



Strategy for Restructuring the Ministry of Agriculture and Food of Georgia

*Restructuring Assistance and
Policy Advice for the Ministry of
Agriculture and Food of the
Republic of Georgia Task Order*

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This document is prepared as a required deliverable under the Ministry Restructuring and Policy Advice activity under the BASIS IQC for delivery to USAID Tbilisi on April 11, 2001. It is based upon the extensive diagnosis of the Ministry presented earlier.

Goal

This activity seeks to create a Ministry of Agriculture that can function effectively in a democratic society and market economy:

- 1) to represent and safeguard the general public's interests in the agri-food sector; and
- 2) to represent and advance the welfare of producers, especially primary producers (farmers).

To do so it should have a flexible structure capable of further change.

Assumptions

1. Rolling restructuring. (Pick one thing at a time, do it, then go on to next. Concentrate resources, efforts.)
2. Recipient coordinates. This activity will involve many subprojects, many donors. To prevent confusion and competition among donors, the Minister of Agriculture and Food must coordinate it. The Minister should establish working group to coordinate restructuring by his order. This working group should be chaired by the Minister and include representatives of all major donors as appointed by local donor representative (i.e., representative of USAID as specified by head of USAID mission.''). This procedure avoids the problem of appointing representatives of individual projects, since both the projects and their leadership change fairly quickly.
3. No reform is ever "finished": as the Ministry becomes more effective, it will assume new activities and face new challenges.

Continuing Actions

1. Clean up mess. Forensic auditing of past Ministry activities where necessary, other measures to make certain that problems from the past no longer hamstring present activities.

Sequential Actions

1. Central apparatus
 - a. lay off unnecessary personnel
 - b. restructure personnel department
 - c. improve information to staff (newspaper, etc)

- d. improve paper flow, tracking
 - e. develop better financial systems
 - f. improve ability of international department to coordinate donors' activity
 - g. develop market-analysis, policy capacity
2. clean up State Regulatory Board (Ltd formed from grain procurement and storage monopoly). Ensure that grain-handling is fully privatized, competitive.
 3. eliminate other Ltds.
 4. centralize budget funding, eliminate separate legal status of departments
 5. carry out attestation of veterinary service
 6. redesign inspection norms, train new inspectors (in markets, borders, etc)
 7. examine other major autonomous departments independently (plant protection, Department of Amelioration and Water Economy)
 8. privatize processing, production units (including farms)