

LEPL National Wine Agency

Report

2022

6 months

The main direction of LEPL National Wine Agency activities is to promote the development of the viticulture and winemaking industry in Georgia. To achieve this goal, the National Wine Agency works in the following directions:

- Development of viticulture;
- Promotion of Georgian wine;
- Wine quality control;
- Vintage promotion activities;
- Research and popularization of Georgian vine culture;
- Development of the Georgian wine PDO system.

The following activities carried out in 6 months of 2022 should be noted:

Promotion of Georgian wine

In 2022, measures to increase the popularity and awareness of Georgian wine will continue actively in the strategic markets of Georgian wine: the USA, the UK, Poland, Germany, the Baltic States, China, Japan, and South Korea. Agreements were prepared and concluded with the Agency's contracting organizations in strategic markets, and annual activities and COAs were scheduled.

During the reporting period, Georgian wine was presented at 20 tastings, 7 exhibitions, and 4 festivals in the USA, Great Britain, Germany, France, Italy, Poland, Sweden, Switzerland, China, Denmark, South Korea, and Georgia

The following activities carried out during the reporting period should be noted:

- On March 9-10, America International Wine and Spirits Exhibition “Vinexpo” was held in New York City, USA. 23 Georgian wine and spirits companies participated in the exhibition with the support of the National Wine Agency. This was the largest international presentation of Georgian wine since the start of the COVID-19 pandemic. This exhibition was another best opportunity for Georgian producers to find new trading partners and customers and to establish themselves in the US strategic market. It should be noted that the US is one of the strategic markets for Georgian wine, where in 2021 the historical maximum of exports - 1 million bottles of wine was recorded.

- From March 28 to April 1, with the support of the National Wine Agency, representatives of small cellars in Racha-Lechkhumi were trained. A one-week vocational training course was held in Tbilisi. Participants received information on a variety of technical and legal issues, including labeling, wine and spirits regulations, certification, inspection, customs procedures, wine tasting basics, WSET / OIV international rating systems, marketing tools, and more. Thorough knowledge of these issues is the most important factor for the efficient operation of small cellars.

- On March 29, the Chairman of the National Wine Agency, Levan Mekhuzla, met with representatives of about 70 major wine exporting companies and introduced the goals, conditions, and technical issues required for participation in the new Georgian wine promotion program. At the end of the last year, The Government of Georgia approved the "State Program for the Promotion of Georgian Wine", which aims to promote the worldwide recognition of Georgian wine and exports to new markets. The program will be implemented by the National Wine Agency in coordination with the Ministry of Environmental Protection and Agriculture of Georgia.

- On April 28, the Georgian wine tasting was held in London with the support of the National Wine Agency. The event was led by Sarah Abbott, Master of Wine, head of the British company Swirl Wine Group, a contractor for the National Wine Agency. The event was attended by more than 70 guests - sommeliers, wine trade, and media representatives. Georgian wine importers presented about 150 Georgian wines at a tasting in London, including wines that are not yet sold on the British wine market. The UK is one of the largest importers and consumers of wine in the world, which since 2014 has emerged as one of the potentially growing strategic markets for Georgian wine exports. In 2021, 736391 bottles of wine were exported to the UK, an increase of 71% compared to 2020.

- On May 6, the exhibition "Georgia - 8000 years of winemaking" was opened in Zurich, Switzerland. At the Wine Museum Ortsmuseum Hongg Ethno in Zurich, Switzerland, visitors will have the opportunity to see exhibits, artifacts, and other informative material related to Georgian wine culture and history for six months. The exhibition is organized by the LEPL National Wine Agency of the Ministry of Environmental Protection and Agriculture of Georgia and the Georgian Wine Gallery (GeoHaus GmbH) in Zurich, with the support of the Embassy of Georgia in the Swiss Confederation. The exhibition was officially opened with a vine planting ceremony, within the framework of the exhibition, regular presentation-tastings and thematic meetings with wine professionals will be held.

- On May 11, The Georgian wine tasting was held in the UK with the support of the National Wine Agency. The event, which took place in Manchester, was led by Sarah Abbott, Master of wine, head of the British company Swirl Wine Group, a contractor for the National Wine Agency. The event was attended by about 40 guests -

sommeliers, wine trade, and media representatives. Georgian wine importers presented about 60 Georgian wines at the tasting in London, including wines that are not yet sold on the British wine market.

- On May 13, The natural wine festival "ZERO COMPROMISE" was held in Tbilisi. The third festival "ZERO COMPROMISE", organized by the Natural Wine Association and supported by the National Wine Agency, was held in the capital, in a former silk factory. 90 producers from different regions of Georgia and members of the Natural Wine Association were represented at the festival. The event is visited annually by wine importers, journalists, writers, and other industry professionals from different countries, allowing local cellars to introduce their wines to potential buyers on the spot.
- On May 14, the 13th "New Wine Festival" organized by the Georgian Wine Club was held in Mtatsminda Park. The aim of the festival is to popularize traditional Georgian Qvevri wine, introduce new varieties, spread information about the wine produced in Georgia and develop the wine consumer culture. This year, 61 wine companies, 89 family cellars, and 10 companies producing wine packaging/consumption accessories participated in the festival.
- On May 14-15, the International exhibition The Artisan Wine Fair "RAW" was held in London, UK, with the participation of 9 Qvevri wine companies from Georgia, with the support of the National Wine Agency. The organizer of the exhibition is the famous wine expert Isabelle Legeron (France). Georgia has been participating in RAW WINE (The Artisan Wine Fair) since 2012. Presentation of Georgian wine at the exhibition gives wine producers the opportunity to introduce their products to a wide audience of wine professionals and potential importers.

- On May 15-17, The International Wine and Spirits Exhibition "ProWein-2022" was held in Dusseldorf, Germany. With the support of the National Wine Agency and the Georgian Wine Association, 24 Georgian wine companies participated in the exhibition. "ProWein" has been held since 1994 and is one of the most important wine and spirits exhibitions globally and the main event of the year for wine producers. Initially, only 5 companies from Georgia participated in the exhibition. Due to the scale and importance of the exhibition, the interest of Georgian companies is increasing, therefore, the number of participating companies is growing.
- On May 16, a master class and presentation of Georgian wine was held at the sommelier wine club The Wine Hub in Stockholm, Sweden, led by Goga Tevzadze, Advisor to the Head of the National Wine Agency in order to promote Georgian wine in the Scandinavian countries. The event held for the local sommelier, representatives of food, and spirits was organized with the support of the National Wine Agency and the Embassy of Georgia in the Kingdom of Sweden.
- On May 20, With the support of the National Wine Agency and the agency's contractor marketing company, Meiburg Wine Media, a Georgian wine tasting was held for local media representatives in Shenzhen, China. The event was led by the Head of Meiburg Wine Media, Master of Wine - Debra Meiburg, who introduced the participants to the history of Georgian wine and the modern industry. The special presentation included information on Georgian vine varieties and wine regions in Georgia. The participants of the event were given the opportunity to taste 12 different types of wine.
- On May 19, A tasting seminar on Georgian wine was held in Warsaw, Poland, with the support of the National Wine Agency and the agency's contractor marketing company "Peope PR". The wines of 12 Georgian wine companies were presented at the event. The tasting, led by famous wine expert, sommelier, and wine school founder Szymon

Milonas, was attended by Polish sommeliers, wine distributors, and representatives of famous restaurants. During the event, guests had the opportunity to get acquainted with the culture, history, and modern industry of Georgian wine.

- On May 25, in order to popularize Georgian wine and diversify export markets, the Georgian wine tasting seminar was held in Warsaw, Poland, with the support of the National Wine Agency and the agency's contractor marketing company Peope PR. The tasting seminar, led by famous wine expert, sommelier, and founder of the Wine School -Szymon Milonas, was attended by representatives of the local media, the commercial sector, and the Embassy of Georgia in the Republic of Poland. Within the framework of the event, the guests had the opportunity to get acquainted with the culture and traditions of the Georgian "Supra". Wines from 6 Georgian wine companies and Georgian cuisine were presented at the event.
- On May 20-23, the wine exhibition "ROME WINE EXPO" was held in Rome, Italy, where 8 Georgian wine companies were presented with the support of the National Wine Agency. Georgian wine seminar-tasting was held within the framework of the exhibition.
- With the support of the National Wine Agency, the 14th international exhibition of wine and spirits WinExpo Georgia 2022 was held on June 10-12. About 200 companies (family cellars, medium, and large enterprises, producers of organic wine and Qvevri wine, suppliers of wine technologies, packaging materials, accessories and services) participated in the exhibition. The exhibition hosted international participants from Italy, Turkey, and Germany. Within the framework of the exhibition, a wine export forum - WinExport FORUM was held, which was aimed at meetings of entrepreneurs and wine importers, discussion of various export markets, and advice for entrepreneurs.

- On June 7-9, The International Wine and Spirits Exhibition "London Wine Fair 2022" was held at the Olympia London Exhibition Center, with the support of the National Wine Agency and the participation of 17 Georgian wine companies. Within the framework of the exhibition, the head of the National Wine Agency contractor marketing company, Swirl Wine Group, British Master of Wine - Sarah Abbott, held a presentation-tasting on Georgian wine for wine professionals. At the exhibition, which has been held since 1981 and is considered one of the major events in the wine sector, this year, about 400 participants from around the world presented more than 3,000 alcoholic beverages of various types. Ambassador Extraordinary and Plenipotentiary of Georgia to the United Kingdom of Great Britain and Northern Ireland Sophio Katsarava and envoy Giorgi Saganelidze attended the exhibition.

- On June 19, wine fare MERANO was held in Georgia, which has been held in Italy since 1992 and is one of the most unique in the world not only in the field of wine but also in the gastronomic products industry. The organizers and supporters of the festival were: the Georgian Wine Association, National Wine Agency, Merano Wine Festival and the online platform Merano Wine Hunter; The partner of the event was "Chateau Mukhrani". Iuri Nozadze, Deputy Minister of Environmental Protection and Agriculture of Georgia and Levan Mekhuzla, Chairman of the National Wine Agency attended the festival held at Chateau Mukhrani. Guests had the opportunity to taste wines and gastronomic products from different companies. About 100 companies were represented at the festival. Culinary master classes, seminars, and tasting of Italian and Georgian wines were held within the framework of the event.

- On June 13-17, With the support of the National Wine Agency, a 10-member group of British wine professionals visited Georgia, including sommeliers, wine importers, and media representatives. The visit was organized by the contractor of the National Wine Agency "Swirl Wine Group". During the tour, the guests visited Georgian wine

companies, tasted different styles of Georgian wines and got acquainted with the diversity of Georgian vine varieties at the Jigaura research, experimental and laboratory base of the Scientific Research Center of Agriculture of the Ministry of Environmental Protection and Agriculture.

- On June 21, The presentation of Georgian wine was held in Gdansk, Poland, organized by the National Wine Agency's contractor marketing company "People PR" and the Polish Sommelier Association. The event, led by a famous wine expert, sommelier, and founder of the Wine School Szymon Milonas, featured a presentation on Georgia, the history and traditions of Georgian winemaking. Within the framework of the event, a tasting of wines of different Georgian companies was held. The event was attended by a famous Polish sommelier and commercial sector representatives.
- On June 24-26, The first Racha-Lechkhumi Wine Festival was held with the support of the National Wine Agency and organized by GS Service Group Ltd. 65 large, medium and small wineries of Racha-Lechkhumi region were presented at the festival, which had the opportunity to present their products to the representatives of trade networks, European importers invited to the festival and Georgian exporters. The festival was attended by the Deputy Minister of Environmental Protection and Agriculture of Georgia Yuri Nozadze and the Chairman of the National Wine Agency Levan Mekhuzla.
- Georgian wine tasting for importers and distributors was held in Shenzhen, China, with the support of the National Wine Agency and the agency's contractor marketing company Meiburg Wine Media. The presentation of Georgian wine was led by Raintree Jun Wei, the founder of the wine and spirits consulting company Tasting Annex. It was selected last year as part of the "Georgian Wine Education Program" implemented by

Meiburg Wine Media, along with four wine professionals who hold seminars and educational events to promote Georgian wine in China.

- On June 20-23, representatives of the National Wine Agency in the Kingdom of Denmark visited the Kingdom of Denmark as part of ongoing measures to diversify its markets. During the visit, Davit Tkemaladze, Deputy Chairman of the Agency, met with Thomas Ilkaer, Manager of the Danish Branch of the Scandinavian Wine Academy. During the visit, Georgian wine tasting was organized in Copenhagen, by the Embassy of Georgia in the Kingdom of Denmark, supported by the National Wine Agency and the company "Georgisk vin", attended by wine professionals, including sommelier school manager, sommelier, wine tour organizers, online wine magazine and wine writers. David Tkemaladze, the deputy chairman of the National Wine Agency, discussed the issue of the sale of Georgian wine in Denmark's market chains at a meeting with Thomas Trust, the wine and spirits manager of the largest Danish retail outlets association "Salling Group". With the support of the National Wine Agency and the initiative of the "Georgisk vin" company, a screening of the scientific-documentary film "Georgia, the Homeland of Wine" was held in the Danish city of Aarhus. After the movie, a tasting of Georgian wine was organized, which was led by Giorgi Tevzadze, the advisor to the chairman of the National Wine Agency. Organized by Sofo Sagaradze, the founder of "Georgisk Vin" company, a presentation about Georgia, Georgian cuisine, history of wine and modern winemaking industry was held in Aarhus, in wine club "Capo Aarhus", which was also led by Giorgi Tevzadze.

Quality of Georgian wine

Inspection control

To control the quality of wine and spirits, in the 6 months of 2022, inspections were carried out at 40 wine companies, 107 samples were taken, and 11 companies were refused certification.

State control was carried out in 21 companies, the number of samples taken was 422, violations were found in 16 samples, and laboratory research is underway on part of the company's samples.

In the Customs Clearance Zone, international auditing companies Bureau Veritas and SGS inspected 66 companies, 183 samples were taken, 7 companies were refused to export.

Tastings

For organoleptic testing of alcoholic beverages, 123 tastings were conducted. A total of 5373 samples were received. 4073 samples were evaluated positively and 264 samples were evaluated negatively.

Certification

A total of 4976 applications were submitted for certification to obtain export documentation. Based on the submitted applications, various documents were issued:

Form VI-1 certificate / for EU countries / - 4268 pieces; Certificate of Conformity - 4064 pieces;

A total of 7332 certificates have been issued to various alcohol companies by the Certification Division of the National Wine Agency.

Vineyard Cadaster Program

In 2022, the vineyard cadaster program will be implemented in Kvemo Kartli, Shida Kartli, and Samtskhe-Javakheti regions and shortly will cover all viticulture regions of Georgia. During the reporting period, cadastral works were planned for the current year, and the chronology and scope of works were determined. Meetings were held for planning, chronology and execution of cadastral works in the regions in Kvemo Kartli, Mtskheta-Mtianeti, Shida Kartli and Samtskhe-Javakheti administrative units. In addition, information is being updated continuously in Kakheti and Racha-Lechkhumi viticulture zones. The database used for the cadaster has been updated and perfected in the format of discussions with Abaco experts. Tender determined the winning company, which started taking ortho-photos for cadastral maps in Kvemo Kartli, training operators for the same region has also started.

Research and popularization of the vine and wine culture

In 2014, the Agency launched the project "Research and Promotion of Georgian Vine and Wine Culture", which aims to collect new data to confirm the ancient center of Georgian wine culture, reconstruct the continuous history of viticulture, and winemaking and popularize Georgian wine. A tender was announced in the first quarter of this year and the book "Climate Analysis for Modern Georgian Viticulture" is being published (authors: Gabriele Cola, Luigi Mariani, Osvaldo Failla, Lucho Brancadoro, Davit Magradze).

Legislative activity

- The Government of Georgia has adopted a resolution "On the General Procedure for the Production of Grape Alcoholic Beverages and spirits and the List of Permitted Processes, Materials and Substances". The purpose of this technical regulation is to define the uniform principles of regulation at the stages of production and sale of alcoholic beverages and spirits of grape origin. The regulation lays down general rules

and requirements for the labeling, submission, placing on the market, and use of official names of alcoholic beverages and spirits of grape origin, as well as special requirements for wine companies, a list of persons controlling compliance with technical regulations. Materials and substances of permitted processes of alcoholic beverages and production of alcohol of grape origin were also identified. According to the new regulation, it is not allowed to place alcohol of grape origin on the consumer market without packaging, therefore, the actual volume of alcohol packaged in consumer containers and the alcohol content on the label should not exceed 0.3%. The technical regulations also define the categories of the brand according to age or aging. The technical regulation has been developed under the Law of Georgia on Vine and Wine, and compliance with its requirements is mandatory for all wine companies whose entrepreneurial activities include the production of alcoholic beverages and spirits of grape origin.

- The Government of Georgia adopted a resolution "On the approval of the certification rules for alcoholic beverages, ethyl alcohol of agricultural origin and distillate of agricultural origin". The purpose of the resolution is to regulate issues related to the certification of alcoholic beverages, ethyl alcohol of agricultural origin and distillate of agricultural origin, which ensures the high quality of these products. The decree describes in detail the stages of certification, the obligations of the business operator, the procedures for the laboratory examination of the sample, the conditions for conducting the inspection and issuing the certificate. The certification is carried out by the legal entity of public law under the governance of the Ministry of Environmental Protection and Agriculture of Georgia - the National Wine Agency.