

1/10/2021

Weekly Highlights

Survey results of activities of enterprises- In the Year 2020 compared to the previous year the volume of business sector turnover increased by 4.9 percent and amounted to 114.3 billion GEL. The production value of the business sector is characterized by the less tendency. In the Year 2020, its volume equaled to 46.2 billion GEL, which is year-on-year 2.7 percent higher

In the Year 2020, 58.3 percent of total turnover comes on large and 17.9 percent - on medium businesses, while 23.8 percent is distributed to small business. A small difference is in case of total production value: 40.3 percent comes on large, 27.1 percent – on medium and 32.5 percent on small businesses.

Source: <https://www.geostat.ge/en/single-news/2345/activities-of-enterprises-2020>

Exchange rate- As a result of October 1, the value of one dollar became 3.1345 GEL and the value of one euro became 3.6310 GEL.

Covid 19- Confirmed coronavirus cases 614 763, within the past 24 hours - 1 751; Recovered- 586 704; within the past 24 hours- 1 633; Fatal outcome-

Articles of the Week

"Geoflower" will soon move to waste production

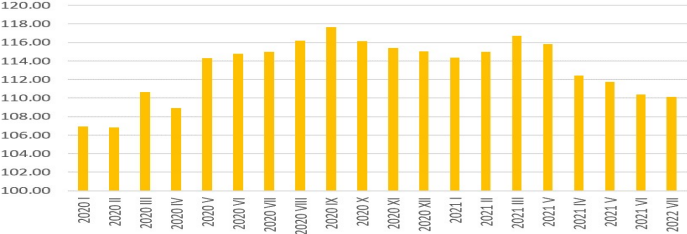
Geoflower, which processes fruits and herbs, as well as organic mountain tea, will soon switch to non-waste production. The founder of the company talked about it with bm.ge.

According to Gocha Dzneladze, they are installing solar panels. In addition, by the end of the year "Geoflower" will launch its own organic waste processing (compost) plant, with the help of which company will receive organic fertilizer and use it in its own plantations.

"We have already bought 110 kW solar panels, which we are installing now, the tea we produce will be obtained with renewable energy, and the arrangement of compost will be completed by the end of the year. "Our goal is to become company with 0% CO2 emissions," said Gocha Dzneladze.

Source: <https://bm.ge/ka/article/-geoflaueri-male-unarcheno-warmoebaze-gadava/91814/>

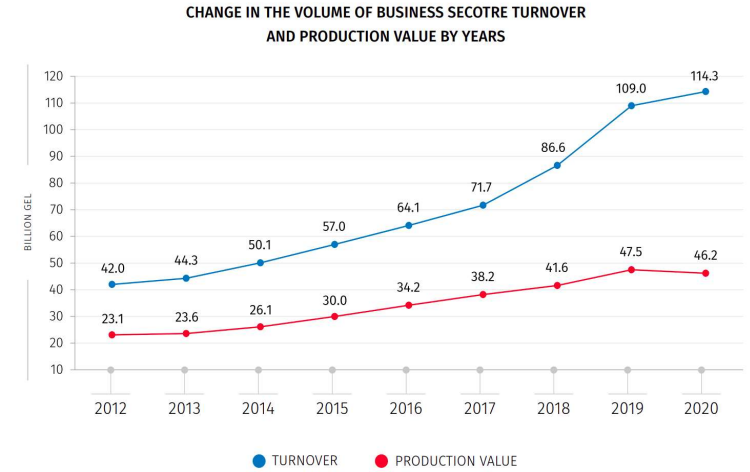
Detailed consumer price indices of leaf Tea in Georgia (Previous month = 100)



Trade balance of tea of Georgia according to the positions of the SITC (2020) *thousands of \$

Products	EXPORT				IMPORT			
	2017	2018	2019	2020*	2017	2018	2019	2020*
Black tea, fermented or partially fermented, in primary packages of a net content not exceeding 3 kg, flavored or not	410.0	1,416.7	2,008.8	2,157.5	5,728.0	6,870.2	7,347.1	7,603.1
Fermented or partially fermented black tea, flavored or not	654.1	1,141.0	1,366.2	2,173.1	911.4	1,388.8	1,705.6	2,124.9

SURVEY RESULTS OF ACTIVITIES OF ENTERPRISES (2020)



Turnover (mil. GEL)	NACE	2017 Year	2018 Year	2019 Year	2020 Year	Growth Rate 2020/2019
By kind of economic activities, total		71 740.1	86 825.1	109 024.3	114 348.5	104.9
Agriculture, forestry and fishing	A	425.9	446.9	498.4	653.0	131.0
Production Value (mil. GEL)	NACE	2017 Year	2018 Year	2019 Year	2020 Year	Growth Rate 2020/2019
By kind of economic activities, total		38 206.8	41 849.2	47 494.7	46 227.3	97.3
Agriculture, forestry and fishing	A	457.9	510.0	616.9	726.2	117.7
Persons Employed (unit)	NACE	2017 Year	2018 Year	2019 Year	2020 Year	Growth Rate 2020/2019
By kind of economic activities, total		734 215	756 852	756 852	703 874	93.0
Agriculture, forestry and fishing	A	12 347	12 753	12 753	12 286	96.3

Governmental, Non-overnmental grants and subsidies of Agriculture

Georgian Tea Plantation Rehabilitation Program

*From February 8, 2021, accepting applications for the state program of Georgian tea has been resumed.

Program Objectives

Maximum use of Georgian tea potential and promotion of high-quality tea production, including production of bio (organic) tea. As a result, Raising self-sufficiency and export capacity. Privately owned as well as state owned abandoned tea plantations will be rehabilitated and tea primary processing modern enterprises will be established under this project. Increase Employment rate and improvement of socio-economic state of population. Promotion of modern Tea primary processing enterprises

The list of works to be implemented for the rehabilitation of tea plantations in the frames of the Program:

- clearing the tea plantation (of trees, metal and concrete debris, foreign objects);
- heavy and regenerative pruning of the plantation;
- arrangement of drainage channel (a drainage channel may be arranged before the heavy or regenerative pruning of the plantation);
- inter-row tillage/loosening (topsoil tillage to 15-20 cm depth);
- purchase of fertilizers and agricultural products (including bio) in the first year.

For more information visit: rda.gov.ge

Agricultural Report on Georgia #18

Agricultural commodities

Grains						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C1:COM Corn (CBOT)	USD/bu.	538.50	+175	+0.33%	Dec 2021	11:04 AM
W1:COM Wheat (CBOT)	USD/bu.	748.00	+225.0	+3.00%	Dec 2021	11:04 AM
O1:COM Oats (CBOT)	USD/bu.	586.75	+4.50	+0.77%	Dec 2021	10:46 AM
RRL:COM Rough Rice (CBOT)	USD/cwt	13.66	-0.06	-0.44%	Nov 2021	11:01 AM
S1:COM Soybean (CBOT)	USD/bu.	1,244.75	-1125	-0.90%	Nov 2021	11:04 AM
SML:COM Soybean Meal (CBOT)	USD/T.	328.00	-0.70	-0.21%	Dec 2021	11:04 AM
BOL:COM Soybean Oil (CBOT)	USD/lb.	58.23	-0.46	-0.78%	Dec 2021	11:04 AM
RS1:COM Canola (ICE)	CAD/MT	900.40	+6.90	+0.77%	Nov 2021	11:04 AM

Softs						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
CC1:COM Cocoa (ICE)	USD/MT	2,706.00	+54.00	+2.04%	Dec 2021	11:02 AM
KC1:COM Coffee 'C' (ICE)	USD/lb.	201.60	+7.60	+3.92%	Dec 2021	11:03 AM
SB1:COM Sugar #11 (ICE)	USD/lb.	20.19	-0.15	-0.74%	Mar 2022	11:03 AM
JO1:COM Orange Juice (ICE)	USD/lb.	131.80	-0.70	-0.53%	Nov 2021	11:01 AM
CT1:COM Cotton #2 (ICE)	USD/lb.	105.57	-0.23	-0.22%	Dec 2021	11:03 AM
OL1:COM Wool (ASX)	--	--	--	--	N/A	--
LB1:COM Lumber (CME)	USD/1000 board feet	635.90	+8.40	+1.34%	Nov 2021	10:53 AM
OR1:COM Rubber (Singapore)	USD/kg	166.60	+0.10	+0.06%	Dec 2021	5:59 AM
DL1:COM Ethanol (CBOT)	USD/gal.	2.21	0.00	0.00%	Oct 2021	9/30/2021

Livestock						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
LC1:COM Live Cattle (CME)	USD/lb.	125.93	+0.20	+0.16%	Dec 2021	11:03 AM
FC1:COM Feeder Cattle (CME)	USD/lb.	153.95	+1.05	+0.69%	Nov 2021	11:03 AM
LH1:COM Lean Hogs (CME)	USD/lb.	85.08	-0.32	-0.38%	Dec 2021	11:03 AM

Economic Data on Georgia								
GDP								
	2018	2019	I 20*	II 20*	III 20*	IV 20*	2020*	I 21*
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	5	2.3	-13.2	-5.6	-6.8	-6.2	-4.3
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	1344.1	4274.6	912.3
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- Tea

Georgia is one of the most suitable places on Earth to grow organic high quality tea. Georgian tea is an evergreen shrub. It has a dense, branched stem, medium-sized, light green elongated-oval short-stemmed leaves, an axillary root that digs deep into the soil and develops lateral roots in the upper layer. The flower is white or pink, gathered in 2-4 flowers in a leaf axil. The fruit has 1-3 seeds. Tea leaf contains large amounts of caffeine, tannins, vitamins, essential oils, extracts.

Organic because it is located in a climate zone where illnesses or pests do not threaten tea bushes. One of the biggest headaches in most tea-growing regions, which is also the reason why most of the world's tea is heavily treated with different harmful chemicals.

High quality because Georgian plantations are well-aged (mostly more than 50-years old) and seed-grown which adds complexity to the taste and flavour. In addition, cold winters reduce the tea growing season in Georgia to only seven months, which gives bushes time to rest and gather strength. This again enhances the flavour, especially in spring. in Georgia, the government adopted a programme in 2016 to rehabilitate up to 7 000 hectares of abandoned tea plantations over the coming years.

Source: wikipedia /



Overview of Global Flavored Tea Market (www.tridge.com)

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
1	China	33.8%	\$2.04B	≈ 0.54%	+25.96%
2	Kenya	15.31%	\$923.87M	-21.47%	-35.33%
3	India	11.5%	\$694.06M	-15.19%	-10.04%
4	Sri Lanka	6.39%	\$385.89M	-52.98%	-74.64%
5	Poland	4.39%	\$264.65M	+3.29%	+39.34%
6	Germany	3.67%	\$221.59M	-11.52%	-11.35%
7	Japan	2.57%	\$154.87M	+11.88%	+17.77%
8	United Kingdom	2.25%	\$135.53M	-3.34%	-3.13%
9	Uganda	1.57%	\$94.92M	+420.57%	+2.96%
10	United States	1.48%	\$89.36M	-22.72%	-35.41%

Company discription- Geoflower

The company "Geoflower" has started the production of organic mountain tea MONTEA and from October it will be sold in all three branches of "AgroHub". "Geoflower" has two packages - 80-gram and single 40-gram pyramid type. As for the species, black classic, green classic, black classic bergamot and green classic jasmine flavor will be available for this stage, and fruit and detox tea will be added from November. Gocha Dzneladze also talks about export plans, saying that in early 2022 MONTEA tea will probably be exported to Ukraine and the Baltic states. For information, the company "Geoflower" has been processing fruits and medicinal plants since 2000, and the packaged product is exported to Germany, Poland, Spain, Turkey and Russia."Geoflower" tea plantation, which produces organic tea, is cultivated on 20 hectares in the village of Tsnori, Tkibuli district.

JV "GeoHolding & KSH" Consortium

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