



European Bank
for Reconstruction and Development



Report on

First National Dairy Congress
10 March 2016, Tbilisi

I. Detailed program

9.00-10.00 Registration and Welcome Coffee	
10.00-10.20 Official Opening	
Opening Remarks	<p>Mr. Andriy Dykun, Head of the Ukrainian Agrarian Council</p> <p>Mr. Nodar Kereselidze, First Deputy Minister of Agriculture of Georgia</p> <p>Mr. Bruno Balvanera, Regional Head for the Caucasus, Moldova, and Belarus, European Bank of Reconstruction and Development (EBRD)</p> <p>Mr. Mamuka Meskhi, Assistant Representative in Georgia, Food and Agriculture Organization of United Nations (UN FAO)</p>
10.20-11.40	
Section 1. Georgian Dairy Sector: investment opportunities and development prospects	
Moderator – Andriy Dykun , Head of the Ukrainian Agrarian Council	
The Georgian dairy industry – strategy for development, unique investment opportunities, and overview of FAO-EBRD led dairy projects	Mr. Andriy Yarmak , Economist, UN FAO Investment Centre, Italy
Development of the Georgian agriculture sector through the implementation of EBRD programs in the dairy sector	Ms. Victoria Zinchuk , Head of Agribusiness Advisory, EBRD, UK
Kvareli Baga Investment Case: Opportunities and Challenges	Mr. Lado Sakvarelidze , Representative, Kvareli Baga, Georgia
Potential paths for the development of the Georgian dairy industry: A Case Study for Ukraine	Mr. Viacheslav Kravchuk , Independent Consultant on dairy processing technology, Ukraine
11.40-12.20 Coffee Break	
11.40-12.10	
Press Conference for journalists (during the coffee break)	
12.20-14.00	
Section 2. Regulation of safety and quality of milk and dairy products in Georgia	
Moderator – Andriy Yarmak , Economist, UN FAO Investment Centre, Italy	
<i>Panel Discussion:</i> Regulation of food safety in Georgia: review of legislative changes and their influence on dairy businesses	<p>Mr. Matti Lampi, International long-term advisor, Comprehensive Institution Building Program (CIB), the National Food Agency of Georgia, EU</p> <p>Mr. Zurab Tskitishvili, <i>Academic Secretary</i>, Head of Food Safety Scientific Department of the Georgian Agriculture Academy of Science</p> <p>Mr. Andriy Dykun, Head of the Ukrainian Agrarian Council</p> <p>Ms. Eleonora Dupouy, Food Safety and Consumer Protection Officer, FAO Regional Office for Europe and Central Asia, Hungary</p> <p>Ms. Ketevan Laperashvili, Deputy Head of the Agriculture and Food Department of the Ministry of Agriculture of Georgia</p>
<i>Panel Discussion:</i>	Mr. Andriy Yarmak , Economist, UN FAO Investment Centre, Italy

Growth potential of dairy businesses in Georgia	<p>Mr. Serhii Fyl, Head of the Milk Production Technology Department, Association of Milk Producers, Ukraine</p> <p>Mr. Mykhailo Bilokin, Head of the Veterinary Department, Association of Milk Producers, Ukraine</p> <p>Mr. Volodymyr Khvostov, Director of the Ltd. "Trade House" Dolyns'ke", Ukraine</p> <p>Mr. Erekle Gamkrelidze, Director of the Ltd. "Sante GMT Products", Georgia</p> <p>Mr. Kakha Kavtashvili, Head of Production, Wimm Bill Dann, Georgia</p> <p>Ms. Daredjan Kavteladze, Director of the Ltd. "Santa", Georgia</p> <p>Mr. Giorgi Arazashvili, CEO, Ltd. "Milko food", Georgia</p>
14.00-15.30 Lunch	
15.30-18.00	
Section 3. Proven principles of effective technologies for production of high-quality milk	
Moderator – Serhii Fyl , Head of Milk Production Technology Department of the Association of Milk Producers, Ukraine	
The market importance of cooperation between professional dairy producers	Mr. Lyubomyr Dykun , Vice-President of the Association of Milk Producers, Ukraine
From cow to consumer - an integrated approach with supply of milk from small holder farmers	Mr. Morgan Tinnberg , Project Development Manager at Tetra Laval Food for Development Office
Veterinary services for dairy farms – ensuring the safety of animals	Mr. Mykhailo Bilokin , Head of Veterinary Department of the Association of Milk Producers, Ukraine
Young-stock breeding is critical for the dairy business	Mr. Serhii Fyl , Head of Milk Production Technology Department of the Association of Milk Producers, Ukraine
Recognition of dairy farming as a business - the key to success and prosperity	Mr. Allan Bergholdt , Independent Consultant on dairy management and technologies, Denmark
Low milk yields as the major cause for low productivity	Mr. Yuriy Sivov , Head of the Consulting Center of the Association of Milk Producers of Ukraine
Successful dairy farm management in Georgia	Mr. Levan Arkania , Representative, Kvareli Baga, Georgia
Successful dairy business management in Ukraine	Mr. Volodymyr Khvostov , Director of the Ltd. "Trade House" Dolyns'ke", Ukraine
18.00-20.00 Closing	
Gala Evening	

II. Press conference

A press conference for journalists was held during the coffee break from 11.40 a.m. to 12.10 p.m.

A press conference was held on Investment, quality, cooperation and modern technologies for dairy business of Georgia – presentation of FAO and EBRD joint initiative.

Participants:

- 1) Mr. Otar Danelia, Minister of Agriculture of Georgia
- 2) Mr. Andriy Dykun, Head of the Ukrainian Agrarian Council
- 3) Mr. Andriy Yarmak, Economist, UN FAO Investment Centre, Italy
- 4) Mr. Bruno Balvanera, Regional Head for the Caucasus, Moldova, and Belarus, European Bank of Reconstruction and Development (EBRD)
- 5) Ms. Victoria Zinchuk, Head of Agribusiness Advisory, EBRD, UK
- 6) Mr. Mamuka Meskhi, Assistant Representative in Georgia, Food and Agriculture Organization of United Nations (UN FAO)

The economist of the FAO Investment Department Andriy Yarmak said about the issues of the current state of Georgian dairy market and its development prospects in the context of global trends. The expert, in particular, noted that the size of Georgia's dairy market is estimated at \$ 0.6 billion, but only 5% of them are products that have gone through a formal process and organized marketing channels. With regard to investment opportunities, he noted that the production cost in Georgia may be lower than in Ukraine, though they are now twice as high, even in the best farms (\$ 0.17 versus \$ 0.36 per 1 liter of milk), so there is a huge potential to improve the efficiency of milk production in Georgia. The head of the consulting areas in agriculture of the EBRD - Victoria Zinchuk - spoke about the plans of Georgian agricultural sector development through the implementation of the EBRD's programs in the dairy industry.

Press list:

- Interpressnews
- Investor.ge
- BusinessPressNews
- Radio Commersant

III. Press releases

1. Press release (project).

“FAO and EBRD develop Georgia’s dairy industry”

Food and Agriculture Organization (FAO) with the European Bank for Reconstruction and Development (EBRD) and the Association of Milk Producers of Ukraine (AMP) begin implementation of the project “Improving food safety through capacity building in Georgia’s dairy sector”

Today, in conditions of a free trade zone, Georgian agribusiness, in the above privacy dairy industry, requires considerable capacity building, in order to increase the competitiveness and efficiency of value chains, and to attract investments for upgrading existing equipment, to improve food safety and hiring of new employees in accordance with new standards of the EU.

The FAO and the EBRD teamed up with AMP to implement the second phase of the project “Improving food safety through capacity building in Georgia’s dairy sector “.

Experts of the AMP with the EBRD and FAO have successfully implemented the first phase of the project on the analysis of Georgian dairy industry. In addition, the AMP has successful experience in the dairy farms modernization in several countries of the Caucasus region and the rapid development of the Ukrainian dairy business, including high performance and high level of safety and quality of milk, was achieved.

The First National Dairy Congress and the Caucasian International Dairy Congress in Tbilisi will be organized in the framework of the project as an effective platform for different sectors of Georgian dairy industry. Four theoretical and practical training modules on all technological aspects of milk production for a group of Georgian farmers will be conducted in Ukraine and in Georgia. The total duration of trainings with the participation of local and international leading experts in the effective milk production technologies will be 17 days.

INFORMATION: More information about the Congresses and the project you can get from Kateryna Poberezhna by email: 5ateryna.poberezhna@gmail.com or by phone: +995 599 111 073. The project website: www.georgiandairy.org

2. Press release (Congress).

March 10, 2016

Radisson Blu Iveria Hotel

"First National Dairy Congress in Tbilisi"

Problems and prospects of Georgian dairy sector development will be discussed in Tbilisi on 10 of March, 2016 at the First National Dairy Congress, organized by the Association of Milk Producers of Ukraine (AMP) with the Food and Agriculture Organization (FAO), the European Bank for Reconstruction and Development (EBRD) with the assistance of the Ministry of Agriculture of Georgia. The Congress will be held in the framework of the project "Improving food safety through capacity building in Georgia's dairy sector".

National Dairy Congress will be an effective platform to bring together more than 100 participants: managers and specialists of leading dairy companies, public authorities, commercial companies, industrial associations, international organizations and financial institutions.

The Congress will present the results of the investment opportunities analysis of Georgian dairy sector in order to maintain competitiveness in the context of a deep and comprehensive free trade area. Also, the press conference "Investment, quality, cooperation and modern technologies for dairy business of Georgia – presentation of FAO and EBRD joint initiative" will be held at the First National Dairy Congress at 11.40.

INFORMATION: More information about the Congresses and the project you can get from Kateryna Poberezhna by email: kateryna.poberezhna@gmail.com or by phone: +995 599 111 073. The project website: www.georgiandairy.org

IV. Post release

FIRST NATIONAL DAIRY CONGRESS IN GEORGIA

The First National Dairy Congress was held on 10 of March in Tbilisi and dedicated to the development prospects of Georgia's dairy business.

The event aroused great interest in the dairy industry, and gathered at the Radisson Blu Iveria Hotel more than 200 participants - managers and specialists of the leading dairy farms, authorities, commercial companies, dairy companies, industry associations, international organizations, financial institutions and the media. Delegates from 10 countries took part in the forum.

The event was organized by the UN Food and Agriculture Organization (FAO) and the European Bank for Reconstruction and Development (EBRD) in cooperation with the Association of Milk Producers of Ukraine (AVM) with the support of Ministry of Agriculture of Georgia.

Congress actually opened up a technical assistance project of the FAO and the EBRD for Georgian dairy sector modernization to improve the efficiency of production and processing, as well as improving the safety and quality of milk and dairy products. In fact, the event was a platform for sharing information, generating new ideas of dairy sector development, dialogue between government and business and professional cooperation of milk producers and processors. This year, the Congress was focused on improving the quality and safety, as well as the methods to achieve them.

Congress topic covered a number of important industry issues, and was presented in three sections - "Georgian Dairy Industry: Investment Opportunities and Prospects", "Regulation of safety and quality of milk and dairy products in Georgia" and "Approved principles of effective technologies of high-quality milk production " .

The main purpose of the Congress was discussion and adoption of the development strategy of the industry, as well as ways to improve the efficiency of milk production: increasing cows productivity, milk quality improvement, effective state policy in the livestock industry and trade cooperation of milk producers.

The First Deputy Minister of Agriculture of Georgia - Nodar Kereselidze and the Assistant Representative in Georgia, Food and Agriculture Organization of United Nations (UN FAO) - Mamuka Meskhi opened the official part of the National Dairy Congress.

Andriy Dykun, Head of the Ukrainian Agrarian Council, presented Ukrainian experience in the dairy cattle development and farmers cooperation. Andriy Yarmak, the economist of UN FAO Investment Centre, spoke on the issues of the current state of Georgian milk market and its prospects for development in the context of global trends, as well as plans of FAO and the EBRD to develop dairy business in Georgia. The expert, in particular, noted that the size of Georgian dairy market is estimated at \$ 0.6 billion, but only 5% are products that have gone through a formal process and organized marketing channels.

Concerning to investment opportunities, he noted that the cost of production in Georgia may be lower than in Ukraine, though they are now twice as high, even in the best

farms (\$ 0.17 versus \$ 0.36 per 1 liter of milk), so there is a huge potential to improve the efficiency of milk production in Georgia.

V. Press monitoring

ONLINE:

- 1) <http://www.interpressnews.ge/ge/sazogadoeba/369099-thbilisshi-rdzis-pirveli-erovnuli-kongresi-gaimartheba.html>
- 2) http://commerciant.ge/?m=5&news_id=33680&cat_id=6
- 3) <http://www.bpn.ge/biznesi/20952-thbilisshi-rdzis-pirveli-erovnuli-kongresi-gaimartheba.html?lang=ka-GE>
- 4) <http://www.ibusiness.ge/tbilisshi-rdzis-pirveli-erovnuli-kongresi-gaimartheba/>
- 5) <http://www.ipress.ge/new/26055-tbilisshi-rdzis-pirveli-erovnuli-kongresi-gaimartheba>
- 6) http://commerciant.ge/index.php?m=5&news_id=33864&cat_id=7
- 7) <http://www.bpn.ge/biznesi/20952-thbilisshi-rdzis-pirveli-erovnuli-kongresi-gaimartheba.html?lang=ka-GE>
- 8) <http://www.epn.ge/?id=19714>
- 9) <http://medianews.ge/ge/tbilisirdzispirvelerovnulkongressumaspindzlebs/122370>
- 10) <http://www.interpressnews.ge/ge/sazogadoeba/369998-thbilisshi-rdzis-pirveli-erovnuli-kongresi-gaimartheba.html>
- 11) <http://www.interpressnews.ge/ge/sazogadoeba/369924-dghes-rdzis-pirveli-erovnuli-kongresi-gaimartheba.html>
- 12) <http://www.info9.ge/sazogadoeba/141569-thbilisshi-rdzis-pirveli-erovnuli-kongresi-gaimartheba.html?lang=ka-GE>
- 13) <http://cbw.ge/economy/worldwide-milk-price-is-one-of-the-most-expensive-in-georgia/>
- 14) <http://www.ibusiness.ge/fao-da-ebrd-khels-uwyoobs-saqartveloshi-rdzis-seqtoris-ganvitarebas/>
- 15) <http://georgiatoday.ge/news/3195/Factory-made-Tklapi-Appears-on-Georgian-Market>
- 16) <http://ghn.ge/com/news/view/149992>
- 17) <http://www.ttimes.ge/archives/57914>

- 18) <http://kvira.ge/%E1%83%A0%E1%83%AB%E1%83%98%E1%83%A1-%E1%83%9E%E1%83%98%E1%83%A0%E1%83%95%E1%83%94%E1%83%9A%E1%83%98-%E1%83%99%E1%83%9D/>
- 19) <http://www.ipress.ge/new/26287-FAO-da-EBRD-khels-utsyobs-saqartveloshi-rdzis-seqtoris-ganvitarebas>
- 20) <http://www.epn.ge/?id=19714>
- 21) <http://medianews.ge/ge/tbilisirdzispirvelerovnulkongressumaspindzlebs/122370>
- 22) <http://www.interpressnews.ge/ge/sazogadoeba/369998-tbilisshi-rdzis-pirveli-erovnuli-kongresi-gaimartha.html>
- 23) <http://www.interpressnews.ge/ge/sazogadoeba/369924-dghes-rdzis-pirveli-erovnuli-kongresi-gaimartheba.html>
- 24) <http://georgiatoday.ge/news/3195/Factory-made-Tklapi-Appears-on-Georgian-Market>
- 25) <http://ghn.ge/com/news/view/149992>
- 26) <http://www.ttimes.ge/archives/57914>
- 27) <http://kvira.ge/%E1%83%A0%E1%83%AB%E1%83%98%E1%83%A1-%E1%83%9E%E1%83%98%E1%83%A0%E1%83%95%E1%83%94%E1%83%9A%E1%83%98-%E1%83%99%E1%83%9D/>
- 28) <http://www.ipress.ge/new/26287-FAO-da-EBRD-khels-utsyobs-saqartveloshi-rdzis-seqtoris-ganvitarebas>
- 29) <http://businesscontact.ge/ka/article/tbilisshi-rdzis-pirveli-erovnuli-kongresi-gaimarta-/2175>
- 30) <http://sputnik-georgia.com/economy/20160311/230549021.html>
- 31) <http://news.vitube.ge/index.php?page=single&id=36105>
- 32) <http://agrokvkaz.ge/axali-ambebi/fao-da-ebrd-saqarthveloshi-rdzis-produqtebis-tsarmoebis-mkhardasatcherad.html>
- 33) <http://www.finchannel.com/index.php/world/georgia/55845-fao-milk-production-in-georgia-is-an-attractive-niche-for-investing-in>
- 34) <http://www.bpn.ge/biznesi/21709-qarthuli-rdzis-gamotsvevebi-qshemodgomasa-dazamtharshi-rdzis-deficitiaq.html?lang=ka-GE>

RADIO:

- 1) <http://www.palitratv.ge/gadacemebi/saqme/69948-qsaqmeq-stumrebi-katerina-poberezhna-kakha-sokhadze.html>

TV:

- 1) Maestro TV, Morning Programme <https://www.youtube.com/watch?v=s-6TdSQ9ep0>
- 2) Iberia TV, News Programme <https://www.youtube.com/watch?v=34olSbz1dDw>
- 3) Iberia TV, Business Code Programme <https://www.youtube.com/watch?v=TV-GpjjPzYs>
- 4) Ertsulovneba TV, news programme <https://youtu.be/rfhdHlxfuNc?t=11m44s>
- 5) Palitra TV - <http://www.palitratv.ge/palitranevsekonomika/70031-modzvelebuli-teqnika-da-higienis-dabali-standartebi-ra-problemebia-rdzis-produqtebis-tsarmoebashi.html>

VI. Video-, photo- reports

Video report of the First National Dairy Congress:
<http://georgiandairy.org/ru/post/eksport-znanij-ukrainskie-molocniki-stali-primerom-dla-gruzii>

Photo report of the First National Dairy Congress:
<http://georgiandairy.org/ru/post/pervyj-nacionalnyj-molocnyj-kongress-v-tbilisi-photo>

VII. Presentations

All presentation of the speakers on First National Dairy Congress you can find in the attachment 1.

