Georgia | Impacts of Climate Change and Adaptation in Agriculture

Find the underlying analysis in the <u>sectoral policy brief "Georgia: Economy-wide Effects of Adaptation in Agriculture"</u> and in the report "Supporting climate resilient economic development in Georgia"



Annual changes in % are between a climate change scenario without adaptation (SCC) and a climate change scenario with adaptation (SCCA).

Georgia's agriculture is vulnerable to climate change



Heatwaves can cause harvest losses (e.g., grapes) and damages to irrigation systems.



Extreme precipitation may result in crop losses due to flooded fields.



Heavy wind removes and transports soil material & causes land degradation (wind erosion), which can lead to crop losses.



Negative impacts on agriculture can lead to lower growth in other sectors, lower GDP and employment.

Exemplary adaptation measures for reducing vulnerability to heavy wind and droughts



Windbreaks

Restoring windbreaks such as trees and bushes can reduce the negative direct impacts of wind erosion due to climate change. As a result, investments in windbreaks may on average lead to about 18% higher crop yields per year than without this adaptation measure (Moore n.d., Geostat 2020).

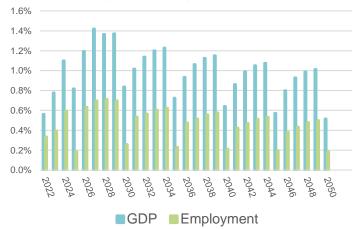


Irrigation Systems

Modernizing and rehabilitating irrigation systems can sustain high yields of Georgia's horticultural crop production in the future despite rising temperatures and great variation in precipitation patterns. Investing in irrigation systems may on average lead to about 15% higher crop yields per year than without this adaptation measure (MoA 2017).

Economy-wide benefits of windbreaks and irrigations systems

Economy-wide effects of windbreaks (SACC compared to SCC)



References

Geostat (2020): Agriculture of Georgia 2019. Preliminary data on plant growing. National Statistics Office of Georgia. Tbilisi. MoA (2017): Irrigation Strategy for Georgia 2017-2025. Ministry of Agriculture.

Moore, L. (n.d.): Economics of Windbreaks. USDA-NRCS.

Macroeconomic modelling allows for **long-term** assessment of economy-wide effects of adaptation measures.

- → Investments in the restoration of windbreaks can result in up to 1.4% higher GDP (resp. GEL 747 million) and up to 0.7% higher employment corresponding to more than 12,000 additional jobs per year (SACC compared to SCC).
- → Investments in windbreaks have positive sectoral linkages leading to increased wage levels and higher consumption expenditure of up to 1.1% p.a. (SACC compared to SCC).
- → Similarly, to windbreak investments, investments in irrigation systems can lead to annual GDP increases of up to 1% and up to 0.6% higher employment per year corresponding to more than 10,000 additional jobs (SACC compared to SCC).

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