Vision: The vision of the Agriculture Development Strategy of Georgia is to create an environment that will increase competitiveness in agro food sector, promote stable growth of high quality agricultural production, ensure food safety and security, and eliminate rural poverty through sustainable development of agriculture and rural areas.
Strategy Structure

- Introduction
- Vision
- Current Situation and Trends
- Main Strategy Directions and Measures
- Financing
- Conclusion
Strategy of Agriculture Development in Georgia 2015-2020 was approved by the Governmental Decree #167 issued on 11st of February, 2015

Main strategy directions:

1. Enhanced competitiveness of rural entrepreneurs;
2. Institutional development;
3. Amelioration and soil fertility;
4. Regional and sectorial development - value chain development;
5. Ensuring Food Security;
6. Food safety, veterinary and plant protection;
7. Climate change, environment and biodiversity;
Action Plan of the Ministry of Agriculture of Georgia 2015-2020

• Action plan of the Ministry of Agriculture of Georgia 2015-2020 has been elaborated for implementation of the main strategy goals and tasks

• **Structure of the Action Plan:**
  - ✓ Strategy Direction;
  - ✓ Name of the Activity;
  - ✓ Name of the Program;
  - ✓ Program Description;
  - ✓ Implementation Dates;
  - ✓ Estimated Budget;
  - ✓ Share of State Financing;
  - ✓ Responsible Organization;
  - ✓ Partner Organization;
  - ✓ Expected Results;
  - ✓ Results Evaluation Criteria.

March, 2015
### Sectorial Working Groups

**Composition of Working Groups:**

- Staff of the Ministry of Agriculture of Georgia;
- Scientists;
- Business Representatives.

Each of the working group prepares the study on the current situation of the sector.

**Structure of Sectorial Development Paper:**

- Current situation in sector;
- Key challenges;
- World market review;
- Measures to be taken and recommendations.

18 permanent sectorial development working groups were established since August 2014:

- Hazelnut
- Tea
- Potatoes
- Grains
- Vegetable;
- Sheep-Breeding;
- Poultry;
- Bee-Keeping
- Pig Breeding
- Cattle-Breeding
- Tobacco-Growing
- Fish-Breeding
- Fruit-Growing
- Food Production
- Sugar Beets
- Citrus;
- Greens;
- Bio Product.

March, 2015
Municipal Development Plans

59 municipal development plans are being developed

Structure of Municipal Development Plan:

- Landscape and geographical composition;
- Climate characteristics;
- Soil types;
- Mineral and recreation resources;
- Current infrastructure;
- Land fund;
- Main agricultural crops and yield;

Guidebook will be created for farmers and potential investors
Foreign Trade- Agro-Food Sector

Export-Import of Agro-food products (mln. USD)

<table>
<thead>
<tr>
<th>Year</th>
<th>Export</th>
<th>Import</th>
<th>Trade Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>436.7</td>
<td>-757</td>
<td>-320.2</td>
</tr>
<tr>
<td>2012</td>
<td>512.5</td>
<td>-761.8</td>
<td>-249.3</td>
</tr>
<tr>
<td>2013</td>
<td>774.3</td>
<td>-517.3</td>
<td>257.0</td>
</tr>
<tr>
<td>2014</td>
<td>825.9</td>
<td>-479.6</td>
<td>346.3</td>
</tr>
</tbody>
</table>

- Export of main agro-food products (mln. USD)

<table>
<thead>
<tr>
<th>Product</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hazelnut</td>
<td>166.6</td>
<td>183.3</td>
</tr>
<tr>
<td>Wine</td>
<td>127.9</td>
<td>180.7</td>
</tr>
<tr>
<td>Mineral Water</td>
<td>106.9</td>
<td>137.1</td>
</tr>
<tr>
<td>Spirits</td>
<td>99.9</td>
<td>95.2</td>
</tr>
</tbody>
</table>

Source: GeoStat
Export In European Union

<table>
<thead>
<tr>
<th>Year</th>
<th>Export (thousand US dollars)</th>
<th>Share of EU countries in the whole export of agro-food products</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>140,972</td>
<td>32.3%</td>
</tr>
<tr>
<td>2012</td>
<td>105,927</td>
<td>20.7%</td>
</tr>
<tr>
<td>2013</td>
<td>182,635</td>
<td>23.6%</td>
</tr>
<tr>
<td>2014</td>
<td>216,405</td>
<td>26.2%</td>
</tr>
</tbody>
</table>

### Share of Agro-Food Export in EU Countries

- Germany: 37%
- France: 21%
- Italy: 17%
- Lithuania: 9%
- Netherland: 8%
- Others: 8%

### % Share of Main Agricultural Products in EU

- Hazelnut: 66%
- Spirits: 11%
- Wine: 11%
- Mineral and Spring Water: 7%
- Others: 5%
Food safety monitoring and inspection became more strict:
- In 2014 the total number of business operators inspected was 5184

Veterinary supervision
- In 2014, at slaughter houses under veterinary supervision was slaughtered 202 934 cattle and 29 338 poultry, which is 32% higher than the previous year quantitate index

Animal mass vaccination campaign - 2014:
- Foot-and-mouth Disease preventive vaccination was applied to 2 622 981 animals
- Anthrax preventive vaccination was applied to 952 723 animals
- Small Pocks disease vaccination was applied to 36 856 sheep and goats

Preventive measures against brucellosis - 2014 Year:
- 133 982 animals sensitive to the disease were investigated

March, 2015
Sheep and goat and cattle identification and registration system

- In 2013 identified cattle was - 161,283
- In 2014 identified cattle number reached - 281,372

Veterinary products quality and safety control

- In 2014 for the first time 183 veterinary medicine samples and 220 units were studied and tested

Permits

- In 2014 year the list of import permitted products was increased. 5,912 imported products were permitted by veterinary control and 1,274 imported products by phytosanitary control

Plant protection and phytosanitary safety

- Safety measures were taken against the fall webworm (American white butterfly) on 293.3 ha in Samegrelo, Guria and Adjara regions
- Fight against Italian locust in eastern Georgia was processed with the help of aviation
- The pesticides and agrochemicals placed on the market were examined
- In 2014 Georgia became the member of The European and Mediterranean Plant Protection Organization (EPPO), which will be a great help for the country to increase the reliability of the phytosanitary.
The National Wine Agency

- The unique and rare Georgian vine varieties recovery program has been launched
- The viticulture cadaster program has been launched – the cadastral works were finished in the Racha-Lechkhumi viticulture region. The same work is planned to be done in other viticulture regions
- The electronic program of wine quality control, reporting and certification was established
- The Georgian wine marketing strategy was developed

March, 2015

AClass-ANSI International Accreditation ISO 17025 – February 24, 2014
Laboratory of the Ministry of Agriculture

- Agriculture laboratory network includes 11 laboratories located throughout the country (Biosafety Level 2, 2+)
- 3 zonal diagnostic laboratories - Tbilisi, Kutaisi, Akhaltsikhe
- 8 field stations - Marneuli, Gori, Gurjaani, Dusheti, Ozurgeti, Zugdidi, Batumi, Ambrolauri
- DTRA has financed the construction of two field stations (The US Defense Threat Reduction Agency):
  - the construction of the new building at the Marneuli field station was finished
  - Dusheti field station construction is planned for spring 2015

- In 2014, construction of phytosanitary department building was started at the territory of the Laboratory head office, it will be finished by the end of May 2015

March, 2015
United Amelioration Systems Company of Georgia

- In 2014, within the framework of the rehabilitation works, 34 projects were completed in Georgia:
  - Irrigation service delivery became possible on the additional 23,647 hectares
  - Drainage service delivery became possible on the additional 7,033 hectares

- 35 melioration infrastructure rehabilitation projects were launched in 2014

- 1,895 km of irrigation channel and 207 km of drainage channel were cleaned and rehabilitated, 1,400 units of hydro technical construction were repaired

- The United Amelioration Systems Company of Georgia has added new units of equipment to its special techno park

<table>
<thead>
<tr>
<th>Irrigation (ha)</th>
<th>Drainage (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012: 45,000</td>
<td>2012: 14,000</td>
</tr>
<tr>
<td>2013: 64,000</td>
<td>2013: 19,000</td>
</tr>
<tr>
<td>2014: 88,000</td>
<td>2014: 25,000</td>
</tr>
</tbody>
</table>

March, 2014
574 cooperatives were established since 6th of March, 2014, including 192 cooperatives in mountainous regions, with 1015 stakeholders total;

4054 stakeholders are members of the cooperatives, including 866 women;

8 454 596 GEL was mobilized in cooperatives as stakeholder contribution;

In the frame work of “small size Agro-tech project”, It is planned to deliver 1700 moto blocs and 2000 hand-ploughing machines to the agricultural cooperatives with the reduced price - 23% of their real cost.
Scientific-Research Center of the Agriculture

- 19 selection, breed examination and demonstration plots, where organized in the regions; seed storage of annual crops in Akhalkalaki with the sown area of 30 ha with annual crops and seed potatoes
- Labs equipped with virology and in-vitro new technology
- Pruning, stratification and cold storage facility (Mckheta, Jighaura)
- Seed material cold storage (Mckheta Tsilkani, Akhalkalaki Vachiani)
- Greenhouses (Mckheta - Jighaura,Tsilkani)
- Plant disinfection thermal treatment, seeding and waxing equipment
- Machinery for soil cultivation, creation of high productive soil layer, integrated protection and plant green-operations
- Satellite meteorological station, modern irrigation systems and other facilities

On the basis of perennial crop of Scientific-Research Center of the Agriculture research works are being conducted in following directions:

- Plantation of Georgian endemic grape varieties - 437 breeds
- Plantation of foreign vine varieties - 350 breeds
- Orchards of seed fruit, stone fruit, nuts and berrys crops – more than 300 breeds
- Vine rootstocks and nurseries
- Fruit crop vegetative rootstock and demonstration plots.

March, 2015
Access to Finance

Goal:
- Ensuring agricultural activities with cheap and available funds

 Preferential Agro Credit:
- Number of loans under this project - 27300
- Total amount of loans - 770 mln. GEL

“Produce in Georgia”:
- 9 agreements have been concluded in agro sector under this project;
- Total amount of approved loans in 2014 - 14.7 mln USD.

Co-financing Project:
- Number of approved projects under this program - 16
- Total value of projects - 11.7 mln USD
- Grant amount distributed among 6 processing enterprises - 1.1 mln. USD
In accordance with Governmental Decision, Pilot Project of Agro Insurance has been launched on 1st of September, 2014

- Companies involved in the program – ALDAGI, GPI, IRAO, IC Group;
- Significant share of insurance premium is financed by the government;
- Insurance polices issued in 2014 - 21 000
- Total area of insured agricultural land - 18 000 ha
- Value of insured yield - 150 mln GEL

Countrywide insured crops: vine, citrus, fruit trees, nut crops, berries, grains, vegetable and subtropics crops
Plant the future

Project goals:

- Improving efficiency of land use
- Promotion of import substitution and increase of export potential
- Stimulating creation of nurseries and promotion of perennial orchard cultivation

Project includes two components:

1. Orchid co-financing component

Financial aid

- 70% of seedlings to be purchased
- 50% of the cost of drip irrigation system
- Agricultural cooperatives will receive as a gift a hand spraying machine

Technical aid

Beneficiaries will be trained in:

- Practical courses in plants pruning technologies
- Introduction of integrated plant protection system
- Issues of irrigation and plant nutrition provision

2. Nursery co-financial component

Financial aid

- Co-financing can be provided on the bases of detailed analyses of nursery project
- Co-financial component equaled 50% of total cost of the project (no more than 15 000 GEL)

TA

Beneficiaries will be trained in:

- Dissemination technologies of planting materials
- Certification principles of planting materials
Food Safety development strategy and legislation approximation program was developed by the Ministry of Agriculture of Georgia.

Amendments in Georgian legislation “food/feed safety, veterinary and plant protection code” and subsequently:

- In Georgian legislation „on Entrepreneurs“
- In Georgian legislation „on the Public Register“

On the base of the code was prepared and adopted by the Georgian Government:

- The cattle identification-registration of their stalls/registration rule of temporary stalls

for the fulfillment of the law “on animal and plant new varieties” adopted by the government of Georgia “additional conditions dissemination in Georgia of seeds and planting materials”

Technical regulations on milk, dairy and honey were prepared.

March, 2015
Work has been completed on the draft regulations determined by the comprehensive strategy and legislation approximation program 2014 in food safety:

- “Specific rule of control of animal origin products”
- “Labeling Rule for beef and beef products”
- State control principals“
- “Hygiene rule of animal feed“
- “Preventing and quarantine measures rule for fighting against NewCastle disease (bird disease)“
- “Regulation rule of timber packaging”
- “Control rule for potatoes cancer“
- “Notification rule for the incompliance of transported goods wit the phytosanitary requirements”
- Export rule of pests, plant products and other needed for scientific research and selection works”

March, 2015
Thank You

Ministry of Agriculture of Georgia