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“Bridging the gap between increasing knowledge and decreasing resources”

European Neighbourhood Programme for Agriculture and Rural Development (ENPARD): Enhancing Small Farmers’ Cooperation and Productivity in Imereti Region, Georgia

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Abstract

The project “ENPARD Georgia: Enhancing Small Farmers’ Cooperation and Productivity in Imereti Region” is financed from European Commission – EuropeAid and co-financed by the government of the Czech Republic within the International Development Cooperation of the Czech Republic. The main implementer is the Czech NGO People in Need in partnership with the Czech University of Life Sciences Prague, Association of Young Economists of Georgia and Elkana. The project is planned for the period 2014 till 2017 and deals mainly with the reduction of rural poverty in Imereti. It targets semi-commercial small farmers as well as agribusiness and rural entrepreneurs in order to increase their productivity and income as members of business-oriented groups such as cooperatives and associations. Such groups represent an alternative to current independent farming practices on fragmented plots with limited cooperation and allow for farmers to decrease operational costs, increase the efficiency and quality of their production, improve market access and thus increase their power to influence market prices. With the adoption of the new Law on Agricultural Cooperatives in July 2013, the conditions for the establishment of cooperatives have been improved and there is an unprecedented opportunity for this more efficient business practice to flourish in Georgia. In total, within the project will be established at least 24 cooperatives. These will be chosen on the basis of grant competition with the possibility to reach a technical sub-grants valued from 35,000 € to 60,000 €. In the first initial phase two cooperatives were already supported, another 10–12 cooperatives will receive a grant before the end of the year 2014. As part of the grant competition, a mandatory intensive training course for all applicants focusing on the principles and organisation of cooperatives, development of business plans and drafting of cooperative statutes is provided.

Before the project implementation was conducted a market assessment and value chain analyses of the key sectors identified during the preliminary field assessment: greenhouse herbs, wine, beekeeping, cattle meat and dairy, hazelnuts, poultry and corn. Pre-identified sectors have the most potential for cooperation and market growth and there is a distinct need to strengthen their value chain.

Keywords: Cooperatives, Georgia, market access, small farmers, value chain