

1/21/2022

## Weekly Highlights

### External merchandise trade of Georgia in 2021

In 2021 the external merchandise trade (excluding non-declared trade) of Georgia amounted to USD 14 315.6 million, 25.6 percent higher to the 2020. The exports equaled USD 4 242.3 million (26.9 percent higher), while the imports stood at USD 10 073.3 million (25.1 percent higher). The negative trade balance was USD 5 831.0 million in 2021 and its share in external trade turnover constituted 40.7 percent.

**Exports increased by 28.8% y/y in December 2021** In December 2021, both exports and imports posted strong growth. Exports increased by 28.8% y/y to US\$ 419.5mn after growing by 42.9% y/y in previous month. Imports increased by 26.7% y/y to all-time high of US\$ 1,042mn, after growing 41.0% y/y in previous month. Notably, both exports and imports were also up compared to December 2019 levels - exports up 5.9% and imports up 7.0%. As a result, the trade deficit widened by 25.4% y/y to US\$ 622.3mn (up 7.8% vs. Dec-19), after a 39.6% y/y growth in previous month. Overall, in 2021, trade deficit was up 23.9% y/y (up 2.0% vs 2019) to US\$ 5.8bn, as exports increased by 26.9% y/y (up 11.7% vs 2019), while imports were up by 25.1% y/y (up 5.9% vs 2019).

**Exchange rate-** As a result of 21th January, the value of one dollar became 3.0794 GEL and the value of one euro became 3.4908 GEL.

**Covid 19-** Confirmed coronavirus cases 1 030 710 , within the past 24 hours 8 767; Recovered- 951 428, within the past 24 hours- 5 173; Fatal outcome- 14 631 , within the past 24 hours- 49.

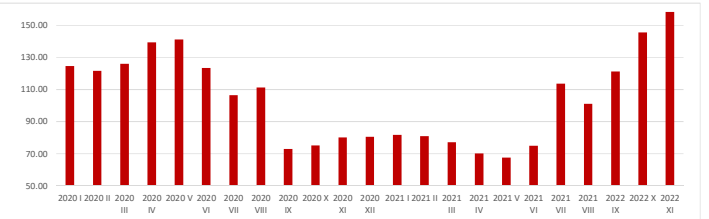
## Articles of the Week

### "Kind and Noble" will soon be sold in Germany and France

"Kind and noble" drinkable fruits and vegetables will soon be exported to Germany and France. The company's product is already on sale in Qatar, the US and the UK.In addition, kind and noble products are also negotiating with Ukraine and Dubai; It will also soon be represented in Russia's two largest networks.As the director of the company Giorgi Akhaladze states with bm.ge, the brand creates a total of 7 different flavored products. The company is also engaged in the production of fruit puree and annually produces from 1,000 to 1,500 tons of puree. In the future, considering the potential of the plant, the production will reach 6,000 tons."We have already signed contracts with German and French distributors. We are currently negotiating with Russia's two largest retail chains. We also have offers from the Ukrainian market, but this is a relatively distant prospect. In addition to entering new markets, we will also have news in the range. We already have 2 new recipes that we will add for the spring.." - says Giorgi Akhaladze.

**Source:** <https://bm.ge/ka/article/ketili-da-patiosani-male-germaniasa-da-safrangetshi-gaiyideba/99971/>

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



### Trade statistics of Plum, apricots, cherries, peaches (Georgia 2017-2021 Thousands of GEL)

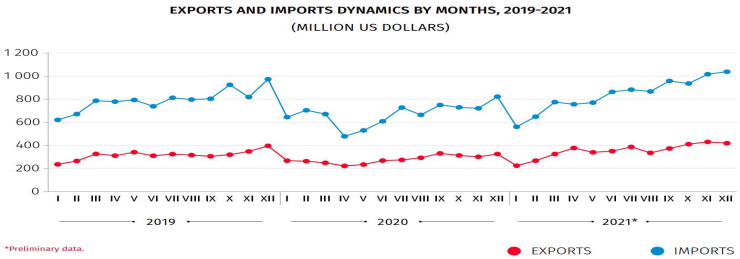
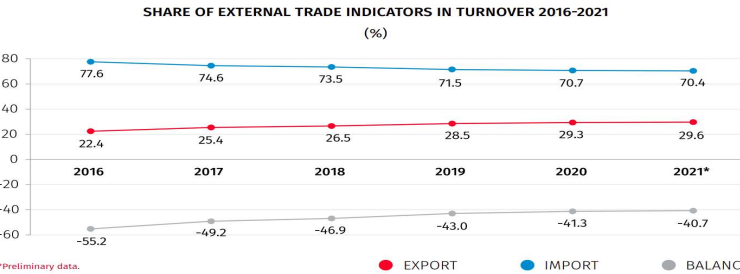
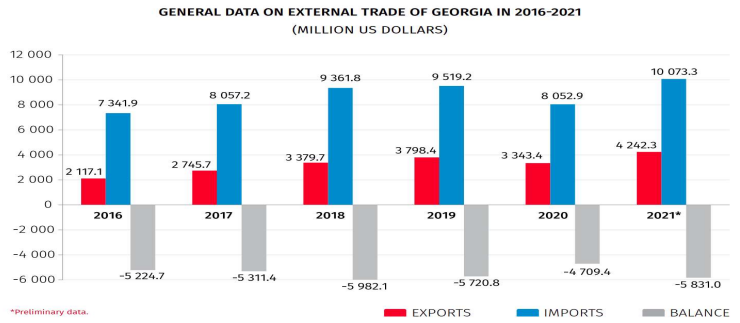
EXPORT					IMPORT					TRADE BALANCE				
2017	2018	2019	2020	2021*	2017	2018	2019	2020	2021*	2017	2018	2019	2020	2021*
4,355.6	8,445.4	12,932.9	24,169.7	31,977.8	993.4	1,819.4	965.4	802.8	456.4	3,362.2	6,626.1	11,967.4	23,366.9	31,521.4

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# Agricultural Report on Georgia #26

## External merchandise trade of Georgia in 2021



## 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](http://rda.gov.ge)

## Agricultural commodities

### Grains

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EST)
C1:COM Corn (CBOT)	USD/bu.	617.75	+6.75	+1.10%	Mar 2022	2:00 PM
W1:COM Wheat (CBOT)	USD/bu.	784.25	-6.00	-0.76%	Mar 2022	2:00 PM
O1:COM Oats (CBOT)	USD/bu.	618.25	-22.75	-3.69%	Mar 2022	1:55 PM
RR1:COM Rough Rice (CBOT)	USD/cwt	14.83	+0.06	+0.37%	Mar 2022	2:00 PM
S1:COM Soybean (CBOT)	USD/bu.	1,416.00	-9.75	-0.68%	Mar 2022	2:00 PM
SM1:COM Soybean Meal (CBOT)	USD/T.	394.30	-6.70	-1.67%	Mar 2022	2:00 PM
BO1:COM Soybean Oil (CBOT)	USD/lb.	62.83	-0.05	-0.08%	Mar 2022	2:00 PM
RS1:COM Canola (ICE)	CAD/MT	1,021.70	-0.30	-0.03%	Mar 2022	2:00 PM

### Softs

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EST)
CC1:COM Cocoa (ICE)	USD/MT	2,576.00	-84.00	-3.16%	Mar 2022	1:29 PM
KC1:COM Coffee 'C' (ICE)	USD/lb.	237.90	-5.75	-2.36%	Mar 2022	1:29 PM
SB1:COM Sugar #11 (ICE)	USD/lb.	18.90	-0.03	-0.16%	Mar 2022	12:59 PM
JO1:COM Orange Juice (ICE)	USD/lb.	156.45	-0.55	-0.35%	Mar 2022	1:56 PM
CT1:COM Cotton #2 (ICE)	USD/lb.	121.44	-1.43	-1.16%	Mar 2022	1:57 PM
QL1:COM Wool (ASX)	--	--	--	--	N/A	--
LB1:COM Lumber (CME)	USD/1000 board feet	1,143.70	-45.00	-3.79%	Mar 2022	1:51 PM
OR1:COM Rubber (Singapore)	USD/kg	179.40	-3.10	-1.70%	Apr 2022	4:59 AM
DL1:COM Ethanol (CBOT)	USD/gal.	2.16	0.00	0.00%	Feb 2022	1/20/2022

## 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	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	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	1269.11	1197.9	1129.7	1214.6	1267.6
Unemployed, Thousand People		278.9	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)		2016	2018	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

## Plum description

The plum is a stone fruit, rounded or elongated that can be yellow, green, red or purple. In general, it is very nutritious and rich in vitamins, specially vitamin C. It is more or less juicy depending on its water content. Prunes or dehydrated plums are preserved for longer time and are very sweet.

In the market there are other products processed with plums, such as jams, juices and liquors.

The plum is an important source of vitamins and other nutrients with healthy benefits. Thanks to their vitamin C content it prevents several types of cancer. Plums are very energetic and rich in fiber, for which they are recommended to sportsmen and as laxatives.

It is a caducifolious fruit tree called plum tree, that can reach 10m high. The flowers are white and have five petals. When they are totally flowered they are very beautiful.The plum belongs to the family of the Rosaceous and comes from a fruit tree that, in some species, reaches between 6 and 10 meters high, although a tree of medium size reaches a maximum height of 5-6m.

Source: <https://www.frutas-hortalizas.com/Fruits/About-Plum.htr>



## With the support of the Bank of Georgia, a farm was established on 20 hectares in Gurjaani

Bank of Georgia continues to support small businesses. This time in partnership with the bank in Gurjaani 20 ha. Vineyards and orchards were planted in the area. The farm includes Saperavi and Rkatsiteli vineyards, peach, persimmon, plum and cherry orchards. The bank has invested GEL 81,000 to support the development of the economy.

"We are glad that together with our partner, Bank of Georgia, we have been able to develop our business. Our cooperation has been going on for 6 years, during which we are gradually expanding the farm and increasing the harvest. We are already harvesting an average of 250 tons per year. We are also creating new jobs. Our farm employs several dozen people seasonally. We plan to set up our own refrigeration farm in the future and employ even more people," said Marina Tsatsabashvili, the head of the farm.

"In order for agro-businesses to be able to develop, Bank of Georgia is constantly trying to offer new, interesting products to its customers, whether it is a preferential agro loan, financing for the cultivation of perennial crops or other. We are pleased to have another local business developing in cooperation with us. We are actively pursuing and will continue to provide financial support in this area in order to further develop businesses and contribute to the economic empowerment of the region," said Merab Akhvediani, Director of Retail Banking at Bank of Georgia.

**Source:** <https://bm.ge/ka/article/quotsaqartvelos-bankisquot-mxardacherit-gurjaanshi-20-ha-ze-meurneoba-moewyo/100138>

## Georgian Agroproduct

"Kind and Honest" company is a new brand of Georgian Agroproduct , which appeared on the market in 2020. The company has invested a total of GEL 4.6 million in the operation of the enterprise, of which GEL 600,000 was allocated by the Rural Development Agency, and GEL 1.5 million was a preferential agro-credit.

Georgian AgroProduct was established in 2013 and started operating as a fruit processing enterprise in the village of Chumlaki, Gurjaani district.

During this period, in close cooperation with more than 500 local farmers, company have delivered the best quality products to up to ten of the largest supermarket chains in Russia, Ukraine, Kazakhstan and Belarus.

"We take special care and responsibility in the process of fruit selection in order to maintain the highest quality and meet customer requirements, thus establishing ourselves as one of the leading exporters of Georgian fruits and vegetables.

Our mission is to promote fruit production, processing and export of products in Georgia."

To fulfill this mission, in 2017 the company started producing fruit and vegetable purees and pulp juices.

Since 2020, under a brand KIND&NOBLE , they are already selling oyp unique drink of six different mixes – drinkable fruits and vegetables.

**Website:** <https://gefruit.ge/>

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