OUTPUT OF AGRICULTURAL PRODUCTS

According to the preliminary data, in 2018, output of agricultural products amounted to 4.0 billion Gel in the country, which exceeds the same figure of 2017 by 6.4% and 2012 by 43.8%. At the same time, the total output obtained as a result of agricultural products processing compiled to 5.3 billion Gel, which is 4.2% more compared to 2017 and 2012 by 40.8%. As concerns the growth of total production in the agribusiness sector accounted 5.1% and 42.1% within 2017 and 2012.
## Gross output of agricultural products (million Gel)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grain and other crops cultivation, not included in other categories</td>
<td>415</td>
<td>485</td>
<td>515</td>
<td>497</td>
<td>547</td>
<td>516</td>
<td>578</td>
</tr>
<tr>
<td>Cultivation of crops required for production of fruits, walnuts, beverages and spices</td>
<td>396</td>
<td>598</td>
<td>689</td>
<td>722</td>
<td>713</td>
<td>744</td>
<td>814</td>
</tr>
<tr>
<td>Vegetables cultivation, specialized gardening and nursery production</td>
<td>276</td>
<td>322</td>
<td>410</td>
<td>403</td>
<td>396</td>
<td>373</td>
<td>418</td>
</tr>
<tr>
<td>Animal husbandry</td>
<td>1,610</td>
<td>1,666</td>
<td>1,613</td>
<td>1,837</td>
<td>1,984</td>
<td>1,979</td>
<td>2,021</td>
</tr>
<tr>
<td>Agricultural services</td>
<td>110</td>
<td>139</td>
<td>161</td>
<td>194</td>
<td>213</td>
<td>184</td>
<td>207</td>
</tr>
<tr>
<td><strong>Total - output of agricultural products</strong></td>
<td><strong>2,807</strong></td>
<td><strong>3,210</strong></td>
<td><strong>3,387</strong></td>
<td><strong>3,653</strong></td>
<td><strong>3,854</strong></td>
<td><strong>3,796</strong></td>
<td><strong>4,037</strong></td>
</tr>
</tbody>
</table>

## Gross output got as a result of processing agricultural products (million Gel)

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat flour</td>
<td>483</td>
<td>475</td>
<td>479</td>
<td>495</td>
<td>482</td>
<td>552</td>
<td>570</td>
</tr>
<tr>
<td>Bread, biscuit, cake and other pastry</td>
<td>1,264</td>
<td>1,273</td>
<td>1,356</td>
<td>1,426</td>
<td>1,417</td>
<td>1,445</td>
<td>1,449</td>
</tr>
<tr>
<td>Meat products</td>
<td>131</td>
<td>143</td>
<td>168</td>
<td>190</td>
<td>207</td>
<td>207</td>
<td>213</td>
</tr>
<tr>
<td>Dairy products</td>
<td>488</td>
<td>406</td>
<td>587</td>
<td>652</td>
<td>621</td>
<td>610</td>
<td>611</td>
</tr>
<tr>
<td>Alcoholic beverages</td>
<td>556</td>
<td>685</td>
<td>906</td>
<td>617</td>
<td>765</td>
<td>973</td>
<td>1,199</td>
</tr>
<tr>
<td>Other products of food industry</td>
<td>813</td>
<td>910</td>
<td>1,071</td>
<td>1,133</td>
<td>1,271</td>
<td>1,259</td>
<td>1,216</td>
</tr>
<tr>
<td><strong>In total - gross output of processed agricultural products</strong></td>
<td><strong>3,735</strong></td>
<td><strong>3,983</strong></td>
<td><strong>4,567</strong></td>
<td><strong>4,513</strong></td>
<td><strong>4,763</strong></td>
<td><strong>5,045</strong></td>
<td><strong>5,258</strong></td>
</tr>
<tr>
<td><strong>Total production of agribusiness (mln GEL)</strong></td>
<td><strong>6,542</strong></td>
<td><strong>7,193</strong></td>
<td><strong>7,955</strong></td>
<td><strong>8,165</strong></td>
<td><strong>8,617</strong></td>
<td><strong>8,840</strong></td>
<td><strong>9,295</strong></td>
</tr>
<tr>
<td><strong>Gross production of the country in base prices (mln Gel)</strong></td>
<td><strong>39,293</strong></td>
<td><strong>40,551</strong></td>
<td><strong>43,927</strong></td>
<td><strong>48,250</strong></td>
<td><strong>51,662</strong></td>
<td><strong>57,473</strong></td>
<td><strong>62,647</strong></td>
</tr>
<tr>
<td><strong>Total share of agribusiness output in country’s total production (%)</strong></td>
<td><strong>17</strong></td>
<td><strong>18</strong></td>
<td><strong>18</strong></td>
<td><strong>17</strong></td>
<td><strong>17</strong></td>
<td><strong>15</strong></td>
<td><strong>15</strong></td>
</tr>
</tbody>
</table>

* Preliminary data. Approved data will be published on 15 November of 2019.

* Source: Geostat.
Pursuant to the preliminary data of 2018, the value added in the agricultural sector amounts 4.9 billion Gel, which is 6.1% more compared to the figure of 2017 and by 48.7% compared to 2012. According to the preliminary data of 2018, the share of agricultural sector equals 13.8% of GDP.

In recent years, GDP average rate for per person employed in the agriculture sector has been raised. The above mentioned rate has been increased by 6% from 2012 to 2017 and amounted to 2,738 GEL.
### Primary production share in GDP

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Including:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plant growing</td>
<td>3.3%</td>
<td>4.2%</td>
<td>4.4%</td>
<td>4.1%</td>
<td>3.9%</td>
<td>3.5%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Animal husbandry</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.1%</td>
<td>4.2%</td>
<td>4.3%</td>
<td>3.9%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Agricultural services</td>
<td>0.3%</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.3%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Forestry, fishing</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.4%</td>
<td>0.3%</td>
<td>0.4%</td>
<td>0.3%</td>
</tr>
</tbody>
</table>

### Agricultural output processing share in GDP

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Including:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grind industry, feed production</td>
<td>0.4%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
<td>0.3%</td>
</tr>
<tr>
<td>Bread, biscuit, cake and pastry production</td>
<td>0.3%</td>
<td>0.4%</td>
<td>0.5%</td>
<td>0.6%</td>
<td>0.5%</td>
<td>0.5%</td>
<td>0.4%</td>
</tr>
<tr>
<td>Other food products</td>
<td>1.0%</td>
<td>1.2%</td>
<td>1.3%</td>
<td>1.4%</td>
<td>1.4%</td>
<td>1.3%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Mineral water and non-alcoholic beverages</td>
<td>0.7%</td>
<td>0.9%</td>
<td>1.1%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>1.0%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Alcoholic beverages</td>
<td>0.9%</td>
<td>1.1%</td>
<td>1.3%</td>
<td>0.8%</td>
<td>1.0%</td>
<td>1.1%</td>
<td>1.2%</td>
</tr>
<tr>
<td>Tobacco production</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.1%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
</tr>
<tr>
<td>Products processing in households</td>
<td>2.7%</td>
<td>2.8%</td>
<td>2.6%</td>
<td>2.6%</td>
<td>2.4%</td>
<td>2.0%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

### Total – share of agricultural sector in GDP

<table>
<thead>
<tr>
<th></th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Preliminary data. Approved data will be published on 15 November, 2019.</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Source: Geostat</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
According to the preliminary data of 2018, the gross domestic product in agriculture, hunting and forestry, fishing and fishery sectors amounted Gel 1,759 million at constant prices, which is Gel 12.7 million (0.7%) more compared to the same figure of 2017.

BUSINESS SECTOR

The interest of the representatives of the business circles in terms of agricultural sector is increased in the country. In 2018, according to the data declared by the enterprises (total data of 4 quarters), the Gel 3.5 million worth food products were produced, which exceeds the equivalent figures of 2017 by 6% and 2012 by 78%.

In 2018, in total, 4,751 enterprises were operating in the agricultural sector. Out of the existing enterprises, 1,139 units produce the primary agricultural products, while the rest of the enterprises are engaged in the processing of agricultural products.

Pursuant to the preliminary data of 2018 (total data of 4 quarters), the turnover of business sector in the rural, forestry and fishing farms constituted to 447.4 million Gel, which exceeds the relevant figure of 2017 by 5.0% and by 118.5% in comparison to 2012.

According to the preliminary data of 2018 (average data of 4 quarters), the average monthly salary of employed people in business sector, rural, forestry and fishing farms has been significantly increased and amounted to 731.6 GEL, which is 14.7% more compared to 2017 and 72.7% higher as compared to 2012.
Increased interest of the business sector in terms of rural, forestry and fishing farms is indicated by the buying rates of goods and services. Particularly, according to the preliminary data of 2018 (total data of 4 quarters), the above mentioned indicator accounted to 436.4 million GEL, which exceeds the same figures of 2017 by 31.3% and 2012 by 179.7%.

FOREIGN DIRECT INVESTMENTS

Based on the preliminary data, in 2018, direct foreign investments in agriculture and fishery sectors of the country amounted to USD 15.9 million, which is USD 3.6 million (28.7%) more than the relevant figures of 2017.

**Preliminary data. Approved data will be published on 1 October, 2019.**

*Geostat*
FOREIGN TRADE

According to the data of 2018, Georgia exported agricultural goods worth of USD 959.2 million, which exceeds the equivalent figures of 2017 by 23.2% and 2012 by 87.9%. In 2018, the share of agricultural products accounts to 29% in the total amount of country's export. The mainly exported products include: wine (21%), tobacco (16%), alcoholic beverages (13%), mineral and freshwaters (11%), hazelnut (7%), sheep meat (4%), cattle (3%), non-alcoholic sparkling beverages (3%) and others.

It is noteworthy, that apart from cigarettes and tobacco exports (mainly re-export), the total export of the rest agricultural products is increased by USD 67.3 million (9.2%) in 2018, compared to the previous year.

In 2018, Georgia exported agricultural products into 96 countries.

Deep and Comprehensive Free Trade Area Agreement supports the trade development with EU countries and diversification of export markets. In 2018, the value of agricultural products exported by Georgia in the EU equaled to USD 148 million, which exceeds the same figure of 2012 by 40%.

According to the data of 2018, Georgia imported food products worth to USD 14 billion, which is 15.3% higher compared to the previous year. It is noteworthy, that in recent years, the share of imported food products from EU countries has been significantly increased in the total amount of the country's import. The share of agricultural products in the total amount of the country's import within the reporting period equals to 14.8%. Mainly imported products include: tobacco (14%), wheat (8%), poultry (5%), sugar (4%), chocolate products (4%), food additives (3%), vegetable oils (3%), flour-based confectionery (3%) and others.

In 2018, Georgia imported food products from 111 countries.

In 2018, the negative trade balance of foreign trade with agricultural products decreased by 0.3% compared to 2017.
### The major export markets for agri-food products (2018)

- Russia: 25%
- Azerbaijan: 16%
- EU: 15%
- Ukraine: 18%
- Kazakhstan: 6%
- Armenia: 4%
- Iran: 2%
- Others: 7%

### The major importing countries of agri-food products (2018)

- Russia: 23%
- EU: 15%
- Ukraine: 21%
- Turkey: 10%
- Brazil: 3%
- Azerbaijan: 4%
- Kazakhstan: 22%
- Others: 15%
Pursuant to the data of 2018, Georgia exported food products worth to USD 148.0 million in EU countries, which exceeds the same figure of 2017 by 6% and 2012 by 40%. It should be noted, that in addition to the hazelnut, the total amount of the export of the food products is increased by USD 25.6 million (30%) within this period. In 2018, mainly exported products in the EU countries are: hazelnut in both primary and processed form 36%), alcoholic beverages (29%), wines (13%), mineral waters (11%) and others.

In 2018, Georgia imported the food products worth to USD 304.5 mln from the EU countries, which is 11% more compared to the same figure of the previous year. The share of the import from the EU countries in the total amount of the import of agricultural products constitutes 22%. The major imported goods include: sugar (10%), alcoholic beverages (8%), poultry meat (7%), food additives (7%), alcoholic beverages (spirit 80% or more) (6%), feed products (5% %), chocolate products (3%), barley malt extract (3%) and others.
Agricultural Products Exported in EU countries (2018, mln USD)

- Alcoholic beverages: 42.3
- Hazelnut: 36.5
- Wine: 18.6
- Mineral and spring waters: 16.2
- Processed hazelnut: 16.1
- Fruit and vegetable juices: 4.8
- Other: 13.5

Agricultural Products Imported from EU countries (2018, mln USD)

- Sugar: 31.6
- Alcoholic beverages: 23.0
- Poultry: 22.0
- Food additives: 20.5
- Alcoholic beverages 80%+: 17.0
- Feed products: 13.7
- Chocolate: 9.5
- Barley extract: 9.3
- Other: 157.9

Geostat
LEPL "Agricultural Projects Management Agency" provides planning and implementation of the projects initiated by the Ministry of Environment Protection and Agriculture of Georgia and significantly supports to developing of one of the priority areas of the country.

**APMA implemented the following projects during 2018**

- Preferential Agrocredit Project
- Co-financing Project for Processing and Preserving Enterprises
- Agricultural Production Support Program
- Plant the Future
- Georgian Tea Plantations Rehabilitation Program
- Young Entrepreneur
- Agro Insurance
- Farms/Farmers Registration Project
GOAL OF THE PROJECT:

The project has been implemented since 2013. It aims to support primary and processing agricultural production, preserving and realization of agricultural products through ensuring increased access to finances for agricultural entrepreneurs.

Within the frames of the project, farmers and enterprises working on primary, processing and preserving and realization of agricultural products are granted the opportunity to get preferential agrocredit and agroleasing for basic and turnover assets from financial institutions. Credits / leasings are issued by commercial banks and financial institutions (10 banks and 2 leasing organizations) participating in the project, while the agency ensures co-funding of the interests on the loan / lease. It should be noted, that getting banking system/leasing sector interested in agricultural sector is one of the most considerable achievements of the project, which supports development of agriculture.

Taking into consideration the amount and purpose of the loans, the "Preferential Agrocredit Project" is divided into the following components:

**Agrocredit for basic assets in case of fixed interest rate**

<table>
<thead>
<tr>
<th>Amount Range</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,000 GEL - 150,000 GEL</td>
<td>No more than 16%</td>
</tr>
<tr>
<td>150,001 GEL - 600,000 GEL</td>
<td>No more than 15%</td>
</tr>
<tr>
<td>600,001 GEL - 1,500,000 GEL</td>
<td>No more than 14%</td>
</tr>
</tbody>
</table>
In case of the floating (variable) interest rate

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,000 GEL - 150,000 GEL</td>
<td>No more than refinancing rate + 8% established by the National Bank</td>
</tr>
<tr>
<td>GEL 150,001 - 600,000 GEL</td>
<td>No more than refinancing rate + 7% established by the National Bank</td>
</tr>
<tr>
<td>GEL 600,001 - 1,500,000 GEL</td>
<td>No more than refinancing rate + 6% established by the National Bank</td>
</tr>
</tbody>
</table>

The agency co-finances the interest rate in an amount of 11%, but no more than 66 months. The grape processing plants, whose total amount of preferential agrocredit (s) current loan balance within the framework of this sub-component amounts from 1,500,001 Gel to 5,000,000 GEL, the agency co-finances the interest rate in an amount of 10%, but no more than 24 months.

Agrocredit for turnover assets, in case of fixed interest rate for specialized and seasonal projects

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,000 GEL - 150,000 GEL</td>
<td>No more than 16 %</td>
</tr>
<tr>
<td>150,001 GEL - 600,000 GEL</td>
<td>No more than 15 %</td>
</tr>
<tr>
<td>600,001 GEL - 1,500,000 GEL</td>
<td>No more than 14 %</td>
</tr>
<tr>
<td>1,500,001 GEL - 5,000,000 GEL</td>
<td>No more than 13 %</td>
</tr>
<tr>
<td>5,000,001 GEL - 15,000,000 GEL</td>
<td>No more than 12 %</td>
</tr>
</tbody>
</table>

In case of the floating (variable) interest rate

<table>
<thead>
<tr>
<th>Loan Amount</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,000 GEL - 150,000 GEL</td>
<td>No more than refinancing rate + 8% established by the National Bank</td>
</tr>
<tr>
<td>150,001 GEL - 600,000 GEL</td>
<td>No more than refinancing rate + 7% established by the National Bank</td>
</tr>
<tr>
<td>600,001 GEL - 1,500,000 GEL</td>
<td>No more than refinancing rate + 6% established by the National Bank</td>
</tr>
<tr>
<td>1,500,001 GEL - 5,000,000 GEL</td>
<td>No more than refinancing rate + 5% established by the National Bank</td>
</tr>
<tr>
<td>5,000,001 GEL - 15,000,000 GEL</td>
<td>No more than refinancing rate +4 % established by the National Bank</td>
</tr>
</tbody>
</table>

The Agency co-finances the interest on the loans in an amount of 8%, from 12 to 36 months, depending on the purpose of the loan.
State program „Produce in Georgia“ – within the scope of agriculture

<table>
<thead>
<tr>
<th>Amount (Gel)</th>
<th>Interest Rate</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,500,000 - 3,000,000</td>
<td>No more than refinancing rate + 6% established by the National Bank</td>
<td></td>
</tr>
<tr>
<td>3,000,001 - 5,000,000</td>
<td>No more than refinancing rate +5% established by the National Bank</td>
<td></td>
</tr>
</tbody>
</table>

The Agency co-finances the interest rate in an amount of 10%.

Preferential Agroleasing

<table>
<thead>
<tr>
<th>Amount (Gel)</th>
<th>Interest Rate</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>20,000 - 1,500,000</td>
<td>No more than 21%</td>
<td></td>
</tr>
</tbody>
</table>

The Agency co-finances the leasing fee in an amount of 12%.

From the beginning of Preferential Agrocredit Project (March, 2013) through to 2018 in Georgia were issued:

For Turnover Assets:
- 11,839 loans in an amount of GEL 533,041,109 for the purpose of basic assets.
- 22,302 loans in an amount of GEL 1,297,984,352
- In 2013-2018, 34,064 loans in an amount of GEL 1,811,013,838 and 77 leasings in an amount of GEL 20,011,623 were issued at all.

In 2018, throughout Georgia were issued:

For turnover Assets:
- 8 loans in an amount of GEL 3,718,020 for the purpose of basic assets:
- 4,141 loans in an amount of GEL 268,553,937

In 2018, 4,109 loans in an amount of GEL 262,070,718 and 40 leasings in an amount of GEL 10,201,238 were issued in total.

LOANS ISSUED, CO-FINANCING AND BENEFICIARIES

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2013 March - 2018 December</th>
<th>From that: 2018 January - 2018 December</th>
</tr>
</thead>
<tbody>
<tr>
<td>The amount of credits issued by banks (Gel)</td>
<td>1,831,025,461</td>
<td>272,271,957</td>
</tr>
<tr>
<td>Agency co-financing volume (Gel)</td>
<td>244,445,796</td>
<td>59,938,250</td>
</tr>
<tr>
<td>The number of credits issued by banks</td>
<td>34,141</td>
<td>4,149</td>
</tr>
<tr>
<td>The number of unique beneficiaries</td>
<td>20,071</td>
<td>3,672</td>
</tr>
</tbody>
</table>

20,071 უნიკალური ბენეფიციარიდან გადასახადის გადამხდელად რეგისტრირებულია 13,465 ფიზიკური და იურიდიული მეწარმე პირი.
### Credits issued according to the years (2013-2018)

<table>
<thead>
<tr>
<th>Year</th>
<th>Preferential Agrocredit Issued by the Banks (Gel)</th>
<th>State Co-financing Volume on the Loan Interest (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>249,609,891</td>
<td>41,444,584</td>
</tr>
<tr>
<td>2014</td>
<td>481,066,433</td>
<td>29,308,928</td>
</tr>
<tr>
<td>2015</td>
<td>318,214,075</td>
<td>53,034,169</td>
</tr>
<tr>
<td>2016</td>
<td>199,977,030</td>
<td>49,129,574</td>
</tr>
<tr>
<td>2017</td>
<td>309,886,075</td>
<td>48,890,292</td>
</tr>
<tr>
<td>2018</td>
<td>272,271,956</td>
<td>59,938,250</td>
</tr>
<tr>
<td>Total</td>
<td>1,831,025,461</td>
<td>244,445,796</td>
</tr>
</tbody>
</table>

### Issued credits for turnover and basic assets according to the years (2013-18)

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Loan Amount (Gel)</th>
<th>The Number of Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Turnover Assets</td>
<td>533,041,109</td>
<td>11,839</td>
</tr>
<tr>
<td>For Basic Assets</td>
<td>1,297,984,352</td>
<td>22,302</td>
</tr>
<tr>
<td>Total</td>
<td>1,831,025,461</td>
<td>34,141</td>
</tr>
</tbody>
</table>

### Credits issued for turnover and basic assets according to the years (2018)

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Loan Amount (Gel)</th>
<th>The Number of Loans</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Turnover Assets</td>
<td>3,718,020</td>
<td>8</td>
</tr>
<tr>
<td>For Basic Assets</td>
<td>268,553,937</td>
<td>4,141</td>
</tr>
<tr>
<td>Total</td>
<td>272,271,956</td>
<td>4,149</td>
</tr>
</tbody>
</table>

### ISSUED CREDITS ACCORDING TO THE SECTORS

### Statistical and financial data according to the sectors (2013-2018)

<table>
<thead>
<tr>
<th>Sector</th>
<th>The Number of Credits issued by the Banks</th>
<th>The Volume of Credits issued by the Banks (Gel)</th>
<th>Share in Total Credit (%)</th>
<th>State Co-financing Volume on the Loan Interest (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase of grapes</td>
<td>348</td>
<td>313,847,932</td>
<td>17.1</td>
<td>23,540,919</td>
</tr>
<tr>
<td>Animal husbandry</td>
<td>11,592</td>
<td>290,340,809</td>
<td>15.9</td>
<td>38,035,522</td>
</tr>
<tr>
<td>Wine production</td>
<td>365</td>
<td>128,339,533</td>
<td>7.0</td>
<td>27,466,391</td>
</tr>
<tr>
<td>Viticulture</td>
<td>2,320</td>
<td>110,751,329</td>
<td>6.0</td>
<td>13,047,129</td>
</tr>
<tr>
<td>Gardening</td>
<td>1,240</td>
<td>94,719,841</td>
<td>5.2</td>
<td>13,945,528</td>
</tr>
<tr>
<td>Sheep husbandry</td>
<td>3,479</td>
<td>93,816,623</td>
<td>5.1</td>
<td>12,755,079</td>
</tr>
<tr>
<td>Greenhouse farming</td>
<td>1,486</td>
<td>80,526,097</td>
<td>4.4</td>
<td>12,142,526</td>
</tr>
<tr>
<td>Poultry</td>
<td>708</td>
<td>62,557,093</td>
<td>3.4</td>
<td>11,271,567</td>
</tr>
<tr>
<td>Mixed</td>
<td>731</td>
<td>52,509,737</td>
<td>2.9</td>
<td>6,838,183</td>
</tr>
<tr>
<td>Other sectors</td>
<td>11,872</td>
<td>603,618,468</td>
<td>33.0</td>
<td>85,402,951</td>
</tr>
<tr>
<td>Total</td>
<td>34,141</td>
<td>1,831,025,461</td>
<td></td>
<td>244,445,796</td>
</tr>
</tbody>
</table>
Statistical and financial data according to the sectors (2018)

<table>
<thead>
<tr>
<th>Sector</th>
<th>The number of credits issued by the banks</th>
<th>The volume of credits issued by the banks (Gel)</th>
<th>Share in total credit (%)</th>
<th>State co-financing volume of on the loan interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Viticulture</td>
<td>717</td>
<td>40,402,838</td>
<td>14.8</td>
<td>4,162,143</td>
</tr>
<tr>
<td>Animal husbandry</td>
<td>536</td>
<td>30,219,954</td>
<td>11.1</td>
<td>5,657,009</td>
</tr>
<tr>
<td>Wine production</td>
<td>134</td>
<td>26,923,292</td>
<td>9.9</td>
<td>7,549,325</td>
</tr>
<tr>
<td>Gardening</td>
<td>274</td>
<td>26,133,831</td>
<td>9.6</td>
<td>5,868,279</td>
</tr>
<tr>
<td>Beekeeping</td>
<td>595</td>
<td>17,941,847</td>
<td>6.6</td>
<td>1,878,957</td>
</tr>
<tr>
<td>Mixed</td>
<td>383</td>
<td>13,106,502</td>
<td>4.8</td>
<td>356,089</td>
</tr>
<tr>
<td>Machinery</td>
<td>71</td>
<td>12,508,676</td>
<td>4.6</td>
<td>1,735,574</td>
</tr>
<tr>
<td>Preserving refrigerators</td>
<td>124</td>
<td>9,876,210</td>
<td>3.6</td>
<td>2,797,159</td>
</tr>
<tr>
<td>Poultry</td>
<td>253</td>
<td>13,619,164</td>
<td>5.0</td>
<td>3,143,835</td>
</tr>
<tr>
<td>Other sectors</td>
<td>1,062</td>
<td>81,539,644</td>
<td>299</td>
<td>26,789,881</td>
</tr>
<tr>
<td>Total</td>
<td>4,149</td>
<td>272,271,956</td>
<td></td>
<td>59,938,250</td>
</tr>
</tbody>
</table>

**CREDITS ISSUED BY COMMERCIAL BANKS TO RESIDENT LEGAL AND PHYSICAL PERSONS**

<table>
<thead>
<tr>
<th>Date</th>
<th>Total Credit Portfolio (Thousand Gel)</th>
<th>From that: Credit Portfolio in Agriculture, Forestry and Fishery Sectors (Thousand Gel)</th>
<th>Share in Entire Credit Portfolio (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/01/2011</td>
<td>5,946,310</td>
<td>47,219</td>
<td>0.79</td>
</tr>
<tr>
<td>01/01/2012</td>
<td>7,449,543</td>
<td>59,868</td>
<td>0.80</td>
</tr>
<tr>
<td>01/01/2013</td>
<td>8,372,207</td>
<td>59,206</td>
<td>0.71</td>
</tr>
<tr>
<td>01/04/2013 *</td>
<td>8,401,257</td>
<td>56,251</td>
<td>0.67</td>
</tr>
<tr>
<td>01/01/2014</td>
<td>10,115,168</td>
<td>153,711</td>
<td>1.52</td>
</tr>
<tr>
<td>01/01/2015</td>
<td>12,478,505</td>
<td>281,454</td>
<td>2.26</td>
</tr>
<tr>
<td>01/01/2016</td>
<td>15,509,651</td>
<td>312,677</td>
<td>2.02</td>
</tr>
<tr>
<td>01/01/2017</td>
<td>18,512,300</td>
<td>377,293</td>
<td>2.04</td>
</tr>
<tr>
<td>01/01/2018</td>
<td>21,761,898</td>
<td>393,783</td>
<td>1.81</td>
</tr>
<tr>
<td>01/01/2019</td>
<td>25,902,382</td>
<td>406,154</td>
<td>1.57</td>
</tr>
</tbody>
</table>

Source: National Bank of Georgia

* The project „Preferential Agrocredit” started on March, 2013.

From April 2013 to January 1, 2019, the total credit portfolio was increased by 3.08 times (208%) and issued credit portfolio in agriculture, forestry and fisheries sectors by 7.22 times (622%).
TAXES PAID IN THE STATE BUDGET

In 2013-2017, 620,892,667 Gel is paid in the state budget by Beneficiaries (including individual entrepreneurs and legal persons) registered as taxpayers. The 2018 data will be known after submission of tax returns in the second quarter of 2019.

Taxes paid in the state budget by beneficiaries of the Preferential Agrocredit Project (only beneficiaries registered as taxpayers, as of 2010-2017)

<table>
<thead>
<tr>
<th>Year</th>
<th>The Taxes Paid in the State Budget by Enterprises (Gel)</th>
<th>The Growth of Taxes Paid in the State Budget Compared to 2012 (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>70,659,107</td>
<td>-</td>
</tr>
<tr>
<td>2011</td>
<td>94,944,612</td>
<td>-</td>
</tr>
<tr>
<td>2012</td>
<td>97,420,387</td>
<td>-</td>
</tr>
<tr>
<td>2013</td>
<td>111,187,102</td>
<td>13,766,715</td>
</tr>
<tr>
<td>2014</td>
<td>122,752,675</td>
<td>25,332,088</td>
</tr>
<tr>
<td>2015</td>
<td>129,262,629</td>
<td>31,842,242</td>
</tr>
<tr>
<td>2016</td>
<td>124,389,173</td>
<td>26,968,786</td>
</tr>
<tr>
<td>2017</td>
<td>133,301,287</td>
<td>35,880,900</td>
</tr>
<tr>
<td>2018</td>
<td>145,564,959</td>
<td>48,144,572</td>
</tr>
<tr>
<td>Total</td>
<td>181,935,303</td>
<td></td>
</tr>
</tbody>
</table>

Source: Ministry of Finance of Georgia

In 2013-2017, approx. 26.8 million Gel more is paid (in total - 134 million GEL more) in the budget in comparison to 2012 annually.

Total revenues of beneficiary enterprises

Total income of beneficiaries registered as a taxpayer is 2.20 times more in 2017 than the gross income of agricultural enterprises in 2012 (120% growth). The 2018 data will be known in the second quarter of 2019.

Total revenues of beneficiaries according to the years (beneficiaries registered as taxpayers)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Revenue (Gel)</th>
<th>Growth Compared to Previous Year (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>648,191,735</td>
<td>-</td>
</tr>
<tr>
<td>2011</td>
<td>804,402,849</td>
<td>156,211,114</td>
</tr>
<tr>
<td>2012</td>
<td>904,221,995</td>
<td>99,819,146</td>
</tr>
<tr>
<td>2013</td>
<td>1,273,194,509</td>
<td>368,972,514</td>
</tr>
<tr>
<td>2014</td>
<td>1,462,228,560</td>
<td>189,034,051</td>
</tr>
<tr>
<td>2015</td>
<td>1,447,827,153</td>
<td>5,598,593</td>
</tr>
<tr>
<td>2016</td>
<td>1,727,086,215</td>
<td>259,259,062</td>
</tr>
<tr>
<td>2017</td>
<td>1,988,946,070</td>
<td>261,859,855</td>
</tr>
<tr>
<td>2018</td>
<td>2,132,016,008</td>
<td>143,069,938</td>
</tr>
</tbody>
</table>

Source: Ministry of Finance of Georgia
WORKING PLACES

As from the start of “Preferential Agrocredit” Project. Approximately 9,000 new jobs were created from 2013 to August, 2018 (12 months data of 2018 will be known in the second quarter of 2019)

The number of employees is actually higher, as the data is obtained only according to the indicators of registered beneficiaries as taxpayers.

The number of employees according to the years (only registered beneficiaries as a taxpayer (as individual entrepreneurs and legal persons)

<table>
<thead>
<tr>
<th>Year</th>
<th>Working Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>9,171</td>
</tr>
<tr>
<td>2013</td>
<td>15,365</td>
</tr>
<tr>
<td>2014</td>
<td>16,348</td>
</tr>
<tr>
<td>2015</td>
<td>14,745</td>
</tr>
<tr>
<td>2016</td>
<td>17,598</td>
</tr>
<tr>
<td>2017</td>
<td>18,603</td>
</tr>
<tr>
<td>2018 (August)</td>
<td>21,698</td>
</tr>
</tbody>
</table>

Source: Ministry of Finance of Georgia
THE GOAL OF THE PROJECT:

Within the framework of the project, creation of new agricultural products processing and preserving enterprises are funded.

In order to participate in this co-funding project, the cost of beneficiary’s project must be no less than GEL 250,000. Within the scope of the project, the beneficiary receives co-funding in an amount of 40% of the total project value (but no more than GEL 600,000). The beneficiary is able to benefit from preferential agro-credit, amount of which shall be equal to 50% of the project’s value (but no more than GEL 1,500,000). Beneficiary’s share in the company’s equity must be no less than 10% in the form of monetary contribution. In the municipalities with low economic activities, maximum amount of the grant accounts 60% (but no more than GEL 600,000).

THE COMPONENT OF PROCESSING ENTERPRISES (HAS BEEN IMPLEMENTED SINCE 2014)

Below are given existing and predicting results of 45 beneficiary enterprises of the project. According to the results of December 2018, 34 enterprises are already in the process. 45 enterprises will be loaded to full capacity by 2020. The growth of production is not taken into consideration in the indicators and planned average forecasting amount of the realization is given. The source of the actual data is the operational information available at the Agricultural Projects Management Agency and as concerns the forecasting data, it is obtained from the business plans approved on the grant competition of the project:
### INDUSTRIES, ENTERPRISES, INVESTMENTS AND STATE CO-FINANCING

**Statistical and financial data according to the financed industry sectors (2014-2018)**

<table>
<thead>
<tr>
<th>Sector</th>
<th>The Number of Enterprises</th>
<th>The total Investment (Gel) *</th>
<th>The State Co-funding, Grant (Gel)</th>
<th>The state Co-funding (Grant) Share in Total Investment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruit processing</td>
<td>17</td>
<td>32,157,346</td>
<td>9,285,561</td>
<td>28.9</td>
</tr>
<tr>
<td>Hazelnut processing</td>
<td>8</td>
<td>12,791,837</td>
<td>3,986,088</td>
<td>31.2</td>
</tr>
<tr>
<td>Milk processing</td>
<td>7</td>
<td>6,234,600</td>
<td>2,692,075</td>
<td>42.2</td>
</tr>
<tr>
<td>Meat and fish processing</td>
<td>4</td>
<td>4,532,840</td>
<td>1,747,866</td>
<td>38.6</td>
</tr>
<tr>
<td>Bay leaf processing</td>
<td>2</td>
<td>2,434,795</td>
<td>945,351</td>
<td>38.8</td>
</tr>
<tr>
<td>Wine production</td>
<td>2</td>
<td>3,173,649</td>
<td>1,381,864</td>
<td>43.5</td>
</tr>
<tr>
<td>Tea and spice production</td>
<td>2</td>
<td>2,000,688</td>
<td>741,480</td>
<td>37.1</td>
</tr>
<tr>
<td>Combined food production</td>
<td>1</td>
<td>1,750,000</td>
<td>611,810</td>
<td>35.0</td>
</tr>
<tr>
<td>Grain crops Processing</td>
<td>1</td>
<td>2,500,000</td>
<td>948,484</td>
<td>37.9</td>
</tr>
<tr>
<td>Mushroom briquette/mushroom production</td>
<td>1</td>
<td>2,863,885</td>
<td>598,255</td>
<td>20.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45</strong></td>
<td><strong>70,439,440</strong></td>
<td><strong>22,938,834</strong></td>
<td><strong>32.6</strong></td>
</tr>
</tbody>
</table>

**Statistical and financial data according to the financed industry sectors (2018)**

<table>
<thead>
<tr>
<th>Sector</th>
<th>The Number of Enterprises</th>
<th>The total Investment (Gel) *</th>
<th>The State Co-funding, Grant (Gel)</th>
<th>State Co-funding (Grant) Share in Total Investment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruit processing</td>
<td>2</td>
<td>2,585,050</td>
<td>950,800</td>
<td>36.8</td>
</tr>
<tr>
<td>Bay leaf processing</td>
<td>1</td>
<td>941,090</td>
<td>376,436</td>
<td>40.0</td>
</tr>
<tr>
<td>Milk processing</td>
<td>1</td>
<td>568,500</td>
<td>219,400</td>
<td>40.0</td>
</tr>
<tr>
<td>Wine production</td>
<td>1</td>
<td>1,562,524</td>
<td>600,000</td>
<td>38.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5</strong></td>
<td><strong>5,637,164</strong></td>
<td><strong>2,146,636</strong></td>
<td><strong>38.1</strong></td>
</tr>
</tbody>
</table>

* Before liberalization program, project calculations were conducted in US dollars; in above mentioned data, the amount of the project’s total investments is converted to the national currency at exchange rate $/Gel = 2.5

Apart from the grant, the state (within the scope of the Preferential Agrocredit Project) finances the credit interest rate for processing enterprises. In this part, the forecasting amount of co-funding for the beneficiary enterprises of the project is 12,635,106 GEL (the amount may be affected by the loan repayment before maturity, in full or partially, the exchange rate changes and amendment to the terms of issuing credit tranches for those enterprises, that are not fully utilize preferential agro-credit).
### RAW MATERIALS, PRODUCT OUTPUT AND REALIZATION

Existing and forecasting data for purchase of raw material and production realization according to the funded industry sectors (2014-2018)

<table>
<thead>
<tr>
<th>Sector</th>
<th>The Number of Enterprises</th>
<th>Total Investment (Gel) *</th>
<th>State Co-funding, Grant (Gel)</th>
<th>State Co-funding Share in Total Investment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruit</td>
<td>17</td>
<td>4,929,800</td>
<td>7,043,466</td>
<td>13,432,797</td>
</tr>
<tr>
<td>Hazelnut</td>
<td>8</td>
<td>61,721,963</td>
<td>66,624,855</td>
<td>71,150,458</td>
</tr>
<tr>
<td>Milk</td>
<td>7</td>
<td>1,905,410</td>
<td>2,298,404</td>
<td>3,495,913</td>
</tr>
<tr>
<td>Combined food, oil, mashroom</td>
<td>3</td>
<td>3,588,057</td>
<td>3,732,180</td>
<td>4,701,505</td>
</tr>
<tr>
<td>Meat</td>
<td>3</td>
<td>1,255,645</td>
<td>1,822,659</td>
<td>2,586,680</td>
</tr>
<tr>
<td>Bay leaf</td>
<td>2</td>
<td>528,637</td>
<td>914,220</td>
<td>1,453,780</td>
</tr>
<tr>
<td>Tea and spice</td>
<td>2</td>
<td>123,515</td>
<td>399,660</td>
<td>755,335</td>
</tr>
<tr>
<td>Wine</td>
<td>2</td>
<td>115,206</td>
<td>438,505</td>
<td>719,098</td>
</tr>
<tr>
<td>Fish</td>
<td>1</td>
<td>1,034,504</td>
<td>1,084,703</td>
<td>1,526,667</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45</strong></td>
<td><strong>75,202,737</strong></td>
<td><strong>84,358,451</strong></td>
<td><strong>99,822,233</strong></td>
</tr>
</tbody>
</table>

### WORKING PLACES

Co-funding project for processing enterprises – Working places (already created + forecasting) (2014-2018)

<table>
<thead>
<tr>
<th>Sector</th>
<th>The number of Enterprises</th>
<th>Total Investment (Gel) *</th>
<th>State Co-funding Grant (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruit</td>
<td>17</td>
<td>401</td>
<td>24</td>
</tr>
<tr>
<td>Hazelnut</td>
<td>8</td>
<td>752</td>
<td>94</td>
</tr>
<tr>
<td>Milk</td>
<td>7</td>
<td>94</td>
<td>13</td>
</tr>
<tr>
<td>Combined food, oil, mashroom</td>
<td>3</td>
<td>122</td>
<td>41</td>
</tr>
<tr>
<td>Meat</td>
<td>3</td>
<td>53</td>
<td>18</td>
</tr>
<tr>
<td>Bay leaf</td>
<td>2</td>
<td>50</td>
<td>25</td>
</tr>
<tr>
<td>Tea and spice</td>
<td>2</td>
<td>32</td>
<td>16</td>
</tr>
<tr>
<td>Wine</td>
<td>2</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td>Fish</td>
<td>1</td>
<td>13</td>
<td>13</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>45</strong></td>
<td><strong>1,535</strong></td>
<td><strong>34</strong></td>
</tr>
</tbody>
</table>

*In terms of the state co-funding (grant), up to GEL 5,000 is spent on the creation of one working place. The results obtained by the state grant.*
RESULTS OBTAINED BY THE STATE GRANT

Investments

<table>
<thead>
<tr>
<th>Created investments</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total investment (Gel)</td>
<td>70,439,440</td>
</tr>
<tr>
<td>State co-funding as a grant (Gel)</td>
<td>22,938,834</td>
</tr>
<tr>
<td>Attracted investments (Gel)</td>
<td>47,500,606</td>
</tr>
<tr>
<td><strong>Investment attracted by 1 Gel grant (Gel)</strong></td>
<td><strong>2.07</strong></td>
</tr>
</tbody>
</table>

70,439,440 Gel has been invested or is in the process of investing in 45 enterprises since 2014 (grant, loan, entrepreneur’s investment). The share of state grants (22,938,834 GEL) amounted to 32.6% in the investments. One Gel invested by the state attracted 2.07 Gel investment (agrocredit and entrepreneur’s investment).

Employment

<table>
<thead>
<tr>
<th>Created jobs</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of employees (including seasonal employment)</td>
<td>1,535</td>
</tr>
<tr>
<td>Average salary for 1 employee including income tax (Gel/Month)</td>
<td>375</td>
</tr>
<tr>
<td>Total salary of employees including income tax (Gel/Year)</td>
<td>6,898,486</td>
</tr>
<tr>
<td>Total income tax (Gel/Year)</td>
<td>1,379,697</td>
</tr>
<tr>
<td><strong>Salary created in an amount of 1 Gel grant (Gel/Year)</strong></td>
<td><strong>0.24</strong></td>
</tr>
</tbody>
</table>

45 enterprises will employ 1,535 people (approximately 34 employed in 1 enterprise) including seasonal employment. Annual remuneration for employees amounts 6,898,486 Gel (375 Gel (including income tax) for one employee per month). One GEL invested by the state creates an annual salary in an amount of 0.30 GEL (out of which 0.06 GEL as an income tax will be paid in the state budget annually).

Raw material

<table>
<thead>
<tr>
<th>Raw materials base</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>The cost of the raw material to be purchased (Gel)</td>
<td>75,202,737</td>
</tr>
<tr>
<td><strong>Procurement of raw material created by one Gel grant (Gel/year)</strong></td>
<td><strong>3.28</strong></td>
</tr>
</tbody>
</table>

45 enterprises will purchase 75,202,737 Gel worth local raw materials annually - one GEL invested by the state will bring for local hundreds small and medium-sized farmers an annual income in an amount of 3.28 GEL.

Revenues and products

<table>
<thead>
<tr>
<th>Revenues and created agricultural products</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mass of agricultural products to be produced (kg./year)</td>
<td>16,139,140</td>
</tr>
<tr>
<td>Income to be received from realization of agricultural products (Gel)</td>
<td>99,822,233</td>
</tr>
<tr>
<td>Prime cost of selling agricultural products (Gel)</td>
<td>84,358,451</td>
</tr>
<tr>
<td>Created added value (Gel)</td>
<td>15,463,782</td>
</tr>
<tr>
<td><strong>Selling cost of the product created with 1 Gel grant (Gel/Year)</strong></td>
<td><strong>4.35</strong></td>
</tr>
<tr>
<td><strong>Added value created with 1 Gel grant (Gel/Year)</strong></td>
<td><strong>0.67</strong></td>
</tr>
</tbody>
</table>

45 enterprises will additionally create 16,000 tons of agricultural products worth to GEL 100 million selling price in the country. (1 GEL grant annually creates 0.70 kg of agricultural products) One Gel invested by the state as a grant will generate an additional annual Gel 0.67 added value.
TAXES IN THE STATE BUDGET

This figure will be calculated from actual payments (according to the information provided by the Revenue Service). Forecasting amount/size may be affected by the renewed profit tax system in 2017, VAT exemptions for exports and certain sectors, tax exemptions for enterprises in high mountain regions, the use of accumulated VAT surplus rule in the investment or / and the excess return.

Pursuant to various assumptions, after full implementation of 45 processing enterprises, as property and profit taxes, approximately GEL 1,930,000 will be paid in the state budget annually. In addition, the annual paid income tax approx. in an amount of 1,400,000 GEL. In total, the state budget in terms of property, profit and income taxes will annually receive Gel 3.3 million by beneficiary processing enterprises of the project. (1 Gel issued as a state grant generates annual tax of 0.14 GEL).

COMPONENT OF PRESERVING ENTERPRISES (HAS BEEN CARRIED OUT SINCE 2016, SECTORS, ENTERPRISES, INVESTMENTS AND STATE CO-FUNDING)

Statistical and financial data according to the funded industry sectors (2016-2018)

<table>
<thead>
<tr>
<th>Type of preserving enterprise</th>
<th>The Number of Enterprises</th>
<th>Total Investment (Gel)</th>
<th>State Co-funding (Gel)</th>
<th>State Co-funding Share in Total Investment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruit and vegetable preserving</td>
<td>13</td>
<td>19,035,351</td>
<td>7,572,031</td>
<td>40</td>
</tr>
<tr>
<td>Hazelnut preserving</td>
<td>1</td>
<td>862,440</td>
<td>344,976</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>19,897,791</td>
<td>7,917,007</td>
<td>40</td>
</tr>
</tbody>
</table>

One Gel invested as a state grant in the preserving enterprises co-funding project attracted 1.51 Gel investment.

Statistical and financial data according to the funded industry sectors (2018)

<table>
<thead>
<tr>
<th>Sector</th>
<th>The Number of Enterprises</th>
<th>Total Investment (Gel)</th>
<th>State Co-funding (Gel)</th>
<th>State Co-funding Share in Total Investment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruit and vegetable preserving</td>
<td>7</td>
<td>10,506,836</td>
<td>4,124,772</td>
<td>39</td>
</tr>
<tr>
<td>Hazelnut preserving</td>
<td>1</td>
<td>862,440</td>
<td>344,976</td>
<td>40</td>
</tr>
<tr>
<td>Total</td>
<td>8</td>
<td>11,369,276</td>
<td>4,469,748</td>
<td>39</td>
</tr>
</tbody>
</table>

CAPACITY OF PRESERVING ENTERPRISES

Co-funding project for preserving enterprises - capacity of funded enterprises according to the sectors (2016-2018)

<table>
<thead>
<tr>
<th>Type of preserving enterprise</th>
<th>Quantity</th>
<th>Total Capacity (Ton)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fruits preserving</td>
<td>6</td>
<td>4,000</td>
</tr>
<tr>
<td>Fruits and vegetables preserving</td>
<td>5</td>
<td>3,800</td>
</tr>
<tr>
<td>Vegetables preserving</td>
<td>2</td>
<td>2,600</td>
</tr>
<tr>
<td>Nuciferous crops preserving</td>
<td>1</td>
<td>1,000</td>
</tr>
<tr>
<td>Total</td>
<td>14</td>
<td>11,400</td>
</tr>
</tbody>
</table>
ENTERPRISES ACCORDING TO THE REGIONS AND SECTORS

**Funded enterprises according to the regions and sectors (2016-2018)**

<table>
<thead>
<tr>
<th>Region</th>
<th>Sector</th>
<th>The Number of Processing Enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shida Kartli</td>
<td>Preservation of fruits and fruits-vegetables</td>
<td>6</td>
</tr>
<tr>
<td>Kakheti</td>
<td>Preservation of fruits-vegetables</td>
<td>3</td>
</tr>
<tr>
<td>Mtskheta-Mtianeti</td>
<td>Fruits preservation</td>
<td>2</td>
</tr>
<tr>
<td>Kvemo Kartli</td>
<td>Vegetables preservation</td>
<td>2</td>
</tr>
<tr>
<td>Samegrelo</td>
<td>Hazelnut preservation</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>14</strong></td>
</tr>
</tbody>
</table>

**Funded enterprises according to the regions and sectors (2018)**

<table>
<thead>
<tr>
<th>Region</th>
<th>Sector</th>
<th>The Number of Preserving Enterprises</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shida Kartli</td>
<td>Preservation of fruits and fruits-vegetables</td>
<td>5</td>
</tr>
<tr>
<td>Kakheti</td>
<td>Preservation of fruits-vegetables</td>
<td>2</td>
</tr>
<tr>
<td>Samegrelo</td>
<td>Hazelnut preservation</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>8</strong></td>
</tr>
</tbody>
</table>

In addition to the grant, the state (within the frames of Preferential Agrocredit Project) funds the loan interest for preserving enterprises. In this part, the forecasting amount/size for project’s beneficiary enterprises co-funding amounts 2,968,268 GEL (the amount may be affected by the loan repayment before maturity, in full or partially, the exchange rate changes and amendment to the terms of issuing credit tranches for those enterprises, that are not fully utilize preferential agro-credit).
The program is implemented within the framework of the “Agricultural Modernization, Market and Resilience” (AMMAR) Project. The program is funded by the International Foundation for Agricultural Development (IFAD) and the Global Environmental Protection Fund (GEF). The Project started in 2016 and is implemented by the Agricultural Project Management Agency.

**PRIMARY PRODUCTION COMPONENT**

**Project Beneficiaries:** Farmers and commercial legal entities, who want to upgrade existing orchards or cultivate new orchards, arrange / renovate greenhouse farms, buy agricultural equipment and machinery, purchase necessary freeze and hail protection systems, arrange infrastructure for primary storage of crops.

**The basic conditions of the project:** the beneficiary receives state co-financing in an amount of 40% of the total value of the project, beneficiary's participation amounts 60%. The maximum amount of state co-financing for agricultural cooperatives is US 150,000 dollars to Georgian Lari, for others US 15,000 dollars to Georgian Lari.

**PROCESSING AND PRESERVING ENTERPRISES’ COMPONENT**

**Beneficiaries of the project:** commercial legal entities who want to modernize existing processing/preserving enterprises or to create new processing / preserving enterprises.

**The basic conditions of the project:** beneficiary receives the state co-financing in an amount of 40% of the total value of the project, beneficiary's participation is 60%. Maximum amount of state's co-financing is US 100,000 dollars in GEL.
## SECTORS, ENTERPRISES, INVESTMENTS AND STATE CO-FUNDING

### Agricultural Production Support Program – The number of projects and investments according to the components (2016-2018)

<table>
<thead>
<tr>
<th>Component</th>
<th>The Number of Projects</th>
<th>Size of Investment (Gel)</th>
<th>State Co-Funding Size (Gel)</th>
<th>State Co-Funding Share in Total Investment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary production</td>
<td>434</td>
<td>17,778,520</td>
<td>7,027,536</td>
<td>39.5</td>
</tr>
<tr>
<td>Processing/Preserving</td>
<td>7</td>
<td>3,635,640</td>
<td>1,434,270</td>
<td>39.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>441</strong></td>
<td><strong>21,414,161</strong></td>
<td><strong>8,461,806</strong></td>
<td><strong>39.5</strong></td>
</tr>
</tbody>
</table>

The grant invested by the state in an amount of 1 Gel attracted 1.53 GEL investment within the framework of the Agricultural Production Support Program.

### Agricultural Production Support Program – The number of projects and investments according to the components (2018)

<table>
<thead>
<tr>
<th>Component</th>
<th>The Number of Projects</th>
<th>Size of Investment (Gel)</th>
<th>State Co-Funding Size (Gel)</th>
<th>State Co-Funding Share in Total Investment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary production</td>
<td>319</td>
<td>13,581,328</td>
<td>5,364,004</td>
<td>39.5</td>
</tr>
<tr>
<td>Processing/Preserving</td>
<td>2</td>
<td>1,086,163</td>
<td>434,465</td>
<td>40.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>321</strong></td>
<td><strong>14,667,491</strong></td>
<td><strong>5,798,469</strong></td>
<td><strong>39.5</strong></td>
</tr>
</tbody>
</table>

### PURPOSE, PROJECTS, INVESTMENTS

### Agricultural Production Support Program – The number of projects and investments according to the goals (2016-2018)

<table>
<thead>
<tr>
<th>The Purpose of Financing</th>
<th>The Number of Projects</th>
<th>Size of Investment (Gel)</th>
<th>State Co-Funding Size (Gel)</th>
<th>State Co-Funding Size (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural equipment</td>
<td>272</td>
<td>10,324,016</td>
<td>4,095,504</td>
<td>4,095,504</td>
</tr>
<tr>
<td>Arrangement /rearming of greenhouse</td>
<td>56</td>
<td>5,479,024</td>
<td>2,177,263</td>
<td>2,177,263</td>
</tr>
<tr>
<td>Beekeeping inventory</td>
<td>43</td>
<td>2,188,271</td>
<td>873,812</td>
<td>873,812</td>
</tr>
<tr>
<td>Purchase / repairing of equipment</td>
<td>5</td>
<td>1,463,863</td>
<td>574,505</td>
<td>574,505</td>
</tr>
<tr>
<td>Arrangement of preserving farm</td>
<td>1</td>
<td>650,741</td>
<td>260,296</td>
<td>260,296</td>
</tr>
<tr>
<td>Drip irrigation system</td>
<td>33</td>
<td>477,034</td>
<td>149,110</td>
<td>149,110</td>
</tr>
<tr>
<td>Primary storage of crops</td>
<td>8</td>
<td>316,983</td>
<td>126,472</td>
<td>126,472</td>
</tr>
<tr>
<td>Cultivation/rehabilitation of perennial crops (orchards)/</td>
<td>17</td>
<td>265,167</td>
<td>106,174</td>
<td>106,174</td>
</tr>
<tr>
<td>Hail protection nets</td>
<td>4</td>
<td>209,212</td>
<td>82,729</td>
<td>82,729</td>
</tr>
<tr>
<td>Certification (Global GAP)</td>
<td>1</td>
<td>26,000</td>
<td>10,400</td>
<td>10,400</td>
</tr>
<tr>
<td>Technology adapted to climate change</td>
<td>1</td>
<td>13,850</td>
<td>5,540</td>
<td>5,540</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>441</strong></td>
<td><strong>21,414,161</strong></td>
<td><strong>8,461,806</strong></td>
<td><strong>8,461,806</strong></td>
</tr>
</tbody>
</table>
Agricultural Production Support Program – The number of projects and investments according to the goals (2018)

<table>
<thead>
<tr>
<th>The Purpose of Financing</th>
<th>The Number of Projects</th>
<th>Size of Investment (Gel)</th>
<th>State Co-Funding</th>
<th>Size (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agricultural equipment</td>
<td>205</td>
<td>8,239,115</td>
<td>3,263,908</td>
<td></td>
</tr>
<tr>
<td>Arrangement / rearming of greenhouse</td>
<td>36</td>
<td>2,990,971</td>
<td>1,196,388</td>
<td></td>
</tr>
<tr>
<td>Beekeeping Inventory</td>
<td>33</td>
<td>1,539,836</td>
<td>615,934</td>
<td></td>
</tr>
<tr>
<td>Purchase / repairing of equipment</td>
<td>1</td>
<td>650,741</td>
<td>260,296</td>
<td></td>
</tr>
<tr>
<td>Arrangement of preserving farm</td>
<td>1</td>
<td>435,422</td>
<td>174,169</td>
<td></td>
</tr>
<tr>
<td>Drip irrigation system</td>
<td>25</td>
<td>335,942</td>
<td>97,908</td>
<td></td>
</tr>
<tr>
<td>Primary storage of crops</td>
<td>5</td>
<td>190,072</td>
<td>75,708</td>
<td></td>
</tr>
<tr>
<td>Cultivation/rehabilitation of perennial crops (orchards)</td>
<td>10</td>
<td>128,451</td>
<td>51,380</td>
<td></td>
</tr>
<tr>
<td>Hail protection nets</td>
<td>3</td>
<td>117,091</td>
<td>46,836</td>
<td></td>
</tr>
<tr>
<td>Certification (Global GAP)</td>
<td>1</td>
<td>26,000</td>
<td>10,400</td>
<td></td>
</tr>
<tr>
<td>Technology adapted to climate change</td>
<td>1</td>
<td>13,850</td>
<td>5,540</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>321</strong></td>
<td><strong>14,667,491</strong></td>
<td><strong>5,798,469</strong></td>
<td></td>
</tr>
</tbody>
</table>

FORECASTING RESULTS WITHIN THE COMPONENT OF PRIMARY PRODUCTION:
- 2.05 million Gel worth products are produced from the greenhouses annually
- 2.9 mln. Gel worth honey is produced annually
- Refrigeration farms will receive annual revenue of 79,250 GEL
- Farmers will save 2.6 mln. Gel for agricultural equipment hiring annually

FORECASTING RESULTS WITHIN THE PRESERVING AND PROCESSING ENTERPRISES’S COMPONENT:
- 287 people are employed (4,997 Gel 1 working place)
- 1.03 mln. Gel is paid annually in salaries
- 3.2 mln. Gel worth products will be created
GOAL OF THE PROJECT:

Within the frame of the project, with the help of the state co-funding, the farmers are able to plant the perennial fruit orchards and create nursery farms. The project implementation started in March, 2015 and the main purpose of it is the efficient use of Georgia’s agricultural lands through planting perennial crops. As a result, imported products will be replaced by Georgian output, export will increase, provision of processing enterprises with raw materials will get easy and economic and social conditions of rural population will be improved.

The Project “Plant the Future” consists of two components: Co-funding component for perennial orchards and nursery farms.

WITHIN THE COMPONENT OF PERENNIAL CROPS (ORCHARDS) IS FUNDED:

70% of seedlings’ cost (maximum amount of co-financing is established for each seadling) 50% of the cost for drip irrigation system (maximum amount of co-funding for 1 ha of land for the installation of drip irrigation system amounts GEL 2,500).

Beneficiaries have possibility to participate in the state project “Plant the Future” for several times, however, the total amount of co-funding must not exceed GEL 100,000, and the total area of cultivated orchards must not exceed 20 ha.

Within the component of perennial orchards, cultivation of fruit trees on minimum 1 ha of the land will be funded for per beneficiary.

Amount of co-funding must not exceed GEL 10,000 for 1 ha of the land. For blueberries, the maximum amount of funding for 1 ha of the land equals GEL 15,000.

Within the component of perennial orchards, for the first time will be funded 70% of the cost of seedlings to be purchased, and remaining sum will be used for the drip irrigation system.

The sub-component for berry crops stipulates: 100% of the cost for installation of drip irrigation system and purchase of seedlings and other necessary materials for cultivation of berry crops (blueberries, raspberries, blackberries) from 0.15 ha to 0.5 hectares of agricultural land.

Within the component of nurseries is funded: 50 % of the cost for the creation of nursery farms, but no more than 150 000 GEL.
## COMPONENT OF ORCHARDS

Crops, areas and investments

### Crops cultivated or in the process of cultivation and investment (2015-2018.)

<table>
<thead>
<tr>
<th>Crops</th>
<th>Area (ha)</th>
<th>Total Investment (Gel)</th>
<th>State Co-funding (Gel)</th>
<th>State Co-funding Share in total Investment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walnut</td>
<td>2,308</td>
<td>18,677,542</td>
<td>11,055,189</td>
<td>59</td>
</tr>
<tr>
<td>Almond</td>
<td>893</td>
<td>6,121,690</td>
<td>3,266,610</td>
<td>53</td>
</tr>
<tr>
<td>Apple</td>
<td>868</td>
<td>13,697,185</td>
<td>7,022,947</td>
<td>51</td>
</tr>
<tr>
<td>Hazelnut</td>
<td>611</td>
<td>2,266,307</td>
<td>1,184,730</td>
<td>52</td>
</tr>
<tr>
<td>Blueberry</td>
<td>286</td>
<td>7,145,078</td>
<td>4,027,380</td>
<td>56</td>
</tr>
<tr>
<td>Plum</td>
<td>248</td>
<td>2,199,895</td>
<td>1,161,506</td>
<td>53</td>
</tr>
<tr>
<td>Olive</td>
<td>232</td>
<td>1,826,064</td>
<td>1,145,982</td>
<td>63</td>
</tr>
<tr>
<td>Raspberries</td>
<td>145</td>
<td>2,305,042</td>
<td>1,315,692</td>
<td>57</td>
</tr>
<tr>
<td>Others</td>
<td>757</td>
<td>7,685,919</td>
<td>3,995,932</td>
<td>52</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,347</strong></td>
<td><strong>61,924,722</strong></td>
<td><strong>34,175,567</strong></td>
<td><strong>55</strong></td>
</tr>
</tbody>
</table>

The state grant in an amount of 1 Gel attracted 0.81 Gel investment. From 2015 to December 31, 2018, in total 993 orchards were cultivated or are in the process of cultivation on 6,347 ha of the land.

### Crops cultivated or in the process of cultivation and investment (2018)

<table>
<thead>
<tr>
<th>Crops</th>
<th>Area (ha)</th>
<th>Total Investment (Gel)</th>
<th>State Co-funding (Gel)</th>
<th>State Co-funding Share in total Investment (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walnut</td>
<td>613</td>
<td>5,167,370</td>
<td>3,111,928</td>
<td>60</td>
</tr>
<tr>
<td>Almond</td>
<td>466</td>
<td>3,378,017</td>
<td>1,767,815</td>
<td>52</td>
</tr>
<tr>
<td>Olive</td>
<td>232</td>
<td>1,826,064</td>
<td>1,145,982</td>
<td>63</td>
</tr>
<tr>
<td>Blueberry</td>
<td>170</td>
<td>4,222,894</td>
<td>2,379,748</td>
<td>56</td>
</tr>
<tr>
<td>Apple</td>
<td>104</td>
<td>2,194,703</td>
<td>915,393</td>
<td>42</td>
</tr>
<tr>
<td>Olive</td>
<td>69</td>
<td>541,277</td>
<td>339,354</td>
<td>63</td>
</tr>
<tr>
<td>Plum</td>
<td>64</td>
<td>725,233</td>
<td>340,664</td>
<td>47</td>
</tr>
<tr>
<td>Cherry plum</td>
<td>60</td>
<td>397,849</td>
<td>225,661</td>
<td>57</td>
</tr>
<tr>
<td>Others</td>
<td>276</td>
<td>3,328,117</td>
<td>1,696,692</td>
<td>51</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,053</strong></td>
<td><strong>21,781,525</strong></td>
<td><strong>11,923,235</strong></td>
<td><strong>55</strong></td>
</tr>
</tbody>
</table>
### REGIONS AND AREAS

**Areas cultivated and in the process of cultivation according to the regions (2015-2018)**

<table>
<thead>
<tr>
<th>Region</th>
<th>2015-2018 - Area (ha)</th>
<th>From that: 2018 - Area (ha)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kakheti</td>
<td>2,478</td>
<td>1,008</td>
</tr>
<tr>
<td>Shida Kartli</td>
<td>1,744</td>
<td>395</td>
</tr>
<tr>
<td>Kvemo Kartli</td>
<td>980</td>
<td>308</td>
</tr>
<tr>
<td>Samegrelo and Zemo Svaneti</td>
<td>487</td>
<td>130</td>
</tr>
<tr>
<td>Imereti</td>
<td>325</td>
<td>117</td>
</tr>
<tr>
<td>Guria</td>
<td>155</td>
<td>25</td>
</tr>
<tr>
<td>Mtskheta-Mtianeti</td>
<td>107</td>
<td>40</td>
</tr>
<tr>
<td>Adjara</td>
<td>34</td>
<td>22</td>
</tr>
<tr>
<td>Samtskhe-Javakkheti</td>
<td>25</td>
<td>5</td>
</tr>
<tr>
<td>Racha-Lechkhui and Kvemo Svaneti</td>
<td>18</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6,351</strong></td>
<td><strong>2,053</strong></td>
</tr>
</tbody>
</table>

### HARVEST AND REVENUES

**Prediction of crop yields and farmers’ revenues according to years**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crops (Ton)</td>
<td>5,748</td>
<td>16,122</td>
<td>28,717</td>
<td>42,378</td>
<td>52,020</td>
<td>60,135</td>
<td>65,075</td>
</tr>
<tr>
<td>Revenues (mln. Gel)</td>
<td>6.9</td>
<td>20.2</td>
<td>41.4</td>
<td>68.6</td>
<td>91.0</td>
<td>113.5</td>
<td>126.9</td>
</tr>
</tbody>
</table>

The state grant in an amount of 1 Gel generates 1.90 kg. annual agricultural production and 3.71 Gel annual income for farmers.

**Project „Plant the Future“ – Prediction of crop yields according to years**

<table>
<thead>
<tr>
<th>Crops / Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prunus</td>
<td>327</td>
<td>960</td>
<td>2,113</td>
<td>4,527</td>
<td>6,577</td>
<td>8,819</td>
<td>10,299</td>
</tr>
<tr>
<td>Seed plants</td>
<td>4,967</td>
<td>13,675</td>
<td>22,003</td>
<td>28,845</td>
<td>32,325</td>
<td>34,163</td>
<td>35,033</td>
</tr>
<tr>
<td>Subtropical</td>
<td>123</td>
<td>378</td>
<td>1,018</td>
<td>1,696</td>
<td>2,308</td>
<td>2,653</td>
<td>3,050</td>
</tr>
<tr>
<td>Nuciferous</td>
<td>162</td>
<td>940</td>
<td>2,442</td>
<td>4,988</td>
<td>7,752</td>
<td>10,693</td>
<td>12,387</td>
</tr>
<tr>
<td>Bacciferous crops</td>
<td>168</td>
<td>168</td>
<td>1,141</td>
<td>2,322</td>
<td>3,059</td>
<td>3,807</td>
<td>4,306</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,748</strong></td>
<td><strong>16,122</strong></td>
<td><strong>28,717</strong></td>
<td><strong>42,378</strong></td>
<td><strong>52,020</strong></td>
<td><strong>60,135</strong></td>
<td><strong>65,075</strong></td>
</tr>
</tbody>
</table>
Project „Plant the Future“ – Farmer’s forecasting incomes (annual mln. Gel) according to crops and years

<table>
<thead>
<tr>
<th>Crops / Year</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prunus crops</td>
<td>0.5</td>
<td>1.3</td>
<td>3.0</td>
<td>6.4</td>
<td>9.3</td>
<td>12.6</td>
<td>14.6</td>
</tr>
<tr>
<td>Seed plants</td>
<td>5.0</td>
<td>13.7</td>
<td>22.1</td>
<td>29.0</td>
<td>32.6</td>
<td>34.5</td>
<td>35.5</td>
</tr>
<tr>
<td>Subtropical</td>
<td>0.1</td>
<td>0.4</td>
<td>1.0</td>
<td>1.7</td>
<td>2.3</td>
<td>2.7</td>
<td>3.0</td>
</tr>
<tr>
<td>Nuciferous crops</td>
<td>0.7</td>
<td>4.1</td>
<td>10.6</td>
<td>22.1</td>
<td>34.4</td>
<td>48.1</td>
<td>55.9</td>
</tr>
<tr>
<td>Bacciferous</td>
<td>0.7</td>
<td>0.7</td>
<td>4.6</td>
<td>9.4</td>
<td>12.4</td>
<td>15.7</td>
<td>17.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>6.9</strong></td>
<td><strong>20.2</strong></td>
<td><strong>41.4</strong></td>
<td><strong>68.6</strong></td>
<td><strong>91.0</strong></td>
<td><strong>113.5</strong></td>
<td><strong>126.9</strong></td>
</tr>
</tbody>
</table>

**COMPONENT WITHIN NURSERY FARMS**

From 2015 up to August 31, 2018, in total annual 100,000 seedlings capacity is created in 2 nursery farms in Zugdidi and Senaki municipalities.

<table>
<thead>
<tr>
<th>Under the program “Plant the Future” cultivated/contracted land area *</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant the Future (ha)</td>
<td>753</td>
<td>2,317</td>
<td>4,090</td>
<td>6,171</td>
</tr>
</tbody>
</table>

* The irrigation systems were installed in the presented areas
“GEORGIAN TEA” - PROGRAM FOR REHABILITATION OF TEA PLANTATIONS

GOAL OF THE PROJECT

The project aims at rehabilitation of state and privately owned tea plantations, efficient use of tea potential as agricultural product, creation of modern tea processing plants, and support the growth of local production tea (including organic tea). The project has been implemented since 2016.

Within the scope of the project, legal individuals (except for agricultural cooperatives), who have the land plots into private ownership, will receive 60% of the amount necessary for rehabilitation of tea plantations. In case of lease of the land plot, amount of the co-funding will be increased up to 70%.

Agricultural cooperatives will receive 80% of the sum necessary for rehabilitation of tea plantations in case of private ownership of land and 90% in case of leased land.

Agricultural cooperatives, after rehabilitation of the plantations, will be given free of charge all the necessary machinery for the primary processing of tea by the state.

PROJECTS, AREA (PLOT OF LAND) AND INVESTMENTS

<table>
<thead>
<tr>
<th>Project for rehabilitation of tea plantations</th>
<th>The number of projects, areas and investments (2016-2018)</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Number of Projects</td>
<td>Rehabilitation Area (ha)</td>
</tr>
<tr>
<td>----------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>44</td>
<td>959</td>
</tr>
<tr>
<td>The number of Projects</td>
<td>Rehabilitation Area (ha)</td>
</tr>
<tr>
<td>------------------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>16</td>
<td>325</td>
</tr>
</tbody>
</table>

One Gel invested by the state attracted 0.43 GEL investment (the total investment includes only the investments required for the rehabilitation of tea plantations, it does not include expenses such as fencing, construction of tea processing plant, purchase of machinery-equipment, and implementation of standards). 1 GEL investment of the state will generate 0.81 kg. tea product and farmers / enterprises will earn 24.1 GEL annually.

The number of permanently employed people will be 400 people, while the number of seasonally employed – up to 800. Average salary will amount 400 GEL per month for employees in the enterprise.
The program is initiated by the Ministry of Environment Protection and Agriculture of Georgia and has been implemented by the LEPL “Agricultural Projects Management Agency” and is financed by the Danish International Development Agency (DANIDA) of donor organization.

Project Beneficiaries: Individual entrepreneurs willing to start a new business in the regions whose age is 18-35 in case of men and 18-40 in case of women, agricultural cooperatives whose founders and chairmen / directors of the administration are 18-35 years old men or 18-40 years old women.

The basic conditions of the project: Within the frames of the program will be financed agricultural as well as non-agricultural business activities. The co-financing of the state amounts the Max 40% (max 60,000 GEL) of the Investment Value described in the business plan of the project. Investment value of the project should be no less than 10,000 (ten thousand) GEL.

### SECTORS, PROJECTS AND INVESTMENT

**Project “Young Entrepreneur” – the number of projects and investments according to the goals (2018)**

<table>
<thead>
<tr>
<th>Sector</th>
<th>The number of Projects</th>
<th>Volume of Investment (Gel)</th>
<th>State Co-funding Size (Gel)</th>
<th>State Co-funding Share in total Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Production</td>
<td>50</td>
<td>5,601,633</td>
<td>2,168,793</td>
<td>38.7</td>
</tr>
<tr>
<td>Processing Production</td>
<td>43</td>
<td>4,252,912</td>
<td>1,646,525</td>
<td>38.7</td>
</tr>
<tr>
<td>Service</td>
<td>19</td>
<td>2,557,248</td>
<td>1,013,348</td>
<td>39.6</td>
</tr>
<tr>
<td>Preservation Production</td>
<td>3</td>
<td>268,591</td>
<td>107,436</td>
<td>40.0</td>
</tr>
<tr>
<td>Production</td>
<td>1</td>
<td>109,595</td>
<td>43,838</td>
<td>40.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>116</strong></td>
<td><strong>12,789,979</strong></td>
<td><strong>4,979,940</strong></td>
<td><strong>38.9</strong></td>
</tr>
</tbody>
</table>
### REGIONS, PROJECTS AND INVESTMENT

Projects and investments according to the regions (2018)

<table>
<thead>
<tr>
<th>Regions</th>
<th>The Number of Projects</th>
<th>Investment Size (Gel)</th>
<th>The State Co-funding Size(Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kakheti</td>
<td>62</td>
<td>6,712,104</td>
<td>2,594,712</td>
</tr>
<tr>
<td>Mtskheta-Mtianeti</td>
<td>13</td>
<td>1,707,025</td>
<td>632,557</td>
</tr>
<tr>
<td>Shida Kartli</td>
<td>12</td>
<td>1,126,960</td>
<td>435,511</td>
</tr>
<tr>
<td>Samegrelo</td>
<td>7</td>
<td>947,074</td>
<td>407,364</td>
</tr>
<tr>
<td>Samtskhe-Javakheti</td>
<td>4</td>
<td>588,747</td>
<td>230,233</td>
</tr>
<tr>
<td>Guria</td>
<td>5</td>
<td>540,746</td>
<td>216,298</td>
</tr>
<tr>
<td>Kvemo-Kartli</td>
<td>4</td>
<td>487,450</td>
<td>193,620</td>
</tr>
<tr>
<td>Adjara</td>
<td>3</td>
<td>344,641</td>
<td>135,763</td>
</tr>
<tr>
<td>Imereti</td>
<td>2</td>
<td>201,950</td>
<td>80,569</td>
</tr>
<tr>
<td>Racha-Lechkhumi</td>
<td>4</td>
<td>133,281</td>
<td>53,312</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>116</strong></td>
<td><strong>12,789,979</strong></td>
<td><strong>4,979,940</strong></td>
</tr>
</tbody>
</table>

Invested one Gel attracted investment in an amount of 1.57 Gel.
GOAL OF THE PROJECT:

The goal of Agroinsurance Project is to develop of insurance market in agricultural sector, encourage of agricultural activities, ensure maintenance of incomes for people working in the agricultural sector and reduce the risks. The project has been implemented since 2014.

within the scope of Agroinsurance Project, the farmers are granted an opportunity to insure risks against hail, flooding, storm and autumn frost.

Within the frames of the project, it is possible to insure maximum 5 ha of land, apart from the cereals, where the maximum area of the land is 30 ha in case of agricultural cooperatives, maximum amount of insurance premium is 50,000 GEL and area of the land plot to be insured is unlimited.

The farmer, who acquires insurance policy within the framework of the project, will be funded with:
- 50 % - of its value in case of vine insurance
- 70 % - of its value in case of insurance of all other crops.

INSURANCE PREMIUM, POLICIES AND INSURED AREAS

Project „Agroinsurance“ – the number of policies, insurance premiums and size of insured areas according to the years.

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Policies</th>
<th>Total Insurance Premium (Gel)</th>
<th>Insured Area, Ha</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>21,056</td>
<td>12,586,739</td>
<td>18,723</td>
</tr>
<tr>
<td>2015</td>
<td>7,634</td>
<td>3,444,300</td>
<td>4,944</td>
</tr>
<tr>
<td>2016</td>
<td>18,795</td>
<td>11,981,874</td>
<td>15,472</td>
</tr>
<tr>
<td>2017</td>
<td>21,394</td>
<td>11,649,283</td>
<td>20,718</td>
</tr>
<tr>
<td>2018*</td>
<td>12,574</td>
<td>7,135,833</td>
<td>11,557</td>
</tr>
<tr>
<td>Total</td>
<td>81,453</td>
<td>46,798,029</td>
<td>71,413</td>
</tr>
</tbody>
</table>

*Since 2018 only registered land plots will be insured
## DATA ACCORDING TO THE REGIONS

### Project „Agroinsurance“ - the number of policies, insurance premiums and size of insured areas and reimbursements according to years. (2014-2018)

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Policies</th>
<th>Insurance Premiums (Gel)</th>
<th>Share of Premium Paid by the State (Gel)</th>
<th>Area (ha)</th>
<th>Loss Reimbursement (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjara</td>
<td>22,328</td>
<td>5,107,904</td>
<td>3,858,762</td>
<td>7,379</td>
<td>6,419,404</td>
</tr>
<tr>
<td>Guria</td>
<td>8,637</td>
<td>1,729,105</td>
<td>1,536,550</td>
<td>3,032</td>
<td>501,254</td>
</tr>
<tr>
<td>Tbilisi</td>
<td>7</td>
<td>931</td>
<td>705</td>
<td>2</td>
<td>0</td>
</tr>
<tr>
<td>Imereti</td>
<td>4,176</td>
<td>294,728</td>
<td>181,287</td>
<td>1,449</td>
<td>11,232</td>
</tr>
<tr>
<td>Kakhkheti</td>
<td>27,358</td>
<td>24,308,691</td>
<td>17,046,660</td>
<td>35,919</td>
<td>17,228,202</td>
</tr>
<tr>
<td>Mtskheta - Mtianeti</td>
<td>200</td>
<td>144,517</td>
<td>118,341</td>
<td>293</td>
<td>12,291</td>
</tr>
<tr>
<td>Racha-Lechkhumi and Kvemo Svaneti</td>
<td>235</td>
<td>46,824</td>
<td>28,851</td>
<td>112</td>
<td>13,878</td>
</tr>
<tr>
<td>Samegrelo Zemo-Svaneti</td>
<td>6,793</td>
<td>1,901,839</td>
<td>1,434,486</td>
<td>5,343</td>
<td>1,058,270</td>
</tr>
<tr>
<td>Samtskhe-Javakheti</td>
<td>3,430</td>
<td>3,736,959</td>
<td>2,550,767</td>
<td>4,337</td>
<td>1,870,786</td>
</tr>
<tr>
<td>Kvemo-Kartli</td>
<td>1,813</td>
<td>1,504,716</td>
<td>1,175,722</td>
<td>6,638</td>
<td>1,966,913</td>
</tr>
<tr>
<td>Shida Kartli</td>
<td>6,478</td>
<td>8,021,815</td>
<td>5,922,332</td>
<td>6,911</td>
<td>6,046,493</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>81,453</strong></td>
<td><strong>46,798,029</strong></td>
<td><strong>33,854,463</strong></td>
<td><strong>71,413</strong></td>
<td><strong>35,128,721</strong></td>
</tr>
</tbody>
</table>

### Project “Agroinsurance” – the number of policies, insurance premiums, insured areas and reimbursements according to the regions (2018)

<table>
<thead>
<tr>
<th>Region</th>
<th>Number of Policies</th>
<th>Insurance Premiums (Gel)</th>
<th>Share of Premium Paid by the State (Gel)</th>
<th>Area (ha)</th>
<th>Loss Reimbursement (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjara</td>
<td>449</td>
<td>142,351</td>
<td>99,087</td>
<td>152</td>
<td>19,486</td>
</tr>
<tr>
<td>Guria</td>
<td>67</td>
<td>8,737</td>
<td>5,985</td>
<td>25</td>
<td>3,018</td>
</tr>
<tr>
<td>Tbilisi</td>
<td>3</td>
<td>265</td>
<td>173</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Imereti</td>
<td>2,102</td>
<td>132,329</td>
<td>76,965</td>
<td>560</td>
<td>0</td>
</tr>
<tr>
<td>Kakhkheti</td>
<td>5,966</td>
<td>3,941,534</td>
<td>2,265,845</td>
<td>6,224</td>
<td>2,952,004</td>
</tr>
<tr>
<td>Mtskheta - Mtianeti</td>
<td>55</td>
<td>6,847</td>
<td>4,729</td>
<td>17</td>
<td>408</td>
</tr>
<tr>
<td>Racha-Lechkhumi and Kvemo Svaneti</td>
<td>87</td>
<td>5,761</td>
<td>3,002</td>
<td>14</td>
<td>352</td>
</tr>
<tr>
<td>Samegrelo Zemo-Svaneti</td>
<td>917</td>
<td>158,848</td>
<td>110,928</td>
<td>508</td>
<td>52,164</td>
</tr>
<tr>
<td>Samtskhe-Javakheti</td>
<td>554</td>
<td>403,574</td>
<td>282,425</td>
<td>516</td>
<td>413,099</td>
</tr>
<tr>
<td>Kvemo-Kartli</td>
<td>664</td>
<td>359,932</td>
<td>246,304</td>
<td>2,015</td>
<td>117,550</td>
</tr>
<tr>
<td>Shida Kartli</td>
<td>1,710</td>
<td>1,975,653</td>
<td>1,379,448</td>
<td>1,525</td>
<td>1,873,439</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>12,574</strong></td>
<td><strong>7,135,833</strong></td>
<td><strong>4,474,889</strong></td>
<td><strong>11,557</strong></td>
<td><strong>5,431,518</strong></td>
</tr>
</tbody>
</table>
### THE STRUCTURE OF INSURANCE PREMIUMS

**Project "Agroinsurance" - The size and structure of insurance premiums according to years**

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Insurance Premium (Gel)</th>
<th>Share of Premium Paid by the Assurer (Gel)</th>
<th>Share of Premium Paid by the State (Gel)</th>
<th>Share of Paid Premium by the State In total Premium (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>12,586,739</td>
<td>779,693</td>
<td>11,800,629</td>
<td>93.8</td>
</tr>
<tr>
<td>2015</td>
<td>3,444,300</td>
<td>1,442,672</td>
<td>1,948,980</td>
<td>56.6</td>
</tr>
<tr>
<td>2016</td>
<td>11,981,874</td>
<td>3,677,059</td>
<td>8,223,721</td>
<td>68.6</td>
</tr>
<tr>
<td>2017</td>
<td>11,649,283</td>
<td>4,238,293</td>
<td>7,406,244</td>
<td>63.6</td>
</tr>
<tr>
<td>2018</td>
<td>7,135,833</td>
<td>2,657,198</td>
<td>4,474,889</td>
<td>62.7</td>
</tr>
<tr>
<td>Total</td>
<td>46,798,029</td>
<td>12,794,915</td>
<td>33,854,463</td>
<td>72.3</td>
</tr>
</tbody>
</table>

### LOSSES AND REIMBURSEMENT

**Insurance reimbursement according to the years (2014-2018)**

<table>
<thead>
<tr>
<th>Year</th>
<th>The Number of Beneficiaries</th>
<th>Area (ha) of Damaged Land</th>
<th>Existing Loss (Gel)</th>
<th>Reimbursed Loss (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>6,395</td>
<td>10,210</td>
<td>28,267,084</td>
<td>11,296,414</td>
</tr>
<tr>
<td>2015</td>
<td>4,483</td>
<td>2,561</td>
<td>5,377,569</td>
<td>2,904,487</td>
</tr>
<tr>
<td>2016</td>
<td>6,399</td>
<td>6,061</td>
<td>12,478,970</td>
<td>6,211,368</td>
</tr>
<tr>
<td>2017</td>
<td>5,663</td>
<td>9,659</td>
<td>16,961,167</td>
<td>9,284,934</td>
</tr>
<tr>
<td>2018</td>
<td>1,751</td>
<td>6,324</td>
<td>13,008,633</td>
<td>5,431,518</td>
</tr>
<tr>
<td>Total</td>
<td>24,691</td>
<td>34,816</td>
<td>76,093,423</td>
<td>35,128,721</td>
</tr>
</tbody>
</table>

Received premiums and issued reimbursements in terms of agroinsurance in Georgia: comparison of 2010-2012 data with the period after the implementation of the state project "Agro Insurance".

<table>
<thead>
<tr>
<th>Year</th>
<th>Insurance Premium (Gel)</th>
<th>Reimbursed Loss (Gel)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>76,933</td>
<td>84,805</td>
</tr>
<tr>
<td>2011</td>
<td>84,626</td>
<td>93,286</td>
</tr>
<tr>
<td>2012</td>
<td>93,089</td>
<td>956,353</td>
</tr>
<tr>
<td>2013</td>
<td>182,556</td>
<td>56,727</td>
</tr>
<tr>
<td>2014</td>
<td>12,586,739</td>
<td>11,296,414</td>
</tr>
<tr>
<td>2015</td>
<td>3,444,300</td>
<td>2,904,487</td>
</tr>
<tr>
<td>2016</td>
<td>11,981,874</td>
<td>6,211,368</td>
</tr>
<tr>
<td>2017</td>
<td>11,649,283</td>
<td>9,284,934</td>
</tr>
<tr>
<td>2018</td>
<td>7,135,833</td>
<td>5,431,518</td>
</tr>
</tbody>
</table>
EFFICIENCY

Project „Agroinsurance“ - The structure of insurance payments according to the years (2014 - 30 November, 2018)

<table>
<thead>
<tr>
<th>Year</th>
<th>Reimbursed Loss (Gel)</th>
<th>Reimbursed Loss / Premium Paid by the Agency (%)</th>
<th>Reimbursed Loss / Total Premiums (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>11,296,414</td>
<td>95.7</td>
<td>89.7</td>
</tr>
<tr>
<td>2015</td>
<td>2,904,487</td>
<td>149.0</td>
<td>84.3</td>
</tr>
<tr>
<td>2016</td>
<td>6,211,368</td>
<td>75.5</td>
<td>51.8</td>
</tr>
<tr>
<td>2017</td>
<td>9,284,934</td>
<td>125.4</td>
<td>79.7</td>
</tr>
<tr>
<td>2018</td>
<td>5,431,518</td>
<td>121.4</td>
<td>76.1</td>
</tr>
<tr>
<td>Total</td>
<td>35,128,721</td>
<td>103.8</td>
<td>75.1</td>
</tr>
</tbody>
</table>

The state funding efficiency in the program is high – the co-financing of GEL 100 worth insurance premium paid by the government equals more than GEL1 insurance payment. Also, the state contributed to the development of the insurance industry (revenue, knowledge, experience, development of specialists). The state effectively handed over to the private sector an insurance administration function (in case of administering by the state, relevant expenses would be significantly higher) – insurance companies in terms of reimbursement have issued 75% of the received premiums, which is a moderate indicator for insurance practice (remained 25% includes salaries for agents, administration expenses and profit of insurance companies).

FARMS/FARMERS REGISTRATION PROJECT

Implementation of Farms/Farmers Registration Project started in 2018. Regulates Farms/Farmers unified registry system, that will ensure the consolidation of the information on people engaged in agricultural activities, their agricultural activities and the agricultural assets in their ownership/use in a single electronic database. The project is initiated by the Ministry of Environment Protection and Agriculture of Georgia and is implemented by the Agricultural Project Management Agency. The short-term goal of the project should be implemented no later than December 31, 2018.

GOAL OF THE PROJECT

The project aims at recording of all people engaged in agricultural activities throughout Georgia (except of those, who are engaged in agricultural activities only under the order of legal person(s) registered in Georgia or/and on the basis of labour agreement), that will enable the state to acquire statistical information, that will be used for the proper selection of target groups and for the planning and implementation of various stimulating projects/programs needed for them.

OBJECTIVES

- Identification of those persons engaged in agricultural activities, whose primary information is obtained by different agencies of the state and organizations
- Systematization, classification and electronic database of indentified people engaged in agricultural activities and obtained primary information on their activities.
- To verify and approve the primary information included in the electronic database in accordance with the procedure established by the “Farm / Farmers Registration Project”;
- Creating of electronic, dynamic and interactive system
OUTCOMES

The short-term goal of the project was to fulfil one of the obligations stipulated by the European Neighbourhood Programme for Agriculture and Rural Development” (ENPARD II) Agreement, particularly, throughout Georgia, registration of approximately 100,000 farms/farmers in the Farms/Farmers Registry no later than 2018.

As of 31 December 2018, 107,058 farms/farmers are already registered.

TECHNICAL SUPPORT

IMPLEMENTATION OF INTERNATIONAL STANDARDS

Project beneficiaries: All beneficiaries funded with the purpose of arrangement processing and preserving enterprises within the project for co-funding processing and preserving enterprises are required to implement ISO-22000 or HACCP international standards.

The basic conditions of the project: 30% of the standard implementation is funded by the state and 70% is the beneficiary’s share.

In total, in 2016-2018, 21 agreements are signed with beneficiaries on the implementation of international standards: 19 enterprises received ISO 22000 Certificates and 2 enterprises - HACCP Certificates. 8 certificates were issued in 2018 (all of them - ISO 22000:2005).

Compulsory trainings for the project “Plant the Future”

In 2017-2018, within the frames of technical support, 430 beneficiaries were trained for the project “Plant the Future”. As of in 2018, trainings were conducted for 221 beneficiaries.

Management trainings

As a result of the conducted trainings for funded beneficiaries within “Unified Agrocredit”, in 2018, in General, 44 beneficiaries in Management and 32 beneficiaries in Financial Management were retrained.

PROJECTS TO BE IMPLEMENTED IN 2019

AGRICULTURAL MACHINERY PROCUREMENT SUPPORT PROJECT

The program envisages to ensure increased access to agricultural machinery for farmers.

GOALS

• Promote increased access to modern agricultural equipment

OBJECTIVES

• Carrying of agrotechnical measures in compliance with relevant agro-timelines;
• In terms of agricultural techniques introduction of new technologies in agriculture.
**AGRICULTURAL ZONE OF IMERETI**

**GOALS**

- To stimulate the maximum use of export potential in traditional export sector of Western Georgia, namely for greenhouse sector (herbs and greenhouse vegetable) and as a result increase of export income;
- To promote access to new markets for traditional export sector and consequently diversification of export markets;
- Creation of a model for greenhouse sector modernization and knowledge sharing throughout Georgia;
- Creation of preconditions for establishment of Kutaisi Logistics Center

**OBJECTIVES**

- Stimulation of the creation of primary enterprises in a critical number and in a tight period of time with food safety standards, necessary for international trade;
- Stimulation of the creation of a modern enterprise of post harvest processing;
- Creation of all necessary infrastructure for the proper functioning of the agricultural zone.

**TECHNICAL SUPPORT AND AGRICULTURAL PRODUCTION MARKETING PROJECT**

**GOALS**

- Access to quality marketing services available through grant co-funding;
- Creation of USP (Unique Sales Proposition) for products;
- Entrance to different markets (local and international) and provide assistance for proper positioning;
- Creation of marketing information and ensuring access to manufacturers.

**TECHNICAL SUPPORT IN MARKETING:**

- Branding: determination of target audience, brand promises, brand positioning, brand tagline, development of major massages, brand personality, brand value proposition, brand identity design.
- Packaging design: Modern packaging materials and technologies.
- Sales: Raising awareness on Georgian products at local and international markets (exhibitions, commercial missions, B2B principle, online sales, advertising campaigns).

**TECHNICAL ASSISTANCE IN THE IMPLEMENTATION OF FOOD SAFETY INTERNATIONAL MANAGEMENT SYSTEMS AND STANDARDS:**

- Implementation of Food Safety International Management Systems and Standards (HACCP or/and ISO 22000:2005).
- Compulsory trainings of the Program „Plant the Future“ for existing and new beneficiaries

**Payment will be made on co-financing principle - 30% of the total value, but not more than 10 000 GEL per beneficiary.**
BIO PRODUCTION PROMOTION PROJECT

Compared to 2014, within the period of 2018, 180 farmers were handed out bio organic production certificates by LTD “Caucassert”

Data according to the years:


In 2018, compared to 2014, the number of companies / wine cellars producing the wine of geographical indications and origin increased by 216 percent and the number of “Chacha” producing companies by 110%.

<table>
<thead>
<tr>
<th>Year</th>
<th>Wine</th>
<th>Chacha</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>75 companies</td>
<td>21 companies</td>
</tr>
<tr>
<td>2015</td>
<td>89 companies</td>
<td>24 companies</td>
</tr>
<tr>
<td>2016</td>
<td>113 companies</td>
<td>33 companies</td>
</tr>
<tr>
<td>2017</td>
<td>126 companies</td>
<td>39 companies</td>
</tr>
<tr>
<td>2018</td>
<td>237 companies</td>
<td>44 companies</td>
</tr>
</tbody>
</table>

GOAL

Support the development and strengthening of bio-products production potential in Georgia.

OBJECTIVES

• Bio-farming as in terms of land area, as well as their quantitative growth – in order to increase the bio-products production to 10,000 hectares, at the end of 5 years of project implementation;
• Support to sustainable development of 2000 bio-farms;
• Registration and certification of existing and new bio-farms, as a result creation of a unified network / registry;
• Provide necessary measures for identification and promotion of bio products (including promotion of realization channels development);
• Improve knowledge and skills of bio-producers;
• Preparation and retraining of qualified personnel in terms of implementation of bio-production modern technologies.

LIVESTOCK SUPPORT PROJECT

OBJECTIVES

• Increase the access to finances for employees;
• Increase access to equipment needed for food production;
• Promotion of livestock infrastructure development and maintenance of modern standards;
• Growth of industrial / high-productivity of livestock population;
• Promotion of breeding activities;
• Promotion of small / medium livestock farmers’ association / cooperatives;
• Preparation of qualified personnel (veterinary, artificial insemination specialist and zoologist);
• Introduction of modern technologies for farmers and awareness raising.
The main direction of National Wine Agency is to support the popularization of Georgian wine, care for quality improvement of viticulture – winemaking production and promote the growth of Georgian wine export potential

www.georgianwine.gov.ge
NATIONAL WINE AGENCY

The purpose of LEPL National Wine Agency is to support development of viticulture-winemaking sector. In order to achieve the above mentioned, the National Wine Agency carries out the following programmes:

- Viticulture development activities;
- Activities to promote Georgian wine popularization;
- Vintage promotion measures;
- Laboratory examination of wine;
- Research and popularization of Georgian vine culture.

The results of the reporting period revealed, that the reform conducted in the viticulture-winemaking sector and state policy were going in a right direction in recent years. In 2018, since independence of Georgia, record number of wine has been exported, for the first time since 2008, nonsubsidized vintage has been held, the awareness of Georgian wine has been increased, new wine enterprises and wine cellars have been opened, the wine tourism has been developed. Viticulture-winemaking sector has been moved to another level of development, as within increased export, it is important to improve the quality of wine and alcoholic beverages. It is a precondition, for Georgian wine to firmly establish its place in the segment of premium wines at the international wine market. (photo 1).
POPULARIZATION OF GEORGIAN WINE

LEPL National Wine Agency has launched large-scale marketing campaigns since 2013. In agreement with the private sector, strategic markets have been selected, and targeted activities have been commenced in order to increase awareness of Georgian wine and to establish at these markets. The strategic markets of Georgian wine are: USA, Great Britain, China, Poland and in the last 2 years - Japan.

In 2018, Georgian wine was presented at all important wine exhibitions and forums in the world. Contractors of National Wine Agency implemented various marketing activities in strategic markets of Georgian wine throughout the year. With the support of the Agency, Georgian wine companies participated in 26 exhibitions of wine and alcoholic drinks in Georgia and 13 countries in the world; up to 160 degustation-presentations of Georgian wines were conducted, 15 tours of wine professionals were held, included wine masters, sommeliers, wine importers, bloggers and journalists.

With the support of the National Wine Agency, Georgian wine companies and small wine cellars participated in the following exhibitions and festivals:

- Natural Wine Fair „Les Penitentes“ (France, Angers, February 3-4);
- Natural Wine Fairs „La Dive Bouteille” (France, Somuri, February 4-5);
- Natural Wine Fair „Les Penitentes“ (France, Angers, February 3-4);
- International Food and Beverage Exhibition „FOODEX JAPAN 2018“(Japan, Tokyo, March 6-9);
- International Fair of Natural Wines „RAW WINE“ (Great Britain, London, 11-12 March);
- International Exhibition of Wine and Food “The 98th China Food & Drinks Fair”; (China, Chengdu 22-24 March);
- International Exhibition „Wine and Gourmet Japan 2018“(Japan, Tokyo, April 11-13);
- Wine Fair „Copenhagen Wine Fair“ (Denmark, Copenhagen, April 23);
- International Food and Beverage Exhibition „GastroNord 2018“(Sweden, Stockholm, 24-27 April);
- “New Wine Festival” (Georgia, Tbilisi, May12);
- International Exhibition of Natural Wines “RAW WINE” (Germany, Berlin, 13-14 May)
- International Fair “Vinexpo HK-2018” (Hong Kong / China, 29-31 May);
- 11th international fair of wine and alcoholic beverages „WinExpo Georgia-2018“ (Georgia, Tbilisi, June 14-16);
- Wine international fair Expovina ((Switzerland, Zurich, 1-15 November);
- International exhibitions of natural wines „RAW Wine“USA, New York (4-5 November) and Los Angeles (November 11-12);
- International fair „EnoExpo 2018“ ((Poland, Krakov, 7-9 November);
In terms of growth of awareness and promotion of Georgian wine, the following events were important:

- On May 3-4, under the guidance of “Georgian Wine” Association and with the support of National Wine Agency of Georgia, the Second International Qvevri Wine Competition was held in Tbilisi.

- On 26 May, Georgian wine exhibition was held in Telavi within the 100th anniversary of Georgian independence.

- On June 18-21 in Tbilisi, with the support of the Sommelier Association of Georgia and LEPL National Wine Agency of Georgia, the 49th Annual General Assembly of the International Sommelier Association was held.

- On 5-21 October, wine exhibitions and festivals were held in Tbilisi, Telavi, Mameuli and Gurjaani within the framework of “Gvinobistve-2018”.

- On 7-9 November in Tbilisi, The International Competition of Wines and Spirits (EAWSC) “Georgia - Homeland of Wine” was held.

- The first International Competition of Saperavi in Georgia was organized by the "Georgian Wine" Association and supported by the National Wine Agency.
Exhibition in Japan - "Georgia - Homeland of Wine"

Under the guidance of National Wine Agency and the "Georgian Wine" Association as well as with the support of the Government of Georgia, Ministry of Environment Protection and Agriculture of Georgia and the Georgian National Museum, the second exhibition of the project "Georgia - Homeland of Wine" was planned in Japan, Tokyo in spring 2019. The achievement of this agreement with the Japanese side was preceded by many business meetings and negotiations throughout the year. The event is a thematic continuation of the international exhibition on Georgian Wine held in France, Bordeaux in 2017. Georgia was recognized as a homeland of the wine in 2017, as a result of mutual four-years international research of Georgian and foreign scientists. This recognition was followed by great interest to Georgia and Georgian wine, which creates additional opportunities for diversification of Georgian wine market. On December 15-22, a representative of Sony Music Communication along with German partners visited Georgia to prepare a video project on Georgian culture, history and Georgian wine. Shooting of the video project was carried out in Tbilisi and Kakheti. A project prepared by the latest technologies on Georgia and Georgian winemaking will be seen by the Japanese viewers at the Exhibition Center "Terrada Warehouse", where the exhibition "Georgia - Homeland of Wine" will be held.

EXPORT OF GEORGIAN WINE

The proper marketing strategy implemented in recent years has directly reflected on export indicators. In 2018, Georgia exported about 86,2 million bottles (0.75 l) of wine in 53 countries, which is a record rate of export growth for the last 30 years. The growth reached to 13% compared to 2017. The worth of exported wine amounts up to USD 203 million, which exceeds the equivalent figure of previous year by 20%.

Export is increased:

**Within the Georgian wine strategic markets:** Japan - 37% (211 883), Poland - 31% (3 508 122), Great Britain - 33% (105 608) and the USA - 2% (466 056);

**Export into the Europe:** Switzerland - 378% (25 350), Denmark - 111% (17 834), Romania - 100% (99 774), Czech Republic - 81% (61 908), Italy 69% (17 244), Bulgaria - 60% (26 790), Netherlands - 38% (82 641), Germany - 20% (483 791), Lietuva - 17% (488 154), France - 14% (113 885), Latvia - 14% (1 711 078), Estonia - 11% (581 190) and so on;

**Traditional Markets and Asia:** South Korea - 275% (68 124), Turkmenistan - 196% (197 694), Kyrgyzstan - 63% (218 550), Azerbaijan - 40% (197 724), Mongolia - 27% (214 398), Ukraine - 26% (10 687 835), Russia - 12% (53 682 627), Kazakhstan - 8% (3 599 143) and so on.

**The top ten wine exporter countries are as follow:** Russia (53 682 627), Ukraine (10 687 835), China (6 951 019), Kazakhstan (3 599 143), Poland (3 508 122), Latvia (1 711 078), Belarus (1 606 002), Estonia (581 190), Lietuva (488 154) and Germany (483 791).
The different volumes of wine were exported by 284 companies. The number of exporter companies is increased by 34 compared to 2017.

At the same time, 26 million bottles (0.5 l) of brandy were exported in 26 countries, which exceeds the same indicator of 2017 by 9%. Total exports of brandy amounted to USD 40.7 million – the growth rate accounted to 3%.

422 thousand bottles (0.5 l) of chacha are exported in 26 countries of the world, the export growth accounted to 47%. Revenues from chacha exports constituted to USD $ 1.2 million, the growth rate is increased by 44% compared to 2017.

In total, the revenues generated through the export of wines, chacha, brandy on tap and brandy spirits reached to USD 306.5 million, the growth rate equals to 7% compared to 2017.
Export prices of Georgian wine

As per the indicators, published by the American Association of Wine Economists—AAWE—in August 2018, Georgian wine ranked fifth among the exported wines in the world with an average price of USD 3.49 in 2014-2016. AAWE—American Association of Wine Economists—is a prestigious American institution, and in accordance with their rating, France takes the first place (6.59 $), followed by New Zealand (5.39 $), whereas the United States of America ranks third. Georgia is preceded by Austria, which ranks fourth in the rating. In this given rating, the countries like Croatia (3.41 $), Argentina (3.11 $), Portuguese (3.07 $), Germany (3.06 $), Italy (3.06 $), etc., lag behind Georgia.
VINTAGING -2018

In 2018 vintaging in Kakheti was conducted in an organized and hassle free manner. 245 tones of grapes were processed in total by 292 companies throughout the country, which is a peak indicator in the history of independent Georgia. Value of realized grape exceeded GEL 312 mln, out of which, over 235 thousands of tones were processed in Kakheti region only and amounted to GEL 288 mln. In Racha-lechkhumi region, 1492 tones of grapes (Aleksandrouli and Mujuretuli) were processed. Income of Racha Lechkumi inhabitants, generated as a result of processing the grapes at amount of 2700 tones in total, reached GEL 15 mln.

Increased amount of private companies involved in harvesting, resulted in unobstructed process of grape delivery. 22 000 vine-growers delivered a grape to the wine producers, which is all time high indicator, referring to the fact of increase in number of vineyards and emerging new wine growers as well. The price of grape was specified on market - economic basis.

Up to 500 hectares of vineyard were damaged in the aftermath of the natural disaster occurred on August, 18 in Akhmeta and Telavi municipalities. Population was enabled to deliver the hail-damaged grapes from the very next day of the disaster and the process was conducted without any hassles. Wine growers, suffered as a result of natural disaster, occurred on September 18 delivered the grape to the producer companies as well.
QUALITY CONTROL AND CERTIFICATION

For the purpose of organoleptic testing of the grape origin alcoholic drinks, testing Commission of the National Wine Agency have conducted 257 wine testings. 9725 samples were represented, however, 309 ones out of them failed to be tested, whereas the rest of them have been positively valued.

Pursuant to the modifications introduced to the law “upon Vine and Wine”. The Wine of any category designed for export is subject to mandatory testing since January 1, 2018. Given rule has been effected for the wines with names of origin so far. Said changes triggered increase in number of wine testers in the National Wine Agency. Testing processes have been conducted without any obstruction for a year as a whole.

In the course of accounting period, inspection control have been executed in 31 plants; aftermath, 9 samples out of 225 ones taken, failed to meet the physical and chemical specifications of the wines, provided in the Lab minute. Meanwhile, State control and supervision have been executed in 45 enterprises, 625 samples were taken in total, out of which, nine of them failed to meet the quality requirements.

To obtain export documents, 8029 applications were filed for certification. On the basis of submitted applications, the documents of various purposes have been issued: VI-1 Certificate for EU countries - 5249 items in total, Certificate of Conformity - 7 093; Certification division of National Wine Agency have issued 12 342 certificates in total for producer companies of Alcoholic drinks.
VINEYARD CADASTER PROGRAM

In 2018 vineyard cadaster program have been developed in Gurjaani municipality. The company “Ruka Maping” Ltd took orthophotos of 12355 vineyards, which correspond 4657.7 hectare as a whole. Cadaster information of these areas and their 5086 holder farmers have been collected. All information including personal details and orthophotos gathered, have been input to the unified database .

In cooperation with the international company ABACO, databases of Telavi and Akhmeta municipalities were uploaded and run in the unified database of cadastres of Georgian vineyards. Meanwhile, the analysis of the cadaster outcomes obtained as a result of pilot program, have been conducted in a tested mode in the course of current harvesting of Kindzmarauli and Kvareli microzones, have been finalized.

Portuguese expert Ana Luz engaged in implementation of the national cadaster program of vineyards. In support of the international cooperation agency of Germany (GIZ), Ana Luz will hold a position of a consultant at National Wine Agency over 2018-2019.

SCIENTIFIC PROGRAM FOR GEORGIAN VINE CULTURE RESEARCH

- To chronologically restore the plant traces and specify the date of archaeological material of the vines procured in Georgia, archaeological samples were dispatched to the lab of Weizmann Institute, Israel in 2018;
- Archaeological samples have been studied via Bio-molecular methods by the professor Patrick McGovern at the United States of America (University of Pennsylvania);
- Next stage of Lab examination of procured archaeological material have been prolonged in cooperation with Georgian and foreign researchers;
- To specify the quality of rooting the wild vine, lab researches lasted at the Caucasus International University and respective results will be applied for cultivating the field collection of said plant;
- Serial production “Georgian vine and wine: literary heritage” was developed to the extent of the project; in the frame of this production, the first book Ermile Nakashidze (1929) “Viticulture-winery in Guria-Samegrelo, Adjara and Abkhazia” was published.
- Working on the scientific-popular documentary film named “Georgia – the homeland of wine” created on the project outcomes and Bordeaux wine exhibition have been completed. The first opening night of the film took place on December 27 in Tbilisi.
Another legislative and administrative activities linked to realm development

Place of origin of wines

The nineteenth name “Khashmi Saperavi” was added to the 18 ones of wine origin registered at the registry on wine origin, which ensures protection of said names worldwide on the basis of the conventions and agreements, Georgia forms a contracting party or is respectively related to.

„GEORGIAN WINE DEVELOPMENT STRATEGY“

“Georgian wine development strategy was prepared in 2018 in support of the expert of the International Migration and Development Center (COM) of German International Cooperation, Berthold Zaitz who served as a counsellor at National Wine Agency in 2016-2017. The document aims to create the environment favourable for boosting the competitiveness and publicity of Georgian wine.

THE ISSUE OF ENLISTING GEORGIAN WINE IN OIV WAS MOVED ON THE NEXT STAGE

Having tabled the issue of introducing the Georgian traditional wine to the list of special wines of International Organization of Vine and Wine (OIV) was moved on the next stage. As a result of discussion took place within the working group of OIV in April, the issue attracted the support and switched to the next stage of discussion. International Organization of Vine and Wine (OIV) overviewed the proposal of Georgian side in an accelerated manner in 2017, which aimed to introduce the wine, made by Georgian traditional methods, i.e. fermented on grape skin (chacha), named “Amber wine” in the international list of special wines. Currently, OIV list covers seven types of wines only, like: fizzy, fortified, liquor type, natural sweet wines “Icewine” and one ripened under membrane (Jerez type). Having completed the respective procedures, Georgian traditional wine will rank eighth in the list of special wines.
Procedures of Georgian wine import to Japan facilitated.

The list of foreign labs registered in Japan, was added four Georgian ones, which significantly facilitates the import procedures of Georgian wine to Japan. Prior to this decision, Georgian wine exported from its homeland, had to undergo supplementary lab testing and certifications at Japan customs, which triggered additional expenditures and procedural hassles, faced by Georgian wine importer companies; eventually, all mentioned above boosted the cost of wine, respectively. As a result of several months talk and specifying the further technical details, Japanese side introduced the follow up labs in the list of “Official Foreign Laboratories”: “Wine Laboratory” Ltd, “Norm” Llc, “Multitest” Llc, and “Expertise+” Llc.
The Agency aims to promote forming the business oriented farmer unions – the agency ensures granting/terminating the status, monitoring of agricultural cooperatives along with state program development.

www.acda.gov.ge
AGRICULTURAL COOPERATIVES DEVELOPMENT AGENCY

Support of cooperative entities and cooperatives in general, is the most effective direction of agriculture in terms of rapid growth of the farmers income, which promotes inclusion of cutting edge standards and technologies, encouragement of agricultural products and enhancing their competitiveness as well.

As of 31.12.2018, 1106 cooperatives, holding the agricultural status have been registered throughout Georgia so far.

**The cooperatives of agricultural status per regions:**

Kakheti - 120; Kvemo Qartli -126; Mtskheta-Mtianeti - 55; Shida Qartli -86; Samegrelo-Zemo Svaneti - -100; Guria-44; Adjara-84; Samtskhe-Javakheti-221; Imereti-122; Racha-Lechkhumi - 97; Tbilisi -51.

To support rapid grow of agricultural cooperatives, countless state programs have been developed and implemented in terms of bee keeping, cattle-breeding, viticulture.

**10 Diary production Co-operatives of various capacities were formed within the State support program for Dairy Production Agricultural Co-operatives.**

Over 210 members involved in agricultural cooperatives, with more than 2000 cattles in their ownership are enabled to produce diary in abidance by the standards, which supports boosting the farmers income, involved in agricultural cooperatives to the extent of production cycles.

The goal of the program is to incentivize the formation of cooperative plants equipped with cutting edge technologies for raw milk procession.
In the frame of state program to support Viticulture Co-operatives, ten cooperatives for processing the grape launched operation, which covers 204 members of cooperative, whereas the number of mobilized vineyards amount to 219 hectares.

The members of cooperative involved in the program are enabled to enjoy gain as a result of grape and wine realization as well.

10 agricultural cooperatives engaged in state program for reasonable use of state owned pastures in high Mountain regions in 2018. The program involves more than 300 farmers, whereas the number of mobilized cattle amounts to 2200. They will be transferred state owned pastures with 25 year lease right along with the agricultural technique required for cattle feeding, like the tractor, plough, rotational and segment lawn-mower, universal rake, compressor for mowed mass and trailer for load transportation with the co-funding.

Besides, state program envisages construction and equipment of milk processor enterprises in Akhalkalaki, Tsalka, Dmanisi and Dusheti municipalities.

Milk processor enterprise capacity at Akhalkalai, Dmanisi and Tsalka municipalities amount to 10 tone per day, whereas the one at Ukanapshavi administrative unit of Dusheti municipality – 1,5 tones a day.

Four enterprises constructed in scope of the state program will be transferred to the agricultural cooperatives, meeting the requirements set, through direct procurement with preferential price.
State Program to support Viticulture Co-operatives

In 2017-2018, 147 new Agricultural Co-operatives were funded within the framework of the State Programs conducted by the Agency of the Development of Agricultural Co-operative. The list of funded Co-operatives are available at the webpage of the Agency – www.acda.gov.ge

In 2017-2018, 147 new Agricultural Co-operatives were funded within the framework of the State Programs conducted by the Agency of the Development of Agricultural Co-operative. The list of funded Co-operatives are available at the webpage of the Agency – www.acda.gov.ge
Over the course of the last few decades, in the aftermath of deinvestment of amelioration field, ordinary process of land cultivation has been destroyed and most of the agricultural lands rendered unfit for harvesting as a result. Since the end of 2012, the field of amelioration has been actively financed by the state budget and rehabilitation of amelioration infrastructure has been actively undergoing throughout the country.
Proceeding from the climate of Georgia, land amelioration, construction, exploitation and run of irrigation and drainage systems are one of meaningful fields, which has to ensure conditions favourable to intensive and effective agricultural production.

To increase the fund for ameliorated agricultural plots, “Georgian Amelioration” Ltd executes large-scale rehabilitation works for amelioration infrastructure.

Arrangement of ameliorating system will significantly develop agricultural sector. Average hectare yield will improve and increase. Considerable advancement and outcomes are reached in this regard. Number of ameliorated cultivated lands are annually increased, which incentivized the population to be back to farming.

In 2012-2018, 258 rehabilitation project for amelioration infrastructure have come to an end.

In the frame of rehabilitation, 3020 km ameliorated canal has been cleaned and arranged.

**Rehabilitated works have been provided to:**

- 33 headworks;
- 25 Pumping stations;

Large scale works have been executed in line with the technical exploitation as well.

In 2013-2018, 10,448 km amelioration canal have been cleaned and arranged. 10,039 hydrotechnical constructions of various types have been repaired.
**Rehabilitation projects for amelioration infrastructure executed per regions in 2018**:

**Kvemo Qartli region**
- 11 projects have been implemented.
- Outcome: irrigation - 1,600 hectares; water supply was improved for - 14,771 hectares.

**Shida Kartli Region**
- 6 projects have been implemented.
- Outcome: irrigation - 1,142 hectares; water supply was improved for - 1,180 hectares.

**Kakheti Region**
- 9 projects have been implemented.
- Outcome: irrigation - 1,689 hectares; water supply was improved for - 6,525 hectares.

**Immereti region**
- 1 project has been implemented.
- Outcome: irrigation - 810 hectares.

**Samegrelo-Zemo Svaneti region**
- 6 projects have been implemented
- Outcome: drying 685 hectares.

**Guria region**
- 2 projects have been implemented.
- Outcome: drying - 480 hectares.

**Mtskheta-Mtianeti region**
- 2 projects have been implemented

**Samtskhe-Javakheti region**
- 4 projects have been implemented.
- Outcome: irrigation - 1,315 hectares.
MEANINGFUL PROJECTS:

Rehabilitation of c-7 header of upper magistral canal of Zemo Samgori irrigation system. (Gardabani municipality)

Outcome: water supply improve for 1200 hectare area

c.Poti, restoration and rehabilitation of the watershed mechanical power equipment, arranged on the river Rioni.

Outcome: c.Poti and villages of Khobi municipality and agricultural lands will no longer flood in the event of likely flashflood.
Samtatskaro – restoration-rehabilitation of Pirosmani Magistral canal and damaged hydrotechnical constructions on it (Dedoplistskaro municipality).

Outcome: improved water supply to 1183 hectare area.

**Steps undertaken:**
- Identified the structural and functional shortcomings of the dockman's water supply system, as well as the damage to the existing hydrotechnical structures;
- Drafted a technical and geological assessment report;
- Drafted a detailed project for the rehabilitation of the dockman's reservoirs;
- Designed the construction of the dockman's reservoirs and plant; 
- Designed the construction of the dockman's reservoirs and plant; 
- Carried out a geological and technical assessment of the dockman's reservoirs and plant;
- Designed the construction of the dockman's reservoirs and plant; 
- Designed the construction of the dockman's reservoirs and plant; 
- Carried out a technical and geological assessment of the dockman's reservoirs and plant; 
- Designed the construction of the dockman's reservoirs and plant; 
- Carried out a technical and geological assessment of the dockman's reservoirs and plant; 
- Designed the construction of the dockman's reservoirs and plant.

**Expected results:**
- The rehabilitation and restoration of the dockman's reservoirs and plant will improve the water supply to 1183 hectares of land in the area of Dedoplistskaro municipality.

- გარემოზე და სოციალური ზემოქმედების ანგარიში;
- ფინანსური გეგმა და ეკონომიკური კვლევით ანგარიში;
- პროექტის განხორციელების გეგმა;
- ფინანსური პროგრამის საბრძოლო სახელმწიფო კომენტერი;
- საერთაშორისო თემატიკის ფორუმი;
- სტრატეგიის ძირითადი ღონისძიებები/განხორციელებული ქმედები;

პროექტის ხელშეკრულების განხორციელები:

- პროექტის მომზადების გზები:
  - სტრატეგია;
  - საარჩევნო საერთაშორისო საქმიანობები;
  - საზოგადო საერთაშორისო საქმიანობები;
  - საერთაშორისო საქმიანობები;

- პროექტის განხორციელება;
  - პროექტის საერთაშორისო საქმიანობები;
  - პროექტის საერთაშორისო საქმიანობები;
  - პროექტის საერთაშორისო საქმიანობები;

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  - პროექტის საერთაშორისო საქმიანობები;
  - პროექტის საერთაშორისო საქმიანობები;
  - პროექტის საერთაშორისო საქმიანობები;

2018 წლის ბოლოსთვის მიმდინარეობდა სამგორის სარწყავი სისტემის რეაბილიტაციის 24 გარდამავალი პროექტი.
Food safety is the priority which canvas full chain of state control. In pursuit of the consumer right observence, the agency executes control over the local and imported food.

Major function of the Agency is to protect human life and health, animal health and welfare along with the health of plant either.
FOOD SAFETY

The purpose of state control on food safety is to protect the human life, health and consumer interests, which is executed by the follow up mechanisms through risk assessment: inspection, supervision, monitoring, sampling, and documentary checks.

To provide state control over food safety, the agency inspects spontaneously and executes planned and unplanned inspections.

**Planned inspection** is one of the mechanisms of state control which monitors the conformity of business operators with the requirements on production, procession and distribution phases as set forth by the applicable law of Georgia. Planned inspection is executed respective to the annual program of state, based on the risk assessment.

5530 planned inspections were done in 2018 including:
- 384 – slaughter houses;
- 275 – the facilities designed for production and realization of meat and meat product;
- 137 – milk and dairy products enterprises (including 41 cheese enterprises);
- 1310 – Public catering facilities;
- 1486 – food supply facilities at nursery schools and 137 – school canteens;
- 35 – enterprises designed for production and realization of fish and fish products;
- 58 – Agricultural markets;
- 37 – enterprises for semi-finished products;
- 542 – bread and pastry facilities, bakeries and confectionaries;
- 95 – enterprises for alcoholic and soft drinks;
- 608 – stores;

Besides, planned inspection was carried out in honey producer and seller, hazel nuts and sunflower seed production enterprises, vegetable oil (oil, margarine), egg, ice-cream, bottled water, herbs, nutritional supplements, sugar, chocolates, canned product, tea and coffee enterprises, on drinking/farming water supply units, fruit and vegetable retail and wholesale trade units, , mills, refrigeration farms and warehouses.

**Unplanned inspection** is executed without prior plan, carried out on the basis of state control outcomes including the lab test results, taken by the agency itself. Notice of the population or another agencies may serve as a basis for unplanned inspection.

- 830 unplanned inspections were carried out, whereas 219 business operators were inspected for acknowledging purposes in 2018.
- 6181 business operators were rechecked.
The National Food Agency carried out 12,760 inspections in total in 2018

### Inspection statistics for 2012-2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Planned</th>
<th>Unplanned</th>
<th>Recheck</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>377</td>
<td>44</td>
<td>83</td>
<td>504</td>
</tr>
<tr>
<td>2013</td>
<td>710</td>
<td>299</td>
<td>1167</td>
<td>2106</td>
</tr>
<tr>
<td>2014</td>
<td>2133</td>
<td>627</td>
<td>2424</td>
<td>5184</td>
</tr>
<tr>
<td>2015</td>
<td>3794</td>
<td>705</td>
<td>3725</td>
<td>8224</td>
</tr>
<tr>
<td>2016</td>
<td>5381</td>
<td>614</td>
<td>4826</td>
<td>10821</td>
</tr>
<tr>
<td>2017</td>
<td>4425</td>
<td>1078</td>
<td>4624</td>
<td>10127</td>
</tr>
<tr>
<td>2018</td>
<td>5530</td>
<td>1049</td>
<td>6181</td>
<td>12760</td>
</tr>
</tbody>
</table>

**Documentary checks** is a state control mechanism which monitors the documents, including recordings and food/feed labels related to business operator activity independently or along with another state control mechanisms. 7155 documentary checks were executed in public catering facilities (restaurants, ready to eat products, shawarma points, fast food), preschool kitchen and school buffets, food stores and markets, agricultural markets, distribution and realization networks, at the bakery, meat realization points and the food producer business operators of other profiles in 2018.

### Monitoring

Monitoring is a state control mechanism which aims to execute planned inspections and measurements to assess conformity of the food/feed with the demands set by the applicable law of Georgia. To the extent of the monitoring, food samples are taken from the sales facilities and examined at the accredited labs.

### Sampling

In 2018 authorised entities of the National Food Agency took the 5000 samples (including drinking water) properly and transferred to the Laboratory. The inconformities have been unveiled in 797 (16%).
Supervision

Activity of the business operator is supervised in terms of suppression of the food/feed for sale irrelevant for legislature demand and removal of the ones already placed on market for sale, fulfillment of the instructions provided by the agency and annihilation of similar food/feed. 791 cases of supervision took place in 2018.

As a result of unveiling the facts of selling and using the expired products, under the supervision of authorized persons of the agency, follow up products have been deteriorated:

<table>
<thead>
<tr>
<th>Product Type</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meat and meat products</td>
<td>107 162kg</td>
</tr>
<tr>
<td>Other solid food</td>
<td>6 903 kg</td>
</tr>
<tr>
<td>Liquid food</td>
<td>16 645 l</td>
</tr>
<tr>
<td>Egg</td>
<td>23 825 u</td>
</tr>
<tr>
<td>Meat without the form N2</td>
<td>5 844 kg</td>
</tr>
</tbody>
</table>

**Administrative penalty**  
As per the code on food/feed safety, veterinary and plant protection” 2851 cases of administrative violations were unveiled in the course of state control execution.

E-record of number of slaughtered animals on the active slaughter-houses are executed at the department. In accordance with the latest data, 103 animal and 13 poultry slaughter houses operate in the country, where 771 660 animal (cattle - 193 355, small livestock 414 133, pig - 146 350, lapin -17 614 and horse – 208) and 10 746 209 poultry were slaughtered in 2018 in total.

- Totally, 373 454 veterinary certificates – form #2 were issued.

**Issued certificates**
1538 hygienic, 41 conformity assessment, 28 – approval and 824 veterinary certificates were issued in 2018.

**Provided consultations**
Authorised persons provided 338 consultations.

In 2018, 1176 notice were served to the Food Safety Department (phone notifications– 1120, National Center for Disease Control and Public Health – 33, and 23 from another agencies) which were respectively responded. Given notifications and outcomes obtained as a result of appropriate response were electronically recorded.
In the scope of Food Safety State Control Program 2018, the outcomes of inspection, documentary check, monitoring and supervision of business operators have been assessed and analysed; the program of food safety state control for 2019 have been elaborated and priorities have been set respectively.

Outcomes attained

Condition on consumer market improves annually, which ensures more protectiveness of the population; awareness of National Food Safety Agency is raised and is well proved by the drastic increase in number of notifications provided via hot line and messages in social network. The consumer is better informed and involved compare to the previous years; besides, legislative changes designed for getting the market healthier, significantly improved the relations amongst the state, business and a consumer, which boosted the state control effectiveness, awareness of the population raised and competitiveness environment for business emerged.
ENSURING THE VETERINARY RELIABILITY

Vaccinations conducted in:
- 2 463 487 cattle and small livestock were vaccinated against FMD (Food and Mouth Disease), including 1 280 392 cattle and 1 183 095 small livestock.
- 1 100 385 animals were vaccinated against anthrax, including 364 025 cattle, 731 519 small livestock and 4 841 one-hoofed animals.
- Against the rabies: 259 458 dogs and cats.
- 154 736 cattle and 6 104 small livestock have been vaccinated against brucellosis.
- 23 999 livestock were vaccinated against sheep and goat fox.
- 339 655 small livestock have been vaccinated against PPR.
- 738 180 cattle have been vaccinated against lumpy skin disease (LSD).

Examined:
- 8 355 cattle were examined for brucellosis.
- 10 095 cattle were examined for tuberculosis via allergic method.
- 5 000 cattle, and small ruminant were examined for nonstructural proteins (NSP).
- 1 000 cattle and ruminant were examined for FMD structural protein.
- Post vaccination examinations of 100 small livestock were done for PPR.
- Post vaccination examinations for rabies were conducted with 50 small livestock.

Treatment have been provided:
- 6 459 cattle underwent treatment against Crimean-Congo hemorrhagic fever.

To ensure animal healthcare and reliability of the country, respective infrastructural projects have been implemented. In 2018 on the animal migration area, located in Bolnisi municipality, Kvemo Qartli region, 1 veterinary supervision center was constructed (biosafety point). Currently, 6 centers operate throughout the country in total (3 in Kvemo Qartli and 3 in Kakheti region), where veterinary supervision for livestock migration and treatment against the spongers are provided for free. In 2018, 8 465 cattle and 713 168 small ruminant were treated in total.
As a result of effective measures taken, the risk of illness spread and emergence of zoonotic diseases in human were minimized.

Cases of rabies
- In 2018, 46 cases of rabies were reported including 23 dogs, 1 cat, 16 cattle, 1 pig, 6 wild animal. In 2018 compared to 2013, the cases of rabies is deceased by 60% in animals.

Cases of anthrax
- In 2018, 11 cases of anthrax were reported including 9 cattle, 1 horse and one sample of meat.
- Compared to 2013, reporting the cases of anthrax is gone down by 72.5%.

Livestock identification and registration
To control the livestock health, ensure their registration and traceability along with labelling and transparency promotion, livestock is identified and registered, which serves as an attendant process of the animal vaccination.
- As for the initial data, 571 small ruminant, 420 661 cattle, and 1800 pigs have been identified.
- 375 023 cattle and 72 763 small livestock have been registered in the E-database.
- Inadequacy have been unveiled in the course of monitoring the cattle and small ruminant stalls/temporary stalls for 29 (1.4%) cattle and 7 (6.1%) small livestock stalls.
- Veterinary activity, envisaged by the state program have been registered for 1 074 676 livestock in total;
- Along with the preventive vaccinations against brucellosis, passports have been issues to 152 351 cattle;

VMP registration and control
In 2018, 320 VMPs were submitted for registration. 324 out of them were properly registered (whereas the part of VMPs have left from the previous year, since the registration process may took couple of months to finish). Out of the 324 registered VMPs, 102 one have been recorded in a national, whereas – 111 in a 1st grade change, 1 with II grade change, national reregistration-45, in a recognized mode – 41, recognized mode change – 22, recognized mode reregistration-2. Registration documents for 25 VMPs have been left unreviewed.

In 2018, GEL 186 825 were paid to the state treasury as a fee for registration service of VMPs.
In 2018:
- 316 veterinary Centers have been inspected including Vet pharmacy, Vet clinic, Vet shop etc.
- To ensure the quality monitoring, a lab test has been provided to 231 samples. 1 medicine, produced in Georgia, were considered unfit. The fact of selling the expired product was revealed either.
- Obtained outcome: high quality medicines are sold in the Country as a result.

Export
In the aftermath of the measures taken by the agency, the demand on Georgian product increased across the world market. Export of the mutton significantly increased, referring to the creation of supplementary value on the ground and the country received increased income either.

Products exported from Georgia in 2018:
- 127 139 cattle
- 66 231 small livestock and 249 375 mutton
- 2 139 534 kg cattle salted leather
- 890 987 kg small livestock salted leather
- 1 163 977 kg wool
- 2 169 280 chicken
- 885 000 kg manganese oxide
- 10 048 189 kg fish oil
- 15 513 961 kg fish powder
- 152 030 kg soybean oil;
- 56 00 kg wheat bran
- 3 442 512 incubation eggs

**Veterinary and Sanitary supervision**

To monitor the animal health and seasonal movement, operation of the veterinary supervision centres (biological safety) is meaningful, where 8 465 cattle and 713 168 small livestock were treated with insect acaricidal preparations in 2018.

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**ENSURING PHYTOSANITARY RELIABILITY**

Phytosanitary department is responsible for taking quarantine measures in the country, protecting the area from introduction and spread of harmful organisms.

The department ensures diagnostics of agricultural lands, forecasts the spread of harmful organisms, measures to be taken against them and quarantine and phytosanitary inspection of the phytosanitary regulated production.

Phytosanitary department organizes disinfection the herbal origin products, transportation means, warehouses, and other sites, registers the pesticides and agrochemicals, executed phytosanitary monitoring and runs the risks. The department is responsible for issuing the phytosanitary and re-export certificates and is in charge of rendering phytosanitary service to the business operators.

**Measures against the quarantine pests**

The agency annually takes measures against the dangerous and quarantine harmful organisms (locusts, American fall webworm, box tree moth etc). In the aftermath of the measures taken, harmful impact of the organisms on the agricultural cultures and green cover in total are minimized.

**In 2018**

- 790 000 ha of area have been treated against BMSB (Brown Marmorated)
- In pursuit of the BMSB monitoring, 8000 pheromone traps were placed throughout the country and 100 000 pheromones for the stations “attract and deteriorate” in the external perimeters of the forests and villaged through the country.
- 14 826 ha of plot were treated against the locusts and tettigonia caudata;
- 14 826 ha of area were processed against the American fall webworm.

**State control over the Pesticides and Agrochemicals**

- Phytosanitary department constantly executed state control on the the quality of pesticides and agrochemicals placed in sales network.
- In 2018 300 samples of pesticides and 48 one of agrochemical were collected and sampled (348 samples in total) at the Lab.
- 136 sale centres of the pesticides were checked up either.

**Supervision and monitoring of harmful organisms (including quarantine and nonquarantine ones)**

To supervise and monitor extremely dangerous and quarantine harmful organisms 400 pheromone traps were placed in Kakheti, Shida and Kvemo Kartli, Mtskheta –Mtianeti, Samegrelo Zemo Svaneti, Guria, Imereti, Samtskhe Javaketi, Racha-Lechkhumi and Kvemo Svaeti regions along with the areas of Autonomous Republic of Adjara and Tbilisi in accordance with the phytosanitary control program in 2018 for etymological test. To diagnose the harmful organisms, (etymological, phytopathological, viral, herbological) 734 sample have been examined. In the event of rapid spread of the harmful organisms and emergence of new ones, other harmful organisms may be tested in pursuit of identification. In the course of phytosanitary control, 67 supplementary samples were planned.
to take. Over the control program, on the basis of 50 test protocols, obtained from the Lab, follow up quarantine organisms harmful to Georgia have been unveiled:

- Fire blights (Erwinia amylovora) – 6 (Kvemo Kartli, Kakheti, Racha-Lechkhumi, Kvemo Svaneti);
- Golden nematode (Globodera rostochiensis) – 2 (Kvemo Kartli); potatoe cancer;
- Synchytrium endobioticum – 5 (Adjara);
- Dialeurodes ctri - 8 (Adjara);
- Ceratitis capitata -29 (Samegrelo-Zemo Svaneti, Imereti, Guria)

**Phytosanitary Export Certification**

Over 2018, the authorized specialists of the regional division of the National Food Agency have issued 10 363 certificates for the products of herbal origin, including 10 046 export and 312 re-export certificates.

166 399 types of fruits and vegetables at amount of 166 399 are phytosanitarily certified and exported from Georgia on the basis of issued certificates, including:

- Hazelnut - 14 360 tones
- Bay-tree - 4 788 tones
- Timber - 333 10719 m3
- Tea - 1 725 tones
- Persimmon - 3 885 tones
- Peach - 4 119 tones
- Nectarine - 6 743 tones
- Other fruits - 3 449 tones
- Vegetable - 2 748 tones
- Greens - 3 693 tones
- Potatoe - 16 981 tones
- Herbs - 8 932 tones

100% of business operators, registered at the Entrepreneurial Registry by September 30, 2018 and verified in the National Food Agency database.

100% of business operators are monitored and registered at the database of the agency. As of September 30, 2018, totally 18 395 business operators are being registered in the Public Registry Agency database. Out of the total amount, 6 428 have already been registered at the National Food Agency database. Later in December, the agency checked and input the data of 11 967 business operators to the database.

95% of the inspectors are trained in accordance with the EU requirements as per the respective realms.

National Food Agency holds the training program for food inspectors. The program covers general and specific (professional) topics respective their competence requirement. General topics rely on the Standard Operating Procedures, whereas the one for competence is elaborated on the basis of Georgian legislation, which governs the business operators activity in the sectors of meat, milk, fish, foods of non-animal origin and HACCP.

In accordance with the data of December 31, 2018, 97% of the inspectors have been trained in their own realms of activity, respective to the EU requirements by the National Food Agency.
The principal activity of the LEPL Laboratory of the Ministry of Agriculture of Georgia (LMA) is to provide a diagnostics of various diseases of animal (poultry, fish, bee) and herbs and examine the quality of food and potable water. Within its competence, the Lab takes the liquidation and quarantine measures and support testing and inculcating the new methods of diagnostic.
LEPL LABORATORY OF THE MINISTRY OF AGRICULTURE

QUALITY MANAGEMENT

Conclusion of the Association agreement imposed the commitment on the state to inculcate new standards in the country. Which refers to the necessity of food product safety not only international but on country level as well.

Pursuant to the commitments under "Deep and Comprehensive Free Trade Agreement (DCFTA), formation of the international-level laboratory became mandatory.

LEPL Laboratory of the Ministry of Agriculture is ISO 17025 accredited and holds 9001:2015 quality management system. The fact that the Lab and its tests are internationally recognized, creates the sense of credibility internally and externally as well. Granting the international accreditation ensures the accuracy and genuineness of the test results.

Any procedure are carried out within LMA network, in accordance with the respective biosafety manual and Standard Operating Procedures (SOP).

EPID.SURVEILLANCE ACROSS THE COUNTRY

Regional laboratories of the Ministry of Agriculture of Georgia are actively involved in "Integrated Health Program" within the "Cooperative Biologist Engagement Program" (CBEP), initiated by the Defence Threat Reduction Agency (DTRA) and are open to engage in the lab works in the event of epidemic threats.

LABORATORY STAFF TRAINING / PROFESSIONAL COMPETENCY TESTING PROGRAM

Scientific-research activities and support of Lab staff qualification rising are devoted significant attention in the Laboratory. The staff is consistently trained for cutting edge methodologies. Lab staff undergo trainings at the leading reference Laboratories in both USA and Europe.

LEPL Laboratory of the Ministry of Agriculture is closely involved in the professional Competency Testing Program. This implies that the Lab is regularly tested in the professional researches. Participation in similar activities refers to the verification of the accuracy and validity of the tests proposed to the customer, but one of the mandatory condition for preserving the accreditation.

PROMOTION TO VOCATIONAL EDUCATION

LEPL, Laboratory of the Ministry of Education and Science, attempts to give maximum support to the educational institutions in upbringing the future specialist.

Laboratory supports the students from the vocational institutions and Universities to involve in the Laboratory practice for future prospects of employment. Young qualified human resources increased as a result. It worth mentioning that after hiring, they proceed to develop professionally. Employed. Students have already participated in the arrays of trainings, delivered by various local and invited experts. Within the scope of "The rule and Conditions of Internship at Public Institutions", the students from IIia State University, Ivane Javakhishvili Tbilisi State University and Sukhumi State University undergo internship at the Laboratory.
PLANTS PESTS DIAGNOSTICS DEPARTMENT

The studies inculcated:

- Morphologic - morphometric characterization of *Meloidogyne chitwoodi* and *Meloidogyne fallax*;
- Morphologic - morphometric characterization and detection of *Heterodera glycines*, *Xiphinema americanum*;
- Morphologic - morphometric characterization and detection of *sensu lato*;
- Morphologic - morphometric characterization and detection of tephritid fruit fly - *Bactrocera dorsalis*;
- Morphologic - morphometric characterization and detection of *box tree moth*, *Cydalima perspectalis*;
- Morphometric characterization and detection of *Asian long-horned bettled Anoplophora glabripennis*;
- Morphologic - morphometric characterization and detection of *Whitefly Bemisia tabaci* is submitted for approval;
- *Citrus flatid planthopper* - *Metcalfa pruinose* morphometric characterization and detection SOP procession (submitted for approval);
- Detection and identification of harmful quarantine organism - *Tilletia (Neovissia) indica*;
- *Verticillium* spp detection and identification from herbal material and soil.
- *Verticillium* spp detection and verification.
- Detection and typical identification of *bog Bilberry desiccation defiant pathogenic fungus - Phomopsis vaccini*;
- Detection and Morphological - chemical characterization of *kiwi bacterial cancer defiant - Pseudomonas syringae pv. actinidiae*;
- Detection and morphologic-biochemical identification of bacterial wilting defiant of the hazelnut - *Xanthomonas arboricola pv Corylina*;
- Detection and morphologic-biochemical identification of bacterial cancer defiant of the hazelnut - *Pseudomonas syringae pv. avellanae*;
- Detection and morphological-chemical identification of the walnut bacterial wilting defiant - *Xanthomonas arboricola pv. juglandis* (submitted for approval);
- Morphological-biological research of *Emex australis Stein*;
- Morphological-biological research of *Sida spinosa*;
- Morphological-biological research of *Solanum triflorum Nutt*;
- Morphological and biological research of *Solanum elaeagnifolium Cav* (dispatched for approval);
- Phytoplasma detection and identification through „Nest” and momentary polymerase chain methods;
- *Ceratitis capitata* DNA detection;
- Detection and identification of *Pseudomonas syringae pv. actinidiae-b* through polymerase chain reaction. *Ceratitis capitata* DNA detection;
- Identification of *Bursaphelenchus xylophilus* by momentary polymerase chain method;
- Identification of *Xanthomonas arboricola pv. Corylina*, bacterial necrosis defiant bacteria - *Xanthomonas arboricola pv. Corylina* by momentary polymerase chain method;
- Identification of the fly - *Ceratitis capitata* through conventional and „RELF” polymerase chain method.
- Identification of *Ditylenchus dipsaci* by polymerase chain method.
- Identification of the meat type through the enzyme –linked immunosorbent assay (ELISA) method (chick meat, beef, pork); Identification of virus for winding the sweet cherry leaf through enzyme –linked immunosorbent assay (ELISA)
**Standard Operation Procedures (SOPs)**
- 20 SOPs have been elaborated and approved;

**Accreditation**
- 10 modern methods were added to the national accreditation list, whereas has been accredited on 6 methods;

**Professional Testing:**
- The department has successfully undergone the qualification testing on two methods:
  - Peanut specification if garlic powder (100%);
  - Detecting and identification of phytoplasma in DNA samples (100%);

**Participation in interlaboratory testings:**
- Identification of the genus cysts Globodera on the level of species (100%);
- Identification of the genus Globodera-ը from soil sample (100%);
- Identification of Monochamus spp. mature phase (92%);
- Identification of Erwinia amylovora from herbal extract (100%);
- Detecting and identification of Clavibacter michiganensis subsp. sepedonicas- from the herbal extracts (100%);
- Detecting and identification of Ralstonia solanacearum from the herbal extracts (100%).
Participation of internal laboratory testings:

- Identification of a potatoe aphid (Batumi Laboratory);
- Detecting brown mouldness - Ralstonia solanacearum through the rapid test (Batumi Laboratory);
- Specific identification of Tilletia representatives (Batumi Laboratory);
- Specific identification of Tilletia representatives (Internal laboratory);
- Detection of bacterial burn defiant - Erwinia amylovora in herbal sample through morphological and biochemical methods (Internal laboratory);
- Specific identification of a meat (at the virology and molecular biological laboratory of animal illness diagnostical department).

SCIENTIFIC PROJECTS

The projects funded under Shota Rustaveli foundation are in progress:

- Identification of harmful zoo of hazelnut common in the West Georgia (scientific grant of the young scientists Y5-2016-53, T.Abramishvili);

Scientific projects has been submitted to Shota Rustaveli Foundation:

- Biocontrol of some fungus illness of the potatoes through actynomisetes originating the silver nanoparticles (chief scientist: M.Gurielidze);
- Development of the regulation system for Halyomorpha halys quantity (chief scientist: N.Badalashvili).

TRAININGS

- Morphological identification of the major species of Monochamus (T.Abramishvili, diagnostic laboratory in Olomouc, Czech Republic);
- Bursaphelenchus xylophilus identification through morphological and morphometrical signs (N.Nazarashvili, diagnostic laboratory in Olomouc, Czech Republic);
- Meloidogyne spp and Globodera rostochiensis, G.pallida resistance establishment (theoretical part) signs (N.Nazarashvili, diagnostic laboratory in Olomouc, Czech Republic);
- Bemisia tabaci determination of through morphological and morphometrical signs (T.Abramishvili, Czech Republic);
- Morphological examination of wood harmful beetles (T.Abramishvili, Czech Republic);
- Familiarizing with the major methods applied in bacteriological laboratory (M. Gurielidze, Olomouci, Czech Republic, diagnostical laboratory);
- Erwinia amylovora disease inciting test on tisular culture – practical training (M. Gurielidze, Olmouci, Czech Republic, diagnostic laboratory);
- Erwinia amylovora-Agglutinmation test (M. Gurielidze, Olmouci, Czech Republic, diagnostic laboratory);
- Bursaphelenchus xylopilus identification through polymerase chain methods (Tbilisi, E. Abashidze, D. Ghaghanidze);
- Detecting Monochamus species through pheromone traps (Mamkoda preserved area) and identification of their species;
- Detecting major wood dessicating pests, procured as a result of Mamkoda expedition and their special identification (Tbilisi);
- Bursaphelenchus xylopilus detection as from Monochamus spp as planted coniferous forest and its special identification by morphological and morphometric methods (N. Nazarashvili, Tbilisi);
- Nematode secretion and identification from the Vector Monochamus sp of Bursaphelenchus xylopilus (N. Nazarashvili, Tbilisi);
- Special identification of Bursaphelenchus xylopilus through PCR methods (Tbilisi, D. Ghaghanidze, E. Abashidze, M. Azarashvili);
- Special identification of Ditylenchus dipsaci, D. destructor by morphological and morphometric methods (N. Nazarashvili, Tbilisi);
- Special identification of Ditylenchus dipsaci, D. destructor polymerase chain methods (Tbilisi, E. Abashidze, D. Ghaghanidze);
- Identification of Tephritidae (Fruit Flies) species by morphological and morphometric signs (T. Abramishvili, Tbilisi);
- Identification of Tilletia- genus and its species, T. controversa, T. tritici, T. foetida, T. caries morphological and distinctive sign learning through light (N. Bokeria, A. Ddegashvili, Tbilisi);
- Phytophthora cultivation and identification of the genus species; detection and identification of Verticillium albo-atrum; (N. Bokeria, A. Ddegashvili, Tbilisi);
- Learning morphological and distinctive features of Verticillium albo-atrum & Verticillium dahliae (N. Bokeria, A. Ddegashvili, Tbilisi);
- Potatoe specieis testing for potatoe cancer resistance (N. Bokeria, A. Ddegashvili, Tbilisi);
- Identification of Synchitrium gene species and specification of zoosporangium viability (N. Bokeria, A. Ddegashvili, Tbilisi);
- Furgus illness of pine and deciduous plants (N. Bokeria, A. Ddegashvili, Tbilisi);
- Xylella fastidiosa distinction, cultivation and diagnostics through polymerase chain methods, theoretical and practical training, Czech republic (M. Gurielidze, E. Abashidze);
- Detecting browny and circular mouldness defiant of the potatoe - diagnostics of Ralstonia solanacearum & Clavibacter michiganensis subsp. Septodoncus through fluoroimmunoassay (M. Gurielidze, Czech republic);
- Ralstonia solanacearum disease evocing test on aubergine seedlings M. Gurielidze, Czech republic;
- disease evocing test on Pectobacterium carotovorum, P. atrosepticum, Dickeya solani disease evocing test on potatoe tuber – method of pathogene cultivation;
- Pseudomonas syringae pv. Syngae pathogene test;
- Specific identification of Melapsora genus (Melampsora medusae, M.larici – populina, M.populnea, M.allii – populina) (N.Bokeria, A.Dadegashvili, Tbilisi);
- Phytoplasma detection and identification in plant and vectors;
- Potatoe viroide (Potato stindle tuber viroid (PSTVd) detection and identification through polymerase chain methods (FAO, D.Ghaghanidze, E.Abashdze, M.Aznarashvili);
- Detection of plant harmful viroieds and their identification through polymerase chain methods (FAO, D.Ghaghanidze, E.Abashdze, M.Aznarashvili);

Biosafety and bioprotection (department staff);

**Participation in the workshop/conference/publications:**
- Hazelnut big bud mites in Georgia and an innovative method for their PCR analysis. XV international Congress of acarologists in Antalia, Turkey, T.Abramishvili, D.Ghaghanidze
- 13th annual meeting of 2018 “Application of sequencing analysis for rabies virus diagnostics and surveillance in Georgia” (SFAF) Santa Fe, New Mexico, the USA, T.Elbakidze.

**The staff of the department have drafted and released the publications as follows:**
- Hazelnut big bud mites in Georgia and an innovative method for their PCR analysis. XV international Congress of acarologists in Antalia, Turkey, T.Abramishvili, D.Ghaghanidze

**Support to vocational education**
- Open door day was set up for ninth and tenth grade students of Sagarejo, Gombori, Udabno, Patardzeuli, Khashmi and "Mzis Guli" Public Schools in Kakheti region.
- At the laboratory Training was given to the student of agricultural sciences of the Agricultural University and yound specialists of the vocational colleges “Spektri” and Orientiri.”
DEPARTMENT OF DIAGNOSTICS OF ANIMAL DISEASES

Studies introduced:
- Diagnostical express test for US and European mouldiness of bee;
- Detection of anti leptospira antibodies in the blood serum of mammals;
- Detection of anti plague virus antibodies in the plasma and blood serum of a dog;

Standard Operation Procedures (SOPs)
- Alterations have been introduced to 26 SOPs;
- New SOPs have been developed;

Accreditation:
- The department have undergone national accreditation in 74 realms
- whereas international accreditation in 52 realms;

Interlaboratory professional Testing:
- Matrix gene of highly pathogenic poultry (AIV) molecular biology RT-PCR
- HS genus of highly pathogenic poultry (AIV) molecular biology RT-PCR
- Paramixovirus (APMV) molecular biology RT-PCR
- Newcastle molecular biology RT-PCR
- Sheep and goat smallpox molecular biology RT-PCR
- Nodular dermatitis molecular biology RT-PCR
- Internal interlaboratory qualification testing staphylococcus.
- Bacteriology - Internal interlaboratory qualification testing – Turkish serology
- Internal interlaboratory qualification testing – brucellosis, leishmaniosis - serology
- Internal interlaboratory qualification testing in hitology
- Internal interlaboratory qualification testing in parasitology;

Current scientific projects:
- Detecting the cases of fibrillary-zoonotic skin damage and diagnostic potential rising in Georgia;
- Donor Defence Threat Reduction Agency
- Detection of small livestock distemper cases in Georgia and Armenia, complex surveys of their origin and spread;
- Participant institutes-LEPL laboratory of the Ministry of Agriculture, Vet department of the National Food Agency, Republican Venerinary Laboratory of Armenia;
- Donor - Defence Threat Reduction Agency;
Under discussion:
- Refinement and introduction a diagnostic equipment in pursuit of Turkish control in Georgia;
- Participant institutes-LEPL laboratory of the Ministry of Agriculture, Donor - Defence Threat Reduction Agency;
- Assessment of decontamination effectiveness of anthrax focus of infection;
- Participant institutes-LEPL laboratory of the Ministry of Agriculture, Vet department of the National Food Agency
- Donor - Defence Threat Reduction Agency;
- Perfection of lab diagnostics of rabbies
- Joint twinning project of the laboratory of the Ministry of Infrastructure and Animal and Plant health Agency of Great Britain ;

Trainings:
- Biosafety- methods of disinfection;
- Molecular biology B. Anthracis
- Serology - fluorescent polarization test
- Serology- brucellosis  Repeated training;
- Third level biosafety (BSL-3) practical and theoretical repeated training
- Bacteriology  salmonella and Shegela isolation
- Identification - EIDSS analytical model
Meetings, workshops, symposiums, conferences

- Defence Threat Reduction Agency (DTRA), joint biological engagement program; 99th annual international conference for research workers of animal illness. (CRWAD); Chicago, Illinois, USA.
- Defence Threat Reduction Agency (DTRA) “11th congress of European society for veterinary virology (ESV); conducted through joint biological engagement program and 12th annual meeting of the European Research Group EPIZONE, conference, meeting, c. Vienna, Austria.
- Workshop, organized by the EU reference laboratories.
- Workshop on small livestock plague disease, Montpellier, France.
- The fourth meeting/conference given within the joint biological engagement program of Defence Threat Reduction Agency, GARA “African swine fever/Global Alliance of Researchers, (GARA), c. Calgiari, Italy.
- International Atomic Energy Agency (IAEA) workshop for vectoral disease diagnostics and capabilities of differentiation. C. Tbilisi.
- Conference of American Society for Microbiology (ASM), in biological engagement program of Defence Threat Reduction Agency. V. Baltimor, Meryland, USA.
- International Atomic Energy Agency (IAEA) detecting and differentiation Vector borne disease. Workshop, Lisbon, Portugal.
- International infectious disease conference -Atlanta, Georgia
- US microbiologists society conference Atlanta, Georgia
- Meeting of Georgian and Azerbaijabian epidemiologists and vets within Trans-border cooperation in Kvareli.
- Workshop “Rabies better control statistics” (Batumi).
- Workshop - perfection of LIMS introduction process (Borjomi).
- EIDSS representation meeting with Lab workteam (Tbilisi)

Publications, booklets

- “Intra-epidemic genome variation in highly pathogenic African Swine Fever Virus (ASFV) from the country of Georgia”, Jason Farlow; Marina Dondushvili; Maka Kokhreidze; Adam Kotorashvili; Nino Vepkhvadze; Nato Kotaria; Ana Gulbani

Support to vocational education:

- The training given to the bachelor program of Sukhumi State University at the Lab of molecular biology and
- Intership Master program student from Zootechnical Veterinary educational-research Institute at the department of animal illness diagnostics.
Follow up studies have been introduced:

- Detecting, counting and horizontal method of serotyping the Salmonella part – 1 – salmonella spp detection ISO - 6579-1-2017;
- Horizontal method of counting the microbodies, part 2 - counting colonies through 30 C deep sowing technique SST ISO 4833 – 2: 2013/2015;
- Sulfide reducing clostridia SST ISO 15213: 2003/2013;
- Specification of hard metals – Chromium and tin(Cr, Sn) in food products through Agilent Technologies 4200 MP AES and Atomic Absorbtion spectometer Agilent Technologies 280Z AA;
- Specification of o-h methyl phurphurol in honey through high efficient liquid chromatography;
- Specification of glucose, fructose and sucrose honey through high efficient liquid chromatography;
- Nitromidazole specification in honey through LC/MS/MS.
- Specification of pesticides residue through GS/MS/MS and LS/MS/MS methods;
- PCB specification in honey and fish via GS/MS/MS method.
- Nitrofurans specification in honey through GS/MS/MS method.
- Pollen analysis in honey.
- Specification of food moistness through a new device „Radwag MA 50 „.

Standard Operation procedures (SOPs)

- 12 Updated SOPs have been elaborated and approved;
- 4 validatin protocol have been updated and approved;
Accreditation

- Detecting, counting and horizontal method of serotyping the Salmonella part – 1 – salmonella sppdetection ISO - 6579-1-2017,
- Horizontal method of counting the microbodies, part 2 – counting colonies through 30 C deep sowing technique SST ISO 4833 – 2: 2013/2015
- Sulfide reducing clostridia SST ISO 15213: 2003/2013;
- Specification of hard metals – Chromium and tin(Cr, Sn) in food products through Agilent Technologies 4200 MP AES and Atomic Absorbtion spectometer Agilent Technologies 280Z AA;
- Specification of o-h methyl phurphurol in honey through high efficient liquid chromatography;
- Specification of Glucose, fructose and sucrose honey through high efficient liquid chromatography;
- Nitroimidazole
- Nitromidazole specification in honey through LC/MS/MS
- Specification of pesticides residue through GS/MS/MS and LS/MS/MS methods
- Specification of anions (nitrates, nitrites, sulphates, fluorine and chlorine in water)
Professional Testing

- The department has successfully undergone professional testing on 13 indicators; (FAPAS);
- Specification of pesticides in strawberry jam;
- Specification of hard metals Cd, As, in tinned fish.
- Specification of tetracycline group residue in fish muscles;
- Nitromidazole and aminoglycoside group residue in honey;
- Specification of hard metals (Cd), (Pb), (Sn), (Ni) in vegetable;
- Vibrio parahamolyticicus (Detection test –Fish M236d21);
- Enterobacteriaceae (Enumeration test-Salad M235e03);
- Salmonella spp. (Detection test- Shocolade powder M236d07);
- Clostridium perfringens (Enumeration test, Beef M 237e06);
- E.coli (Enumeration test-milk powder M 257e10);
- E.coli O157:H7 (Detection test, Beef M 237d11);
- Salmonella spp. (Detection test, Chicken M235d07);
- Coagulase positive staphylococci (Enumeration test, Beef)

Trainings:

- Training through "PCR, electrophoresis and other diagnostic methods in lab tests, Skopje University, Skopje, Macedonia;
- Training, honey test: Prague Veterinary laboratory, Prague, Czech Republic.
- Workshop on development of applied test, LEPL Shota Rustaveli National Science Foundation of the Ministry of Education and Science of Georgia;
- Workshop, leaded product assessment, LEPL Scientific Research Center of the Ministry of Agriculture of Georgia;
- Nitroimidazole specification in honey;
- Nitrofuran specification in honey;
- Pesticides and polycyclic a biphenyl specification in honey;
- Antibiotics specification in honey;
- Specification of hard metals in food (Hg, As);
- Polycyclic aromatic hydrocarbon specification in fish;
- The training was delivered under the leadership of the World Bank Expert, Mr. V.Bartkevich (Head of BIOR food safety and environmental protection laboratory)
- General requirements of Food testing Laboratory competence; International Atomyc Energy Agency, C Bogor, Indonesia;
- International standard enhancement, regional workshop (in terms of food safety) (CAREC), Tbilisi, Georgia
Support to vocational education

- Open door day have been set up for school students related to the International water’s day;
- Training was delivered to the students of educational course “Molecular methods in biomedical sciences” of Sukhumi State University along with the one of doctor program of Agricultural sciences of the Agricultural University and young specialists of the vocational collage “Orientiri” and Spektri”.

As of June 30, 2018, 100% of methods applied by LEPL laboratory of the Ministry of Agriculture are accredited in accordance with the EU and/or International standards.

In March, 2014, LEPL laboratory of the Ministry of Agriculture underwent international accreditation in accordance with ISO 17 025, which will internationally acknowledge any result of the test, done at the Laboratory. Given accreditation will be issued by the US National Institute of Standards (former ACLASS-ANSI, currently referred as ANAB), which forms one of the leading accreditation body for the testing/calibrating laboratories. Quality management system applicable to the ISO 9001:2008 requirement is introduced to the Lab either.

As for the current data, any test inculcated in the laboratory is accredited in accordance with the international standard ISO 17 025.
The center aims to support maximal application of the potential of the agricultural realm, increase of crop yield, analyzing and resolving the current problems on a scientific level, introduction of a cutting edge, innovative technologies and risk assessment in food safety, veterinary and plant protection fields based on the best practice and scientific experience.
LEPL Scientific Research Center of the Ministry of Agriculture carries out activities in various directions, namely: it supports the development of agrarian sciences, agriculture, food production, maintenance of agro-diversity, promotes artificial insemination of animals and breeding activities, ensures restoration of the centres for plant breed testing and selection, development of the system of standards and certification for seed and planting materials, inculcates new technologies and risk assessment in food safety, veterinary and plant protection fields, development of organic methods, supports the development of organic farms and extension of the persons engaged in agriculture.

**infrastructure**

Scientific Research Center of the Ministry of Agriculture holds well-equipped agricultural centres, cutting edge laboratories and demonstration testing areas:

- Permanent crop demonstration and research base (vine, fruit trees, agroforestry) Jigaura village, Mtskheta Municipality;
- Laboratory for Integrated Protection of Plants (Jigaura Village, Mtskheta Municipality);
- Laboratory for plant viral testing ELIZA and RT PCR (Jigaura Village, Mtskheta Municipality);
- Annual crop Seed’s research and Demonstrative base (cereal crops, legume, vegetable, melons, technical plants) (Tsilkani Village, Mtskheta Municipality);
- Seeds and planting material standard and certification laboratory (Tsilkani Village, Mtskheta Municipality);
- Proff. Ivane Sarishvili Research laboratory on soil (Tsilkani Village, Mtskheta Municipality);
- In vitro propagation of plants and virus free planting material materials laboratory (Tsilkani Village, Mtskheta Municipality);
- Animal breeding, selection and research station (Gantiadi village, Dmanisi Municipality);
- Domestic animal and pultry demonstration and testing research farm (Krtsanisi); Bee-breeding station (Mukhuri Village, Chkhorotsku municipality)
- Greenhouse complex: 6 big and 27 small greenhouses of solar system (Shulaveri village, Marneuli municipality);
- Selective/demonstration plots for breeding test in 24 municipalities of Georgia;
- "Wine Laboratory" Ltd with the right of management (Tbilisi);
- "Adam Beridze soil and food products diagnostics center" with the right of management (Anaseuli village, Ozurgeti municipality)
Construction and set of the follow up centres have been finalized:

- Molecular labeling laboratory (DNA laboratory)( Village Tsklani, Mtskheta Municipality)
- Museum of Sericulture ( Village Tsklani, Mtskheta Municipality);
- Demonstration and testing base for annual and permanent cultures ( village Lesinche, Chkhorotsku municipality).

In 2018, in pursuit of scientific support provided to the agrarian sector, research and introduction of modern technologies, maintenance of animal and plant agrodiversity, genepool of the vegetable and melons, their planting, yielding, introduction of biological and agroproduction technologies, scientific research centre of the ministry of Agriculture carried out activities in directions as follows:

- Wheat and bean seed are processed for placing them in Genbank.
- Preliminary outcomes are obtained to identify rare and prospective types for various regions in accordance with the physical-chemical and organoleptic characteristics;
- Searching for the genetic resources of the technical cultures are being executed – including conservation, scientific base formation and selection;
- Local and introduced legums are studied, best forms are being selected, tested and registered for various phases of their selective operation;
- The phases of ripeness of the vegetable and melons are being ascertained like: cucumber, potatoe, pepper, learning and researching the species/hybrids of watermelon and melon;
- Genetic resources are being searched/studied and being allowed to plant of vegetable cultures (onion, cabbage);
- Selection and initial seed farming for the species of high yielder insect and illness resistance and environment adaptive potatoe.
- Local forms of the potatoe – 10, cucumber- 3, watermelon – 1, pepper – 2, melon – 1, pumpkin – 1, aubergin – 1 are searched and restored;
- Two local species of garlic and onion are restored;
- Demonstration and testing plot has been arranged to study the agrotechnology of the asparagus and other less common permanent vegetable;
- To examine the effectiveness, 32 biological medicine of local and international production have been tested on annual and permanent cultures, plan of their application along with economic effectiveness are elaborated;

To improve agrotechnologies of the perennial cultures and maintain the gene pool:

- Economic and biological peculiarities of 18 new and 63 introduced fruit trees have been studied;
- To search and preserve the species and types of rare and endangered fruit trees, 30 expeditions were set up;
- 1 orchard of collections was planted in Paki ( Kvemo Svaneti);
- Endangered species of tree – Georgian almond sapling was added to the Collection wood;
- Up to 200 Viral, bacterial and pytoplasmic diseases of vine and trees have been analysed in the nurseries of the East Georgia.
- Progress of five phenologican phases up to 890 species of the trees have been observed;
- 21 practical training-workshop were delivered for the beneficiaries of the orcharding program “Plant for the future”;

**Note:** The page number 101 is visible in the image, indicating the content is from an annual report. The text is structured and organized, presumably for an informative presentation or report.
New effective agrotechnologies have been elaborated for pruning the fruit trees;

Effective methods for propagating the vegetative parent stocks of the stone fruit trees have been implemented;

To conserve the local species of fruit trees in the gene pool, 1200 plants were inarched in the collection;

Cultural (Vitis Vinifera sativa) and wild (Vitis Vinifera Silvastris) species and forms are procured in various regions of Georgia.

To research and study the testing the species of crop yields, search and conserve the local gene pool, adapt with the soil and climate conditions and biochemical and commercial indicators:

- 61 numbers of species, varieties and old species of the wheat are collected and preserved;
- Sanctity of 9 species of white wheat doli bread is restored. Their initial seed planting and propagation are executed;
- To increase yield, organic medicines have been tested and recommendations have been devised respectively;
- Fall what – 35, Spring wheat – 10, 20 prospective species of gymnospermous and Spring barley have been selected from the international nurseries and are learned per zonality;
- Millet – 9, sorghum – 10 and 4 species of hominy have been collected for gene pool and propagated.
- 196 specis are learnt in corn collection nurseries, 196, self pollinated nurseries – 506, tested species – 18, preliminary tested of species – 26, test of competitive species – 41 and hybrid nurseries – 3 numbers. 827 hybrid and lines are learned for selective purposes;
- Superelite (47 kg) and super elite seeding material 3270 kg (in cob) are obtained.
To support seed and planting material production:

- Filed culture seed genebank launched to operate;
- Work collection of wheat, maize and bean local species have been developed;
- As per the new methods of UPOV, 6 species of bean, 4 species of maize and 1 local specy of wheat are described.
- Rules and organization diagram of plant seed genetic bank have been devised;
- 16 seed filed inspection was conducted across 25 ha of area; 4 certificates of quality assurance have been issued;
- Qualify of 30 nurseries have been ascertained in the course of introducing volunteer certification of planting material;
- 13 certificates for planting material quality assurance have been issued along with 83 321 labels;
- Working version of national catalogue have been implemented;

To research and introduce and integrated system for plant protection and results:

- Vine illness have been examined and integrated protection system refined;
- Harmful organisms of the hazelnut have been studied and elements for integrated measures have been elaborated;
- Parasitoid of Halyomorpha halys egg have been detected and its 36 species have been obtained as a result of its propagation at the lab;
- Rising immunity of stone fruits against fungal illness and their involvement in integrated system of protection;
- According to the illness resistance, the relatively steady species of peach and plum have been detected;
- Research of the viral and pytoplasmic fungal illness of vine, fruit trees and potatoe and support to viral free nursery production;
- Research of the pests, illness,weeds (wheat, vegetable of black night shade type) of annual plants and elaboration of the effective measures against them;
- 68 trainings have been delivered in the conference space upon the hazelnut and Halyomorpha halys issues and 22 trainings were given on field.

To learn the soil foundation of Georgia and restore and improve the soil fertility:
- 51 samples from 13 municipalities have been taken within the scope of common statement research of the soil;
- To specify the physical, chemical along with chemical characteristics, soil laboratory research is executed and lab results for 57 samples have been obtained;
- Survey of total statement of Georgian spoil – in pursuit of inventory, 153 specimen of the spoil have been examined at the lab;
- On the basis of the data, obtained as a result of outcomes, E-databases of soil have been updated;
- Net for sampling points (2kmx2km) and reference samples for 80 000 ha area have been developed;
- To assess the potential loss of a soil as a result of water erosion, digital modeling of the learnt area have been executed;
- Maps depicting the elements of organic carbon reserve and macro, micro and toxic elements have been composed;

To form a genbank and restore and improve the local species of Domestic animals, poultry, fish and economically beneficial insects, widespread in Georgia:
- 80 speciess of livestock are searched to create typical collection of herds of Georgian mountenous type; 373 livestock of mountainous species have been studied in total;
- 456 livestock have been grouped as per species, development, typicality and farming purposes; 7 indicators of the milk have been studied;
- Economic and biological indicators of Caucasian chesnut species have been studied. Standards of farm working have been elaborated;
- Instructions of new monitors of animal and fish are devised;
- Bio pool pattern have been developed; pedigree-selective works on local population of Paravani and Rioni mayfish have been conducted;
- Pure conservation of major populations of Georgian bee (Megrelian, Gurulian, Kartlian) are being conducted;
- Bee feeding bas is being learnt and improved;
- Local gene pool species and collection group of population of the poultry are being grouped and indicators of their productivity are respectively learnt;
- Genepool of bulberry silkworm was added by 1 specy obtained from Japan and one chinese as a result of cryopreservation. Blood replenishment have been executed for 10 Georgian species of gene pool.
- Endangered species of Kakhetian and Svanetian pigs were found, restored and preserved; breeding core of Kakhetian pig have been created;
- High productive species of pig have been breed, selected and production of high quality breeding species to support intensive farming economic development;
- Endangered Semi-sofwooled, fatty tailed, soft woolled and Imeretian horse species are found, selective herds have been created, Dmanisi (Gantiadi), Samtredia (Didi Jikhaishi);
- 222 Kakhetian pigs, 581 cattle, 120 goats, 11 horse, 405 feesh were coprologically surveyed in 18 municipalities; coprological maps have been created as a result;
- To improve and develop natural pastures, effective measures are being elaborated;

In pursuit of learning and surveying the modern technologies for preserving and processing the agricultural products:
- Two receipts of low alcoholic apple cider drinks have been elaborated;
- Production technologies for natural preventive lemonades were prepared on grape juice basis;
- Fruit freezing and drying energy-saving technologies have been devised by means of osmotic dehydration (30-40%) method;
- New technological instruction for “Dambalkhacho” has been drafted;

In pursuit of food safety risk assessment: follow up valuations have been provided:
- Risk related to leaded food, recommendations are elaborated;
- Risk related to the remnants of antibiotics in food; recommendations are elaborated;
- Risk linked to potable water;
- Likely exposition of food acrylamide on Georgian population;
- For the purpose of risk assessment, capabilities and indefiniteness of monitoring and results application;

In pursuit of modern machine technological surveys on agricultural production:
- Separate equipments of combined aggregate for tea cultivation;
- Machine for removing and loading potatoe, which is adapted to the hard soil and climatic conditions of Georgia.
- Cutting edge machine technologies for adaptation and perfection of plant productions. Aggregates for beating and collecting the fruit;

To obtain virus free planting and seeding materials and preserve the species;
- Mass in vitro propagation of three local and 10 introduced species of potatoe in 40 clone tissue of international organization of potatoe - CIP.
- In vitro propagation of a relatively new treating berry culture for Georgia – goji-berry; effective technology of virus free nursery production of this culture has been obtained. Basic testing materials have been planted (Vollage Jigaura, Mtskheta Municipality);
- Vine species introduction to in vitro cultures and their in vitro propagation;
- In vitro propagation of a new prospective plant - batata (sweet potatoe) to support its introduction to Georgia.
To preserve the species, 20-20 test-tube plants are allocated for separate cultures and type.

In pursuit of restoration and in vitro preservation for gene pool of rare species of Georgian vine technology effective for in vitro propagation for rare prospective wine species of Georgian vine have been executed and refined.

**For the purpose of genetic survey of endangered wood species, research of agroforestry culture and biolanscape set up:**

- Full inventory was provided for 8 coniferous species spread in Kolkhian woods on Adjara domain and bilingual data base have been prepared as a result; they have been accordingly mapped in GIS program;
- Five regions of high preserved woods have been detected and described in Georgia, recommendations have been provided appropriately;
- 77 species were added to Jigaura collection nursery. 49 species of Georgian wood, out of which 27 forms a wood creator, 16 of a red list and 6 of them wild predecessor of the fruit trees; whereas 28 species - from decorative plants and for decorative and wind break purposes. Totally, the collection covers more than 400 plants.
- Imported, fast-growing aspens were planted in two various regions (Mtskheta and Gori), their descriptors have been processed along with modern morphometric methods;
- Populus euphratica was the one, replenished the red list species and is respectively replanted to collection nurseries;
- New technologies for growing the mulberry seedlings have been devised, which accelerates the capability of obtaining the standard seedlings;
- New method and technologies for cultivating mulberry planting and virus free planting;

**To protect the gene pool of Georgian vine, survey and assess the potential of application the local and introduced species:**

- 36 species from Solomon Cholokashvili vine collection (GEO038) have been described and properly assessed respective to the OIV descriptors.
- To learn the samples of wild and wildly growing vine collection, the same species (Vitis vinifera ssp. sylvestris Gmel.) of the vine, preserved at the base have been studied; selective-initial material have been detected;
- The wine, produced on the basis of wild vine have been assessed and analysed; as for sensitive assessment, the wine holds rich aroma, intensive colour, and is high in tannin and acidity.
- Illustrated ampelographic catalogues of the forms have been implemented;
- To select the optimal combination of vine spacy – parent stock, the best combinations of the vine stock have been picked.
- To learn the specific microzones of the viticulture, prospectie micro zone involving Usakhelouri, Tsarapebi, Orbeluri, Ojalesi have been surveyed; the geographical area is to be ascertained for their production and the high quality wines with the origin names shall be registered.
- Organic viticulture innovative methods have been elaborated; information upon the phenophasis and climate have been processed; climatic data base created and illness modelled based of the given base. Respective to the biochemical analysis, economic technological indicators and grape quality of the surveyed species been properly learned and specified;
- Detect the prospective wine species, rare species of Georgian vine have been enocaprolologically and enologically assessed. (totally 2297 samples of 112 species);
**Development of Genetic database for identification Georgian vase, domestic animals and fish species via DNA markers:**

- DNA extraction was executed from 30 and 15 vine materials in lab conditions, DNA was extracted from 9 agricultural species, 2 domestic animals and 1 fish.

**To rise awareness upon availability of modern technologies in agricultural field and for ones employed at the realm:**

- Within the project “mobile extension”, up to 7500 farmers were consulted in 150 villages across the country;
- 1750 have been consulted in 11 municipalities and 35 villages of Imereti region;
- 850 farmers have been consulted on average, in 8 municipalities and 17 villages of Kakheti region;
- Up to 400 farmers have been consulted in 4 municipalities and 33 villages in Racha Lechkhumi and Kvemo Svaneti region;
- In 7 municipalities and 33 villages of Samegrelo and Zemo Svaneti region, approximately 1650 farmers have been consulted;
- Consultations have been provided to 750 farmers in 6 municipalities and 15 villages;
- Up to 200 farmers have been consulted in 3 municipalities and four villages in Mtskheta Mtianeti region;
- Approximately 350 farmers have been consulted in 6 municipalities and 7 villages of Samtskhe Javakheti.
- Up to 850 farmers have consulted in 3 municipalities and 17 villages of Guria region.

**Consultations were provided to 700 farmers in 4 municipalities and 14 villages of Shida Kartli region. In participation of the staff of scientific-research centre:**

- 98 topical trainings;
- 32 lectures;
- 24 field days have been provided.

**Up to 30 topical pamphlets have been processed:**

- Manual (textbook) – 47;
- Article – 93;
- recommendation – up to 60
- booklet – 12;
- TV and radio transmissions up to 150;
- Are published and released.
The main activity of the National Environmental Agency is to create qualitative monitoring system for meteorological, hydrological, geological processes and environment (atmospheric air, surface and ground waters, sea and soil) on the territory of Georgia and to ensure its proper functioning.
In 2018 several important projects were implemented by the Agency:

- Opening of a modern standard laboratory building for atmospheric air, soil and water analysis;
- Mobile Air Quality Station;
- Studies of lead content in atmospheric air;
- Indicator studies of atmospheric air;
- Automatic device for measurement of the annual level of atmospheric precipitation;
- Study of geological hazards (landslides, mudflows, rock falls, etc.);
- Creating state geological mapping (geological survey);
- Monitoring of underground fresh drinking water;
- Acoustic research of the Black Sea;
- Field equipment for glaciological expeditions;
- International cooperation.

NEW MODERN STANDARD LABORATORY BUILDING FOR AIR, SOIL AND WATER ANALYSIS

In 2018 a new laboratory building of atmospheric air, water and soil analysis was opened.

The mentioned laboratory is the only one in Georgia that has been monitoring the quality of the environment since the 60s of the last century and has accumulated a unique database.

The new laboratory building fully meets international standards and is equipped with modern equipment. The laboratory is accredited according to the international standard "ISO / IEC 1702"
In order to expand the environmental pollution monitoring sphere, the new methodology is planned to be introduced, which means defining new parameters envisaged by the relevant EU Frame Directives. Analysis of packaging material determining the physical-chemical properties of oil and oil products will be introduced. In addition, a number of studies of lead and sulfur content have been carried out to identify asbestos fibers.

Based on laboratory investigations, it will be possible to determine the hazards of solid and liquid waste, to conduct packaging materials’ quality studies. A database of asbestos containing materials will also be created, and full-scale studies of water, atmospheric air and ground quality will be carried out.

In the near future, in the frames of the project “EU Water Initiative plus Eastern Partnership Countries”, the ultra-modern type of equipment will be delivered to the laboratory, by means of which the laboratory will be able to determine priority pollutant concentrations established by the Water Framework Directive which is of utmost importance for fulfilling commitments and obligations under the EU Association Agreement.

**MOBILE AIR QUALITY STATION**

The National Environmental Agency carries out a number of important measures to improve atmospheric air quality monitoring. Namely, installation of new modern static automatic stations in different regions of Georgia is underway. In addition, in 2018, the first mobile air quality station in Georgia was enacted to determine the quality of air in various points of the capital and regions of Georgia. Automatic station is placed in priority zones and monitors air quality within 24 hours. Concentrations of eight pollutants of atmospheric air on the ground are determined by the mobile automatic station (PM10, PM2.5, carbon dioxide, sulfur dioxide, nitrogen oxide and dioxide, NOx and ozone). Assessment of the obtained results will be carried out in accordance with the Georgian and the EU standards. By means of the new mobile station it is possible to determine the quality of air pollution and identify the causes of pollution in all regions of Georgia.

**STUDY OF LEAD CONTENT IN ATMOSPHERIC AIR**

Starting from September 2018, the area of research for determining the content of lead in atmospheric air in Tbilisi has been expanded. Samples taking of atmospheric air was carried out with a special device. The collected samples were sent to the National Environmental Laboratory for further analysis, and the results were posted on the official website of the Agency.

Studies have been carried out on 61 locations, including schools and kindergartens.

The results of the studies have shown that the content of lead on the above locations is within the norm.

The National Agency of Environment actively continues to monitor lead content in atmospheric air. The survey area is gradually expanding. Studies are carried out on specific locations selected by specialists.
AUTOMATIC DEVICE FOR MEASURING WATER LEVEL AND ATMOSPHERIC SEDIMENTS

As a result of the active process of snow and glacier melting in the Mestia municipality and in the Chuberi community, as well as abundant atmospheric sediments and melting of residue snow caused by high atmospheric temperatures, a natural disaster in the Nenskra basin developed that led to the activation of landslides and mudflows in the valley.

Due to these processes in the Chuberi community, hydrometeorological parameter measuring devices were installed on the Nenskra river by the specialists of the National Environment Agency.

These devices will provide real-time information to the National Environmental Agency on the water level of the Nenskra river and amount of atmospheric sediments in the surrounding area.

In case of extreme atmospheric sediments and high water level in the river, warnings about the possibility of a natural disaster will be prepared and the information received will be disseminated to the representatives of various departments which will help to prevent or mitigate possible negative consequences caused by the natural disaster in the river basin.

STUDY OF GEOLOGICAL HAZARDS (LANDSLIDES, MUDFLOWS, ROCK SLIDES, ETC.);

Annual Geological Information Bulletin “Results of Development of Natural Geological Processes in 2017 and Forecast for 2018” was published in 2018, reflecting the information related to the dangerous geological processes (landslides, mudflows, rock slides, and others) received from the surveys conducted during the geological monitoring and extreme activation of natural disaster.

The bulletin contains anticipated forecast for 2018 for each region and provides recommendations for protective measures, as well as relevant maps.

In 2018 the Geological Department of the National Environmental Agency carried out the following studies:

- Based on the letters received from the regional municipalities and individual citizens, 305 visual engineering-geological conclusions were drawn up on the activation of natural processes;
- As a result of extreme activation of geologic disaster, the geodynamic condition of 1245 residents (households) dwelling houses, homestead land and adjacent territories in 587 settlement was assessed, determining the risks caused by natural geological phenomena, based on which relevant recommendations for implementation of urgent measures were issued.
- Annual geological monitoring has been carried out in all regions of Georgia in order to assess the processes of natural disasters (landslides, mudflows rock slides, etc.) - 1057 settlements were assessed;
- Visual engineering-geological studies were carried out and on the basis of the letters received from various departments, 46 conclusions were prepared assessing the geodynamic and geo-ecological condition of infrastructure facilities, engineering objects and tense areas;
- The environmental impact assessment reports, project documentation of the engineering objects and the geological part of the legal documents received in the environmental field were reviewed as a result of which 136 documents comprising remarks, expert conclusions, comments and other forms were drawn up;
- On the basis of the agreement stemming from the address of separate citizens (paid service), geological study of land plots was conducted and 56 Visual Engineering-Geological Conclusions were prepared;

**DRAWING UP STATE GEOLOGICAL MAPS (GEOLOGICAL SURVEY)**

Specialists of the Department of Geology conducted geological survey works on Kazbegi and Dariali sheets (K-38-XV and IX) in 2017-2018.

As a result of the research, the geological report was prepared, which includes: a text part describing and characterizing all geological information by which the studied area is presented. The report also includes a set of geological, useful resources and tectonic maps of 1: 200,000 scale.

**MONITORING OF UNDERGROUND FRESH DRINKING WATER**

- Based on the results of the online data, fund (historical) materials and laboratory chemical-microbiological analyzes received during 2017, the sixth newsletter “On Quantitative and Qualitative Characteristics of Underground Fresh Drinking water in Georgia as of January 1, 2018” was prepared;
- Modern Hydrogeological Monitoring Equipment was installed in 4 wells that provide online information on quantitative and qualitative characteristics of water;
- 190 samples (100 chemical and 90 bacteriological) for laboratory analyzes were obtained from the water pipelines of the State Hydrogeological Monitoring Network;
- Reception and control of data in the automatic mode from 55 points (49 boreholes and 6 wells) of the underground water supply monitoring network was going on, the inspection of boreholes of underground water monitoring network and technical-preventive works were carried out.
FIELD EQUIPMENT FOR GLACIOLOGICAL EXPEDITIONS

Specialists of the National Environmental Agency will conduct glaciological expeditions on glaciers with new mining alpine equipment, special field outfits and off-road vehicles. By the end of 2018, new mining glaciological equipment was acquired for them.

One of the main activities of the agency is the observations of the processes ongoing on the glaciers. The Agency's specialists are constantly monitoring the glaciers across Georgia. Works are going on in difficult and life-threatening conditions.

New equipment will enable specialists to carry out field-glaciological expeditions as much safely and efficiently as possible.

THE BLACK SEA ACOUSTIC RESEARCH

In 2018, for the first time in the history of Georgia, acoustic research of the Black Sea coast trade resources and assessment of fish resources was carried out by means of a specialized, scientific-research vessel and modern equipment.

Within the scope of scientific research, the specialists of the Fisheries and the Black Sea monitoring of the National Environmental Agency together with foreign scientists have studied the Black Sea coast trade resource potential, which will help to determine the fishing quotas in the Black Sea, the correct trade/commercial forecast and the development of fishery.

It is noteworthy that the academic research in Georgia was conducted by the Ukrainian scientific ship from 1995 to 2001, however, the conducted studies were not perfect, which significantly affected the correctness of the assessment and the efficiency of the management of the field.

INTERNATIONAL COOPERATION IN 2018

At the beginning of 2018, a Memorandum on Institutional Cooperation ("Renewable energy - hydropower - Hydrology - climate") was concluded by the Norwegian Water Resources and Energy Directorate (NVE), the Ministry of Economy and Sustainable Development of Georgia, the Ministry of Environmental Protection and Agriculture of Georgia, Georgian State Electrosystem, Technical University of Georgia, and the National Environmental Agency of Georgia, based on which on the same day the NVE and the National Environmental Agency signed a bilateral agreement on institutional cooperation. Within the 6-year project funded by the Norwegian Ministry of Foreign Affairs, the staff of the Agency will undertake relevant training programs, reports will be prepared on the impact of climate change, the flow of rivers and hydroelectricity, development of hydrological and meteorological data management systems and introduction of water resource management modeling.

In May, a sub-grant agreement was signed between the National Environmental Agency and the Polish Center for International Assistance (PCPM). Within the framework of one of the components of the project "Assessment
the Geology and Hydrology specialists of the Agency assessed infrastructure of 85 schools located in five municipalities of Georgia (Gardabani, Kazbegi, Tianeti, Dusheti Mtskheta) with the aim to describe major natural disasters risks. The National Environmental Agency's involvement in the 2-year project was completed on September 30.

In September, the International Atomic Energy Agency (IAEA), the Finnish company “Vaisala” and the LEPL National Environmental Agency signed an agreement that envisaged providing for the National Environmental Agency of the dual polarization meteorological radar of the C range, its installation, technical service and personnel training. Meteorological radar produced by “Vaisala” is planned to be installed in 2019 near Kutaisi, which will significantly increase the capacity of the Agency’s Hydrometeorological Department in the direction of early warning regarding natural disasters.

In October, the Ministry of Environmental Protection and Agriculture of Georgia, LEPL National Environmental Agency and the Austrian Environment Agency (Coordinator of European Consortiums) signed a Memorandum of Understanding on Joint Implementation of “European Union Water Initiative Plus Eastern Partnership (EUWI+ 4 EaP) - Results 2 and 3” Within the framework of the project, the development of river basin management plans will be carried out in accordance with the principles of the Water Framework Directive, procurement of laboratory and ground and underground water monitoring equipment for the National Environmental Agency, support of accreditation of laboratories, retraining of staff of the agency and etc. will take place.

In October, the UNDP and LEPL National Environmental Agency signed a standard Grant Letter Agreement on “Development of Georgia’s Fourth National Communication and Second Biennial Update Report on the UN Climate Change Framework Convention”, which provides for the preparation of the chapter of the Fourth National Communication on “Climate Vulnerability and Adaptation to the Change”. The duration of the project is 16 months.

PROJECTS ONGOING IN 2018

- **Japan’s Non-Project Grant Aid for Provision of Japanese Small and Medium-sized Enterprises Products to Georgia (2013 and 2014 Financial Years)**

  (Set 2 - automatic marine meteorological stations, river water level measuring stations and relevant data collection and management system)

  **Start date and end date:** October 1, 2016, June 2018

  **Source of Funding:** The Japanese Government.

  The grant envisaged acquisition by the Japanese International Cooperation System (JICS) of the products of Japanese Small and Medium-sized Enterprises (SME) and their provision by the winner Japanese National Contractor to the National Environmental Agency in order to improve the Agency’s monitoring capabilities and early warning system.

  Within the framework of the project, automatic marine meteorological stations were installed in Poti and Batumi ports and river water level measuring stations were installed in four locations of Guria and Samegrelo-Zemo Svaneti regions (Natanebi, Bzuzi, Gubaseuli and Khobistskali rivers). The information obtained from the stations will be automatically provided to the data collection and management system in the central office of the National Environmental Agency.

  Within the framework of the project, the staff of the Agency also underwent training on the issues of operation of stations and systems and maintenance services.

- **“Improving Environmental Monitoring in the Black Sea - Second Phase (EMBLAS II)**

  **Start and End Date of the Project:** July 2015 - May 2018  
  **Source of Financing:** the European Union (EU-DG DEVCO) and UNDP

  The overall objective of the project was to promote the improvement of the Black Sea environment. The following specific objectives have been achieved through the implementation of the project:

  Improved availability and quality of the Black Sea environmental data in line with the EU Marine Strategy Framework Directive (MSFD) and Water Framework Directive (WFD); improved partner countries’ ability to perform marine environmental monitoring in line with the EU Marine Strategy Framework Directive (MSFD) and Water Framework Directive (WFD) principles, taking into account the recommendations on the improvement of the ability given in the “Black Sea Diagnostic Report II”.

Ministry of Environment Protection and Agriculture of Georgia

  Start and End Date: 2017 - May 2018

  Source of Funding: Slovak Aid of International Cooperation for Development

  The project was focused on implementation of analytical methods for determination of priority compounds as defined in Water Framework Directive (WFD), their validation in order to ensure quality of measured monitoring data and training of personnel on utilization and modification of installed methods in case of WFD update.

- **"Monitoring and Evaluation of Drought Impact on Water Resources and their Effective Use in Georgia"**

  Start and End Date: June 2017 - June 2018

  Source of Funding: Slovak Aid of International Cooperation for Development

  The main goal of the project was to improve knowledge on the effects of drought on water resources, as well as their protection and sustainable use.

  As a result of the project implementation:
  - Drought monitoring and evaluation system in drought vulnerable areas was developed;
  - Detailed analysis of the condition of meteorological and hydrological monitoring (including of underground water) focused on drought aspects was conducted;
  - Meteorological, hydrological and agricultural methodology for selection of identifiers for determination of drought periods in Georgia was implemented;
  - Model calculations were carried out using the WETSPA hydrological model and different scenarios of impacts on land use in the selected vulnerable areas in Georgia were identified;
  - Within the framework of the project, five experts of the National Environmental Agency were trained for monitoring and evaluation and management of droughts (study visit in Slovakia).

- **"Exploitation, Development and Services of European Marine Observation and Data Network "**

  Project start date and end date: March 2017 - March 2019

  Source of Financing: European Commission (EC)

  As a result of the implementation of the previous two phases, EMODnet Chemistry (European Network of Chemistry Observations -Chemistry) has collected a large amount of data on the nutrients, pollutants and other substances in water, sea bed and natural zones. The objectives of the new 3rd Phase include the continuation of the collection of data and the improvement of product generation approach, the joint action with the participants / stakeholders of the EU Marine Strategy Framework Directive (MSFD), as well as expanding the area in the direction of data collection and product generation on the 10th indicator (sea trash).
"Adaptation of Remote Sensing Methods in Water Resources Management and Assessment of Extreme Hydrometeorological Situation in Georgia"

Project start date and end date: October 2017 - June 2019

Source of financing: Slovak Aid of International Cooperation for Development

The main goal of the project is to improve the effectiveness of using remote sensing data and capacity building for cooperation and sustainable using of water resources and civil protection in Georgia. Nowadays, the combination of monitoring of groundwater networks and remote sensing initial indicators is the most appropriate and efficient (low cost) approach for the purpose of obtaining data and information on water resources and management of natural disasters in Georgia.
BLACK SEA ACOUSTIC RESEARCH

CHUBERI - AUTOMATIC DEVICE FOR MEASURING WATER LEVEL AND ATMOSPHERIC SEDIMENTS

STUDY OF LEAD CONTENT IN ATMOSPHERIC AIR
The activity sphere of the Agency of Protected Areas is the management of the nature reserves, national parks, natural monuments, managed reserves, protected landscapes, biosphere reserves, world heritage sites and wetland sites of international importance.

The aim of the Agency is to improve the management system of protected areas, ensure the functioning of territorial administrations and control the fulfillment of the rules set by the legislation and to plan, create and develop new protected areas.
AGENCY OF PROTECTED AREAS OF GEORGIA

In 2018, the Agency’s activities included following important directions:

- Biodiversity protection and preservation
- Ecotourism development
- International activities
- Marketing and Public Relations

BIODIVERSITY PROTECTION AND PRESERVATION

Nomination to UNESCO World Natural Heritage Sites

Under the guidance of the Agency of Protected Areas of Georgia, Colchis wetlands and forests were nominated for inclusion in the list of UNESCO World Natural Heritage Sites. The initiative is implemented with the financial and technical support of the German government, World Wide Fund for Nature (WWF) and Mikheil Zukov Foundation.
Eco Educational activities

The Agency for Protected Areas was actively involved in eco-educational activities during 2018. Within the scope of the activity, the Agency held lectures, meetings with the population, eco-weeks, cleaning actions, eco-tours and eco-camps. Schoolchildren, students and residents living in the protected areas were involved in the activities. In 2018, more than 700 lectures and seminars were conducted and over 2,000 eco-tours were arranged. Throughout the year, 90,000 people participated in eco-educational activities. Eco-educational activities are one of the important directions of the Agency for Protected Areas.

Expansion of Protected Areas Network

In 2018 the area of protected areas increased by 1%. The area of some protected territories has changed, Kazbegi National Park has also been expanded, Kintrishi protected landscapes have been abolished and Kintrishi National Park was established on the basis of it.

Today, there are 86 protected areas of five different categories in Georgia (according to IUCN-Criteria), namely: 14 State Reserves, 12 National Parks, 40 Natural Monuments, 19 Managed Reserves and 1 Protected Landscape. The total area of protected areas is 666,355 ha, which is 9.55% of the country's territory.
Imereti Oak restoration project in Ajameti Managed Reserve

Within the frames of 2018 project, in order to restore Imeretian oak, Imeretian and Georgian oak saplings, (Imereti oak approximately 80%, Georgian oak-20% ) were planted on 458 hectares.

In addition, about 2200 saplings, from which 95% were Imeretian oak and 5% Georgian oak were planted on 0.853 hectare in Ajameti Managed Reserve in 2018. (Donor: Tripex, own budget)

Jeiran (gazelle) Rehabilitation Project in Vashlovani National Park

Jeiran (gazelle) Reintroduction Project has been implemented in Vashlovani National Park since 2013. In the spring of 2018, about 45 individuals were reported to be fixed, 25 of which were pregnant. After the period of gestation, it is estimated that allegedly 30 Jeirans were born.

In October 2018, an additional 20 individuals were brought in. Nowadays, there are approximately 90-95 individuals on the territory. Donor: WWF / TJS

ECOTOURISM DEVELOPMENT

Visitor and Revenue Statistics

According to the data of 2018, for the first time in history, more than 1,000,000 visitors visited Georgia’s Protected Areas, which is an increase by 18% compared to the previous year. Among the visitors 53% were Georgian and 47% foreigners.
Revenues from protected area services have shown record growth. In 2018, revenues amounted to 4,179,911 lari, which is 87% higher compared to the same period of last year.

**Development of Eco-tourism Infrastructure**

The Agency of Protected Areas devotes considerable attention to the development of ecotourism. In 2018 were built:

- Kazbegi National Park Visitor Center and Administrative Building
- Machakhela National Park Visitor Center and Administrative Building
- Navenakhevi cave visitor center was built and eco-tourism infrastructure was arranged

**INTERNATIONAL RELATIONS**

**Joining the European Parks Federation**

The Agency of Protected Areas of Georgia has become a member of the European Parks Federation.

The European Parks Federation is an umbrella organization of European Protected Areas and is recognized worldwide as the National Parks and Nature Professional Network.
The Federation has 36 member countries and hundreds of protected areas.

The Agency of Protected Areas of Georgia will be able to share experience and knowledge by joining the Federation. The Agency of Protected Areas has joined the European Federation with the support of the Czech Embassy, WWF-Caucasus Office, TJS and KFW.

9,785,000 USD - for the development of Georgian Protected Areas

Grant Agreement has been signed in the Ministry of Environmental Protection and Agriculture of Georgia on the project “Enhancing Financial Sustainability of the Protected Areas System in Georgia”.

The agreement provides for the amount of 9,785,000 USD for strengthening of the protected areas, within which the Agency for Protected Areas will receive a grant of $1,826,484 from the Global Environmental Fund (GEF). The project “Enhancing Financial Sustainability of the Protected Areas System in Georgia” envisages ensuring financial sustainability in 12 target protected areas. Specifically, the target areas are: Borjomi-Kharagauli National Park, Lagodekhi Protected Area, Vashlovani Protected Area, Tusheti Protected Area, Tusheti Protected Landscape, Mtirala National Park, Javakheti National Park, Kazbegi National Park, Algeti National Park, Kintrishi Protected Area, Machakhela National Park, Pshav-Khevsureti Protected Area.

This grant will facilitate the improvement of the financial sustainability and capacity of the protected areas system. Within the framework of the project, consultation services, creation of strategic documents, introduction of new technologies, acquisition of inventory etc will be carried out. Implementation of the project will facilitate the development of eco-tourism in the protected areas, which will improve the socio-economic condition of the population residing in the protected areas. The duration of the project is 5 years and it will be implemented by the Global Environmental Fund (GEF), UNDP, Caucasus Nature Fund (CNF) and the Bank of Georgia.

“Expansion and Improved Management Effectiveness of the Ajara Protected Areas”

The project “Expansion and Improved Management Effectiveness of the Ajara Protected Areas” was implemented in 2014-2018 with the support of UNDP and the Global Environmental Fund (GEF) and was aimed at developing Adjara Protected Areas and providing support to the population living nearby.

Within the framework of the 13 million USD grant, Machakhela National Park was founded, full rehabilitation of administrative building and visitor center was carried out, eco-tourism infrastructure was arranged. Several important researches have been undertaken to support further development of the National Park. In villages adjacent to
Machakhela National Park the use of renewable energy sources has been tested and implemented, steps were taken towards development of eco-tourism and agriculture. In addition, a model of sustainable development of the national

**MARKETING AND PUBLIC RELATIONS**

**Imagery video clips**

After 2012, for the first time, the Imagery clips on Georgian National Parks and Georgian Protected Areas have been made. The clips were spread via social networks.

Imagery video filmed on national parks of Georgia - “We create memories” - had up to 10 000 000 views. And the clip shot in the protected areas of Georgia “We are protecting Georgia’s nature” - has been seen by 1 046 337 people.

**Communication with Media**

In 2018, the Agency of Protected Areas emphasized the importance of participating in touristic rubrics of the country’s leading broadcasters.

In the result of cooperation of the Agency of Protected Areas and Media, feature stories about Georgia’s Protected Areas were broadcasted in 2018 by the following channels: “First Channel of Georgian Public Broadcasting”, “Rustavi 2” Broadcasting Company and “Imedi TV” in programs: “Nutsa’s Tour”; “Good Morning Georgia” and “Imedi afternoon rubric - Reliable Tour”.

**EVENTS**

**International Tourist Exhibitions**

The Agency of Protected Areas took part in the Tbilisi 20th International Tourism Exhibition and the Batumi 11th International Exhibitions of Tourism and Hotel Equipment.

The agency has offered to the visitors an interactive pavilion, equipped with modern technologies. An innovative project “Additional reality” has been presented in Georgia for the first time. The guests of the exhibition got acquainted with the existing services in the protected areas of Georgia. Special promotional materials were prepared for the exhibition.
May 26 - Independence Day

The Agency of Protected Areas has held a large-scale event in the town of Poti in connection with the 100th anniversary of declaring Georgia's independence.

Children's space was arranged in the central square of Poti, where children participated in eco-educational games. Existing photo materials of protected areas were exhibited. The virtual reality angle was arranged. Independence Day celebration ended with a gala concert.

Tusheti 2018

Supporting residents of the protected areas is of utmost importance for the Agency of Protected Areas. That's why the agency is actively involved in celebrating local holidays.

In 2018, in cooperation with the Agency of Protected Areas, 'Tushetoba 2018 - Shepherd's Day' was held in Tusheti, in the village of Omalo.

The Shepherd's Day is a traditional holiday that is held annually in the Visitor Center of Tusheti National Park. Information stands and interactive banners of the Agency of Protected Areas were exhibited in the yard of the Visitor Center where guests could take photos. The photo exhibition depicting protected areas was also arranged. The works of local and invited craftsmen were presented at the event. The corner depicting traditional life style of ancient Tushetian-Shepherd was also arranged. The guests had the opportunity to taste local traditional Tushetian dishes and engage in the preparation process. In the frames of the Shepherd's Day - Tushetoba 2018, sport events were also held. Horse racing and archery corner were arranged. Members of the Khridoli Federation organized a space of traditional Georgian games for children attending the event, as well as a demonstration of Georgian martial arts. Sopho Batilashvili, Zviad Bolkvadze and the Newton group held a concert on the Shepherd's Day - Tushetoba 2018.

Implemented activities in 2017-2018:

- Forest management plans have been elaborated and approved for Ajameti Managed Reserve, Nedzvi Managed Reserve and Katsoburi Managed Reserve, as well as for Kolkheti National Park and Machakhela National Park;
- Based on the recategorization of Kintrishi Protected Areas, one new category has been added to Protected Areas System - Kintrishi National Park;
- Management Plans have been elaborated and approved for Tbilisi National Park (Mtskheta, Tiani and Gardabani municipalities) and Machakhela National Park;
- During this period, 55% of the territories administrations within the system of protected areas are managed with approved management plans.
National Forestry Agency is the main forest management body of the country and its main goals are sustainable management of forests, forest care-restoration and sustainable use of biological diversity components in the forest fund.

The Agency has under its management about 2 million hectares of the country's forest fund and it is operating in the country through the regional forest services in 9 regions of the country (except for Adjara).
During the last year, the National Forestry Agency carried out forest care restoration measures to ensure the fulfillment of the National Forest Agency's commitments under the legislation and the implementation of the defined tasks, including:

Areas for the development of the forest natural renewal in several regions have been studied, based on which the relevant projects were drawn up and approved. According to these projects 4,462 saplings were planted. Regional Offices of the National Forestry Agency in Racha-Lechkhumi, Kvemo Svaneti, Imereti and Guria have set up several new nurseries and plantations. In addition, maintenance events were carried out in temporary nurseries and plantations built during the previous years.

The Agency also continues the tradition of school nurseries and is actively working to raise awareness, responsibility and care taking for the environment among adolescents.

REHABILITATION OF BORJOMI GORGE FOREST

The perimeter of Borjomi Gorge forest destroyed by fire in 2008 and 2017 comprises 943 ha.

At the first stage (2018-2019), 250 ha area has been restored.

Last year, a complex study of the burnt out area, including geological and soil laboratory research, was carried out. Based on the received results and the results of the field monitoring, the National Forestry Agency specialists prepared a forest restoration project, according to which, in the first phase of October-November, the forest rehabilitation works were carried out on the 144 hectares surrounding the village Taba where 247,330 saplings were planted. The main objective of the project is to restore the original forest ecosystem in the valley, for which only local, standard seedlings are used. These seedlings are grown in forest temporary nurseries in the forest areas of Alisa (205,500 pieces) and Uravel (7530 pieces).

The project for reforestation of the burned out in 2008-2017 forests of Samtskhe-Javakheti region (Borjomi and Bakuriani forest areas) was also approved.
On the territory of the Forest Fund under the control of the National Forestry Agency, the spraying of Boxwood trees, Buxus Colchica, contaminated with Moth “Allure” was carried out in three stages.

In 2018, the spraying of Buxus Colchica was conducted in Imereti, Racha-Lechkhumi Kvemo Svaneti and Samegrelo-Zemo Svaneti forest areas in three stages. Totally 550 ha area was processed with biological drug “Lepidin”. -Imereti- 63 ha, Racha-Lechkhumi Kvemo Svaneti - 250 ha and Samegrelo-Zemo Svaneti - 237 ha. In order to intensify the pest monitoring and elimination, 1,500 units of pheromone traps for pests were installed in the forest stands.

The National Forestry Agency has been carrying out study of boxwood forests from 2016. Due to the biological characteristics of the pest, the spraying works were carried out three times, at 400 hectares, to which in 2017 Racha-Lechkhumi Kvemo Svaneti was added.
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**SANITATION CUTTING**

In order to improve woodland in forest stands, in parallel to measures against pest and diseases, sanitation cuttings were carried out to produce 11,269.17 cubic meters of timber, which also contributes to the natural resumption of forests.

**During the year of 2018, the National Forestry Agency carried out forest-rehabilitation works across the country.**
Rehabilitation of roads contributes to conducting preventive firefighting activities and forest maintenance-reforestation works. Also, it makes it easier for the population to carry out firewood from the felling areas allocated by the agency.

- 95 legal and physical entities were granted the right to forest use on the basis of the orders of the Minister of Environment Protection and Agriculture and of the head of LEPL National Forestry Agency.
- During the last year, the Agency reviewed and prepared comments on the management plans of 11 companies on forest use and management of hunting facilities.

In order to supply public schools and budget organizations with firewood for heating in the framework of special cuts, the volume of timber resource allocated in 2018 was 29,545.53 m3.
In 2018, the volume of timber given to socially vulnerable persons at the order of the government of Georgia was 5,741.477 m³.

For urgent necessity (fires, natural disasters, etc.), the agency has been allocated 1,108 m³ to the citizens. In addition, 190 m³ was allocated for the Patriarchate.

### INFORMATION ABOUT TIMBER RECEIVED IN THE RESULT OF SPECIAL CUTS BY THE AGENCY IN 2018 (M³)

<table>
<thead>
<tr>
<th>Description</th>
<th>Volume (m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total timber resource produced and delivered to the Agency in 2018</td>
<td>48,093.065</td>
</tr>
<tr>
<td>Transferred and realized timber resources (except for schools)</td>
<td>35,962.141</td>
</tr>
<tr>
<td>Timber (logs) given to the population in case of urgent need (fires, natural disasters and other force majeure circumstances)</td>
<td>158.43</td>
</tr>
<tr>
<td>Out of this sold at auction</td>
<td>34,511</td>
</tr>
<tr>
<td>517,341 on the highlands</td>
<td></td>
</tr>
<tr>
<td>Direct sale: 1,444.80</td>
<td></td>
</tr>
<tr>
<td>Sale in case of urgent necessity</td>
<td>158.43</td>
</tr>
</tbody>
</table>

During the year 2018, the employees of territorial forest services revealed 2,611 facts of violations, including 1,577 facts of administrative offenses, 239 criminal offenses, and on 795 facts field acts were written and sent to the law enforcement agencies to reveal the offender. Amount of illegally obtained resource amounted to 25,622.39 m³, the amount of damage inflicted on the environment amounted to 3,363,917.11 GEL.

### Implemented activities in 2017-2018:

- 2 new Forest Management Plans was prepared and formally adopted in compliance with existing Georgia regulations in 2017-2018 for Aspindza-Akhaltsikhe and Akhalsatskhe forestry districts;
- Forest inventory works has been launched in Ozurgeti, Lanchkhuti, and Chokhatauri Forestry districts;
- For 2018, 13.6% of the forest fund (Under the management of LEPL National Forestry Agency and LEPL Agency of Protected Area) managed through FMPs in compliance with the Forest Code of Georgia.
Environmental Information and Education Center is a legal entity of public law functioning under the Ministry of Environmental Protection and Agriculture, which carries out its activities in accordance with the "Regulations of the Legal Entity of Public Law - Environmental Information and Education Center". At the same time, the Center for Environmental Information and Education operates in compliance with inner regulations, Georgian legislature and principles of the United Nations Economic Commission for Europe (UNECE) Convention on Access to Information, Public Participation in Decision-Making and Access to Justice in Environmental Matters (Aarhus Convention). The Center in its activity shares the UN Sustainable Development Goals and Vision and Directions of the United Nations Economic Commission for Europe (UNCE) "Education for Sustainable Development Strategy"
ENVIRONMENTAL INFORMATION AND EDUCATION CENTER LEPL

The mission of LEPL Environmental Information and Education Center is to be actively involved in all activities aimed at nationalization of sustainable development objectives and the actualization of the responsibility and environmental component through access to relevant education and access to comprehensive information.

In addition, according to the provisions of the regulations of September 6, 2018, the agriculture direction was added to the activities of the Center. In order to raise awareness on agrarian components of sustainable development, the Center is committed to conducting information campaigns, awareness raising and promotion activities, information dissemination, scientific research activities, promotion of innovative/new technologies and of other areas of agriculture.

The Center constantly cares to increase efficiency of its own activities by involving local and foreign experts. It also closely cooperates with local and international organizations. The building of the center includes spaces for training and workshops.
EDUCATION FOR SUSTAINABLE DEVELOPMENT - NATIONAL STRATEGY AND ACTION PLAN (2019-2023)

The National Environmental Information and Education Center, with the support of the German International Cooperation Society (GIZ), is elaborating "Education for Sustainable Development - National Strategy and Action Plan" (2019-2023) in order to implement principles of sustainable development.

The goal of the "Education for Sustainable Development" strategy is to promote sustainable development in the country through changes in the education sector. These changes will contribute to the establishment of a responsible society that will have the necessary knowledge, skills and motivation for getting involved in the processes of sustainable development of the country.

The strategy reflects both the formal and informal and unofficial education components that are directly related to the concept of sustainable development.

At the initial stage of the development of the Strategy, the best practices at the international level and thematic information at the national level (sectoral development strategies and programs) were studied and reflected in the working document.

At present the draft version of "National Strategy and Action Plan of Georgia for Sustainable Development" (2019-2023) is being elaborated in compliance with the requirements of the Resolution N629 of December 30, 2016 of the Government of Georgia - Policy Planning Guidelines.
FORMAL EDUCATION

Preschool Environmental Education

In order to promote pre-school environmental education, at the initiative of LEPL Environmental Information and Education Center, the environmental component approved in 2015 by the Ministry of Education, Science, Culture and Sport has been added to the Educational Quality Assurance State Standard.

In 2016, within the frames of School Preparedness Program, the Center developed a Manual for Educators - "Preschool Environmental Education", which includes the following environmental issues:

- Biodiversity around us
- Water and energy saving
- Waste management

In 2018 a revised manual was published.

During the year, in order to support pre-school environmental education, the Center has conducted trainings for the kindergarten teachers and methodologists in the following regions:

- Kakheti
- Sagarejo municipality
- Sighnaghi Municipality
- Lagodekhi municipality
- Kvareli municipality
- Dedoplistskaro municipality
- Guria
- Mtskheta-Mtianeti
- Shida Kartli
- Kvemo Kartli

In 2018, 542 representatives of the kindergartens from the mentioned above regions were trained. Participants were handed auxiliary manuals for educators - "Preschool Environmental Education" and certificates for successful completion of the training.
From 2016 the preschool environmental education guidelines were introduced in 50% of kindergartens of Georgia, for which each garden representative was trained in Tbilisi, Kakheti, Mtskheta-Mtianeti, Shida Kartli, Kvemo Kartli and Guria regions (in total 818 representatives - 818 female, 0 male).

GREEN AWARD

In order to promote pre-school environmental education and to encourage the kindergarten teachers and methodologists, the contest “Green Award” - Preschool Environmental Education was held with participation of teachers and methodologists of Tbilisi kindergartens. As a result, three winners were revealed. All participants were awarded with memorable gifts and certificates, and the winners were awarded with special prizes.

On Teachers’ International Day, at the initiative of the Ministry of Education, Science, Culture and Sport of Georgia a solemn awarding ceremony of the competition “National Award for the Teacher” was held. The Ministry of Environment Protection and Agriculture of Georgia named the selected teacher at the event - Temur Sokashvili, teacher of Marneuli public school N2, born in the village of Alibeglo of Kakhi region was awarded “Green Award” for promoting environmental education.
GENERAL EDUCATION

In 2017, under the initiative of the Ministry of Environmental Protection and Agriculture, the amendments were introduced to evaluation criteria of textbooks (1-6 grades) and sustainable development principles were added that have been reflected in all the first-stage textbooks since 2018.

PROFESSIONAL EDUCATION

The LEPL Environmental Information and Education Center has developed a module “Environmental Basics” for professional educational institutions in collaboration with the National Center for Educational Quality Management, which has been integrated into the framework document for various professions. At the first stage, environmental issues are integrated in the form of general obligatory module in seven professional areas:

- Agriculture
- Veterinary medicine
- Organic farming
- Artistic glass
- Artistic fabrics
- Visual Art
- Hotels, restaurants and nutrition

INFORMAL EDUCATION

In order to facilitate the environmental education development and awareness raising, the Center carries out activities in the direction of informal education. During the year of 2018, various activities were held to increase environmental awareness. During the year the lectures and seminars were held for schoolchildren, students and teachers on the following topics:

Environmental Awareness Raising

გარემოსდაცვითი განათლების ხელშეწყობისა და ცნობიერების ამაღლების მიზნით ცენტრი ახორციელებს აქტივობებს არაფორმალური განათლების მიმართულებით. 2018 წელს გარემოსდაცვითი განათლების ხელშეწყობისა და ცნობიერების ამაღლების მიზნით ჩატარდა ლექცია-სემინარები სკოლის მოსწავლეებისა და სტუდენტებისთვის შემდეგ თემებზე:

- Modern technologies of waste management
- Importance of the protected areas and their management
- Atmospheric air quality
- Contemporary environmental problems
- Water resources
- Sustainable development and environmental protection
- Climate change and ecosystem services
Georgia's biodiversity

Environmental education

Overall, **977 people** attended the lectures / seminars and informational meetings held during the year, including **714 pupils, 199 students** and **64 teachers**.

During the year, the questionnaire "My Ecological Footprint" was prepared and published, which is delivered to school students attending lectures and seminars. By means of the questionnaire, the students can calculate their own so-called ecological footprint, that is the impact on the environment.

On the 10th anniversary of the 2008 Russia-Georgia war, a discussion on "10 Years of August War - Occupied Biodiversity" was held, which was attended by field experts, journalists and photographers who directly worked on the coverage of environmental damage (40 people).

In the IDP settlement in the village of Tserovani, the winners of the contest "Our Yard" were awarded (20 persons) within the framework of the event dedicated to 10-year anniversary of August war under the initiative of the Women's Council and with the support of the Center.
Eco Camp "Sustainable Development Goals"

The Center took part in eco camp "Sustainable Development Goals" organized by CENN in 2018, where the staff of the Center conducted a two-day theoretical and practical training on the following topics:

- Human Ecological Rights - Aarhus Convention
- Atmospheric air quality
- Conservation as a mechanism for maintaining biodiversity
- Desertification
- "Future EcoPicker"
- Environmental Information and Knowledge Management System

Trainings / Study Courses

During the year of 2018, 40 people have passed the course "Environmental Manager". The course aims to retrain and increase the qualification of the relevant staff in accordance with the requirements of the law and the standards of the modern world.

The training course can be attended by both the participants selected by companies as well as any interested party. After successful completion of a 5-day training, the participants are granted a certificate confirming the completion of the training course. Frequency of training courses is determined based on the request of interested parties.

Law of Georgia - "Waste Management Code" was launched on January 15, 2015. This Code regulates all important aspects of waste management and is in conformity with the obligations specified in the Association Agreement.

Physical and legal persons whose activity during the year results in producing of more than 200 tons of non-hazardous, more than 1000 ton of inert or any amount of hazardous waste are obliged to have a person responsible for waste management - an "environmental manager".

*Environmental Manager* Training Course has been implemented since 2015.

From 2015 to 2018 total of 328 persons have been retrained, 80% of which are employed at the position of the environmental manager.
"Applying Landscape and Sustainable Land Management for Mitigating Land Degradation and Contributing to Poverty Reduction"

In the frames of the project "Applying Landscape and Sustainable Land Management for Mitigating Land Degradation and Contributing to Poverty Reduction", the training "Implementing Sustainable Management of Landscape and Land Resources" was held for self-government representatives, local farmers and interested persons in Dedoplis Tskaro, Akhmeta and Gardabani municipalities. Within the framework of the training, the participants received information on the problems of soil degradation, modern and efficient ways and methods of sustainable management of land. As well as the legislation in force in Georgia, the obligations undertaken by international treaties and the mechanisms for implementation. The training along with the theoretical part included practical field trip. Within the field work participants got acquainted with the methods of soil analysis, which enables to obtain information on the main characteristics of the soil. The aim of the training was to raise awareness of local farmers, decision-makers and stakeholders and strengthen their capacity in this direction. 63 participants (12 female, 52 male) took part in these trainings.

Environment Protection Days

In order to mark the environmental days thematic banners and posts were prepared and spread in the social networks on the following days:

- February 2 - Wetland Day Protection Day
- March 21 - International Forest Day
- March 22 - Water Resources Day
- March 24 - Earth Hour
- April 4 - Animal Protection Day
- April 22 - Earth Day
- May 22 - Biodiversity Protection Day
- May 31 - World No Tobacco Day
- June 5 - World Environment Day
- June 17 - World Day to Combat Desertification and Drought
- September 15 World Cleanup Day
- October 10 - Forester's Day
- October 22 - Tree Planting Day
- December 5 - International Volunteer Day

The following activities were also carried out to mark the Green Days:

- On the Water Protection Day school pupils listened to lecture-seminar on the importance of water resources and the need to save them.

- In the vicinity of the Lisi Lake, a bicycle and pedestrian marathons were held to mark the Earth Hour, with participation of over 200 professional and amateur bicyclists.

- International Day of Biodiversity:
  - With the support of the German International Cooperation Society (GIZ), a discussion on the topic - Georgia's biodiversity was held (the event was attended by 44 persons)
  - Pupils from various schools attended field lectures on national construction materials (the event was attended by 41 pupils)
  - Information on the following types of red list species of Georgia was prepared and published in social network (Facebook):
    - Gazelle
    - Noble deer
    - Caucasian grouse

- In connection with the International Day for the Fight against Drought and Desertification, within the frames of the project “Applying Landscape and Sustainable Land Management for Mitigating Land Degradation and Contributing to Poverty Reduction” planting and watering activity was organized in the windbreak area in Dedoplistskaro. In addition, the contest “The Environment Seen Through My Eyes” was held for the local primary pupils (the event was attended by 65 persons).

- The lecture-seminars and discussions for schoolchildren (the events attended by 78 pupils) were held on the Forester and Tree Planting Day
FACILITATING QUALIFIED STAFF OF THE MINISTRY

In order to facilitate qualified staff of the Ministry, the Center will provide trainings in different directions annually. Taking into account the amendment to the provisions of the Center in 2018, according to which the direction of agriculture was added, the Center conducted assessment of the needs of the Ministry in trainings.

- The second stage of the training course on Geographical Information Systems (GIS) was successfully completed by 16 employees of the Ministry, and the general course was undertaken by 15 employees of the Department of Environmental Supervision.

- With the support of the Training Center of the Agricultural Projects Management Agency (APMA), Environmental Information and Education Center and the United Nations Food and Agriculture Organization (FAO), within the framework of the project "Technical Assistance for the Ministry of Environment Protection and Agriculture" (ENPARD II) (GCP / GEO / 010 / EC) the following trainings were conducted:
  - Presentation skills
  - Project management
  - Deep and Comprehensive Free Trade Area between Georgia and the European Union
  - Sustainable Development Goals
  - English language courses

The mentioned trainings were taken by 330 employees employed in the Ministry system.

- Within the frames of the EU Twinning Project, the trainings in the field of Industrial Pollution and Industrial Threats on the topic "Issuing Integrated Permission" in compliance with the Industrial Emission Control Directive was conducted in cooperation with the Environmental Information and Education Center. Within the framework of the project, 35 employees of the Ministry were trained.

CERTIFICATION

Certification of Refrigerant Equipment Service Technicians

During the year 2018, 22 service technicians took the Certification Examination for Refrigerant Equipment Service Technicians. 19 technicians have successfully passed the test and were certified.

From January 1, 2018, only technicians certified in accordance with the legislation of Georgia have the right to service refrigerant equipment. From January 1, 2019, the regulation applies to technicians who serve air conditioning and refrigeration equipment and / or pumps working on less than 3kg of refrigerant.

Certification and issuance of certificates will be provided by LEPL Environmental Information and Education Center. Since 2017, the Center has provided certification of 52 technicians, the information about whom is constantly updated on the web site of the Center.

INFORMAL EDUCATION

Environmental campaigns

The level of public awareness on the impact of atmospheric air quality, its contaminants, and impacts on human health has been identified as one of the priorities of 2018. As a result, various activities were planned and implemented in this direction, namely:

- Within the Facebook campaign, an action plan was developed and consecutive activities were planned. Within the framework of the planned social campaign, the online questionnaire, 24 thematic banners, posts and videos were posted. The spread material reached 361,831 people.

- Three meetings and discussions were held for the society interested in atmospheric air. In total 127 participants took part in the events.
14 lectures and seminars were held with pupils of different schools of Tbilisi. The lectures on the topics of air were attended by 253 students (167 female, 86 male).

The informational booklet was prepared, the electronic version of which was posted on the web site of the Center and distributed via social network.

At least 3 trainings attended by 74 people were conducted on atmospheric air issues, the discussion held on “Air Protection Policy” was attended by 31 people.

A discussion attended by 16 people about the content of lead in the atmosphere was held.

Nine radio programs dedicated to atmospheric air were prepared on radio “Commersant”.

**Air Quality Portal - air.gov.ge**

Air Quality Portal - air.gov.ge was created by the LEPL Environmental Information and Education Center in cooperation with the National Environmental Agency, Ministry’s Environment and Climate Change Department, Department of Air and National Center for Disease Control.

The portal unites in one space data provided through automated connectivity from various stationary stations and data on air quality received from indicator measurements.

The portal provides recommendations on health care, as well as information on pollution, monitoring network, air quality control and implemented or planned activities.

The portal creation processes included integration with different stations, as well as implementation of the mechanism of information entry from not automated stations, taking into account the EU air quality standards and approaches.

Through the air.gov.ge, the community has the opportunity to view the latest information on air pollutants in a separate area, both from the stations depicted on the map and the obtained samples, as well as by means of various dynamic reports.

The Center has prepared an informational video clip on air protection policy that provides information on the main pollutants of atmospheric air and ongoing or planned activities within the governmental program aimed to improve the quality of air.
Campaign "Do not Cut - Decorate" for Preventing New Year Cutting of Coniferous Trees

Campaign - "Do Not Cut, Decorate," organized by the Environmental Information and Education Center for the prevention of coniferous trees cutting for the New Year. Within the framework of the campaign a meeting with private sector representatives (14 companies' representatives) was held.

The campaign involved educational institutions across the country: schools, kindergartens, universities. Municipalities: Senaki, Sagarejo, Dusheti municipality, Mtskheta-Mtianeti province, private sector representatives and citizens.
**News of Green Economy and Green Business**

For the purpose of introduction / promotion of green economy and green business principles, 30 thematic news prepared by the Center were posted on the Facebook page and aired on the radio “Commersant”.
PROJECTS

The Environmental Information and Education Center in cooperation with international donor organizations implements projects and/or project components in different directions. During 2018, the Center was actively involved in the following projects:

**Applying Landscape and Sustainable Land Management for Mitigating Land Degradation and Contributing to Poverty Reduction in Rural Areas**

The project "Applying Landscape and Sustainable Land Management for Mitigating Land Degradation and Contributing to Poverty Reduction" was initiated by the Ministry of Environmental Protection and Agriculture of Georgia (2016-2019). The project is financed by the Global Environmental Fund (GEF), implemented by the UN Environment Program (UNEP), executed by the Regional Environmental Center for the Caucasus (REC Caucasus).

The project aims to integrate the principles and practices of sustainable management of landscape and land resources in national policies and institutional framework.

The project includes three components. The LEPL Environmental Information and Education Center ensures implementation of one of the components "Development of National Capabilities and Information Management on the Desertification, Land Degradation and Drought Issues" within the framework of which the informational meetings and trainings were held with the representatives of Dedoplistskaro, Akhmeta, Gardabani municipalities and local farmers. The meetings held with media representatives aimed at introducing the problems and challenges of land and soil degradation to various media representatives and increasing their involvement in solving the problems and improving the situation in the sustainable management of land. Within the framework of the component, trainings were held with the representatives of Akhmeta, Dedoplistskaro and Gardabani municipalities, local farmers and interested society. Information bulletins were prepared and an annual extended meeting was held with 62 people participating.

**Green Climate Fund (GCF) Readiness and Preparatory Program**

The Green Climate Fund was established in the frames of the United Nations Climate Change Framework Convention, as its main financial mechanism. The fund mobilizes $ 100 billion to finance low cost and sustainable development projects and programs in developing countries. The Ministry of Environmental Protection and Agriculture of Georgia, as a nationally designated body, collaborates with the German International Cooperation Society to implement the Readiness and Preparatory Program for the "Green Climate Fund" project. The project supports creation of coordination structure, national dialogue process and development of national program for the Green Climate Fund. The National Program aims at determining the country's climate change priorities and developing project concepts based on them.

The LEPL Environmental Information and Education Center organized two events dedicated to the Green Climate Fund (GCF) Readiness and Preparatory Program in Georgia. The events in Tbilisi and Kakheti were attended by more than 100 invited guests. The interested parties got involved in the discussions about the priorities of the country and potential projects, as well as in the consideration of the program's consultative project.

**National Report on the State of Environment**

Assessment of the state of environment provides a solid foundation for planning and implementation of effective and targeted environmental policies. According to the Law of Georgia on Environmental Protection, in order to inform the public, it is obligatory to prepare, approve and publish a national report on the state of the environment once in 4 years.

With the financial support of the German International Cooperation Society (GIZ), in 2018 the Environmental Information and Education Center LEPL started the preparation of the environmental impact of the so-called green chapters (biodiversity, forest resources, fishing and hunting) and economic sectors (agriculture, transport, industry, energy) for the National Report on the State of the Environment in 2014-2017.

In addition to the above mentioned, LEPL Environmental Information and Education Center has prepared the chapter on environmental studies, education and awareness raising for the National Report on the State of the Environment (2014-2017).
Harmonization of Information Management for Improved Knowledge and Monitoring of the Global Environment in Georgia.

The Environmental Information and Education Center LEPL and the UNDP signed a standard agreement letter on implementation of the project. The project "Harmonization of Information Management for Improved Knowledge and Monitoring of the Global Environment in Georgia" was initiated by the Ministry of Environmental Protection and Agriculture of Georgia and implemented with the financial support of the UNDP and Global Environmental Fund (GEF).

The Environmental Information and Education Center LEPL is responsible for the creation of the main product, Environmental Information and Knowledge Management System, which will help to improve monitoring of the environmental impact and trends, achieve national goals and international commitments (the UN Framework Convention on Climate Change; the UN Convention on Biological Diversity and the UN Convention on Combating Desertification). The project was implemented in 2016-2018.

In 2018, a cycle of informational meetings on "Environmental Management and Solutions for Improved Monitoring of Rio Conventions" was carried out within the project. Informational meetings were held for the representatives of the City Hall and Sakrebulo, in the following regions:

- Kvemo Kartli (30 participants)
- Tbilisi Municipality (30 participants)
- Samegrelo-Zemo Svaneti (45 participants)
- Racha-Lechkhumi-Kvemo Svaneti (21 participants)
- Mtskheta-Mtianeti (19 participants)

In the framework of the project, demonstration sessions of environmental information and knowledge management system were also carried out:

- Climate Change and Desertification Module (42 persons)
- Biodiversity Module (54 persons)
- Biodiversity Module (23 persons)
- Climate Change and Biodiversity Module (27 persons)

The final extended meeting was held presenting the results of the project, environmental information and knowledge management system, web-portal, mobile application and information video-clip. The meeting was opened by the Minister of Environmental Protection and Agriculture of Georgia, Mr. Levan Davitashvili and Deputy Managing Director of UNDP Mrs. Manhattia Altengel. The meeting was attended by about 120 representatives of state, non-governmental, international, diplomatic and media sectors.

"For Sustainable Development of Education- Elaboration of Strategy and Action Plan" (ESD SAP) for Georgia

The Environmental Information and Education Center LEPL is implementing the project "For Sustainable Development of Education- Elaboration of Strategy and Action Plan" (ESD SAP) for Georgia with the financial support of the German International Cooperation (GIZ).

As a result of the structural changes implemented in the Government of Georgia in 2017, the process of developing "Education Strategy and Action Plan for Sustainable Development" was somewhat hindered. In addition, there is a need for expert support, for which project implementation period is extended and it will be completed on June 30, 2019.

Within the scope of the project, the elaboration of existing strategy and action plan and its harmonization with the requirements of the Government Resolution N629 of December 30, 2016, the Guidelines for Policy Planning is carried out.
ACCESS TO ENVIRONMENTAL INFORMATION AND PUBLIC INVOLVEMENT IN DECISION MAKING PROCESSES

The most significant function of the Center is to promote dialogue between the community and decision-makers and to ensure public involvement in decision making processes. For this purpose, the Center uses a variety of mechanisms, including organizing public discussions where any citizen has the opportunity to submit comments and / or remarks to the document. It is important that the decision made as a result of the discussions and considerations presents a consensual position of the stakeholders and, therefore, is a prerequisite for taking a more relevant decision.

During the year the Center held:

- Public Discussion of the Draft Law of Georgia on Biodiversity, which aims at ensuring the protection and restoration of the ecological system necessary for the existence of wild plants and wild animals, creation of conditions for the preservation of species and habitats diversity and ensuring the sustainable use of wild plants and wild animals for the benefit of the present and future generations (53 people).

- Public Discussion of the Law of Georgia on Water Resources Management, which aims to establish basic legislative basis for the protection and sustainable use of various waters in order to create a safe environment for human health in accordance with the principles of Integrated Water Management.

- With the aim of implementation of an extended liability of the manufacturer (Waste Management Code), a meeting was held with representatives of public business sector and local self-governments, where the Director of the Center, as a Mediator, discussed with the stakeholders the legislative requirements related to the expanded liability of the manufacturer and the best international practices.

Project “Supporting the Implementation of the Expanded Liabilities of the Manufacturer”, implemented by the non-governmental organization GEO

About 200 questions related to environmental issues were answered.

About 200 users have been added to the information seekers base who receive various environmental information.

The Environmental Information and Education Center’s website has been updated to provide information to more than 300 organizations.

In 2018, 3148 people participated in the environmental events organized by the Center.

INFORMATION TECHNOLOGIES

As a result of changes carried out in 2018, an important function was added to the Center aimed to provide information technology both to the Ministry’s central office, as well as to the territorial bodies and agencies within its system, which includes the development and introduction of integrated information technology policy, ensuring elaboration and implementation of information security policy, provision of administration and management with existing computer network systems at the Ministry, implementation of existing and new innovative services, ensuring support, data continuity and its security, creating a single, central database and ensuring appropriate reporting, designing service catalogs and management of access levels to services’ catalogs, as well as provision of the technical support.

The following types of works were planned and implemented in the Ministry of Environmental Protection and Agriculture and its subordinated agencies:
Software Support

- Software for the headquarters of the fight against Asian stink bug
- Web site for monitoring of the fight against Asian stink bug
- Web site for administration of informational web site of the Ministry of Environmental Protection and Agriculture of Georgia
- Informational website of the Ministry of Environmental Protection and Agriculture of Georgia
- Website for administration of the Informational Web Site of the Laboratory of the Ministry of Agriculture
- Web site for Support of Incident Management Program Monitoring
- Administration of Farmers’ Portal Web Page Module for uploading projects
- Informational web site of the conference halls of the Ministry and its agencies
- Website for administration of the Electronic Library of the Ministry of Environmental Protection and Agriculture of Georgia
- Website of Electronic Library of the Ministry of Environmental Protection and Agriculture of Georgia
- Intranet of Ministry of Environmental Protection and Agriculture of Georgia
- Administration Website for ESR Environmental Surveillance Informational Website
- Environmental Surveillance Informational Web Page
- Price Monitoring Tablets Software
- Grape vintage 2018
- Apple Vintage 2018
- Tangerine Vintage 2018
- Introduction of financial control in all LEPLs
- Customer Support System
- Animal medication recording program was launched;
- HR Module was introduced in all new agencies connected to the central network;
- Wine and distillate balance program
  - Change of wine fluid modules, according to the amended legislation.
  - Validated electronic accounting for wine balances was launched
  - Wine and Distillate Certification Program
  - Electronic certification program was launched
  - Wine tasting program
  - Changed according to amended legislation
• Wine and distillate statistics module
  - Certificates
  - Laboratory protocols
  - Exported wine
  - Exported distillate
• Total statistics
• Scientific project of Georgian
  - Vine and Wine Culture - changed at the request of the National Wine Agency
• Modules for the Cooperative Development Agency have been created and modified
  - Honey Module was modified
  - Milk Module was modified
  - Beekeeping Module was created
  - Branding module was created
  - Module for standards' implementation was created
• Rural Development Strategy Monitoring system of State Agencies for Policy and Analytics Department
• Environmental Information and Knowledge Management System
• Air quality portal

In parallel with the implementation and development, daily operations were ongoing both with regard to the above-mentioned systems, as well as with regard to:
• Older already completed services
• Server infrastructure and network
• Computer park

The transfer of services designed by external suppliers to the Ministry's infrastructure is carried out, which in turn requires: management, monitoring, diagnostics and eradication of mistakes, renewal, reservation, data migration, elimination of infrastructural incompatibility, etc.

**INFRASTRUCTURE**

**Executed:**
• Network reorganization
• Connecting agencies of the Ministry of Defense and Ministry's "Data Center" with optical fiber cable (territory of the Ministry) and VPN connectivity (outside of the Ministry)
• Implementation / replacement of network equipment
• Connecting new subscribers to the central e-mail
• Inclusion of e-mail in the filtering system
• Switching in the rapid messaging service
• Data migration in the IT infrastructure of the Ministry
• Standardization of software packages
Ministry of Environment Protection and Agriculture of Georgia

1. Inclusion of new halls in the conference hall reservation system
2. Switching on of the agencies of the Ministry Ministries in Central Authorization and Computer Park Management System
3. Update of users operating systems
4. Preparation of 4 optional projects for arranging a server room

**Implemented:**
- Network security requirements
- Using additional channels of fiber optic cable
- File exchange system with distributed rights and high security
- Unified Telephone Connection in New Agencies
- SOIL MAP system
- Data storage system
- Clustered database management system
- E-mail delivery system
- Local Password Management System
- Permit issuing system
- Protected isolated Wi-Fi channels
- Other supporting system services

**In Progress:**
- Connecting the Regions into the Unified Network of the Ministry
- Switching on local services (synchronized with central data center) to prevent overload of VPN traffic and frequent disruption of services
მინსტროს სსიპ „ეროვნული საშენი მეურნეობა“ მიზანია ადგილობრივი ფლორისა და ფაუნის გამრავლება.

მეურნეობა ამრავლებს „საქართველოს წითელი ნუსხის“ ხე-მცენარეთა სახეობებს, როგორიცაა უხრავი, საკმელი ხე, ძელქვა, უთხოვარი, კოლხური ბზა, წაბლი, ბალამწარა, ასევე, იმერული, მაღალმთის ჰართვისისა და პონტოს მუხა.

სსიპ „ეროვნული საშენი მეურნეობა“ მუშაობს შემდეგ მიმართულებებზე:

- დეკორატიული, ტყისშემქმნელი და საქართველოს “წითელი ნუსხის“ ხე-მცენარეების გამოყენება, რეალიზაციის და ბუნებაში კონსერვაციის მიზნით.
- ურბანული გამწვანება.
- ქარსაფარი ზოლების აღდგენა და გაშენება
- ნამყლის გამოყენების, ციხეთა და ხელის ჩამომუშავება
- ხეობის განვადგომი, ბუნებრივი რეალიზაციის შემთხვევაში.
- საქართველოს „წითელი ნუსხის“ ხე-მცენარეების მდინარეების გათევზიანების მიზნით.
- ფუნქციონალური სხვადასხვა ბიოგეოგრაფიული რეგიონების ნახშირობა.
NATIONAL NURSERY

The National Nursery is responsible for the reproduction of local species, including the rare species of fauna and flora, in order to restore and multiply in nature.

In 2018

- The propagation of forest forming species as well as the tree and plant species included in the “Red List” was carried out.

- 500,000 different species of plants, including the ones from the Red List were propagated in the nursery facilities.

- The breeding of the wild ornitho-fauna was carried out in the National Nursery facilities, for the purpose of their restoration in nature and provision to hunting farms. Breeding groups were set up for such species as Colchian pheasant, partridge, Purple Swamphen. The work on the creation of breeding groups for white Partridge and Francolinus is also underway, as well as studying the possibility of breeding of the Caucasian grouse in aviary. It is noteworthy that this method is addressed in many European countries. In closed aviary farms, wild birds, mainly of chicken species are bred, and in open aviaries - wild boar and deer breeding is carried out. As a consequence, the demand for hunting industry needs is met and the pressure on the wildlife is reduced, a small part of artificially bred species after the end of the hunting season manages to adapt to wildlife and fills up the populations.

- It is of utmost importance in the process of these activities to reproduce strictly local species. Unfortunately, the unauthorized “introductivity” has produced in nature a Hybrid of the Colchian Pheasant with Manchurian Pheasant, which threatens endemic species.

- At present, there 32 nests of the pure-blood Colchian pheasant.
In 2018, the number of partridges in the breeding industry went up to 3,000 individuals.

In addition, last year, a number of species were propagated in the national nursery such as zalkava, yew, ponto oak and others - the nursery house produces up to 20 species of rare trees.

Stemming from the current situation of Georgia, for the existence of the population in the populated areas and the creation of a favorable ecological environment for the protection of agricultural lands, it is necessary to restore and grow the windbreaks. The windbreaks protect the agricultural lands and plants from the adverse impact of winds and increase yield by 20-25%. In 2018, the National Nursery worked on planting and taking care of 8, 6, 4 and 2 row windbreaks (depending on the geographical area). The Nursery worked in the following directions: the program of windbreaks as a habitat restoration plan. In the production of windbreaks, it is important to plan planting of 15-20% of fruit bearing trees.

Restoration of burned down slopes - National Nursery has restored the burned down in 2017 slope of Mtatsminda.

The drip irrigation system was arranged at 26 000 square meters and 3000 young trees were planted.

In 2014-2018, the National Nursery together with the National Forestry Agency restored 250 hectares of forest damaged in the village of Daba in Borjomi Gorge in 2008 and 2017.

In the village of Nojikhevi in Khobi municipality, a plant nursery facility was restored of nursery facility for breeding Colchian pheasant was set up.

In 2017-2018, in the settlement of Kveta, Sachkhere district, the fresh water trout nursery facility was arranged. Infrastructure works were carried out on the territory, two ponds and 8 reinforced concrete pools were built. At this time, 8000 trouts have been artificially bred. The nursery plan is to produce half a million individuals per year.

For the first time, a 2-year fresh water trout included in the "Red List" which was bred in the National Nursery has spawned out. With the aim of breeding the next generation, after the fertilization process was over, the spawn was placed in the incubator. Practical experience proves that trout starts spawning from the second year.

In order to restore the population of red list species, 200 artificially bred trouts in the nursery facility were released in the river Chikhura.

In 2018, around 1000 of schoolchildren visited national nursery facilities across Georgia where they received practical experience on plant cultivation, planting and grafting.
In 2018, the Nursery was actively involved in green exhibitions, where the variety of plant species was presented and the society was informed about plant protection and reproduction.

In 2017 the Ministry signed an agreement with FAO. Two activities were planned: regulation of legal space, practical modeling of sustainable management of wildlife. In 2018 the decision on establishment of the National Wildlife Agency on the basis of Nursery was adopted.

The Agency's activities will be as follows:
- Species registration and monitoring,
- Planning of Species reproduction,
- Planning of restoration of habitats,
- Identification of license areas;
- Development of licensing conditions in terms of species and habitats,
- Promoting ecotourism development, certification of hunters and fishermen,
- Study of species reintroduction;
The State Sub-agency Department of Environmental Supervision of the Ministry of Environmental Protection and Agriculture ensures implementation of state control over the use of environmental and natural resources throughout Georgia, including in its territorial waters, continental shelf and special economic zone.

The Department carries out activities through the structural subdivisions of the central apparatus, 7 regional divisions and the Black Sea Convention Division.
ENVIRONMENTAL SUPERVISION DEPARTMENT

The main directions of the activities of the Environmental Supervision Department are:

- Prevention, detection and elimination of illicit use of natural resources;
- Prevention, detection and elimination of environmental pollution facts;
- Control of the fulfillment of the terms and conditions set out in the field of environmental protection and natural resources use;
- Control of implementation of Georgia's international commitments in the field of environmental protection within its competence.

Ensuring Fulfillment of Environmental Legislation Requirements

In order to ensure the control over fulfillment of the law provisions, the Department conducts oversight using the following legal mechanisms: preventing offenses (preventive and promoting) measures, monitoring of compliance with law provisions, inspection of the object of regulation, timely and proportional response to the revealed violations.

In accordance with the powers provided for by the legislation, the Department shall conduct activities in two main directions-

- Continuous (24-hour) environmental patrolling and quick response
- Environmental Inspection

Environmental patrolling and rapid reaction crews of the rapid response subdivisions are conducting 24-hour patrolling to prevent, detect and eliminate illegal acquisition, transportation and processing of natural resources and the facts of pollution of environment with waste.

Environmental inspections are carried out by environmental control and biodiversity control services, inspection departments of regional divisions, and are mainly focused on regulation objects - licenses for use of natural resources (except for licences for extraction of minerals), as well as permits / solutions issued in the field of impact assessment, inspection of facilities subject to environmental technical regulations (planned, unscheduled inspection, inspection and study).
RESULTS OF INSPECTION AND PATROLLING

In 2018, as a result of the inspection and patrolling 7,040 facts of violation of environmental legislation were revealed, including:

- 6,544 facts of administrative offense on which protocols of administrative violations were filed and sent to the relevant courts for consideration;
- 496 facts having signs of Criminal offence which were handed over to investigative bodies for further reaction.

Dynamics of Offenses, 2014-2018

Dynamics of Offenses According to Regions, 2018
Structure of facts with signs of criminal offense

- Illegal fishing: 146
- Illegal timber hunting: 190
- Illegal mining: 60
- Land pollution-degradation, removal of fertile layer: 13
- Illegal hunting: 2
- Violation of Requirements of Saw Mills Registration: 61
- Other violations: 24
Total of 496 cases

Fines and Environmental Damage

The amount of fine imposed on the offenders in 2018 comprised 3,682,378,0 GEL, the calculated amount for environmental damage as a result of violation of environmental legislation comprised 10,046,793,6 GEL.

Fines and Environmental damage, 2013-2018

<table>
<thead>
<tr>
<th>Year</th>
<th>Fines GEL</th>
<th>Damage GEL</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013 წ.</td>
<td>1,980,790</td>
<td>6,707,558</td>
</tr>
<tr>
<td>2014 წ.</td>
<td>4,593,150</td>
<td>52,530,342</td>
</tr>
<tr>
<td>2015 წ.</td>
<td>4,032,108</td>
<td>110,277,067</td>
</tr>
<tr>
<td>2016 წ.</td>
<td>4,731,090</td>
<td>10,339,744</td>
</tr>
<tr>
<td>2017 წ.</td>
<td>5,407,830</td>
<td>9,282,496</td>
</tr>
<tr>
<td>2018 წ.</td>
<td>3,824,048</td>
<td>10,030,572</td>
</tr>
</tbody>
</table>
INSPECTION OF REGULATED OBJECTS

In 2018, the Department conducted 2,968 inspections of regulated facilities (license for use of natural resources, environmental permits / decision-making subjects, enterprises subject to environmental technical regulations):

Planned inspections of regulated objects were conducted in accordance with the 2018 inspection schedule for regulated facilities approved by the Minister of Environmental Protection and Agriculture;

Ad hoc inspections of regulated objects were carried out on the basis of the decision of the head of the department, including the complaints of citizens, information received from the “hot line” (153), reports on agencies / organizations, as well as results of previous inspections in order to verify the fulfillment of the obligations imposed.

The inspection/study of the regulated objects was also carried out in response to the information received from the “hot line”; in order to obtain general information about the activities of the object and to undertake preventive measures.

Planned / Ad Hoc Inspection

In 2018 the planned and ad hoc inspection of 110 regulated objects on the compliance with the environmental regulations was carried out, including:

- 16 - Special license for timber preparation
- 4 - Territories of the State Forest Fund (selectively)
- - Special license for hunting farms
- 58 - Environmental Impact Permit / Ecological Expertise Conclusion, Objects Subject to Environmental Technical Regulations
- 30 - obtaining samples for the purpose of identifying GMO species
PREVENTIVE MEASURES

Controlling genetically modified organisms

In 2018, in accordance with the Law of Georgia on Living Genetically Organized Organisms, 30 inspections were conducted with the aim of obtaining samples of the plants planted on the agricultural land plots owned by natural and legal persons and/or the ones stored in the warehouse for the identification of living genetically modified organisms. According to the results of laboratory research, the study samples did not contain GMO markers.

Fuel Quality Control

In February 2018, samples from 7 petrol stations owned by San Petroleum Georgia Ltd. were obtained to determine the compliance of the quality of automobile petrol and diesel fuel with the norms established by legislature.

In December 2018, of 240 units of different petrol samples were obtained from 136 petrol station reservoirs to determine the lead content in the automobile fuel.

According to the results of the laboratory study, the violation of the norms established by the legislation has not been observed.

Control of Round-Timber Processing Factories

Preventive measures were carried out in 2018 for the prevention, detection and elimination of unregistered sawmills and illegal timber processing.

As of 2018, 785 factories for round timber (log) processing are registered in the timber resources electronic management system. In addition, 169 unregistered, illegal sawmills were revealed in the electronic system.

<table>
<thead>
<tr>
<th>Regions</th>
<th>Saw mills</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Registered</td>
</tr>
<tr>
<td>Tbilisi</td>
<td>4</td>
</tr>
<tr>
<td>Mtskheta-Mtianeti</td>
<td>12</td>
</tr>
<tr>
<td>Shida Kartli</td>
<td>57</td>
</tr>
<tr>
<td>Kvemo Kartli</td>
<td>4</td>
</tr>
<tr>
<td>Kakheti</td>
<td>61</td>
</tr>
<tr>
<td>Samtskhe-Javakheti</td>
<td>145</td>
</tr>
<tr>
<td>Imereti</td>
<td>130</td>
</tr>
<tr>
<td>Rachka-Lechkumi, Kv. Svaneti</td>
<td>85</td>
</tr>
<tr>
<td>Guria</td>
<td>35</td>
</tr>
<tr>
<td>Samegrelo-Zemo Svaneti</td>
<td>138</td>
</tr>
<tr>
<td>Adjara</td>
<td>114</td>
</tr>
<tr>
<td><strong>Total in 2016</strong></td>
<td><strong>785</strong></td>
</tr>
</tbody>
</table>
HOT LINE

By means of 24-hour "Hot Line - 153", the Department receives notifications from the citizens and organizations about the violations in the environmental sphere which receive relevant operative response; citizens also have the opportunity to get the necessary information and consultation on the issues in the competence of the department.

In 2018, "Hot Line - 153" received 2 605 notifications on violation of environmental legislation, regarding which the Department reacted and implemented measures envisaged by the legislation.

<table>
<thead>
<tr>
<th>Notification Topics needing Response</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connected with conduct of electronic magazine of sawmills</td>
<td>1019</td>
</tr>
<tr>
<td>Violation of forest legislation</td>
<td>467</td>
</tr>
<tr>
<td>Environment pollution with waste</td>
<td>216</td>
</tr>
<tr>
<td>Air pollution</td>
<td>209</td>
</tr>
<tr>
<td>Odor spreading</td>
<td>161</td>
</tr>
<tr>
<td>Violation of animal protection legislation</td>
<td>112</td>
</tr>
<tr>
<td>Violation of Sawmill tech Rules</td>
<td>106</td>
</tr>
<tr>
<td>Illegal fishing</td>
<td>103</td>
</tr>
<tr>
<td>Violation of fossil legislation</td>
<td>80</td>
</tr>
<tr>
<td>Violation of water legislation</td>
<td>38</td>
</tr>
<tr>
<td>Illegal hunting</td>
<td>31</td>
</tr>
<tr>
<td>Violation of land legislation</td>
<td>27</td>
</tr>
<tr>
<td>Damage to the seal</td>
<td>11</td>
</tr>
<tr>
<td>Noise spreading</td>
<td>14</td>
</tr>
<tr>
<td>Accidents / Incidents</td>
<td>5</td>
</tr>
<tr>
<td>Department activities</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2 601</strong></td>
</tr>
</tbody>
</table>

INITIATIVES, ACHIEVED RESULTS

In order to prevent illicit forest use and poaching, the Department initiated amendments to the Administrative Offenses and Criminal Codes of Georgia and other subordinate acts. As a result:

- Administrative responsibilities in cases of illegal cutting / damaging of woody plants, repeated violations of hunting rules, illegal mining of minerals have been tightened.
- Criminal liability has been tightened for illegal arrangement of sawmills, illegal cutting of plants protected by the Red List, facts of fishing using electricity, electric shock, explosives or poisonous substances.
- Requirements for the placement of Round-Timber sawmills have been tightened.
In order to improve timber control electronic mechanisms, proposals and relevant technical assignment were developed aimed at integration of the timber resources electronic management system with the Revenue Service electronic invoice system, which provides for timber/primary processing product movement control and improved traceability, as well as minimization of the fabrication risk.

**Strengthening Department’s Capabilities**

Equipment and work conditions of Department employees have improved. In 2018, a new administrative office of Samegrelo-Zemo Svaneti Regional Division in Zugdidi was added to administrative buildings of regional divisions built in 2016-2017 in Ozurgeti, Gori, Ambrolauri, Akhaltsikhe and Batumi. The relevant equipping of inspectors and environmental rapid response mobile groups (crews) was carried out.

More than 100 employees were trained in different directions.

**EVENTS PLANNED FOR 2019**

The Environmental Supervision Department is facing significant challenges that arise from the problems faced by the country as well as from the commitments envisaged by the Deep and Comprehensive Free Trade Agreement (DCFTA) and the EU directives.

Therefore, in 2019 the following measures are planned:

- **Structural Optimization of the Department** - Enhancement of environmental patrolling and rapid response mobile groups, increasing the number of inspectors and their proper equipping, ensuring prevention of offenses, creation of an offence deterrent environment.

- **Improvement of methodological base of state control:**
  - Preparation of a mid-term strategy and action plan of the department;
  - Development of methodology for determining the priorities of environmental inspection;
  - Planning of inspection of regulated objects based on control priorities and risks assessment;

- **Trainings to increase Department staff qualification**;

- **Development of electronic information management systems**
MINISTRY OF ENVIRONMENTAL PROTECTION AND AGRICULTURE OF GEORGIA

RURAL DEVELOPMENT

Rural Development Strategy of Georgia for 2017-2020 and relevant action plan were worked out under coordination of the Ministry of Environmental Protection and Agriculture of Georgia with involvement of all relevant state agencies and active cooperation and support of the UNDP. The vision of the strategy is to ensure the quality of life of the rural population and the sustainable growth of social conditions that will be based on diverse economic opportunities, accessible social good, rich cultural life, and sustainable management of environment and natural resources. The strategy defines three main priorities, namely: economy and competitiveness, social conditions and living standard and environmental protection and the sustainable management of natural resources. The 2018-2020 Action Plan of the 2017-2020 Strategy of Georgia comprises 69 programs of different sectoral directions.

The implementation of the Rural Development Strategy is coordinated by the Rural Development Interagency Coordination Council, which was created by the Resolution N639 of the Government of Georgia. The Council ensures the involvement of the following ministries in this process: Ministry of Environmental protection and Agriculture of Georgia; Ministry of Regional Development and Infrastructure of Georgia; Ministry of Internally displaced persons from the occupied territories, Labor, Health and Social Affairs of Georgia; Ministry of Justice of Georgia; Ministry of Education, Science, Culture and Sport of Georgia; Ministry of Economy and Sustainable Development of Georgia; Ministry of Finance of Georgia; Ministry of Foreign Affairs of Georgia.

2018-2020 Action Plan of the 2017-2020 Strategy of Georgia (hereinafter referred to as the Action Plan) envisages 25 activities assigned to the Ministry of Environmental Protection and Agriculture (hereinafter the Ministry) in 2018,
with the total budget of 125,935,500.0 GEL. Actual implementation as of 31.12.2010 amounted to 160,056,502.0 GEL.

Main indicators of the activities assigned to the Ministry for 2018 are:

<table>
<thead>
<tr>
<th>OBJECTIVE</th>
<th>ACTIVITY</th>
<th>PROJECTED BUDGET FOR 2018</th>
<th>ACTUAL EXECUTION AS OF 31.12.2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>PRIORITY AREA1: ECONOMY AND COMPETITIVENESS</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.1.1 Preferential Agro credit</td>
<td>45,000,000.0</td>
<td>60,160,000.0</td>
<td></td>
</tr>
<tr>
<td>11.2 Young Entrepreneurs Development Program</td>
<td>3,000,000.0</td>
<td>2,887,795.0</td>
<td></td>
</tr>
<tr>
<td>11.3 &quot;Plant the Future&quot;</td>
<td>8,000,000.0</td>
<td>9,562,821.0</td>
<td></td>
</tr>
<tr>
<td>11.4 Co-financing of Agro Processing and Storage Enterprises</td>
<td>5,000,000.0</td>
<td>7,635,335.0</td>
<td></td>
</tr>
<tr>
<td>11.5 Bee sector agricultural cooperatives support</td>
<td>200,000.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>11.6 Implementation of international standards in cooperatives and promotion of produced products</td>
<td>210,000.0</td>
<td>56,098.0</td>
<td></td>
</tr>
<tr>
<td>11.7 Development of agricultural cooperatives' infrastructure</td>
<td>5,000,000.0</td>
<td>6,863,037.0</td>
<td></td>
</tr>
<tr>
<td>11.8 Qualification raising and Training of Cooperatives' shareholders of the cooperatives</td>
<td>200,000.0</td>
<td>0.0</td>
<td></td>
</tr>
<tr>
<td>11.9 Rational use of pastures and hay meadows owned by the state in high mountainous regions</td>
<td>1,000,000.0</td>
<td>3,322,945.0</td>
<td></td>
</tr>
<tr>
<td>11.10 Modernization, access to the market and sustainability of agriculture</td>
<td>18,675,000.0</td>
<td>12,040,852.0</td>
<td></td>
</tr>
<tr>
<td>11.11 Construction and rehabilitation of melioration systems</td>
<td>0.0</td>
<td>30,680,549.0</td>
<td></td>
</tr>
<tr>
<td>11.12 Irrigation and drainage systems improvement</td>
<td>20,566,000.0</td>
<td>11,264,000.0</td>
<td></td>
</tr>
<tr>
<td>11.13 Promoting Georgian tea production</td>
<td>900,000.0</td>
<td>795,270.0</td>
<td></td>
</tr>
</tbody>
</table>
Priority Area 2: Social Conditions and Living Standards

Objective 2. Local population involvement.
Involvement of rural population (especially women and young people) to identify local needs and determine the ways of their solution.

| 2.3.1 Meetings With Public Groups | 0.0 | 0.0 |

Priority Area 3: Environmental Protection and Sustainable management of Natural Resources

Objective 1. Water, forest and other resources. Improvement of water, forest and other resources management in target rural areas.

<table>
<thead>
<tr>
<th>3.1.1 Preservation of Protected Areas and Resource Management</th>
<th>190,000.0</th>
<th>173,600.0</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1.2 Development of ecotourism on protected areas and effective communication with the public</td>
<td>200,000.0</td>
<td>308,300.0</td>
</tr>
<tr>
<td>3.1.3 Sustainable utilization of forest resources</td>
<td>6,339,000.0</td>
<td>6,776,100.0</td>
</tr>
<tr>
<td>3.1.4 Forest care and restoration</td>
<td>667,200.0</td>
<td>1,471,400.0</td>
</tr>
<tr>
<td>3.1.5 Forest accounting and inventory</td>
<td>771,000.0</td>
<td>0.0</td>
</tr>
<tr>
<td>3.1.6 Carrying out annual geological monitoring</td>
<td>8,400.0</td>
<td>6,894.0</td>
</tr>
<tr>
<td>3.1.7 Carrying out geological survey</td>
<td>900.0</td>
<td>12,880.0</td>
</tr>
<tr>
<td>3.1.8 Ground water monitoring</td>
<td>85,000.0</td>
<td>45,300.0</td>
</tr>
<tr>
<td>3.1.9 Environmental pollution monitoring</td>
<td>581,000.0</td>
<td>664,339.0</td>
</tr>
</tbody>
</table>

| 3.3.1 Hydrometeorological observation and expansion of observation network | 342,000.0 | 541,519.0 |
| 3.3.2 Measures to provide agro insurance | 9,000,000.0 | 4,787,468.0 |

Total: 125,935,500.0 160,056,502.0
Within the framework of the Action Plan for the implementation of 1.1, 3.1 and 3.2 indicators of the second tranche variable component of the budget assistance provided for in the agreement on funding signed between the EU and Georgia on 04.12.2017 (European Neighborhood Program for Agriculture and Rural Development of Georgia (ENPARD Georgia III) the following was envisaged:

- For the support of agricultural cooperatives, 5 activities are envisaged (1.1.5; 1.1.6; 1.1.7; 1.1.8; 1.1.9), with the total budget of 6,610,000.0 GEL and the factual execution as of 31.12.2010 amounted to 10,242,080.0 GEL, 154.9% of annual indicator;

- For elaboration and approval of forest development plans in compliance with relevant rules, three activities (3.1.4; 3.1.5; 3.1.6) are envisaged aimed at forest sustainable management, with a total budget of 7,777,200.0 GEL and actual execution of 8,247,500.0 GEL, 106.0% of annual indicator as of 31.12.2010;

- For the sustainable management system of the Georgian Protected Areas, two activities (3.1; 3.2) are envisaged with total budget of 390,000.0 GEL, factual execution amounting to 481,900.0 GEL, 123.6% of the annual indicator as of 31.12.2010.

- Detailed information on the fulfillment of the activities assigned to the Ministry is given in the *Report on Implementation of 2018 Action Plan, the 2018-2020 Strategy of Georgia’s Rural Development*.
INSTITUTIONAL STRENGTHENING AND CAPACITY BUILDING

With the aim of the institutional strengthening of the Ministry of Agriculture and the development of staff capabilities, the training needs assessment survey was prepared in 2018, based on which the training center of the Ministry of Environmental Protection and Agriculture defined and planned the following trainings:

- **Presentation Skills** (Number of Participants - 84, including 80 from the Central Office of the Ministry of Agriculture, 55% of the Ministry's staff retrained in this training course)
- **Training on "Deep and Comprehensive Free Trade Agreement between Georgia and the European Union"** - Number of participants 88, including 74 out of the Central Office of the Ministry, 52% of the staff members retrained in this training course;
- **Training on "Sustainable Development Goals"** - Number of participants 102, including 83 from the Central Office of the Ministry, 54% of the staff members retrained in this training course;
- **Training "Project Management"** - Number of participants 66, including 44 from the Central Office;
- **English Language Course** – the course was fully taken by 15 employees, who received Course Completion Certificate, 20 employees received Course Attendance Certificate.

LEADER GROUPS IN GEORGIA

Taking into consideration the EU experience, with the support of the European Neighborhood Programme for Agriculture and Rural Development (ENPARD), in 8 municipalities of Georgia (Lagodekhi, Dedoplistskaro, Akhaltsikhe, Tetritskaro, Kazbegi, Borjomi, Keda, Khulo) local development groups (Local Action Groups)1 have been created that are uniting civil society and private sector and local government officials. Within the framework of ENPARD, local development groups mobilize communities, elaborate local development strategies, and then with immediate involvement of beneficiaries, the elaboration and providing of financing for proposals aimed at the development of local communities and rural economies is carried out. This method is becoming popular in other municipalities of Georgia because of the effective vertical approach (from the bottom). Up to now, the support of local action groups in 8 municipalities is provided by the ENPARD partner NGOs, namely:

**CARE International Caucasus**

Within the frames of ENPARD, CARE International Caucasus, together with Lagodekhi Development Group, is implementing the project "Participatory Rural Development in Georgia". Duration: 2015 - 2017 (Phase I), 2018 - 2020 (Phase II). Reporting period 1 July 2015 - 30 October 2017.

Within the framework of the first phase of the project, the local development strategy of Lagodekhi Municipality has been developed. According to the priority directions outlined in the Strategy, CARE International Caucasus announced two grant competition proposals. In the frames of both grant competition, 31 projects were financed. The number of beneficiaries of the competition comprises 8,216 individuals. In addition, 89 people were employed in financed projects (49 males, 6 females and 1 female representing national minorities, 4 males and 3 females – the youth, 1 male is a disabled person) and a number of trainings and informational meetings were held.

In order to share the experience, the representatives of Lagodekhi local development group, together with the project group, held meetings in 7 municipalities throughout Kakheti region. In order to share the experience, Lagodekhi Development Group also visited Borjomi, Kazbegi and Dedoplistskaro.


Two contests were held within the grant component. In the frames of the first grant competition, 13 projects were financed and 18 more projects will be financed, according to preliminary data, as a result of the second grant competition. With the initiative of the youth group of the local development group and the involvement of European volunteers in Lagodekhi a web-page www.visitalagodekhi.com was created which is aimed at popularization of Lagodekhi and promotion of tourism development. In addition to the youth group, periodic meetings were organized by tourism development groups, fundraising and gender equality thematic groups. The group members were trained in the field of project evaluation, fundraising, monitoring, gender equality, communication and media relations. The group members attended the regular meetings and trainings of the Association of Local Development Groups of Georgia.
HEKS/EPER Georgia

Within the frames of ENPARD, HEKS-EPER Georgia together with Biological Farming Association “Elkana” is implementing the project “Promoting Citizen Engagement for Economic Development (PROCEED)” in Dedoplistskaro Municipality. The project duration is December 2016 – November 2020.

The goal of the project is to reduce poverty and promote the rural development throughout the municipality by means of improved community members’ employment and increased income opportunities for the local population. The project is focused on the activation and development of local civil society, applying the LEADER approach in the implementation process.

Within the framework of the project, the Dedoplistskaro local development group “Dedoplistskaro LAG” was created by local population as a non-governmental organization in Dedoplistskaro municipality. It currently comprises 192 members. The project is guided by the Dedoplistskaro Development Strategy developed within its framework and supports all the activities aimed at implementing this strategy and promoting sustainable social-economic development of the municipality. Within the framework of the project, 28 projects were drafted in 2018: agriculture - 6; Tourism - 6; Social, cultural and educational - 10; Services - 6 projects.

Georgian Institute of Public Affairs (GIPA)

Within the frames of ENPARD, the Department of Rural Development and Vocational Education of GIPA is implementing the project “Promoting a New Rural Development Approach in Akhalkalaki”. Duration: 2016 - 2020.

Akhalkalaki LAG was established in June 2017. It consists of 30 members. From the day of its creation, the development group has been involved in the project's informational campaign. Together with the project implementers and experts, the basic survey of the municipality was prepared, the main needs were identified. Study visit of the local development groups and the Irish partner of the project was held in the West Cork Region. Capacity building trainings on LEADER methodology, strategic planning and analysis were conducted. With the involvement of the group, meetings with focus groups, interviews with experts and stakeholders were held. The thematic groups prepared 14 field profile and SWOT analysis. Akhalkalaki local development strategy was developed.

The Strategy for Development of Akhalkalaki Municipality designates the following priority directions: Increasing local income and promoting sustainable development of the local economy; improving social integration in education, culture, youth and gender equality issues; expanding potential of local tourism, conservation and support of local cultural heritage; improving ecological environment in the municipality and introduction of environmental practices.

Within the framework of the first grant competition of the project, 17 initiatives on the rural development were selected from the areas of economic, environmental, social, women and youth engagement directions. The second stage of the grant competition is underway. For more information visit www.akhalkalakilag.ge

Association Rural Development for Future Georgia (RDFG)

Within the frames of ENPARD, RDFG is implementing the project “Rural Development for Sustainable Growth of Tetritskaro Municipality”. Duration: 2016 - 2020.

Based on the principles of “Leader” approach, in August 2017, a local development group was created in Tetritskaro municipality, comprising 94 representatives from the civil, private and public sectors. At the beginning of 2018, the Tetritskaro Development Group was registered.

In September 2017, a study visit was organized for the Development Group and representatives of Target Ministries to Lithuania, which was hosted by Lithuanian Local Development Groups Network and Ministry of Agriculture of Lithuania. Field visits were held to the territory of eight LEADER Groups, where representatives of Tetritskaro Development Group got acquainted with the “Leader” methodology as well as the projects funded by the local action groups. In the course of the visit, RDFG and Tetritskaro Development Group participated in the International Conference of Action Groups. In the beginning of 2018, multi-sectoral 2018-2022 Tetritskaro Development Strategy was developed- http://tetritskarolag.ge/wp-content/uploads/2018/03/LDS-ENG-Final.pdf

Capacity building trainings were conducted on “Leader” Methodology and its practical implementation, elaboration and assessment of project proposals, attracting finances, financing management, food safety and communication issues. In the frames of the first grant competition, 37 projects were selected for financing. In the frames of the grant competition, 180 permanent and 35 seasonal jobs will be created at the local level, including for employment of 124 women.
Since the beginning of 2018, DCFTA information resource table is functioning in Tetritskaro Development Group. Up to now, 103 local entrepreneurs have been informed about how to bring their products in conformity with EU standards and how to get access to the European market.

The Tetritskaro Development Group actively participates in the working process of the Georgian Local Development Groups Association and the Rural Development Network of Georgia. It cooperates with various European LEADER groups and associations, as well as transnational projects.

**People in Need (PIN)**

Within the frames of ENPARD, Mercy Corps together with Kazbegi Development Group is implementing the project “Kazbegi Development Group”. Duration: 2015 - 2017 (Phase I), 2018 - 2020 (Phase II).

Reporting period 1 July - 31 October 2017.

Within the scope of the grant competition 63 projects were financed for the development of tourism, tourist and other services, agriculture, youth and sports. The projects had 3480 direct beneficiaries and 17577 indirect beneficiaries. 133 new jobs were created, out of which 77 men, 56 women; 42 young people (up to 30 years); 81 people are employed seasonally (6-9 months); 52 people are employed for a full season.

Capacity Building Trainings were conducted for Development Group Representatives on the following topics: development of proposals, attracting financing, book keeping and financial accounting, food safety, euro regulations, communication, video recording, photography etc. Study visits were held in Poland and Latvia. Also, the group members attended the Parliamentary Session on the Rural Development in the Kingdom of Netherlands.

Various reports have been prepared: survey of Kazbegi Municipality development potential, assessment of agricultural opportunities, Gudaauri research in terms of development of Kazbegi municipality, tourism sector opportunities etc. The local development strategy of Kazbegi Municipality has been developed.

**Mercy Corps**

Within the frames of ENPARD, Mercy Corps together with Borjomi Development Group is implementing the project “Strengthening Rural Development Models in Georgia” in Borjomi Municipality. Duration: 2015 - 2017 (Phase I), 2017 - 2019 (Phase II).

The reporting period is January - October 2017.

In 2016, within the scope of the first grant competition, 28 sub-projects were selected and successfully implemented. As a result of implementation of projects, 59 jobs were created, while the number of indirect beneficiaries amounted to 35,000. The technical team of the project organized field works and supported projects in the implementation phase. There trainings were held on various topics, including the development of a project proposal, a number of informational meetings were conducted regarding the grant competition. A study tour to Scotland was carried out. The Borjomi local development strategy has been developed.

The second grant competition was preceded with open door days and informational meetings attended by more than 500 people were held by the Borjomi Local Development Group and Mercy Corps in eleven municipalities in Borjomi. In the grant competition of 2018, 25 sub-projects have been selected.

In April 2018, Borjomi Development Group was officially registered as non-entrepreneurial and non-commercial legal entity, allowing for active fundraising and implementation of transnational projects.

Borjomi Development Group has developed a project in cooperation with the LAGs of Latvia and Finland that has gained funding. The project envisages development of the equestrian industry. The project developed in collaboration with the Estonian Rescue Association, aimed at preventing forest fires in Borjomi municipality, has successfully completed two phases of competition announced by the Estonian Environmental Investment Center and has passed to the final stage.

In June 2018, the Borjomi Development Group members were advised to update the local development strategy based on consultations with partner organizations and ELARD recommendations.

In June 2018, the members of the group participated in the LEADER Inspired Network Community, LINC Conference on European Rural Development Policy in the town of Rauma in Finland, where they had the opportunity to get familiar with the Finnish LAG’s current projects and the best practices.

In August 2018, Borjomi Development Group became a member of the Georgian Association of Local Development
On November 2018, representatives of Borjomi Development Group and Mercy Corps participated in the next regular meeting of the LINC (Leader Inspired Network Community) in Vienna, Austria. Although Georgia is currently only the associate member of the EU, LINC organizers have decided that the Georgian LAGs will join all the workshops and conference organized by LINC. European partners also discussed the possibility of holding the LINC conference in Georgia.

Currently Borjomi Development Group has 29 members, out of which 11 are women and 18 men. It consists of public and private sector representatives, where the number of private sector (60%) exceeds the number of public sector representatives (40%).

CENN
Within the frames of ENPARD, CENN is implementing the project “Optimising the Potential of Local Assets for Rural Development of Keda Municipality (Keda leader)”. Duration: 2017 – 2020.

The reporting period is December 2017 - January 2019.

2017 On December 24, 2017, the elections of governing council members of Keda's local development group / LAG's were held. Keda LAG comprises 266 people, 40% of them are women. As for the sectors, the percentage index is as follows: Public sector 36%, civil sector 14%, and private sector is 50%. The local development group includes representatives of nine communities of Keda municipality. The CENN implemented the activities related to raising awareness in the framework of the project, as a result, members of the 'Local Association of Active Citizens (“Amagi”) and other citizens joined the LAG of Keda. Capacity Building training are conducted both for the LAG as well as the "Amagi" members.

Local Development Strategy of Keda Municipality has been developed.

In the framework of the current project “Keda Leader”, on September 20, 2018 the Keda Local Development Group, CENN and Institute of Democracy announced the first phase of the grant competition for 2018-2019. Applications could be submitted by natural persons as well as legal entities registered in Georgia who implemented or planned to implement their activities in Keda municipality. On December 20-28, 2018, a preparatory training in full project proposal writing was held for the participants of the second stage of the grant competition. The purpose of the grant competition is the improvement of well being and living conditions of the rural communities in Keda, enhancement of economic opportunities in rural areas and implementation of innovative projects, in compliance with the priorities of local development strategy of Keda.

CARITAS Czech Republic
Within the frames of ENPARD, CARITAS Czech Republic is implementing the project “Promotion of Rural Development and Diversification in Khulo Municipality”. Duration: 2017 - 2021.

The Khulo Local Development Group was established on 22 January 2018 and was officially registered on 26 February 2018. The Khulo LAG management board is composed of 15 members from which 10 members were elected through secret ballot voting. The management board consists of one representative of Khulo Municipality City Hall, one representative of Khulo Sakrebulo and two members of AMAGI. 99 LAG members participated in the election, which makes 88.3% of the whole membership. Out of 15 board members, 8 represent civil sector, 5 members are from the public and 2 – from the private sector. The 15th member is CCRG representative, who will be involved in decision making process as well.

At present, the Khulo LAG consists of 136 people , out of which 31 are women and 19 youth. Sector redistribution of members is as follows: 24% private sector, 52% civil sector and 24% public sector. During the years 2017-18, the Khulo LAG representatives took part in various trainings that were largely related to the preparation of local development strategy and the study of key principles of the LEADER approach. Part of the training was also related to the capacity building and development of skills of the LAG members.

In 2018 Khulo Development Group visited Lagodekhi and Borjomi municipalities with the aim to share experience.

On May 1, 2018, within the project “Civil Society Organizations to Support Free Trade with Europe”, implemented by People in Need Georgia, on the basis of the Khulo LAG, an information-resource table on the Free Trade with Europe (DCFTA) was created.

On May 7-15, 2018, with the support of the European Union and the Croatian Village Development Network (HMRR), the members of the local development group of Khulo visited Croatia. On August 25, 2018, a local production
festival was organized with the support of the European Union and the Caritas Czech Republic.

On July 23, 2018, a newly elaborated Local Development Strategy was presented in Khulo and on October 12 in Batumi. Presentation of the strategy in the Khulo municipality was organized for the representatives of local self-government, community union "Amagi", farmers, cooperatives and other stakeholders. CENN and the Caritas Czech Republic together with local development groups of Keda and Khulo municipalities in Georgia presented local development strategies for a wider audience.

In May 2018, the fund raising group of Khulo LAG was created. The fundraising team members took the training "From the Idea to the Project", which was facilitated by experts from the Croatian Rural Development Network (HMRR). At the training the fundraising team members developed ideas on agriculture and tourism and in February 2019 submitted a tourism project at the US Embassy Democracy Commission Small Grants Competition. The results will be known in the first half of 2019.

In August 2018, the Caritas Czech Republic Georgia (CCRG), together with the Khulo local development group carried out the full project applications' competition. The Project Evaluation Group was established on the basis of the Khulo local development group and the members of the development group were actively involved in the evaluation process at both stages of the competition. The members of the evaluation team passed a training in evaluation of projects.

It should be noted that the Khulo local development group is actively involved in the large-scale environmental campaign "For the Environment", which is implemented by CENN WMTR II in collaboration with the Ministry of Environment Protection and Agriculture and the USAID. In the framework of the campaign, members of the Khulo LAG have already arranged some cleaning action of the municipality area and are planning to hold similar actions in the future.

LEADER Groups in Adjara

Shuakhevi local leader group - Amagi ("Shuakhevi leader Amagi").

In the year 2018, with the purpose of further implementation of the LEADER approach in the Autonomous Republic of Adjara and increasing the capacity of existing Active Citizens’ Local Unions (Amags), the local union of active citizens in Shuakhevi and Kobuleti municipalities laid the groundwork for the AMAGI groups unification and the process of expanding their role on the territory of the municipality. Based on the experience of the EU and Georgia, the Charter of Local Leader groups of Shuakhevi and the Local Leader Groups of Kobuleti was developed. The Agreement on Guidelines, Activity Forms and Management Structure between the Shuakhevi and Kobuleti Leader Groups took place.

The mission of the organization is to support the sustainable growth of quality of life in Shuakhevi rural communities where all members of the society will benefit from sustained economic growth and the potential of each citizen in the development of rural communities will be maximally used.

LEADER AMAGI goals are:

Promote the effectiveness of the planning and implementation of the state policy on the Development of Rural Settlements;

Promote the sustainable strengthening of monitoring and dialogue mechanisms of the regional and local programs for the development of rural communities;

Promote the strengthening of social-economic development of Shuakhevi rural settlements on the basis of the local development perspective of the community;

Promote maximal growth of public and private co-operation capacity with the purpose of diversification of local economy and providing investment needs of Shuakhevi;

Support the growth of international, national and local experience, technological development and innovation efficiency, and thus promoting economic, social and environmental sustainability;

Promote the minimization of ecological and social impacts of climate change and the growth of sustainability of forest ecosystems;

Promote new infrastructure and services and improving existing ones, taking into consideration public interests;

Promote a healthy lifestyle, promoting and protecting cultural values, promoting the education and
development of young people;

Promote fulfillment of meeting of other public needs of Shuakhevi.

The highest governing body is the Assembly of Members comprised of representatives from the civil, private and public sectors - out of which civil and private sector representatives are not to exceed 51%. The head of the organization is the Governing Board, where civil and private sector representatives are not to exceed 51% or more. The Board ensures the execution of decisions of the members of the assembly, manages and organizes the daily activities in accordance with the Charter. The Executive Director shall exercise the management and representation authority.

Local development strategy of Shuakhevi municipality has already been developed. The document provides conceptual scheme for supporting social-economic development of municipality and improving the quality of life of its population. The strategy was developed based on consultations with local “AMAGs”, civil society, business sector and local government bodies and was approved by “Shuakhevi Local Leader Group - Amag”. The document was developed using the LEADER approach, which provides the rural communities with the tool for engaging together with with local stakeholders in the local development.

In order to prepare the strategy, the analysis of secondary data was carried out based mainly on information received from the government agencies of the Autonomous Republic of Adjara, Geostat and the information available in various surveys. In addition, meetings were held with the members of the AMAG, where the issues of agriculture, tourism and business activities, infrastructure and social services, environment and sustainable management of natural resources were discussed. In addition, for the purpose of elaborating the strategy, visits to various municipalities were carried out in order to study the existing situation.

### EXTENSION

**Consulting Service and Mobile Extension Project**

During the year 2018 consultation services were provided to 115 387 physical and legal entities. The number of consultations was 49 972. Among them: 33 764 in sectoral directions and 16 208 on state programs.

The active implementation of the Mobile Extension project continued in 2018 and was implemented in 250 villages of 54 municipalities. Taking into account the interests of the farmers, the field representatives of scientific-research center of the Ministry and the representatives of the Information-Consulting Service held field meetings, discussing existing problems, issuing qualified advice and recommendations. A day-long extended meeting devoted to the specific field of the municipality was added to the meeting’s format, which was attended by farmers who had reached certain success in this field in order to receive additional consultations from the representatives of the scientists in this field. The meetings in the regions were organized by the staff of the Regional Relations Department and the relevant territorial offices.

**Detailed Study and Identification of Problems in Villages**

In 2018, the Regional Divisions and Information-Consulting Service continued to identify and systematize problems related to agrarian sector throughout the country in the context of regional, municipal and administrative units. The Department of Relations with Regions analyzed the information provided and submitted it to the management for further reaction. The process will continue during the next year as well.

**Online Need Assessment Program**

In the first half of August 2018, the online testing of regional divisions and information-consulting services was conducted in the field direction, the purpose of which was to identify the directions in which certain services which certain services need to be strengthened. According to the results, qualification training were developed. The program was implemented by the United Nations Food and Agriculture Organization (FAO) in partnership with Regional Relations Department. Trainings will be carried out by the Environmental Information and Education Center, Project Management Agency Training Center, as well as UNDP and FAO projects. The above mentioned also represents one of the important measures of the Strategy Action Plan of agricultural expansion in 2018-2019.
**Extension Strategy for 2018-2019**

In 2017 the Agricultural Extension Strategy for 2018-2019 was approved alongside with the Action Plan. The Strategy aims to transform the existing information-consulting system into the expansion system oriented towards farmers' real needs. The main challenge of Georgia's agricultural expansion is to increase the competitiveness of the country's agriculture through the introduction of new technologies and transferring knowledge to farmers.

In 2018, the two pilot regions - Guria and Racha-Lechkhumi-Kvemo Svaneti activities envisaged under the Action Plan were implemented. The process was coordinated by the Department of Regional Relations with active support of donor organizations. The work is underway to monitor the implementation of the measures envisaged in the Pilot Regions in 2018 (UNDP), which will start operations in 2019. The reports on the undertaken in 2018 work have been prepared.

**Crop Forecast Project**

The US Department of Agriculture (USDA), within the framework of the 4 year project “Georgian Agriculture Policy Initiative”, provides assistance to the Ministry of Agriculture of Georgia in implementing crop forecasting research. Kakheti, Shida Kartli, Imereti, Guria and Samegrelo-Zemo Svaneti Regional Divisions and Information Consulting Services are involved in the preliminary crop forecasting project.

- Kakheti - grain crops (wheat, corn);
- Shida Kartli - fruit trees (apples);
- Imereti - grain crops (corn);
- Samegrelo-Zemo Svaneti - grain crops and fruit trees (corn, nuts, citrus);
- Guria - grain crops and fruit trees (corn, nuts, citrus);

The services are equipped with the appropriate equipment and trained staff. In 2018, Lenovo tablets were additionally handed over (33 pieces). The appropriate conduct of the process is coordinated by the Regional Relations Department.

**Providing with Print and Video Material**

The Regional Relations Department of the Ministry of Agriculture is responsible for providing regional informational divisions and information-consulting services with thematic information material prepared in the agencies of the Ministry of Agriculture, Academy of Science, international non-governmental organizations and donor organizations. This material will be given to farmers / peasants and all interested legal / physical persons.

Every year around 150 thousand pieces of information material, including the newspaper of the Ministry is disseminated. In 2018, the number reached 600,000, which was caused by an active informational campaign against the Asian Stink Bug.

**Agro Festivals**

In 2018, agro-festivals, organized by Regional Relations Department and Regional Divisions, were held in different regions of Georgia. The aim of the project was to disseminate information on local products, on the results of the work done by the extension services and the role of the state in the development of private sector, to promote local farmers' products and to popularize the regions in the context of agro-tourism.
SECTORAL DEVELOPMENT

In accordance with the plan for legislative approximation elaborated within the framework of DCFTA, the following was prepared and approved:

- Technical Regulation on “Approval of Reducing Frequency of Criteria and Detailed Terms of Regulation of vegetable products subject to Phytosanitary Border - Quarantine Control”, Resolution N661 of the Government of Georgia of December 28, 2018;
- “Requirements to Objects and Materials Intended for Contact with Food Products” - Resolution N317 of the Government of Georgia, of 5 June 2018;
- “Requirements to Genetically Modified Food Products and Animal Feed” - Resolution №549 of the Government of Georgia, of of 16 November 2018;
- Resolution No. 548 of the Government of the Georgia of 16 November 2018 “On Approval of Technical Regulation of Traceability and Labeling of Genetically Modified Organisms, Traceability and Labeling of Food Products / Animal Feeds Produced from Genetically Modified Organisms”;
- Resolution N398 of the Government of Georgia of 3 August 2018 on “Special Regulations relating to Elimination and Control of the Bluetongue”;
- Resolution N551 of the Government of Georgia of 16 November 2018 “On Approval of the Rule of Transportation of Non-commercial Domestic Animals on the Georgian Customs Border”;

Amendments Prepared for Ensuring Dynamism with the EU Legislation

- Resolution # 581 of the Government of Georgia of November 10, 2015 “On Approval of Technical Regulations on Food Microbiological Indicators”

Amendments Prepared for Ensuring Dynamism with the EU Legislation

- Resolution No. 690 of the Government of Georgia of 31 December 2018 n the amendment to the Resolution # 567 of the Government of Georgia of November 9, 2015 “On Approval of Technical Regulation on the Maximum Permissible Limit of Some Pollutants (Contaminators) in Food”;
- Resolution No. 526 of the Government of Georgia of November 6, 2018 on the Amendment to the Decree No. 639 of the Government of Georgia of December 18, 2015 "On Approval of Technical Regulation on Pharmaceutically Active Substances, Their Classification and Maximum Limit in Animal Origin Food Products";

**Adopted Amendments and Normative Acts:**
- Order No. 2-106 of February 26, 2018 of the Minister of Environmental Protection and Agriculture of Georgia on Approval of the Rule of Granting the Right to Use Quality Mark;
- Resolution No. 519 of the Government of Georgia of 31 October 2018 on Amendment to the Resolution No. 301 of the Government of Georgia of July 1, 2016 on "Approval of Technical Regulations - Provision of Information on Food to the User";
- Resolution №552 of the Government of Georgia of December 31, 2018 "On Approval of the Rule of Implementation of the Phytosanitary Border-Quarantine and Veterinary Border-Quarantine Control ";
- Resolution №589 of the Government of Georgia of December 31, 2018 "On Approval of the Rule of Implementation of the Phytosanitary Border-Quarantine and Veterinary Border-Quarantine Control";
- Resolution №27 of the Government of Georgia of January 24, 2018 on the Amendment to the Resolution No. 430 of the Government of Georgia, dated 31 December 2010 - "On Approval of Forms of Veterinary Certificates Used for Export of Products Subject to Veterinary Control and Rules for their Issuing "
- Resolution No. 592 of December 13, 2018 of the Government of Georgia (prohibition of exports of cattle with no less than 140 kg live weight ) on the Amendment to the Resolution No. 430 of the Government of Georgia, dated 31 December 2010 "On Approval of Forms of Veterinary Certificates Used for Export of Products Subject to Veterinary Control and Rules for their Issuing "
- Resolution №499 of the Government of Georgia of October 25, 2018 (EU Export certificate of domestic animals processed feeds) on the Amendment to the Resolution No. 430 of the Government of Georgia, dated 31 December 2010 "On Approval of Forms of Veterinary Certificates Used for Export of Products Subject to Veterinary Control and Rules for their Issuing "
- Resolution №341 of the Government of Georgia of June 26, 2018 on the Amendment to the Resolution No. 327 of the Government of Georgia, of 7 July 2015 "On Approval of the of State Registration of Veterinary Drugs Produced and Imported in Georgia.
- Resolution №525 of the Government of Georgia of November 6, 2018 on the Amendment to the Resolution No.327 of the Government of Georgia, of 7 July 2015 "On Approval of the of State Registration of Veterinary Drugs Produced and Imported in Georgia.

**Prepared Projects and Amendment Projects**
- The amendment was prepared to the "Resolution №443 of the Government of Georgia", dated December 31, 2013 on "Technical Regulation On Approval of Registration Tests, Expertise and Registration Rules for Pesticides and Agrochemicals in Georgia ";
- Draft resolution of the Government of Georgia "On Drinking Water for Human Consumption";
- Draft Resolution of the Government of Georgia on "Approval of Veterinary Drugs’ Registration, Production Authorization and Control Rules" (uploaded on the government site);
- The Resolution of the Government of Georgia on "Approval of the Practical Rules for Poultry Meat Marketing Requirements" (uploaded on the Government);
Amendments were prepared to the Food Product / Animal Feed Safety, Veterinary and Plant Protection Code (presented in the Parliament).

Approved Technical Regulations

- Resolution №554 of the Government of Georgia of 16 November 2018 On "Approval of the Technical Regulations On Alcoholic Beverages"

The normative acts and other documents prepared by various Ministries, sub-agencies were discussed and agreed:

- "On Welfare of Human Companion on Animals";
- On the Draft of Administrative Offences Code of Georgia;
- On the Amendment to the Ordinance №2-149 of the Minister of Agriculture of Georgia of August 19, 2014 "On Approval of the Rule of Planting, Growing and Cultivation for Scientific-Research Purposes of Plants and Fungi Mycelium Containing Narcotic Substances, Psychotropic Substances and Precursor " and the Draft resolution of the Minister of Agriculture of Georgia on the Amendment to the Ordinance №2-107 of the Minister of Environment Protection and Agriculture of Georgia of May 28, 2014 "On Approval of the Rule of Use of Substances Subordinated to Special Control in Georgia for Veterinary Service and Animal Catching Activities";
- Drafts on the Law of Georgia "On Customs Code of Georgia" and "On Amendment to the Food Products/Animal Feed Safety, Veterinary and Plant Protection Code";
- The Draft Resolution of the Government of Georgia on "Defining the General Rules for Production of Alcoholic Beverages from Grapes and the List of Allowed Processes, Materials and Substances";
- Draft Order of the Minister of Environmental Protection and Agriculture of Georgia on "Approval of Agro-Climatic Zones of Georgia";
- Draft Resolution of the Government of Georgia on "Rule of Recognition of the business operator whose activities are related to plant protection";
- Draft Resolution of the Government of Georgia on "Approval of the Rule of Issuing the Food Product / Animal Feed Health Certificate";
- "Draft Order of the Minister of Labor, Health and Social Affairs of Georgia on "Approval of the List of Activities Subject to the Mandatory Prophylactic Immunization";
- Draft Law of Georgia on Amendments to the Tax Code of Georgia;
- Draft Law of Georgia on "Water Resources Management"
- Draft of the Main Part of the "Standard National Employment Classification";
- Draft Resolution of Technical Regulation of the Government of Georgia on "Approval of the Rules of Regulation of Plastic and Biodegradable Bags";
- Draft Resolution of the Government of Georgia on "Approval of Risk Assessment, Risk Management and Risk Communication Procedures within Risk Analysis";
- Draft Resolution of the Government of Georgia on Amendment to the Resolution №327 of the Government of Georgia of 7 July 2015 on "Approval of State Registration and State Control Rules for Veterinary Drugs Produced and Imported in Georgia", "Technical Regulations On Approval of Requirements Related to Business Operator conducting Veterinary Activities" and "On Approval of Veterinary State Control over Business Operators Related to Veterinary Activities and Agricultural Markets / Fairs Selling Live Animals";
- Draft Resolution of the Government of Georgia On Amendment to the Resolution №533 of the Government of Georgia of 16 October 2015 "On Approval of Rule of Implementation of State Control of Food / Animal Feed Safety".
Participation in Working Groups created by the Ministry of Agriculture and Other Ministries

- With the purpose of co-operation within the frame of the working group on the project "Capacity Building of the Ministry of Agriculture" funded by the EU and implemented by the Food and Agriculture Organization (FAO);
- Within the frames of the CBRD threats, Chemical Security Working Group of the Ministry of Internal Affairs;
- Within the frame of the Technical Committee of the National Agency for Standardization;
- Within the frame of the Food Technical Committee of the National Agency for Standardization;
- Within the working group created by the order of the Minister of Agriculture, working on the strategy development for cattle breeding, pig breeding, poultry breeding;
- Within the frame of the Working Group on Global Assessment and Analysis of Drinking Water and Sanitation in Georgia (GLAAS 2016/2017);
- Within the frame Inter-Agency Task Force working on the "Medical Waste Management", created by the order of the Minister of Labor, Health and Social Affairs;
- Within the frame of the working group created for the purpose of elaboration of "Cattle Development Program in Georgia" by the order of the Minister of Agriculture of Georgia;
- Within the frame of working group created by the order of the Minister of Education on the "Handling Fields Subject to Veterinary Regulations";

Cooperation with International Organizations and NGOs

- Within FAO - GM Foods Platform;
- Within WTO-SPS,
- Within the CIB project;
- With Different NGOs (Protection of Consumer Rights, Center for Strategic Development and Research, Environment and Risk, Eurasia Partnership Foundation, Sectoral and Professional Associations etc.)
- The Center for Disease Control and Prevention (CDC) of the United States Department of Health and Human Services.

Other Activities

- Consideration of Draft resolution of the Minister of Agriculture of Georgia and preparation of recommendations on "Approval of the Program on Food Safety, Veterinary and Phytosanitary State Control for 2018 of the Legal Entity of Public Law - National Agency for Food Safety"
- Preparation of opinions and proposals on the draft resolution of the Government on measures to be taken in the fight against the Asian Brown Marmorated Stink Bug in the country.
- The Phytosanitary Council Regulation has been prepared.
- Working meetings within the Working Group with NGOs and Target groups (business operators, sectoral associations);
- Within the framework of the competence of the Ministry of Agriculture, a 6-month and an annual reports regarding the implementation of the CBRN (Chemical, Biological, Radiation, Nuclear) Activities of 2018 National Action Plan under the Association Agreement have been prepared;
- Remarks on the amendments made by the European Union in the draft resolution prepared by the United Nations Friendship Group for the reduction of CBRN threats and security management;
- Action Plan and Target Program for fight against African Swine Fever;
- Preparation of the comprehensive presentation and introduction to business operators on the requirements of the Decree №301 of the Government of Georgia, dated July 1, 2016, on "Approval of Technical Regulations - Provision of Information on Food to the User".
A manual “Food Safety” for vocational students was prepared within the fourth component of the Development of Educational Resources for Vocational Education Programs in Agriculture within the Program on Approval of Food Safety, Veterinary and Phytosanitary State Control for 2018 of the Legal Entity of Public Law- National Agency for Food Safety.

- Participation in elaboration of the draft law of Georgia “On Appellations of Origin and Geographical Indications of Goods”.

**Rural Development Department**

During the year 2018, the Department actively cooperated with local development groups. Several workshops were conducted. The initiatives of the groups were considered and analyzed. The work was also undertaken to establish effective mechanisms of cooperation with local development groups.

In the reporting period, the department actively cooperated with the UNDP representatives in order to support rural development.

With the aim to promote rural development projects, four agro-tourism projects planned for 2019 were prepared.

**Agriculture Department**

- Responding to the information provided by the state-owned lease/purchase agreements and the information presented in the Ministry (more than 1300 letters annually) and prepare the response/confirmation letters. Enter the submitted information/documentation into the electronic database.

- Upgrading of analytical documents (presentations) prepared by the working groups working on sectoral development (18 sectors-cattle breeding, organic production, tobacco growing, potato growing, growing of berries, senculture, vegetable growing, fisheries, nut production, poultry breeding, beekeeping, pig breeding, citrus production, sheep breeding, herb growing, food production, tea growing, grain growing, sugar beet growing).

- Proposals for use of pasture have been prepared.

- Economic assessment of agricultural technological processes (wheat, barley, corn, beans, potatoes, onions, garlic, cabbage, carrots, beets, peppers, melon, hazelnuts, walnuts, tangerine, honey, kiwi, apple, grapes, blackberry, raspberries, cranberries, tomato (greenhouse), cucumber (greenhouse), cow breeding, young animals' weight gaining, broiler chicken weight gaining, potato growing, beekeeping).

- Estimated costs of cultivation of perennial plants (apple, peach, tangerine, hazelnut, vineyard (rkatsiteli, saperavi), olives, cranberries, raspberries, blackberries, almonds, plums, tkemali plum, walnut, persimmon) were prepared.

- Together with specialists of Belarus factory “GOMSELMASH”, the technical documentation and work drawings of a new modernized potato digging-loading machine adapted to hard soil conditions of Georgia have been developed. The factory started the production of the car, the testing of which was carried out during potato harvest. The improvement works are ongoing.

- The Department staff/specialists have actively participated in the implementation of the state program "Development of Cattle Breeding through Rational Use of State-Owned state-Hay-Meadow and Pastures Lands in Mountainous Regions”.

- Finding and analyzing information on high-tech fruit and vegetable cold storage warehouses in the country.

- The staff participated in the work groups set up for implementation of events for promoting grape and peach vintage in 2018.

- Works were carried out to improve the normative-legal basis of the fish farming sector.

- Work were carried out in the field of fisheries for professional training/retraining, increasing extension and knowledge of farmers, development of programs and preparation of appropriate manuals.

- Works are underway “to develop a road map for aquaculture production” for fishery entrepreneurs.

- The works are being implemented for the creation of the “Fish Cadastre of Georgia” and the system of accumulation of information.

- The draft resolution of the Government of Georgia was prepared on the improvement of the productivity of cattle.
Prepared was draft on amendment to the Resolution N56 of the Government of Georgia of February 12, 2015 on Approval of "Plant the Future" State Program (berry crops)"

- Participation in the working groups in various fields created by Ministry of Environmental Protection and Agriculture and other ministries.

- Participation in the work of Commissions created at the National Academy of Sciences (Agroinvestment and Land Management Scientific Commissions).

- In order to increase the accessibility of the farmers to equipment, a recommendation was prepared by the Agricultural Projects Management Agency within the project "Agro Production Promotion Program", which envisages acquisition of tractors with horsepower from 75 up to 130 and agricultural vehicles for the farmers. The proposal-recommendation is approved and now the fund finding for the implementation of the program is underway.

- In order to increase the accessibility to equipment, the program "Harvest Your Crop" was prepared together with a special group of the Project Management Agency. The project has successfully been approved at all levels, for implementation of which the Ministry allocated in its budget GEL 4 million. At present, the final version of regulation of the program is updated and it will be implemented in the nearest future.

- Recommendation was prepared on adding one paragraph to the priorities of the projects on processing and storage enterprises - "Promotion of National Manufacture of Agricultural Equipment ". This paragraph provides for such a form of co-financing principle that enables the creation of a simple type of agricultural car enterprises, where it is possible to manufacture machinery and tools in demand (e.g. plows, seeders, cultivators, sprayers, etc.). Creation of such a production will increase farmers accessibility to agricultural equipment and reduce the flow of 65 million dollars abroad from Georgia.

- Processing of operative information in farmers' database.

- Participation in obtaining and processing of information about the state of livestock, plant growing and fisheries in the country and elaboration of recommendations for development of these fields.

- The Department staff took an active part in the implementation of the "Tea Plantations Rehabilitation" program, in particular, the parameters of technological lines and devices to be transferred to tea cooperatives for the production of black twisted tea envisaged by the program were elaborated.

**ENVIRONMENTAL PROTECTION AND CLIMATE CHANGE**

For the purpose of introduction of European and internationally recognized principles of sustainable management of water resources in Georgia

- The draft law on "Water Resources Management" was developed to meet the requirements of the Association Agreement between Georgia and the European Union. With the support of USAID, meetings were held in the Parliament of Georgia, as well as with students, media and other stakeholders, aimed to inform on the novelties provided by the draft law. Presentation of the draft law in the Parliament of Georgia is planned for the spring session of 2019.

- The draft resolutions of the Government of Georgia on "Surface Water Quality Standards" and "Rules for Planning and Implementation of Water Resources Monitoring" have been prepared;

- The development of Alazani-Iori and Khrami-Debeda Basin Management Plans has started with the support of the international project "EU Water Initiative +";

- In the framework of the EU project, based on 7 indicators of the United Nations Economic Commission for Europe, the quantitative and qualitative assessment of water resources was prepared.

For the purpose of improving atmospheric air quality in the country and introducing the European standards for atmospheric air protection:

- "Technical Regulations on Determining Air Quality Standards" was developed and approved by the Resolution N383 of the Government of Georgia, dated 26 June 2018. As a result, since August 1, 2018, the quality assessment of atmospheric air in the country is carried out based on modern European standards;

- The mobile air quality control station was purchased through which it is possible to carry out the monitoring in different parts of the country. This allows to identify the so-called hot spots and to better plan further expansion of the monitoring network. In addition, in 2018 the number of populated settlements increased where air quality indicators are measured. Today, assessment of air quality by indicator measurements is
carried out in 25 municipalities of the country;

- Atmospheric air quality portal air.gov.ge was created in order to inform the population in a timely and simple manner on air quality, its improvement measures, pollution sources and atmospheric air and human health issues;

- The amendments to Resolution No. 238 of the Government of Georgia of December 25, 2005 on “Regulation of Diesel Fuel Composition Norms, Analysis Methods and Their Implementation Measures” were drafted and approved by the Resolution N 550 of the Government of Georgia dated November 16, 2018. As a result, starting from January 1, 2020, diesel fuel quality will rise to Euro 5 standard and from January 1, 2019, it will equal to Euro 4 standard;

- Compared to previous years, state control of fuel quality was significantly activated. In particular, in 2018, up to 250 fuel samples were taken from 143 petrol stations.

For the purpose of land resources protection and sustainable management, reduction of land degradation, restoration of degraded land and reduction of soil pollution:

- The draft Law of Georgia on Soil Protection was prepared. The draft law unites the laws of Georgia on “Soil Protection” and “Conservation of Soil and Improvement of Fertility.” The terms used in the laws have been corrected. With the adoption of the draft law, the rights and obligations in the field of soil protection of the state institutions and the owner of the land plot will be clearly differentiated. In order to protect the soil cover, the draft law envisages creation of a monitoring system on soil quality parameters as well as soil contamination. In the process of entrepreneurial or other activities, the management mechanisms of soil fertile layers will be tightened and the issues related to soil export will be regulated;

- The draft resolution of the Government of Georgia on “Approval of Technical Regulations of Soil Pollution Quality” was prepared. According to the draft resolution, the maximum permissible concentrations of heavy metals in soil will be renewed and will be determined the hygienic requirements for protection of soil from adverse impacts of various activities that could result in limiting their economic and domestic use and/or have negative impact on the health of the population. Technical regulations also define the rule of control of soil quality;

- In order to improve the land degradation monitoring, the draft resolution of the Government of Georgia “National Indicators of Land Degradation and their Determination Methodology” has been developed.

- The National Concept for management of windbreaks was created, which was based on the Law of Georgia “On the Windbreak Rows (field protection)”;

- In cooperation with the Agricultural Committee of the Parliament, the draft law “On the Windbreak Rows (field protection)” will regulates the issues related to windbreaks located on agricultural land plots on the territory of Georgia, their inventory, status assignment, registration, restoration-cultivation, legal relations in management and use regardless of their ownership forms. A document of regulation impact assessment (RIA) was prepared for the draft law “On the Windbreak Rows (field protection)”;

- Nowadays, within the donor funded projects in some municipalities, planting of windbreaks is planned and carried out. 6.5 km windbreak row was built in Dedoplistskaro municipality. The windbreak planting is planned in Gardabani, Gori and Kareli municipalities;

- The National report on the implementation of the Convention in 2016-201 was prepared and submitted to the Secretariat of the UN Convention on Combating Desertification;

- Within the frames of the EU project “Implementation of the Principles and Practices of the Shared Environmental Information System (SEIS), Land Cover Map for the Territory of Tbilisi was prepared using CORINE methodology.

For the purpose of reducing climate change inducing gases in the country and adapting to natural disasters caused by climate change:
The Ministry of Environment Protection and Agricultural Development of Georgia, in accordance to the decision of the 21st Conference of the Framework Convention on Climate Change, has officially started preparation of a contribution document for the Paris Agreement on the national level since September 18, 2018. This document determines the country’s policy towards groups vulnerable to climate change: women, children, elderly, disabled persons and people displaced by natural disasters.

The work on Climate Change Action Plan 2021-2030 (CAP) has been initiated to ensure implementation and monitoring of the obligations under the “Paris Agreement”. The project aims to prepare the Climate Action Plan for the following sectors of economy: generation and transmission of energy, construction, transport, agriculture, forestry sector, waste management and industry. A deep analysis of the transport sector was prepared. The work is carried out with the support of German Federal Ministry of the Environment, Nature Conservation and Nuclear Safety.

In compliance with obligation under the United Nations Climate Change Framework Convention, the second draft revised version of the two-year report (BUR2) was prepared. The goal of the report is to describe the situation in the implementation of measures reducing climate change inducing gases and evaluate the gas emission level in Georgia by 2015. The activity is being implemented with the financial support of the Global Environmental Fund.

In cooperation with the United Nations Development Program, the project "Scaling-up Multi-Hazard Early Warning System and the Use of Climate Information in Georgia" was prepared which received $27 million funding from the Green Climate Fund and 5 million USD grant from the Swiss Development Agency. As a result of the implementation of the project, the Hydrometeorological Surveillance Network will be expanded across the country, National Early Warning Systems will be implemented and modeling capabilities will be enhanced.

The project “Green Cities” has been prepared, which aims to introduce climate technology in large cities of Georgia and improve urban services. The project was financed by the Green Climate Fund. The project is implemented by the European Bank for Reconstruction and Development (EBRD) and comprises 9 countries, including Georgia.

The preparation of the National Program for Climate Green Fund was completed. The document covers the priority directions of cooperation and presents a road map on how to obtain additional funding from the fund.

Within the framework of the VICLIM project “Integrated Climate Change Policy”, the Covenant of Mayors’ Assessment Report for four municipalities was prepared. The goal of the project is to study climate change policy in municipalities and to offer climate change reduction measures. This project is implemented with the financial support of the German Federal Ministry of Environment, Nature Conservation and Nuclear Safety.

In 2018, in the frame of the project “Information is Important” by the recommendation report on institutional arrangement for the implementation of climate change policy in Georgia and a guidebook for accounting fluorinated gases were prepared. The aim of the project is to support the development of the climate change reporting system in Georgia. The project is implemented with the financial support of the German Federal Ministry of the Environment, Nature Conservation and Nuclear Safety.
For the purpose of implementing sustainable development objectives and the principles of multilateral environmental processes:

- Within the competence of the Ministry, an updated report on the implementation of SDGs objectives, as well as on the objectives the nationalization of which is appropriate for the future, was prepared and provided to the Government Administration; Projects on nationalization of new objectives of SDGs and their implementation plans have been elaborated;

- Within the frames of cooperation with the Food and Agriculture Organization of the United Nations (FAO), the 2018-2020 Action Plan of the Ministry was prepared to facilitate the implementation of SDGs;

- For the purpose of implementing SDGs and monitoring of the development of Green Economy, annual reports (2017-2018) on the implementation of "Batumi Initiative on Green Economics" (BIG-E) and "Batumi Activities for Clean Air" (BACA) were prepared at the National level and submitted to the United Nation Economic Commission for Europe (UNECE);

- With the involvement of the Ministry and the German International Cooperation Society (GIZ), the project "Education for the Sustainable Development (ESD) of the National Strategy and Action Plan for 2019-2022 was prepared;

- In cooperation with the Ministry of IDPs from the Occupied Territories, Labor, Health and Social Affairs of Georgia within the framework of the "Environment and Health" process of WHO (WHO), the work started on the development of the National Environment and Health Action Portfolio;

- The Ministry actively participated in the development of "National Environment and Health Action Plan 2018-2022" (NEAP 2);

- In February 2018, in cooperation with the United Nations Environment Program (UNEP), the Ministry organized a Regional Working Meeting on Sustainable Development Goals in Georgia, which focused on environmental, health and gender integration. This issue can be moved to the international meetings part.

- Proposals and opinions regarding the UN Global Environmental Pact (expediency of joining the Covenant, Scope of activity, Parameters, Practice Application, etc.) which envisage elaboration of a legally binding new instrument for the elimination of shortcomings in multilateral environmental agreements and processes have been prepared and submitted to UNEP;

- The ratification procedure of the Minamata Convention on mercury has started;

- The National Report on the State of the Environment 2014-2017 (SOE) is being prepared with the support of the German International Development Society (GIZ) and the United States Agency for International Development (USAID). The report is the summary document of the information about the state of environment in Georgia;

- With the financial assistance of the European Union, the third National Environmental Action Programme of Georgia 2017-2021 (NEAP3) was developed and approved by Resolution №1124 of the Government of Georgia of 22 May 2018. The program represents the country’s major strategic document in the field of environment and natural resources protection. The NEAP3 determines the long-term strategic priorities, objectives, tasks and a specific action plan for the five-year period in line with the challenges existing in the country, including the liabilities undertaken in the Association Agreement between Georgia and the EU, International Environmental Agreements and Sustainable Development Goals. The document is available on the Ministry’s website in the English and Georgian languages.

**HYDROMELIORATION AND LAND MANAGEMENT**

- With the World Bank’s expert and financial assistance, the Law of Georgia on “Water Consumer Organizations”, which is to be submitted to the Parliament of Georgia at the Spring Session 2019, has been drafted. The aim of the law is rational management of irrigation systems in the country, development of modern maintenance and operational decentralized system, technological and organizational improvement of rehabilitation, modernization, technical level upgrading and efficient functioning of irrigation canals aimed to increase soil fertility and yield. The draft bill creates a legal basis for implementation of modern and flexible management tools in the field of irrigation, regulates the primary water consumers (Melioration of Georgia, LLC) and union of water-consuming farmers (water consumers’ organization) with regard to the use of irrigation infrastructure and irrigation water consumption-related issues, separates the competencies and rights and responsibilities of the parties involved, sets out new monitoring and control mechanisms. In cooperation between the Ministry of Environment Protection and Agriculture of Georgia and European Space Agency (ESA
The aim of the project was to demonstrate, in pilot areas in the region of Kakheti, the capabilities of modern technologies based on the automated processing method of high-resolution satellite data, for obtaining spatial and statistical information about types of major agricultural crops and landscapes, as well as progress of the vegetation. Within the framework of the project, the thematic maps, spatial and statistical information reflecting the types of agricultural crops in the region of Kakheti were prepared. The cooperation with experts from the European Space Agency will continue for the purpose of obtaining and updating information from the selected areas of the Kakheti region, which aims to assess the expediency of the implementation of the technology throughout the country. Introduction of proposed technology will help to monitor the use of agricultural land and obtain high quality and accuracy information for forecasting crop productivity.
ცანა 1 უბანზე განთავსებული სარკოფაგის მოცულობა შეადგენს 12154 მ³ (დამცავი საიზოლაციო ფენების არსებული ტექნიკურ-ეკონომიკური დასაბუთების ანალიზი.

- საპროექტო ტერიტორიების საინჟინრო-გეოლოგიური და ჰიდროგეოლოგიური კვლევა;
- საპროექტო ტერიტორიების ტოპოგეოდეზიური კვლევა;
- გარემოზე ზემოქმედების შეფასების ანგარიშის მომზადება;
- გაფორმდა ნარჩენებისა და ქიმიური ნივთიერებების მართვის დეპარტამენტი, გარემოსდაცვითი შეფასების მეხსიერება;
- მითუნებს შემუშავდა კანონის პროექტები: „ნარჩენების იმპორტის, ექსპორტის და ტრანზიტის შესახებ“ (ახალი რედაქცია)
- ხელმისაწვდომობით განხორციელდა არსებული (თავდაპირველი) და ახალი მოდების ხელახალი ფარგლებში სხვადასხვა დაინტერესებულ მხარეებთან თანამშრომლობით.
"წიაღისეული ნარჩენების მართვის შესახებ" ასოცირების ხელშეკრულებით გათვალისწინებული ვალდებულების შესრულების მიზნით, "მოპოვებითი მრეწველობიდან წარმოქმნილი ნარჩენების მართვის შესახებ" (N 2006/21/EC) დირექტივის შესაბამისად, ევროკავშირის ტექნიკური დახმარების პროექტის ფარგლებში შემუშავდა "წიაღისეული ნარჩენების მართვის შესახებ" კანონის პროექტის სამუშაო ვერსია.

"ნარჩენების მართვის კოდექსის" შესაბამისად შემუშავდა საქართველოს მთავრობის დადგენილების პროექტები:

- "ბატარეებისა და აკუმულატორების ნარჩენების მართვის ტექნიკური რეგლამენტის დამტკიცების შესახებ";
- "ხმარებიდან ამოღებული სატრანსპორტო საშუალებების მართვის ტექნიკური რეგლამენტის დამტკიცების შესახებ";
- "გამოყენებული საბურავების მართვის ტექნიკური რეგლამენტის დამტკიცების შესახებ";
- "ნარჩენი ზეთების მართვის ტექნიკური რეგლამენტის დამტკიცების შესახებ";
- "შეფუთვისა და შესაფუთო მასალის ნარჩენების მართვის ტექნიკური რეგლამენტის დამტკიცების შესახებ";
- "ნარჩენი ელექტრო და ელექტრონული მოწყობილობების შესახებ".

EUROPEAN INTEGRATION

- 2018 National Action Plan for implementation of the Agenda of the Association Agreement with the European Union in the field of environmental protection and agriculture was fully implemented in 2018.
- The Department participated in the governmental mechanisms (EU-Georgia Committees and Sub-Committees) within the frames of the Association Agreement with the European Union. The relevant presentations and reports were prepared.
- The legislative approximation program envisaged by the “Deep and Comprehensive Free Trade Area” (DCFTA) was fully implemented. In particular, for the implementation in Georgia of EU regulations on agriculture, the domestic regulations in food safety, veterinary medicine and plant protection were approximated with 18 legal acts of the EU.

The following resolutions were adopted:

- “Requirements to Objects and Materials Intended for Contact with Food Products” - Resolution N317 of the Government of Georgia, of 5 June 2018;
- Resolution No. 548 of the Government of Georgia of 16 November 2018 “On Approval of Technical Regulation of Traceability and Labeling of Genetically Modified Organisms, Traceability and Labeling of Food Products / Animal Feeds Produced From Genetically Modified Organisms”;
- “Requirements to Genetically Modified Food Products and Animal Feed” - Resolution №549 of the Government of Georgia of 5 June 2018;
of Georgia, of 16 November 2018;

- Resolution N 551 of the Government of Georgia of 16 November 2018 "On Approval of the Rule of Transportation of Non-commercial Domestic Animals on the Georgian Customs Border";

- Resolution N 398 of the Government of Georgia of 3 August 2018 on "Special Regulations relating to Elimination and Control of the Bluetongue";


- Draft Resolution of the Government of Georgia on "Approval of Rules for Registration, Production, Authorization and Control of Veterinary Drugs";


- Technical Regulation "On Approval of Examining the Identity of Plants, Vegetable Products and Other Phytosanitary Regulated Objects in places other than the Border Inspectorate and Establishing Procedures and Conditions of Plant Health Control", Resolution of the Government of Georgia №556 of 15 December 2018;

- Technical Regulation "On Approval of the Protected Zone and Plant Passport", Resolution №591 of the Government of Georgia of December 13, 2018;

- Technical Regulation "On Approval of Conditions for Placement on the Market of Materials Required for Vegetable Propagation of Vine";

- Technical Regulation "On Approval of Procedures for Placing Vegetable and Gourd Plants' Reproduction and Planting Material (except for seeds) on the Market";

- "Resolution N443 of the Government of Georgia", dated December 31, 2013 on "Technical Regulation On Approval of Registration Tests, Expertise and Registration Rules for Pesticides and Agrochemicals in Georgia";

- Resolution of the Government of Georgia on amendments to the Resolution N443 of the Government of Georgia dated December 31, 2013 "On Approval of Registration Tests, Expertise and Registration Rules for Pesticides and Agrochemicals in Georgia";

- Resolution No. 516 of 31 October 2018 of the Government of Georgia "On Approval of Technical Regulation on the Methods for Obtaining Samples for Determining the Maximum Level of Pesticide Residues in Vegetable and Animal Origin Products under State Control";

- In the field of environmental protection, stemming from obligations on approximation under the Association Agreement signed on the one hand, by the EU and European Atomic Energy Union and their Member States and, on the other hand, by Georgia, the following legislative activities were implemented:

- Draft Law of Georgia on Prevention of Large-scale Accidents caused by Hazardous Chemical Substances or Chemical Mixtures.

- Draft Law of Georgia on Industrial Emissions.

- Draft Law of Georgia on Biodiversity.


- Draft Law of Georgia on Amendments to the Law of Georgia on "Atmospheric Air Protection".

- Draft Law of Georgia on Environmental Responsibility.

- Draft Law of Georgia on Mining Waste.

- In addition, the relevant conclusions and conformity tables on compliance with the EU legislation were prepared regarding the above-mentioned draft laws and regulations.

- The Department has taken part in the creation of working groups for approximation / harmonization with the EU legislation.
VISITS PAID TO GEORGIA IN 2018

- **Visit of the Minister of Municipal Development and Environment of Qatar in Georgia;**

  The Minister of Environmental Protection and Agriculture, Levan Davitashvili hosted the Minister of Municipal Development and Environment of the State of Qatar, His Excellency Mohammed bin Abdullah Al Rumaihi and the Heads of Department of Agriculture, Livestock and International Cooperation of the State of Qatar. Mohammed bin Abdullah Al-Rumaihi paid a visit to Georgia for the first time. The overall goal of the visit was to get familiar with the investment potential of the country and further deepen trade and economic relations with Georgia.

  During the meeting, the sides discussed the issues related to export from Georgia of livestock sheep, lamb, beef and poultry meat, dry and fresh fruit, vegetables, honey, as well as need to simplify procedures for transportation of exported goods.

  Levan Davitashvili emphasized that the Persian Gulf countries, including Qatar, were important trading partners for Georgia and deepening trade-economic relations between the countries had great potential. Minister of Environmental Protection and Agriculture of Georgia spoke about the reforms implemented by Georgia in terms of food safety, strengthening laboratory capacities and the progress achieved in the livestock disease management.

  The Minister provided guests with the main directions of the state environmental policy, including the concept of green economy development in the country.

- **Visit of Minister of Environment Protection and Regional Development of Latvia in Georgia**

  Deputy Minister of Environmental Protection and Agriculture Solomon Pavliashvili met with Minister of Environment Protection and Regional Development of the Republic of Latvia Kaspars Gerhards. Within the framework of bilateral meeting, the sides discussed cooperation and experience sharing in the field of environmental protection and waste management.

- **UN FAO GFCM Executive Secretary’s visit in Georgia;**

  At the meeting the Minister spoke about the need for the development of aquaculture in Georgia and highlighted the importance of specialists’ qualification, the necessity of establishing a database system in the fishery sector, the importance of strengthening the monitoring system and control of the Black Sea. As GFCM executive secretary, Abdellah Srour said, Georgia’s fishery sector had a great potential for development and he pledged full support in fulfilling the obligations under the agreement.

- **Visit of the Director General of the World Organization for Animal Health (OIE) in Georgia;**

  The Minister of Environmental Protection and Agriculture Levan Davitashvili hosted the Director General of the World Organization for Animal Health (OIE) Monique Eloit. At the meeting Minister spoke about the projects implemented in the field of veterinary care and highlighted the importance of veterinary education as regulated profession in the country.

  The Director General of the World Organization for Animal Health (OIE) noted that the involvement of Georgia in the Regional Commission of the World Organization for Animal Health is very important.

- **Visit of Executive Director of the World Intellectual Property Organization (WIPO) in Georgia;**

  Minister of Environmental Protection and Agriculture Levan Davitashvili met with Executive Director of Intellectual Property World Organization (WIPO) Sherif Saadallah. The sides discussed future cooperation between Georgia and WIPO. The Minister emphasized the importance of WIPO support for Georgia and the issue of geographical indications.

  The discussion touched upon the importance of developing a master’s program in the field of intellectual property. According to Sherif Saadallah, the World Intellectual Property Organization has a good partnership with Georgia and he emphasized Georgia’s potential as a hub in the sphere of education.

- **Visit of Director General of International Atomic Energy Agency in Georgia**

  Minister of Environmental Protection and Agriculture Levan Davitashvili met with Director General of International Atomic Energy Agency (IAEA) Yukiya Amano and discussed the deepening of cooperation in the field of nuclear and radiation security. On the basis of cooperation with the international agency, nuclear and radiation safety in Georgia will improve improving and protecting human beings and environment from harmful influence of radiation will become even more effective. The visit of the Director General of the International Atomic Energy Agency, Yukiya Amano, is a confirmation of the support to the
VISITS OF THE MINISTER OF ENVIRONMENTAL PROTECTION AND AGRICULTURE AND OTHER HIGH-RANKING OFFICIALS ABROAD:

- **International Conference “Cooperation for the Restoration of Endangered Species”, Baku, Azerbaijan**

  The Minister of Environmental Protection and Agriculture, Levan Davitashvili participated in the International Conference “Cooperation for the Restoration of Endangered Species”, held in Baku. In his speech, Levan Davitashvili spoke about the ongoing environmental projects targeted to restore endangered species of wild fauna and flora and underlined the importance of conservation of wildlife and biodiversity.

- **86th General Session of the World Organization for Animal Health (OIE). Paris, France**

  Minister of Environmental Protection and Agriculture, Levan Davitashvili attended the 86th General Session of the World Health Organization (WHO) in Paris on a special invitation. Within the framework of the General Session, Minister of Environmental Protection and Agriculture Levan Davitashvili together with Nodar Kersevelidze, First Deputy Minister and Ambassador of Georgia to France Ekaterine Siradze-Delone, met with the Director General of the World Health Organization (OIE), Monique Eloit.

- **Fifth forum of the United Nations Economic and Social Commission in Asia and Pacific (ESCAP), in Bangkok, the capital of the Kingdom of Thailand;**

  Under the Chairmanship of the Minister of Environmental Protection and Agriculture of Georgia, Levan Davitashvili, the Fifth Forum of the United Nations Economic and Social Commission (ESCAP) opened in Bangkok, Thailand, where the results achieved in sustainable development by the countries of the region were discussed. Levan...
Davitashvili drew attention to the implementation of sustainable development indicators in the development of national policy. The Minister emphasized the importance of the recent reforms carried out by the Georgian government and spoke about the challenges relating to achieving sustainable development goals by 2030. The Minister thanked international and non-governmental organizations, governments participating in the forum for reforms implemented in the environmental field and expressed hope for future cooperation. Levan Davitashvili held bilateral meetings with the representatives of Thailand and other participating countries and representatives of the UN. Minister of Environmental Protection and Agriculture of Georgia Levan Davitashvili met with Minister of Agriculture and Cooperatives of the Kingdom of Thailand, Mr. Grisada Boonrach in the framework of his visit to Bangkok, the capital of the Kingdom of Thailand. At the meeting held at the Ministry of Agriculture and Cooperation of the Kingdom of Thailand, the sides discussed the potential of cooperation between the two countries.

At the meeting Levan Davitashvili spoke about the reforms implemented in Georgia and the achievements in the economic field and highlighted that the enhancement of bilateral economic relations with the country of Thailand as a leading country in the region is one of the priorities.

- **UNESCAP Forum, USA**

Minister of Environmental Protection and Agriculture, Levan Davitashvili participated in the rank of Chairman in of the Sixth Asia-Pacific Forum of the United Nations Economic and Social Commission (UNESCAP). Levan Davitashvili presented a report on behalf of the ESCAP team and from the high tribune of the United Nations talked about the importance of cooperation in the region. The Minister emphasized that cooperation facilitates effective implementation of sustainable development goals and determines the agenda of 2030. The Minister of Environmental Protection and Agriculture talked about the sustainable management of water resources in Georgia, on the measures planned by the Government of Georgia against air pollution, the policy of forestry and biodiversity. Levan Davitashvili emphasized that the Georgian government had created the Coordination Council and electronic system monitoring for the implementation of sustainable development indicators in compliance with national legislation.

- **Official visit to the Republic of Argentina**

The Minister of Environmental Protection and Agriculture Levan Davitashvili, within the frames of his official visit to the Republic of Argentina, met with the State Secretary of Environment and Sustainable Development of Argentina, Sergio Bergman. At the meeting, the sides discussed the specific directions and potential of future cooperation in agriculture between Georgia and Argentina. Memorandum of Cooperation was signed between Georgia and Argentina, which creates the possibility for implementation of joint projects, promotion of agricultural development, as well as cooperation in the direction of new innovative technologies and scientific research.

According to Levan Davitashvili, the purpose of the visit of the Georgian delegation is to study the potential of agriculture in Argentina, to share experience in the production and processing industries of primary products and activate with the support of governments business relations between private sectors of Georgia and Argentina.

- **Official Visit to Uruguay, Meeting with Minister of Livestock, Agriculture and Fishery Enzo Benecci**

At the meeting in the Ministry of Livestock, Agriculture and Fisheries of Uruguay in Montevideo, the sides discussed specific cooperation projects in agriculture between the two countries - namely, the initiation of cooperation in the direction of livestock, wine, cereals and aquaculture. The export-oriented livestock sector is an important part of the agriculture sector of Uruguay. The import of live stock, meat and meat products is very important in Georgia as well. The Memorandum of Cooperation was signed to oversee existing issues.

- **Visit to the United States of America**

Within the frames of his visit to the US, the Minister of Environmental Protection and Agriculture of Georgia, Levan Davitashvili held a meeting with the USAID representative Margot Ellis. At the meeting, the sides discussed the design of a new agricultural project. The project includes technical assistance and grant components.

The meeting was held with the Head of the US Department of Homeland Security Department, Barbara Pitkin. The sides discussed issues related to the implementation of the next phase of the project of the Agency of Protected Areas. Parties discussed the implementation of the next phase of the Agency for Protected Areas Support Project. At the meeting with the Honorary Consul of Georgia, David Shimp, the sides discussed the importance of engagement of the academic and scientific circles in the forest sector and implementation of the new project.
International Import Exhibition in China

In Shanghai, Minister of Environmental Protection and Agriculture Levan Davitashvili participated in the opening ceremony of International Import Exhibition attended by the Prime Minister of Georgia Mamuka Bakhtadze and other members of the Georgian governmental delegation. The Georgian side in the People’s Republic of China was hosted by the President of China, Xi Jinping.

It is important to note that during the visit of the Georgian governmental delegation to Shanghai, it was emphasized that Georgia was the first country in the region that had a Free Trade Agreement with China and that Chinese companies' interest in Georgia in terms of investing in Georgia was stably growing.
PROMOTION OF GEORGIAN AGRO-FOOD PRODUCTS

INTERNATIONAL EXHIBITIONS:

- Gruene Woche 2018 (January 19-28)
- Caspian Agro 2018 (May 16-18)
- Museumsuferfest Frankfurt 2018 (August 24-26)
- Riga Food 2018 (September 5-8)
- Terra Madre Salone del Gusto (September 20-24)
- Frankfurter Buchmesse 2018 (October 10-14)
- Expovina 2018 (November 1-15)

Gruene Woche 2018

2018 On January 19-28, 2018, the Ministry of Environmental Protection and Agriculture of Georgia participated in the International Exhibition “Green Week -2018”. 19 companies were presented at the Georgian stand in 2018: GEOLINE - ENTDECKE GEORGIAN; CHELTI; TINANELI: KAKHETIAN TRADITIONAL WINEMAKING: TEMPUS_ BERLIN GMBH; BADAGONI; BEBU; GEOHAUS GMBH; MILDIANI BY GEOHAUS; RIVARO DISTILLERY; MEISTERBRAU TBLISI; GEORGIAN PRODUCTION GMBH; KAKHURI; GEORGISHE SPEZIALITAETEN: SHALOSHVILI CELLER, CHATEU NEKRESI; LILI WINE, BAIA’S WINE, the following products: Wine, Chacha, Lemonade, Juice, Tea, Churchkhela, Tklaipi, Jam, Spices and Sauces. Georgian cuisine was presented with the support of the Ministry, Georgian traditional dishes (Khachapuri, Khinkali, Lobiani, Chvishtari, Pkhali) were prepared.

Caspian Agro 2018


Museumsuferfest Frankfurt 2018

On 24-26 August, 2018, within the framework of the program “Promotion of Georgian Agro Food Products”, the Ministry of Environmental Protection and Agriculture of Georgia participated in the annual exhibition-festival the Museumsuferfest Frankfurt 2018 (Frankfurt, the Federal Republic of Germany). The Georgian Corner arranged at the exhibition presented with products of small family cellars (16 family cellars).

Riga Food 2018


Terra Madre Salone del Gusto

On September 20-24, 2018, in the frames of the program "Promotion of Georgian Agro Food Products", the Ministry of Environmental Protection and Agriculture of Georgia participated in the international gastronomic exhibition "Terra Madre Salone del Gusto" held in the city of Turin iniutaly. The Georgian Corner at the exhibition was
arranged by the Ministry of Environmental Protection and Agriculture of Georgia and presented products of various Georgian companies (Association of Biological Sciences “Elkana”, “GeoLine”, “Madliani 2017”, “Nugbari”, “Jobs”).

**Frankfurter Buchmesse 2018**

2018 წელს From October 10 to October 14, 2018 Georgia was presented as a guest of honor at the Frankfurt Book Fair. Georgia was the main host country at the largest book exhibition. Within the frames of the program “Promotion of Georgian Agro Food Products”, the Ministry of Environmental Protection and Agriculture of Georgia was presented at the Frankfurt Book Fair with an individual stand. Eleven Georgian companies presented Georgian wine, tea, fruit vodka, chacha.

**Expovina 2018**

On 1-15 November 2018, the International Wine Exhibition “EXPOVINA” was held in the city of Zurich in Switzerland, where Georgia participated as an honorary guest for the time. More than 4000 wines were presented at the exhibition and over 65,000 wine importers attended. 150 sq.m of exhibition space was allocated for Georgia where the following companies and small cellars were presented: Tsinandali; Georgian Wine (Zangaura) Ltd. Zurab Kviriashvili’s vineyards; Chateau Svanidze; AB Wines; Telavi Wine Cellar; Cellar Ruispiri; Artana Wines Zacro’s wine; Vartsikhe cellar; Satsnakheili; Orgo; Doremi; Larginari; Kvevri wine cellar; Kakhelebi.

In addition, within the frames of the program “Promotion of Georgian Agro Food Products”, on behalf of the Ministry of Environmental Protection and Agriculture of Georgia, an official opening event dedicated to the popularization of Georgian wine and the reception for honorable guests of the exhibition were held.

**LOCAL EXHIBITIONS**

- **Tea and Honey Annual Festival 2018 (21 April)**
- **26 of May Event**
- **18th International Exhibition “Agriculture, Food Industry, Food Processing and Packaging Technologies” (20-22 November)**

**Tea and Honey Annual Festival 2018**

Tea and Honey Annual Festival was held in Mtatsminda Park on April 21, 2018, where for the first time, in addition to the major local tea companies and importers, the tea rehabilitation program beneficiaries, as well as tea and honey cooperatives have participated.

**26 of May Event**

On May 26, 2018, the Ministry of Environment Protection and Agriculture of Georgia organized various events in Tbilisi, Telavi and Poti to celebrate the 100th anniversary of the independence of Georgia. On the stands the Ministry were presented the products produced by the Agricultural enterprises and Agricultural Cooperatives financed within the frames of the state projects - honey and honey products, wine and cheese varieties, tea, churchkhela, concentrated grape juice badagi, nuts, sublimed fruit, dried fruit, cranberries, different kinds of compotes and juices, jams and marmalade.

Specially for this day, the National Nursery Farm organized a green angle on Rustaveli Avenue where the endemic and “Red List” species were presented.

**18th International Exhibition “Agriculture, Food Industry, Food Processing and Packaging Technologies”**

Within the framework of the exhibition, a special space was arranged in the exhibition center “Expo Georgia”, where the information about the carried out and ongoing activities of the sub-agencies of the Ministry of Environmental Protection and Agriculture was presented.
ქ. ბერლინი, „მწვანე კვირეული-2018“

ქ. რიგა, „Riga Food 2018“

26 მაისი

2018 ფორთხლილი წევრების, სამუშაო შემთხვევების, გადამტანილებისა, დაფიქსირებული გამოცდის გარეშე.

2018 წლის ფორთხლილობის ფორუმში გამოცდილების და მუშაობის შემთხვევები.
INTERNATIONAL AGREEMENT:

- Memorandum of Understanding on “Cooperation in the Field of Agriculture” was signed between the Ministry of Environmental Protection and Agriculture of Georgia and the Ministry of Livestock, Agriculture and Fisheries of the Republic of Uruguay in 2018.

PROJECTS FINANCED BY DONOR AND IMPLEMENTING ORGANIZATIONS:

- Projects started in 2018
- Projects completed in 2018

PROJECTS STARTED IN 2018

In 2018, with financial assistance of various donor organizations, 47 projects were initiated in the field of environmental protection and agriculture, out of which 33 concern environment and 14 are in the field of agriculture.

Significant projects in the field of environmental protection have been initiated in cooperation with the Agency of Protected Areas, including “Exhibition Space in Borjomi-Kharagauli National Park”; “Strengthening the Financial Sustainability of the System of Protected Areas in Georgia”; ”Truso Protected Landscape Development”; Renewed grant contracts for Vashlovani, Kazbegi, Javakheti, Algeti, Tusheti, Kintrishi, Pshav-Khevsureti, Borjomi-Kharagauli and Mtirala Protected Areas;

In 2018, the project “Strengthening of Sustainable Management Capabilities of Georgia’s Chemical Waste” aimed to increase the number of national environmental legislative acts or regulations that are harmonized with EU legislation was started with support of the Czech Development Agency. The project “Power Supply Free from Polychlorinated Biphenyls (PCB) in Georgia”, which will last until 2022, is also worth mentioning with regard to waste management and chemical substances.

With the support of Global Water Challenge & The Coca Cola Foundation, in 2018, the CENN launched a two-year “WASH initiative in Georgia for socially vulnerable women and children”. The project aims at improvement of water supply, sanitation and hygiene (WASH) in regional schools and families of socially vulnerable multi-ethnic communities. With this purpose, innovative rehabilitation projects were implemented in the framework of the project, resulting in enhancing skills in women and youth.

In the field of forestry, the projects “Monitoring and Analysis of Dynamics / Trends of Forest Cover Loss”, “Sustainable Forest Management for Climate Resilient Rural Development in Georgia” and “Management of Natural Resources and Safeguarding of Ecosystem Services for Sustainable Rural Development in the South Caucasus (ECOserve)” were launched.

With the support of the International Atomic Energy Agency and the EU, six new projects in the nuclear and radiation safety direction were launched in 2018. Most of them are aimed at improving the safety of radioactive waste and the development of infrastructure for its processing.

As far as agriculture is concerned, of utmost importance is the commencement of ENPARD III, which is aimed at improving agricultural competitiveness and rural development. The project’s budget is 77.5 million euro and it will last till 2021. This program includes various projects, such as, for example, the project “Local Leaders for Sustainable Development of Tsalka Municipality” initiated in cooperation with CENN.

In addition in 2018, with the financial support of the US Department of Agriculture (USDA), 6 new projects were launched in the field of agricultural education, dairy and meat industry and phytosanitary issues. The launch of the “Food For Progress” project will help to promote business development and will enhance productivity and increase private sector involvement through application of extension models and the best practices of dairy and meat sector farm management. Moreover, the project aims to increase agricultural trade in dairy and meat direction by improving food safety and quality, product innovation and marketing, among both the public and private sectors participants.
In terms of phytosanitary issues, important projects with a total budget of $500,000 have been initiated by the Food and Agriculture Organization (UNFAO).

In addition to the above, in 2018, the project “Modernization of Agricultural Vocational Education and Information-Consulting Services Systems in Georgia” was launched by the Swiss Development and Cooperation Agency (SDC) and the UNDP. Two projects aimed at rural development were initiated by the Austrian Development Agency and the project “Identification” of the Teruaries of the Typical Georgian Food Products” was started with the support of the Czech Republic.

**PROJECTS COMPLETED IN 2018**

In 2018, in total 13 projects were completed. Donor organizations were represented by the European Union, UNDP, European Bank for Reconstruction and Development, US International Development Agency, Global Environmental Fund, the Federal Republic of Germany, the United Kingdom and the Kingdom of Norway. 8 projects were of environmental direction and included Black Sea Monitoring, sustainable use of forest resources, hazardous waste management and environmental education and awareness raising. While 5 of them were in the field of agriculture and comprised the following projects:

- Georgia: Producers’ awareness campaign on issues related to the Brown Marmorated Stink Bug (BMSB)
- Promoting Agro-tourism Development
- Restoring Efficiency of Agricultural Production (REAP)
- Farmer - Farmers Project
- Forest Fruit - Market for Women
Starting from 2015, the Public Relations Department of the Ministry of Agriculture has been publishing a monthly edition of the newspaper "Our Village".

The content of the paper provides information: on the planned and current projects in the field of agriculture, supportive measures, new legislative initiatives and regulations, innovations, advice on agricultural issues for farmers and entrepreneurs, target statistical information, interviews with the heads of departments of the Ministry and the agencies within the system of the Ministry, reports of the work done by the Ministry and the agencies within the system of the Ministry.

In 2017, the Ministry of Agriculture published 12 newspapers.

In total, until the end of 2017, 27 editions of the newspaper were published.
SOCIAL SOLIDARITY

- Employees of the Ministry of Agriculture and the agencies within its system on monthly basis donate money to the Solidarity Fund, which was set up in 2014 by the government’s decree and is aimed at helping children and their families suffering from severe illnesses or disabilities;

- The Ministry of Agriculture actively cooperates with the Blood Transfusion City Station. Employees of the Ministry and the agencies within its system are involved in the blood donation campaign.

LEGISLATIVE ACTIVITY

According to liabilities under the Deep and Comprehensive Free Trade Agreement (DCFTA), the approximation of legislation regulating sanitary and phytosanitary spheres in Georgia with the EU legislation should be carried out.

Accordingly, after the entry into force of the DCFTA, a list of the regulations and directives that the Georgian legislation will be gradually approximated with, were prepared by the relevant agencies of the Georgian side and submitted to the EU for approval.

Stemming from the above, as well as in order to improve the normative base regulating the environmental and agricultural sector, the following was prepared:

- 11 drafts of the law of Georgia;
- 177 Resolutions of the Government of Georgia;
- Ordinances of the Government of Georgia;
- 83 Normative Act of the Minister of Environmental Protection and Agriculture of Georgia;
- 53 individual administrative-legal act of the Minister of Environmental Protection and Agriculture of Georgia.
საქართველოს გარემოს დაცვის და სოფლის მეურნეობის სამინისტრო

2018