



Agricultural food-production and rural tourism in the Kazbegi district – A qualitative study

AMIES II Final Meeting

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Agenda

- Background of the study
- Objective and research questions
- The qualitative study: Methods and implementation
- Results
 - The agri-food chain in the Kazbegi region
 - Local agri-food products
 - Linkages of the agri-food and the tourism sector
- Summary and outlook

Project and study region

- The study is embedded in the ZEU-project „Scenario development for sustainable land use in the Greater Caucasus, Georgia”¹ (funded by VW foundation)

Different project units:

- Landscape ecology
- Soil science
- Agrobiodiversity
- **Socio-economics**
 - **Qualitative research**
 - Quantitative research



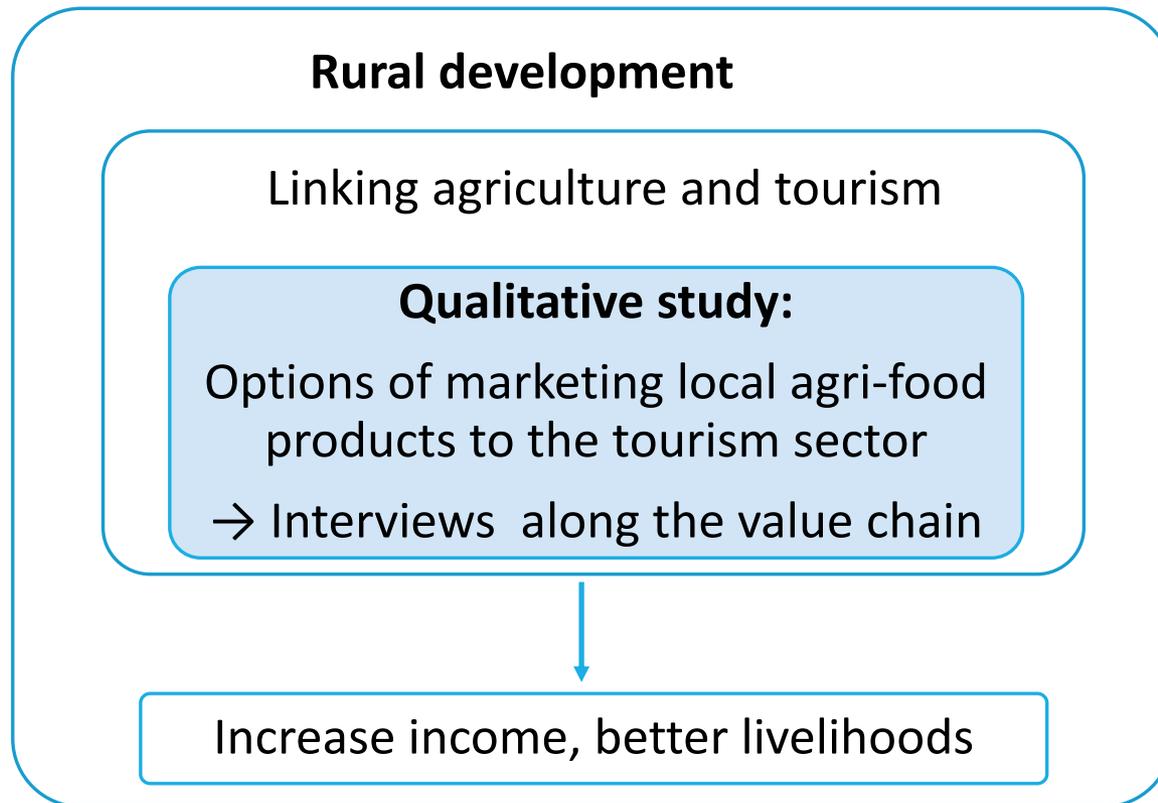
¹ General coordination:
Prof. Dr. Dr. habil. Dr. h.c. (TSU) Annette Otte

- Main economic activity: **Agriculture** (USAID 2012b, p.7)
 - Small scale income generation (PIN 2015a, p.7), 80% produce mainly for self-consumption (Heiny 2017)
 - **Changes in the framework conditions for agricultural production** since the break down of the Soviet Union
 - Problems in agriculture: lack of finance, knowledge, input factors, low access to tourism service providers (food safety, quality & quantity) (PIN 2015a p.10,11)
- **Tourism sector growth** during the last years (PIN 2015b, USAID 2012a, p.6)
 - Problems in tourism: Lack of infrastructure, lack of dining facilities (PIN 2015 b, p.2,3)
- Strong **core-periphery structure** (PIN 2016, p.3,8)
 - Core (Stepantsminda/Gergeti): Tourism; Average monthly household income 436.47 GEL (Heiny 2017)
 - Periphery (Villages): Subsistence farming; Average monthly household income 237.86 GEL (Heiny 2017)
- (Seasonal) **migration** (PIN 2016, p.10; TJS 2010, p. 58)

- Changes in the framework conditions as well as general problems in agricultural production are challenging for the local population
- However: Increase in tourism might be conducive to adaptation to these challenges

- **Find ways for the small-scale farmers to adapt to the situation in order to improve their livelihoods and income generating behavior**
(and thereby potentially counteract migration and contribute to more sustainable economic development of the region.)

- **But: Lack of data → Implementation of a qualitative study**

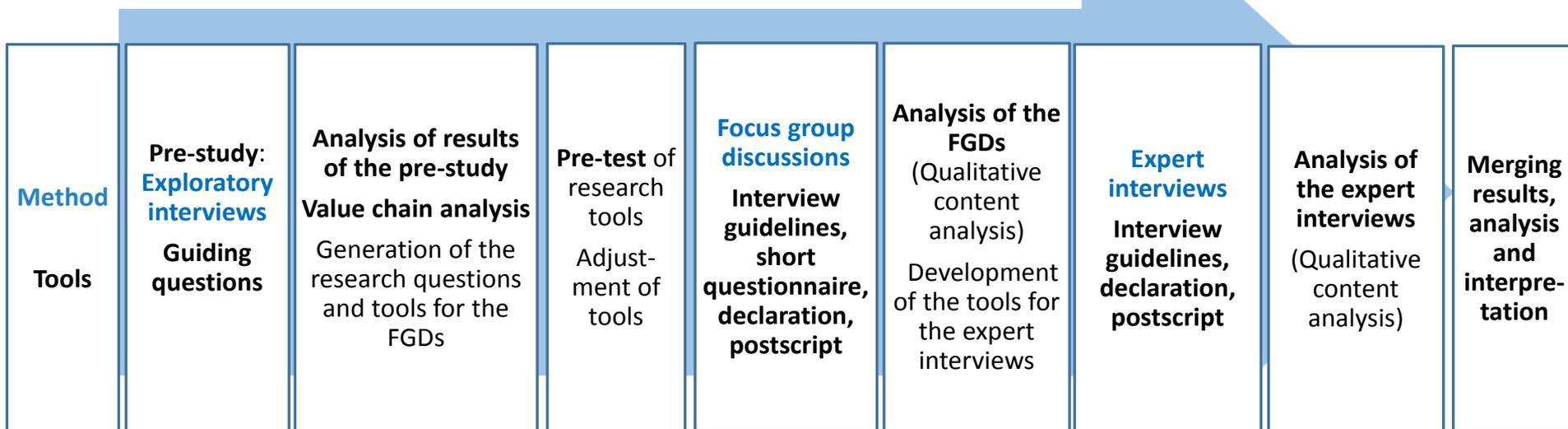


Linking agriculture and tourism



- What are the **bottlenecks in agri-food chains**, in particular at the stage of delivering products to the buyers (focus on tourism service providers and tourists)? What are the opportunities?
- How can **linkages between the local agri-food and tourism sector** be established?
 - Which requirements do local hotels and guesthouses have with regard to sourcing local agri-food products? What could be additional hurdles?
 - Which local agri-food products would be suitable for being marketed to the tourism sector?
 - Which marketing options could be appropriate to tap potentials?

Methods - applied in a process



Qualitative methods: Open approach

- Exploratory face-to-face interviews
- Focus group discussions
- Expert interviews

→ Qualitative content analysis (Kuckartz 2014, Mayring 2010, Schreier 2012)

Exploratory interviews with

- Farmers, food-producing households – Kazbegi District
- Retailers, tourism sector representatives, village heads – Kazbegi District
- Experts from organizations and others – Tbilisi

→ Identify interview partners for the focus group discussions

→ Generate the research questions



3 focus group discussions à 5-6 participants

- Market-oriented farmers (FGD1)
- Hotel and guesthouse representatives (FGD2)
- Smallholder farmers (FGD3)
- Method and implementation
 - Purposive sampling
 - Interview guidelines, short questionnaire, postscript
 - Georgian moderation, assistants

Collection of data on

- the socioeconomic situation in the region
- the demand and supply pattern of local agri-food products

- Systematizing expert interviews → **Fill information gaps** (Bogner, Littig, Menz 2014) and receive an **expert opinion**
- Purposive sampling: 10 experts as follows:
- Production and marketing of agricultural products – N=7 Representatives of organizations
 - Georgian Farmers Association (GFA)
 - Agricultural Cooperatives Development Agency (ACDA)
 - Biological Farming Association Elkana
 - People in Need (PIN): Local action group Kazbegi, European Neighborhood Program for Agriculture and Rural Development (ENPARD), FAO
- Demand side – N=3 Tourism and retail sector representatives/customers
 - Rooms Hotel, Zeta Camp
 - Supermarket chain
- Implementation: Semi-structured interviews in English, based on interview guidelines

Code system/Analysis

Code System

- ▼  Agri-food chain
 -  Bottlenecks
 -  Opportunities
 -  Marketing and delivery
 -  Other info agri-food chain
- ▼  Agri-food products
 -  Beer
 -  Dairy
 -  Fish (trout)
 -  Fruits and berries
 -  Herbs, tea and spices
 -  Honey
 -  Lettuce
 -  Meat
 -  Potatoes
 -  Vegetables
 -  Other
- ▼  Linkages agri-food and tourism
 -  Relation
 -  Sourcing
 -  Requirements
 -  Other hurdles
 -  Possibilities
- ▼  Organic production and dishes
 -  Certification
 -  Role of organic
 -  Special products and dishes
- ▼  Cooperation
 -  Contra cooperation
 -  Pro cooperation
 -  Role of trust
 -  Situation Georgia and Kazbegi
-  Other relevant info

Development:

Mix of concept and data-driven (Schreier 2012)

→ **Qualitative content analysis** (Kuckartz 2014, Mayring 2010, Schreier 2012)

RESULTS

Lack of

- products to be marketed: Products are often used for self-consumption
- places to market products
- knowledge, resources, equipment, consultancy and market access
- warehouses and storage facilities: producers often sell at the same time and thus obtain low prices
- professional processing or marketing

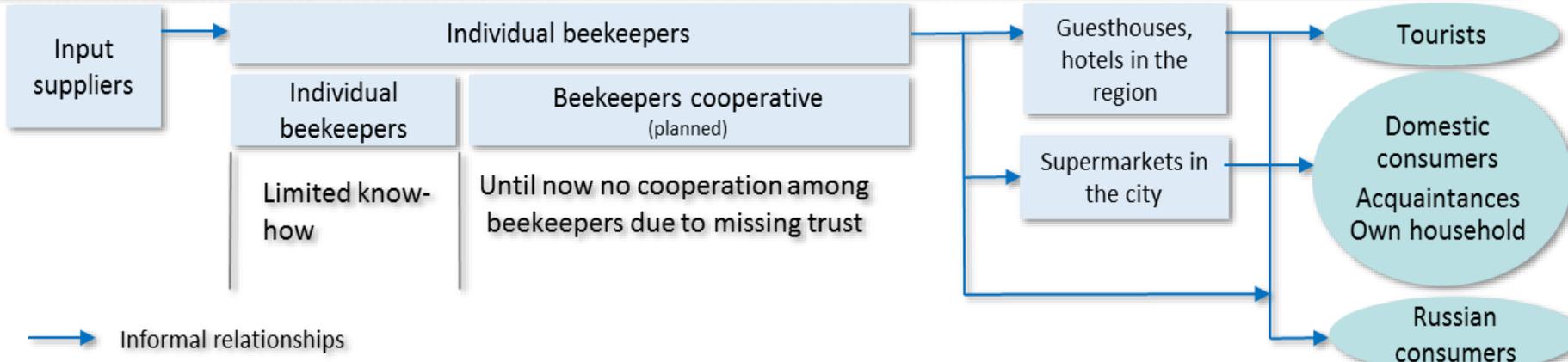
Opportunities

- Comparative advantage of later harvest
- No use of chemicals
- taste of the products

- “[...] even the products that are locally produced at this stage **cannot even cover the local demand.**” (E4)
- “[...] of course funds are important but **people need knowledge** and people need some understanding that they need this knowledge [...]” (E3)
- “**Warehousing** is a great problem” (FGD1)
- “So I would say the **agri-food chains is underdeveloped** here and much more in Kazbegi than in other regions Georgia.” (E5)
- “[...] because of the high altitude in Kazbegi the **harvest he had in late September/October** when the whole Georgian market was hungry for the products. (E4)
- “And one more aspect why there is a demand for our products, **we do not use chemicals, and our products are tastier.**” (FGD1)

Example: The food chain of honey - Bottlenecks

- | | | | | | |
|---|--|---|--|--|---|
| <ul style="list-style-type: none"> ▪ Lack of acces to input factors ▪ Equipment is often obsolete | <ul style="list-style-type: none"> ▪ No constant quantity and quality ▪ No certification | <ul style="list-style-type: none"> ▪ No branding ▪ No pro-fessional packaging | <ul style="list-style-type: none"> ▪ Unprofessional organization ▪ Limited bar-gaining power | <ul style="list-style-type: none"> ▪ Market links not organized ▪ Only few links to tourism sector | <ul style="list-style-type: none"> ▪ Mainly own consumption ▪ Little additional income through sale |
|---|--|---|--|--|---|



Source: Own depiction based on Springer-Heinze 2007

Local agri-food products

- Dairy: Low milk output, food safety issues, high demand for dairy products
- “[...] unfortunately we can’t trust physical persons in dairy, **dairy** is high risk.” (S1)
- “And the third one is the low production of the milk that ends up in low amount of, really small amount of the dairy products [...]” (E4)
- Cattle: No slaughterhouse, availability of grazing lands, high demand for meat
- “[...] because they have this natural advantage of having these pastures [...] **meat** production has potential there.” (E8)
- Trout: High quality
- “If you take the local **fish**, it is just incomparable to what you can buy in Tbilisi, it is so much better, so much fresher and so much different.” (H1)
- Herbs for tea: Various wild herbs, plants in the region, e.g. thyme, high demand of tourists
- “[...] when they see **herbal tea**, the local one on the menu, everybody just wants to drink it.” (GH1)

Local agri-food products

- Honey: Good conditions for beekeeping, high demand
- Lettuce: Rarely used by locals, very perishable, high quality
- Potatoes: Low output, supply gap during summer, high quality
- Vegetables: Glasshouse production is not profitable anymore, huge demand
- “[...] there is a very high demand for **honey**, but for honey free of pesticides.” (E7)
- “[...] the **salad** leaf was so much better than what we were getting from Tbilisi, so fresh, so hard and so good.” (H1)
- “[...] also very good quality of **potatoes** is produced in Kazbegi [...]” (E3)
- “**Vegetables**. If you ask me that is one of the biggest demand locally and could be one of the profitable [...]” (E4)

- Demand of tourism sector for regional agri-food products: Potential market
- “[...] tourists are also hinting ‘where is the local cheese, where local product, **where is something local?**’ ” (E4)
- “**Everybody wants something from Kazbegi** or Gudauri.” (GH1).
- Quality of products
- “So in terms for example if you compare the **quality** again of the goods that you can produce in Kazbegi it is like if you, it is like ground and earth, it is a huge difference.” (H1)

- Requirements of the tourism sector: Food safety standards, documentation (invoices), tax issues, constant quality and quantity of products, good visual appearance of products, if possible organic
- Not enough production output to supply tourism sector
- Low variety of products and dishes, no new recipes
- Poor infrastructure, lack of shops and restaurants
- “[...] the **food should be safe** and must be safe.” (E3)
- “[...] to sell to hotels [...] you have to be a **registered producer** you have to issue the invoices, you **have to pay taxes** [...]” (E4)
- “[...] if you take meat, you cannot buy, because by Georgian law **you have to have the slaughterhouse** where you actually kill the animal and inspect it and sign [...]” (H1)
- “[...] the problem is they are **not stabile**, how to say, not stabile, maybe sometimes they have it or they don’t have it [...]” (GH1)
- “Their little amount is **not enough for tourists** [...]” (E3)
- “[...]some guests from Poland they went there for hiking and they said there is a shortage of food, they **don’t have proper shops** there to buy things, [...]” (E5)

- Cooperative, farmer shop
- “[...] I think establishing some **local cooperative** will be very interesting and tourists also will visit some local shop where they know that these souvenirs are sold.” (E3)
- „Contract farming“
- “Like the farmers are producing for example cucumber and they are **contracted** by their locals, from the guesthouses and they are buying. So they are exchanging, I mean you know, they are saying produce this one and I am going to buy it from you.” (E1)
- “[...] they will also need to have some kind of access to the tourists, so maybe a small **market place on the road?** (E5)
- Establishment of a market place, cafes and kiosks (at the roadside)

- Map with producers and places to buy food
- Participation of tourists in production of agri-food products or cooking
- Souvenir corner/selling of souvenirs at hotels, guesthouses
- “So there will be a **map** with the touristic sightseeing including mapped points where you can, tourists you can buy certain products locally produced. [...]” (E5)
- “[...] a lot of guests just want to try to **make this food themselves**, so they want to try to make Khinkali or they want to try to make Khachapuri et cetera.” (H1)
- “I would like to get a low-interest loan in order to develop beekeeping along with tourism. I will **show tourists the process of honey making.**” (FGD3)
- “This **souvenir** corner is not made for the local products, but what we include there will be the local herbal teas in small cases and local honey.” (H1)

- Various bottlenecks in the agri-food chain
- But, depending on the product (like e.g. honey or herbal tea), there are also opportunities to increase production and sale
- **Innovative ideas might be the basis for linking agriculture and tourism** (like e.g. a map indicating products sold at the farm gate, “food souvenirs”) and increasing income

- In order to identify feasible options:
 - Comparison with quantitative data
 - Discussion of results and ideas with the local population and experts as well as with policy makers



Thank you!



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AMIES II Project „Scenario development for sustainable land use in the Greater Caucasus, Georgia” (funded by VW foundation): www.amies-science.de

Agricultural Cooperatives Development Agency (ACDA): <http://acda.gov.ge/index.php/eng>

Biological Farming Association Elkana: <http://www.elkana.org.ge/index.php?action=0&lang=eng>

European Neighborhood Programme for Agriculture and Rural Development (ENPARD):
<http://enpard.ge/ge/>

FAO Georgia: <http://www.fao.org/georgia/en/>

Georgian Farmers Association: <http://www.gfa.org.ge/en/>

People in Need (PIN): Local action group Kazbegi: http://pin.ge/?page_id=142&cat_id=33

Rooms Hotel Kazbegi: <http://roomshotels.com/kazbegi/>

Zeta camp: <https://www.facebook.com/zetacamping/> (<https://zeta.ge/>)