

The ICC Georgia
Foreign Economic
Dependence
Index

Q1 2023

Georgia's Foreign Economic Dependence Index (GFEDI)

Prepared by the International Chamber of Commerce in Georgia.

Methodology:

All Figures are in USD

- Foreign Economic Dependence Index is calculated by adding together for each country in the survey the total of the following parameters:
Imports + Exports + Money flow + FDI + Income from Foreign Travel. (5 parameters)
- The economic weight of each country is proportional to the percentage this country represents from the Grand Total and from the Nominal GDP.

We have calculated the results for year 2022 and for Q1 of 2023

For the sake of comparison, we have also included at the beginning of the presentation tables for the following years:

2003 (End of Shevardnadze's Term).

2012 (End of Saakashvili's Term).

However please note that for years 2003 and 2012, Income from Foreign Travel by country was not computed by the Georgian Department of Statistics, and therefore the tables for those 2 years are for simple reference.

Foreign Economic Dependence 2003

| Countries | Imports | Exports | Money Flow | Income from International Travelers | Foreign Investments | TOTAL | Percentage of TOTAL | Percentage of GDP |
|---------------|------------------|----------------|----------------|-------------------------------------|---------------------|------------------|---------------------|-------------------|
| Total | 1,139,039 | 461,310 | 196,635 | | 334,568 | 2,131,552 | 100% | 53% |
| EU | 315,992 | 54,791 | 25,875 | | 58,063 | 454,721 | 21% | 11% |
| Azerbaijan | 93,730 | 16,445 | 321 | | 27,482 | 137,978 | 6% | 3% |
| Armenia | 12,268 | 30,762 | 542 | | 250 | 43,821 | 2% | 1% |
| China | 23,168 | 1,172 | 335 | | 19,070 | 43,745 | 2% | 1% |
| Iran | 6,996 | 3,426 | 14 | | 0 | 10,436 | 0% | 0% |
| Israel | 1,748 | 957 | 2,950 | | 487 | 6,142 | 0% | 0% |
| Japan | 2,436 | 223 | 121 | | 8,618 | 11,397 | 1% | 0% |
| Kazakhstan | 9,756 | 4,330 | 1,038 | | 0 | 15,124 | 1% | 0% |
| Russia | 157,891 | 83,840 | 67,019 | | 41,998 | 350,747 | 16% | 9% |
| Turkey | 112,022 | 82,549 | 2,927 | | 16,674 | 214,172 | 10% | 5% |
| Ukraine | 80,249 | 30,088 | 7,427 | | 1,439 | 119,203 | 6% | 3% |
| United States | 90,728 | 15,358 | 27,403 | | 71,604 | 205,093 | 10% | 5% |

Foreign Economic Dependence 2012

| Countries | Imports | Exports | Money Flow | Income from International Travelers | Foreign Investments | TOTAL | Percentage of TOTAL | Percentage of GDP |
|---------------|------------------|------------------|------------------|-------------------------------------|---------------------|-------------------|---------------------|-------------------|
| Total | 8,056,379 | 2,376,635 | 1,334,521 | 1,412,914 | 1,048,227 | 14,228,676 | 100% | 86% |
| EU | 2,316,288 | 332,104 | 339,252 | | 370,061 | 3,357,704 | 24% | 20% |
| Azerbaijan | 703,804 | 626,914 | 10,358 | | 61,287 | 1,402,364 | 10% | 8% |
| Armenia | 70,764 | 258,404 | 5,572 | | 7,623 | 342,363 | 2% | 2% |
| China | 614,417 | 25,675 | 1,318 | | 70,157 | 711,566 | 5% | 4% |
| Iran | 100,451 | 18,520 | 48 | | 3,131 | 122,150 | 1% | 1% |
| Israel | 31,829 | 36,530 | 15,973 | | 10,327 | 94,659 | 1% | 1% |
| Japan | 312,092 | 5,692 | 238 | | 13,850 | 331,873 | 2% | 2% |
| Kazakhstan | 132,412 | 62,236 | 12,629 | | 4,306 | 211,582 | 1% | 1% |
| Russia | 476,828 | 46,806 | 747,525 | | 22,017 | 1,293,177 | 9% | 8% |
| Turkey | 1,470,241 | 140,142 | 30,072 | | 107,222 | 1,747,676 | 12% | 11% |
| Ukraine | 587,879 | 167,020 | 47,427 | | 1,234 | 803,561 | 6% | 5% |
| United States | 213,469 | 226,195 | 74,063 | | 20,254 | 533,980 | 4% | 3% |

Foreign Economic Dependence 2022

| Countries | Imports | Exports | Money Flow | Income from International Travelers | Foreign Investments | TOTAL | Percentage of TOTAL | Percentage of GDP |
|----------------|-------------------|------------------|------------------|-------------------------------------|---------------------|-------------------|---------------------|-------------------|
| Total | 13,450,054 | 5,592,844 | 4,372,409 | 3,518,656 | 2,000,000 | 28,933,964 | 100% | 118% |
| EU | 3,049,051 | 862,782 | 1,068,461 | 333,038 | 853,792 | 6,167,125 | 21% | 25% |
| Azerbaijan | 642,078 | 672,628 | 55,254 | 100,379 | -5,804 | 1,464,534 | 5% | 6% |
| Armenia | 613,190 | 584,580 | 54,271 | 156,060 | 11,601 | 1,419,702 | 5% | 6% |
| China | 1,125,965 | 736,838 | 812 | | 108,500 | 1,972,115 | 7% | 8% |
| Iran | 231,569 | 29,700 | 74 | 91,133 | 3,511 | 355,987 | 1% | 1% |
| Israel | 16,454 | 22,034 | 199,036 | 270,507 | 23,323 | 531,354 | 2% | 2% |
| Japan | 307,144 | 14,984 | 384 | | 68,700 | 391,212 | 1% | 2% |
| Kazakhstan | 36,391 | 238,173 | 150,132 | | -5,109 | 419,587 | 1% | 2% |
| Russia | 1,835,412 | 651,628 | 2,067,839 | 890,954 | 71,000 | 5,516,834 | 19% | 22% |
| Turkey | 2,370,933 | 435,485 | 101,010 | 399,365 | 106,500 | 3,413,293 | 12% | 14% |
| Ukraine | 274,890 | 232,078 | 11,035 | 282,274 | 8,000 | 808,278 | 3% | 3% |
| United Kingdom | 107,596 | 15,720 | 37,775 | 32,181 | 428,324 | 621,595 | 2% | 3% |
| United States | 941,323 | 265,060 | 326,989 | | 163,900 | 1,697,271 | 6% | 7% |

Foreign Economic Dependence Q1 2023

| Countries | Imports | Exports | Money Flow | Income from International Travelers | Foreign Investments | TOTAL | Percentage of TOTAL | Percentage of GDP |
|----------------|------------------|------------------|------------------|-------------------------------------|---------------------|------------------|---------------------|-------------------|
| Total | 3,555,646 | 1,461,351 | 1,171,421 | 527,025 | 496,650 | 7,212,092 | 100% | 115% |
| EU | 845,415 | 213,831 | 266,371 | 46,402 | 253,231 | 1,625,251 | 23% | 26% |
| Azerbaijan | 197,739 | 180,667 | 4,385 | | -7,710 | 375,081 | 5% | 6% |
| Armenia | 104,974 | 216,863 | 2,251 | 54,074 | 4,845 | 383,006 | 5% | 6% |
| China | 243,190 | 133,333 | -488 | | 19,886 | 395,921 | 5% | 6% |
| Iran | 56,974 | 5,662 | 72 | | -347 | 62,362 | 1% | 1% |
| Israel | 3,884 | 4,626 | 50,659 | 22,716 | 3,523 | 85,408 | 1% | 1% |
| Japan | 112,141 | 3,949 | 101 | | 63,249 | 179,440 | 2% | 3% |
| Kazakhstan | 6,225 | 122,196 | 36,293 | | 19,979 | 184,694 | 3% | 3% |
| Russia | 490,465 | 176,917 | 668,896 | 234,758 | 28,168 | 1,599,203 | 22% | 26% |
| Turkey | 578,294 | 104,886 | 10,257 | 169,074 | 46,988 | 909,499 | 13% | 15% |
| Ukraine | 73,101 | 22,564 | -10,051 | | 1,437 | 87,051 | 1% | 1% |
| United Kingdom | 29,954 | 3,276 | 10,317 | | -25,883 | 17,664 | 0% | 0% |
| United States | 402,857 | 15,289 | 90,299 | | 54,661 | 563,106 | 8% | 9% |

Nominal GDP and Total Foreign Economic Activity

| | 2003 | 2012 | 2022 | Q1 2023 |
|--|-----------|------------|------------|-----------|
| GDP | 4,000,000 | 16,500,000 | 24,610,200 | 6,247,100 |
| Total Foreign Economic Activity | 2,131,552 | 14,228,676 | 28,933,964 | 7,212,092 |

Share of Countries' in Percentage of Total Foreign Economic Activity

| Countries | 2022 | Q1 2023 | Change (pp) |
|----------------|-------|---------|-------------|
| EU | 21.3% | 22.5% | 1.2% |
| Azerbaijan | 5.1% | 5.2% | 0.1% |
| Armenia | 4.9% | 5.3% | 0.4% |
| China | 6.8% | 5.5% | -1.3% |
| Iran | 1.2% | 0.9% | -0.4% |
| Israel | 1.8% | 1.2% | -0.7% |
| Japan | 1.4% | 2.5% | 1.1% |
| Kazakhstan | 1.5% | 2.6% | 1.1% |
| Russia | 19.1% | 22.2% | 3.1% |
| Turkey | 11.8% | 12.6% | 0.8% |
| Ukraine | 2.8% | 1.2% | -1.6% |
| United States | 5.9% | 7.8% | 1.9% |
| United Kingdom | 2.1% | 0.2% | -1.9% |
| Others | 14.4% | 10.3% | -4.0% |

In percent of the Total Foreign Economic Activity, Q1 2023 compared to Y2022 shows that there is a decrease for the following countries: China, Iran, Israel, Ukraine and the UK

And an increase for the following countries: EU, Azerbaijan, Armenia, Japan, Kazakhstan, Russia, Turkey and the United States.

| Share of Countries' Total Foreign Economic Activity in Nominal GDP | | | |
|--|-------|---------|-------------|
| Countries | 2022 | Q1 2023 | Change (pp) |
| EU | 25.1% | 26.0% | 1.0% |
| Azerbaijan | 6.0% | 6.0% | 0.1% |
| Armenia | 5.8% | 6.1% | 0.4% |
| China | 8.0% | 6.3% | -1.7% |
| Iran | 1.4% | 1.0% | -0.4% |
| Israel | 2.2% | 1.4% | -0.8% |
| Japan | 1.6% | 2.9% | 1.3% |
| Kazakhstan | 1.7% | 3.0% | 1.3% |
| Russia | 22.4% | 25.6% | 3.2% |
| Turkey | 13.9% | 14.6% | 0.7% |
| Ukraine | 3.3% | 1.4% | -1.9% |
| United States | 6.9% | 9.0% | 2.1% |
| United Kingdom | 2.5% | 0.3% | -2.2% |
| Others | 16.9% | 11.9% | -5.0% |

In percent of the Nominal GDP, the Foreign Economic Activity of Q1 2023 compared to Y2022 shows that there is a decrease for the following countries: China, Iran, Israel, Ukraine and the UK

And an increase for the following countries: EU, Azerbaijan, Armenia, Japan, Kazakhstan, Russia, Turkey and the United States.

Share of Countries' in Percentage of Total Foreign Economic Activity

| Countries | 2003 | 2012 | 2022 | Q1 2023 |
|-----------|-------|-------|-------|---------|
| EU | 21.3% | 23.6% | 21.3% | 22.5% |
| Russia | 16.5% | 9.1% | 19.1% | 22.2% |
| Türkiye | 10.0% | 12.3% | 11.8% | 12.6% |
| China | 2.1% | 5.0% | 6.8% | 5.5% |
| Others | 50.1% | 50.0% | 38.9% | 36.9% |

Russia and the EU are about the same level in percentage of the Total Foreign Economic Activity, (22.5% vs 22.2%) Russia has caught up with the EU as the largest economic partner of Georgia.

Share of Countries' Total Foreign Economic Activity in Percentage of Nominal GDP

| | 2003 | 2012 | 2022 | Q1 2023 |
|---------|-------|-------|-------|---------|
| EU | 11.4% | 20.3% | 25.1% | 26.0% |
| Russia | 8.8% | 7.8% | 22.4% | 25.6% |
| Türkiye | 5.4% | 10.6% | 13.9% | 14.6% |
| China | 1.1% | 4.3% | 8.0% | 6.3% |
| Others | 26.7% | 43.1% | 45.7% | 42.7% |

Russia and the EU are about the same level in percentage of the nominal GDP (25.6% vs 26%), Turkey increased compared to 2022 and China decreased.

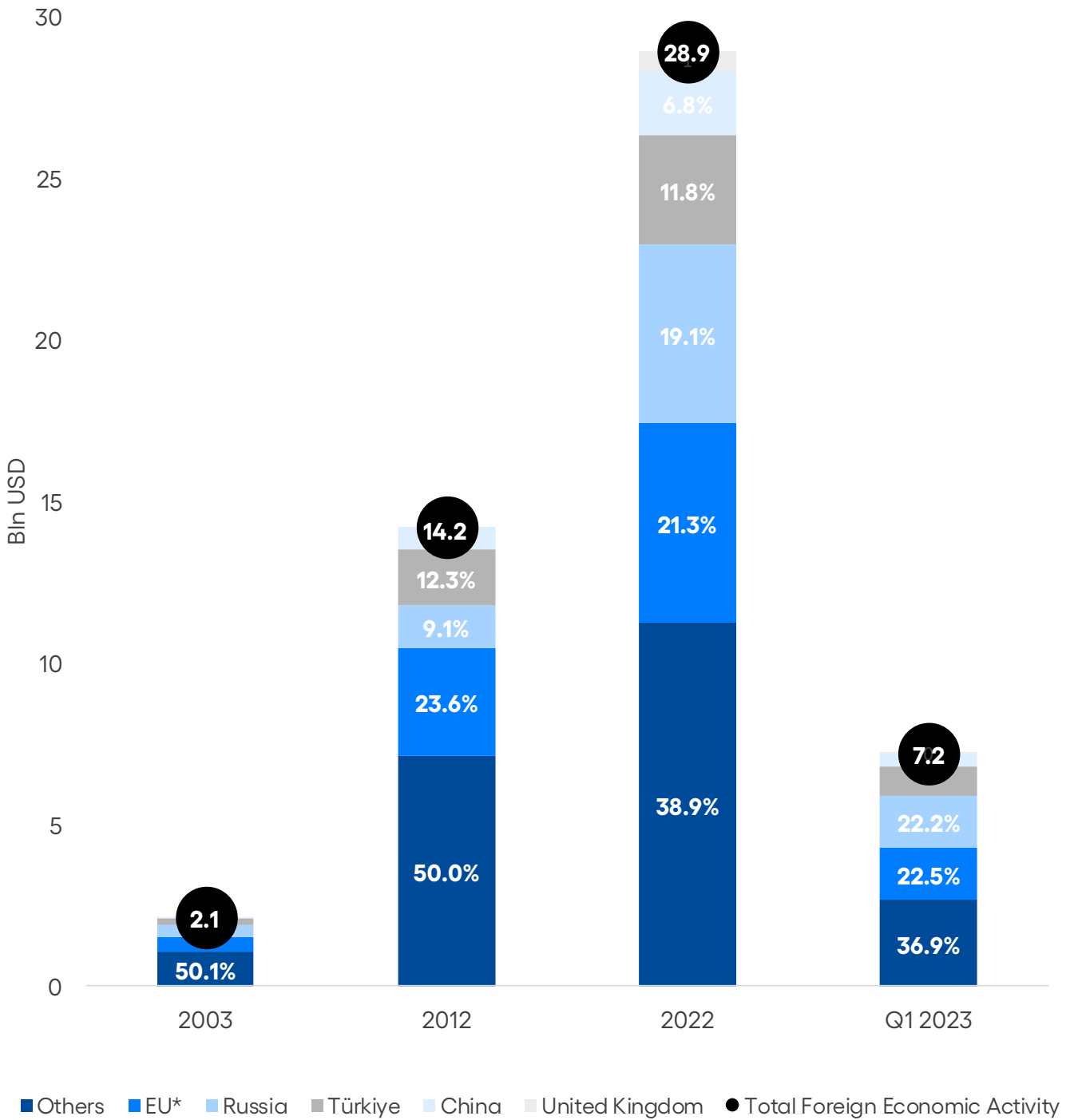
Share of Countries' Total Foreign Economic Activity in Percentage of Nominal GDP

| | 2003 | 2012 | 2022 | Q1 2023 |
|---------------|-------|-------|-------|---------|
| EU | 11.4% | 20.3% | 25.1% | 26.0% |
| Russia | 8.8% | 7.8% | 22.4% | 25.6% |
| Türkiye | 5.4% | 10.6% | 13.9% | 14.6% |
| United States | 5.1% | 3.2% | 6.9% | 9.0% |

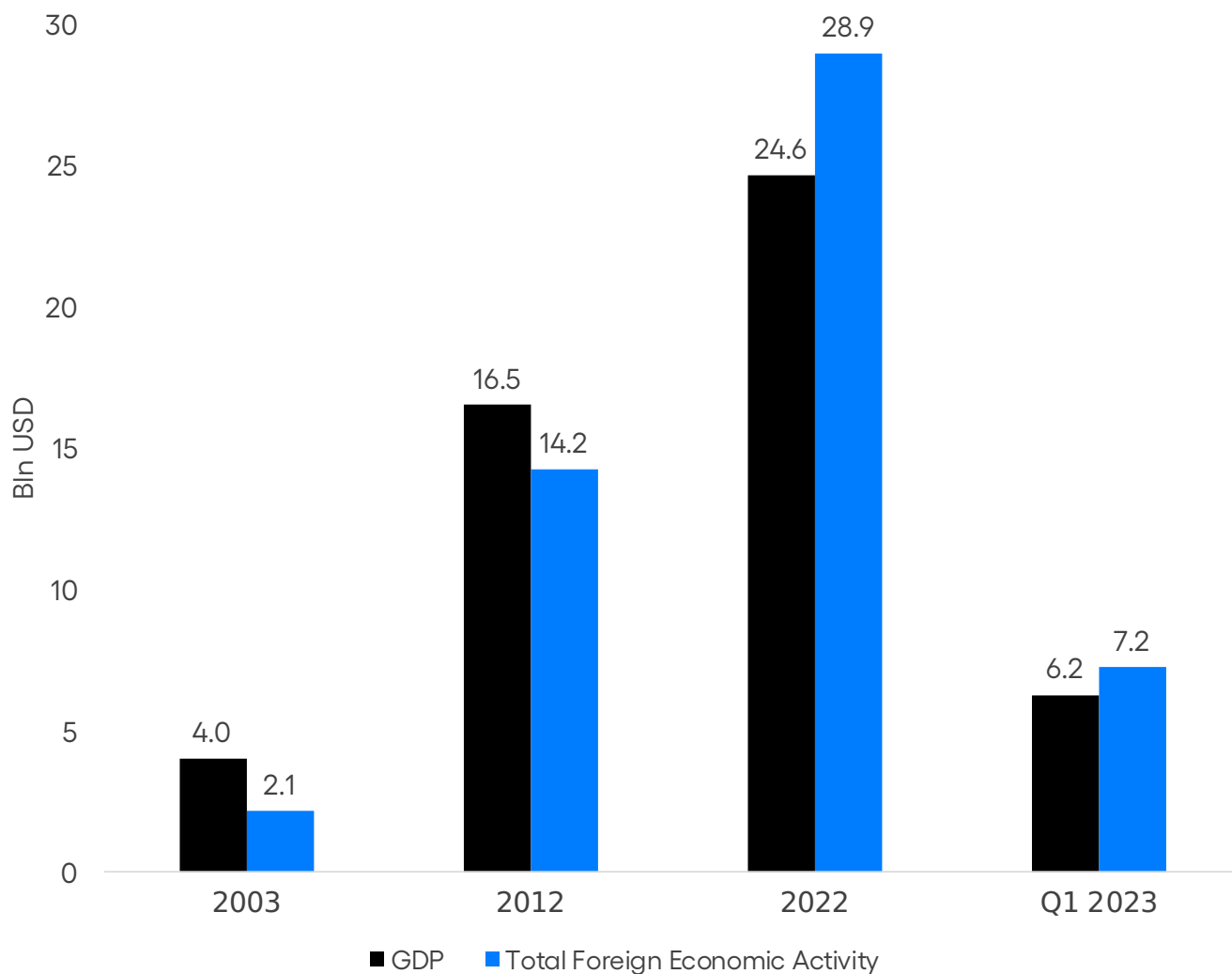
Share of Countries' in Total Foreign Economic Activity

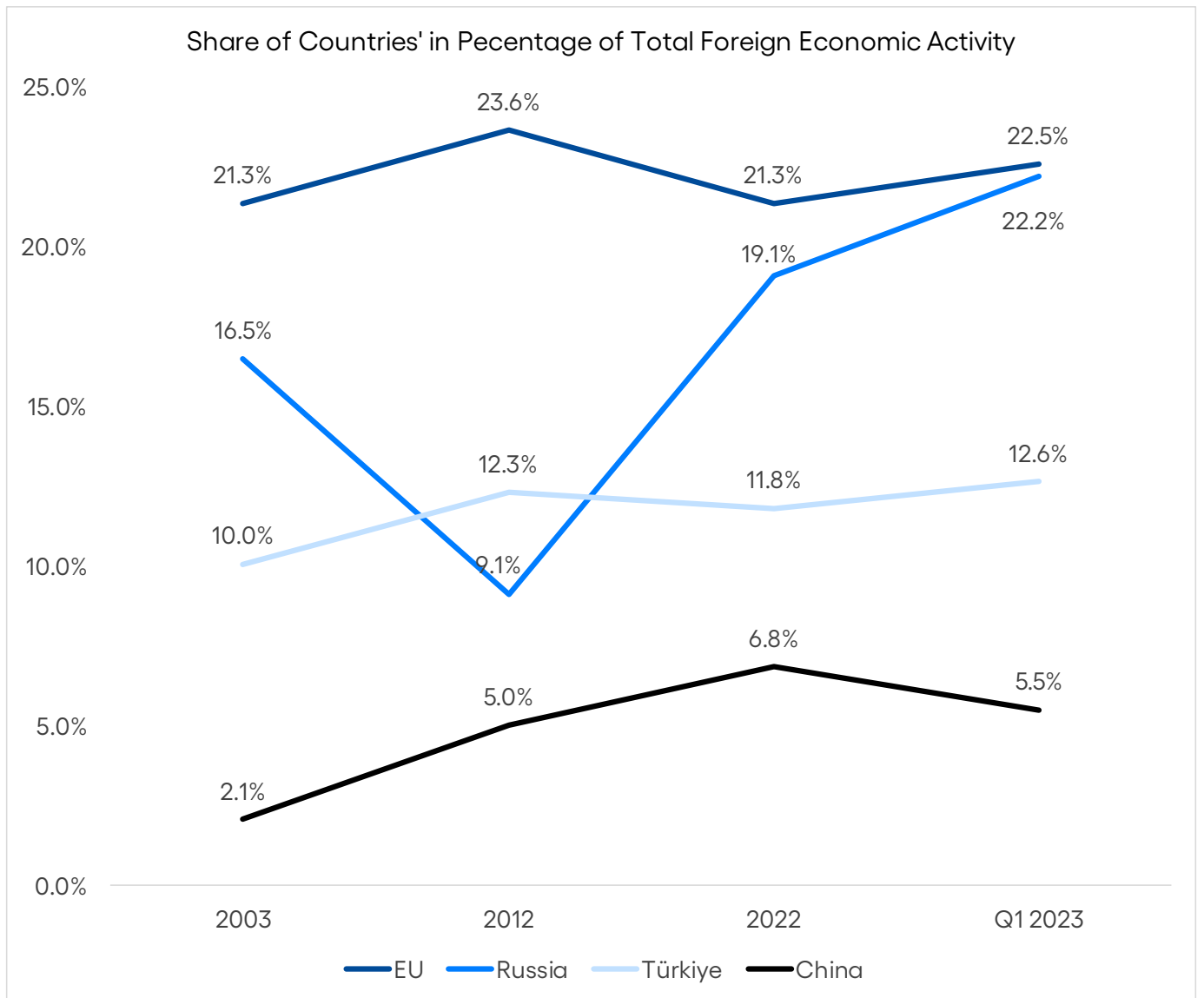
| | 2003 | 2012 | 2022 | Q1 2023 |
|---------------|-------|-------|-------|---------|
| EU | 21.3% | 23.6% | 21.3% | 22.5% |
| Russia | 16.5% | 9.1% | 19.1% | 22.2% |
| Türkiye | 10.0% | 12.3% | 11.8% | 12.6% |
| United States | 9.6% | 3.8% | 5.9% | 7.8% |

Total Foreign Economic Activity

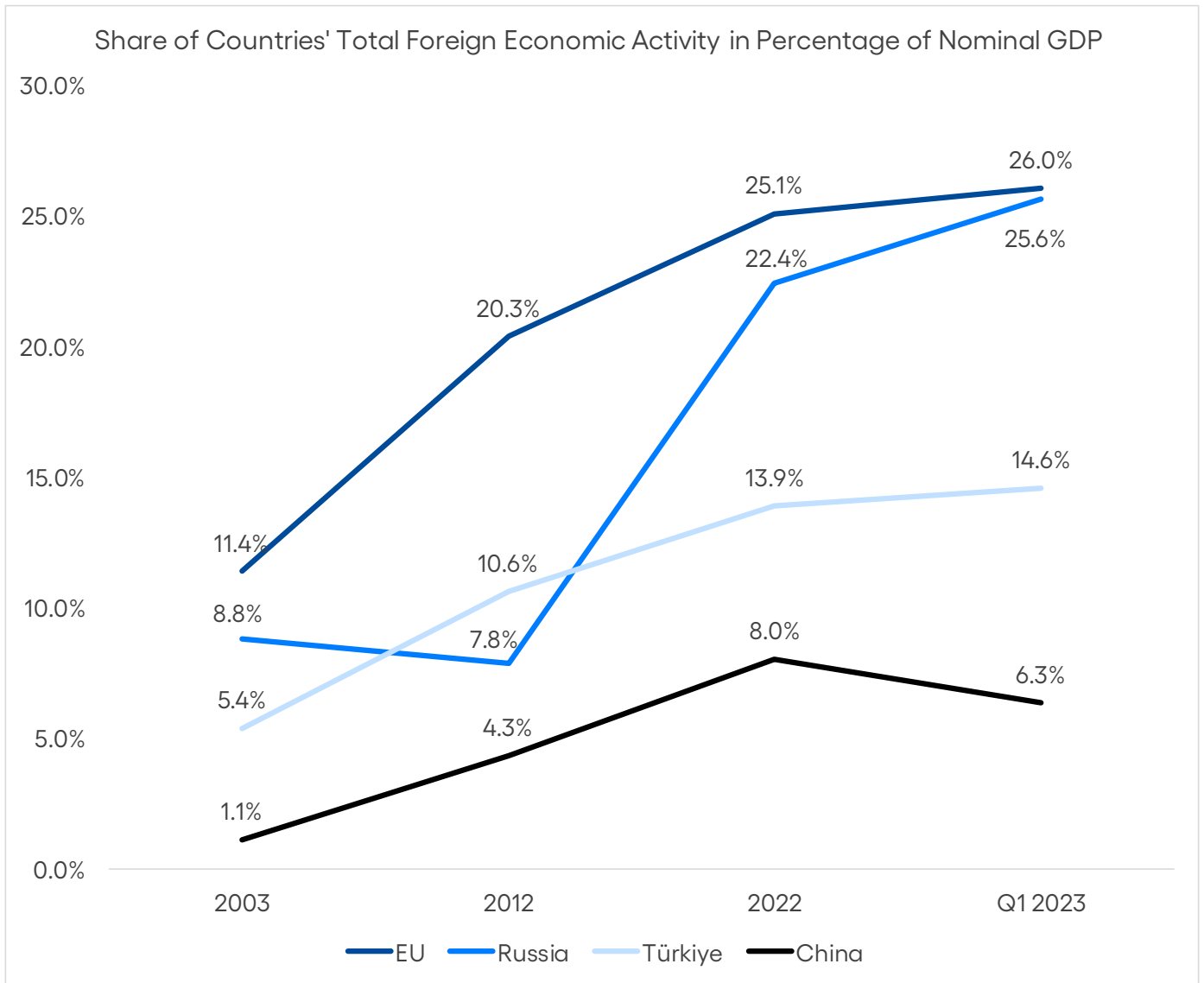


Nominal GDP and Total Foreign Economic Activity



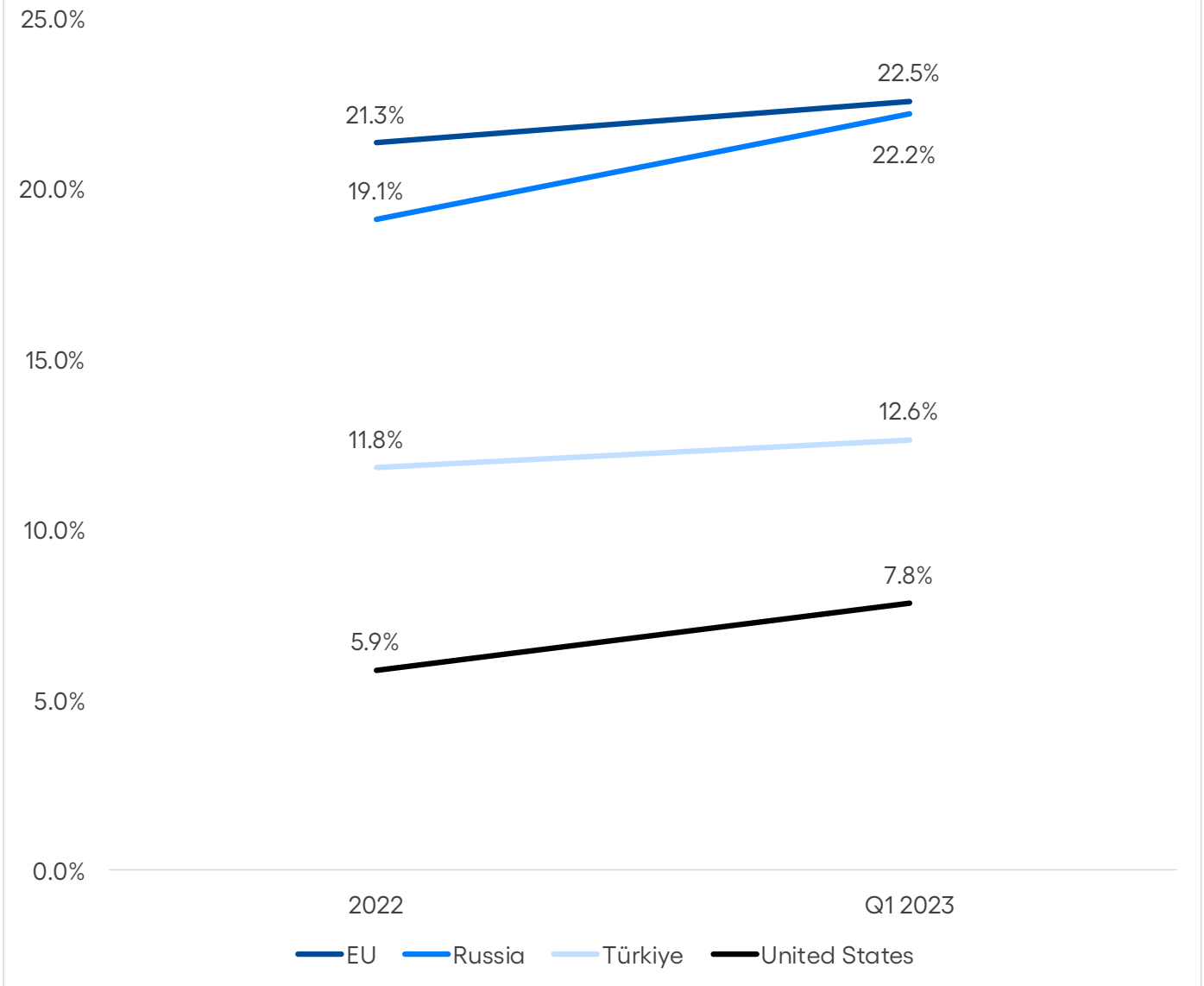


This graph shows the dramatic increase of Russia's economic weight since 2012.

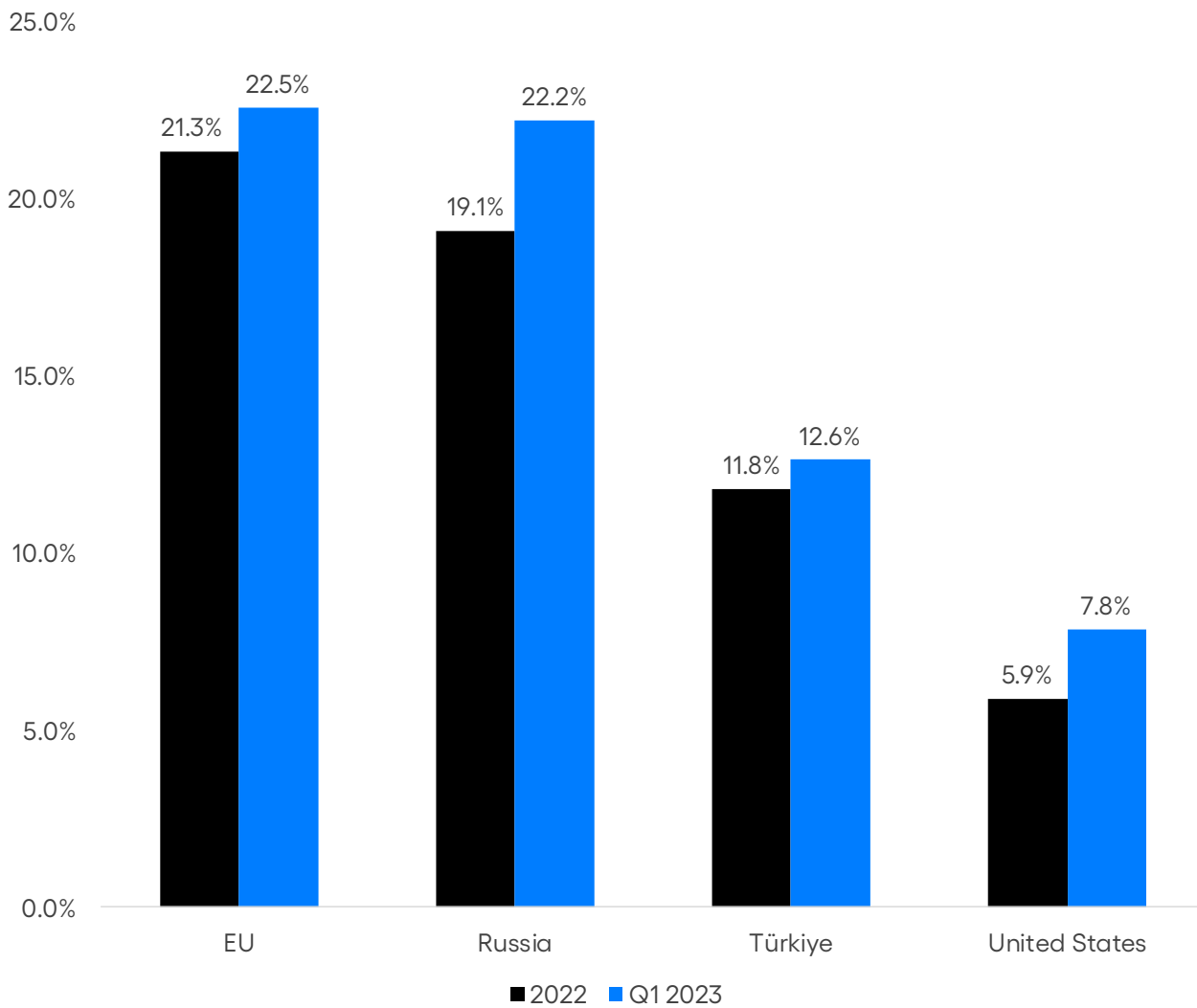


Dramatic increase of Russia's economic weight compared to Georgia's GDP.

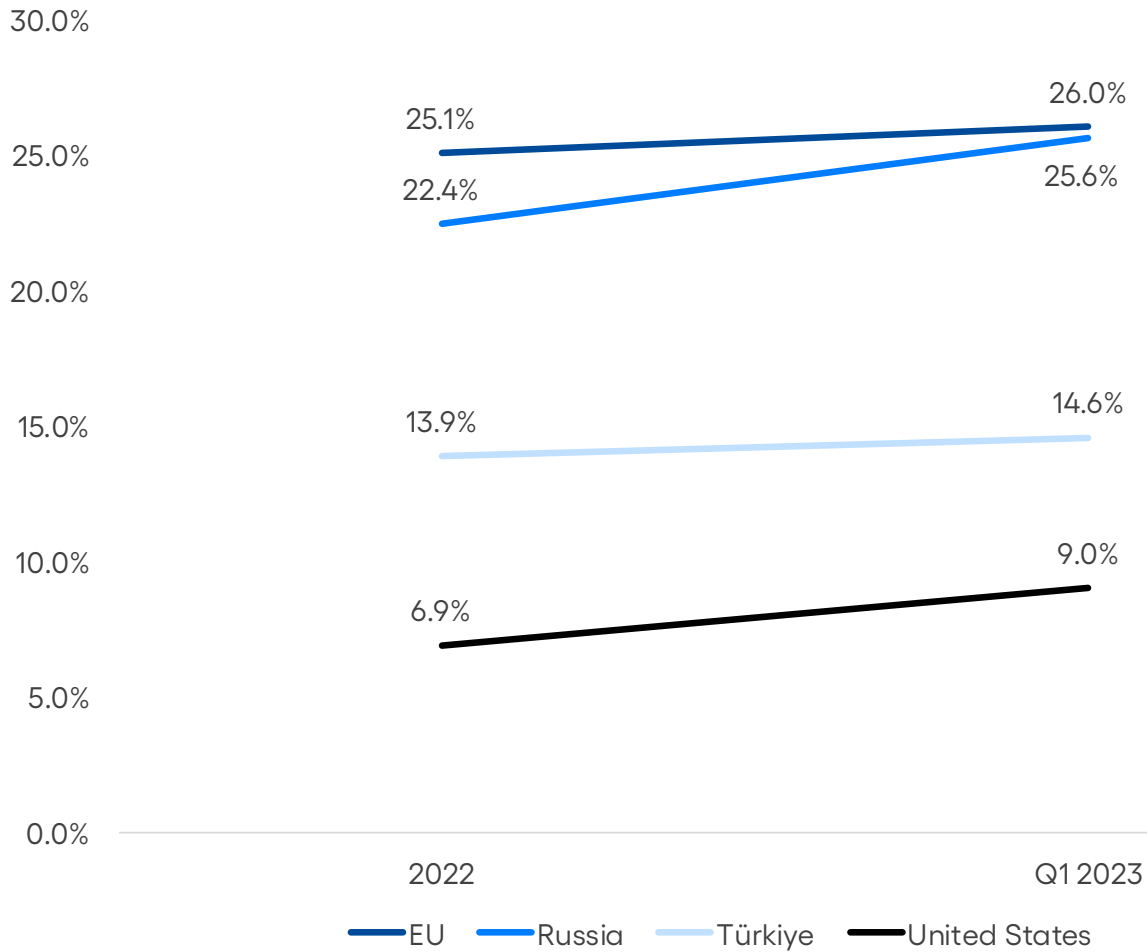
Share of Countries' in Percentage of Total Foreign Economic Activity



Share of Countries' in Percentage of Total Foreign Economic Activity



Share of Countries' Total Foreign Economic Activity in Percentage of Nominal GDP



Share of Countries' Total Foreign Economic Activity in Percentage of Nominal GDP

