



PROJECT FACTSHEET

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Swiss Agency for Development
and Cooperation SDC

LIVESTOCK IS LIVELIHOOD FOR FAMILIES IN SAMTSKHE-JAVAKHETI



In Georgia's Samtskhe-Javakheti region livestock farming is the key economic activity. But, despite high demand in Georgia for beef and dairy products, the sector has declined over the last twenty years, due to lack of investment. This rural economic development project has already proved successful and is currently in its second phase. It will further support Samtskhe-Javakheti's subsistence farmers in improving the health of their cattle, thus increasing their production of milk and meat. The project will also help develop stable business relationships between farmers and meat and dairy wholesalers. The overall goal is to alleviate poverty in the region, by improving the productivity and income of around 9,000 households.

COUNTRY CONTEXT

Georgia became an independent state following the break up of the Soviet Union in 1991. Relations with the neighbouring Russian Federation have been difficult, and in 2008 flared up into a conflict over the disputed region of South Ossetia. At the same time the United States has increased its influence in Georgia, and has invested heavily in an oil pipeline from Azerbaijan through Georgia to Turkey.

Georgia's key exports include wine and fruit; the country is rich in agricultural diversity. Cattle for meat and dairy products are raised across the country. But agriculture, although it accounts for half of Georgia's labour force, is only the fourth most significant sector of the country's economy, and contributes just 10 per cent of Georgia's GDP. Thus Georgia remains a net importer of food; imported grain, dairy, and meat account for over half the population's food needs. In 2011, the Georgian government declared development of agriculture a national priority.

SECTOR CONTEXT

Samtskhe-Javakheti is traditionally one of Georgia's foremost agricultural regions, but over the last two decades the importance of the agricultural sector has declined. The population of Samtskhe-Javakheti are primarily farmers, and nearly all of them have cattle. The downturn in agriculture means that, today, most are subsistence farmers, rarely owning more than five cattle and a hectare of land. Their meat and dairy produce is used mostly for family consumption, with the occasional sale of an animal to boost family incomes.

Georgian consumers' demand for fresh good quality meat is increasing, at the same time their desire to buy locally produced milk and cheese rather than imported varieties is also growing. That means there is potential for Samtskhe-Javakheti's farmers to increase their income, if they can increase their pro-

ductivity and establish sustainable partnerships with meat and dairy wholesalers.

This is where subsistence farmers face real challenges. Their animals are not as healthy as they should be: the farmers tend to use only grass as fodder, and have little information about or access to other feeds or vitamins, and little money to pay for such supplements. A lack of affordable local veterinarian services is also a factor. Furthermore, the genetic stock of the cattle has been depleted over the years through over breeding, and lack of access to artificial insemination.

Finally, Samtskhe-Javakheti's farmers need support to reach the markets, and to make sure their products satisfy market demands. New nationwide food safety rules have been introduced in Georgia, in theory a positive thing for local farmers who can prove their produce is fresh, safe, and hygienically produced. But, this will not be possible for Samtskhe-Javakheti's farmers unless they have clear guidelines as to exactly what the new regulations entail, and the tools and support to carry them out.

PROJECT OBJECTIVES AND ACTIVITIES

The first phase of the project focused on 127 remote villages in the region, directly targeting 6'000 subsistence farming families. The project facilitated a variety of interventions including improving access to animal nutrition, to artificial insemination services, and to livestock markets and slaughterhouses. Support was also given to a number of villages to invest in farm machinery, which was then available for local farmers to hire at an affordable daily or hourly rate. The results have been promising so far: the annual income of almost 5'000 of the targeted households has significantly improved.

The second phase of the project will consolidate and expand on these positive results, increasing the number of targeted villages to 201, and the number of farming families to around 9'000. Based on the experience of the first phase, the second phase will again focus on supporting farmers to increase their meat and dairy production, through improving the health of their cattle.

Local veterinarians have already been identified as key partners in this project: the aim is to work with them in capacity building, in improving their access to up to date information and medicines. Veterinarians can then access local farmers, inform them about the benefits of improved animal health, and encourage them to invest in preventive health measures.

The project also intends to improve the quality and availability of artificial insemination, by supporting existing local artificial insemination services, and encouraging them to provide improved advice and information to farmers.

Specific interventions with farming families include supporting villages to invest in communal farming tools and machinery, from which all families can benefit. Access to hay making machinery for example has proved to be successful; farmers can hire the machinery at a low cost, and get work done quickly and efficiently.

Women in Samtskhe-Javakheti are the primary workers in dairy production. Cheese making in particular is labour intensive, and sometimes brings little financial return. The project is establishing links between small dairy farms and milk wholesalers, so that families who want to can sell their raw milk directly to the suppliers, providing a regular income with less investment of labour.

In addition, the project is supporting the creation of a traditional cheese production facility. It will provide an outlet for up to 300 families to sell their milk, and will make traditional Tenili local cheese, a speciality of the Samtskhe-Javakheti region, and a product sure to find favour with Georgian consumers.





BENEFICIARY PORTRAITS

Resident of Arali village (1.100 metres above the sea) Mrs. Tina Tateshvili is a 71 year-old woman, who has been supplying raw milk to the Milk Collection Centre in Arali village. Livestock production is the main source of income for her family. Raw milk sale has become more profitable for the family. "The economic status of my family has improved. Earlier I was producing cheese but now I am selling raw milk which is more profitable. For making cheese I needed salt, pepsin, heating and transportation of produced cheese to the market. In addition, I needed 3 hours per day for cheese making. Since I started raw milk sales, I saved all these resources. Plus I have stable cash income. Apart from that, I found a new job using time saved on cheese making. I am working as milkmaid in a big farm in my village and my monthly salary amounts to 250 Georgian Lari (140 Swiss Francs)".

ACHIEVEMENTS SO FAR

By the end of 2011, the overall production of milk in targeted communities increased by 364% compared with the baseline of 2008. The income per farm received from milk increased on average by 62%, and most of that increase can be attributed to the Project. More than 1,319 households benefited from the Project in terms of increased income from milk.

By the end of 2011, the total volume of beef produced and supplied to the market in target communities increased by 122%. This noticeable increase in cattle supply for meat became possible thanks to (a) improved transportation means; (b) better access to meat markets for farmers; (c) increased number of smallholder farmers rearing cattle for meat; (d) improved productivity of cattle; and (e) improved feeding practices amongst farmers.

The number of households benefited from the Project in terms of increased income from meat comprised more than 2'667 (or 10% of households in target communities).

In total, over CHF 2.8 million of additional income was generated in the meat and dairy sectors in the project target area. This growth has been realized amongst 127 remote rural villages in the Project area. In clear contrast to the increasing national poverty, poverty in the target villages of the project has decreased.

Mrs. Shushana Bochikashvili is a 62 year-old woman, who is residing in Ude village. Mrs. Shushana has significantly benefited from the intervention of artificial insemination. Now she owns an improved calf through AI service, provided by the AI practitioner of the village Ude. "I used artificial insemination service last year and got an improved calf. It is even worthless to make a comparison between local breeds: the improved calf is twice bigger!"

Mr. Sagoian Suren is a 69 year-old man, who lives in Tskruti village. Last summer he has used mower service, which was not available in his village before. "I used the mower and did the work in two hours. Earlier I needed to hire four men for two days; I also needed to feed these labourers."

EXPECTED RESULTS

By the end of the project, the following results shall be achieved:

1. Small-scale livestock producers have improved access to services, inputs and information, enabling them to make informed decisions on animal health, breeding and nutrition.
 2. Market access and terms of trade are more advantageous for small-scale livestock producers.
 3. Local governments have enhanced capacities to support the growth of a robust and durable agricultural sector which is more resilient to natural disasters.
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DID YOU KNOW THAT...

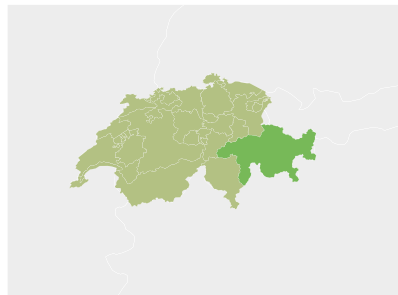
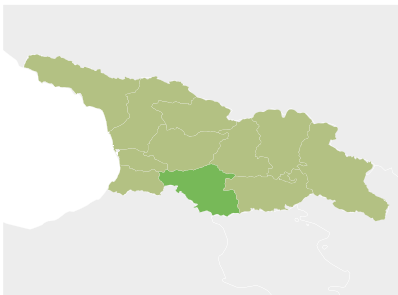
- ... Georgia imports over half the food it needs to feed its population.
 - ... Georgia has its own unique three alphabets which according to traditional accounts were invented by King Pharnavaz I of Iberia in 3rd century before Christ (B.C.).
 - ... Georgia is said to be the country where humans first discovered the art of winemaking. The roots of Georgian viticulture go back to at least 6000 B.C.
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COUNTRY FIGURES

Population (official estimate, 2012): 4.5 million (Switzerland: 8 million)

Life expectancy at birth (Human Development Index, 2012): 73.9 years (Switzerland: 82.5 years)

Gross national income per capita (World Bank, 2011): USD 2'860 (Switzerland: USD 76'380)



| region/canton | Samtskhe-Javakheti | Graubünden |
|---------------|--------------------------------------|--------------------------------|
| area | 6,400 km ² | 7,100 km ² |
| population | 210,000 | 190,000 |
| density | 32 per km ² | 27 per km ² |
| capital | Achalziche (46,000) | Chur (34,000) |
| languages | Armenisch, Georgisch, Russisch | German, Romansh, Italian |

PROJECT AT A GLANCE

Title: Market Alliances Against Poverty in the Samtskhe-Javakheti Region

Duration: 2008–2016 (three project phases)

Total budget: Approx. CHF 7.5 million

Implementing organisation: Mercy Corps Scotland, in cooperation with Georgian organisations

Partners: Ministry of Agriculture of Georgia, regional and municipal authorities, service providers, milk processing enterprises, veterinarians

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