

Gross Domestic Product by expenditure in constant prices

In 2014 the real growth of Gross Domestic Product (GDP) amounted to 4.6 percent, largely fueled by a 26.9 percent growth of investments, which resulted in a 6.7 percentage point contribution to the overall GDP growth. The final consumption expenditure of households and non-profit institutions serving households (NPISH) contributed 2.3 percentage points, while the government final consumption expenditure added 1.9 percentage points to the real GDP growth. The impact of exports on the economic growth significantly declined in comparison with the previous year, as a 0.4 percent exports growth resulted in a 0.2 percentage point contribution. The negative impact of imports totaled 6.4 percentage points.

For comparison, in 2013 the economic growth was mainly driven by exports with the real growth of 20,3 percent, while the investments contracted by 11.7 percent.

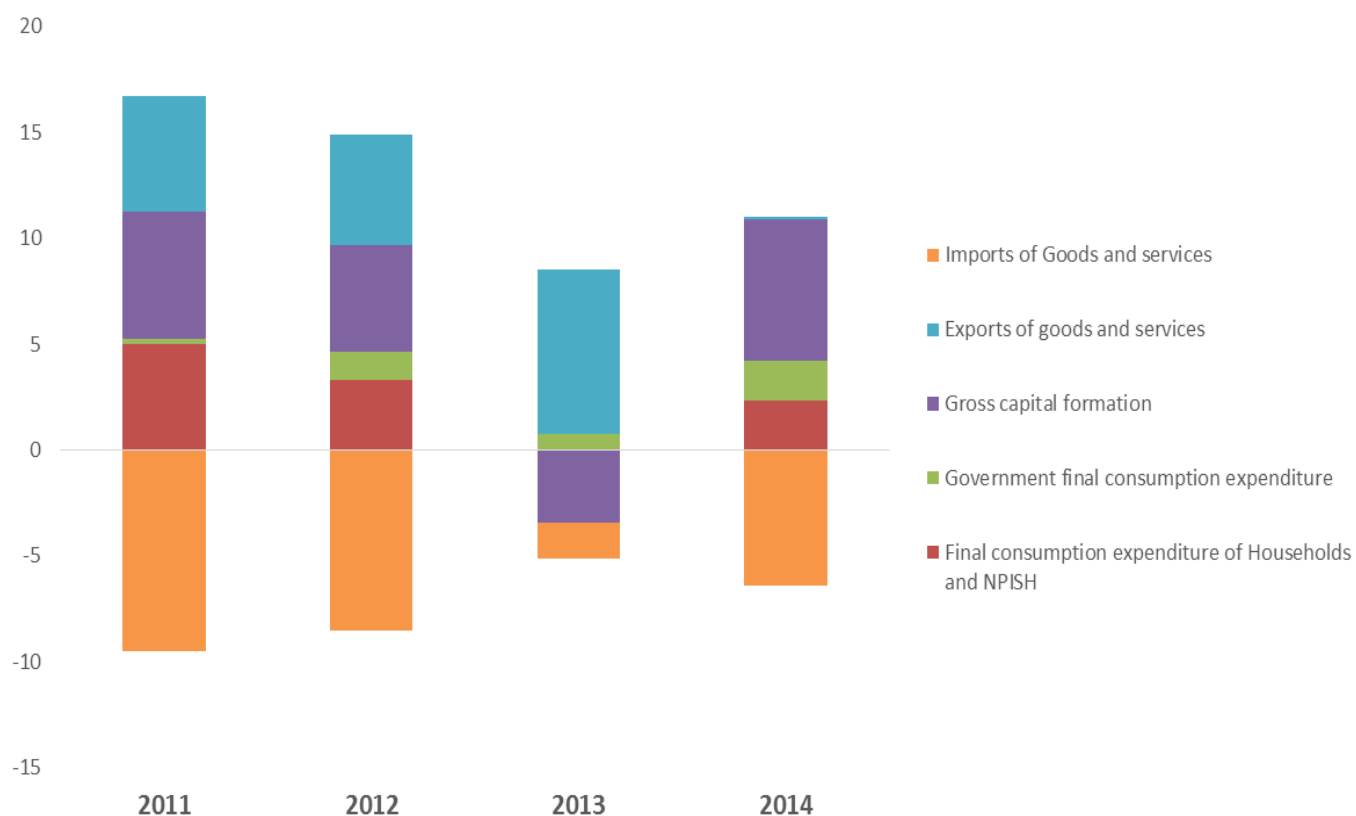
Table #1 The real growth rates of GDP by expenditure components compared to the previous year, percent

	2011	2012	2013	2014
Final consumption expenditure of Households and NPISH	6.7	4.5	-0.1	3.2
Government final consumption expenditure	1.0	7.3	4.3	11.2
Gross capital formation	28.0	19.1	-11.7	26.9
Exports of goods and services	15.5	14.4	20.3	0.4
Imports of Goods and services	17.9	15.6	2.9	11.1
Gross domestic product	7.2	6.4	3.4	4.6

Table #2 Contributions to the real GDP growth compared to the previous year, percentage points

	2011	2012	2013	2014
Final consumption expenditure of Households and NPISH	5.0	3.3	-0.1	2.3
Government final consumption expenditure	0.2	1.3	0.8	1.9
Gross capital formation	6.0	5.0	-3.4	6.7
Exports of goods and services	5.4	5.2	7.7	0.2
Imports of Goods and services	-9.5	-8.5	-1.7	-6.4
Gross domestic product	7.2	6.4	3.4	4.6

The contributions to the real GDP growth compared to the previous year, percent



During 2010-2014 the real growth of GDP equaled 23.3 percent, and the deflator increased by 13.9 percent. From the expenditure side, the investments grew by 70.9 percent, and the exports of goods and services rose by 59.5 percent; the real growth rate of imports was also essential, standing at 55.8 percent.

Table #3 Components of GDP by Expenditure

	Real growth rate in 2014 compared to 2010, percent	Contributions to real GDP growth in 2014 compared to 2010, percentage points
Final consumption expenditure of Households and NPISH	14,9	11,2
Government final consumption expenditure	25,8	5,4
Gross capital formation	70,9	15,3
Exports of goods and services	59,5	20,8
Imports of Goods and services	55,8	-29,4
Gross domestic product	23,3	

Information note

Since the beginning of the compilation of Georgian National Accounts, the Gross Domestic Product at constant prices was calculated only by production approach. It is for the first time when Geostat, after long preparation, publishes time series of GDP by expenditure at constant prices for the years 2010-2014.

Experts from the International Monetary Fund and Statistics Sweden made an important contribution to Geostat's performing the above-mentioned task.

Components of GDP by expenditure are very important for economic analysis. The following components were calculated at constant prices:

- Final consumption expenditure of households and NPISH
- Final consumption expenditure of Government
- Gross capital formation
- Exports of goods and services
- Imports of goods and services

2010 was set as a base year. Geostat will regularly publish GDP by expenditure at constant prices.

The future plans include compilation of the quarterly time series.

The reporting tables are available on the following link:

http://www.geostat.ge/?action=page&p_id=118&lang=geo

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