their livestock products. The GAG has established itself as an educational and scientific destination by hosting and creating relevant spaces and opportunities for different audiences including students, school children, botanists, academics, botanical garden representatives and local business representatives. In the reporting period, thirty scientists and ten students from Germany visited the GAG. It hosted 150 students from the faculty of Natural Sciences and Agriculture of Tbilisi Free University and Tbilisi Agricultural University for mandatory field practice and increasing awareness of protected areas and eco-systems. The students were involved in cleaning, plant inventory and other works in the garden. From the point of view of conservation stakeholders in the region, they regard the GAG as a successful and highly important project creating an excellent example, focal point and research base for sustainable development and stakeholder organizations. The International Association of Alpine Botanical Gardens has selected the GAG as a location for the International Congress of Alpine and Arctic Botanical Gardens planned in August 2023.

However the pandemic period negatively affected the Batumi Botanical Garden (BBG) and its operations, decreasing the number of BBG visitors²⁵, thus limiting the budget allocated for the GAG for educational activities and infrastructural works. During the reporting period, chaotic and illegal development accelerated on the Goderdzi Pass mostly in response to the huge Goderdzi Resort development, posing threats to its sustainable development including unplanned development next to the garden itself. The GAG will be facilitated to become the main advocate for environmental value of the Goderdzi Pass and initiate zonal planning to avoid unplanned constructions and the despoilation of environment around it.

Zugdidi Botanical Garden: Knowledge transfer to Zugdidi Botanical Garden for the creation of an alpine garden in Samegrelo, leveraging public and private funding for garden development, of providing eco education and training for sustainable local livelihood options, started with a study tour to the GAG (October 2022) for better understanding of the concept of alpine gardens and more informed decision making. Zugdidi Botanical Garden also became a member of the Botanic Gardens Conservation International (BGCI), which opens up new opportunities for international support and visibility, which will help the garden to attract international consultancy as in the example of the Goderdzi Alpine Garden.

²⁴ Khulo and Shuakhevi in Ajara, Ozurgeti and Chokhatauri in Guria, Oni in Racha, Tsalka in Kvemo Kartli and Akhmeta in Kakheti

²⁵ Currently the ticket to the GAG is included in the cost of the ticket to the BBG and not charged separately however this will be changed in 2023 allowing the GAG to generate its own revenue.

Bakuriani Alpine Botanical Garden: On understanding the urgency of the Bakuriani Alpine Botanical Garden (BABG) to support the revival of its reputation as one of the oldest alpine gardens with high potential to serve as a local rural hub in the Samtskhe-Javakheti region, initial meetings were facilitated with the Botanical Institute of Ilia State University and Bakuriani Development Agency (BDA). The ALCP2 met with directors of BDA and BABG in Borjomi-Likani on December 15th, where parties agreed on creating a working group uniting all relevant stakeholders in the region on the model of the ALCP2 facilitation of the GAG. The ALCP2 is the key facilitator of the process going forward with the BDA being the focal point for advocacy of a united vision for rural mountain resorts development and conservation.

Women's Room Union: During the reporting period the ALCP2 continued monitoring and light facilitation of the Women's Rooms Union which unites the managers of thirty-two Women's Rooms in eight regions of Georgia. The Union has been working with the Permanent Gender Equality Committee of the Parliament of Georgia to finalize a common strategic action plan for all Women's Rooms. In July 2022 an online meeting was conducted by the permanent Gender Equality Committee of Parliament and attended by sixty-two municipality representatives, to discuss the findings of a consultant report commissioned by the parliament and facilitated by the ALCP2, discussing points of action to be taken to finally fully absorb the WR's into the local government structure.

4. FINANCES AND OPERATIONS

In this section the status of the spending of the implementation budget, any significant budget deviations, the pattern of spending outputs and team management and human resources are discussed for the reporting period.

IMPLEMENTATION BUDGET STATUS UPDATE

No major budget deviations have occurred in the reporting period. Spending on programme interventions as shown in Table 2 below has proceeded as expected considering the team was mostly engaged in carrying out and concluding the integrated market research period, which was carried out in house. Funds will be carried over into Year two and no difficulty in spending is anticipated once interventions commence.

Table 2: Investment Support Facility and Technical Contractors (including DCED Audit) Budget Funds and Spending Percentages

ALCP Support Facilities (CHF)	Total Budget from May 2022	Funds remaining December 31 st 2022
Alliances Investment Support Facility	1,250,000	1,247,758 CHF (0.18% spent)
Technical Sub Contractors	55,000	50,392 CHF (8.38% spent)

DESCRIPTION OF SPENDING OUTPUTS

In this reporting period the ALCP2 conducted an Advisory Committee to discuss and approve the Animal Movement Route (AMR) Sustainable Development Roadmap, commissioned consultants for FS&H and ecological assignments and signed the agreement for one dairy factory in Samegrelo region for the expansion^{xix} of Georgian Milk Mark (GMM) production to Western Georgia²⁶. See Figure 1 below.

²⁶ The funds however will be dispersed in the next reporting period.

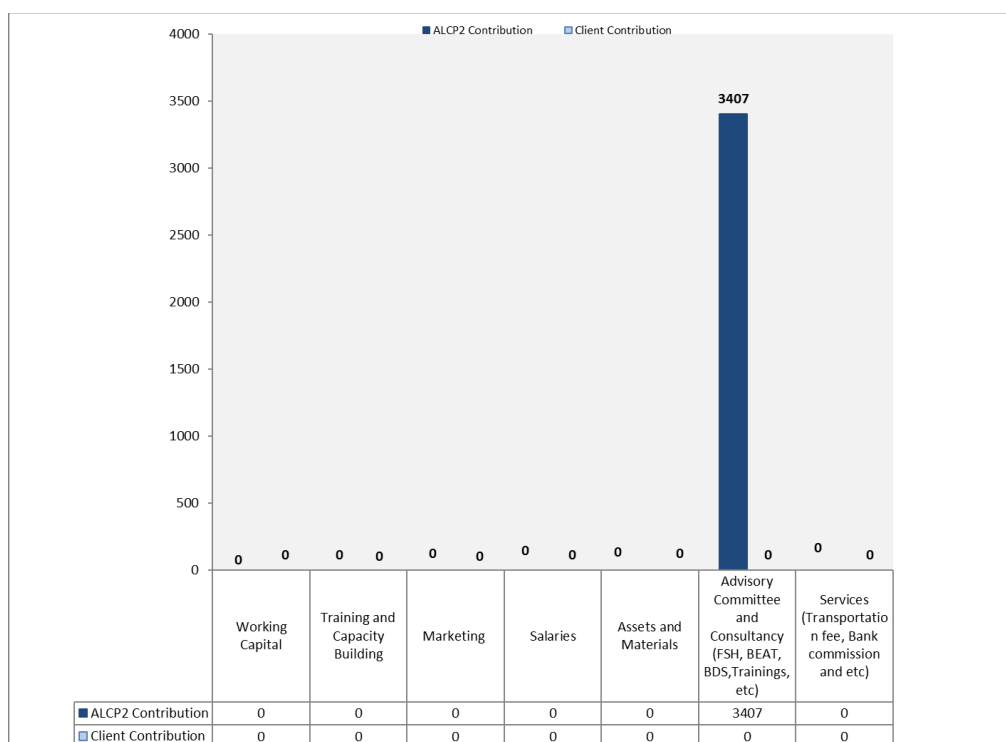


Figure 1. Showing the Outlay of ALCP2 and Client Contributions in the Reporting Period

TEAM MANAGEMENT AND HUMAN RESOURCES

Team management is going well with all offices working harmoniously together across nationally relevant themes. An ALCP2 retreat was held in December to plan activities and results measurement going forward following the market research and to input these activities into the ALCP2 Annual Plan submitted with this report. A Senior Programme Officer and the Senior Results Measurement database coordinator from Batumi office decided to regretfully move on after eight years of working on the ALCP2 after being head hunted by the burgeoning private education sector in Batumi in their respective fields. Recruitment for the programme officer has been concluded and interviews for a Results Measurement Officer to be held in the New Year. An intern was also hired in the Batumi office to help bridge the gap of the Governance Officer moving to 60% time after also being recruited into the private education sector.

5. PROGRAMME RELATIONS

This section describes external programme relations in terms of self-review, external communication and dissemination of programme materials, research and publications and networking both internally and externally, coordination and collaboration with other development programmes.

SELF-REVIEW AND DISSEMINATION

As described elsewhere, this reporting period was dominated by completing the integrated market research. The research led to the completion of twelve reports which are published on www.alcp.ge in the Library section. The former website has been redesigned for the ALCP2. The new website includes a page for the former ALCP, containing former programme information and infographics and the publications in the ALCP library have been retained in the new ALCP2 library. The Livestock and Beekeepers Focus Group Survey was a pivotal piece of research which focussed on surveying farmers and beekeepers for their perspective on and the effects of climate change on their production systems. The findings have served to inform inputs, skills and honey and queen bee

market research. Wild botanicals, silk and Lori (bacon) market research reports is each informed by separate focus groups as was the governance report which was informed by the local natural resource use focus group survey. Climate change and GEDSI were considered as cross cutting themes in each report. GEDSI from across the programme was also brought together in a separate GEDSI report. This research and the subsequent team reflection on it in December to develop the annual plan, has led to the full mainstreaming of climate change and GEDSI across the programme. These will be posted to the ALCP2 BEAM profile (see below).

The programme completed and disseminated the ALCP End of Phase Impact Assessment 2017-2022 to the BEAM Exchange²⁷ in the first quarter of the reporting period. The ALCP2 also created a new ALCP2 programme profile which is now live on the BEAM Exchange. The Team Leader completed a revised and updated ALCP2 Investments Manual Version 3 which includes a new chapter on facilitation, condensing lesson learned about what constitutes successful facilitation. The manual is also published on the BEAM Exchange with a companion blog piece.

The ALCP's WEE work has been recognized by the DCED in a newly created WEE Gateway showcasing case studies from selected international development programmes. The programme also worked with a GIZ consultant to develop an Alliances case study to be used as part of a GIZ MSD toolbox. The Team Leader worked with the consultant over the summer months.

NETWORKING, COORDINATION

Regional coordination included a meeting with Sida's Director General, Carin Jämtin on June 30th, 2022, to provide, alongside three other development partners, an overview of the new ALCP2 MSD programme. The SDC programme coordination meeting was held in December, where clear and actionable programme synergies were identified for 2023. Coordination was ongoing with the SDC RSMEDP over intervention in the dairy sector and the SDC/ADA FAO NAITS programme concerning the Animal Movement Route and registration of apiaries.

In June the Ambassadors of Switzerland and Austria and Mission Directors of SDC and ADA celebrated thirty years of development assistance to Georgia by planting a tree in the Goderdzi Alpine Garden, the Minister of Agriculture of Ajara were among the dignitaries present. In October the ALCP2 attended two livestock development events hosted by the ENPARD AFD Finance, Extension and Cooperative Development for Georgian Farmers (FinExCoop Georgia) and the USDA Land o Lakes Safety and Quality Investment in Livestock (SQIL) project respectively. 'Situation and Prospects of the Livestock Value Chain' event and the Cattle Expo 2022, where the ALCP facilitated Georgian Milk Mark (GMM) dairies, Business Institute of Georgia, machinery inputs supplier Marmot Ltd and veterinary supplier Roki Ltd presented their products. On November 4th, 2022 a donor coordination meeting was organized by the Bakuriani Development Agency (BDA), to position the BDA as reliable local partner in the region. The meeting was attended by the ALCP2.

CONCLUSION

All team members have mobilized to their utmost, to conduct and conclude the market research as well as initiate, integrate and become accustomed to the new programme's intent and new working mechanisms. The ALCP2 has allowed for a new focus on efficiency having been able to finally wrap up the hugely complex interventions carried over from the ALCP with the terrific onus of measuring deeply complex and far-reaching systemic change. This having been done successfully in the ALCP Impact Assessment 2017-2022, the chance was taken to streamline all systems for greater efficiency. The programme is still striving for ambitious outcomes from complex interventions but all is rooted in evidence based analysis and experience and the programme is well on track.

²⁷The predominant community of practice and information hub for all MSD programmes globally run as part of the Donor Committee for Enterprise Development of which SDC, Sida and ADA are member agencies.

ANNEX 1 MAIN QUALITATIVE FINDINGS PER REPORTING PERIOD

This report includes all those interventions which were due for qualitative impact assessment in the reporting period. Qualitative assessment records behaviour change and systemic change which includes, crowding in, business expansion and sectoral change attributable to the programme.

This report is based on dairy and honey sector interventions which were ongoing during the reporting period. It focusses on business expansion and formalization in these sectors and the benefits this confers to suppliers. Community based dairy factories are unparalleled for year round inclusive income generation, including local Georgian ethnic minorities supplying to factories based in regions across Georgia and women's economic empowerment for women suppliers. Honey provides an important secondary income for many households across Georgia.

Systemic Change

Systemic change indicates sustainable growth. Eight cases of business expansion have been captured in this reporting period covering dairy (6), honey (1) and the Women's Room Union (1). The cases include investment in technology, production and marketing, increased human resources, new sales channels, branding and product development. The value of MSME financing and public grants used for business development is an indicator proving both this expansion and the qualification of the enterprise to gain the funding, through formalized and compliant systems.

In the dairy sector, Tsalka+ GMM Dairy took a government agri loan to upgrade equipment and storage, Fidan Natura GMM Dairy bought a refrigerated car and equipment, Alpuri Javakheti GMM Dairy upgraded equipment and storage and implemented ISO. Leanka GMM Dairy purchased a new distribution vehicle and diversified its product range by adding sour cream. Tspora Samtskhe GMM Dairy added twenty-five GMM selling points throughout Georgia. Alpuri Javakheti GMM Dairy increased cheese export to the USA, which now accounts for 25% of their total sales. Taplikatsi honey factory exported 1.2 tonnes of honey (blossom, alpine, chestnut) to Canada. Compliant FS&H and efficient operations helped the enterprises in getting loans and starting cooperation with supermarkets and exporter companies.

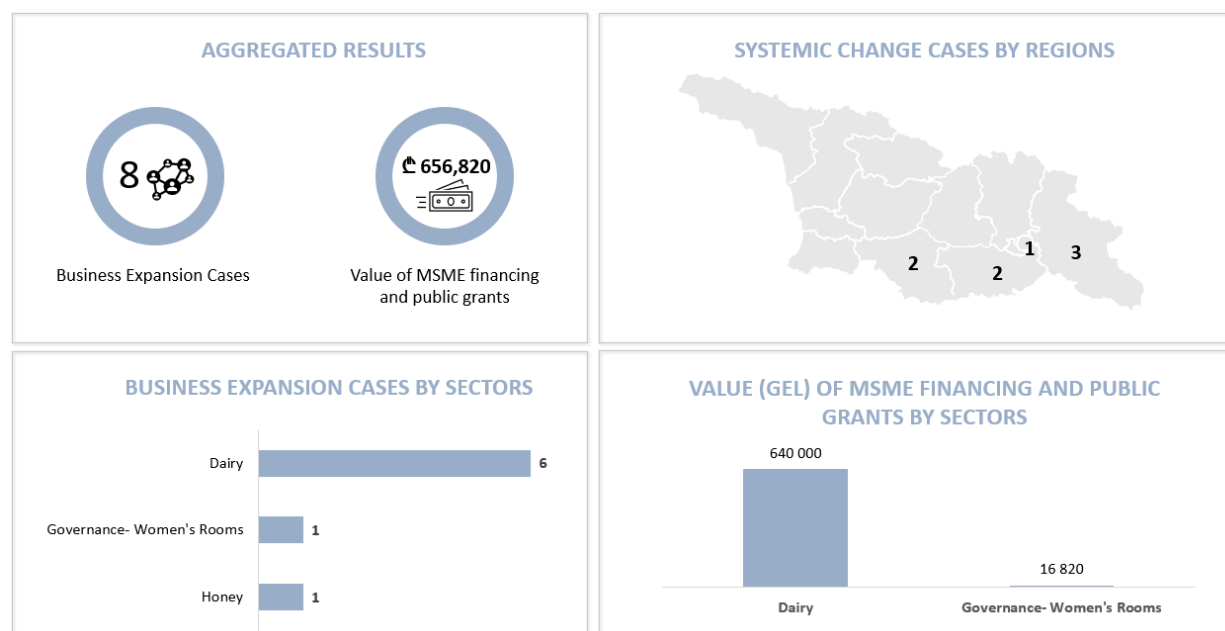


Figure 1 ALCP2 Systemic Change May-December 2022

Dairy

The demand for Georgian Milk Mark (GMM) dairy products continues to grow. Currently, eighteen enterprises are using the Georgian Milk Mark (GMM). In this reporting period, they added 838 new suppliers (61% women, Azerbaijani 28% Armenian 14%) and generated 1,290,982 GEL / 442,117 CHF additional income for farmers. A clear indication of growth is that both GMM dairies and GMM dairy milk suppliers are investing in themselves. Formalization shows the adaptation of the enterprise to economies that are becoming increasingly regulated and the accession of the enterprise into more formal value chains allowing the possibility for development, subsidized or financed growth, decent work for employees and stable supply relationships with farmers.

In a survey of the eighteen GMM dairies now using the mark on their labels, increasing signs of formalization were found.

Region	Dairy Enterprise	Posting Job Vacancies Online	Working on Two Shifts	Health Insurance	Paid Annual /Sick Leave	Formal Contracts	Salary Via Bank Transfer
KA	Leanka Ltd	⊗	⊗	⊗	⊗	⊗	⊗
	Akhmetis Nobati	⊗	⊗	⊗	⊗	⊗	⊗
	Shuamta	✓	⊗	⊗	⊗	✓	✓
	Tsivis Kveli	⊗	⊗	⊗	⊗	✓	✓
	Naturaluri Rdzis Gemo	⊗	⊗	⊗	⊗	⊗	⊗
AJ	Tsezari Ltd	⊗	⊗	⊗	✓	⊗	⊗
KK	Milkeni	✓	⊗	⊗	✓	✓	✓
	Fidan Natura	⊗	⊗	⊗	✓	⊗	⊗
	Teleti	⊗	⊗	⊗	✓	✓	✓
	Imeruli	✓	⊗	⊗	⊗	✓	✓
	Cheese Hut	⊗	⊗	⊗	✓	✓	✓
	Tsalka+	⊗	⊗	⊗	⊗	⊗	⊗
	Tsintskaro+	⊗	⊗	⊗	⊗	⊗	⊗
SJ	Tsipora Samtskhe Ltd	✓	✓	✓	✓	✓	✓
	I.E Hakob Hambaryan	⊗	⊗	⊗	⊗	⊗	⊗
	I.E Rafael Karoyan	⊗	✓	⊗	⊗	✓	⊗
	Dertselis Nobati Cooperative	⊗	✓	⊗	⊗	⊗	⊗
	Alpuri Javakheti Ltd	⊗	✓	⊗	⊗	⊗	⊗

Figure 2 Signs of MSME formalization, May-December 2022

In this reporting period, GMM dairies have continued to establish more *sophisticated relationships with their employees*. Eight GMM dairies now have written agreements with their employees. Informal arrangements are also strong; however the written contracts increase a sense of security on both sides of the relationship. Along with the growth of GMM dairy sales and increased income, factories have increased the salaries of employees by about 5-10%. Four GMM dairies are working up to two or three shifts per day in the high milking season to increase the amount of milk they can process, hiring from eight to fifteen additional employees per dairy who are paid 30 Gel/day/employee. Benefits are becoming more formalized. Six dairies now have paid leave. When Natural Produktsia GMM Dairy in Khulo stopped working for some days in January due to the low milking season, their employees still got paid.

Four GMM dairies have announced job vacancies online through Facebook and other online platforms, a positive new trend in the sector. All the above are helping GMM dairies build employee loyalty, create a positive brand image and social standing and contribute to increasing their competitiveness in the labour market.

Honey

One of the main issues for emerging businesses breaking into new markets is that they are forced to accept poor terms of trade including for example no advance payment for a consignment, taking the entire risk upon themselves whilst they prove themselves to the buyer who in turn feels as though they are taking a risk on an unknown and untried supplier.



Api Geo Ltd switched to sending batches via road

Api Geo Ltd has now exported more bulk honey than any other company in Georgia with 97 tonnes exported in the reporting period alone, a 23% increase on 2021. They switched to sending batches via road transport, to minimize delivery time to two weeks as when shipping by sea, delivery could take up to ten weeks. This has improved their business relations with their partner in France who have now agreed on better payment conditions. The exporter now transfers 40% of payment in advance, previously the payment was made up to three weeks after delivery in France. This change has significantly affected the company's cash flow and is being reflected in a better price paid to beekeepers, to maintain regular supply, two Gel more/ kg for acacia honey than the standard market price. In this reporting period, Api Geo started using the first private in-house laboratory in the honey sector in Georgia. The laboratory has allowed for quick safety and quality checks of honey samples, saving time (70%)²⁸ and money (50%) and increasing confidence in batch quality, allowing Api Geo to confidently source larger amounts from increasing numbers of small-scale beekeepers. Api Geo has increased regional coverage by sourcing acacia honey from four regions.

Beekeepers benefiting from access to bulk honey market: Supplier beekeepers prefer to sell honey in bulk to Api Geo as they sell their entire crop in one sale. 104 (4% women) supplier beekeepers generated 212,508 GEL / 72,776 CHF additional income from selling honey in bulk to Api Geo. Previously beekeepers usually sold their honey piecemeal over the course of a year or two. Being paid in one go allows beekeepers to reinvest in honey production and make better decisions over household spending. Supplier beekeepers received from 4,000 to 45,000 Gel/beekeeper allowing beekeepers to purchase a vehicle, invest in children's education, and pay off loans. They feel more secure about the sales market and 60% are planning to invest in an increase of their apiary.

Supplier beekeepers are happy with selling entire crop at once rather than selling it in retail which took 1-2 years



Prioritizing honey quality: Due to in house testing capability, any beekeepers providing sub-standard honey will be quickly detected and will lose their chance to sell to the company. Supplier beekeepers are therefore now carefully applying bee treatment methods, refraining from using antibiotics and ensuring proper honey storage, which involves the use of stainless steel, plastic, or other containers designed for food storage.

²⁸ As opposed to sending to a government laboratory or abroad.



DAIRY

Business expansion of GMM dairies

'After I was granted permission to use the Georgian Milk Mark (GMM) we started selling cheese in Goodwill supermarkets, increased our production by 1.5 tonnes, and started collecting milk from new Bolnisi villages. We took a 260,000 Gel loan to buy a new refrigerated truck for milk collection and new cheese-producing equipment.' **Male owner of GMM Dairy, Fidan Natura, Marneuli, Azerbaijani community.**

'This year we started collecting milk from 200 more farmers from Artsivani and Khando villages in Tsalka. We took a 230 000 Gel government agri loan to buy equipment and expand our cheese storage space. Having the GMM was crucial in getting a cheap agri loan.' **Male owner of GMM Dairy Tsalka+.**

'We invested 32,000 Gel of savings to purchase some equipment for our tractor to produce wheat, barley, and maize. We sell the feed to our milk supplier farmers in a lower price or make a barter in supplied milk.' **A female co-owner of GMM Dairy Naturaluri Rdzis Gemo, Kakheti.**

Increased demand for milking machines

'Three years ago, I started bringing milking machines from who want to buy milking machines Turkey for farmers in Gumbati Village. About ten farmers who want to buy milking machines group together. I buy them several times a year. The machines from Turkey are about 300-350 Gel cheaper than here. Last year I bought 35 milking machines.' **A milking machine distributor from Tsalka, 35.**

Farmers benefitting from GMM dairies

'Having a regular income from selling milk to Shuamta dairy allows me to make my grandkids happy by buying them treats when they visit me, that is what matters to me the most.' **A female farmer, 65, Laliskuri Village, Telavi.**

'I had to sell my cows because I needed surgery. When the factory owner heard that I was going to sell my cows he paid money for milk in advance. It helped me keep my cows.' **A male milk supplier of Tsalka+, 60, Artsivani Village.**

Added value and recognition of GMM dairies

'In recent years the products made from raw milk are attracting more and more consumers. I gained HACCP, received the GMM, and started offering my products to supermarkets. Selling cheese via supermarket branches means a higher profit margin. This allowed me to pay farmers a higher price.' **A male owner of GMM dairy, Alpuri Javakheti LLC, Ninotsminda, Armenian Community**

'The GMM helps shops and bakeries have more trust in us. A bakery from Gombori called me once, excited that the National Food Agency had visited her bakery and when they noticed that the cheese had the GMM, they were pleased.' **Male owner of GMM Dairy, Akhmetis Nobati.**



HONEY

Honey Export to Canada and Japan

'In October we exported up to 1.3 tonnes of honey to Canada via ship. This was a pilot export to Canada, and we hope the export will continue. The new equipment allowed us to collect and process a large amount of honey from farmers in one batch and make the order in time.' **Male owner of Taplikatsi LLC, Kakheti.**

'Japanese consumers like Jara honey, and some of them even told us that it helps them with stomach problems. We believe that honey exhibitions in Tokyo will open up new opportunities for the Jara Beekeepers Association.' **Co-founder of a honey exporter company.**

Benefits of selling honey to ApiGeo Ltd

'It was the first time ever that I was able to sell the whole harvest in one day, before it took months. I am now paying more attention to my honey quality. I do not use any antibiotics or other prohibited substances while treating bees. I've invested part of the money into building a proper storage room for honey.' **A female beekeeper, 42, Martvili, Samegrelo.**

Increased Trust and Representation of the GBU

'We are now witnessing growing demand for Georgian honey abroad, and we are going to continue our partnership with the Georgian Beekeepers Union (GBU), to help beekeepers with information and knowledge.' **A representative of the Regional Development Agency.**

Gaining the trust of beekeepers was hard, but now I can say that the GBU has become a trusted source of information. Beekeepers are using information disseminated by us, for improving bee treatment practices and increasing honey production.' **A male member of the GBU.**

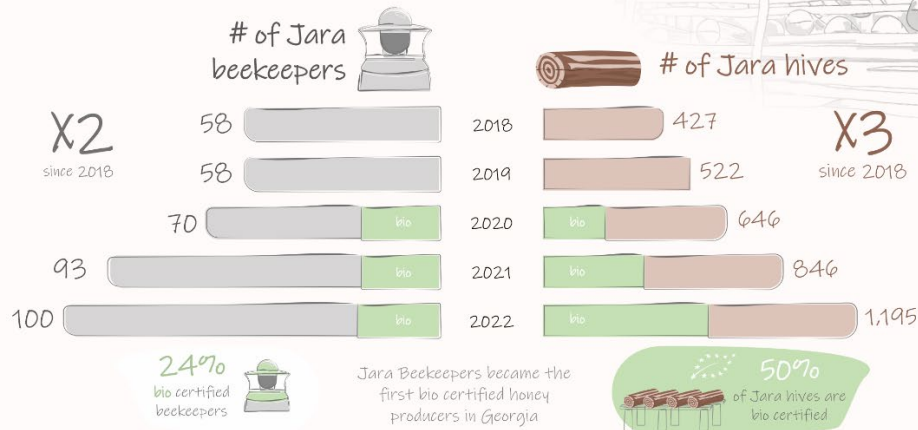
ANNEX 3 LIST OF INTERVENTIONS IN THE REPORTING PERIOD MAY 1ST 2022 TO DECEMBER 31ST 2022

	Intervention #	Name	Contact	Location	Type	Date	Total Investment & % Contribution		ALCP	Client	3rd Party ²⁹	Rating
1	2.4.1 Akhali Produkti / WG – 1	Cooperative RK Akhali Produkti	Mamuka Danelia	Lekhaindrao, Martvili	Facilitate expansion of Georgian Milk Mark (GMM) production to WG Samegrelo region	29/12/22 ³⁰	\$	28,275	17,497	10,778		Good
							%	100%	62%	38%		
2	3.3 Animal Movement Route /KK-1	Ministry of Environmental Protection and Agriculture	Giorgi Khanishvili	Tbilisi	Facilitate sustainable development of the Animal Movement Route Advisory Committee	07/12/22	\$	2,163	2,163			Very Good
							%	100%	100%			
Service Contracts												
3	Simple service contract	P/E Archil Guchmanidze	Archil Guchmanidze	Batumi	Hydrobiological study of the Goderdzi Alpine Garden Lake	02/08/22	\$	1,009	1,009			Very Good
							%	100%	100%			
4	Simple service contract	Star Consulting Company Ltd	Ekaterine Burkadze	Tbilisi	Assessment of cheese factory Akhali Produkti on Good Management and Good Hygiene Practices.	09/10/22	\$	235	235			Very Good
							%	100%	100%			

²⁹ Third party contributions in the legal language of the ALCP grant agreements specifically refers to part payment or investment for services specified as part of the grant agreement. *Additional Investment: Including low interest government loans, bank loans and grants are recorded in Annex 1 Qualitative Impact under 'Business Expansion'.

³⁰ This was signed at the very end of the reporting period the outlay and percentage co-investment will be included in the next reporting period.

Jara Impact Fact Sheet

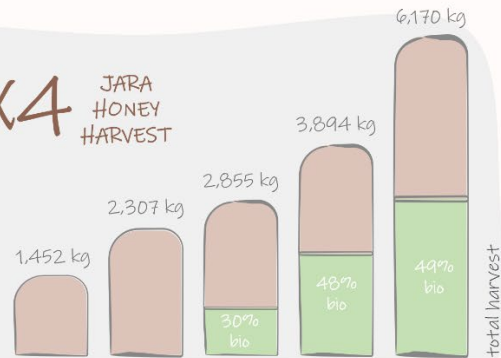


HARVEST



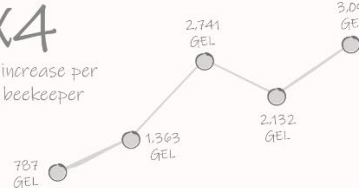
productivity per hive has increased by **67%** for bio and **44%** for non bio Jara beekeepers

X4 JARA HONEY HARVEST

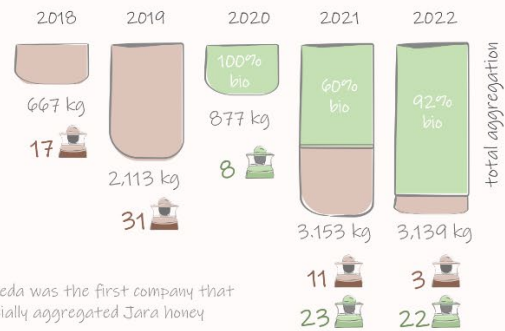


COMMERCIAL AGGREGATION

X4 income increase per Jara beekeeper

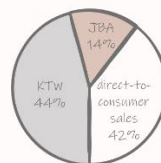
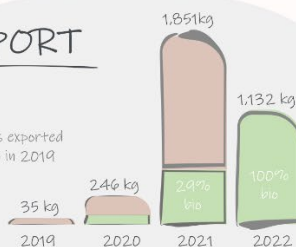


KTW Agro-Keda was the first company that commercially aggregated Jara honey

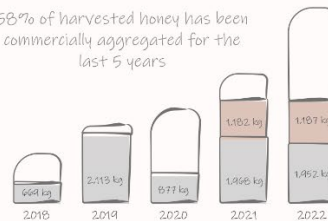


EXPORT

Jara honey was exported the first time in 2019



58% of harvested honey has been commercially aggregated for the last 5 years



The **Animal Movement Route Sustainable Development Road Map 2023-2027**, facilitated and written by the ALCP2 will become part of the *National Pasturelands Management Policy Document of Georgia*.



In tandem with Animal Movement Route (AMR) infrastructure development, the Alliances programme has been convening stakeholders for the solution of complex AMR related issues over many years. In 2022, following the request of sheep sector stakeholders, the programme facilitated the synthesis of stakeholder opinion to create a Road Map to enshrine and ensure future sustainability of the Route. The Road Map will now serve as a guideline for the government in sorting out issues including land overlaps³¹, veterinary control and the welfare of nomadic animals. The final draft document was discussed at an ALCP2 Advisory Committee meeting in December 2022, and it will be finalized in January 2023.

“In four years, we want our country to have an AMR that is problem free and organized. So, the AMR Sustainable Development Road Map 2023-2027, prepared by the ALCP2, is a chance to start real action and take coherent steps for sorting out AMR related, complicated issues we have been facing over the last decade. Thank you to the programme for its effort. Currently we are working on the National Pasturelands Management Policy Document and the AMR Road Map must become a part of it. We will make sure it is approved and implemented by the government”
- George Khanishvili, First Deputy Minister of the Ministry of Environmental Protection and Agriculture.

The National Pasturelands Management Policy Document was prepared within the project ‘Achieving Land Degradation Neutrality Targets of Georgia through Restoration and Sustainable Management of Degraded Pasturelands’. The project was initiated by MEPA and financed by the Global Environment Facility (GEF). It is implemented by the Food and Agriculture Organization of the United Nations (FAO) and executed by the Regional Environmental Center for the Caucasus (REC Caucasus). The project partner is the Caucasus Environmental NGO Network (CENN).

Once the AMR Road Map is finalized in January 2023. The ALCP will hand it over to the MEPA for implementation and will continue facilitation with relevant stakeholders to make sure it is integrated in the policy document and implemented by the government.

³¹ The agency will use the online, interactive map of the AMR ([link](#)) developed by the ALCP as a main resource when working on land overlap issues.

BACKGROUND

The main, key markets for formalized enterprises that have invested in their businesses for compliance, quality, and service delivery are supermarket chains. They create jobs including rural jobs, and they create and income for farmer suppliers. Delayed payment and other fees imposed on suppliers by supermarkets create economic risks to these enterprises and to the farmers who are their suppliers.

European countries regulate the relationship between supermarkets and suppliers. A good example is EU Directive 2019/633 of April 17th, 2019 and the domestic legal provisions of many EU member states. *Croatia, Denmark, Estonia, France, Germany, Lithuania, the Netherlands, Malta*, and two non-EU countries, *the United Kingdom and Moldova*, were studied and analyzed as examples of countries that had already adopted EU regulations on fair trade practice into their national law. Based on this and a broad consultation process with stakeholders from the dairy, meat, honey, tea, dry fruit, berry, bread fruit and spice sectors (see Table 1), the following recommendations for legislation have been developed which would regulate for an equitable relationship between supermarkets and suppliers.

ACTIVITIES DONE IN THE FRAME OF THIS ADVOCACY INITIATIVE:

- ❖ In September 2021, the ALCP programme conducted research on dairies supplying supermarkets entitled *Unlevel Playing Field Experiences of Dairies Supplying Supermarkets in Georgia*¹;
- ❖ In autumn 2021, consultants Beka Natsvlashvili and J&T Legal Consulting Company were selected by open tender and a stakeholder analysis conducted from which to develop an advocacy initiative. Nine focus groups were selected, and meetings were held with representatives from the dairy, meat, honey, tea, dry fruit, berry, bread, fruit processors, and spice producers.
- ❖ In 2021, meetings were held with business associations² and international organizations³ operating in the agricultural sector, the Agrarian Committee, the Economy and Economic Policy Committee.
- ❖ In 2021, the EU Directive 2019/633 concerning *Fair Trade Practice in Business-to-Business Relationships in the Agriculture and Food Supply Chain* and examples of EU countries were reviewed and analyzed. Please see Table 2 list of counties with authorized executive bodies involved in regulating terms of trade.
- ❖ In 2021, the Advocacy Initiative was introduced to the Ministry of MEPA.
- ❖ In 2022, the relevant recommendations were developed as summarized in this paper.

RECOMMENDATIONS FOR LEGISLATIVE ACTION

The draft law that will regulate issues related to unfair trade practices between supermarkets and suppliers should be prepared. The regulation will apply to those retailers/supermarkets which have a territory area of shops more than 500 m², or their total turnover for the last financial year is more than 5 million Gel, including shops with franchise contracts. If a retailer is a foreign undertaking, the total turnover is calculated from the turnover existing in Georgia. The regulation will also apply to all retailers/supermarkets that operate under the brand of a company/legal entity that also meets any of the above-mentioned conditions.

PAYMENT TERMS AND CONDITIONS FOR DELIVERED PRODUCTS

- (i) Payment for perishable products should be made within 20 days of product delivery, and payment for non-perishable products should be made within 30 days of product delivery.
- (ii) Payment for perishable products should be made upon the expiry date of the product, and payment for non-perishable products should be made within 30 days of product delivery.

ENTRY FEES

Should be prohibited

STOCK REPORTING

The suppliers should be provided with the stock information, e.g. how much of their products remain in stock and how much of their products have been sold.

¹ Investigating an unlevel playing field, experiences of dairies supplying supermarkets in Georgia, Market Research, ALCP Programme, Marneuli 2021. Available upon request.

² Georgian Milk Mark Federation, Sakrdze Association, Dairy Association, Georgian Beekeepers Union, Association of Berry producers, Georgian Farmers Association.

³ FAO (Food and Agriculture Organization), USAID (The United States Agency for International Development), UNDP (United Nations Programme).

A 'RETRO BONUS' CHARGE⁴

If the supplier is required to pay a retro bonus charge, this should be clearly and unambiguously defined in the agreement. Hence, this charge should not be a surprise for the supplier. The percentage of 'Retro bonus' must be discussed with the supermarket. The supermarket should not impose 'Retro bonus' charge unilaterally after signing an agreement with a supplier.

MARKETING FEE

The practice of charging marketing costs without the supplier's consent/acceptance should be explicitly prohibited by law. A supermarket should not impose marketing costs unilaterally after signing an agreement with the supplier.

PRODUCT RETURN

Supermarkets should not return more than 2% of supplied products to suppliers. The time period for returning products shall be discussed with the supermarket.

FINE FOR VIOLATION OF TERMS OF TRADE BY THE SUPERMARKETS⁵

Impose on the violator 5% of the annual turnover of the previous year.

EXECUTIVE BODY IN CHARGE OF ENFORCING THE LAW

The Georgian National Competition Agency should be the entity responsible for the execution of the law.

Table 1 List of Stakeholders Interviewed During the Research Process

Date	Entrepreneurs
28.09.2021	Dairy producers (Georgian Milk Mark Dairies, members of the Georgian Milk Mark Federation, Sakrdze Association, Dairy Association)
07.10.2021	Honey producers and GBU (Georgian Beekeepers Union)
05.11.2021	Manufacturers of meat products
05.10.2021	Tea producers
17.11.2021	Dried fruit producers
18.11.2021	Bread and Berry producers and the Association of Berry producers
15.10.2021	21 members of Georgian Farmers Association
06.10.2021	Nino Zambakhidze, GFA (Georgian Farmers Association)
05.10.2021	Georgian Distributors' Business Association, Georgian Producers' Association
01.12.2021	Fruit processors, producers of the spices and tea/ USAID
Date	Programmes, NGOs, Donors, Government
07.10.2021	FAO (Food and Agriculture Organization) Dragan Angelovski and Mikheil Sokhadze
28.10.2021	UNDP (United Nations Programme) Nodar Kereselidze
20.10.2021	USAID (The United States Agency for International Development)
26.10.2021	Georgian Retailers' Association (including small shops)
28.10.2021	Georgian Competition Agency
27.10.2021	The Head of the Agri Committee of the Parliament, The head of the Sector Economy and Economic Policy Committee
15.11.2021	Georgian National Food Agency
20.10.2021	Academy of the Agricultural Science
28.10.2021	Georgian Chamber of Commerce and industry
16.12.2021	Minister of Agriculture, Head of Primary Structural Unit of the Department of the international Relations and European Integration
06.12.2021	Enterprise Georgia
07.12.2021	Investors Council

⁴ Retro bonus' charge - it is a way of returning the cost of sold products back to a supermarket, it is calculated in percentages from the difference between value of products sold last month and value of returned products to a producer.

⁵Penalties for violation of terms by suppliers are written into contracts, there tends to be no comeback for suppliers in written contracts in the case that the supermarkets violate the terms.

Table 2 Example List of counties with authorized executive bodies regulating terms of trade

Countries	Executive Bodies
Croatia	Croatian Competition Agency
Denmark	Danish Competition and Consumer Authority
Estonia	Estonian Competition Authority
France	General Directorate for Competition Policy, Consumer Affairs and Fraud Control (DGCCRF)
Germany	Federal Office for Agriculture and Food (Bundesanstalt für Landwirtschaft und Ernährung - BLE)
Lithuania	Public Institution – Rural Business and Markets Development Agency
Netherlands	Authority for Consumers and Markets (ACM)
Malta	Unfair Trading Practices (Agriculture and Fisheries) Board
Great Britain	<ul style="list-style-type: none"> Office of Fair Trading (OFT) Competition Commission (CC)
Moldova	<ul style="list-style-type: none"> Ministry of Economy and Infrastructure National Institute for Standardization National Food Safety Agency Consumer Protection and Market Surveillance Agency

END NOTES

ⁱ The programme collects breakdown data for different ethnic groups, including data about ethnic Azerbaijanis and ethnic Armenians.

ⁱⁱ *Women's Rooms Union* (1); *GMM dairies* (3).

ⁱⁱⁱ 1,577 attended *GBU* training, and at least 25% have already applied new practices.

^{iv} *Women's Rooms Union* (1).

^v All, 5,650 beekeepers registered in *GBU* database covered through SMS, videos, Facebook live streams and TV/social advertisement.

^{vi} *GBU*: training, brochures, SMS, Youtube, Facebook and two TV (Public broadcaster and Adjara TV).

^{vii} *GBU*: 5 SMS, 4 Video, 24 Livestream, 1 brochure.

^{viii} *GMM dairies* (6), honey (1).

^{ix} Dairy (2), Honey (5): Out of them, 4 are ongoing and in 3 cases desired objectives have already been reached.

^x Dairy (4), Honey (1).

^{xi} *JBA* started group bio certification for 24 beekeepers selling into the export value chain.

^{xii} 24 supermarket chain with *GMM* products.

^{xiii} 10 *GMM* dairies started supplying dairy products to new selling points.

^{xiv} In the honey sector, 3 advocacy initiatives reached desired objectives.

^{xv} *GBU* and *JBA* services to its members.

^{xvi} On average, 86% of *GMM* and *GBU* members pay the membership fee.

^{xvii} *JBA* bio certifications for 24 beekeepers.

^{xviii} Dairy entity *Akhali Producti* in Samegrelo.

^{xix} The agreement was signed on December 29th, 2022 and both the ALCP2 and the client contribution will be spent in January-February 2023.