

# Economic Outlook of Georgia



**GUG**

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2016

# Country Overview

Area	69 700 sq km
Official language	Georgian
Literacy	100%
Capital	Tbilisi
Currency (code)	Lari (GEL)
GDP 2016	US\$ 14.3 billion
GDP - real growth rate 2016	2.7%
GDP - Per Capita 2016	US\$ 3,852.5
Inflation rate 2016 <i>(average annual)</i>	2.1%
External debt to GDP 2016	66.1%



# Population

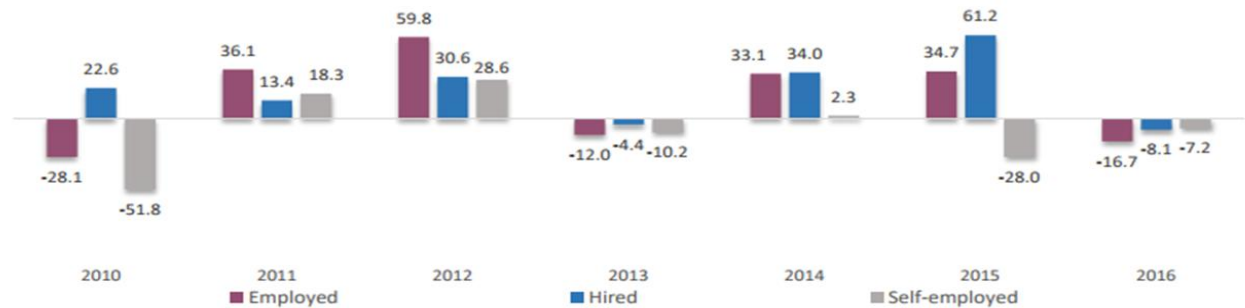
Total Population 2016	3,7 mln
Urban	57.2%
Rural	42.8%
Population growth rate (2016)	1.6%
Population birth rate (2016)	15.2 birth/1,000 population
Weddings rate (2016)	6.7 weddings/1,000 population
Life expectancy	72.7 years

# Labor Market



Source: National Statistics Office of Georgia

## Unemployment

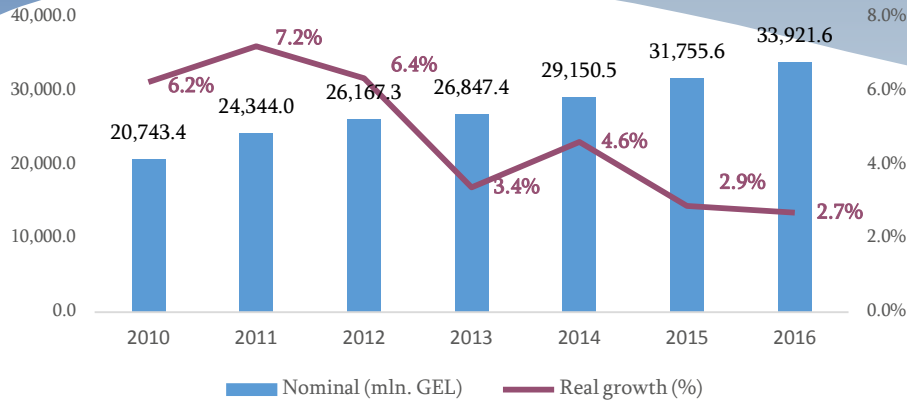


Source: National Statistics Office of Georgia

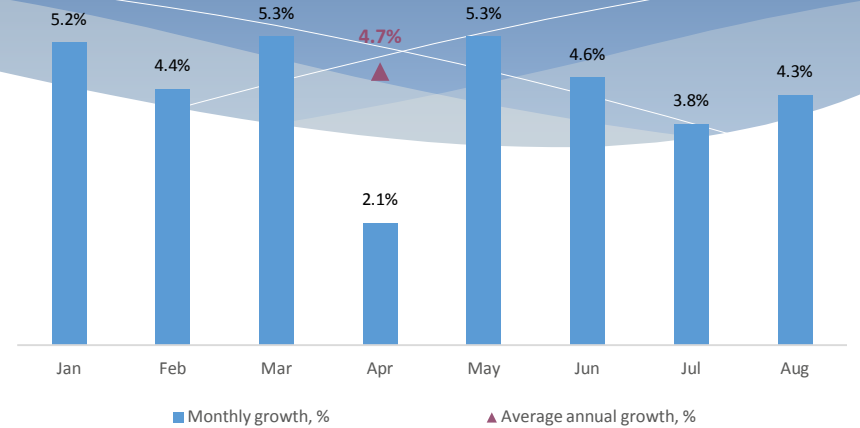
Decomposition of Employment (change to the previous years)

# Economic Growth

## Nominal GDP and real growth

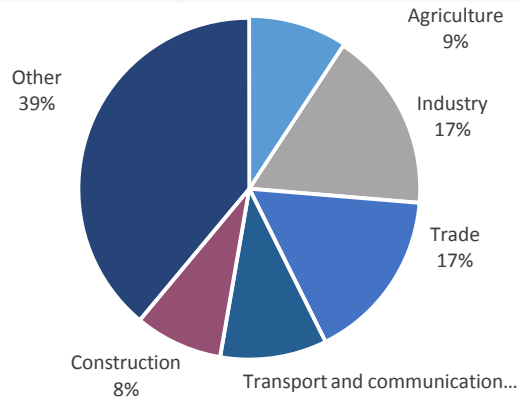


## Monthly Economic Growth, 2017



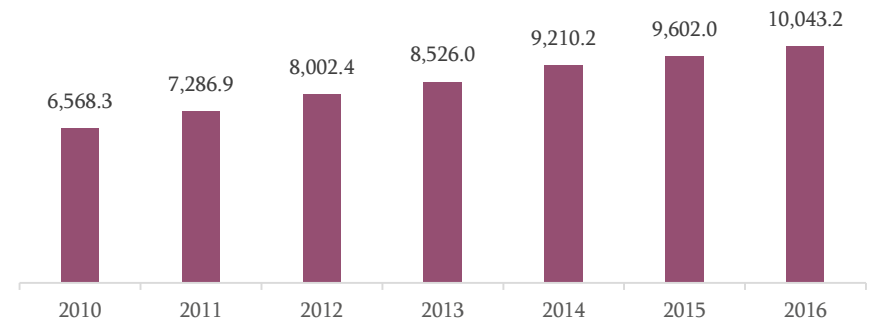
Source: National Statistics Office of Georgia

## Components of GDP, 2016



Source: National Statistics Office of Georgia

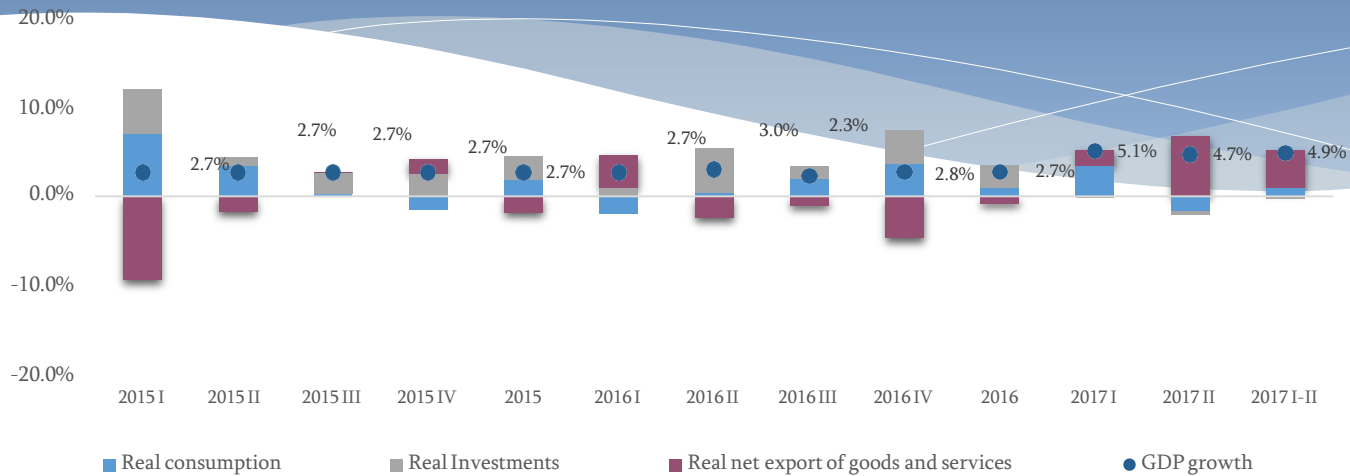
## GDP per capita (PPP- International Dollar)



Source: International Monetary Fund

# Economic Growth

## GDP Growth Decomposition



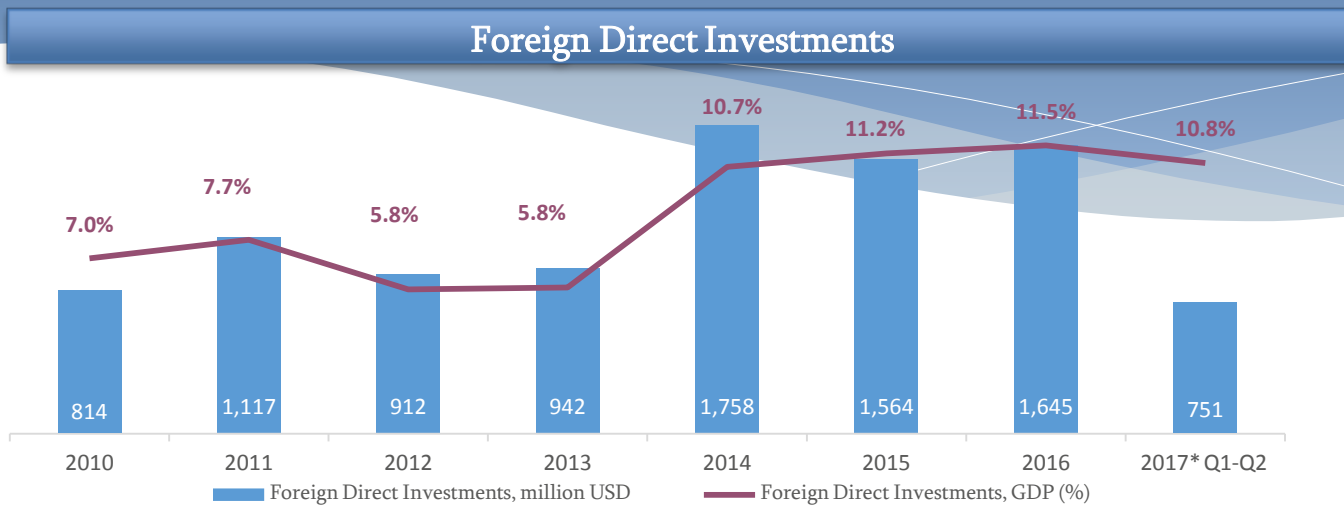
Source: Geostat, calculations of MOESD

## Economic growth forecast - 2017



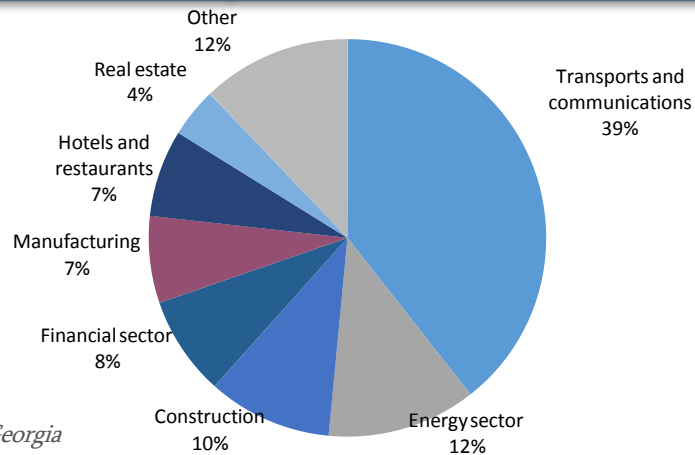
Source: IMF and World Bank

# Foreign Direct Investments



Source: National Statistics Office of Georgia

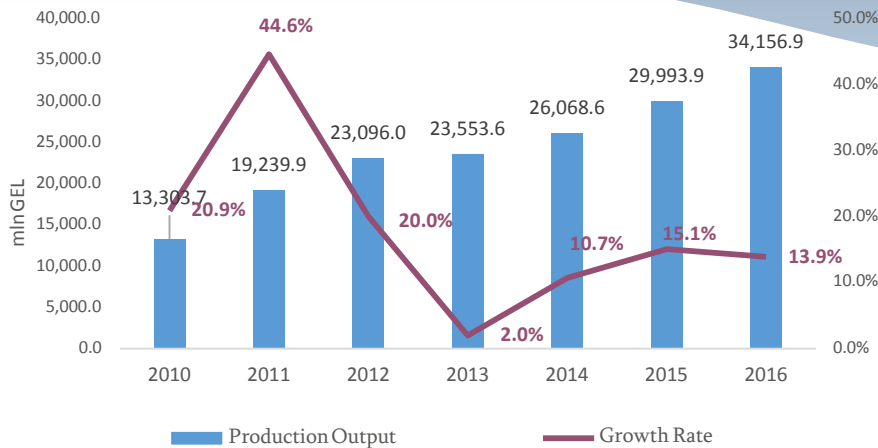
### FDI by Sector in 2016



Source: National Statistics Office of Georgia

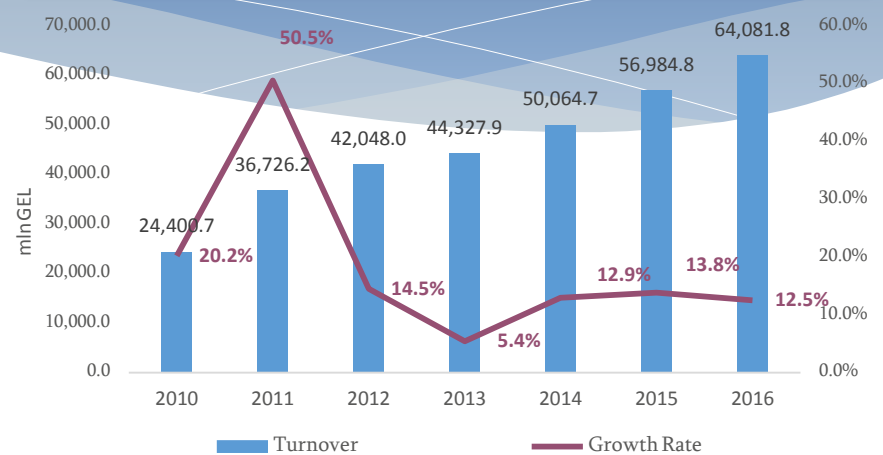
# Business Sector

## Output of Business Sector



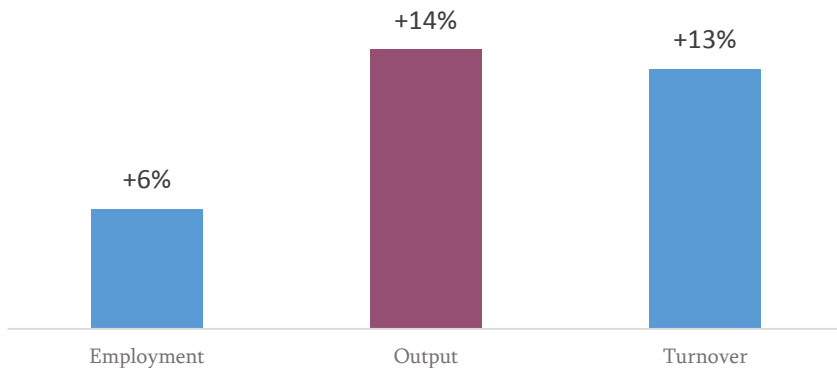
Source: National Statistics Office of Georgia

## Turnover of Business sector



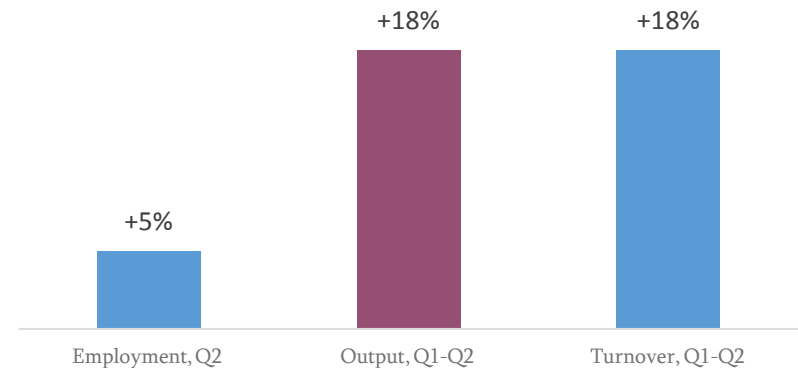
Source: National Statistics Office of Georgia

## Business Sector, 2016



Source: National Statistics Office of Georgia

## Business Sector, First Half of 2017





# Tax Policy

Reduced number of taxes from 21 to 6

Reduced tax rates (see below)

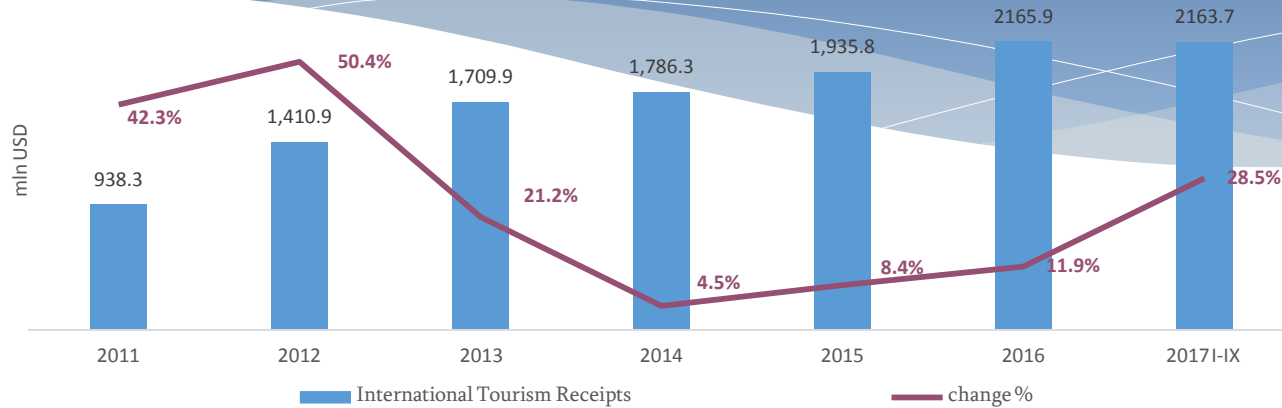
- Personal Income Tax – 20%
- Corporate Income Tax -15%
- VAT -18%
- Excise Tax – Varies
- Customs Tax - 0%, 5% or 12%
- Property tax -1% on the self-assessed value of property

# Investment Supportive Policy

- **Simplified regulations;**
- **Favorable taxation regime;**
- **Equal treatment for local and domestic investors;**
- **Free Industrial Zones – preferences for investors.**

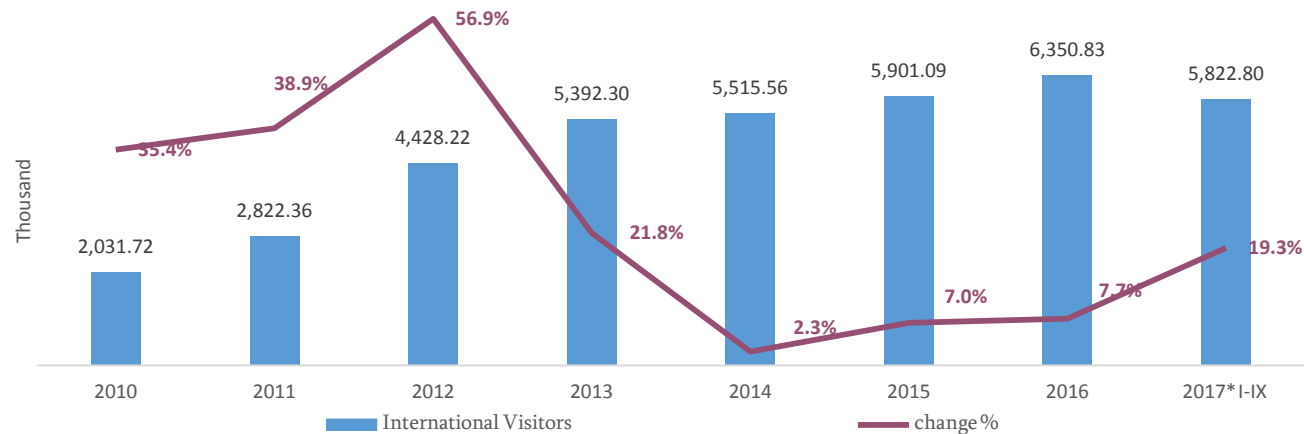
# Tourism

## International Tourism Receipts (mln USD)



Source: National Bank Of Georgia

## International Visitors



Source: Georgian National Tourism Administration

# Used Sources

- ✓ [www.economy.ge](http://www.economy.ge)
- ✓ [www.gnta.ge](http://www.gnta.ge)
- ✓ [www.geostat.ge](http://www.geostat.ge)
- ✓ [www.government.gov.ge](http://www.government.gov.ge)

Thank You!



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