



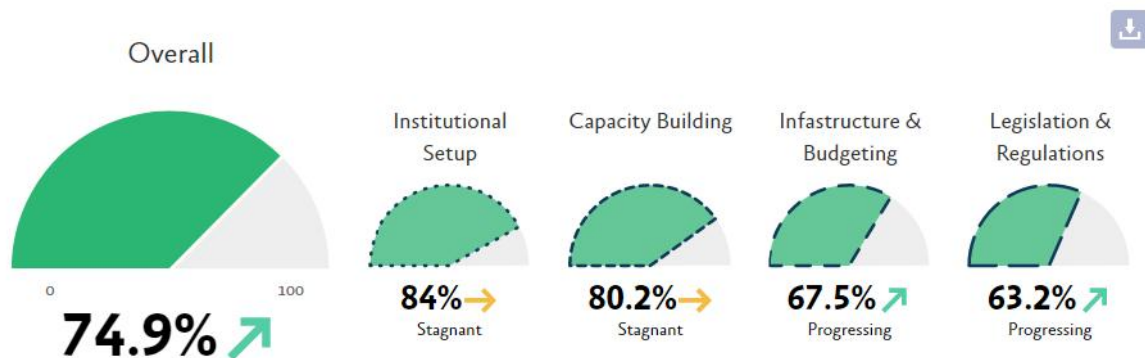
## AGRICULTURAL DEVELOPMENT

### II Phase

On December 14 2017, the second phase of ReforMeter started with an evaluation of Georgia’s agricultural development.

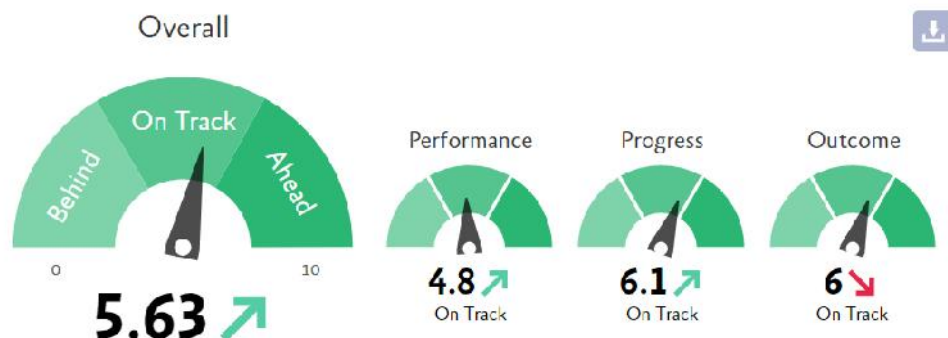
**According to a Government Survey**, 74.9% of the strategy has already been implemented. In the first phase, the same indicator was at 69.5%, although improvement of the Ministry of Agriculture organizational structure is still in process. The Ministry is currently implementing the following projects: gene-bank development for the conservation of agro-diversity and endemic species, scientific research on storage and processing methods, and the rational use of soil. In order to support agricultural cooperation, the following new projects were introduced: cooperative support programs in the viticulture sector, a State Program to Support Beekeeping Agricultural Cooperatives, and a program for the rational utilization of pasture and meadows. It was stated that the Agriculture Registry does not exist yet, the seed/planting material certification is still in process and a geo-information system, an analog to the Land Parcel Identification System (LPIS), does not exist either. The total area of irrigated land was increased by 2000 ha and drained land area sby 1900 ha as well. In addition, the creation of a modern DNA laboratory and the seed/planting material certification system is in process.

### ACCORDING TO THE GOVERNMENT



The reforms were also assessed by the **Stakeholder Group**. The reforms’ implementation received 5.63 points out of 10; in the first phase, the reforms had a score of 5.41.

## ACCORDING TO THE STAKEHOLDERS

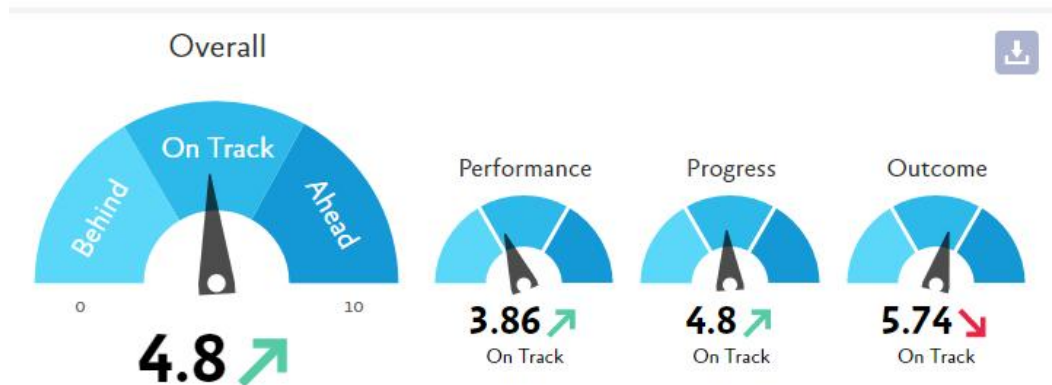




Several interesting points were raised in the [debate](#) attended by Deputy Minister Khanishvili, Reform Stakeholders and invited guests:

- The total amount of loans issued within the state agro-credit project since 2013 is 1.5 Billion GEL. The number of financed projects is decreasing, which is caused by less demand and increased minimum limits of loans from 5,000 to 20,000 GEL.
- The share of the agriculture sector in Foreign Direct Investments remains insignificant, but local investments are growing. It is to underline that since 2014 the processing sector provides more real value added than the primary sector.
- Since 2014, agriculture exports have been decreasing. Accordingly, the number of exporters is not growing. Deputy Minister Khanishvili stated that the decreased value of total agriculture export was mainly effected by less exports of nuts. ISET calculated export diversification indicators according to the Herfindahl-Hirschman Index methodology, and found that in 2017, export diversification by products was improved, but deteriorated by countries. Participants from the MoA underlined that exports decreased but self-sufficiency has been consistently increasing.
- The biggest problem of 2017 was revealed to be the infestation of the Stink Bug, which will also be a challenge in 2018. The ministry does not see an effective solution to the problem but calls on farmers to follow its preventative guidelines.
- Agriculture Statistics was named as a significant issue as well. Data provided by GeoStat is not trustworthy and provides information only on existing trends.

**ReformVerdict** – the overall assessment of all reforms – was improved insignificantly from a score of 4.75 to 4.80.

## REFORMVERDICT: 2017 PHASE 2






# Government Survey

## AGRICULTURAL DEVELOPMENT

2017 - II







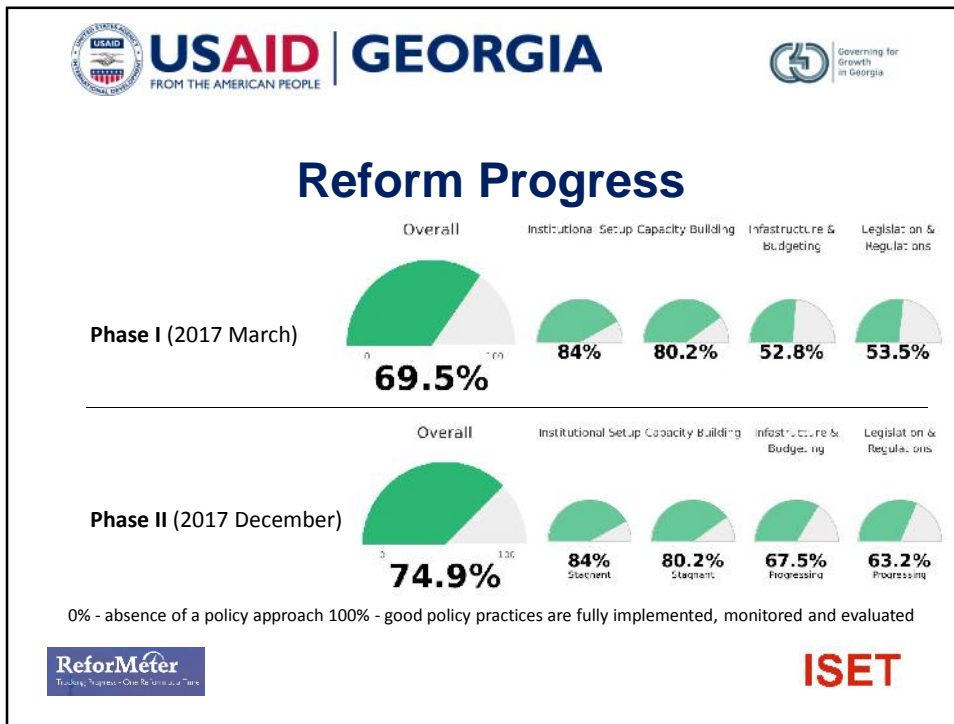
## What is Government Survey?


**The Government Survey** – measures progress in the implementation of reform based on questionnaire agreed upon with the government

The questionnaire covers the following 4 dimensions


Reform Dimension	Description	Example Input Indicator	Example Output Indicator
<b>1. Institutional Setup</b>	<ul style="list-style-type: none"> <li>Governance systems</li> <li>Roles and responsibilities</li> <li>Strategy and Action Plans</li> </ul>	Strategy	Number of actions in line with the timeline
<b>2. Capacity Building</b>	Mobilization and development of adequate human capital	Operationality of the implementation agency	Trainings
<b>3. Infrastructure &amp; Budgeting</b>	<ul style="list-style-type: none"> <li>Budget and physical capital</li> <li>Building and equipment</li> </ul>	Mobilized budget	Grants for SME
<b>4. Legislation &amp; Regulations</b>	Legislative and regulatory framework	Analysis of intellectual property rights	New law on intellectual property rights



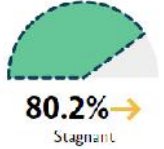


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## Capacity Building


Capacity Building




**80.2%** →  
Stagnant

- Programs for capacity building to members/managers of cooperatives – 2,971 were trained totally (2,455 – I phase)
- Ongoing projects:
  - Gene bank development/management for conservation of agro-diversity and endemic species
  - Scientific research on storage and processing methods
  - Rational use of soil

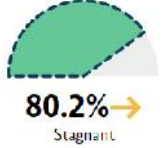


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## Capacity Building


Capacity Building



**80.2%** →  
Stagnant


- In order to support agriculture cooperation, the following new projects were introduced:
  - Cooperative support program in Viticulture sector
  - State Program to Support Beekeeping Agricultural Cooperatives
  - Program for rational utilization of pasture and meadows



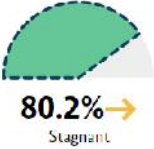
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## Capacity Building

Capacity Building




- Number of agriculture insurance policies in 2017 – 19.513
- Total crop are 19.934 ha (growth 4.462 ha)
- Activities to control over the size of population of quarantine and highly pathogenic organisms – 130 000 ha totally



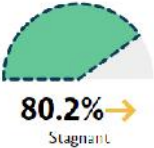
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## Capacity Building

Capacity Building




- Agriculture Registry does not exist yet
- The seed/planting material certification still in process
- A geo-information system, an analog to the Land Parcel Identification System (LPIS) does not exist




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## Legislation & Regulations


Legislation & Regulations



**63.2%** ↑  
Progressing


- Legislation amendments in food safety system and legal approximation to EU standards
- Law of Georgia on Vine and Wine was upgraded




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## Infrastructure & Budgeting

Infrastructure & Budgeting





**67.5%** ↑  
Progressing

- MoA budget in 2017-2020 approx. 1.223.785.000 GEL
- 114 300 ha irrigated land area (+2000 ha)
- 35 900 ha drained land (+1900 ha)
- New accredited methods of MoA laboratory
- Wine popularization:
  - 17 exhibitions
  - 156 degustations




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 Governing for Growth in Georgia


## Infrastructure & Budgeting

Infrastructure & Budgeting

- Modern laboratory of DNA does not exist yet (80% done)
- Creation of seed/planting material certification in process (40% done)



**67.5%**   
Progressing

 **ISET**

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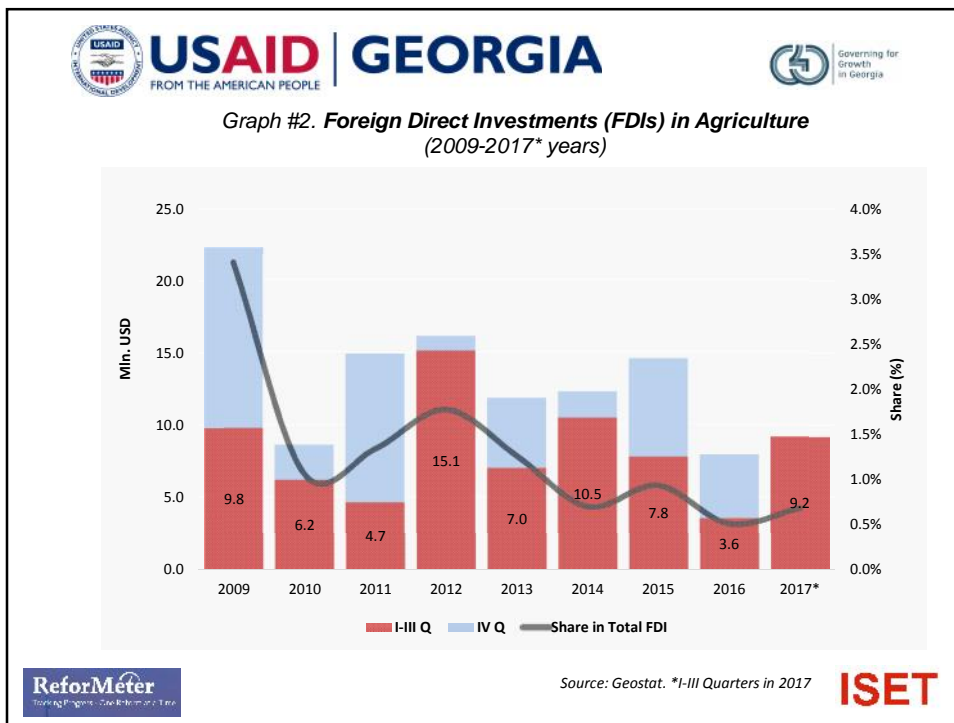
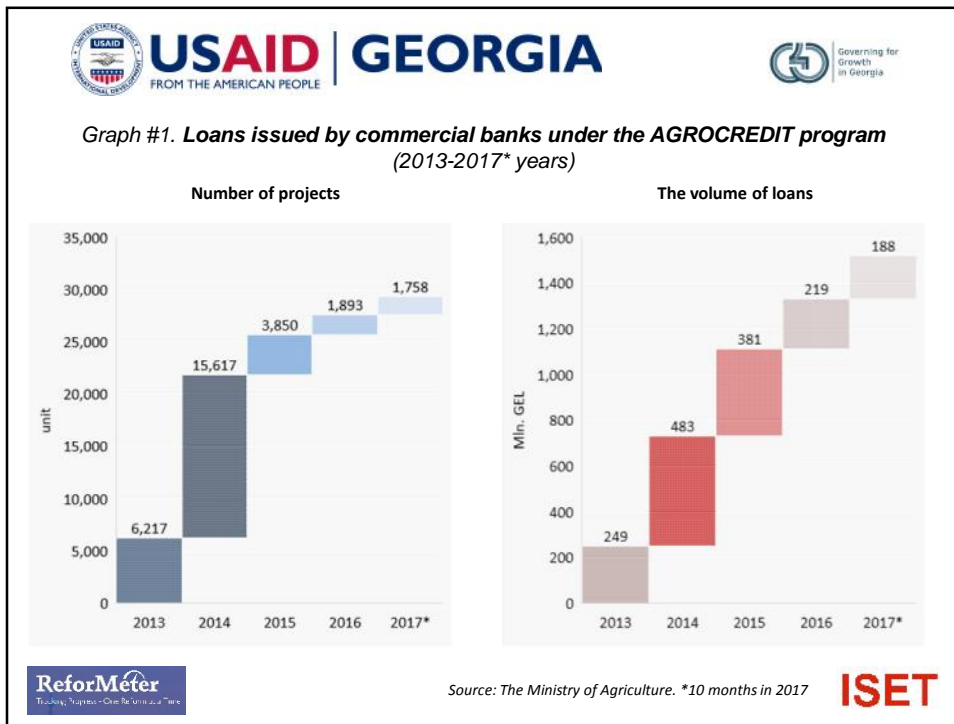
 Governing for Growth in Georgia

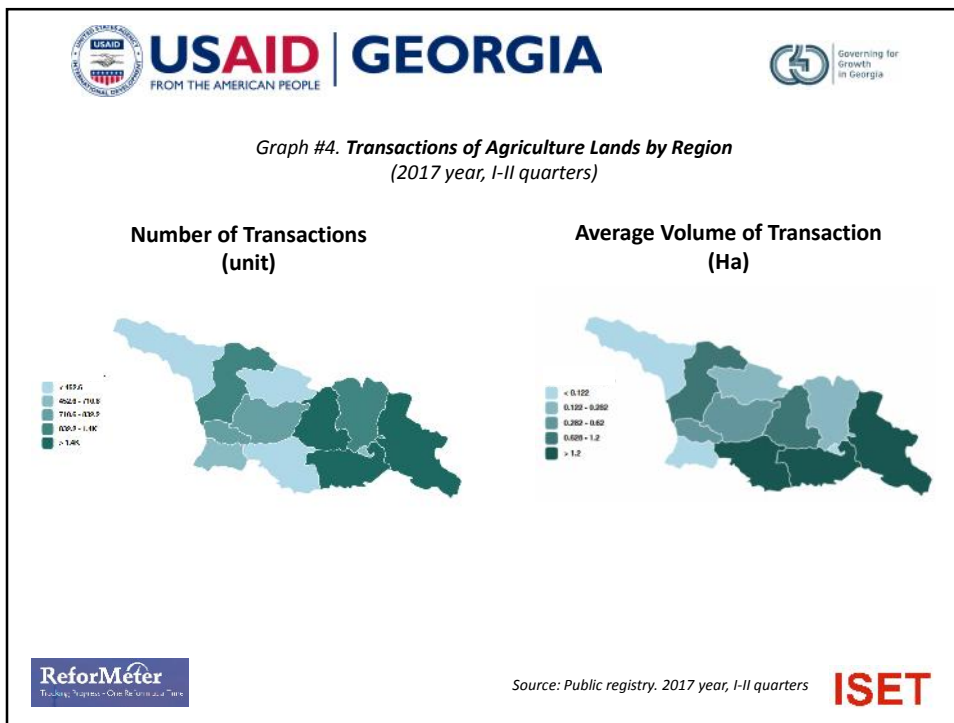
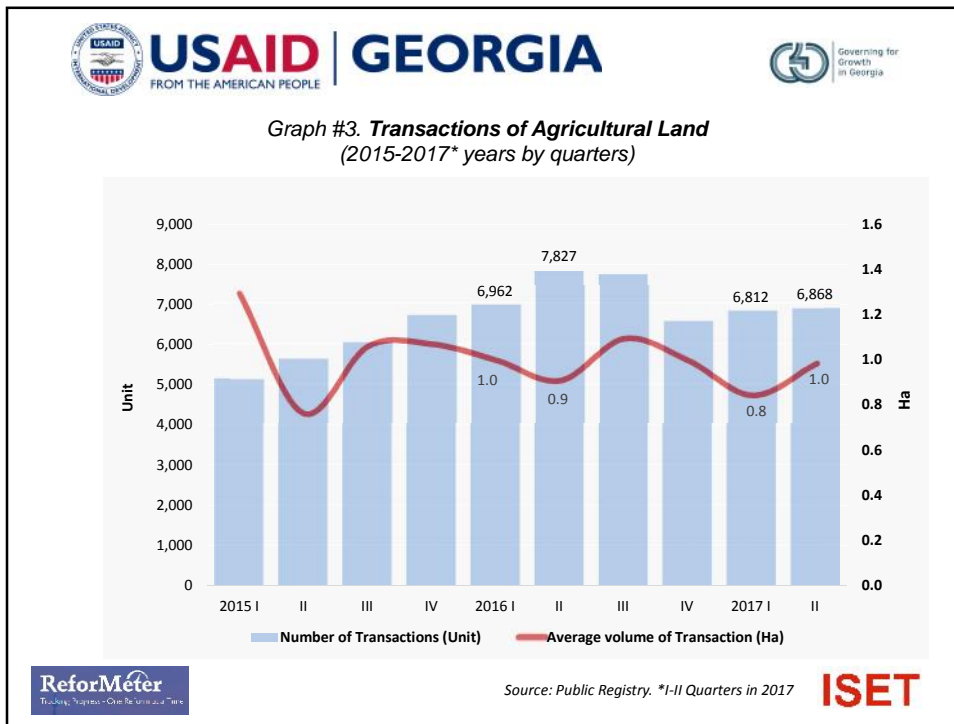
# Reform Indicators

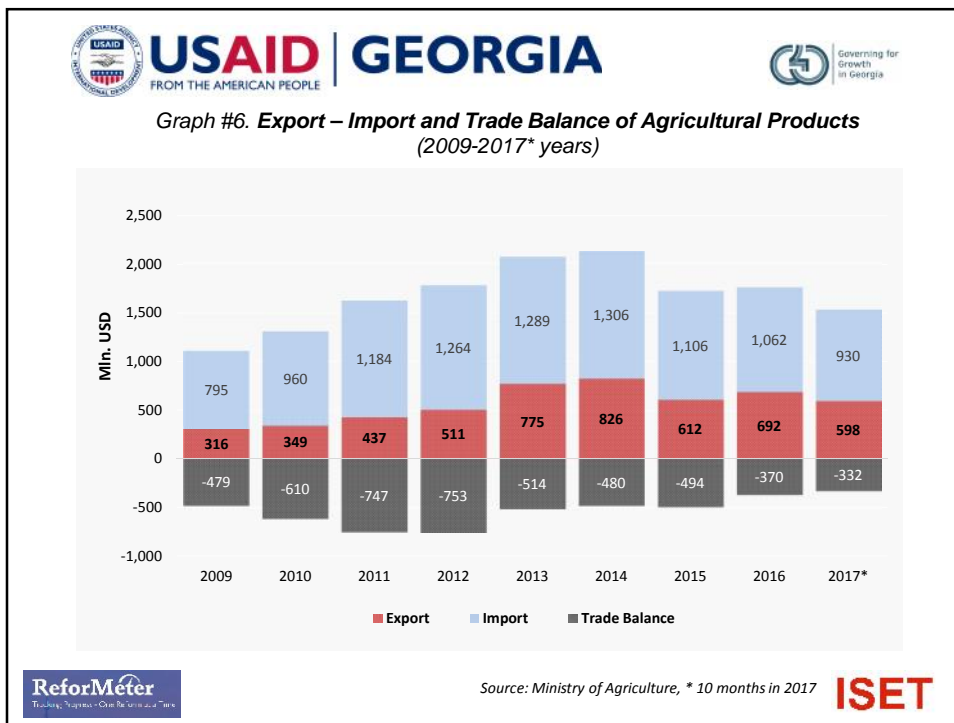
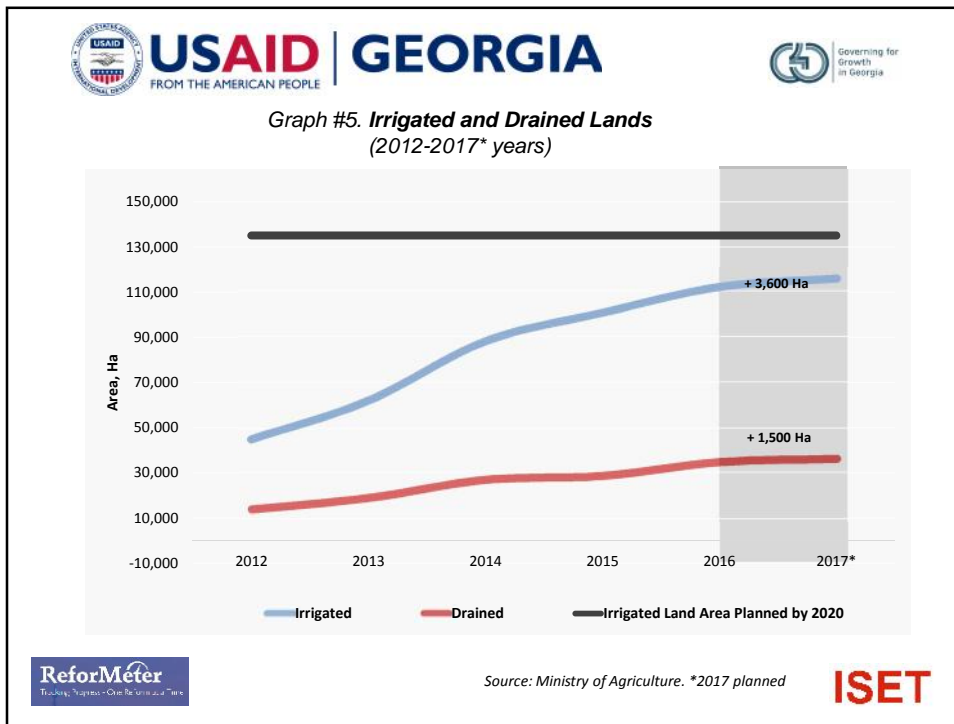
Agriculture Development

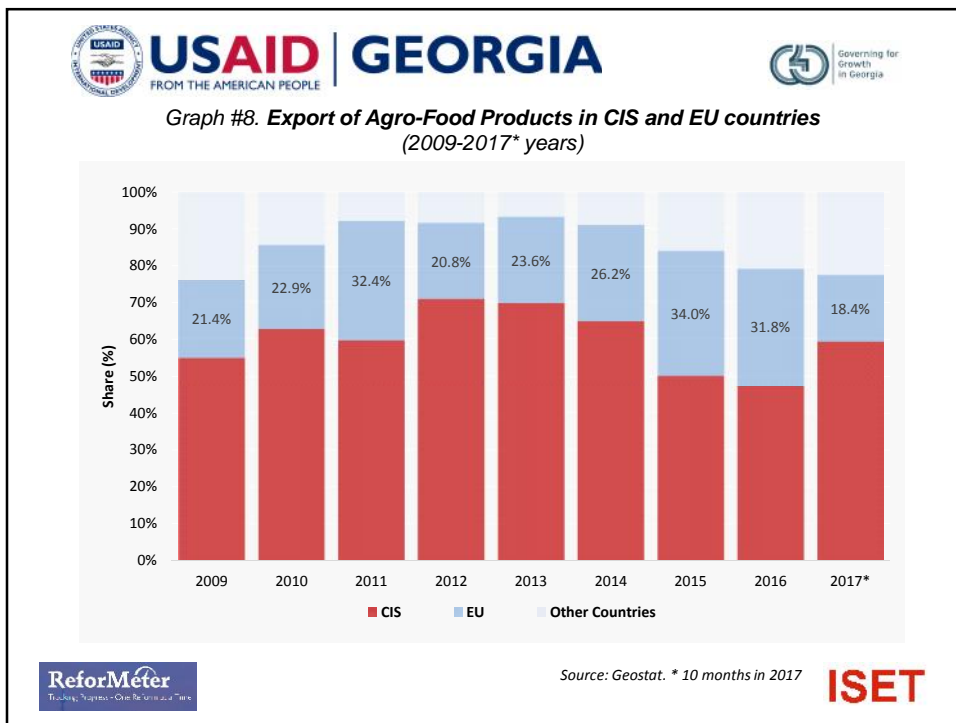
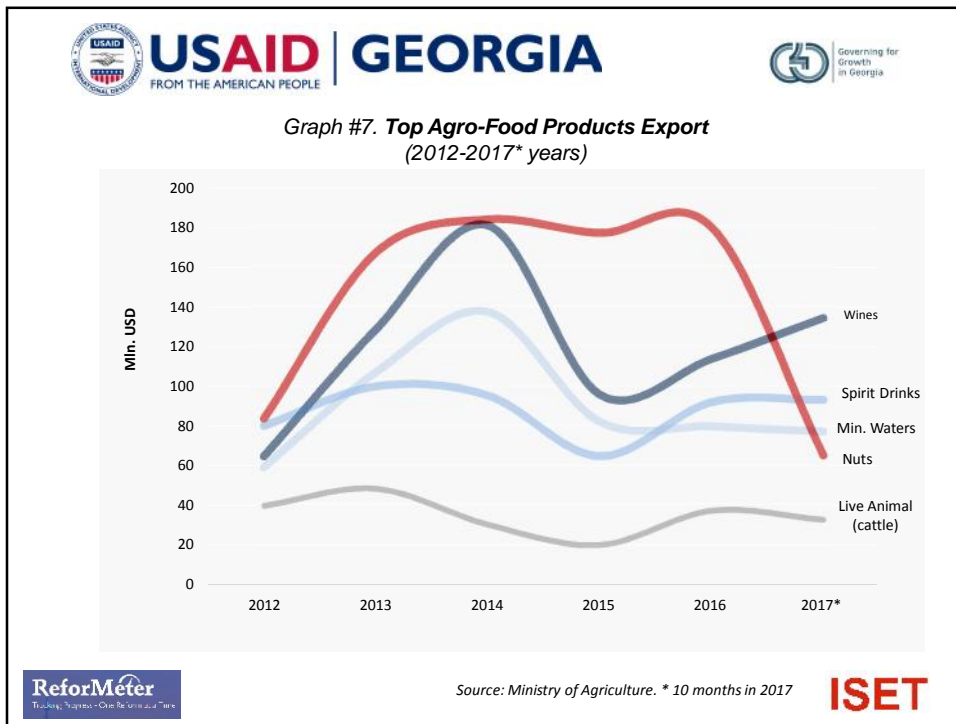
2017 year I - II

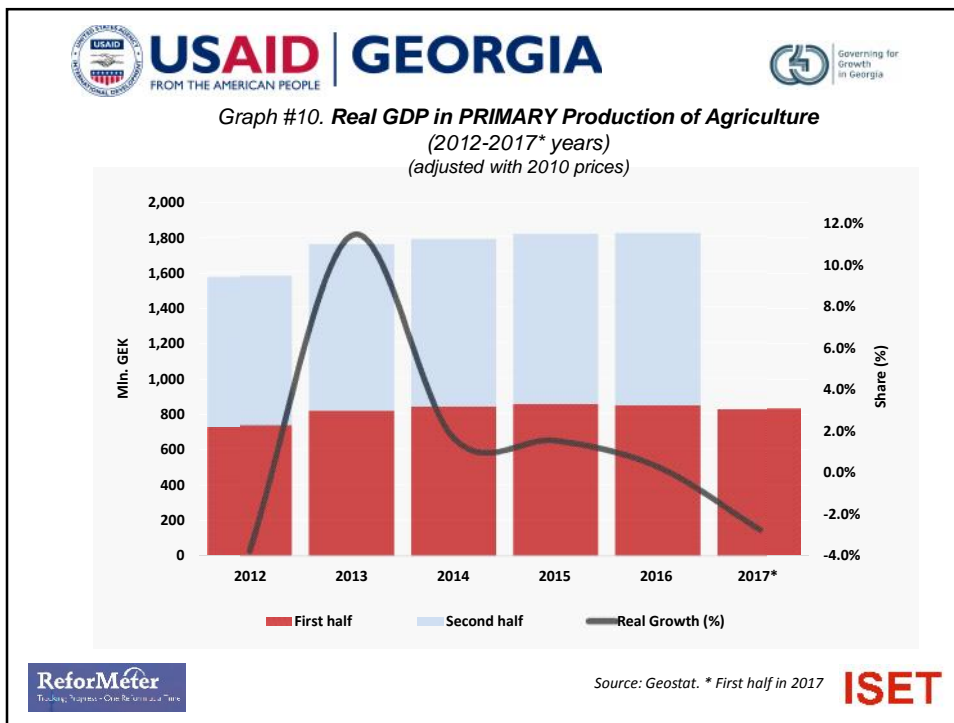
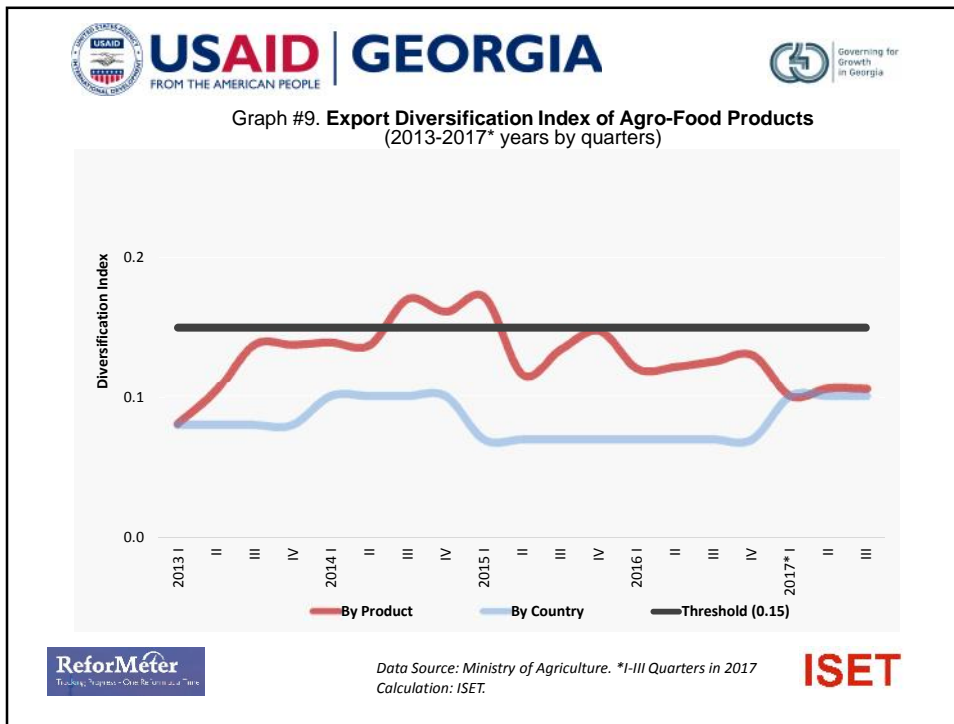


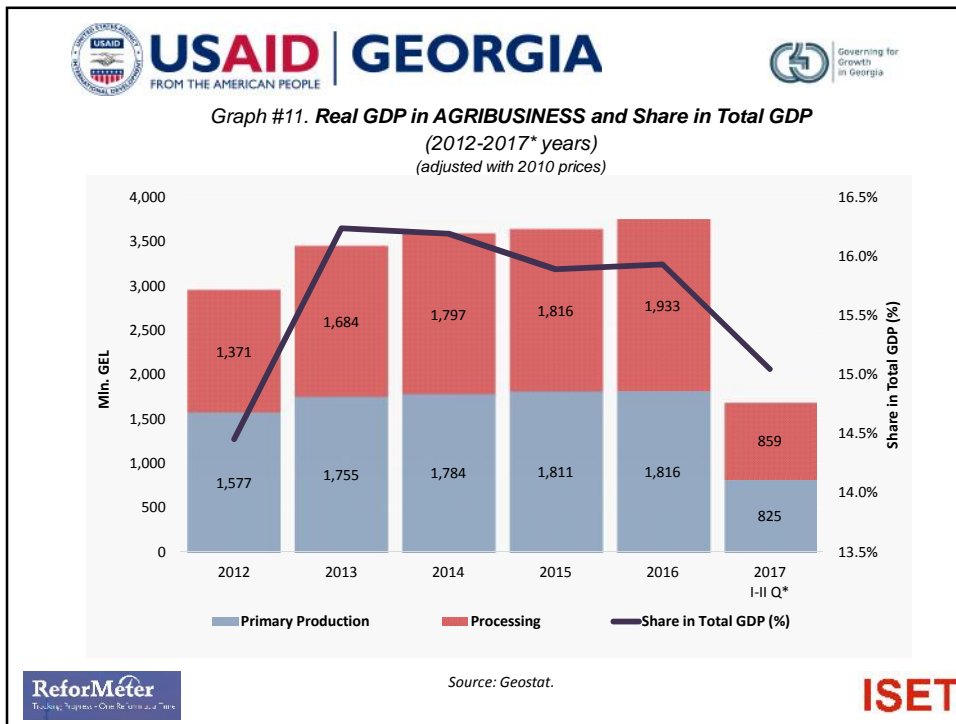












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Governing for Growth in Georgia

**Thank you!**

The presentation is done by **ISSET** Policy Institute  
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Tracking Progress - One Reform at a Time

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### Stakeholder Group Assessment 2017-I

