ENPARD Baseline Study 2014

❖ Methodology

The baseline study was conducted to examine and analyse current state of affairs in four core areas of change that the project aims to make: (1) the socio-economic situation of Georgian farmers in the target regions; (2) the value chains and markets that they are working in, (3) the role of women within the Georgian agricultural sector and business management and the specific barriers faced by women and (4) farmers awareness of and attitudes towards the legislative and regulatory framework governing agriculture and rural development, including the new Law on Co-operatives.

Quantitative and qualitative research methodologies were applied to the baseline study.

Basically, the Survey methodology was used to answer research questions, using structured questionnaire, administered by trained enumerators. Sampling frame of the baseline study was rural households[1] of 13 municipalities of 5 regions in Georgia: Shida Kartli region (Gori and Kaspi municipalities), Samegrelo region (Zugdidi, Tsalenjikha and Chkorotsku municipalities), Kvemo Kartli region (Dmanisi, Bolnnisi and Tsalka municipalities), Kakheti region (Telavi and Akhmeta municipalities) and Mtskheta-Mtianeti region (Mtskheta, Tianeti and Dusheti municipalities)

Sample size was defined to be 500 rural households in target municipalities. A multi-stage cluster sampling with preliminary stratification by region was applied to sample design. In the sample, the size of five strata (regions) was defined by proportional distribution of households in each of them. A three-stage cluster analysis was performed. The primary sampling unit (PSU) was a community within a municipality. The secondary sampling unit (SSU) was the village within the community and the final sampling unit (FSU) was the household. The households were randomly selected in SSUs using random walk principle. The respondent within the household was chosen according to the last birthday principle for family members aged 18 and above. From 6 to 12 respondents were interviewed in each FSU, based on the size of the SSU. The confidence level was set at 95%. The standard error for the whole sample was 4%, while for each stratum it varied from 8% to 11%. The fieldwork was carried out in April-May of 2014.

Quantitative data were entered and analyzed in Sphinx statistical analysis software. Both descriptive and inferential statistics were applied to data analysis.

Two focus group discussions per region (overall 10 FCs, 5 with men and five with women groups) supplemented the survey to provide context to quantitative data and give more insight into the division of labour in Georgian agriculture, women's roles, access to goods and services and barriers encountered by them.

❖ Summary of Key findings

➢ Demographics and socio-economic situation of farmers in targeted regions

[1] Data on the rural households in the municipalities, communities and villages were collected from local governments by co-applicant organizations (RCDA, ACF and ELKANA).

- 49% of respondents were men and 51% - women. The average respondent was 49 years old. The vast majority of them were local residents (96%) living in their own houses (94.8%). On average there were 4.08 members in the household - 2.05 male members and 2.03 – female members.
- The majority of respondents considered themselves full time self-employed (42%). 21% of them were pensioners and 11.8% in paid full time employment. Considerable amount of respondents (21.4%) did not attribute themselves to any of the groups and stated that they were just unemployed.
- Self-reported average household monthly income from all sources was 422.73 GEL. Self-reported average annual household income from all sources for the last 12 months was 5229.42 GEL.
- The results indicate that old age pension was the most important source of income in case of 35% of households, civil service for 19%. Only 15% of respondents considered agricultural production as the primary source of income and 7% indicated livestock rearing as such.
- It seems that more than half of households (58%) did not have enough income and savings to survive even for one full month. Considering above, most respondents were either less than satisfied (44.2%) or not at all satisfied (41.3%) with the households' current financial situation.
- Though most of the HHs produced certain amount of agricultural products at least for HH consumption, food was still ranked as the most important annual expenditure by most households (69%). Health related expenses were cited by 15% of respondents as the most important expenditure and agricultural inputs by small amount of HHs (4%). During a year on average 718.79 GEL was needed for farming activities (SD=992, Minimum=0, Maximum=8000).
- Expenditure pattern did not change for 59% of HHs from previous year (Mar 2012-Feb 2013), while it was higher for 34% of households and lower for 5% of households. Furthermore, 40% of HHs who reported increase in expenditure, explained this change by the increase of following expenses: agricultural production expenses, medical expenses, social expenses and land cultivation related expenses.
- It turned out that during past 12 months there were months (February through April) when the majority (64%) of households did not have enough food to meet family's needs. Furthermore, Month Adequate Household Food Provision (MAHFP) score was calculated, which showed that more than half (51.1%) of them lived at the borderline of adequate provision of food, 9.5% were really poor and only 39.4% of them were adequately provided with food. It should be noted, that while Spring was the season when the HHs had limited resources, extra funds for farming activities were needed exactly during these months (March (58.4% of HHs), April (76.2% of HHs) and May (48.6% of HHs).
- Another important finding was that in parallel to low income rates, more than half of the households (55.1%) had debt at the moment of interview. On average debt owed by the households was 2998.70 GEL (SD=4647.72, Minimum=30, Maximum=53000).
- Among money borrowers, most of the households borrowed money from banks/financial institutions (81%). Other sources cited were neighbours (13.3%), relatives (11.4%) and a private persons (persons giving loans) [2.7% of HHs]. The interest rates of loans mostly varied from 10 to 20%. Out of money borrowers, 31% indicated healthcare expenses responsible for borrowing money, 20% - farming activities and 17% - off farm business.
- Compared to other households in their respective communities, half of the respondents attributed themselves to middle income groups while 15.4% identified themselves as the poor.

- Social networks proved to be still strong in the target regions: 71% of the households believed that if their households had to go through hard times, their neighbours, friends, relatives and others in the community would support them, while 28.9% believed quite the opposite (see table 27).

➢ **Land ownership, production and marketing**

- All surveyed households possessed agricultural land, though more than quarter of respondents (27%) stated that the part or the whole of it was not officially registered. The land owned by the households ranged from 80 Sq. meters to 10 hectares, averaging 0.9 ha. Only 1% of HHs was renting out agricultural land and 2% rented in from other farmers. 4.4% of households did not cultivate any land last season, 30.2% of households managed to cultivate only part of their agricultural land, while 17% could not cultivate part of their irrigated land. The average size of uncultivated irrigated land was 0.35 ha.
- Poor security infrastructure has been named as the main reason for not cultivating land by 21% of respondents. Other major reasons indicated by respondents, were: land erosion, land degradation, water logged or fallow land (15%) lack of irrigation-drainage system (12%), lack of tools to till land (9%), draught and lack of fertilizers (6%), lack of labour (5%) and transportation related problems (4%).
- Access to water seems to be problematic among target population (except Samegrelo region). 40.2% of HHs stated that they did not have access to water sources for agricultural activities. Main problems faced by households regarding water supply were: destroyed irrigation channels (35%), channel not clean (22%), high salinity of water (16%), shortage of water (13%), not enough pumping resources (10%).
- 26.5% of households stated that they used irrigation system, while 73.5% did not. The great majority of households (91%) did not know what type of irrigation equipment was available to purchase in their region and only 3% stated that they could afford irrigation equipment available in the region.
- 79% of HHs were engaged in livestock farming and production. Most families in all five regions owned cattle (62.6%) and poultry (80.2%). Some (17.6%) also owned pigs, rabbits (8.4%) and sheep (7%). 27% of them sold livestock, meat and/or dairy products. The buyers indicated by them were neighbours, friends or relatives (35%), directly retail markets (20%), local traders and collectors (16%) and anonymous consumers at the farm gate/roadside (10%). Main constrains faced by farmers in livestock farming were lack of pastures (37%), animal disease (19%) and high prices for fodder (15%).
- 74% of households grow crops. Households list wheat, barley, oats, maize and soya as cultures grown by them for household consumption and sale. Most cultivated crop culture was maize, which was produced by 68.8% of households. On average 1507.66 kg of maize was harvested by farmers last year. 43.2% of crop producers grow crops mixed with other cultures such as kidney beans, pumpkins, potatoes, greens, tomatoes, cucumbers, onions. 91% of households that grew crop mostly used local breeds of seeds. Main purchasers of crops turned out to be local traders/collectors.
- About half of households in target regions had 50 and more fruit trees and perennial cultures. The following fruits were cultivated last season: apples (36.4% of HHs mostly in Shida Kartli), peaches (12.6% of HHs mostly in Shida Kartli), grapes (45.8% of HHs mostly in Kakheti and Shida Kartli). Other fruits (pear, cherries, plums, berries) were cultivated by 47% of farmers, mostly in Shida Kartli and Samegrelo regions. Subtropical cultures and citruses were cultivated by just 12.4% of households mostly in Samegrelo region. Furthermore, hazelnuts in Samegrelo (29.8% of HHs) and potatoes

(41.6% of HHs) in Kvemo Kartli, Shida Kartli and Kakheti regions were cultivated by farmers. Perishable vegetables and melons were cultivated by 44% of households mostly in Samegrelo, Shida Kartli and Kakheti regions. Non-perishable vegetables and melons were cultivated by 43% of households mostly in Shida Kartli and Kvemo Kartli regions and to a smaller extent in Kakheti region too. It should be noted that last year's average yield for the above vegetables and fruits varied from 236kg to 778kg.

- Most households (74.4%) used their "own stock" as the main source of seeds and saplings, others bought it from "uncertified local vendors" (18.8%) or "certified local vendors" (4.8%).
- Both organic and chemical fertilizers were used by most households (34% HHs – chemical, 29%-organic, 29%-both, 8%-none).
- Most households named "uncertain weather" as main constraint for agricultural production (57%). Other identified barriers were lack of "irrigation and drainage system" (14%), "insufficient rain" (9%), "insufficient land size" (5%), "high price for fertilizers" (4%) and "crop disease and pests" (4%).
- It is not surprising that "uncertain weather" was named as the leading barrier for production, considering the fact that almost half of respondents reported that last year drought and frost damaged saplings/seedlings in their communities. Furthermore, 43% indicated that their communities were affected by hail, 19% - by flood and 9% - by landslide. Only 9% of households were not affected by any disasters. The effect must have been substantial considering the fact that almost none of the respondents (99.6%) were part of any insurance scheme.
- Most households (61.2%) produced alcoholic drinks, especially in Shida Kartli (85.7%), Samegrelo (75%) and Kakheti (63.7%) regions. Wine was cited most frequently (52.2%) by alcohol makers, followed by chacha (44.2%) and other distilled spirit (3.5%).
- The majority of households (70%) sold their products. In most cases (69%) "sellers" usually arranged for transportation. Most of these farmers usually took public transport to get to the markets, more than quarter of them used their own transport or hired a vehicle alone or together with other farmers. Most households (76.4%) stated that usually male household members were responsible for transporting products to markets, except for Mtskheta-Mtianeti, where 72.7% of respondents stated that women usually took responsibility for transporting goods.
- Only 9.5% of households, mostly from Shida Kartli and Kvemo Kartli, stated that about 1 to 15% of crops spoiled during transportation.
- Low price that did not even cover transportation expenses was named as main barrier for selling agricultural products by most farmers (36% of HHs). Another important barrier identified was that traders working in the markets did not give chance to farmers to sell their own agricultural products at the markets (15% HHs). Access to transportation including transportation expenses was also identified as most important constraint (12% of HHs). It should be mentioned that 12% of farmers could not identify any barriers to marketing their products.
- Most farmers (37%) spent much time on acquiring market price information, 14% of them – on coordinating with other agents in agricultural value chains and 12% of farmers on travelling to input markets.
- Most households (72.8%) did not make use of any livelihood changing practices. Only 15.4% of households cultivated a new crop that was never cultivated before, fewer prepared or applied fertilizers in a different way and sold farming produce and/or livestock products to new locations, or in a new way.

➢ Women's roles within the Georgian agricultural sector, attitudes of farmers towards women's roles and the specific barriers faced by women

- Some roles were distinctly distinguished between men and women, some were not. For example: care for animals and home gardening was mostly the responsibility of both men and women (54% and 58% respectively). Collecting wild herbs, medical plants, fruits and berries seemed to be the responsibility of women mostly (50%). Slightly more men were selling products in the markets (39.4%) in general. Men were more likely to work outside home (58.4%). Domestic employees in most households were women again (93.8%). Respectively, household work was predominantly the women's responsibility including cooking (92.3%) and house cleaning (91%). However, in most cases both men and women were participating in decision making on managing household budget for everyday food purchases (56.3%) and daily household needs (60.2%). In terms of average time spent on domestic activity during a week, as per answers, most of the time seemed to be spent on cooking (13.1 hours), cleaning (11.8 hours), other activities (not specified) and taking care of children (9.6 hours).
- Attitudes of respondents to different women's roles were tested. Control was set by region; however, associations between gender roles and age, education level, sex and ethnicity were also verified.
- The majority of respondents agreed with the statement that women should have equal role to that of the man in making decisions about the household (79%) as well as on how to spend household money (80%). It should be noted that respondents from Kvemo Kartli (mostly Azeri population) were less likely to agree with the above statements compared to other regions. Furthermore, 62% of respondents agreed with the statement that men and women should equally share household responsibilities such as cooking, cleaning, paying bills, do gardening, though as we can see above it is seldom put in practice. In addition, despite this statement, conventional gender roles were quite strong among interviewed farmers: the majority of respondents (93%) thought that most housework was naturally the women's job. However they contradicted themselves when the majority of them (87%) stated that women and men were equally responsible for child care and family care work. Likewise, the great majority of respondents (95%) agreed that a man should be a breadwinner of the family and a woman must fulfil all her household responsibilities even if she is working (87%). Moreover, 71% of respondents agreed with the statement that if in marriage only one person was employed, it should be a man. Unlike the general trend, most respondents (61%) in Kvemo Kartli (mostly Azeri) disagreed with the last statement ($p=0.01$).
- Respondents agreed (63%) that women had the same leadership capacity as men. However, when the question was asked slightly differently 48% of respondents agreed that men make better leaders than women, 38%- disagreed and the rest refrained from answering or could not answer this question. Furthermore, 44% of respondents believed that men make better managers than women, while 42% disagreed with the statement and 14% did not know what to answer.
- Again most respondents (73%) admitted that women played a big role in agriculture in Georgia. The great majority of them (82%) further agreed that women were active members of society. The responses were quite the opposite (or dropped) in Kvemo Kartli region. Most respondents (90%) shared idea, that women should have their own income and be able to care for themselves. However, at the same time the majority of respondent (71%) did not favour the idea of woman travelling on her own, without asking permission of a husband.

- Quite inconsistent answers were given regarding property rights: most respondents agreed (69%) that men and women (sons and daughters) should have had equal property rights, though in practice the owners of both lands and houses they lived in were mostly men.
- Their answers were more coherent to the questions regarding child's education. More than half of respondents (55%) disagreed with the statement that university education was more important for men than for women. Moreover, 62% of respondents disagreed with the statement that if they had means to support only one child's education, it would be their son's
- Several barriers for women in agriculture were identified at focus group discussion: a) limited access for women to agricultural technology (old equipment/machinery, lack of technical knowledge and social barriers (difficult to get equipment)), b) property rights, c) access to resources & capital; d) access to information (public meetings/debates, contacts with LAs etc.) and e) freedom of movement.

  - **Farmers awareness of and attitudes towards agricultural cooperatives and the legal framework governing agriculture and rural development**

- Awareness about the principles of agricultural cooperatives was quite low among target population. Only 13% of them have heard about the principles. Even less people (5.2%) have heard about agricultural cooperatives operating in their districts. Most of this 5.2% of respondents have heard about agricultural production cooperatives, input marketing cooperatives and storage and transportation cooperatives. Just 0.8% of respondents or their family members turned out to be part of farmers' associations/unions/cooperatives. Furthermore, most respondents (74%) noted that they have never heard about any associations/unions.
- Respondents further indicated what would motivate them to join farmers' associations, unions or cooperatives. More income as a motivation was cited most frequently (60% of respondents), followed by employment (38%), access to inputs and infrastructure (machinery, storage, irrigation equipment, seeds, fertilizers) (35%), organized sales (23%), distribution of work (20%), improvement of skills (15%) and better prices for inputs such as seeds, fertilizers etc. (13%), access to bank loans (10%). 10% of respondents did not or could not specify what would have motivated them to join such entities.
- Only 12% of respondents thought that joining such organizations might have some disadvantages. Two desadvantages of joining cooperatives were cited: restricted individualism and conflict among members.
- Awareness about laws and regulations governing agricultural activities was very low (1%). Only 2.6% of respondents said that they were aware of recently passed lagislation and regulations about agricultural cooperatives. They have heard about it mostly from local Sakrebulo, mass media, NGOs and neighbors/communities.
- 66% of respondents thought that it was difficult to obtain information about legislation and regulations, while 30% of respondents did not find it difficult.
- As a first choice half of respondents indicated that they would have preferred to receive information regarding legislation and regulations from local Sakrebulo office, 19% -from mass media and 11% - from municipality office.