

Business Systems Laboratory - 6th International Symposium
BORDERS WITHOUT BORDERS:
SYSTEMIC FRAMEWORKS AND THEIR APPLICATIONS FOR SUSTAINABLE WELL-BEING IN THE GLOBAL ERA
January 21-23, 2019
University of Pavia
Pavia, Italy

**GLOBAL EXPERIENCE OF BIO PRODUCT MARKET AND ITS CHALLENGES IN
GEORGIA IN THE CONTEXT OF SUSTAINABLE WELL-BEING**

Eter Kharashvili

Professor, Doctor

Ivane Javakhishvili Tbilisi State University, Georgia

eter.kharashvili@tsu.ge

Tamar Lazariashvili

Assistant Professor

Ivane Javakhishvili Tbilisi State University, Georgia

tamar.lazariashvili@tsu.ge

Ia Natsvlishvili

Associate Professor

Ivane Javakhishvili Tbilisi State University, Georgia

ia.natsvlishvili@tsu.ge

EXTENDED ABSTRACT

The aim of the paper are to analyze the global market of bio products and identify the potential and limitations of bio production in Georgia. The level of population interested in bio products and the increasing tendency of such interest is revealed. The work analyzes the level of competitiveness on the market of bio products. The main providers and consumers of bio products are characterized and conclusion is made that the biggest consumption of organic products takes place in rich countries. In the basis of estimation of experts is considered that the market of bio products is one of the fast increasing and dynamic market. It is supposed that in the first half of the 21st century 40 percent of the technologies and world produced products will be ecological. Accordingly, the companies and producers are suggested to activate efforts toward this direction.

The paper highlights and discusses the indicators of the production of bio products in the European countries, their characteristics, prices and demand tendencies. The experience of European countries in the field of production of bio products is evaluated and the basic problems in this process are exposed. With the help of desk research method and comparative analysis the opportunities of the production of bio products in Georgia are identified. Problems connected with production of bio products are revealed and perspectives of development are suggested. European model of production of bio products is analyzed and by the method of comparative analysis is proved that the production of bio products falls behind the European demands. Market of bio products in Georgia is not developed at high level but research results of consumers' preferences shows that consumers support healthy food and they are ready to pay different (comparatively higher) price for bio products. Positive changes are in the agrarian policy of the state, namely in the direction of establishing legislative basis adequate for the bio production.

Please send to abstract-submission@bslab-symposium.net

Biological production is to become one of the strategic directions of development of the agriculture of Georgia as the bio market in the world maintains its niche: the demand is higher than supply. In the conditions of supporting of the development of bio production from the state the bio sector has the potential to make an important contribution to regenerate the agriculture of Georgia. Together with regenerating and spreading of traditional cultures, increasing of demands of the ecologically clean products and the development of ecotourism make the best perspective of the stability of middle farming in Georgia.

In the paper some recommendations for the development of the market of the local bio products are worked out. Production of bio wine and tea are considered as potential perspectives for Georgia. With these products Georgia is able to occupy its own place of the world bio-market and succeed. The biggest producers in Europe of organic wine are Spain, France and Italy. Some of the prestigious lands turned into organic farming. In France and Horvath more than 10 percent of organic market is occupied by wine. From the developing countries the great potential of export of organic wine is to Norway, Sweden, Finland, Denmark, Germany, Great Britain, Switzerland and Australia. France, Italy and Spain they are less interested in the import of organic wine as they have their enough own production.

In the paper conclusions regarding to the problems existed on bio product's market in Georgia are made and production of bio products is considered as one of the economic activity that can play important role in the process of sustainable development and increase the level of nation's well-being. In General, European model of agriculture is desirable to be implemented in Georgia. Investigation of experience of different countries with best agricultural practice plays significant role in identification of agricultural policy priorities in Georgia and in elaboration of practical recommendations for farmers and for the whole industry. Given article discusses the current tendencies of global agriculture and agricultural policy in general and analyses the ways of how it might stimulate bio production. Paper also discusses the peculiarities of the European models of farm's diversification, opportunities and limits of family farms in the European Union and considers the bio production as one possible way of farms diversification. The article argues that in the European Union family farms are considered as a key element of the European model of agriculture. Family farms make multifarious contribution to the European Union and to its rural economy. In Europe around 97% of farms are family farms. The European Union through its agricultural policy continues to stimulate sustainable and competitive agriculture. Family farms, often as diversified and pluriactive farms, should be considered as key element of Georgian model of agriculture.

REFERENCES

1. Baker S., (2016) Sustainable Development, second ed. Routledge
2. Elliott Jennifer A., (2013) An Introduction to Sustainable Development, fourth ed. Routledge
3. Kharashvili E. (2017)., Competitiveness Models of Diversification of Wine market and Viticulture in Georgia. Tbilisi. (in Georgian)
4. Lazariashvili T, (2017) The Market of Bio Products: International Experience and Challenges of Bio Production in Georgia., in Iashvili I. and Davituliani Ts, ed. Collected Papers of conference "Geography in Global Context: Achievements and Challenges". Kutaisi, Georgia (in Georgian). pp. 470-480
5. Natsvlishvili I. (2017) Challenges of Entrepreneurial activity and Attitudes toward Entrepreneurship in Georgia in the Context of Transformation Processes., in Iashvili I. and Davituliani Ts, ed. Collected Papers of conference "Geography in Global Context: Achievements and Challenges". Kutaisi, Georgia (in Georgian). pp. 298-310

6. Natsvlishvili I. (2016). European Models of Farms Diversification and Current Challenges. *International Journal of Business and Management Studies*, CD-ROM. ISSN: 2158-1479 :: 05(02). pp. 31–38
7. Tourism in The Green Economy., (2015) Edited by Maharaj Vijay Reddy and Keith Wilkes. Routledge
8. Understanding Sustainable Development., (2015) second. ed. Routledge

Keywords: Agriculture, Agricultural policy, Bio Production, Bio Wine, Country's Competitiveness.