Contracting Authority: Delegation of the European Commission to Georgia

European Neighbourhood Programme for Agriculture and Rural Development In Georgia (ENPARD Georgia): Pilot Rural Development Measures

Project: A New Approach for Rural Development in Georgia

Duration of Grant: 01 July 2015 – 31 August 2017

Year 1 Interim Report (July 2015 - June 2016)

Implementing Agencies

Lead agency: Mercy Corps

Partners:

1) Angus Council, Scotland
2) Borjomi Municipality Self Government
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List of Acronyms used in the Report

BABF      Austrian Federal Institute for Mountainous and Less Favoured Areas
ECU       ENPARD Communication Unit
EOI       Expression of Interest Form
FAO       UN Food and Agriculture Organisation
ICC       Information Consultation Centre
LAG       Local Action Group
LDS       Local Development Strategy
M&E       Monitoring and Evaluation
MoA       Ministry of Agriculture
PAAG      Project Appraisal Advisory Group
PIN       People in Need
UNDP      United Nations Development Program
MoAWG     Ministry of Agriculture Working Group for Rural Development
1 Description

1.1. **Name of Coordinator of the grant contract:**

Mercy Corps

1.2. **Name and title of Contact person:**

Zoe Hopkins  
Senior Programme Officer

1.3. **Name of Beneficiary(ies) and affiliated entity(ies) in the Action:**

Lead Agency: Mercy Corps  
Partners:  
3) Angus Council, Scotland  
4) Borjomi Municipality Self Government  
Third Party: Austrian Federal Institute for Mountainous and Less Favoured Areas (BABF)

1.4. **Title of the Action:**

A New Approach for Rural Development in Georgia

1.5. **Contract number:**

2015/361-873

1.6. **Start date and end date of the reporting period:**

1\textsuperscript{st} July 2015 – 30\textsuperscript{th} June 2016

1.7. **Target country(ies) or region(s):**

Country: Georgia  
Region: Samtskhe-Javakheti  
Municipality: Borjomi

1.8. **Final beneficiaries &/or target groups\(^1\) (if different) (including numbers of women and men):**

- All communities in Borjomi Municipality (approx. 33,000 persons)  
- Public officials and state institutions such as the Regional Information-Consultation Centre, Agency for Protected Areas, Tourism dept. etc.  
- Businesses, cooperatives and other private enterprises  
- Educational, cultural, recreational bodies and community groups  
- Local Action Group  
- Regional & State Government institutions working on rural and economic development  
- Rural communities throughout Georgia benefiting from new and effective approaches to rural development

1.9. **Country(ies) in which the activities take place (if different from 1.7):**

Scotland for the study for the project team, LAG members and Borjomi Municipality representatives.

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\(^1\) “Target groups” are the groups/entities who will be directly positively affected by the project at the Project Purpose level, and “final beneficiaries” are those who will benefit from the project in the long term at the level of the society or sector at large.
2 Assessment of implementation of Action activities

2.1 Executive Summary of the Action

Over the past 12 months the project has created a positive model for bottom-up, community-led rural development in Borjomi Municipality. After establishing the project office in Borjomi town and recruiting the project team in July and August 2015, Mercy Corps and the project partners launched an extensive information campaign across the municipality. This campaign was the first step in promoting the idea of community-led local development (LEADER) and in attracting community members to join the Local Action Group (LAG). The LAG was formed at the end of October 2015 and at this time has a membership of 28 people from a broad range of sectors and communities. As per the principles of the LEADER approach, the LAG has a larger proportion of members (57%) drawn from the private sector than the public sector. In the initial meetings the LAG agreed upon its organisational structure, its by-laws (including code of conduct) and elected its Chair and Vice Chair. Mercy Corps has recruited a LEADER Coordinator who acts as a secretariat to the LAG, supporting the group in disseminating information, organising and minuting meetings, administering, filing and managing the database of application documents, and contacting sub-grant applicants. The LAG has also been supported by numerous capacity building and training events, primarily provided by the project partner, Angus Council and the ‘third party’ the Austrian Federal Institute for Mountainous and Less Favoured Areas (BABF).

BABF has also assisted the LAG in designing and drafting the Local Development Strategy (LDS) for the municipality. This process started in early December 2015 and took a period of six months. The LDS was developed through a combination of approaches including a desk review of regional / national strategies and reports, interviews with local experts of different sectors, community focus group meetings and workshops with the LAG membership. The LDS was approved by the LAG in May 2016 and has been placed on the new LAG website and disseminated in the municipality. It is available in both English and Georgian. Immediately after the LDS was finalized the sub-grant mechanism was launched. Again there was a widespread animation campaign as Mercy Corps and the LAG visited every village in the municipality to promote the grant competition. There has been a huge interest in this competition and by the application deadline 171 “Expression of Interest” (EOI) applications had been submitted. The LAG has subsequently assessed these EOIs and 107 have been approved to progress to the full application phase and 64 rejected. The full application process will begin in early July 2016.

The project specific objective is to successfully promote and develop a bottom-up, community-driven rural development approach that supports socio-economic development within Borjomi Municipality and facilitates future replication throughout Georgia. The progress to date in respect to the set indicators for this specific objective is as follows:

1.1 80% of community members in Borjomi aware of LEADER approaches and its opportunities

Information campaigns have reached over 1,800 individuals to date, but only after performing the final survey at the end of the project will the percentage of community members aware of the LEADER approach and opportunities be determined.

1.2 Effective community mechanism (LAG) created and operational

The LAG has been established with 28 members and is being supported to become independent and effective in its operation.

1.3 Borjomi municipal leaders have thorough understanding of LEADER approach and the role of public actors within the approach

Borjomi Municipality members are involved in the LAG and non-LAG senior representatives regularly attend workshops and trainings to increase their knowledge of the approach.

1.4 Project approach, processes, tools and results disseminated in all municipalities in Samtskhe-Javakheti

Mercy Corps representatives have met with Samtskhe-Javakheti Regional Governor regarding organising future project dissemination meetings. These meetings are slated to begin later in 2016.

1.5 Effective project initiatives and methodologies are disseminated and able to be replicated by both state and non-state actors

The project team attends the ENPARD Stakeholders Meeting at the Ministry of Agriculture (MoA) and updates the representatives on the project’s progress and impact. The project team liaises regularly with
the MoA Working Group for Rural Development and the head of the group attended the study visit to Angus, Scotland.

2.2 Activities and Results

Assessment of Results of Action to Date

Within the first year of project implementation the action has already managed to support the establishment of the LAG, the drafting of the LDS and the launch of the sub-grant component. Through this work the project is able to provide a model for future community-led local development initiatives in Georgia, with lessons learned and best practices being brought to the national level to aid policy planning. The project team meets regularly with the Working Group for Rural Development, and the head of the group, Ms Marika Gelashvili, accompanied Mercy Corps and Borjomi LAG members to Angus, Scotland to see first-hand LEADER programming in action. Later in March, the project facilitated the visit of Scottish Government representative, Mr Alistair Prior, the Head of the Network Support Unit and Rural Communities Team, to meet with both the MoA Working Group and the First Deputy Minister to discuss Scottish Rural Development approaches and provide information and advice. Mercy Corps, together with the other implementing agencies of the pilot rural development measures, CARE and PIN, have provided feedback and recommendations based on their practical experiences for the Rural Development Position Paper that is being developed by the MoA Working Group with support from FAO. It is notable that the majority of these recommendations were incorporated into the final draft of the paper. Through all of these measures the project is progressing towards achieving its specific objective to promote and develop a bottom-up, community-driven rural development approach.

The achievements, outputs and project impact for each result and activity are described in greater detail below.

Expected Result 1: Result 1: Local Action Group (LAG) constituted and supported to develop Local Development Strategy (LDS) and oversee delivery of rural development programme

Indicator 1.1 LAG constituted with a diverse range of stakeholders from different social, economic and cultural sectors
LAG has been established with 28 current members from all key sectors (governance, civil society, culture, sport, agriculture, tourism, private businesses and conservation) in Borjomi. 56% of the membership is from the private sector and 44% from the public sector. There are 43% of female and 57% male members in the LAG.

Indicator 1.2 LAG membership trained and able to conduct their roles in line with LEADER principles
A series of trainings and capacity building support have been provided by project partner Angus Council and third party, BABF, that has supported the LAG to develop its organisational structure and mode of operation. Mercy Corps continues to support the planning of LAG meetings, but LAG members are becoming more confident to work independently as was shown when they ran animation meetings for potential sub-grant applicants.

Indicator 1.3 LDS created in a participatory manner that reflects issues and priorities of all communities within Borjomi
Input solicited from a broad spectrum of rural development stakeholders in Borjomi and nationally. The following meetings were held to gain information and input from the stakeholders: Tourism Information Centre Manager of the Borjomi Tourist Agency; Tourism Information Centre Manager of the Bakuriani Tourist Agency; Ministry of Agriculture Information and consultation centre in Borjomi; Borjomi-Kharagauli National Park Director (LAG member); hotel and guesthouse owners in Bakuriani; farmers in village Mzetamze; carpenters in Borjomi; NACRES (International Environmental NGO) representatives; ELKANA (NGO Specializing in organic farmers) representative; GIZ (Deutsche Gesellschaft fur International Zusammenarbeit) representative.

LAG members have supported the development of LDS though participation in workshops and focus groups. The LAG has approved this LDS believing it to reflect the key issues and priorities within the municipality.

Activity 1.1 Raise awareness within Borjomi communities and nationally on project approach and opportunities
The first public announcement about the new project was at the Start-up Workshop held on the 10th September 2015. Interviews were conducted by Borjomi TV and Borjomi newspaper with the Mercy Corps Country Director and the Head of Borjomi Council about the scope and activities within the project. The workshop and interviews were shown on Borjomi TV that evening and an article was published in the local newspaper. The TV clip can be found at the following link - https://www.youtube.com/watch?feature=player_embedded&v=tMmUyZBVWr8

Following the start-up workshop in early September 2015, the project team ran an information campaign across all villages in Borjomi and within Borjomi town. The campaign ran from the 17th September until the 27th October with 31 meetings held in schools, local government offices, community halls and public spaces. The campaign provided information to the communities on:

- The goals, objectives and activities of the project
- Background on the organisations supporting the implementation of the project
- The general principles of the LEADER approach
- The concept of the Local Action Group and how to apply to be a member of the LAG (see Activity 1.2)
- The granting opportunities that exist within the framework of the project
- The approximate timetable for activities
- Q&A

In total 1,245 people attended these campaign meetings. A full breakdown of participants by village can be found in Annex 1. In October 2015, following the selection of LAG members, 1,000 brochures outlining the scope, objectives and opportunities within the project were printed and distributed in the municipality (see Annex 2). These brochures were given to the LAG members who were tasked with distributing them and further promoting the project. Information on the project was also published on the Borjomi Municipality and Mercy Corps websites, and later, when developed, on the LAG website. This LAG website contains all information on the project and is one of the key tools for administering the grant competition (see Activity 2.3). It also contains all key documents and publications (including the LDS), as well as photographs and media reports.

The first phase of the information campaign was completed at the end of October 2015 and the second phase took place in May and June 2016 with the launch of the Local Development Strategy and Sub-project Grant Mechanism (see Activity 2.1 for details)

Activity 1.2 Seek expression of interest for Local Action Group membership
At an early stage in the project, Mercy Corps, with input from the project partner, Angus Council, prepared an Expression of Interest form (see Annex 3) for prospective LAG members to fill in. This form was distributed to interested individuals during the information campaign and it was also possible to fill in this form after the stakeholder and LAG meetings at the Mercy Corps office. In addition, the project staff visited several individuals from key organizations and development stakeholders in Borjomi (Borjomi and Kharagauli National Park Administration, the MoA Information and Consultation Centre, the Tourism Department, cooperatives, businesses, NGOs, school teachers etc.) to invite them to participate in the LAG.

All interested applicants were invited to attend a two-day LAG workshop that was held in the Borjomi Palace Hotel on the 29th-30th October 2015. The workshop was opened on the first day by the Deputy Minister of Agriculture, Mr David Galegashvili, the EU Head of Operations Department, Mr Kaido Sirel, the EU Project Manager for Food Safety, Environment and Rural Development, Mr Alvaro Ortega-Aparicio, the Head of Borjomi Council, Mr Zaza Chachanidze and the Mercy Corps Country Director, Irakli Kasrashvili.

![LAG workshop in Borjomi Palace Hotel](image)

An overview of the project was provided by the Mercy Corps Project Manager. Presentations (including video) on the underpinning principles of LEADER and international experiences of LEADER programming were provided by Angus Council representatives and experts from BABF. On the second day, further presentations on LEADER (including LAG formation, the concept of Local Development Strategies and the sub-grant competition) continued for the interested, prospective LAG members. Planning for the next steps in the project was then conducted. There was a large media presence at the workshop and interviews were conducted by Borjomi TV, Borjomi newspaper and national media representatives. One TV clip can be found at the following link – [https://www.youtube.com/watch?feature=player_embedded&v=c7xdfN5L6tM](https://www.youtube.com/watch?feature=player_embedded&v=c7xdfN5L6tM)

Following the workshop the attending LAG applicants were invited to the 1st LAG meeting. At the initial meeting there were 27 members of the LAG. In subsequent meetings of the LAG, it was decided that a ceiling would be set at 29 members and beyond this number new LAG applicants would be placed on a reserve list, should any LAG members drop out or need to be replaced. Interested persons can contact the LEADER Coordinator to request to join the LAG. The LEADER Coordinator’s contact details have been placed on the project brochure and on the LAG website. In January 2016, one more member joined the LAG and at this point there are currently 28 members in the LAG. Annex 4 provides information and a breakdown of the LAG membership.

**Activity 1.3 Develop process tools and documents**

Angus Council and Scottish LAG representatives were the principal agency for supporting the process of developing tools and documents the Borjomi LAG would require to be able to perform its work successfully.
Angus Council provided the project team and LAG with training on documents that had been used to administer and run the Rural Tayside LAG in Scotland, during the EU LEADER programme 2007-13. In particular, they provided the LAG with information on the LAG organisational structure and by-laws as well as the Code of Conduct. Following this training Mercy Corps and the LAG drafted and agreed on the Organisational Structure (see Annex 5 and the Code of Conduct (see Annex 6) for Borjomi LAG.

In March 2016, the Angus Council representatives returned to Borjomi to work with the LAG on the Grant Mechanism methodology and documents, outlining the grant application assessment and selection process. The finalised methodology was presented before the LAG in May 2016 for approval and then incorporated into the LDS. The Expression of Interest (EOI) form (see Annex 7) for sub-grant applicants was elaborated and was brought before the LAG for review at the LAG meeting in May 2016. The document was approved and it was agreed at this meeting that EOs from applicants would be assessed for eligibility by the LEADER Coordinator together with the LAG Chair and Vice Chairs. This is a deviation from the original proposal as it was anticipated that only the LEADER Coordinator would review these EOs and bring them before the LAG for acceptance or rejection. Through this revised methodology three members of the LAG will also be involved in this process.

In April 2016, the LAG website was developed by the Mercy Corps IT Officer. Details about the LAG and LDS have been placed on the website as well as links to the EOI form and an explanation of the grant application process. All project media and other publications have also been placed on this website, see www.borjomilag.ge

At the end of June 2016, a workshop was held by Angus Council and Angus LAG members for the Borjomi LAG Project Appraisal Assessment Group (PAAG) and all documents related to the Full Application process (Application Form see Annex 8 and Scoring Criteria see Annex 9) were developed and approved (see Activity 1.4).  

**Activity 1.4 Build capacity of Local Action Group**

Since its formation in November 2015 and up until the end of the reporting period, the Borjomi LAG has met for official meetings on eleven occasions. The meetings have been extremely well attended with an average attendance of 21 members at each meeting. At the early meetings the LAG Chairperson and two Vice Chairs were selected through a voting process and the LAG agreed on the by-laws (organisational structure). Members were also provided with the Code of Conduct and Interest Declaration forms to fill in and sign. Throughout, the LEADER Coordinator with the support of the Mercy Corps project staff has supported the organisation and running of these meetings, while also guiding the LAG on how to administer future meetings. Minutes have been produced at each meeting and distributed by the LAG Coordinator.

In early February 2016, 5 LAG members attended the study tour to Scotland (see Activity 3.2 for full details) and gained significant experience on the LEADER approaches supported by Angus Council. On return the participants prepared a PowerPoint and Video presentation on the Scotland study tour and presented it to the rest of the LAG at a meeting on the 25th February. In February and March 2016 representatives from Angus Council, including the Angus LEADER Coordinator, came to Borjomi to provide presentations on lessons learned and good practices.
of the LEADER approach from the Scottish context.

**LAG Study Tour to Angus, Scotland**

The LAG has been actively engaged in the development of the Local Development Strategy, working with BABF representatives in focus groups to add further information to the document. This process has allowed the LAG to learn the principles of strategy development and the inputs that are required.

In mid-April 2016, one Borjomi LAG member attended the People in Need (PIN) Study Tour to the Czech Republic and at the end May 2016, one Borjomi LAG member (Borjomi-Kharagauli National Park Director) participated in the CARE International Study Tour to Spain. Upon their return these LAG members made a report about the meetings and site visits and in July, plan to make a presentation to the whole Borjomi LAG on their experiences and learning.

In June 2016, when the Grant Mechanism was initiated, seven PAAG members were selected from the LAG who will be responsible for assessing the full sub-project applications and will be supported by the Chair and the Vice Chairs of the LAG. A workshop was held for these PAAG members on the 27th and 28th June. This workshop was facilitated by Mercy Corps together with two Angus PAAG representatives. The workshop focused on: a) PAAG experiences from Angus; b) an overview of the Full Application Form; c) development of the scoring criteria for the application form and; d) mock assessments of two ‘dummy’ applications for the PAAG to practice their assessment skills. Through this workshop, the PAAG members have developed a strong understanding of the work that they will perform, but they will be continued to be guided by the project team when the actual assessment of sub-projects takes place later in the project.

**Activity 1.5 Develop Local Development Strategy**

Support with the development of the Local Development Strategy began in early December 2015. Two consultants of BABF came to Georgia in the week beginning the 7th December to start the process of gathering information to support the facilitation of the LDS. This involved community focus group meetings, one-to-one interviews with key stakeholders such as the State Tourism Agency, the Borjomi-Kharagauli National Park and the IOC, and a two-day workshop with the LAG membership.

The LDS workshop was held with all LAG members on the 9th-10th December and subsequently a SWOT analysis for Borjomi Municipality was conducted and core priorities for development were elicited.

Following this workshop Mercy Corps was requested to provide BABF with all the statistical data on the Borjomi Samtskhe-Javakheti region and national data for Georgia that will be incorporated into the LDS document. This data was provided by January 22nd and the sources were from local institutions, local Government/ NGOs, national and regional strategies and reports, Geostat international, NGOs/Organizations.
websites etc. From the information gathered in the focus group meetings, one-to-one interviews and the LAG workshop, BABF produced the first draft of the Intervention Logic for the LDS which was then sent to Mercy Corps and the LAG on the 27th January. This Intervention Logic provides the Aim, Objectives, Expected Outcomes and Indicators of the LDS.

The next phase for LDS development was in early February 2016 when two BABF representatives again visited Georgia. During this week they had meetings with agencies that had implemented projects previously in Borjomi, such as UNDP, Elkana and GIZ. On the 9th February, they attended the LAG meeting and then on the 10-11th February they worked with three Focus Groups (from the LAG membership) that had reviewed and updated the Intervention Logic for the LDS. During the week beginning 8 February, the Angus LEADER Coordinator was also in country and provided his input into the LDS development process with a training session at the LAG meeting, covering the application assessment criteria and the connection between applications and the LDS. The LAG continued working on the LDS in Borjomi throughout February and March 2016. On the 18th March, Mercy Corps worked with LAG focus groups to outline the indicators for the LDS. On the 24th-25th March, the Angus LEADER Coordinator led the workshop in Borjomi with a LAG focus group on the LDS Grant Mechanism. All information from these meetings was then sent to BABF for inclusion in the LDS draft.

The final draft of the Intervention Logic for the LDS was completed at the end of March and other elements were reviewed and agreed upon by the LAG and the project team in country in April. Following final feedback from Angus Council representatives and BABF the draft document of the LDS was brought before the LAG in May for approval and was agreed.

The aim of the LDS is “To improve the quality of life of Borjomi residents and create a more attractive destination for visitors”

To achieve this aim four objectives have been identified which provide the basis of this Local Development Strategy:

> To increase the contribution of sustainable tourism to the local economy making it a model for the whole of Georgia
> To improve agricultural productivity and diversification, and to enhance professional knowledge, making farming a more attractive and profitable business sector
> To strengthen sports and cultural activities to enhance quality of life and increase a sense of belonging
> To protect the environment through sustainable use of natural resources, effective land and waste management and awareness raising to enable local people to take a more active role on environmental issues.

The finalized LDS (see Annex 10) has been uploaded onto the Borjomi LAG website and a brief LDS document (see Annex 11) outlining the Aim, Objectives and Outcomes was also uploaded onto the website. 1,300 printed copies have been distributed across the municipality in the form of leaflets. Electronic copies of the LDS have been circulated to the MoA, EU, UNDP, FAO and the other pilot implementing agencies. Hard copies will be produced and distributed in the very near future.

**Expected Result 2: A minimum of 20 community-driven development sub-projects are financed and supported**

**Indicator 2.1 Community members able to design and produce strong sub-project applications**

The EOIs that were submitted to the LAG demonstrated a high level of understanding of the format and the content that was required.

**Indicator 2.2 A minimum of 50 EOI and 30 full applications submitted for consideration and funding**

171 EOI applications received by the project and submission of full proposal will take place in July.

**Indicator 2.3 A minimum of 20 sub-projects funded and effectively implemented**

To be determined
Activity 2.1 Animate potential applicants on LDS and sub-project opportunities

The animation process for the grant competition was launched on the 16th May 2016. Prior to the launch, 150 posters were produced and distributed in all 11 administrative units of Borjomi to advertise the date, time and location of the meetings. In addition, 1,300 project leaflets that explained the process of the grant application were distributed in a wide range of venues, including shops, cafes, banks, municipal building etc.

Meetings were held in all 11 administrative units of Borjomi and meetings were held twice in Borjomi town and Bakuriani due to low turnout at the initial meetings. To encourage deeper engagement from youth in the project, two meetings were held specifically for youth in Borjomi and Bakuriani. The meetings were facilitated jointly by Mercy Corps and LAG members. In the latter meetings, the meetings were led solely by LAG members. The meetings elicited a lot of questions about the grant process which were answered by the facilitators. Many of the questions, naturally, revolved around the issue of co-financing and other financial aspects, while others focused on tendering and procurement. In general it appeared the potential applicants understood the terms and conditions of the application process and this was later shown to be the case when the EOIs were submitted.

Full information on the participation of these animation meetings is provided in the table below.

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<tr>
<td>17</td>
<td>31/05/2016</td>
<td>Bakuriani #2</td>
<td>38</td>
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</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>516</strong></td>
<td><strong>173</strong></td>
<td><strong>109</strong></td>
</tr>
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</table>

On the 3rd June 2016, 7 LAG members held a press conference with local media representatives on the EOI submission process. The related video link to this press conference can be found at: http://borjomi.tv/?menuid=14&id=3516&lang=1#.V1UOY_l97IU

Activity 2.2 Provide training, technical support and guidance to applicants

On the 6th and 13th June 2016, training was provided by the project team for those applicants who required support in accessing the website and filling in the EOI form (this was purely technical support and no support was given regarding the content of the EOI).

On the 5th July in Borjomi and 6th July in Bakuriani there will be training support given to those applicants who have been selected to complete the Full Application Form.
Activity 2.3 Hold competitive application process and select sub-projects

The Expression Of Interest (EOI) was uploaded onto the website on the 1st June and applicants were requested to complete and submit the form online. The EOI submission process deadline was set for the 15th June 2016. In total 171 EOI applications were submitted within the deadline. Out of these 171 EOI applications 79 were for Tourism projects, 58 for Agriculture, 28 for Culture and Sport and 6 for Environmental Protection.

A Conflict of Interest register that included the names and addresses of all applicants was sent to all LAG members to identify any potential conflict of interest with the sub-project applicants. From the 18th to 19th June, the LAG Chairperson, two Vice-Chairs and the LEADER Coordinator assessed each of the 171 EOI applications to ascertain if they were eligible to progress to full application.

Figure 1: Percentage of EOI applications by LDS priority sector

![Percentage of EOI applications by LDS priority sector](image)

On the 21st June 2016, at the 11th LAG meeting, the LAG Chairperson, two Vice-Chairs and the LEADER Coordinator presented their recommendations to the LAG. Out of 171 EOI applications 107 have been approved to progress to the full application process and 64 rejected by the LAG.

From the 23rd to 24th June, the LEADER Coordinator, together with MC RDP team, worked on the written notification letters explaining to the 64 rejected applicants why their applications were rejected by the LAG. As for the applicants who qualified for the next stage, they received e-mails inviting them to a full application training workshop on the 5th July in Borjomi and the 6th July in Bakuriani. Attendance at this workshop was obligatory for all applicants. The full application trainings were held in Borjomi and Bakuriani for those 107 EOI applicants whose applications were approved at the EOI stage by the LAG. All the applicants attended the trainings – 76 applicants at Borjomi Palace and 31 applicants at Bakuriani Vere Palace. The applicants received information on the full application forms as well as the application and selection process. There were also Q&A sessions at the trainings.

Activity 2.4 Provide co-investment support

Nothing to report as no co-investment support has been provided yet.

Activity 2.5 Monitor sub-project implementation and evaluate impact

Nothing to report.
Expected Result 3: Conditions for replication and future policy development enhanced at the regional and national level

**Indicator 3.1** All participating staff from Borjomi Municipality have an understanding and practical experience of LEADER approach and are able to disseminate information to other municipal authorities

Municipal leaders regularly attend meetings with Mercy Corps and international partners. They have also been engaged in all workshops, building their knowledge and deepening their understanding of the LEADER approach. Representatives have attended international conferences on rural development and the study tour to Scotland. They will be responsible for information dissemination to Samtskhe-Javakheti municipalities (see **Indicator 3.2**) in the near future.

**Indicator 3.2** 4 municipal experience-exchange meetings held with Samtskhe-Javakheti municipalities
To be organised.

**Indicator 3.3** Replication report written and disseminated
Replication report will be drafted in the final months of the project.

**Indicator 3.4** Final workshop held at the national level
Final workshop to be held at the end of the project timeframe.

**Indicator 3.5** Government ministry staff have enhanced knowledge on project approach, methodology, tools and outcomes
The project team attend the ENPARD Stakeholders Meeting at the MoA and update the representatives on the project’s progress and impact. The project team liaises regularly with the MoA Working Group for Rural Development and the head of the group attended the study visit to Angus, Scotland. Through these interactions the project is enhancing the knowledge of ministry staff on the approaches, methodologies and outcomes of the project.

**Activity 3.1 Build capacity of Borjomi Municipality**

At the start of the project a focal point was nominated by the project partner, Borjomi Municipality, to liaise with the project team and be updated on all progress, constraints and achievements of the project. This focal point, Ms Irma Gelashvili, subsequently became a LAG member and was nominated and elected as one of the Vice Chairs of the LAG. In performing this role Ms Gelashvili is able to keep abreast of all developments within the project and feed it back to the municipality.

Municipal leaders also regularly attend meetings with Mercy Corps and international partners and have been engaged in all workshops, building their knowledge and deepening their understanding of the LEADER approach. The Head of the Council attended the International Conference on Rural Development in Tbilisi, along with Mercy Corps and three LAG members in December 2016. Non-LAG municipal members also attended the LDS workshop to learn more about development planning processes.

In addition, the Head of the Borjomi Municipality and the Head of the Borjomi Municipal Council participated in the Scotland Study Tour which provided the opportunity for a meeting with Angus Council officials and access to a large amount of information on rural development and the LEADER programme, from an international perspective.

**Activity 3.2 Facilitate meetings/study visits**

Within the project design a study tour to Angus in Scotland was planned, so that the project team, LAG members and Borjomi Municipality representatives could learn more about LEADER programming in an EU country and see first-hand successful LEADER-supported development projects. It was agreed with the other implementing agencies (CARE & PIN) of the pilot rural development initiatives that one member of each LAG would participate in the study tours organised by each agency. One Kazbegi LAG member and one Lagodekhi LAG member were selected to attend this Angus study tour.
Extensive preparation work for this visit was carried out during January 2016 with Mercy Corps assisting all participants in filling out visa application forms and providing financial support for visas. All applicants received their visa and air tickets were procured.

A full agenda for the tour was developed together with Mercy Corps HQ in Edinburgh, Angus Council and the Angus LEADER Team. In preparation for the tour LAG members prepared questions for the meetings that the participants would have with Angus Council members, the LEADER team and the LAG and these were sent to Scotland. LAG members and municipal representatives also prepared a PowerPoint and Video presentation on Borjomi.

The study tour was held from 1st to the 5th February 2016 and in total 17 people attended, including the Head of Borjomi Municipality, the Chair of the Borjomi Municipal Council, the Borjomi LAG Chairperson, the two Vice-Chairs, two LAG members from the private and public sectors, one Lagodekhi (CARE) LAG member, one Kazbegi (PIN) LAG member, the Head of the Working Group of the MoA, MC RDP team members and a hired translator. The tour was facilitated by Angus Council and included information meetings with the Chief Executive of Angus Council, Angus Councillors and Council representatives, Angus LAG Chair and LAG members, Angus LEADER Coordinator and his team members, the Cairngorms National Park LEADER Coordinator, the Scottish Government Network Support Unit and Rural Communities Team Leader, the European Network for Rural Development (ENRD) representative and the Scottish Rural Parliament Chairperson.

The tour also included visits to 9 projects that were funded through LEADER and other Rural Development programs where the participants received presentations from the grantees and asked questions on the projects. In addition, the Study Tour participants attended the LEADER 2014-2020 Launch for Angus and received information about the new program.

On return the participants prepared a PowerPoint and Video presentation on the Scotland Study Tour and presented it to the rest of the LAG at a meeting on the 25th February. As mentioned above, in mid-April 2016, one Borjomi LAG member attended the People in Need (PIN) study tour to the Czech Republic and at the end May 2016, one Borjomi LAG member participated in the CARE International study tour to Spain.

One of the key activities to promote learning within the Samtskhe-Javakheti region on the principles of LEADER and community-led development planning are meetings to be hosted with the regional and municipal authorities. On the 27th November 2015, Mercy Corps representatives had a meeting with Samtskhe-Javakheti Regional Governor regarding organising future project dissemination meetings for participants from the other municipalities of Samtskhe-Javakheti so that learning on the project processes could be passed on. The Governor received full information on the project steps to date and future plans and has agreed to collaborate with the project at the institutional level in the future. These meetings are slated to begin later in 2016.

Activity 3.3 Analyse project results and prepare replication strategy

Nothing to report.

Activity 3.4 Host final workshops

Nothing to report.
### 2.3 Updated Action Plan

<table>
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<tr>
<th>Activity</th>
<th>Years 2 &amp; 3</th>
<th>Half Year 3</th>
<th>Half Year 4</th>
<th>Half Year 5</th>
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<td>Mercy Corps &amp; Borjomi Municipality</td>
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<td>1.3. Develop process tools and documents</td>
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<td>1.4. Build capacity of Local Action Group</td>
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<td>[ ]</td>
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<td>2.2. Provide training, technical support and guidance to applicants</td>
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<td>[ ]</td>
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<td>Mercy Corps &amp; LAG</td>
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<td>2.3. Hold competitive application process and select sub-projects</td>
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<td>LAG, Mercy Corps &amp; Borjomi Municipality</td>
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<td>2.4. Provide co-investment support</td>
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<td>Mercy Corps</td>
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<td>3.2. Facilitate meetings/study visits</td>
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<td>[ ]</td>
<td>[ ]</td>
<td>Mercy Corps &amp; Borjomi Municipality</td>
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<td>3.3. Analyse project results and prepare replication strategy</td>
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<td>[ ]</td>
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<td>BABF &amp; Mercy Corps</td>
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<td>3.4. Host final workshops</td>
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</tr>
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3 Beneficiaries/affiliated entities and other Cooperation

3.1 Relationship between the Beneficiaries/affiliated entities of this grant contract

Mercy Corps and the two partner organisations, Angus Council and Borjomi Municipality, and third party, BABF, have developed a strong coordination system to support the planning and implementation of activities. At the start of the project in September 2015 a start-up workshop for all project partners was held in Borjomi. An overview of Mercy Corps’ work within the country was provided by the Country Director and this was followed by a briefing from the Borjomi Municipality representative experts on the LEADER approach from Angus Council. BABF provided information sessions on various theoretical and practical aspects of LEADER, including the underpinning principles, LAG membership and formation, the Local Development Strategy, the application process etc.

Following on from this meeting, Mercy Corps maintained regular coordination (via skype) with the two international organisations to agree on the technical support that needed to be provided to the project and LAG and to timetable trainings. Then, based on the subject of the training for the LAG, Angus Council decided upon which individuals would be the most appropriate to come to Georgia and deliver the support – either from its own staff or from Angus LAG. At the outset of the project it was agreed with BABF which specific tasks its staff would support and at regular intervals within the project timeframe its team members come to Georgia to provide the relevant assistance. To date BABF has supported the start-up project meeting, the initial LAG meeting and the development of the LDS. One of the biggest strengths of the consortium is that many of the core activities – specifically training and capacity building activities – can be performed by the implementing agencies themselves. This means that few activities have to be sub-contracted out which decreases costs and means that the organisation of such events is easier.

Mercy Corps is in constant contact with representatives of Borjomi Municipality, both directly and through the designated focal point. In addition, several members of the municipality are members of the LAG, so are engaged in project decision making processes through this entity. In the near future Borjomi Municipality will support the dissemination of information on the project and its approaches in regional meetings with other local authorities from Samtskhe-Javakheti region.

3.2 Relationship with State Authorities

Approximately every two months, Mercy Corps and other ENPARD agencies meet at the MoA for a coordination meeting that is run by the ministry and supported by FAO. The meeting provides an opportunity for each agency to provide updates on project progress and to hear about new initiatives planned by the government and its agencies. It also provides a platform for issues and constraints raised by the ENPARD beneficiaries to be brought to the national level.

The Mercy Corps project team and, occasionally, representatives from Angus Council and BABF also meet with the Ministry of Agriculture Working Group for Rural Development (MoAWG). The MoAWG has been tasked with drafting a strategy document for Rural Development to be finalised in 2016. The ENPARD pilot projects are playing an important role in supporting the MoAWG with inputs for the drafting of the document and providing ideas and models. In December 2015, Mercy Corps representatives attended a meeting to discuss with PIN and CARE joint feedback on the MoAWG Position Paper on rural development. Written feedback was then provided on the Position Paper to FAO and the MoA. Many of the recommendations were subsequently incorporated into the final draft.

In March 2016, the project facilitated the visit of Scottish Government representative, Alistair Prior, the Head of the Network Support Unit and Rural Communities Team, who met with both the MoAWG and the First Deputy Minister to discuss Scottish Rural Development approaches and provide information and advice.

3.3 Relationship with other organisations involved in implementing the Action:

- Final Beneficiaries and Target groups

Through the wide-reaching information campaign the project has reached out to every community within Borjomi Municipality and community knowledge of the project and its approach are already well known. This resulted in a good response to the call for LAG members and it is felt that the current 28 members represent the majority of sectors and communities in the municipality. Further work will be performed in the next year to
support even greater inclusion within the LAG. The role of the LAG in the project implementation (designing the LDS, managing the grant component etc.) means that the action is essentially locally run. This will further increase as the grant competition develops and decisions are taken on the applications. To date the level of response from community members regarding the grant component has exceeded expectation with 171 applications being submitted. More than 100 applicants have been requested by the LAG to submit a full application and through training support it is felt that the quality of the submissions will remain high.

To facilitate information exchange and improved communication with beneficiaries, the project has initiated tools such as the website and a text messaging service which makes the project more accessible and transparent for all those who engage with it.

- Other third parties involved (including other donors, other government agencies or local government units, NGOs, etc.)

There are regular coordination meetings between Mercy Corps and the other two agencies – CARE and PIN – implementing the pilot rural development measures. At these meetings the agencies provide updates on the progress of their respective projects and look for opportunities for collaboration. A key area of collaboration has been in engaging LAG members from each region in events and training being implemented in other regions. This culminated in LAG members from Lagodekhi and Kazbegi attending the study tour organised by Mercy Corps. This was reciprocated by CARE and PIN for LAG members from Borjomi. The implementing agencies have also collaborated to try to harmonise specific approaches and tools. One example of this is the meeting that was held in April 2016 where the agencies discussed the LDS and the Grant Application processes to make sure that there are no fundamental differences in their approaches.

The project team also works closely with the ENPARD Communication Unit (ECU) providing them with information on all project activities and events, so that media outlets can be invited to attend and publicize the project to a regional and national audience. As has been stated above, the project team also collaborates with FAO to support their technical assistance programme to the MoA and the MoAWG and to provide input to the Position Paper and Strategy documents that are being developed.

3.4 Links and synergies developed with other actions

In September 2015, Mercy Corps representatives and partners attended the ENPARD Rural Development Programme launch in Kazbegi. Also in September the project team attended the UNDP project closing event in Tsagveri-Daba, Borjomi. One community member who was actively engaged in this project and is the Chairperson of the “Green Valley” NGO based in Tsagveri, is also a member of the LAG.

3.5 Building upon/complementing previous EU programmes

Nothing to Report.

4 Visibility

The partners ensure that the project is widely publicised and that EU and ENPARD visibility is prominent on all electronic and printed documents / publications. Project banners have been produced that are used for workshops and presentations and that prominently display the EU and ENPARD logos and title of the project. Moreover, the project team always highlight the donor contribution during meetings with government stakeholders, project beneficiaries and in presentations and other events.

Brochures have been produced that advertise the project and these carry both the EU and ENPARD logos, as does the LAG website, LDS and EOI application forms. As described above, Mercy Corps collaborates very closely with ECU to ensure that the project activities and impact is disseminated across all media channels.

The European Commission may wish to publicise the results of Actions. Do you have any objection to this report being published on the EuropeAid website? If so, please state your objections here.

Mercy Corps has no objections to the activities and results of this project being published on the EuropeAid website.

Name of the contact person for the Action:
Zoe Hopkins

Signature: ..................

Location: Edinburgh, Scotland

Date report due: 31 August 2016

Date report sent: 25 August 2016