



Food and Agriculture Organization
of the United Nations

Support to the potato value chain under the
**“FAO support to Georgian agricultural
sector under ENPARD III project”**

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Objectives of the grant component:

- Focus municipalities: Akhalkalaki and adjacent municipalities (Aspindza, Borjomi, Tsalka, Ninotsminda)
 - Focus value chain: Potato
 - Objective: Address bottlenecks within the value chain and support smallholders increase their income in the potato value chain.
 - Available mechanisms: - 40% matching grant ranging from 1 to 150k USD to promote investments within the value chain (individual farmers, SMEs, cooperatives).
 - Link grantees with the extension component
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Identified bottlenecks:

- The potato VC remains mostly informal where small local collectors play a key role by aggregating potatoes from small producers. Unprocessed potatoes find their way to local bazaars with low added value.
 - Despite a strong production, the lack of storage capacity creates a need for import off-season.
 - There is an export potential, particularly to Azerbaijan which heavily relies on import for potato consumption. Georgia is however struggling to play a key role there due to fluctuating production volumes.
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Specifically Promoted Investments (60% grant):

- Drip irrigation systems (conservation agriculture)
 - Ridgers for potato production
 - All certification process costs
 - Sanitary and quality control equipment
 - Potato storage crates
 - Soil test equipment
 - Integrated pest management equipment (biological or conventional)

 - As of date: 2.3 millions GEL worth of projects were supported, with 965k GEL spent in grants in the potato value chain in Akhalkaki and adjacent municipalities, including 14 small grants, 4 medium grants, and 1 large grant.
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Thank you

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