

1/7/2022

Weekly Highlights

Inflation rate in Georgia 2021 December

In December 2021 the Consumer Price Index increased by 0.3 percent compared to the previous month, while the annual inflation rate amounted to 13.9 percent. With regard to the annual core inflation¹, the prices increased by 5.9 percent, while the annual core inflation without tobacco² amounted to 6.0 percent.

The annual inflation rate was mainly influenced by price changes for the following groups: Food and non-alcoholic beverages: the prices in the group increased by 15.6 percent, contributing 5.01 percentage points to the overall annual inflation rate. Within the group the prices increased for the following subgroups: oils and fats (24.5 percent), vegetables (20.7 percent), bread and cereals (20.2 percent), sugar, jam, honey, chocolate and confectionery (19.8 percent), fish (16.5 percent), milk, cheese and eggs (15.3 percent), mineral waters, soft drinks, fruit and vegetable juices (13.5 percent), fruit and grapes (10.5 percent), meat (10.2 percent), coffee, tea and cocoa (6.1 percent);

Exchange rate- As a result of December 25, the value of one dollar became 3.0890 GEL and the value of one euro became 3.4952 GEL.

Covid 19- Confirmed coronavirus cases 953 410, within the past 24 hours 4 234; Recovered- 910 540, within the past 24 hours- 1 727; Fatal outcome- 14 128, within the past 24 hours- 46.

Articles of the Week

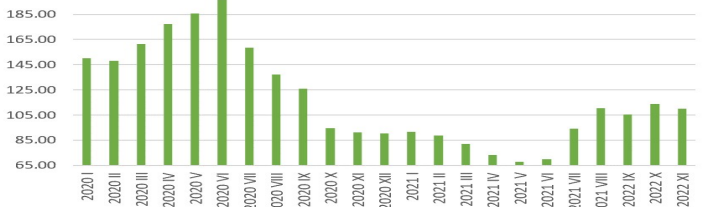
Nena has launched a new premium line with an investment of 700,000 GEL

The company "Nena" has launched a new premium line of jams, compotes and jams "Nena Gurme". As bm.ge was told in the company, "Nena" has invested 700,000 GEL in the new premium line. The updated range of the company presents 7 types of fruit products, including raspberries, apricots, blackberries, strawberries, figs, cherries and white cherries. Nena Gourme can be purchased in large markets, as well as in chain supermarkets and the company's branded stores. "Nena" appeared on the Georgian market in 2015, after KTW Group invested in a new direction in 2014 and with the support of the state, built 2 fruit processing enterprises in the mountainous region of Guria and Adjara. "Nena" combines a total of 10 products, including: compotes, jams, honey, jams, sauces and more.



Source: <https://bm.ge/ka/article/quotenamquot-700-000-laris-investiciit-axali-premium-xazi-gamoushva/98392/>

Consumer Price Index of Apple in Georgia (previous month=100)



Trade statistics of Apple (Georgia 2017-2021 Q3; Thousands of GEL)

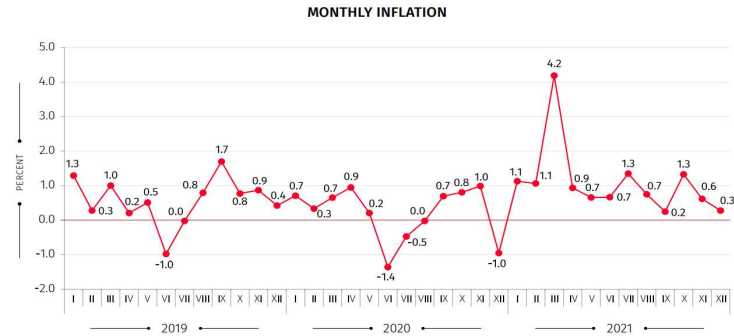
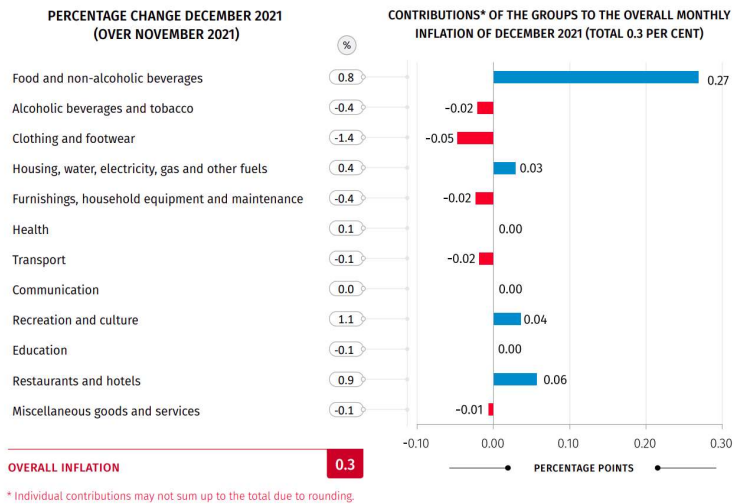
EXPORT					IMPORT					TRADE BALANCE				
2017	2018	2019	2020	2021 Q3	2017	2018	2019	2020	2021 Q3	2017	2018	2019	2020	2021 Q3
1,064.4	1,286.9	4,593.4	5,097.9	7,457.2	2,870.9	5,374.9	1,884.3	4,491.4	1,396.8	(1,806.5)	(4,088.0)	2,709.1	606.5	6,060.4

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Agricultural Report on Georgia #25

Inflation rate in Georgia 2021 December



Governmental, Non-governmental grants and subsidies of Agriculture

The Agricultural Insurance program was put into force on September 1, 2014 and is purposed to develop the insurance market in agricultural sector, promote agricultural activities, retain the income for the individuals with the occupation of the mentioned activities and reduce risks.

The program is implemented by non-commercial legal entity "Rural Development Agency". The Agency concludes contracts with the relevant insurance companies licensed under the rules envisaged by the legislation of Georgia in order to implement the project. The Agency also carries out insurance premium subsidies and their monitoring based on the above mentioned contracts.

Interested beneficiaries will be able to purchase insurance policy from 8 insurance companies operating in Georgia.

Following insurance risks will be covered within the mentioned insurance program:

>Hail

>Flood

>Storm

>Autumn Frost (Only citrus crops) –During the period September 1-November 30

According to the programme beneficiary can insure the land parcel up to 5 hectares. Each insurer of the land parcel in case of cereals 30 hectares, (This restriction does not apply to agricultural cooperatives) will receive 70% - co-financing for each crop envisaged under the program and 50% in case of vine (In case of agricultural cooperatives, the amount of insurance premium subsidies by the Agency per insurer/beneficiary shall not exceed 50 000 GEL). In addition, the insurer may have insured cereals crops as well as other crops at the same time. According to the program, the fixed insurance tariff will be determined. For more information, visit website rda.gov.ge

Agricultural commodities

Grains

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EST)
C 1:COM Corn (CBOT)	USD/bu.	607.25	+3.50	+0.58%	Mar 2022	11:41 AM
W 1:COM Wheat (CBOT)	USD/bu.	750.50	+4.50	+0.60%	Mar 2022	11:41 AM
O 1:COM Oats (CBOT)	USD/bu.	667.25	-3.25	-0.48%	Mar 2022	11:40 AM
RR1:COM Rough Rice (CBOT)	USD/cwt	14.71	0.00	0.00%	Mar 2022	11:37 AM
S 1:COM Soybean (CBOT)	USD/bu.	1,410.25	+23.00	+1.66%	Mar 2022	11:41 AM
SM1:COM Soybean Meal (CBOT)	USD/T.	424.30	+13.30	+3.24%	Mar 2022	11:41 AM
BO1:COM Soybean Oil (CBOT)	USD/lb.	59.05	+0.05	+0.25%	Mar 2022	11:41 AM
RS1:COM Canola (ICE)	CAD/MT	1,037.60	+14.30	+1.40%	Mar 2022	11:41 AM

Softs

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EST)
CC1:COM Cocoa (ICE)	USD/MT	2,520.00	+97.00	+4.00%	Mar 2022	11:44 AM
KC1:COM Coffee 'C' (ICE)	USD/lb.	238.50	+6.80	+2.93%	Mar 2022	11:44 AM
SB1:COM Sugar #11 (ICE)	USD/lb.	18.09	-0.10	-0.55%	Mar 2022	11:43 AM
JO1:COM Orange Juice (ICE)	USD/lb.	143.40	+2.20	+1.56%	Mar 2022	11:41 AM
CT1:COM Cotton #2 (ICE)	USD/lb.	115.68	+0.96	+0.84%	Mar 2022	11:43 AM
OL1:COM Wool (ASX)	--	--	--	--	N/A	--
LB1:COM Lumber (CME)	USD/1000 board feet	1,228.50	+9.50	+0.78%	Mar 2022	11:39 AM
OR1:COM Rubber (Singapore)	USD/kg	178.40	+3.00	+1.71%	Apr 2022	4:59 AM
DL1:COM Ethanol (CBOT)	USD/gal.	2.16	0.00	0.00%	Feb 2022	1/6/2022

Livestock

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EST)
LC1:COM Live Cattle (CME)	USD/lb.	137.13	-0.22	-0.16%	Feb 2022	11:42 AM
FC1:COM Feeder Cattle (CME)	USD/lb.	166.45	-0.82	-0.49%	Mar 2022	11:42 AM
LH1:COM Lean Hogs (CME)	USD/lb.	81.00	-1.95	-2.35%	Feb 2022	11:41 AM

Economic Data on Georgia

GDP		2019	I 20*	II 20*	III 20*	IV 20*	2020*	I 21*	II 21*
GDP at Current Prices, Bn ₾		49.3	11.1	10.8	13.4	14	49.3	11.5	15.5
GDP at Constant 2015 prices, Bn ₾		40.3	9.2	8.7	9.7	10.1	37.6	8.8	11.2
GDP Real Growth, Percentage		5	3.3	-14.5	-8.8	-7.4	-8.8	-4.1	28.9
GDP Deflator Change, Percentage		5.2	6.6	5.5	7.9	8.6	7.3	7.9	11.6
GDP Per Capita (At Current Prices), ₾		3 239.4	2 983.3	2 897.6	3 600.1	3 753.0	13 234.1	3 081.3	4 161.4
GDP Per Capita (At Current Prices), \$		4 696.2	1 019.3	923.1	1 160.6	1 147.5	4 255.7	929.7	1 250.7
GDP at Current Prices, Bn US Dollars		7.5	3.8	3.4	4.3	4.3	15.8	3.5	4.7
Share of Agriculture in GDP, Percentage		7.4	TBA				8.4	TBA	TBA

Population & Unemployment		2019	I 20	II 20	III 20	IV 20	I 21	II 21	II 21
Economically Active Population (Workforce), Thousand People		1572.8	1545.2	1515	1528.9	1505.7	1447.2	1559.1	1592
Employed, Thousand People		1295.9	1282.7	1237.6	1269.11	1197.9	1129.7	1214.6	1287.8
Unemployed, Thousand People		276.9	262.6	277.4	259.8	307.8	317.5	344.6	310.8
Unemployment Rate, Percentage		17.6	18.3	18.3	17	20.4	21.9	22.1	19.5

Consumer Price Index (Inflation)		2015	2016	2017	2018	2019	2020
Annual Average to the Annual Average		104	102.1	106	102.6	104.9	105.2
December over Previous Year's December		104.9	101.8	106.7	101.5	107	102.4

Georgia received \$ 7.4 million in apple exports in 2021, an increase of 87.3%.

In the first 11 months of this year, 14,757 tons of apples worth \$ 7.4 million were exported from Georgia.

According to official statistics, the value of exported products is 87.3% higher, while the volume is 69.3% higher than last year. Apple exports exceed not only last year, but also 2019. (2020 - \$ 3.9 million, 8,714 tons; 2019 - \$ 4.5 million, 11,264 tons).

The main export market for apples is Russia, which is the main part of the product. The list of countries is as follows:

1. Russia - 7.2 million dollars, 14 282 tons;
2. Armenia - 149.2 thousand dollars, 119 tons;
3. Turkmenistan - 27.2 thousand dollars, 45.9 tons;
4. Moldova - 20.6 thousand dollars, 61.8 tons;
5. Ukraine - 11.7 thousand dollars, 39 tons.

Small volumes of apples in Hong Kong (0.8 thousand dollars, 0.3 tons) and Singapore (0.7 thousand dollars, 0.2 tons).

During the same period, the country bought 4,141 tons of apples worth \$ 1.4 million from various markets. Turkey is among the importing countries (1 million dollars, 3 431 tons); Netherlands (123 thousand dollars, 72.7 tons); Iran (93.7 thousand dollars, 313.6 tons); Ukraine (48 thousand dollars, 158.6 tons); Egypt (27.8 thousand dollars, 43.6 tons); Poland (25.2 thousand dollars, 59.4 tons) and Azerbaijan (19.5 thousand dollars, 59.2 tons).

Source: Bm.ge

1/3 of the lands are unregistered - the public registry has started systematic registration of land

The National Agency of Public Registry of the Ministry of Justice of Georgia has started systematic land registration. According to the release issued by the agency, during 2022-2024, the agency will carry out measurement and registration activities in 59 municipalities of Georgia (except the occupied territories and self-governing cities: Tbilisi, Batumi, Kutaisi, Rustavi, Poti) (Order of the Minister of Justice of December 31, 2021 № 798). As of today, 1/3 of the lands in the country are unregistered. The National Agency of Public Registry will gradually provide systematic registration in the territory of all municipalities by the end of 2024. Within the framework of systematic registration, citizens will receive the following services free of charge:

- Cadastral planning / measuring works of land plots;
- Finding and systematizing the documentation proving the right;
- Certification of signatures of the parties to the transaction;
- Notarial mediation;
- Recognition of land ownership;
- Statement of facts;
- Determining the location of the land plot, identity with the document certifying the right;
- Registration of land ownership and changes in it.

In parallel with the systematic registration of land, citizens will still be able to use sporadic land registration. Resolution # 636 of the Government of Georgia (December 31, 2021) amended Resolution # 509 (December 29, 2011), which determines the sporadic registration fee for a land plot located in the geographical area of systematic registration.

Source: Bm.ge

Cooperative "Pomona"

Cooperative "Pomona" was established with a total investment of about 3 million GEL, part of which was a grant, and part - a loan under the "Preferential Agro Credit" program. "Pomona" employs 30 people during the season and 5 people during the off-season. The main sales market of the company is Georgia. Cooperative "Pomona", which is engaged in the production of apples and cherries on 12 hectares in Gori district, will complete the construction of a 600-ton refrigeration plant by spring. As Giorgi Purtseladze, co-founder of the cooperative, told bm.ge, within the framework of the "preferential agro-credit" project, "Pomona" took a loan of about 500,000 GEL, the interest rate of which will be co-financed from the state budget for 5 years. At the same time, according to him, in the future the cooperative will start producing pears and table grapes. "The refrigerator farm will be put into operation in the spring. Through it, we will keep the product healthy and sell it step by step. We harvested 200 tons of apples this year, the product was of good quality and sales were not a problem; It is noteworthy that last year we also sold apples to Russia, but this year the export stopped because Russia had a large harvest," - explains the co-founder of the cooperative.

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