

4/16/2022

Weekly Highlights

Agriculture of Georgia 2021- According to the **preliminary data of 2021**, production of wheat increased by 32.9 percent compared to the same period of the previous year and consisted of 136.1 thousand tons. Production of barley increased by 28.4 percent year-on-year set 58.3 thousand tons. Production of maize equaled 233.0 thousand tons, which is 8.6 percent less than in the same period of the previous year. Production of potato increased by 12.7 percent and consisted of 235.1 thousand tons. Besides, production of vegetables equaled 149.0 thousand tons, which is 15.4 percent lower compared to 2020.

According to the preliminary data of 2021, average yield of maize and vegetables have been decreased compared to the previous year, besides average yield of wheat, barley and potato has been increased. According to the survey results, average yield of wheat consisted of 2.7 t/ha, average yield of barley – 2.1 t/ha, average yield of maize – 3.0 t/ha, average yield of potato – 14.3 t/ ha, average yield of vegetables - 10.3 t/ha, of which average yield of tomato was 13.8 t/ha, average yield of cucumber – 12.7 t/ha, average yield of onion – 8.0 t/ha, average yield of garlic – 3.0 t/ha, average yield of cabbage – 19.9 t/ha.

Exchange rate- As a result of 16th April, the value of one dollar became 3.0706 GEL and the value of one euro became 3.3190 GEL.

The EU and FAO have launched an agricultural grant program

The Food and Agriculture Organization of the United Nations (FAO) is announcing the fifth phase of a grant competition in support of agricultural initiatives under the European Union's ENPARD program.

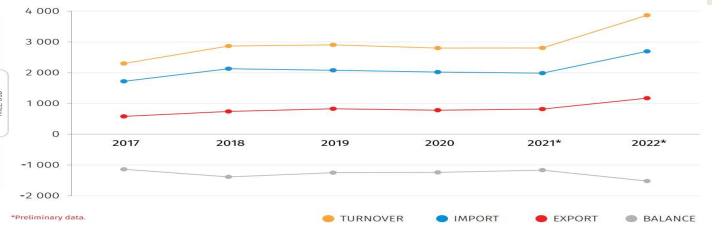
“Timely registration is important because applications will undergo a technical assessment based on the submission date and availability of funds.

In the last two years, about 250 farmers, cooperatives and small and medium-sized businesses have received agricultural grants with a total budget of GEL 16.3 million. Capital investment co-financing grants aim to increase and strengthen crop, production and sector resilience, create additional jobs and prevent food supply instability. Agricultural grants are one of the components of the € 12 million project - Improving the Agricultural Sector in Georgia, which is being implemented in Georgia under the third phase of FAO ENPARD.

The European Union supports agriculture and rural development in Georgia under the ENPARD program. The program has been implemented since 2013 and its total budget is 234.5 million euros. "Its goal is to strengthen rural economic opportunities and reduce poverty in Georgia," the FAO said in a statement.

Source: <https://bm.ge/ka/article/evrokavshiris-da-fao-s-sasoflo-sameurneo-grantebis-programa-daiwyo/106813/>

External merchandise trade tendencies of Georgia in January-March 2022 (Preliminary)

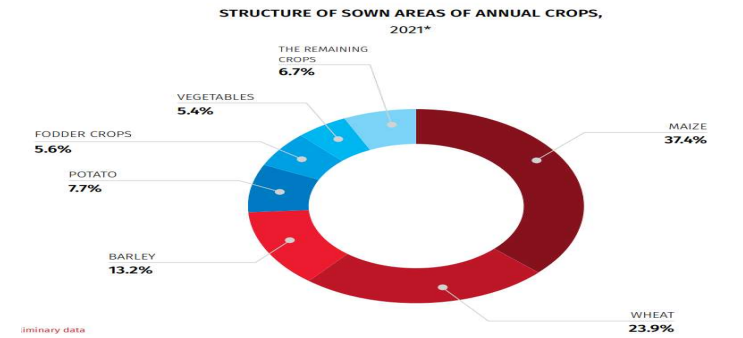
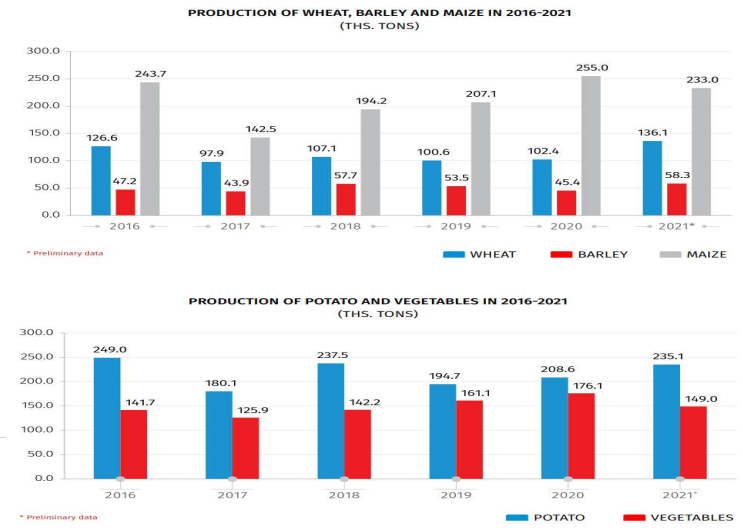


Consumer price index in March

In March 2022 the **Consumer Price Index** increased by 2.5 percent compared to the previous month, while the annual inflation rate amounted to 11.8 percent. With regard to the annual core inflation1, the prices increased by 5.3 percent, while the annual core inflation without tobacco2 amounted to 6.0 percent.

Food and non-alcoholic beverages: the prices for the group increased by 2.0 percent, contributing 0.68 percentage points to the overall monthly index change. The prices were higher for the following subgroups: sugar, jam, honey, chocolate and confectionery (6.6 percent), fruit and grapes (5.0 percent), coffee, tea and cocoa (4.3 percent), oils and fats (3.4 percent), bread and cereals (3.1 percent), mineral waters, soft drinks, fruit and vegetable juices (2.1 percent), meat (1.7 percent), milk, cheese and eggs (1.4 percent). In the same period the prices were lower for vegetables (-4.0 percent).

Agriculture of Georgia 2021 (Preliminary data)



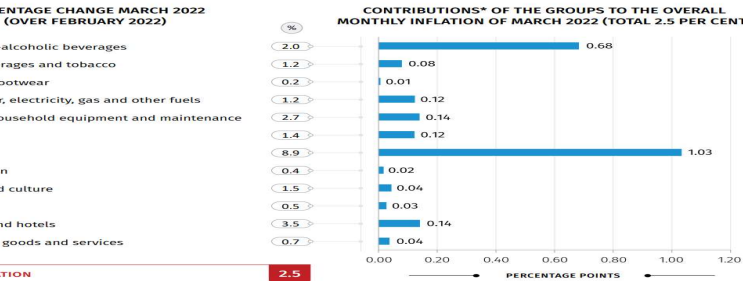
Governmental, Non-governmental grants and subsidies of Agriculture

The Food and Agriculture Organization of the United Nations (FAO) is announcing the fifth phase of a grant competition in support of agricultural initiatives under the European Union's ENPARD program.

The initiative aims to improve access to finance, services and manufacturing equipment for farmers, rural households, cooperatives, and small and medium-sized enterprises. The program should help increase the competitiveness of the agricultural sector and improve the livelihoods of rural people.

The grant can be applied for by those whose farm or business operates in one of the listed municipalities: Lagodekhi, Dedoplistskaro, Tetrtskaro, Akhalkalaki, Borjomi, Kazbegi, Keda or Khulo. These are the target municipalities where rural development projects are implemented under the ENPARD program. The program envisages co-financing of zero tillage sowing for grain producers, as well as a drip irrigation system and tractor set. In addition, farmers in Gori Municipality will be able to request both co-sowing of zero grain sowing and anti-hail nets for apple orchards. With the purchase of drip irrigation systems and zero soil sowing, the program will provide 60 per cent co-financing, while tractor kits and anti-hail nets will be subsidized with 40 per cent.

Detailed information about the program, a list of equipment and its suppliers and information required for grant registration are available on the website: www.faogrants.ge



Agricultural Report on Georgia #32

Agricultural commodities

Grains						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C1:COM Corn (CBOT)	USD/bu.	783.75	+5.75	+0.74%	Jul 2022	4/14/2022
W1:COM Wheat (CBOT)	USD/bu.	1104.50	-6.75	-1.49%	Jul 2022	4/14/2022
O1:COM Oats (CBOT)	USD/bu.	737.75	-27.75	-3.63%	Jul 2022	4/14/2022
RR1:COM Rough Rice (CBOT)	USD/cwt	16.20	+0.44	+2.76%	May 2022	4/14/2022
S1:COM Soybean (CBOT)	USD/bu.	1,665.25	+0.25	+0.01%	Jul 2022	4/14/2022
SM1:COM Soybean Meal (CBOT)	USD/T.	455.70	+1.40	+0.31%	Jul 2022	4/14/2022
RO1:COM Soybean Oil (CBOT)	USD/lb.	76.89	+0.74	+0.97%	Jul 2022	4/14/2022
RS1:COM Canola (ICE)	CAD/MT	1,032.80	+5.00	+0.49%	Nov 2022	4/14/2022

Softs

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
CC1:COM Cocoa (ICE)	USD/MT	2,636.00	+9.00	+0.34%	Jul 2022	4/14/2022
KC1:COM Coffee 'C' (ICE)	USD/lb.	223.75	-1.40	-0.62%	Jul 2022	4/14/2022
SB1:COM Sugar #11 (ICE)	USD/lb.	20.03	-0.07	-0.35%	Jul 2022	4/14/2022
JO1:COM Orange Juice (ICE)	USD/lb.	181.05	-1.05	-0.58%	May 2022	4/14/2022
CT1:COM Cotton #2 (ICE)	USD/lb.	140.71	-0.80	-0.57%	Jul 2022	4/14/2022
OL1:COM Wool (ASX)	---	---	---	---	N/A	---
LB1:COM Lumber (CME)	USD/1000 board feet	889.00	+6.30	+0.60%	May 2022	4/14/2022
OR1:COM Rubber (Singapore)	USD/kg	172.90	+1.80	+1.05%	Jun 2022	4/14/2022
DL1:COM Ethanol (CBOT)	USD/gal.	2.16	0.00	0.00%	May 2022	4/14/2022

Livestock

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
LC1:COM Live Cattle (CME)	USD/lb.	136.43	-0.45	-0.33%	Jun 2022	4/14/2022
FC1:COM Feeder Cattle (CME)	USD/lb.	174.35	-0.07	-0.04%	Aug 2022	4/14/2022
UH1:COM Lean Hogs (CME)	USD/lb.	118.48	+0.88	+0.74%	Jun 2022	4/14/2022

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	40.3	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	7.5	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	1 180.6	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	III 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	1289.11	1197.9	1125.7	1214.6	1281.2	
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			

Kareli fruit "Chikori" plans to increase its export by 50% this year.

As the director of the company Anano Bezhanishvili told Bm.ge, currently several types of dried fruits obtained from Georgian fruits are produced, which are presented in the local market throughout the country, and only 30% are exported.

"We have dried plums, persimmons, watermelons, melons, apples and prunes and figs cooked in chocolate. We sell in packaged form and also by weight, we work in both local market and export. We sell in the local market in all chain stores throughout Georgia.

We export mainly to European countries, namely France, Germany, Lithuania, Latvia, Poland and the Netherlands.

We started working on exports in 2020, which led to a 50% increase in production last year. "This year we plan to further develop in the field of exports and increase the supply of products by another 50% for export markets," - said Anano Bezhanishvili.

The director of the company also assessed the establishment of the Association of Fruit and Vegetable Exporters in Georgia and noted that the existence of such organizations is necessary, because small enterprises need assistance in the development of exports.

"It is important to establish such organizations, because small enterprises in Georgia, which do not have the necessary resources to export and work, will help a lot, will help to find markets," he said.

For reference, Kareli fruit "Chikori" has been operating on the Georgian market since 2015, which has a black plum orchard and a dried fruit processing plant cultivated on 25 hectares in the village of Samtsevisri in Kareli. The number of employees in the company is 50

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Source: Bm.ge

"We want to create a demonstration beekeeping farm"- "Honey from Lechkhumi"

"Honey from Lechkhumi" will create a beekeeping farm and equip a new enterprise. It is noteworthy that the company is the winner of the 100,000 GEL GITA grant competition.

As Gvantsa Chabukiani, the founder of "Honey from Lechkhumi", told bm.ge, the money will be spent on equipping the enterprise with the latest equipment, purchasing an off-road vehicle to provide services, developing beekeeping tourism and working on innovative products.

According to him, the construction of the enterprise has been completed by this time, and the HACCP standard will be introduced in the enterprise in the near future.

"We will use this money to create a demonstration beekeeping farm and we will arrange the enterprise, the construction of which we have already completed, with the latest equipment. This enterprise will spread knowledge in our region. We want to offer services to local beekeepers that do not exist in our region, develop bee tourism, and Create innovative products that users will soon see. The plans include entering market markets and then exporting them, "said Gvantsa Chabukiani.

Note: "Honey from Lechkhumi" produces several types of honey, flower dust, and bee milk. It sells its products throughout Georgia.

"D_Sneyland" exported up to 3 tons of snails to Italy

According to the Ministry of Agriculture, a snail farm created with state financial support exported up to 3 tons of snails to Italy.

In Mtskheta Municipality, the snail farm of the company "D_Sneiland" was put into operation last year, a total investment of more than 400,000 GEL was made for the arrangement of the farm, including a preferential agro loan of 260,000 GEL. The farm employs 6 people.

It should be noted that within the framework of the preferential agro-credit project, more than 10 million GEL has been issued for the production of snails, while the co-financing of the Rural Development Agency exceeds 1 million GEL.

Source: bm.ge



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