



The European Union
for Georgia

ENPARD: Support to Agriculture
and Rural Development

4-Years Development of EU-Funded Agricultural Cooperatives across Georgia

Preliminary Results of Annual Cooperative Survey

ENPARD I Consortia Joint Closure Event

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1 December, 2017



Methodology

- **Annual Cooperative Survey**

- In the beginning of 2015, the Monitoring and Evaluation (M&E) Working Group was established with the involvement of 4 ENPARD implementer consortia (led by CARE, Oxfam, Mercy Corps, and PIN);
- The survey questionnaire was developed by the M&E Working Group led by ISET Policy Institute (partner in CARE consortium); 4 consortia use the same questionnaire since 2015;
- Each consortium collects data by itself and submits to ISET;
- ISET then consolidates, cleans, checks, and transfers data into STATA usable formats;
- ISET analyses the data and delivers the results.

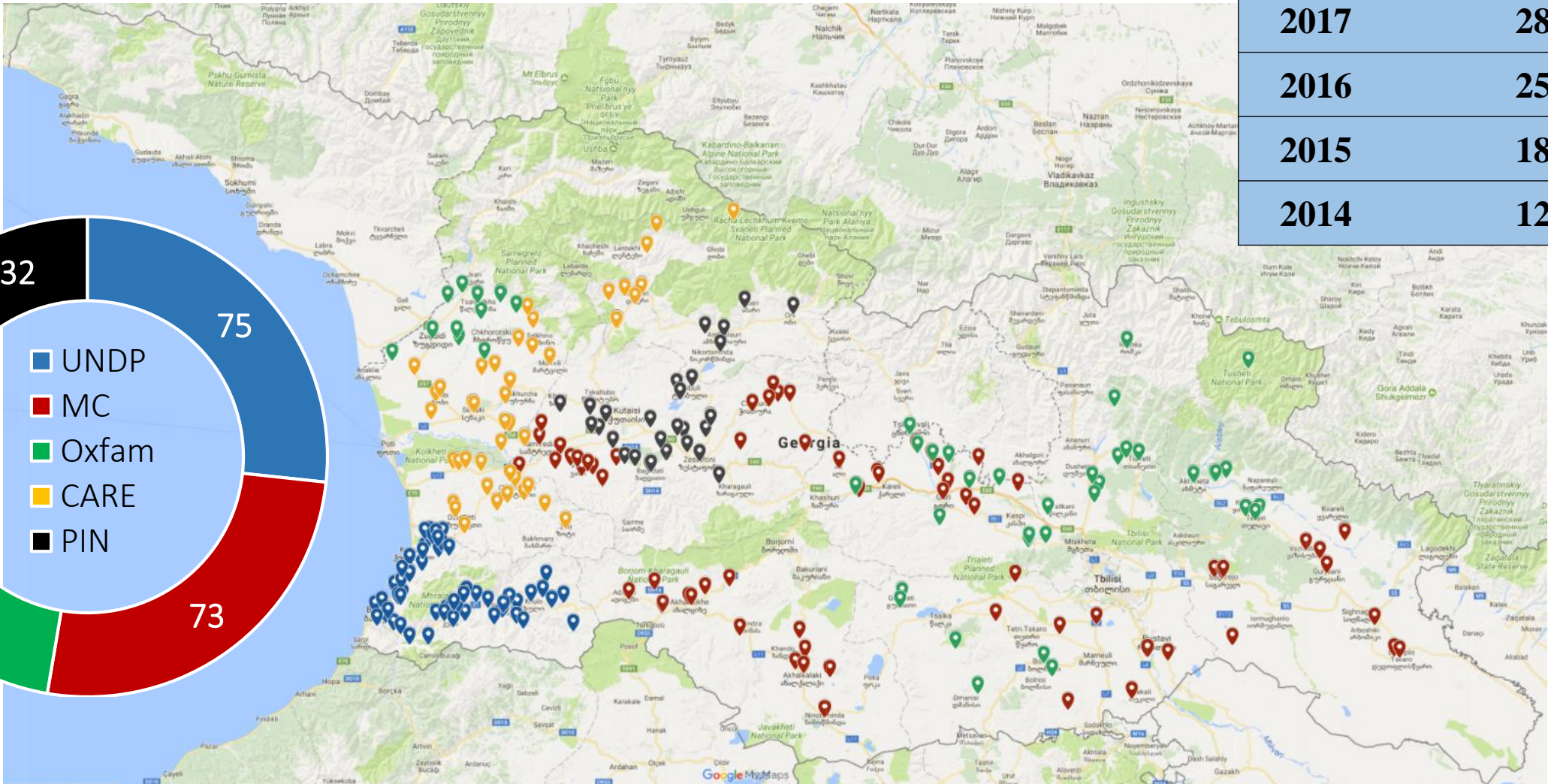
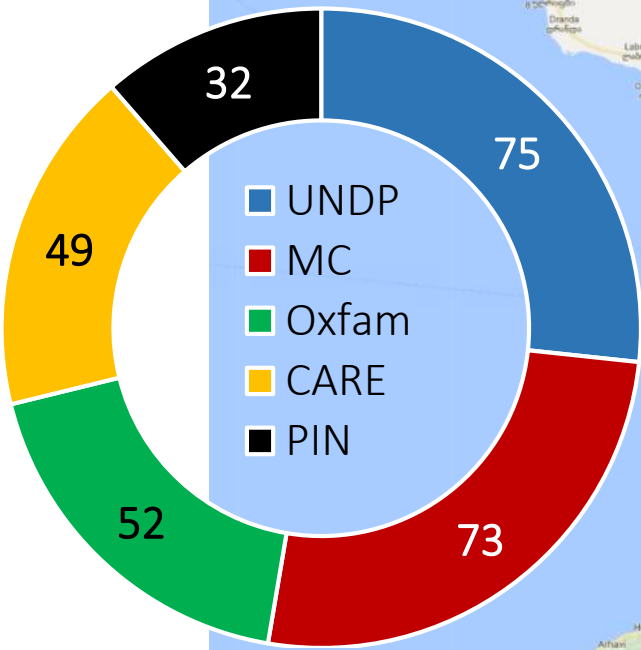
Research Limitations

- Data is self-reported by cooperatives (not verified by official documents in most cases);
- UNDP-supported cooperatives were surveyed retrospectively regarding the years 2014-2016 in March-April 2017;
- Survey regarding the fiscal year of 2017 was conducted in October-November 2017, so most of the data is projection made by the cooperatives.



Annual Cooperative Survey

Year	# of COOPs surveyed
2017	281
2016	254
2015	184
2014	125



ENPARD-supported Agricultural Cooperatives

☐ More than **280** Agricultural Cooperatives supported by ENPARD Georgia;

Initial Investment:

➤ **GEL 13.6 Million** was invested by **ENPARD** and **GEL 4.4 Million** was co-financed by cooperatives as of initial investment (**Total: GEL 18 Million**). 65 thousand GEL per COOP.

Additional Investment:

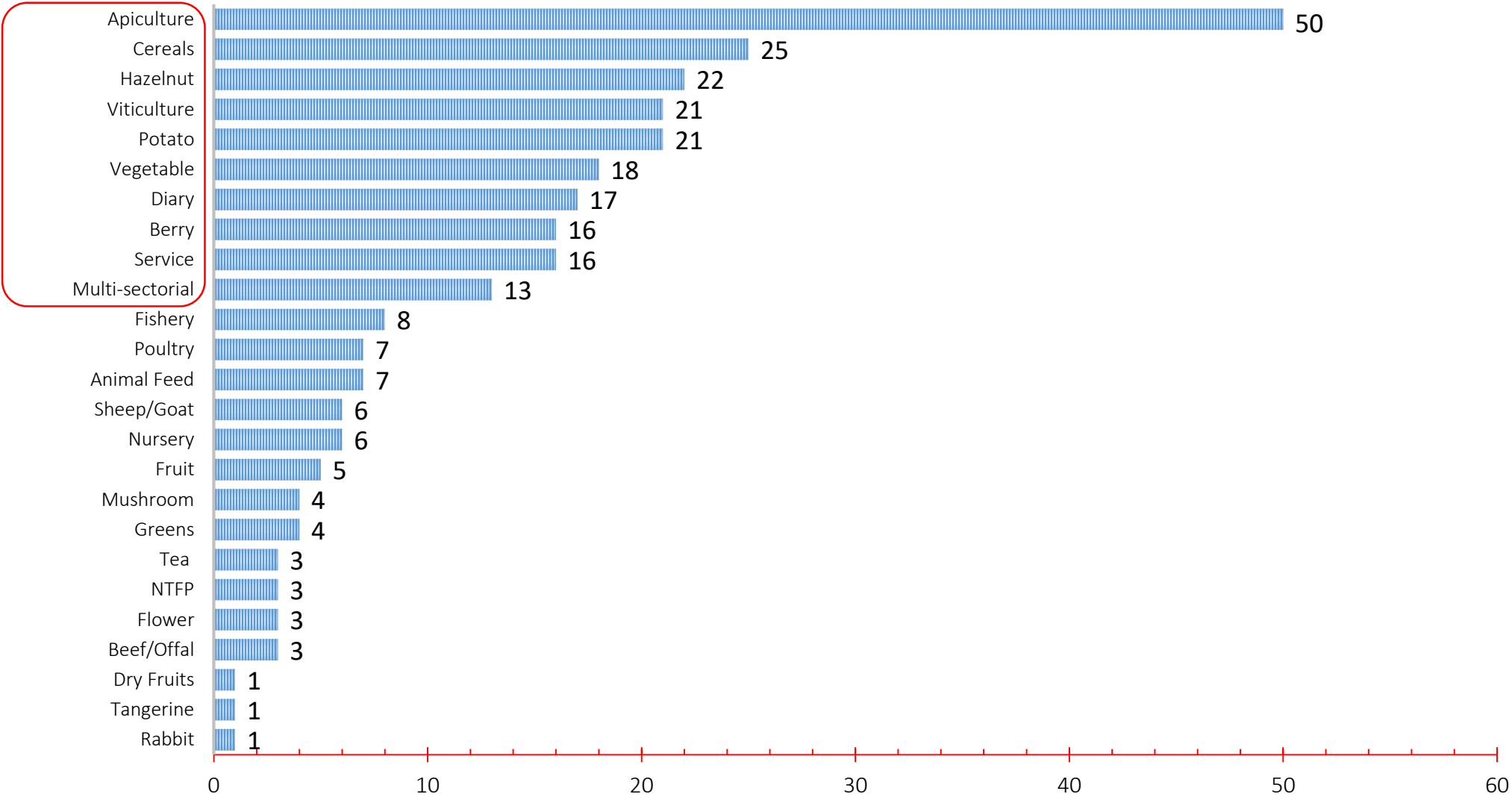
➤ **GEL 8 Million** was invested by cooperatives during last four years (from Gov't and non-Gov't sources).

• Total Investment:

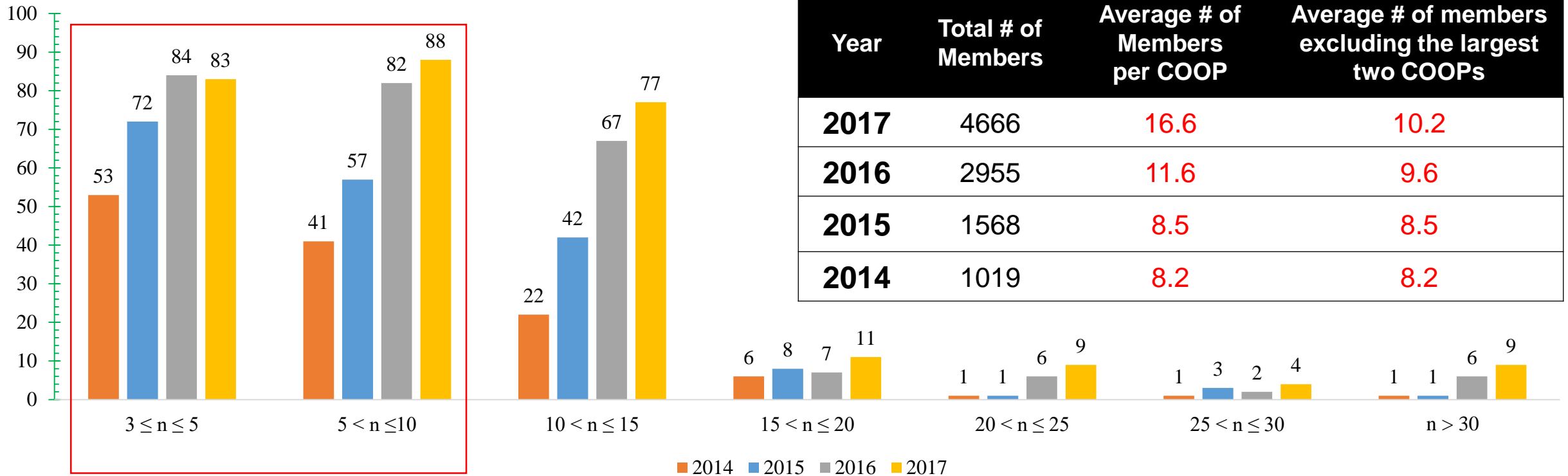
➤ Roughly, **GEL 26 Million** was invested in those cooperatives during last 4 years (GEL 92 thousand per COOP)



Sectorial Diversity



Membership

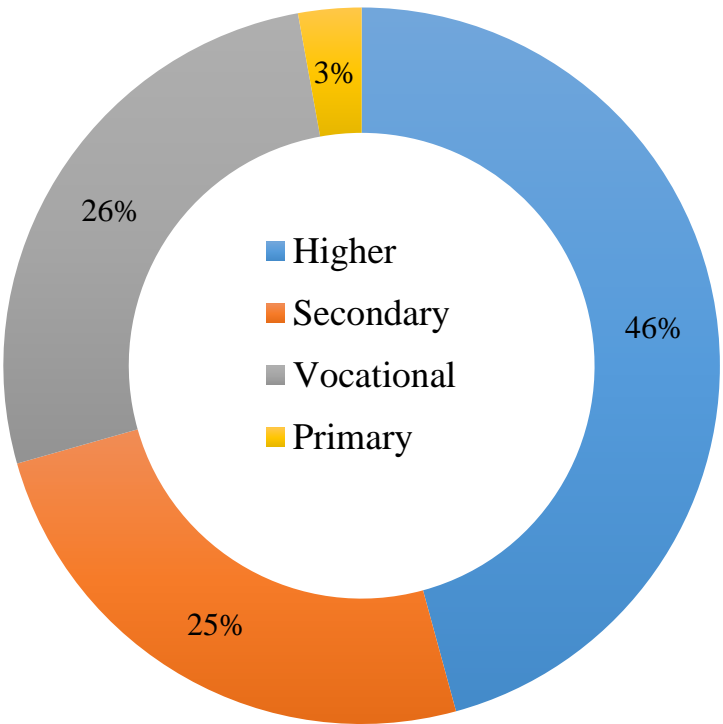


- **Largest** cooperative has 1303 members and the **smallest** - 3 members;
- Less than 10 families are represented in more than 70% of cooperatives (however, the number of families per cooperative has increased compared to 2014 year).
- 77% of cooperative members indicated that **agriculture is their main source of income.**



Membership Diversity

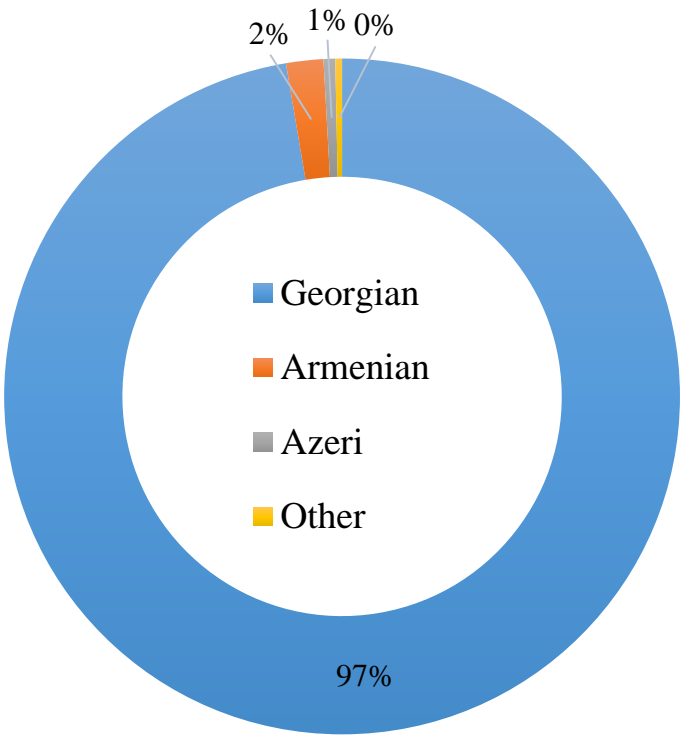
Education



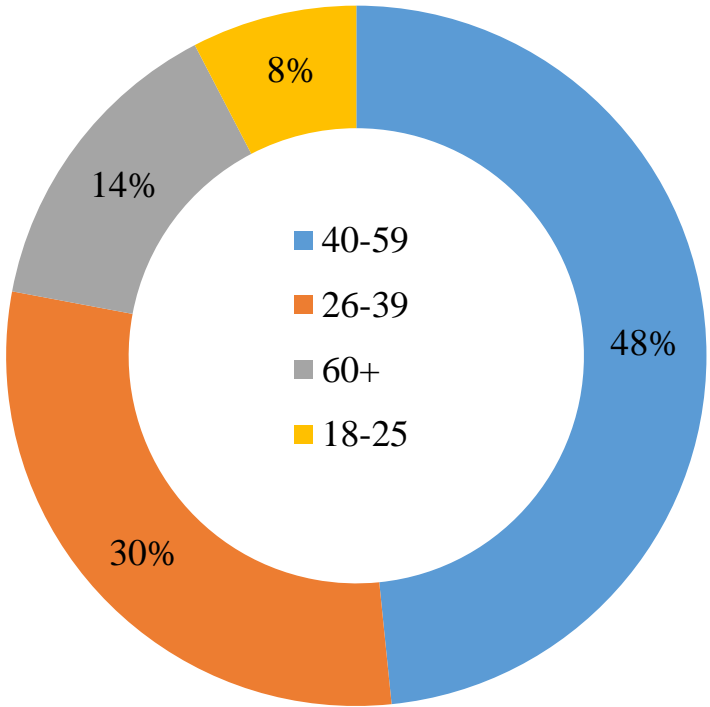
% of Higher			
2014	2015	2016	2017
50%	52%	47%	46%

% of Georgians			
2014	2015	2016	2017
96%	96%	96%	97%

Ethnicity



Age



% share of members in a range of 18-39			
2014	2015	2016	2017
41%	37%	35%	38%



Women Participation in Cooperatives

Year	# of cooperatives surveyed	Total # of members	Share of women members	Share of women representatives at management board	# of coops with at least one female member	Share of women in total employees
2017	281	4666	34%	21%	222	53%
2016	254	2955	32%	23%	196	51%
2015	184	1568	30%	20%	133	45%
2014	125	1019	30%	32%	89	44%

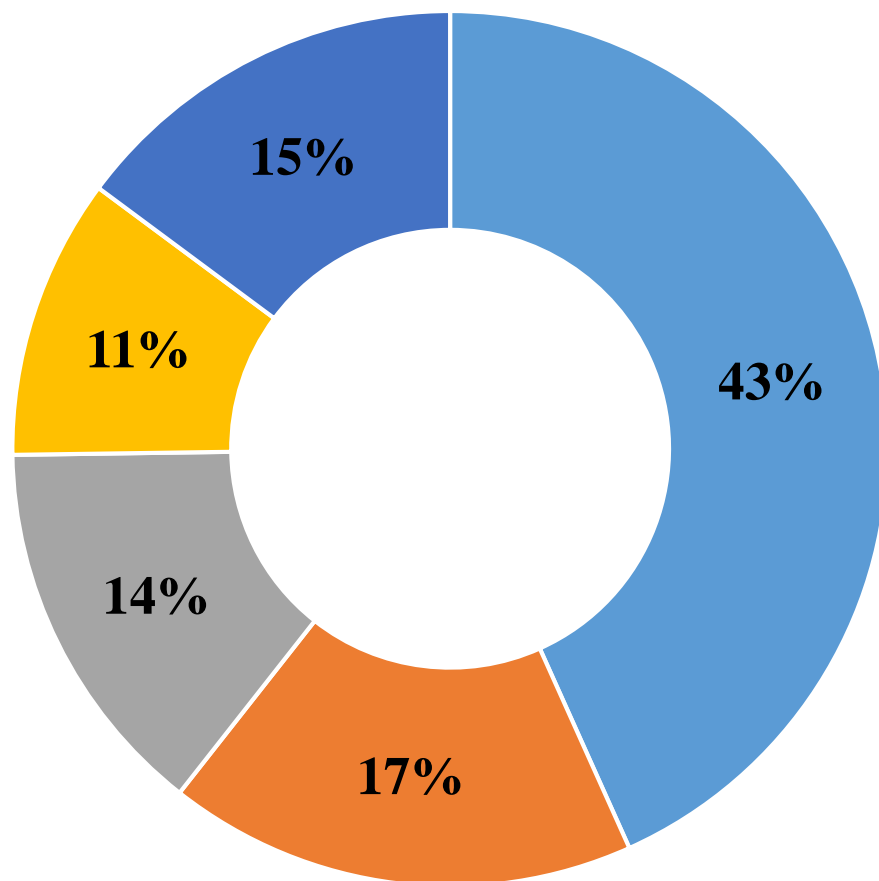
- In total, women participation in cooperatives (being members or employees) was 33% in 2014 and in 2015, 37% in 2016, and 38% in 2017.

Employed Staff

(paid employees only)

Year	Total # of employees	Share of cooperatives employing staff	Share of seasonal workers in employed staff	Average # of employees per COOP	% change compared to previous year	Share of women employees
2017	1287	44%	81%	11.3	4.6%	53%
2016	1062	39%	73%	10.8	52%	51%
2015	474	36%	83%	7.1	-1.4%	45%
2014	215	24%	50%	7.2	---	44%

Total Fixed Assets Used by Cooperatives



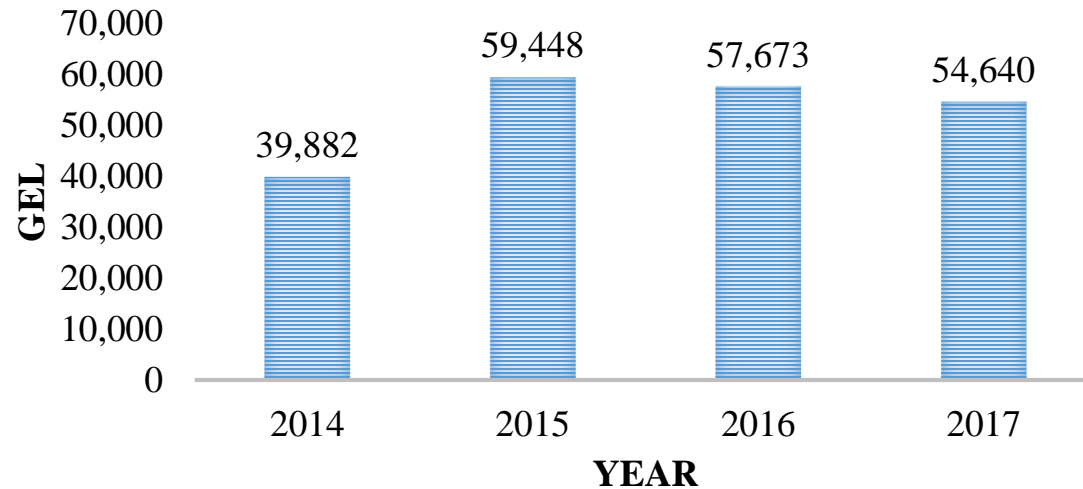
- Agricultural Land
- Buildings (factory, stables, storage, greenhouses, etc.)
- Movable Machinery and Attachments (tractor, harvester, pick-up)
- Stationary Machinery and Equipment (processing machines, etc.)
- Other Assets

Year	Mean (GEL)	Median (GEL)	Total Value (GEL)
2017	227 K	138 K	62.3 mln.
2016	162 K	119 K	40,4 mln.
2015	104 K	80 K	12,3 mln.
2014	55 K	28 K	3,3 mln.



Production Value

PRODUCTION VALUE PER COOP

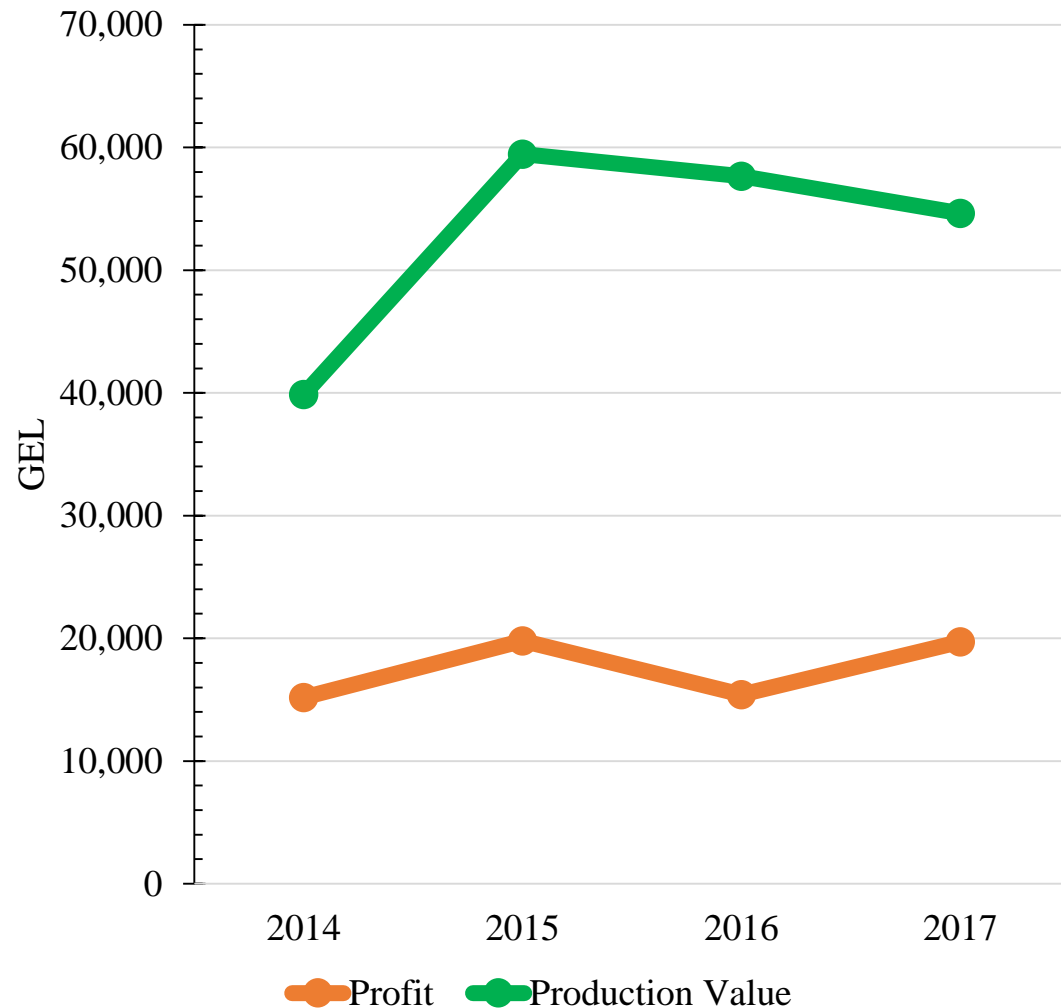


- Compared to 2014, the production value per cooperative increased by 37% on average in 2017.
- However, 2015 year was better than 2016 and 2017, when production value has decreased slightly compared to previous year.

Year	# of COOPs reported production value	Mean (GEL)	Median (GEL)	Total Value (GEL)
2017	275	55 K	30 K	15.0 mln.
2016	222	58 K	24 K	12.8 mln.
2015	141	59 K	20 K	8.4 mln.
2014	87	40 K	18 K	3.5 mln.

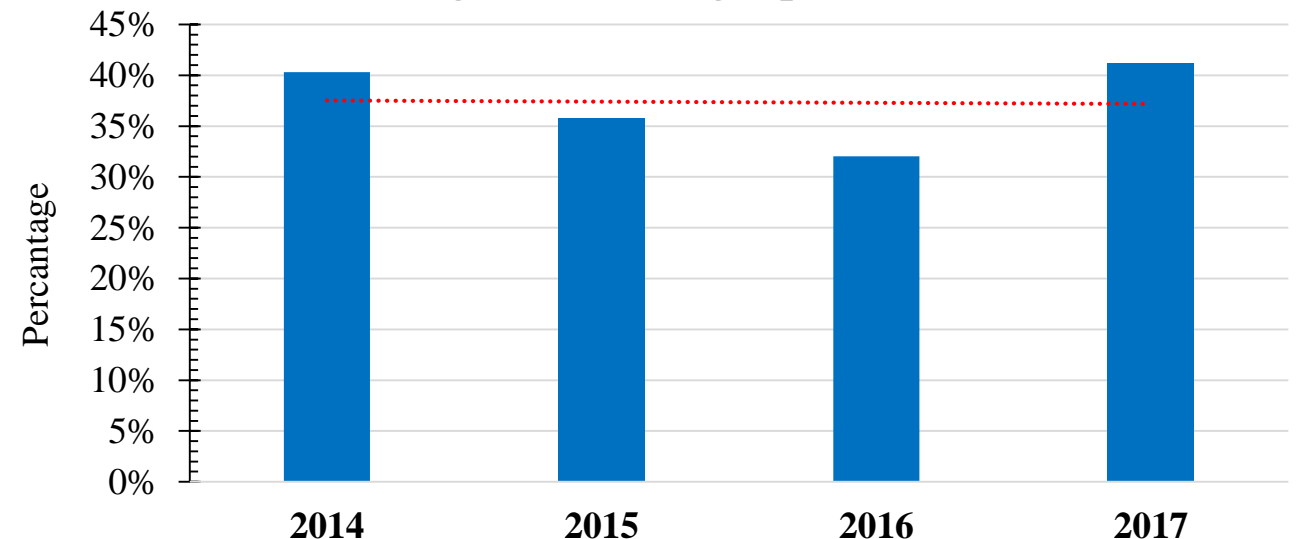
Financial Performance

ALL COOPs (financial performance)



- **Initial Investment on Average:** 65 thousand GEL
- **Average Profit per COOP:** 17 500 GEL
- **Payback Period of Initial Investment:** Less than 4 Years
- **Total Investment on Average:** 92 thousand GEL
- **Expected Payback Period of Total Investment:** 6-7 Years

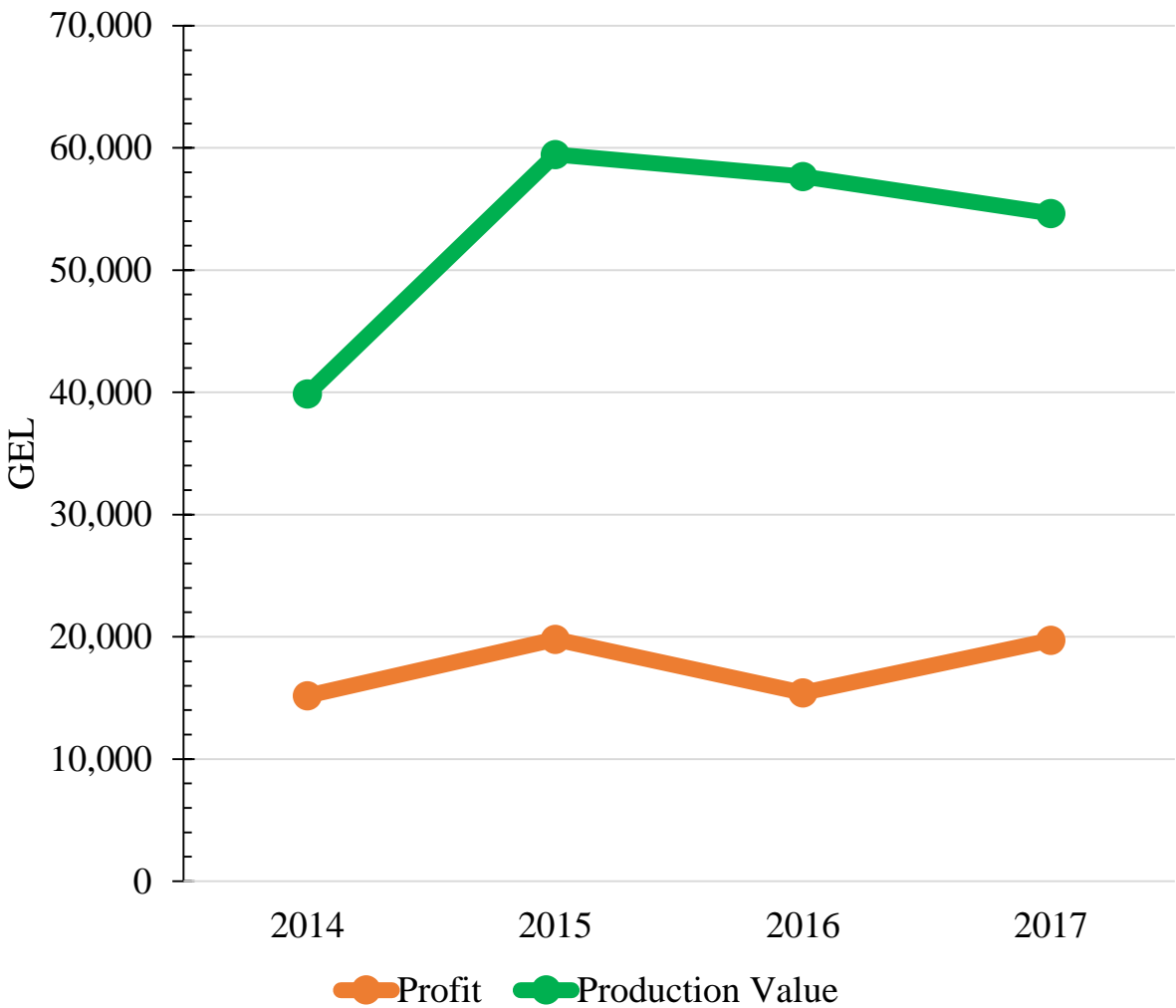
Average Profit Margin per COOP



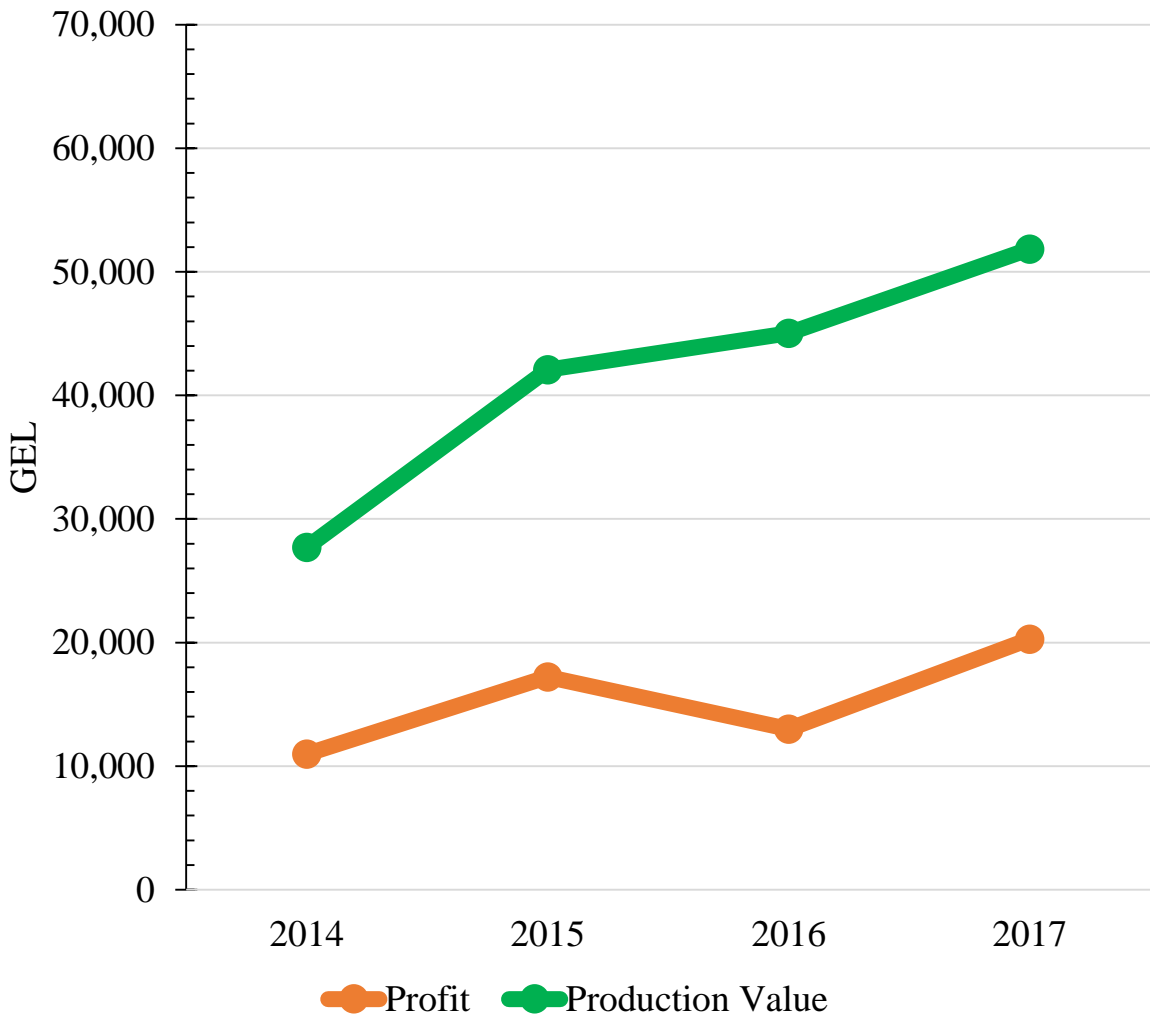


Stinkbug Effect?!

ALL COOPs
(financial performance)

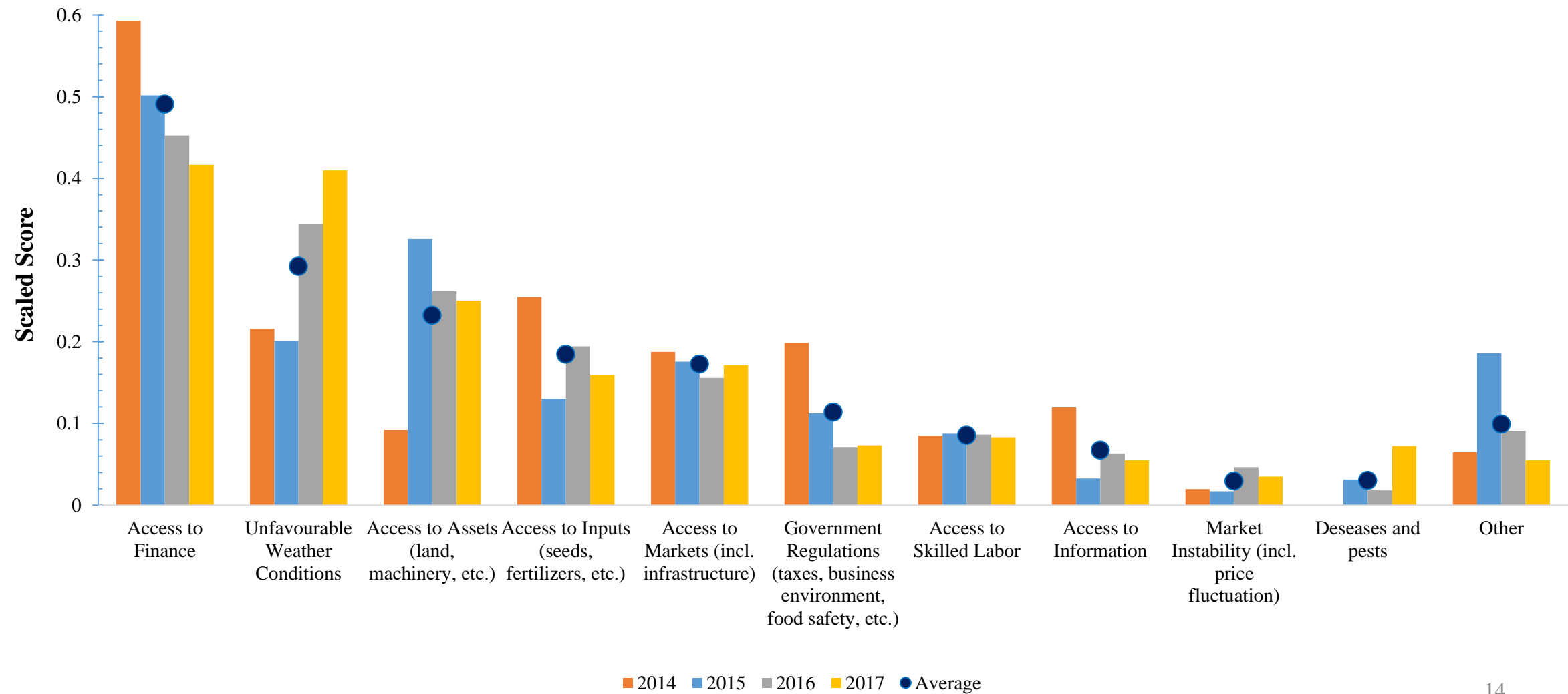


WITHOUT HAZELNUT COOPs
(financial performance)





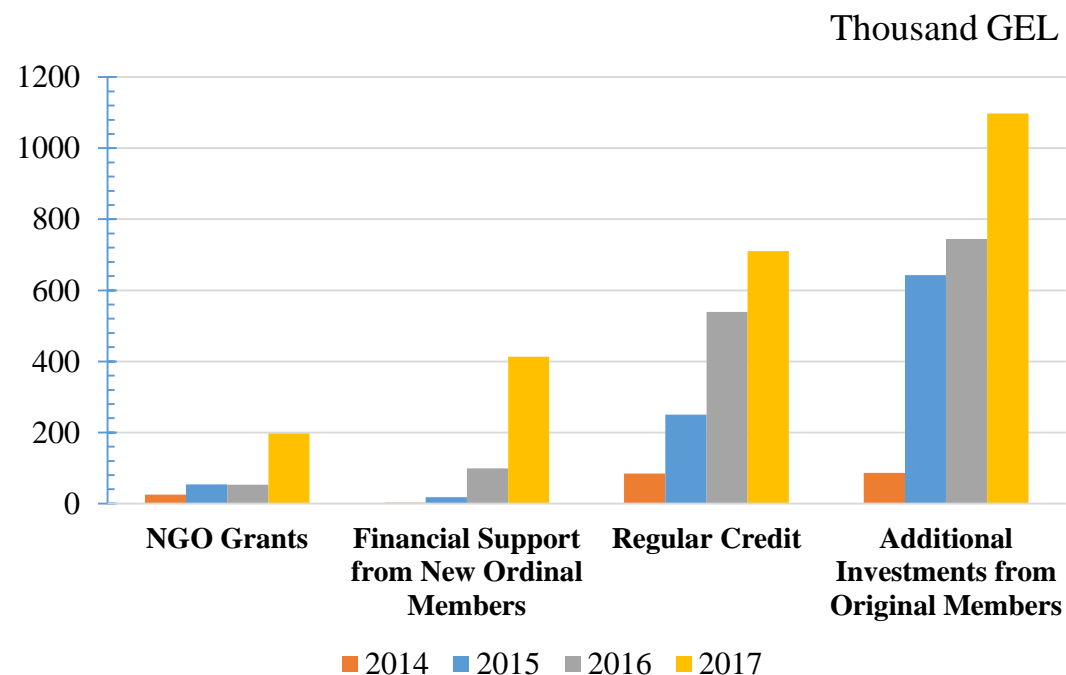
Constraints to the Success of Cooperative



Additional Support

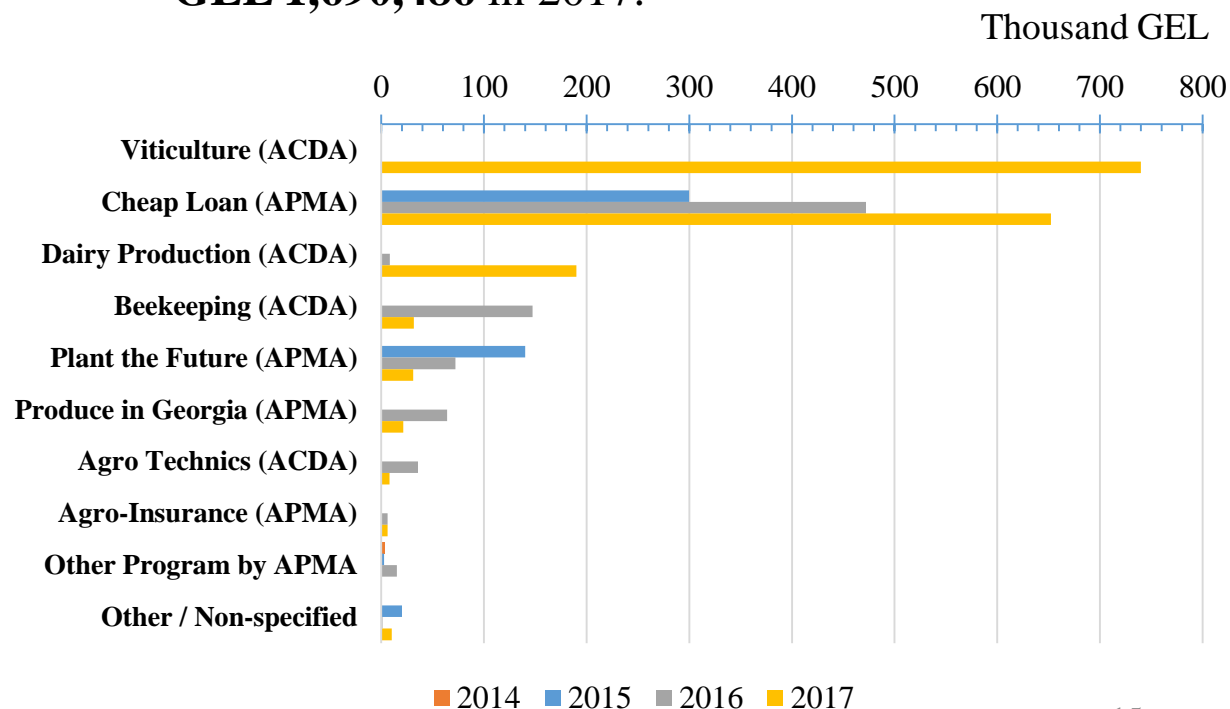
from non-Gov't sources

- Besides ENPARD grant, 23% of cooperatives received additional financial support from non-government sources in 2017;
- In total, additional finances comprised: **GEL 2,418,179** in 2017.



from Gov't sources

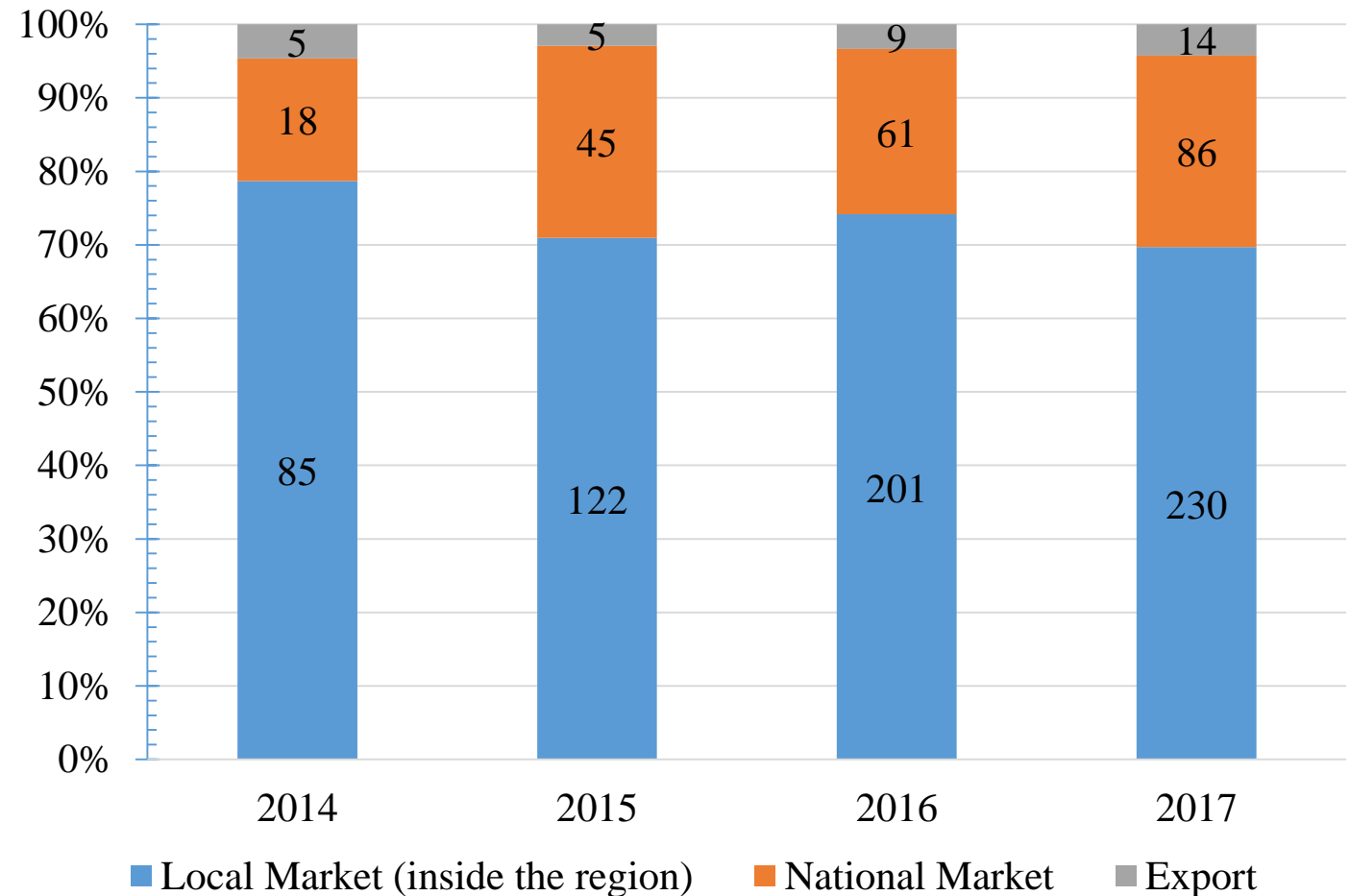
- Besides ENPARD grant, 10% of cooperatives received additional financial support from the government in 2017;
- In total, additional finances comprised: **GEL 1,690,486** in 2017.



Markets & Marketing

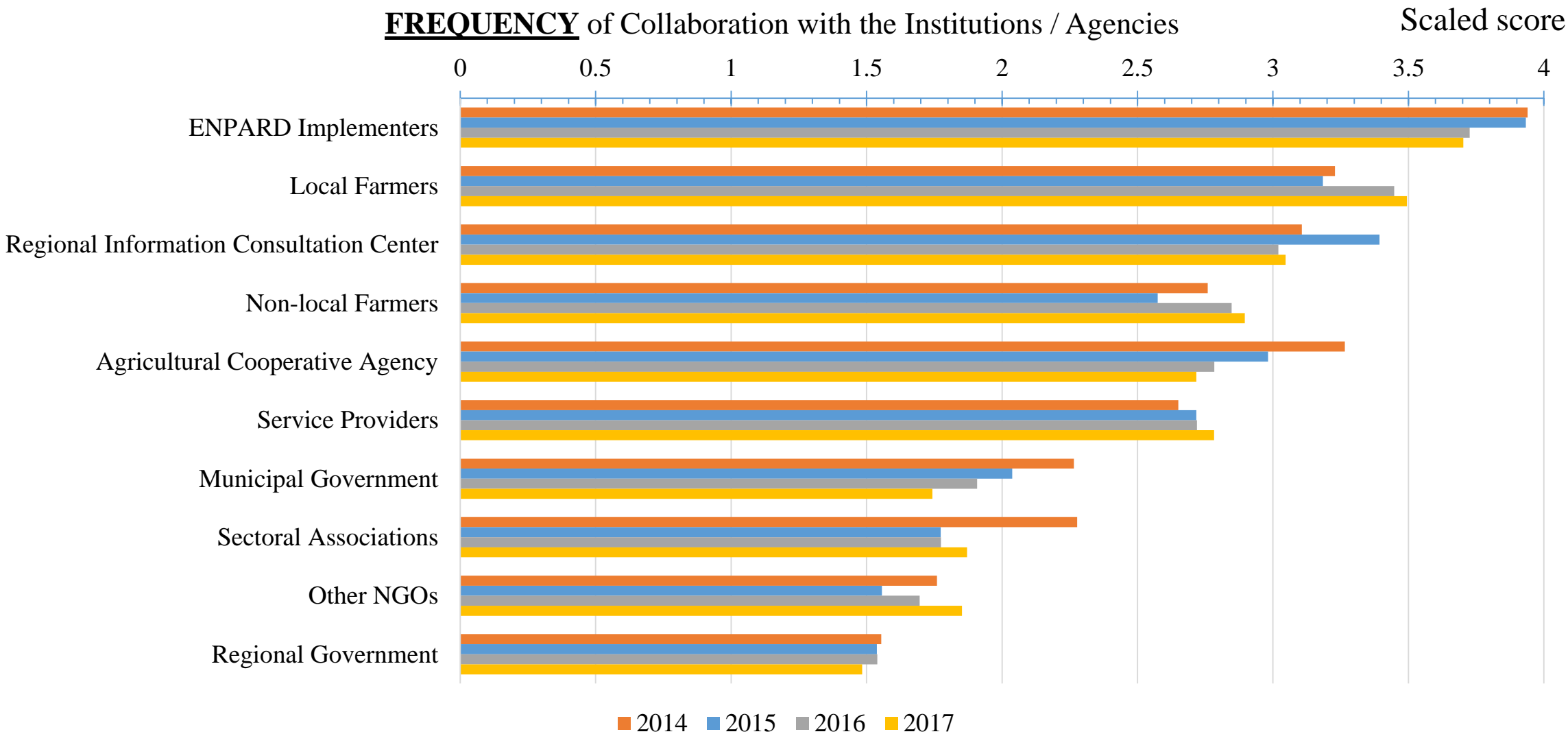
- Most of the cooperatives sell their products at the local market (within own region);
- Products of 31% of cooperatives were sold outside of the region (at the national market);
- Products of 14 cooperatives were exported in 2017 (mostly via exporter);
- Three main channels of marketing are used:
 - Directly to local consumers
 - Via wholesalers
 - Via city [super]markets

Geographical Area where Cooperatives' Products were Sold in 2017





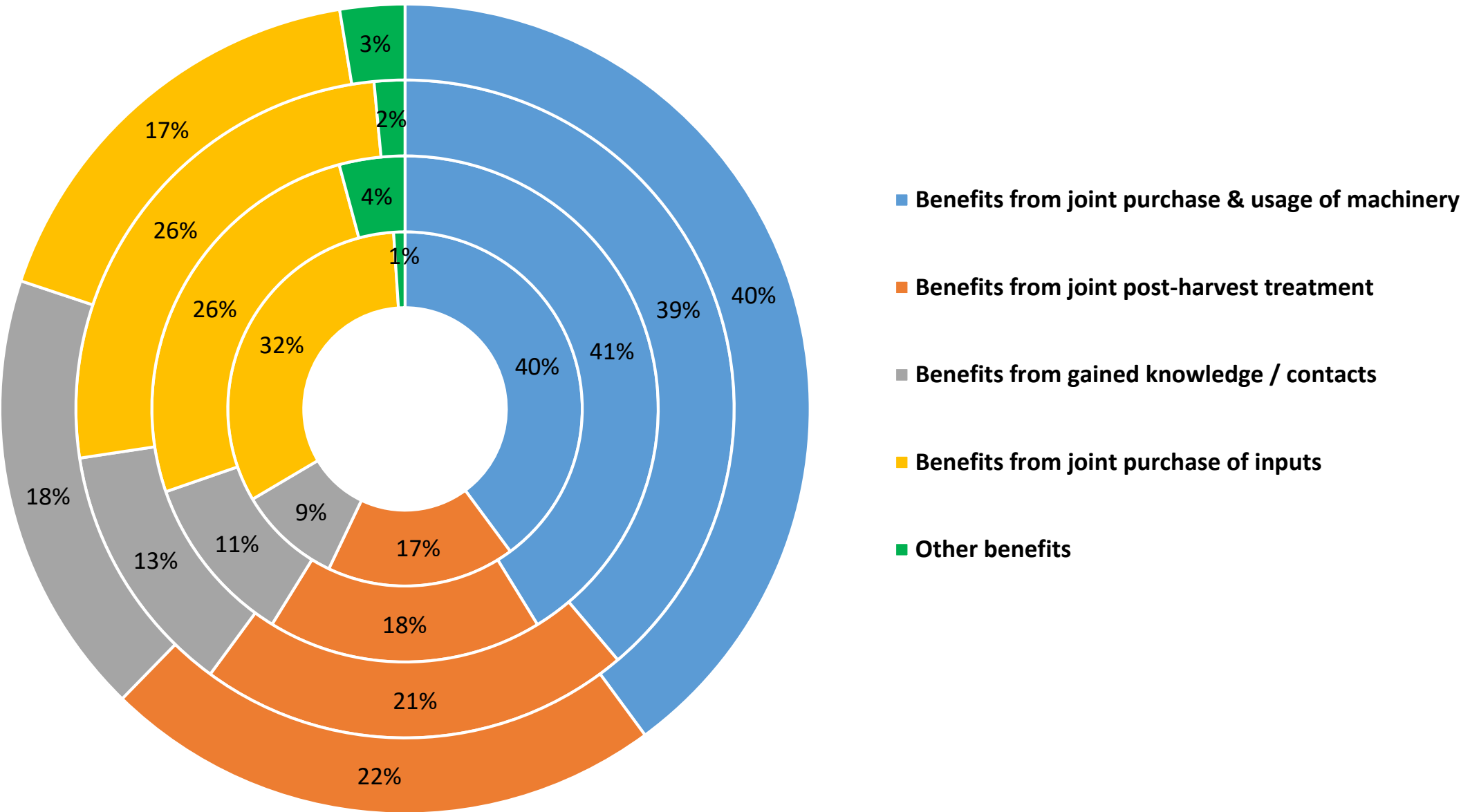
Collaboration with Local Service Providers





Benefits from Cooperation

(as seen by cooperative members)





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Thank you!

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Special Thanks

to

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