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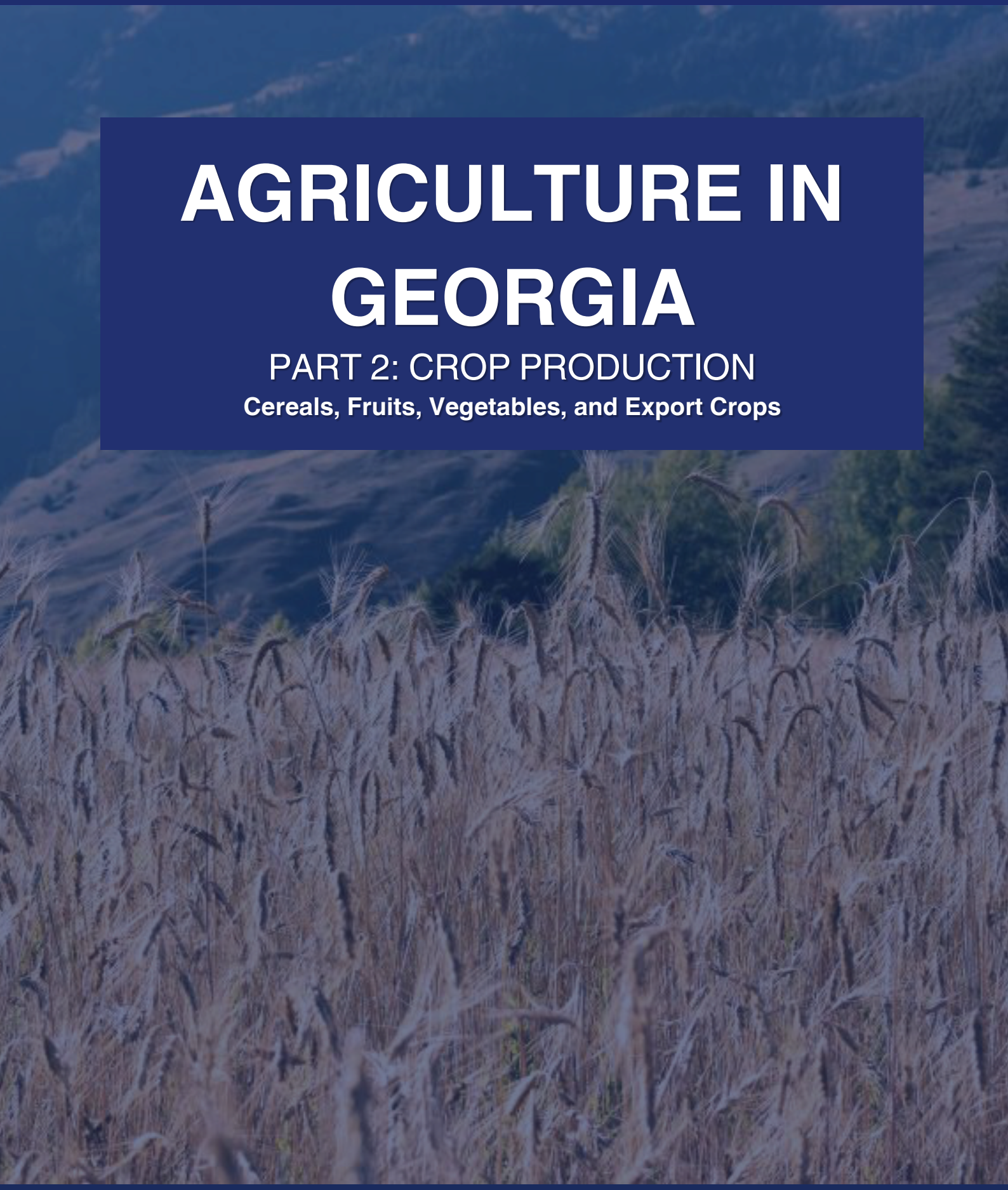

AGRICULTURE IN GEORGIA

PART 2: CROP PRODUCTION

Cereals, Fruits, Vegetables, and Export Crops

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French Chamber of Commerce and Industry in Georgia (CCIFG) — 2026

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1. General introduction to the sector

6,2 %	16 %	1,4 Mha	70 %
Share of agriculture in GDP	Share of total employment in agriculture	Estimated agricultural land area (utilized agricultural area)	Food products consumed

Source : Geostat, Agriculture of Georgia 2024 ; World Bank, 2023 ; USDA FAS, Georgia Exporter Guide 2025

1.1 General overview and agricultural potential

Georgia has considerable agricultural potential, shaped by an exceptionally diverse geography: fertile alluvial plains in Kakheti and Kartli in the east, humid subtropical areas in Adjara and the Samegrelo region in the west, and high plateaus in Svaneti and Javakheti. This climatic diversity allows for a very wide range of crop production (cereals, viticulture, hazelnuts, citrus fruits, tea, vegetables) within a relatively small territory of 69,700 km^2.

The crop sector therefore accounted for approximately 6.2% of GDP in 2024 and makes a significant contribution to the country's agri-food exports.

1.2 Employment and economic weight

Agriculture still accounts for around 16% of total employment in Georgia, a sharp decline compared to about 40% in the early 2000s. This shift reflects rapid urbanisation and the increasing dominance of the service sector, particularly driven by tourism and ICT.

However, in rural areas, subsistence and semi-commercial farming remains a key economic pillar for a large share of the population. Small farms of less than 2 hectares represent over 70% of all agricultural holdings. Cereal production (mainly maize and wheat) is largely carried out by these micro-farms, while more structured value chains are emerging in sectors such as viticulture and hazelnut production.

In August 2025, Georgia's agricultural exports reached a value of USD 1.118 billion, marking a 3.5% increase compared to the same period the previous year. More specifically, exports to the European Union increased by 19%, reaching an additional USD 18.3 million, according to the Georgian Ministry of Environmental Protection and Agriculture.

1.3 Public policies and financing

The Georgian state is allocating an increasing share of its agricultural budget to direct subsidies: these accounted for 54% of public agricultural spending in 2024, compared to 21% in 2014 (Free Policy Briefs / ISET, 2025).

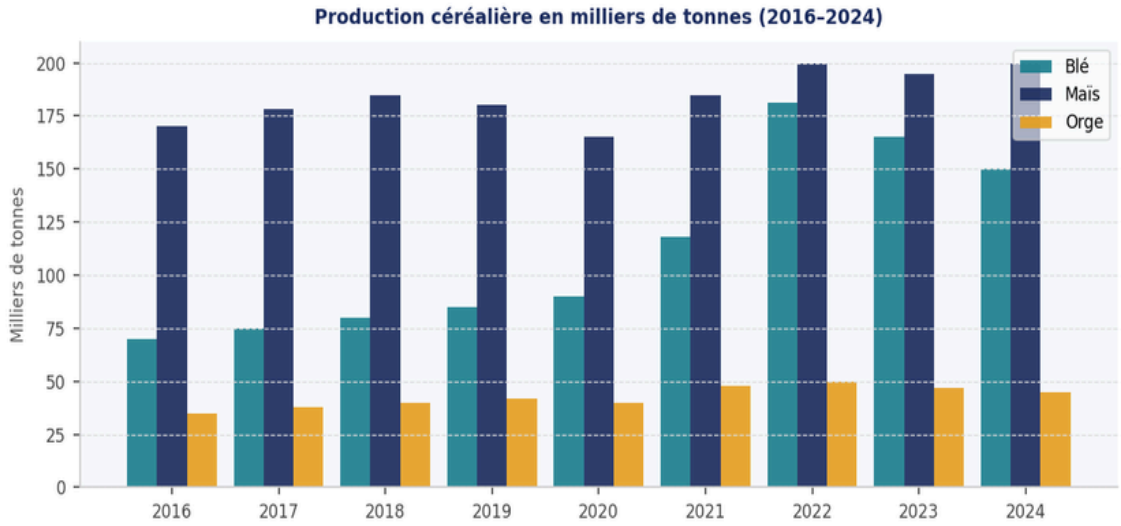
Key policy instruments include: the agricultural preferential credit programme (interest rate subsidies of up to 9%); per-hectare subsidies for wheat production (around 300 GEL/ha); a state purchase scheme for non-standard grapes, apples, and mandarins; and, since 2022, a targeted support programme for the hazelnut sector (including pesticide subsidies and orchard registration).

The Rural Development Agency (RDA) also co-finances up to 50% of investments in equipment and infrastructure such as irrigation systems and greenhouses. However, these mechanisms are still considered insufficiently focused on long-term productivity gains, functioning more as social safety nets than as structural transformation tools.

2. Current market analysis

2.1 Cereals: wheat, maize, barley

Cereal crops constitute the dietary backbone of the population in Georgia, yet domestic production covers only a fraction of internal demand. Total cereal production was estimated at around 410,000 tonnes in 2024, including approximately 200,000 tonnes of maize and 150,000 tonnes of wheat (FAO/GIEWS, December 2024). Maize, produced both for human consumption and animal feed, is mainly cultivated in the plains of eastern and western Georgia, where climatic conditions are more favourable. Wheat is primarily grown in the drier regions of Kartli and Kakheti, where conditions are better suited to this crop. Barley remains a more marginal cereal, used mainly as a supplementary crop in mountainous areas and for small-scale livestock farming.

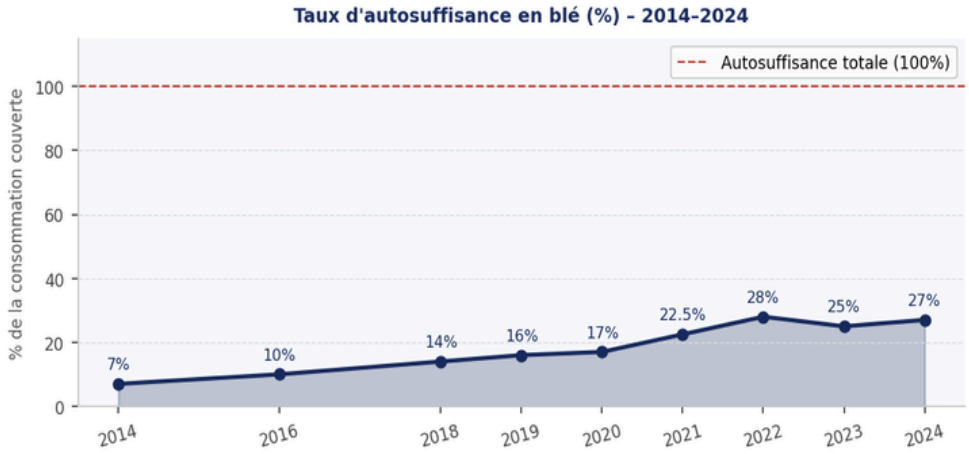


Source : Geostat, Agriculture of Georgia 2024 ; FAO GIEWS Country Brief Georgia, décembre 2024

■ Georgia imports approximately 600,000 tons of cereals per year (2024/25), including around 500,000 tons of wheat, which represents about 75% of its wheat needs. This reflects a persistent structural dependency despite rising domestic production.

The wheat self-sufficiency rate has increased from only 7% in 2014 to approximately 22–27% in 2022–2024, driven by policies encouraging domestic production and partial improvements in agricultural practices. However, this progress remains insufficient to ensure national food security.

Average wheat yields remain very low (around 2–2.5 tons per hectare), compared to 6–8 tons per hectare in Western Europe. Recent studies (Gollnow et al., Environmental Research: Food Systems, 2025; Stockholm Environment Institute) indicate that Georgia could achieve wheat self-sufficiency if yields reached 80% of their technically attainable potential, provided there is broad access to inputs, improved seeds, and irrigation systems.



Source : Geostat 2024 ; Free Policy Briefs / ISET, 2024 ; SEI / Gollnow et al., 2025

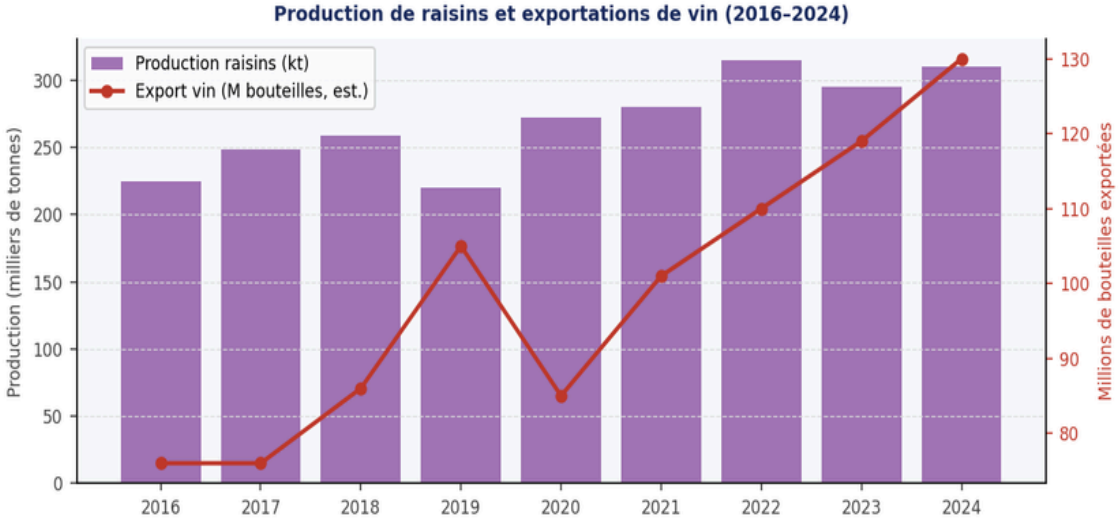
2.2 Iconic export crops

Vine and viticulture

The vine is the flagship of Georgian agriculture. With over 8,000 years of winemaking history and more than 400 native grape varieties identified, Georgia is widely recognized as one of the world's cradles of wine.

In 2024, grape production is estimated at around 310,000 tons, mainly concentrated in Kakheti, which accounts for roughly 70% of national output. Wine represented 16% of the total value of Georgian agri-food exports in 2024, or approximately USD 269 million. Spirits (chacha and other alcoholic beverages) accounted for an additional 17%.

Wine exports recorded strong momentum in 2024, with a 26% increase in volume in the first half of the year (Wine Intelligence, 2024). Priority markets remain the Russian Federation (~55% of export volumes), but diversification is accelerating toward Poland, Germany, the United States, and China.



Source : Geostat 2024 ; National Wine Agency of Georgia ; Wine Intelligence, 2024 ; Factcheck.ge, 2025

Hazelnuts

Hazelnuts are the main export crop outside beverages. Georgia is the world's 3rd largest hazelnut producer (after Turkey and Italy), with an estimated output of 35,000–40,000 tons in 2024.

The region of Samegrelo-Zemo Svaneti accounts for 42% of national production. Hazelnuts represented 6% of total agri-food exports in 2024 (around USD 101 million). Exports to the EU increased by USD 10.9 million between January and August 2025, reaching USD 33.7 million over the period (MEPA, 2025).

Germany and Italy are the main European buyers, driven largely by the chocolate and confectionery industries.

Mandarins and citrus fruits

Georgia produces mandarins in the subtropical zones of Adjara and Samegrelo. National production amounts to approximately 60,000–70,000 tons per year.

This is a traditional crop that benefits from direct state purchase subsidies during seasonal campaigns in order to prevent price collapses. Exports to Russia and CIS countries remain the main outlet for Georgian mandarin production.

Tea

Georgian tea production has experienced a long-term decline since the Soviet era: output fell from 152,000 tons in 1985 to less than 2,000 tons in 2024. Historical plantations in Adjara and Guria are still struggling to recover after decades of neglect.

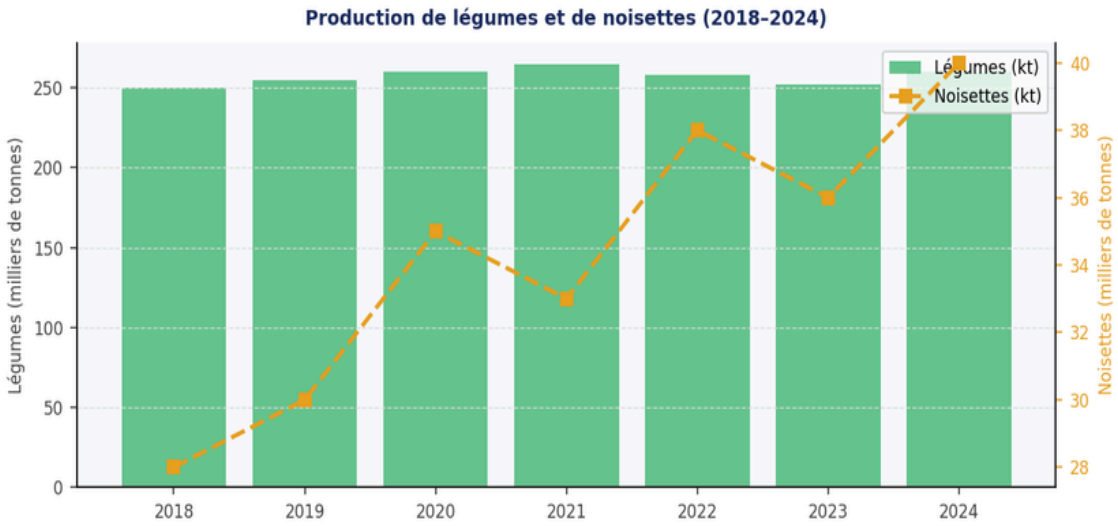
However, revival initiatives focused on premium artisanal tea (Georgian natural tea, geographical indications, and branding strategies) are beginning to attract attention from niche European markets.

2.3 Fruits, vegetables, and local production

Vegetable production is estimated at approximately 250–265,000 tons per year, mainly concentrated in Kvemo Kartli(accounting for 20% of potato production), Kakheti, and Kartli. The main crops include potatoes, tomatoes, cucumbers, onions, and bell peppers.

Fruit production is dominated by apples (~80,000 tons, mainly in Imereti), as well as peaches, apricots, and plums. Blueberry production is experiencing significant growth and is now cited as one of the key export-oriented products to the EU in 2025 (MEPA, August 2025).

Georgia is self-sufficient in potatoes and basic vegetables during the summer season.



Source : Geostat, Agriculture of Georgia 2024 ; MEPA, 2025 ; USDA FAS Exporter Guide 2025

3. Imports, exports, and trade balance

1,68 Md$	2,20 Md$	-516 M$	+3,4 %
Agri-food exports in 2024 (+17% compared to 2023)	Agri-food imports in 2024 (+9% compared to 2023)	Agri-food trade balance in 2024 (11% improvement)	Export growth, Jan–Aug 2025 vs the same period in 2024

Source: Geostat 2024; Factcheck.ge, april 2025 ; MEPA, august 2025

3.1 Structure of Agri-Food Exports

Georgian agri-food exports reached USD 1.68 billion in 2024, a record level marking a 17% increase compared to 2023. The structure of these exports reveals a strong concentration in beverages (wine and spirits together account for 33% of the total value) and mineral waters. Hazelnuts and dried fruits constitute the main exported solid agricultural products. This concentration reflects both Georgia's genuine comparative advantages (wine-making tradition, biodiversity) and the weakness of its processed food production sector.

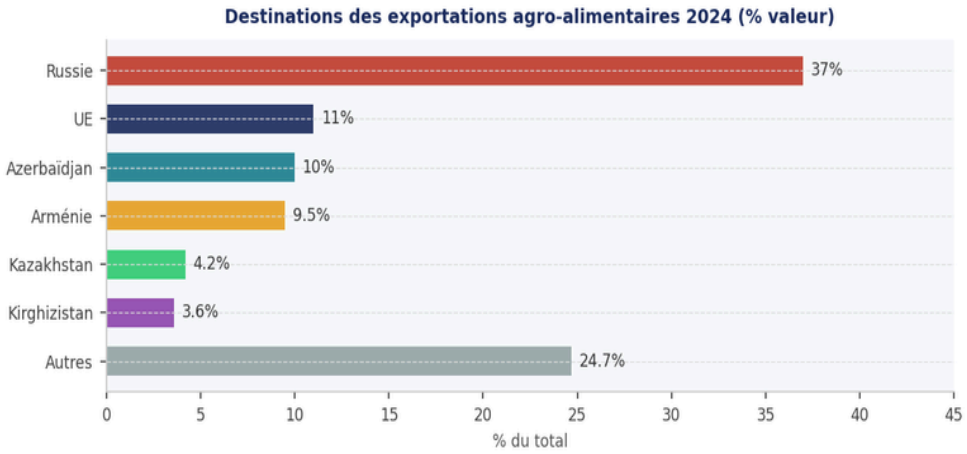
Main export products in 2024 (Factcheck.ge / Geostat):

Produit	Valeur (M USD)	% total
Spiritueux & alcools	~285	17 %
Vins	~269	16 %
Eaux minérales	~168	10 %
Boissons non-alc.	~134	8 %
Noisettes & noix	~101	6 %
Myrtilles & fruits	~50	3 %
Autres	~673	40 %

Export Destinations

Russia remains Georgia's main agri-food export market, accounting for 37% of total export value (USD 624 million in 2024), representing a significant strategic dependency in the current geopolitical context. The European Union ranks second with 11% (USD 180 million, +11% compared to 2023), followed by Azerbaijan (10%), Armenia (9.5%), and Kazakhstan (4.2%).

Geographical diversification of exports is progressing: exports to Iraq increased by 2.9 times in Q1 2025, to Kyrgyzstan by 3 times, and to Germany by +46% (MEPA, 2025).



Source : Geostat 2024, via Factcheck.ge, avril 2025

3.2 Dependence on Imports

Georgia imports 70% of its total food consumption and 80% of its packaged food products (USDA FAS, 2025). This dependence is structural and particularly affects essential goods. Agri-food imports reached USD 2.196 billion in 2024 (+9% compared to 2023). The European Union has become the leading supplier, accounting for 28% of the total (USD 627 million, +20%), ahead of Russia (22%) and Turkey (13%).

Produit importé	Part des imports 2024	Principaux fournisseurs	Commentaire
Cigarettes & tabac	9 %	UE, Russie	Premier poste d'importation agro-alimentaire
Volaille & abats	5 %	Brésil, Ukraine, Turquie	Croissance forte ; production locale insuffisante
Chocolat & confiseries	5 %	UE (Allemagne, Pologne)	Marché de détail en forte expansion
Sucre	4 %	UE, Ukraine	Aucune production locale de betterave
Additifs alimentaires	4 %	UE	Industrie agro-alimentaire locale émergente
Blé (grain)	3 %	Russie, Ukraine, Kazakhstan	Sécurité alimentaire critique (~500 kt/an)
Alcools importés	3 %	UE, Russie	Concurrence avec production locale
Viande porcine	2 %	UE, Russie	Production locale en recul (cf. Partie 1)

Source : Geostat 2024, via Factcheck.ge, avril 2025 ; USDA FAS Exporter Guide 2025

3.3 Agri-Food Trade Balance

The agri-food trade balance is structurally in deficit, although it is gradually improving. The deficit was reduced to -USD 516 million in 2024, compared to -USD 580 million in 2023 (–11%). This improvement is mainly driven by a strong increase in exports (+17%), led by wine, mineral water, and hazelnuts. Nevertheless, dependence on imports of basic food products (wheat, processed meat, dairy products) limits the country's ability to achieve a sustainable balance.

4. Market Challenges and Constraints

4.1 Land Fragmentation and Low Yields

The main structural constraint of Georgia's crop agriculture is the extreme fragmentation of land holdings. According to the Geostat agricultural survey (2023), more than 70% of farms cultivate less than 2 hectares. This micro-structure generates several cascading issues: the inability to amortize mechanization equipment (such as seeders and harvesters); prohibitively high unit costs for certification, traceability, and access to EU phytosanitary standards; and the inability to assemble sufficiently large and homogeneous batches for export.

Cereal yields clearly illustrate this lag: Georgian wheat yields average 2–2.5 tons per hectare, compared to 6–8 tons per hectare in the EU, while maize yields reach 3–4 tons per hectare versus 8–10 tons per hectare in France. In viticulture, both yields and quality vary significantly across farms. Research (SEI / Gollnow et al., 2025) shows that yields could be increased two- to threefold under high-input systems, but this approach raises significant environmental and equity concerns in a context where agriculture remains predominantly smallholder-based.

challenge	Affected Value Chains	Severity	response measures
land fragmentation	All	■ critical	land consolidation, cooperative development
low cereal yields	Wheat, maize	■ critical	improved seeds, irrigation system
dependance on imported wheat	Cereals	■ critical	national wheat programme, strategic-gain reserves
lack of EU certifications	Hazelnuts, fruits	■ high	technical assistance, DCFTA alognment support
dependance on Russian market	Wine, mandarins	■ high	export market diversification
post harvest under-equipment	Hazelnuts, apples	■ high	50% co-financing via Rural Development Agency (RDA)
decline of tea sector	Tea	■ moderate	premium branding, agritourism development
low local agro-processing	All	■ high	agro-industrial value chain development

4.2 Value chain constraints and market access

Beyond production-related challenges, Georgian farmers face significant constraints in terms of value creation and market access. Access to the European market remains limited due to the lack of EU-recognized phytosanitary certifications across most agricultural sectors, as well as insufficient cold chain infrastructure (notably a shortage of refrigerated storage facilities and hazelnut drying equipment). Dependence on CIS markets, particularly Russia, constitutes a major geopolitical risk, as illustrated by the Russian embargo on Georgian wine from 2006 to 2013. While diversification towards the EU is progressing, it remains hindered by stringent regulatory requirements (SPS standards, traceability, pesticide residue limits). Finally, recent restrictions on foreign funding (law on grants, April 2025) risk undermining technical cooperation programs funded by the EU and NGOs, which have been supporting farmers in complying with European standards.

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