

LAW OF GEORGIA
ON AGRICULTURAL AND RURAL DEVELOPMENT
Chapter I - General Provisions

Article 1 – Purposes of the Law

The purposes of this Law shall be:

- a) to establish general principles and requirements for determining the agricultural and rural development policy;
- b) to establish basic principles for agricultural and rural development policy management and identify the competencies of the authorised governmental bodies/agencies responsible for the management thereof;
- c) to facilitate the regulation of legal relations in the field of agricultural and rural development;
- d) to facilitate the development of the rural economy through agricultural and related activities;
- e) to facilitate the identification and implementation of support measures to be carried out by the State;
- f) to facilitate the enhancement of farmers' competitiveness;
- g) to facilitate the creation of relevant conditions for adapting to climate change and reduce the negative impacts of climate change on the environment;
- h) to stimulate the development of rural entrepreneurship.

Article 2 – Scope of the Law

This Law shall determine:

- a) general principles and requirements related to the priorities of the agricultural and rural development policy;
- b) general requirements related to support measures to be implemented by the State within the scope of the agricultural and rural development policy;
- c) general requirements related to agricultural and rural development policy management;
- d) the competencies of the authorised governmental bodies/agencies responsible for agricultural and rural development policy management;
- e) general requirements related to the development of unified electronic databases and information systems in the field of agricultural and rural development;
- f) general requirements related to the development and implementation of corresponding measures for keeping the register of farm enterprises and rural enterprises.

Article 3 – Definition of terms

For the purposes of this Law, the terms used herein shall have the following meanings:

- a) rural development – the enhancement of economic, social and environmental sustainability in villages;
- b) agricultural activity – the primary production of agricultural products for the purposes of carrying out agricultural activities, inter alia, the production of these products on lawfully possessed land and/or a property associated with the said land. Taking care of this land and the property associated with it, as well as keeping it in a usable state from the environmental perspective and for producing agricultural products, constitute an essential component of agricultural activities;
- c) related activities – activities related to the processing/reprocessing of primary production agricultural products and services rendered, as well as agritourism activities;
- d) the agricultural and rural development policy – the combination of the main directions and measures of state policy aiming at increasing the income of individuals involved in agricultural activities and rural development;
- e) a farm enterprise – a parcel of land and/or a building attached to it, used for the primary production of agricultural products or the primary production of agricultural products and related activities;
- f) a rural enterprise – a parcel of land and/or a building attached to it used for carrying out related activities;
- g) a farmer – a natural or legal person carrying out agricultural activities or agricultural and related activities in a farm enterprise;
- h) the register of farm enterprises and rural enterprises – a unified database of farm enterprises and rural enterprises containing information on farmers and agricultural activities carried out by them in a farm enterprise, as well as information on rural entrepreneurship, related activities performed in rural enterprises, and support measures implemented by the State;
- i) support measures – measures implemented for facilitating agricultural activities and rural development (including payments);
- j) the management body – the Ministry of Environmental Protection and Agriculture of Georgia;
- k) the paying agency – a non-entrepreneurial (non-commercial) legal entity called the Rural Development Agency operating within the system of the management body;
- l) village – a village as defined by the Organic Law of Georgia Local Self-Government Code;



- m) the Council – the Inter-Agency Coordinating Council on Agricultural and Rural Development;
- n) a rural entrepreneur – a natural or legal person carrying out related activities in a rural enterprise.

Article 4 – Agricultural and rural development policy objectives

The objectives of the agricultural and rural development policy shall be:

- a) to improve the efficiency and productivity of economic activities in villages, ensure the development of a value chain in the field of agriculture, inter alia, by promoting high-value products through the increase of competitiveness on the internal and international agricultural commodity markets;
- b) to increase the income of the rural population by improving living and working conditions in villages and creating equal opportunities for every social group, including by promoting digital transformation;
- c) to promote economic stability through agricultural production, the use of natural resources, and by maintaining ecosystems, adapting to climate change, and reducing the negative environmental impact of climate change;
- d) to promote the implementation and development of efficient systems in the field of food/feed safety, and veterinary and plant protection;
- e) to develop the limited agricultural production potential in villages via additional financial support, support during a grace period, and technical and research support;
- f) to promote social inclusion by implementing modern technologies and innovations in villages, stimulating a bottom-up approach in the decision-making process and effective tools for public-private partnership, encouraging cooperation, and engaging women, and young and novice farmers/entrepreneurs in economic activities.

Chapter II - Agricultural and Rural Development Policy and Financing

Article 5 – Agriculture and Rural Development Strategy

The Agriculture and Rural Development Strategy is a sectoral policy document, which determines the priorities, objectives and tasks of the sector for the resolution of identified issues, formulates approaches for the implementation thereof, and establishes outcome indicators for the evaluation of progress.

Article 6 – Action Plan of Agriculture and Rural Development Strategy

The Action Plan of Agriculture and Rural Development Strategy determines specific measures and the outcome indicators thereof, designates agencies and partner agencies responsible for implementing those measures, sets time limits for their implementation, determines the budget and identifies sources of funding to carry out the priorities, objectives and tasks of the sector in accordance with the said Strategy.

Article 7 – Sources of funding for the implementation of agricultural and rural development policy

The sources of funding for implementing agricultural and rural development policy shall be:

- a) the State Budget of Georgia;
- b) foreign assistance;
- c) other sources permitted by the legislation of Georgia.

Article 8 – Support measures, beneficiaries thereof and their accountability

1. Support measures aim to ensure the development of agricultural activities, the sustainable economic development of villages, the economic empowerment of farmers and the rural population and the increase of their income.
2. Support measures within the framework of the agricultural and rural development policy shall be targeted projects/programmes to be carried out through the sources of funding for the implementation of the agricultural and rural development policy provided for in Article 7 of this Law.
3. Support measures within the framework of the agricultural and rural development policy shall be approved by the Government of Georgia upon the recommendation of the management body.
4. The beneficiaries of the support measures within the framework of the agricultural and rural development policy shall be natural persons and legal persons registered with the register of farm enterprises and rural enterprises, who carry out agricultural activities in farm enterprises and related activities, if any.
5. The beneficiaries of the support measures within the framework of the agricultural and rural development policy shall also be natural and legal persons performing activities in the field of rural development.
6. The beneficiaries of support measures shall be accountable to the paying agency.
7. The paying agency shall establish the reporting procedure for the beneficiaries of support measures.

Chapter III - State Regulation and Institutional Organisation of Agricultural and Rural Development Policy

Article 9 – Executive authorities managing agricultural and rural development policy

The executive authorities managing agricultural and rural development policy shall be:

- a) the Government of Georgia, which shall:



- a.a) ensure the implementation of the agricultural and rural development policy;
- a.b) approve the Agriculture and Rural Development Strategy and the Action Plan of the Agriculture and Rural Development Strategy upon the recommendation of the management body;
- a.c) consider the needs for agricultural and rural development when developing support measures essential for the country, as well as in relations with other states and international organisations;
- a.d) approve support measures upon the recommendation of the management body in accordance with the Agriculture and Rural Development Strategy and the Action Plan of Agriculture and Rural Development Strategy;
- b) the management body which, within its competence, shall:
 - b.a) draw up the Agriculture and Rural Development Strategy and the Action Plan of Agriculture and Rural Development Strategy in cooperation with other relevant agencies;
 - b.b) develop support measures and submit them for approval to the Government of Georgia;
 - b.c) carry out the general monitoring and assessment of the implementation of the Agriculture and Rural Development Strategy and the Action Plan of Agriculture and Rural Development Strategy;
 - b.d) coordinate intra-agency and inter-agency cooperation within the framework of the agricultural and rural development policy;
 - b.e) carry out analytical activities on the basis of the official data available in the field of agricultural and rural development, inter alia, analyse the data of the Unified Electronic Integrated Administration and Control System for producing forecast data;
 - b.f) ensure the engagement and communication of civil society, scientific circles, and the business sector, including farmers and sectoral associations, regarding issues of the agricultural and rural development policy;
 - b.g) perform other functions as provided for by the legislation of Georgia.

Article 10 – Paying agency

1. The paying agency shall have the function of ensuring the intended use of finances obtained from the sources of funding for the implementation of the agricultural and rural development policy and the implementation and control of the schemes of support measures provided for in this Law within the limits established by the legislation of Georgia.
2. The paying agency, within its competence, shall:
 - a) ensure the operational management of the verification and evaluation of funding applications and the authorisation of support measures;
 - b) ensure the implementation of support measures, financial accounting and control;
 - c) carry out the inspection of the beneficiaries of support measures in accordance with the established procedure;
 - d) in cooperation with other corresponding agencies, create and develop databases of Unified Electronic Integrated Administration and Control System and also ensure the registration and processing of the respective data;
 - e) carry out the monitoring of progress evaluated based on the outcome indicators of support measures and submit the corresponding information to the management body;
 - f) provide farmers/entrepreneurs with the relevant information at the local level and carry out consultancy activities;
 - g) be accountable to the management body. The management body shall establish a procedure for keeping the unified electronic reporting database;
 - h) perform other functions provided for by the legislation of Georgia.

Article 11 – The Council

1. The Government of Georgia shall establish the Council by an ordinance to facilitate coordinated activities between state agencies in relation to issues of agricultural and rural development, inter alia, in the process of the implementation of the Agriculture and Rural Development Strategy and the progress of the Action Plan of Agriculture and Rural Development Strategy. The Chairperson of the Council shall be the relevant authorised person of the management body.
2. The Council shall:
 - a) draw up proposals to update and improve the Agriculture and Rural Development Strategy and the Action Plan of Agriculture and Rural Development Strategy;
 - b) coordinate the implementation of the Agriculture and Rural Development Strategy and the preparation of an annual report for monitoring the progress of the Action Plan of Agriculture and Rural Development Strategy;
 - c) control data collection by the corresponding agencies and their entry into the common electronic monitoring and evaluation system of the agricultural and rural development policy;
 - d) create a format of cooperation between the Council and civil society to improve the implementation of the agricultural and rural development policy;
 - e) form temporary thematic working groups to carry out activities, if necessary.

Article 12 – Municipality

A municipality shall, within its competence, cooperate with the management body and/or the paying agency and, inter alia, exchange relevant information with it on issues of the agricultural and rural development.



Article 13 – Unified Electronic Integrated Administration and Control System

1. The management body shall coordinate the creation of the Unified Electronic Integrated Administration and Control System, and the paying agency shall be responsible for the integration and management of databases.
2. The Unified Electronic Integrated Administration and Control System consists of interconnected databases and comprises:
 - a) the register of farm enterprises and rural enterprises;
 - b) the Land Parcel Identification System, which comprises geographic information and spatial data regarding land parcels and agricultural and non-agricultural economic activities carried out on them;
 - c) the unified electronic system for managing the funding applications, payments and financial accounting, the procedure for operation of which shall be established by the management body;
 - d) the unified electronic reporting database to assess the impact of support measures and make decisions on the relevant policy;
 - e) other databases including the integrated electronic database for animal identification and registration.
3. Databases shall be kept and stored electronically. The relevant information shall be publicly available in accordance with the procedure provided for by the legislation of Georgia.
4. The management body shall determine the time limits and procedures for storing databases under the subordinate normative act on establishing the time limits and procedures for storing databases.

Article 14 – Register of farm enterprises and rural enterprises

1. The register of farm enterprises and rural enterprises is a unified database containing information on locations and activities of farm enterprises and rural enterprises, as well as on support measures, which is updated annually.
2. The purposes of the register of farm enterprises and rural enterprises shall be:
 - a) to create the database of farm enterprises and rural enterprises in Georgia for the identification of target groups and the implementation of support measures by the management body;
 - b) to create databases through a special software based on cadastral data, maps and orthophotos to determine the precise locations and peculiarities of activities of farm enterprises and rural enterprises;
 - c) to identify the activities of farm enterprises and rural enterprises.
3. The management body shall establish the procedures for keeping the register of farm enterprises and rural enterprises and managing the unified electronic database under the subordinate normative act for the efficient implementation of support measures.

Article 15 – Data exchange

The integration and mutual availability of databases related to agriculture and rural development shall be ensured by the electronic data exchange. The management body and the corresponding agencies within its system, as well as the Legal Entity under Public Law called the National Agency of Public Registry operating under the governance of the Ministry of Justice, and other relevant agencies, shall be involved in this process.

Chapter V - Transitional and Final Provisions

Article 16 – Transitional provisions

The management body shall:

- a) before 1 January 2026, ensure:
 - a.a) the approval of the subordinate normative act on the procedures for keeping the register of farm enterprises and rural enterprises and managing the unified electronic databases;
 - a.b) the approval of the subordinate normative act on the procedure for operating the unified electronic system of management of the funding applications, payments and financial accounting;
 - a.c) the approval of the subordinate normative act on the procedure for keeping the unified electronic reporting database;
 - a.d) the publication of the subordinate normative act on determining the time limits and procedures for storing the databases.
- b) before 1 January 2027, ensure the formation of a relevant structural unit within its system to produce forecast data provided for in Article 9(b.e) of this Law.

Article 17 – Final Provisions

1. This Law, except for Article 10 and Articles 13–15, shall enter into force on 1 January 2025.
2. Article 10 and Articles 13–15 of this Law shall enter into force on 1 January 2026.



Tbilisi,
12 June 2024
N4244-XIV მს -X მზ

