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EVALUATION

Performance Evaluation of the USAID/Georgia Access to Mechanization Project

[June 2013]

This publication was produced at the request of the United States Agency for International Development. It was prepared independently by Mendez, England & Associates.

PERFORMANCE EVALUATION OF THE USAID/GEORGIA ACCESS TO MECHANIZATION PROJECT (AMP)

Final Report

June 2013

Prepared under RFTOP No. SOL-114-13-000001

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USAID/Caucasus

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ACRONYMS

AOR	Agreement Officer's Representative
COP	Chief of Party
COR	Contracting Officer's Representative
DCOP	Deputy Chief of Party
EU	European Union
FSC	Government owned Farm Service Centers
IDP	Internally Displaced People
MCG	Millennium Challenge Georgia
ME&A	Mendez England & Associates
MoA	Ministry of Agriculture
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
PMP	Performance Management Plan
PSD	Private Sector Development
SME	Small and Medium Enterprise
SOW	Statement of Work
TOR	Terms of Reference
UN	United Nations
USAID	United States Agency for International Development
WB	World Bank

EXECUTIVE SUMMARY

EVALUATION PURPOSE AND EVALUATION QUESTIONS

This is a report on the final performance evaluation of the Access to Mechanization Project (AMP) funded by the United States Agency for International Development (USAID) Mission in Georgia. The AMP project was implemented during the period September 2009 - December 2012, by CNFA.

The evaluation of AMP was conducted during the period April – May, 2013, by a team assembled by Mendez, England & Associates (ME&A) with headquarters in Bethesda, Maryland. The team consisted of two experts - one international and one local – with experience in agricultural development and the private sector. The main objective of the evaluation was to determine the effects of the AMP program on increasing productivity and incomes for smallholder farmers by improving access to machinery services. The main thrust of the evaluation was to determine the extent to which AMP was successful in establishing 21 mechanization service centers (MSCs) throughout Georgia and increasing the incomes of at least 12,500 small farmer beneficiaries. An integral part of the evaluation mission was to answer a set of pre-determined questions in order for USAID/Georgia to obtain a greater understanding of the impact that AMP has had on intended beneficiaries. The findings and conclusions reached by the Evaluation Team could be used by USAID/Georgia to design future interventions in the field of agriculture development in the country.

The evaluation questions focused primarily on the performance of the MSCs themselves, as well as the impact they have had on local farming communities, especially with regard to increases in household incomes. These questions are depicted in table format in the body of this report, followed by sections related to findings, conclusions and recommendations. In general, they are concerned with the extent to which MSCs manage their business operations effectively, the impact they have on competing mechanization centers, and whether or not they would have been established without AMP's matching grant initiative. Supporting data and information can be found in the annexes attached to this report.

PROJECT BACKGROUND

AMP was designed to address Georgia's severe shortage of agricultural machinery by using a commercially-sustainable, market-oriented methodology for the development of machinery service providers. The methodology employed to achieve project objectives involved providing matching grants and leveraging commercial finance, business, extension training and technical assistance via the Farmer-to-Farmer (F2F) Volunteer program. The ultimate result of AMP's interventions would lead to specific indicator targets being met, including jobs created and additional net income for farmers. In addition, one of the project's other objectives was to enable farmers to cultivate land that would have otherwise been left fallow. Finally, the enhanced efficiency of newer equipment provided to the farmer clients was expected to reduce costs for both service providers and farmers, while allowing a greater area to be served by each unit of machinery. In summary, small-scale farmers in particular would become more productive, knowledgeable, and better off after improving their working practices as a direct result of AMP's interventions.

EVALUATION DESIGN, METHODS AND LIMITATIONS

As the AMP program ended in December 2012, this post-evaluation was tasked with concentrating on gathering qualitative data rather than analyzing the quantitative results highlighted in CFNA's End-of-Project Final Report. The methodology that was ultimately adopted by the Evaluation Team to secure the required information and data that would support its findings, centered on conducting face-to-face interviews with pre-selected stakeholders with first-hand knowledge of AMP, and with the owners and other key personnel of the MSCs. In addition, it was deemed important that focus group discussions (FGDs) be conducted with farmers in MSC jurisdictions in order to obtain feedback from the project's other main beneficiaries. Even though the time allocated for site visits was short, the evaluation team was able to visit all 21 MSCs created by AMP and conduct 17 FGDs, which provided invaluable insight into MSCs operations and their impact on the rural farming communities they serve. At the same time, the Evaluation Team also examined AMP-related documents and materials, such as annual and quarterly reports, performance management plans (PMPs), and other sources of reference that would validate their findings and conclusions.

The Evaluation Team encountered few limitations during its fieldwork in Georgia. Some of the more relevant limitations are listed below:

1. Quite a few of the MSCs were established during the latter stages of AMP; therefore, the effects of their impact on local farming communities would only be apparent post-project. Consequently, the Evaluation Team was not able to comment conclusively on the actual statistics regarding job creation resulting from AMP's interventions or on the real extent of increases in collective household incomes.
2. The evaluation took place at the beginning of the spring agriculture season, when farmers were busy preparing land for seeding and planting. It was initially anticipated that this might affect their availability to attend FGDs; however, this proved not to be the case, with the exception of five locations where farmers were unfortunately too busy to attend.
3. Since AMP ended in December 2012, it was agreed with USAID that the Evaluation Team would essentially limit its review to qualitative rather than quantitative analysis in order to concentrate on finding meaningful answers to the pre-determined questions established by USAID/Georgia. Therefore, the Evaluation Team will not comment on the achievement of performance indicator targets; instead, it has limited its remarks to AMP's data gathering and reporting procedures, as well as the extent to which they did or did not contribute to effective self-monitoring and evaluation.
4. One of the more significant and problematic issues that confronted the Evaluation Team was the difficulty in trying to correlate increases in farmer household incomes with the activities of the MSCs established by AMP. This is largely due to the fact that other factors, that cannot be isolated, come into play when determining the true extent of such increases. Therefore, it cannot be said that the impact of the project's interventions were the sole factor. However, it was clear from the farmer FGDs that all had experienced some increase in their incomes, a significant part of which was attributed to the MSCs.

While important, the above limitations did not prevent the Evaluation Team from gathering the information and data needed to draw conclusions and make recommendations for similar, USAID-funded projects in the future.

FINDINGS

1. Most MSCs are currently managing their businesses profitably, even without high standards of management practices.
2. There is no evidence to suggest that MSCs in general are negatively impacted by government centers or vice versa.
3. Without AMP, two thirds of the MSCs would not have been established and the additional one third would have started, but at a later time and with less servicing capacity.
4. AMP's contribution to rural farming is substantial. In real terms, over 16,500 rural households are estimated to have benefited from AMP's interventions, with an approximate \$5.33 million additional annual income accrued by farmers over the project's lifetime. Furthermore, the over 2,000 Internally Displaced People (IDP) families that also benefited, would have not been able to do so without AMP's involvement.
5. Data gathered from FGDs indicated that most farmers experienced an increase in household income, although this could not be directly correlated to MSC services. However, following the implementation of two successive annual surveys conducted by AMP it was estimated that, on average, small-scale farmer's incomes increased by just over \$300.
6. From discussions with MSCs owners, the Evaluation Team found that few were able to prepare basic financial statements such as cash flow statements, profit and loss accounts or balance sheets.
7. One of the more pressing issues emanating from discussions with MSCs and farmers was the lack of available spare parts to repair machinery and equipment.
8. Most MSCs were able to carry out minor repairs and maintenance of machinery and equipment with some having the technical expertise to carry out repairs that were more serious. However, the Evaluation Team found that few MSCs were capable of carrying out repairs on modern machinery and equipment with more sophisticated and new technologies.

CONCLUSIONS

1. Demand for MSC services far outweighs supply thus ensuring that most remain profitable in the short- to medium-term.
2. Competition from government centers is not a barrier to growth for AMP MSCs and their operations; nor do AMP MSCs pose a threat to government centers.
3. AMP's intervention through matching grants was a vital decision-making factor in establishing MSCs.
4. Income increases from the MSCs' mechanization services could have been higher if the farmers had access to value chain services and had not been subject to cheap foreign imports.

5. It is difficult to correlate the impact of AMP on farm household incomes since any increases could also have been effected by other factors not directly related to AMP. For example income derived from other sources of activity, from other family members, etc., may play a role in increased household income.
6. Most MSCs neither prepare nor understand how to use financial statements as a management tool.
7. If the lack of available spare parts to repair machinery and equipment continues, it is highly likely that farmers will continue to experience unwanted down time with machinery lying idle in the fields waiting repair. The worst-case scenario is that income would be lost if farmers miss the planting 'window' at the start of the season when seeds must be sown.
8. Most MSCs do not feel they have sufficient knowledge, skills or expertise in new technologies to be able to carry out needed repairs or maintenance on new machinery and equipment.

RECOMMENDATIONS

1. In the future, any similar project should consider a more value chain approach to widen the scope of available MSC services – e.g. input supplies, extension and marketing. This is important because: 1) evidence suggests that there is a demand from farmers for such services; and 2) it will increase the potential of MSCs to increase income all-year-round instead of being limited to sales on a seasonal basis, as is currently the case for most MSCs.
2. A brief study on the effect that the privatization of government-owned Farm Service Centers (FSCs) will have on the farming sector should be conducted.
3. Any future similar project should seriously consider including matching grants as a major component.
4. The scope of assistance for any future project should consider a more diversified approach (entire value chain) to agricultural development.
5. Any future similar project might be advised not to include quantifiable results such as increase in household income that cannot be readily or scientifically verified.
6. Plans for any future interventions should consider building the capacity of MSC key personnel to prepare, at a minimum, cash flow statements with one year forecasts, in order for them to be more aware of cash flows in and out of the business.
7. The issue of lack of spare parts is a challenging one with no easy solution. Nevertheless, future projects should consider using the project as a catalyst between dealers, MSCs and farmers and a mechanism for establishing procedures and guidelines for how and when each party should act if/when it becomes apparent that the availability of spare parts needs attention.
8. It is recommended that the inclusion of practical training workshops in new technologies be considered for any follow-on project working with the MSCs.

I.0 EVALUATION PURPOSE & EVALUATION QUESTIONS

I.1 EVALUATION PURPOSE

This is a report on the final performance evaluation of the Access to Mechanization Project (AMP) project funded by the United States Agency for International Development (USAID) Mission in Georgia. The project was implemented by CNFA between September 2009 and December 2012.

According to the Statement of Work (SOW) for this assignment (see Annex A), the main goal of the evaluation was to “determine the effects of the program on increasing productivity and incomes for smallholder farmers by improving access to machinery services.” Essentially, the Evaluation Team was tasked with assessing the results of AMP in terms of the above-mentioned list of objectives. The underlying rationale for AMP was that it should support USAID/Caucasus’ Development Objective – “Inclusive and Sustainable Economic Growth.”

The Evaluation Team consisted of two key experts: international expert, Colin Maclean (Team Leader), and local expert, Gaga Nikabadze (Agribusiness Specialist). In addition, the team was assisted by Ms. Lisa Basishvili who served as the interpreter and translator.

I.2 EVALUATION QUESTIONS

As per the Scope of Work (SOW), the evaluation team was asked to answer a number of specific evaluation questions, outlined below:

- I. Assess the operating condition of MSCs.
 - a. Can each MSC manage its business operations (e.g., positive cash flow from operations, record keeping, designation of employee duties, staff coverage, sales and marketing capacity) when evaluated against standards determined by the evaluators?
 - b. Can each MSC operate and maintain its equipment, and can such equipment be repaired by MSC operators or appropriate service providers?
 - c. Is the maintenance and repair of equipment regularly funded by MSCs in accordance with applicable service schedules and repair needs?
 - d. Has the establishment of competing Georgian government mechanization centers impacted the MSCs established by AMP?
2. Assess the effectiveness of providing large grants to private enterprises or individuals to establish or expand MSCs; Assess whether or not grant assistance caused market distortions by answering the following two questions:
 - a. Did the United States Government (USG)-funded grants mitigate perceived or real financial or other investment risks, causing enterprises or individuals to co-

- invest with the project?
 - b. How did the establishment or expansion of MSCs harm or help competing mechanization service providers, including Government of Georgia (GoG)-owned centers?
3. Assess whether or not smallholder farmer productivity and incomes have improved as a result of training provided by the project and access to and utilization of mechanization services.
 - a. Did training and utilization of mechanization services contribute to an increase in collective household incomes?
4. Identify opportunities to improve impact and enhance the implementation and management of future similar projects such as gender equity and sustainability.

2.0 PROJECT BACKGROUND

AMP was specifically designed to help address Georgia's severe shortage of agricultural machinery and services available to small-scale farmers¹ with a view to improving their farming operations through increased productivity and, ultimately, leading to increased household incomes. The underlying rationale for such an initiative was that by adopting a more commercially sustainable, market-oriented methodology for the development of machinery service providers, beneficiary farmers would be able to improve the quality and yield of farming output resulting from improved technical know-how and production methods (plowing, planting, cultivating and harvesting). In addition, by facilitating the potential for farmers to cultivate land that would have otherwise been left fallow, the opportunity to benefit from additional income assumed even greater significance.

Although other agribusiness-related initiatives, including the Millennium Challenge Georgia (MCG) Agribusiness Development Activity, assisted in the establishment of Farm Service Centers (FSCs) through the provision of grants, the demand for such services in the mid to late-2000s was (and remains even in 2013) significantly higher than available supply. By May 2008, 12 FSCs had been established. In addition, the GoG, under the auspices of the Ministry of Agriculture (MoA), financially supports 12 FSCs throughout the country², offering machinery services as well as technological advice on soil testing, plant diseases and fertilizers.

However, according to the MoA, these FSCs were inherited by the present government, which has no interest in retaining them and, at the time of writing, was planning to privatize them. In summary, by the time the AMP started in September 2009, the dire lack of mechanization equipment and services for small-scale farmers - identified as the gap that needed to be addressed - remained as relevant as initially perceived by USAID/Georgia during the project design stage. Given that nearly all persons interviewed during the evaluation agreed that this

¹ For the purposes of this report defined as farming less than 2 hectares

² Gurjaani, Dedoflistskaro, Kareli, Marneuli, Bolnisi, Akhaltsikhe, Zestafoni, Samtredia, Abasha, Ozurgeti and Ambrolauri

gap still remains as of April 2013, it is clear that the decision to initiate AMP was justified and necessary.

In brief, AMP was a \$5.1 million initiative implemented using a combination of matching grants, leveraged commercial finance, business and extension training and volunteer technical assistance to establish 21 MSCs³ throughout Georgia to provide fee-based, custom machinery services to small-scale farmers (for a geographic distribution of MSCs, see Figure 1, below).

Figure 1: Geographic Distribution of MSCs



The project equipped the centers with an array of agricultural machinery using a combination of grant funding (up to a maximum of \$200,000) and local partner matching investment (with a minimum matching investment of 1:1). The project adopted a flexible approach during implementation to ensure that each MSC housed the appropriate mix of machinery and equipment in line with their individual target markets. A contractual requirement was that all machinery should be purchased locally from already established equipment dealers in order to ensure the provision of proper training, maintenance and long-term supply of parts.

Specifically, AMP was tasked with achieving a number of key objectives (see Annex E for the full list of quantitative indicator targets), outlined below:

- I. Establish 21 MSCs offering improved mechanization services to over 12,500 smallholder farmers.

³ The original number was 25-30 which later officially modified USAID / CNFA to 21

2. Provide technical assistance to these MSCs using a combination of local consultants and farmer-to-farmer (F2F) volunteers to ensure the safe, sustainable and profitable operation of the businesses and long-term availability of services for farmers.
3. Leverage USAID grant funds with local partner matching investment, including large-scale involvement of local and international commercial finance, to maximize investment in the rural economy.
4. Improve the competitive environment for machinery services by reducing the cost to farmers as a result of the increased supply of machinery and availability of dedicated service providing businesses.
5. Facilitate the return of more agricultural land into production.
6. Contribute to increased productivity and income of smallholder farmers.
7. Provide discounted machinery services to about 3,000 resettled Internally Displaced Persons (IDPs).

Following the completion of AMP in December 2012, USAID/Georgia decided to conduct an end-of-project performance evaluation, which is the subject of this evaluation report. The findings, conclusions and recommendations, described in detail both in the body of the report and its attachments (see 1.2 above and relevant annexes), are the work of the Evaluation Team tasked with carrying out the evaluation. The result of the evaluation should allow USAID/Georgia to identify lessons learned, assess strengths and weaknesses associated with the project, and refer to suggested recommendations for future project planning purposes.

3.0 EVALUATION METHODS & LIMITATIONS

3.1 EVALUATION METHODOLOGY

To design the methodology for this evaluation, the Evaluation Team took into account a number of key factors including quantitative and qualitative aspects of the mission which could influence or place intended/unintended limitations on its strategy for answering the pre-determined evaluation questions. The more important of these factors are outlined below:

1. **Key Factor:** A significant part of AMP's mission was to meet or exceed a wide range of indicators and quantitative targets against which the project's performance would be measured.

Issue: As AMP had already ended in December 2012, the Evaluation Team concluded that the results depicted in the CNFA End-of-Project Report relating to quantitative targets had already been approved by USAID and, therefore, there would be no need to verify the accuracy of the data reported in project documentation including whether or not quantitative results had actually been achieved.

Outcome: Given the above, the only requirement incumbent on the Evaluation Team was to report on AMP's data gathering and reporting methodology to determine its efficiency and relevance from an operational point of view and thus, the extent to which it contributed to the effectiveness or otherwise of the project's internal monitoring and

evaluation (M&E) system.

2. **Key Factor:** The gathering and analysis of data and information from key informants during the evaluation took place at the beginning of the spring planting season in Georgia.

Issue: There was every possibility that some of the FGDs organized with the collaboration of each MSC might not have high attendance rates (if any) due to farmers being occupied in their fields. As the evaluation was particularly concerned with gathering the views of women and IDPs, it was acknowledged that this might present a challenge.

Outcome: The Evaluation Team was able to conduct 17 FGDs from 15 – 22 April 2013, including interviews with women and IDPs. MSCs, who already had the contact details of farmers within their catchment areas, invited them to participate in FGDs. This significantly factored into the majority of FGDs being well supported and attended (on average nine farmers per FGD). During these sessions, MSCs and farmers advised the Evaluation Team that those who turned up in fact constituted a representative sample of the wider farming community as most farms in fact were of a similar size and produced a similar range of products. Finally, while it was initially envisaged that site visits to review machinery and equipment might be possible at the same time as visits to MSCs, this was unfortunately not possible for two reasons. First, in most locations farmers were already heavily involved in seasonal preparations with much of the MSCs' machinery and equipment in actual use. Second, many of the farms were not easily accessible making site visits difficult to conduct within the available timeframe. However, the Team was able to view machinery and equipment, either in storage or undergoing repair, on MSC premises which provided a useful insight as to how those particular MSCs operated.

3. **Key Factor:** One of the Evaluation Team's tasks was to research and comment on the sustainability of future similar projects. This was carefully considered throughout the evaluation.

Issue: In order to address this issue, it was important for the Evaluation Team to identify a number of meaningful criteria against which the sustainability of MSCs could be calculated.

Outcome: After serious deliberation, it was decided that such criteria should include the following: 1) a review of financial performance over time including cash flow, debt servicing, management of accounts receivable and payable; 2) assessment of an MSC's client base (growing or otherwise); 3) prevailing and forecasted demand for services from farming community; and 4) brief analysis of local and regional market conditions.

3.1.1 Quantitative Research and Analysis

The Evaluation Team reviewed a wide range of project-related documentation from several sources, including USAID (during pre-mobilization) and CNFA (upon arrival in Georgia). In particular, the Evaluation Team reviewed AMP's M&E plans and related documents, such as Performance Management Plan (PMP) excel spreadsheets, as the main reference point for statistical data across the life of the project. The team's analysis of this material formed the basis of observations regarding the methodology employed by AMP to track its performance relative to pre-determined indicator targets (see Annex E – Overall M&E Matrix). The

verification of statistical results actually achieved by the end of AMP, however, did not fall within the purview of this evaluation.

This led the Evaluation Team to draw conclusions and make recommendations regarding options that USAID might wish to consider when preparing future Request for Task Order Proposals (RFTOPs) regarding the M&E methodology procedures expected to be implemented throughout the duration of a long-term project.

Finally, their impact on intended beneficiaries was reviewed by cross-referencing achievements (or otherwise) against the Evaluation Team's findings emanating from evidence gathered from its qualitative research approach. This included findings from interviews with pre-identified respondents with direct knowledge of AMP, as well as from feedback gained during FGDs with MSCs (see Annex E as a source of reference).

3.1.2 Qualitative Research and Analysis

Initially, it was anticipated that a sample of the 21 MSCs would be selected for site visits, although no specific criteria had yet been established as to how this sample would be identified. This was further complicated by the fact that the proposed visits would be conducted effectively at the start of the plowing/planting season, thus potentially affecting the number of farmers willing to participate in FGDs. Also to be taken into consideration was the need for representatives of women farmers and IDPs (AMP was tasked with supporting 2,000-3,000 IDP families to benefit from improved mechanization) to attend FGDs.

However, following a thorough review of the geographic locations of all 21 MSCs, the Evaluation Team decided that it would be possible within the time parameters of the mission to visit and host FGDs in all 21 MSC locations. In fact, it was possible to host 17 FGDs around the country with an average attendance level of 10 farmers (12 is the internationally accepted level for a focus group session), which was an excellent turnout given that most farmers were busy with pre-season preparations. In those cases where turnout was less than average this was directly related to farmers being unable to spare the time due to their being out in the field. In some cases, attendance significantly exceeded expectations either because there was an exceptionally high level of interest in the Evaluation Team's mission or because farmers in that particular location had been unable to work on their farms due to weather conditions.

While the focus of the evaluation centered on eliciting feedback from AMP's direct beneficiaries, such as the MSCs themselves and the smallholder farming community, it was also important to ascertain the views and opinions of third party stakeholders, such as the GoG, MoA, local municipalities, industry, business and farming associations, financial institutions and the international community. The Evaluation Team met with representatives from each of these groups (see Annex 3, List of Interviews, for a complete list). The primary purpose of these meetings was to ascertain the perceptions of AMP held by individuals or organizations that could enhance the quality of recommendations for any future planned interventions by USAID/Georgia.

3.2 EVALUATION LIMITATIONS

The Evaluation Team encountered few limitations during its fieldwork in Georgia. Some of the more relevant limitations are listed below:

1. Quite a few of the MSCs were established during the later stages of AMP; therefore, the effects of their impact on local farming communities would only be apparent post-project. Consequently, the Evaluation Team was not able to comment conclusively on the actual statistics regarding job creation resulting from AMP's interventions or on the real extent of increases in collective household incomes.
2. The evaluation took place at the beginning of the spring agriculture season, when farmers were busy preparing land for seeding and planting. Initially, it was anticipated that this might affect availability to attend FGDs; however, this proved not to be the case with the exception of five locations where farmers were unfortunately too busy to attend.
3. Since AMP ended in December 2012, it was agreed with USAID that the Evaluation Team would essentially limit its review to qualitative analysis rather than quantitative research in order to concentrate on finding meaningful answers to the pre-determined questions established by USAID/Georgia. Therefore, the Evaluation Team will not comment on the achievement of performance indicator targets but instead has limited its remarks to AMP's data gathering and reporting procedures, as well as the extent to which they contributed (or otherwise) to effective self-monitoring and evaluation.
4. One of the more significant and problematic issues that confronted the Evaluation Team was the difficulty in trying to correlate increases in farmer household incomes with the activities of the MSCs established by AMP. This is largely due to the fact that other factors come into play when determining the true extent of such increases. Therefore, changes in household income cannot be attributed exclusively to the project's interventions. However, it was clear from the farmer FGDs that all had experienced some increase in their incomes and that they attributed a significant part of that to the MSCs.

In summary, while important, the above limitations did not prevent the Evaluation Team from gathering the information and data needed to draw conclusions and make recommendations for similar USAID projects funded in the future.

4.0 FINDINGS, CONCLUSIONS & RECOMMENDATIONS

4.1 ASSESS THE OPERATING CONDITIONS OF MSCS

4.1.1 Question 1: Can each MSC manage its business operations?

Figure 2: QUESTION 1 - SUMMARY OF EVALUATION DESIGN AND METHODS

Evaluation Question 1	Type of Analysis Conducted	Data Sources and Methods Used	Type and Size Sample	Limitations
I. Can each MSC manage its business operations (e.g. positive cash flow, record keeping, staff coverage, sales and marketing capacity) to be evaluated by standards determined by the evaluators	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in 21 MSCs	Interviewees identified by Evaluation Team, AMP & USAID	None encountered
	Description – based on content analysis of secondary data	Review of MSC company sales and financial records	100% sample of MSCs decided by Evaluation Team	Insufficient financial data supplied by the MSCs for scrutiny
	Description - based on content analysis of primary data	Review of AMP M & E records & relevant reports	All requested documents provided	Understanding some of the documentation in terms of clarity and relevance

4.1.1.1 Findings

MSC Operating Activities

In order to gain a clear understanding of how MSCs were managing their respective operations, the Evaluation Team prepared a structured list of questions specifically designed to provide answers directly related to their profitability and long-term sustainability. In this particular instance, the decision was taken that the standard that would need to be met was whether MSCs had any specific operating functions in place (or not) that would facilitate proper management of their businesses. While not an ideal form of measurement, the Evaluation Team decided that as most MSCs were essentially owner managed this could be evaluated through responses to a pre-prepared questionnaire employed by the Evaluation Team.

Drawing on information gathered from MSC owners, directors and managers, the Evaluation Team found that all MSCs appeared to be managing their affairs sufficiently well enough to remain profitable in the short- to medium-term. In CNFA’s End-of-Project Report, it was calculated that the increased annual gross profit of all 21 MSCs (collective and cumulative) was in the region of \$424,000, or a mean average of \$20,000 per MSC. However, this needs to be qualified by the fact that, with the exception of a few MSCs, most prepared no meaningful financial records (cash-flow statements, balance sheets or income statements). However, they did forward the required financial information required by contract and requested by AMP throughout the project.

From a financial management perspective, MSCs prepared documents such as invoices and receipts solely for the tax authorities and not as an operating tool to assist in the effective management of the business. A brief review of these documents presented to the Evaluation Team, confirmed that no real financial reporting or forecasting was practiced by most of the MSCs although some stated that they had received instruction from a F2F volunteer financial expert on how to prepare financial statements, including cash-flow statements. Nevertheless, comments made by owners or their accountants revealed that only a few MSCs possessed the skills and/or resources required to prepare such documents. In short, the evidence suggests

that implementing what they had learned about financial reporting was beyond most MSCs' understanding and capabilities.

In terms of how MSCs manage their human resources, it was apparent from interview comments that there were no specific or common issues or features that could be identified as being particularly troublesome for them. MSCs are mainly small businesses with relatively few full-time staff. Most are dependent on seasonal workers whom they employ when required. In terms of staff coverage, feedback from MSC owners indicated that this was not a problem for them. In terms of marketing capacity, it is important to underline the fact that demand for services considerably exceeds supply and that their target audience is well defined. Therefore, at present there is little need for a sophisticated marketing strategy. The only issue that might improve the ability of MSCs to improve their income stream all-year-round would be to offer additional products and services such as input supplies and extension facilities.

Farmers' Impact on MSCs

One of the main criteria to assess how well a business is performing is the nature of its client base and the extent of on-going, repeat sales to those clients. In the above-mentioned CNFA End-of-Project Report, which commented on AMP's indicator targets, sales of services to farmers was calculated at just over \$1.78m accumulated over the lifetime of the project (against an initial planned target of \$2.5-\$4.0m⁴). Taken as a mean average, each of the 21 MSCs would therefore have benefited from around \$85,000 in income from farmers as a direct result of AMP's interventions. In addition, from the information that the Evaluation Team gathered during FGDs with farmers, since the end of AMP in December 2012, most of their business relations with MSCs remained on a sound footing and they believed it would continue to do so for the foreseeable future. Because of this positive development, it can be assumed that owners and managers of MSCs are to some degree demonstrating certain management abilities that are effectively serving to cement relations with their main client basis – the local farming community.

4.1.1.2 Conclusions

All available evidence⁵ suggests that most MSCs possess the basic skills and expertise to operate their respective businesses profitably – at least in the short- to medium-term. However, at the start of each new season there is always the worry about adverse weather and other external factors that could affect the successful cultivation and harvesting of crops.

The first season of 2013 was underway as this report was being prepared. The success or failure of this season could potentially enhance or undermine income and thus the livelihoods of the entire sector. For the MSCs, this is one of their busiest periods - when demand for their services substantially exceeds what most are capable of providing due to the continued lack of proper machinery and equipment for the tasks.

⁴ A number of factors were suggested for the non-achievement of this particular indicator target including land not being cultivated properly or on time resulting from natural causes such as drought or floods.

⁵ Includes evidence gathered from interviews with MSC owners, managers and other key personnel, focus groups sessions with their main customers (farmers), AMP records including cash-flow, income statement and balance sheets and MSC financial documents provided to the Evaluation team

Nevertheless, feedback from most stakeholders interviewed, including MSCs and farmers, clearly indicates that as there is very little direct competition for their particular services from the 12 government-owned mechanization service centers around the country. Thus, business is likely to remain stable in 2013. Therefore, while short- to medium-term survival seems assured, it is difficult to conclude that current management abilities and/or prevailing market conditions will remain stable in the longer term primarily because MSCs make most of their income on a pre-determined seasonal basis with lengthy periods of inactivity during the rest of the year.

4.1.1.3 Recommendations

To ensure the longer-term survival and sustainability of the 21 MSCs established by AMP, two important issues need to be addressed. First, financial management skills need to be improved so that owners and managers can undertake forward planning and are able to forecast income and expenditure. This can be best achieved by introducing and training owners and managers in the art of basic cash-flow analysis and the preparation of cash flow statements. While some of the MSCs recalled receiving some financial planning advice from F2F volunteers, the Evaluation Team did not find this to have been a particularly successful endeavor since only a few of the MSCs actually prepare such statements. Second, the range of services currently offered by most MSCs is not expansive enough to ensure real long-term growth. Therefore, any similar future project being contemplated by USAID/Georgia should consider the following:

1. Include a component that ensures that MSCs prepare cash-flow statements that can be monitored by a project team in real time (monthly, quarterly, annually) to track performance of actual results against planned. This will help owners/managers operate their businesses more effectively.
2. Provide the support needed for MSCs to expand the scope of their activities to include extension services, input supplies and marketing. This would enable MSCs to earn income year-round rather than seasonally.

Adopting these initiatives should significantly contribute towards MSCs becoming more sustainable and, indeed, more professional in the way they operate their businesses.

4.1.2 Question 2: Can each MSC operate and maintain its equipment and can such equipment be repaired by MSC operators or appropriate service providers?

Figure 3: QUESTION 2-SUMMARY OF EVALUATION DESIGN AND METHODS

Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Type and Size Sample	Limitations
2. Can each MSC operate and maintain its equipment and can such equipment be repaired by MSC operators or appropriate service providers	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in 21 MSCs	Interviewees identified by Evaluation Team, AMP (ex-team members) & USAID	Limited effective means of verifying responses
	Description and comparison of ratings by MSCs & service providers	Key informant interviews with key personnel in MSCs and from farming community	16 focus group sessions nationwide	None encountered – farmer’s views accepted as reflectively actual events

4.1.2.1 Findings

During interviews with the owners/managers of MSCs, one of the specific questions asked related to the ability of the organization to properly operate and maintain its equipment. In addition, questions about the ability of in-house technicians or external service providers to repair such equipment and machinery were also asked. The outcome of those enquiries revealed a number of observations (see Annex F – Overview of the Evaluation Team’s Mission Findings for a more in-depth analysis). In creating the chart in Annex F, the Evaluation Team identified responses to questions using a high, medium or low risk assessment format in order to conduct a statistical analysis of responses and thus draw meaningful conclusions. The results indicated that 8 of the 21 MSCs were highly likely to have the necessary skills and suitable qualified technicians to carry out most types of repair and maintenance. The others, with the exception of one, appeared to have adequate resources to conduct most minor repairs, while repairs that were more complicated were generally outsourced to local service providers who were better equipped to handle such work.

It should be noted though that most of the MSC machinery and equipment is relatively new since much was purchased during the start-up phase through the AMP matching-grant arrangement. This effectively means that most MSCs have not actually experienced many problems to date and, if they did and were unable to handle the matter themselves, would simply return the equipment or machinery in question to the dealer for repair as this would fall within the sales warranty agreement. However, one of the major issues affecting both MSCs and occasionally equipment dealers was the lack of available spare parts which, according to MSCs as well as farmers, often resulted in inactivity while waiting for spare parts to arrive. A number of farmers explained that this situation could lead to their missing the plowing and planting seasonal window, the short timeframe within which they had to prepare their land plots for seed sowing. If this happened, farmers would miss an entire season’s crops with the obvious ramification of lost income.

One issue mentioned on a number of occasions by MSCs as well as farmers was the difficulty of repairing and maintaining new technology. Many of the interviewees mentioned that owning or using new machinery and equipment, that you are not accustomed to, often means that you need training to be able to properly repair and maintain it.

4.1.2.2 Conclusions

For the moment, there appears to be little evidence to suggest that the repair and maintenance of machinery and equipment is an issue for most MSCs, a conclusion supported by the farmers. However, lack of access to spare parts is an issue that could result in essential machinery and equipment, such as tractors and other agricultural implements, lying idle in the fields while farmers wait in hope and frustration. For farmers affected by the lack of functioning machinery or equipment, the impact can be immediate and potentially damaging in terms of lost income. If land is not prepared and seeded on time it is possible that farmers will not be able to make a reasonable living since they will lose all or most of the income they depend on to survive. Occasionally, this situation has resulted in some farmers utilizing government mechanization center services (if they are located within close proximity) in order to avoid missing the above-mentioned seasonal window.

The longer term impact of this situation could compromise the sustainability of MSCs as farmers look for alternative service providers able to meet their demands for the right equipment at the right time and at the right price. While available evidence currently suggests that farmers' customer loyalty towards their local MSCs remains high, it cannot be guaranteed in the long-term, since farmers cannot afford any downtime just before the start of a season. For many farmers, particularly those that grow perennial, open-field crops such as wheat, barley and maize, a significant proportion of a season's yield is often used for household consumption and livestock feed rather than marketed for profit. If these crops are compromised in any way, the effects on the overall farming community can be devastating.

4.1.2.3 Recommendations

In response to the above findings and conclusions, similar projects planned for the future should focus on addressing the concerns described in the following ways:

1. Adopt a more practical approach to upgrading the technical skill and expertise of MSCs and farmers. This could involve repair and maintenance workshops using experienced local rather than international technicians made available through the project. Instruction manuals should be translated into the Georgian language so that farmers and technicians can understand them (a real issue for anyone but especially important for rural MSCs).
2. Work more closely with the recognized dealers from whom the MSCs purchase their machinery and equipment with a view to identifying processes and procedures to alleviate obstacles, i.e., the lack of spare parts. Organize and deliver practical workshops with MSC dealers and farmers, jointly, on repair and maintenance required to minimize downtime.
3. Offer customized and practical training courses to selected MSC technicians to upgrade their skills, knowledge and ability to operate and maintain new technologies.

Implementation of the measures mentioned above should help alleviate the two primary challenges currently affecting the entire rural farming sector and should lead to reduced loss of income that results when land remains idle and is not cultivated productively, due to downtime resulting from lack of knowledge in the use and maintenance of new machinery and equipment.

4.1.3 Question 3: Is the maintenance and repair of equipment funded by MSCs in accordance with service schedules and repair needs?

Figure 4: QUESTION 3 -SUMMARY OF EVALUATION DESIGN AND METHODS

Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Type and Size Sample	Limitations
3. Is the maintenance and repair of equipment funded by MSCs in accordance with service schedules and repair needs?	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in 21 MSCs	Interviewees identified by Evaluation Team, AMP (ex-team members) & USAID	Limited effective means of verifying responses
	Description – based on feedback from MSCs & service providers	Key informant interviews with key personnel in MSCs and from farming	17 focus group sessions nationwide	None encountered – farmer's views accepted as reflectively actual

Figure 4: QUESTION 3 -SUMMARY OF EVALUATION DESIGN AND METHODS

Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Type and Size Sample	Limitations
	Description based on content analysis of primary data	community Review of AMP M & E records and relevant reports		events The Evaluation Team unable to track actual performance against plan in M&E-related documents

4.1.3.1 Findings

Out of 21 total MSCs, 17 confirmed that they serviced and maintained all of their machinery and equipment, including combine harvesters, tractors, seeders, rot tillers, cultivators, etc., in accordance with the manufacturers’ operating manual instructions. The remaining 4 tried to follow the requirements but did not understand the language of instruction. All MSCs advised that failure to follow operating manual instructions was foolish - in the extreme - because their livelihoods depend on their machinery and equipment being ready and available for rental. Machinery and equipment is imported from different countries and have varying lifespan and capabilities which must be taken into account in terms of servicing requirements. Other than the lack of available spare parts, mentioned earlier, none of the MSCs identified specific or recurring problems that were a cause for concern from a technical point of view.

An additional factor to consider is the extent to which AMP’s interventions, as reported at the end of the project, significantly altered the playing field in which MSCs operate. For example, AMP has invested around \$5.42 million in agricultural machinery through the use of grant funds and matching investments, which made it possible for an additional 82 tractors operating in target areas, and 235 additional pieces of related equipment (mainly attachable farming implements). Furthermore, AMP conducted field demonstrations for MSCs and farmers regarding no-till technology and using different types of machinery for different soils. The fact that those farmers who attended the FGDs had no major complaints about the operating trustworthiness of machinery and equipment can be viewed as testament to the MSCs’ ability to adhere to service schedules and manufacturers’ operating instructions.

At the end of the project, nearly 16,500 farmers were reported to have benefited from the provision of increased farm services through AMP’s assistance that largely included using the MSCs for plowing, cultivating and seeding at the start of each agricultural seasonal cycle. The final testimony to the effectiveness of MSCs management of their hardware assets is that farmers using the services of 15 MSCs reported a productivity improvement rate of between 15% and 70% in crop output as a direct result of having fully functioning machinery and equipment at their disposal.

4.1.3.2 Conclusions

There is very little evidence to suggest that MSCs are not taking care of their machinery and equipment in accordance with manufacturers’ guidelines. As most owners/managers pointed out during interviews, not doing so would be highly detrimental to their businesses and

ultimately to their personal livelihoods, since both largely depend on offering professional services to the farmers within their respective catchment areas. This fact is supported by farmers' near universal view that MSCs maintain their machinery and equipment to the highest standards. It is further supported by the fact that demand for MSC services is so high, they must maintain a constant vigil to preserve the proper working order of machinery and tools in order for them to be ready and available when needed. The Evaluation Team had the opportunity to view stock held by MSCs during its field site visits around the country and, noted that, indeed, most machinery and equipment was actually out in the field, with few items available for scrutiny (although neither of the experts on the team were mechanical engineers.) In addition, at several MSC workshops, the team was able to observe repairs being carried out to ready machinery for use.

4.1.3.3 Recommendations

In addition to ameliorating the lack of available spare parts needed for repairs, another recommendation would be to ensure that MSC technicians and mechanics have access to instructions in a language they understand (Georgian, Russian) so they can quickly determine what is required. Two suggestions for a future project are to: 1) simply offer a translation service and; 2) offer practical training workshops in servicing machinery and equipment hosted by trained local mechanical engineers, as referred to above, with instruction manual handouts.

4.1.4 Question 4: Has the establishment of competing Georgian government mechanization centers impacted the MSCs established by AMP?

Figure 5: QUESTION 4 - SUMMARY OF EVALUATION DESIGN AND METHODS

Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Type and Size Sample	Limitations
4. Has the establishment of competing Georgian government mechanization centers impacted the MSCs established by AMP	Description based on content analysis of primary data	Review of AMP M & E records and relevant reports		The Evaluation Team unable to track or verify actual performance against plan in M&E-related documents
	Description based on content analysis of expert opinions	Key informant interviews with key personnel in MSCs Farmers' focus groups	All 21 MSCs 16 of the 21 MSC areas	None encountered None encountered

4.1.4.1 Findings

In overall terms, the Evaluation Team found that the establishment of government FSCs did not adversely affect the business activities of most MSCs. Interviews with MSC owners/managers indicated that because FSCs and MSCs operated in different segments of the market, there is little competition between them. While MSC clients tended to be smallholder farmers with land plots averaging less than 2 hectares, FSCs serviced larger farms often with several hundred hectares of arable land. Supported by the government, FSCs also tended to have a wider range of machinery and equipment better suited to servicing larger land plots with, for example, combine harvesters for perennial crops.

MSCs universally attested to the fact that they were more flexible than FSCs in terms of price and payment. FSCs operate with an up-front payment policy whereas MSCs offer special terms to farmers, particularly those who appear to be struggling. Farmers also cited the location of some FSCs as problematic because, in some cases, they were located on main roads outside of towns or villages, too far from farms to be useful.

Typical Government Farm Service Center



During its field visits to the MSCs, the Evaluation Team observed, first hand, several of these FSCs and indeed took the opportunity to note the types of machinery and equipment in stock. In several cases, tractors, harvesters and implements appeared in pristine condition confirming comments from MSCs and farmers that FSCs were not created with small farmers in mind because some farmers have complained that sometimes even MSC equipment is too large for their land plots and the crops they cultivate.

In addition, farmers clearly indicated during FGDs that the local MSC would always be their first stop for agriculture services. Only in particular circumstances would they seek assistance from FSCs, for example, when their local MSC was unable to provide specific equipment due to unavailability or being under repair or maintenance. However, these tended to be rare occasions. While MSCs and FSCs largely served different clientele, some evidence indicates that when both centers were located close to one another, a degree of collaboration did exist. For example, Akhalkalaki MSC stated that it had a good working relationship with the nearby FSC from which it could source spare parts when needed. Similarly, Bolnisi MSC indicated that its relations with its local FSC were solid enough to allow both to send clients to one another where this was deemed appropriate.

4.1.4.2 Conclusions

The Evaluation Team found no evidence to suggest that the establishment of government FSCs has negatively affected MSCs. Where direct competition appeared to exist, MSCs believed that they were better placed to win the business based on lower prices and offering terms that are more flexible for smaller farmers. In reviewing the entire sector, it appears that MSCs and FSCs service different client bases. It can therefore be concluded that the existence of FSCs (12 exist nationwide) does not represent a barrier to growth for MSCs, in large part because demand for the services of both far exceeds supply and is likely to remain so for the foreseeable future.

In terms of sustainability, there is sufficient evidence to indicate that with current levels of demand (even with limited management skills or financial know-how) all 21 MSCs can look forward to a relatively secure future. Finally, although women farmers accounted for less than 10% of attendees at FGDs, their contribution to local farming communities should not be underestimated. Although women explained that they did not experience any sort of

discrimination in their daily activities, they are under-represented in the industry and more could be done in future projects to enhance their opportunities and increase their participation.

It is worth noting that the current Minister of Agriculture commented during an interview that all 12 government-owned FSCs would eventually be privatized (no further information or dates provided) because the government has no interest in retaining them. Although no further information or dates were provided about the privatization, the Minister mentioned that an announcement would be made in due course regarding how the sale process will be conducted.

4.1.4.3 Recommendations

Based on review and reflection of the findings and conclusions presented above, the following might be worth considering for planning similar projects in the future:

1. Conduct a brief study on the effect of the impending sale of government-owned FSCs on the farming sector. Try to establish in real terms how the sale would impact the MSCs with 12 additional larger mechanization centers operating as private sector operators.
2. Conduct a more precise inventory of machinery and equipment in all MSCs and assess the extent to which availability is aligned with farmers' needs.

In adopting the above, any future project would be better informed regarding the nature of the playing field in which it would be a key player.

4.2 ASSESS THE EFFECTIVENESS OF PROVIDING LARGE GRANTS TO PRIVATE ENTERPRISES OR INDIVIDUALS TO ESTABLISH OR EXPAND MSCs

4.2.1 Question 5: Did USG-funded grants mitigate perceived or real financial or other investment risks, causing enterprises or individuals to co-invest in the project?

Figure 6: QUESTION 5 - SUMMARY OF EVALUATION DESIGN AND METHODS				
Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Type and Size Sample	Limitations
5. Did USG-funded grants mitigate perceived or real financial or other investment risks, causing enterprises or individuals to co-invest in the project?	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in 21 MSCs	Interviewees identified by Evaluation Team, AMP (ex-team members) & USAID	None encountered
	Description - based on content analysis of primary data	Review of AMP M & E records & relevant reports	All requested documents provided	Understanding some of the documentation in terms of clarity and relevance

4.2.1.1 Findings

With the exception of the Akhalkalaki MSC, which would have started regardless of AMP's assistance, all other MSCs stated that they would not have been able to begin operations without the matching-grant project component. Two thirds indicated that they would not have opened at all, while the remainder suggested that they would have started but much later and with fewer resources. This information clarifies, without a doubt, the significance of the role that AMP matching grants played in establishing the MSCs. MSCs also stated that the availability of AMP grants considerably reduced risks. While some MSCs were able to obtain credit from a bank for their matching grant contributions, others financed their start-ups and machinery and equipment purchases with personal funds. To date, no MSCs have defaulted on their loans, many have already paid off the loan, and some have even borrowed additional funds for development purposes.

4.2.1.2 Conclusions

The AMP matching grant component was the catalyst for the establishment and further development of MSCs. Its significance is apparent in AMP's end-of-project achievements in December 2012 as reflected in the performance indicators and targets (see Annex G – 'Overall M&E Matrix' for full list). In short, without the matching grants, few MSCs would have started on their own and the targeted farming communities in the 21 MSC jurisdictions would not have benefited from job creation, increased household incomes, or higher crop yields.

Example of tractors purchased through AMP matching grant component



Feedback from MSC owners/managers and farmers nationwide confirmed that economic activity in their respective areas has increased as a direct result of AMP program interventions, which in turn was only possible following the establishment of MSCs and the matching grant component. As a result, AMP's contribution to rural farming cannot be underestimated. In real terms, over 16,500 rural households are estimated to have benefited from AMP's interventions, with an approximate \$5.33million⁶ additional annual income accrued by

farmers over the project's lifetime. Furthermore, over 2,000 IDP families that also benefited would have not been able to do so without AMP's involvement.

4.2.1.3 Recommendations

The above findings and conclusions clearly show that matching grants act as a stimulus to rural economic development and, in this case, directly contributed to the creation of 21 much

⁶ Calculated on the basis of 2 annual farm surveys conducted by AMP from information provided by a sample of farmers in each of the 21 MSC areas

needed mechanization centres nationwide. In the future, similar project may consider the following:

1. Employ a similar strategy if the aim is to expand on the achievements of AMP in furthering the improvement of the livelihoods of farmers, their families and communities.
2. Ensure, in those areas where IDPs are prevalent, that their needs are adequately addressed. IDPs who attended FGDs expressed an improvement in their lives through AMP interventions but still lacked market outlets for their products.
3. Consider initiatives that could enhance the livelihoods of female farmers, some of whom are also IDPs and war widows. Take specific actions to help soft loans.

These suggested measures could build on the progress made to date from AMP’s interventions.

4.2.2 Question 6: How did the establishment or expansion of MSCs harm or help competing mechanization service providers including government owned centers?

Figure 7: QUESTION 6 - SUMMARY OF EVALUATION DESIGN AND METHODS

Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Type and Size Sample	Limitations
6. How did the establishment or expansion of MSCs harm or help competing mechanization service providers including government owned centers?	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in 21 MSCs	Interviewees identified by Evaluation Team, AMP (ex-team members) & USAID	None encountered
	Description based on content analysis of primary data	Review of AMP M & E records & relevant reports	All requested documents provided	Understanding some of the documentation in terms of clarity and relevance

4.2.2.1 Findings

Government-run FSCs were established after the MSCs were created (see Question 4 above for comments on the reverse). However, since the FSCs were created, there is still no tangible evidence that MSCs affect their operating activities. The two client bases are essentially quite different and address the needs of different target audiences. For most smaller farmers, the MSCs provide most of the machinery and equipment that suits their smaller plots of land (usually less than 2 hectares). In some instances there is some evidence to suggest that even where farmers use the services of their local MSC this might be restricted to mechanization services only if that particular MSC does not offer additional services such as input supplies. In this case the farmer will buy such supplies from an FSC if there is one based locally.

It is difficult to categorize the impact of MSCs on FSCs or other service providers in terms of ‘help or harm’ as all seem able to meet the demands of their own customers. As mentioned above, there appears to be a degree of collaboration between some MSCs and some FSCs where competition is not seen as a threat to either.

In terms of whether or not other local service providers were affected by the emergence of MSCs there appears little evidence to prove or disprove this hypothesis as the Evaluation Team did not meet with any other local service provider. According to MSCs, farmers did not want to use local service providers because their equipment was generally believed to be old, outdated, and in poor working order. In any event, the fact that demand for mechanization services far surpassed supply suggests that there exists enough business for all providers, even those offering limited services. The main criteria that farmers adopt regarding which service provider to use is largely based on availability of the right equipment at the right time and the right price. This fact was frequently mentioned during FGDs because farmers cannot miss the window of opportunity before each season for preparing and seeding the land. Most smallholder farmers cultivate and harvest non-perennial, horticulture crops such as tomatoes, beans, cabbage etc. – therefore timeliness is vital.

4.2.2.2 Conclusions

The main conclusion drawn is that MSCs have not interfered with free market competition. Demand in the marketplace for both small and large farmers remains high and is still significantly greater than supply. Informed commentators have calculated that there would be enough room in the market to create up to 200 more mechanization centers. One main weakness of the current MSCs is that most do not offer extension services nor agricultural input supplies, the availability of which would help farmers address needs not associated with mechanization. For example, soil testing and crop diversification were issues often raised at FGDs together with acquiring a better understanding of use of fertilisers and pesticides. Marketing was another issue raised as was irrigation and the current state of existing irrigation systems, many of which were deemed as ineffective or useless. Both MSCs and farmers complained about the effects on their livelihood of cheap Turkish imports (mainly horticulture crops) which, according to them, were often dumped on Georgian markets at below cost simply to obtain market share. While not directly related to this evaluation, the Minister of Agriculture did acknowledge these concerns and explained that the government has plans to address the situation in due course.

4.2.2.3 Recommendations

There is clear evidence that expanding AMP's assistance to establishing MSCs in the design of a similar long-term agriculture project in the future would be a positive step toward rural economic development in Georgia. Such a project should:

1. Include a component to expand the MSC network nationwide based on locations most likely to benefit from such centers.
2. Conduct research to identify the optimum range of services that MSCs should offer prospective clients based on the findings of this evaluation report.
3. Collaborate closely with other international donors supporting agriculture in Georgia – i.e. Mercy Corps has been operating in the country since 2000 and has 3 on-going projects related to agriculture (livestock and value chain) – to avoid duplication of effort. They are already interacting with some of the MSCs so need to be consulted.

4. Review the MoA's forthcoming long-term agriculture strategy for Georgia and identify gaps that need to be filled that fit within the context of the strategy.
5. Collaborate with the Georgian Farmers' Associations, which acts as a farmers' lobby between the private sector and government. It plays an integral role in the country regarding all aspects of agriculture and serves as a donor coordination medium to ensure the focus of international interventions.

These measures should significantly contribute towards gaining a more in-depth understanding of the agriculture sector in Georgia and help focus future interventions that can make a meaningful contribution toward rural economic development in the country.

4.3 ASSESS WHETHER OR NOT SMALLHOLDER FARMER PRODUCTIVITY AND INCOMES HAVE IMPROVED AS A RESULT OF TRAINING PROVIDED BY THE PROJECT AND ACCESS TO AND UTILIZATION OF MECHANIZATION SERVICES

4.3.1 Question 7: Did training and utilization of mechanization services contribute to an increase in collective household incomes?

Figure 8: QUESTION 7 - SUMMARY OF EVALUATION DESIGN AND MEHODS

Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Type and Size Sample	Limitations
7. Did training & utilization of mechanization services contribute to an increase in collective household incomes?	Description – based on content analysis of expert opinions	Focus group sessions in 16 MSC locations	Interviewees identified by Evaluation Team, AMP (ex-team members) & USAID	None encountered
	Description based on content analysis of primary data	Review of AMP M & E records & relevant reports	All requested documents provided	Understanding some of the documentation in terms of clarity and relevance

4.3.1.1 Findings

One of the main difficulties in answering this question is the need to correlate MSC activities with increases in household income, particularly as a result of training and improved working practices by farmers, leading to increased productivity. As mentioned earlier in the report, it has been estimated that collective household incomes for small-scale farmers increased by \$5.33 million by the end of AMP in December 2012. If this figure is divided by 16,539 households that reportedly benefited from AMP's interventions, this is an average amount of \$322 per household which, although not a substantial amount, nevertheless helps to alleviate some of the financial difficulties of some of the smaller farmers which of course is one of the aims of the project. Additionally, farmers' incomes depend on more than one factor including the weather, crop prices and market demand, among others. What appears to be known however is that farmers most certainly associate MSCs with positively influencing their lives by providing mechanization services and trainings, as well as by contributing to increases in their household incomes, although they were unable to quantify the extent of those increases.

4.3.1.2 Conclusions

From the evidence gathered during the evaluation mission it is clear that AMP made a contribution towards improving the lives of farmers in those rural communities where MSCs were established. Although two project surveys were conducted in an effort to determine the exact nature of increases in farmer household incomes, precise data cannot be quantified due to the existence of other influencing factors. Conversely, what appears evident is that had the MSCs not been established, farmers would, in all likelihood, not have experienced any rise in income due to the competition from cheap foreign imports and the continued lack of access to agricultural input supplies.

4.3.1.3 Recommendations

One of the major considerations for any future USAID intervention in agriculture in Georgia is to widen the scope of MSCs to potentially include extension services and input supplies. Access to both would significantly increase the knowledge base for farmers so that more informed decisions could be made regarding new technologies, crop diversification and marketing. The following is therefore suggested:

1. Assist the current 21 MSCs expand their services in line with farmers' demands.
2. Create MSCs in new locations based on the matching grant proposition to include extension and /or input supplies, i.e. entire value chain.
3. Develop a set of criteria that can correlate a project-related action or activity with a measureable result for monitoring and evaluation purposes.

4.4 IDENTIFY OPPORTUNITIES TO IMPROVE IMPACT AND ENHANCE THE IMPLEMENTATION AND MANAGEMENT OF SIMILAR PROJECTS BY ACTIVELY ADDRESSING ISSUES SUCH AS GENDER EQUALITY AND SUSTAINABILITY

4.4.1 Sustainability

There are many factors that can influence whether or not a business can be sustainable or not and MSCs are no exception. The Evaluation Team developed a number of criteria to calculate the probability of MSCs' sustainability including an analysis of financial statements, market demand for products and services, the timely repayment of bank loans by MSC owners, and employment (see results in Annex F – 'Overview of the Evaluation Team's Mission Findings'). Following a thorough review of these criteria for each MSC, the Evaluation Team determined that all should have little difficulty remaining profitable in the short- to medium-term. MSC sustainability owes primarily to the fact that in the current trading conditions, market demand for agriculture services across the board far exceeds available supply, and less to the abilities of owners or other key personnel to manage their businesses effectively. This is particularly true with respect to the almost complete lack of MSC financial management even after they were required to submit quarterly reports to AMP focusing on cash-flow performance. In addition, although an F2F volunteer assisted MSCs to develop financial reporting skills to prepare cash-flow statements, balance sheets, and profit and loss accounts, the evidence suggests that most MSCs still do not understand nor are capable of preparing or even using this information as a decision-making management tool for their enterprises. While this fact does not appear to

affect immediate sustainability because of strong market demand, longer-term sustainability could be compromised for those MSCs that carry out no form of forecasting as markets become increasingly competitive.

4.4.2 Gender Quality

Feedback from female farmers during FGDs indicated that they did not experience any specific discrimination in their daily activities. However, a future project should further increase women's participation by offering a wider range of technical support including soft grants, in particular for IDP war widows. Although women represented only 9% of the farmers who attended FGDs, their views are relevant and important for rural communities. In some cases, women are the only breadwinner in the family so their needs must be addressed in any future long-term agriculture project. In the few cases where the women were war widows, addressing their needs in a future project assumes even greater relevance as they are de facto more disadvantaged than other farmers due to circumstances beyond their control. War widows told the Evaluation Team that they need a voice to represent their interests as they lack the basic skills to run a business by themselves. Survival in the short-term may be assured but in the longer term they will surely require more support. At the present time USAID supports female farmers through its Economic Prosperity Initiative (EPI) and New Economic Opportunities (NEO) projects.

The Evaluation Team was not aware of any specific on-going initiatives providing support to female farmers, so this should be pursued at the design stage of any further USAID interventions in Georgia.

5.0 LESSONS LEARNED

Below are several lessons learned from AMP:

1. During the project design stage there needs to be a closer alignment between the setting of quantifiable target indicators and a verifiable means of measuring their achievement, i.e. ensure that correlation exists between one and the other and that performance can be monitored by data gathering methods that are understandable and easy to analyze.
2. Consideration should be given to monitoring the performance of target indicators that can be measured by using 'at least' to be achieved, rather than providing a range of parameters which can sometimes lead to the manipulation of statistics to fit within those parameters (although there is no evidence that the AMP team adopted this practice.)
3. It is advisable to clarify and specify the precise M&E system that should be adopted for reporting purposes to USAID for the duration of the project (simplify the M&E procedure to be one document per reporting period supported by one Excel spreadsheet (actual versus plan)).
4. Where project beneficiaries are required to submit supporting documentation as evidence of performance, ensure that project management has a specific rationale and

strategy for this information or data, so that feedback is provided to those beneficiaries on future actions required should any deviation from plan occur.

5. When considering sustainability as a measurement of success, identify the criteria to be used in advance so that proper reporting systems can be put in place to track progress.
6. Establish an awareness of what other international donors, multilaterals and NGOs are doing on the ground in agriculture to avoid duplication of effort and resources and, in particular, to avoid delivering similar services to the same clients or beneficiaries.
7. Long-term technical assistance projects should be in tune with the host government's long-term strategy for the agriculture sector. This is vital to ensure that priority areas are addressed in line with government policy and that intended beneficiaries receive the type and level of support that has been identified as important and relevant.

ANNEXES

ANNEX A: STATEMENT OF WORK

STATEMENT OF WORK

Performance Evaluation of Access to Mechanization Project

Summary

Name of the Project:	Access to Mechanization Project (AMP)
Project Numbers:	Associate Cooperative Agreement No.AID-114-LA-09-00001
Project Dates:	September 29, 2009 – December 1, 2012
Project Funding:	\$5,110,607
Implementing Organization/s:	CNFA Agreement Officer's Representative (AOR): David Tsiklauri

USAID/Caucasus plans to conduct a performance evaluation of the Access to Mechanization Project (AMP). The purpose of evaluating this project is to assess its contributions toward achieving the USAID/Caucasus's Development Objective - "Inclusive and Sustainable Economic Growth." Specifically, the goal of evaluating AMP is to assess the effects of the program on increasing productivity and incomes for smallholder farmers by improving access to machinery services. The USAID/Caucasus Economic Growth Office is currently changing its portfolio of activities and the results of this evaluation will be used to design future projects and adjust current projects if needed. Therefore, this evaluation is to identify "lessons learned," assess strengths and weaknesses of strategies and activities performed under these projects, and provide recommendations to USAID for project planning purposes for the next five years.

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- Develop draft and final evaluation reports.

I. Activities to be evaluated

1.2 In September 2009, USAID/Caucasus awarded the Access to Mechanization Project to CNFA as an associate award under John Ogonowski and Doug Bereuter Farmer-to-Farmer Program Leader with Associates Cooperative Agreement EDH-A-00-08-00019, which will end in December 1, 2012. The ultimate objective of the project was to increase productivity and incomes for smallholder farmers by improving access to machinery services.

2. Background

Access to Mechanization Project

During its implementation, the AMP project used a combination of matching investments, leveraged commercial finance, business and extension training, and volunteer technical assistance was to establish 21 Machinery Service Centers (MSCs). The primary goal of the AMP was to increase the productivity and incomes of smallholder farmers by improving access to machinery services. The project had the following specific objectives:

- Establish 21 MSCs offering improved mechanization services to over 12,500 smallholder farmers.
- Provide technical assistance to these enterprises, using a combination of local consultants and Farmer-to-Farmer (FtF) volunteers, to ensure the safe, sustainable and profitable operation of the businesses and long-term availability of services for farmers.
- Leverage USAID grant funds with local partner matching investment, including large-scale involvement of local and international commercial finance, to maximize investment in the rural economy.
- Improve the competitive environment for machinery services by reducing the cost to farmers, as a result of increased supply of machinery and the availability of dedicated service providing businesses.
- Facilitate the return of more agricultural land into production.
- Contribute to increased productivity and income of smallholder farmers.
- Provide discounted machinery services to about 3,000 resettled Internally Displaced Persons (IDPs).

The project assisted 21 MSC's with an array of agricultural machinery, using a combination of grant funding and local partner matching investment (with a minimum match requirement of 1:1). AMP provided the assortment of machinery and implements responsive to the needs in each MSC's target market, with an appropriate mix of tractors of various horsepower and implements required to serve the area's main crops. Flexibility was crucial to ensure the commercial viability of each MSC.

Matching grants were complemented by rigorous business and management trainings; extension trainings, field days and demonstrations; and technical assistance provided by local consultants and FtF volunteers. AMP used this combination of financing, business training, and technical assistance to ensure sustainability and proper management of the enterprises providing machinery services.

Through the implementation of the AMP project, 215 new jobs were created and 84 units of agricultural machinery and 238 implements were purchased with combined grant funding and matching investment. During the life of the AMP project cumulatively more than 2,400 farmers participated in extension trainings and 400 – 1,000 farmers have been served by each assisted service center with different agricultural services resulting in increased household incomes for MSC beneficiaries by more than \$6.25

million.

3. Purpose of the evaluation and key evaluation questions to be addressed

Access to Mechanization Project

The final evaluation will assess the results of AMP in terms of establishing or expanding 21 mechanization service centers (MSCs), and increasing the incomes of at least 12,500 small farmer beneficiaries. The evaluation will cover the life of the project from September 2009 through November 2012. The conclusions of the evaluation will be used by USAID/Caucasus to design future interventions in the area of agriculture sector development. With similar purpose, USAID will share the results of the study with other donors, host country government stakeholders and partners working in this area. The evaluation team should review and summarize the implementation and results achieved by this project to address the following purposes and answer the following key evaluation questions.

- I. Assess the operating condition of MSCs.
 - Q. Can each MSC manage its business operations (e.g., positive cash flow from operations, record keeping, designation of employee duties, staff coverage, sales and marketing capacity) to be evaluated against standards determined by the evaluators?
 - Q. Can each MSC operate and maintain its equipment, and can such equipment be repaired by MSC operators or appropriate service providers?
 - Q. Are the maintenance and repairs of equipment regularly funded by MSCs in accordance with applicable service schedules and repair needs?
 - Q. Has the establishment of competing Georgian government mechanization Centers impacted the MSCs established by AMP?
2. Assess the effectiveness of providing large grants to private enterprises or individuals to establish or expand MSCs; and assess whether or not grant assistance caused market distortions by answering the following two questions:
 - Q. Did USG-funded grants mitigate perceived or real financial or other investment risks, causing enterprises or individuals to co-invest with the project?
 - Q. How did the establishment or expansion of MSCs harm or help competing mechanization service providers, including Government of Georgia owned centers?
3. Assess whether or not smallholder farmer productivity and incomes have improved as a result of training provided by the project, and access to and utilization of mechanization services.
 - Q. Did training and utilization of mechanization services contribute to an increase in collective household incomes?

4. Identify opportunities to improve impact and enhance the implementation and management of future similar projects such as gender equity and sustainability.

4. Methodology

The Methodology will be used as proposed in the Mendez England & Associates Technical Proposal as of January 31, 2013.

5. Work Location

Tbilisi and selected Georgian regions and the U.S.

The teams will travel outside the capital as needed (for AMP to all 8 regions with MSCs: Kakheti, Shida Kartli, Kvemo Kartli, Samtskhe-Javakheti, Imereti, Racha, Samegrelo, and Guria) in order to meet with key players in diverse parts of the country and to get a better sense of the overall context within Georgia.

6. Projects Documents for Review

The COR, through the Mission's Economic Growth office and respective projects AOR and COR will put the contractor in contact with its implementing partner and might provide help with a small number of meetings (such as meeting with USG agencies). To the extent possible, relevant reports and other project documentation will be provided by the Mission to the contractor prior to travel to Georgia. These documents are:

1. Program Description for AMP
2. AMP annual and quarterly reports
3. AMP work plans
4. Studies/assessments produced under both projects.
5. Other projects documents which will be provided by the EG office in Tbilisi

The Mission's EG Team will brief the evaluation team on their perceptions of political dynamics.

**ANNEX B: WORK PLAN, EVALUATION DESIGN &
METHODOLOGY**

Work Plan, Evaluation Design and Methodology

1. INTRODUCTION

In the preparation of this Work Plan and Evaluation Research Design, the Evaluation Team has followed the guidelines outlined in USAID's Request for Task Order Proposal (RFTOP) and accompanying Scope of Work (SOW) (Annex 1), together with ME&A's Technical Proposal, for the performance evaluation of the 'Access to Mechanization Project' (AMP) implemented in Georgia between September 2009 and December 2012

In overall terms, the purpose of evaluating this project according to the SOW is, 'to assess its contribution toward achieving the USAID/Caucasus's Development Objective – "Inclusive and Sustainable Economic Growth". The main goal of evaluating AMP is *to determine the effects of the program on increasing productivity and incomes for smallholder farmers by improving access to machinery services.*

The main thrust of the Evaluation Team's mission is to determine the extent to which the AMP was successful in establishing or expanding 21 mechanization service centers (MSCs) and increasing the incomes of at least 12,500 small farmer beneficiaries. In pursuit of these findings the Evaluation Team (see 2. below) is further tasked with answering a specific set of evaluation questions posed by USAID/Caucasus (Annex 2). The evaluation will cover the duration of the AMP from September 2009 – December 2012. Finally, the conclusions reached and suggested recommendations will be used by USAID/Caucasus to help design future interventions in the field of agriculture sector development. Additional attached Annexes (3 to 9) include a revised Mission Schedule, List of Stakeholder Interviewees, Evaluation Design Chart, Evaluation Design & Methodology Matrix, Overall Monitoring & Evaluation Matrix, Interviewee Profile & Illustrative Questions and Draft Outline of the Final Evaluation Report (Table of Contents).

2. EVALUATION TEAM

The evaluation of AMP will be conducted by a team of two experts: international expert *Mr Colin Maclean* (Team Leader) and local expert *Dr Gaga Nikabadze* (Agribusiness Specialist). In addition, the team will be assisted by *Ms Marika Gorgadze* as interpreter. *Colin Maclean* will assume overall responsibility for the overall management of the evaluation in collaboration with USAID/Caucasus. In short, this encompasses all activities specified in the Mission Schedule (Annex 3) related to the evaluation mission, including pre-mobilization, on-site implementation and end-of-assignment deliverables. *Gaga Nikabadze* will also contribute to the evaluation mission by assisting in the scheduling of meetings, conducting interviews and carrying out additional research as identified by the Team Leader. He will further participate in the planning, organization and implementation of regional field visits including interviews and focus group sessions (where deemed appropriate) as well as contributing towards the preparation of the draft and final evaluation reports. Finally, oversight of the evaluation mission will fall under the remit of *Ms Mirela McDonald*, Evaluation IQC Manager with ME&A and *Ms Audra Stark*, Project Manager with ME&A.

3. EVALUATION TASKS and SUB-TASKS

3.1 Pre-Mobilization Activities

Conference Calls

On Monday, 1 April 2013, a conference call took place between *Meredith Kummings* (ME&A), *Colin Maclean* (Team Leader), and (USAID/Caucasus). A number of issues were discussed including clarification of the evaluation questions to be answered, the contact details for key personnel who managed AMP, the Co-operative Agreement adjusting some of AMP's indicator targets, the location of the MSCs by region and the organization of focus groups in the regions in order to ensure adequate coverage of a representative sample of farmers and their views regarding AMP. Following the conference call, a document - Modification 02 (AID-114-LA-09-00001) - was forwarded to the Team Leader together with a copy of AMP's grantees with contact details. It was agreed that any outstanding issues would further be discussed at the in-briefing with USAID scheduled for Thursday, 11 April 2013.

Literature Review

Both members of the Evaluation Team were provided with a selection of project-related documentation by ME&A, all of which were reviewed prior to the in-country start of the mission. These included AMP Work Plans, Annual Reports, Quarterly Reports, PMPs and Training Materials among others. The documents reviewed provided a useful insight into the planning and operating activities of AMP and will be the source of reference for the Evaluation Team for data and information related to project objectives, indicators and targets.

Preparation of Draft Work Plan and Evaluation Design

This activity was completed prior to the mobilization of the Team Leader in collaboration with the local expert and ME&A Evaluation Project Manager. Minor adjustments were made to the Work Plan following the Team Leader in-briefing with USAID in Tbilisi.

3.2 In-Country Activities

Initial Meetings

On Wednesday, 10 April 2013, a meeting was held between the Evaluation Team members – Colin Maclean, Team Leader and Gaga Nikabadze, Agribusiness Specialist – and USAID/Caucasus in Tbilisi. This was essentially an in-briefing for both parties to review the evaluation's objectives and the draft Work Plan. Issues regarding the proposed methodology to be used for data gathering and analysis were discussed together with the proposed list of site visits and content of the Final Evaluation Report. The Evaluation Team had two days to incorporate any requested amendments before final submission of the Work Plan on Friday, 12 April 2013.

Data Gathering

Meetings with stakeholders began on Thursday, 11 April, 2013, and will continue through to Monday, 22 April, 2013. These will include not only AMP's direct beneficiaries but a cross-section of other relevant individuals and organizations with an interest in the project's activities and outcomes – (see Annex 4 for suggested list of interviewees). In some instances, required information will be sourced via the adoption of quantitative research methods (review and analysis of facts that can be statistically verified from recorded data e.g. AMP records such as PMP's and Annual Reports). In other cases, qualitative research methods (opinions, observations and explanations gathered from participating interviewees) will be employed to act as a support mechanism (or otherwise) quantitative i.e. numerical data – (see Section 5. below for a more in-depth explanation of the Evaluation Team's planned methodology).

Data Analysis

This activity involves digesting and analyzing data and information gathered during the in-country mission. Findings will be tabulated both within the body of the final report (see Annex 5 – Evaluation Design & Methodology Matrix) which will summarize the qualitative aspect of the evaluation and as an attachment to the main report (see Annex 7 – Overall Monitoring & Evaluation Matrix) which will address the quantitative elements of the evaluation. Section 5 below further elaborates on both approaches. On Wednesday, 24 April 2013, the Evaluation Team will have an out-briefing with USAID/Caucasus during which initial findings will be presented in summary format together with some of the key issues arising from the evaluation. At this stage, comments and/or suggestions offered by USAID/Caucasus will be acknowledged and addressed in the Draft Final Report.

3.3 End-of-Mission Activities

Completion and Submission of Draft Report to USAID

On completion of the in-country mission and following the Team Leader's return to home base, a Draft Final Report will be prepared and submitted to USAID/Caucasus on Thursday, 2 May, 2013.

Final Report submitted to USAID with integrated comments

No later than Monday, 20 May, 2013, the Team Leader will receive their comments for integration into the Final Report which will subsequently be re-submitted to USAID/Caucasus on Thursday, 23 May, 2013

4. EVALUATION DESIGN PLAN

In the Technical Proposal that ME&A submitted to USAID/Caucasus for the AMP evaluation an illustrative Evaluation Design chart was included (below) which highlighted the approach and sequence of events that the Evaluation Team would undertake in implementing the assignment i.e. Development of Methodology – Data Collection – Results Analysis and Reporting. This remains our underlying approach for this evaluation.

5. METHODOLOGY

The Evaluation Team recognizes that the credibility of an evaluation’s findings, conclusions and recommendations rests for the most part on the quality of the research design as well as data collection methods and analysis used. Given the wide scope of activities undertaken by AMP only a combination of both quantitative and qualitative research methods will suffice if a clear picture is to emerge as to how AMP performed over the lifetime of the project.

In the Pre-Mobilization Activity stage of the evaluation process during which the Evaluation Team conducted an in-depth review of the documents made available to them, it became apparent that the evaluation mission would be addressing two separate though inter-connected issues: first, what AMP was tasked with achieving from a quantitative point of view e.g. number of MSCs created, number of jobs created, increases in farmers’ incomes etc., and second, the extent to which the accomplishment of these numeric parameters impacted on the intended beneficiaries (in this case smallholder farmers and farming communities throughout the regions in Georgia). The following approach is therefore how the Evaluation Team envisages tackling the evaluation process.

5.1 Quantitative Research and Analysis

In summary, quantitative data (e.g. number of actions / activities to be accomplished against plan) will be sourced from AMP Annual Work Plans and other project-related periodic reports. In addition, particular reference will be made to the project’s annual Performance Monitoring Plans (PMPs) designed to provide ongoing analysis and commentary on actual results achieved against the plan including actions and strategies that were taken to address anticipated deviation from the plan. The collective outcome of this evaluation will be a thorough assessment of the performance of AMP at the end of the project relative to the planned objectives as envisaged in the original SOW and elaborated and/or revised in subsequent AMP Annual Work Plans.

In this instance, as the project was tasked with accomplishing a significant number of target indicators⁷ (as highlighted in AMP’s End-of-Project Report submitted by CNFA) verification of performance from a statistical point of view can essentially only focus on a review of AMP records which the Evaluation Team can only assume accurately reflects whether a numeric indicator was achieved or not. We will therefore comment on this within the body of the final report in the relevant sections supported by an annex for tabulated reference purposes (see Annex 7 – Overall Monitoring & Evaluation Matrix in this Work Plan as a proposed format). The findings here will be cross-referenced with findings accumulated from our qualitative research approach to determine the extent to which evidence gathered contributes towards the Evaluation Team’s understanding of AMP’s impact on its intended beneficiaries. This in turn will enhance the team’s prospect of being able to provide satisfactory and meaningful answers to USAID’s pre-determined evaluation questions.

5.2 Qualitative Research and Analysis

⁷ IDP-Specific Indicators; Project Indicators – Programmatic; Project Indicators – MSC Performance; Project Indicator – Farmer Impact

The required approach under this activity assumes particular importance given the geographic spread of AMP's direct and indirect beneficiaries and the time available to the Evaluation Team to conduct its enquiries. Here, the team's approach will be to identify, locate and meet with as representative a body as possible with direct or indirect knowledge and/or experience of the project throughout its lifetime (see Annex 4 for a proposed list of potential interviewees). In effect, there is less concern here as to whether or not a particular action has been implemented or not (verifiable or not from AMP records) as opposed to whether the result of that action met the needs and aspirations of the intended recipients.

In so doing, the Evaluation Team will pay particular attention to avoiding subjective opinion and hearsay as these effectively add little or no value to understanding the facts. On the other hand, perceptions are valid and will be included in the team's findings as they may enhance the quality of recommendations for any future planned interventions by USAID/Caucasus. In order to effectively carry out the qualitative research needed the following approach is suggested regarding the Evaluation Team's in-country activities the analysis of which will be elaborated in the body of the Draft Final Report in the proposed format (see Annex 6 - Summary of Evaluation Design & Methodology). Here, in line with USAID's published TIPS practical advice and suggestions for constructing an evaluation report, we address each evaluation question one-by-one depicting how the relevant research was conducted together with any identified limitations. The accompanying text outlines the Evaluation Team's findings, conclusions drawn, and then recommendations suggested emanating from both:

1. **MSCs**

The Mission Schedule prepared for this evaluation originally indicated site visits to 4 regions although there are in fact 8 regions in Georgia. This was re-visited at the in-briefing and the evaluation team's recommendation to visit all 21 MSCs was accepted by the Mission. This change will ensure the coverage needed to draw meaningful conclusions.

Data Gathering Approach: ***Structured interview with MSC key personnel***

2. **Smallholder Farmers**

Given the number of farmers benefiting (12,500) from the provision of increased farm services made available as a result of project assistance, focus group sessions will be needed in all regions (subject to participants' attendance) in order to acquire a representative opinion of AMP's performance.

Data Gathering Approach: ***Focus group sessions in all regions subject to enough participants attending***

3. **Internally Displaced Persons (IDPs)**

Similarly to farmers, the project was to assist the number of IDP families benefiting from improved mechanization (2000-3000) which means that to reach some sort of

representative sample face-to face interviews with individuals is neither practical nor realistic.

Data Gathering Approach: ***Focus group sessions in all regions subject to enough participants attending***

4. **Central and Local Government**

Needed to gather feedback from the political arena as to how AMP was perceived during its lifetime and to date.

Data Gathering Approach: ***Face-to face interviews with identified parties***

5. **Financial Institutions**

Due to their involvement in disbursement of funds through various aspects of the project (grants and investments) the views of the banks in question will add value to the Evaluation Team's understanding of the business performance of AMP beneficiaries.

Data Gathering Approach: ***Direct interviews with key personnel involved***

6. **Industry, Business and Farming Associations**

Clearly have a role to play in representing the interests of members so their views will add value to the bigger picture.

Data Gathering Approach: ***Direct interviews with key personnel familiar with AMP***

7. **International Community**

The effects and impact of AMP will be known to various members of the international donor community with representative offices in Georgia (World Bank, UN, EC, GIZ, Mercy Corps etc.) and their views will clearly enrich the Evaluation Team's understanding of how AMP was/is perceived today.

Data Gathering Approach: ***Direct interviews with key personnel familiar with AMP***

5.3 **Limitations**

Every evaluation poses its own inherent limitations as to what can realistically be carried out within the scope of the mission and this assignment is no exception. Below are a number of issues that need to be taken into account that could impact on the required results being achieved:

- I. The evaluation will take place during planting season for farmers throughout Georgia so their availability and/or willingness to attend interviews and/or meetings needs to be taken into account

2. Many of the MSCs were established during the later stages of the AMP project which effectively means that the effects of their impact on local farming communities will only be apparent in the coming months and in some cases years following the end of the project. The evaluation team will therefore not be able to comment on the real impact and/or contribution to, for example, job creation or how household incomes have been affected post-project.
3. One of the inherent difficulties in the AMP evaluation concerns the time constraints within which the team is tasked with carrying out its duties. However, having identified who the team wants to meet and where, it is confident that the required coverage of potential interviewees will be met. Nevertheless, there remains the risk that requested individuals and organizations may not be available at relatively short notice. This could negatively impact on findings.
4. In terms of the quantitative analysis falling within the scope of the AMP evaluation it should be noted that as the project has now ended and been signed off by USAID, the Evaluation Team will not comment on the achievement or otherwise of performance indicator targets. Instead, it will limit its remarks to offering comment only on the data gathering process and the extent to which it contributed (or otherwise) to the project's self-monitoring and evaluation. However, qualitative analysis will be performed, including reviewing the indicator data reported in AMP's PMP to help answer "why" the interventions worked or did not work and to assess the extent to which AMP positively or negatively impacted on Georgia's economy (e.g. increased productivity, market distortion, etc.).
5. Some of the USAID evaluation questions regarding the maintenance of machinery and equipment strongly indicate that the Evaluation Team is able to some extent to view some of these items. However, it now being planting season there is some question as to whether or not tractors and planting machinery will be available for viewing given that they may well be out in the fields already. This could therefore limit the team's understanding of the true state and condition of some of those items

6. PROPOSED SITE VISITS AND MEETINGS

Further to the above-mentioned research methodologies and following discussions with CNFA and USAID at the in-briefing session for the Evaluation Team, there has been a re-alignment in the schedule devised for the proposed field site visits – details outlined in the revised Mission Schedule (Annex 3). In short, the Evaluation team will travel as one unit in order to optimize time in-country and to facilitate the preparation of the Final Draft Report at the end of the mission due to the tight schedule.

STATEMENT OF WORK

Performance Evaluation of Access to Mechanization Project

Summary

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6. Assess the effectiveness of providing large grants to private enterprises or individuals to establish or expand MSCs; and assess whether or not grant assistance caused market distortions by answering the following two questions:
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 - Q. How did the establishment or expansion of MSCs harm or help competing mechanization service providers, including Government of Georgia owned centers?
7. Assess whether or not smallholder farmer productivity and incomes have improved as a result of training provided by the project, and access to and utilization of mechanization services.
 - Q. Did training and utilization of mechanization services contribute to an increase in collective household incomes?
8. Identify opportunities to improve impact and enhance the implementation and management of future similar projects such as gender equity and sustainability.

4. Methodology

The Mission is looking for the offer or to suggest the best methods that minimize bias and provide strong evidence.

The offer or is expected to suggest the use of various data collection and analysis methods, both quantitative and qualitative, including document review, key informant interviews with wide range of representatives from international community, the GOG, political parties and non- governmental organizations, focus group discussions, survey instruments, and others. The methodology for any evaluation process that involves the selection of participants (e.g. surveys, focus groups, interviews) must be clearly explained and justified. Selected respondents should be representative of women, youth and vulnerable groups, where appropriate. The contractor will conduct a two days review for AMP to provide a general overview of the current situation in Georgia, and will help identify areas that merit closer attention once the team begins its fieldwork. Reading materials will be available to the team prior to their arrival.

The offerer will develop a detailed evaluation design (to be included in the proposal), including data collection plan and drafts of data collection tools. A draft of the plan and design will be shared with USAID for review and comment prior to in-country arrival. The final plan will then be presented to the Mission during the in brief in more detail. The evaluation design should include the evaluation matrix (an illustrative evaluation matrix for this study is given below). The offeror should also explain in details limitations and weaknesses of the methodology.

The offeror will also describe a data analysis plan that details the analysis of information collected; what procedures will be used to analyze qualitative data collected through key informant and other stakeholder interviews; and how the evaluation will analyze and use quantitative data.

Again, the methods described herein are only illustrative and USAID expects that the offeror will suggest the best methods that would generate most reliable and evidence-based answers to the key evaluation questions.

Illustrative evaluation matrix for AMP:

Research Question	Data Source	Methodology
Can each MSC manage its business operations (e.g., positive cash flow from operations, appropriate record keeping, designation of employee duties, staff coverage, sales and marketing capacity)?	MSC staff/managers/owners Farmers	Document review
Can each MSC operate and maintain its equipment, and can such equipment be repaired by MSC operators or appropriate service providers?	MSC staff Farmers	MSC documents review and on-site observation
Are the maintenance and repairs of equipment regularly funded by MSCs in accordance with applicable service schedules and repair needs?	MSC staff	Documents and interviews

Research Question	Data Source	Methodology
Did USG-funded grants mitigate perceived or real financial or other investment risks, causing enterprises or individuals to co-invest with the project?	Farmers/clients Other donors Local government	Interviews Focus groups
Has the establishment of competing Georgian government mechanization centers impacted the MSCs established by AMP?	Farmers Other donors	Interviews
Did training and utilization of mechanization services increase collective household incomes? (Use of proxy questions if/when necessary)	Farmers	Focus groups Interviews
Identify opportunities to improve impact and enhance the implementation and management of future	Stakeholders	Focus groups Interviews

5. Work Location

Tbilisi and selected Georgian regions and the U.S.

The teams will travel outside the capital as needed (for AMP to all 8 regions with MSCs:

Kakheti, Shida Kartli, Kvemo Kartli, Samtskhe-Javakheti, Imereti, Racha, Samegrelo, and Guria) in order to meet with key players in diverse parts of the country and to get a better sense of the overall context within Georgia.

6. Performance Period

The following levels of effort are illustrative and should serve only as an example of the staff which may be mobilized under this Task Order. These levels may not reflect the actual level of effort contracted, and the contractor will be expected to submit its own estimate of the level of effort needed to fulfill the objectives.

	Total number of work days	Number of work days in the US	Number of work days in Georgia
International Technical Expert (team leader) – Level I	22	7 (two before and five after visit)	15

	Total number of work days	Number of work days in the US	Number of work days in Georgia
Local Economic and Evaluation Consultant – Level II	17	0	17 (including 3 days to finalize the evaluation)
Translator – Level III	12	0	12

The contractor shall initiate Washington-based work by reading reports and familiarizing him/herself with the projects, beginning the effective date of the contract for two days for AMP.

The contractor will be required to visit Georgia once. The team leader’s visit will commence no later than on November 5, 2012, for approximately 34 workdays (15 days for AMP). USAID will leave up to the contractor to decide on the sequencing of the two evaluations, however it is expected that the team leader will accompany technical staff during both evaluations. It is expected that most of the visits for AMP will be in the regions outside of the capital.

The contractor shall finalize both reports in Washington. The Contractor can use up to two workdays for AMP.

A six-day work week will be authorized in Georgia with no premium pay.

II. Projects Documents for Review

The COR, through the Mission’s Economic Growth office and respective projects AOR and COR will put the contractor in contact with its implementing partner and might provide help with a small number of meetings (such as meeting with USG agencies). To the extent possible, relevant reports and other project documentation will be provided by the Mission to the contractor prior to travel to Georgia. These documents are:

1. Program Description for AMP
2. AMP annual and quarterly reports
3. AMP work plans
4. Studies/assessments produced under both projects.
5. Other projects documents which will be provided by the EG office in Tbilisi

The Mission’s EG Team will brief the evaluation team on their perceptions of political dynamics.

Evaluation Questions

1. Assess the operating condition of MSCs.
 - Q. Can each MSC manage its business operations (e.g., positive cash flow from operations, record keeping, designation of employee duties, staff coverage, sales and marketing capacity) to be evaluated against standards determined by the evaluators?
 - Q. Can each MSC operate and maintain its equipment, and can such equipment be repaired by MSC operators or appropriate service providers?
 - Q. Are the maintenance and repairs of equipment regularly funded by MSCs in accordance with applicable service schedules and repair needs?
 - Q. Has the establishment of competing Georgian government mechanization centers impacted the MSCs established by AMP?
2. Assess the effectiveness of providing large grants to private enterprises or individuals to establish or expand MSCs; and assess whether or not grant assistance caused market distortions by answering the following two questions:
 - Q. Did USG-funded grants mitigate perceived or real financial or other investment risks, causing enterprises or individuals to co-invest with the project?
 - Q. How did the establishment or expansion of MSCs harm or help competing mechanization service providers, including Government of Georgia owned centers?
3. Assess whether or not smallholder farmer productivity and incomes have improved as a result of training provided by the project, and access to and utilization of mechanization services.
 - Q. Did training and utilization of mechanization services contribute to an increase in collective household incomes?
4. Identify opportunities to improve impact and enhance the implementation and management of future similar projects such as gender equity and sustainability.

Mission Schedule

◀ February 2013		~ March 2013 ~					April 2013 ▶
Sun	Mon	Tue	Wed	Thu	Fri	Sat	
24	25	26	27	28	1	2	
3	4	5	6	7	8	9	
10	11	12	13	14	15	16	
17	18	19	20	21	22	23	
24	25	26	27	28	29	30	
31			Review Materials Research Design and Work Plan Preparation Home	Phone Call w/USAID/Georgia Review Materials Research Design and Work Plan Preparation Home	Team Member Conference Call Review Materials Research Design and Work Plan Preparation Home		

◀ March 2013		~ April 2013 ~				May 2013 ▶	
Sun	Mon	Tue	Wed	Thu	Fri	Sat	
31	1 Review Materials Research Design and Work Plan Preparation Home	2 Review Materials Research Design and Work Plan Preparation Home	3 Submit Draft Research Design and Work Plan to USAID Home	4	5	6	
7	8 Team Leader departs for Georgia	9 Team Leader Arrives in Georgia <i>Holiday in Georgia</i>	10 In-Briefing with USAID Work Plan and Research Discussion Tbilisi	11 Meetings and Interviews with Stakeholders Tbilisi	12 Submit Final Research Design and Work Plan Meetings and Interviews with Stakeholders Tbilisi	13 Meetings and Interviews with Stakeholders Tbilisi	
14	15 Meetings and Interviews with Stakeholders Team 1: Tbilisi Team 2: Guria	16 Meetings and Interviews with Stakeholders Team 1: Kvemo Kartli Team 2: Guria	17 Meetings and Interviews with Stakeholders Team 1: Kakheti Team 2: Samegrelo	18 Meetings and Interviews with Stakeholders Team 1: Kakheti Team 2: Samegrelo	19 Meetings and Interviews with Stakeholders Team 1: Shida Kartli Team 2: Imereti	20 Meetings and Interviews with Stakeholders Team 1: Samtskhe-Javakheti Team 2: Racha	
21	22 Meetings and Interviews with Stakeholders Team 1: Samtskhe-Javakheti Team 2: Racha	23 Prepare for out-briefing Tbilisi	24 Out-Briefing with USAID Tbilisi	25 Team Leader Returns home	26 Write Draft Report	27	
28	29 Write Draft Report	30 Write Draft Report	1	2	3	4	

◀ April 2013

~ May 2013 ~

June 2013 ▶

Sun	Mon	Tue	Wed	Thu	Fri	Sat
28	29	30	1 Write Draft Report	2 Submit Draft Report to USAID	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20 Receive USAID Comments	21 Integration of USAID Comments	22 Integration of USAID Comments	23 Submit Final Report to USAID	24	25
26	27	28	29	30	30	1

PROPOSED LIST OF AMP STAKEHOLDERS TO BE INTERVIEWED

AMP

1. MSCs
2. Local farmers

Public Sector

1. Ministry Of Agriculture (current and former officials)
2. Ministry Of Regional Development And Infrastructure
3. Ministry of Economy & Sustainable Development
4. Local Governments / Regional Municipalities

Donor Organizations

1. World Bank
2. Mercy Corp
3. Care International Caucasus
4. SDC
5. UNDP
6. USAID/ NEO Project
7. USAID/ EPI Project
8. European Commission
9. GIZ

Private Sector (Agricultural Input Supplying Companies and Others)

1. Agro Geo+
2. Borun
3. Kartlisi
4. Zadeni
5. LDT Mekanizatori
6. Non-USAID funded MSCs
7. Equipment Dealers

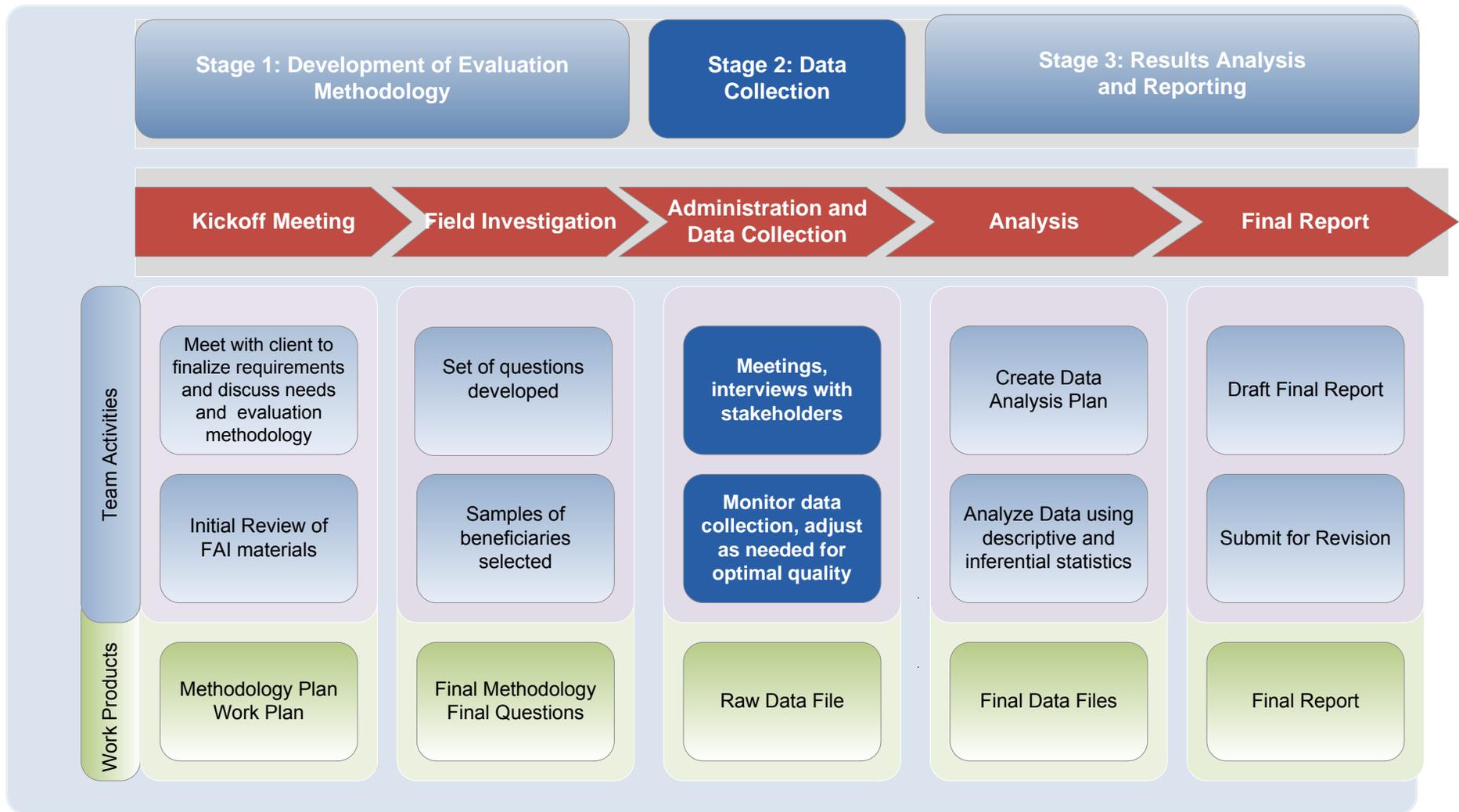
Associations and Chambers of Commerce

1. American Chamber Of Commerce (Agribusiness Committee)
2. Georgian Farmers Association
3. Georgian Agricultural Corporation

Banks

1. Bank of Georgia
2. ProCredit Bank
3. TBC
4. VTB Bank
5. Kor Standard Bank

Evaluation Design Chart



Summary of Evaluation Design and Methodology

Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Interview Selection Process and Size of Sample	Limitations / Concerns
Research Area 1. Assess the operating condition of MSCs				
Q.1 Can each MSC manage its business operations (e.g. positive cash flow, record keeping, designation of employee duties, staff coverage, sales and marketing capacity)?	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in MSCs	Interviewees identified and agreed by Evaluation Team, CNFA/AMP personnel and USAID	
	Description – based on content analysis of secondary data	Review of MSC company sales and financial records	Evaluation team will visit all 21 MSCs asking in advance for access to financial statements	MSCs provide financial records for scrutiny
	Description based on content analysis of primary data	Review of AMP M & E records and relevant reports	Relevant AMP documentation provided to Evaluation Team	
Q.2 Can each MSC operate and maintain its equipment and can such equipment be repaired by MSC operators or appropriate service providers?	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in MSCs	Interviewees identified and agreed by Evaluation Team, CNFA/AMP personnel and USAID	
	Description and comparison of ratings by MSCs & service providers	Key informant interviews with key personnel in MSCs & selected service providers (possible focus group session if enough participants in selected area)	Interviewees identified and agreed by Evaluation Team, CNFA/AMP personnel and USAID MSCs to assist in selection of service providers	Will service providers include those not necessarily having a positive view of AMP
Q.3 Are the maintenance & repairs of equipment funded	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in MSCs and selected service	Interviewees identified and agreed by Evaluation Team, CNFA/AMP	Need to define service schedules &

Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Interview Selection Process and Size of Sample	Limitations / Concerns
<i>by MSCs in accordance with service schedules & repair needs?</i>		providers	personnel and USAID	repair needs
	Description – based on content analysis of expert opinions	Focus group sessions with farmers in selected regions	To be organized by Evaluation Team and MSCs in sample regions	
	Description based on content analysis of primary data	Review of AMP M & E records and relevant reports	Relevant AMP documentation provided to Evaluation Team	
Q.4 Has the establishment of competing Georgian government mechanization centers impacted the MSCs established by AMP?	Description based on content analysis of primary data	Review of AMP M & E records and relevant reports	Relevant AMP documentation provided to Evaluation Team	Criteria needed to address this unclear and requires clarification in order avoid yes/no answer
	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in MSCs and government mechanization centers	Interviewees identified and agreed by Evaluation Team, CNFA/AMP personnel and USAID	Criteria needed to address this unclear and requires clarification in order avoid yes/no answer
Research Area 2. Assess the effectiveness of providing large grants to private enterprises or individuals to establish or expand MSCs and assess whether or not this caused market distortions				
Q.1 Did USG-funded grants mitigate perceived or real financial or other investment risks, causing enterprises or individuals to co-invest with the project?	Description based on content analysis of primary data	Review of AMP M & E records and relevant reports	Relevant AMP documentation provided to Evaluation Team	
	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in MSCs, financial institutions and relevant government ministries	Interviewees identified by Evaluation Team, CNFA/AMP personnel and USAID	Difficulty in triangulating responses from respondents to reach meaningful conclusion
Q.2 How did the	Description based	Review of AMP M & E	Relevant AMP	

Evaluation Question	Type of Analysis Conducted	Data Sources and Methods Used	Interview Selection Process and Size of Sample	Limitations / Concerns
<i>establishment or expansion of MSCs harm or help competing mechanization service providers, including government owned centers?</i>	on content analysis of primary data	records and relevant reports	documentation provided to Evaluation Team	
	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in MSCs and government mechanization centers	Interviewees identified and agreed by Evaluation Team, CNFA/AMP personnel and USAID	Evidence based responses needed but question closer to opinion and / or hearsay
<i>Research Area 3. Assess whether or not smallholder farmer productivity and incomes have improved as a result of training provided by the project and access to and utilization of mechanization services</i>				
<i>Q.1 Did training and utilization of mechanization services contribute to an increase in collective household incomes?</i>	Description based on content analysis of primary data	Review of AMP M & E records and relevant reports	Relevant CNFA/AMP documentation provided to Evaluation Team	
	Description – based on content analysis of expert opinions	Focus group sessions with farmers in selected regions	To be organized by Evaluation Team and MSCs in sample regions – target = 8-10 per focus group session including representatives from all identified participants	No tested methodology available to correlate training with household income
	Description – based on content analysis of expert opinions	Key informant interviews with key personnel in relevant government ministries	Interviewees identified by Evaluation Team, AMP personnel and USAID	
<i>Research Area 4. Identify opportunities to improve impact and enhance the implementation and management of future similar projects such gender equality and sustainability</i>				
Response to appear in text of Final Report with particular reference to recommendations				

Overall Monitoring and Evaluation Matrix

AMP Overall Monitoring and Evaluation Matrix					
Period of Performance: September 2009 –December 2012					
	Indicators	Target	Level of Achievement (Actual) ⁸	Source(s) of Verification	Comments/ Reasons for Deviation (if any)
1.	IDP Specific Indicators:				
1.1	No. of IDP families benefiting from improved mechanization	2000-3000	2,098	PMPs, quarterly & annual reports	Achieved
1.2	No. of hectares farmed by IDPs covered by mechanization due to project	800	801.8	PMPs, quarterly & annual reports	Achieved
1.3	Value of assistance provided by IDPs	\$145,000	\$120,358	PMPs, quarterly & annual reports	Almost achieved – short support timeframe – April to June 2010
2.	Project Indicators – Programmatic:				
2.1	No. of MSCs established	25-30	21	PMPs, quarterly & annual reports	Target realigned in Grant Cooperative Agreement March 2012
2.2	No. of additional tractors operating in target areas	60-100	82	PMPs, quarterly & annual reports	Achieved
2.3	No. of additional pieces of related farm equipment available in target areas	240-400	235	PMPs, quarterly & annual reports	Almost achieved
2.4	Total new investment in agricultural machinery due to project (grant funds + matching investment)	\$3.98m	\$5.42m ⁹	PMPs, quarterly & annual reports	Significantly exceeded although method of calculation not statistically robust

⁸ Total aggregated amount for Years 1,2&3 as of 19.11.12

⁹ Actual amount rounded up from 7 figure total – all other similar amounts thereafter rounded up in chart

AMP Overall Monitoring and Evaluation Matrix

Period of Performance: September 2009 –December 2012

	Indicators	Target	Level of Achievement (Actual) ⁸	Source(s) of Verification	Comments/ Reasons for Deviation (if any)
2.5	Amount of financing mobilized in support of machinery services	\$1m - \$2m	\$1.08m	PMPs, quarterly & annual reports	Achieved
2.6	No. of rural service providing enterprises receiving business skills training	75	47	PMPs, quarterly & annual reports	Not achieved – availability of service providers
2.7	No. of agriculture-related firms benefiting directly from USG supported interventions (incl. both grantees and non-grantee service providers receiving bus. training)	75	47	PMPs, quarterly & annual reports	Not achieved – late start of some MSCs means benefits accrue post-project
2.8	No. of extension trainings conducted by AMP	125	119	PMPs, quarterly & annual reports	Almost achieved
2.9	No. of field days and demonstrations conducted by MSCs	75	78	PMPs, quarterly & annual reports	Achieved
3.	Project Indicators – MSC Performance				
3.1	New jobs created	225-270	195	PMPs, quarterly & annual reports, MSCs	Anticipated to be met post-project monitoring
3.2	Increased household income from new jobs created	£\$1.0m - \$1.2m	\$377,067	PMPs, quarterly & annual reports	Anticipated to be met post-project monitoring
3.3	Additional hectares covered by mechanization services due to project	9,500 – 15,000	30,388	PMPs, quarterly & annual reports	Exceeded
3.4	Sales of services to farmers	\$2.5m - \$4.0m	\$1.78m	PMPs, quarterly & annual reports	Anticipated to be met post-project monitoring
3.5	Increased annual gross profit of machinery service providers due to	\$1.25m - £2.0m		PMPs, quarterly &	Not achieved – problems with sourcing accurate

AMP Overall Monitoring and Evaluation Matrix

Period of Performance: September 2009 –December 2012

	Indicators	Target	Level of Achievement (Actual) ⁸	Source(s) of Verification	Comments/ Reasons for Deviation (if any)
	USG assistance		\$424,021	annual reports	data
3.6	%age increase in gross profit of machinery service providers due to USG assistance	10%	N/a	PMPs, quarterly & annual reports	Anticipated to be met post-project monitoring
3.7	%age decrease in MSC service prices over 2009 baselinerrates	20%	N/a	PMPs, quarterly & annual reports	n/a
3.8	No. of women owned businesses assisted	5	2	PMPs, quarterly & annual reports	Not achieved – issue regarding availability of businesses to participte
4.	Project Indicators – Farmer Impact:				
4.1	Ave. plot size serviced by assisted farm service providers (incl. IDPs)	0.97 ha	0.41ha	PMPs, quarterly & annual reports	Not achieved – difficult to assess
4.2	No. of farmers benefiting from the provision of increased farm services made available due to AMP assistance (incl. IDPs)	9,250 – 14,000	12,819	PMPs, quarterly & annual reports	Achieved
4.3	Percentage, average and total increased annual income to small-scale farmers due to AMP (calculated through annual farm survey at calendar year end	\$4.6m - \$9.8m	\$5.33m	PMPs, quarterly & annual reports	Achieved
4.4	No. of women provided training on business or agricultural practices	300	164	PMPs, quarterly & annual reports	Not achieved – identifying women farmers an issue
4.5	No. of farmers participating in field days and demonstrations	1,125	1,207	PMPs, quarterly & annual reports	Achieved
4.6	No. of farmers participating in AMP extension training	1,875	2,318	PMPs, quarterly & annual reports	Achieved

AMP Overall Monitoring and Evaluation Matrix

Period of Performance: September 2009 –December 2012

	Indicators	Target	Level of Achievement (Actual) ⁸	Source(s) of Verification	Comments/ Reasons for Deviation (if any)
4.7	No. of farmers, processors and others who have adopted new technologies or management practices due to USG assistance (MSC clients, IDPs, service providers, training beneficiaries)	12,275 – 17,000	16,539	PMPs, quarterly & annual reports	Achieved
4.8	No. of additional hectares under improved technologies or management practices due to USG assistance	9,500 – 15,000	31,190	PMPs, quarterly & annual reports	Exceeded
4.9	No. of rural households benefiting directly from USG assistance (MSC clients, IDPs, service providers, training beneficiaries)	12,500 – 17,300	16,539	PMPs, quarterly & annual reports	Achieved

Interviewee Profile & Illustrative Questions

Background Information of Interviewee

1	Name of interviewee	
2	Name of organization	
3	Main activities of business	
4	Position of person interviewed	
5	Region and district of the organization	
6	Legal status of organization	
7	When business started	
8	Interviewee have direct experience working with AMP	
9	Nature of interviewee's relationship with AMP	
10	Nature of organizations relationship with AMP	

Illustrative Questions for Interviewees

Direct Beneficiaries - Farmers

Q.1 What were the benefits to you of MSC services? For example:

- ☞ more timely planting, cultivation and harvest;
- ☞ greater acreage under cultivation;
- ☞ higher productivity and income per hectare;
- ☞ reduced costs; increased income).

Do you attribute these benefits to project activities?

A.1

Q.2 Did AMP improve the quantity and quality of agricultural services available to you?

A.2

Q.3 Did AMP increase the level of competition among businesses supplying agricultural products and services?

A.3

Q.4 Have your costs of using farm machinery been reduced as a result of the AMP/MS?

A.4

Q.5 Did you or your employees participate in any training events sponsored by AMP or an AMP assisted MSC?

A.5

Q.6 What training was received?

A.6

Q.7 How effective was the training? What in your opinion were the best aspects of the training?

A.7

Q.8 In which areas would you like to see more training?

A.8

Q.9 Did you receive any other technical assistance from AMP or an AMP-assisted MSC? What was the nature of the technical assistance?

A.9

Q.10 How do you rate the quality of technical assistance provided to you?

A.10

Q.11 In terms of the quality of training/technical assistance, how do you rate the quality of:

- AMP/MSC consultants?
- Farmer to Farmer Volunteers?

A.11

Q.12 Did training and utilization of mechanization services provided by AMP-assisted MSCs increase your income?

A.12

Q.13 Did the program address the priorities of the participating farmers for agricultural services?

A.13

Q.14 How do you rate the AMP-assisted MSC in terms of responsiveness and timely delivery of services?

A.14

Q.15 How in particular did AMP assist IDPs?

Q.15

Direct Beneficiaries - MSCs

Q.1 Does the MSC have:

- positive cash flow from operations,
- appropriate record keeping,
- designation of employee duties,
- staff coverage,
- sales and marketing capacity?

A.1

Q.2 Is this organization sufficiently profitable to assure sustainability?

A.2

Q.3 What is the likelihood that you would have created this organization without AMP assistance?

A.3

Q.4 Is this organization properly operating and maintaining its equipment? Is the equipment repaired by MSC operators or appropriate service providers?

A.4

Q.5 Is maintenance and repair of equipment regularly funded by this organization in accordance with applicable service schedules of the equipment?

A.5

Q.6 Did you or members of your staff participate in any AMP training events, seminars, etc.?

A.6

Q.7 What training was received?

A.7

Q.8 How effective was AMP training? What in your opinion were the best aspects of the AMP training?

A.8

Q.9 In which areas would you like to see more training?

A.9

Q.10 Did you receive any other technical assistance from AMP or an AMP-assisted MSC? What was the nature of the technical assistance?

A.10

Q.11 How do you rate the quality of technical assistance provided to you?

A.11

Q.12 In terms of the quality of training/technical assistance, how do you rate the quality of:

- AMP/MSC consultants?

- Farmer to Farmer Volunteers?

A.12

Local and Central Government Officials

Q.1 In your opinion was providing large grants to private enterprises or individuals to establish or expand MSCs an effective strategy? Why or why not? What were the alternatives?

A.1

Q.2 Did the MSC program create new jobs?

A.2

Q.3 Did the establishment or expansion of MSCs harm or help competing mechanization service providers? If so, how?

A.3

Q.4 Did USG-funded grants mitigate perceived or real financial or other investment risks, causing enterprises or individuals to co-invest with the project?

A.4

Q.5 Did AMP leverage USAID grant funds with local partner matching investments, including large-scale involvement of local and international commercial finance, to maximize impact and investment in the rural economy?

A.5

Q.6 Did AMP improve the competitive environment for machinery services? If so, how?

A.6

Q.7 Did AMP contribute to returning more agricultural land to production? If so, how?

A.7

DRAFT REPORT OUTLINE

LIST OF ACRONYMS AND ABBREVIATIONS.....	
EXECUTIVE SUMMARY	
1.0 INTRODUCTION: BACKGROUND AND CONTEXT.....	
1.1 Description of the Access to Mechanization Project (AMP).....	
1.2 Purpose of the Evaluation	
1.3 Methodology of the Evaluation	
2.0 REVIEW 1: ASSESS THE OPERATING CONDITION OF MSCs.....	
2.1 Summary of Evaluation Questions - Design and Methods	
2.2 Findings.....	
2.3 Conclusions.....	
2.4 Recommendations	
3.0 REVIEW 2: ASSESS THE EFFECTIVENESS OF PROVIDING LARGE GRANTS TO ENTERPRISES AND INDIVIDUALS TO ESTABLISH OR EXPAND MSCs.....	
3.1 Summary of Evaluation Questions - Design and Methods	
3.2 Findings.....	
3.3 Conclusions.....	
3.4 Recommendations.....	
4.0 REVIEW 3: ASSESS WHETHER OR NOT SMALLHOLDER FARMER PRODUCTIVITY AND INCOMES HAVE IMPROVED AS A RESULT OF TRAINING.....	
4.1 Summary of Evaluation Questions – Design and Methods	
4.2 Findings.....	
4.3 Conclusions.....	

4.4 Recommendations

5.0 REVIEW 4: IDENTIFY OPPORTUNITIES TO IMPROVE IMPACT AND ENHANCE IMPLEMENTATION OF FUTURE SIMILAR PROJECTS

5.1 Findings.....

5.2 Conclusions

5.3 Recommendations.....

6.0 REVIEW 4: LESSONS LEARNED

Annexes

A. Statement of Work

B. Evaluation Design and Methodology

C. List of Persons Interviewed

D. List of Documents Reviewed

E. Overall Monitoring and Evaluation Matrix

ANNEX C: LIST OF MEETINGS

List of Meetings

N	CONTACT PERSON	POSITION	ORGANIZATION	LOCATION	DATE
1	Louisa Namicheishvili	CNFA, Country Director	CNFA	Tbilisi	10/04/2013
2	Giorgi Tkeshelashvili	CNFA, AMP Project Field Officer	CNFA	Tbilisi	10/04/2013
3	Otar Chigladze	CNFA, AMP Project M&E Expert	CNFA	Tbilisi	10/04/2013
4	David Tsiklauri	USAID, Project Manager	USAID	Tbilisi	10/04/2013
5	Stephen M. Haykin	USAID, Mission Director	USAID	Tbilisi	10/04/2013
6	Keti Chogovadze	Project Development Specialist	USAID	Tbilisi	10/04/2013
7	Roy Plucknett	USAID, Deputy Mission Director	USAID	Tbilisi	10/04/2013
8	Douglas Balko	USAID, Economic Growth Office Specialist	USAID	Tbilisi	10/04/2013
9	Maia Khatiashvili	USAID, GIS Expert	USAID	Tbilisi	10/04/2013
10	Patrick Norrell	CNFA, Vice President	CNFA	Tbilisi	11/04/2013
11	Louisa Namicheishvili	CNFA, Country Director	CNFA	Tbilisi	11/04/2013
12	Giorgi Tkeshelashvili	CNFA, AMP Project Field Officer	CNFA	Tbilisi	11/04/2013
13	Irakli Kasrashvili	Mercy Corps, Director	Mercy Corps	Tbilisi	11/04/2013
14	Nino Zambakhidze	GFA, Director	Georgian Farmers Association	Tbilisi	11/04/2013
15	Shalva Pipia	Deputy Minister	Ministry Of Agriculture	Tbilisi	12/04/2013

16	David Lee	Head, Agribusiness Committee	American Chamber Of Commerce	Tbilisi	12/04/2013
17	Ilia Gogichaisvili	Agribusiness Lending Coordinator	TBC Bank	Tbilisi	12/04/2013
18	Dima Kostarov	Head of The Strategic Development Department	Agro Geo+	Tbilisi	13/04/2013
19	Valeri Kopaleishvili	Ex-Deputy Minister	Ministry of Internally Displaced Persons from the Occupied Territories, Accommodation and Refugees	Tbilisi	13/04/2013
20	Davit Tvaliashvili	Owner	MSC	Gori	15/04/2013
21	Malkhaz Nakhutrishvili	Owner	MSC	Kareli	15/04/2013
22	Ioseb Gogitadze	Owner	MSC	Sachkere	15/04/2013
23	Pavle Lursmanashvili	Owner	MSC	Zestaponi	16/04/2013
24	Avtandil Mikiashvili	Owner	MSC	Ambrolauri	16/04/2013
25	Merab Nadaria	Owner	MSC	Khobi	17/04/2013
26	David Khurodze	Owner	MSC	Senaki	17/04/2013
27	Gela Gamkrelidze	Owner	MSC	Kvemo Natanebi	17/04/2013
28	Mamuka Nasidze	Owner	MSC	Akhaltzikhe	18/04/2013
29	Teodradze Otari	Owner	MSC	Akhalkalaki	18/04/2013
30	Nugzar Londaridze	Owner	MSC	Aspindza	18/04/2013
35	Davit Khmelidze	Owner	MSC	Bolnisi	19/04/2013

36	Givi Kaikhosroshvili	Owner	MSC	Marneuli	19/04/2013
37	Mamuka Kharadze	Owner	MSC	Teleti	19/04/2013
38	Davit Petriashvili	Owner	MSC	Tetritskaro	19/04/2013
39	Ioseb Okruashvili	Owner	MSC	Sartichala	20/04/2013
40	Giorgi Zirakishvili	Owner	MSC	Akhmeta	20/04/2013
41	Bezhan Gonashvili	Owner	MSC	Dedoplistskaro	20/04/2013
42	Zaza Juxaridze	Manager	MSC	Tsnori	22/04/2013
43	David Baindurashvili	Owner	MSC	Lagodekhi	22/04/2013
44	Kakhaber Mosemxvdishvili	Manager	MSC	Gurjaani	22/04/2013
45	David Kirvalidze	Minister	Ministry of Agriculture	Tbilisi	22/04/2013
46	Berdia Asanishvili	Deputy Head	Signagi Municipality	Signagi	22/04/2013
47	Ramaz Managadze	Agriculture Program Coordinator	Lagodekhi Municipality	Lagodekhi	22/04/2013

ANNEX D: LIST OF MATERIALS CONSULTED

List of Materials Consulted

USAID / CNFA	
Name of Document	Date
Cooperative Agreement AID-114-LA-09-00001	28/09/09
Grant & Cooperative Agreement Amendment	09/03/12
AMP Work Plans	
Name of Document	Date
Year 1 Work Plan	16/11/09
Year 2 Work Plan	03/12/10
Year 3 Work Plan	31/10/11
Year 1 WP – Annex 1 – Farmer Application Forms	--
Year 1 WP – Annex 2 – Evaluation Form	--
Year 1 WP – Annex 3 – CNFA Organization Chart	--
Year 1 WP – Annex 4 - Unified Implementation Timeline	--
AMP Annual Reports	
Name of Document	Date
Year 1 – Annual Report	31/10/10
Year 2 – Annual Report	25/10/11
AMP Quarterly Reports	

Name of Document	Date
Q1 Report – Annex 1 – Application Form	--
Q1 Report – Annex 2 – Evaluation Form	--
Q1 Report – Annex 3 – Applicant’s Guide	26/11/09
Q1 Report – Annex 4 – General Eligibility Criteria	--
Q1 Report – Annex 5 – Environmental & Worker Safety Guidelines	28/11/09
Q1 Report – Annex 6 – Guidelines for the Procurement of AMP Goods & Services	25/12/09
Q1 Report – Annex 7 – Outreach Strategy for AMP	--
Q2 Report – (01/01/10 – 31/03/10)	30/04/10
Q3 Report – (01/04/10 – 30/06/10)	30/07/10
Q5 Report - (01/10/10 – 31/12/10)	29/01/11
Q6 Report - (01/01/11 – 31/03/11)	29/04/11
Q7 Report – (01/04/11 – 30/06/11)	29/07/11
Q9 Report – (01/10/11 – 31/12/11)	31/01/12
Q10 Report – (01/01/12 – 31/03/12)	30/04/12
Q11 Report – (31/03/12 – 30/06/12)	31/07/12

AMP Performance Monitoring & Evaluation Plans (PMEPs) & docs

Name of Document	Date
PMEP	19/11/09
Annex 1 – Quarterly Reporting Form	19/11/09
Annex 2 – Training beneficiary Record	19/11/09
Annex 3 – Client Survey Form	13/12/09
Annex 4 – Project Monitoring Plan	13/12/09

PMP Data Collection Spreadsheet	29/10/09
PMP Data Collection Spreadsheet	05/03/10
Initial Indicators	22/10/09
Performance Indicator Reference Sheets	05/03/10
Performance Indicator Reference Sheet – Short Version	05/03/10
Narrative Achievements – AMP?	11/11
List of Georgia Indicators	17/11/11

AMP Project Papers	
Name of Document	Date
Crop Production Handbook	2010
Modern Machinery System for Crop Production	
Food Safety	
AMP Business Training & Extension Training Materials	
Name of Document	Date
Business Planning	
Extension Training – Assorted brochures and hand- outs	
AMP Miscellaneous Documents	
Name of Document	Date
AMP – End-of Project Report	

Modification – Attachment I	
AMP Grantees Contact Details	
AMP – Grant Summary Database (Electronically)	
Strategy of Agriculture Development of Georgia (Ministry of Agriculture) 2012 - 2022	2012
AMP – Household Income Survey	
AMP – Impact Data for all Grantees	
MSC Cash-Flow Statements (prepared by AMP)	Dates
1. Laba+ LLC	2010 & 2011
2. Malkhaz Nakhutsrishvili I/E	2010 & 2011
3. Bezhan Gonashvili I/E	2010 & 2011
4. Davit Petriashvili I/E	2010 & 2011
5. Davit Tvaliashvoli I/E	2010 & 2011
6. Alaverdi LLC	2010 & 2011
7. Dorani LLC	2010 & 2011
8. Geo Nut LLC	2010 & 2011
9. Agronominali LLC	2010 & 2011
10. Nugzar Londaridze I/E	2010 & 2011
11. Mamuli 96 LLC	2010 & 2011
12. Alva LLC	2010 & 2011
13. DV+ LLC	2010 & 2011
14. Levan Aroshidze I/E	2010 & 2011
15. Ruka Mapping LLC	2011 & 2012
16. Gela Gamkrelidze I/E	2011 & 2012
17. Mamuka Kharadze I/E	2011 & 2012
18. Avtandil Mikiashvili I/E	2011 & 2012

19. Energia 777 LLC		2011 & 2012
20. Lursmanashvili SLC		2011 & 2012
21. Daviti LLC		2011 & 2012
MSC Balance Sheets (prepared by AMP)		Date
1. Laba+ LLC		2010 & 2011
2. Malkhaz Nakhutsrishvili I/E		2010 & 2011
3. Bezhan Gonashvili I/E		2010 & 2011
4. Davit Petriashvili I/E		2008 - 2011
5. Davit Tvaliashvoli I/E		2010 & 2011
6. Alaverdi LLC		2010 & 2011
7. Dorani LLC		2010 & 2011
8. Geo Nut LLC		2010 & 2011
9. Agronominali LLC		2010 & 2011
10. Nugzar Londaridze I/E		2010 & 2011
11. Mamuli 96 LLC		2010 & 2011
12. Ruka Mapping LLC		2011 & 2012
13. Gela Gamkrelidze I/E		2011 & 2012
14. Alva LLC		2010 & 2011
15. Levan Aroshidze I/E		2010 & 2011
16. Mamuka Kharadze I/E		2011 & 2012
17. Avtandil Mikiashvili I/E		2010 & 2011
18. Energia 777 LLC		2011 & 2012
19. Lursmanashvili SLC		2010 & 2011
20. DV+ LLC		2008 - 2011
21. Daviti LLC		2011 & 2012

ANNEX E: OVERVIEW OF THE EVALUATION TEAM'S MISSION FINDINGS

OVERVIEW OF THE EVALUATION TEAM'S MISSION FINDINGS

	MSC	Start date	Increased productivity resulting from MSC services		Household Income Increase?		Jobs Created		MSCs/ farmers benefit from capacity building training?	Farmer Focus Group Sessions			Barriers / restrictions for farmers to become more competitive	Sustainability Likelihood MSCs (Market development capacity) *	
			Yes	% age	Yes	% age	Yes	Num	Yes	Male	Female	IDP	Identified Problem	Yes	Reason
1	Gori	Jan 2011	✓	20-25	✓	7-15	✓	16	✓	10	-	-	Price instability	✓	D > S
2	Kareli	Oct 2010	✓	15-20	✓	5-10	✓	12	✓	8	-	-	Lack of spare parts	✓	D > S
3	Sachkhere	Dec 2011	✓	15-20	✓	5-10	✓	8	✓	7	1	-	Lack of proper machinery	✓	D > S
4	Zestaponi	Oct 2012	✓	n/a	✓	n/a	✓	12	✓	10	-	-	No agri -. insurance	✓	D > S
5	Ambrolauri	May 2012	✓	n/a	n/a		✓	13	✓ (MSC only)	No focus group			Poor prod'n planning	✓	D > S
6	Khobi	Sept 2011	✓	30-40	✓	10-15	✓	17	✓	7	-	-	Machine	✓	D > S

													availability		
7	Senaki	May 2011	✓	n/a	✓	n/a	✓	9	✓ (MSC only)	No focus group			Land fragmentation	✓	D > S
8	Natanebi	Nov 2011	✓	50	✓	20-25	✓	11	✓	9	-	-	Lack of proper machinery	✓	D > S
9	Akhaltzikhe	July 2010	✓	25-50	✓	None	✓	45	✓	9	4	-	Cheap Turkish imports	✓	D > S
10	Aspindza	July 2011	✓	20-30	✓	None	✓	11	✓	10	3	-	Cheap Turkish imports	✓	D > S
11	Akhalkalaki	Apr 2012	✓	20	✓	None	✓	12	✓	6	-	-	Cheap Turkish imports	✓	D > S
12	Bolnisi	Nov 2010	✓	20-40	✓	10	✓	15	✓	9	-	-	Lack combine harvester	✓	D > S
13	Marneuli	Mar 2011	✓	20-30	✓	5-10	✓	15	✓	17	3	2**	Cheap Turkish imports	✓	D > S
14	Tetritskaro	Nov 2010	✓	20	✓	5-10	✓	12	✓	10	3	4	Irrigation channels need excavated	✓	D > S
15	Teleti	Apr 2012	✓	50-70	✓	30-35	✓	6	✓	6	-	-	Fertility of land	✓	D > S
16	Sartichala	Aug 2011	✓	20-25	✓	20	✓	46	✓	19	2	-	Lack of input supplies	✓	D > S

17	Akhmeta	Apr 2011	✓	n/a	✓	n/a	✓	9	✓ (MSC only)	No focus group			Timely access to spare parts	✓	D > S
18	Gurjaani	Dec 2011	✓	n/a	✓	n/a	✓	8	✓ (MSC only)	No focus group			Soil testing	✓	D > S
19	Tsnori	June 2011	✓	30-40	✓	10-15	✓	9	✓	8	-	-	Lack of proper machinery	✓	D > S
20	Lagodekhi	Dec 2011	✓	n/a	✓	n/a	✓	7	✓	18	-	-	Lack of proper machinery	✓	D > S
21	Dedoplisk aro	Nov 2010	✓	25-35	✓	15-20	✓	11	✓	15	-	-	Cheap Import	✓	D > S
	TOTAL							293		178	16	6			

* Criteria for sustainability also includes analysis of financial statements, market demand, timely repayment of bank loans, employment

** 2 = female IDPs

NOTES

1. Jobs created = full time + seasonal part-time

2. Household income increase - calculated by show of hands

3. n/a = not available

OVERVIEW OF THE EVALUATION TEAMS ANSWERS TO QUESTIONS

MSC	Q1 Can each MSC manage business operations (finance, sales & mktg, staff..)	Q2 Ability to operate, maintain & repair equipment?			Q3 Equipment maintenance & repair in line with service schedules?			Q4 Do the gov't mechaniz'n centres Impact the AMP MSCs			Q5 Was availability of matching grant key decision to co-invest?			Q6 Did creation of MSCs harm gov't or competing mechaniz'n service providers?			Q7 Did training & use of MSCs contribute to an increase in household incomes? *					
		H	M	L	H	M	L	H	M	L	H	M	L	H	M	L	H	M	L			
1	Gori		✓			✓			✓				✓	✓					✓			✓
2	Kareli		✓			✓		✓					✓	✓					✓			✓
3	Sachkhere	✓			✓			✓					✓	✓					✓			✓

4	Zestaponi		✓			✓			✓				✓	✓					✓	No focus group		
5	Ambrolauri		✓			✓			✓				✓	✓					✓	No focus group		
6	Khobi	✓			✓			✓					✓		✓				✓			✓
7	Senaki	✓				✓		✓					✓	✓					✓	No focus group		
8	Natanebi		✓			✓		✓					✓	✓					✓		✓	
9	Akhalsikhe		✓			✓		✓			✓		✓					✓			✓	
10	Aspindza	✓				✓		✓					✓	✓					✓			✓
11	Akhalkalaki		✓		✓			✓					✓			✓			✓			✓
12	Bolnisi	✓			✓			✓			✓			✓		✓						✓

13	Marneuli		✓		✓			✓				✓			✓			✓			✓	
14	Tetritskaro	✓				✓		✓			✓				✓		✓					✓
15	Teleti	✓				✓		✓				✓		✓				✓		✓		
16	Sartichala	✓			✓			✓				✓		✓				✓		✓		
17	Akhmeta			✓			✓		✓			✓		✓				✓	No focus group			
18	Gurjaani	✓			✓			✓				✓	✓					✓	No focus group			
19	Tsnori		✓			✓		✓				✓	✓					✓				✓
20	Lagodekhi		✓			✓						✓	✓					✓				✓
21	Dedoplistskaro		✓		✓			✓				✓	✓				✓					✓

Legend: H = High

M = Medium

L = Low

*** Legend H = > 40%**

M = 20% - 40%

L = < 20%

ANNEX F: MSC INTERVIEWEE QUESTIONNAIRE

Interviewee Background and Questionnaire

MSC – Akhalkalaki Machinery Service Center		
1	Local Partner	Energia 777 LLC
2	Name of interviewee	
3	Position of interviewee	
4	Main activities of business	
5	Region and district of the organization	
6	Legal status of organization	
7	When business started	
8	Interviewee have direct experience working with AMP	

MSC Interviewee Questionnaire

Q.1 Does the MSC have:

- positive cash flow from operations,
- properly defined employee duties,
- staff coverage,
- sales and marketing capacity?

A.1

Q.2 Is the business sufficiently profitable to assure sustainability? What financial records do you keep to track and monitor performance?

A.2

Q.3 What is the likelihood that you would have created this organization without AMP assistance?

A.3

Q.4 Is the organization properly operating and maintaining its equipment? Can the equipment be repaired by MSC operators or appropriate service providers?

A.4

Q.5 Is maintenance and repair of equipment regularly funded by this organization in accordance with applicable service schedule and repair needs?

A.5

Q.6 Did you or members of your staff participate in any AMP training events, seminars, etc.?

A.6

Q.7 If so, how effective was the training in addressing your needs?

A.7

Q.8 What in your opinion were the best aspects of the AMP training and in which areas would you like to see more training?

A.8

Q.9 Did you receive any other technical assistance from AMP? What was the nature of the technical assistance and how did you rate it in terms of quality?

A.9

Q.10 In terms of the quality of training/technical assistance, how do you rate the quality of:

- AMP/MSC consultants?
- Farmer to Farmer Volunteers?

A.10

Q.11 Was the availability of an AMP matching-grant a major factor in your decision to set up the business in terms of reducing your risk exposure?

A.11

Q.12 Since the establishment of the MSC has your business affected the activities of either government centers or competing mechanization service providers?

A.12