

2/9/2021

Weekly Highlights

The EBRD will provide a 25 million euro loan to the Bank of Georgia, the purpose of which is to provide sub-loans to local companies with a special focus on investing in green technologies. In addition, the EBRD will provide additional incentive grants to project beneficiaries and offer them free consulting services.

"Produce in Georgia" with a new project will subsidize business loans up to 10 million GEL. For an entrepreneur, the agency subsidizes the approved loan interest rate, with the minus 5% to the refinancing rate (in case of leasing minus 3% to the refinancing rate) and at the same time guarantees no more than 60% of the loan principal for a maximum of 10 years. The minimum loan amount under the program is 50 000 GEL, and the maximum is 10 000 000 GEL. It should be noted that at least 50% of the loan should be used for fixed and capital expenditures, and not more than 50% for working capital.

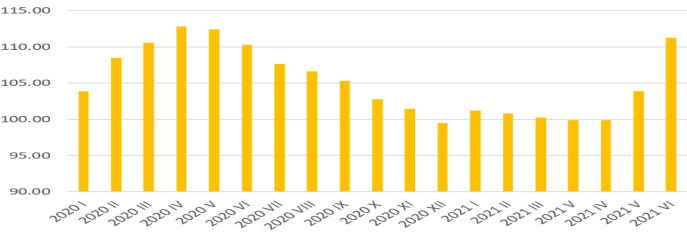
Exchange rate- As a result of September 2nd, the value of one dollar became 3.1183 GEL and the value of one euro became 3.6952 GEL.

Covid 19- Confirmed coronavirus cases 556 909, within the past 24 hours - 3 212; Recovered- 502 534 ; within the past 24 hours- 5 017; Fatal outcome- 7 563 , within the past 24 hours- 81.

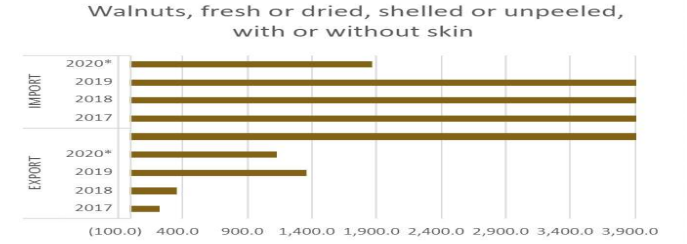
Articles of the Week

Small-Scale Green Initiative: Promoting Solar Panel Systems
"Green Initiative" - this is the name of the project implemented by TBC Leasing with the support of a reliable partner Green For Growth Fund and the EU program EU4Energy, under which TBC Leasing has created a special leasing product to support the development of solar panel systems. Are allowed to significantly reduce the costs associated with the installation and design of solar panels. This partnership, in addition to environmental activities, will facilitate private sector business. Significantly reduce their electricity bills and improve the quality of service. There is a huge potential of the renewable energy market in Georgia, in particular, in relation to solar energy, although this perspective is still untapped. Large-scale supply of this technology to customers requires commercial products such as special loans or leasing products to finance the solar panel system, which is a rarity in the Georgian market at this stage. To make up for this shortfall, the Green For Growth Fund has launched a Small-Scale Green Initiative to help the Foundation partner organizations identify economically viable small-scale green technologies. They need support to establish themselves in the market - for example, in the direction of photovoltaic systems for households and small businesses. The initiative includes activities such as creating special loan products, partnering with technology suppliers, or raising the awareness of end borrowers about the benefits of green technologies. Source: https://bm.ge/ka/article/mciremashstbiani-mwvane-iniciativa-mzis-panelebis-sistemebis-xelshewyoba-saqartveloshi-/90070/

Detailed consumer price indices of Walnut in Georgia (Previous month = 100)



Trade balance of Walnuts, fresh or dried, shelled or unpeeled, with or without skin of Georgia according to the positions of the SITC (2020) *thousands of \$



PRODUCER PRICE INDEX

PRODUCER PRICE INDEX FOR ACCOMMODATION AND FOOD SERVICES

Producer Price Index for Accommodation and Food Services increased by 6.2 percent compared to the previous month. The prices were higher for accommodation services by 9.7 percent and also, for food and beverage serving services by 0.4 percent.

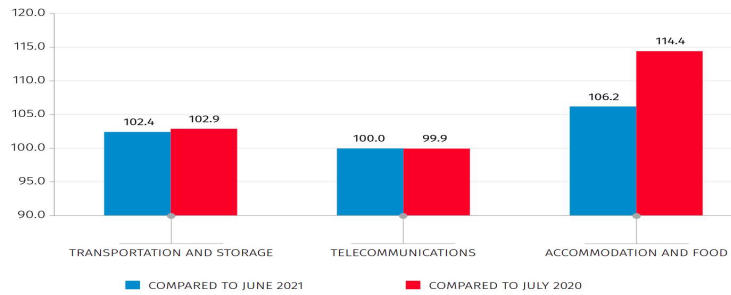
The overall index posted an 14.4 percent increase compared to July 2020. The prices increased by 11.6 percent for food and beverage serving services and by 7.7 percent for accommodation services.

The following table presents the Producer Price Index for Accommodation and Food Services in July 2021 compared to the same month of the previous year and the relevant contributions of the main subgroups to the change in the overall index.

CODE	GROUPS AND SUBGROUPS	OVER JULY 2020	CONTRIBUTIONS* TO ANNUAL CHANGES
	TOTAL	114.4	14.40
55	Accommodation services	107.7	9.84
56	Food and beverage serving services	111.6	4.56

*Individual contributions may not sum up to the total changes in the index due to rounding.

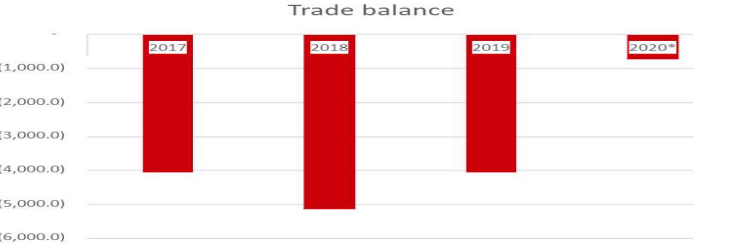
PRODUCER PRICE INDICES FOR SERVICES



Governmental, Non-overnmental grants and subsidies of Agriculture

Plant the future
The amount of state co-financing under the program "Plant the Future" is 70% of the cost of seedlings in case of garden cultivation and 50% of the cost of drip irrigation system, and in case of nursery - 50% of the cost of creating a farm. According to the source of the Project Management Agency, 133 beneficiaries were funded within the project and 1274 ha of walnut orchards were planted. Among them, 223 ha of orchards were planted in 2015, 661 ha in 2016, and 390 ha of walnut orchards have already been planted in winter and spring 2017. Most of the cultivated gardens come from 2 regions, 580 ha are cultivated in Kakheti and 344 ha in Kvemo Kartli.

For more information visit: rda.gov.ge



Agricultural Report on Georgia #16

Agricultural commodities

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C 1:COM Corn (CBOT)	USD/bu.	525.00	+2.25	+0.43%	Dec 2021	2:17 PM
W 1:COM Wheat (CBOT)	USD/bu.	716.75	+2.50	+0.35%	Dec 2021	2:17 PM
O 1:COM Oats (CBOT)	USD/bu.	504.75	+4.25	+0.85%	Dec 2021	2:15 PM
RR1:COM Rough Rice (CBOT)	USD/cwt.	13.30	+0.06	+0.45%	Nov 2021	2:15 PM
S 1:COM Soybean (CBOT)	USD/bu.	1281.75	+4.00	+0.31%	Nov 2021	2:17 PM
SBM1:COM Soybean Meal (CBOT)	USD/T.	339.60	-3.90	-1.14%	Dec 2021	2:17 PM
BO1:COM Soybean Oil (CBOT)	USD/lb.	58.72	+0.78	+1.36%	Dec 2021	2:16 PM
RS1:COM Canola (ICE)	CAD/MT	890.60	-0.20	-0.02%	Nov 2021	2:17 PM

Softs

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
CC1:COM Cocoa (ICE)	USD/MT	2,611.00	+73.00	+2.88%	Dec 2021	1:29 PM
KC1:COM Coffee 'C' (ICE)	USD/lb.	194.35	-1.30	-0.66%	Dec 2021	1:29 PM
SB1:COM Sugar #11 (ICE)	USD/lb.	19.90	+0.23	+1.17%	Oct 2021	12:59 PM
JO1:COM Orange Juice (ICE)	USD/lb.	140.65	-2.05	-1.44%	Nov 2021	1:59 PM
CT1:COM Cotton #2 (ICE)	USD/lb.	93.31	+1.01	+1.09%	Dec 2021	2:18 PM
OL1:COM Wool (ASX)	--	--	--	--	N/A	--
LB1:COM Lumber (CME)	USD/1000 board feet	576.20	+42.00	+7.26%	Nov 2021	2:11 PM
OR1:COM Rubber (Singapore)	USD/kg	163.00	-1.60	-0.97%	Oct 2021	5:59 AM
DL1:COM Ethanol (CBOT)	USD/gal.	2.22	0.00	0.00%	Sep 2021	9/1/2021

Livestock

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
LC1:COM Live Cattle (CME)	USD/lb.	126.15	-1.42	-1.12%	Oct 2021	2:04 PM
FC1:COM Feeder Cattle (CME)	USD/lb.	165.75	-2.30	-1.37%	Oct 2021	2:04 PM
LH1:COM Lean Hogs (CME)	USD/lb.	89.93	-0.22	-0.25%	Oct 2021	2:04 PM

Economic Data on Georgia

	2018	2019	I 20*	II 20*	III 20*	IV 20*	2020*	I 21*
GDP								
GDP at Current Prices, Bn ₾	44.6	49.3	11.1	11.1	13.3	13.9	49.4	11.3
GDP at Constant 2015 prices, Bn ₾	38.4	40.3	9.1	8.8	9.8	10.2	37.8	8.7
GDP Real Growth, Percentage	4.8	3	2.3	-13.2	-5.6	-6.8	-6.2	-4.5
GDP Deflator Change, Percentage	4.4	5.2	7.1	7.2	5.9	7.4	6.9	6.8
GDP Per Capita (At Current Prices), ₾	11 968.0	13 239.4	2 974.3	2 990.2	3586.7	3741.6	13292.7	3024.1
GDP Per Capita (At Current Prices), \$	4 722.0	4 696.2	1 016.3	952.9	1156.2	1144.1	4274.6	912.5
GDP at Current Prices, Bn US Dollars	17.6	17.7	3.8	3.6	4.3	4.3	15.9	3.4
Share of Agriculture in GDP, Percentage	7.8	7.4		TBA			8.4	TBA
Population & Unemployment								
	2017	2018	2019	I 20	II 20	III 20	IV 20	I 21
Economically Active Population (Workforce), Thousand People	1641.2	1605.2	1572.8	1545.2	1515	1526.9	1505.7	1447.2
Employed, Thousand People	1286.9	1295.9	1295.9	1262.7	1237.6	1269.11	1197.9	1129.7
Unemployed, Thousand People	354.5	309	276.9	282.6	277.4	259.8	307.8	317.5
Unemployment Rate, Percentage	21.6	19.2	17.6	18.3	18.3	17	20.4	21.9

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

Review of Agricultural product- Walnut

In Georgia, walnut is spread in all regions, up to sea level to 1300m. For industrial purposes, land plots located at an altitude of 500-1000 m above sea level are recommended. In Georgia, walnuts are common in Kakheti, Shida Kartli, Imereti, Samtskhe-Javakheti, Racha-Lechkhumi and Svaneti. Considering the biological peculiarities of non-commercial walnut varieties and forms in Georgia, about 93% bear fruit annually, 3.5% give unequal yields every year, and 1.7% are characterized by fluctuations by years. Low yields are mainly caused by incorrect selection of location and terrain, low soil fertility and moisture deficiency, rarely frost. The study of the local market revealed that Adjara traditionally leads in walnut production. The lowest rate of walnut production is in Mtskheta-Mtianeti and Kvemo Kartli. In other districts (Imereti, Samegrelo, Svaneti, Racha Lechkhumi, Shida Kartli, Kakheti) production is more or less equal. According to official statistics, Georgia produced 5,600 tons of nuts in 2014 and 5,900 tons in 2015. If we take into account the pace of cultivation of walnut orchards in Georgia, we must assume that in the next 10 years, Georgia may enter the top ten list of world exporters of walnuts. Source: The study was prepared by Agro Solutions as part of USAID Georgia's Agricultural Productivity Recovery Project (REAP) Technical Assistance Program.



Overview of Global Walnut Market (www.tridge.com)

The top exporter in 2020 was United States with an export value of USD 834M. The top importer in 2020 was Germany with an import value of USD 323M. The top producer in 2019 was China, with a production volume of 2.52M metric tons.

Rank	Country	Share in Export Value 2020	Export Value 2020, USD	1-Year Growth in Export Value 2019-2020	3-Year Growth in Export Value 2017-2020	Weekly Domestic Price Change 2021-08-30	Monthly Domestic Price Change 2021-08	Harvesting Seasonality
1	United States	39.89%	\$833.64M	+9.72%	-3.46%		+1.11%	High Season
2	Mexico	23.53%	\$491.72M	-12.06%	+10.72%			High Season
3	Chile	7.08%	\$148.06M	-34.36%	-42.61%		-	
4	Germany	6.61%	\$138.11M	+26.33%	+29.8%			High Season
5	China	5.58%	\$116.69M	-3.84%	+55.17%		+2.22%	High Season
6	Ukraine	3.72%	\$77.79M	-42.12%	-20.23%	+2.76%	+2.76%	High Season
7	Moldova	3.43%	\$71.71M	-18.32%	-26.03%		-	
8	Netherlands	1.91%	\$40.02M	≈ 0.91%	+23.94%			
9	Romania	1.39%	\$29.13M	+13.92%	-17.05%		-	
10	France	≈ 0.92%	\$19.19M	-26.26%	-45.77%	≈ -0.45%	≈ -0.21%	-

Company discription- Kalakuri

The company "Kalakuri" offers Georgian and foreign products. "Urban" Ltd has been operating in the consumer market for 12 years. Produces and sells local and imported natural products through a distribution ring. We offer Georgian hazelnuts (roasted, unroasted), almonds, pistachios, sunflowers, dried fruits of different types, both locally and from the Middle East. We also have delicious nuggets - assorted nuts and dried fruits, nuts with raisins, dried nuts, ground nuts with sesame seeds, honey and salt. All products are supplied to customers by weight as well as packaged - in packages of 150, 100, 80 and 50 g. We also offer groceries in the form of cereals, popcorn, burbushela, canned products (mushrooms, corn).



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