



USAID
ამერიკელი ხალხისთვის

პანკისის სათემო კავშირები
PANKISI COMMUNITY LINKS



Chemonics
Development works here.



PANKISI COMMUNITY LINKS FINAL REPORT

November 29, 2021

This publication was produced for review by the United States Agency for International Development. It was prepared by Chemonics International Inc.

FINAL REPORT

PANKISI COMMUNITY LINKS

Agreement No. 72011418CA00001

Cover photo: Members of the Youth Alliance pose against a backdrop of the Pankisi Gorge
(Credit: Pankisi Community Links)

DISCLAIMER

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States government.

CONTENTS

Acronyms	iii
Executive Summary	1
Activities, Accomplishments, and Results	4
I. Background.....	4
II. Build social cohesion and address drivers of conflict within Pankisi communities	5
1.1 Community dialogues and consensus building trainings.....	5
1.2 Community grants	9
1.3 NGO capacity building.....	12
III. Link Pankisi entrepreneurs and youth to greater Georgia through economic and social interaction	14
2.1 Assess market linkages’ potential.....	14
2.2 Set up small grants program to link Pankisi enterprises to external value chains	15
2.3 Facilitate business linkages and promote economies of scale.....	19
2.4 Set up small grants program to encourage linkages between external value chains and Pankisi enterprises.....	21
2.5 Support local efforts to form cooperatives and associations	21
2.6 Integrate business skills into education curriculum.....	22
IV. Other activities	24
COVID-19 Information Campaign.....	24
Sustainability Efforts	25
Capacity building for local organizations.....	25
Integration of gender and youth considerations for sustainability	25
Issues Encountered and Overcome	27
COVID-19.....	27
Other challenges.....	28
Lessons Learned and Recommendations	29
Lessons learned and best practices	29
Recommendations for future programming by component.....	29

Component 1: Build social cohesion and address drivers of conflict within Pankisi communities.....	29
Component 2: Link Pankisi entrepreneurs and youth to greater Georgia through economic and social interaction.....	30
Cross-cutting	31
Financial Information.....	32
Actual expenditures vs budget estimates with explanation of overruns	32
Other pertinent information	32
Life of Project Results.....	33
List of Community Grants	35
List of Small Value Chain Grants	37
List of Market Linkage Grants	40

ACRONYMS

CENN	Caucasus Environmental NGO Network
CPGP	Community Projects Grants Program
GCSD	Georgian Center for Strategy and Development
JAG	Junior Achievement Georgia
KRDF	Kakheti Regional Development Foundation
LIFT	Local Implementation Funding Tool
MLGP	Market Linkages Grants Program
PCL	Pankisi Community Links
PCO	Pankisi Community Organization
RSF	Roddy Scott Foundation
SVCGP	Small Value Chain Grants Program
YA	Youth Alliance
YCCD	Youth Center for Civil Development
YURD	Youth Union for Regional Development

EXECUTIVE SUMMARY

Pankisi Community Links (PCL) was a three-year USAID-financed activity designed to build social cohesion among Pankisi Gorge residents and to foster economic and social linkages with the rest of Georgia. Pankisi is isolated from the rest of Georgia by mountainous terrain; the population of the gorge is composed primarily of Kists—an ethnic group with roots in lower Chenchya whose Muslim religion contrasts with the Orthodox Christian faith of most Georgians. Cultural and physical isolation, coupled with lack of economic opportunity, has made this region more susceptible to extremist ideologies. Increased integration of ethnic minority regions with the rest of Georgia has been among the Georgian state’s top priorities in the thirty years since independence and is supported by USAID Georgia’s Development Cooperation Strategy: Increased integration of Georgia’s ethnic minorities, which in turn supports efforts to counter malign influence and mitigate drivers of conflict. While the Pankisi Gorge counts only eight thousand residents, their identification with their Georgian motherland and readiness to build a democratic society have made them a key focus of Georgian national policy aimed at integration. PCL was designed to work within the Kist community to facilitate their integration with ethnic Georgians residing both in the Pankisi Gorge (also known as the Pankisi Valley) and the rest of Georgia, and was the only donor-financed project concentrating solely on the Pankisi Gorge and its residents.

Designed to both (1) build social cohesion among gorge residents and to (2) foster economic and social linkages with the rest of Georgia, the PCL achieved significant results with a relatively modest investment in nominal terms. However, the per capita investment by the activity, approximately 375 GEL per resident, is among the highest of USAID projects in Georgia, which reflects the relative importance of PCL’s dual objectives. The relatively small size of the targeted geographic area allowed the activity to both substantially affect Pankisi civic society and make substantial progress in improving the economic well-being of the region.

Through Component I, *build social cohesion and address drivers of tension within Pankisi communities*, the unity of the Pankisi community was substantially improved by community-led dialogue to ensure comprehensive, participatory needs identification and responsive, adaptive programming that addressed drivers of conflict and promoted shared interests. Guided by PCL-facilitated community dialogue, the activity focused on women’s and youth empowerment through awareness campaigns and social and educational activities, in turn helping to improve the community’s relationship with local government. As a result, more than thirty different community projects were awarded to twelve local non-governmental and public organizations. Community projects included high priority public projects, short term educational and vocational courses, exchange programs and internships. To support NGO development, intensive training were designed and implemented by eminent Georgian service providers and consultancies, such as the Georgian Center for Strategy and Development (GCSD). Educational projects were also delivered by local, as well nationally recognized

organizations, including Georgian Institute of public affairs (GIPA) and Ministry of Education and Culture.

Through Component 2, *link Pankisi entrepreneurs and youth to greater Georgia through economic and social interaction*, PCL conducted the first ever detailed analysis of value chains in the Pankisi Gorge, which identified specific agricultural, tourism, and service sectors with the highest economic potential. Based on this analysis, the activity designed programming to increase the local economic capacity and link entrepreneurs and youth through economic activities and social interactions focused on these priority sectors (see box). The Small Value Chain Grants

PANKISI COMMUNITY LINKS PRIORITY SECTORS

- I. Agriculture value chains (First-priority value chains are: beekeeping; berries and vegetable production; other value chains may also be considered, such as poultry, fruit drying, and rabbit-farming.)
- II. Tourism (Equipping guesthouses, marking existing or new trails, printing promotional touristic materials, etc.)
- III. Service sector related to agriculture and tourism activities (e.g., dining facilities, bicycles rentals, bakeries, retail stores, summer cafes, etc.)

Program provided funding to support 77 small businesses and smallholder farmers to expand and modernize their business practices to increase the production capacity of Pankisi-based microenterprises and strengthen external value chains. Thirteen linkage grants were awarded to promote cooperation between Pankisi and non-Pankisi entrepreneurs. The activity also created new market referrals and linkages between businesses through business to business activities, including introductory roundtable meetings, market fairs and study tours. Additionally, complementary business advisory services, which consisted of group trainings and tailored individual consultations, helped support recipients of small and linkage grants. Coupling training with grants created a multiplier effect where interventions built on each other to generate a greater development impact and increase sustainability.

PCL outreach was accessed by 60 percent of the Pankisi population. [REDACTED] Of the youth population, 520 were enrolled in vocational training courses, and another 673 developed improved business skills. Perceptions were significantly improved throughout the community, both in terms of connectivity between different age, religious, and gender groups, as well as an overall feeling of inclusiveness. Finally, PCL served as a model for gender balance, with 51 percent of supply-chain grantees awarded to women.

51%

of small value chain and market linkage grants distributed to women



520

youth enrolled in vocational or other training courses



673

students with improved business skills



60%

of Pankisi Valley residents reached through awareness campaigns



124

grants distributed

SECTION II

ACTIVITIES, ACCOMPLISHMENTS, AND RESULTS

The following section presents a summary of the activities, accomplishments, and results achieved by Pankisi Community Links.

I. BACKGROUND

In many ways, Pankisi Valley residents occupy a distinct and parallel political, social, economic, and geographic space relative to those in the rest of Georgia. Surrounded to the north, west, and east by uninhabited mountains and forests, their only physical connection to the rest of Georgia is through the town of Akhmeta. Most Pankisi residents are Kists, whose Muslim religion distinguishes them from the predominantly Orthodox Christian populations in the rest of Georgia. Other residents, particularly in Sakobiano, are Pshavi — nominally Orthodox Christian with some pre-Christian traditions — or displaced Ossetians. Pankisi Kists rely on a traditional and informal judicial and governance system led by an all-male Council of Elders. The valley's residents are engaged primarily in subsistence agriculture, and many depend on remittances for their livelihoods. The area has a reputation of being culturally closed, though many Pankisi residents must leave the gorge in order to provide for their families, forcing them to choose between commitment to community and pursuit of economic opportunity. The weak economy in Pankisi means that work is often at odds with community belonging and identity. Pankisi's physical isolation and cultural distinctiveness, coupled with lack of economic opportunities, has increased the area's vulnerability to sources of conflict and the spread of malign influence.

The Pankisi Community Links Activity was designed to diminish the valley's cultural and economic isolation by bringing people together — both within Pankisi and with other areas of Georgia — through dialogue, educational activities, and economic opportunities. Pankisi Community Links' implementation approach centered on forging linkages across ethnic groups and religious affiliations within Pankisi and connecting Pankisi residents to the rest of Georgia through economic and social opportunities. The resulting interactions have helped create a more cohesive society within Pankisi and helped bridge the divide between Pankisi and surrounding areas, making the area more resistant to conflict.

Pankisi Community Links promoted economic and social linkages both within Pankisi communities and between Pankisi residents and the rest of Georgia through the following activities: (1) engaging community actors, particularly youth and women's groups, in inclusive, iterative, and collaborative problem-solving to empower them to

drive positive change and participate in decision-making that affects their social and economic well-being; (2) linking entrepreneurs within Pankisi and to those based outside the valley; and (3) linking youth from different ethnic backgrounds while enhancing their civic-mindedness, business skills, and employability. To ensure local ownership, Pankisi Community Links worked with and through local organizations such as the Council of Elders, the Women’s Council, and other NGOs, while building their organizational and technical capacity to help them better address local communities’ needs. Pankisi Community Links also aimed to empower all community members through a gender-balanced approach, integrating gender analysis and considerations throughout.

The project engaged a large percentage of the population within the Pankisi Valley over the life of the project. Activities were carried out in all four communities — Duisi, Jokolo, Sakobiano and Khalatsani — covering 18 villages. The project engaged at least 1,609 residents (936 direct project beneficiaries and 673 Junior Achievement Georgia students), approximately 27 percent of the total population.

The logical framework for the activity (next page) shows how the different components and tasks contribute to achieving these goals.

II. BUILD SOCIAL COHESION AND ADDRESS DRIVERS OF CONFLICT WITHIN PANKISI COMMUNITIES

I.1 COMMUNITY DIALOGUES AND CONSENSUS BUILDING TRAININGS

I.1.1 Single-identity dialogues with key actors

As one of its first activities, Pankisi Community Links organized and facilitated single-issue dialogue sessions with key stakeholders, including the Council of Elders, the Women’s Council, and other NGOs. Conducting a needs assessment alongside well-respected and established community organizations was key to Pankisi Community Links’ success in building trust within a traditionally closed community like Pankisi. The Pankisi team achieved this by asking indirect questions and soliciting input from community members, letting the beneficiaries guide the session rather than using a top-down approach starting from program objectives. These sessions introduced the program and USAID, and allowed each constituent group to ask questions and provide suggested areas for program focus (see box, page 7). The single-identity dialogue sessions that Pankisi Community Links held in the first months of implementation provided a crucial roadmap for project interventions and helped build trust with the community. It allowed the project to explain its purpose and answer questions so that there was no confusion about the projects’ role and intentions. These introductory sessions were critical to setting the Activity up for success during implementation by showing the community that the approach would be collaborative and inclusive of local priorities.

DEVELOPMENT OBJECTIVE (DO) 3
Increasing Stable, Integrated and Healthy Environment

Intermediate Result (IR) 3.2: Increased Inclusion of Target Populations

Sub IR 3.2.1: Increased integration of Georgia’s ethnic minorities

Sub IR 3.2.3: Support to other disadvantaged groups sustained

↑
COMPONENT 1
Build social cohesion and address
drivers of tension within Pankisi communities

↑
COMPONENT 2
Link Pankisi entrepreneurs and youth to greater
Georgia through economic and social interaction

Task 1.1 Community dialogues and consensus building trainings
1.1.1: Organize and facilitate dialogues with key actors
1.1.2: Offer, organize, and deliver consensus-building and soft skills trainings
1.1.3: Organize community forums
1.1.4: Conduct perception surveys

Task 1.2 Community Projects Grants Program for awareness campaigns, community projects, exchanges and internships
1.2.1: Design and release a multi-lot Community Projects Grants Program (CPGP) request for applications (RFA)
1.2.2: Award community grants
1.2.3: Monitor and support implementation of CPGP

Task 1.3 Capacity Building of Pankisi-based NGOs
1.3.1: Strengthen Pankisi-based NGOs

Task 2.1 Assess market linkages potential
2.1.1: Assess value chains through “Do No Harm” (DNH) lens
2.1.2: Analyze the results of value chain assessment

Task 2.2 Set up small grants program to link Pankisi enterprises to external value chains
2.2.1: Release annual program statement (APS)
2.2.2: Offer and conduct business plan workshops
2.2.3: Provide advisory business services
2.2.4: Award small value chain grants

Task 2.3 Facilitate business linkages and promote economies of scale
2.3.1: Select business-to-business (B2B) partner
2.3.2: Facilitate internal buyers’ trips and other events
2.3.3: Promote and engage in Pankisoba annual festival

Task 2.4 Set up small grants program to encourage linkages between external value chains and Pankisi enterprises
2.4.1: Release APS
2.4.2: Award market linkages grants

Task 2.5 Support local efforts to form cooperatives and associations
2.5.1: Explore interest and potential

Task 2.6 Integration of business skills in education curriculum
2.6.1: Issue a sole-source contract to JAG
2.6.2: Conduct informational-orientation meetings with school principals and signing memorandum of understanding (MOU) with interested schools
2.6.3: Train teachers
2.6.4: Provide business skills training modules and materials
2.6.5: Teachers deliver program to students
2.6.6: Monitor and observe classrooms
2.6.7: Engage private sector in program delivery
2.6.8: Facilitate student competitions
2.6.9: Administer pre- and post-testing of students
2.6.10: Consider JAG “To be Entrepreneur” outcomes for SVCGP funding

PRIORITY INTERVENTION AREAS IDENTIFIED

- I. Development of Local Production Capacity
 - A. Development of livestock and poultry industries
 - B. Support to agricultural cooperation movement
 - C. Improving infrastructure to enable processing of fruits and vegetables
 - D. Development of a livestock testing laboratory
 - E. Development of other sectors (beyond agriculture)
 - F. Production and processing of construction materials (diabase and granite) found in the gorge

- II. Market Value Chain
 - A. Access to key markets outside the gorge
 - B. Connecting locals to external entrepreneurs, and owners of hotels and restaurants

- III. Sports, Culture, Education
 - A. Provision of sport opportunities for youth
 - B. Quality youth education
 - C. Development and promotion of cultural assets
 - D. Planning and execution of cultural and sport events
 - E. Development of vocational courses and vocational educational schools.
 - F. Engaging Kist and Georgian youth in project activities
 - G. Continuation of services provided by the Educational Centers operated by KRDF

For example, the Women’s Council identified the educational centers run by the Kakheti Regional Development Foundation (KRDF) as important places where youth can go to participate in secular activities such as taking courses in English and Georgian languages, computer literacy, and other topics, which were underfunded and in danger of closing. Based on this need, the activity supported the youth center through all three years of the project by providing funding through the Community Projects Grants Program (CPGP, see below) for educational activities that brought together ethnic Georgian and Kist youth. Pankisi Community Links also provided NGO capacity building training for KRDF staff members to improve their ability to raise funds and manage the organization.

These dialogue sessions were important to build trust, establish relationships with the community, and demonstrate the program’s commitment to local leadership and ownership to ensure both effective programming and future sustainability.

1.1.2 Deliver consensus-building and soft skills training

To equip key organizations with the skills necessary to address conflicts within the community, Pankisi Community Links organized a training for representatives of the Council of Elders, the Women’s Council, other NGOs, and other interested community members. 85 participants attended the workshop, which included practical topics such as effective communication, conflict de-escalation, consensus building, and public speaking. The sessions also included breakout sessions where participants could practice their skills.

Community-building and relationship development among Pankisi residents became an important element of the training. Despite only delivering one year of training, this effort yielded remarkable success. The immersive nature of the sessions encouraged participants to become more active citizens; several training participants later became

members of existing NGOs, participated in business-to-business activities, or participated in future capacity building initiatives. One of the young women who attended the training later established the Youth Union for Regional Development (YURD), which became a CPGP grantee in Year 3 of the project. The YURD's success is an example of how project interventions have built on each other, with participants from one activity participating in other activities, applying their new skills in different contexts.

1.1.3 Organize community forums

On October 4, 2019, Pankisi Community Links hosted community forums consisting of Pankisi Gorge residents and key stakeholders to discuss sensitive topics. Khaso Khangosvhili, chair of the Council of Elders, noted that the forum provided a “unique opportunity to discuss almost all [the] important issues accumulated in the gorge via open dialogue.” The forum was held in the village of



Attendees of the community forum (Credit/Pankisi Community Links)

Babaneuri, in the Akhmeta municipality, outside the gorge where participants could meet in a neutral environment and be encouraged to express ideas openly. Thirty-one people attended the forum, including representatives of local NGOs, the Council of Elders, the Women's Council, the People's Assembly, Youth Advisory Board, the Office of the State Ministry of Georgia for Reconciliation and Civic Equality, and local activists. The cross-sectional forum participants discussed the intended outcomes of ongoing activities and identified opportunities and emerging issues that future activities could address.

This was the first time that some of the groups had face-to-face dialogues in an organized fashion with an intermediary to facilitate difficult conversations on sensitive topics, such as gender equality. Notably, this was the first discussion between the Salafi community in Pankisi and the Council of Elders, which is a very influential group within the gorge. Interaction between the different community groups helped to garner trust and foster relationships among community groups.

1.1.4 Conduct perception survey

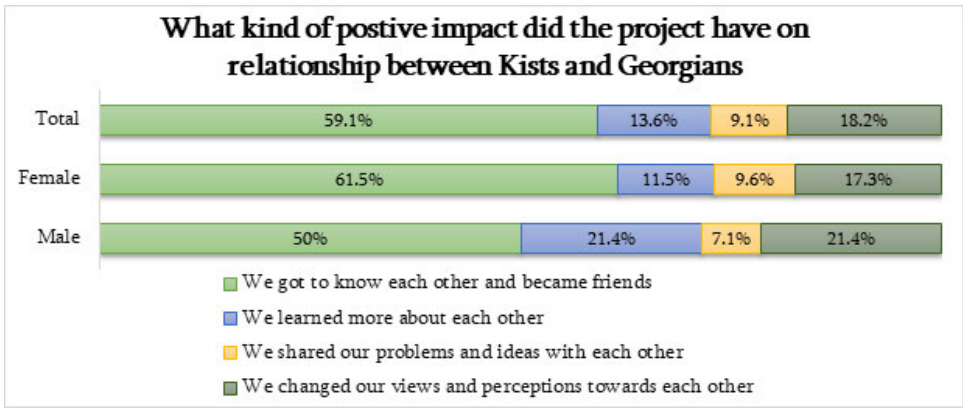
Pankisi Community Links engaged local organization DEPA Consulting to conduct a perception survey designed to assess the change in three main program indicators:

1. Perception of “other”

2. Perception of different age, religious, and gender groups as better connected to each other
3. Perception of inclusiveness in decision-making processes

While all three indicators showed a positive increase in perception, two fell short of the intended target set at the onset of the program (see Annex A). Indicator 2 exceeded expected results by 40 percent, while changes in indicators 1 and 3 did not meet the targets of 20 and 30 percent change in perception respectively. These indicators proved difficult to measure in practice since so many external factors affected this vulnerable region and its population in 2020-21.

PCL engaged DEPA to conduct an additional beneficiary survey at the end of the project to provide complementary qualitative data to supplement the quantitative survey. Overall, the survey yielded positive results and offered illustrative examples that provided additional context for the indicators. One of the important aspects of the survey was to find out whether the participants wanted to develop and increase the connection with different ethnic groups. The majority of respondents (90%) confirmed that they would definitely develop these relationships and 83% stated that the project had a significant impact on the improvement of the relationship between Kist and Georgian ethnic groups. Specifically, they got to know each other well and became friends as a result of PCL supported activities (59%), the project helped them to learn and understand more about each other (14%) and changed their views and perceptions towards each other (18%).



1.2 COMMUNITY GRANTS

Through its Local Implementation Fund Tool (LIFT), Pankisi Community Links issued 34 grants to nascent and established organizations operating in the Pankisi Valley under the Community Project Grants Program (CPGP) to support community development projects reflecting local priorities, issue-specific awareness campaigns, educational or cultural exchanges, or internships.

[REDACTED]

Of the total grants awarded, the majority went to well-established Pankisi organizations such as KRDF, the Roddy Scott Foundation (RSF), Multifarious and Equal Georgia, the Council of Elders, and the Elderly Women’s Council that have been operating in the Pankisi region for several years. After receiving capacity building assistance from Pankisi Community Links in Year 1, newer organizations such as the Youth Alliance (YA) and Youth Union for Regional Development (YURD) received grants in Years 2 and 3.

One key highlight of the CPGP is support to KRDF, as identified during the community dialogues. Several of KRDF’s projects focused on providing secular spaces for youth to gather, socialize, and learn through the educational centers. In a region where there are few economic opportunities for youth, these educational centers serve as a critical hub for training on marketable skills, like English and Georgian language, as well as courses on the shared history and culture of the Pankisi region through topics such as traditional folk music and dancing. KRDF also held courses for women to develop skills to increase their employability, including sewing and embroidery, handicraft courses in working with clay and felt, and culinary courses.

Consistent with its mission as an organization focused on developing the English-language skills of students in the Pankisi Gorge, RSF’s three grants under the CPGP focused on providing an outlet for students to both practice their English and to develop vocational skills. RSF established both a Journalists’ Club and a Bloggers Club for young people and published students’ work in English in their online newspaper, *The Pankisi Times*. In Year 3, RSF expanded its efforts, creating a new program to deepen students’ English abilities, strengthen critical thinking skills and build confidence and relationships between ethnic Georgian and Kist children.

With support from Pankisi Community Links, KRDF established the YA in early 2020. Comprised of 15 young people from different ethnic backgrounds, the YA’s goal is to maintain communication among youth of different backgrounds, forge links among Pankisi and non-Pankisi youth, and provide an avenue for youth to contribute to civic life. The Akhmeta municipality, Pankisi Community Links, and KRDF signed a trilateral memorandum of understanding to ensure the sustainability of the actions planned by the YA and provide a firm administrative foundation for further integration of Pankisi and non-Pankisi youth. The Akhmeta municipality also provided designated office space for the group. Since its founding, the YA has been an active participant in Pankisi Community Links’ training programs to develop institutional capacity and has applied this knowledge to develop advocacy campaigns to raise awareness about issues affecting Pankisi youth and to promote employment opportunities. For example, the YA also received one of Pankisi

A YEAR MAKES A BIG DIFFERENCE

Just one year into its existence, the Youth Alliance has already received two grants from donor-funded organizations. A project administered by the European Neighbourhood Programme for Agriculture and Rural Development awarded a grant to the YA to organize multicultural events for youth of different backgrounds. Pankisi Community Links awarded another grant to facilitate four-month advocacy campaigns around critical issues facing young people, including improving incentives for greater integration of different groups.

Community Links' office setup kits (see Section 1.3.1) in spring 2021 to equip their office with administrative necessities.

Both the YA and YURD have demonstrated remarkable success in a short time. After YA members attended online fundraising courses through Pankisi Community Links (see Section 1.3), the organization fundraised about 20,000 GEL to organize an upcoming festival to promote integration and youth engagement. Youth from different parts of the Akhmeta municipality from different ethnic backgrounds (Kists, Ossetians, Pshavi, or Tushi) will gather and present on their own food, clothes, or other topics, followed by a concluding concert. The YA has also created a board games club, which offers intellectual games and activities to its members. Some games involve simulations to improve entrepreneurial skills or improve familiarity with how to participate in elections. The club is open to youth through the Akhmeta municipality and offers a space for youth to interact with those from different backgrounds in a fun, social setting while developing important soft skills. For the future, both the YA and YURD have registered as NGOs, have received material support from the activity in terms of office supplies and furniture, and have ambitious plans to continue to provide opportunities for youth around the valley to engage with each other through various activities and initiatives. Their future successes will be an enduring legacy of Pankisi Community Links.

Other highlights from the CPGP include:

- The Elders' Council, a highly respected traditional group in the Pankisi Valley, held a series of radio talk shows and public meetings to promote tolerance and peace, as well as to discuss and analyze historic and current issues. Four thousand residents regularly listened to the shows, as radio is the primary means of broadcasting in the Pankisi Valley. Radio is the only type of media that is created in Pankisi and addresses the specific interests of residents. Topics discussed included the history of Chechen migration into the Pankisi Valley, Christianity and Islam, national traditions, sharia law, gender equality, and modern Georgian history. Scholars, historians, and religious officials from outside the Pankisi Valley occasionally participated to bring in different perspectives. For example, one show featured a guest speaker on Georgian-Kist relations, which focused on about historical relations among Kists and Georgians.
- The Women's Council implemented a campaign to raise awareness around women's rights and advocate for changes to traditional law. The traditional law in Pankisi is based on Chechen laws, which had been in place for centuries. The laws were documented by the Council of Elders and printed as a separate book. Through a series of dialogues, the Women's Council proposed a number of changes to the traditional law that would promote gender equality.
- The Pankisi Community Organization (PCO) hosted eight radio shows on Pankisi Community Radio, which was broadcast throughout the valley with support from Pankisi Community Links. The shows covered a wide range of topics of interest to the community:

- opportunities for ecotourism development in Pankisi Valley and the importance of vaccination during the tourist season
- religious transformation of Kists in Pankisi
- living in the “exclusive” mode of ethnic minorities
- the perception of homeland in religious and ethnic diversity
- Muslim women’s exclusion from the feminist agenda, and the difference between western feminism and Islamic feminism
- distrust of the court among residents of the Pankisi Valley, and the role of customary and religious law in the society
- the legal status of women in Georgia, the legislative framework of equality, and reality
- Medina 2015 focuses on helping people with disabilities integrate into and engage with society. Under its grant, it organized joint field activities with other disability-rights focused organizations such as Kedeli and Aisi to promote linkages to organizations outside the valley through social interactions.



A member of the Pankisi Community Organization hosts one of the group’s radio shows (Credit/Pankisi Community Links)

1.3 NGO CAPACITY BUILDING

Activities under Task 1.3 focused on equipping Pankisi organizations with the tools necessary to successfully affect change in the gorge. Support provided under this objective included training on specific organizational processes, as well as physical supplies to improve office functionality.

1.3.1 Strengthen Pankisi-based NGOs

Pankisi Community Links contracted with the Georgian Center for Strategy and Development (GCSD) to conduct two rounds of training courses for Pankisi NGOs and project grantees based on the organizations’ expressed needs. The training courses included intensive sessions on:

- Financial management, including budgeting, accounting, and financial analysis
- Organizational development and strategic business planning
- Communications support, including advocacy and public outreach
- Report, grant, and proposal development and writing
- Asset management and procurement
- Human resources
- Monitoring and evaluation

Overall, 26 representatives from ten NGOs completed the sessions and received certificates. Practical exercises, such as identifying funding opportunities or creating a grant proposal or budget were incorporated into the curriculum, enabling participants to apply their skills in real time. A representative from the Pankisi Valley Tourism Development Association, Nazy, noted that she was “very impressed” with the training: “I am the owner of Nazy’s Guesthouse, these training sessions were so helpful, especially the sessions regarding Tourism and Hospitality, I have learned so many interesting things, which I will use while managing my own business. I am sure it will help me to develop my business in [the] gorge.”



Graduates of the first round of capacity building training (Credit/Pankisi Community Links)

Follow-up consultations with six of the 10 organizations conducted by GCSG provided additional targeted assistance on topics tailored to the needs of the organization. As a result of the support NGOs received from Pankisi Community Links, the participants have increased the complexity of their offerings, expanding from routine educational courses into more soft skills-oriented courses like leadership and entrepreneurship.

1.3.2 Provide advocacy training and technical assistance

In 2021, Pankisi Community Links led an initiative to support the Youth Alliance to address the specific needs of an emerging, youth-led organization. With technical assistance provided by the Georgian Institute for Public Affairs, 15 members of the YA developed their own advocacy action plans, tailored to the realities of the Pankisi Gorge, and presented them to major stakeholders. Topics covered by the action plans included promoting youth participation in civil and social processes in the Akhmeta municipality, facilitating youth integration into the community, searching for solutions to stem youth migration to Tbilisi, improving employment conditions for young people, and increasing entrepreneurial skills.

1.3.3 Provide office setup support to CPGP grantees

One of the major lessons learned from Years 1 and 2 of implementation was that while there is talent and interest in the Pankisi Valley to carry out social programs, there are few established CSOs or NGOs with the resources to do so. For example, among the formally registered NGOs in Pankisi, only a few organizations, like KRDF, have a dedicated office space with full-time staff, and experience implementing larger-scale development projects. Other NGOs, such as Pankisi Youth Center, Jokolo XXI, Multifarious and Equal Georgia, Youth for Pankisi Development, and the Women’s Council, lack the funds to set up office space, and thus face significant operational

challenges. From feedback gathered by Pankisi Community Links' community mobilizers through interviews with the members of these organizations, it was clear that while the organizations wanted to apply for grants and participate more meaningfully in public activities, they lacked the resources to do so.

To address this need, Pankisi Community Links provided a minimal office setup kit to community project grantees. Kits included computers, a printer, office furniture, and supplies. After a competitive grant process, three organizations were selected: the Roddy Scott Foundation, the Youth Alliance, and the Women's Council. The organizations received their kits in March-April 2021. These three organizations, which previously lacked functional office spaces, now have some of the best-equipped office spaces among NGOs in the Akhmeta municipality. This was particularly helpful for the Youth Alliance, a new NGO founded in 2020. Kakhi Gigauri, Youth Alliance project coordinator, said, "Now that we are registered as an NGO, we definitely needed space to gather and equipment to work. PCL program gave us such kind of opportunity and supported us with all the necessary office set up. It will help us so much to manage new projects and start to implement new activities".

III. LINK PANKISI ENTREPRENEURS AND YOUTH TO GREATER GEORGIA THROUGH ECONOMIC AND SOCIAL INTERACTION

2.1 ASSESS MARKET LINKAGES' POTENTIAL

2.1.1 Assess value chains through "Do No Harm" lens; 2.1.2 Analyze results of the value chain assessment

In Year I of implementation, Pankisi Community Links engaged a local agricultural specialist to conduct an analysis of the value chains in the Pankisi Gorge, focusing on production, aggregation, processing, and distribution of each commodity selected. The study found that berries, beekeeping, and vegetable production were the value chains with the most potential and recommended that the project focus on funding interventions in these sectors. Most farms in the Pankisi Gorge are micro-plots that grow products for personal consumption using family labor.

Pankisi has a favorable climate for growing berries — specifically strawberries, raspberries, and blueberries — but at the time of the analysis, there were no commercial berry farms in the valley and production was limited to backyard plots for personal consumption. Potential interventions in the berry sector included funding the development of small-scale berry plots, whether in greenhouses or open field, providing funding for irrigation systems or other inputs to increase production, or funding to purchase modern seedlings.

Honey is an important commodity in Georgia, and Pankisi has a reputation for producing high-quality honey due to the region's perception as a pristine environment, allowing producers to command price premiums. At the time of analysis, honey producers in Pankisi Gorge sold their honey either directly to consumers or through village markets. However, most producers are small and lack commercial equipment or formal training in beekeeping. Pankisi Community Links' recommendations in this sector

included facilitating the development of cooperatives so that beekeepers can share resources to cut costs, provide technical assistance or extension services on topics such as migrating and overwintering bees, and considering opportunities to market Pankisi honey in urban centers.

Vegetable production in Pankisi is mainly limited to backyard plots with subsistence production. Production is seasonal and results in mismatches in supply and demand. During the harvest season, produce floods the market and drives down prices, while during the off-season, high demand for fresh vegetables increases prices. Small-scale unheated greenhouses were recommended to allow farmers to extend the growing season and compete with larger-scale farmers from neighboring regions, resulting in a higher price for their vegetables and increased incomes. Other suggested interventions in this sector included support for other types of inputs, such as drip irrigation systems, providing technical assistance in basic agronomy, GAAP methodology, and business services in order to facilitate market linkages outside of Pankisi or to the emerging tourism sector (hotels, restaurants, and cafes) to capitalize on the demand for locally grown products.

Other promising sectors include rabbit farming, poultry, hazelnuts, and fruit drying.

2.2 SET UP SMALL GRANTS PROGRAM TO LINK PANKISI ENTERPRISES TO EXTERNAL VALUE CHAINS

2.2.1 and 2.2.4 Release small grants RFA and award small value chain grants

Drawing from the findings of the value chain assessment described under Task 2.1, Pankisi Community Links established the Small Value Chain Grants Program (SVCGP) under the LIFT fund. The SVCGP aimed to assist Pankisi-based producers to increase economic interactions and boost sales of their products or services to buyers outside of Pankisi. The grants were designed to serve as an incentive to offset the risks of applying new practices or technologies and were used for technological or equipment upgrades, input purchasing, process improvements, or to conduct market research, identify buyers, and establish or strengthen business relationships inside and outside of Pankisi. Several guesthouses upgraded their facilities or expanded their offerings to capitalize on the potential for adventure and eco-tourism in the Pankisi Valley, and other small businesses (carpentry, auto repair, clothes making, and other industries) received upgraded equipment. Most grants were small but provided these business with the investment they needed to increase their sales or production — equipment that had previously been just out of financial reach.



Highlights of the SVCGP include:

- Nazy’s Guesthouse, which began operating in the Pankisi Valley in 2013, upgraded its cooking utensils and introduced cooking masterclasses in 2020 through a grant from Pankisi Community Links. The proprietor also participated in business advisory training sponsored by PCL, in her capacity both as a guesthouse owner and as chair of the nascent Pankisi Valley Tourism and Development Association, an umbrella organization formed to promote the Pankisi Valley as a tourist destination. Improved online marketing skills helped attract both domestic and international tourists and allowed the guesthouse to maintain pre-pandemic revenue levels. As a result, Nazy’s Guesthouse is now recommended in the Lonely Planet guidebook’s entry for the Pankisi Valley.
- A sewing facility in Jokolo was equipped with modern multifunctional sewing equipment and allowed the recipient, a female entrepreneur, to take advantage of local demand for specialty garments. Her sales doubled after the modernization, allowing her to hire two female employees full time. In addition to steady income for the women, they also have access to on-the-job training in how to run a small business. Because employment opportunities are limited for Pankisi women, the project hopes that the beneficiary can serve as an inspiration for other women in Pankisi.
- The project provided bedroom, dining room, and kitchen furniture, as well as appliances to equip a guesthouse in Jokolo owned by another female entrepreneur, Ketevan Khangoshvili, and her husband. They had previously tried to provide some limited services to tourists, such as horseback riding, hiking tours, and catering, but needed to make the guesthouse itself more attractive to out-of-town guests. With the newly refurbished guesthouse, she can now offer a full package of services, including overnight accommodations for up to 10 people, and is hoping to launch a trekking company in the future.
- With support from the SVCPG, a local rabbit farmer purchased a granulated feed mixer to supply high-quality rabbit feed to other farmers in the Pankisi Valley. Expensive, low-quality imported rabbit feed has historically dominated the market in Pankisi, and the farmer is able to offer higher-quality feed at prices 20% lower than the imported varieties. Locally produced feed represents an opportunity to incorporate quality local inputs into the agricultural sector, supporting increased production and economic opportunities for Pankisi farmers.
- Strawberry farmer ██████████ doubled her yield by using simple modern technology — a drip irrigation system — which is widely used in other parts of Georgia, but still new to Akhmeta. She is now considering expanding the business by renting additional land. Tskhadadze says, “I started to grow strawberries three years ago, the price of produce is climbing year after year, but demand is so high the market can absorb ten times more than what is available on the local market.” Advice from PCL agriculture experts as well as SVCGP contributed to her business’s

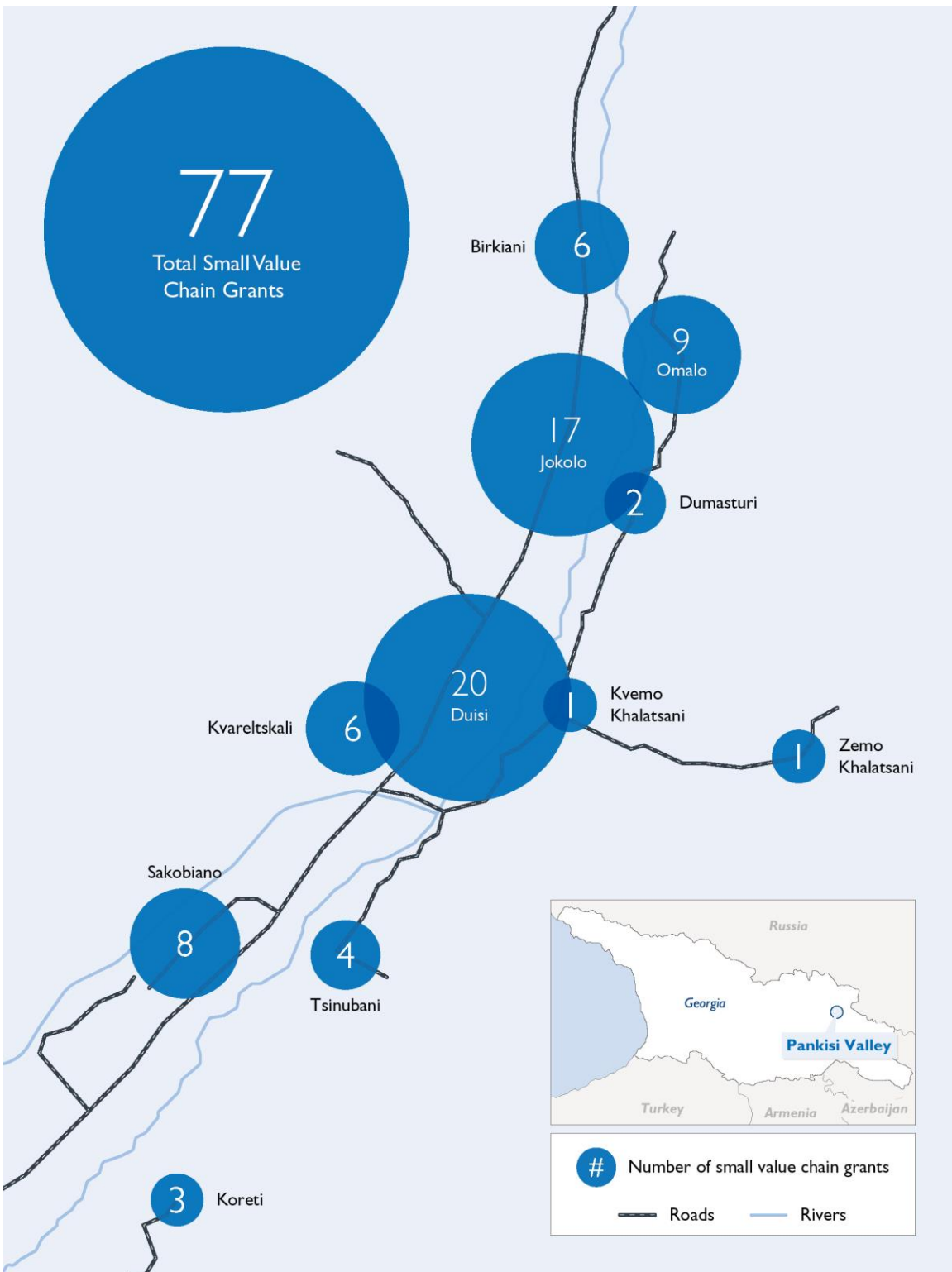


*Sewing facility equipped with support from the SVCPG
(Credit: Pankisi Community Links)*

success. It now serves as an example for others in the Pankisi Valley interested in generating revenue from small-scale farms.

- [REDACTED] has already had a small eco-farm in Sakobiano for two years. She has 150 chickens, which she raises for three months before selling them at the Akhmeta market. Her chickens are raised on natural corn with no preservatives and no additives. She cultivated 1.25 hectares of land over two years, where she sowed wheat and corn and buys 120 to 150 chickens every year. Pankisi Community Links supported her farm by providing equipment to raise the chickens: an incubator, generator, and egg trays. For the first two years she rented a tractor to cultivate the land; in the third year she bought her own tractor, which she now uses to cultivate the land. Coupled with this tractor purchase, the equipment from the activity has greatly reduced the operating costs of running her business, which is very important for a small farm. There is no similar type of eco-friendly farm in the region, and this is a key competitive advantage of her business. The farm provides organic products to consumers across the region, as well as several jobs. In the future Tamar plans to host local school students on excursions for biology and science lessons. This will be a great opportunity for students to see how the chickens are fed and cared for and potentially build interest in eco-friendly farming.
- [REDACTED], from Jokolo Mountain Hiking Tours in and outside Pankisi, already had a horse stable and bought land for training horses how to race. He sees horse racing as a popular pastime in the gorge and is eager to have the opportunity to train them and to give gorge residents the opportunity to race. Pankisi Community Links supported his business by providing 11 saddles of different styles, which will allow him to diversify his offerings for sport riding as well as tourism. He already has bags, packs, and tents to lead multi-day excursions on horseback.

These projects were also well-dispersed among communities in the gorge, as the map on the next page shows, so that all communities could benefit from the program.



2.2.2. Offer and conduct business plan workshops and 2.2.3. Provide advisory business services

As part of its commitment to grantee capacity development, Pankisi Community Links organized a series of business advisory trainings in 2020 and 2021 that were open to project grantees. In partnership with the Georgian Municipal Service Providers' Association, the project organized training on the following topics in all three rounds of the program:

- Registration, including dealing with registration, taxation, and associated policies and issues
- Small business management, where grantees learn how to properly plan their finances and set prices that offer optimal profit margins for survival and growth
- Business plan writing to improve fundraising skills, where grantees learn how to secure funding from other sources
- Health and safety training, including safety requirements, working with mechanization, and the technical conditions of machines and safety requirements during operation
- Food safety trainings for guesthouses and MSMEs involved in food chains, specifically on sanitary hygienic norms/standards in food chain units and potential risks of foodborne illnesses

After these training sessions, online consultations were to provide targeted advice to each grantee. The consultations' objective was to assist project beneficiaries to use the knowledge obtained at the training sessions in practice and apply solutions to overcome challenges they face in operating their small businesses. The original plan for delivering the consultations involved conducting site visits in Pankisi and holding the consultations and discussions in person. However, due to COVID-19 restrictions, the consultations were delivered via phone and remote platforms.

Overall, 100% of the SVCGP and market linkages grants recipients participated in the program. By providing practical information and targeted support, in addition to the material support provided through each grant, project interventions were mutually reinforcing, and equipped beneficiaries with both the materials and the skills needed to improve their businesses.

SVCGP AND MLGP GRANTEE PARTICIPATION IN BUSINESS ADVISORY TRAININGS

- 36 in round 1
- 25 in round 2
- 29 in round 3

2.3 FACILITATE BUSINESS LINKAGES AND PROMOTE ECONOMIES OF SCALE

2.3.1 Select business-to-business partner and 2.3.2 Facilitate internal buyers' trips and other events

To support Pankisi Community Links grantees and other interested parties, the project worked with a local firm, the Youth Center for Civil Development (YCCD), to

implement a series of business-to-business events. Activities undertaken under the partnership included:

- Roundtables for building relationships between businesses in the valley and addressing newly identified or existing obstacles
- Internal buyer trips, including in the tourism sector (hotels, guesthouses, wineries)
- Tours to farmers markets or food fairs
- Tours to successful cooperatives and associations to promote the idea of cooperatives/associations among Pankisi producers
- Online seminars or meetings for local producers to strengthen their understanding of local and international market trends, quality standards and requirements, and improved farming practices and technologies to increase sales and reduce operating costs

Online events included meetings and consultations between the local producers (fruit drying, vegetable production, and beekeepers) and representatives of major distribution companies and wholesalers.

In 2021, Pankisi Community Links engaged the Caucasus Environmental NGO Network (CENN) to conduct further business-to-business consultations and trainings to expose local producers to more productive farming practices and ways to achieve increased sales. CENN conducted the following activities:

- Six online roundtables to build relationships among Pankisi MSMEs and address newly identified or existing obstacles
- Two online panel discussions with representatives of major distribution companies and wholesalers
- One online consultation and one experience-sharing meeting for all participants
- One online meeting of local farmers, greenhouse owners, beekeepers, and other local producers to build connections with wholesalers, distribution companies, and e-commerce representatives
- One online informational session with successful cooperatives and associations in the Kakheti region and elsewhere in Georgia

Evaluations of the activity stated one positive result was that local business owners could meet each other and form business partnerships, successfully strengthening linkages within Pankisi Valley as well as outside. The business-to-business activity established 55 new market referrals, exceeding its target (see Annex A). However, a full understanding of the impact of these meetings is difficult to observe, as the majority of the benefits will be seen in the longer term after the project has ended.

2.3.3 Promote and engage in Pankisoba annual festival

Pankisi Community Links originally intended to explore ways to promote and support the Pankisoba annual festival in Year 2 of the project (October 2019), in collaboration with the Zrda Activity. Pankisoba festivals are traditionally organized in October to celebrate the harvest and present local produce. The project envisioned festivals could

be organized in all villages of Pankisi, which may have different programs and events to offer, like vegetable and fruit fairs, cultural and sporting events, entertainment activities for children, culinary exhibitions, and competitions. Unfortunately, due to political challenges, implementation of this activity was not feasible. However, these political challenges helped inspire Pankisi Community Links to support the creation of the Youth Alliance and support other NGOs to proactively address issues through advocacy..

2.4 SET UP SMALL GRANTS PROGRAM TO ENCOURAGE LINKAGES BETWEEN EXTERNAL VALUE CHAINS AND PANKISI ENTERPRISES

2.4.1-2 Market Linkages grant program

The Market Linkages Grants Program (MLGP) was designed to encourage external buyers to seek out producers in Pankisi and provide advisory services so producers can achieve the quality of goods demanded. The grants were envisioned to be awarded to Pankisi businesses to upgrade processes and technologies to establish viable business linkages outside of Pankisi, or to businesses outside of Pankisi wishing to integrate Pankisi business into their supply chains. [REDACTED]

[REDACTED] Overall, market linkage grants and small value chain grants supported 90 business plans, allowing entrepreneurs to form new businesses or expand existing operations. This support represents double the life of project target that was envisioned at the onset of the program under Indicator 7 (see Annex A).

Highlights of the MLGP include:

- Two friends, one in Omalo in the Pankisi Valley and the other from Matani, near Akhmeta, received refrigerators, a meat grinder, a slicer, and other appliances to help them start a butcher shop in Omalo through an MLGP grant. The two friends, who are from different ethnic backgrounds, can sell meat and meat products from their herds directly to consumers, allowing them to command prices that are on average 50% to 100% higher per kilogram than they had received when selling products to retailers.
- [REDACTED] started a cafe in Akhmeta. All raw ingredients come from Pankisi, including honey, meat, and cheese. One owner is an ethnic Georgian and one is an ethnic Kist and half Chechen. Pankisi Community Links supported the women-owned small business by providing funding to equip their kitchen and cafe with furniture and appliances.

2.5 SUPPORT LOCAL EFFORTS TO FORM COOPERATIVES AND ASSOCIATIONS

The extent of local interest in forming cooperatives and associations was difficult to determine before Pankisi Community Links had awarded its business-related grants (the SVCGP, Market Linkage GP, and business-to-business services). Throughout implementation, grantees identified support for creation of cooperatives as one of their

priorities, which could potentially strengthen the ability of small family-based local producers to achieve better sales and income through sharing resources. In Year 2, Pankisi Community Links' business-to-business partner YCCD provided ad hoc support to project beneficiaries interested in cooperatives and associations. Networking regionally and nationwide through these organizations connected Kists to the Georgian agricultural community and improved Pankisi producers' access to buyers, sellers, expertise, and training to grow their businesses.

2.6 INTEGRATE BUSINESS SKILLS INTO EDUCATION CURRICULUM

Through a partnership with Junior Achievement Georgia (JAG), Pankisi Community Links sought to introduce business skills into the educational curriculum to better equip Pankisi youth with the skills to start or run their own businesses and manage money. In April 2019, JAG held a training for 38 teachers from all seven schools in the Pankisi Gorge on how to integrate business skills into their lesson plans. The

curriculum was structured to teach students how to come up with innovative ideas to address problems in their community through social entrepreneurship. The JAG program incorporates interactive learning approaches, such as use of videos and games, to make the learning fun and interactive while teaching problem-solving and critical thinking skills. Members of the private sector gave presentations to the students on their careers to help students conceptualize how what they learned could be used in their future careers.

As part of the program, students participated in a business plan competition, "What's Your Business Idea?" Students applied what they had learned to develop a business plan for a Pankisi-based business. Two teams were selected as winners: a Grade 5 team from Jokolo and a Grade 7 team from Duisi. All participants in the competition were rewarded with a trip to Tbilisi. In Tbilisi, the itinerary included fun activities, like a trip to Wendy's Georgia, in addition to visits to the Technopark of Tbilisi to learn about innovation and present their business ideas and to the Sakpatenti Intellectual Property Center of Georgia. For its winning idea, one team capitalized on the adventure tourism

"[Thanks to the training] we now realize how market and social demands change all the time and we should keep up with the changes if we want to succeed ... If our curriculum had more programs like [JAG's], young men and women of Pankisi Gorge would be better equipped to launch their careers with a higher chance for success. Students stop me in the hall and ask if the program will continue next year."

— [REDACTED],
HEAD TEACHER, JOKOLO
GRADE 5



*Students participate in the JAG business skills curriculum in 2019
(Credit: Pankisi Community Links)*

possibilities in the valley, proposing a business plan for a rafting tour company in Pankisi, which would include local guesthouses, rental companies, summer cafes, and feature local guides in leading roles. The program was intended to serve students in Grades 5 and 6, but due to high interest, Grades 7 and 8 also participated. The program reached 350 students in all seven villages in the Pankisi Gorge.

In 2020, implementation of the second round of the program was moved to online delivery due to the COVID-19 pandemic. Seven teachers from schools in Omalo, Jokolo, Duisi, Birkiani, Kvareltskali, and Dumasturi participated, reaching 284 students. The second round of the program was targeted to high school students and featured two different curriculums. The first, “Be Entrepreneurial” was a Georgian-language program for the majority of students, while the “Our Community” English-language program was targeted to about 30 students in Jokolo’s high school. To bring real-world experience and build people-to-people connections between Kakhetian businesspeople and Pankisi students and teachers, the program conducted public outreach to Kakhetian businesses within a two-hour drive of Pankisi. Based on lessons learned from the Georgia-PriEd program, to reduce the time burden on the private sector and mitigate the unfamiliarity of private sector representatives in providing school instruction, JAG did not request a volunteer to deliver online lessons, but asked volunteers to attend at least one online lesson per course and discuss their real-life experiences, challenges, and successes and share business ideas with the students. The real-life perspectives of 20 private sector volunteers also helped to expand the students’ horizons and generate interest in careers they may not have thought of before. This involvement of private sector volunteers represented a shortfall from the target of 24, because JAG was not implemented in Year 3 of the program as originally planned (see Annex A).

To solidify what students learned in entrepreneurship, financial literacy, and workforce readiness, JAG again organized student competitions under its basic business skills program under the title: “What is Your Business Idea?” The competitions were held at the completion of the course. Under the mentorship of a teacher and with parents’ participation, participating classes from Grades 8 to 12 in all seven Pankisi public schools submitted 55 business plans. The business plans were reviewed by judges comprised of JAG and Pankisi Community Links staff, who selected eight winners. JAG distributed a total of 4,500 GEL to the winning students as seed funding for their ideas; the winners also received three months of online study at the Young Entrepreneurs School, with the goal of helping them to achieve future seed funding. Winning ideas included mushroom production, wood carving, a carpet and wool washing service, turkey and chicken production, and a grass mowing business.

Through both iterations, the Basic Business Concepts program reached students in all seven public schools in the Pankisi Valley, exposing a significant portion of the region’s young people to the concept of social entrepreneurship and how it could be applied to their lives. The majority of students (meeting the target outlined in Annex A) demonstrated an increased understanding of basic business concepts after completion of the program, with some even putting their business plans into action. Additionally, 45 educators received intensive coaching or mentoring through the JAG program,

exceeding the activity target by 50% (see Annex A). By providing students with both the skills to solve social problems and to be entrepreneurial, Pankisi Community Links hopes to decrease young peoples' susceptibility to extremist ideologies.

IV. OTHER ACTIVITIES

COVID-19 INFORMATION CAMPAIGN

When the COVID-19 pandemic hit Georgia, Pankisi Community Links responded by launching an information campaign related to stopping the spread of the virus. Community mobilizers and volunteers distributed more than 7,000 leaflets and informational posters in the Pankisi Gorge and adjacent areas on disease control, how the virus spreads, and how to prevent infection. The campaign also provided tips and recommendations on how to combat the virus.

In May 2020, in partnership with the National Center for Disease Control and Public Health of Georgia, PCL worked with Zrda to deliver eight online training sessions/ consultations to Pankisi residents. 72 people from Akhmeta, Alvani, Matani, and Pankisi participated in these training sessions and received general information on COVID-19, its symptoms, treatment, the risk of infection, disease prevention, and other important information.

SECTION IV

SUSTAINABILITY EFFORTS

Pankisi Community Links was designed with local organizations at the forefront. This section details the program's efforts to contribute to lasting change by ensuring that interventions are sustainable beyond the life of the project.

CAPACITY BUILDING FOR LOCAL ORGANIZATIONS

Skills development and capacity building was a major focus of activities under Pankisi Community Links. All grantees participated in skills development workshops and training courses with Georgian business advisory firms on topics that were based on their expressed needs and interests. Tailored consultations also enabled grantees to apply what they learned, ask specific follow-up questions, or get advice that was immediately relevant to their business or organizational concerns. Technical training in agriculture or hospitality topics, such as how to use drip irrigation or take advantage of digital marketing, are tangible ways for grantees to be able to apply the skills learned. As noted above, grantee and NGO improvement in organizational capacity was noticeable over the life of the project and suggests that these organizations should be able to attract funding from other sources — donor or otherwise — that are independent of Pankisi Community Links.

Pankisi NGOs also participated in targeted training to help them improve their effectiveness in both programmatic and operational and administrative areas. These sessions, which ranged from how to run advocacy campaigns or write funding proposals to organizational development, have been essential to helping nascent organization such as YA, YURD, PCO, and Medina 2015 receive funding and start to work toward financial and operational self-sufficiency.

INTEGRATION OF GENDER AND YOUTH CONSIDERATIONS FOR SUSTAINABILITY

As noted in Section 2 above, Pankisi Community Links was designed to maximize participation of women and youth with the goal of increasing these populations' engagement in their communities. The success of programs under the CPGP related to women's rights and youth engagement have raised the baseline for engagement of these groups. The success and momentum of the youth-led organizations that were founded over the life of the project is a testament to the project's efforts to empower young people and equip them with the skills they need to affect change in the region. It should also be noted that these organizations — particularly YA and YURD — have thrived with the active participation of young women, including in leadership roles.

To further equip these organizations with the resources they need to be successful, Pankisi Community Links donated project equipment and office furniture to three NGOs, including YURD, at the project's completion. YURD is also planning to rent one room in the office space occupied by the Pankisi Community Links program to complete

its office set-up. As mentioned in the context of Activity 1.3.3 above, Pankisi NGOs frequently lack the resources they need to implement their activities, so providing additional equipment to these groups is an effective way to ensure that programming in the Pankisi Gorge can continue after Pankisi Community Links ends.

Though women in Pankisi continue to face legal and cultural norms that treat them differently than men, it is important to ensure that boys and young men do not feel excluded or forgotten by programming that is focused on women and girls. This type of thinking can lead to feelings of victimization that may increase young men's receptiveness to radical ideologies.

SECTION V

ISSUES ENCOUNTERED AND OVERCOME

This section details the nature of issues faced by the Pankisi Community Links program and how those issues were overcome.

COVID-19

The main challenge faced by the Pankisi Community Links program was adapting to the COVID-19 pandemic, which impacted the second half of the project's period of performance. Planned in-person activities, such as NGO capacity building training, business-to-business services, and educational and vocational courses for youth, had to be moved online and conducted over Zoom. With in-person gatherings prohibited, some activities designed to promote social cohesion and engagement through personal connections were not feasible, but only two activities, the planned consensus building training sessions and community forums under Activities 1.1.2 and 1.1.3, had to be canceled. Pankisi Community Links intended to conduct additional sessions of the training in Years 2 and 3 of implementation; however, due to the COVID-19 pandemic, these could not be held as planned. Due to the sensitive nature of the dialogue topics, Pankisi Community Links decided that the activity would be ill-suited to be conducted in a virtual environment because building personal connections was a key outcome.

The second community forum was planned for March 2020 and could not be held as planned for similar reasons. Because of the sensitive nature of discussions and need for in-person communication, Pankisi Community Links decided not to conduct the community forums online and postponed them until the pandemic situation could allow for in-person activities. Unfortunately, the project decided not to conduct community focus groups in the final year of implementation due to ongoing uncertainty about the pandemic, and refocused those resources elsewhere.

The online environment presented both challenges and opportunities. There was a transition period where training providers and grant beneficiaries adapted their in-person activities for the online format, resulting in minor delays in implementation. Some Pankisi Community Links partners also required time to learn the new online platforms, and Pankisi Gorge residents without access to reliable internet may not have been able to meaningfully participate in project activities. However, the project does not have evidence that lack of connectivity significantly impaired the program's reach.

Some planned courses that would have been different in person, such community grants to teach traditional folk dancing or handicrafts, became lecture-based rather than interactive. However, the online format allowed more people to participate as there were no space constraints, resulting in greater access for beneficiaries. In many cases, moving activities online resulted in cost savings, allowing for additional activities to be

carried out for the same cost. For example, moving workshops and training sessions online removed costs for materials, room rental, and refreshments, so additional sessions could be held without adjusting the subagreement budget.

Notably, more than 57 percent of grantees surveyed near the end of the project reported that receiving a grant from Pankisi Community Links helped them mitigate the negative effects that the COVID-19 pandemic had on their business. By the third year of implementation, beneficiaries and other stakeholders had adapted to the realities of the COVID-19 pandemic and there were no significant disruptions to Pankisi Community Links activities.

OTHER CHALLENGES

The program also faced challenges at the beginning of implementation related to limited involvement of ethnic Georgian communities in programming and the project's grant applications due to a perception that Kists received preferential treatment. This reminded PCL to exercise increased care to maintain do-no-harm principles and analysis when designing programming and solicitations. PCL also ensured ethnic Georgian communities were adequately represented for assistance, even in minority areas, in order not to exacerbate tensions.

SECTION VI

LESSONS LEARNED AND RECOMMENDATIONS

LESSONS LEARNED and best practices

- *Hire local.* The project chose to locate most staff in Ahkmeta, and shared administrative support with the Zrda Activity in Tbilisi. Crucially, the community mobilizers that the project hired were Pankisi Gorge residents, ensuring that they knew the cultural context and could successfully organize within it.
- *Anticipate and mitigate potential political challenges.* Political challenges associated with the possible Pankisoba festival motivated Pankisi Community Links to support YA and other NGOs in general, as these grassroots organizations are best placed to address issues at the beginning of large events, before they have a chance to worsen.

RECOMMENDATIONS FOR FUTURE PROGRAMMING BY COMPONENT

COMPONENT 1: BUILD SOCIAL COHESION AND ADDRESS DRIVERS OF CONFLICT WITHIN PANKISI COMMUNITIES

Build Trust. In a small, tight-knit community such as the Pankisi Gorge, it is critical to take the time to invest in building community relationships from the outset. Periodically check in with key identity groups, such as the Women’s Council, the Council of Elders, the Youth Alliance, and YURD, to determine whether the community has identified new areas that need to be incorporated into program plans. The project’s relationships with these key institutions also helped raise awareness.

- Continue to hold dialogue sessions (when conditions allow). Due to the COVID-19 pandemic, Pankisi Community Links was not able to hold the dialogue sessions that had been originally planned. When in-person conversations can safely happen, dialogues among young people, women, the elderly, and different religious communities should resume to promote tolerance and mutual understanding. Due to the sensitive nature of these types of conversations, the project elected not to hold them via online forums.
- Support youth organizations (Youth Alliance, YURD) with additional capacity building based on expressed needs as they continue to grow.
- Build on the successes of RSF’s journalism club and bloggers club to raise awareness of the role of a free press in democratic processes.
- Support Pankisoba festival or other large-scale cultural events to celebrate the diverse heritage of the Pankisi Gorge, if political conditions allow.

Incorporate Social Activities. Beneficiaries and participants repeatedly said they wanted to see more sporting and athletic events, such as tennis, wrestling, and soccer, and social activities in general. These activities are a way to make connections with youth from other ethnic or religious backgrounds in a fun, low-pressure way, and can be targeted to

youth, to older generations, or to cross-generational groups to ensure that no group feels excluded. In-person social interactions, such as movie nights, hiking outings, or community service projects like trash pickup days are effective ways to build friendly relationships and mutual understanding.

Counter Malign Influences. Pankisi has problems that are unique within the rest of Georgia, including issues with religious propaganda. Future programming could consider focusing on one specific issue in order to hyper-target one or two problematic areas, such as gender, youth, or religious extremism, but would need to do so very carefully.

Disaster-Risk Reduction and Conflict De-escalation. Conflict broke out in Pankisi when residents protested the building of a new power plant, which led to clashes with police. When conditions allow for in-person training to resume, conflict de-escalation and anti-violence training should be a focus. Relatedly, disaster preparedness courses, including how to deal with civil unrest, should be considered.

COMPONENT 2: LINK PANKISI ENTREPRENEURS AND YOUTH TO GREATER GEORGIA THROUGH ECONOMIC AND SOCIAL INTERACTION

Workforce Development. One of the key issues identified in Pankisi, especially by youth, is the lack of economic opportunities within the gorge. Future programming should address the migration of youth to the center of Georgia as many communities lack a skilled labor force. Meanwhile, youth in Georgia, and particularly in more isolated regions like Pankisi, lack access to vocational training, so they must migrate to more urban, central areas of the country to pursue economic opportunities. Youth need to be integrated into the ecosystem and introduced to entrepreneurship opportunities in their communities to address the lack of skilled workers, which is exacerbated by the migration flows. Vocational training for youth should be complemented with subsequent on-the-job training or internships. Vocational training and English and Georgian language skills were consistently mentioned by beneficiaries as something that they wanted to see expanded.

Pursue Public-Private Partnerships. Development in Pankisi region should take a systems approach, working not solely in Pankisi, but also with key economic partners that can provide economic resources and inputs for the region and its residents. Large private businesses in Akhmeta municipality should be considered for partnerships to bring economic opportunities to the area, increasing the impact of development assistance. Private corporations would also be a good resource for providing resources to youth in the form of internships or on-the-job training.

Keep Building Linkages. The Pankisi Community Links Activity made strides in fostering connections among businesses, markets, and consumers. Suggested areas for future programming include:

- Continue to integrate business/entrepreneurship skills into educational curriculum and expose youth to a broad range of career options.

- Continue to expand connections to Tbilisi businesses and markets through exchanges, business-to-business opportunities, and buyer tours, especially for Pankisi honey; consider developing a brand identity around Pankisi honey.
- Promote tourism in the Pankisi Gorge and the further development of tourism infrastructure, including guesthouses, adventure tourism (horseback riding, rafting, trekking), and local experiences (farm stays, cooking classes, traditional handicraft classes). Tourism infrastructure should also include workforce development initiatives, such as developing computer literacy skills for online bookings and digital marketing, and English language courses for staff.

CROSS-CUTTING

Women and Youth Engagement. Support sustainability efforts by working with groups that have gained new skills and momentum under Pankisi Community Links, such as the Women’s Council, YA, and YURD to build a strong civil society that can create lasting change in the gorge. However, it is important to continue include young men and boys in programming to promote inclusive and equitable civic engagement.

Sustainability. Pursue joint ventures across a variety of partnership dynamics, such as Pankisi/non-Pankisi partnerships, Azeri/non-Azeri organizations, Armenian/non-Armenian, and commercial organizations, and work with each organization for a longer period of time, since Pankisi Community Links’ timeline did not allow for long-term engagement.

ANNEX A

LIFE OF PROJECT RESULTS

PURPOSE-LEVEL INDICATORS

NO.	INDICATORS	LOP TARGET	FY 2021 TARGET	FY YTD 2021 RESULTS	% OF FY 2021 TARGET	CUMULATIVE TOTAL	% OF LOP TARGET
1	Number of USG supported events, trainings, or activities designed to build support for peace or reconciliation among key actors to the conflict	48	10	11	110%	62	129%
2	Number of people participating in USG-supported events, trainings, or activities designed to build mass support for peace and reconciliation	750	200	476	238%	936	124.8%
3	Percentage of Pankisi residents reached through awareness campaigns	60%	60%	60%	100%	60%	100%
4	Number of organizations, receiving USG assistance	55	10	14	140 %	75	136%
5	# of Pankisi youth interacting with non-Pankisi youth	90	30	35	116%	155	172%
6	Percentage change in perception of "other," based on pre- and post-activity perception surveys	20%	N/A	N/A	N/A	4,3%	21.5%
7	Number of business plans supported as a result of USG assistance	45	10	29	290%	90	200%
8	Number of individuals who received USG supported short-term agricultural sector productivity training	90	20	93	465%	102	113.33%
9	Number of market linkages established through USG assistance	15	5	11	220%	16	106%
10	Number of new market referrals established through USG assistance	50	10	45	450%	55	110%
11	Number of youths enrolled in vocational or other training	450	150	189	126%	520	115%
12	Number of teacher/educators/teaching assistants who received intensive coaching or mentoring with USG support	30	0	0	0%	45	150%
13	Percent of students demonstrating increased understanding of basic business concepts after completion of USG supported training/education	75%	0	0	0	75%	100%
14	# of private sector volunteers engaged in delivery of business skills program	24	0	0	0%	20	83.3%

NO.	INDICATORS	LOP TARGET	FY 2021 TARGET	FY YTD 2021 RESULTS	% OF FY 2021 TARGET	CUMULATIVE TOTAL	% OF LOP TARGET
15	Percentage change in perception of different age, religious and gender groups been better connected to each other: increase by at least 20 percent	20%	N/A	N/A	N/A	28%	140 %
16	Percentage change in perception of inclusiveness in decision-making processes: increase by at least 30 percent	30%	N/A	N/A	N/A	10%	33.3%

U.S. Agency for International Development

1300 Pennsylvania Avenue, NW

Washington, D.C. 20523

Tel.: (202) 712-0000

Fax: (202) 216-3524

www.usaid.gov