



Restructuring Assistance and Policy Advice for the Ministry of Agriculture and Food of  
Georgia

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## **Mission**

To assist the transformation of the Ministry of Agriculture and Food of Georgia into an effective, honest agency that facilitates increasing the welfare of the country's agri-food producers and consumers.

## **Major Achievements During the Quarter**

In September-November, 2001, the project:

- Made the transition from a short-term to long-term activity, including mastery of DAI long-term management systems
- Continued to assist with implementation of World Bank Risk Assessment Exercise
- Advised on the development of departmental charters and employee job descriptions for the Ministry's Central Apparatus
- Made all preparations for carrying out personnel review in Ministry's Central Apparatus
- Carried out the bulk of a legal and financial audit of the Ministry's Phytosanitary Quarantine Department
- Completed drafting of major study of Georgian grain market
- Provided information, translation assistance, advice and "good offices" for Ministry in dealing with many international donors and programs
- Provided continuing policy advice to Minister and his deputies on a wide variety of issues
- Provided extensive legal drafting assistance to Ministry
- Continued development of Ministry's public information activities, including a daily survey of the local press on agricultural-related issues and periodic surveys of new agricultural-related legislation
- Completed computer design and entry of basic bookkeeping forms required by the Ministry of Finance for government agencies
- Carried out a variety of activities on food safety and standards at the Minister's request
- Undertook a major study of agricultural risk management at the Minister's request

## Project Background

The present Ministry of Agriculture and Food of Georgia, chartered by a Presidential decree of November 17, 1997, is the latest incarnation of an institution which has existed, in one form or another, throughout almost the whole Soviet and post-Soviet period, and which has always been primarily concerned with directing agricultural production. The Ministry is organized hierarchically with smaller versions of its major departments located in each district of the country. As a consequence of the breakup of the Soviet Union and, in Georgia, the extensive civil conflicts that accompanied and followed that disintegration, however, the Ministry has largely lost control of “its” subordinated units.

The USAID-supported Ministry activity responds to Georgian Minister of Agriculture and Food David Kirvalidze’s October 2000 letter requesting donor support for a “temporary agricultural policy analysis group.” The Minister’s original request to donors asked for help in establishing an agricultural policy analysis unit of a sort that have been funded by various donors in many of the transition economies of Central Europe and the former Soviet Union.<sup>1</sup>

### Agricultural Policy Units:

- help develop and implement market-oriented agricultural policy;
- train their staff in Western analytic techniques and approaches;
- serve as points of contact between donors and recipients; and
- act as catalysts in transforming the structure and functions of government agencies concerned with agricultural policy.

Successful agricultural policy units such as the Polish SAEPR drive overall agricultural reform in their country. Like all public policy activities, they blend quality research, data collection and analysis with policy advice and advocacy that flows organically from their attempts to carefully and critically understand the real situation and issues in the sector, to develop policy alternatives to address those issues, and to dispassionately present the costs and benefits of those alternatives to policy-makers. Although initiated and supported by donors, APUs are locally-run and managed, and do not work if they do not eventually acquire value and importance in the eyes of the country’s agricultural policy-makers.

The World Bank responded to the Minister’s request by suggesting support of an agricultural policy analysis unit through an “Institutional Development Funds” (IDF) grant. An application for IDF monies now under review within the World Bank would provide for two years of support for a group of ten professional staff, with associated equipment and operating costs. The draft IDF proposal anticipates that the USAID-funded senior advisor from the Ministry Restructuring Activity would provide day-to-day management and advice

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<sup>1</sup> The most successful APU and the model for others is the Agricultural Policy Analysis Unit of the Foundation for Assistance Programs to Agriculture (SAEPR) in Poland which is supported by the World Bank, the European Union PHARE program and the Polish government. APUs are also functioning in Ukraine, Latvia and Bulgaria. Attempts to establish them were made, unsuccessfully, in the Russian Federation by the EBRD and in Uzbekistan by Tacis, and efforts to establish one are reportedly underway now in Romania. One of the three principal recommendations for advancing agricultural sector reform in Georgia made by the Polish analysts led by Leczek Balcerowicz in the spring of 2001 was for the establishment of such a unit in the Georgian MAF (CASE, 2001).

on substance for this group, although the Bank does not provide any funding for this expatriate advisor. The date this activity would begin operations is not yet clear.

The Ministry of Agriculture and Food (MAF) also requested assistance from the donors, including USAID and the World Bank, in carrying out an inventory and audit of its assets, many of which had been partially privatized or otherwise distanced from its control in the 1990s. In response to a letter from Minister of Agriculture and Food David Kirvalidze to Mr. Iain Shuker of the Bank of January 10, 2001, and subsequent discussions at a working level between the Ministry Activity and World Bank personnel, the Bank has agreed to provide a second group, to be funded from its Agricultural Development Project loan, to carry out a “Risk Assessment Exercise” (RAE) over an eight-month period. As of the date this report is completed, the application deadline for employment in the RAE has just closed. It is expected that that effort will be in full operation in mid-December 2001.

The project, organized as a task order under the USAID BASIS indefinite quantity contract, began in December 2000, when the USAID mission arranged an initial two-week visit to Georgia for Dr. Van Atta and began full operations February 3, 2001, when Dr. Van Atta returned to Georgia for the duration of phase I. The contract modification for Phase II of the activity, extending through August 28, 2002, was completed by USAID on August 27, 2001.

### **Strategy for Ministry Reform**

Because this is a sectoral Ministry, not a functional one, its difficulties can only be resolved by many coordinated actions. No single change or remedy can fundamentally reform the Ministry in the way that a similar drastic alteration can affect the operations of a functional agency such as the Ministry of Tax Revenues or the Customs Service. Ill-considered or hasty reforms could make the situation much worse, since some of the Ministry’s missions, such as monitoring of food safety and animal disease, are fundamental to maintaining the polity and society. For instance, failure to carry out reported vaccinations against anthrax or dishonest monitoring of cattle for signs of BSE or other diseases can have effects far beyond the immediate ones of enrichment of particular corrupt individuals.

Many of the Ministry’s problems are structural, resulting from the Soviet system, and as such must be common to all Ministries in Georgia and the other states of the former Soviet Union. They are more obvious here simply because a minister from a new political generation has called attention to them and asked for help in resolving them.

The Ministry of Agriculture and Food of Georgia suffers from a number of underlying problems.

1. The Ministry has been a Soviet-style organization operating in a Soviet-type government. That is, missions, procedures and mindsets have remained those of the Soviet command economy. Moreover, employees have continued to behave in Soviet ways, hoarding information, failing to report fully and truthfully to their superiors, and generally not acting as a cohesive organization with a common mission—and common threats and possible penalties (i.e., unemployment) if the organization’s core missions have not been reasonably well fulfilled.
2. The Ministry has had no effective internal control or management procedures, both because the Ministry has continued to operate as part of a single command-economy

structure in which organization boundaries are fluid and have little meaning, and perhaps because those management checks and balances used to be provided by the parallel organization of the Communist Party, and no new procedures or institutions have yet evolved.

3. The Ministry has been almost entirely irrelevant to the political, administrative, and governmental needs of a successful market economy. Most of the work the MAF has done is not done at all, or is performed by the private sector or other political bodies, in developed market economies. Much of the basic work of ministries of agriculture in OECD countries, particularly market development, general research and data collection and dissemination, and agricultural extension, has not been done at all by the present MAF.
4. Despite its origins in the command economy, the MAF possesses little systematic information about its sector. In this regard, it is probably worse off than any other FSU Ministry of Agriculture. Nor does it possess a culture which values systematic, consistent and careful data or the research skills needed to generate such data and draw policy conclusions. As a result, it is very poorly equipped to serve its clients, whether agricultural producers or consumers in ways that they would be likely to see as valuable.
5. The MAF's capacity to absorb donor assistance usefully, or even to track it properly, has been overwhelmed. With the possible exception of World Bank efforts, every donor project that has been implemented in cooperation with the MAF since Georgia regained its independence has been under- or mis-managed in such a way that the present Ministry leadership identifies it as a problem, in some cases involving significant legal and financial liabilities for the MAF and the Government of Georgia.
6. As a result of these conditions, the present Ministry leadership is almost entirely occupied in trying to understand the dimensions of the mess they inherited, and so unable to concentrate on redesigning the Ministry or providing better service to their clients.

The assistance provided seeks to help the Minister define how the MAF should look as an institution at the end of the process of reform as well as to achieve that institutional transformation. The restructuring is being done in a way that maintains Georgian "ownership" of the activities and their results. Maintaining and increasing the Georgian side's commitment requires adjusting to a complex and shifting political and economic situation.

### **Activities during the Quarter**

The project's work was complicated by a Presidential decision to fire all sitting ministers in early November. There was a long interregnum during which the First Deputy Minister of Agriculture and Food was in charge of the Ministry. However, the Parliament reconfirmed Kirvalidze as minister almost unanimously on December 4.

During the quarter, the restructuring project concentrated on five principal activities to address the problems outlined above:

- Direct support for ministerial restructuring
- legal and auditing advice and assistance
- donor coordination
- Policy advice and analysis
- Information gathering and distribution

The following sections of this report describe each of these activities in more detail.

### **Ministry Restructuring**

During the quarter, great progress was made in restructuring the Ministry's Central Apparatus, the part of the agency which is directly subordinate to the Minister and in which he must have support if attempts to restructure the Ministry's many semi-autonomous units and local affiliates are to have a chance of succeeding.

Akaki Gikoshvili, a lawyer with previous experience in personnel reviews in the Parliament of Georgia, and Ms. Ketii Shengelia of the project staff supported the Ministry's legally-mandated Attestation [personnel review] Commission in preparing for a serious review of personnel. As mandated by law, the once-in-three-years review will include both a test of job knowledge and review by the Attestation Commission. Mr. Gikoshvili and Ms. Shengelia coordinated the preparation of the examination, for which department-specific questions were commissioned from leading Georgian specialists including several project staff members. Lists of more than one hundred possible questions in each area of general civil-service knowledge and department-specific matters were prepared and distributed one month ahead of the scheduled examination. Mr. Gikoshvili and Ms. Shengelia will compose the actual test forms, drawing from the question lists, immediately before the examination is given on December 17, 2001. In this way they should avoid many of the problems of security encountered in other recent personnel reviews in Georgia. They have also been advising the Attestation Commission on legal and organizational matters. Project support for the personnel review has clearly been of great help in insuring a fair and well-prepared review.

Continuing the work of legal restructuring involved in criticising and improving department charters during the summer, Mr. Giorgi Dangadze of the project wrote new job descriptions for many of the individual employees in several departments of the Ministry's Central Apparatus.

During the quarter, Mr. Otari Chigladze reviewed, revised and computerized much of the Ministry Bookkeeping office's current records. He also found and corrected many errors in the Ministry's books and provided essential consulting and support to the Ministry bookkeepers. This work to improve the Ministry's records is an essential part of any attempt to introduce a reasonable system of financial accounting and control that can be used and depended on by Ministry management, as well as a needed first step toward unifying the various partial financial management tools and budgets now in use in the Ministry.

At the specific request of the Ministry, the project began supporting a new "Internal Control" unit in the Ministry's apparatus in August of this year. During the current quarter the Internal Control unit embarked on a legal and financial audit of the Ministry's Phytosanitary and Quarantine Inspection, a unit of the Plant Protection Department. The Phytosanitary

Inspection maintains checkpoints at all Georgian land and sea border stations, and their approval is necessary to import any cargo that might affect the country's phytosanitary situation. Although the unit has a 2001 budget allocation of 89,571 lari, it also had budgeted gross income of 493,700 lari during the year from fees for inspections and other services. The Phytosanitary Inspection is commonly believed to be extremely corrupt, and the preliminary observations of the Internal Control department support this view. Although the results of the audit, carried out in collaboration with the Georgian Chamber of Control, will only be finalized in mid-December, it is extremely likely that the head of the Phytosanitary Inspection will be removed for malfeasance as well as his threatening behavior toward members of the group carrying out the audit.

### **Legal and Auditing Advice to Ministry**

As noted in the Phase I final report, Ministry officials have particularly requested help in examining the records of the "Counterpart Fund" created to support agriculture on a revolving-fund basis in 1996. During the quarter the Ministry won several important legal victories in cases resulting from failures to repay loans to this fund. Many of these victories resulted in large part from legal advice and research by project staff. Although it is unlikely that much recovery of these funds can be made, and project management has urged Ministry management not to concentrate too much on trying to making such recovery, the debts owed to the Counterpart Fund can only be expunged from the Ministry's books following a court finding that the debt is irrecoverable. Therefore, legal efforts have focused on seeing existing cases through to such a conclusion, as well as defending the ministry against often outrageous claims by former fund recipients.

Although this kind of work is important in order to get the Ministry out of a labyrinth of legal claims resulting from previous mismanagement and makes for good anecdotes, helping to "clean up the Ministry's messes" is only one part of the project's work, and overall not the most important part of that work. As of the end of the quarter, the World Bank-financed Risk Assessment Exercise, which project staff had a major role in designing and developing, was just ready to begin operations as a dedicated unit to unsnarl these cases. Therefore, the lead in this kind of work is now being passed to the RAE.

Project staff have also provided considerable support to the Ministry in other legal issues. For instance, project staff attorney Giorgi Dangadze has been the lead author in drafting a law on Organic Agriculture that the Minister has made into a centerpiece of his program for expanding the country's agricultural exports. Project staff have collaborated closely with the head of the Ministry's legal department and the European Union Food Security Program lawyer in drafting many other documents, including revised versions of new charters for the reorganized departments in the Ministry's central apparatus.

### **Cooperation with Other Donors**

During the quarter the project took a major role in finalizing the terms of reference for the World Bank Risk Assessment Exercise, as well as providing support for the search for the head of the new IFAD alpine agriculture development project. Close cooperation with the European Union Food Security Program technical advisory team in the Ministry, which has done much work to develop a workable system of budgeting for the MAF, also continued until mid-October, when the EC expatriate advisor was recalled to Brussels and his unit closed. As of this report it is uncertain whether or when the EC will resume technical assistance in the MAF as part of its Food Security Program budget support for Georgia. Because the FSP local staff had played a major role in developing the Ministry's budget,

authorization was sought and obtained from the USAID CTO for the Ministry Restructuring Project to hire them late in the quarter. They will shortly begin working for the restructuring project, continuing to develop a workable budgeting system for the ministry.

### **Policy Advice and Analysis**

The project continues to carry out a great deal of policy research, both in responding to specific questions from Ministry staff and of a longer-term nature, as annex 2 indicates. During the quarter, Dr. Bidzina Korakhashvili completed a major study of the nation's grain supply and grain market. This study, which is still being translated and edited seeks to provide a much more detailed picture of the country's grain reserves and capacities than has been available. At the request of the Minister, Dr. Korakhashvili also began work on an examination of possible systems for crop insurance and the general problem of risk management in agriculture. The Ministry is greatly interested in this work because of their desire to find innovative ways to provide agricultural finance and to increase the number of entrepreneurial, market-oriented farmers. Although many of the results may be negative, in the sense that they will underline the great difficulties facing agriculture in transition economies, and particularly Georgia, the study has great potential value as a way to stimulate discussion and change opinions among the Ministry's top management.

The two other project analysts, Dr. Alexander Didebulidze and Rati Shavgulidze, began during the quarter to concentrate on Georgia's obligations and limitations in agricultural policy as a result of the country's membership in the World Trade Organization. Very little attention has been paid by Georgian policy makers to the limits imposed on them by WTO accession, and it seems likely that many of the obligations the country assumed at the time it joined have not been carried out in full.

At the Minister's request, Didebulidze also examined other nations' systems of food quality assurance in preparation for a major report on regulation of food safety and quality the Minister was scheduled to give at a plenary session of the Georgian government. Although this study did not entirely support the Minister's preference for putting food safety and quality regulation in the MAF, it provided useful lessons about how such work might be organized and helped to advance debate on the issue. The results of this work were discussed extensively with the new unified Inspectorate of Food Product and Flour Quality within the Ministry.

### **Information and Outreach**

During the quarter the project continued to prepare a daily Georgian-language survey of press coverage of agriculture-related issues. This bulletin is distributed widely within the Ministry, and an unedited English translation is also available. In addition, project staff continued to work closely with the USAID Public Education Project during the quarter to hold a variety of public events, in particular a continuing series of visits to the countryside by senior Ministry management and groups of correspondents. This work to publicize the Ministry's change from a body which gives orders to one which serves clients (both producers and consumers) is extremely important to maintain and develop support for further reform of the MAF.

## **Outstanding issues**

### **Personnel review**

In late December, the review (“attestation”) of personnel in the Ministry’s central apparatus will be carried out with a written examination and panel evaluation of each staff member. As discussed above, the attestation, which Georgian law requires be carried out once every three years and for all units in the agency undergoing review simultaneously, has been carefully prepared by the Ministry with support from two project staff members. In order to minimize problems of leaks, the written examination will be drawn from questions made public thirty days in advance of the test date. Support for the work of preparing the questions and distribution of copies of the question lists as well as legal materials on which all staff will be tested was provided by the project. However, the questions were entirely written, and the correct answers determined, by Georgians, and the project has made no attempt to affect the content of the examination. Although advice on legal issues of how to conduct the attestation has been provided by project staff, decisions about employees will be made entirely by the Ministry’s attestation commission, on which project staff members have declined to serve under guidance issued by the USAID Caucasus legal counsel.

Although it is certain that the Ministry central apparatus contains a fair amount of “dead wood,” the effect of the attestation in pruning staff is likely to be less direct than indirect. First, Ministry staff now know that the personnel review is serious, and to react accordingly. Secondly, it seems likely that some of the least well-prepared candidates will not even bother to undergo the process. It is expected that by making attestation a serious procedure, but one in which the donors’ role is limited to support, that legal challenges will be minimized.

### **Work plan adjustments**

The efforts by the European Commission Food Security project to create and maintain a budgeting system for the Ministry represented a very good start, as noted above. However, until all the subordinate departments are included in that budget net, all “special funds” are tracked, and the Ministry staff are used to using the system, the work will not be completed. A short-term TACIS project intended to follow up on the FSP’s budgeting work carried out during the summer and fall of this year has, unfortunately, not led to the results that were hoped for. Given the central importance of having a functioning budget system to Ministry restructuring, the Ministry Restructuring project must continue this work. To this end, the project has received CTO authorization to hire, as of December 1, 2001, the two former FSP local employees most involved with the budgeting work. The DAI home office has or shortly will request salary approval for these individuals from the Regional Contracting Office. These two people will be asked to continue budget development in coordination with the Deputy Ministry of Agriculture and Food responsible for finance and budgeting. The goal of their work remains the development and use of an integrated system of budgeting and accounting capable of tracking all Ministry financial activities in a way that provides enough information to Ministry management to make informed decision-making possible.

Experience during the quarter and ministry requests indicate that two areas should be added to the work plan for policy analysis. First, the Ministry is extremely concerned with food quality monitoring and regulation as well as grades and standards. The project has already done considerable ad hoc work on these issues, as noted earlier. Second, in addition to the work on WTO and multilateral trade already under way discussed earlier, the Ministry has asked many questions about Georgian bilateral agricultural trade with various countries. It

appears that data on bilateral trade, and knowledge of foreign markets, is very thin, and the desire for more information on these matters is intense. Since market-oriented ministries of agriculture are in fact vitally concerned with the state of markets for their producers, encouraging this interest and helping to satisfy it seems to be well within the scope of work of the project. Like food quality issues, this work will also help lay useful groundwork for the planned USAID Georgian agribusiness activity.

Because of these requests, the project has done little work on two important topics which are at least partly covered by other activities: water and land policy. Although it does not appear that any serious work has been done on issues of the cost of water and its effect on production costs and producers' decisions, it is clear that the existing project simply does not have the resources to do this needed work beyond whatever might be done as part of budget development in the Department of Amelioration and Water Economy following up on European Commission Food Security Program efforts there earlier (DAWE has the largest budget and most employees of any Ministry department, so budgetary discipline there was, properly, an FSP priority). Similarly, although there are serious issues of land policy that have not been clarified and deserve research, and in which the project management has substantial expertise, it is clear that beyond examining them in the framework of a baseline study time and resources for other work do not exist. Given that other donors and projects are already working on land issues, removing land policy from the project work plan is probably one of the least harmful reductions in it.

### **Project Security**

The Phytosanitary Inspection and Quarantine Service audit, discussed above, raised serious concerns about staff safety and security. During the initial discussion of the audit between representatives of the Ministry, the Control Chamber, project staff members invited to participate by the Ministry and the head of the Phytosanitary Service, Mr. Robert Gurchiani, the latter produced a large dagger (*kinzhal'*) and threatened a project staff member with it. According to reports by Ministry staff he has a long history of such behavior (he has been in office since the early 1980s). This action was reportedly followed by a series of threatening phone calls to the Minister and his deputies, and, in early November, person unknown smashed in all the windows in the Minister's apartment while his family was asleep. As a result of the first incident, the Ministry is now actively moving to remove the head of the Phytosanitary Service whatever the results of the audit. However, these incidents suggest that, in addition to the general danger that comes from working in a large, unguarded and ill-lit building late at night, there is now some particular reason for worry about the personal safety of employees. What might have been the most effective way to handle the situation in the building, the establishment of effective checkpoints at the building's three entrances, proved impossible for the Ministry because of lack of funds. AID and the Regional Security Officer, in turn, indicated that they could not support such security because the Ministry is in a Georgian government facility and its security must be the responsibility of that government. However, with authorization from the DAI home office, the project has hired a guard for its own office in the building. In addition, the project driver has been licensed by the Ministry of Interior as a bodyguard. It is anticipated that the need for a guard in the office will extend only for two or three months, after which the particular threat should be contained.

### **Registration of Development Alternatives, Inc., in Georgia**

Registration of DAI in Georgia under Georgian law is a legal requirement for the firm to carry out technical assistance projects in the country. The process of obtaining registration was initiated early in the first phase of the Ministry restructuring project. Early in the next

quarter, Development Alternatives, Incorporated will complete the legal registration of a representative office in Georgia. Mr. Paul Dreyer, chief of party of the DAI South Caucasus Water Management Project, has been named by the company as its representative in Georgia.

Completion of registration will require the two DAI projects to maintain a Georgian-standard set of accounts, which will be done by Mr. Otar Chigladze of the Ministry restructuring project. DAI will be required to withhold income and social taxes from its local employees' pay and remit those funds to the Ministry of Tax Revenue. Doing so will have minimal impact on the Ministry project budget since the Phase II budget includes the needed line item. Therefore, employees will see no great impact in their salaries with registration.

### **Transfer of property from the Georgia Enterprise Support Project**

Early in October, 2001, project management was informed by the USAID Caucasus CTO that a large quantity of furniture and equipment from another USAID project would shortly become available for transfer to the Ministry and Ministry project. A request for some of this property was accordingly submitted to USAID Caucasus by the project Chief of Party in coordination with Minister Kirvalidze on October 3, 2001. Although no formal written approval of this request was ever received by project management or the DAI home office, USAID Caucasus provided a copy of the relevant part of the approved disposition plan for the assets of the Georgia Enterprise Support Project to the MAF project management on October 31, 2001. It was also indicated by USAID Caucasus that costs of transportation and receipt were to be borne by the recipient project.<sup>2</sup> Since early November, the MAF project has therefore arranging for the transfer of successive portions of this transferred property. The process of transfer will not be completed until almost the end date of the GESP, December 20, 2001. According to the disposition plan, the total (purchase-price) value of USAID property to be transferred to the Ministry and Restructuring Project from the GESP is US\$127,566.50.

As the value of property to be transferred indicates, there are substantial direct costs to the project associated with this transfer. Some items, including a 20 Kw generator, were located in Telavi and had to be brought to Tbilisi. The sheer volume of furniture has involved some handling and storage complications. All computers, copiers and other electronic equipment received have been given preventive maintenance and, in the case of computers bought with memory insufficient to run the current Microsoft Office suite, been upgraded. As of the project's end-November field expense report, \$3,752 had been spent on moving, repair and installation of items received to date. Project management estimates that the total cost of moving, repairing and installing all the items to be transferred will be approximately \$20,000, or about 15 percent of the total new-purchase value of the property transferred.

This expense will be covered within the existing Phase II budget which includes \$74,100 for equipment and software procurement. Although software licenses and the costs of the network server will probably increase slightly due to the greatly increased number of computers, there is no need to purchase the large copying machine or most of the computer equipment that had been approved in that line item because of the transfers from the GESP. Project management anticipates that all costs associated with the GESP transfer can be covered from this source with a substantial amount remaining unspent in the budget item.

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<sup>2</sup> For instance, e-mail from GESP acting chief of party Duncan Williamson to USAID Caucasus RCO Carlton Bennett, copied to Don Van Atta and USAID Caucasus MAF project CTO Al Williams, October 11, 2001, 7:36 PM with attached message thread.

### Planned activities for next quarter

During December of 2001 a project attorney will complete a general survey of the issues and possible strategies the Ministry might follow in resolving the issues of the Counterpart Fund. The work of doing so will then be passed to the World Bank funded Risk Assessment Exercise staff, who will begin work on December 1. The project will continue to support the Ministry's efforts to resolve its past legal concerns and determine the extent and nature of its property and to cooperate closely with the RAE, but almost all the day-to-day responsibility for that work will pass to Georgian attorneys and auditors funded by the World Bank.

The Chamber of Control and the Ministry's Internal Control Unit expect to complete drafting the report of their findings in the audit of the Phytosanitary Inspection. Serious problems have apparently been found, and the report is likely to be quite critical. Although, given the situation in the country's customs service, the indeterminacy of some of Georgia's international borders, and the problems of low wages, one report is unlikely to solve all problems, this exercise will certainly help to eliminate some of the worst corrupt practices in the Phytosanitary Inspection.<sup>3</sup> The Internal Control Unit will then move to examine another major "state-subordinated" (semi-autonomous) department within the Ministry, probably the Veterinary Department.

As noted above, the central apparatus personnel review will be carried out in December and it is anticipated that the appeals panel will complete its work by January 14. Once the central apparatus personnel review is concluded, the Ministry unit carrying out the review will begin the same exercise in the Phytosanitary and Quarantine Inspection. This personnel review should reinforce the results of the audit. Once the audit and review of personnel in the Phytosanitary Inspection are concluded—probably, given the legally-mandated timetable for personnel reviews, only by the end of February 2002—the real work of redesigning and reconstructing the Phytosanitary Inspection will need to begin.

As soon as the former EC FSP technical assistance local personnel are approved by the Regional Contract Office, the project will begin serious work to assist the expansion of the coverage of the budget the FSP had been developing. The many "special funds" controlled by the Ministry's semi-autonomous departments must eventually all be captured in the Ministry's budget and, as far as possible, become part of the Ministry's general budget. This will raise serious issues of cooperation with the rest of the government, however, since consolidation of those funds will need to be accompanied by clear agreement with the Finance Ministry about what percent of those revenues should be returned to the Treasury and what proportion the MAF may retain to improve its own finances, and particularly to improve its staff salaries.

In December 2001 and January 2002 all the Ministry-managed limited liability companies, most formed from former units of the Ministry, must present their annual financial reports. A project analyst will examine all of them. It is likely that all but a dozen or so of them will report no activity and few resources. The project will recommend that the Ministry will legally wind up these ghost activities. In a few cases, the Ministry should probably simply

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<sup>3</sup> One of the internal control department staff members commented privately after returning from the unit's examination of a border station with Azerbaijan where most traffic bypasses both countries' border controls on a road that is easily visible from the border stations that the problems of that unit were such that the corruption in the Phytosanitary Inspection, severe though it appears to be, was of small import compared to the more general problem of a local group's control of the whole border crossing.

take back the staff and resources. This is true, for instance, of the Ministry archives, which are hard to imagine as a profit center attractive to private investors but which certainly must exist, as well as the “Economic Services” limited-liability company which now provides facilities management for the MAF. In the latter case, the arrangement between the MAF and the Ltd probably violates the Georgian law on the provision of goods and services to the government since the Ltd was apparently given a contract with the MAF without an open tender and, although the structure may help to hide some profits and operating funds for the MAF from the Ministry of Finance’s search for revenue for the budget, it almost certainly hides more from the MAF’s own management.

In December-February the project will also continue an active program of policy analysis. The Minister has agreed to a suggestion by Dr. Alexander Didebulidze of the project staff that a workshop should be held to examine the Georgian Food Security Strategy paper in light of the country’s WTO obligations. This proposal offers an interesting chance for a public examination of the ways in which Georgia’s agricultural policy depends on its broader international commitments, and will help to raise the level of the debate on the need to subsidize and protect the agrifood sector. Work on the grain sector will be completed and released, and design work for a major agricultural survey similar to World Bank rural sector studies and the study done by the USAID/World Bank Ukraine Agricultural Policy Project in 1999 will be carried out.

As the annex tables suggest, the project has already carried out a great deal of analysis. Because of the need to edit translations and revise drafts, however, not enough of these studies have yet been distributed outside the project. Completion and distribution of analysis will receive greater attention in the quarter.

The Ministry has been particularly interested in studies of the situation and outlook for particular Georgian agricultural commodities. An issue to be examined during the quarter is the extent to which the project should do more such work. Collaboration with USDA’s Economics Research Service, which has for some years been training commodity analysts, should also be explored. Should the World Bank IDF grant to support agricultural policy analysis that the MAF requested in 2001 be approved, those additional analysts might also be used for this work.

### **Annex 1. Project Staff as of November 30, 2001**

Don Van Atta	chief of party
Sandro Didebulidze	senior policy analyst
Bidzina Korakhashvili	senior policy analyst
Rati Shavgulidze	policy analyst
Eka Otarashvili	senior staff attorney (on leave, Oct-Dec 2001)
Mamuka Matiashvili	senior staff attorney
Giorgi Dangadze	staff attorney
Giorgi Misheladze	staff attorney (internal control department)
Akaki Gikoshvili	staff attorney (personnel)
Irakli Inashvili	financial analyst (internal control department)
Levan Khundadze	financial analyst (internal control department)
Otar Chigladze	financial analyst
Giga Kurdovanidze	outreach coordinator
Maka Babunashvili	press analyst
Vasili Bibiluri	computer systems administrator
Tinatin Tivadze	office manager
Keti Shengelia	administrative assistant (personnel)
Giorgi Managadze	translator/legal researcher
Lika Margania	translator
Natia Gabelia	translator
Rusudan Arveladze	translator
Lisa Basishvili	translator
David Beridze	driver

## Annex 2. Project Papers prepared during the Quarter

<b>Date</b>	<b>Type</b>	<b>Title</b>	<b>Author(s)</b>	<b>Language(s)</b>
8/30/01	Audit Report	Report on Examination of the Rural Sport Society	Irakli Inashvili; Giorgi Misheladze	Georgian, English
10/9/01	Audit Report	Report for Tax Inspectorate on Taxes Owed by Ministry Units	Otar Chigladze	Georgian
10/18/01	Audit Report	report on examination of Vale border station	Giorgi Misheladze; et al.	Georgian, English
10/19/01	Audit Report	report on examination of Akhaltsikhe border station	Giorgi Misheladze; et al.	Georgian, English
10/20/01	Audit Report	Internal control report on Ltd "Muxiani"	Irakli Inashvili; Giorgi Misheladze	Georgian, English
10/24/01	Audit Report	Report on examination of Lagodekhi Phytosanitary Station	Irakli Inashvili	Georgian, English
10/30/01	Audit Report	report on examination of Poti border station	Irakli Inashvili; Giorgi Misheladze; Levan Khundadze; Gia Kobakhidze	Georgian, English
10/30/01	Audit Report	report on examination of Ozurgeti interregional station	Irakli Inashvili; Giorgi Misheladze; Levan Khundadze; Gia Kobakhidze	Georgian, English
11/25/01	Audit Report	III Quarter 2001 balances of Ministry-Subordinate Departments	Otar Chigladze	Georgian
8/31/01	Draft Law or Regulation	Proposal for amendments and addendums to the Charters of Departments Representing Ministry of Agricultural and Food Constituents	Giorgi Dangadze; Rati Shavgulidze	Georgian, English
10/2/01	MAF order	MAF ordinance on statute of attestation commission	Mamuka Matiashvili, Eka Otarashvili	Georgian, English
10/5/01	Presidential decree	Presidential Decree about "Measures of further utilization and production of State owned Wine, wine materials, brandy spirits and bottled brandy"	Mamuka Matiashvili, Eka Otarashvili	Georgian
10/5/01	MAF order	MAF order 2-157 setting up commission to examine situation in PSD	Giorgi Misheladze	Georgian, English
10/9/01	Draft Law or Regulation	Final version of draft Law (Before sending to the State Chancellery of Georgia) "About implementation of bio-agroproduction and Certification."	Giorgi Dangadze; Marika Gelashvili; Mamuka Matiashvili	Georgian
10/9/01	Draft Law or Regulation	Comments and suggestions of various governmental bodies, NGO's and Scientific-Educational entity's along with the results of discussions concerning draft law about "Implementation of biological agro-production and Certification"	Giorgi Dangadze; Mamuka Matiashvili	Georgian
10/9/01	MAF order	MAF order 2-158 on amendments to order on audit of phytosanitary department	Giorgi Misheladze	Georgian, English
10/11/01	MAF order	MAF order 2-161 assigning project staff to PSD audit	Giorgi Misheladze	Georgian, English
10/19/01	contract	contract for Italian aid orange juice storage by "Varketili Wine Factory" Ltd.	Giorgi Managadze	Georgian

10/25/01	Draft Law or Regulation	Amendments to the Georgian law about the fee system	Mamuka Matiashvili	Georgian
10/26/01	Draft Law or Regulation	Cover letter on the draft law "About amendments in the law on fee system"	Mamuka Matiashvili	Georgian
10/29/01	Draft Law or Regulation	Draft Presidential Ordinance on Measures to Improve the Grape Harvest	Mamuka Matiashvili	Georgian
11/3/01	MAF order	Ministerial order on Requirements for personnel review of civil servants in the MAF	Akaki Gikoshvili; Ketii Shengelia	Georgian
11/9/01	MAF order	MAF order number 2-170	Giorgi Misheladze	Georgian
11/10/01	Draft Law or Regulation	Amendments to Georgian Law "about Diplomatic service" [concerning agricultural attaches]	Mamuka Matiashvili	Georgian
11/14/01	Draft Law or Regulation	Job descriptions of the employees of the Department of Strategic Development and Policy.	Giorgi Dangadze	Georgian
11/14/01	Draft Law or Regulation	Job descriptions of the employees of Administration of Bookkeeping of the Ministry of Agriculture and Food of Georgia	Giorgi Dangadze	Georgian
11/16/01	Draft Law or Regulation	Job descriptions in the administration of Agrarian reforms of department of strategic development and Policy	Giorgi Dangadze	Georgian
11/19/01	Draft Law or Regulation	Job descriptions in the department of Agricultural production service	Giorgi Dangadze; Akaki Gikoshvili	Georgian
11/21/01	Draft Law or Regulation	Comments and suggestions, with results of discussion concerning draft law "About implementation of bio-agroproduction and Certification."	Giorgi Dangadze; Mamuka Matiashvili; Marika Gelashvili; Bio-farmers association "Elkana"	Georgian
9/8/01	Legal Monitoring Report	Orders of Ministry of Agriculture and Food	Giorgi Dangadze	English
9/18/01	Legal Monitoring Report	Definition of Personnel Attestation according to Georgian Law	Giorgi Dangadze	English
10/4/01	Legal Monitoring Report	List of orders of MAF in September 2001	Giorgi Dangadze	English
10/17/01	Legal Monitoring Report	MAF orders amending Ministry Charter, approving Tbilisi city grain inspection charter	Giorgi Dangadze	English
10/31/01	Legal Monitoring Report	Legislation regulating agricultural and food sector (Joint Orders)	Giorgi Dangadze	English
10/31/01	Legal Monitoring Report	Presidential decrees and ordinances in the field of agriculture and food.	Giorgi Dangadze	English
11/1/01	Legal Monitoring Report	Time-table of Orders of MAF of October 2001	Giorgi Dangadze	English

11/2/01	Legal Monitoring Report	MAF orders of October 2001	Giorgi Dangadze	English
11/9/01	Legal Monitoring Report	Order of MAF number 2-168 on storage of Italian orange juice	Giorgi Dangadze	English
10/15/01	Legal Opinion	About transferring the inventory of international organizations to governmental institutions	Giorgi Dangadze; Mamuka Matiashvili	English
10/30/01	Legal Opinion	The legal situation of LTD "agroinformi"	Mamuka Matiashvili	Georgian, English
11/7/01	Legal Opinion	Review of court proceedings of the organizations associated with the Counterpart Fund	Mamuka Matiashvili	Georgian
11/7/01	Legal Opinion	The price of publication of normative act	Mamuka Matiashvili	Georgian
11/12/01	Legal Opinion	Notes on ownership of 'Sakara' wine-producing demonstration center	Giorgi Dangadze; Rati Shavgulidze	English
11/13/01	Legal Opinion	Violations while allotting funds	Mamuka Matiashvili	Georgian
11/16/01	Legal Opinion	Issues concerning MAF order 2-152 (1998)	Mamuka Matiashvili	Georgian
11/17/01	Legal Opinion	Claim against Ltd "Saqsoflmomarageba"	Mamuka Matiashvili	Georgian
11/21/01	Legal Opinion	memoranda in case of Ltd "Detective" and Qareli MTS	Mamuka Matiashvili	Georgian
11/26/01	Legal Opinion	Concrete measures associated with the Partner's fund	Mamuka Matiashvili	Georgian
11/26/01	Legal Opinion	Current situation in Partner's Fund	Mamuka Matiashvili	Georgian
11/28/01	Legal Opinion	claim against the LTD "Sursati"	Mamuka Matiashvili	Georgian
11/6/01	Letters	Letters to different organizations concerning Counterpart Fund Issues	Mamuka Matiashvili	Georgian
10/22/01	Letter	Letter to Phytosanitary Department Head R. Gurchiani	Givi Merabishvili, Giorgi Managadze	Georgian
10/11/01	Other	Revised, edited version of RAE Terms of Reference	Ranjan Ganguli; Don Van Atta	Georgian
8/29/01	Policy Study	response to Minister's questionnaire on major policy issues	Alexander Didebulidze	Georgian
9/7/01	Policy Study	Tambaqos warmoebis, ganawilebis da miwodebis zogadi sakiTxebi [Production, distribution and supply of Tobacco]	Giorgi Dangadze	Georgian
9/10/01	Policy Study	National food safety systems	Alexander Didebulidze	Georgian
9/10/01	Policy Study	Most favorable organizational-legal form of farmer's enterprise	Giorgi Dangadze	Georgian
9/12/01	Policy Study	West Georgia Development Project	Bidzina Korakhashvili	Georgian
9/20/01	Policy Study	Georgia Wheat Supply Situation and Outlook Report.	Bidzina Korakhashvili	Georgian, English
9/28/01	Policy Study	U ungreTis soflis meurneobisa da regionaluri ganviTarebis saministros strategiuli gegmis zogadi mimoxilva [Budget expenditures of Ministry of Agriculture of the Central and Eastern European Countries]	Giorgi Dangadze	Georgian
10/3/01	Policy Study	ufleba intelektualur sakutrebaze [intellectual property, TRIPS in Romania]	Rati Shavgulidze	Georgian
10/4/01	Policy Study	Wheat Grain Sector in Selected FSU Countries	Rati Shavgulidze	English
10/5/01	Policy Study	Food standards and quality control in European countries	Giorgi Dangadze	Georgian
10/10/01	Policy Study	Georgian tea production and export	Alexander Didebulidze	Georgian, English

10/12/01	Policy Study	Analysis of State Regulatory Board Correspondence regarding US grain shipments	Rati Shavgulidze	English
10/17/01	Policy Study	Wheat Grain and Wheat Value Added Tax Saga 1992-2001	Rati Shavgulidze	English
10/24/01	Policy Study	Remarks on MAF Proposal on Addendums and Amendments to the Tax Code with Reference to Agricultural Sector	Rati Shavgulidze	English
8/30/01	Statistics	Romanian Trade Statistics	Rati Shavgulidze	English
9/28/01	Statistics	Agricultural Production Statistics annual FAO questionnaire	Alexander Didebulidze	English
10/4/01	Statistics	Essential Oils Exports/Imports to Ukraine (data table)	Rati Shavgulidze	Georgian

### Annex 3. Project Translations during the Quarter

Date	Title/description	Author	Translator	Source Language	Target Language
8/31/01	Romania, Agricultural Update	OECD	Margania	English	Georgian
9/1/01	"Potemkin Democracy: Four Myths about Georgia"		Margania	English	Georgian
9/3/01	CAP Reform (Part 1)	European Commission	Margania	English	Georgian
9/3/01	ToR for the Lawyers in RAE	Otarashvili	Margania	Georgian	English
9/3/01	Role and functions of press office of MAF	Kurdovanidze	Arveladze	Georgian	English
9/4/01	RAE Budget	Van Atta	Gabelia	English	Georgian
9/5/01	Comments about the new charters	Shavgulidze	Margania	Georgian	English
9/5/01	Court finding in case of Pavle Tetrauli		Managadze	Georgian	English
9/5/01	Orders of the former Minister of MAF		Arveladze	Georgian	English
9/5/01	Orders of the Minister of MAF		Arveladze	Georgian	English
9/5/01	Order number 2-118 about distributing functions between the Minister and deputy ministers		Arveladze	Georgian	English
9/6/01	MAF order 2-89, 6/4/2001 on flour inspection		Dangadze	Georgian	English
9/6/01	MAF order 2-60, 4/24/2001 extending Grain Products Corporation liquidation		Dangadze	Georgian	English
9/6/01	MAF order 2-61, 4/24/2001 on spring field work		Arveladze	Georgian	English
9/7/01	Contract with WANEX	Van Atta	Gabelia	English	Georgian
9/8/01	recent MAF orders		Margania	Georgian	English
9/10/01	MAF weekly planning meeting report		Arveladze	Georgian	English
9/11/01	Utilization of Georgia's Drinking Water	MAF	Gabelia	Georgian	English
9/11/01	Fresh Water supplies (Table)	MAF	Gabelia	Georgian	English
9/11/01	Proposal for TACIS project: Selection of potentially profitable tea plantations and factories and elaboration of main trends of their rehabilitation	MAF	Margania	Georgian	English
9/11/01	Proposal for possible TACIS project	MAF	Arveladze	Georgian	English
9/12/01	ToR for DAI registration	Van Atta	Gabelia	English	Georgian
9/13/01	WB RAE auditor position announcement	Otarashvili/Chigladze	Gabelia	Georgian	English
9/14/01	Alternatives of usage of the Repaid Wheat	Peter Dicce	Margania	English	Georgian

9/14/01	resume format	Genadi Kerdzevadze	Gabelia	English	Georgian
9/14/01	Food Safety System of the United States		Arveladze	English	Georgian
9/14/01	Food Quality and Security Control		Arveladze	English	Georgian
9/17/01	Memorandum authorizing lawyer to start registering DAI	Van Atta	Gabelia	English	Georgian
9/17/01	Ordinance number 174 of the president of Georgia about approving the charter of the competition-attestation commission		Arveladze	Georgian	English
9/17/01	MAF weekly planning meeting report		Arveladze	Georgian	English
9/18/01	Deliverables for DAI Registration	Otarashvili	Gabelia	Georgian	English
9/19/01	Number of Employees within the Ministry	Tivadze	Gabelia	Georgian	English
9/19/01	Analysis of economical activity of Ltd "Kumisi"		Arveladze	Georgian	English
9/20/01	Georgia Wheat Supply Situation and Outlook Report.	Korakhashvili	Margania	Georgian	English
9/20/01	deputy minister Tkeshelashvili letter to Mr. Van Atta		Arveladze	Georgian	English
9/21/01	MAF weekly planning meeting report		Arveladze	Georgian	English
9/26/01	Letter to Mr. Jacques Diouf	Kirvalidze	Margania	Georgian	English
9/26/01	Examination of Revival of Rural Sport Society	Misheladze, Inashvili	Gabelia	Georgian	English
9/26/01	request from MAF for lawyer to help with attestation	Genadi Kerdzevadze	Gabelia	Georgian	English
9/27/01	Technical Annex to CAP Reform	European Commission	Margania	English	Georgian
9/27/01	reply to Tkeshelashvili letter about ministry infrastructure	Van Atta	Gabelia	English	Georgian
10/1/01	MAF weekly planning meeting report		Arveladze	Georgian	English
10/6/01	Tea Production and Export	Didebulidze	Margania	Georgian	English
10/8/01	Executive orders for August		Margania	English	Georgian
10/8/01	Subcontract Agreement	DAI Home Office	Margania	English	Georgian
10/8/01	Food Standards		Arveladze	English	Georgian
10/8/01	MAF weekly planning meeting report		Arveladze	Georgian	English
10/9/01	Extract from the report by Mr. Didebulidze	Didebulidze	Margania	Georgian	English
10/9/01	FAO	Didebulidze	Margania	Georgian	English
10/9/01	UNDP project Document		Gabelia/Arveladze	English	Georgian
10/10/01	MAF weekly planning meeting report		Arveladze	Georgian	English
10/11/01	CVs of Zurab Shermazanashvili, Amiran Chavleishvili (attestation question writers)		Margania	Georgian	English
10/11/01	Disposition plan	USAID Caucasus	Gabelia	English	Georgian
10/11/01	Draft letter to Kirvalidze on providing Chamber of Control with specialists	Misheladze	Gabelia	English	Georgian

10/11/01	Order of the workshop day (Ceremony of signing memorandum)		Arveladze	Georgian	English
10/12/01	report on changes to Law on Must and Wine	SARKE-Information Agency	Margania	Russian	English
10/12/01	List of equipment to be transferred from GESP (first tranche)		Gabelia	English	Georgian
10/13/01	Agenda of the Collegium Meeting		Margania	Georgian	English
10/13/01	Lodging and M&IE rates	Van Atta	Margania	English	Georgian
10/13/01	Conclusions of the Collegium		Margania	Georgian	English
10/14/01	PR Project		Gabelia	English	Georgian
10/14/01	MAF order 2-161 (on providing chamber of control with additional specialists)	Misheladze	Gabelia	Georgian	English
10/15/01	Survey	Kurdovanidze	Margania	Georgian	English
10/15/01	Pesticides	K. Khutsaidze	Margania	Georgian	English
10/15/01	Scheme of the Collegium Round Table		Margania	Georgian	English
10/15/01	Project Objectives	Van Atta	Margania	English	Georgian
10/15/01	Draft letter to Minister about Irakli Inashvili	Misheladze	Gabelia	Georgian	English
10/15/01	List of phytosanitary stations to be examined		Gabelia	Georgian	English
10/16/01	Collegium report about product quality	G. Getsadze	Margania	Georgian	English
10/16/01	Report about tea production in Georgia	K. Khutsaidze	Margania	Georgian	English
10/16/01	Letter from Kirvalidze to Shevardnadze about GSP		Gabelia	Georgian	English
10/16/01	Weekly Ministry Planning Meeting report		Arveladze	Georgian	English
10/17/01	Decree by the Parliament of Georgia		Margania	Georgian	English
10/17/01	Generalized System of Preferences Document	Didebulidze	Gabelia	Georgian	English
10/17/01	Generalized System of Preferences tables		Gabelia	Georgian	English
10/17/01	cover letter to multilateral and bilateral donors	MAF International Department	Shavgulidze	Georgian	English
10/18/01	draft presidential order on use of land occupied by gone-wild tea plantations		Margania	Georgian	English
10/18/01	Enclosure to the ordinance on use of tea-plantation land (Table)		Margania	Georgian	English
10/18/01	Order No.193, about approval of tariffs for publishing normative acts.	Ministry of Justice	Gabelia	Georgian	English
10/18/01	Contract with GEA Bureau		Gabelia	Georgian	English
10/19/01	Food Safety Policy in Denmark	OECD	Basishvili	English	Georgian
10/20/01	Employment Contract		Gabelia	Georgian	English
10/21/01	“USDA Report Urges Subsidy Cuts” ( <i>Washington Post</i> , 9/20/2001)		Gabelia	English	Georgian
10/22/01	MAF weekly planning meeting report		Arveladze	Georgian	English

10/22/01	Letter to David Kirvalidze (about Irakli Inashvili)	Van Atta	Arveladze	English	Georgian
10/23/01	“Staff reorganization still continues in veterinary department” ( <i>alia</i> , 10/23/2001)	Otar Kiria	Arveladze	Georgian	English
10/24/01	MAF weekly planning meeting report		Arveladze	Georgian	English
10/25/01	EU Wine Reform	USDA	Gabelia	English	Georgian
10/29/01	Letter from the Ministry of Foreign Affairs of the Republic of Lithuania		Margania	English	Georgian
10/30/01	report on examination of Akhaltsikhe, Vale border stations	Misheladze	Margania	Georgian	English
10/30/01	USAID Employee Biodata Form		Gabelia	English	Georgian
10/30/01	Wine Reform		Gabelia	English	Georgian
10/30/01	MAF weekly planning meeting report		Arveladze	Georgian	English
10/31/01	WTO Fourth Special Session of the Committee on Agriculture 15-17 November 2000		Basishvili	English	Georgian
10/31/01	WTO Fifth Special session of the Committee on Agriculture 5-7 February 2001		Basishvili	English	Georgian
11/1/01	Kakha Targamadze		Margania	Georgian	English
11/1/01	WTO Negotiations on Agriculture: Market access		Basishvili	English	Georgian
11/1/01	WTO negotiations on agriculture: Domestic Support-Additional Flexibility for Transition Economies		Basishvili	English	Georgian
11/1/01	Warning sounded on food quality ( <i>China Daily</i> , 11/1/2001)	Jiang Zhuqing	Arveladze	English	Georgian
11/2/01	MAF order About disciplinary violation of Robert Gurchiani	Misheladze	Dangadze	Georgian	English
11/2/01	Minutes of a meeting conducted by the first deputy minister of MAF of Georgia	MAF	Dangadze	Georgian	English
11/2/01	Farbman comments at MoU ceremony	Michael Farbman	Margania	English	Georgian
11/2/01	Report on Telavi Seminar	Kurdovanidze	Margania	Georgian	English
11/2/01	Data Sheet		Gabelia	English	Georgian
11/2/01	Transportation oversight - 416(b) program changes		Arveladze	English	Georgian
11/5/01	DAI corporate registration documents		Gabelia	English	Georgian
11/7/01	MAF Order 2-157 10/5/2001 setting up the situation monitoring commission in Phytosanitary department	Misheladze	Basishvili	Georgian	English
11/7/01	Report number 1 of competition-attestation commission meeting (About electing secretary and defining activity of the commission)		Arveladze	Georgian	English
11/8/01	MAF weekly planning meeting report		Arveladze	Georgian	English
11/9/01	Decree by the Parliament of Georgia on EC FSP tax exemption		Margania	Georgian	English
11/9/01	Research Center of Human Resources		Margania	Georgian	English

11/9/01	MAF order 2-154 10/2/2001 about the ratification of statement of competition-attestation committee of the Ministry of Agriculture and Food.	Matiashvili	Basishvili	Georgian	English
11/9/01	MAF order 2-170 10/22/2001 adding Khundadze to PSD audit		Basishvili	Georgian	English
11/9/01	Ordinance 2-168 19 October 2001 About receiving, storage and distribution of Orange juice provided by Italian Government in a form of national assistance to Georgia.		Basishvili	Georgian	English
11/9/01	MAF order 2-163 October 15, 2001 confirming statute of Main Administration of input supply		Basishvili	Georgian	English
11/9/01	Amendments to MAF Ordinance 2-157 on Phytosanitary Department audit	Misheladze	Basishvili	Georgian	English
11/9/01	DAI registration		Gabelia	English	Georgian
11/9/01	Poti border station and Ozurgeti inter-regional station (Intermediate acts)	Inashvili, et al.	Arveladze	Georgian	English
11/12/01	Research Budget	Kurdovanidze	Margania	Georgian	English
11/12/01	MAF ordinance 2-169, 10/22/2001 on commission to examine rural engineering-technological infrastructure		Basishvili	Georgian	English
11/12/01	"Harkin farm bill" ( <i>Minneapolis Star-Tribune</i> , 10/31/2001)		Gabelia	English	Georgian
11/14/01	Legal Status of Ltd "Agroinform"	Matiashvili	Margania	Georgian	English
11/14/01	PR Project/ Amendments		Gabelia	English	Georgian
11/14/01	Statement to the chairman of the Security Police Department of Georgian Ministry of Internal Affairs	Van Atta	Arveladze	Georgian	English
11/15/01	EU Market Development Reports		Margania	English	Georgian
11/15/01	Inter-regional station of Lagodekhi district (Intermediate act)	Inashvili, et al	Arveladze	Georgian	English
11/16/01	note to Bob Walter on security	Van Atta	Basishvili	English	Georgian
11/19/01	Ia Kudaladze, Vazha Kvernadze EBDs		Gabelia	Georgian	English
11/20/01	World Bank Development Prospects, Commodity Price Data Pinksheet - August 2001		Margania	English	Georgian
11/20/01	"A vulnerable food supply, a call for more safety" ( <i>New York Times</i> , 10/31/2001)	Marian Burros	Basishvili	English	Georgian
11/20/01	Tsikhoradze EBD		Gabelia	Georgian	English
11/21/01	proposed security contract		Margania	Georgian	English
11/21/01	Preconditions for pursuing legal action against Ltd "Detective" and Joint Stock Company "Enterprise of rehabilitation and exploitation of Tractors and Machinery station"	Matiashvili	Basishvili	Georgian	English
11/21/01	Zurab Bigava EBD		Gabelia	Georgian	English
11/22/01	Save the Children Draft Report		Margania	English	Georgian

11/22/01	“Deere Loses \$320 million, cuts 500-plus jobs, shutting plant” ( <i>Chicago Tribune</i> , 11/20/2001)		Basishvili	English	Georgian
11/22/01	Law on Bio-farming	Dangadze	Gabelia	Georgian	English
11/26/01	Ordinance of President of Georgia number 203 of May 20, 2001 concerning amendments in the Charter of Ministry of Agriculture and Food of Georgia approved by the Presidential Ordinance number 670 of November 17, 1997.	Matiashvili	Dangadze	Georgian	English
11/28/01	Missouri hog producers agree to settlement in pollution case ( <i>Kansas City Star</i> , 11/20/2001)	Michael Mansur	Basishvili	English	Georgian
11/28/01	Georgian draft-law about Biological Agro-production and Certification	Dangadze, Matiashvili, Marika Gelashvili	Gabelia, Dangadze	Georgian	English
11/29/01	Burgundy Trade Groups Crack Down on Low-Quality Wines ( <i>Wine Spectator Online</i> , 11/19/2001)	Per-Henrik Mansson	Basishvili	English	Georgian
11/30/01	Amendments in the charter of MAF for 2001	Matiashvili	Dangadze	Georgian	English
11/30/01	Report on examination of Marneuli inter-regional station	Inashvili, et al.	Arveladze	Georgian	English
11/30/01	Report on examination of “Red Bridge” customs	Inashvili, et al.	Arveladze	Georgian	English
11/30/01	Report on examination of Sadakhlo border station	Inashvili, et al.	Arveladze	Georgian	English

#### Annex 4. Major Meetings and Travel during the Quarter

<b>Date</b>	<b>Title/Description</b>	<b>Location</b>	<b>Staff participants</b>
9/5/01	Fraud Awareness Workshop	USAID Caucasus	Don Van Atta - Chief of Party, Eka Otarashvili - Lawyer, Giorgi Dangadze - Lawyer, Tinatin Tivadze - Office Manager
9/18-25/01	DAI Home Office computer systems specialist visits to install DAI standard server, software	MAF	Barclay Howe – Senior Systems Specialist, DAI
9/25/01	presentation of project to AID/Caucasus management	USAID Caucasus	Don Van Atta - Chief of Party, Eka Otarashvili - Lawyer, Rati Shavgulidze - Analyst
9/27/01-10/11/01	DAI Home Office management information specialist visits to install and customize DAI standard project management software (TAMIS), train staff in its use	MAF	Tanya R. Torres – MIS specialist, DAI
10/9001	Workshop for MAF staff on restructuring project	MAF	Don Van Atta, Bidzina Korakhashvili, Sandro Didebulidze, Giga Kurdovanidze
10/9/01	Ceremonial Signing of USAID-Ministry Memorandum of Understanding	Tbilisi	Staff
10/26/01	presentation of law on grapes and wine	Telavi	Giga Kurdovanidze - Outreach Coordinator
10/30/01	WB water users' association	MAF	Don Van Atta - Chief of Party
11/2/01	status of TACIS FIMS project	MAF	Vasili Bibiluri - Computer System Administrator
11/5/01	met Rustum Gamiseria, Mestia farmers' service center	MAF	Don Van Atta - Chief of Party
11/5/01	first meeting of attestation testing committee	MAF	Akaki Gikoshvili - Lawyer, Ketu Shengelia - Administrative Assistant
11/7/01	status of TACIS FIMS project	MAF	Vasili Bibiluri - Computer System Administrator
11/7/01	FAO Fruit Sector Rehabilitation Exhibition opening	Tbilisi	Bidzina Korakhashvili - Senior Analyst
11/8/01	Elkana/Haest conference on organic agriculture	Tbilisi	Giorgi Dangadze - Lawyer, Bidzina Korakhashvili - Senior Analyst
11/9/01	FAO humanitarian seed aid distribution	Agro-Technology Association office	Don Van Atta - Chief of Party
11/13/01	second meeting of Ministry attestation testing commission	MAF	Bidzina Korakhashvili - Senior Analyst, Ketu Shengelia - Administrative Assistant, Akaki Gikoshvili - Lawyer
11/16/01	discussion of draft land law	Terra land project office	Don Van Atta - Chief of Party
11/20/01	presentation of Terra Institute project to mission management	USAID Caucasus	Don Van Atta - Chief of Party

11/21/01	Conference on Reaching individual farmers with the results of research	Georgian Academy of Agricultural Sciences conference hall	Alexander Didebulidze - Senior Analyst
11/30/01	meet Bill Thiesenhausen (U Wisconsin Land Tenure Center)	MAF	Don Van Atta - Chief of Party

### Annex 5. Abbreviations

AAF	Administration of Agriculture and Food
CAP	Common Agricultural Policy
DAI	Development Alternatives, Inc.
DAWE	Department of Amelioration and Water Economy
EBD	employee biodata form (USAID)
EC	European Commission
EU	European Union
FAO	United Nations Food and Agriculture Organization
FSP	EC Food Security Program
FSU	Former Soviet Union
GEL	Georgian lari (national currency)
GSP	Generalized System of Preferences (US tariffs)
GESP	Georgia Enterprise Support Project
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund
MAF	Ministry of Agriculture and Food of Georgia
OECD	Organisation for Economic Co-operation and Development
PSD	Phytosanitary Department and Quarantine Inspection (MAF)
RAE	Risk Assessment Exercise (WB project)
ToR	terms of reference
USAID	United States Agency for International Development
UNDP	United Nations Development Program
USDA	United States Department of Agriculture
WB	World Bank
WTO	World Trade Organization