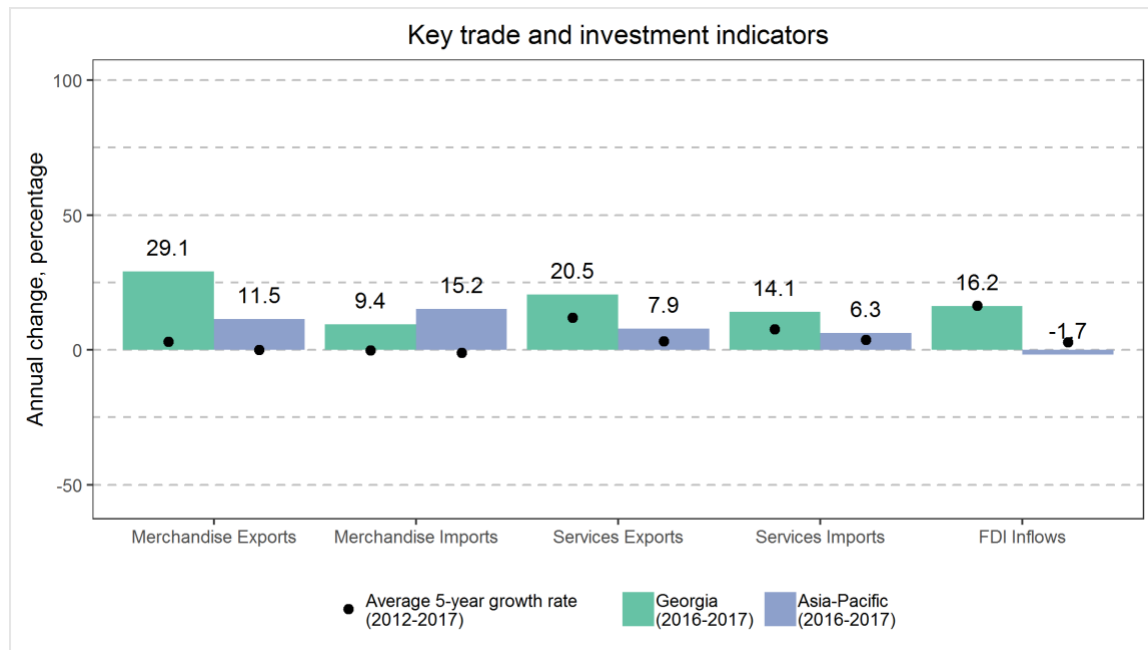




Asia-Pacific Trade Briefs: Georgia



Merchandise Trade

Georgia has a trade-to-GDP ratio of 109.16%. Merchandise trade accounted for 64.7% of Georgia's total trade in 2017. Georgia's merchandise exports grew by 3% on average during 2012-2017, higher than the Asia-Pacific average of 0% during the same time period. In 2017, Georgia's merchandise exports grew by 29.1%, while in the Asia-Pacific region they increased by 11.5% in the same year. Meanwhile, Georgia's merchandise imports decreased by 0.1% on average during 2012-2017, and recorded an increase of 9.4% between 2016 and 2017.

Services Trade

In 2017, Georgia's commercial services' shares of total exports and imports were 59.1% and 19.2%, respectively. Commercial services exports grew by 12% on average during 2012-2017, higher than the Asia-Pacific average of 3.2% during the same time period. In 2017, Georgia's commercial services exports grew by 20.5%, while in Asia-Pacific region they increased by 7.9%. Meanwhile, Georgia's commercial services imports increased by 7.7% on average during the 2012-2017 period, recording a growth rate of 14.1% from 2016 to 2017.

Foreign Direct Investment (FDI)

Georgia recorded an average annual FDI inflows growth of 16.4% from 2012 to 2017, larger than the Asia and the Pacific's 2.9% average annual FDI inflow growth. At the same time, Georgia experienced an increase in FDI inflows by 16.2% in 2017. In terms of FDI outflows, Georgia had an average annual FDI outflows decline of 1.9% in the last five years, smaller than the Asia and the Pacific's 3.5% average annual FDI outflow growth. In 2017, Georgia experienced a decline in FDI outflows by 34.2%.



Top Trade Partners

In 2017, the largest trade partner of Georgia was Turkey, representing 7.9% of its exports and 17.2% of its imports. 14.5% of Georgia's exports and 9.9% of Georgia's imports by value were traded with Russian Federation, its second largest trade partner. Other significant trade partners were China, Azerbaijan, Ukraine, Armenia, Germany, United States, Bulgaria, and Italy.

Top Traded Products

The largest product category exported by Georgia in 2017 was "Copper ores and concentrates" (2603), with an export share of 15.4% of total exports, followed by the second most exported product category, "Ferro-alloys" (7202), which accounted for 11.3% of Georgia's total exports. In terms of imports, "Petroleum oils and oils from bituminous minerals, not crude; preparations n.e.c, containing by weight 70% or more of petroleum oils or oils from bituminous minerals; these being the basic constituents of the preparations; waste oils" (2710) represented 8.7% of total imports, standing out the top imported product category. Meanwhile, "Motor cars and other motor vehicles; principally designed for the transport of persons (other than those of heading no. 8702), including station wagons and racing cars" (8703) had a share of 11.3%, the second largest imported product category in Georgia in 2017.

Tariffs

In 2017, average MFN applied and effectively applied tariffs in Georgia were 1.33% and 0.42%, respectively - lower than the averages for the Asia-Pacific economies of 7.46% and 6.91%, respectively. Average MFN bound tariff rate of 7.23% was lower than the Asia-Pacific average of 26.35%. Georgia acceded to the WTO on 14 June 2000. Currently, 100% of Georgia's tariff lines are bound.

Trade Costs

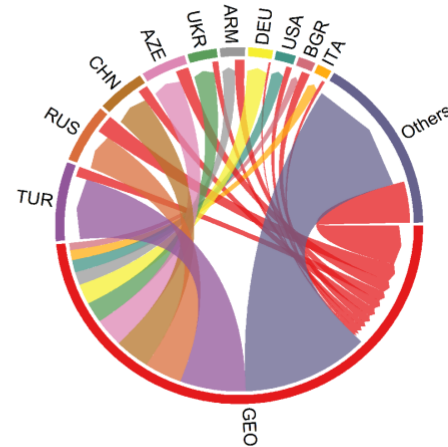
Georgia's average trade costs with major trading economies in the region, are presented in the graph below. Trade costs in Georgia remained higher compared with the most efficient traders in Asia and the Pacific.



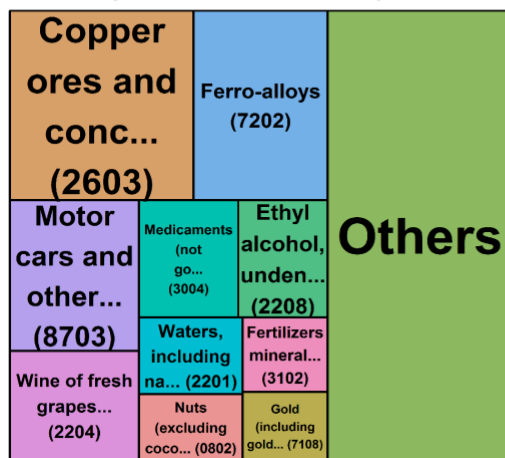
Foreign Direct Investment (FDI)



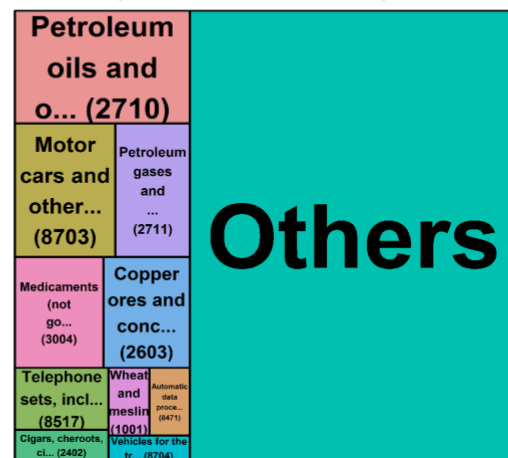
Top 10 trade partners, 2017



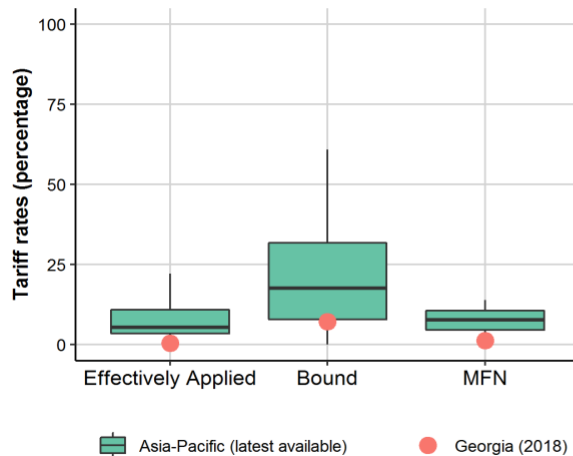
Top merchandise exports



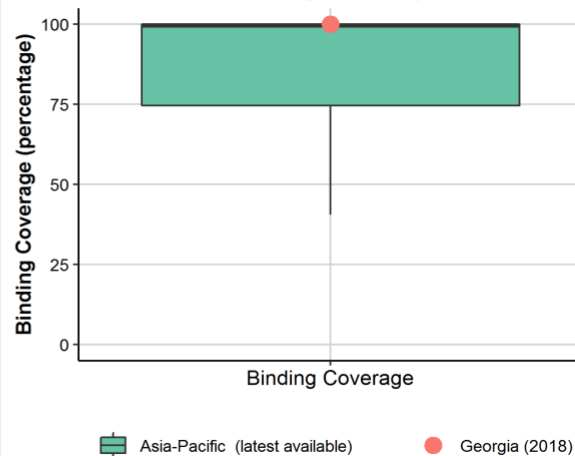
Top merchandise imports

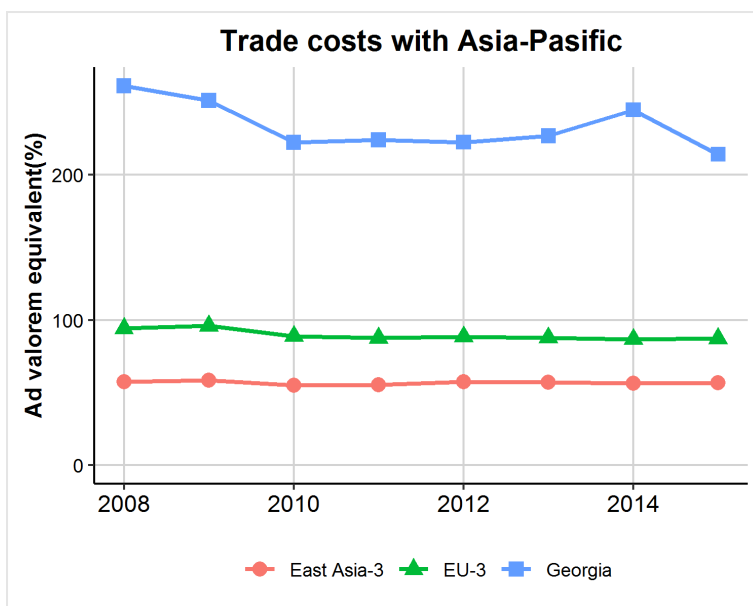


Import Tariffs



Binding coverage





Trade Agreements

Georgia has 13 trade agreements in force, 1 signed agreements pending ratification, and 0 trade agreements under negotiation. Of the economy's total exports, 81% are directed to its trade agreement partners, while 82.6% of its total imports come from trade agreement partners.

Title	Status	Year in force	Share of total exports (%)	Share of total imports (%)
Commonwealth of Independent States (CIS)	in force	1994	13.12	9.22
Georgia-Russian Federation	in force	1994	14.47	9.89
Azerbaijan-Georgia	in force	1996	9.98	7.64
Georgia-Ukraine	in force	1996	4.56	5.58
Armenia-Georgia	in force	1998	7.65	3.52
Georgia-Kazakhstan	in force	1999	1.89	0.37
Georgia-Turkmenistan	in force	2000	0.79	1.49
Georgia-Ukraine-Azerbaijan-Moldova (GUAM)	in force	2003	14.66	13.36
Georgia-Republic of Moldova	in force	2007	0.12	0.14
Georgia-Turkey	in force	2008	7.94	17.20
Georgia-Uzbekistan	in force	2010	2.35	0.09
Georgia-European Union (EU)	in force	2014	23.70	27.54
China-Georgia	in force	NA	7.60	9.18
Georgia-European Free Trade Association (EFTA)	signed	NA	2.66	0.84



ASIA PACIFIC TRADE AND INVESTMENT REPORT 2018

Recent Trends and Developments



UNITED NATIONS

ESCAP

Economic and Social Commission for Asia and the Pacific

Sources: Total commercial services and merchandise trade data were accessed from the WTO statistics website. Bilateral trade data accessed through IMF Direction of Trade Statistics. Product-level data accessed through UN Comtrade database. Tariff data were accessed through the World Bank's WITS and WTO tariff databases. FDI data were accessed through UNCTAD statistics portal. Trade-to-GDP ratio was calculated by summing commercial and merchandise exports and imports and dividing the sum by the latest GDP (current United States dollars), retrieved from the World Bank World Development indicators database. Trade costs data were based on the ESCAP-World Bank trade cost database.

Note: Data are based on economies for which data available only. For regional aggregates, latest data was used in lieu of latest missing values. Merchandise trade data follow the latest HS classification. Products are defined at the 4-digit level. Tariffs are simple average. Trade costs shown are tariff equivalents, calculated as trade-weighted average trade costs of economies with found developing economies in the region (China, India, Indonesia and Russian Federation), where data was available. Trade costs for East Asia-3 comprises China, Japan and the Republic of Korea; trade costs for European Union-3 comprises Germany, France and the United Kingdom.

Definitions: MFN bound tariff is the maximum most-favoured nation (MFN) tariff permitted under WTO obligations. MFN applied tariff is the tariff applied to imports among WTO members. The effectively applied rate is the ratio of collected import tariff revenue and value of imports. Binding coverage refers to the share of bound tariff lines in the total number of tariff lines. For more details contact escap-tiid@un.org.