



## Increasing food production and reducing rural poverty

### *Further EU support to Georgian agriculture.*

The European Neighbourhood Programme for Agriculture and Rural Development ([ENPARD](#) Georgia) increases its budget. The European Union allocates additional € 12 million, which will support the development of agriculture cooperatives, and fund rural development projects.

#### **What is ENPARD?**

**ENPARD started** in March 2013, and aims at increasing food production and to reduce rural poverty in Georgia. The programme supports the national agriculture's strategy and strengthens small farmers' organisations. It also supports farmers to improve their food safety and food quality standards, and thus, helping them benefit from the DCFTA , gain better access to European markets.



**ENPARD focuses** on the key ingredients of the political association between Georgia and the EU: fight against poverty; bring up stronger and modern institutions; and opening of new trade opportunities.

**ENPARD provides** advisory services to small farmers, support for the establishment of

cooperatives and to the Ministry of Agriculture and other key institutions to develop stronger capacities in the sector. ENPARD is also providing grants through 15 national and international NGO, which support farmers to establish cooperatives.

#### **What the new funding will add?**

The establishment of agriculture cooperatives and increasing farmer's capacity to manage cooperatives are among ENPARD's core objectives. Directly and indirectly farmers will be the main beneficiary of the new action. The EU will support the

government in the adoption of financing schemes to support farmers, and to set up trainings that will enhance their capacity to manage cooperatives. Therefore, the new EU's impulse will focus on these objectives by

- increasing the budget support to the Georgian government,
- supporting the **Agriculture Cooperatives Development Agency (ACDA)**, and
- funding Rural Development Projects.



### **Concrete results**

In its 16 months since the implementation started, ENPARD has already delivered concrete results like: the establishment of the advisory services for the farmers in all districts of Georgia, the registration of more than 100 agriculture cooperatives, the creation of the policy Unit at the Ministry of Agriculture, the establishment of



demonstrative plots and modern training premises for farmers in Ajara, and the massive awareness campaigns for the benefits of farmers cooperation conducted in 49 districts across

Georgia. For more Details about ENPARD : [www.enpard.ge](http://www.enpard.ge)

### **Facts and Figures**

This additional founding to ENPARD is granted through the '**more for more**' mechanism of the new **European Neighborhood Instrument**, which rewards progress in democratic reforms with supplementary financial allocations.

The **€ 12 million** EU contribution added to the ENPARD programme will be distributed as follows:

<b>€ 6.5 million</b>	will be funded to the Government of Georgia as <b>budget support</b> , upon fulfilment of certain new conditions, including <b>(1)</b> the adoption by the Government of a financing scheme to support agriculture cooperatives; <b>(2)</b> the implementation of training programmes for the
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	cooperatives' managers and <b>(3)</b> the training to the farmers on different agriculture-related topics by the Information and Consultation Centres of that the Ministry of Agriculture has established in all the districts of the country. These new funds will increase the budget support component of the ENPARD from the original € 18 million to € 24.5 million.
<b><u>€2.5 million</u></b>	in support to the <b>Agriculture Cooperatives Development Agency (ACDA)</b> . ACDA, which was established at the end of 2013, is the Legal Entity of Public Law under the Ministry of Agriculture responsible for the State measures in support to agriculture cooperatives development. ENPARD will provide capacity building and support to ACDA in an ample range of topics, trainings, monitoring and auditing system for the coops, etc.
<b><u>€ 3 million</u></b>	in support to <b>pilot Rural Development projects</b> . If poverty is to be alleviated in Georgia, sustained efforts are required not only to modernize agriculture but also to reduce dependency upon primary agriculture as a source of household income. This entails the diversification of economic activity to include eco-tourism, manufacturing and services, and the creation of a vibrant labour market in rural areas. The focus will, therefore, be stimulating a comprehensive rural development approach via grants to be awarded to NGOs in a competitive procedure.