

THE SECTOR AT A GLANCE

GENERAL TRENDS

The planned 2025 budget for the Ministry of Environment Protection and Agriculture (MEPA) amounts to 808.1 million GEL (an increase of 120.1 million GEL from the amount designated in 2024). The assigned budget was predominantly distributed across the following areas:

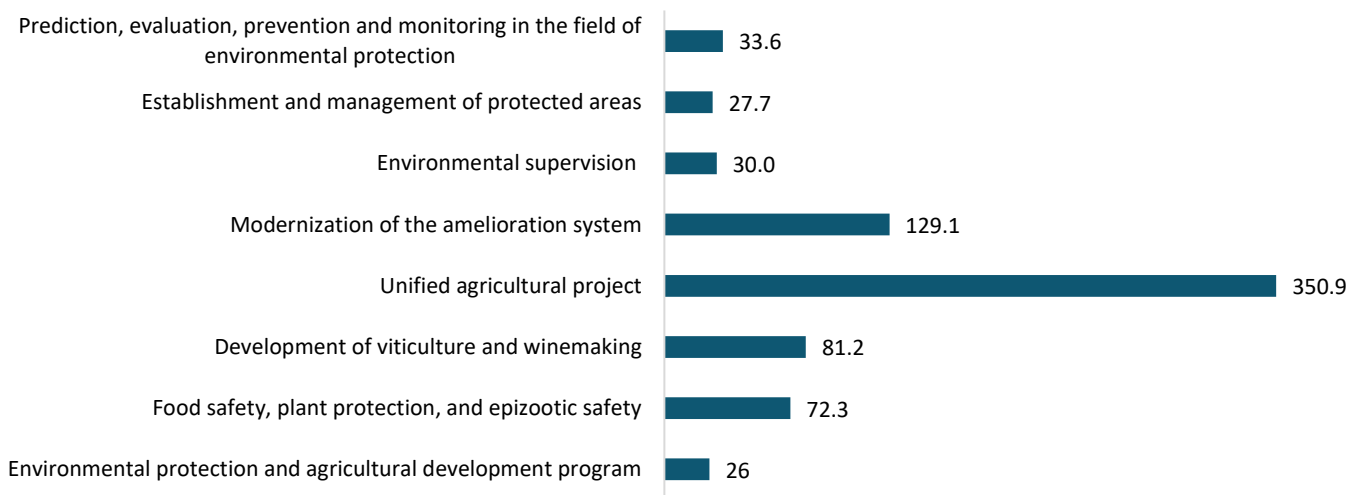
- The environmental protection and agricultural development program – 25.9 mln. GEL;
- Food safety, plant protection, and epizootic safety – 72.34 mln. GEL;
- Development of viticulture and winemaking – 81.18 mln. GEL;
- Unified agricultural projects – 350.87 mln. GEL.
- Modernization of the amelioration system – 129.1 mln. GEL;
- Environmental supervision – 30.0 mln. GEL;
- Establishment and management of protected areas – 27.74 mln. GEL;
- Prediction, evaluation, prevention, and monitoring within environmental protection – 33.6 mln. GEL.

Traditionally, the largest share of MEPA funding has been directed towards the Rural Development Agency (RDA), Georgian amelioration (GA), and the National Wine Agency (NWA), with respective shares of 43%, 16%, and 10%.

The budget for the unified agricultural project, implemented by the RDA, is distributed among different agricultural development projects, namely: agricultural project management – 14.7 mln. GEL; preferential agro-credits – 210.0 mln. GEL; agricultural insurance – 15.0 mln. GEL; the “Plant the Future” project – 26.0 mln. GEL; co-financing projects for processing and storage enterprises – 13.0 mln. GEL; promoting development in the agro sector – 18.1 mln. GEL; co-financing agricultural mechanization – 10.0 mln. GEL; and promoting hazelnut production – 23.0 mln. GEL.

Compared to the planned version of the 2024 budget, financing for the development of viticulture and winemaking increased by 27.4 million GEL within the Ministry’s allocation.

MEPA's budget distribution for 2025, top categories (planned, mln. GEL)



Source: Ministry of Finance, 2025.

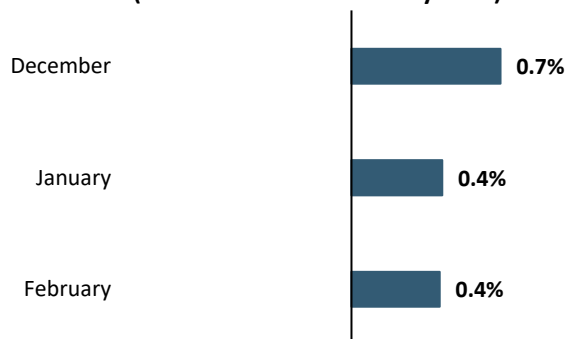
PRICE HIGHLIGHTS

DOMESTIC PRICES

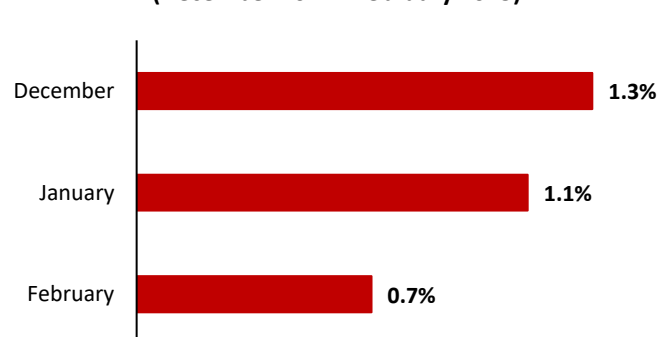
On a monthly basis, the country's price levels increased between December 2024 and February 2025. The Consumer Price Index (CPI) increased marginally (by 0.4%) in January and February 2025 to corresponding month-over-month prices. While, in December 2024, the price increase was 0.7% compared to the previous month.

Between December 2024 and February 2025, the price for food and non-alcoholic beverages, measured by the Food Price Index (FPI), exhibited an increasing trend. In December and January, the corresponding month-over-month price changes were 1.3% and 1.1%; while in February 2025, food prices rose by 0.7% over the previous month.

MoM % change in CPI
(December 2024 - February 2025)



MoM % change in FPI
(December 2024 - February 2025)

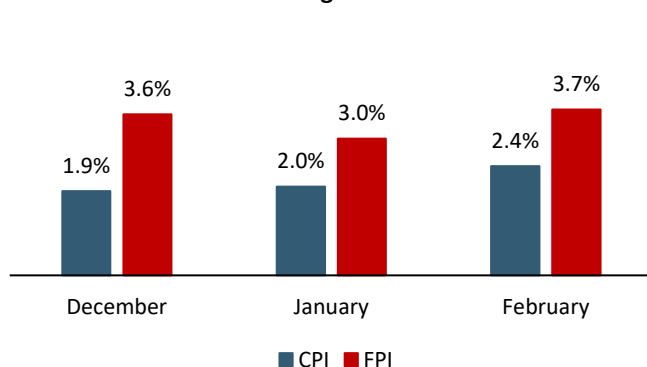


Source: Geostat, 2025. Note: the index value in the previous month was 100.

From an annual perspective, the CPI slightly increased from December 2024 to February 2025. Last December, the CPI grew by 1.9% compared to December 2023; the corresponding YoY changes were 2.0% and 2.4% for January and February 2025.

In February 2025, the year-over-year prices for food and non-alcoholic beverages increased by 3.7%, contributing 1.25 percentage points to the change in total CPI. The main drivers were price increases in the following sub-groups:

Annual % changes in CPI and FPI



Oils and fats (15.4%↗)

Coffee, tea, and cocoa (11.1%↗)



Vegetables (9.7%↗)

Source: Geostat, 2025.

SPOTLIGHT

Overall, the year-over-year food and non-alcoholic beverages prices in Georgia have maintained an increasing trend since November 2024. In December 2024, the annual changes in food price stood at 3.6%; with 3.0% in January and finally 3.7% by February. In February 2025, the price increased most notably within the following categories:

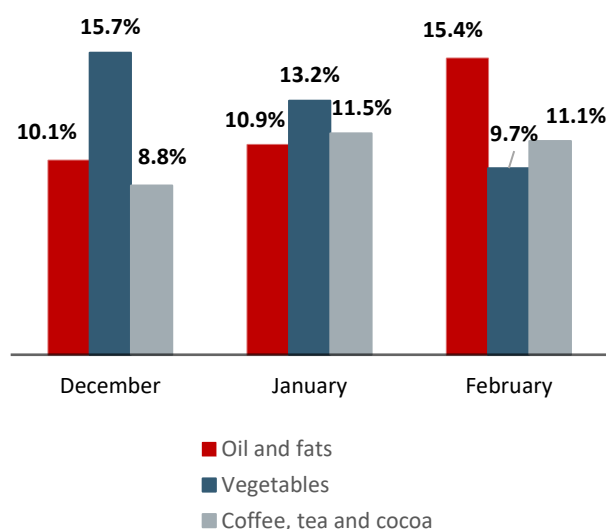
Oils and fats – Prices increased for all products within this sub-category. The greatest increases were observed in sunflower oil (19.8%), followed by margarine (10.6%), butter and spread (9.1%), and mayonnaise (6.0%).

Vegetables – In this category, the most notable rises in price were found for cabbages (73.1%), greens (herbs) (45.8%), garlic (23.5%), and eggplants (21.2%). Such a sharp growth in the cabbage price could be due to several overlapping factors: the decreased volume of local production and increased imports into Georgia. In February 2025, the import of cabbages increased by 51% compared to the same month of the previous year.

Coffee, tea, and cocoa – Within this category, the

prices rose for all goods. The largest price increases in February 2025 were observed for cocoa (15.4%), followed by ground coffee (12.7%) and instant coffee (11.1%). A minor price rise was also observed for tea leaves and tea bags, at 3.6% and 3.4%, respectively.

Annual price decrease (December-February 2025)

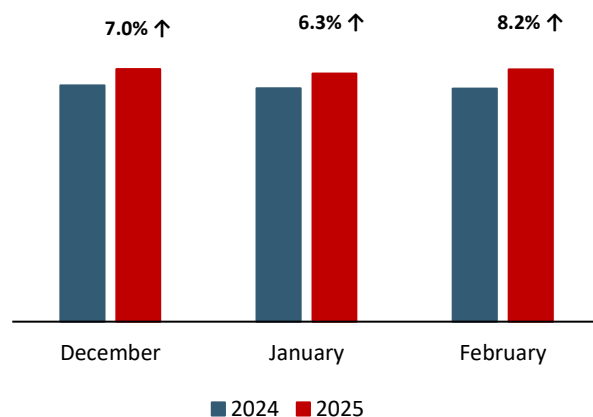


Source: Geostat, 2025.

INTERNATIONAL PRICES

Between December 2024 and February 2025, international prices exhibited an upward trend on an annual basis. In February 2025, the Food Price Index, measured by the Food and Agriculture Organization (FAO), increased considerably (by 8.2%) in comparison to February of 2024. The largest price increase was observed within the vegetable oil (29.1%) sub-index. This was influenced by rising prices for palm, rapeseed, soy, and sunflower oils. In February 2025, dairy and meat prices also rose by 23.2% and 4.8%, respectively, compared to the same period of the last year. The increase in dairy prices was driven by higher prices across all major dairy products. While sugar and cereals prices fell by 15.8% and 1.1% on a year-over-year basis.

Annual changes in international prices (December 2024 - February 2025)

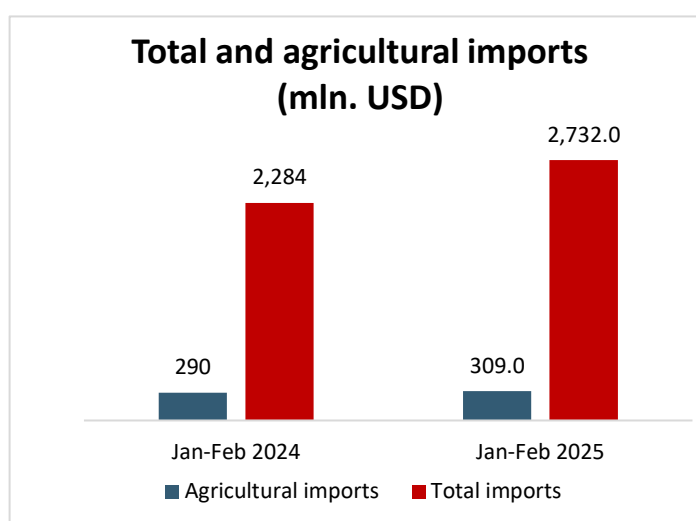
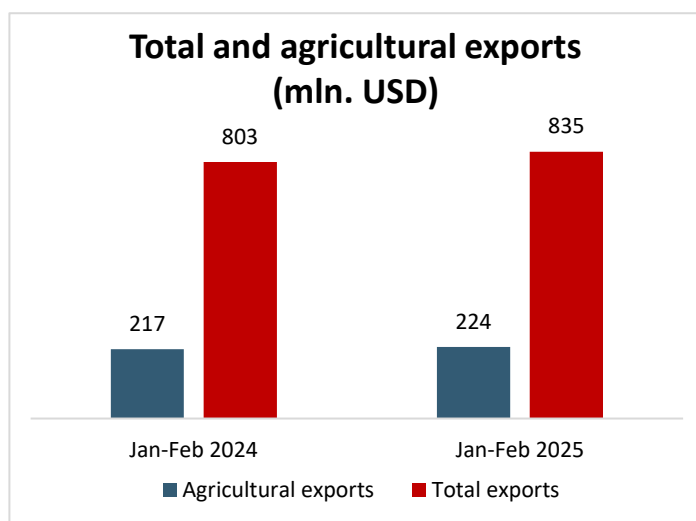


Source: FAO, 2025.

TRADE HIGHLIGHTS

Total Georgian exports from January-February 2025 commenced with the moderate increase of 4.0% over the same period in 2024 (from 803 mln. to 835 mln. USD). Agricultural exports contributed to this overall increase and rose at the same proportion as the total export (by 3.2% – from 217 mln. USD in 2024 to 224 mln. in 2025). However, the share of agri exports in total exportation experienced a slight decrease, from 27.1% in 2024 to 26.8% in 2025.

Compared to export, total Georgian imports rose significantly (by 19.6%) from 2,284 mln. USD in 2024 to 2,732 mln. USD in 2025. The change in agri imports stands at 6.6%, rising from 290 mln. USD in 2024 to 309 mln. in 2025. Concurrently, the share of agri imports in total imports declined slightly, from 12.7% in 2024 to 11.3% in 2025.



Source: Geostat, 2025.

Note: Agricultural exports and imports include food.

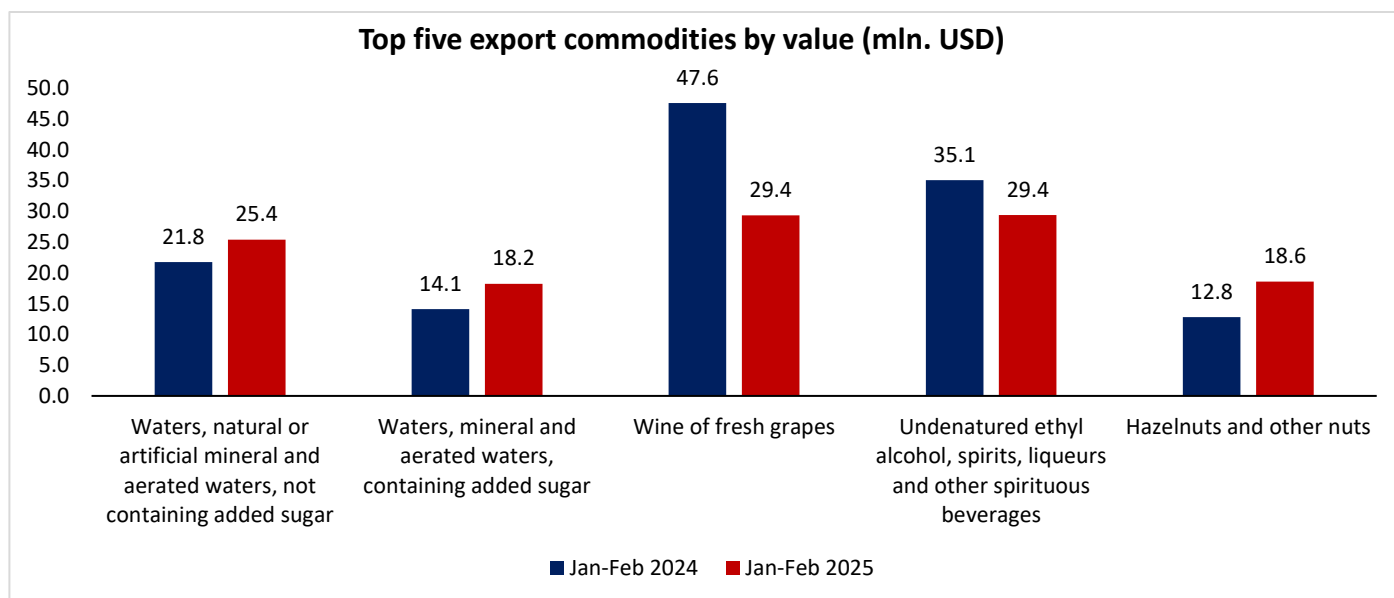
Considering the top 5 agri export commodities, **undenatured ethyl alcohol, spirits, liqueurs, and other spirituous beverages** appears, unusually, on top with a total of 29.4 mln. USD in January-February 2025, and it amounted to 13.2% of total agri exports. This was influenced by the decrease of wine export by 38%, compared to the same period of last year.

The second highest value export category for the period was **wines of fresh grapes**, amounting to 29.4 mln. USD. The value of **wines of fresh grapes** constituted 13.1% in total agri export. Notably, the top two agri export commodities, **spirituous beverages** and **wines of fresh grapes**, both experienced a decrease, respectively 16.3% and 38.3%, compared to the same period last year.

Waters, natural or artificial mineral and aerated waters, not containing added sugar contributed 25.4 mln. USD to the overall value (increase of 16.8%) with a share of 11.4% for January-February 2025 agri export.

Waters, mineral and aerated waters, containing added sugar exports amounted to 18.2 mln. USD in January-February 2025; increasing by 28.9% compared to 14.1 mln. USD in the same period in 2024, with a share of almost 8.1% of agri export in January-February 2025.

Hazelnuts and other nuts experienced a significant increase over the same period of last year (45.1% – from 12.8 mln. USD in January-February 2024 to 18.6 mln. in Jan-Feb of 2025) with an 8.3% share of total agri exports.



Source: Geostat, 2025.

Note: Agricultural exports and imports include food.

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