

2/19/2021

Weekly Highlights

Inflation rate - The annual inflation rate in Georgia increased to 2.8 percent in January of 2021 from 2.4 percent in the previous month. Main upward pressure came from: food and non-alcoholic beverages (6.4 percent vs 6.8 percent in December 2020), health (9.7 percent vs 9.6 percent), restaurants & hotels (2.0 percent vs 3.5 percent) and recreation & culture (1.4 percent vs -2.8 percent). Downward pressure came from housing & utilities (-20.5 percent vs -21.7 percent) and transport (-0.9 percent vs -2.3 percent). On a monthly basis, consumer prices rose by 1.1 percent, after declining 1.0 percent in the previous month

Unemployment - "Geostat" - according to the new standard, the unemployment rate in Georgia in the third quarter increased by 0.2 percentage points compared to the previous year and amounted to 17%. In 2019, the unemployment rate was 11.6%, while according to the new methodology, the figure is 17.6%.

Exchange rate- As a result of February 4th, the value of one dollar became 3.3069 GEL and the value of one euro became 4.0149 GEL.

COVID 19 - CONFIRMED CORONAVIRUS CASES - 267701 , WITHIN THE PAST 24 HOURS - 388; RECOVERED - 260597 , WITHIN THE PAST 24 HOURS - 331; FATAL OUTCOME - 3406, WITHIN THE PAST 24 HOURS - 7;

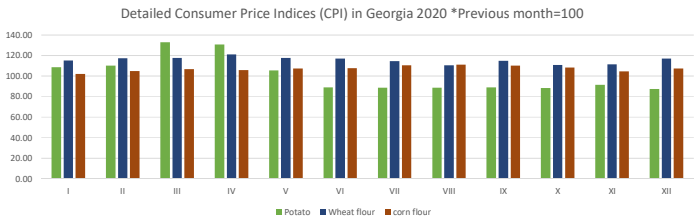
Articles of the Week

"Tea Sector in Georgia"

The First Deputy Minister of Environment and Agriculture, Giorgi Khanishvili, discussed the report of the study "Tea Sector in Georgia" at an online meeting. "This document will be a guide for the development of the tea sector in Georgia. The document based on economic calculations, correct analysis, world practice will help both farmers and state institutions to set long-term, strategic goals and thus develop the Georgian tea sector," - said Giorgi Khanishvili. At the initiative of the Ministry of Environment and Agriculture, specialists from the Food and Agriculture Organization (FAO) and the European Bank for Reconstruction and Development (EBRD) started working on the research document "Tea Sector Overview in Georgia" last year. International experts and economics researchers were involved in drafting the document. Relevant recommendations were prepared.

For more information:
<https://www.facebook.com/MEPAGeorgia/posts/3823337074389901>

Inflation statistics of Agricultural products



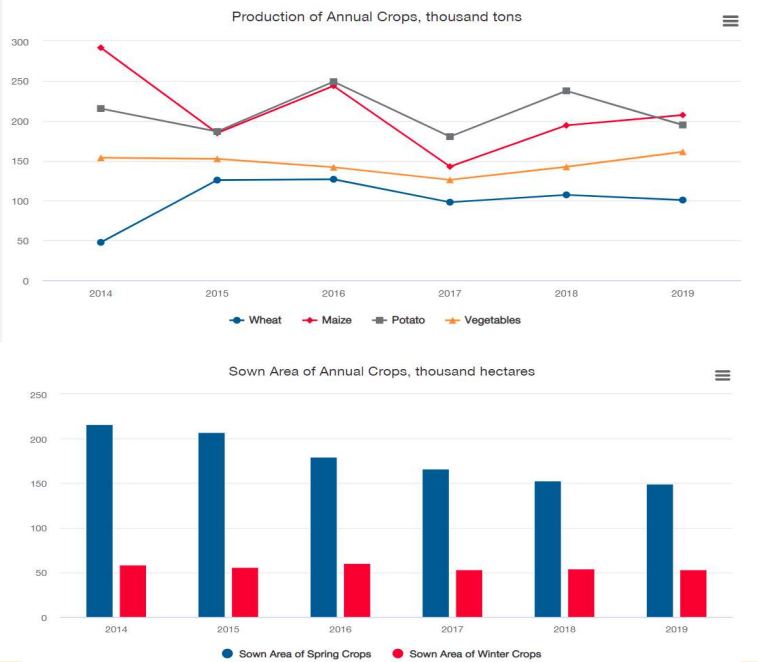
Import/Export of Agri products

Export/Import of Georgia according to the positions of the Standard Classification of International Trade (SITC) 2020 *thousands of \$												
Products	EXPORT				IMPORT				Trade balance			
	2016	2017	2018	2019	2020*	2016	2017	2018	2019	2020*	2016	2017
Potatoes, made without the addition of vinegar or acetic acid or canned, uniform, except homogenized	12.1	13.8	84.4	95.7	220.4	2059.5	2862.8	4019.7	4445.6	4369.4	-2047.4	-2849.1
Potatoes, fresh or frozen(except sweet potatoes)	1992.2	5230.6	4786.0	977.1	1072.0	5366.5	2338.7	2919.7	2439.4	3565.7	-3374.4	-2891.8
corn flour	6.6	1.4	11.8	14.5	24.2	6.2	19.2	17.4	12.8	15.6	-0.4	-17.8
Seed corn (excluding sweet corn), unprocessed	1176.0	607.0	757.1	981.1	629.4	2272.7	2780.0	3460.4	2270.7	2601.4	-1094.7	-2173.0
Other maize (excluding sweet maize), unprocessed	1170.3	0.0	161.0	63.7	81.0	11596.8	13200.1	14265.7	16179.2	21517.8	-10426.5	-13200.1
Wheat offed, bran and other waste, ungranulated or granulated	258.16	29.6096	130.743	298.14	0	2713	1574	1797	1132	1045	-2454.5	-1544.4
Wheat and meslin flour	2458.0	6519.89	2760.456	98.827	13.4316	6994	4072	3998	4860	3100	-4535.5	-2448.4
Wheat and meslin	162.07	134.285	92.80276	187.86	12.72	9311	5244	2922	3398	1081	-3148.7	-5190.0
The rest of the wheat (including Spelt) and meslin, unprocessed	824.1	4812.85	2643.186	715.07	0	82751	92851	112009	105589	106903	-81926.6	-88038.1

Environmental indicators

Table F-4. Use of crop protection materials(pesticides) (Difference between import and export)				
	Units	2017	2018	2019
Agricultural land *	Thousand ha	3 025.8	3 025.8	3 025.8
Use of pesticides, total	Tons	3 583.6	4 715.0	5 391.3
Use of pesticides per unit of agricultural land	Kg / ha	1.18	1.56	1.78
Notes:				
* - Due to the lack of data, the 2004 data of the State Department of Land Management of Georgia is used for evaluation.				
Data on pesticide consumption are based on foreign trade data: Difference between pesticide imports and exports.				
The data include the use of pesticides in all sectors (not just agriculture, forestry and horticulture).				

Agricultural statistics



Governmental, Non-overnmental grants and subsidies of Agriculture

Program of Agro-Production Promotion

The goal of the State Program of Agro-Production Promotion is to promote the primary production of annual and perennial crops.

The Program has the following objectives :

- Co-financing of agricultural machinery, in particular: agricultural tractor with not more than 100 hp, manual tractor (moto-block), self-propelled equipment for rehabilitation of agricultural land, agricultural implements.
- Co-financing the procurement of fixed assets needed for the arrangement of a new greenhouse and / or the expansion / modernization of an existing greenhouse and their installation work.
- Co-financing the procurement of an irrigation system for annual agricultural crops and their installation works.

Program Beneficiary

A) Potential beneficiary - a natural citizen of Georgia or an entrepreneur, natural / legal person registered in Georgia in accordance with the Georgian legislation , including an agricultural cooperative, in which the state does not own a share / interest.

B) In case of requesting co-financing for the greenhouse and irrigation system, the potential beneficiary of the Program must have registered an agricultural land with the LEPL - National Agency of Public Registry in his/her name and/or has leased land plot from the state/municipality/Autonomous Republic of Adjara, the remaining lease period of which must be at least 5 years when submitting an application to the Program, and on which a greenhouse and / or an irrigation system will be arranged.

C) The potential beneficiary must not have tax debt to the state budget.

For more information on Co-financing Criteria for compliance of agricultural machinery and additional conditions, please vcsit :<http://agro.rda.gov.ge/>

Agricultural Report on Georgia #2

Agricultural commodities

Grains						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C 1:COM	USD/bu.	550.5	1.5	0.27%	May-21	8:44 AM
Corn (CBOT)						
W 1:COM	USD/bu.	666.25	1	-0.15%	May-21	8:44 AM
Wheat (CBOT)						
O 1:COM	USD/bu.	360.5	0.75	0.21%	May-21	8:24 AM
Oats (CBOT)						
RR1:COM	USD/cwt	12.99	-0.02	-0.19%	May-21	2/18/2021
Rough Rice (CBOT)						
S 1:COM	USD/bu.	1,380.75	4.25	0.31%	May-21	8:44 AM
Soybean (CBOT)						
SM1:COM	USD/T.	426.1	1.1	0.26%	May-21	8:44 AM
Soybean Meal (CBOT)						
BO1:COM	USD/lb.	46.63	0.38	0.82%	May-21	8:44 AM
Soybean Oil (CBOT)						
RS1:COM	CAD/MT	588.9	5.5	0.49%	Nov-21	8:44 AM
Canola (ICE)						

Softs						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
CC1:COM	USD/MT	2,421.00	30	1.25%	May-21	9:06 AM
Cocoa (ICE)						
KC1:COM	USD/lb.	130.1	0.8	0.62%	May-21	9:06 AM
Coffee 'C' (ICE)						
SB1:COM	USD/lb.	16.87	0.28	1.69%	May-21	9:05 AM
Sugar #11 (ICE)						
JO1:COM	USD/lb.	111.9	0.2	0.18%	May-21	9:06 AM
Orange Juice (ICE)						
CT1:COM	USD/lb.	90.27	0.03	0.03%	May-21	9:06 AM
Cotton #2 (ICE)						
OL1:COM	--	--	--	--	N/A	--
Wool (ASX)						
LB1:COM	USD/1000 board feet	884	26.9	3.14%	May-21	2/18/2021
Lumber (CME)						
OR1:COM	USD/kg	172.6	3.3	1.95%	May-21	4:59 AM
Rubber (Singapore)						
DL1:COM	USD/gal.	1.73	0	0.00%	Apr-21	2/18/2021
Ethanol (CBOT)						

Livestock						
INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
LC1:COM	USD/lb.	122.93	1.23	0.99%	Apr-21	2/18/2021
Live Cattle (CME)						
FC1:COM	USD/lb.	141.75	1	0.70%	Apr-21	2/18/2021
Feeder Cattle (CME)						
LH1:COM	USD/lb.	84.93	0.03	0.03%	Apr-21	2/18/2021
Lean Hogs (CME)						

Economic Data on Georgia

GDP							
	2015	2016	2017	2018	2019	I 20*	II 20*
GDP at Current Prices, Bn €	33.9	35.8	40.8	44.6	49.3	11.1	13.3
GDP at Constant 2015 prices, Bn €	33.9	34.9	36.6	38.4	40.3	9.1	8.8
GDP Real Growth, Percentage	3	2.9	4.8	4.8	5	2.3	-13.2
GDP Deflator Change, Percentage	5.8	2.6	8.5	4.4	5.2	7.1	7.2
GDP Per Capita (At Current Prices), €	9 109.4	9 613.9	10 933.9	11 968.0	13 239.4	2 974.3	2 990.2
GDP Per Capita (At Current Prices), \$	4 012.6	4 062.1	4 358.5	4 722.0	4 696.2	1 016.3	952.9
GDP at Current Prices, Bn US Dollars	14.9	15.1	16.2	17.6	17.7	3.8	3.6
Share of Agriculture in GDP, Percentage	8.8	8.3	7.2	7.8	7.4		TBD
Population & Unemployment							
	2015	2016	2017	2018	2019	I 20	II 20
Economically Active Population (Workforce), Thousand People	1675.6	1653.8	1641.2	1605.2	1572.8	1545.2	1515
Employed, Thousand People	1308.3	1294.5	1286.9	1295.9	1295.9	1262.7	1269.11
Unemployed, Thousand People	367.2	359.2	354.5	309	276.9	282.6	277.4
Unemployment Rate, Percentage	21.9	21.7	21.6	19.2	17.6	18.3	18.3
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	104.3	101.8	106.7	101.5	107		102.4

Review of Agricultural product- Cucumber

Cucumber (*Cucumis sativus*) is a widely cultivated creeping vine plant in the Cucurbitaceae gourdfamily that bears cucumiform fruits , which are used as vegetables. There are three main varieties of cucumber—slicing, pickling, and burpless/seedless—within which several cultivars have been created.

The cucumber is a creeping vine that roots in the ground and grows up trellises or other supporting frames, wrapping around supports with thin, spiraling tendrils. The plant may also root in a soilless medium, whereby it will sprawl along the ground in lieu of a supporting structure. The vine has large leaves that form a canopy over the fruits. Cucumber fruits consist of 95% water. In botanical terms, the cucumber is classified as a pepo, a type of botanical berry with a hard outer rind and no internal divisions. However, much like tomatoes and squashes, it is often perceived, prepared, and eaten as a vegetable.

Cucumber

Cucumbers growing on vines

Photograph of a single cucumber fruit

From Wikipedia, the free encyclopedia

According to the number of vegetable crops produced in Georgia, cucumber is in the second place. Favorable soil-climatic conditions in the country and high nutritional characteristics of cucumbers are a competitive advantage for the development of production. The main cucumber producing regions are: Kakheti, Kvemo Kartli and Imereti. Local cucumber production in Kakheti region starts in early May. Kvemo Kartli cucumbers are available at the end of May. Local cucumbers will be delivered to the market by the end of August. Local cucumbers, in small quantities, are also available in April and September. During the non-seasonal period, from January to May, the price of cucumbers is high because insufficient local products produced in the protected cultivation is supplied to the market.

	Trade balance 2020 *thousands of \$				
Product	Q1	Q2	Q3	Q4	Jan-Dec
Cucumber and cornichon, fresh or frozen	-1216.7	-407.5	5.1	14.9	-1604.1

Cucumber production in Georgia (Thousand tons)

Overview of Global Cucumber Market

INTELLIGENCE

Cucumber

Countries: Global

DATA REFERENCE:

Export & Import Data UN Comtrade (HS Code: 0707 - Cucumbers and gherkins; fresh or chilled)

Production Data FAO (FAO Code: 0397 - Cucumbers and gherkins)

Scientific Name Cucumis sativus

Top Producer China

Top Exporter Spain

Top Importer United States

Production 87,69M mt +3.51% Yearly

Export 2,68B mt -3.61% Yearly

Import 2,70B mt -6.76% Yearly

GLOBAL MARKET OVERVIEW OF CUCUMBER

Rank	Country	Country Share	Export Value (\$)	1-Year Growth in Value %	3-Year Growth in Value %	Weekly Domestic Price Chan	Monthly Domestic Price Cha	Harvesting Seasonality
1	Spain	25.32%	678.29M	-4.07%	+11.36%	+24.17%	+18.47%	Low Season
2	Mexico	20.79%	557M	+7.89%	+15.21%			High Season
3	Netherlands	19.26%	515.87M	-9.11%	+5.49%			-
4	Canada	10.5%	281.27M	+5.74%	+42.73%			High Season
5	United States	2.42%	64.98M	+8.3%	+11.8%	+2.32%	+17.89%	-
6	China	2.37%	63.39M	+14.84%	+79.86%			-
7	Iran	1.86%	49.94M	-57.04%	-56.21%		+145.86%	-
8	Belgium	1.58%	42.44M	-17.12%	-40.77%			-
9	Turkey	1.4%	37.57M	-8.94%	+32.85%	-1.78%	+17.94%	-
10	Palestine	1.23%	33.04M	+15.38%	+10.51%			-

Company description

Imereti Greenery is a joint project of the Partnership Fund and the Dutch company Food Venture in Imereti. Greenhouse was established in Samtredia in 2010. Initially it was planted on 0.4 ha of land and only lettuce leaf was produced, later a 1.5 ha greenhouse was added and cucumber was added to the production. This greenhouse is located near the underground thermal waters and holds a permit for its use. The installed heat exchangers allow the company to use thermal water with natural gas to heat the structures and save up to 70% in costs. The company is focused on selling products in the local market, does not have its own distribution system. The products are delivered to the Didube market in Tbilisi, and then retailers and distribution companies distribute it in different directions. Various trade supermarkets and hypermarkets are interested in purchasing products, to which Imereti Greener delivers products through intermediaries. The company has obtained the "Global GAP" certificate, which confirms the highest quality of vegetables produced and the safety of food products.

Assets: 12,720,862 GEL (2019) Revenues: 1,591,402GEL (2019) P/L: -3,021,143 (2019)

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