

Country Report Organic Georgia Presentation 2022-03-04 DLG Connect

By Heinz Gengenbach, Agriservices

In 2021, two eco-country reports have been published: Armenia and Georgia.

It was a special pleasure for me to write the report on Georgia.

This year I am working on Azerbaijan.

What should you know about Georgia?

Georgia is located in southwestern Asia. It is bordered by the Black Sea to the west, Russia to the north, Armenia and Turkey to the south, and Azerbaijan to the southeast. Due to its location and landscape, Georgia can be divided into two climatic regions, namely West Georgia and East Georgia. **West Georgia** is characterized by a humid subtropical climate with mild winters and moderately hot summers. Average rainfall ranges from 1,100 to 1,700 mm/ year. The drainage of excess water is one of the main problems for agriculture in this part of the country.

East Georgia has a dry, subtropical climate with cold winters and dry, hot summers. Average rainfall varies between 500 and 1,100 mm/ year. About 80 % of the precipitation falls from March to October, hail falls mostly in spring and autumn. The longest dry season is about 50–60 days, and drought years are not uncommon in this part of the country. In areas with rainfall of less than 800 mm/ year, irrigation is required.

The humid and subtropical Black Sea climate creates ideal conditions for tea cultivation in five regions of western Georgia: Adjara, Guria, Samegrelo, Imereti and Abkhazia. Founded in 1935, the Anaseuli tea factory is one of the oldest tea production facilities in Georgia. Georgia is one of the northernmost tea growing countries in the world. The Anaseuli Tea Factory has bought a 62 ha tea plantation and is managing it organically.

Land Use

The total area of Georgia is 69,700 km². This is roughly equivalent to the area of Ireland or the Free State of Bavaria in Germany. Approximately 40 % of Georgia's territory is covered with forests.

43.4 % of the country's total area (30,300 km²) is used for agriculture (2005)

It is estimated that 40.5 % of the population lives in rural areas and 47 % of the total labour force is engaged in agriculture (Geostat, 2014). It is predominantly subsistence agriculture throughout the country, with low inputs and outputs and small farms and limited plot sizes.

The main economic activities in rural areas are the cultivation of maize, grapes, citrus fruits, stone fruits and hazelnuts, and livestock.

Organic sector/ History

In the early 1990s, after the declaration of independence of the former Soviet Republic of Georgia, there was already contact of organizations such as Bread for the World and the Heinrich Boll Foundation in the Caucasus. A group of growers joined together in 1994 to form the Association for Organic Agriculture, **ELKANA**.

A group primarily of winegrowers who have or are seeking Demeter recognition. Cooperation with Demeter International and the KIWA inspection body.

Organic certification

There are several inspection bodies operating in Georgia: Caucascert LTD and KIWA BCS. The organic certification company CAUCASCERT Ltd has been in existence since 2005 and its main purpose is the control and certification of organic products. CAUCASCERT Ltd and its Armenian counterpart ECOGLOBE LLC manage the dominant local organic brand Green Caucasus. The first organic certifications according to the Green Caucasus Standard took place in 2010. In Georgia, KIWA certifies the export-oriented **Georgia's Natural group**, among others. In eastern Georgia (Kakheti region), the group cultivates a 300 ha area with 15 different fruit, berry, vegetable and walnut varieties.

For many smaller producers, organic certification is too expensive and too time-consuming.

Most Georgian organic product exports are for Germany. A prerequisite is certification according to the EU organic standard. The most important certified and exported organic products include wine, hazelnuts, honey, organic tea and wild plants. Fresh and processed fruits, berries and vegetables are on the rise both locally and internationally due to the increased popularity of organic products.

The majority of processors and traders of certified organic products in Georgia rely on exports, especially to the countries of the European Union.

LTD Geoflower was founded in 2007 and is based in West Georgia. The company specializes in the processing and drying of fruits and medicinal herbs such as wild apples, wild pears and sea buckthorn. As an export-oriented company, Geoflower Ltd currently supplies 98 % of its products to EU markets. Geoflower Ltd has been biocertified by Caucascert since 2013.

Risks

- Trained farmers are needed who have not only theoretical but also practical knowledge and experience
- International projects are financed and limited in time. If, for example, there is no more financial support for organic certification, neither farmers nor entrepreneurs can afford it on their own.
- Especially the hygiene regulations such as HACCP (Hazard Analysis and Critical Control Point) can be a high hurdle for the export to the European Union (EU)

Chances

The customers for organic products live and work mostly in the three largest cities: Tbilisi, Batumi on the Black Sea and Kutaisi. According to Dr. Uwe Strohbach from German Trade & Invest (GTAI), Russia, Central Asia and the Arab states are rather mentioned as sales areas for organic products. Some supermarkets (hypermarkets) offer an organic range of products: Carrefour, Goodwill or Agrohub. The first **Agrohub**

supermarket opened in Tbilisi in 2016. There, consumers can buy “fresh, organic and healthy agricultural food of local production”.

A widespread and popular marketing channel is via **social media**:

Soplidan.ge is an online mail order company founded in 2015 with the aim of connecting city and village. This company employs about 15 people. More than 7,000 customers can order online and get their goods delivered the next day at the latest. More than 650 suppliers, of which only two are organic producers, have a good sales channel through this company.

The **ELKANA** growers' association has been operating its own internet shop since 2020 with the support of **Pro Credit Bank**. Around 30 farmers offer their goods there, such as honey and honey products, soft fruits, cereals and legumes, tea, grapes and wine with the Elkana logo. They are allowed to carry the ELKANA logo if they meet internal guidelines based on The International Federation of Organic Agriculture Movements (IFOAM) and Codex Alimentarius standards. These are checked by Elkana. At **Biofach** in Nuremberg, there has already been a Georgia stand several times.

Conclusion

Education and training in organic farming are urgently needed such as vocational schools and dual education. Some positive examples already exist.

Since 2016, there has been an association agreement between the EU and Georgia that facilitates access for Georgian products to EU markets and for the flow of goods to Georgia. According to GTAI, Georgia is dependent on foreign investment to implement its economic policy goals. The liberal environment and free trade with many countries make Georgia an attractive investment location in the South Caucasus.