

# Strengthening Farmers Cooperatives In Rural Municipalities of Georgia



**IN SCOPE OF THE EUROPEAN NEIGHBORHOOD  
PROGRAMME FOR AGRICULTURE AND RURAL  
DEVELOPMENT IN GEORGIA  
ENPARD**

*Project implementation period  
2014-2017*

# Goal of the Project



- Contribute poverty reduction among local farmers through developing sustainable and business-oriented/agricultural cooperatives;
- Enable increased food production;
- Improve efficiency of supporting functions (supplies, services, marketing, etc);
- Strengthen linkages with Agriculture Service Providers;
- Enhance the market environment to help small farmers increase their production and progress from subsistence to market oriented agriculture and generate additional income, etc.

# Project is Implemented by



- Mercy Corps
- Association of Business Consulting Organizations of Georgia - “ABCO”;
- Agro Service
- Georgian Institute of Public Affairs – “GIPA”

# ABCO



ABCO's role in the project provides, through the relevant training and consulting activities, for facilitating to strengthening and increasing capacities of farmers' groups and agriculture service providers so farmers can have sustainable and long-term access to the necessary goods and services

# Programme Area



- **Shida Kartli**

- Gori;
- Kareli;
- Khashuri;
- Kaspi;

- **Kvemo Kartli:**

- Gardabani;
- Marneuli;
- Tetritskaro;

- **Imereti:**

- Sachkhere;
- Chiatura;
- Vani;
- Samtredia,

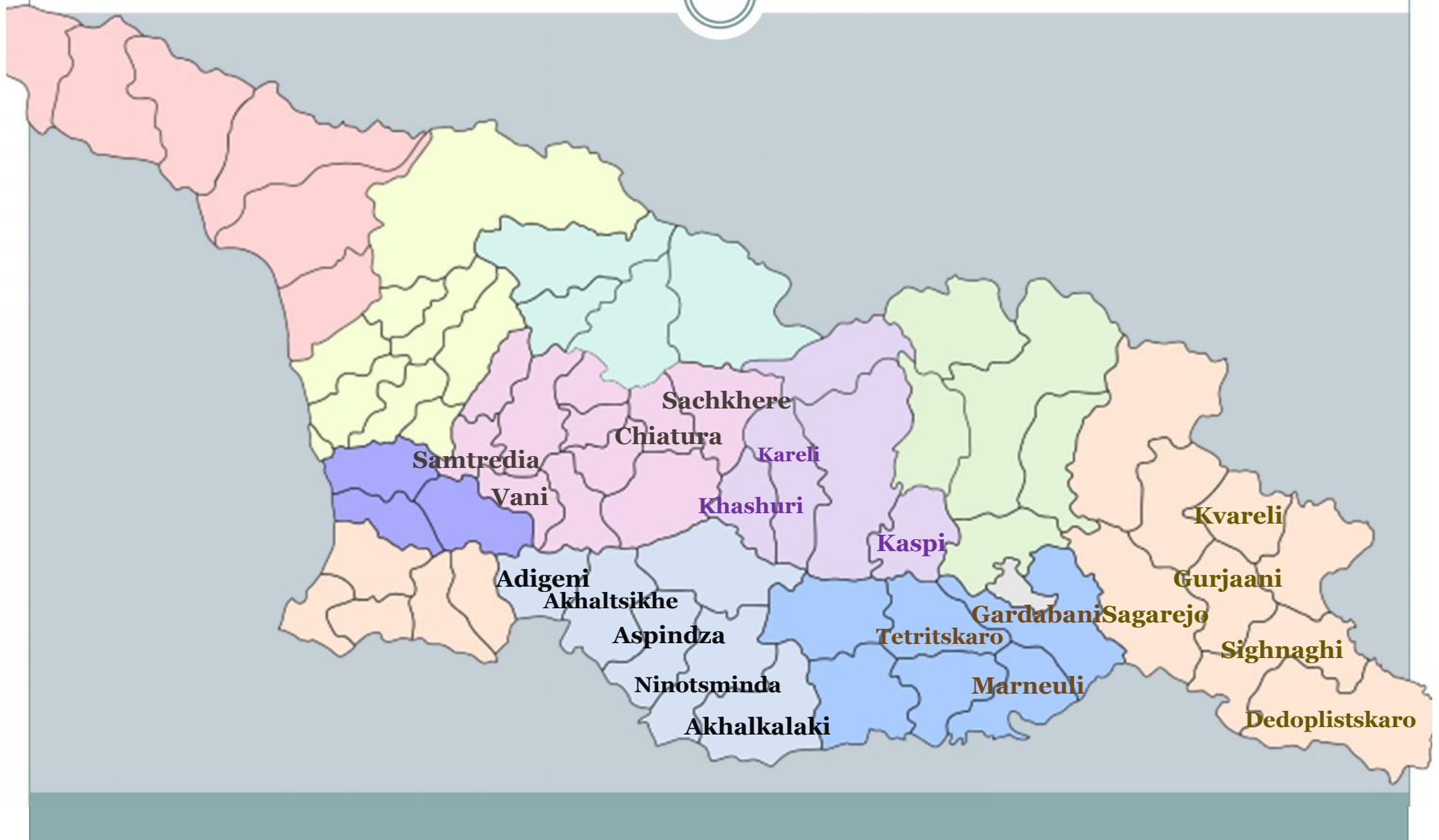
- **Kakheti:**

- Sagarejo;
- Gurjaani;
- Kvareli;
- Dedoplistskaro;
- Signaghi;

- **Samtskhe-Javakheti:**

- Akhalkalaki;
- Ninotsminda
- Adigeni;
- Akhaltsikhe;
- Aspindza

# Programme Area



# Programme Area







# Project Implementation Stages



- Inception phase;
- Training phase;
- Granting phase;
- Monitoring and supporting phase;

# Inception Phase – Information Campaign



- Information Campaign was conducted and leaded by ABCO in coordination with project Regional Coordinators in all target municipalities.

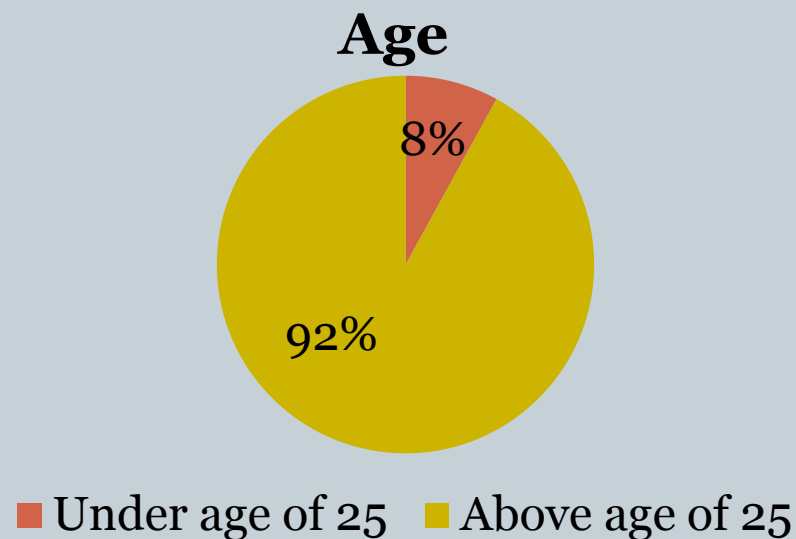
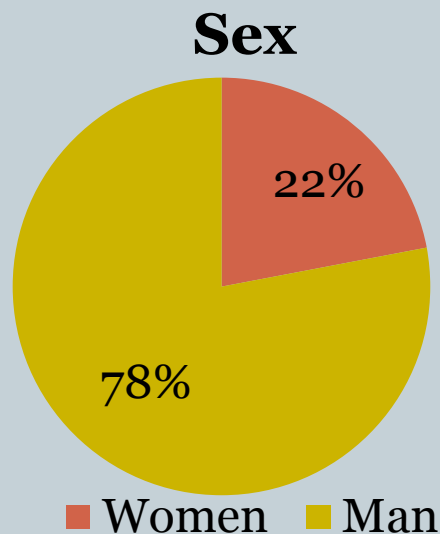




# Inception Phase – Information Campaign



- **General Information Meetings:**
  - During the Inception Phase more than 8000 Farmers attended information meetings held in 683 villages across target municipalities;





# Inception Phase – Information Campaign



- Gender Focused Information Meetings:
  - In order to increase Women participation in the project, was launched a more focused campaign to improve the access of information for rural women;
  - In total 288 women farmers attended Gender focused information meetings.

# Trainings



From 2014-2016 years ABCO delivered following trainings:

- Introductory Training on Farmer Cooperation
- Business Planning Training;
- Financial and Tax Accounting Training;

# Trainings on Farmer Cooperation



- ABCO with coordination of GIPA conducted 1 day-long Introductory Training .
- Training provided general introduction on cooperation for the selected farmer groups, as well as more detailed information of the organizational and legal aspects of cooperation.
- Specifically the training provided information of the following topics:
  - General Background on cooperation;
  - Different models / structures of farmer cooperation;
  - Principles and benefits of cooperation;
  - Management structure of the cooperative;
  - Shareholders rights and obligations;
  - Financial management of cooperatives;

# Trainings on Farmer Cooperation



- Introductory Trainings were conducted for farmer groups and cooperatives of I, II and III cycle.
- From fall 2015 consortia decided to receive EOI only from registered cooperatives, therefore introductory training topics were merged with Business Planning Training.



# Trainings on Farmer Cooperation



As a result from June 2014 till February 2015, 29 session Introductory trainings on Farmers Cooperation were delivered by ABCO & GIPA, attended by 262 Farmer Groups and 443 Trainees.

Topic	Cycle #	# of Training sessions	# of Cooperatives / FGs	# of Trainees	Date
Farmer Cooperation	1 <sup>st</sup> Cycle	7	60	136	17 Jun – 2 Jul, 2014
Farmer Cooperation	2 <sup>nd</sup> Cycle	10	92	133	20 Oct – 3 Nov, 2014
Farmer Cooperation	3 <sup>rd</sup> Cycle	12	110	174	26 Jan – 12 Feb, 2015
<b>SUM:</b>		<b>29</b>	<b>262</b>	<b>443</b>	

# Business Plan Writing Training



- 4 day-long Business Planning Training was delivered by ABCO.
- The first three and a half day of training was focusing on general business planning and how to create a business plan.
- On the second half of last day participants were required to complete and update their original business ideas and submit it at the end of the training for review by the Project Selection Commission.

# Business Plan Writing Training



- As a result from 2014 till 2017, 41 session Business Planning Training was delivered by ABCO, attended by 249 Cooperatives / FGs and 492 Trainees.
- Also, More then 200 Cooperatives received Business Consultations for writing business plan from ABCO.

Topic	Cycle #	# of Training sessions	# of Cooperatives / FGs	# of Trainees	Date
Business Plan Writing	1 <sup>st</sup> Cycle	8	52	83	8 Aug – 25 Aug, 2014
Business Plan Writing	2 <sup>nd</sup> Cycle	7	40	102	16 Feb – 16 Mar, 2015
Business Plan Writing	3 <sup>rd</sup> Cycle	8	37	81	18 May – 12 Jun, 2015
Business Plan Writing	4 <sup>th</sup> Cycle	11	75	137	13 Nov – 5 Dec, 2015
Business Plan Writing	5 <sup>th</sup> Cycle	3	25	49	4 Apr – 15 Apr, 2016
Business Plan Writing	6 <sup>th</sup> Cycle	4	20	40	30 Sep – 29 Oct, 2016
<b>SUM:</b>		<b>41</b>	<b>249</b>	<b>492</b>	

# Business Plan Writing Training





# Business Plan Writing Training







# Financial and Tax Accounting Training



- In 2015 ABCO created a Financial Management checklist (questionnaire) that is used to evaluate the financial management procedures and knowledge on taxation and accountancy of the granted cooperatives.
- Financial Management of Granted cooperatives was evaluated twice before and after Financial and Tax Accounting training which was held in 2016 Spring delivered by ABCO;
- Financial and Tax Accounting training was aimed to support granted cooperatives on Financial Management, Accountancy and Tax issues.

# Financial and Tax Accounting Training



As a result from February till April 2016, 2 day-long 6 session Financial and Tax Accounting training was delivered by ABCO, attended by 39 Granted Cooperatives and 69 trainees.

Topic	Region#	# of Training sessions	# of Cooperatives / FGs	# of Trainees	Date
Financial and Tax Accounting	Shida Kartli	2	13	24	15 – 18 Feb, 2016
Financial and Tax Accounting	Imereti	1	9	19	18 – 19 Feb, 2016
Financial and Tax Accounting	Kakheti	1	4	8	29 Feb – 1 Mar, 2016
Financial and Tax Accounting	Kvemo Kartli	1	6	9	25 – 26 Feb, 2016
Financial and Tax Accounting	SJ	1	7	9	27 – 28 Apr, 2016
<b>SUM:</b>		<b>6</b>	<b>39</b>	<b>69</b>	





# ASP – Business Planning Trainings



- The support component for the development of Agricultural Service Providers (ASPs) was launched on July 15<sup>th</sup> 2014 and following the receipt of applications a two-day Introductory Training was provided for the ASPs.
- This training was designed by ABCO and included a half-day session on the new cooperation context and the potential advantages and benefits to ASPs and then one-and-a-half days dedicated to business planning training.

# ASP – Business Planning Trainings



- As a result from November 2014 till May 2016, 14 session Business Planning Training was delivered by ABCO, attended by 105 ASPs and 117 Trainees.

Topic	Cycle #	# of Training sessions	# of ASPs	# of Trainees	Date
Business Planning	1 <sup>st</sup> Cycle	4	19	22	Nov, 2014
Business Planning	2 <sup>nd</sup> Cycle	4	35	37	Apr, 2015
Business Planning	3 <sup>rd</sup> Cycle	6	51	58	May, 2016
<b>SUM:</b>		<b>14</b>	<b>105</b>	<b>117</b>	

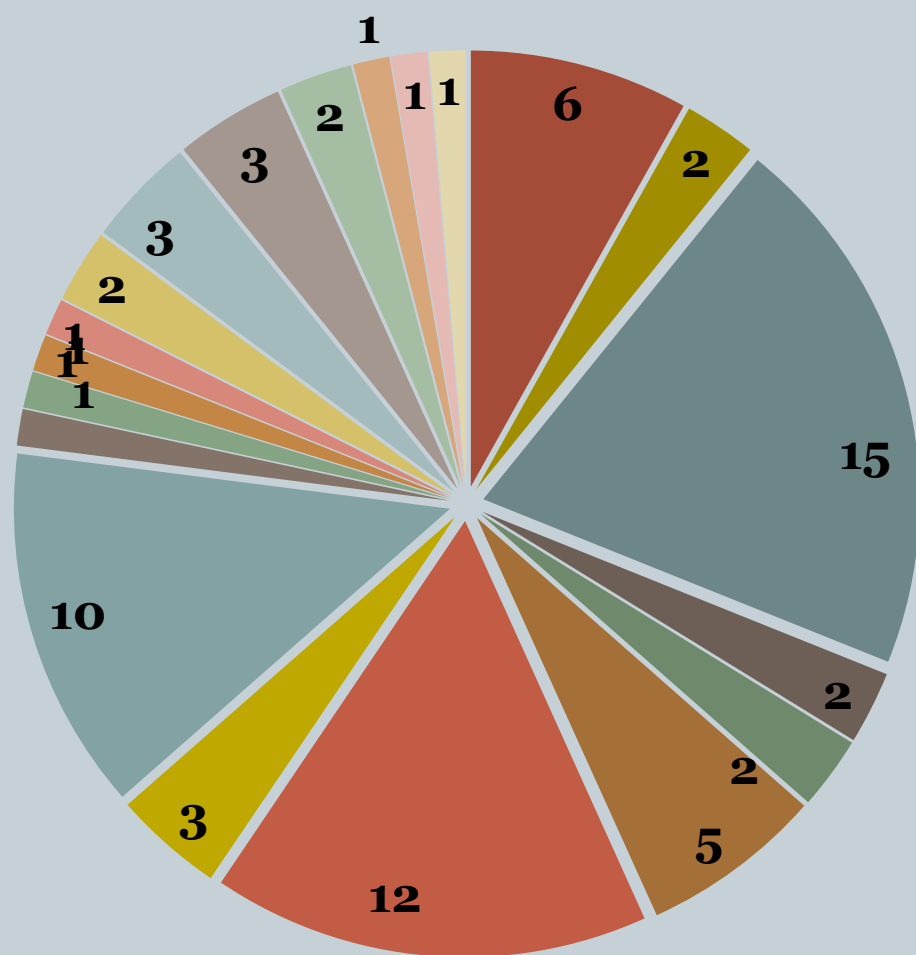
# Granting



- Up to date project has granted:

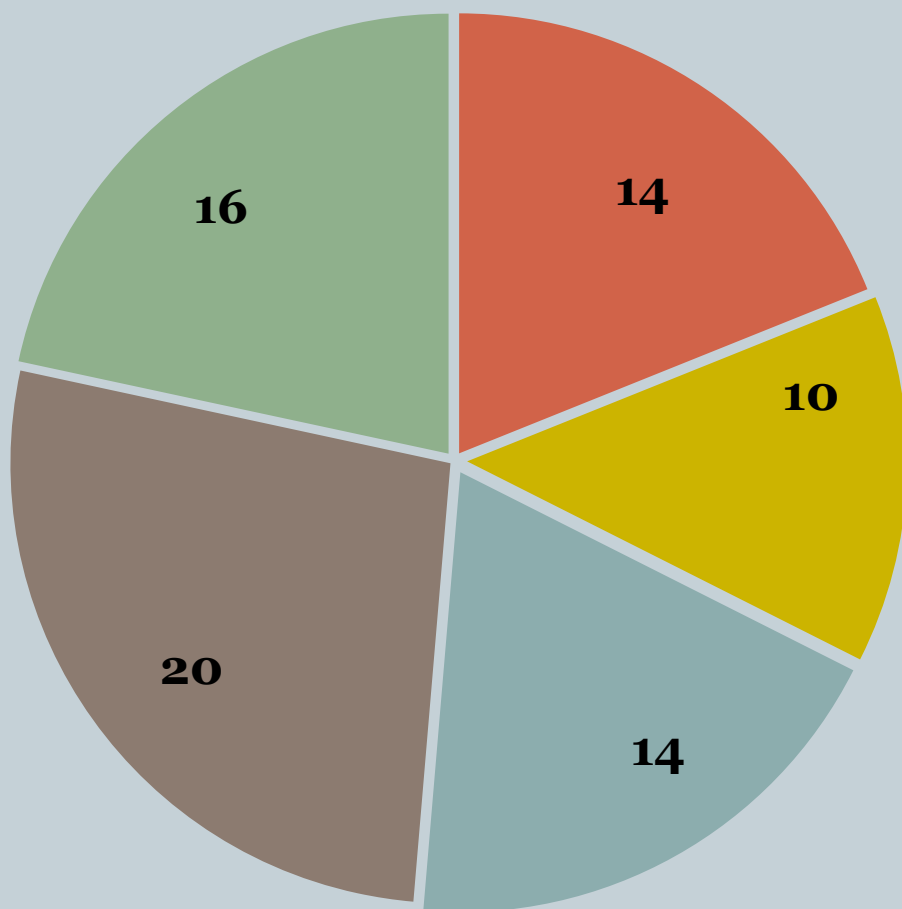
Type of Grantee	# of Grantees	# of Member Farmers	# of Beneficiaries	Co-financing (Gel)	Grant (Gel)	Sum (Gel)
Cooperative	74	665	-	988,917	2,511,236	3,500,153
ASP	59	-	21,900	928,220	1,203,690	2,131,910
<b>Total Sum</b>	<b>133</b>	<b>665</b>	<b>21,900</b>	<b>1,917,137</b>	<b>3,714,926</b>	<b>5.632.063</b>

# Granted Cooperatives by Fields of Economic Activities



- Livestock - 6
- Potato - 15
- Poultry - 2
- Bee keeping - 12
- Cereals - 10
- Nursery - 1
- Grapes - 2
- Greenhouse - 3
- Hazelnuts - 2
- Fruit/ Hazelnuts - 1
- Mechanization - 2
- Horticulture - 2
- Sheep - 5
- Berry - 3
- Fishery - 1
- Vegetables - 1
- Fruit - 2
- Maize - 3
- Foder - 1
- Winery - 1

## Granted Cooperatives by Regions



■ Shida Kartli - 14

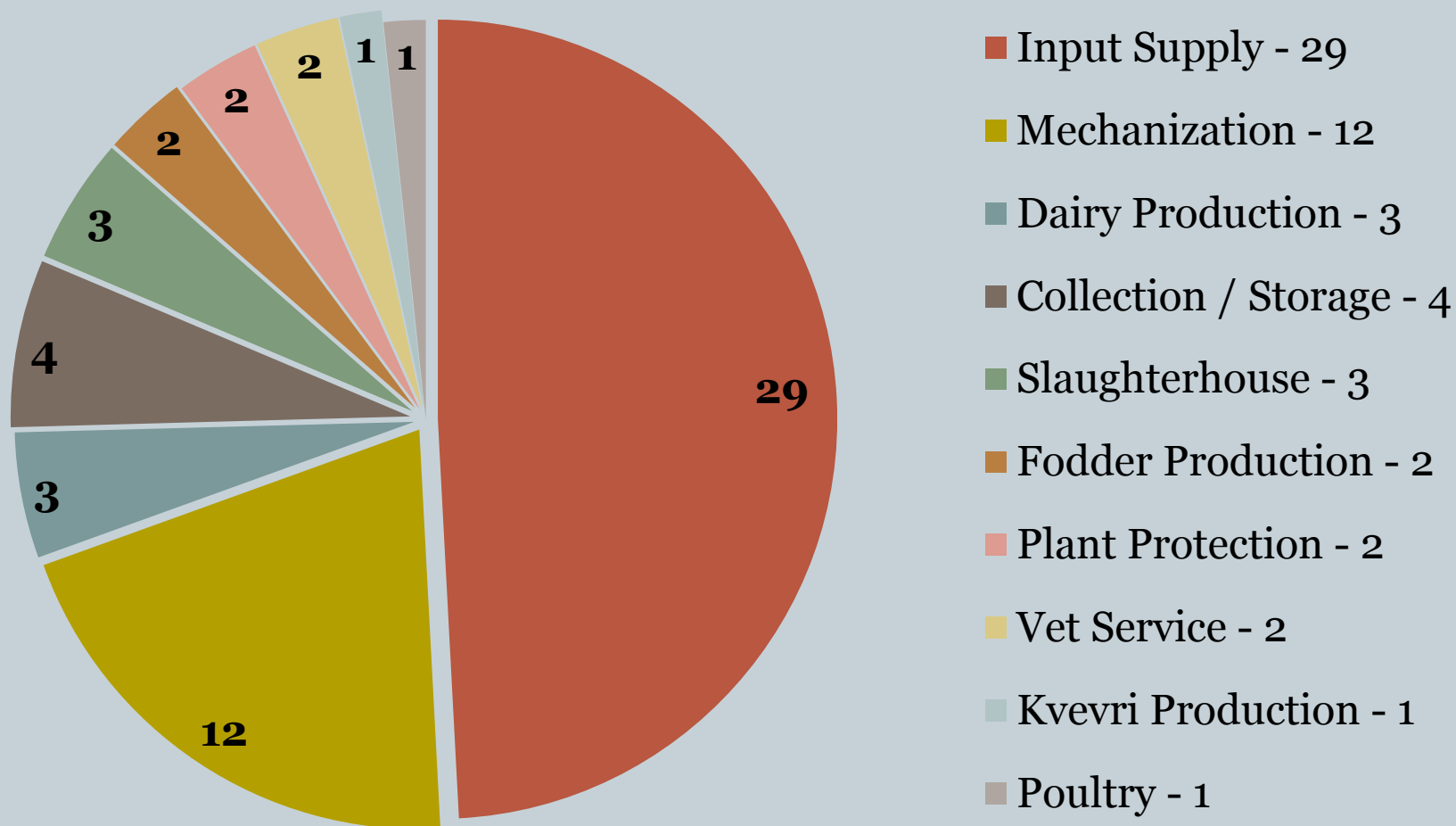
■ Kvemo Kartli - 10

■ Kakheti - 14

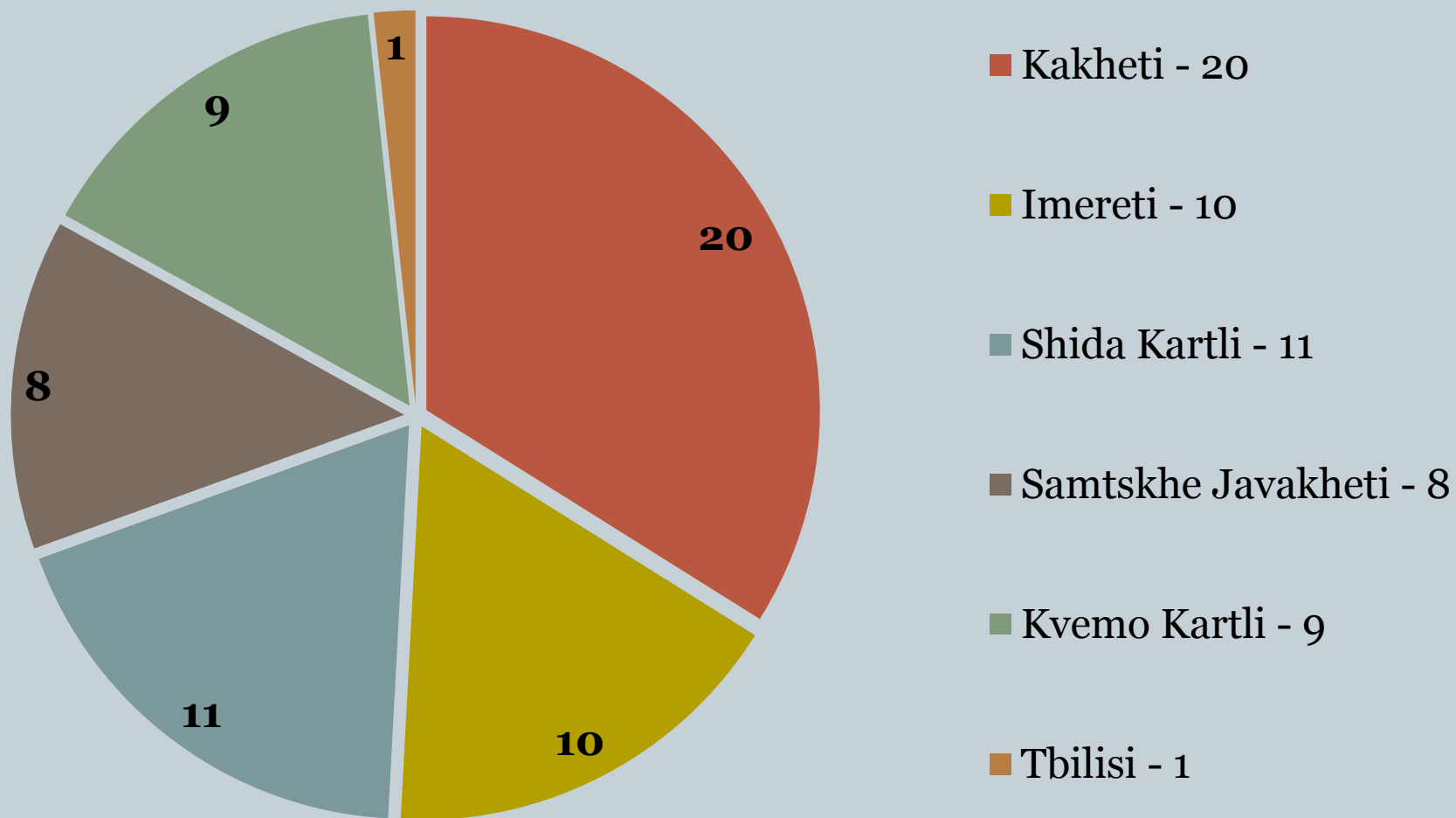
■ Imereti - 20

■ Samtskhe-Javakheti - 16

# Granted ASPs by Fields of Economic Activities



# Granted ASPs by Regions





Delivering  
Raspberry  
seedlings to  
Cooperative  
“GEA”



Delivering  
Tractor to  
Cooperative  
“Akhali  
Dzevera”





# **Delivering Tractor to Cooperative “Lamiru”**







**Cooperative “AGRO API”  
Honey Production and Packaging**


The image shows the interior of a room with light blue walls and a ceiling made of corrugated metal sheets. Two rectangular windows are set into the back wall, looking out onto a bright, sunny outdoor area with trees. A fluorescent light fixture is mounted on the wall between the two windows. Another fluorescent light fixture is mounted on the right wall. The floor is a plain, light-colored concrete. The text "Cooperative 'AGRO API' Honey Production and Packaging" is overlaid in the lower center of the image.

## **Cooperative “AGRO API” Honey Production and Packaging**



The image shows the interior of a room with light blue walls and a white ceiling. A doorway in the center leads to a darker room. On the left, a window with a white frame and blue-tinted glass is partially open. On the right, another similar window is also partially open. The floor is a light-colored, smooth material. The text "Cooperative 'AGRO API' Honey Production and Packaging" is overlaid at the bottom of the image.

# **Cooperative “AGRO API” Honey Production and Packaging**



Thank You