

## **Current Trends and Future Prospects of Organic Certification in Georgia**

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### Legal framework for organic certification

The Legal framework for local organic certification in Georgia was established by Law on Biological Agro-production, which was adopted in October 1, 2007. In Article 5, Clause 13 emphasizes that organic certificates could be awarded by certification bodies that are accredited by National Accreditation Center. The law recognizes also organic certificates, which are issued by internationally accredited certification bodies.

The same law includes provisions about labeling of organic products. In Article VII, Clause 15-4 protects consumers from misleading use of bio, eco, organic and other similar terms on the labels of un-certified products. However, Clause 15-4 has been suspended for those producers who had been using organic logos before the law was activated. This important provision will become functional after December 31 of 2012. Actually, this provision has never been enforced even in the sense of restricting access to the organic market to those producers that started using organic labels without certification after October 1, 2007. The reason for that is suspension of the overall government control on the food safety system before Jan 1 of 2010, as it was stipulated in Law on Food Safety and Quality.

Law on Food Safety and Quality was approved in 2006. Its major requirements are traceability and Hazard Analysis and Critical Control Points (HACCP). Traceability and HACCP becomes obligatory starting from January 1, 2010 for high-risk production units but excluding primary agricultural production and small-scale farms. Traceability and HACCP will become mandatory for other food processing enterprises after January 1 of 2011 and for feed processing units after January 1 of 2012. The law provides basis for the state control of food safety. However, the state control of the food safety will be activated only in January 1, 2010 and this is the time, when the government will start enforcing the provisions of the Law on Biological Agro-production as well.

### Accreditation of organic certifiers

In 2006, the National Agency for Standards, technical Regulations and Metrology of Georgia registered standard for certification bodies SST EN 45011:2006, which is analogous of ISO-65. The same agency registered SST 68:2007 "Basic requirements and conditions of production of organic products", which was prepared by Georgian Ministry of Agriculture and is analogous of the European organic standard Regulation (EEC) No 2092/91.

Accreditation Center of Georgia is committed to become internationally recognized. For that, it plans to strengthen its capacity through technical assistance from EU and become a member of international multilateral recognition arrangements such as European Co-operation for Accreditation and International Laboratory Accreditation Cooperation. This will establish system for international recognition of the locally accredited organic certifiers.

## Agricultural policy

Although the business environment in Georgia has dramatically improved for all economy sectors, including the agricultural sector, direct application of macroeconomic concepts from the industry sector to the agricultural sector put Georgian farmers on the competitive edge. There are no government subsidies in the agricultural sector, while the agricultural commodity import procedures are simplified very much. Taken into consideration that Georgia is surrounded by the countries where agriculture is highly subsidized, it is no wonder that export potential of the Georgian farmers is low, while the local markets are full of exported food including fresh vegetables and fruits. The embryonic stage of veterinary and food hygiene control in the country excluded exportation of livestock and dairy products to international markets.

Many important public services, such as seed and planting material quality control, variety release system etc, have been curtailed and are not functioning anymore. Seed markets lost transparency and quality of planting material declined. There are no incentives for investments in production of quality seed and planting material. Availability of disease and pest resistant varieties expand the range of crops, which can be produced without chemical pesticides. Farmers' access to traditional old varieties must be improved as they can be very well used for organic products.

The Georgian government supports development of agro-business through the "100 farm" and "cheap credit" programs. Some direct foreign investments in agriculture, facilitated by the Georgian government promised to target the organic sector as well.

## Agricultural Development

Many agricultural strategies have been developed in Georgia by different teams and agencies. None of the strategies has been accepted officially though. Most of the strategies have emphasized that commodity markets with their fierce competition for price are not favorable for Georgia. Most of the suppliers of the international commodity markets have the advantage of economies of scale which the Georgian producers still need to develop. Land fragmentation due to the land ownership system and prevailing mountainous and hilly terrains in the country can be considered as impediments at least for the present stage of agricultural development.

The best opportunities for exporters from Georgia lie in creating or adapting products that serve market segments. Successful products need to be of high quality, and comply with demands for certification and food safety. However, the demand for supplying large volumes due to consolidation in buyers markets remains important even for the organic sector.

## Primary agricultural production and input supplies

Cereal monoculture is very characteristic of field crop production systems in both rainfed humid West and dryland (partly irrigated) East of Georgia. The total area of arable land is about 650 thousand ha. Rotating of cereal crops with legume is very rare, especially in rainfed areas. The most widespread is rotation with common beans, which is grown under irrigation in East and without irrigation in West. Its area varied between 7 and 17 thousand ha during the last decade. Between 5 and 10 thousand ha is indicated as area for perennial grasses, among which alfalfa is dominating. The areas of chickpea and lentils are negligent. Sometimes legume crops are interplanted in permanent crop plantations. Using manure has increased in the recent years.

However, the knowledge of composting and safe use of manure is not widespread among the local farmers. In general, the soil fertility management heavily relies on synthetic fertilizers in the country.

Other organic inputs, such as plant protection and veterinary means, feeds and feed additives are extremely rare and are not supplied on a regular basis.

#### Organic certification by Caucasert

Organic certification is the most demanded by wine-makers. Respectively the biggest fraction of the Caucasert's clients consists of vineyards and wineries. Interest of big wineries to organic certification should be emphasized. However, the most successful in terms of organic exports among the Caucasert's clients are those producers that target less competitive and more specific niches such as essential oils of aromatic plants. The successful Georgian organic exporters will be joined soon by processors of wild plants. This is the most rapidly growing organically oriented production in the country. Among our other clients, targeting specific niches are an ecological village and a vermi-compost farm.

Dr. David Bedoshvili is the director Caucasert, Ltd, the first organic certification body in Georgia, which has been recognized in European Union. Dr. Bedoshvili is Oregon State University alumni and has over 15 years of experience in agricultural research and development and 5 years in organic certification. Dr. Bedoshvili has published several papers on his research in the fields of vegetation science and plant breeding and a review on organic certification.