



Lola Mukhtorova

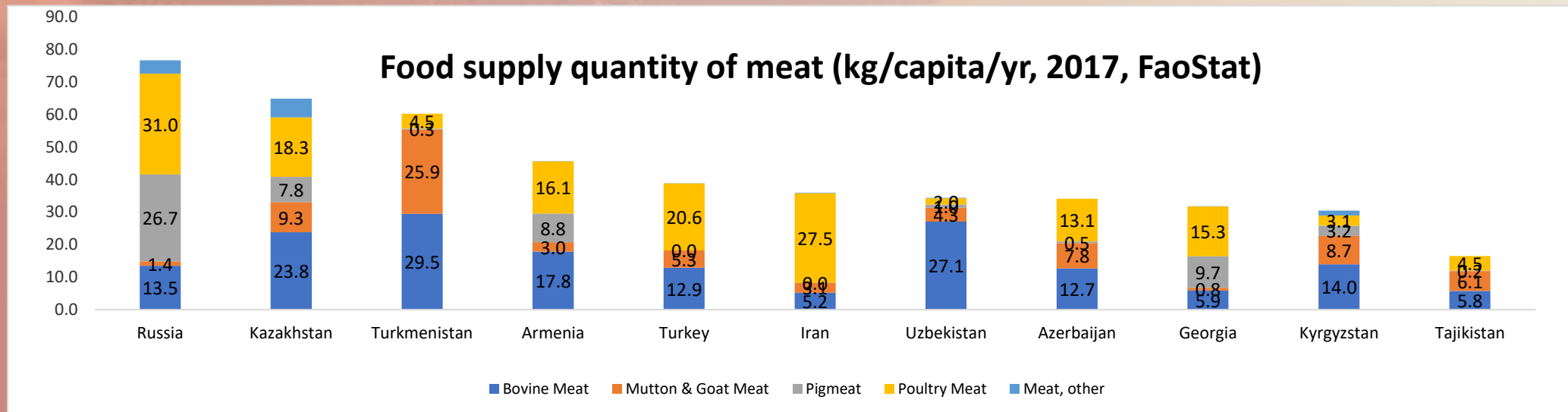
FinExCoop

International Marketing Consultant

“Assessing the marketing potential for exports of sheep products from Georgia” (10 mn)

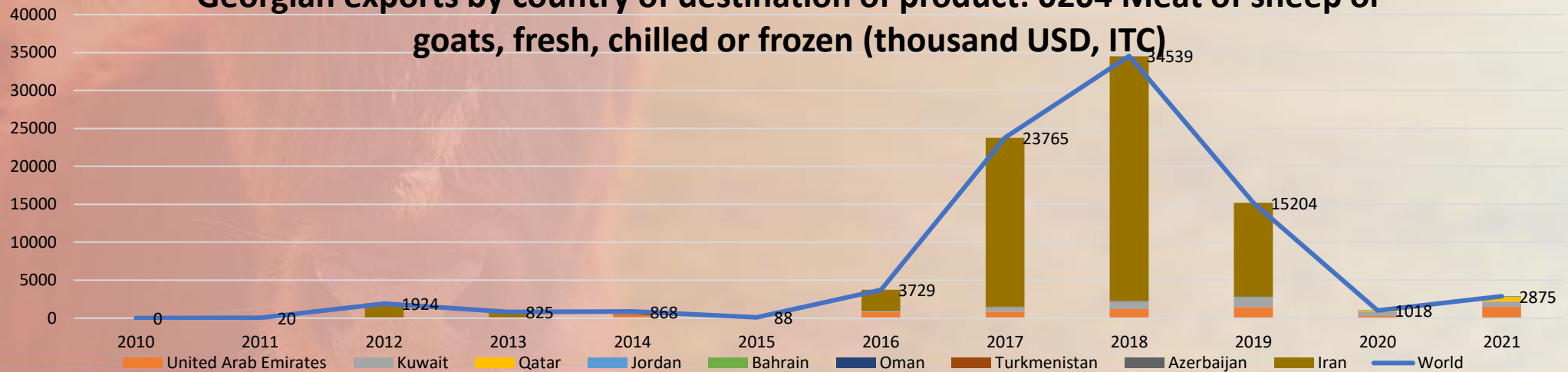
SITUATION AND PROSPECTS OF THE
LIVESTOCK VALUE-CHAIN IN GEORGIA
LIVESTOCK WEEK
“BIG & SMALL RUMINANTS”

Sheep and goats are mainly raised for the production of meat, of milk and dairy products and of wool and other by-products like skins. With regards to meat, Georgia has still modest consumption in general. For meat of sheep or goats, its consumption per capita is a very low 0.8 kg per year, against 7.8 kg in neighbour Azerbaijan. Goat meat is mainly consumed in Western Georgia (Samegrelo) and it is difficult to find in the country butcheries selling mutton except during Eastern. Local consumption tends to focus on small-size Imeruli lamb and not on larger-size fat-tailed Tusheri sheep which makes the bulk of Georgian herds. For that reason, most Georgian sheep producers are focused on exports

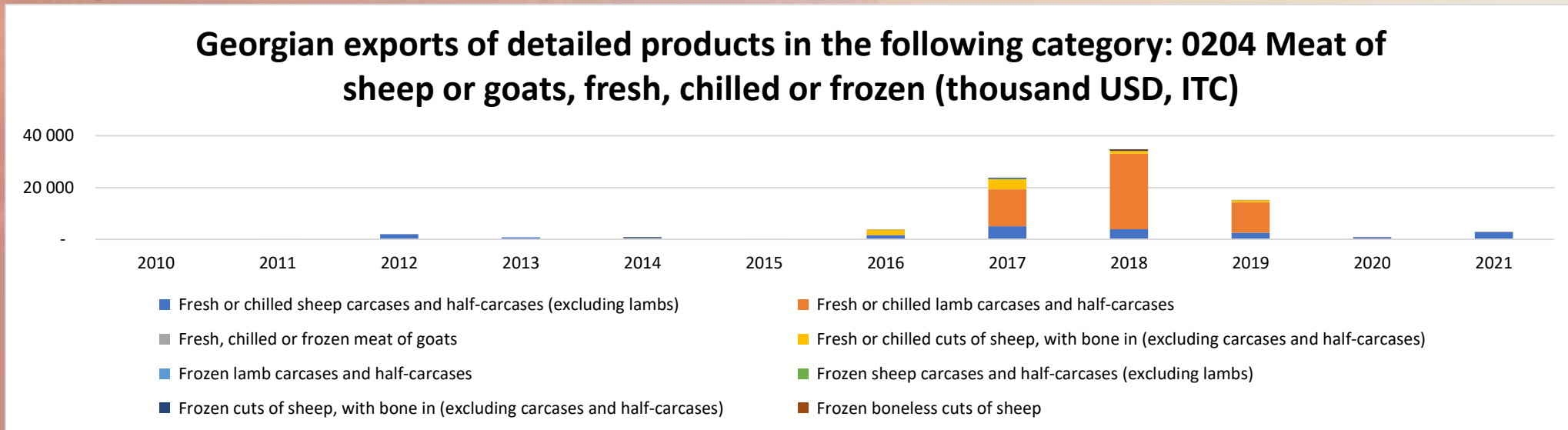


In 2021, Georgian exports of product 0204 accounted for only USD 2.87 million making 0.031% of world exports. All these exports currently go to Arab Gulf countries, usually by plane. But in 2018, Georgia was exporting USD 34.5 million, out of which USD 32.2 million towards Iran. When that country suffered from a new wave of sanctions, its imports collapsed. If and when sanctions will be lifted, Iran should become again a key market for Georgian exporters of sheep meat. Because of geographic proximity and lower sanitary constraints than in the EU, Southern markets will remain the key markets for Georgian lamb for at least two decades

Georgian exports by country of destination of product: 0204 Meat of sheep or goats, fresh, chilled or frozen (thousand USD, ITC)



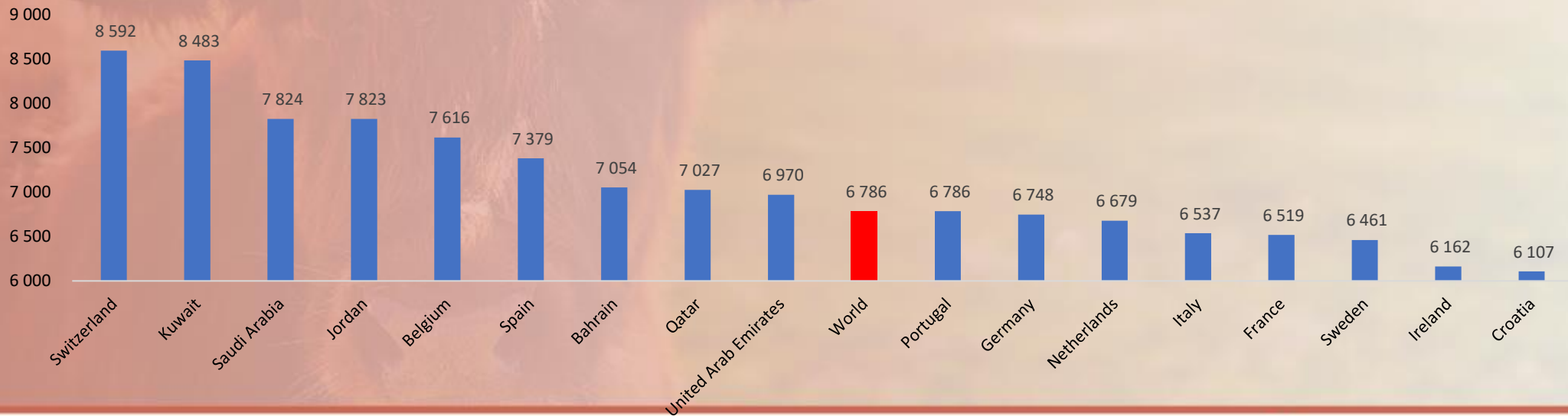
Most meat exported by Georgia is made of fresh or chilled lamb or sheep carcasses and half-carcasses. Contrary to exports from Australia and New Zealand, there is virtually no export of frozen meat as one of the main comparative advantages of Georgia is to be close to import markets. Fresh or chilled meat was mainly exported by truck to Iran and is usually exported by plane to Gulf countries. It is produced by halal-licensed Georgian slaughterhouses





If Georgia would develop a strong Georgian brand putting in evidence the specific elite qualities of its highly natural products, it could potentially receive much better prices for its fresh lamb meat as regional importers in the Gulf pay on average much more than average world prices

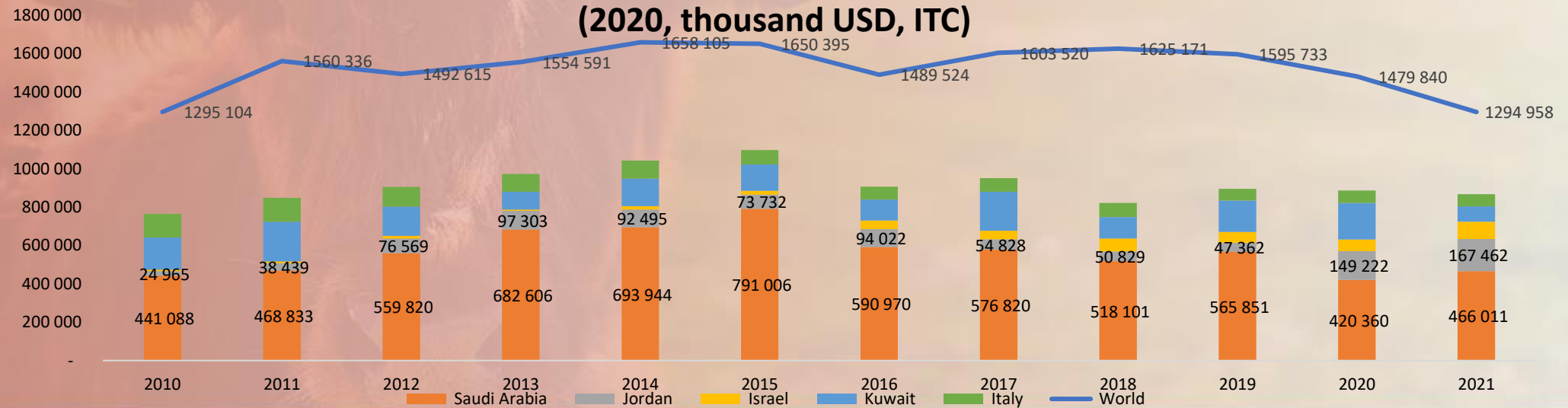
Average import prices of product 020410 Fresh or chilled lamb carcasses and half-carcasses (2017-2021, USD/ṡ, ITC)





Saudi Arabia accounts for 36.0% of global live sheep imports followed by Jordan which is largely used as a fattening base for further reexports to Saudi Arabia. In that country, consumption of sheep is largely linked to inflows of pilgrims during the Hadj period as well as to religious feasts (Kurban, etc.) as in other Muslim countries. Israel is also a large importer

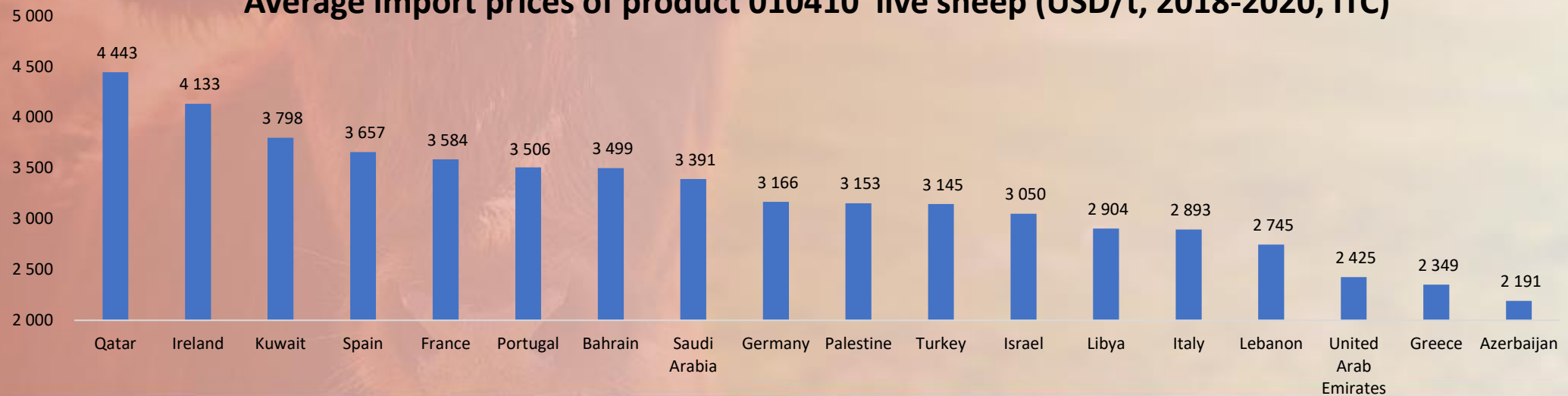
**Main importers product: 0104 Live sheep and goats
(2020, thousand USD, ITC)**





Highest recorded import prices are in Qatar but also in EU countries where most trade is within the single market, partly because of very strict sanitary requirements which have not totally prevented some episodes of epidemiologic crises. Lower prices are recorded in neighbour countries of Georgia like Azerbaijan. In general, imports to Gulf countries are managed by well established sheep traders, often from deep rooted trading families which control the market with a key role in particular of Syrians from Aleppo

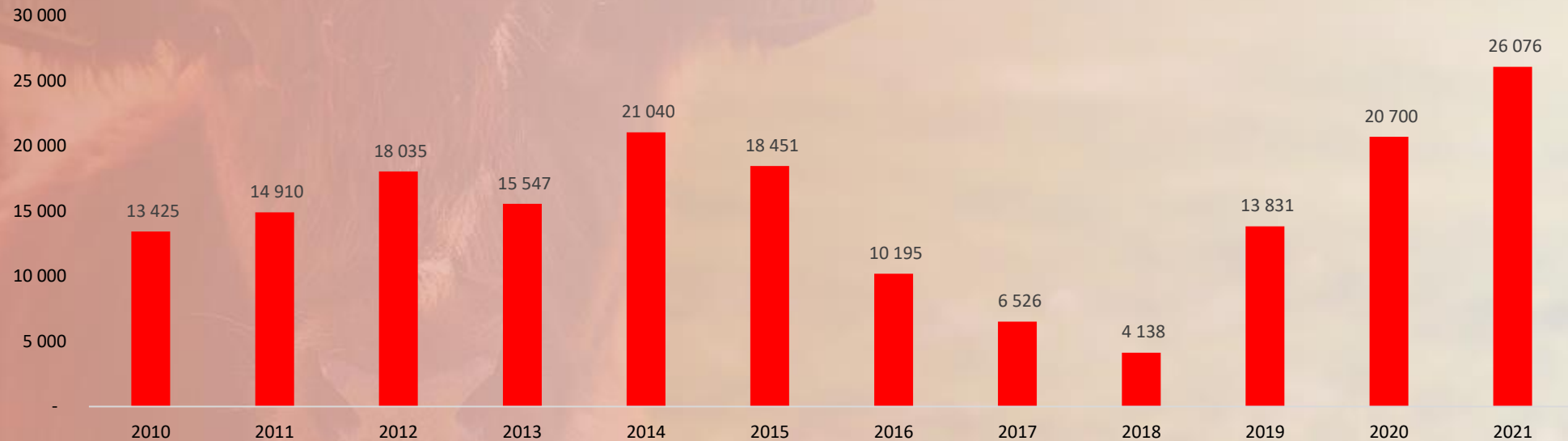
Average import prices of product 010410 live sheep (USD/t, 2018-2020, ITC)





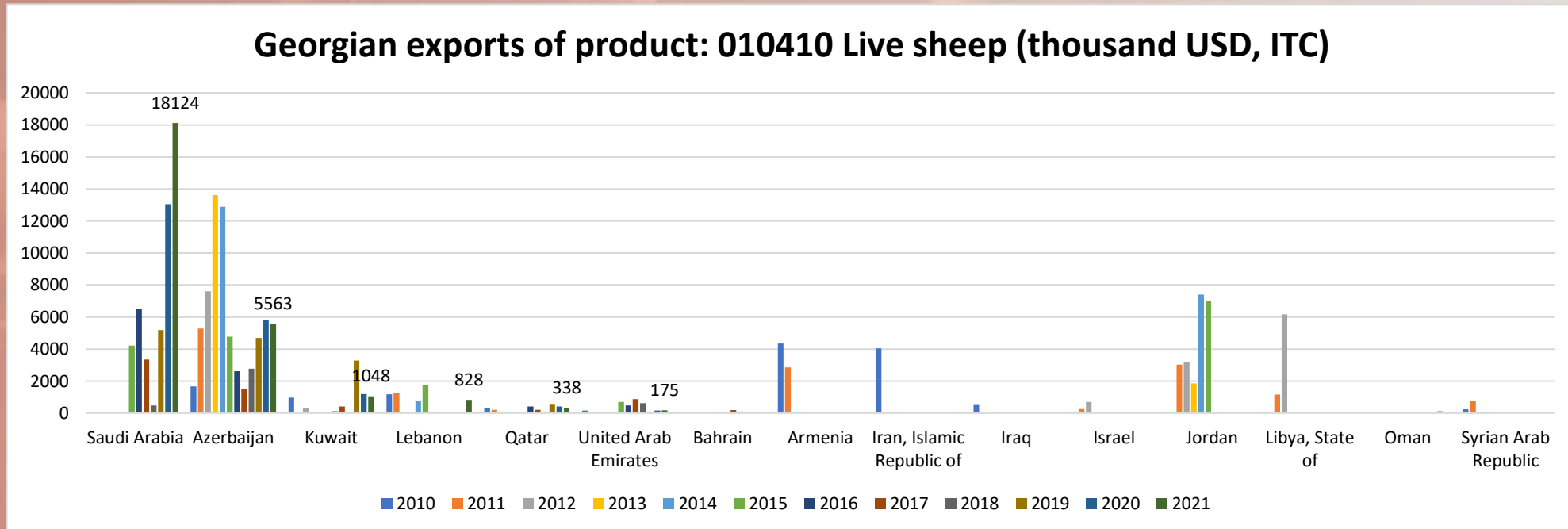
Georgian exports of live sheep declined substantially from 2014 till 2018, as most sheep were then exported to Iran as fresh or chilled meat

Georgian exports of product: 010410 Live sheep (thousand USD, ITC)





Georgian exports of live sheep have been quite unstable in terms of destination. Currently Saudi Arabia is the largest buyer of Georgian sheep but in the past it was Azerbaijan. Jordan also used to play a large role until 2015





In Georgia, the Tusheri breed which makes for nearly all exports is also fat-tailed with long legs. Its meat has a strong taste, usually poorly appreciated by locals who are mainly consuming the smaller Imereti breed



With development of strong brand and Geographic Indication Georgian sheep meat, as well as sheep cheese has a potential for export to Gulf countries.



ევროკავშირი
საქართველოსთვის
Project funded by the European Union



Thank you for your attention!

SITUATION AND PROSPECTS OF THE
LIVESTOCK VALUE-CHAIN IN GEORGIA
LIVESTOCK WEEK
"BIG & SMALL RUMINANTS"

