

AGRICULTURE IN GEORGIA

PART 1 : Livestock Farming



SUMMARY

1. General Introduction to the Sector P. 2-4

A. Overview and Weaknesses of Local Production P. 2

B. Employment and economic impact P. 2-3

C. Public Policy and Funding P. 3-4

2. Analysis of the Current Market P. 4-7

A. The Meat Market and Livestock Farming Trends P.4-6

B. Other animal products P.6-7

3. Market Challenges and Issues P.7-8

A. Fragmentation and Structural Constraints of Production P.7-8

B. Market and Value Chain Constraints P.8

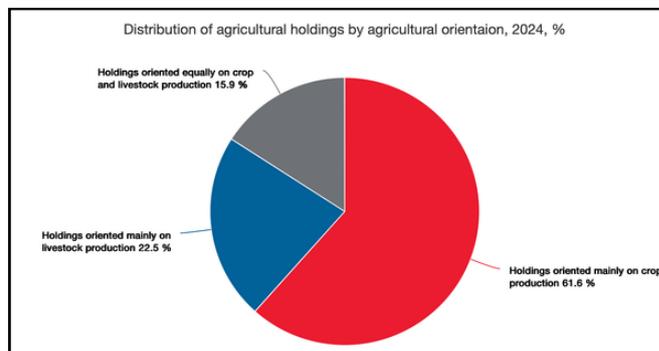
4. Bibliography. P.9

General Introduction to the Sector

1.1 Overview and Weaknesses of Local Production

Meat production in Georgia is characterized by significant variation across different sectors and plays an ambivalent role within the national agricultural economy. In 2025, it totaled 81,900 metric tons, down 7.7% from 2024. This trend illustrates both the persistence of a traditional model deeply rooted in rural areas and the structural difficulties hindering its modernization.

Tbilisi, which alone accounts for more than a third of the national population, plays a pivotal role in shaping demand. The capital is a major driver of consumption of higher-value-added products (cut meats, deli meats, packaged poultry, etc.) and is gradually redefining the balance between sectors: it favors poultry and processed products at the expense of traditional beef. Thus, meat production appears as a space of restructuring where economic dynamics (rising urban demand), territorial dynamics (rural/urban divide), and social dynamics (maintaining a buffer role for rural households) intersect, contributing to the gradual transformation of production methods.



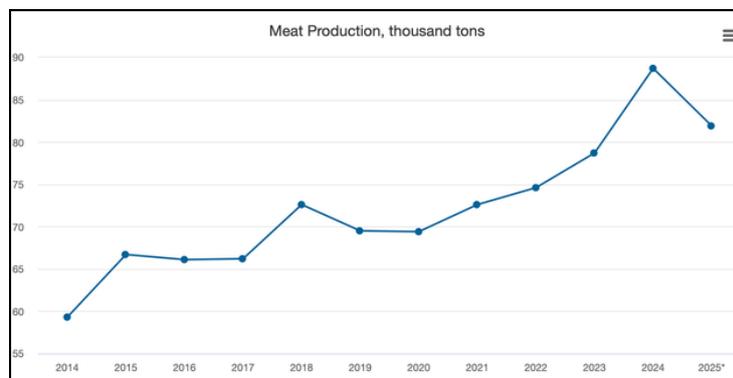
source : Geostat

1.2 Employment and economic impact

The meat sector in Georgia operates within a highly distinctive agricultural labor market, characterized by a large workforce but low productivity and low incomes, which partly explains the structural challenges facing production. In fact, agriculture in the broad sense (which includes, among other things, cattle, pig, and poultry farming) still accounts for nearly 40% of total employment in the country, according to World Bank data for 2023.

However, this large workforce does not translate into high production, as the vast majority of jobs are low-productivity, often informal or subsistence-based, with small-scale, highly unmechanized family farms. In this context, meat-related activities—including cattle, pig, and poultry farming, as well as slaughter and processing—rely heavily on dispersed rural labor, with little professional specialization and limited integration into modern industrial supply chains.

In terms of income, precise data specific to the meat sector alone are scarce—a fact that reflects the sector’s fragmented and informal nature—but available estimates for agriculture show wage levels significantly below the national average. Generally speaking, agricultural workers in Georgia are among the lowest-paid in the country, due to low productivity and limited value added in the sector. The absence of large, structured industrial farms, particularly in the beef and pork sectors, limits the creation of skilled and better-paid jobs. Poultry farming (chickens) is a relative exception, as it is somewhat more industrialized, but it remains insufficient to lift the entire sector. More broadly, the very structure of employment—dominated by small-scale producers who combine farming with subsistence farming—means that many workers do not receive a formal wage but rather irregular income from the sale of surplus produce.



source : Geostat

1.3 Public Policy and Funding

Government funding policies and subsidies in the agricultural sector—and thus indirectly in meat production—in Georgia are based on a relatively diverse set of measures, though their effectiveness remains mixed due to their fragmentation and imperfect targeting. Since the 2010s, the Georgian government has sought to support the sector through co-financing, targeted subsidies, and easier access to credit, rather than through large-scale direct support policies as in the European Union. One of the key instruments is the preferential agricultural credit program, which aims to reduce financing costs for farmers by subsidizing loan interest rates—sometimes by up to 9%—to encourage productive investment, particularly for medium- and large-scale farms.

At the same time, direct aid is available to smallholders, such as the per-hectare subsidy system (approximately 300 GEL per hectare for small plots), distributed via agricultural cards that can be used to purchase inputs (fertilizer, seeds, etc.), which demonstrates a commitment to supporting basic production and mitigating the effects of rising agricultural costs.

Another pillar of public policy concerns the modernization of the agricultural sector, with co-financing programs for the purchase of equipment. The government has thus allocated over 120 million GEL to support the acquisition of agricultural machinery, often through co-financing mechanisms of up to 50%, particularly for agricultural cooperatives, in order to pool costs among small producers. This approach is essential in a context where the fragmentation of farms hinders individual investment. In the same vein, programs led by the Rural Development Agency provide partial financing for agricultural infrastructure (irrigation, greenhouses, equipment), sometimes covering up to 50% of the total cost, with defined caps, aiming to increase productivity and structure the supply chains. In addition, there are training and technical assistance programs, often in partnership with international organizations, designed to promote more modern agricultural practices.

Analysis of the Current Market

2.1 The Meat Market and Livestock Farming Trends

Domestic meat production totaled 81,900 metric tons in 2025. Pork accounts for approximately 60% of slaughter volume, beef for about 29%, and sheep and goats for about 9%. Poultry, a white meat, is growing thanks to the expansion of commercial farming operations. The 6.3% decline in the cattle herd and the 11.8% decline in the pig herd are attributed to the aging of livestock farmers, rising feed costs, and droughts that have affected pastures. Per capita consumption remains modest, at around 55 to 60 kg per year, but is increasing in urban areas with the growth of the middle class. Meat is imported on a massive scale, primarily from Brazil in frozen form, and to a lesser extent from Ukraine, Turkey, or Armenia.

The degree of self-sufficiency in meat in Georgia varies significantly by sector. The beef sector appears to be the most self-sufficient, with an estimated rate of between 60 and 70 percent, thanks to widespread domestic production. In contrast, the pork sector has an intermediate level of self-sufficiency (approximately 45–50%), while the poultry sector remains the most dependent on imports, with a rate limited to 30–35%. This hierarchy reflects the prevalence of extensive livestock systems for cattle, as opposed to more intensive, input-dependent models for pork and poultry.

	2023					2024*				
	I Q	II Q	III Q	IV Q	YEAR	I Q	II Q	III Q	IV Q	YEAR
Bovine animals	0.9	3.5	9.9	27.2	41.4	7.5	4.9	5.8	6.8	24.9
Pigs	28.3	36.0	44.9	48.2	157.5	34.9	38.3	51.7	58.0	183.0
Poultry	2 431.5	2 455.3	2 151.5	2 502.1	9 540.4	1 869.3	2 304.6	1 526.6	2 328.7	8 029.2

source : Geostat

Despite the highly fragmented nature of production, a few well-established industrial players stand out. They account for a significant share of processing and distribution, particularly in the poultry sector, while contributing to the sector's gradual modernization. Here is the ranking of the leading operators in 2025:

1. Chirina: poultry_(chicken), ≈ 24,000 tons/year.

The undisputed leader in the poultry sector, it has a fully integrated supply chain (production, slaughter, processing, and distribution).

2. Geo Meat: multi-meat (beef, pork, lamb, and poultry).

A major player in processing and national distribution.

3. Poultry Georgia (Koda): poultry

A semi-industrial chicken producer with nationwide coverage.

4. Samgori Poultry Factory: poultry

A major local player, specializing in production and processed products.

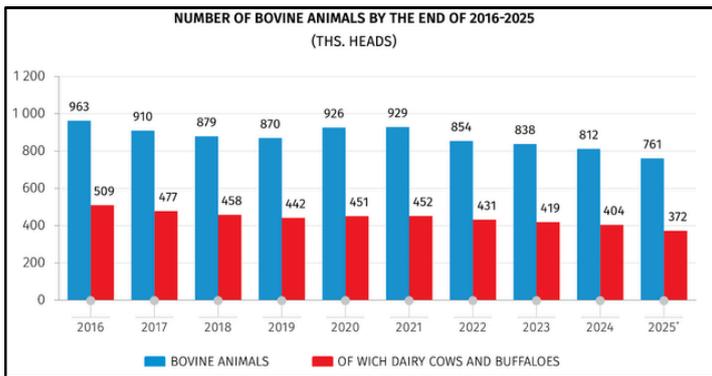
5. Family farms (across the sector).

They still largely dominate primary production: ≈ 86% of beef, ≈ 85% of pork, and a large portion of poultry. They form the main foundation of the domestic market.

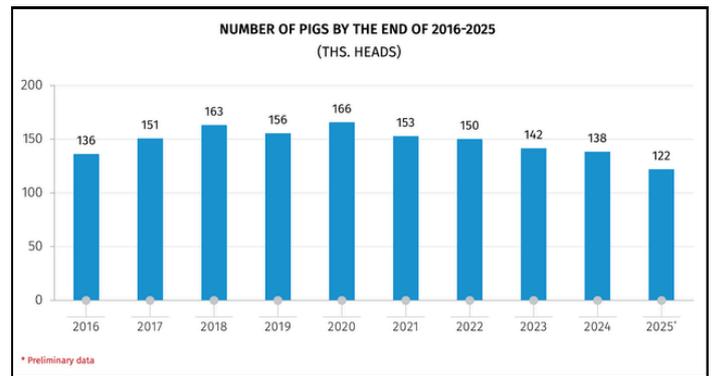
Année	Consommation totale (milliers de tonnes)	Porc (%) / kt	Bovin (%) / kt	Volaille (%) / kt	Ovins-caprins & autres (%) / kt	Consommation par habitant (kg/an)
2023	≈ 167	29 % / 48	20 % / 33	47 % / 79	4 % / 7	45 kg
2024	≈ 185	28 % / 52	21 % / 39	47 % / 87	4 % / 7	≈ 50 kg
2025	≈ 205-215	27 % / 56	22 % / 45	47 % / 96-101	4 % / 8	55-60 kg

Consumption by product type over the past three years / source : Geostat

The main customers are the domestic market, which absorbs 80 to 85% of production. Modern supermarkets, traditional butcher shops, restaurants, and hotels—driven by the growth of tourism—represent the premium demand segment, particularly in Tbilisi and Batumi. Exports remain very limited, consisting of only a few thousand head of live animals or meat shipped to Armenia, Azerbaijan, and Russia. Georgian meat benefits from a reputation for natural quality but still lacks international certifications required to access European Union or Asian markets. Meat prices increased in 2025 due to a decline in local supply, thereby favoring cheaper imports.



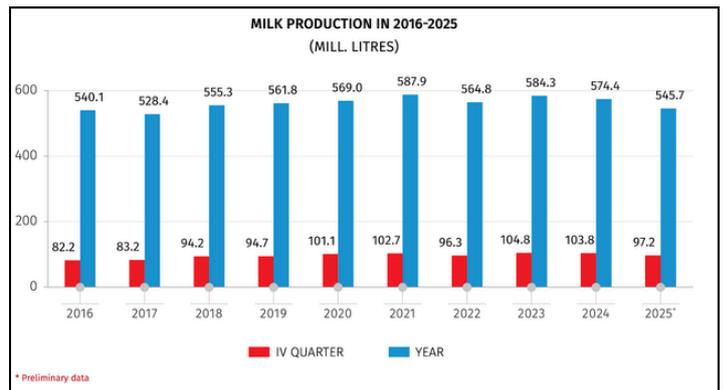
source : Geostat



source : Geostat

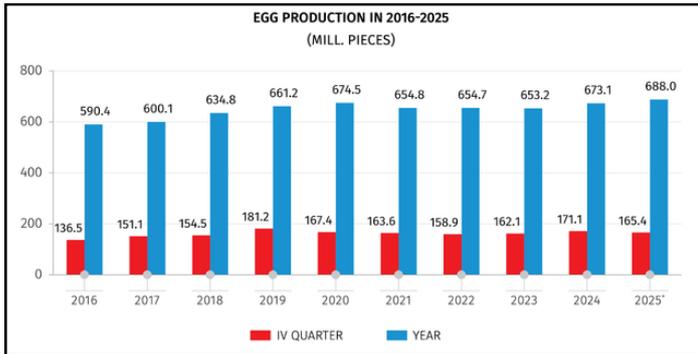
2.2 Other animal products

Milk production reached 545.7 million liters in 2025, marking a decline of 5.0%, as the dairy herd continues to shrink. The vast majority of milk is processed artisanally by rural households into traditional cheeses such as sulguni, matsoni, and imeruli. The industrial segment remains underdeveloped. Imports of milk and cream increased significantly by 36% in value in 2025, mainly from Azerbaijan and Russia.



Production de lait en millions de litres / source : Geostat

Processed dairy products, including yogurt and industrially produced cheeses, are gradually gaining market share in urban supermarkets. Their main consumers are households, as well as the confectionery and food service sectors.



Production d'œufs en millions de litres / source : Geostat

The egg segment is the most dynamic within the livestock sector. Production reached 688 million units in 2025, representing an increase of 2.2%, driven by commercial poultry farming. Georgia is largely self-sufficient in eggs and exports small quantities to neighboring countries. The main consumers are the domestic market for daily consumption, as well as bakeries and the food processing industry.

Finally, honey represents a quality niche product thanks to Georgia's rich biodiversity, with varieties such as acacia, chestnut, and rhododendron honey produced mainly through artisanal methods by small-scale farmers. According to available data, honey exports experienced strong growth between 2020 and 2022 before stabilizing at around USD 250,000 to 750,000 per year in recent years. They are gradually expanding toward the European Union (notably Germany and Bulgaria) and the United States, driven by the "organic" image and protected geographical origin, which enhance perceptions of natural quality and traceability.

Other minor livestock-related products, such as wool, leather, and by-products (manure, fat), remain largely artisanal, with limited processing and low market value, and are almost exclusively sold on local markets.

Market Challenges and Issues

3.1 Fragmentation and Structural Constraints of Production

Livestock production remains extremely fragmented, which constitutes the main obstacle to its development. More than 90% of animals (cattle, pigs, and poultry) are raised by thousands of small family farms scattered across rural areas. These households typically own very small herds (often 1 to 5 cattle or 10 to 20 pigs) and combine livestock farming with subsistence crop production. This micro-scale structure prevents any economies of scale: unit costs remain high, mechanization is almost non-existent, and marketing is largely informal, taking place in local markets or through direct sales channels. As a result, most farmers operate within a subsistence logic rather than a market-oriented production system.

This fragmentation is accompanied by a very low level of investment and modernization. Family farms rarely have sufficient capital to upgrade facilities, install automated feeding systems, improve livestock genetics, or adopt modern housing practices. Although public concessional loan programs exist, their impact remains limited, as small-scale producers often struggle to meet the collateral requirements imposed by banks.

The deterioration of infrastructure (watering systems, fencing, milking equipment) and the aging of agricultural machinery further exacerbate the situation. In 2025, the cattle herd declined by 6.3% and the pig herd by 11.8%, partly due to the inability to modernize farms in the face of rising feed costs and the reduction of available grazing land.

Persistent technical and sanitary constraints also weigh heavily on the sector. The level of biosecurity remains low in most small-scale farms, with a lack of systematic quarantine measures, incomplete vaccination coverage, and inadequate management of waste and animal carcasses. Diseases such as foot-and-mouth disease, African swine fever, and brucellosis continue to circulate regularly, leading to significant losses and preventive culling. The shortage of local laboratories and qualified veterinarians in rural areas further increases this vulnerability.

In addition, the sector faces recurring shortages: a lack of quality fodder during the winter period, limited availability of seeds and imported concentrated feed (whose prices have surged), and above all a shortage of young labor, as younger generations are increasingly leaving rural areas. These structural constraints have directly contributed to the contraction of meat production (-7.7%) and milk production (-5.0%) in 2025.

3.2 Market and Value Chain Constraints

The livestock sector is also under significant pressure due to overall inflation and the general rise in prices. In 2025, food inflation remained at a high level, with a sharp increase in input costs, exceeding 15–20% for certain items. This inflation has eroded producers' margins, particularly for small-scale farmers who lack the capacity to fully pass these cost increases on to consumers. At the same time, consumer prices have continued to rise: the price of beef increased by more than 12% on average, making local products less competitive compared to cheaper imports.

This generalized increase in prices creates a vicious cycle: urban consumers, sensitive to purchasing power constraints, increasingly turn to cheaper imported meat, while local producers see their market outlets shrink. Supermarkets and distribution chains tend to favor imported products with more stable margins, further marginalizing domestic production. Moreover, the absence of effective regulatory mechanisms (such as public storage or long-term supply contracts) exposes the market to significant volatility, with periods of local overproduction followed by shortages, leading to substantial seasonal price fluctuations.

Finally, the lack of market structuring (limited number of efficient cooperatives, weak traceability systems, and insufficient sanitary certification) prevents Georgian producers from accessing premium segments or export markets. The sector struggles to enhance the value of its products through quality labels or geographical indications, leaving the domestic market largely dominated by imports and informal distribution channels.

BIBLIOGRAPHY

- PMO Business Consulting, Agri-food Sector Overview in Georgia, s.l., PMO Business Consulting, 2020. Disponible à l'adresse : <https://www.pmo-bc.com/storage/app/uploads/public/5eb/d6a/42d/5ebd6a42d85b0923700015.pdf>
- Geostat, Agriculture of Georgia – 2025 and IV Quarter of 2025, Tbilisi, 2026. Disponible à l'adresse : <https://www.geostat.ge/media/76802/Agriculture-of-Georgia--2025-and-IV-quarter-of-2025.pdf>
- BM.ge, « Meat prices expected to rise in Georgia – Agrokiziki explains the reasons », 2025. Disponible à l'adresse : <https://bm.ge/en/news/meat-prices-expected-to-rise-in-georgia-agrokiziki-explains-the-reasons>
- World Bank (via Trading Economics), « Employment in agriculture (% of total employment) – Georgia », Disponible à l'adresse: <https://tradingeconomics.com/georgia/employment-in-agriculture-percent-of-total-employment-wb-data.html>
- Ministry of Environmental Protection and Agriculture of Georgia, Otar Shamugia, « We are launching a program aimed at assisting smallholder farmers in purchasing goods needed for farming activities », communiqué officiel.
- Transparency International Georgia, Georgia's Agriculture Sector: Key Trends for 2012–2019, Tbilissi, février 2020. Disponible à l'adresse : https://www.transparency.ge/sites/default/files/georgias_agriculture_sector.pdf

Book :

- FASEP “meet the meat demand”, rapport final de la direction générale du trésor, Géorgie, 2017.