

# Agricultural Report on Georgia #19

## Weekly highlights

### Goods exports surged by 32.9% y/y in Mar-23

In Mar-23, goods exports surged by 32.9% y/y to US\$ 546.7mn, after a modest growth of 6.3% y/y in previous month. Similarly, imports also showed a marked increase, soaring by 33.4% y/y to US\$ 1.2bn in March, after falling by 4.5% y/y in February. As a result, the trade deficit increased by 33.7% y/y to US\$ 688.3mn, after a 12.3% y/y decline in February. Exports and imports figures suggest that both the external and domestic markets are experiencing a robust demand for goods. The top 5 exported commodities were cars (+683.6% y/y), copper (-45.7% y/y), fertilizers (+86.5% y/y), wine (+74.4% y/y) and spirits (+187.5% y/y) in Mar-23. A 17.9% of exports were directed to the EU (+97.9% y/y), 59.1% to the CIS (+205.7% y/y) and 23.0% to other countries (-51.0% y/y). The top 5 imports were cars (+82.8% y/y), petroleum (+13.4% y/y), gases (-24.2% y/y), pharmaceuticals (+33.0% y/y) and telephones (+112.0% y/y) in Mar-23. Overall, in 1Q23, trade deficit increased by 18.2% y/y to US\$ 1.9bn, as exports increased by 24.7% y/y to US\$ 1.5bn, while imports were up by 21.0% y/y to US\$ 3.3bn.

### Producer price index reduced in Mar-23

Annual PPI for industrial goods reduced by 5.2% in Mar-23, after falling by 1.0% in previous month, according to Geostat. This decline was mainly driven by price reduction in manufacturing (-3.2% y/y) and mining (-22.5% y/y) sectors.

### Exchange rate

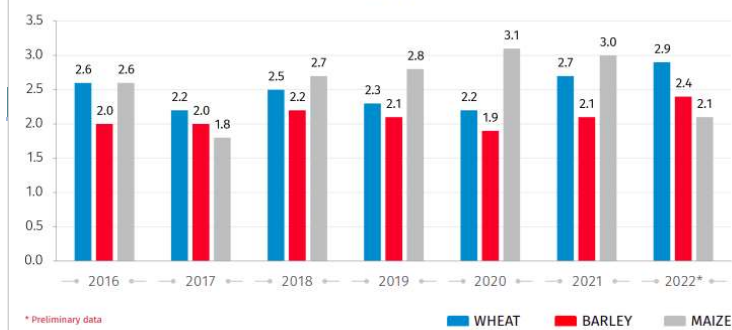
As a result of April 25th, the value of one dollar became 2.5046 GEL and the value of one euro became 2.7618 GEL.

## Agriculture of Georgia 2022

According to the preliminary data of 2022, average yield of maize and potato have been decreased compared to the previous year, besides average yield of wheat, barley and vegetables has been increased. According to the survey results, average yield of wheat consisted of 2.9 t/ha, average yield of barley – 2.4 t/ha, average yield of maize – 2.1 t/ha, average yield of potato – 11.7 t/ha, average yield of vegetables - 11.0 t/ha, of which average yield of tomato was 12.7 t/ha, average yield of cucumber – 13.2 t/ha, average yield of onion – 7.8 t/ha, average yield of garlic – 3.7 t/ha, average yield of cabbage – 32.2 t/ha.

The charts below present average yield of annual crops in 2016-2022

AVERAGE YIELD OF WHEAT, BARLEY AND MAIZE IN 2016-2022 (TONS/HA)

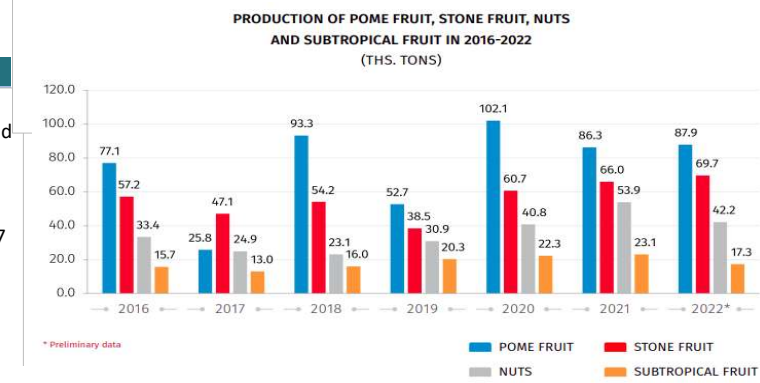
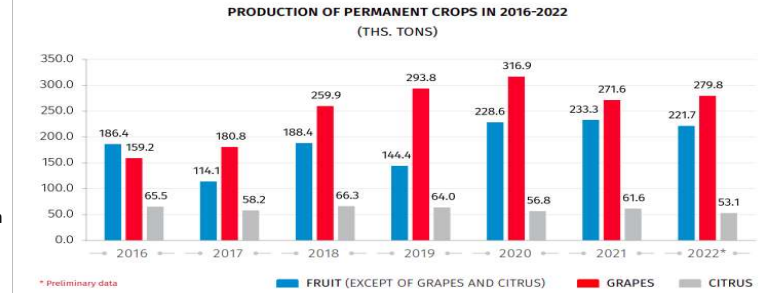


AVERAGE YIELD OF POTATO AND VEGETABLES IN 2016-2022 (TONS/HA)



## Agriculture of Georgia 2022

According to the preliminary data, in 2022 production of pome fruit consisted of 87.9 thousand tons in the country, which is 1.9 percent higher than in the same period of the previous year. Production of stone fruit consisted of 69.7 thousand tons (5.6 percent higher), production of nuts – 42.2 thousand tons (21.7 percent lower), production of subtropical fruit – 17.3 thousand tons (25.1 percent lower) and production of citrus – 53.1 thousand tons (decreasing by 13.8 percent). Besides this, in 2022 production of grapes increased by 3.0 percent year-on-year and equaled 279.8 thousand tons.



## Bioproduction Promotion Program

Filled application form should be sent to the e-mail address of the agency document@rda.gov.ge together with the documentation to be submitted. Also, you can present it to the employee of the clerical office of the administrative department and/or to the employee of the relevant regional service of the Regional Relations Department, in a material form.

**Program Goal and Objective**  
The goal of the bioproduction promotion program is to support bioproduction to ensure the growth of production of bioproducts.  
The objective of the program is to provide financial support to potential beneficiaries who wish to start bioproduction.

**Program Implementer**  
The program is implemented by the Rural Development Agency.  
The program implementation is coordinated by the Ministry of Environmental Protection and Agriculture of Georgia.

**Program Purposes**  
The program envisages compensation for the following purposes during the conversion period:  
Bioproduction certification;  
Consulting services;  
Purchase of organic fertilizers and/or biopreparations against pests and diseases, allowed for the use in organic farming;  
Purchase of the medical biopreparations for bees and the bio honeycomb;  
Services related to the laboratory analysis of honey and wax.

**Geographical Area of the Program**  
This program covers all municipalities and self-governing cities of Georgia.  
for more information visit [www.rda.gov.ge](http://www.rda.gov.ge)

According to the preliminary data, in 2022 sown areas of annual crops amounted to 211.8 thousand hectares, which is equal to the figure of the same period of the previous year. However sown area of winter crops increased by 4.5% and amounted to 67.1 thousand hectares and sown areas of spring crops decreased by 2.0% and consisted of 144.7 thousand hectares. Sown area of maize took the biggest share in the sown areas of annual crops and equaled 76.9 thousand hectares. Sown area of wheat was 55.5 thousand hectares, sown area of barley – 27.2 thousand hectares, sown area of potato – 16.8 thousand hectares, sown areas of fodder crops – 13.2 thousand hectares, sown area of vegetables – 9.5 thousand hectares and sown areas of the remaining crops 14.4 thousand hectares.

## Agricultural commodities

### Grains

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C1:COM Corn (CBOT)	USD/bu.	609.25	+1.50	+0.25%	Jul 2023	3:29 AM
W1:COM Wheat (CBOT)	USD/bu.	653.00	0.00	0.00%	Jul 2023	3:30 AM
O1:COM Oats (CBOT)	USD/bu.	336.25	+2.25	+0.67%	Jul 2023	2:46 AM
RR1:COM Rough Rice (CBOT)	USD/cwt	17.11	-0.04	-0.23%	Jul 2023	4/25/2023
S1:COM Soybean (CBOT)	USD/bu.	1,424.25	+6.75	+0.48%	Jul 2023	3:30 AM
SM1:COM Soybean Meal (CBOT)	USD/T.	436.60	+1.80	+0.41%	Jul 2023	3:30 AM
BO1:COM Soybean Oil (CBOT)	USD/lb.	52.25	+0.11	+0.21%	Jul 2023	3:28 AM
RS1:COM Canola (ICE)	CAD/MT	726.30	-0.10	-0.01%	Jul 2023	3:28 AM

### Softs

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
CC1:COM Cocoa (ICE)	USD/MT	2,928.00	-38.00	-1.28%	Jul 2023	4/25/2023
KC1:COM Coffee 'C' (ICE)	USD/lb.	188.40	-5.05	-2.61%	Jul 2023	4/25/2023
SB1:COM Sugar #11 (ICE)	USD/lb.	26.04	+0.07	+0.27%	Jul 2023	3:30 AM
JO1:COM Orange Juice (ICE)	USD/lb.	279.85	+5.30	+1.93%	Jul 2023	4/25/2023
CT1:COM Cotton #2 (ICE)	USD/lb.	79.65	+1.03	+1.31%	Jul 2023	3:28 AM
OL1:COM Wool (ASX)	--	--	--	--	N/A	--
LB1:COM Lumber (CME)	USD/1000 board feet	363.70	-18.90	-4.94%	May 2023	4/25/2023
OR1:COM Rubber (Singapore)	USD/kg	137.50	-1.20	-0.87%	Jul 2023	3:29 AM
DL1:COM Ethanol (CBOT)	USD/gal.	2.16	0.00	0.00%	May 2023	4/25/2023

### Livestock

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
LC1:COM Live Cattle (CME)	USD/lb.	164.03	-0.52	-0.32%	Jun 2023	4/25/2023
FC1:COM Feeder Cattle (CME)	USD/lb.	229.50	+0.18	+0.08%	Aug 2023	4/25/2023
LH1:COM Lean Hogs (CME)	USD/lb.	87.05	-0.30	-0.34%	Jun 2023	4/25/2023

## Economic Data on Georgia

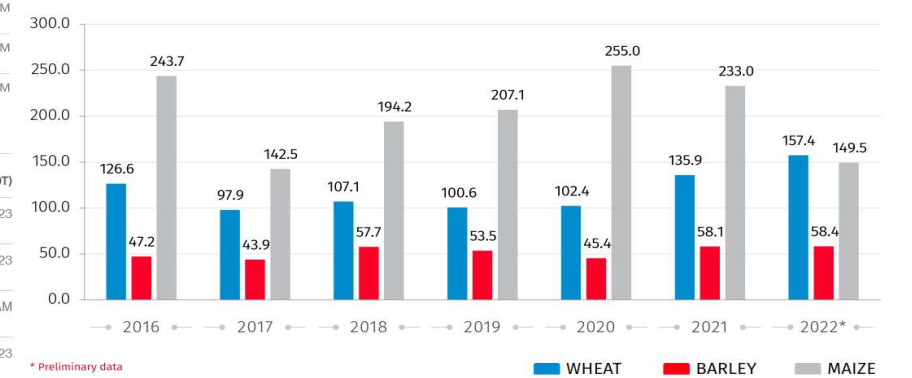
	GDP							
	III 20*	IV 20*	2020*	I 21*	II 21*	III 21*	IV 21*	2021*
GDP at Current Prices, Bn €	13.4	14	49.3	11.5	15.5	16	17.2	60.2
GDP at Constant 2015 prices, Bn €	9.7	10.1	37.6	8.8	11.2	10.5	11	41.5
GDP Real Growth, Percentage	-8.8	-7.4	-6.8	-4.1	28.9	9.1	8.8	10.4
GDP Deflator Change, Percentage	7.9	8.6	7.3	7.9	11.6	9.4	13.4	10.8
GDP Per Capita (At Current Prices), €	3 600.1	3 753.0	13 234.1	3 081.3	4 161.4	4 290.4	4 621	16 154.1
GDP Per Capita (At Current Prices), \$	1 160.6	1 147.3	4 255.7	929.7	1 250.7	1 375	1 478.6	5 015.3
GDP at Current Prices, Bn US Dollars	7.5	3.8	3.4	3.5	4.7	5.1	5.5	18.7
Share of Agriculture in GDP, Percentage	8.3							
Population & Unemployment								
	I 20*	II 20*	III 20*	IV 20*	I 21*	II 21*	III 21*	IV 21*
Economically Active Population (Workforce), Thousand People	1545.2	1515	1526.9	1505.7	1447.2	1559.1	1592	1556.1
Employed, Thousand People	1262.7	1237.6	1269.11	1197.9	1129.7	1214.6	1281.2	1244.3
Unemployed, Thousand People	282.6	277.4	259.8	307.8	317.5	344.6	310.8	291.9
Unemployment Rate, Percentage	18.3	18.3	17	20.4	21.9	22.1	19.5	19
Consumer Price Index (Inflation)								
	2015	2016	2017	2018	2019	2020	2021	
Annual Average to the Annual Average	104	102.1	106	102.6	104.9	105.2	109.6	
December over Previous Year's December	104.9	101.8	106.7	101.5	107	102.4	119.9	

## Agriculture of Georgia 2022

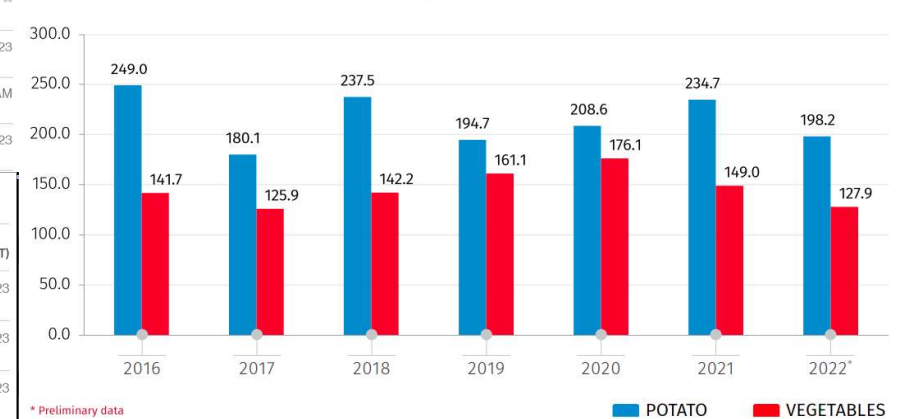
According to the preliminary data of 2022, production of wheat increased by 15.8 percent compared to the same period of the previous year and consisted of 157.4 thousand tons. Production of barley increased by 0.5 percent year-on-year set 58.4 thousand tons. Production of maize equaled 149.5 thousand tons, which is 35.8 percent less than in the same period of the previous year. Production of potato decreased by 15.6 percent and consisted of 198.2 thousand tons. Besides, production of vegetables equaled 127.9 thousand tons, which is 14.2 percent lower compared to 2021.

The charts below present production of annual crops in 2016-2022:

PRODUCTION OF WHEAT, BARLEY AND MAIZE IN 2016-2022 (THS. TONS)



PRODUCTION OF POTATO AND VEGETABLES IN 2016-2022 (THS. TONS)



## Free Website for Business- Company Ambra

The Bank of Georgia in partnership with the Chamber of Commerce of Georgia implements the project "Free Website for Business". The project was created to digitize small and medium-sized businesses and develop e-commerce, which means that 70 more companies were able to digitize their business. "Ambra" is one such company.

The company "Ambra" was founded in 2020 in Racha. It produces endemic Racha, Lechkhum and Imer wines. The company owns 2 hectares of vineyards in the micro-zone of Khvanchkara. Winery "Ambra" produces a total of 13 types of wine. Apple sparkling wine is among them. "Ambra" soon became popular in the Georgian market, and the company already produces 20,000 bottles of wine per year. In addition to the local market, their products are sold in 4 European countries, China, Japan and America. "Ambra" is the first company from Racha, which managed to bring a wine made from 13 types of Racha and Imerian endemic varieties to the American market. The website created within the project reduced the company's costs, increased brand awareness, and today our customers have the opportunity to easily get complete information about the company and products from the website.

For information, as part of the "Free Website Business" project, the Chamber of Commerce will provide both website creation and website management training and technical support to the winning entrepreneurs. And the bank, the integration of online payments tailored to the interests of entrepreneurs (payment by card, payment in installments, payment in installments, payment with PLUS and MR points, etc.), with favorable conditions for them. Entrepreneurs registered in Georgia who want to sell their products via the Internet take part in the project.

LLC GH Agri  
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