



Economic needs of the women living in the rural areas

Results of quantitative and qualitative research

საქართველოს ახალგაზრდა ეკონომისტთა ასოციაცია

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Research Methodology

This report represents a consolidated analysis of quantitative and qualitative researches reflecting women's economical state and entrepreneurial opportunities in rural areas of the following regions: Kakheti, Imereti, Samtskhe-Javakheti and Mtskheta-Mtianeti.

As the result of the analysis there have been revealed economical needs and challenges faced by women in the process of starting and developing business in rural areas (considering gender specificity). Similarly, there have been identified the barriers characteristic to availability of credits and bank service.

The results of the research will be published to plan and implement more effectively the activities related to increasing of economical opportunities in the project framework. At the end of the project a conclusive research will be carried out to appraise the changes and results reached in the course of the project.

The data of quantitative research are reviewed from the point of view of the project's target regions, municipalities, though the data are reflecting only the project's target communities and their counterbalance villages.

- **Kakheti**

- ✓ Target community – Lagodekhi Municipality (*villages: Leliani, Balgojiani*),

- Kvareli Municipality (*village: Beburiani*);

- ✓ Counterbalance villages – Lagodekhi Municipality (*villages: Apeni, Gvimriani*);

- **Imereti**

- ✓ Target community – Chiatura Municipality (*village: Shukhruti*);

- ✓ Counterbalance villages – Chiatura Municipality (*village: Khalipauri*);

- **Samtskhe-Javakheti**

- ✓ Target community – Borjomi Municipality (*villages: Tsikhisjvari, Andeziti*);

- Aspindza Municipality (*village: Toloshi*);

- ✓ Counterbalance villages – Borjomi Municipality (*village: Tadzrisi*);

- Aspindza Municipality (*village: Khizabavra*);

- **Mtskheta-Mtianeti**

- ✓ Target community – Dusheti Municipality (*village: Magaroskari*);

- ✓ Counterbalance villages – Dusheti Municipality (*village: Chartali*).

Quantitative Research

The quantitative research was carried out through collection of quantitative data, a questionnaire developed in advance and direct interviews.

Ordinary citizens of 16 and above were subject to questioning. In order to observe confidentiality and obtain honest answers direct contact with a respondent without any attendees was a mandatory condition for interviews.

The interviews were conducted by interviewers of the Association of Young Economists of Georgia with the help of a special structured questionnaire. Answers were recorded in the questionnaires. Upon completion of field works the obtained results were introduced into an electronic program

developed specifically for sociological survey, excluding technical and logical errors and ensuring creation of a database approximated to the ideal to the limits. Upon putting the data into electronic shape, the data were processed in a special SPSS 22.0 statistical program

Selection

Total quantity of selection was defined in advance and it represented 1500 respondents. Selection was carried out with the help of double level cluster selection and according to preliminarily defined age stratification. At the initial stage there were selected 5 regions: Kakhetik Imereti, Samtskhe-Javakheti and Mtskheta-Mtianeti, then villages were selected in the following municipalities: Lagodekhi, Kvareli, Chiatura, Borjomi, Aspindza, Dusheti and then women were selected considering age quotas.

- First Stage – regions were selected
- Second Stage – villages were selected (the project target community and counterbalance village)
- Third Stage – women according to age groups were selected: age groups of 16-10; 30-49; above 50

The villages with approximately the same population and about in the same distance from the center as the project's target communities were selected as counterbalance villages.

Selected respondents were women above 16 with preliminarily defined quotas in the villages. Just one woman was questioned from each family, but the general information was defined for all family members.

Resulting from limited character of the selection, there was selected an optimal version with 95% of reliability and 7% of reliability interval (which means that in the case of repeating the research 100 times, we will get 95% of identical results, where statistics of given answers fluctuates by 7%).

Field Control

Field control methodology and quantity was selected upon joint decision of field coordinator, statistician and project manager. Field control was carried out in the course of field process and after field completion. 5% of questionnaires to be controlled were selected in each region and they were re-checked with respondents through phone calls – whether an interviewer came for interview, how much time the interviewer spent for the interview and, also, for repeated questioning in regard to basic questions under research.

Qualitative Research

In the framework of needs survey there were held focus groups to obtain qualitative data. In total 5 focus groups were held in a village of each municipality, a focus group per each project's target community. Local women, as it was revealed as the result of quantitative research, which had their own family business, were the participants of focus groups (50 participants in total). The participants discussed the economical needs and challenges faced by them more deeply.

Focused group discussion (focus group) is one of the methods of quantitative research considering group discussion on the issues introduced by a group moderator. The moderator encourages each member of the group to express his own opinion on the issue under discussion, regulates reaction of group members on the opinions expressed by each other and enhances ideas expressed under the method of group discussion.

The qualitative material obtained through this method has not only independent value, but qualitative indicators for surveying statistical measuring in quantitative researches allows analyzing target segments.

The method of group discussion, resulting from group participants' experience, allows identifying the problem and seeing it from various sides. Group discussion creates the best environment for expressing their attitudes towards the issue by participants and reveal while discussions such aspects of the problem which remain hidden in the case of individual interview.

Considering identified goals and issues under research, there were developed guidelines for moderators according to which the focus groups will be working.

Focus groups were organized in target villages, rooms equipped with special technique, where, upon preliminary agreement with the respondents, the group discussion was audio recorded. Resulting from the volume/peculiarities of the issues to be researched, duration of each group equaled to 1-1,5 hours. Upon finishing the focus groups, with the help of the audio recording a detailed transcript of group discussions was prepared. On the basis of the above transcript the focus groups were analyzed.

Recruitment of Respondents

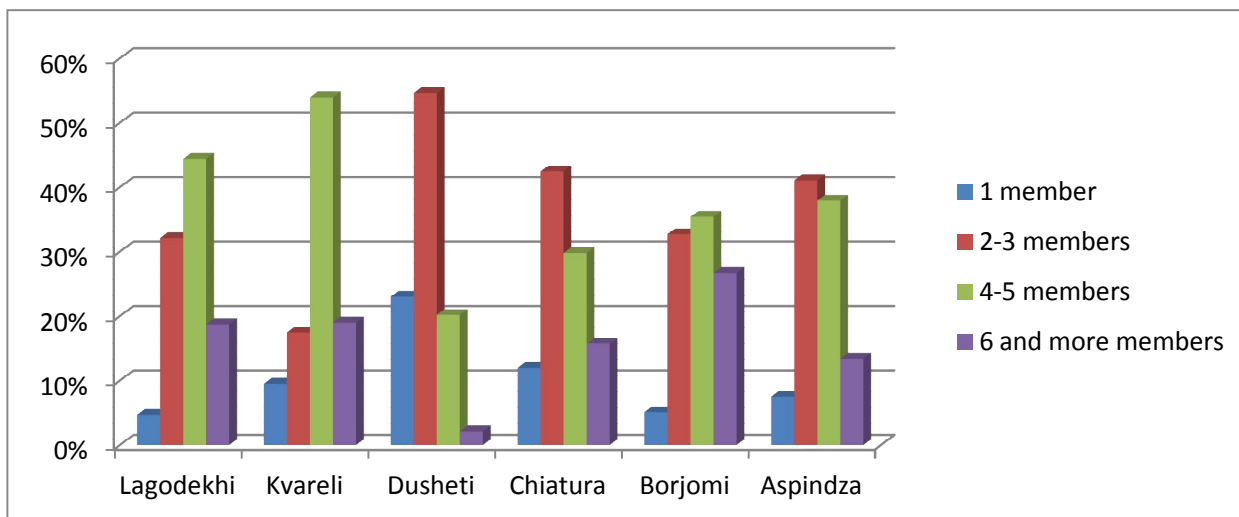
Selection of participants and invitation of them for participation in group work was carried out in advance – as the result of analyzing the data of quantitative research. When recruiting the respondents there were considered individual characteristics of a potential group participant: activity, communication skills, etc.

Social-Economic State of Households

General Information

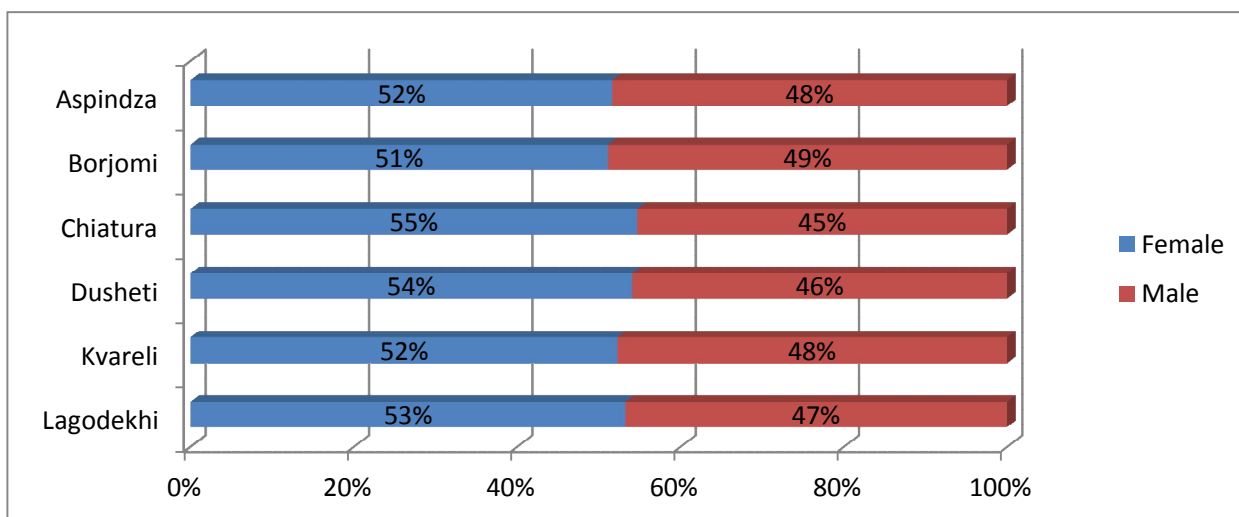
Household of the surveyed communities, in average, consist of 3,7 member families. In Dusheti, Chiatura and Aspindza the most weight have 2-3 member families and in other units the majority of households represent 4-5 member families.

Diagram # 1: Structure of the number of family members according to municipalities



In total, in the surveyed 1500 families involve 5431 individuals, women make 53% of them, the rest – are men. According to territorial units the data almost do not differ and the number of women is higher than the number of men everywhere. Similarly, the shares of children are nearly the same, about 20% of the surveyed individuals represents children.

Diagram #2: Structure of household according to gender



It should be mentioned, that about 41% of individuals in a household belong to the age group over 50, the least – 27% belongs to the age group of 15-29. The mentioned relativity slightly differs according to communities, similarly, there has been found nothing serious from the gender point of view.

Table #1: Age structure of the surveyed households according to gender

	Age group	Lagodekhi	Kvareli	Dusheti	Chiatura	Borjomi	Aspindza
Female	15-29	27%	29%	23%	22%	26%	29%
	30-49	31%	30%	33%	32%	33%	27%
	Over 50	42%	41%	44%	46%	41%	43%
Male	15-29	29%	32%	24%	23%	28%	31%
	30-49	33%	30%	40%	31%	34%	33%
	Over 50	39%	38%	36%	45%	39%	35%

4% of the surveyed population is people with disabilities; 12% are pensioners; there are almost no national minorities in the target communities, Borjomi is an exception where 24% of individuals living in households are ethnic Greeks, Russians or Armenians.

It is interesting that 40% of the surveyed population has completed secondary education, 17% has higher education and 15% is graduates of technical colleges. The mentioned indicator proves once more urgent need for implementation of educational initiatives which is a necessary precondition for effective implementation of economical opportunities.

According to the information provided by the respondents, in total 844 individuals are employed among the surveyed households. It should be mentioned that in the majority of units the number of employed women are higher than the number of employed men. Only significant difference can be found in Chiatura. In the mentioned community, mainly, men are employed (63%) and, basically, they work in mines.

Table #2: Number of employed individuals in the surveyed households

	Lagodekhi	Kvareli	Dusheti	Chiatura	Borjomi	Aspindza
Total number of family members	1136	260	718	1007	1401	909
Total number of employed individuals	110	22	198	202	144	168
Among them:						
women %	52	64	54	37	50	45
men%	48	36	46	63	50	55

It is also interesting that 67% of interviewers answered positively on the question whether they wanted to be employed or not; and, correspondingly, 33% does not want to work. Those, being ready to fulfill any type of work agree on the jobs such as office work (27%), any physical work (22%), cleaner (21%), etc. We can assume that the respondents, when naming desirable workplace, rely, on the one hand, on their own capabilities and experience and, on the other hand, are under influence of traditional mentality in regard to the type of work that can be done by a woman, for instance, only 0,5% of the respondents agrees to work as a waiter.

The majority of women participants of focus groups think that absence of jobs in rural area is the factor hindering their employment. Women either do not want or, vice versa, have great wish to find some job. The only thing which can be regarded as an obstacle for a woman is a baby, whom she cannot leave with other family members and has to stay at home till it grows up. “In villages just teachers are employed and there are no other jobs for women,” says one of the focus group participants from Magaroskari.

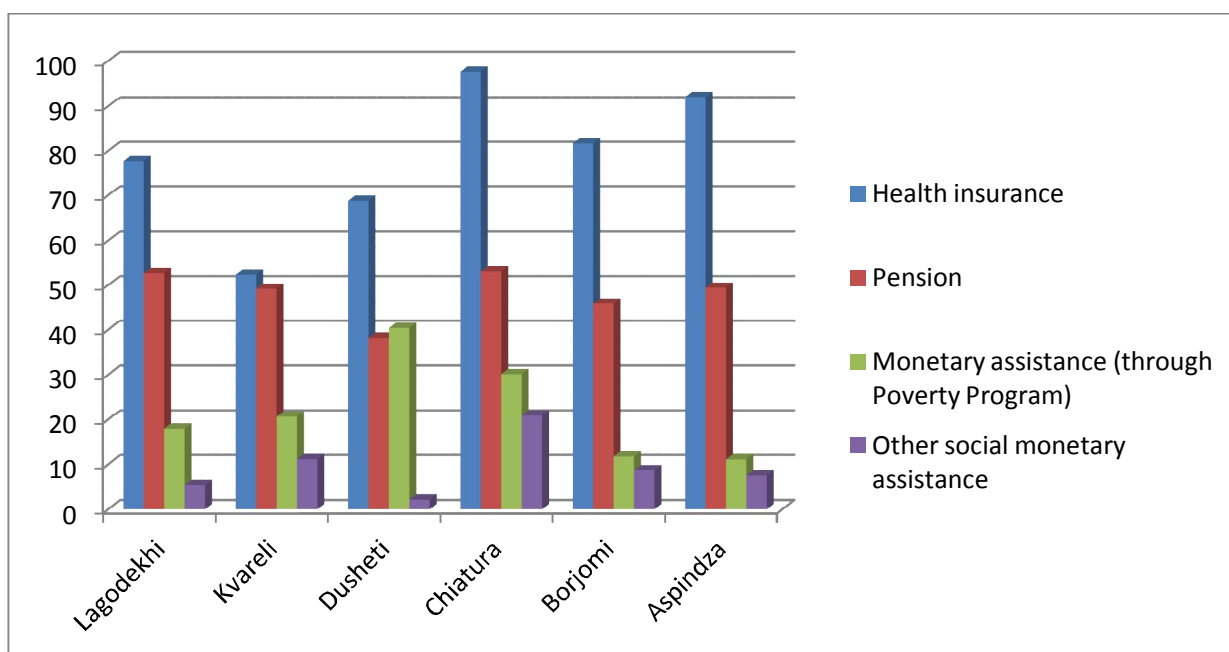
The focus group participants from the village of Toloshi have diverse attitude to job search. Elderly women do not want to work and have no desire to be hired, their health does not allow them to. Young and middle-aged women, on the contrary, have tried to find jobs such as a saleswoman in the shop, school teacher, folk song teacher and cosmetologist. They are looking for job as they do not have sufficient income. They can distribute their time between the family and job. “If there is job we can always find time.” “There are no vacancies, otherwise we could agree on any job.”

“There are families where a woman has a baby and she cannot work or there is an ill person in the family and she cannot leave him alone, of course, these are obstacles for job search.”

Correspondingly, we can conclude that, from the employment point of view, of course, first priority is promotion of real job creation, which is extremely complicated in rural areas. Though, employment of women, without increasing availability of pre-school care institutions, has almost no perspective. In this direction, local self-governance bodies should make more efforts to transfer availability of daycare school into reality for the population of rural area.

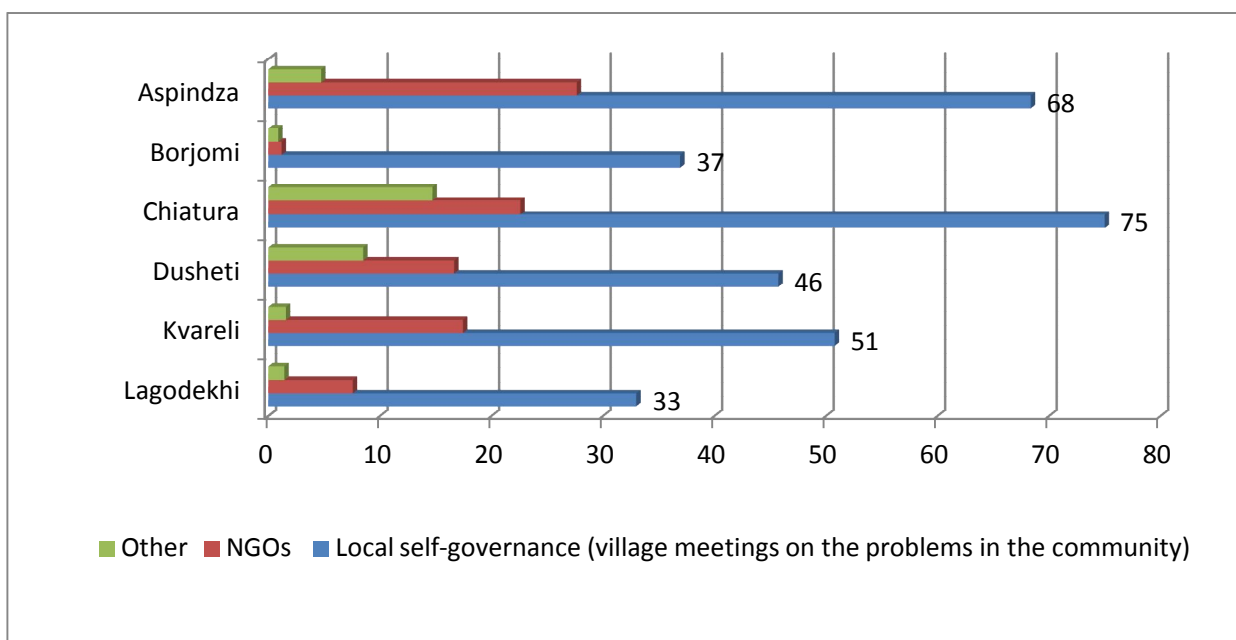
The surveyed families are significantly dependent on state assistance and pensions. The largest number of beneficiaries can be found with Health Insurance program. About 22% of the households have monetary assistance – subsistence benefit. Besides, in 48% of the families there is, at least, one pensioner.

Diagram #3: State assistances and pensions according to the municipalities



Resulting from the research goals, the extent of involvement of the respondents in the public activities was also studied. The question whether they are/were attending meetings organized by various parties was positively answered by 801 individuals (53.4%).

Diagram #4 : Participation in meetings according to the types of organization (%)



More than a half of respondents have, even once, participated in any type of public meeting. Special activity was noticed in Aspindza, Chiatura and Kvareli. The highest attendance was reported on the measures organized by local self-governance bodies, then come measures carried out by NGOs. 75% and 68% of the respondents from Chiatura and Aspindza, correspondingly, have attended the meetings of local self-governance even once.

Only 8,4% of the respondents confirmed that they had various type of relationship with non-governmental sector. The result slightly more than average was shown by Lagodekhi (14%), Kvareli (10%), Aspindza (10%) communities. However, it can be definitely concluded that non-governmental sector is very passive in villages and activation of working in this direction has critical meaning.

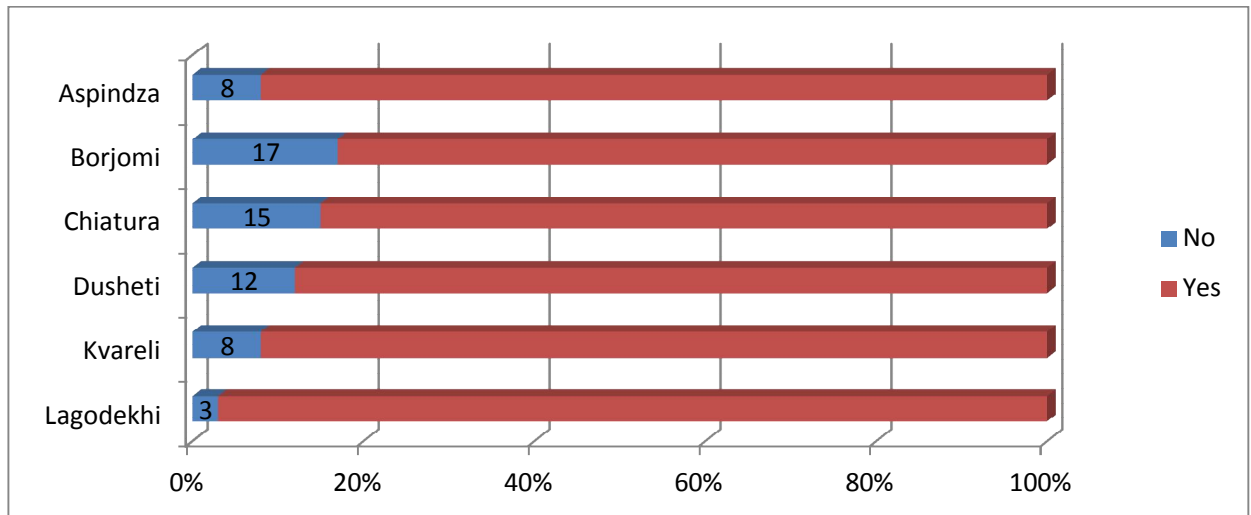
Meetings and discussions initiated directly by self-governance bodies are welcome, though there are opportunities to strengthen such type of involvement and increase effectiveness. Besides, the obtained data prove that it is necessary to activate non-governmental sector functioning in rural area. It is evident, that when implementing various projects, it is much easier to work in large cities and densely-populated locations, where large number of beneficiaries can be covered. Though the most support is needed for individuals residing in rural areas, as they lack opportunity to, at least, operatively obtain information on various initiatives.

As to the sources of getting the information of general social-economical character, the television has dominating role. Absolute majority (98%) of the respondents is getting information from television, 31% - from the printed media and 30% learns necessary stories at village meetings.

Agricultural Activities

11% of the interviewers did not cultivate land last year at all. It should be mentioned that the same indicator in Borjomi and Chiatura reach 17% and 15% correspondingly. The mentioned territories have rather small land areas, which are less productive.

Diagram #5: Indicator of land cultivation according to municipalities

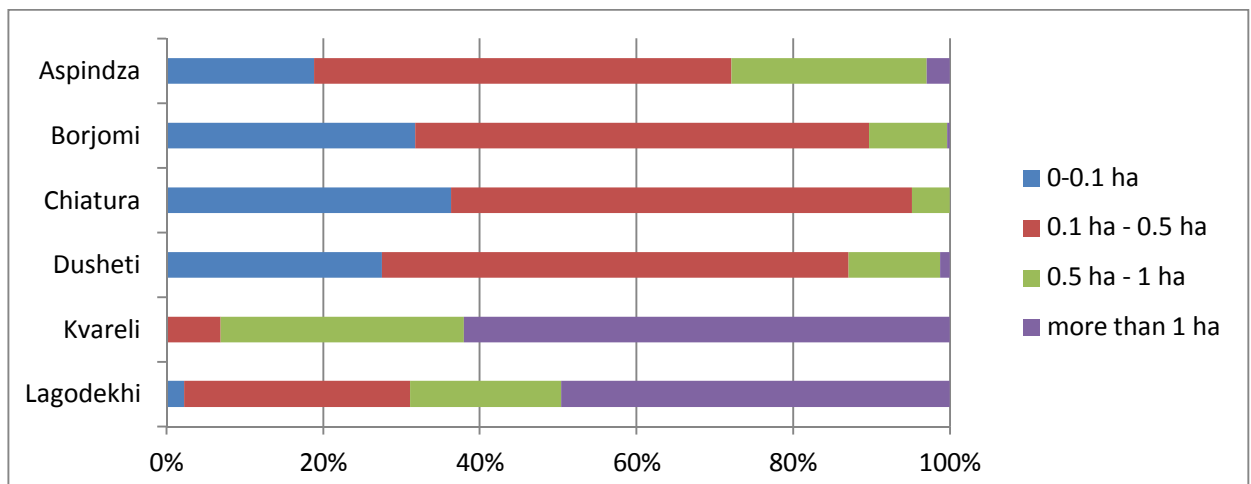


As to the households which have somehow managed to cultivate their lands, the picture is different according to the locations under survey. 62% and 50% of population in Kvareli and Lagodekhi cultivated more than 1ha land, when in other communities the basic weight lies on 0,5ha.

„The land of our village is very unproductive, i. e. we are not cultivating it, as it does not give anything. As the result, cattle-breeding is the only activity for the families of our village, so we are breeding cattle and are occupied with apiculture. Very many families have bees,” – says a focus group participant from the Shukhruti village.

„As the result of natural disaster my neighbour and I have incurred damage. Water has spoilt everything which we had and what I can grow to sell now. I do not have enough land to grow something and then sell it. There is almost no family in the village which would have enough land giving it any significant income,” – says a focus group participant from Magaraskari.

Diagram #6: Cultivated lands



According to the words of focus group participants, women in Toloshi, to get some income, work as hired workforce on others lands and cultivate them. Women are digging potatoes from earth and men are taking them and loading on trucks. “The village is in extreme poverty and that is why they go to cultivate lands in some other places,” – says one of the participants.

The focus group participants from Leliani village think that various NGOs, international organizations, state and local self-governance should pay attention to the issue of cultivation of land. According to their words “The lands are saturated with polyethylene and waste, correspondingly, in several years the land can become unproductive at all or the products grown there will be dangerous for health.” “It is necessary to simplify the process of renting the lands owned by municipalities, as the population often faces problems due to the above.”

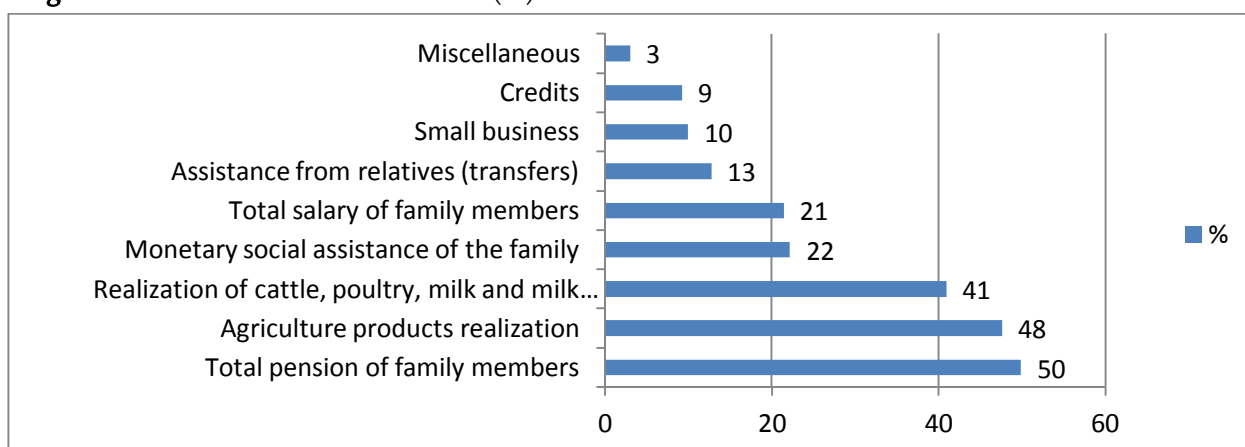
Correspondingly, it is necessary to support development of such economic directions in the communities lacking land, which will not be related to volume and productivity of agricultural lands. Additional studying and analyzing of the mentioned territories is also important to reveal real and effective perspective of their social-economic development. Besides, additional informing of the population on the procedures of land renting and supporting them in the mentioned process will be effective. In this way rural families will be given opportunity to develop more land and, correspondingly, get more income.

Social Situation

Social background in the country is not favourable, especially for rural population, who experience difficulties in getting financial income and ensuring corresponding level of life. Besides, families trying to get basic subsistence means cannot initiate some kind of entrepreneurial activity which needs even elementary investment and time for getting feedback.

Correspondingly, from certain point of view, we have to do with a vicious circle. If families do not have subsistence means they will not be able to start entrepreneurial business and, on the other hand, if they do not become more active they will always depend on social benefits and pensions. The research has revealed that the pension is the basic income source for 50% of surveyed families, 22% is eligible for monetary social benefits, 48% is selling agricultural products and just 10% has income from small business.

Diagram #7: Income sources of families (%)



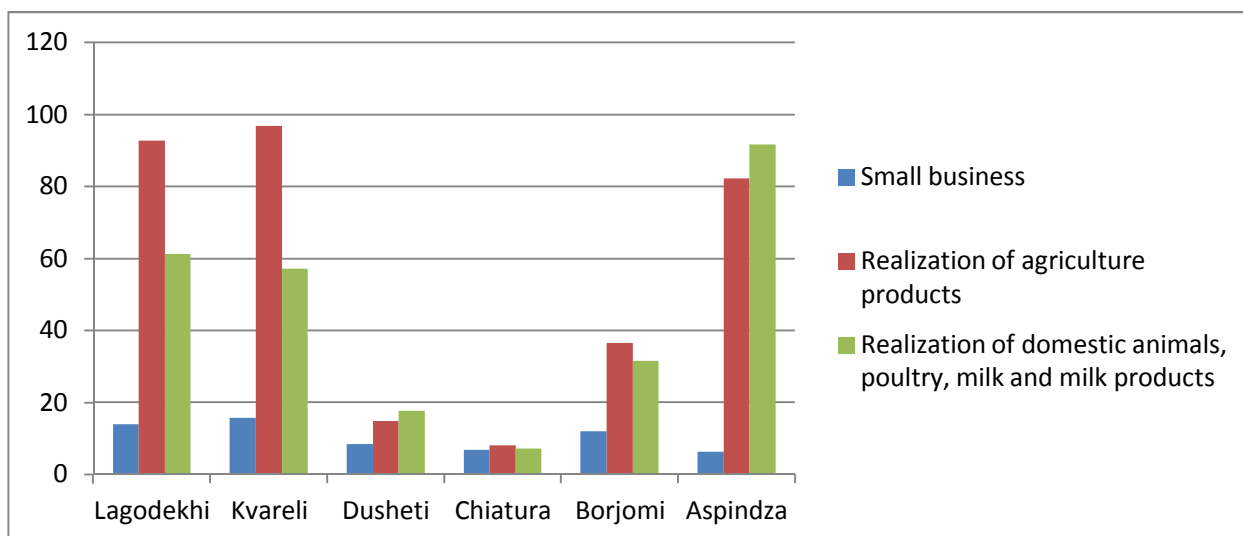
As in the case of land, the picture differs according the sources of income related to the revenues obtained from realization of agricultural products. In the communities surveyed in Lagodekhi and Kvareli more than 90% of the respondents are selling agricultural products. As it was mentioned above, in this area more than 1 ha land has been cultivated. In Aspindza 92% of respondents are selling domestic animals, poultry or/and milk products. As to the rest of the areas, just 16% of respondents have income from such activities.

In Magaroskari community, according to focus group participants, agriculture is a basic source of income for families, particularly, chicken, cow, bee and their products, also, pig. Other incomes are teachers' salary, pension of a family member (including, people with disabilities) and needlework (knitting).

"My husband's and my pensions represent income of our family, our son work on Ceihan oil pipeline. We also have cattle. I sell a part of their products in the market and retaining the other part for ourselves," – says a focus group participant from Tsikhisjvari.

According to Toloshi focus group participants the women of their community are basically involved in agriculture. They are growing and selling potato, beans, cucumber, tomato, eggplant and other yearlings. They have cattle and make cheese and then sell in the nearest market. The school and local municipality are basic employers in place. Old-age pension and state social benefit also represent family income sources.

Diagram #8: Income sources obtained as the result of economic activity according to municipalities (%)

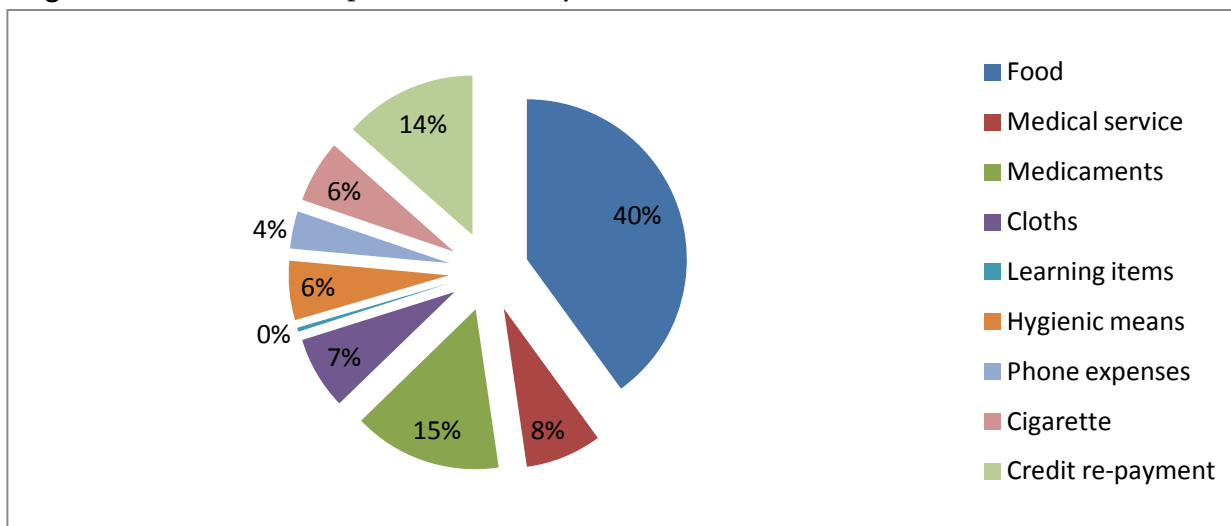


Correspondingly, getting income from primary agricultural production directly depends on the number of available lands and their productivity. Though it should be mentioned, that development of small business is equally urgent for all locations. In the communities, where products obtained as the result of primary production are sold, strengthening of processing directions and access to markets will make it possible for households, at least, to double their incomes. And for other communities development of small business in non-agricultural direction, including various spheres of service – commerce, tourism, application of natural resources (mineral waters, woods, hunting, etc.) can have essential meaning.

In Leliani community, according to focus group participants, agriculture, particularly, production of all kinds of vegetables, chicken, cow, vineyard, represent basic source of income for the families. Besides, there are retail trade object and bakery in the village. Pension and monetary assistance are also income for many families.

Structure of expenses is also reflecting the social state of families. According to the respondent's information 40% of the expenses go to food products, 15% - to buying medicaments, 14% - to returning debts.

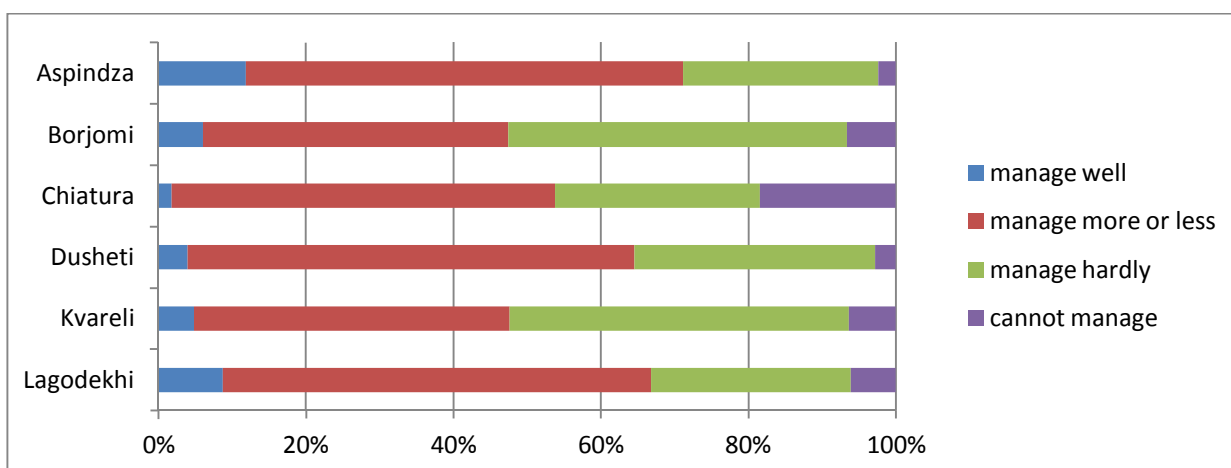
Diagram #9: Structure of expenses incurred by households



According to Shukhruti focus group participants, basically, a woman is responsible for spending the family income. She knows better what the family and children need. “We are buying food the most frequently and the major part of our income is spent on food. Children also need much,” – says Shukhruti focus group participant.

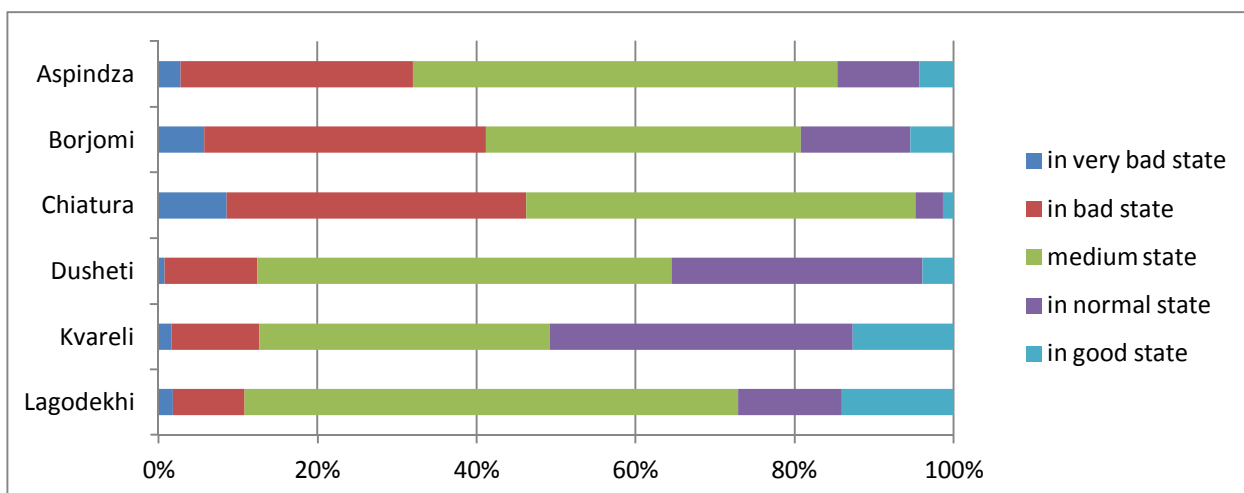
To identify social and life conditions, we asked the respondents to evaluate the situation and, besides, the interviewers ranked families according to a preliminarily prepared scale. According to the respondents' self-appraisal, the majority of them manages to materially provide their families (53% in average for all locations); hardly – 33%.

Diagram #10: Self-assessment of material state



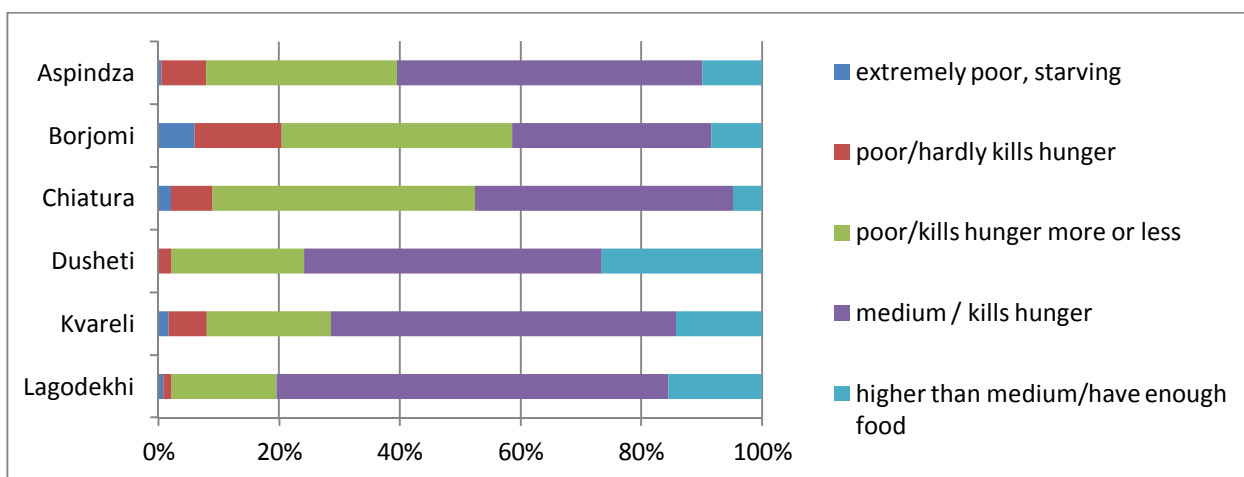
The interviewers appraised life conditions of families on the basis of their own impression obtained as the result of visits to families. It is natural that the mentioned evaluation is subjective to certain extent, though reflects real situation of households more or less. It should be mentioned that the worst assessment of life conditions were revealed in Chiatura, Borjomi and Aspindza. The situation is relatively better in Dusheti and Lagodekhi. It is natural that living conditions are directly related to family revenues. Life conditions can be improved only in the case if they are able to make elementary savings after making basic spending on food, medicaments, etc. Thus, increasing of family revenues is the only way to improve life conditions.

Diagram #11: Family life conditions – assessment of an interviewer



According to the interviewer's assessment, 30% of the surveyed families was evaluated as "poor/satisfies hunger more or less", the highest weight 48% was given to the evaluation "average resources/satisfies hunger".

Diagram #12: Social conditions of a family - assessment of an interviewer



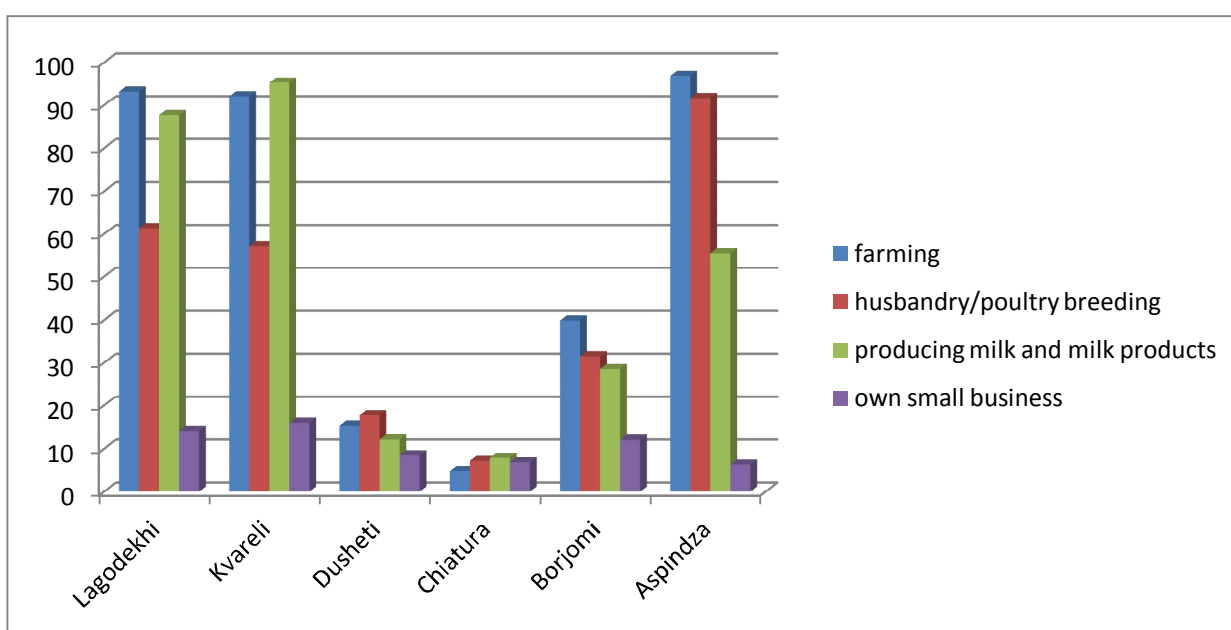
It is evident that absolute majority of the surveyed families are facing need for elementary subsistence provision. Feeding of family and being concerned on healthcare is their basic challenge. Correspondingly, it is especially urgent in rural area, on the one hand, effectiveness of strong social programs and, on the other hand, promotion of starting and development of entrepreneurial business (especially micro- and small businesses).

Entrepreneurial Activities of Women

Resulting from the survey goals there were studied women's entrepreneurial experience, their capabilities, attitudes and wishes in the direction of involvement in business sector.

For the survey purposes, any activity carried out by any member of a household to obtain income shall be considered as entrepreneurial activity on a village level. Families in Lagodekhi, Kvareli and Aspindza get income from agricultural activities – farming, husbandry/poultry keeping, production of milk products. Only 10% of respondents have their own small business – shop, workshop, tailoring shop. At the same time, it should be considered, that fishing can be quite prospective direction, though, the survey has revealed just 18 cases of the above activity, including, 6 families involved in fish breeding and per four families doing the same in Lagodekhi and Borjomi.

Diagram #13: Basic activities, carried out by families to get income (%)



As to Chiatura, Dusheti and Borjomi, the people here are hardly involved in any type of entrepreneurial activities.

Already existing experience can be reviewed as certain basis for further development of entrepreneurial business and implementation of such initiatives which will either develop current farms or, in the case of their low efficiency, support households in identification and implementation of economically more effective directions.

As the result of qualitative research, there have been revealed the basic entrepreneurial directions where women are involved in and are quite successful in certain cases. The picture is as follows according to the communities:

Leliani focus group:

All, including children, are involved in family entrepreneurial business. Roles are equally distributed, all are working – women and man. “The activities are equally distributed in the family, but women have more to do.”

“As the soil in Kakheti is fruitful and, correspondingly, harvest is rich, if, of course, there is no hail, we are growing very many vegetables, fruit, realization of which is a woman’s responsibility in the family.”

As Leliani participants have mentioned, family is the main obstacle for a woman because a man is the head of the family and decision-maker. Correspondingly, if a woman decides to start business, she will need the family’s consent and support. As they say, generally, they are not risky. Though the participants think that if a woman is risky, purposeful and principled, she will do everything for welfare of her family.

Focus group participants say that the women residing in Leliani are very active, despite the fact that they are growing various types of vegetable, have cattle, vineyards, where they are growing tones of grape.

In Leliani women have bakery and confectionary being quite profitable for them. The women have also kiosks, where they are selling food products. “I am baking tarts and cookies and I always have clients. I think that I am doing my business well and its quite profitable business,”

Toloshi focus group:

“A woman should do domestic tasks – milking cows, planting vegetables and looking after them, besides, women also do “men’s” tasks, such as mowing.”

To the “men’s” tasks there are attributed bringing woods, put hay in order, taking dung into the vegetable garden, plowing and other activities requiring more physical power. Women are active in entrepreneurial business and do almost 80% of the activities.

Magaroskari focus group:

Agriculture is thought to be the basic activity in entrepreneurial opportunities in the village, though due to lack of lands and markets for realization they do not consider this direction to be somehow profitable.

“Geographical location does not give the population opportunity to grow something on the land and sell it.”

Tsikhisjvari focus group:

Women in Andeziti and Tsikhisjvari communities are basically engaged in agriculture and husbandry and commerce is their source of income. They have cattle, they make cheese and sell it in the nearest market. Spending of obtained income is agreed in the family. “Women are more active in entrepreneurial activities and we are doing almost everything. We are producing cheese, matsoni and sell them in the market.” “Women are responsible for selling products and the amount to be sold is agreed with the family.”

Shukhruti focus group:

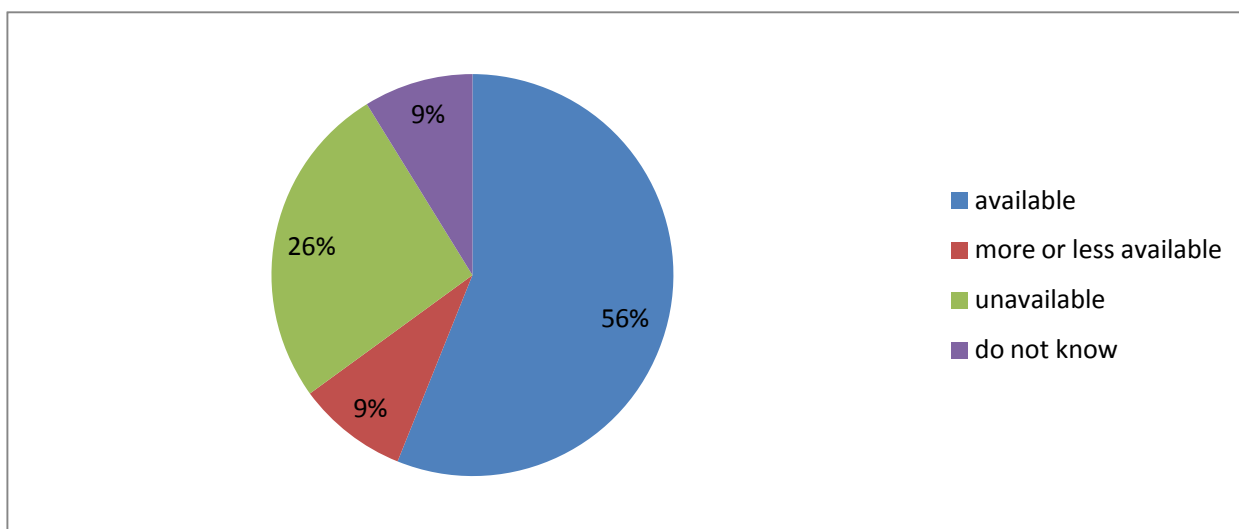
Husbandry and apiculture, providing income, are the basic activities of women residing in Shukhruti village.

“Land here is bad and plants grown there are insufficient for our family. Harvest is often failing. And that’s why in most cases we have cattle or poultry.” “We are producing milk products in small quantities, just for our families. We seldom manage to sell something in the market.”

It should be mentioned that only 12% of the respondents in total have had any opportunity to make use of any supporting program (there is meant grant, preferential credit, etc.) in the framework of their family businesses. The mentioned results show that there is quite limited the number as of such type programs and their availability, so opportunities of the residents of rural areas and, presumably, motivation to get involved and become beneficiaries of initiatives.

The information at hand of women residing in rural areas, their own or their friend’s experience and perception of this or that project define their attitude and motivation to get involved in entrepreneurial business. The question whether it is available for women-entrepreneurs getting credit from a bank or micro-finance organization, 56% of the respondents gave positive answer and in the opinion of 26% (393 individuals), getting credit for a woman-entrepreneur is not available.

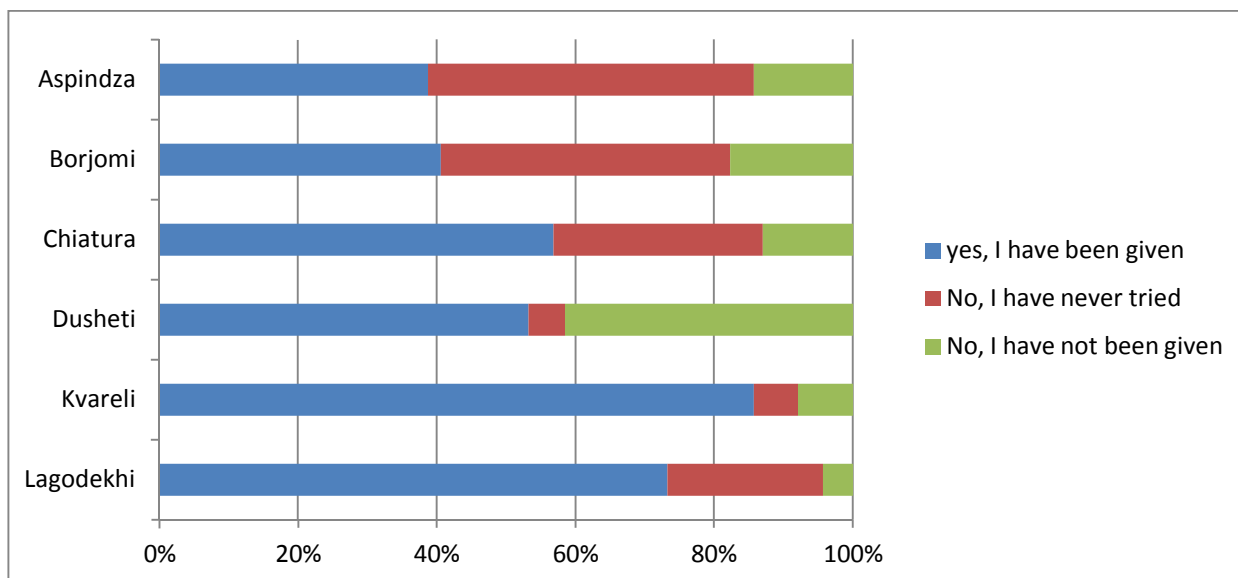
Diagram #14: Credit availability for a woman-entrepreneur



The respondents, thinking that credits are not available for women, named basic reasons for that: a woman does not have reliable income sources – 65%; does not own any property (house, land plot, etc.) – 38%; risk of inability to pay the credit back – 49%. It is interesting that just 7 respondents think that the reason can be subjective evaluation by a credit officer.

In order to study the experience of relationship between the respondents and banks and micro-finance organizations it has been identified that 28% of them has never apply to finance organizations for credit (it is meant any type of credit, including, consumer credit); 18% has applied but has not been given any and, correspondingly, 54% has taken credit. It is interesting that Kvareli and Lagodekhi showed the highest indicator of credits (79% in average).

Diagram #15: Taking credit from bank or micro-finance organization



Leliani focus group participants think that it is not worth taking credit due to risk. The majority of them have had credit and they have never tried to take it again. They do not risk taking even preferential credit. In their opinion gender has no meaning when taking credit, main thing is to have income.

“Taking credit is very simple, but I think I will not be able to take it as I am a pensioner.” “I had to register the credit under my son’s name, because the bank did not give it to me as I do not have any income.”

In the opinion of focus group participants, scarceness of finances for starting business is the main obstacle for women. “The interest on credit is high in banks and taxes are also high.”

“And I make use of credit, as the vegetables cost me so much that we cannot grow them on the basis of our money and that is why we are applying to micro-finance organizations. As to the grant competitions, I know that they exist, but I have never taken part in them. As to cheap agro credits, I have the information, but I have never tried to apply to it.”

“Yes, I have agro credit to grow maize, buy nitrates and similar products, we have a bank credit.”

“Yes, I have taken credit from “Credo” micro-finance organization also from “Finca”. I have taken it from micro-finance organization because they are financing more than banks and that’s why we are choosing them.”

Among the surveyed households 267 individuals (18%) have applied to a bank or/and micro-finance organization and have not been given credits. Their perception and attitude is interesting in regard to the above. 37% said that it happened because they did not have any property, 22% - could not show any income source and 31% thinks that this was the result of subjective assessment on the part of a bank officer.

According to Leliani focus group participants, to take credit it is necessary to get consent of the family member who is owner of the property. In majority of the cases these are men.

“To take bank credit it is necessary to mortgage certain asset, particularly, house and anything else, unfortunately, I have nothing valuable on the basis of which I could have taken credit.”

“When I visited “Constanta” for credit they asked me to bring my husband as a guarantor; the head of the family should have been a guarantor as the property is registered under his name. As to the property, he did not have anything, but I still have to bring him as a guarantor, as he is the head of the family anyway.”

According to Shukhruti focus group participants, it is no problem to take credit. Generally, credit is taken by a family member with a salary. They need credit, but refuse it due to high risk. They think banks will not give them any credit, as they have low incomes.

Correspondingly, when the respondents were generally evaluating availability of credit for women-entrepreneurs they did not mention subjective attitude of a credit officer even once. But when the women, who were not given financing, were describing their own case more than one third of them saw the problem not in their own situation, but in the credit officer’s attitude. This is pointing out to subjective attitude of respondents.

According to Leliani focus group participants it is easy to take credit from micro-finance organizations; the credit is taking a family member whose salary is transferred to a bank and, as a rule, this is a man. It should be mentioned that it is not difficult to take credit in the region, as Kakheti is the region with relatively better income. According to the words of some participants, there have been cases when a bank/micro-finance organization was applied for a credit and, as the woman did not own immovable property, the bank asked her to bring a husband as a guarantor, who was the head of the family and owner of immovable property.

“Basically, the immovable property of the family is registered under a man’s name. This can be a problem for a woman when trying to take credit independently. If a woman decides to take credit for any reason, first of all, she has to explain to a man in the family and she cannot take credit without his consent.”

Tsikhisjvari focus group:

“I have heard that if you already have credit, the other bank will not allow you to take another one, as you have one already. I have had such incident, I wanted to take credit to enhance my husbandry, but the bank refused to, because my son, due to the problems related to the health of his wife, already had bank credit. The reason was that the family did not have enough income to cover the credit, as the result, I cannot understand why it is a preferential credit, if I cannot manage my farm and enhance it elementarily.”

“My mother is a pensioner, she went to Liberty Bank and when she got acquainted with the conditions of preferential credit she refused to take it, as she was to pay during 3-4 years and the credit will not be paid, this would be just paying of interest. As the result, it would be unprofitable and taking credit would have no sense. So she refused.”

“When a pensioner is taking credit from Liberty Bank and he is taking his pension for several months, Liberty Bank is taking very high interest. As the result, there is no benefit for a pensioner. Three days ago I visited Liberty Bank and declared that I would return the amount I had taken but

wanted to take more this time, as we wanted to buy a car. But I saw that this would not make any sense, I'd rather borrow the some from someone, even under certain interest, than take it from Liberty Bank once again, as the conditions are very bad.”

Magaroskari focus group:

“It is very bad when someone is taking bank credit and then incurs loss, so customers do not want to take money from bank. They are afraid of risk as no one wants to take credit under 17%, but no one is giving credits under 3%. One should have an acquaintance!”

Among Magaroskaro focus group participants the attitude is as follows: “No one will do something for us here.” Credit interest is high and risk to lose business is also high, as the result they are refraining from taking credit. There is the opinion that “No one will give you cheap credit if you do not have any acquaintance there,” though they have never tried to, they know it only by word of mouth. But they know a fact, when cheap credit was allocated and the credit addressee did not have any problem, the credit was taken by a family member whose salary is transferred to a bank. Who has not tried, they are afraid of their houses which bank can sell. They need credit, but refrain due to high level of risk. They think that they will not be able to take credit as their incomes are low.

According to the words of Shukhruti focus group participant “I was given a start-up credit in TAO Bank, but I did not know exactly what I was going to do, they even did not ask me about my future business. I failed to start business and I am not able to return the credit yet.”

As it was mentioned above, realization of agricultural products is the important income source for families, especially for Lagodekhi, Kvareli and Aspindza communities. The survey results have shown that the majority of families is selling grapes and cheese most of all. Despite the fact that the price of grapes, in comparison with other products, is relatively low (approximately GEL 1 per kg), it is the largest income source for families. Cucumber and tomato is also prospective direction for Kakheti region. In Dusheti there is sold cheese most of all, though, from the income point of view, apiculture is a leader. Bee breeding has serious perspective of development in Dusheti, the region with limited area of land.

About 10% of families in Chiatura are getting income from realization of agriculture products. The main reason for this is lack of land, so they are using their own vegetables and products themselves. Cheese, maize and beans – these are the products which families sell most of all in this municipality.

Cheese is the only product out of the first three top products for all municipalities. In Borjomi and Aspindza families get the most of their income from selling cheese, though growing of potato is equally urgent in these municipalities.

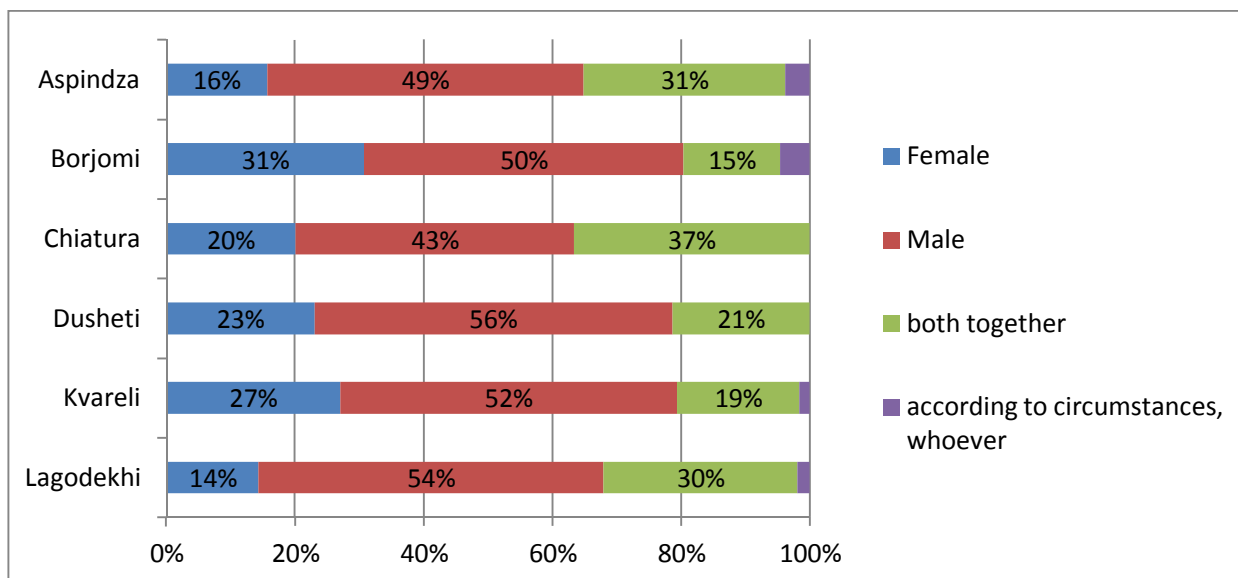
Table #3: Average annual amount of the agriculture products being sold most frequently and their prices according to the municipalities

Product	Number of Families	Average quantity per family (kg)	Average price per 1 rg	Average income of families (GEL)
Lagodekhi				
grapes	144	3573	1,0	3465
cucumber	94	1574	0,4	706
cheese	85	254	6,5	1657
Kvareli				
grapes	33	3373	1,0	3291
cheese	23	439	7,0	3074
tomato	21	1081	0,6	679
Dusheti				
cheese	23	106	6,2	654
honey	14	88	12,1	1066
fruit	10	76	1,5	114
Chiatura				
cheese	18	114	6,0	687
maize	12	340	0,5	170
beans	8	58	4,1	238
Borjomi				
potato	46	287	0,7	201
cheese	18	161	6,0	969
milk	12	344	1,2	412
Aspindza				
potato	136	1509	0,6	859
cheese	49	225	6,0	1352
walnuts	33	72	4,0	288

Resulting from the purposes of the research there has been also studied the process of decision-making in regard to sales. It has been revealed that in 51% of cases decision on the price and quantity of the production to be sold is made by a man. In relatively more cases women are decision-makers in Borjomi (31%) and Kvareli (27%). About 26% of the surveyed families is jointly defining the quantity and price of the products to be sold.

In all municipalities households are selling their products locally – 63%. Through such method of selling families, in reality, are obtaining minimal subsistence means. 24% of the respondents, as a rule, are selling the products at agrarian markets themselves. At the same time, it is interesting that physically products are sold by men – 49%. The same indicator for women is 27% and products are jointly sold in 19% of the families.

Diagram #16: Individuals making decision on quantity and price of products to be sold



According to Magaroskari focus group participants, the roles are distributed among the family members; women are to milk cows, make cheese, look after the family, vegetable, chickens. Women have more tasks to do, though men's tasks are requiring physical power. A man and woman were equally named to be breadwinners. The decision on the quantity and price of the product to be sold is mostly made by women and mostly they go to the market to sell the products. The selling price is regulated by the market – “In the conditions of low price we do not sell the products and are making decision in place.”

Tsikhisjvari focus group participants say that women are more active in entrepreneurial activities, they are responsible for product selling and the quantity to be sold is agreed with the family. Household tasks are more or less equally distributed among men and women.

In Toloshi quantity of products to be sold is also agreed with families. In the most cases the selling price is defined by the market, though they do not sell product at the price lower than certain level. There are cases, when the product is not enough even for the family, but they have to exchange it for other products – cheese, tomato or sugar.

In order to increase incomes of households it is necessary to increase their access to markets. In the production values chain these families represent initial rings, though they cannot access upper rings of this chain and mostly they depend on wholesalers passing their houses. Through developing entrepreneurial skills and increasing access to additional services increasing family income will become possible.

The picture shows that, when planning various initiatives of agricultural character or state program, it is necessary to reveal and consider priority directions on the level of a municipality and often even on the level of the community.

Economic Development Opportunities for Women

Economic development of women is urgent issue for the contemporary world. In Georgia it is related to additional challenges, especially for women residing in rural areas. Heavy social background, low access to finances, especially for business start-up, small number of pre-school institutions, limited opportunity to increase entrepreneurial education and skills, cultural attitudes and traditional cliches – “what should and should not do a woman” – makes impossible to have opportunity of economic activity and development for woman residing in rural areas. This serious challenge is quite complex and, correspondingly, requires complex and intensive diverse working.

Qualitative analysis of the introduced issue confirms once more that active working is necessary as for economic development of women, so for changing mentality of them and their families.

Leliani focus group considers the family and limited finances to be the obstacle for entrepreneurial opportunities of women.

“If a woman is not active the reason is a family and finances. Independent women are often badly understood in families, as it damages a man’s pride. Often men are delaying women, but there also are independent women which can implement their plans, of course, if they have finances, that are lacking in the majority of cases.”

“In my case I have never tried to start any business, as have never had any business idea. So, I do not know what my husband would think in this regard. I do not think he would like it,” – says one of the participants.

Toloshi focus group women would agree to be the owners of the household with great pleasure. They have the wish but they have no finances. Poor health, scarcity of land, children and family obligations have been named as other obstacles.

The business which they would start relates to husbandry, particularly, production of milk products and setting up a milk accepting centre, also, greenhouse and cattle farm. In the case of initiating these businesses they will have much support from their families. They think that a woman will better do in the following spheres: cooking, poultry (eggs, meat) and cattle breeding. The land is thought to be a man’s and not woman’s direction.

Magaroskari focus group participants think that if a woman wants to become an entrepreneur she is to be principled, hard-working and know what she is doing, able to communicate with people, purposeful, serve as an example for others and have will power. They have expressed the wish to be entrepreneurs as they want to have better income, be employed and busy.

“In the settlement there is no other source for income rather than entrepreneurship and hired labour is not valued.” “To be a good entrepreneur a woman needs financial support and cheap credits. If necessary the family will provide her with any support.”

It is thought that a woman will better do in husbandry, as basically they are involved in creation of the products. Though, they have many other business ideas such as needlework (knitting and sawing), grocery, apiculture, poultry breeding, wood shop to make tables and chairs. Those who already have their businesses would enhance them.

Tsikhisjvari focus group participants would agree to own household with great pleasure, though they are delayed by lack of finances. Scarceness of lands, family obligations have been named as obstacles. The business which they would start is related to bakery to bake various types of buns, khachapuri, etc.

To become a good entrepreneur in the mentioned villages a woman should have the following features: education, wish, able to take risk, good communication skills and knowledge of the business she is doing. Finances and other income sources, which will make a family stronger and wealthy, were named to be the priorities of entrepreneurship.

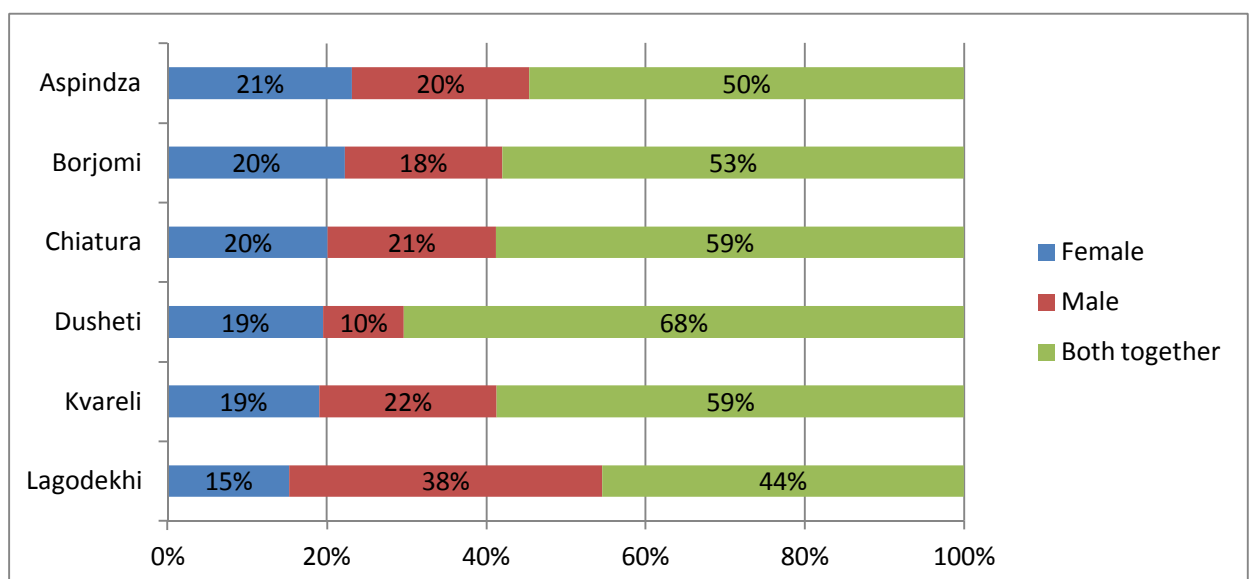
Shukhruti focus group participant: “To start/develop own entrepreneurial business it is necessary to be purposeful. Besides, a woman should have will power and time, of course, as often people do not have time for starting and developing entrepreneurial business. I think this is the main reason.”

Family was named to be the basic obstacle for a woman against starting her own entrepreneurial business in Shukhruti, as the women residing in rural areas, who have husbands and children, will not be able to have their own business. There was also expressed an opinion that a woman should be able to take risk, she should be purposeful and able to resist obstacles to overcome the barriers, which they are facing in their families.

The qualitative research shows that women have innermost desire to be involved in entrepreneurial business to do so, first of all, they need “permit” of their family, especially, husband.

The quantitative research shows that, out of the families surveyed from the point of view of entrepreneurial activities, about in 19% of them women are involved in such business, in 23% - just men and in 53% (more than a half) they are doing business jointly. The proportion of answers was almost the same on the question: Who, as a rule, disposes the income obtained from entrepreneurial business in your family (women – 17%; men – 24%, both together – 55%). Nevertheless the picture according to the communities under survey is slightly different, for example, in Lagotekhi women are relatively passive and in 38% of the families only men are involved in entrepreneurial business.

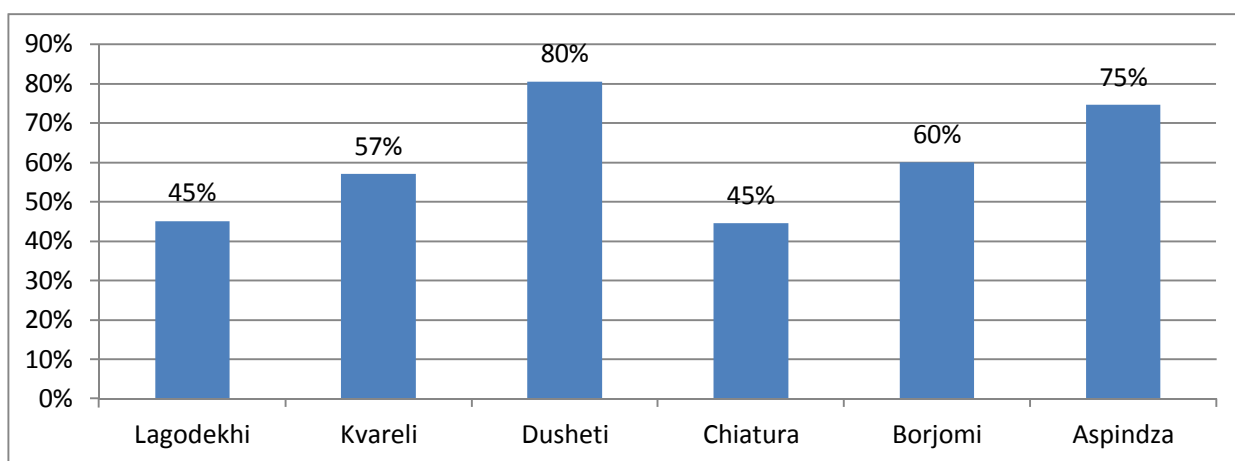
Diagram #17: Involvement of family members in entrepreneurial activities according to municipalities



Economic development of women residing in rural area is the long and complicated way, full of challenges. Changing of traditional attitudes, increasing of women's motivation and self-assessment together with improving availability of finance are only first steps necessary to walk along this way.

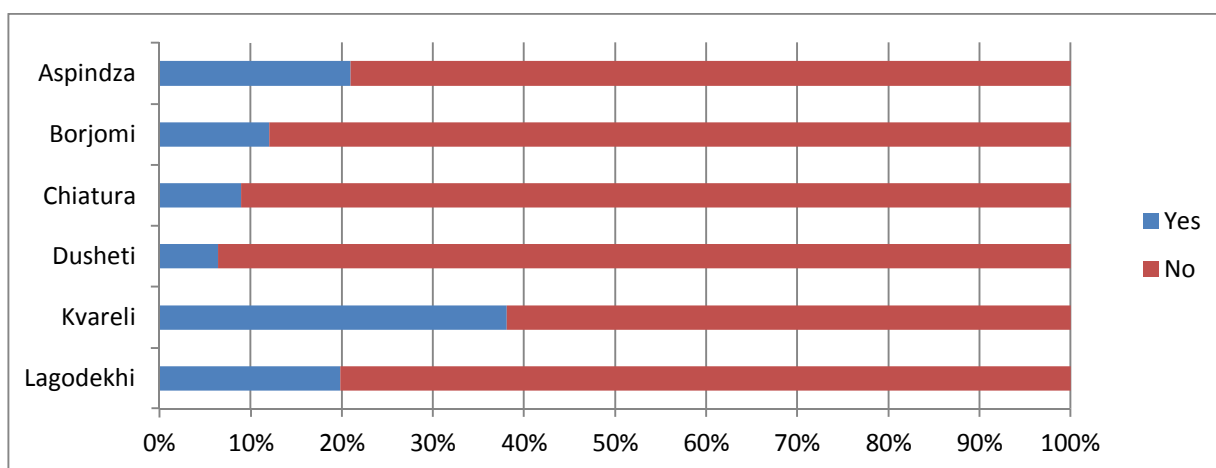
The majority of participants of quantitative research wants to gain grant financing to start entrepreneurial business, though, it should be mentioned, that, for instance, only 45% of respondents expressed such wish in Lagodekhi and Chiatura. This means that a part of women does not review their involvement in any case of entrepreneurial business even on theoretical level and prefer to go on with passive life.

Diagram #18: Desire to obtain grant financing



The picture has cardinally changed when a question was about obtaining credit from finance organizations, here just 14% of respondents said that they are planning to take credit. It is interesting that about 38% of families are going to attract credit amounts.

Diagram #19: Are you planning or not to apply to a bank/micro-finance organization during the nearest year to develop entrepreneurial business



It is logical that the majority of respondents do not want to assume financial obligation, as they see real risk – they are afraid that they will not be able to pay back the credit in the conditions of low income. Besides, it should also be considered that agriculture, generally, is a high risk sphere and depends on seasonal weather; any natural disaster, especially in Kakheti, causes damage for families. In this direction, agricultural insurance would have been quite effective instrument, though it should

be mentioned, that, on the initial state, it will be very difficult for families to cover insurance expenses. Considering the current situation, for the families residing in rural areas, the most realistic approach for starting and developing the entrepreneurial business can be grants and cheap credits.

At the same time focus group participants have named additional factors which would have promoted development of their economic opportunities, including, improvement of infrastructure, provision water and gas supply, adjustment of irrigation system, etc.

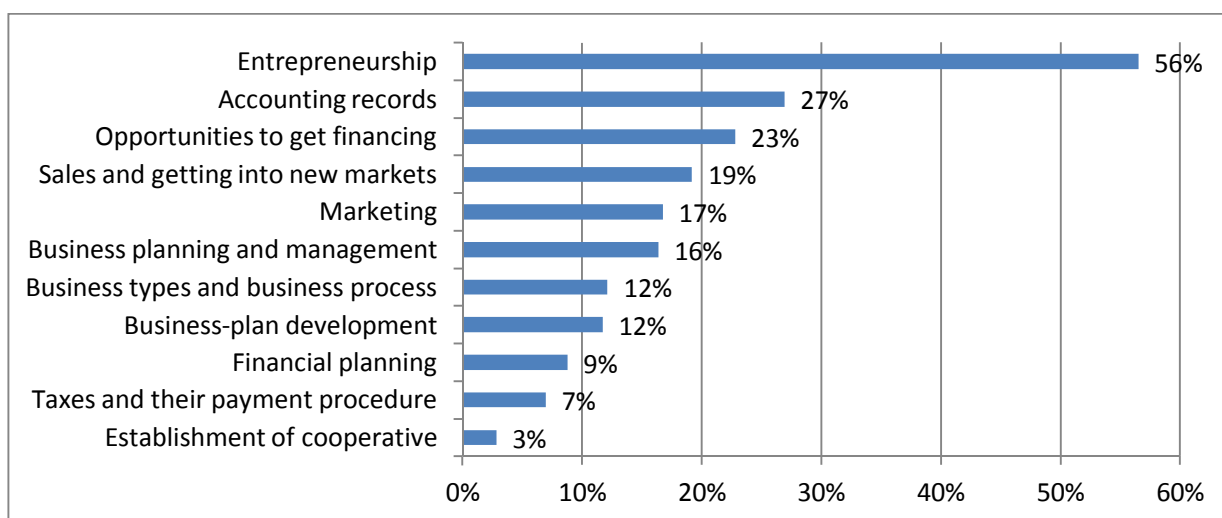
According to Shukhruti focus group participants, in order to let a woman start/develop her own entrepreneurial activity, it is necessary to have support from the state and local self-governance, particularly, repairing of roads, arranging gas pipeline and resolve the problem with drinking and irrigation water. Population has scheduled water supply (at 2 a. m.). Resulting from the above, they think that if these problems are resolved the women living in rural area will become able to start their own entrepreneurial business.

“I think it is necessary and even important to support us. We need gas, there is no road, if we have no road we will be able to do nothing and the village will not develop. We will be able to think about something when all the problems are eliminated. We have been talking about husbandry, cattle need so many thing, even the water, which starts running at 2 o'clock in the morning.”

In parallel with resolving the above challenges, to fully and effectively realize the entrepreneurial opportunities, it is necessary to provide potential beneficiaries with relevant knowledge and skills. Even in the case, if a person is quite motivated, has good business idea and corresponding financing, the business is not necessarily successful, if he has no basic knowledge.

The survey results have shown that in average 20% of the respondents has participated in this or that kind of educational measures and 52% has expressed their desire to attend training courses, which would help them in implementation of entrepreneurial business. And the rest of the people do not want or cannot understand the necessity of obtaining of additional knowledge and skills. Among them, those wishing to attend training courses, more than a half is ready to attend the course of entrepreneurs (56%), 27% expressed the desire to study making accounting records.

Diagram #20: What kind of trainings would you attend?



The survey results show that to develop and realize opportunities of economic development for the women living in rural areas, it is unconditionally necessary for state and non-state sectors to carry out several measures. It is necessary to implement the initiatives adjusted to women's needs and capabilities.

Key Findings

- Household of the researched communities, in average, consist of 3,7 member families. In Dusheti, Chiatura and Aspindza the most weight have 2-3 member families and in other units the majority of households represent 4-5 member families. In total, in the surveyed 1500 families there live 5431 individuals, women make 53% of them, the rest – are men. According to territorial units the data almost do not differ and the number of women is higher than the number of men everywhere. Similarly, the shares of children are nearly the same; about 20% of the surveyed individuals represents children.
- It is also interesting that 67% of interviewers answered positively on the question whether they wanted to be employed or not; and, correspondingly, 33% does not want to work. Those, being ready to fulfill any type of work agree on the jobs such as office work (27%), nurses (24%), any physical work (22%), cleaner (21%), etc. We can assume that the respondents, when naming desirable workplace, rely, on the one hand, on their own capabilities and experience and, on the other hand, are under influence of traditional mentality in relation of the type of work that can be done by a woman, for instance, only 0,5% of the respondents agrees to work as a waiter.
- The surveyed families are significantly dependent on state assistance and pensions. The largest number of beneficiaries can be found with Health Insurance program. About 22% of the households have monetary assistance – subsistence benefit. Besides, in 48% of the families there is, at least, one pensioner.
- More than a half of respondents have, even once, participated in any type of public meeting. Special activity was noticed in Aspindza, Chiatura and Kvareli. The highest attendance was reported on the measures organized by local self-governance bodies, then come measures carried out by NGOs. 75% and 68% of the respondents from Chiatura and Aspindza, correspondingly, have attended the meetings of local self-governance even once.
- Only 8,4% of the respondents confirmed that they had various type of relationship with non-governmental sector. The result slightly more than average was shown by Lagodekhi (14%), Kvareli (10%), Aspindza (10%) communities. However, it can be definitely concluded that non-

governmental sector is very passive in villages and activation of working in this direction has critical meaning.

- The research has revealed that the pension is the basic income source for 50% of surveyed families, 22% is eligible for monetary social benefits, 48% is selling agricultural products and just 10% has income from small business.
- 11% of the interviewers have never cultivated land last year yet. It should be mentioned that the same indicator in Borjomi and Chiatura reach 17% and 15% correspondingly. The mentioned territories have rather small land areas, which are less productive.
- As in the case of land, the picture differs according to the sources of income related to the revenues obtained from realization of agricultural products. In the communities surveyed in Lagodekhi and Kvareli more than 90% of the respondents are selling agricultural products. As it was mentioned above, in this area more than 1 ha land has been cultivated. In Aspindza 92% of respondents are selling domestic animals, poultry or/and milk products. As to the rest of the areas, just 16% of respondents have income from such activities. Correspondingly, getting income from primary agricultural production directly depends on the number of available lands and their productivity. Though it should be mentioned, that development of small business is equally urgent for all locations. In the communities, where products obtained as the result of primary production are sold, strengthening of processing directions and access to markets will make it possible for households, at least, to double their incomes. And for other communities development of small business in non-agricultural direction, including various spheres of service – commerce, tourism, application of natural resources (mineral waters, woods, hunting, etc.) can have essential meaning.
- Families in Lagodekhi, Kvareli and Aspindza get income from agricultural activities – farming, husbandry/poultry keeping, production of milk products. Only 10% of respondents have their own small business – shop, workshop, tailoring shop. At the same time, it should be considered, that fishing can be quite prospective direction, though, the survey has revealed just 18 cases of the above activity, including, 6 families involved in fish breeding and per four families doing the same in Lagodekhi and Borjomi.
- The question whether it is available for women-entrepreneurs getting credit from a bank or micro-finance organization, 56% of the respondents gave positive answer and in the opinion of 26% (393 individuals), getting credit for a woman-entrepreneur is not available. The respondents, thinking that credits are not available for women, named basic reasons for that: a woman does not have reliable income sources – 65%; does not own any property (house, land plot, etc.) – 38%; risk of inability to pay the credit back – 49%. It is interesting that just 7 respondents think that the reason can be subjective evaluation by a credit officer.
- In order to study the experience of relationship between the respondents and banks and micro-finance organizations it has been identified that 28% of them has never apply to finance organizations for credit (it is meant any type of credit, including, consumer credit); 18% has applied by has not been given any and, correspondingly, 54% has taken credit. It is interesting that Kvareli and Lagodekhi showed the highest indicator of credits (79% in average).
- The majority of families in Lagodekhi and Kvareli are selling grapes and cheese most of all. Despite the fact that the price of grapes, in comparison with other products, is relatively low (approximately GEL 1 per kg), it is the largest income source for families. Cucumber and tomato is

also prospective direction for Kakheti region. In Dusheti there is sold cheese most of all, though, from the income point of view, apiculture is a leader. Bee breeding has serious perspective of development in Dusheti, the regions with limited area of land.

About 10% of families in Chiatura is getting income from realization of agriculture products. The main reason for this is lack of land, so they are using their own vegetables and products themselves. Cheese, maize and beans – these are the products which families sell most of all in this municipality.

Cheese is the only product o the first three top products for all municipalities. In Borjomi and Aspindza families get the most of their income from selling cheese, though growing of potato is equally urgent in these municipalities.

- Resulting from the purposes of the research there have been also studied the process of decision-making in regard to sales. It has been revealed that in 51% of cases decision on the price and quantity of the production to be sold is made by a man. In relatively more cases women are decision-makers in Borjomi (31%) and Kvareli (27%). About 26% of the surveyed families is jointly defining the quantity and price of the products to be sold. In all municipalities households are selling their products locally – 63%. Through such method of selling families, in reality, are obtaining minimal subsistence means. 24% of the respondents, as a rule, are selling the products at agrarian markets themselves. At the same time, it is interesting that physically products are sold by men – 49%. The same indicator for women is 27% and products are jointly sold in 19% of the families.
- In order to increase incomes of households it is necessary to increase their access to markets. In the production values chain these families represent initial rings, though they cannot access upper rings of this chain and mostly they depend on wholesalers passing along the streets in front of their houses. Through developing entrepreneurial skills and increasing access to additional services increasing family income will become possible. The picture shows that, when planning various initiatives of agricultural character or state program, it is necessary to reveal and consider priority directions on the level of a municipality and often even on the level of the community.
- The quantitative research shows that, out of the families surveyed from the point of view of entrepreneurial activities, about in 19% of them women are involved in such business, in 23% – just men and in 53% (more than a half) they are doing business jointly. The proportion of answers was almost the same on the question: Who, as a rule, disposes the income obtained from entrepreneurial business in your family (women – 17%; men – 24%, both together – 55%). Nevertheless the picture according to the communities under survey is slightly different, for example, in Lagotekhi women are relatively passive and in 38% of the families only men are involved in entrepreneurial business.
- The majority of participants of quantitative research wants to gain grant financing to start entrepreneurial business, though, it should be mentioned, that, for instance, only 45% of respondents expressed such wish in Lagodekhi and Chiatura. This means that a part of women does not review their involvement in any case of entrepreneurial business even on theoretical level and prefer to go on with passive life. The picture has cardinally changed when a question was about obtaining credit from finance organizations, here just 14% of respondents said that they

are planning to take credit. It is interesting that about 38% of families is going to attract additional credit amounts.

- The qualitative research has revealed the additional factors, which would have promoted development of their economic opportunities, including, improvement of infrastructure, provision water and gas supply, adjustment of irrigation system, etc.
- The survey results have shown that in average 20% of the respondents has participated in this or that kind of educational measures and 52% has expressed their desire to attend training courses, which would help them in implementation of entrepreneurial business. And the rest of the people do not want or cannot understand the necessity of obtaining of additional knowledge and skills. Among them, those wishing to attend training courses, more than a half is ready to attend the course of entrepreneurs (56%), 27% expressed the desire to study making accounting records.
- Economic development of women residing in rural area is the long and complicated way, full of challenges. Changing of traditional attitudes, increasing of women's motivation and self-assessment together with improving availability of finance are only first steps necessary to walk along this way.
- The majority of participants of quantitative research wants to gain grant financing to start entrepreneurial business, though, it should be mentioned, that, for instance, only 45% of respondents expressed such wish in Lagodekhi and Chiatura. This means that a part of women does not review their involvement in any case of entrepreneurial business even on theoretical level and prefer to go on with passive life.
- It is necessary to implement the initiatives adjusted to women's needs and opportunities, especially, improving availability of finance for them in the direction of forming and developing entrepreneurial ideas and improving skills.

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