

ALCP: transforming veterinary services for women and men smallholder farmers in post- Soviet Georgia

How the Alliances Caucasus Programme (ALCP) enabled more than 400,000 smallholder farmers to step up livestock production in Georgia between 2011 and 2017.

The initiative aimed to re-build accessible veterinary services in remote areas. It enabled at least 400,000 small-holder farmers (many women) to step up livestock production. It involved investments and innovations in distribution of livestock health inputs, services and access to critical information from mini-pharmacies, driven by engagement with a leading veterinary input manufacturer and importer.

These changes were taken up at such a large scale that access to quality veterinary inputs and good advice about how to use them, has become the 'new normal' for

livestock farmers in Georgia and increasingly across other parts of the southern Caucasus region (Armenia, Azerbaijan) and Turkmenistan.

The market systems perspective

Why livestock farming?

- › Livestock is an important source of food and supplementary income for half a million rural households (in which women often play a main livestock husbandry role).
- › Urban and export market demand for quality-assured meat, cheese, other dairy products is strongly expanding. But local production is still hampered by the post-Soviet collapse of public livestock health-services.
- › Women and remotely located smallholder farmers were particularly inhibited by their poor access to veterinary services, information and products. Untreated, livestock disease lowers productivity and creates powerful disincentives to invest in herds.

Maintaining livestock health is crucial for the resilience of families. It depends on the accessibility and availability of veterinary services.

Early gendered market-research (2011) by ALCP found that, except in the main towns, services in Georgia had all but ceased to function: only 8 -14 per cent of farmers had access to local veterinary services, and just 5 - 8 per cent were using appropriate products, such as de-worming drugs. Farmers, especially women for whom cultural norms discouraged travel to cities, had particular difficulty accessing services that were expensive and far from their villages.

ALCP also found that manufacturers and importers of veterinary products had no rural distribution channels. As a result, smallholders had little exposure to their products and were largely unaware of the benefits of appropriate livestock health treatments. The underlying reason for this was a failure to recognise the potential of smallholders as reliable customers, and an unwillingness to take risks to recruit them. Hence no strategy or investment plan to reach them.

Interventions that catalysed innovation and behaviour change

ALCP had a vision for lasting change with widespread impact. It centred on engaging at least one of the main veterinary importer / manufacturing companies to invest in an innovative distribution network, supported by product development and information and advice.

Realising this vision required four significant business innovations, launched in partnership with Roki Ltd between 2012 and 2017, as ALCP learned more about the veterinary services market.

1. Pilot training and support for rural pharmacies (starting 2012)

Starting with five existing pharmacies in the Kvemo Kartli region, ALCP co-invested 60 per cent of the costs for Roki Ltd to provide veterinary training, a regular weekly supply of products at wholesale prices, information material and telephones directly connected to Roki's advice hotline. Later Roki expanded the pilot to eight further pharmacies in Samtskhe region.

2. Establishing rural micro-pharmacies to expand rural outreach (from 2013)

ALCP struck a deal with Roki to expand outreach to rural women by establishing and training pharmacists for dozens of new low-cost micro-pharmacies in the Kvemo Kartli region. When the model was proved to work (in 2015), Roki decided to scale-up their distribution model to the Ajara region, and later nationally. They also set up two new warehouses for nationwide distribution. ALCP's initial contribution (59 per cent) for capital equipment was reduced to 33 per cent at this stage.

3. Laboratory set up for developing and testing vaccines

As a third step ALCP supported Roki (with a 33 per cent co-investment) to set up a laboratory. This enabled Roki to diagnose infectious animal diseases and research and produce new medicines. Previously they had relied on the government laboratory which was painfully slow resulting in a production backlog.

4. An agro-information portal to directly deliver advice to farmers (from 2016)

Finally, to help scale-up rural distribution to the rest of Georgia (as well as to Armenia and Azerbaijan), ALCP co-invested (31 per cent) with Roki to develop an agro-information portal called Agrofase. Agrofase gives farmers direct access information on livestock management; helps them monitor animal diseases risks throughout the year; raises awareness of available treatments; and connects farmers directly to stakeholders in agriculture who are also platform members including, government agencies, finance and insurance institutions, NGO's and consultant organisations. It embodies the company's vision to see small farmers develop into a sustainable commercially viable entity with access to the latest advice and innovations.

The logic of how ALCP's MSD interventions led to systemic change and impact

ALCP's theory of change in this MSD approach incorporated the following logic:

- ALCP's gendered market research and negotiations convinced at least one major veterinary product manufacturer / importer (Roki) that the smallholder farmer

market had enough potential to justify experimenting in distribution innovation.

- Pilot interventions with Roki confirmed that investing in rural distribution channels to make veterinary products and information more accessible to smallholder farmers, produced viable returns.
- The reach of information and services for smallholders was significantly extended by co-investing in a new business model with hundreds of innovative micro-pharmacies and a digital information portal. Other input companies began to adopt and adapt the same model, creating a 'new normal' in the Caucasian veterinary industry.
- Improvements in access to veterinary service enabled smallholder farmers to increase productivity, reduce the risks and consequences of livestock disease. As a result, they could earn more and invest in larger herds to supply more milk and meat to the burgeoning slaughterhouses and dairy factories.

Indicators of lasting market system change and impact

The following results indicate how well ALCP's intervention in the veterinary sector worked:

Micro-pharmacies proved to be successful business model

- By 2019, Roki was distributing and offering training and support to 418 micro-pharmacies in rural areas - giving two-thirds of Georgia's smallholder farmers better access to veterinary services. Some were newly established, and some have expanded their business model and vastly improved their services.
- Most new micro-pharmacies (85 per cent) were created outside ALCP's programme area and without ALCP co-investment.

The business model has become widespread

- The two main other Georgian veterinary suppliers, Invet and Megavet, have adopted similar practices for investing in distribution channels and services.
- By 2018, similar models were taking off with partnership for Roki in Armenia, Azerbaijan and Turkmenistan.

The incomes of livestock farmers have increased (and women have been empowered)

- By 2018, an estimated 449,000 farming households had benefited, and the cumulative income increases for livestock farmers were valued at US \$11 million.
- There has been a distinct shift in gender-norms in the industry, with the needs of women livestock farmers being given particular attention for the first time. They report greater control over animal husbandry practices and the use of income.

Investment in related farm-activities has increased

- › Credit for livestock farming activities has become cheaper (from 8 to 5 per cent) due to lower risks from livestock disease and subsequent increased incomes from milk and meat supply.
- › As a result, farmers have invested in prophylactic treatment, improved animal husbandry and farm development and technology - for example: milking parlours that greatly reduce women's labour; and improved cattle sheds.

An extra note about the gendered impact of ALCP's work in veterinary services

ALCP is particularly proud of the programme's impact on gender-related issues in the livestock sector. Their research showed that women are typically more involved than men in the daily routines of smallholder animal husbandry and tend to be first to diagnose livestock disease. Yet a male-dominated perspective of the industry and the needs of livestock farmers predominated. Cultural constraints on women's ability to travel outside the home area were a particular problem given the lack of pharmacies and veterinary services in rural areas.

ALCP's interventions made a dramatic difference to women farmers by addressing several constraints:

- › Micro-pharmacies made access possible for women who could not otherwise travel to the main towns and cities.
- › Equitably-gendered training opened up the delivery of pharmaceutical services to women.
- › Telephone hotlines, SMS and later the Agro-Face portal made information available.
- › Information and outreach were tailored to women's needs allowing them to improve their command of animal husbandry and milk production.

As a result, ALCP estimate 57 per cent of households with women farmers have now been served, with more than quarter of a million having received information. And, for the first time, 53 jobs have been created in the veterinary pharmacy sector.

ALCP background information

- › **ALCP (Phase 3) profile**