



Food Safety in Georgia

Introduction

Food safety¹ in itself is important but it also has wider significance beyond the immediate *khinkali* dripping juice onto your lap. Issues involving food security,² agriculture policy, import substitution, export markets and free trade are implicitly tied up with the standards in place (or not) to ensure our *khinkali* are safe.

This report – in trying to assess Georgian commitments to implement European-style food safety standards made under the European Neighbourhood Policy Action Plan³ – therefore goes well beyond the question of food safety *per se*. Indeed, food safety standards have much to do with the actual food we eat, but they also are seen as but one of what Eurocrats call “regional trade and economic integration aspects.”⁴ It is in this light that this report is presented.

Background

As a successor state of the former Soviet Union, Georgia inherited what is known as the GOST food safety system. It is essentially a system that relies on end product testing. It is extremely bureaucratic, costly and prone to corruption. As Kahka Bendukidze⁵ said: “The old Soviet system of food safety was rubbish; you simply bribed the inspector.”⁶ Moreover, it was unsuited to the emerging market system, designed as it was for the planned economy. “Because of its prescriptive nature and mandatory requirements, the GOST standards system is very rigid and stifles innovation,” a World Bank report concluded. “Over time, it often supports retention of anachronistic technologies, analytic methods, and management practices, and it cannot keep up with the new industrial developments and emerging issues in product safety.”⁷

Whatever its faults the GOST system did at least provide some level of protection for Georgian consumers. With independence, however, all bets were off. “The state, in the sense of an institution that could organize physical infrastructure, use data to monitor production, or

¹ “Food safety refers to the conditions and practices that preserve the quality of food to prevent contamination and [foodborne](http://www.nlm.nih.gov/medlineplus/ency/article/002434.htm) illnesses.” Medicine Plus, <http://www.nlm.nih.gov/medlineplus/ency/article/002434.htm>

² Food security is defined as the “availability at all times of adequate world food supplies of basic foodstuffs to sustain a steady expansion of food consumption and to offset fluctuations in production and prices,” United Nations. 1975. *Report of the World Food Conference, Rome 5-16 November 1974*. New York.

³ Georgia, under the ENP Action Plan, is committed to “ensure effective cooperation in order to establish and strengthen in Georgia a modern institutional system of technical regulation, standardisation, accreditation, metrology, conformity assessment and market surveillance,” European Neighbourhood Policy Action Plan, http://ec.europa.eu/world/enp/pdf/action_plans/georgia_enp_ap_final_en.pdf

⁴ EU / Georgia Action Plan, p. 7, http://ec.europa.eu/world/enp/pdf/action_plans/georgia_enp_ap_final_en.pdf

⁵ Bendukidze was Minister for Economic Development (2004 June -December), State Minister for Reform (2004-2008) and Head of the State Chancellory (2008-2009)

⁶ Preaching creative destruction, Quentin Peel, *Financial Times*, Oct 31, 2007, http://us.ft.com/ftgateway/superpage.ft?news_id=fto103120070219501166&page=2

⁷ Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition, The World Bank, P. 22, <http://siteresources.worldbank.org/INTARD/825826-1111134598204/21422839/FoodSafetyCIS.pdf>

enforce norms of sanitation, had withdrawn from the food sector almost entirely.”⁸ The consumer was left to fend for himself.

Relief finally came in 2005 with the Law on Food Safety and Control introducing a fundamentally different approach, shifting the emphasis from end-product testing to a focus on the production process and the identification and prevention of threats before they are realized. “The integrated term – ‘from farm to table’ – has been recognized thus diverting the main accent from the certification of the final product to the entire process control.”⁹ At the heart of the approach is Hazard Analysis and Critical Control Points (HACCP) – a food safety system common in OECD countries – which builds in checks into the “all stages of food production and preparation processes, including packaging and distribution.”¹⁰

The law, which “meets all criteria and standards of the EU”¹¹ and the WTO, was, however, still-born. Two subsequent amendments – on December 29, 2006 and June 29, 2007 – “resulted in the suspension of the law’s core articles.”¹² ¹³Georgia, having had its hopes temporarily raised, effectively has no legislation governing food safety.

Limbo

The law is meant to be operational by 2010, but this seems unlikely with even the deputy minister for economic development saying it was “hard to say”¹⁴ if the deadline would be met.

There are a number of reasons why the deadline is likely to go unmet.

The major problem is institutional incapacity. At a human level, “the regulatory personnel of government agencies responsible for food safety do not have the academic qualifications and scientific background to monitor and enforce food safety regulations.”¹⁵ This is symptomatic of what one report described as a “critical limiting factor”¹⁶ – lack of funding

The result has been inertia, with the MoA doing little to ensure the 2010 deadline is met. The most basic requirement for the operation of the law – the registration of food processing companies – has yet to be carried out. Outreach programmes designed to familiarize companies with the principles and requirements of HACCP are non-existent, with the result that “outside Tbilisi they [processing companies] don’t have a clue.”¹⁷ ¹⁸

⁸ Postsocialist Spores: Disease, bodies, and the state in the Republic of Georgia, in *American Ethnologist*, Vol. 35, No. 2, May 2008, Elizabeth Cullen Dunn.

⁹ Regional Policy Research on Food Safety and Standards and the European Neighborhood Policy, P. 68, March 2008, Eurasia Partnership Foundation, http://www.eurasiapartnership.org/index.php?article_id=53

¹⁰ Food Safety: Georgia Preparing for European Market, Finchannel, March 12, 2009, http://finchannel.com/index.php?option=com_content&task=view&id=85&Itemid=29

¹¹ Vano Chkhikvadze of Eurasia Partnership Foundation, Tbilisi, in interview with author, Feb 10, 2009

¹² EPF Newsletter, Dec 9, 2008, http://www.epfound.ge/files/epf_newsletter_december_2008-1.pdf

¹³ The reasons given for the suspension – institutional incapacity and fear of factory closures and job losses – are credible, particularly given international experience.

¹⁴ Deputy Minister of Economic Development Irakli Gachechilidze in interview with author, March 2, 2009

¹⁵ Policy Research on Food Safety and Standards and the European Neighborhood Policy, March 2008, Eurasia Partnership Foundation, http://www.eurasiapartnership.org/index.php?article_id=53

¹⁶ *Ibid*

¹⁷ Vano Chkhikvadze of Eurasia Partnership Foundation, Tbilisi, in interview with author, Feb 10, 2009

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That inertia reflects a lack of focus, resulting from poorly defined policy directions. The MoA's vague Statement of Philosophy¹⁹ is a poor substitute for an agriculture development policy paper. According to the MoA official we spoke to, "all the policies are chaotic, based on crisis solutions."²⁰

As well as suffering from poor human resources and limited funding, the MoA has also had to contend with elements within the government hostile to the very idea of food safety regulations, seeing in them an unwarranted interference in the market. Chief among them is Kahka Bendukidze, who, as former Finance Minister Aleksi Aleksishvili said of him, "is blocking all the anti-liberal ideas coming from society."²¹ The result is that "[t]he spirit of food safety reform is not primarily concerned with capacity building, but with ultimate deregulation."²²

Bendukidze, as well as seeing regulation as anti-market, also fails to see the efficacy of it, preferring instead to rely on consumer consciousness. "He told his fellow Georgians that if they got food poisoning, they should boycott the restaurant."^{23 24}

Fundamentally, however, the food law remains in limbo because the food industry itself is either incapable of or has no incentive to adhere to it. Consumer consciousness in Georgia is poor, with price outweighing quality and safety considerations for most people, which means little demand for safe food. If the public wants what the public gets, sometimes it gets what it wants, too.²⁵ And in terms of safe food, it doesn't get what it doesn't want.

The Cost

With little consumer demand comes little incentive to make the required investments. As no cost benefit analysis has been done, one can only speculate and look at what the experience has been in other countries to ascertain what the costs are.

One definite cost Georgian processors can expect to meet is consultancy fees. Reflecting the complexity and difficulty of implementing HACCP, companies will have to pay, according to one consultant we spoke to²⁶, €1,000-2,000 a month over a period of between eight and twelve months. One expert²⁷ suggested the cost could be as high as €3,000 a month over a year. Clearly only the fittest will survive.

¹⁸ An EPF survey found that only 35% of enterprises had information on HACCP, as compared to 99% on GOST. See http://www.eurasiapartnership.org/index.php?article_id=53

¹⁹ http://www.maf.ge/pdf/Statement_of_Philosophy_MoA.pdf

²⁰ Anonymous MoA official in interview with author, Feb 4, 2009

²¹ Quoted in Preaching Creative Destruction, Quentin Peel, *Financial Times*, Oct 31, 2007, http://us.ft.com/ftgateway/superpage.ft?news_id=fto103120070219501166&page=2

²² Regional Policy Research on Food Safety and Standards and the European Neighborhood Policy, March 2008, Eurasia Partnership Foundation, http://www.eurasiapartnership.org/index.php?article_id=53

²³ Preaching Creative Destruction, Quentin Peel, *Financial Times*, Oct 31, 2007,

http://us.ft.com/ftgateway/superpage.ft?news_id=fto103120070219501166&page=2

²⁴ TI Georgia has been told that this interpretation of Bendukidze's approach is a watered down version of what he actually said. Bendukidze is reported to have said that if someone buys a sausage and his child dies from subsequent food poisoning, then perhaps a second person may make the same mistake, but others will not.

²⁵ Apologies to The Jam for plagiarizing *Going Underground*.

²⁶ Ekaterina Kimeridze, director of GDCI

²⁷ Vano Chkhikvadze of Eurasia Partnership Foundation, Tbilisi, in interview with author, Feb 10, 2009

This, unfortunately, is “not the only cost [as]...consultation is only a small part”²⁸ of what it takes to bring a country into line with international food safety standards. One study found that the operational costs of SPS alone “represent overheads of between 2% and 10% of the value of products exported.”²⁹ In Poland, in order to meet the requirements of EU food safety norms, “the cumulative EU investment in the structuring of private industry totaled about €1.2 billion.”³⁰ Georgia, not being a candidate country, can expect little from Brussels.

Despite this investment, the effects were huge. The number of companies in the Polish meat industry declined from 7,000 in 2001 to 3,000 in 2006³¹, while slaughter houses saw their number fall from 2,600 in 1999 to 1,200 in 2006.³²

The comparative figures for Georgia, and the obvious implications for rural unemployment, can only be guessed at, but one reason given for the suspension of the legislation gives an indicator of what they might be. Marika Gabunia, head of the Department for Foreign Trade and International Economic Relations at the Ministry of Economic Development, predicted that “90% of local production would be closed”³³ – because of a financial inability to meet the legal requirements – if the law had not been suspended. Given that little has changed in the meantime, one can expect similar repercussions if the law comes into force in 2010 as planned.

Georgia, given the fragmented nature of its farm holdings, can also expect massive land consolidation and subsequent increased rural to urban migration, with even greater numbers of jobless. International experience – where “the general trend has been towards consolidation... largely by the need for greater monitoring due to increased demand for compliance with stringent food safety standards”³⁴ – suggests Georgian small holders will be unable to survive the introduction of the food safety law. Wholesalers and exporters prefer not to deal with smallholders as monitoring costs are higher. Moreover, “typically [it is] not economical for smallholders to establish the quality management systems essential for assuring food safety.”³⁵ Indeed, one study found that in Africa the cost of compliance as a percentage of total income was 68 for small farmers, while 24 for large farmers.³⁶ Farmer cooperatives – the usual panacea for this problem – have consistently failed in Georgia. Despite the fact that “all donors love this... the association principle doesn’t work in this country.”³⁷

The cost of international food safety norms will in many cases be borne by the poor. Increased costs are invariably passed onto the consumer, and while the more affluent will bear the cost, many will simply go without. As the World Bank so deftly puts it, “[s]etting

²⁸ Ekaterina Kimeridze, director of GDCl, in interview with author, Feb 26, 2009

²⁹ SPS measures causing high costs and losses to developing countries, http://www2.unine.ch/webdav/site/irene/shared/documents/TEXTES/sha_spsmeasure.pdf

³⁰ Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition, The World Bank, <http://siteresources.worldbank.org/INTARD/825826-1111134598204/21422839/FoodSafetyCIS.pdf>

³¹ Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition, The World Bank, <http://siteresources.worldbank.org/INTARD/825826-1111134598204/21422839/FoodSafetyCIS.pdf>

³² *Ibid*

³³ EPF Newsletter 09.12.2008 http://www.epfound.ge/files/epf_newsletter_december_2008-1.pdf

³⁴ Food Safety Requirements in African Green Bean Exports and Their Impact on Small Farmers, International Food Policy Research Institute, <http://www.ifpri.org/pubs/dp/ifpridp00737.pdf>

³⁵ *Ibid*

³⁶ *Ibid*

³⁷ Ekaterina Kimeridze, director of GDCl, in interview with author, Feb 26, 2009

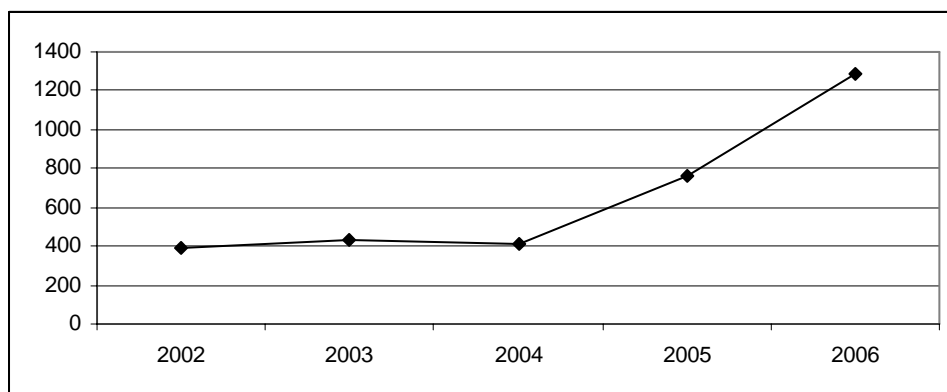
domestic standards at the level of OECD requirements can therefore take certain products out of reach of the poor.”³⁸

While Rome burns...

Clearly the costs of international food safety regulations are prohibitively high for Georgia, yet maintaining the status quo is not an option either. Bendukidze’s “creative destruction”³⁹ is just *too* destructive.

The “appalling [phyto-sanitary] situation”⁴⁰ materializes itself mostly in terms to threats to human health. For instance, “the rate of botulism in the Republic of Georgia is the highest in the entire world”⁴¹ “The situation is well beyond an alarming limit”⁴² with bacterial food poisoning rates rising rapidly (see graph below) and the rate of diarrheal diseases a third higher than that in the EU15.⁴³

BACTERIOLOGICAL FOOD POISONINGS REGISTERED IN GEORGIA



Horizontal axis: year. Vertical axis: persons poisoned.

Source: National Centre for Disease Control and Public Health

Further evidence of what one report calls “the serious danger of food hazard”⁴⁴ comes from the random testing of food products by the Food Agency.⁴⁵ “27.3% [sic] of the examined

³⁸ Food Safety Activities in the World Bank, Cees de Haan, <http://library.wur.nl/ojs/index.php/frontis/article/view/998/569>

³⁹ Preaching Creative Destruction, Quentin Peel, *Financial Times*, Oct 31, 2007, http://us.ft.com/ftgateway/superpage.ft?news_id=fto103120070219501166&page=2

⁴⁰ Maria Iarrera, attaché at the European Delegation, Tbilisi. Said at a conference at the Metheki Hotel, Tbilisi...

⁴¹ Postsocialist Spores: Disease, bodies, and the state in the Republic of Georgia, in *American Ethnologist*, Vol. 35, No. 2, May 2008, Elizabeth Cullen Dunn

⁴² Inconsistencies in Georgia’s Food Safety System Reform and Ways Forward, Sophie Kemkhadze,

⁴³ Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition, The World Bank, <http://siteresources.worldbank.org/INTARD/825826-1111134598204/21422839/FoodSafetyCIS.pdf>

⁴⁴ Regional Policy Research on Food Safety and Standards and the European Neighborhood Policy, March 2008, Eurasia Partnership Foundation, http://www.eurasiapartnership.org/index.php?article_id=53

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samples did not meet the requirements,”⁴⁶ with meat and meat products in particular posing high risks at 66.7%.

With WTO rules stipulating that the same food safety regulations be applied to imports as are applied to domestic food products, there is no refuge for the consumer in imported food. Indeed, while European consumers were recently protected through mass recalls from dioxin infected Irish pork,⁴⁷ nothing was done to remove the offending products from Georgian shelves. Although both the Ministry of Agriculture and the Ministry of Economic Development were notified officially of the threat by the European Delegation in Tbilisi, nothing was done to protect consumers.⁴⁸

Disease and infection resulting from contaminated food, of course, have an economic toll. Lost working hours – due to sick days taken because of food-borne illnesses –, for instance, are extremely high in Georgia.⁴⁹ Furthermore, because the Irish pork scandal received absolutely no Georgian media coverage,⁵⁰ foreign, or at least European, produce is still generally trusted more than its domestic counterparts. This lack of consumer confidence in home produce can partly explain why, at some estimates⁵¹, 80% of Georgian food requirements are met from abroad.

What is also clear is that the country’s food security is hanging by a thread. With last year’s war demonstrating how vulnerable Georgia is when its ports are blockaded or occupied, or when the main east-west transit corridor is cut off, maintaining the current food import levels seems curiously at odds with efforts to defend the country from other threats.

Creative Construction

Clearly – given the current mess and the proposed inappropriate solution – a third way is required. Instead of prohibitive western standards or anarchy in the food industry, Georgia needs, according to one expert we spoke to, “achievable medium term goals and standards for the protection of public health while not creating barriers for the Georgian producers in the Georgian market.”⁵² Reflecting perhaps the poor inclusion of stakeholders in the entire food safety debate – particularly those on the lower rungs of the industry ladder – such an approach has not even been entertained at an official level. It has, however, been gaining increasing acceptance, ironically, in Europe.

⁴⁵ The Food Agency works within the Ministry of Agriculture. It is the lead agency charged with ensuring compliance with the food law. Testing of products at a retail level is the one area it continues to work on.

⁴⁶ Determination of the Level of Harmonization of the Legislative Framework and Applied Law Practice related to Traceability in the Field of Georgian Food Safety with the Regulation (EC) No 178/2002, Association “21st Century”,

⁴⁷ Contaminated Irish sausage sourced from Italy, Austrian Times, <http://www.austriantimes.at/index.php?id=10106>

⁴⁸ The official notification – known as RASFF – has been obtained by the author from a source in the Ministry of Agriculture.

⁴⁹ See, for example, the statistics provided on page 26 in Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition, The World Bank, <http://siteresources.worldbank.org/INTARD/825826-1111134598204/21422839/FoodSafetyCIS.pdf>

⁵⁰ The only online confirmation that Irish pork had even been sent to Georgia was given in an Austrian newspaper – Contaminated Irish sausage sourced from Italy, Austrian Times, <http://www.austriantimes.at/index.php?id=10106>

⁵¹ Down on the farm: Georgia struggles to open EU market for agricultural exports, July 23, 2008, Giorgi Lomsadze, EurasiaNet, <http://www.eurasianet.org/departments/insight/articles/eav072308a.shtml>

⁵² Elizabeth Cullen Dunn, Ph.D., Associate Professor of Geography, University of Colorado at Boulder, US, in interview with author, Jan 31, 2009

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Seen as “a new simpler HACCP alternative,”⁵³ the so-called Salford System⁵⁴ is primarily designed for the catering industry, which is, according to one estimate⁵⁵, responsible for 75% of all food poisoning cases. Perhaps “a good second-best tool”⁵⁶, it would admittedly need to be “extended, rewritten and tweaked”⁵⁷ before it could be applied to processors, but this “would not be a major hurdle.”⁵⁸ The beauty of Salford is its simplicity – “you do not need to know how to spell staphylococcus”⁵⁹ – and its affordability – no new equipment or consultants.

Even if it were never “tweaked” and applied to processors, the Salford System “not only will it cover most critical areas, where most outbreaks occur, but it will also create backward linkages by sending pressure upstream to the producers.”⁶⁰ Basically, high standards and better food safety expectations at a retail level would compel processors to get their act in order.

The compulsion for processors is not legal, but rather commercial, at least in the short to medium term. Voluntary compliance, however, would eventually make way for legal enforcement of full standards, but only when the industry itself is ready. To facilitate it, the authorities need to flag a definite target date, provide the kind of advice and even information on HACCP that other countries do – particularly in terms of showing specific processors where their critical control points are.

They also need to start making the required investments in a “[c]redible, professional, and transparent laboratory system [which] is a necessary pillar of [a] food safety system.”⁶¹ It is, moreover, an “additional instrument for mitigating corruption risks”⁶² as it is inherent to the “the very concept of risk analysis, which means that every decision and measure needs to be justified by the results of risk assessment, [and a] scientifically justified process.”⁶³

Nothing to lose; everything to gain

Adopting this approach – HACCP Lite, commercial / consumer pressure to change and preparation and investment in eventual, long-term full compliance – needs cost benefit analysis, and a comprehensive appraisal of the implications. In their absence, however, a number of observations can be made.

⁵³ A new, simpler HACCP alternative ahead?,

http://www.developotechnology.co.za/index.php?option=com_content&task=view&id=20423&Itemid=101

⁵⁴ The Salford System was developed by Eunice Taylor of the International Centre for HACCP Innovation at Salford University in Britain. It is a modified form of the “real” HACCP, designed specifically for the catering industry. It is less rigid, but is said to encompass the same principles.

⁵⁵ Launch of new SA food service food safety model (corporate feature),

http://www.developotechnology.co.za/index.php?option=com_content&task=view&id=20425&Itemid=101

⁵⁶ Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition, The World Bank, <http://siteresources.worldbank.org/INTARD/825826-1111134598204/21422839/FoodSafetyCIS.pdf>

⁵⁷ A new, simpler HACCP alternative ahead?,

http://www.developotechnology.co.za/index.php?option=com_content&task=view&id=20423&Itemid=101

⁵⁸ *Ibid*

⁵⁹ *Ibid*

⁶⁰ Carroll Patterson, a specialist on agricultural trade and EU compliance issues, Department of Sociology at Johns Hopkins University, US, in interview with author, Feb 26, 2009

⁶¹ Regional Policy Research on Food Safety and Standards and the European Neighborhood Policy, March 2008, Eurasia Partnership Foundation, http://www.eurasiapartnership.org/index.php?article_id=53

⁶² *Ibid*

⁶³ *Ibid*

The most obvious impact of taking this course of action – of something less than full HACCP – is, according to most HACCP proponents, the exclusion of Georgian agricultural produce from the EU market. With the EU the largest market in the world – 20 times the size of the CIS – it’s a compelling argument for HACCP. It’s also a false one.

Georgian agriculture products already enjoy near tariff free and full quota free access to Europe under GSP+. Georgian wine, for instance can be exported after receiving end product certification at an EU approved laboratory in Georgia. The so-called “new generation” free trade agreement, therefore, has nothing to offer Georgian agriculture exporters, concentrating as it does on services and standardizations across the board. It is indeed an attractive proposition, “offering full integration into European markets,”⁶⁴ but it is irrelevant to this debate.

What is relevant – in terms of Georgia penetrating the EU market – is the hard commercial facts of life. “In many cases,” one report found, “it is not the SPS constraints but the lack of competitiveness that may be the main reason for lack of market access.”⁶⁵ As Nika Grdzeldze of Tbilisi-based AgVantage NGO explains, “[i]t all comes down to economies of scale,”⁶⁶ something Georgia just doesn’t have. Georgian farm structure is the main problem, with a mere one percent of farmers owning more than four hectares of land.⁶⁷ Productivity is inevitably low.⁶⁸ For processors trying to supply the EU market, this is a logistical nightmare, which as one expert in the area wryly described as a problem of “stability of supply.”⁶⁹ And, as pointed out previously, agricultural cooperatives – a potential solution – don’t work in Georgia.

Wine – the great white hope of Georgian agriculture, and indeed of the Georgian public and political elite – is not immune to the problem. The sector is crippled by:

poor technology and vineyard management, lack of skilled labour, ...lack of innovation, small investments in R&D and human capital, inefficiencies of grape suppliers, humble performance of scientific and research institutions, and educational facilities, low awareness on Georgian brands on EU and Global markets, lowly marketing skills and capabilities, poor firms’ strategies, small local market size and growth, falsification of known brands in CIS markets.⁷⁰

One commentator dealing with the issue even went so far as to suggest that the European wine market was a fortress Georgian producers could never hope to take. With little investment in marketing, low European awareness of Georgian brands and little hope of attaining all-important appellation recognition – “the state isn’t strong enough even if they

⁶⁴ Maria Iarrera, attaché at European Commission, Tbilisi, in interview with author, Feb 23, 2009

⁶⁵ Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition, The World Bank, <http://siteresources.worldbank.org/INTARD/825826-1111134598204/21422839/FoodSafetyCIS.pdf>

⁶⁶ EPF Newsletter 09.12.2008 http://www.epfound.ge/files/epf_newsletter_december_2008-1.pdf

⁶⁷ Down on the farm: Georgia struggles to open EU market for agricultural exports, *EurasiaNet*,

July 23, 2008, <http://www.eurasianet.org/departments/insight/articles/eav072308a.shtml>

⁶⁸ Low productivity is obvious to anyone visiting the Georgian countryside, but it is also underscored by a couple of telling points: employment in rural areas, as a percentage of overall national employment, is far higher than the contribution agriculture makes to overall GDP (see <http://siteresources.worldbank.org/INTARD/825826-1111134598204/21422839/FoodSafetyCIS.pdf>); and agriculture has received only one percent of overall FDI, suggesting foreign investors see the sector as a poor yield area.

⁶⁹ Ekaterina Kimeridze, director of GDCl, in interview with author, Feb 26, 2009

⁷⁰ The Impacts of the Free Trade Agreement with the European Union on the Georgian Wine Industry: the Competitiveness Analysis, Giorgi Berulava, <http://www.geplac.org/newfiles/law/Berulava.pdf>

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take it seriously”⁷¹ – it is “impossible to catch the high value appellation market.”⁷² The alternative – the low end, low margin mass market – doesn’t offer a lot of hope either. If quality – or at least a perception of it – is the hallmark of the first market segment, then volume is for this one. Again, however, Georgian producers fall short. They “actually can’t produce much wine; they don’t have the potential to be another Australia or Chile.”⁷³ The falsification of Georgian wines testifies to this. Interestingly, the future for Georgian wine lies in the east, not the west, according to this analysis. The Chinese market soaks up sweet red wines – a Georgian specialty – and it doesn’t rely on the same level of name recognition and subsequent investment in marketing.

HACCP Lite clearly then does not mean the loss of European markets – they’re already lost. It does, however, bring some real tangible gains.

The most obvious gain is in terms of food safety itself, with three quarters of potential hazard (in the catering sector) dealt with immediately and the remainder on a gradual scale.

Currently, “there is no food security in Georgia”⁷⁴ with some estimates putting imports at 80% of total food supply. The fact that Georgian agriculture is less than fully functioning is obviously the main reason for this, but reversing this is impossible so long as cheaper, subsidized imports continue to flood the market. HACCP Lite is not a silver bullet, but it is at least a start, allowing Georgia to exclude the very worst in terms of quality. Although hardly in the spirit of free trade, “playing the European game in a Georgian form”⁷⁵ would allow the industry to breathe. The standards themselves of course need to be finely tuned, “low enough that Georgia can meet, but high enough that Brazil can’t.”⁷⁶ It is non-tariff protectionism, but it glides under the WTO radar.

As well as allowing “Georgians take back their own markets”⁷⁷ HACCP Lite means job security, too. Existing industry jobs are maintained, unlike in other countries where full-blown HACCP was introduced⁷⁸, and it means future employment generation as the industry gains greater market share and increased consumer confidence.

Conclusion

Bendukidze’s recent departure seems to have signaled a shift in official thinking on food safety – and “not only”⁷⁹ food safety. The new dogma, however, is equally rigid, insisting on a headlong rush towards EU type regulation and standards. The fact that no strategy is in place to reach the goal is symptomatic of an ill-defined approach that is more to do with who sits in certain chairs as it is to do with clear policy choices made on the basis of long term planning and identification of priorities and risks.

⁷¹ Carroll Patterson, a specialist on agricultural trade and EU compliance issues, Department of Sociology at Johns Hopkins University, US, in interview with author, Feb 26, 2009

⁷² *Ibid*

⁷³ *Ibid*

⁷⁴ Ekaterina Kimeridze, director of GDCI, in interview with author, Feb 26, 2009

⁷⁵ Elizabeth Cullen Dunn, Ph.D., Associate Professor of Geography, University of Colorado at Boulder, US, in interview with author, Jan 31, 2009

⁷⁶ Carroll Patterson, a specialist on the agricultural trade and EU compliance issues, Department of Sociology at Johns Hopkins University, US, in interview with author, Feb 26, 2009

⁷⁷ Elizabeth Cullen Dunn, Ph.D., Associate Professor of Geography, University of Colorado at Boulder, US, in interview with author, Jan 31, 2009

⁷⁸ In Poland, for instance, 90% of meat processors were forced to close.

⁷⁹ Minister of Economic Development Lasha Zhanvia, in interview with author, March 2, 2009

Food safety standards need to be properly moored, more than just a personal initiative or commitment. They need – if they are not to be subject to changing political seasons and fortunes – part of a wider agricultural, and indeed, industrial, policy. The *khinkali* eaters of Georgia deserve nothing less.

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