



LEPL National Wine Agency

Report

2022

9 months report

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 9 months of 2022 should be noted:

## **Vintage 2022**

As of September 30, the main part of the harvest forecast, up to 200 thousand tons of grapes, had already been processed. In the reporting period, in the Kakheti region, up to 18,000 winegrowers handed over grapes to wine enterprises, and their income reaches 200 million GEL. The processed grapes include up to 102.7 thousand tons of Rkatsiteli, 75.5 thousand tons of Saperavi, 4.5 thousand tons of Kakhuri Mtsvane, and the rest of the grapes of different varieties. The largest amount of grapes were processed in Kvareli municipality - 47.7 thousand tons, followed by: Gurjaani - 45 thousand tons, Telavi - 34 thousand tons, Signaghi - 20.3 thousand tons, Lagodekhi - 11.1 thousand tons, Dedoplistskaro - 6.5 thousand tons, Akhmeta - 6.8 thousand tons and Sagarejo - 3.7 thousand tons.

As of today, about 250 enterprises were involved in the process of receiving and processing grapes.

Similarly to the previous years, the vintage coordination HQ ensures the organization of the harvest, the accounting, and the traceability of the grapes to be handed over.

According to the decision of the Government of Georgia, a subsidy program is being implemented to support the vintage 2022, the purpose of which is to fully accommodate the grape harvest. All companies that will purchase and process at least 100 tons of Rkatsiteli or Kakhuri Mtsvane grapes grown in the Kakheti region during the vintage and pay the grower at least 90 TL for 1 kilogram of grapes, will receive the subsidy. Wine companies will receive a subsidy for 1 kg of Rkatsiteli and Kakhuri green grapes - 0.35 GEL.

On September 20, the Minister of Environmental Protection and Agriculture Otar Shamugia got acquainted with the issues of the vintage 2022 at the vintage coordination HQ in Telavi.

"The vintage process is carried out in an organized way without interruptions. The coordination HQ operates 24/7, with the support of the local municipality and other relevant services, and handles the process greatly. The winegrowers deliver the grapes smoothly. We think that the process will continue like this and this year we will have a very successful vintage", said Otar Shamugia.

According to the minister, improving the quality of Georgian grapes is important, which determines the international reputation and price of the wine.

"For years, we have been implementing several projects to improve the quality of the wine. We also work in marketing. In recent years, we have had a significant increase in wine exports, including this year, despite the current situation in the region, compared to the previous year, exports have increased. I would especially like to mention Poland, where we have 40-45% growth; Poland ranks second in exports. As you know, we have several programs that serve to promote wine in different markets of the world; We also have a new project in which about 40 companies are registered, where we directly help companies to finance marketing expenses. As a result of these measures, last year, because of the export of wine and other alcoholic beverages, as well as alcohol, the country received approximately 400 million dollars in income. We think that these scales will increase even more in the coming years", said Otar Shamugia.

The minister visited the villages of Busheti and Ozhio, where he visited the vineyards of local farmers and participated in the vintage.

In the village of Bushet, Telavi municipality, the vine grower Temur Qaliashvili has cultivated grapes of Rkatsiteli and Kakhuri Mtsvane varieties in his home plot. Part of the harvest is pressed for personal consumption, and part is delivered to the wine industry. As Temur Qaliashvili mentioned, he has already delivered part of the harvest without any delay.

In the village of Ozhio, farmer Beka Nakhutsrishvili owns 26 ha of vineyard and produces wine of different varieties. As Beka Nakhutsrishvili mentioned, at this stage he sells wine in the local market, however, he plans to export it to international markets in the future.

Otar Shamugia, together with Giorgi Aladashvili, the state representative of the Kakheti region, was also in the village of Ozhio, Akhmeta municipality, where he visited the wine cellar created with the financial support of the state.

Beka Nakhutsrishvili took advantage of the programs of the Rural Development Agency and received more than 52,000 GEL grant funding and 230,000 GEL preferential agro-credit for setting up a wine cellar. The farmer, within the framework of the mechanization co-financing program, with 35% co-financing, purchased agricultural equipment worth 25,000 GEL.

Beka Nakhutsrishvili winery produces 10,000 bottles of wine annually, which is sold on the local market.

### **Promotion of Georgian wine**

#### **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.

- From June 30 to July 2, 14 Georgian wine-producing companies were represented at the international wine and spirits exhibition "Seoul International Wine & Spirits Expo 2022" in Seoul, the capital of the Republic of Korea. Georgia participated in the exhibition "Seoul International Wine & Spirits Expo" for the third time. It should be noted that the interest in Georgian wine increased significantly this year, which was proved by the number of wine professionals and visitors at the Georgian wine stand. The Seoul International Wine & Spirits Expo is one of the largest annual wine and spirits events in the Asian region. The exhibition was attended by the Ambassador Extraordinary and Plenipotentiary of Georgia to the Republic of Korea Otar Berdzenishvili, who shared information about the trends of the local wine market with representatives of Georgian wine companies. Within the framework of the exhibition, the interviews of the deputy chairman of the National Wine Agency, Davit Tkemaladze, and the ambassador, Otar Berdzenishvili, were held with various media, including "Wine Review",

"Korea Herald", and "Korea Times", which is very important for increasing the awareness of Georgian wine in Korea.

- From June 30 to July 2, a group of German wine professionals visited Georgia with the support of the National Wine Agency and the organization of the agency's contractor German marketing company "ff.k Public Relations" to increase the export potential of Georgian wine on the German market. The group included sommeliers, including 3 masters of wine, as well as wine journalists who visited Georgian wine-producing companies in Kartli and Kakheti and tasted different styles of Georgian wine. In addition, within the framework of the tour, a special tasting (Speed Tasting) was organized in Tbilisi, where 20 Georgian wine-producing companies presented their products to wine professionals for evaluation and recommendations. In order to promote Georgian wine and increase its export potential, the cooperation of the National Wine Agency with the German company "ff.k Public Relations" began in 2021 and continues actively this year.
- On July 8, with the support of the National Wine Agency and the Georgian Business Development Center (GBDC) organization, 36 Georgian wine-producing companies presented more than 100 different wines at the tasting held in Leipzig. Among the guests of the Georgian wine-tasting event were representatives of the Leipzig Chamber of Commerce and Industry, the Georgian diaspora of Leipzig, wine shops, restaurants, and the private sector, wine traders, and marketers from various German cities. Georgian wines from both small wineries and large and medium-sized companies were presented at the tasting.
- On August 13-20, with the support of the National Wine Agency, American wine professionals visited Georgia. The visit was organized by the American marketing company Colangelo&Partners, a contractor of the National Wine Agency. The group included wine trade representatives and marketers. The guests tasted the wines of about 40 Georgian wine-producing companies in Kartli and Kakheti. In the United States in 2021, the historical maximum of Georgian wine export was recorded - more than a million bottles of wine. In addition, the US market is one of the most expensive segments for Georgian wine, where the price of a liter of Georgian wine exceeds 6 USD. The growth trend of Georgian wine exports has been maintained this year as well.

- On August 26-28, the 14th conference of the American Association of Wine Economists was hosted by Ivane Javakhishvili Tbilisi State University for two days. After the end of the conference, about 100 participants visited Kartli and Kakheti, where they got acquainted with Georgian wine-producing companies, Georgian grape varieties, wine-production technologies, Georgian wine culture, and history, and tasted Georgian wines of different varieties. The delegation included guests from the USA, Germany, the United Kingdom, Japan, Hungary, France, Canada, Australia, South Africa, the Netherlands, Italy, and other countries. The 14th conference of the American Association of Wine Economists was held with the support of Ivane Javakhishvili Tbilisi State University, the Ministry of Environmental Protection and Agriculture of Georgia, the National Wine Agency, and the America-Georgia Business Council. AAWE's 13th annual conference was held in Vienna in 2019 before the pandemic.
- On September 3, about 300 guests attended the event "Discover Georgian Wine" held with the support of the National Wine Agency. Among them were local importers, wine professionals, restaurant and hotel chains, and media representatives. Teimuraz Lezhava, Ambassador Extraordinary and Plenipotentiary of Georgia to Japan, attended the presentation of Georgian wine. The wine tasting was held as part of the event, where about 200 Georgian wines were presented by importers. Kenichi Ohashi, the director of the National Wine Agency contractor marketing company "Red Bridge" and the famous Japanese sommelier, Motohiro Okoshi, spoke about the history and modernity of Georgian winemaking.
- On September 5-9, wine professionals from Asia (China, Hong Kong, Singapore) visited Georgia under the leadership of Debra Meiburg, Master of Wine, director of the marketing company "Meiburg Wine Media", the contractor of the National Wine Agency. Within the framework of the tour, representatives of the 10-member group, which included masters of wine, sommeliers, and importers, visited wine factories in Kartli and Kakheti, and in Kakheti, they also got acquainted with the technology of Qvevri production. According to the Master of Wine, Debra Meiburg, the awareness, and export of Georgian wine to Asian markets have increased significantly. As part of the wine tour, a wine tasting of various companies was also held in Tbilisi, where the producers had the opportunity to familiarize the guests with wines from different regions of Georgia, interview wine professionals, and receive from them advice related to the specifics of the Asian market.

- On September 12-15, A group of British wine professionals visited Georgia to increase awareness of Georgian wine and the export potential in the UK wine market. The group included sommeliers, wine importers, and media representatives. The visit of wine professionals to Georgia was organized by the contractor company of the National Wine Agency "Swirl Wine Group". As part of the tour, the guests visited Georgian wine-producing companies in Kartli and Kakheti, and got acquainted with the Georgian grape varieties at the Jighaura Perennial Crops Research and Demonstration Base of the Agricultural Scientific Research Center of the Ministry of Environmental Protection and Agriculture. Within the wine tour, a tasting of wines from various companies was held in Tbilisi for British guests, where the producers had the opportunity to interview wine professionals and receive advice related to the specifics of the UK market.
- On September 22, with the support of the National Wine Agency, a large-scale event dedicated to Georgian wine was held in Seoul, the capital of the Republic of Korea. The event was attended by 140 guests, including local experts in the field of winemaking, media representatives, importers, and influencers. Tamar Metreveli, the head of the marketing and PR department of the National Wine Agency, presented the history and culture of Georgian wine to the participants of the event and talked about the marketing activities already implemented and planned by the National Wine Agency in the Korean market, which will further deepen the economic union between the two countries and significantly promote Georgian wine market diversification. It was noted that according to the data of 2021, 84,470 bottles of wine were exported to the Republic of Korea from Georgia, and according to the data of 8 months of 2022, - 43,900 bottles of wine. Within the framework of the event, a professional master class and presentation of Georgian wine were held. An event of a similar scale, aimed at raising awareness of the unique history and culture of Georgian wine and winemaking, has not yet been held in the Korean market, which is a step forward in the direction of promoting Georgian wine. During the event, wines of 21 Georgian wine-producing companies were presented. The National Wine Agency and the Agency's contractor company "Wine 21" jointly organized a large-scale event dedicated to Georgian wine in Seoul.

## ➤ Exports

In January-September of this year, as a result of the export of Georgian wine, brandy, Chacha, brandy spirit and brandy on tap, an income of up to 269 million USD was received, which is almost equal to the figure of the same period of 2021.

During the period, 83.4 million bottles (0.75 l) of Georgian wine were exported from Georgia to 65 countries worldwide, which is 15% more than the same indicator last year; 180 million US dollars were earned by exports, the growth reached 7%.

The dynamic of export growth is maintained in strategic markets, where the National Wine Agency implements marketing measures to promote and increase awareness of Georgian wine: Poland 43% (5934628 bottles), China 2% (4060306), Latvia 18% (1436563), USA 6% (857146), Lithuania 10% (819936), Germany 23% (742138), Estonia 42% (648774), South Korea 38% (49204) and Japan 57% (204760).

The export data from the top ten exporting countries is noteworthy for the following countries: Ukraine -61% (3381464), Kazakhstan 7% (3015580), Russia 32% (57064715) and Belarus -31% (1824270).

409 companies exported different volumes of wine from Georgia.

During the reporting period, up to 27.8 million bottles (9% growth) of brandy worth 51.6 million USD (9% growth) and 703 thousand bottles (7% growth) of Chacha worth 1.7 million USD (4% growth) were exported.

In addition, 755 thousand liters (increase of 51%) of brandy on tap worth 2.7 million USD (increase of 52%) and 12.9 million liters of brandy spirit worth of 33 million USD (decrease of 36%) (decrease of 30%) was exported from Georgia.

## Quality of Georgian wine

## Inspection control



To control the quality of wine and spirits, in the 9 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 31 companies, the number of samples taken was 518, 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 128 companies, 339 samples were taken, 13 companies were refused to export.

### **Tastings**

For organoleptic testing of alcoholic beverages, 197 tastings were conducted. A total of 8849 samples were received. 8425 samples were evaluated positively and 424 samples were evaluated negatively.

### **Certification**

Within 9 months, a total of 8857 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 / - 6,329 pieces; Certificate of Conformity – 7,490 pieces; A total of 12,819 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.

In Kakheti viticulture-winemaking zone, grapes were delivered to the wineries based on the extracts issued from the cadastral database (ABACO).

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 orthophotos for cadastral maps in Kvemo Kartli, training operators for the same region has also started.

The company "Alligator" identified by the tender competition, which operates vineyards in Marneuli, Gardabani, Tetrtskaro and Bolnisi municipalities of Kvemo Kartli region, vineyards in Mtskheta and Dusheti municipalities of Mtskheta-Mtianeti region, vineyards in Kaspi, Kareli, Khashuri and Gori municipalities of Shida Kartli region and Aerial photography of vineyards in Akhaltsikhe, Borjomi, Aspindza and Adigeni municipalities of Samtskhe-Javakheti region presented orthophotos, currently, the presented material is being checked.

In Kvemo Kartli, Shida Kartli and Mtskheta-Mtianeti regions, vineyards cadaster operators are identifying vineyards and also gathering data about winegrowers and their vineyards.

**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.

### **Program for promoting the development of the Georgian wine designation system and the protection of Georgian wine designations**

The number of PDO wines has increased to 27, which indicates the diversity of Georgian wine and is especially important for its promotion and growth of export potential.

NCLE "Zegaan" and "Usakhelouri Vine and Wine Protection Association" applied to the National Intellectual Property Center "Sakpatenti" with a request for registration of a geographical indication. The National Wine Agency participated in other technical issues related to the preparation and registration of the wine production specification within the

framework of the "Development of the System of PDO of Georgian Wine and the Promotion Program for the Protection of Georgian Wine Designations".

"Zegaani" is a red dry Qvevri organic wine. The microzone in the Gurjaani municipality covers the village of Zegaani and its suburbs. Zegaan can only be made from Saperavi grapes grown in the Zegaan microzone.

"Okureshis Usakhelouri" is a red wine, which, depending on the sugar content, can be of three different categories: dry, naturally semi-dry or naturally semi-sweet. The microzone of "Okureshis Ushakhalouri" is located in the Racha-Lechkhumi region, in the administrative municipality of Tsageri. Okureshis Usakhelouri wine can be made only from the grapes of the Usakhelauri grape variety grown in the microzone.

At this stage, the following PDOs are registered in Georgia: Kindzmarauli, Manavi, Kakheti, Napareuli, Teliani, Mukuzani, Tsinandali, Akhasheni, Gurjaani, Khvanchkara, Ateni, Svir, Vazisubani, Kardenakhi, Tibaani, Tvishi, Kvareli, Kotekhi, Khashmi Saperavi, Bolnisi, Salkhinos Ojaleshi, Akhmeta, Tsarapi, Akhoebi, Maghraani Kisi, Okureshi Usakhelouri and Zegaani.



