



Agriculture in Georgia

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B2B Agro Forum



Content

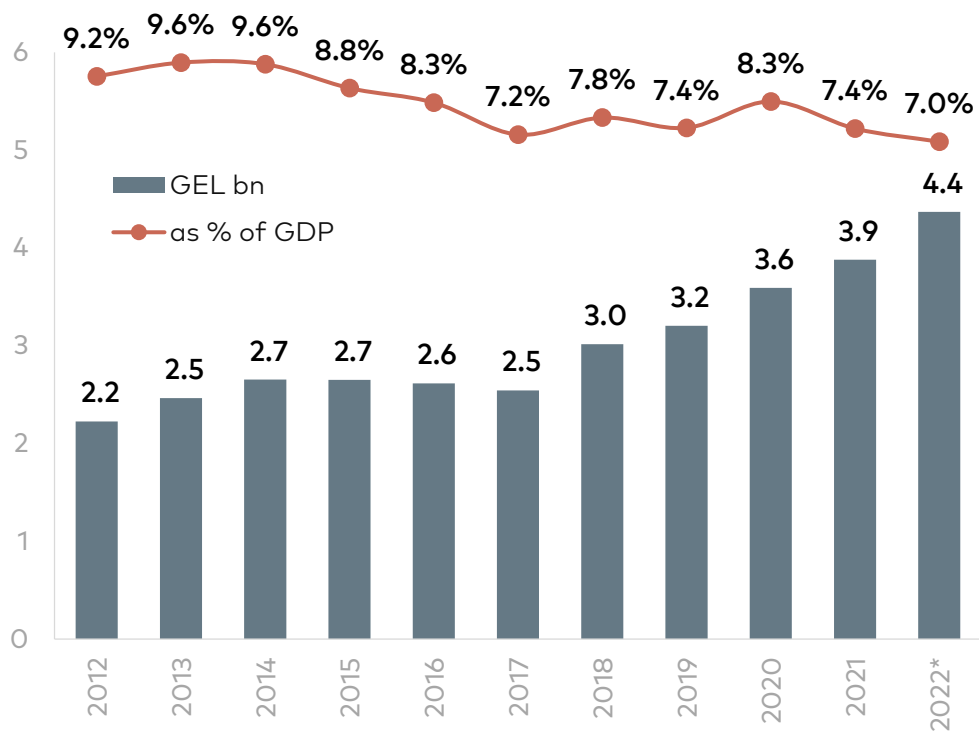
Agriculture in the Georgian economy

- Production, import and export
- Agriculture business in Georgia
- Challenges and opportunities



Share of agriculture in the Georgian economy is similar to peer countries

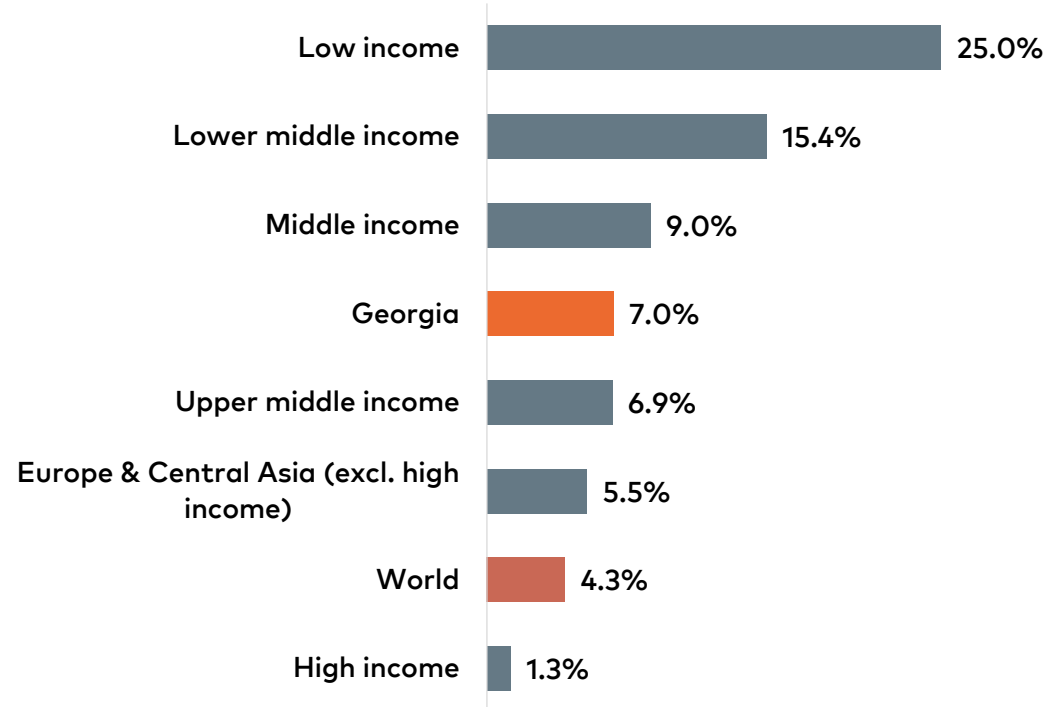
Agriculture in Georgia, nominal and share in GDP



Source: Geostat

*estimated value

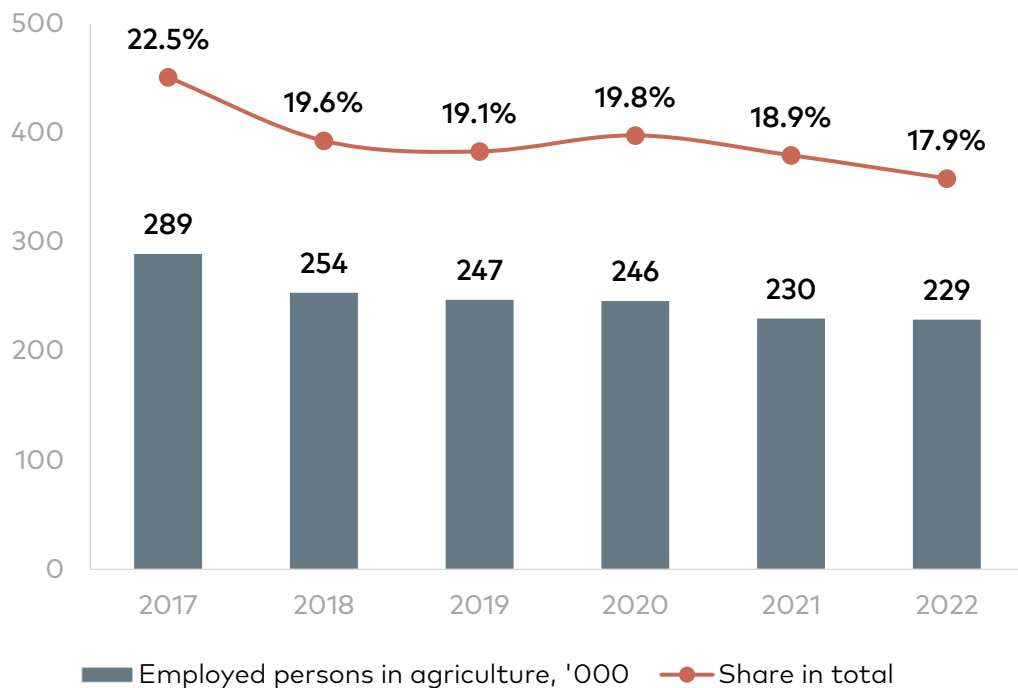
Share of agriculture in GDP, 2022



Source: World Bank, Geostat

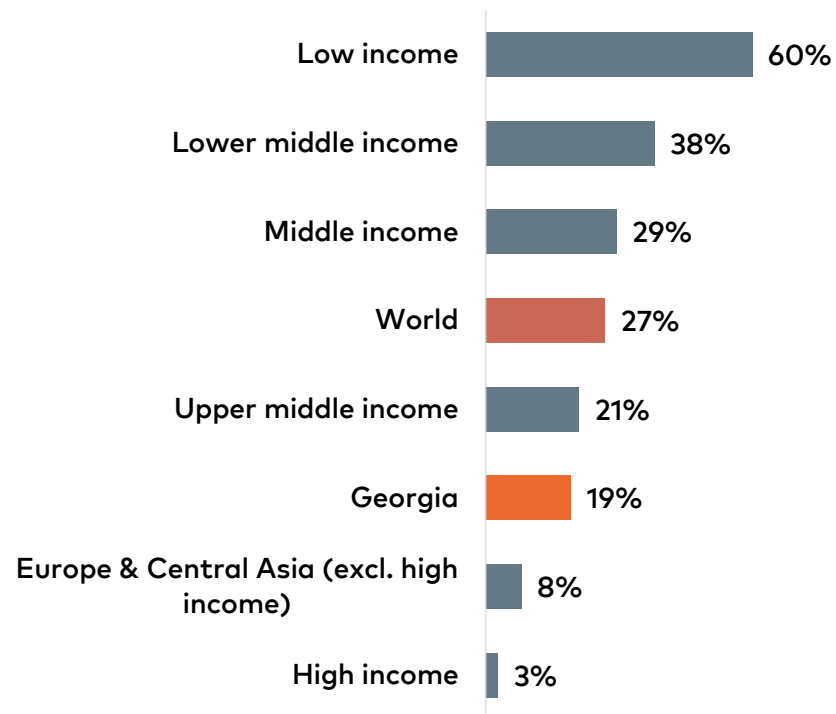
Georgian agricultural sector employs 229 thousand people

Number of employed people in agriculture in Georgia



Source: Geostat

Share of agriculture in total employment, 2019



Source: World Bank, Geostat



Content

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Georgia is import dependent in all agricultural products except for fruits

Production, import, export and self-sufficiency ratios for Georgia, 2022

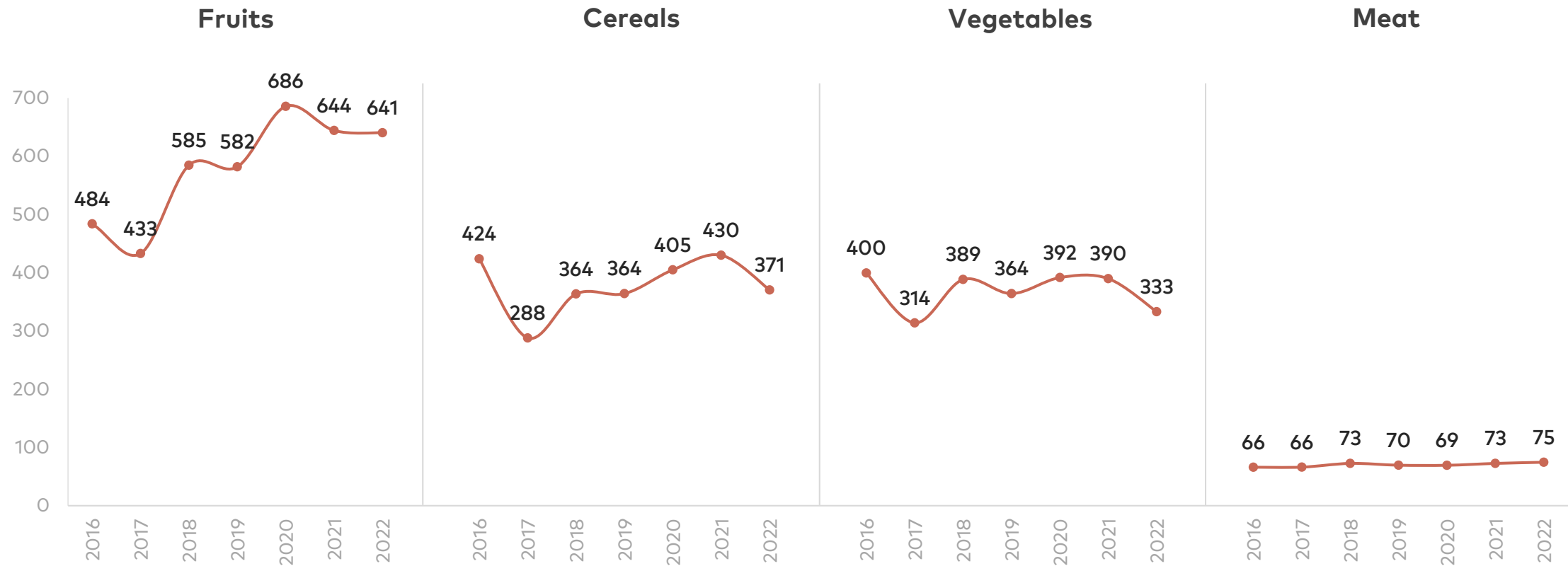
	Fruits	Cereals	Vegetables	Meat
Production, mn kg	640.6	370.5	333.1	74.6
Import	117.9 mn kg \$91.8 mn	658.0 mn kg \$96.9 mn	150.0 mn kg \$47.5 mn	101.1 mn kg \$162.1 mn
Export	143.0 mn kg \$204.0 mn	9.7 mn kg \$2.5 mn	34.1 mn kg \$14.5 mn	26.2 mn kg \$45.8 mn
Self-sufficiency ratio	104.0%	36.4%	74.5%	49.9%

Source: Geostat, Galt & Taggart

Note: Fruit includes all fruit production, including grapes, hazelnuts, nuts, melons. Self-sufficiency ratio = production/ (production + import – export), a ratio that is higher than 100% means that the country is a net exporter of the product.

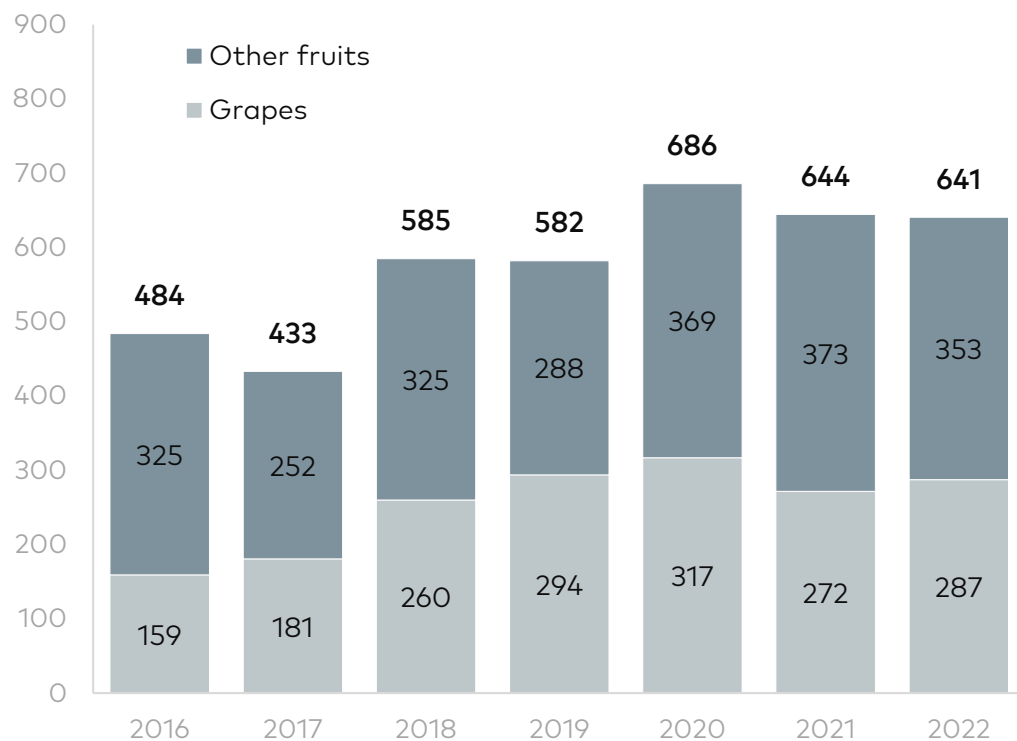
From all agricultural products, only fruit and meat production have an increasing trend

Production, mn kg

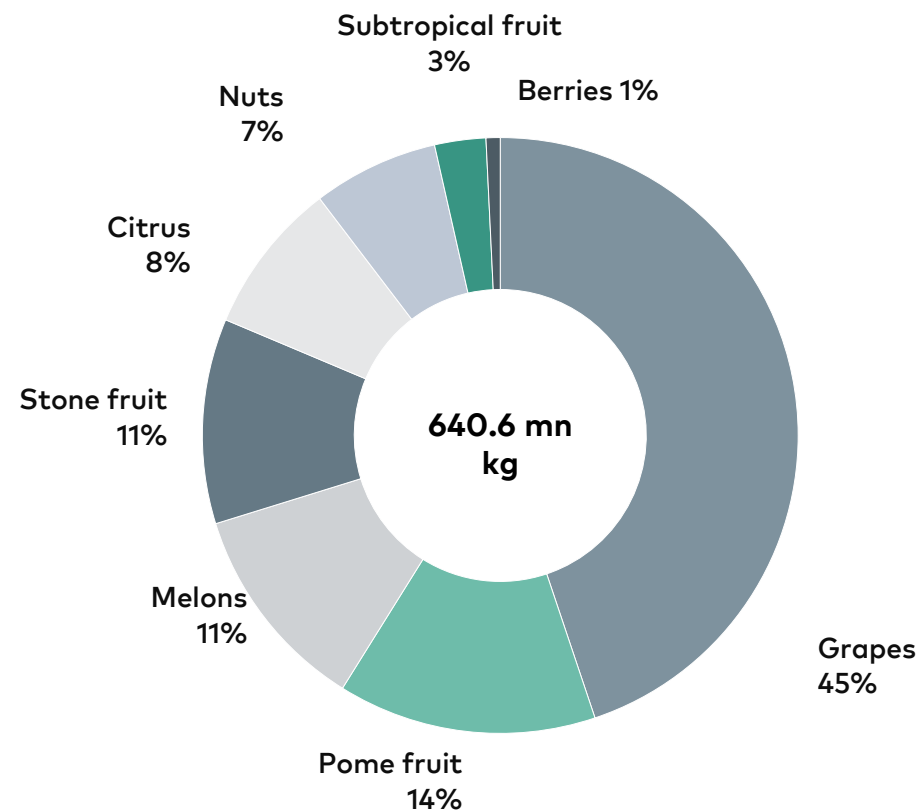


Grapes, peaches, and apples stand out as the most widely produced fruits

Fruit production, mn kg

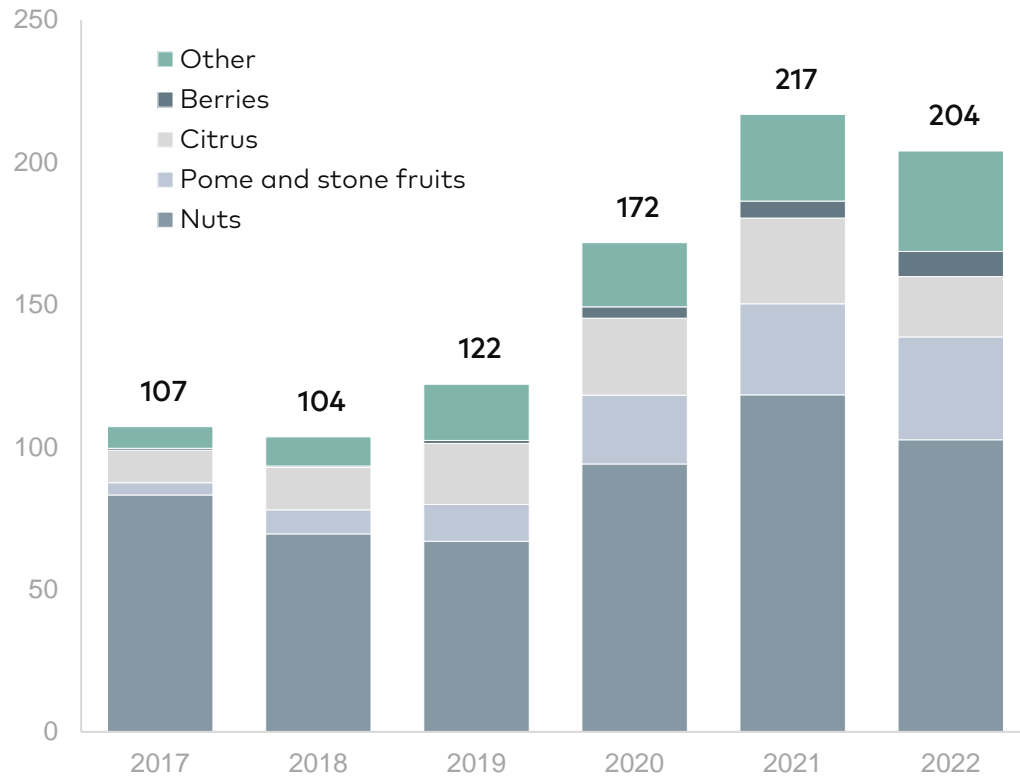


Fruit production by types, 2022

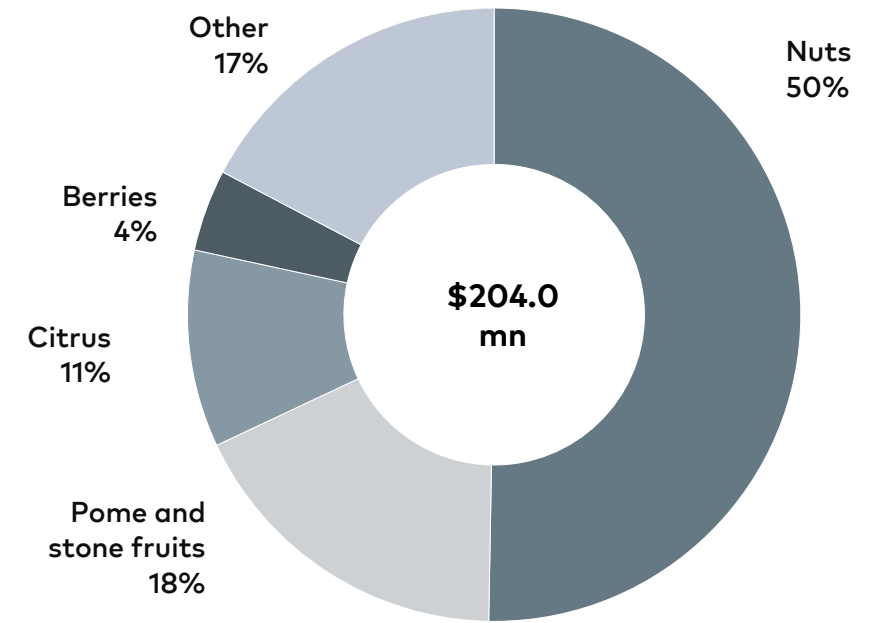


Hazelnuts, peaches, apples and tangerines are the main export fruits for Georgia

Fruit exports, US\$ mn



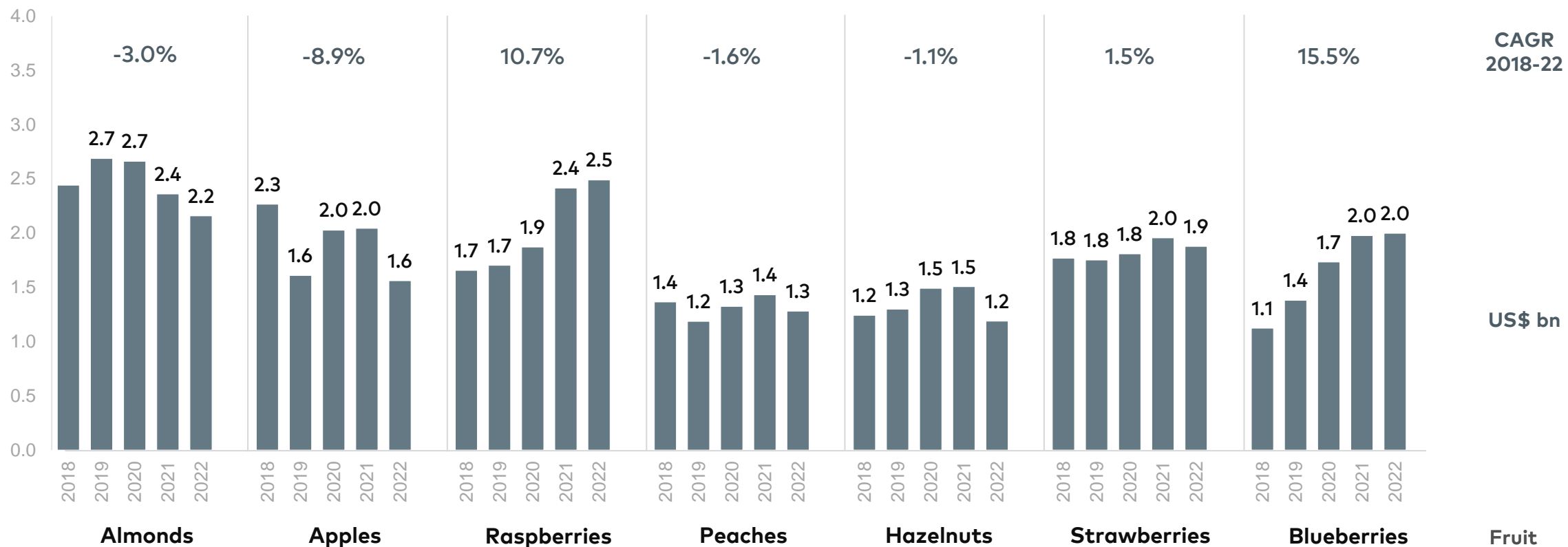
Fruit exports by type, 2022





In EU countries, the demand for nuts and berries is especially high

Import of select products to the EU over 2018-22, US\$ bn

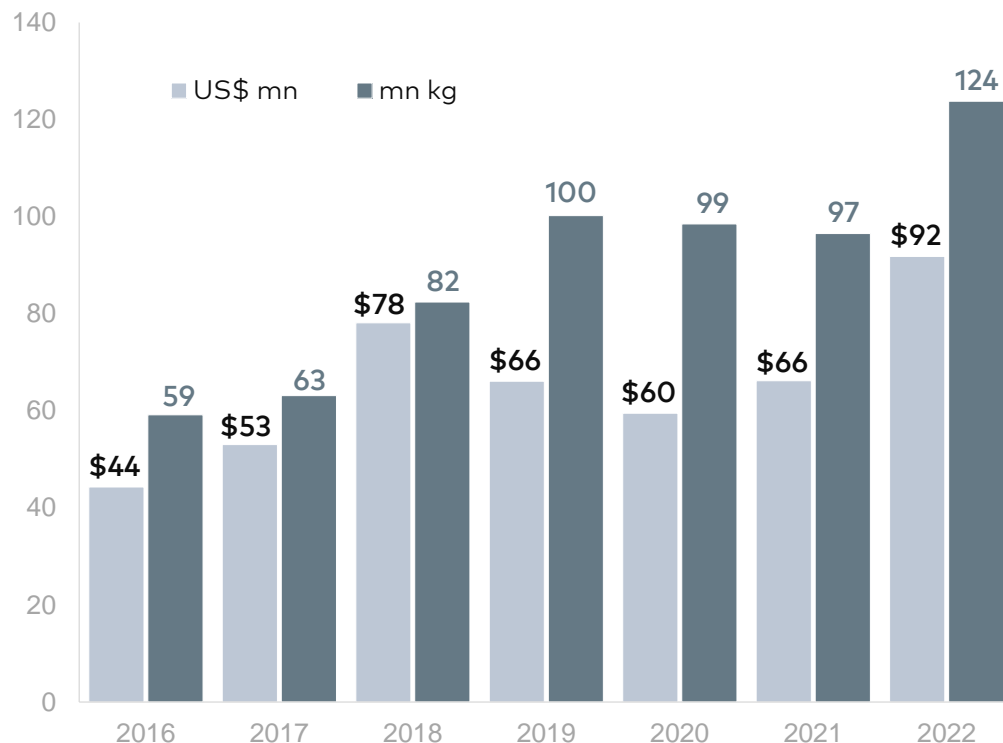


Source: ITC, Galt & Taggart

Note: The products were chosen on the basis of high production growth potential and import market size in the EU. The nut imports to the EU include both in-shell and shelled imports; berry imports include both fresh and frozen berries.

Tropical fruits are the main contributor to the growth of imports in Georgia

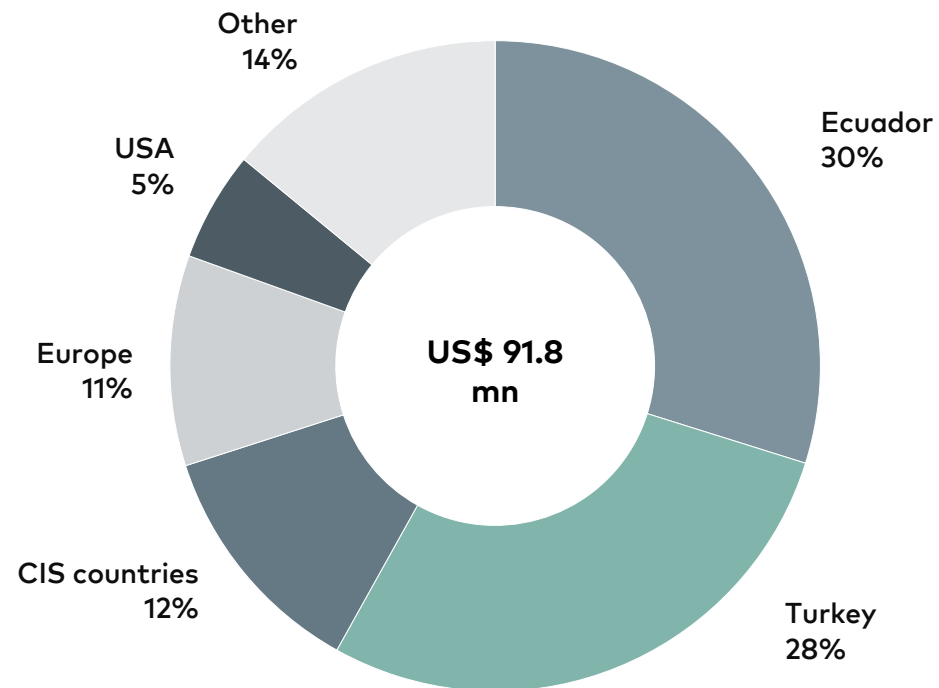
Fruit import dynamics



Source: Geostat

Note: includes all kinds of fruit, both fresh and dried.

Fruit import by countries, 2022

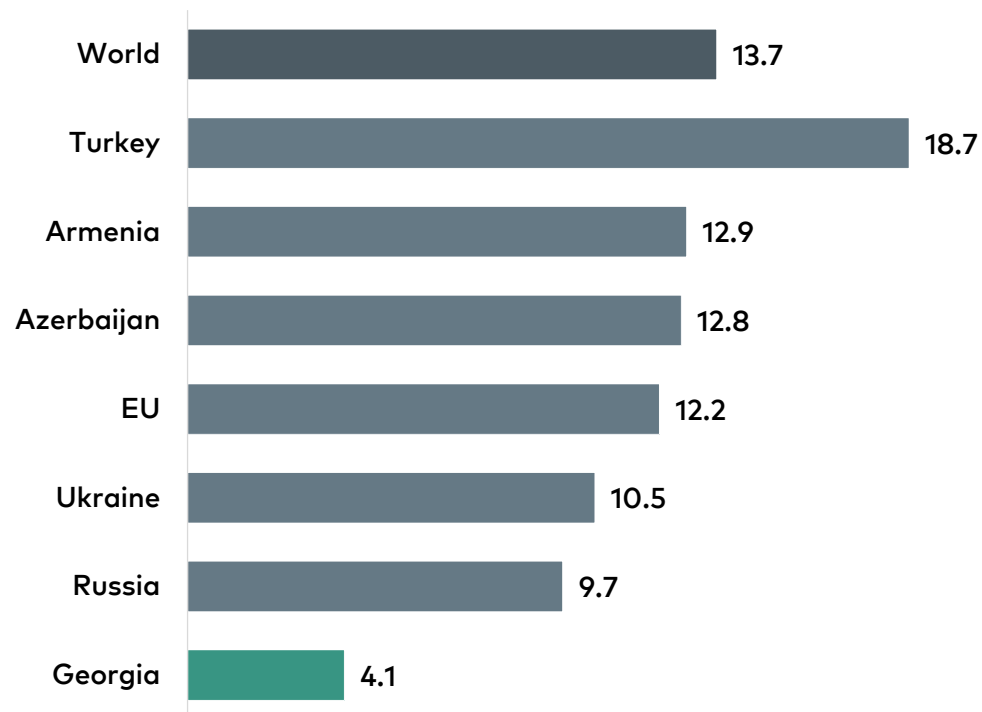


Source: Geostat

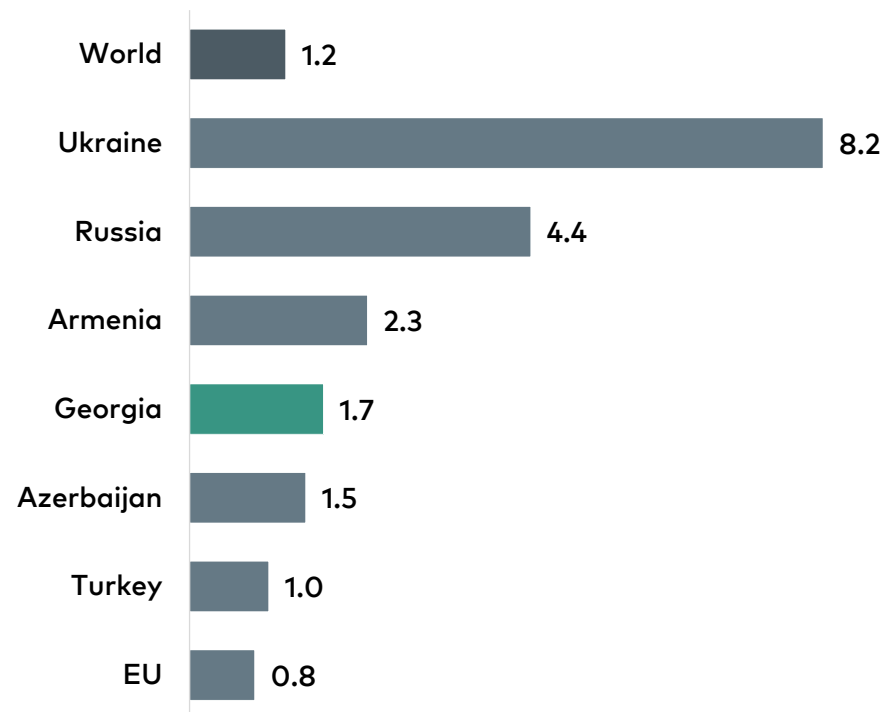
Note: Bananas are imported from Ecuador; pistachios and almonds are from the US; avocados, tropical fruit and dried fruits -

Average yield of fruit is quite low in Georgia due to the high share of households in the sector

Average yield of fruit, ton/ha, 2021



Average yield of nuts, ton/ha, 2021

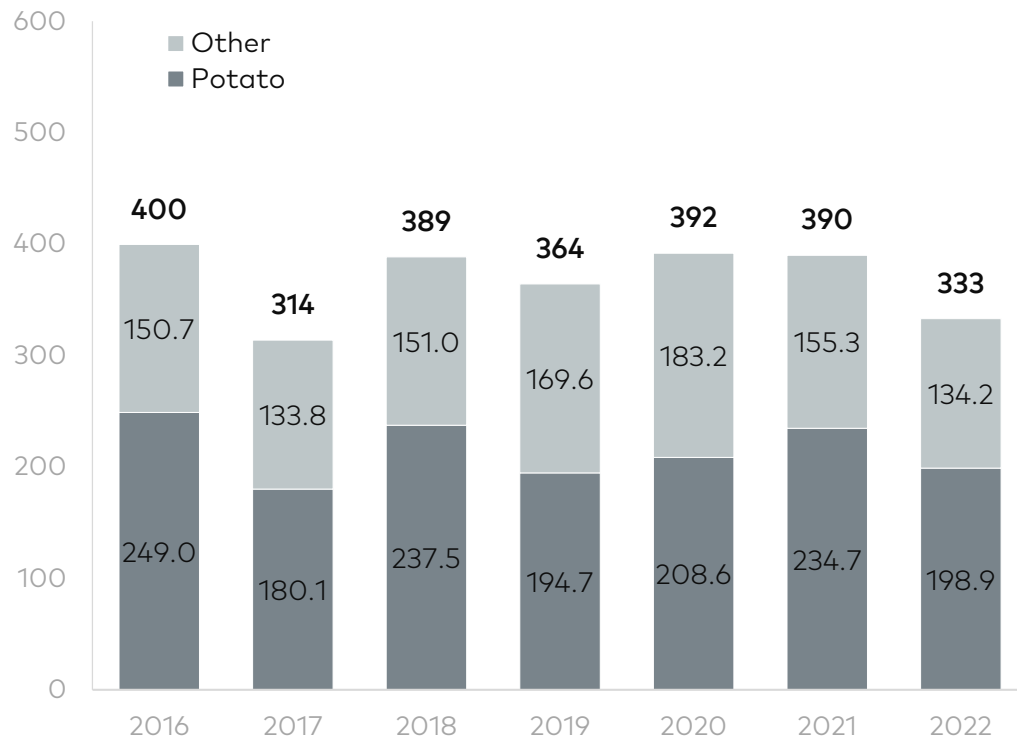


Source: FAO

Note: Includes the production of both businesses and households. The number was calculated as total production divided by total harvested area. For the production volume of these products and countries, see annex

Potatoes are the most produced vegetables in Georgia

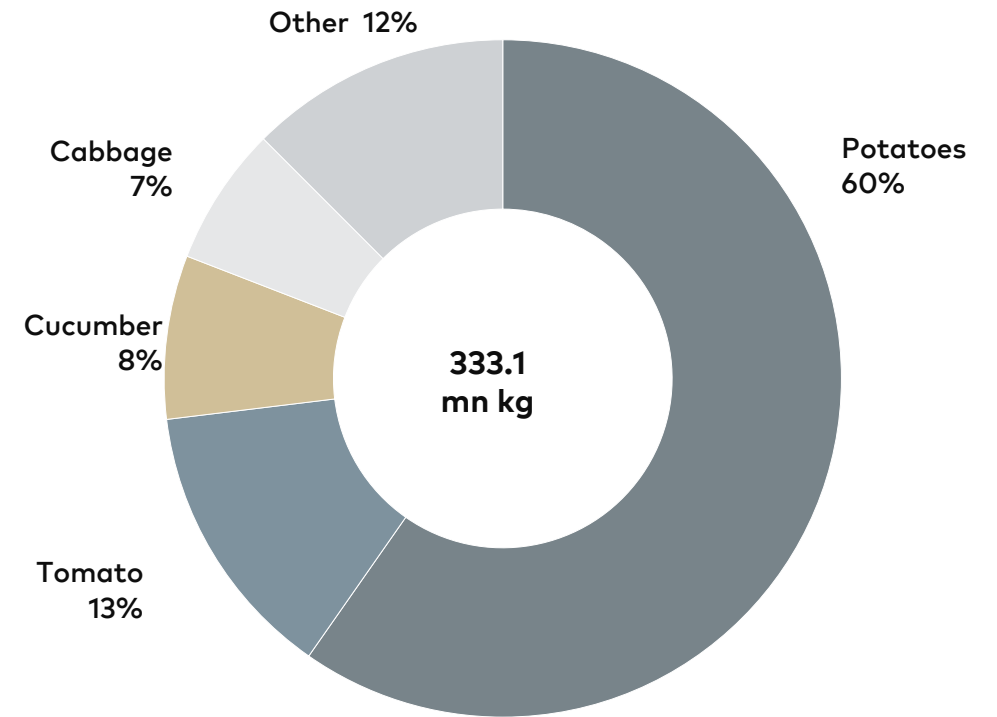
Vegetable production, mn kg



Source: Geostat

Note: Vegetable production was reduced in 2022, mainly due to a decrease in potato and tomato production. The self-sufficiency ratio for potatoes stood at 101% in 2022, for the rest of vegetables at 52%, while the overall self-sufficiency ratio stood at 72%.

Vegetable production by product, 2022

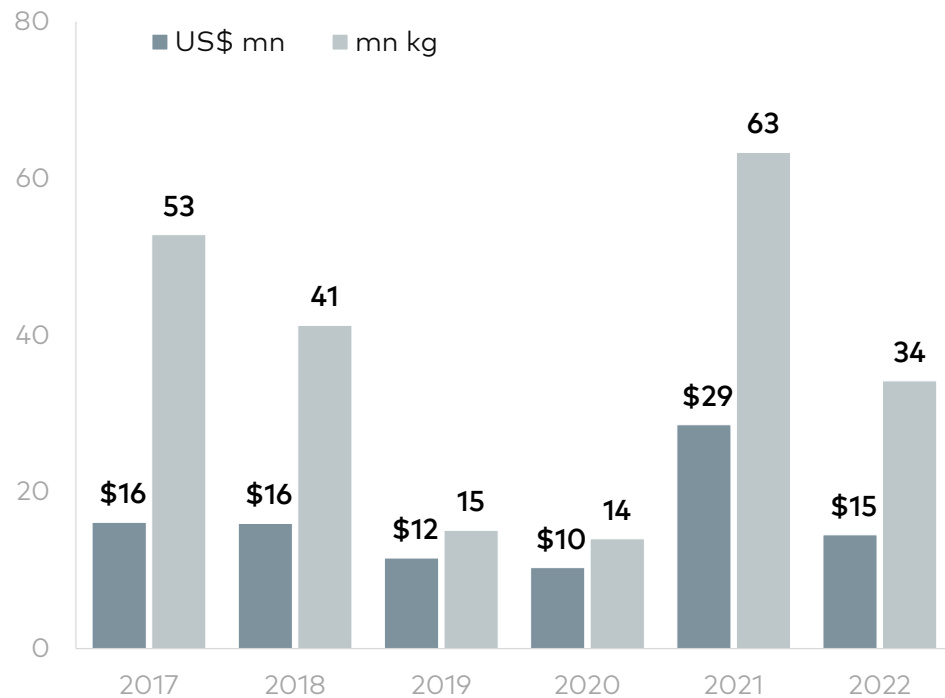


Source: Geostat

Note: Cabbage production includes cabbages, floral cabbages and broccoli

Potatoes and tomatoes are the top vegetable export goods for Georgia, with most of it sent to CIS countries

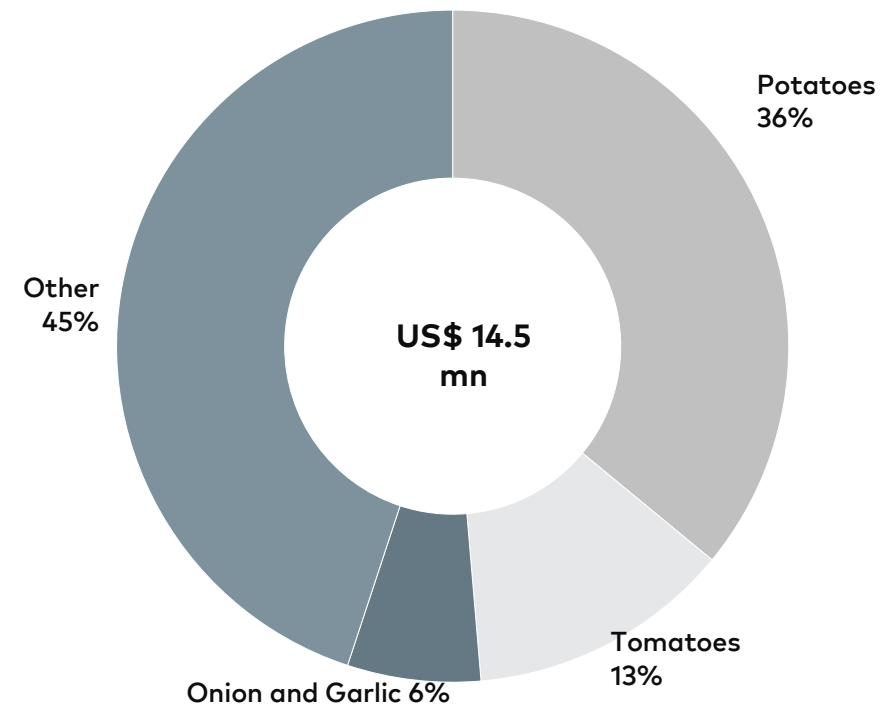
Vegetable export dynamics



Source: Geostat

Note: The drop in 2022 export value is due to a fall in production and subsequently exports of potatoes and tomatoes

Vegetable exports by product, 2022



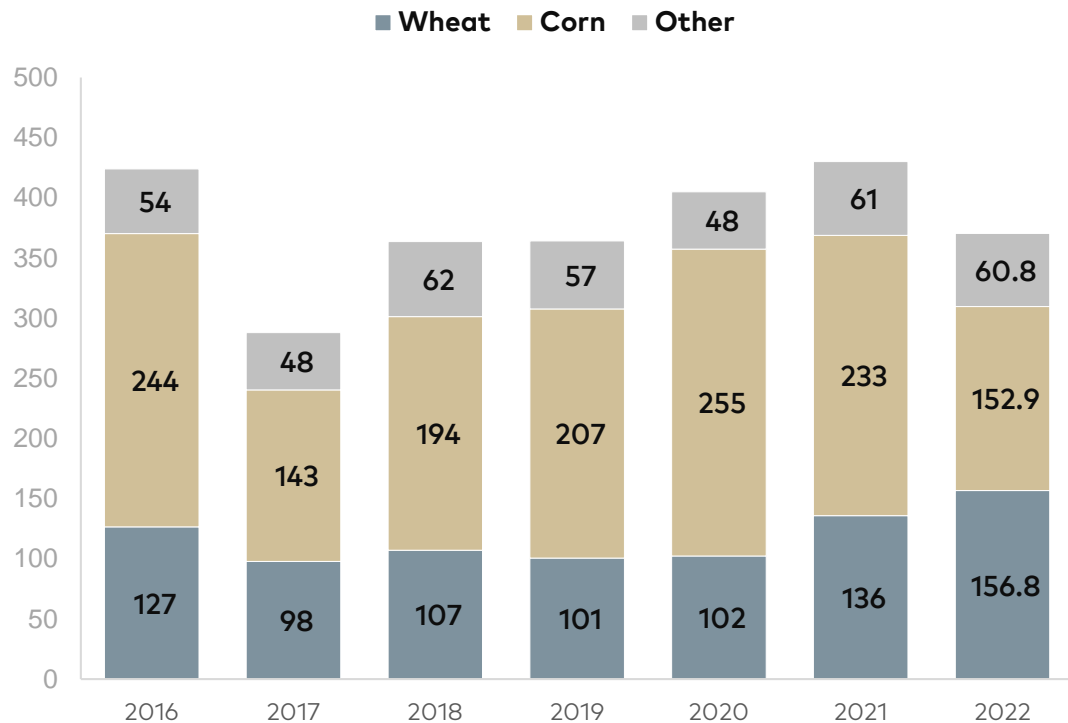
Source: Geostat

Note: Exports mainly go to neighboring countries: 46% to Russia, 24% to Armenia, 13% to Azerbaijan, 8% to Ukraine and the remaining 10% goes to Eastern European countries.



Georgia is a net importer of cereals, with Russia as the main supplier

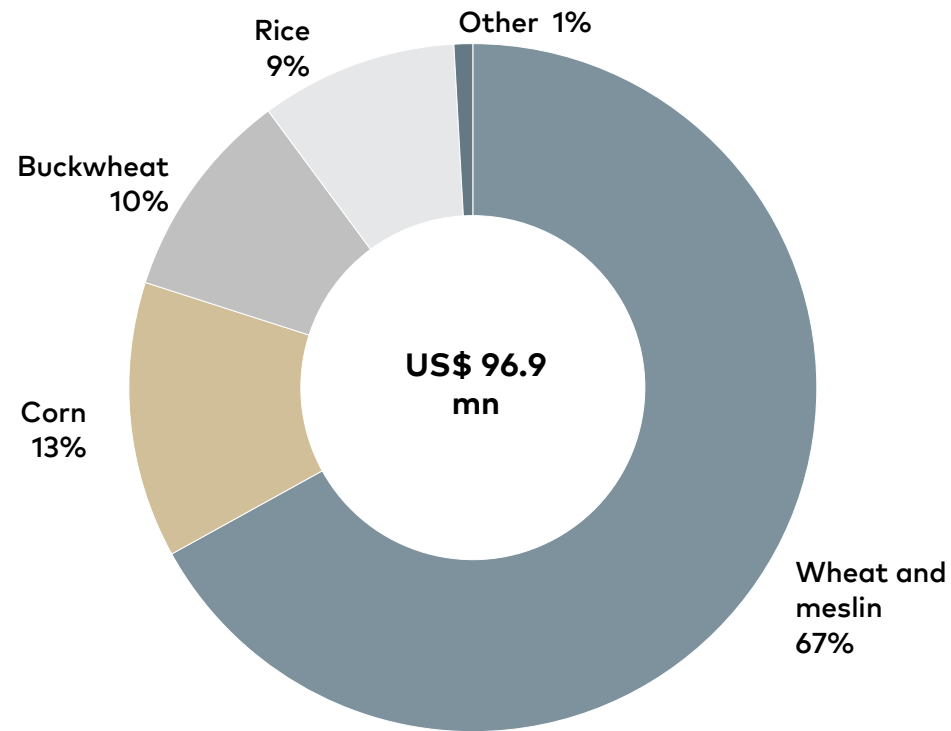
Cereal production, mn kg



Source: Geostat

Note: The self-sufficiency ratio of wheat stood at 22% in 2022 and for corn at 62%.

Cereal imports by product, 2022

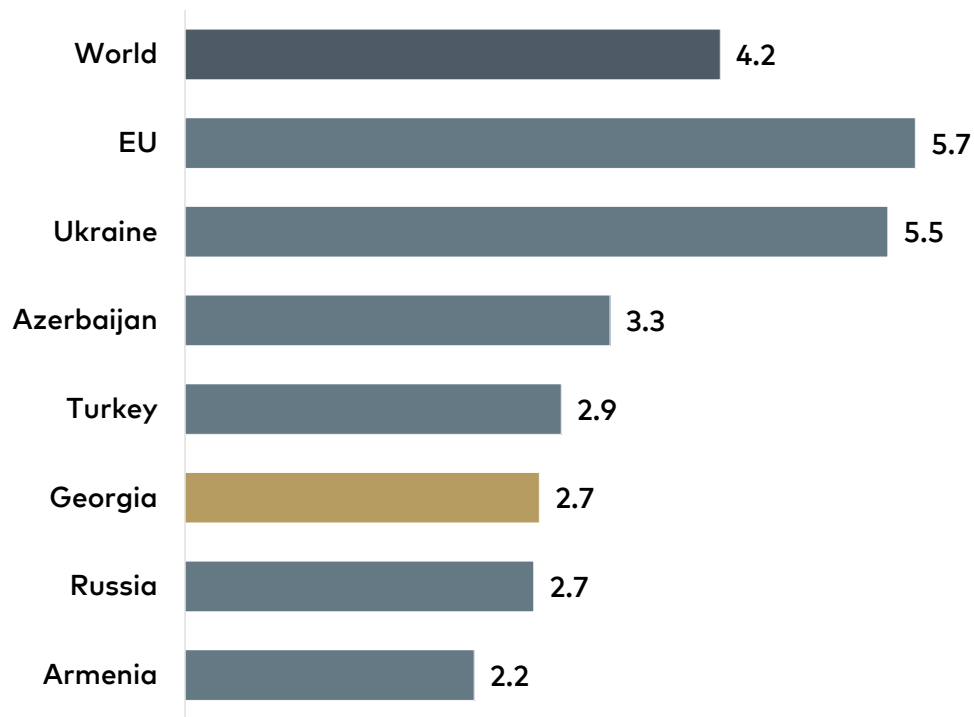


Source: Geostat

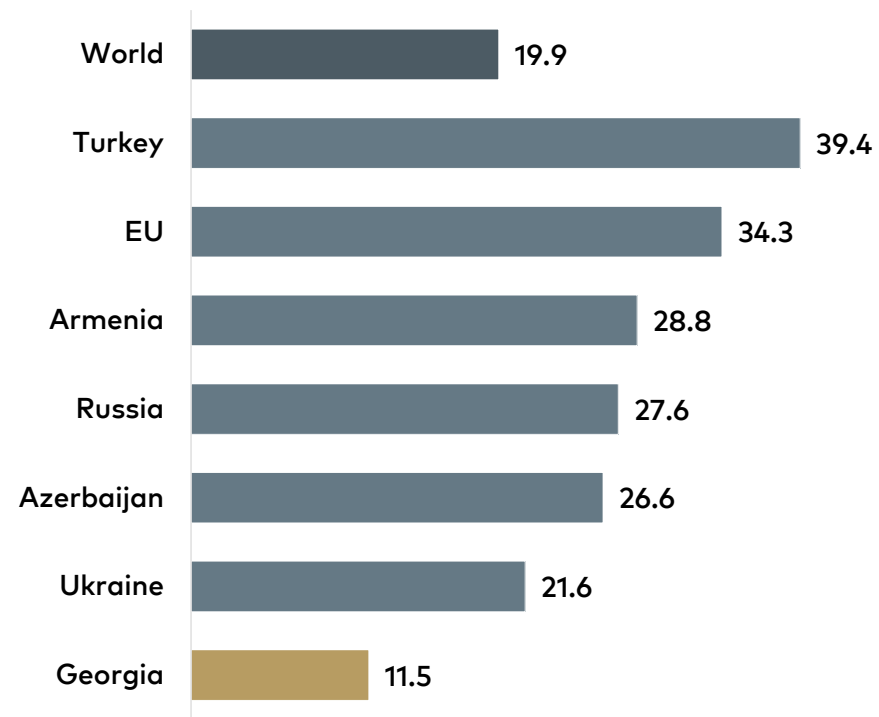


Average yield in Georgia is also low for annual crops

Average yield of cereals, ton/ha, 2021



Average yield of vegetables, ton/ha, 2021

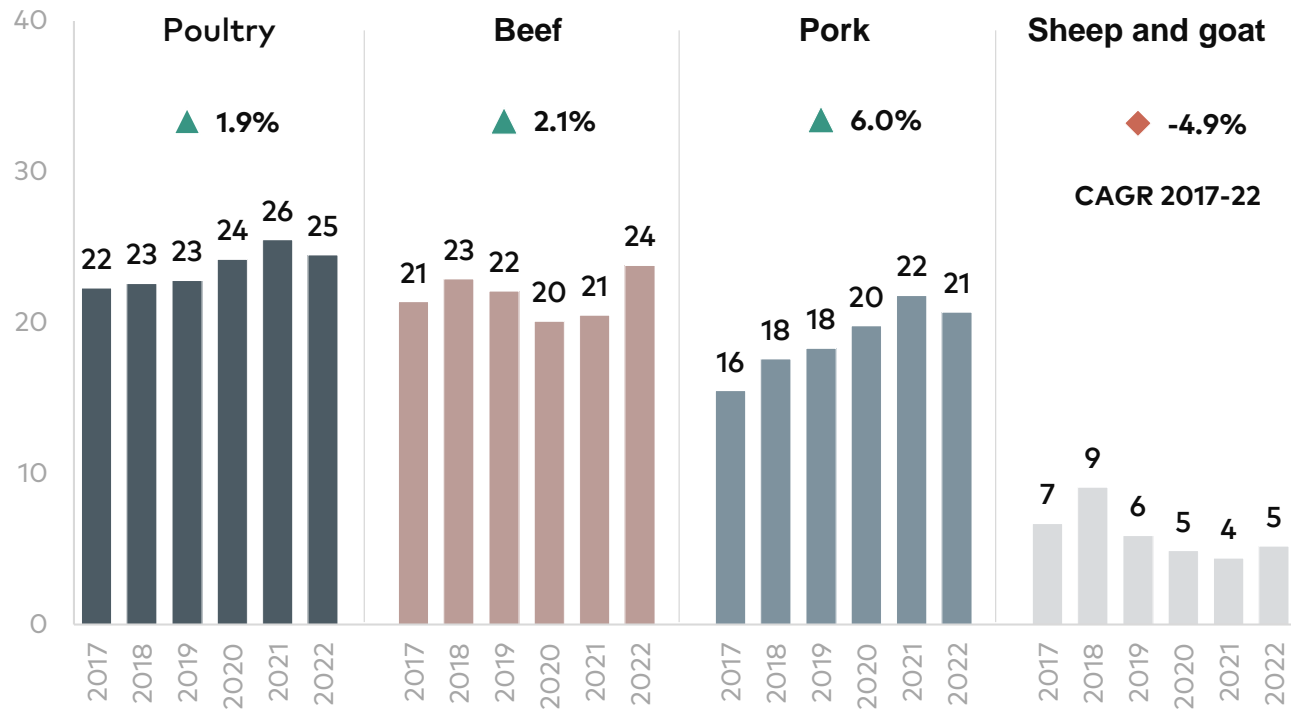


Source: FAO

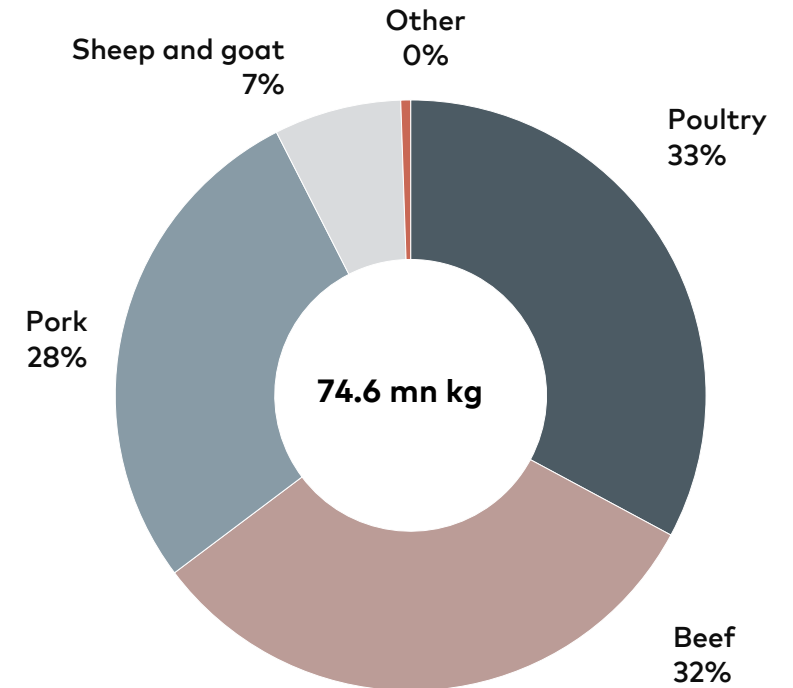
Note: Includes the production of both businesses and households. The number was calculated as total production divided by total harvested area. For the production volume of these products and countries, see annex

Meat production in Georgia shows an increasing trend but the sector is still import dependent

Meat production in Georgia, mn kg



Meat production in Georgia by type, 2022



Source: Geostat, Galt & Taggart

Note: For more details about meat and meat products, see Galt & Taggart's report [here](#)

Source: Geostat, Galt & Taggart



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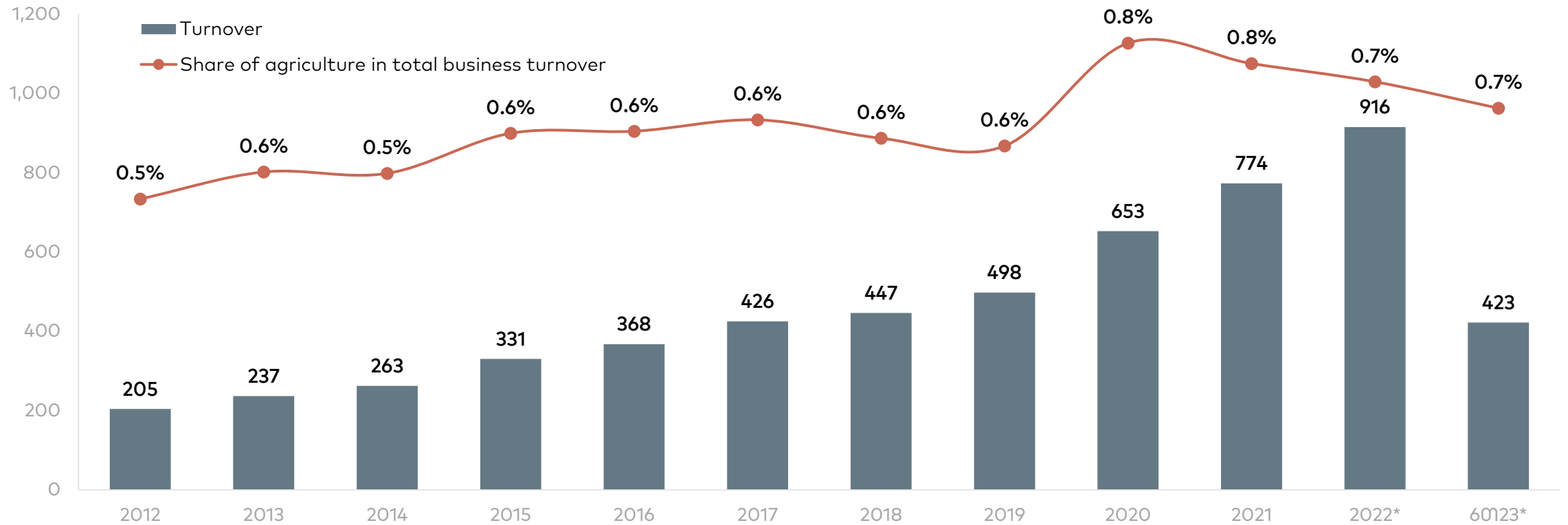
Agriculture business in Georgia

- Challenges and opportunities

Share of agribusiness in total business sector is a mere 0.7%

Turnover of agricultural business, GEL mn

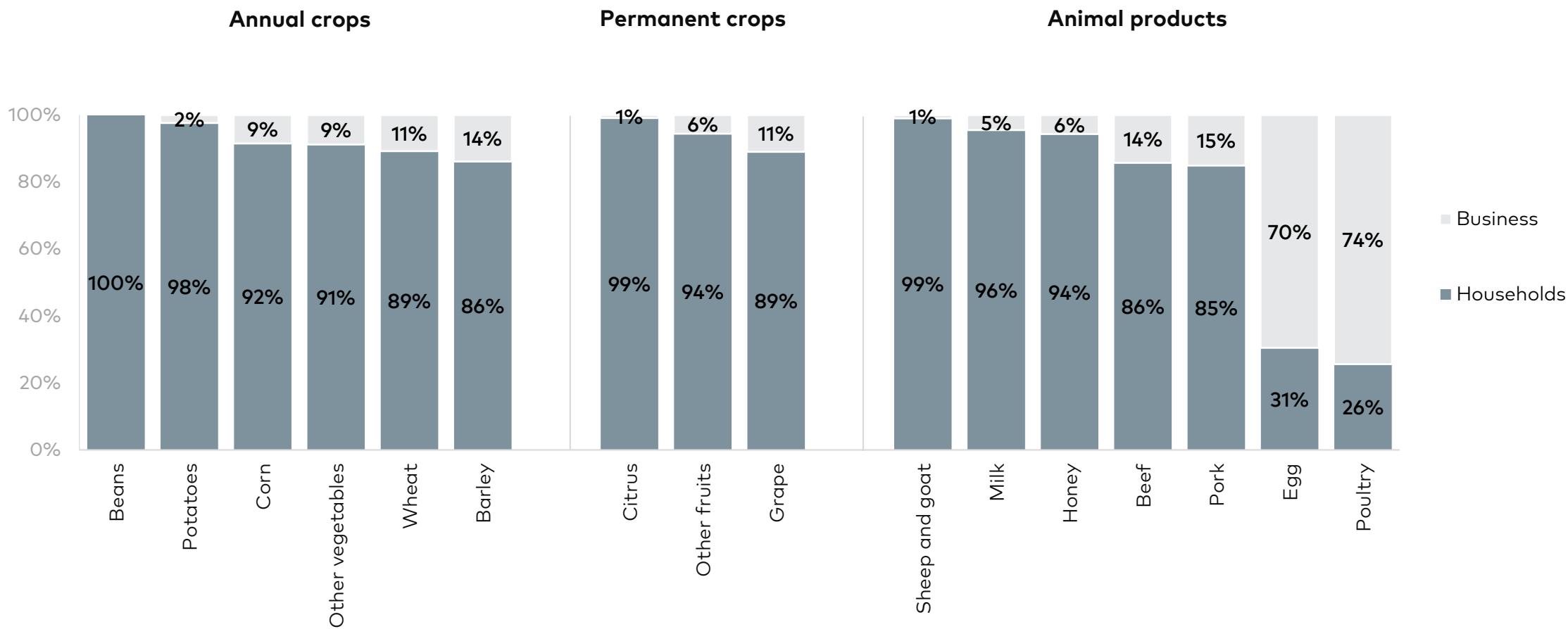
The total revenue for agricultural businesses increased by 4.5 times over the last decade. In the same period, the entire business sector grew by 3.1 times.





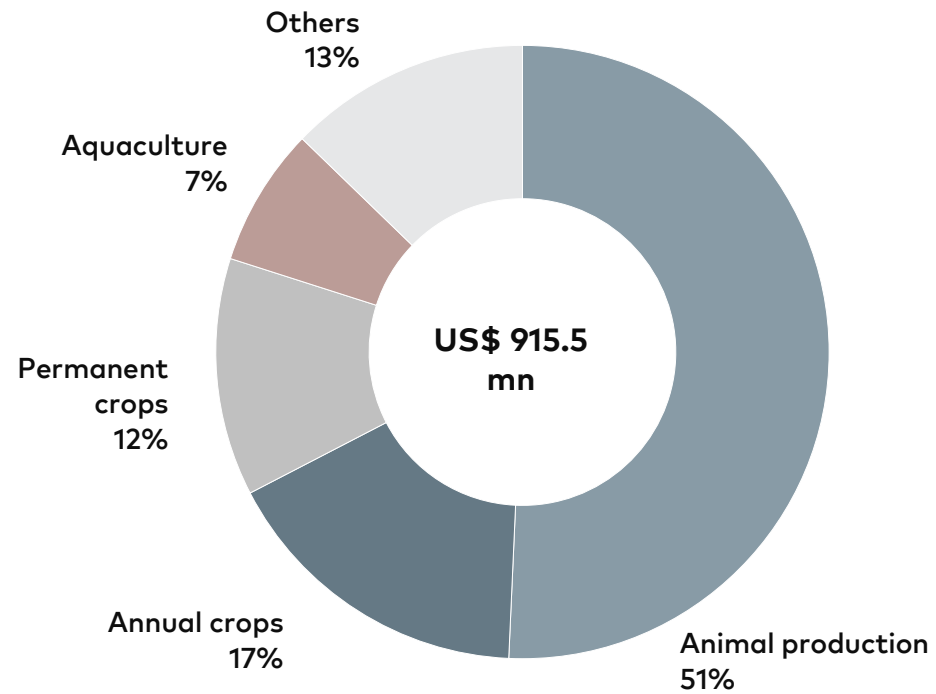
Share of households is high in agri production, signifying a high potential for business growth

Share of households and businesses in total production, %



Animal production and products is the largest sector in agriculture

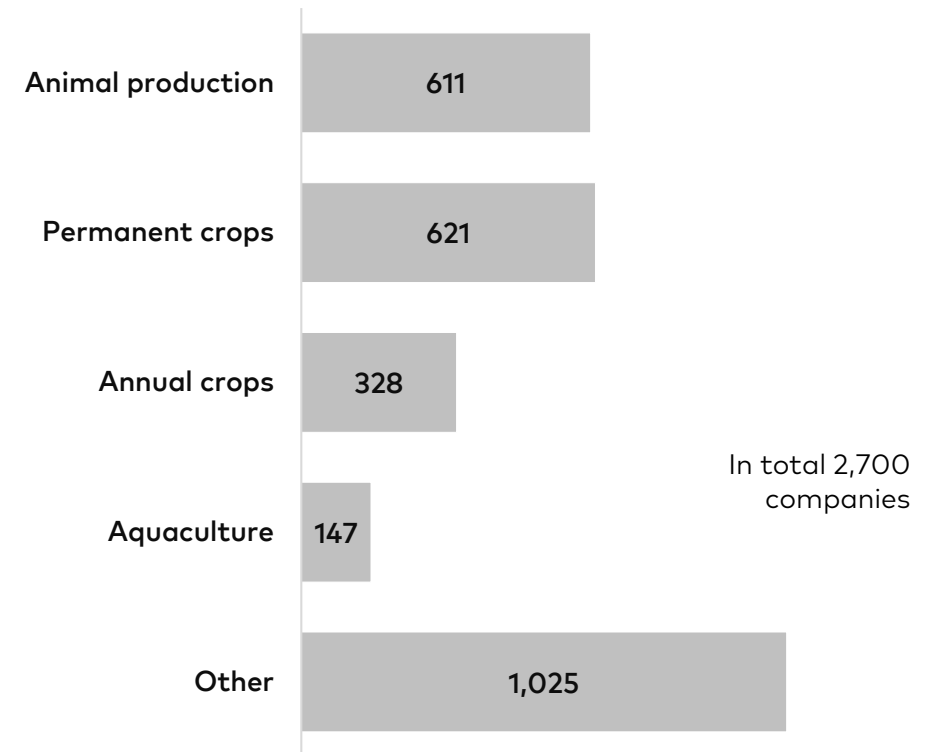
Agriculture business turnover by subsectors, 2022



Source: Geostat, Galt & Taggart

Note: The "Other" category includes other crop businesses, support services for agriculture, etc.

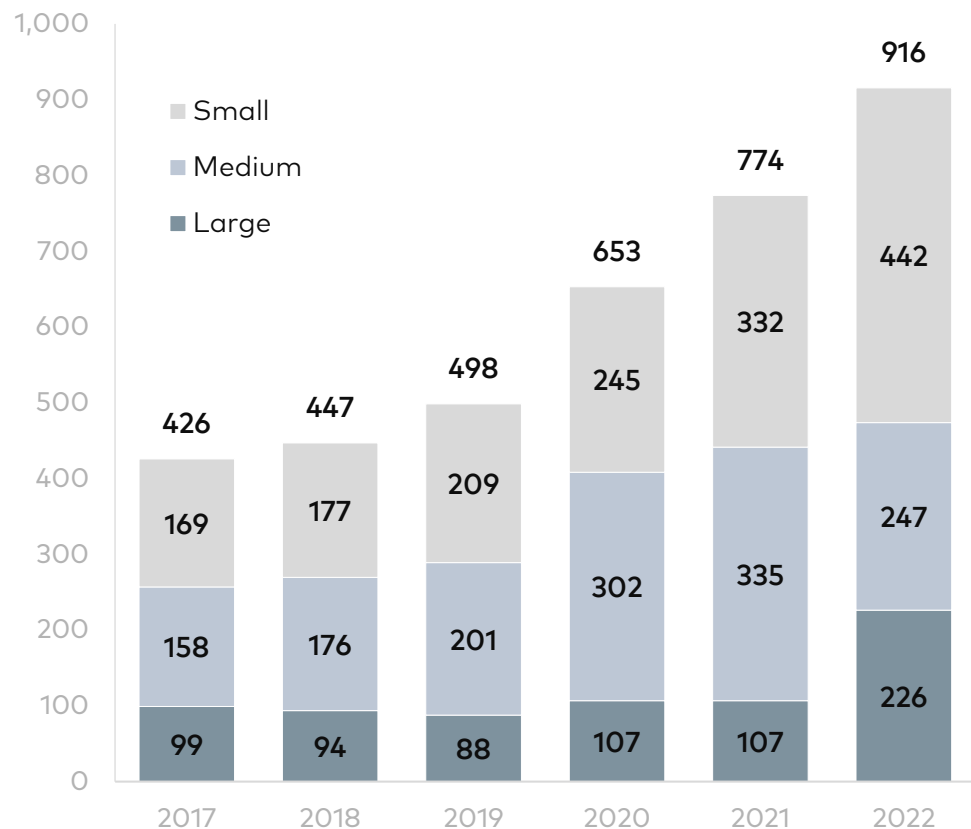
Number of companies, 2023



Source: Geostat, as of September, 2023

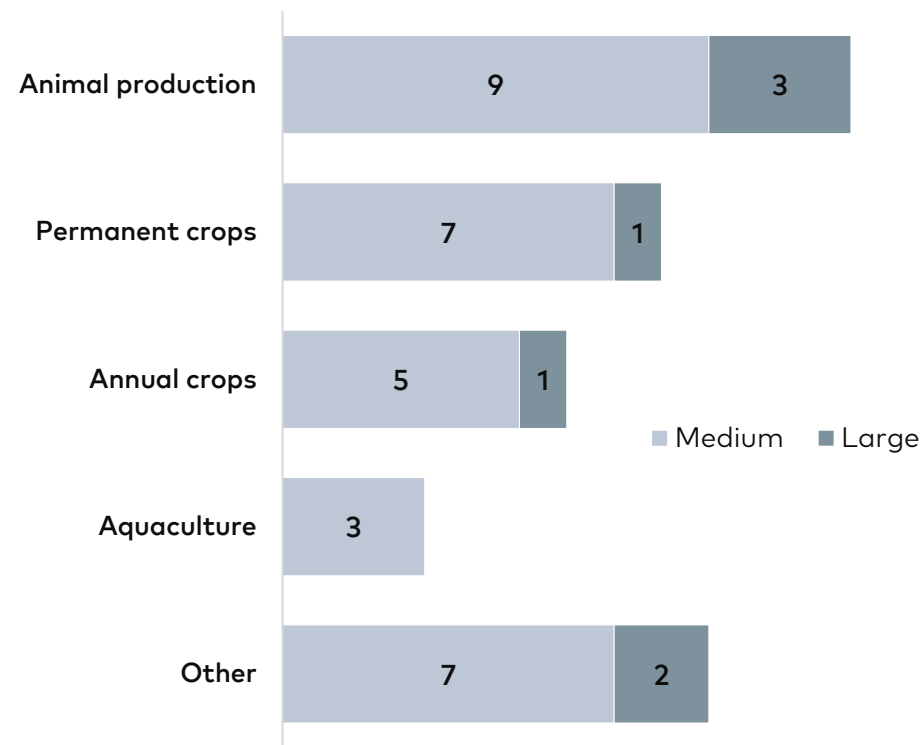
Small enterprises are the main players in the sector

Business revenues by company size, GEL mn



Source: Geostat, Galt & Taggart

Number of large and medium business enterprises, 2023



Source: Geostat, as of September, 2023

Note: . An enterprise is large if their turnover is over GEL 60mn or the number of employees is over 250, an enterprise is small if their turnover is less than GEL 12mn and number of employees is less than 50, and the rest are medium sized enterprises.



სამრეწველი

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Challenges and opportunities



Raising productivity and the diversification of export markets are the main challenges of the sector

Challenges

Low corporatization

Lack of knowledge

Low technologic development

Crisis management

Opportunities

Exploitation of new export markets

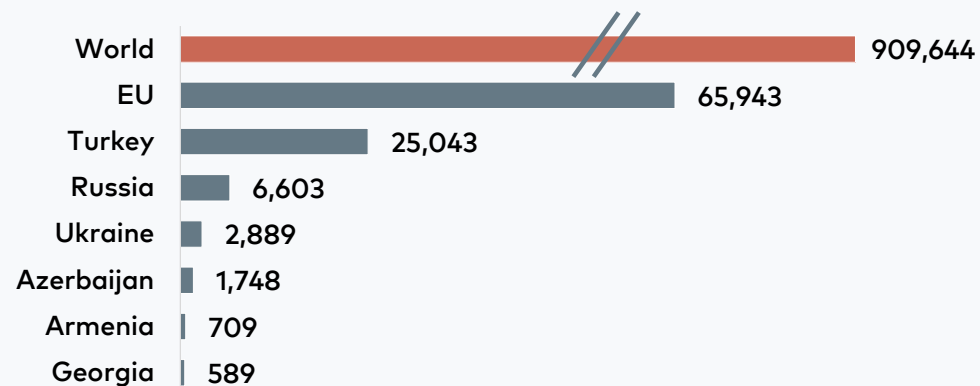
Improvement of logistics

Government support

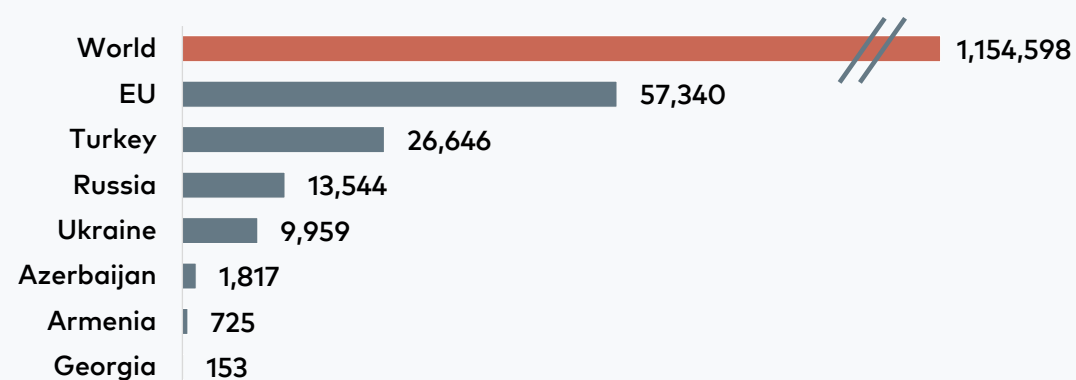
Vertical integration

Annex: Production statistics for Georgia and peer countries

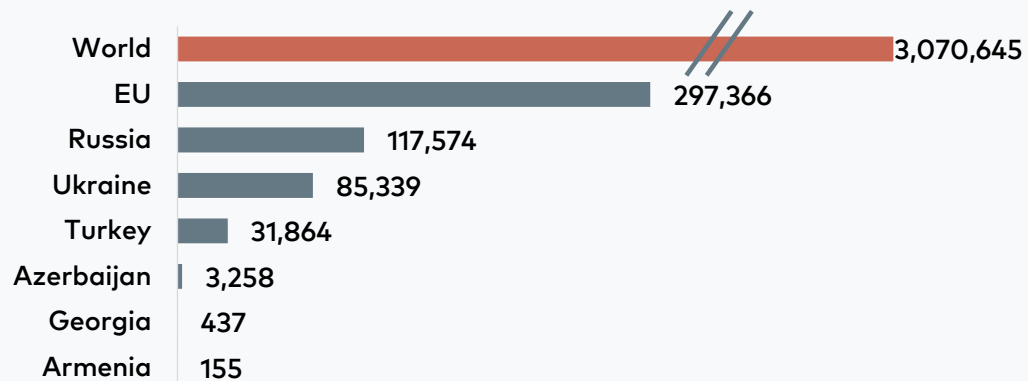
Fruit production, mn kg, 2021



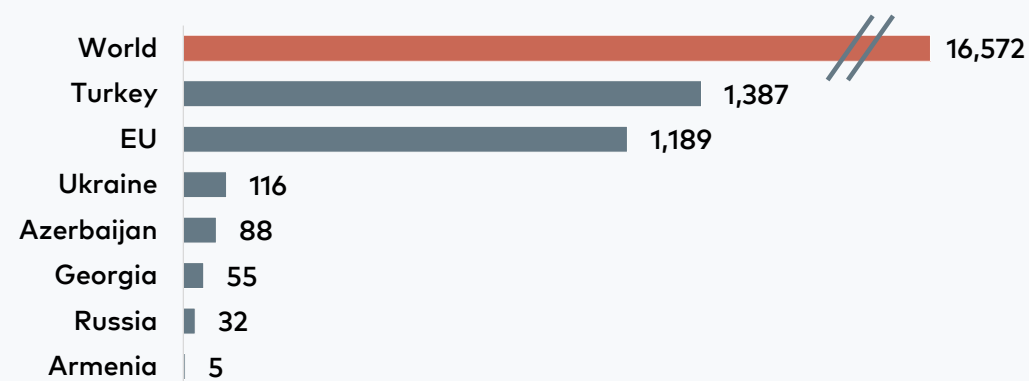
Vegetable production, mn kg, 2021



Cereal production, mn kg, 2021



Nut production, mn kg, 2021





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