

## Georgia: Statistical Appendix

This Statistical Appendix for Georgia was prepared by a staff team of the International Monetary Fund as background documentation for the periodic consultation with the member country. It is based on the information available at the time it was completed on March 17, 2006. The views expressed in this document are those of the staff team and do not necessarily reflect the views of the government of Georgia or the Executive Board of the IMF.

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GEORGIA

**Statistical Appendix**

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Table 1. Georgia: Basic Data, 2000–05

Social and Demographic Indicators

Area	60,100 sq. km
Population density (2004)	71.8 per sq. km
Population (in millions, 2004)	4.3
Life expectancy at birth (years, 2003)	72.0
Men	69.1
Women	74.7
Infant mortality rate (per 1,000 live births, 2003)	24.8
Hospital beds (per 1,000 residents, 2003)	4.0
Physicians (per 1,000 residents, 2003)	4.6

	2000	2001	2002	2003	2004	2005 Est.
(Percentage change from previous year)						
Real GDP	1.9	4.7	5.5	11.1	6.2	7.7
Consumer prices (end-period)	4.6	3.4	5.4	7.0	7.5	6.2
Consumer prices (average)	4.0	4.7	5.6	4.8	5.7	8.3
(In percent of GDP)						
National accounts						
Domestic demand	126.3	117.5	113.2	108.7	116.3	...
Final consumption, <i>of which</i> :	99.5	89.0	87.7	81.4	87.0	...
Households	89.9	78.6	77.1	71.4	71.7	...
General government	8.6	9.7	9.8	9.2	14.7	...
Gross capital formation	26.7	28.5	25.5	27.4	29.3	...
Labor market						
Total employment (thousands)	736.8	702.8	693.3	283.6	744.6	...
<i>Of which</i> : in state sector	632.0	614.8	696.6	282.1	730.9	...
Unemployment rate (in percent) 1/	10.3	11.1	12.6	11.5	12.6	...
Average monthly wages (in lari)	83.6	90.6	103.6	107.2	118.3	...
(In millions of U.S. dollars, unless otherwise indicated)						
Balance of payments						
Trade balance	-501.2	-549.4	-483.0	-636.0	-916.0	...
Current account balance	-130.5	-211.4	-197.6	-369.5	-349.3	...
(In percent of GDP)	-4.3	-6.6	-5.8	-9.2	-6.7	...
(Percentage change from previous period)						
Money and credit						
Reserve money	26.8	9.9	18.4	13.9	44.3	19.7
Broad money	39.1	18.5	17.9	22.8	42.6	26.4
Credit to private sector	39.8	12.6	25.5	23.2	24.1	83.2
Interest rate (in percent) 2/	...	29.9	43.4	44.3	19.2	12.5
(In percent of GDP)						
General government finances 3/						
Revenues, <i>of which</i> :	14.9	15.6	15.5	15.9	20.5	22.5
Tax revenues	11.8	12.0	14.4	15.0	18.2	19.8
Expenditure and net lending	19.2	18.3	17.8	17.5	18.6	24.9
Fiscal balance (cash basis)	-2.6	-1.6	-1.9	-1.6	-0.2	-2.4
Memorandum item:						
Nominal GDP (in millions of lari)	6,013	6,638	7,448	8,565	9,970	11,600

Source: Georgian authorities.

1/ According to ILO strong criteria (see table 8).

2/ Average annual interest rate on treasury bills.

3/ There is a break in series beginning in 1998 when a new classification of fiscal account was implemented.

Table 2. Georgia: GDP by Origin, 1997–2004

	1997	1998	1999	2000	2001	2002	2003	2004
	(In millions of lari)							
Nominal GDP at market prices	4,555	5,022	5,669	6,015	6,648	7,457	8,565	9,970
Nominal GDP at factor prices	4,285	4,782	5,342	5,649	6,212	6,961	8,042	9,135
Share in GDP (at factor prices)	(In percent of GDP)							
Agriculture, forestry, fishing	29.2	27.6	26.2	21.6	22.1	20.6	20.6	17.8
Mining and quarrying	0.4	0.3	0.4	0.7	0.6	0.7	0.9	0.9
Manufacturing	10.7	8.9	8.8	9.1	8.3	9.0	9.3	9.8
Electricity, gas and water supply	3.3	3.8	4.7	4.7	4.1	4.5	4.0	3.5
Processing products by household	5.4	5.0	4.8	4.0	4.8	4.7	4.6	4.4
Construction	3.8	4.9	4.0	4.0	4.2	5.5	6.8	6.8
Trade services, repair services	11.8	11.0	12.2	13.5	14.0	13.7	14.1	14.4
Restaurant and hotel services	2.1	2.0	2.6	2.5	3.1	3.1	3.0	2.9
Transport and storage	6.7	9.4	10.0	12.5	11.7	12.0	10.9	10.4
Communications	1.5	2.1	2.6	2.7	3.0	3.1	3.8	4.5
Financial intermediation	1.0	1.3	1.7	1.6	1.5	1.6	1.6	1.4
Real estate, renting and business activities	9.7	8.9	7.9	7.5	7.3	6.4	6.4	6.5
Public administration and defense	4.0	4.1	3.7	3.6	3.9	4.2	3.8	6.3
Education	2.9	2.9	3.5	3.8	3.8	3.9	3.5	3.8
Health care and social services	3.7	4.7	4.5	5.6	5.2	5.0	4.3	3.7
Other community, social and personal service activities	3.7	3.6	3.2	3.5	3.1	2.8	3.1	3.7
Private households with employed persons	0.5	0.4	0.4	0.3	0.2	0.1	0.1	0.1
(-) FISIM adjustment	-0.5	-0.9	-1.0	-1.0	-1.0	-1.0	-1.0	-0.8
Nominal GDP at basic prices	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Real growth over same period in previous year	(In percent, previous period = 100)							
Nominal GDP at market prices	107.1	104.3	102.1	101.4	104.7	105.3	112.5	105.7
Nominal GDP at basic prices	110.5	103.1	102.9	101.8	104.8	105.5	111.1	106.3
GDP deflator	106.5	106.9	109.6	104.2	105.4	106.4	103.3	109.1
Agriculture, forestry, fishing	103.9	93.4	106.9	88.0	108.2	98.6	110.3	92.8
Mining and quarrying	79.4	77.0	119.0	199.4	90.0	129.8	97.9	83.4
Manufacturing	103.7	90.8	95.9	104.2	96.7	120.8	109.5	119.0
Electricity, gas and water supply	110.6	125.2	120.8	100.1	94.3	89.8	109.2	100.3
Processing products by household	101.5	97.2	102.0	98.0	102.6	100.9	104.7	97.0
Construction	151.5	135.2	78.5	104.0	110.3	143.1	146.6	105.9
Trade services, repair services	102.2	101.6	103.8	110.8	108.8	103.9	112.1	110.0
Restaurant and hotel services	129.8	106.9	110.1	108.2	133.7	107.6	114.2	103.2
Transport and storage	142.0	151.7	105.4	113.9	101.6	109.7	104.4	105.0
Communications	103.9	136.5	107.0	108.3	100.2	102.5	136.5	125.5
Financial intermediation	172.5	178.1	158.6	102.5	113.9	122.9	118.1	105.5
Real estate, renting and business activities	105.5	102.4	94.6	103.7	114.0	94.5	125.2	118.3
Public administration and defense	98.5	109.2	93.7	100.4	96.3	101.2	97.7	109.7
Education	100.3	97.0	90.5	108.2	103.5	101.5	101.6	102.4
Health care and social services	96.2	99.0	103.6	103.0	100.3	106.5	101.7	102.2
Other community, social and personal service activities	103.0	113.1	93.4	103.7	94.1	105.1	124.3	109.9
Private households with employed persons	98.5	99.8	98.2	64.1	79.5	85.9	96.5	105.7
(-) FISIM adjustment	135.0	266.5	133.0	111.3	122.0	122.7	104.5	92.1

Source: Georgian State Department of Statistics.

Table 3. Georgia: Production of Selected Industrial Commodities, 1997–2004  
(In thousands of tons, unless otherwise indicated)

	1997	1998	1999	2000	2001	2002	2003	2004
<b>Fuel and energy</b>								
Electric power (in billions of kWh)	7.2	8.1	8.1	7.5	6.9	7.3	7.2	6.9
Coal	4.6	14.7	12.0	7.3	5.0	6.0	8.0	8.0
Oil	133.8	119.2	91.3	109.5	98.8	73.9	139.7	97.6
Natural gas (in millions of m3)	...	...	...	79.5	40.2	16.7	17.8	10.9
Gasoline	4.4	...	3.6	1.8	...	...	0.1	3.3
Diesel fuel	8.1	13.8	22.3	8.8	2.0	0.9	3.7	14.7
Fuel oil ("Mazut")	12.4	15.9	23.2	16.0	8.6	13.6	12.8	16.2
<b>Metallurgy</b>								
Cast-iron	1.1	0.1	...	0.0	...	...	...	...
Steel	103.2	56.4	7.0	0.1	...	...	...	...
Finished roll steel ferrous metal	86.7	42.7	7.2	1.4	...	...	...	...
Steel pipes	23.5	8.5	0.1	0.2	...	...	...	...
Manganese ore	14.2	16.0	54.9	63.1	98.4	103.4	173.5	218.7
Electro-ferro manganese	0.0	3.4	4.9	0.6	0.1	...	...	...
<b>Machine-building</b>								
Subversive electric motors (in units)	329.0	74.0	63.0	559.0	402.0	44.0	217.0	25.0
A/C motors (in thousands of kW)	0.1	...	...	...	...	...	...	...
Electric welding equipment (in thousands of units)	0.0	0.0	...	...	...	...	...	...
Metal-cutting machines (in units)	28.0	21.0	2.0	3.0	2.0	9.0	30.0	4.0
Main-line locomotives (in units)	...	...	...	4.0	3.0	3.0	3.0	4.0
Trucks (in thousands of units)	82.0	39.0	38.0	44.0	4.0	...	...	...
<b>Chemical/timber products</b>								
Mineral fertilizers	80.9	55.4	95.1	100.2	39.2	83.2	89.9	98.8
Chemical fibers and threads	0.6	0.3	0.3	0.0	0.0	...	...	...
Synthetic ammoniac	102.1	77.5	126.6	136.2	57.9	111.3	124.4	131.2
Synthetic detergents (in tons)	46.8	10.9	...	...	...	...	...	...
Sawn wood (in thousands of m3)	16.7	33.0	34.3	42.8	43.5	51.7	71.1	69.4
<b>Construction</b>								
Cement	94.1	198.6	341.4	347.7	335.2	346.8	344.8	424.6
Prefabricated ferro-concrete structures (in thousands of m3)	8.8	8.7	9.3	13.4	4.6	3.7	4.4	3.9
Masonry concrete and silicate blocks (in millions of units)	16.6	16.5	12.4	11.3	8.3	8.4	12.1	24.9
Natural stone decorative tiles (in thousands of m3)	...	14.6	10.4	12.4	14.7	11.2	13.9	22.4
<b>General merchandise and household appliances</b>								
Porcelain and faience dishware (in thousands of units)	191.6	274.2	320.5	185.9	91.8	53.8	...	...
Color TV (in units)	2037.0	1039.0	1310.0	1585.0	1117.0	11.0	...	...
Notebooks (in thousands of units)	953.4	316.0	370.0	194.0	213.0	262.0	1394.0	2035.0

Source: Georgian State Department of Statistics.

Table 3. Georgia: Production of Selected Industrial Commodities, 1997–2004 (Concluded)  
(In thousands of tons, unless otherwise indicated)

	1997	1998	1999	2000	2001	2002	2003	2004
<b>Light industry</b>								
Silk thread (in tons)	8.6	...	...	...	...	...	...	...
Cotton yarn (in tons)	167.0	62.1	6.7	...	...	...	...	...
Wool yarn (in tons)	61.4	58.7	40.0	5.0	5.0	8.0	11	1
Hosiery (thousands of pairs)	57.0	11.6	0.5	0.5	15.5	16.4	13.5	11.9
Knitwear (thousands of units)	76.0	59.0	14.3	10.3	2.6	2.3	0.9	...
Footwear (thousands of pairs)	100.9	95.4	101.3	89.8	44.7	24.5	19.4	36.8
<b>Basic foodstuff and food-processing</b>								
Bread and bakery products	198.7	172.5	113.6	111.3	88.1	91.6	77.0	100.4
Granulated sugar	19.7	...	20.0	35.3	...	47.9	91.8	86.9
Meat products	963.3	1330.0	1429.0	1053.0	415.2	573.3	885.5	1589.0
Meat (tons)	45.3	178.0	6.0	66.0	1.2	0.3	0.5	1.4
Sausage (tons)	918.0	1152.0	1423.0	987.0	414.0	573.0	885	1575.0
Butter (tons)	888.0	265.0	1490.0	813.0	519.0	203.0	284	666.0
Dairy products (in terms of milk)	5.4	6.6	4.6	4.2	4.8	5.5	...	...
Fat cheese (tons)	142.0	47.0	93.0	63.0	28.0	32.0	57	61.0
Vegetable oil (tons)	847.0	542.0	476.0	144.0	51.0	76.0	106	118.0
Flour	165.0	148.0	114.4	103.5	79.9	78.3	72.5	136.7
Canned fruit and vegetables (mln. cans)	9.6	2.9	6.6	11.2	29.1	28.9	28.2	20.3
Confectionery (tons)	235.0	277.0	154.0	144.0	101.0	112.0	336	498.0
Packed natural tea	7.8	4.9	4.5	3.0	3.8	3.1	4.1	4.3
Macaroni products (tons)	357.0	860.0	470.0	270.0	293.0	505.0	542	738.0
<b>Non-alcoholic beverages (in millions of decaliters)</b>								
Mineral water (in millions of 1/2 liters)	66.5	61.3	49.7	72.3	79.7	119.2	138.1	163.6
Cigarettes (in billions)	0.9	0.6	1.3	0.3	1.6	1.8	3.0	2.8
Vodka and liqueurs (in thousands of decaliters)	251.0	112.7	463.8	439.4	529.0	135.9	117.7	437.7
Grape wine (in millions of decaliters)	3.1	2.3	1.9	1.7	2.0	1.9	2.3	2.7
Sparkling wine (in thousands of decaliters)	75.6	40.3	66.9	87.7	115.1	117.7	160.3	177.8
Brandy (in thousands of decaliters)	82.3	37.8	31.1	71.3	73.0	73.2	141.9	221.9
Beer (in millions of decaliters)	0.8	1.0	1.3	2.3	2.6	2.7	2.8	4.8

Source: Georgian State Department of Statistics.



Table 4. Georgia: Transportation Indicators, 1997–2004  
(In thousands of tons)

	1997	1998	1999	2000	2001	2002	2003	2004
Freight transport	19,703	24,124	25,913	30,060	33,241	37,437	41,081	41,139
Rail	7,200	8,495	9,492	11,496	13,210	14,900	16,559	15,408
Road	12,200	15,000	16,000	18,500	20,000	22,500	24,500	25,700
Sea	300	625	419	63	31	36	21	29

Source: Georgian State Department of Statistics.

Table 5. Georgia: Prices, 1992–2005

	Consumer Price Index		Producer Price Index	
	(Percent change)			
	Period average	End of period	Period average	End of period
1992	887.4	1,176.9	...	...
1993	3,125.4	7,487.9	...	...
1994	15,601.8	6,472.8	...	...
1995	162.7	57.4	...	...
1996	39.4	13.8	...	...
1997	7.1	7.3	...	...
1998	3.6	10.7	2.3	3.7
1999	19.2	10.9	15.7	15.7
2000	4.0	4.6	5.8	2.4
2001	4.7	3.4	3.6	8.9
2002	5.6	5.4	6.3	2.2
2003	4.8	7.0	3.2	6.7
2004	5.7	7.5	4.6	1.1
2005	8.3	6.2	7.4	8.4
	Over previous month	Over same month previous year	Over previous month	Over same month previous year
2004				
January	0.4	5.2	-0.2	5.4
February	0.4	6.2	0.6	4.6
March	0.1	6.3	0.2	5.2
April	-0.2	5.6	1.6	9.4
May	0.0	5.4	-2.2	5.0
June	-1.6	3.6	-0.4	3.5
July	0.8	5.5	1.2	4.2
August	-0.6	5.0	0.4	5.1
September	1.5	6.0	-0.6	4.7
October	1.6	7.7	1.5	4.5
November	1.3	4.1	0.0	3.4
December	3.5	7.5	-0.9	1.1
2005				
January	2.1	9.3	7.0	8.4
February	0.3	9.2	1.7	9.6
March	0.6	9.7	-0.3	9.1
April	0.4	10.4	-0.2	7.2
May	-1.3	8.9	-1.9	7.5
June	-1.4	9.0	-0.4	7.5
July	-1.9	6.0	-0.5	5.7
August	0.6	7.2	0.5	5.8
September	1.9	7.7	1.1	7.7
October	1.7	7.8	-0.1	6.0
November	1.4	7.9	0.4	6.4
December	1.8	6.2	0.9	8.4

Source: Georgian State Department of Statistics.

Table 6. Georgia: Employment and Average Monthly Wages, 1997–2004  
(After taxes, in lari)

	1997	1998	1999	2000	2001	2002	2003	2004
Average monthly wages (in lari):								
Total in the country economy	52.1	67.1	76.8	83.6	90.6	103.6	107.2	118.3
In the state sector	43.9	55.3	62.1	63.9	70.4	75.2	78.8	91.4
In the private sector	56.6	73.0	83.9	93.5	102.0	120.0	122.0	132.8
Average monthly wages (in lari):								
In industry	63.8	80.6	86.7	94.0	115.1	138.4	127.3	142.1
In agriculture	36.7	41.5	51.6	89.0	82.7	81.1	82.7	76.4
In service sector	50.4	65.0	75.2	80.8	86.0	96.8	103.9	114.0
In banking financial sector	87.1	102.2	131.4	100.6	107.6	177.1	158.6	216.7
Employment (in thousands of people):								
Total in the country economy	725.0	761.9	743.8	1064.5	708.7	681.7	723.8	722.4
In industry	110.0	123.2	122.6	121.9	110.9	100.3	107.0	105.3
In agriculture	33.6	34.7	34.8	17.2	17.8	17.8	36.7	33.8
In service sector	571.4	591.6	575.8	911.9	571.4	555.2	568.9	569.8
In banking financial sector	10.0	12.4	10.5	13.5	8.6	8.4	11.1	13.5

Source: Georgian State Department of Statistics.

Table 7. Georgia: Employment and Average Monthly Wages by Sectors, 1997–2004

	1997	1998	1999	2000	2001	2002	2003	2004
	(In lari)							
Average wages (after taxes), total	52.0	67.1	76.8	83.4	90.8	103.6	107.2	118.3
Agriculture, Forestry, Fishing	36.7	41.5	51.6	89.0	82.7	81.1	82.7	76.4
Mining	54.7	75.3	100.3	100.8	119.8	87.2	109.3	283.8
Processing Industry	65.4	80.9	83.7	97.5	113.4	125.9	129.7	129.2
Electricity, gas, water supply	59.1	81.6	97.8	82.5	119.1	177.0	125.5	159.4
Construction	100.2	128.9	136.0	133.7	154.4	220.8	181.8	204.9
Trade and Utilities	66.5	85.8	110.2	97.0	93.0	112.3	139.1	132.4
Hotels and Restaurants	49.6	81.5	89.9	114.3	121.1	148.6	142.3	144.0
Transport and storage, communications	73.4	93.1	95.7	124.0	136.8	151.3	160.6	159.8
Financial Intermediation	69.9	102.2	131.4	100.6	107.6	177.1	158.6	216.7
Research and planning	55.8	60.2	79.8	112.9	145.2	94.9	100.9	122.8
Public administration, defense	70.2	78.9	84.2	88.0	82.8	98.4	109.9	117.2
Education	26.0	37.0	45.1	45.8	61.2	57.2	55.9	73.6
Healthcare and social services	30.0	41.7	45.2	51.9	55.4	57.9	62.2	83.8
Other Services, Culture, Sport, . .	57.2	65.7	69.1	77.3	80.9	103.3	91.7	116.8
Contract works in household	66.3	76.7	94.8	113.8	55.4	117.3	160.6	115.2
	(Thousands of employees)							
Employment	725.0	761.9	743.8	737.4	708.7	681.7	723.8	722.4
Agriculture, Forestry, Fishing	33.6	34.7	34.8	17.2	17.8	17.8	36.7	33.8
Mining and quarrying	7.5	5.4	5.3	3.6	2.9	5.2	4.4	4.0
Manufacturing	84.7	95.3	96.7	89.5	78.9	66.7	80.1	77.1
Electricity, gas, water supply	17.8	22.4	20.6	28.8	29.1	28.4	22.5	24.3
Construction	12.4	20.3	20.9	25.4	19.8	21.8	32.2	30.2
Trade and Utilities	63.4	61.5	74.6	72.5	65.4	68.0	77.7	75.9
Hotels and Restaurants	8.5	13.2	13.2	14.8	20.6	17.0	13.6	14.5
Transport and storage, communications	52.5	59.5	55.6	59.2	63.8	58.6	58.3	55.1
Financial Intermediation	10.0	12.4	10.5	13.5	8.6	8.4	11.1	13.5
Research and planning	36.6	34.6	36.2	24.0	18.6	19.6	24.9	28.1
Public administration, defense	102.9	112.4	105.8	105.7	108.2	108.7	104.6	102.9
Education	151.2	144.4	136.2	141.2	146.4	140.8	142.1	148.5
Health care and social services	91.9	85.4	77.2	89.0	81.2	69.5	60.3	58.0
Other community, social and personal service activities	36.5	43.3	39.3	39.7	38.7	44.0	47.3	47.1
Private households with employed persons	14.1	15.0	15.0	12.1	7.1	6.1	4.9	4.9
Ex-territorial organizations	1.6	2.0	1.8	1.2	1.6	1.3	3.1	4.6

Source: Georgian authorities.

Table 8. Georgia: Economic Status According to International Labor Organization (ILO), 1997–2004

	1997	1998	1999	2000	2001	2002	2003	2004
ILO Strong Criterion 1/								
Total labor force (in thousands)	2,155.4	2,025.6	1,999.7	2,052.9	2,113.8	2,104.2	2,050.2	2,042.6
Employed	1,990.4	1,805.9	1,757.1	1,840.6	1,878.1	1,839.2	1,814.4	1,785.0
Hired	715.4	721.2	710.3	684.9	654.6	650.9	618.5	600.9
Self-Employed	1,160.1	1,053.3	968.5	1,043.5	1,136.2	1,184.9	1,194.6	1,180.8
Other	114.9	31.4	78.3	112.3	87.3	3.4	1.3	3.3
Unemployed	165.0	219.7	242.6	212.2	235.7	265.0	235.9	257.6
Registered	20.6	5.5	10.9	6.9	7.9	25.8	26.9	22.0
Non-Registered	120.9	207.6	222.0	199.1	219.5	219.4	198.5	223.9
Other	23.5	6.6	9.6	6.2	8.4	19.8	10.4	11.8
Employment breakdown (in percent)								
Urban	42.3	40.3	39.9	40.4	37.7	37.2	36.3	36.4
Rural	55.4	56.2	57.1	59.6	62.3	62.8	63.7	63.6
Unemployment rate								
Urban	7.7	10.8	12.1	10.3	11.1	12.6	11.5	12.6
Rural	13.1	22.0	22.0	18.4	22.3	24.2	22.1	24.2
Rural	2.8	3.8	4.7	3.9	2.7	3.9	4.1	4.2
ILO Soft Criterion 2/								
Total labor force (in thousands)	2,253.9	2,071.9	2,097.5	2,170.4	2,229.8	2,174.6	2,112.2	2,105.5
Employed	1,990.4	1,805.9	1,757.1	1,840.6	1,878.1	1,839.2	1,814.4	1,785.0
Hired	715.4	721.2	710.3	684.9	654.6	650.9	618.5	600.9
Self-Employed	1,160.1	1,053.3	968.5	1,043.5	1,136.2	1,184.9	1,194.6	1,180.8
Other	114.9	31.4	78.3	112.3	87.3	3.4	1.3	3.3
Unemployed	263.5	266.0	340.3	329.8	351.6	335.4	297.8	320.5
Registered	20.6	5.5	10.9	6.9	7.9	25.8	26.9	22.0
Non-Registered	120.9	207.6	222.0	199.1	219.5	219.4	198.5	223.9
Other	122.0	52.9	107.4	123.7	124.3	90.2	72.4	74.7
Employment breakdown (in percent)								
Urban	42.3	40.3	39.9	40.4	37.7	37.2	36.3	36.4
Rural	55.4	56.2	57.1	59.6	62.3	62.8	63.7	63.6
Unemployment rate								
Urban	11.7	12.8	16.2	15.2	15.8	15.4	14.1	15.2
Urban	18.8	25.0	27.9	25.5	28.1	28.4	26.0	28.0
Rural	5.1	4.5	6.8	6.5	6.1	5.3	5.4	5.7
Memorandum items:								
Total population above age of 15	3,153.9	3,083.0	3,098.4	3,151.2	3,191.9	3,239.5	3,098.6	3,148.6
Urban	1,597.9	1,651.5	1,637.1	1,631.2	1,638.9	1,641.4	1,500.1	1,547.2
Rural	1,468.2	1,394.2	1,411.8	1,520.1	1,553.1	1,598.1	1,598.5	1,601.4

Source: Georgian authorities.

1/ According to the strong criterion, unemployed indicates a person jobless during the last seven days which has been looking for a job during the previous two weeks and is ready to start working in the next seven days.

2/ According to the soft criterion, unemployed indicates a person jobless during the last seven days, which is ready to start work in the next seven days, but gave up looking for a job.

Table 9. Georgia: Economic Status (ILO), 2003-04  
(In thousands)

	Shida Kartli and Mtskheta- mtianeti					Kvemo Kartli		Samtskhe- Javakheti		Ajara AR		Guria		Samegrelo & Zemo Svaneti		Imereiti and Racha-lechkumi & Qvemo Svaneti		Total in Georgia
	Kakheti	Tbilisi																
	2003																	
Population above age of 15	301.8	774.2	301.2	334.9	137.3	263.8	104.2	324.8	556.8	3,098.9								
Total labour force 1/	208.8	429.0	197.3	225.4	110.1	189.2	84.1	208.4	398.4	2,050.6								
Total labour force 2/	213.9	445.0	205.0	231.8	110.6	192.1	84.9	223.5	405.6	2,112.5								
Employed	196.6	317.1	175.8	209.7	105.6	166.2	80.9	195.2	367.2	1,814.4								
Unemployed 1/	12.1	111.9	21.5	15.6	4.6	23.0	3.2	13.2	31.1	236.2								
Unemployed 2/	17.3	127.9	29.2	22.1	5.0	25.9	4.0	28.4	38.4	298.1								
Unemployment rate 1/	5.8	26.1	10.9	6.9	4.2	12.1	3.8	6.3	7.8	11.5								
Unemployment rate 2/	8.1	28.7	14.2	9.5	4.6	13.5	4.7	12.7	9.5	14.1								
	2004																	
Population above age of 15	301.1	764.3	303.2	348.5	140.7	287.0	104.1	313.5	582.5	3,145.0								
Total labour force 1/	218.5	426.2	195.9	229.6	114.7	173.3	86.1	207.9	399.2	2,051.6								
Total labour force 2/	224.7	442.5	202.2	234.8	115.5	181.4	86.1	218.2	408.7	2,114.2								
Employed	207.8	314.7	174.7	211.2	110.5	141.9	82.8	190.9	357.1	1,791.5								
Unemployed 1/	10.8	111.6	21.2	18.4	4.2	31.4	3.3	17.0	42.1	260.0								
Unemployed 2/	16.9	127.9	27.5	23.6	5.0	39.6	3.3	27.3	51.6	322.7								
Unemployment rate 1/	4.9	26.2	10.8	8.0	3.7	18.1	3.9	8.2	10.5	12.7								
Unemployment rate 2/	7.5	28.9	13.6	10.0	4.3	21.8	3.9	12.5	12.6	15.3								

Source: Georgian authorities.

1/ According to the strong criterion, unemployed indicates a person jobless during the last seven days, which has been looking for a job during the previous two weeks and is ready to start working in the next seven days.

2/ According to the soft criterion, unemployed indicates a person jobless during the last seven days, which is ready to start work in the next seven days, but gave up looking for a job.

Table 10. Georgia: Operations of the General Government, 1998–2005  
(In millions of lari)

	1998	1999	2000	2001	2002	2003	2004	2005 Est.
Total revenue and grants	786.4	873.3	913.3	1081.9	1177.2	1390.1	2165.9	2715.2
Total revenue	740.8	825.1	897.1	1036.0	1156.3	1362.4	2041.9	2611.4
Tax revenue 1/	526.1	649.2	706.6	795.6	1076.0	1284.0	1811.1	2299.6
Taxes on income	87.8	104.8	108.2	135.8	143.0	163.6	268.7	290.7
Taxes on profits	50.5	55.6	79.7	66.6	82.5	99.5	161.6	210.3
Social tax 1/	...	...	...	...	...	...	...	314.9
VAT	219.7	248.1	289.8	357.3	413.7	472.5	628.2	987.4
Customs duties	67.0	33.7	53.1	55.5	83.7	78.6	123.4	123.4
Excises	38.7	118.5	90.2	89.9	109.5	121.0	181.3	285.7
Other taxes	62.3	88.6	85.7	90.6	122.8	118.7	110.8	76.3
Nontax revenue 1/	97.1	42.8	45.6	84.5	97.9	78.4	230.8	311.8
Of which: NBG profit transfers	0.0	0.0	0.0	20.0	35.0	15.0	12.0	40.0
Extrabudgetary revenue	117.5	133.1	144.8	155.9	169.9	230.1	337.1	...
Grants	45.7	48.2	16.2	45.9	20.9	27.7	124.0	103.9
Total expenditure and net lending	1096.4	1252.9	1155.9	1211.9	1324.2	1501.5	1852.9	2892.3
Current expenditure	997.3	1132.5	1094.2	1095.7	1172.8	1351.9	1618.1	2399.8
Wages and salaries	176.7	190.8	180.1	168.7	176.9	232.0	312.1	452.4
Goods and services	202.4	190.9	132.2	132.5	158.3	137.4	264.0	419.7
Transfers and subsidies	119.3	142.2	166.7	136.9	132.5	157.1	237.5	868.7
Interest payments	114.8	159.0	178.4	117.5	145.9	172.4	119.9	120.2
Domestic	62.8	80.5	87.7	66.2	80.2	95.5	71.4	81.6
External	51.9	78.6	90.7	51.3	65.7	76.9	48.5	38.5
Extrabudgetary expenditures 2/	212.5	211.7	203.7	235.0	243.6	332.6	304.1	...
Local government expenditures	171.7	237.9	233.1	305.0	315.6	320.4	380.5	538.9
Capital expenditure 3/	65.5	48.7	30.2	71.9	78.6	102.7	208.3	459.4
Of which: Foreign financed	33.5	43.6	25.4	69.1	76.3	75.0	107.2	178.3
Net lending	33.6	71.7	31.6	44.3	72.8	46.9	26.8	33.1
Of which: Foreign financed	33.5	39.7	34.7	33.1	56.8	62.9	56.4	33.1
Overall balance (commitments)	-309.9	-379.6	-242.6	-130.0	-147.1	-111.4	313.0	-177.1
Adjustment to cash basis	64.0	0.0	89.0	20.9	8.1	-24.7	-336.8	-101.6
Net change in expenditure arrears (-, reduction)	64.0	0.0	84.0	12.7	-29.8	-24.7	-258.8	-103.7
Of which: Domestic expenditure arrears	69.5	0.0	84.0	12.6	-29.8	-24.7	-259.0	-103.7
Statistical discrepancy	0.0	0.0	5.0	8.2	37.9	0.0	-78.0	2.1
Overall balance (cash)	-246.0	-282.0	-153.6	-109.1	-139.0	-136.0	-23.6	-278.7
Total financing	246.0	282.0	153.6	109.1	139.0	136.0	23.6	278.7
Privatization	73.4	52.7	19.1	5.6	15.3	30.0	87.1	419.0
Domestic	97.9	131.9	146.1	-25.3	-7.8	62.1	-86.1	-104.3
Net NBG credit	109.8	187.1	136.9	-43.1	16.8	40.0	-60.9	-75.9
Net commercial bank credit	-9.7	-0.6	-1.5	1.5	-27.7	15.1	-11.6	-30.2
Nonbank	0.0	15.7	10.7	-11.8	3.1	7.0	-13.6	1.9
External	74.7	68.7	-8.4	128.8	131.5	87.6	22.6	-36.0
Disbursements	100.2	138.4	58.6	162.4	170.3	136.7	173.0	125.4
Amortization	-115.4	-182.0	-210.9	-256.6	-115.7	-158.5	-150.4	-161.5
Changes in arrears (-, reduction)	-73.6	112.4	132.0	-14.3	0.0	109.4	0.0	0.0
Macroeconomic support	163.5	0.0	11.8	237.3	77.0	0.0	0.0	0.0
Net in-kind U.S. Loans	0.0	28.6	10.0	0.0	0.0	0.0	0.0	0.0
Adjustment for net withheld Adjara transfers	0.0	0.0	0.0	0.0	0.0	-56.0	0.0	0.0
Financing gap	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items:								
Overall balance excluding grants (commitments)	-355.6	-427.8	-258.8	-175.9	-167.9	-139.1	189.0	-281.0
Social spending (commitments) 4/	...	...	...	552.2	591.8	651.7	623.6	881.3
Social spending (cash) 4/	...	...	...	538.7	616.9	629.3	707.6	940.7
Nominal GDP (millions of lari)	5,022	5,669	6,015	6,648	7,457	8,565	9,970	11,600

Sources: Georgian authorities.

1/ 2005 tax revenue, social tax, and nontax revenue include some back payments from corporations privatized that year.

2/ 2004 extrabudgetary expenditure excludes GEL 84 million in payment of pension arrears.

3/ Starting in 2005 capital spending includes expenditure previously undertaken by the Road Fund and recorded as current spending.

4/ The definition for social spending beginning in 2005 represents the functional classification of spending of the Ministries of Education and Health.

Table 10. Georgia: Operations of the General Government, 1998–2005 (concluded)  
(In percent of GDP)

	1998	1999	2000	2001	2002	2003	2004	2005 Prel.
Total revenue and grants	15.7	15.4	15.2	16.3	15.8	16.2	21.7	23.4
Total revenue	14.7	14.6	14.9	15.6	15.5	15.9	20.5	22.5
Tax revenue 1/	10.5	11.5	11.7	12.0	14.4	15.0	18.2	19.8
Taxes on income	1.7	1.8	1.8	2.0	1.9	1.9	2.7	2.5
Taxes on profits	1.0	1.0	1.3	1.0	1.1	1.2	1.6	1.8
Social tax 1/	...	...	...	...	...	...	...	2.7
VAT	4.4	4.4	4.8	5.4	5.5	5.5	6.3	8.5
Customs duties	1.3	0.6	0.9	0.8	1.1	0.9	1.2	1.1
Excises	0.8	2.1	1.5	1.4	1.5	1.4	1.8	2.5
Other taxes	1.2	1.6	1.4	1.4	1.6	1.4	1.1	0.7
Nontax revenue 1/	1.9	0.8	0.8	1.3	1.3	0.9	2.3	2.7
Of which: NBG profit transfers	0.0	0.0	0.0	0.3	0.5	0.2	0.1	0.3
Extrabudgetary revenue	2.3	2.3	2.4	2.3	2.3	2.7	3.4	...
Grants	0.9	0.9	0.3	0.7	0.3	0.3	1.2	0.9
Total expenditure and net lending	21.8	22.1	19.2	18.2	17.8	17.5	18.6	24.9
Current expenditure	19.9	20.0	18.2	16.5	15.7	15.8	16.2	20.7
Wages and salaries	3.5	3.4	3.0	2.5	2.4	2.7	3.1	3.9
Goods and services	4.0	3.4	2.2	2.0	2.1	1.6	2.6	3.6
Transfers and subsidies	2.4	2.5	2.8	2.1	1.8	1.8	2.4	7.5
Interest payments	2.3	2.8	3.0	1.8	2.0	2.0	1.2	1.0
Domestic	1.3	1.4	1.5	1.0	1.1	1.1	0.7	0.7
External	1.0	1.4	1.5	0.8	0.9	0.9	0.5	0.3
Extrabudgetary expenditures 2/	4.2	3.7	3.4	3.5	3.3	3.9	3.1	...
Local government expenditures	3.4	4.2	3.9	4.6	4.2	3.7	3.8	4.6
Capital expenditure 3/	1.3	0.9	0.5	1.1	1.1	1.2	2.1	4.0
Of which: Foreign financed	0.7	0.8	0.4	1.0	1.0	0.9	1.1	1.5
Net lending	0.7	1.3	0.5	0.7	1.0	0.5	0.3	0.3
Of which: Foreign financed	0.7	0.7	0.6	0.5	0.8	0.7	0.6	0.3
Overall balance (commitments)	-6.2	-6.7	-4.0	-2.0	-2.0	-1.3	3.1	-1.5
Adjustment to cash basis	1.3	0.0	1.5	0.3	0.1	-0.3	-3.4	-0.9
Net change in expenditure arrears (-, reduction)	1.3	0.0	1.4	0.2	-0.4	-0.3	-2.6	-0.9
Of which: Domestic expenditure arrears	1.4	0.0	1.4	0.2	-0.4	-0.3	-2.6	-0.9
Statistical discrepancy	0.0	0.0	0.1	0.1	0.5	0.0	-0.8	0.0
Overall balance (cash)	-4.9	-5.0	-2.6	-1.6	-1.9	-1.6	-0.2	-2.4
Total financing	4.9	5.0	2.6	1.6	1.9	1.6	0.2	2.4
Privatization	1.5	0.9	0.3	0.1	0.2	0.4	0.9	3.6
Domestic	1.9	2.3	2.4	-0.4	-0.1	0.7	-0.9	-0.9
Net NBG credit	2.2	3.3	2.3	-0.6	0.2	0.5	-0.6	-0.7
Net commercial bank credit	-0.2	0.0	0.0	0.0	-0.4	0.2	-0.1	-0.3
Nonbank	0.0	0.3	0.2	-0.2	0.0	0.1	-0.1	0.0
External	1.5	1.2	-0.1	1.9	1.8	1.0	0.2	-0.3
Disbursements	2.0	2.4	1.0	2.4	2.3	1.6	1.7	1.1
Amortization	-2.3	-3.2	-3.5	-3.9	-1.6	-1.9	-1.5	-1.4
Changes in arrears (-, reduction)	-1.5	2.0	2.2	-0.2	0.0	1.3	0.0	0.0
Macroeconomic support	3.3	0.0	0.2	3.6	1.0	0.0	0.0	0.0
Net in-kind U.S. Loans	0.0	0.5	0.2	0.0	0.0	0.0	0.0	0.0
Adjustment for net withheld Adjara transfers	0.0	0.0	0.0	0.0	0.0	-0.7	0.0	0.0
Financing gap	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Memorandum items:								
Overall balance excluding grants (commitments)	-7.1	-7.5	-4.3	-2.6	-2.3	-1.6	1.9	-2.4
Social spending (commitments) 4/	...	...	...	8.3	7.9	7.6	6.3	7.6
Social spending (cash) 4/	...	...	...	8.1	8.3	7.3	7.1	8.1
Nominal GDP (millions of lari)	5,022	5,669	6,015	6,648	7,457	8,565	9,970	11,600

Source: Georgian authorities.

1/ 2005 tax revenue, social tax, and nontax revenue include some back payments from corporations privatized that year.

2/ 2004 extrabudgetary expenditure excludes GEL 84 million in payment of pension arrears.

3/ Starting in 2005 capital spending includes expenditure previously undertaken by the Road Fund and recorded as current spending.

4/ The definition for social spending beginning in 2005 represents the functional classification of spending of the Ministries of Education and Health.



Table 11. Georgia: Statutory Revenue Sharing Arrangements, 1998–2005 1/  
(In percent of revenues collected)

	1998		1999		2000		2001		2002		2003		2004		2005	
	State	Local	State	Local	State	Local	State	Local	State	Local	State	Local	State	Local	State	Local
VAT																
Standard	100	0	100	0	100	0	100	0	100	0	100	0	100	0	100	0
Collected by Tax Department	100	0	100	0	100	0	100	0	100	0	100	0	100	0	100	0
Collected by Customs Department																
Adjara	60	40	60	40	60	40	60	40	60	40	60	40	60	40	100	0
Collected by Tax Department	70	30	70	30	70	30	70	30	70	30	70	30	70	30	100	0
Collected by Customs Department	85	15	85	15	85	15	100	0	100	0	100	0	100	0	100	0
City of Tbilisi 2/																
Excises																
Standard	100	0	100	0	100	0	100	0	100	0	100	0	100	0	100	0
Adjara	60	40	60	40	60	40	60	40	60	40	60	40	60	40	100	0
Profit tax																
Standard	40	60	40	60	40	60	15	85	15	85	15	85	15	85	0	100
Ajara and Abkhazia	1	99	1	99	1	99	1	99	1	99	1	99	1	99	0	100
City of Tbilisi	40	60	40	60	85	15	15	85	15	85	15	85	15	85	0	100
Income tax																
Standard	40	60	40	60	40	60	15	85	15	85	15	85	15	85	0	100
Ajara and Abkhazia	1	99	1	99	1	99	1	99	1	99	1	99	1	99	0	100
City of Tbilisi	40	60	40	60	85	15	15	85	15	85	15	85	15	85	0	100
Customs duties																
Standard	100	0	100	0	100	0	100	0	100	0	100	0	100	0	100	0
Adjara	60	40	60	40	50	50	50	50	50	50	50	50	50	50	100	0
City of Poti	95	5	95	5	95	5	100	0	100	0	100	0	100	0	100	0
Other taxes 3/4/	0	100	0	100	0	100	0	100	0	100	0	100	0	100	0	100

Source: Georgian authorities.

1/ Values as of January 1 of the year shown.

2/ All VAT for City of Tbilisi is collected by the State Tax Department.

3/ Includes the natural resource tax, ecology (environmental) tax, land tax, property tax, as well as miscellaneous other taxes. Some of these taxes were eliminated in the course of the 2005 tax reform.

4/ 50 percent of privatization receipts from the sale of land go to local budgets; the rest to the state budget.

Table 12. Georgia: Tax Arrears, 1998–2005 1/

	1998	1999	2000	2001	2002	2003	2004	2005
	(In millions of lari)							
Total tax arrears	172.2	309.6	456.3	789.8	1123.3	1579.2	2205.4	2887.2
VAT	47.1	102.5	130.6	243.2	346.5	501.7	700.4	1001.7
Profit tax	20.9	46.5	70.7	107.6	172.4	246.9	366.2	477.1
Personal income tax	...	...	...	...	55.5	79.5	127.3	160.7
Excise tax	8.6	20.2	155.5	22.6	21.0	24.8	31.2	42.2
Property tax	...	...	...	...	98.3	119.2	155.1	184.4
Land tax	16.3	31.9	57.8	93.4	122.1	173.6	227.5	199.9
Other taxes collected by State Tax Department	18.5	58.2	90.2	169.8	110.0	161.2	213.5	376.2
Other taxes collected by State Customs Department	0.0	4.8	0.0	0.0	0.0	0.0	0.0	0.0
Payroll taxes	60.9	50.3	80.2	153.2	197.3	272.3	384.2	445.0
Pension Fund	60.0	48.8	76.7	147.3	190.6	263.4	384.2	445.0
Employment Fund	0.9	1.5	3.5	5.9	6.7	8.9	0.0	0.0
	(In percent of GDP) 3/							
Total tax arrears 2/	3.8	6.1	8.1	13.1	16.9	21.2	25.8	29.0
VAT	1.1	2.0	2.3	4.0	5.2	6.7	8.2	10.0
Profit tax	0.5	0.9	1.2	1.8	2.6	3.3	4.3	4.8
Personal income tax	...	...	...	...	0.8	1.1	1.5	1.6
Excise tax	0.2	0.4	2.7	0.4	0.3	0.3	0.4	0.4
Property tax	...	...	...	...	1.5	1.6	1.8	1.8
Land tax	0.4	0.6	1.0	1.6	1.8	2.3	2.7	2.0
Other taxes collected by State Tax Department	0.4	1.2	1.6	2.8	1.7	2.2	2.5	3.8
Other taxes collected by State Customs Department	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0
Payroll taxes	1.4	1.0	1.4	2.5	3.0	3.7	4.5	4.5
Pension Fund	1.3	1.0	1.4	2.4	2.9	3.5	4.5	4.5
Employment Fund	0.0	0.0	0.1	0.1	0.1	0.1	0.0	0.0
Memorandum item:								
Nominal GDP	5,022	5,669	6,015	6,648	7,457	8,565	9,970	11,600

Sources: Georgian authorities; and Fund staff estimates.

1/ The coverage of tax arrears includes contributions to the pension fund, taxes collected by the State Customs Department and payroll taxes associated with the Employment Fund before 2003. Arrears to the Road Fund and some local governments taxes are excluded. The data include unpaid penalties for overdue tax payment obligations.

2/ As of January 1.

3/ As a percentage of GDP in the preceding year.

Table 13. Georgia: Central Government Expenditure by Functional Classification, 1998–2005

	1998	1999	2000	2001	2002	2003	2004	2005 Prel.
	(In millions of lari)							
Agriculture, forestry, fishing, and hunting	22.2	15.5	12.3	14.8	8.9	17.0	29.6	48.5
Defense	56.5	35.7	28.9	36.2	47.9	67.5	160.9	389.2
Education	30.4	29.6	26.9	31.5	37.0	48.3	66.8	77.7
Fuel and energy	3.8	11.5	25.3	9.0	16.9	38.5	78.7	230.3
Health care	26.8	15.7	20.5	33.0	39.8	13.3	55.5	165.2
Housing and community services	7.1	5.1	4.2	3.8	4.3	4.0	3.0	0.0
Industry and construction	2.0	0.8	0.3	0.6	0.8	0.9	1.5	0.8
Public order and security	65.9	75.7	63.9	77.7	80.4	99.8	239.0	267.5
Recreation, culture, sports, and religious activities	33.1	25.6	21.2	20.0	24.7	29.0	39.7	41.7
Social insurance and social security	109.9	137.5	109.3	109.4	110.7	131.0	116.3	529.0
Transport and communication	15.3	2.2	9.7	2.2	1.3	1.0	1.1	126.0
Other services related to economic activities	15.0	2.7	1.7	2.2	2.8	3.2	4.4	17.0
State operations	65.5	125.1	100.8	172.6	218.0	243.5	285.4	262.3
Non-classified expenditures	203.4	275.8	256.4	237.7	264.0	320.0	429.0	460.8
Total expenditure	656.9	758.5	681.4	750.7	857.5	1,017.0	1,510.9	2,616.0
	(In percent of GDP)							
Agriculture, forestry, fishing, and hunting	0.4	0.3	0.2	0.2	0.1	0.2	0.3	0.4
Defense	1.1	0.6	0.5	0.5	0.6	0.8	1.6	3.4
Education	0.6	0.5	0.4	0.5	0.5	0.6	0.7	0.7
Fuel and energy	0.1	0.2	0.4	0.1	0.2	0.4	0.8	2.0
Health care	0.5	0.3	0.3	0.5	0.5	0.2	0.6	1.4
Housing and community services	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0
Industry and construction	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Public order and security	1.3	1.3	1.1	1.2	1.1	1.2	2.4	2.3
Recreation, culture, sports, and religious activities	0.7	0.5	0.4	0.3	0.3	0.3	0.4	0.4
Social insurance and social security	2.2	2.4	1.8	1.6	1.5	1.5	1.2	4.6
Transport and communication	0.3	0.0	0.2	0.0	0.0	0.0	0.0	1.1
Other services related to economic activities	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.1
State operations	1.3	2.2	1.7	2.6	2.9	2.8	2.9	2.3
Non-classified expenditures	4.0	4.9	4.3	3.6	3.5	3.7	4.3	4.0
Total expenditure	13.0	13.4	11.3	11.3	11.5	11.9	15.2	22.6
Memorandum item:								
Nominal GDP	5,022	5,669	6,015	6,648	7,457	8,565	9,970	11,600

Source: Georgian authorities.

Table 14. Georgia: Monetary Survey, 2000-05 1/

	2003				2004				2005						
	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.			
	(Stocks, end-of-period; in millions of lari)														
Net foreign assets	-422	-336	-303	-329	-327	-229	-269	-155	-49	94	162	128	235	241	110
Net domestic assets	1040	1068	1166	1215	1253	1283	1329	1272	1233	1227	1350	1369	1393	1566	1801
Domestic credit	1283	1297	1428	1477	1538	1582	1642	1597	1588	1650	1795	1837	1895	2126	2462
Net claims on general government 2/	766	725	714	710	723	729	766	773	741	691	739	687	591	620	633
Credit to the rest of the economy	517	572	714	768	815	852	876	824	847	959	1056	1150	1304	1507	1829
Other items, net 2/	-242	-229	-261	-262	-285	-298	-313	-325	-355	-423	-446	-468	-502	-560	-662
Broad money (M3)	618	732	864	886	926	1054	1060	1117	1184	1321	1512	1497	1628	1808	1911
Broad money, excl. foreign exchange deposits (M2)	382	404	462	448	450	505	527	547	595	711	846	812	890	982	1070
Currency held by the public	315	349	391	373	375	412	442	431	468	538	616	609	636	686	736
Currency in circulation (M0)	329	366	417	399	408	445	473	466	504	600	676	658	695	747	811
Less: Banks' vault cash	-14	-17	-26	-26	-33	-34	-32	-35	-36	-63	-60	-50	-58	-60	-75
Deposit liabilities (domestic currency)	67	55	71	75	76	93	86	115	127	173	230	204	253	296	334
Foreign currency deposits	236	329	401	438	476	549	533	570	590	610	666	684	739	825	841
Total deposit liabilities	303	384	473	513	551	642	619	686	717	784	896	888	992	1121	1175
	(Flows, with respect to end of previous period; in millions of lari)														
Net foreign assets	-54	67	49	-26	2	98	-40	114	106	143	68	-34	107	6	-131
Net domestic assets	98	-23	17	49	38	31	46	-57	-39	-6	122	19	24	173	235
Domestic credit	112	-33	55	50	60	44	61	-45	-9	63	145	42	58	231	336
Net claims on general government	74	-16	12	-4	13	6	37	7	-33	-49	48	-53	-95	28	14
Credit to the rest of the economy	37	-17	43	54	47	37	24	-52	23	112	97	94	154	203	323
Other items, net	-13	10	-38	-1	-23	-13	-15	-12	-30	-68	-23	-22	-34	-58	-102
Broad money (M3)	45	44	65	23	40	128	6	57	67	137	191	-15	132	179	104
Broad money, excl. foreign exchange deposits (M2)	55	19	42	-14	2	54	23	19	48	116	135	-34	77	93	88
Foreign currency deposits	-11	25	24	37	38	74	-17	38	19	21	56	19	54	87	16
	(Change, as a percent of broad money at the end of the previous year)														
Net foreign assets	5.5	14.0	4.5	-3.0	0.2	11.3	-4.6	10.7	10.0	13.5	6.4	-2.3	7.1	0.4	-8.7
	(Percentage change with respect to the end of the previous year)														
Net domestic assets	16.7	2.7	9.2	4.2	7.4	10.0	14.0	-4.3	-7.2	-7.7	1.5	1.4	3.2	16.0	33.4
Broad money (M3)	39.1	18.5	17.9	2.6	7.2	22.1	22.8	5.3	11.7	24.6	42.6	-1.0	7.7	19.6	26.4
Broad money, excl. foreign exchange deposits (M2)	33.5	5.7	14.5	-3.1	-2.6	9.2	14.1	3.6	12.8	34.8	60.4	-4.0	5.2	16.1	26.5
Memorandum items:															
M3 multiplier 2/	1.6	1.7	1.7	1.8	1.7	1.8	1.8	1.9	1.8	1.8	1.8	1.8	1.9	1.9	1.9
M3 velocity 3/	10.9	9.8	9.3	8.5	8.8	7.7	8.0	8.9	8.4	7.5	6.6	7.2	6.6	6.1	5.8

Sources: National Bank of Georgia.

1/ Valued at end-period actual exchange rates.

2/ M3 divided by reserve money.

3/ Annualized quarterly GDP divided by end-quarter M3.

Table 15. Georgia: Accounts of the National Bank of Georgia, 2000–05 1/

	2000	2001	2002	2003			2004			2005						
				Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	
Net foreign assets	-409	-340	-328	-345	-339	-309	-311	-241	-115	75	108	107	254	264	342	
Encumbered reserves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net international reserves	-409	-340	-328	-345	-339	-309	-311	-241	-115	75	108	107	254	264	342	
Gold	1	1	1	1	1	2	2	2	1	1	1	1	1	2	2	
Foreign exchange reserves	216	332	413	401	395	413	396	423	526	670	699	698	793	801	850	
Use of Fund Resources	-550	-591	-646	-646	-628	-615	-593	-556	-539	-496	-482	-487	-443	-443	-415	
Other foreign assets, net	-77	-81	-97	-101	-107	-107	-115	-109	-104	-101	-111	-106	-97	-96	-94	
Contingent liabilities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Net domestic assets	801	769	837	836	844	859	891	835	771	673	729	702	626	670	659	
Net claims on general government	782	739	756	743	757	770	783	740	703	671	722	666	584	635	646	
Claims on banks	4	1	0	-5	0	2	6	8	0	-42	-41	-30	-9	1	0	
Claims on rest of the economy	78	78	94	98	104	104	112	106	101	99	108	103	95	94	92	
Other items, net	-64	-49	-13	-2	-17	-17	-10	-19	-33	-55	-60	-37	-44	-59	-79	
Reserve money	391	430	509	491	505	550	580	594	656	747	837	809	879	933	1001	
Currency in circulation	329	366	417	399	408	445	473	466	504	600	676	658	695	747	811	
Required reserves	39	53	72	74	85	83	81	90	74	75	92	98	109	122	130	
Balances on banks' correspondent accounts	23	11	20	18	13	22	25	38	77	72	68	53	76	65	60	
								(Flows, with respect to end of previous period; in millions of lari)								
Net foreign assets	-21	61	49	-17	6	30	-2	70	125	190	33	-1	147	10	78	
Net international reserves	-21	61	49	-17	6	30	-2	70	125	190	33	-1	147	10	78	
Net domestic assets	74	-36	-1	-1	8	15	32	-56	-64	-98	56	-27	-76	44	-10	
Net claims on general government	80	-20	2	-12	13	13	13	-42	-37	-32	51	-56	-82	51	11	
Claims on banks	4	1	0	-5	5	1	5	2	-8	-42	1	11	21	10	-1	
Other items, net	-13	-14	-5	11	-16	0	7	-9	-13	-23	-5	23	-7	-15	-19	
Reserve money	54	25	48	-18	15	45	30	14	62	92	89	-27	70	54	68	
Currency in circulation	42	27	37	-19	9	38	28	-7	38	96	76	-18	36	52	65	
Required reserves	0	2	4	2	11	-1	-2	9	-16	1	17	5	11	13	8	
Balances on banks' correspondent accounts	12	-4	8	-2	-5	9	4	13	39	-5	-4	-15	22	-11	-5	
								(Change, as a percent of reserve money at the end of previous year)								
Net foreign assets	-6.7	15.6	11.4	-3.3	1.2	5.9	-0.5	12.1	21.6	32.8	5.7	-0.1	17.5	1.2	9.4	
Net international reserves	-6.7	15.6	11.4	-3.3	1.2	5.9	-0.5	12.1	21.6	32.8	5.7	-0.1	17.5	1.2	9.4	
Net domestic assets	6.9	-3.9	8.8	-0.2	0.8	2.6	6.5	-6.3	-13.5	-24.5	-18.2	-3.7	-14.2	-8.1	-9.5	
Reserve money	26.8	9.9	18.4	-3.6	-0.7	8.1	13.9	2.4	13.1	28.9	44.3	-3.3	5.1	11.6	19.7	
Currency in circulation	26.7	11.1	14.1	-4.4	-2.3	6.7	13.4	-1.5	6.5	26.8	42.9	-2.7	2.7	10.4	20.0	

Source: National Bank of Georgia.

1/ Valued at end-of-period actual exchange rates.

Table 16. Georgia: Summary Accounts of Commercial Banks, 2000–05 1/  
(In millions of lari, end of period)

	2000	2001	2002	2003			2004			2005					
				Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
Net foreign assets	-13	4	25	16	12	79	42	86	67	19	55	21	-18	-22	-231
NFA convertible	-13	4	25	16	12	79	42	86	67	19	55	21	-18	-22	-231
Gold	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Foreign exchange	105	151	207	205	201	274	242	276	254	207	265	225	199	266	309
Foreign liabilities	-118	-147	-182	-189	-189	-194	-200	-190	-188	-187	-210	-204	-217	-288	-541
NFA nonconvertible	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net domestic assets	316	380	448	497	539	563	576	600	650	764	841	867	1010	1144	1406
Domestic credit	423	479	578	636	677	708	747	751	784	881	966	1068	1216	1398	1724
Net claims on general government	-16	-15	-42	-34	-34	-41	-17	33	38	20	17	21	7	-15	-13
Net claims on republican government	-9	-2	22	37	38	27	32	46	63	59	40	51	55	33	17
Claims on private sector	439	494	620	669	711	748	764	718	746	861	948	1047	1209	1413	1737
Of which: foreign exchange loans	348	406	525	571	609	651	670	628	658	758	813	881	988	1089	1330
Other assets (net)	-107	-100	-130	-138	-137	-144	-171	-151	-134	-116	-124	-200	-206	-254	-318
Deposit liabilities	303	384	473	513	551	642	619	686	717	784	896	888	992	1121	1175
Domestic currency deposits	67	55	71	75	76	93	86	115	127	173	230	204	253	296	334
Foreign currency deposits	236	329	401	438	476	549	533	570	590	610	666	684	739	825	841
Memorandum items:															
Share of foreign exchange deposits	77.9	85.7	84.9	85.3	86.3	85.5	86.1	83.2	82.3	77.9	74.3	77.1	74.5	73.6	71.6
Exchange rate (in lari, end-of-period)	1.98	2.06	2.09	2.13	2.11	2.11	2.08	2.01	1.92	1.84	1.83	1.83	1.81	1.79	1.79

Source: National Bank of Georgia.

1/ Valued at end-period actual exchange rates.

Table 17. Georgia: Developments in the Commercial Banking System, 1997–2005

	1997	1998	1999	2000	2001	2002	2003	2004	2005
Number of commercial banks (end-of-period)	53	43	38	32	29	27	24	21	19
Former state owned	3	3	3	3	3	3	3	3	3
Other domestic	50	39	33	27	24	22	19	16	14
Foreign branches	0	1	2	2	2	2	2	2	2
(In millions of lari, end-of-period)									
Assets of commercial banking system	329	470	594	765	880	1117	1336	1697	2548
Loans of commercial banks	178	230	309	430	490	630	786	965	1737
Lari	95	73	71	81	91	97	101	151	407
Foreign exchange	83	157	238	349	399	533	685	814	1330
Deposits of commercial banks	133	156	201	303	384	473	619	896	1175
Lari	55	49	42	67	55	72	86	230	334
Foreign exchange	78	107	158	236	329	401	533	666	841
Household deposits of commercial banks	44	43	66	108	163	253	373	452	642
(In percent of GDP)									
Assets of commercial banking system	7.2	9.4	10.5	12.7	13.2	15.0	15.6	17.0	22.0
Loans of commercial banks	3.9	4.6	5.5	7.2	7.4	8.4	9.2	9.7	15.0
Deposits in commercial banking system	2.9	3.1	3.5	5.0	5.8	6.3	7.2	9.0	10.1
Household deposits in commercial banks	1.0	0.9	1.2	1.8	2.5	3.4	4.4	4.5	5.5
(Annual percent change)									
Loans of commercial banks	42.3	29.4	34.2	39.3	13.8	28.5	24.8	22.8	80.0
Lari	22.8	-22.6	-3.7	14.6	12.0	6.9	4.0	49.2	170.3
Foreign exchange	73.8	88.7	52.0	46.6	14.3	33.4	28.6	18.9	63.3
Deposits of commercial banks	62.3	17.4	28.3	51.3	26.5	23.3	30.9	44.8	31.1
Lari	26.5	-11.6	-13.9	59.4	-18.0	30.0	20.1	167.9	45.0
Foreign exchange	103.1	38.0	47.5	49.1	39.1	22.1	32.8	24.9	26.4
(In percent)									
Loan to deposit ratio	133.7	147.3	154.1	141.9	127.7	133.1	127.0	107.7	147.8
Lari	171.4	150.1	167.9	120.7	164.9	135.7	117.5	65.4	122.0
Foreign exchange	106.8	146.0	150.4	147.9	121.5	132.7	128.5	122.3	158.1
Memorandum items:									
Broad money (M3, in millions of lari)	373	369	445	618	732	864	1060	1512	1911
In percent of GDP	8.2	7.3	7.8	10.3	11.0	11.6	12.4	15.2	16.5
Reserve money (M1, in millions of lari)	277	260	309	391	430	509	580	837	1001
In percent of broad money (M1/M3)	74.3	70.5	69.4	63.3	58.7	58.9	54.7	55.3	52.4
In percent of GDP	6.1	5.2	5.4	6.5	6.5	6.8	6.8	8.4	8.6
Nominal GDP (in millions of lari) 1/	4,555	5,022	5,669	6,015	6,648	7,457	8,565	9,970	11,600

Source: National Bank of Georgia.

1/ 2005 Estimate.

Table 18. Georgia: Structure of Commercial Bank Deposits, 1997–2005

	1997	1998	1999	2000	2001	2002	2003	2004	2005
	(In millions of lari, end-of-period)								
Domestic currency deposits	55.3	48.9	42.0	67.1	55.0	71.5	85.9	230.1	333.6
Deposits of enterprises 1/	45.0	41.5	34.7	58.6	47.6	61.0	70.2	195.7	285.8
Deposits of households/individuals	10.3	7.4	7.3	8.5	7.4	10.5	15.7	34.4	47.8
Foreign currency deposits	77.8	107.4	157.0	236.2	328.6	401.3	533.0	665.8	841.3
Deposits of enterprises 1/	44.0	72.1	97.9	141.8	173.1	159.1	175.7	248.0	246.7
Deposits of households/individuals	33.8	35.3	59.1	94.4	155.5	242.2	357.3	417.8	594.6
Total deposits	133.2	156.3	199.0	303.2	383.6	472.8	618.9	895.9	1174.9
Deposits of enterprises 1/	89.0	113.6	132.6	200.3	220.7	220.1	245.9	443.7	532.5
Deposits of households/individuals	44.1	42.7	66.4	102.9	162.9	252.7	373.0	452.2	642.3
	(In percent of total)								
Domestic currency deposits	41.5	31.3	21.1	22.1	14.3	15.1	13.9	37.2	28.4
Deposits of enterprises 1/	33.8	26.6	17.5	19.3	12.4	12.9	11.3	31.6	85.7
Deposits of households/individuals	7.7	4.7	3.6	2.8	1.9	2.2	2.5	5.6	14.3
Foreign currency deposits	58.5	68.7	78.9	77.9	85.7	84.9	86.1	107.6	71.6
Deposits of enterprises 1/	33.1	46.1	49.2	46.7	45.1	33.6	28.4	40.1	29.3
Deposits of households/individuals	25.4	22.6	29.7	31.1	40.5	51.2	57.7	67.5	70.7
Total deposits	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Deposits of enterprises 1/	66.9	72.7	66.7	66.1	57.5	46.5	39.7	49.5	45.3
Deposits of households/individuals	33.1	27.3	33.3	33.9	42.5	53.5	60.3	50.5	54.7
Memorandum items:									
Foreign currency deposits (in millions of U.S. dollars) 2/	59.7	60.0	80.1	119.6	159.5	192.0	256.9	364.8	469.3
Exchange rate (lari/U.S. dollar, end-of-period)	1.30	1.79	1.96	1.98	2.06	2.09	2.08	1.83	1.79

Source: National Bank of Georgia.

1/ Including deposits of cooperatives, state companies, and public organizations.

2/ Converted at end-period exchange rate.



Table 19. Georgia: Currency Composition of Commercial Bank Credit to the Private Sector, 2000–05

	2000	2001	2002	2003			2004			2005					
				Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
Credit to the private sector	439	494	620	669	711	748	764	718	746	861	948	1047	1209	1413	1737
Domestic currency claims	91	88	95	98	102	97	94	90	88	103	136	166	221	324	407
Foreign currency claims	348	406	525	571	609	651	670	628	658	758	813	881	988	1089	1330
							(In millions of lari)								
							(In percent of total)								
Credit to the private sector	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Domestic currency claims	20.6	17.9	15.3	14.7	14.3	12.9	12.3	12.6	11.8	11.9	14.3	15.8	18.3	22.9	23.4
Foreign currency claims	79.4	82.1	84.7	85.3	85.7	87.1	87.7	87.4	88.2	88.1	85.7	84.2	81.7	77.1	76.6
Memorandum items:															
Exchange rate (lari/US\$; end-of-period)	1.98	2.06	2.09	2.13	2.11	2.11	2.08	2.01	1.92	1.84	1.83	1.83	1.81	1.79	1.79

Source: National Bank of Georgia.

Table 20. Georgia: Interest Rates, 2000–05  
(In percent per year, non-compounded)

	2000	2001	2002	2003			2004			2005					
				Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.	Mar.	Jun.	Sep.	Dec.
Commercial banks (3-month) 1/															
Deposits	11.0	9.0	9.8	8.9	8.7	9.2	9.9	8.4	7.6	6.8	6.6	5.6	6.7	7.6	8.8
Domestic currency	10.0	8.0	9.3	8.5	8.6	8.6	11.7	8.8	6.7	5.4	7.2	5.6	7.7	8.9	11.1
Former state banks	13.0	12.5	11.7	9.2	9.6	6.2	11.9	8.9	7.5	6.4	7.8	7.7	7.5	7.9	11.5
Other	9.8	7.8	9.1	8.4	8.5	9.2	10.8	9.0	5.8	5.0	7.0	5.3	7.9	10.0	10.7
Foreign currency	12.0	10.0	10.2	9.3	8.7	9.7	8.0	7.9	8.4	8.2	6.0	5.5	5.6	6.3	6.4
Former state banks	10.0	10.2	10.6	9.2	7.8	9.8	7.8	7.5	8.3	8.6	6.1	6.1	6.3	6.1	6.2
Other	12.7	10.0	9.8	9.4	9.7	9.5	8.2	8.2	8.5	6.8	5.8	5.3	5.0	6.5	6.5
Loans	30.0	31.0	26.5	31.8	29.6	28.1	30.4	31.9	32.4	27.7	23.0	23.8	22.5	22.2	21.9
Domestic currency	25.0	30.0	28.3	36.2	30.8	27.8	34.3	36.7	35.3	29.7	20.5	22.5	22.1	21.5	20.3
Former state banks	36.1	41.0	29.1	50.2	28.0	24.5	34.6	35.0	33.3	30.7	22.8	25.6	24.6	26.0	23.6
Other	20.7	27.4	28.1	31.4	32.7	33.3	34.2	37.6	37.3	27.1	17.3	18.1	16.9	15.3	18.6
Foreign currency	35.0	32.0	24.6	27.3	28.4	28.4	26.5	27.1	29.4	25.6	25.4	25.0	22.9	22.9	23.4
Former state banks	41.5	38.7	26.2	30.2	30.4	29.9	29.8	31.0	32.8	29.5	33.5	30.6	29.1	28.2	30.1
Other	33.1	27.7	23.7	24.3	25.3	26.3	23.1	22.5	24.6	20.4	17.8	18.4	16.7	19.1	20.6
Interbank credit auction															
7-day	...	...	19.8	16.7	14.9	14.0	21.0	16.2	13.7	6.0	3.1	5.0	2.9	5.0	11.5
1-month	6.3	...	22.4	21.0	17.0	13.0	18.7	17.6	...	6.9	8.8	9.0	5.0	10.2	11.5
2-month	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
3-month	20.0	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Interest rate spread 2/															
In domestic currency	19.0	22.0	16.7	22.9	21.0	19.0	20.6	23.6	24.8	20.9	16.4	18.2	15.9	14.6	13.1
In foreign currency	15.0	22.0	19.0	27.7	22.2	19.2	22.6	27.9	28.6	24.3	13.3	16.9	14.4	12.6	9.2
Memorandum item:	23.0	22.0	14.4	18.0	19.7	18.7	18.5	19.2	21.0	17.4	19.4	19.5	17.3	16.6	17.0
12-month CPI inflation	4.6	2.5	5.4	3.5	4.8	5.2	7.0	6.3	3.6	6.0	7.5	9.7	9.0	7.7	6.2

Source: National Bank of Georgia.

1/ Average weighted interest rates on deposits and loans.

2/ Defined as lending rate minus deposit rates.

Table 21. Georgia: Prudential Indicators of Commercial Banks, 1997–2005  
(End-of-period)

	1997	1998	1999	2000	2001	2002	2003	2004	2005			
									Mar.	Jun.	Sep.	Dec.
Capital adequacy ratio (in percent)	30.6	34.9	38.5	36.7	33.1	21.9	20.3	18.8	18.3	17.3	17.1	17.5
Leverage ratio 1/	45.0	43.5	45.6	44.2	39.9	36.1	33.5	27.9	29.3	28.0	26.9	25.9
Nonperforming loans 2/	5.9	5.4	6.6	7.1	11.6	7.9	7.5	6.2	5.8	5.4	3.7	3.8
Specific provisions 2/	5.4	3.1	2.6	4.7	7.5	4.4	4.5	4.3	4.1	3.4	2.2	2.4
Loans collateralized by real estate 2/	...	...	...	...	30.2	33.3	31.9	33.5	34.7	32.6	32.2	30.8
Loans in foreign exchange 2/	44.5	64.8	71.8	81.4	81.4	83.8	87.7	86.7	81.9	80.7	76.7	76.2
Net foreign assets (in millions of lari)	33.0	13.7	-6.3	-12.7	3.7	25.0	42.5	54.6	21.0	-18.5	-22.1	-231.5
Net foreign assets (in percent of total assets)	9.7	2.9	-1.1	-1.7	0.4	2.2	3.2	3.2	1.2	-1.0	-1.0	-9.1
Net open foreign exchange position 3/	...	18.1	15.2	15.7	6.9	9.3	8.5	7.4	6.0	5.5	6.8	7.5
Liquidity ratio (in percent)	37.8	44.5	40.3	36.8	38.5	45.4	43.3	45.0	39.1	34.9	32.8	33.3

Source: National Bank of Georgia.

1/ Defined as the ratio of total capital to total liabilities; an increase in the ratio indicates an improvement.

2/ Percent of total loans.

3/ Percent of total regulatory capital.

Table 22. Georgia: Regulatory Framework for Commercial Banks as of October 1, 2005 1/

Type	Prudential Regulation
1 Compulsory Standards	
Capital adequacy ratios	
Tier one capital 2/	8 percent of risk-weighted assets 3/
Regulatory capital 4/	12 percent of risk-weighted assets 3/
Liquidity indicator	Maintain liquid assets at least 30 percent of liabilities
Limits on lending	
Lending to a single insider	5 percent of regulatory capital
Total lending to all insiders	25 percent of regulatory capital
Lending to a single outsider	15 percent of regulatory capital
Total lending to large borrowers 5/	200 percent of regulatory capital
Loan loss provisioning requirements	2 percent for performing loans 10 percent for watch loans 30 percent for sub-standard loans 50 percent for doubtful loans 100 percent for loss loans
Minimum capital licensing requirements	
For new banks	Lari 12 million
For existing licensed banks	Lari 7.8 million (as of December 31, 2005) 6/
Required reserves	13 percent of FX deposits and 2 percent of Lari Deposits
Foreign exchange	Overall foreign exchange open position limit is 20 percent of regulatory capital (shortcut method)
Off-site supervision	Quarterly off-site monitoring
On-site supervision	Once in 6-18 months, depending on bank's rating
2 Other Requirements	
Limit on property investment	The sum of fixed assets and equity investments must not exceed 70 percent of equity capital
Limit on current assets	Current assets must not be less than 90 percent of current liabilities
Limit on equity investment	Total amount of equity investment must not exceed 50 percent of equity capital
Limit on ownership by any one shareholder	For individuals and non-bank companies 25 percent of share capital
Financial statements and ratio calculations	Monthly reporting
Annual audits	Law requirement should be submitted to NBG and to be published
Deposit protection	None 7/
Money laundering regulations	The Law on On Facilitating the Prevention of Illicit Income Legalization was approved on June 6, 2003 The On-site inspection manual on AML issues has been adopted on December 30, 2004
Sanctions	According to the law and special regulations

Source: National Bank of Georgia.

1/ BIS (Bank for International Settlements) recommended standards, which were adopted in September 1997, are the minimum requirements.

2/ "Tier One Capital" includes: (I) common share capital; (II) Non-cumulative perpetual preferred shares less callable shares; (III) capital surplus; (IV) Reserve Fund; (V) Retained earnings (loss) of the previous years; (VI) less revaluation of fixed assets recorded in share capital; (VII) less any treasury stocks; (VIII) less intangible assets.

3/ Regulations on classification of assets by the underlying risk is effective from September 17, 2002.

4/ "Regulatory Capital" includes: (I) tier one capital (which must not be less than 50 percent of regulatory capital) plus (II) tier two capital, which must not exceed 100 percent of tier one capital; (III) less investments in Georgian resident banks' capital; (IV) less non-consolidated investments in subsidiaries capital.

5/ Large borrower: loan and other liabilities to person or to interrelated group of borrowers which exceeds 5% of regulatory capital.

6/ The existing licensed banks shall gradually, by 1.4 million lari each year, increase their capital and it shall equal no less than 12 million lari as of December 31, 2008.

7/ Discussions on a deposit insurance scheme are underway.

Table 23. Georgia: Balance of Payments, 1997–2005  
(In millions of U.S. dollars; unless otherwise indicated)

	1997	1998	1999	2000	2001	2002	2003	2004	2005 9 months
Current account (including transfers)	-364	-370	-226	-130	-211	-198	-369	-349	-435
Trade balance	-559	-685	-560	-501	-549	-483	-636	-916	-792
Exports	493	478	379	522	496	602	831	1,093	1,017
Imports	-1,052	-1,164	-939	-1,023	-1,046	-1,085	-1,467	-2,009	-1,809
Non-factor services	-148	-31	-8	-2	77	35	54	56	56
Credits	168	242	217	214	314	392	443	539	505
Debits	-316	-273	-225	-216	-237	-357	-389	-482	-449
Factor services	139	117	147	136	32	33	31	97	66
Credits	187	193	211	184	98	161	177	252	195
Debits	-48	-76	-64	-47	-65	-127	-146	-155	-129
Transfers (net)	204	229	196	236	228	217	181	414	235
Capital account	267	254	157	55	60	91	416	593	489
Medium- and long-term public borrowing	52	36	25	-69	-44	-42	16	29	-10
Disbursements	106	118	107	36	77	91	73	101	38
Amortization due	-53	-82	-82	-105	-121	-133	-57	-73	-49
Other capital	215	218	132	124	104	133	401	564	499
Errors and omissions	-1	-29	-12	23	45	-5	-24	1	7
Overall balance	-99	-146	-81	-52	-106	-111	23	244	62
Overall financing	99	146	81	52	106	111	-23	-244	-62
Change in net international reserves 1/	-10	77	-9	20	-47	-39	18	-178	-76
Other 2/	109	69	90	32	153	150	-40	-66	15
Memorandum items:									
Current account including transfers (in percent of GDP)	-10.4	-10.3	-8.0	-4.3	-6.6	-5.8	-9.2	-6.7	-9.6
Gross international reserves In months of imports of goods and non-factor services	200	124	133	113	160	198	191	383	447
	1.8	1.0	1.4	1.1	1.5	1.7	1.2	1.8	1.8

Sources: Georgian State Department and Statistics; and National Bank of Georgia.

1/ Includes valuation adjustment.

2/ Including overdue debt, debt relief (Paris Club), and use of Fund resources.

Table 24. Georgia: Geographic Distribution of Trade by Country, 1998–2005  
(In percent of total)

	1998	1999	2000	2001	2002	2003	2004	2005
Exports	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Russia	29.1	20.8	20.8	23.3	17.7	18.2	16.2	17.8
Turkey	11.3	15.4	22.6	22.0	15.5	17.9	18.3	14.1
Azerbaijan	7.5	4.3	6.2	3.1	8.5	3.6	3.9	9.6
Armenia	9.7	6.6	4.2	3.9	5.8	6.7	8.4	4.6
Germany	6.7	11.0	10.6	2.4	1.6	2.1	2.5	3.3
United States	5.9	4.4	2.2	2.8	3.9	3.3	3.3	3.1
Italy	5.0	4.7	3.7	2.7	2.2	1.9	1.8	3.9
Ukraine	3.9	4.6	3.4	3.6	3.7	6.5	2.4	4.4
France	3.3	0.3	0.3	0.1	0.9	1.1	1.5	1.3
Switzerland	2.9	2.5	4.1	4.9	7.0	7.2	2.7	0.4
Netherlands	1.8	1.0	0.6	1.1	1.3	2.1	1.5	1.3
Bulgaria	1.7	0.2	0.7	0.2	0.0	0.0	2.4	4.9
Others	11.1	24.2	20.4	29.9	32.0	29.4	35.1	31.4
Imports	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Russia	12.6	15.1	13.1	12.4	15.4	14.1	13.9	15.4
Turkey	11.5	11.7	15.7	14.2	11.3	9.8	10.9	11.4
Azerbaijan	8.1	10.1	7.9	9.7	10.1	8.2	8.5	9.4
Germany	9.8	7.5	7.8	10.1	7.5	7.3	8.2	8.3
United Kingdom	7.3	3.4	3.3	3.5	3.4	12.8	9.3	2.8
United States	9.4	11.8	9.8	8.5	8.6	8.0	6.0	5.9
Switzerland	3.8	1.8	3.3	1.9	2.3	1.3	1.4	0.7
Ukraine	3.5	4.5	5.0	6.8	7.4	7.0	7.7	8.8
Bulgaria	3.2	1.8	2.2	1.4	1.7	1.7	2.1	2.9
Italy	3.5	3.1	2.9	5.0	5.2	3.2	3.3	2.6
Netherlands	3.1	1.2	1.2	1.4	1.9	2.1	1.9	2.1
France	2.4	2.9	1.6	2.5	2.0	4.9	3.4	3.9
Romania	2.2	1.9	1.9	2.2	0.7	0.9	0.8	1.6
Others	19.1	23.2	24.3	20.3	22.4	18.8	22.6	24.2

Source: Georgian State Department of Statistics.

Table 25. Georgia: Composition of Exports, 1996–2005  
(In millions of U.S. dollars)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Aircraft and parts	...	...	1.0	...	11.2	36.1	52.6	36.6	85.8	78.5
Scrap black metals	7.7	15.5	22.3	23.5	39.0	33.1	36.5	60.1	95.9	84.2
Gold unwrought or in semi-manufactured forms	...	...	0.1	0.0	0.0	12.5	28.6	20.3	18.8	34.7
Wine	15.7	17.5	4.6	14.6	29.0	32.2	33.2	42.6	48.7	81.3
Mineral waters	6.7	14.4	5.7	2.6	9.4	11.7	17.3	19.7	19.3	32.5
Ferrous metals	17.4	13.4	9.2	20.1	13.6	17.6	15.5	26.1	42.5	80.2
Sugar	16.8	13.9	8.9	0.0	2.7	3.0	13.6	34.0	34.3	29.7
Copper ores and concentrates	11.9	13.8	10.6	1.0	9.8	9.6	13.2	23.4	31.8	36.4
Fertilizers	8.2	5.2	5.6	11.4	16.2	4.9	12.0	18.4	28.9	35.8
Cereals, wheat	13.4	7.2	2.0	...	1.2	1.3	6.6	10.9	23.0	6.2
Alcohol and other spirituous beverages	6.3	4.5	7.4	...	3.0	3.9	5.6	13.1	18.9	29.2
Others	94.8	134.4	115.0	164.8	187.3	151.7	111.3	156.1	199.0	338.0
Total exports	198.9	239.8	192.3	238.0	322.6	317.6	345.9	461.4	646.9	866.7

Source: Georgian State Department of Statistics.

Table 26. Georgia: Composition of Imports, 1996–2005 1/  
(In millions of U.S. dollars)

	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Crude oil and Petroleum Products	162.8	154.9	129.1	93.4	71.9	87.9	89.3	104.9	186.3	336.3
Pharmaceutical products	16.1	44.7	41.5	47.6	48.2	56.9	69.9	75.2	90.4	105.0
Petroleum Gases and other Gaseous Hydrocarbons	87.9	74.0	53.6	48.5	50.3	48.8	52.4	66.0	80.1	90.8
Sugar	33.4	39.6	15.9	17.1	25.4	24.1	34.7	53.0	50.8	78.2
Motor cars	14.4	26.8	25.7	37.7	15.4	13.1	21.9	46.5	116.3	178.5
Tobacco and manufactured tobacco substitutes	49.6	37.1	26.5	37.5	33.7	23.5	29.2	25.5	38.3	23.3
Chocolate and other food preparations containing cocoa	2.4	3.7	2.0	0.9	1.8	3.3	5.9	10.4	19.6	24.8
Electric Power	14.4	26.8	25.7	14.6	14.5	15.6	17.7	26.4	32.3	40.1
Cereals and Wheat	81.8	60.7	34.0	19.3	29.7	15.2	21.0	28.6	77.5	50.0
Artic of Iron/Steel, (inc. other tubes and pipes)	4.6	19.9	45.9	9.9	16.6	26.3	14.4	116.1	115.9	56.7
Wheat or Muslin Flour	59.0	41.7	28.7	15.1	25.5	25.9	8.8	9.8	48.8	45.3
Other	224.8	465.4	428.4	333.4	376.1	412.4	430.3	578.8	991.7	1461.8
Total imports	751.2	995.3	856.8	675.0	709.2	753.0	795.5	1141.2	1847.9	2490.9

Source: Georgian State Department of Statistics.

1/ The analysis excludes estimates for unrecorded trade.



Table 27. Georgia: External Debt Outstanding, 1994–2005  
(In millions of U.S. dollars)

	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Total debt outstanding	1,003.9	1,216.7	1,357.2	1,512.4	1,634.4	1,706.3	1,612.5	1,712.4	1,858.8	2,042.1	2,090.8	1,965.6
Public and publicly guaranteed	1,003.9	1,216.7	1,357.2	1,512.4	1,629.4	1,676.1	1,590.2	1,654.7	1,776.8	1,855.7	1,860.5	1,737.2
Multilateral	193.2	364.5	520.3	655.5	764.7	829.2	788.7	859.4	942.7	1,034.8	1,102.1	1,052.8
World Bank	1.0	86.0	162.7	227.0	300.5	358.8	377.3	441.7	490.6	586.6	677.6	678.7
IMF	40.5	116.1	189.5	257.8	302.1	319.0	281.8	291.1	308.2	288.7	265.3	233.2
European Union	151.7	160.8	155.1	145.5	129.8	116.8	92.4	91.3	95.8	114.9	116.4	101.3
Other	0.0	1.6	12.8	25.2	32.3	34.7	37.3	35.3	48.1	44.6	42.8	39.6
EBRD (P&PG only)	...	...	...	...	31.2	32.5	34.2	31.5	43.5	38.3	33.7	30.1
IFAD	...	...	...	...	1.1	2.2	3.1	3.8	4.6	6.3	9.1	9.5
Bilateral	810.7	852.2	836.9	856.9	864.7	846.9	801.4	795.3	834.1	820.9	758.4	684.4
BRO	655.9	684.3	634.5	638.3	618.7	593.6	559.4	547.0	546.3	475.4	374.8	314.6
Russia	156.3	167.1	175.4	179.3	179.3	179.3	156.9	156.9	156.9	156.9	153.2	150.5
Turkmenistan 1/	440.3	453.2	393.6	393.6	373.9	348.9	336.9	324.9	324.1	253.6	157.1	101.0
Armenia	18.1	19.7	19.6	19.6	19.6	19.6	20.0	19.6	19.6	19.6	19.6	18.5
Azerbaijan	15.0	15.7	16.2	16.2	16.2	16.2	16.2	16.2	16.2	16.2	16.2	16.2
Kazakhstan	24.1	26.7	27.8	27.8	27.8	27.8	27.8	27.8	27.8	27.8	27.8	27.8
Other	2.0	2.0	2.0	1.9	1.9	1.9	1.7	1.7	1.7	1.4	1.0	0.8
Uzbekistan	...	...	...	...	...	1.0	1.0	1.0	1.0	0.8	0.6	0.4
Ukraine	...	...	...	...	...	0.9	0.7	0.7	0.7	0.5	0.4	0.4
Non-BRO	154.8	167.9	202.4	218.6	246.1	253.2	242.0	248.2	287.8	345.5	383.6	369.7
Turkey	42.0	45.4	47.9	54.3	54.3	54.3	54.3	54.3	54.3	54.3	53.4	55.1
Austria	97.4	104.2	110.3	90.0	90.0	83.8	72.5	70.3	81.5	97.7	100.2	86.9
Germany	0.0	2.8	27.6	33.3	46.4	51.7	50.4	53.9	66.5	86.2	113.1	111.5
Japan	0.0	0.0	0.0	0.0	0.0	0.0	3.2	10.0	19.8	35.9	44.3	42.0
Netherlands	0.0	0.0	0.0	4.4	4.5	4.6	4.1	4.0	3.9	2.7	2.9	3.2
USA	0.0	0.0	0.0	19.9	34.7	42.5	42.2	39.6	38.9	39.6	39.5	41.6
Others	15.4	15.6	16.6	16.7	16.1	16.3	15.3	16.0	22.8	29.1	30.3	29.4
China	3.5	3.7	3.8	3.9	3.3	3.5	2.3	2.3	2.7	3.0	3.4	2.9
Iran	11.9	11.9	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.8	12.1
Kuwait	0.0	0.0	0.0	0.0	0.0	0.0	0.2	0.9	7.3	13.2	14.2	14.4
Private non-guaranteed 2/	0.0	0.0	0.0	0.0	5.0	30.2	22.3	57.7	82.0	186.4	230.3	228.4

Source: Georgian authorities.

1/ Includes rescheduled arrears.

2/ Authorities' estimate of debt service obligations of private households and enterprises. Excludes short-term debt. January-September for 2005 data.

Table 28. Georgia: External Debt Service Obligations, 2000–2005 1/  
(In millions of U.S. dollars)

	2000		2001		2002		2003		2004		2005							
	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal						
Total debt service due	47.7	68.4	116.1	31.1	41.2	72.3	43.0	66.3	109.3	48.6	117.9	166.6	36.3	192.2	228.5	35.2	149.9	185.0
Medium/long term	47.7	68.4	116.1	31.1	41.2	31.1	43.0	66.3	109.3	48.6	117.9	166.6	36.3	192.2	228.5	35.2	149.9	185.0
Public and publicly guaranteed	46.9	66.3	113.2	30.4	38.7	71.6	38.3	62.6	100.9	39.9	105.0	145.0	29.1	184.1	213.2	24.2	134.9	159.0
Official creditors	46.9	65.9	112.8	30.3	38.7	69.0	38.2	62.6	100.8	39.9	105.0	145.0	29.1	184.1	213.2	24.2	134.9	159.0
Multilateral	14.2	30.7	44.9	13.4	26.6	40.0	11.7	36.5	48.2	11.3	59.1	70.5	11.2	76.2	87.3	12.6	64.6	77.2
Bilateral	32.7	35.2	67.9	16.9	12.0	29.0	26.5	26.1	52.6	28.6	45.9	74.5	18.0	107.9	125.8	11.6	70.3	81.9
Private creditors	--	0.4	0.4	0.1	--	0.1	0.1	--	0.1	--	--	--	--	--	--	--	--	--
Private non-guaranteed 2/	0.8	2.1	2.9	0.6	2.6	3.2	4.7	3.7	8.4	8.7	12.9	21.6	7.2	8.1	15.3	11.0	15.0	26.0
Short term	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Memorandum item:																		
Debt service																		
(percent of exports of GNFS)	5.5	13.0	18.5	5.1	14.5	19.6	4.3	20.0	24.3	3.7	8.9	12.6	1.8	9.8	11.6	1.6	6.9	8.5

Source: Georgian authorities.

1/ On a cash basis.

2/ Authorities' estimate of debt service obligations of private households and enterprises. January-September for 2005 data.

Table 29. Georgia: Exchange Rates, 1997–2005 1/

	Lari per U.S. dollar		Lari per thousands of ruble		REER 2/	NEER 2/
	Period average	End-of-period	Period average	End-of-period	End-of-period	End-of-period
1997 Q1	1.298	1.294	0.220	0.220	103.2	109.5
Q2	1.299	1.300	0.220	0.230	101.3	112.3
Q3	1.295	1.298	0.220	0.220	99.6	114.6
Q4	1.308	1.304	0.220	0.220	101.2	117.3
Year	1.300	1.304	0.220	0.220	101.3	113.4
1998 Q1	1.327	1.335	0.220	0.219	100.3	119.8
Q2	1.342	1.348	0.218	0.217	97.4	122.0
Q3	1.350	1.364	0.169	0.085	106.4	150.9
Q4	1.544	1.790	0.086	0.086	99.7	135.9
Year	1.391	1.790	0.173	0.086	100.9	132.2
1999 Q1	2.199	2.215	0.094	0.090	91.5	120.3
Q2	2.059	1.940	0.083	0.080	102.7	143.2
Q3	1.875	1.850	0.075	0.073	106.6	156.1
Q4	1.951	1.960	0.074	0.071	109.2	161.2
Year	2.021	1.960	0.082	0.071	102.5	145.2
2000 Q1	1.990	1.930	0.071	0.069	107.1	165.1
Q2	1.975	1.960	0.069	0.070	106.6	169.9
Q3	1.965	1.960	0.070	0.071	109.6	174.3
Q4	1.975	1.975	0.070	0.069	107.6	173.2
Year	1.976	1.975	0.070	0.069	107.8	170.6
2001 Q1	2.046	2.060	0.072	0.072	108.5	179.3
Q2	2.059	2.045	0.071	0.071	109.2	190.3
Q3	2.068	2.061	0.070	0.070	107.3	192.5
Q4	2.116	2.060	0.071	0.070	105.7	190.6
Year	2.072	2.060	0.071	0.070	107.7	188.2
2002 Q1	2.205	2.215	0.072	0.071	101.1	181.5
Q2	2.220	2.190	0.071	0.071	99.5	182.5
Q3	2.188	2.175	0.069	0.069	99.9	186.9
Q4	2.164	2.090	0.068	0.067	100.3	187.5
Year	2.194	2.090	0.070	0.067	100.2	184.6
2003 Q1	2.174	2.125	0.069	0.068	98.0	186.3
Q2	2.154	2.110	0.070	0.070	91.9	176.1
Q3	2.128	2.113	0.070	0.069	92.7	178.8
Q4	2.128	2.075	0.071	0.070	92.7	174.6
Year	2.146	2.075	0.070	0.070	93.8	179.0
2004 Q1	2.059	2.005	0.072	0.070	95.1	181.0
Q2	1.951	1.920	0.068	0.066	98.4	192.7
Q3	1.848	1.840	0.063	0.063	106.0	205.2
Q4	1.809	1.825	0.063	0.066	104.5	195.5
Year	1.917	1.825	0.067	0.066	101.0	193.6
2005 Q1	1.827	1.834	0.066	0.066	101.2	188.9
Q2	1.825	1.813	0.065	0.063	101.6	195.8
Q3	1.805	1.793	0.063	0.063	102.1	196.6
Q4	1.794	1.793	0.062	0.062	107.7	200.8
Year	1.813	1.793	0.064	0.062	103.2	195.5

Sources: National Bank of Georgia; IMF, *Information Notice System*; and Fund staff estimates.

1/ Lari exchange rates are those prevailing on the Tbilisi Interbank Foreign Exchange (TIBFEX).

2/ Real effective exchange rate and nominal effective exchange rate. Index, 1996=100. Increase indicates appreciation.