

Agricultural Report on Georgia #7

Weekly highlights

Activities of economic agents engaged in organization of markets 2021

According to the preliminary data, at the end of the II quarter of 2022 the number of bovine animals decreased by 1.8 percent compared to the II quarter of 2021 and reached 1.0 million heads. Of which, the total number of dairy cows and buffaloes equaled 470.9 thousand heads, which is 2.0 percent more than the same indicator of the previous year. The total number of sheep and goats decreased by 23.0 percent and year-on-year amounted to 954.6 thousand heads. The number of pigs equaled to 194.8 thousand heads which is 5.9 percent less than at the same period of the previous year. The number of poultry decreased by 8.2 percent compared to the same period of the previous year and equaled 11.1 million heads.

According to the preliminary data, in the II quarter of 2022 milk production increased by 1.0 percent compared to the same period of the previous year and amounted to 200.0 million litres. Meat production decreased by 0.6 percent from the same period of the previous year and equaled 17.7 thousand tons. In the II quarter of 2022 egg production amounted to 167.7 million pieces which is 2.3 percent less than in the same period of the previous year.

Exchange rate - As a result of August 25th, the value of one dollar became 2.8705

We will increase the production of asparagus for export - the plans of "RK Ozaani".

"RK Ozaani" producer cooperative is planning to expand. At the moment, the production of asparagus includes 6 hectares and 5 tons of harvest, and in the near future, the increase of the plantation to 10 hectares is being considered. As Jaba Gogolashvili, the head of "RC Ozaani" told bm.ge, after increasing the production, they will already export.

The head of "RK Ozaani" also evaluates the asparagus harvest of the current year and, as he says, despite the increase in the price of fuel, labour, and plant protection products, the price of asparagus was similar to last year's and did not increase.

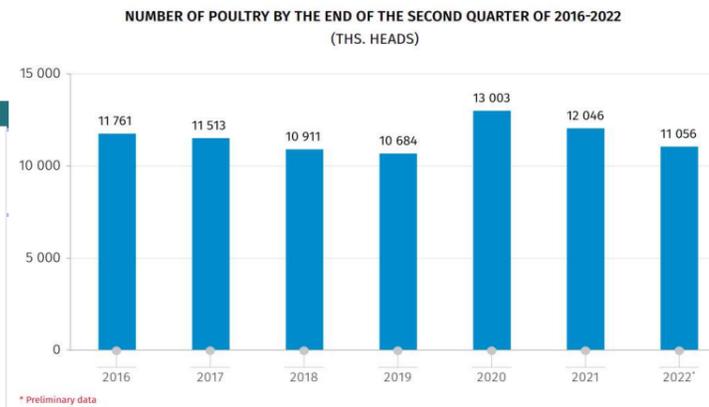
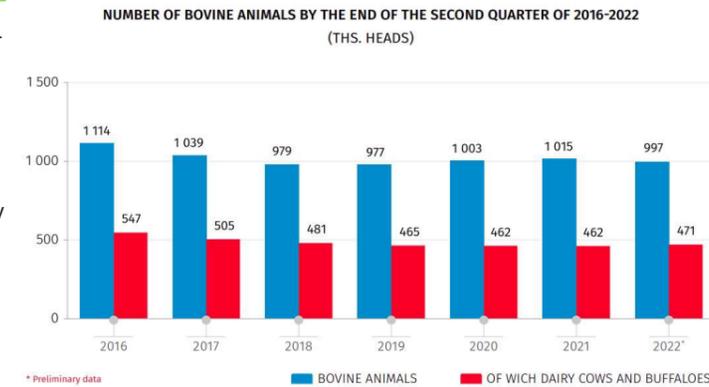
"In the new season, we will have a double harvest, because it is a young plantation and it has not yet given us a full harvest. In addition, we want to increase the area of the garden to 10 hectares in order to further export. At this stage, we are not in the foreign market, because the volume and the local market do not allow us to satisfy the international market. We want to get a global gap certificate, which will allow us to export to Europe. Without a certificate, we consider exporting to Azerbaijan, Ukraine, CIS countries and Russia.

As for the season, despite the fact that everything has become more expensive, the price of asparagus was the same as last year. The wholesale price varied between 10-15 GEL. Taking into account that the increase in the price of fuel and labour increased our costs, we were dissatisfied with the selling prices of Satsuri," he says.

With the support of BoG, the production of vegetables started in Kareli

The Bank of Georgia gives small entrepreneurs in the regions the opportunity to grow and develop their own business. For this purpose, the bank financed a small entrepreneur in Kareli, whose activity is the production of vegetables using modern technology. The entrepreneur grows products on 26 hectares and sells them in the local market. The total cost of the project is 700,000. The financial resource provided by the bank amounts to 600,000 GEL. With the support of the bank, we were able to build a cold storage farm with a volume of 200 tons, and we also built and organized a warehouse space for storing vegetables on 1080 sq.m. We use modern harvesting equipment and aggregates. We have a workforce employed throughout the year, and their number increases even more during the harvest season. We sell products to our regular customers, as well as to trade networks throughout Tbilisi, Kutaisi and Batumi. We get 63 tons of potatoes per hectare, and we expect to get 80 tons of onion per hectare," says small entrepreneur Davit Arkhoshashvili.

Agriculture of Georgia II Quarter, 2022



Governmental, Non-governmental grants and subsidies of Agriculture

GRETA | GREEN ECONOMY: SUSTAINABLE MOUNTAIN TOURISM & ORGANIC AGRICULTURE (co-financed by the EU as well as EU member states Sweden and Austria, and implemented by the Austrian Development Agency)

Targeted area and municipalities: Upper Svaneti, Racha-Lechkhumi and Lower Svaneti, Upper Imereti (Mestia, Lentekhi, Tsageri, Oni, Ambrolauri, Sachkhere, Tchiatura and Tkibuli municipalities)

Beneficiaries:

- 400 small-scale business enterprises and producers in mountain tourism;
- 300 accommodation service providers;
- 300 other tourism service suppliers;
- 230 farmers in organic agriculture;
- 2 certification bodies;
- 76 local villagers and inspectors.

Project Objective: The objective of the action is to facilitate an improvement of the business environment and the creation of new income opportunities in sustainable mountain tourism and organic agriculture in order to reduce poverty and exclusion in the selected mountain areas of Georgia.

Project Duration: 12.12.2018 - 31.03.2023

Budget: 6.8 mill. Euro (EU - 3 mill. Euro; Sweden - 2.8 mill. Euro; Austria - 1 mill. Euro)

For more: <https://gretaproject.ge/en>

We are happy to support entrepreneurs. One of the priorities of the Bank of Georgia is the support of agribusiness and the development of regions. The entrepreneur has been in business for one year and is already successfully selling products. In the future, he plans to expand and produce vegetables on a larger area, he already has the appropriate equipment, aggregates and experience for this," said Merab Akhvedian, director of the banking services department of retail business.

Source: www.bm.ge

Agricultural commodities

Grains

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C1COM Corn (CBOT)	USD/bu.	862.75	-5.80	-0.64%	Dec 2022	9:43 AM
W1COM Wheat (CBOT)	USD/bu.	810.00	-3.25	-0.40%	Dec 2022	9:43 AM
O1COM Oats (CBOT)	USD/bu.	423.75	-5.50	-1.32%	Dec 2022	9:40 AM
R1COM Rough Rice (CBOT)	USD/cwt	17.48	-0.12	-0.71%	Nov 2022	9:39 AM
S1COM Soybean (CBOT)	USD/bu.	1,448.75	-8.25	-0.57%	Nov 2022	9:43 AM
SM1COM Soybean Meal (CBOT)	USD/T	419.80	-10.80	-2.45%	Dec 2022	9:43 AM
B1COM Soybean Oil (CBOT)	USD/lb.	86.52	-0.55	-0.62%	Dec 2022	9:42 AM
R11COM Canola (ICE)	CAD/MT	835.90	-7.70	-0.91%	Nov 2022	9:43 AM

Softs

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
C1COM Cocoa (ICE)	USD/MT	2,426.00	-28.00	-1.17%	Dec 2022	9:44 AM
K1COM Coffee 'C' (ICE)	USD/lb.	238.55	-0.45	-0.19%	Dec 2022	9:43 AM
S1COM Sugar #11 (ICE)	USD/lb.	17.87	-0.17	-0.94%	Oct 2022	9:44 AM
J1COM Orange Juice (ICE)	USD/lb.	184.75	-0.80	-0.48%	Nov 2022	9:43 AM
C1COM Cotton #2 (ICE)	USD/lb.	114.73	+0.68	+0.59%	Dec 2022	9:43 AM
OL1COM Wool (ASX)					N/A	
L1COM Lumber (CME)	USD/1000 board feet	470.40	-20.80	-4.22%	Nov 2022	8/24/2022
OR1COM Rubber (Singapore)	USD/kg	141.20	-1.20	-0.84%	Nov 2022	5:59 AM
D1COM Ethanol (CBOT)	USD/gal.	2.16	0.00	0.00%	Sep 2022	8/24/2022

Livestock

INDEX	UNITS	PRICE	CHANGE	%CHANGE	CONTRACT	TIME (EDT)
L1COM Live Cattle (CME)	USD/lb.	143.55	-0.22	-0.16%	Oct 2022	9:43 AM
F1COM Feeder Cattle (CME)	USD/lb.	183.50	-0.95	-0.51%	Oct 2022	9:43 AM
LH1COM Lean Hogs (CME)	USD/lb.	90.35	-0.02	-0.03%	Oct 2022	9:43 AM

Economic Data on Georgia

	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	-6.8	-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	16154.1
GDP Per Capita (At Current Prices), \$	1 160.6	1 147.5	4 255.7	929.7	1 250.7	1 375	1 478.6	5015.3
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					7

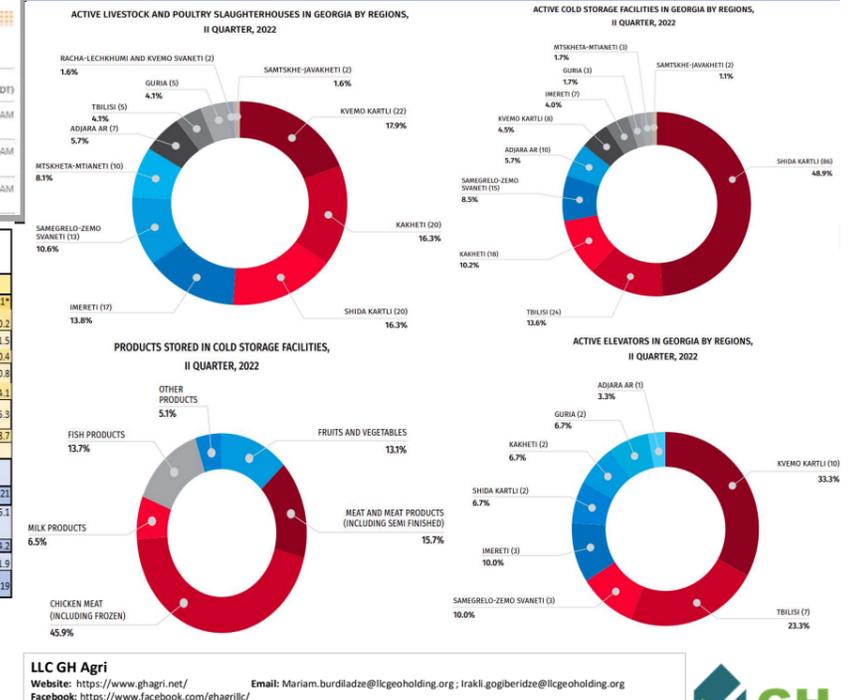
Population & Unemployment		III 20	IV 20	I 21	II 21	III 21	IV 21
Economically Active Population (Workforce), Thousand People		1545.2	1515	1526.9	1505.7	1447.2	1559.1
Employed, Thousand People		1262.7	1237.6	1269.11	1197.9	1129.7	1214.6
Unemployed, Thousand People		282.6	277.4	259.8	307.8	317.5	344.6
Unemployment Rate, Percentage		18.3	18.3	17	20.4	21.9	22.1

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	113.9

Agriculture of Georgia II Quarter, 2022



Survey Results for Livestock Slaughterhouses, Elevators and Cold Storage Facilities - (II Quarter, 2022)



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