

September 2021: annual inflation rate amounts to 12.3%

By NATALIA KOCHIASHVILI

The National Statistics Office of Georgia (Geostat) reported that in September, the consumer price index increased by 0.2% compared to the previous month, while the annual inflation rate amounted to 12.3%. About the annual core inflation, the prices increased by 6.3%, while the annual core inflation without tobacco amounted to 6.3%.

The monthly inflation rate was mainly influenced by price changes for the education (+4.3%) and food and non-alcoholic beverages (+0.2%) groups, whilst the annual inflation rate was mainly influenced by price changes for the following groups: Food and non-alcoholic beverages (+15.9%); Transport (+20.3%); Housing, water, electricity, gas and other fuels (+11.8%); Health (+9.2%)

According to the National Statistics Office, in September 2021, compared to the previous month, the inflation rate in Georgia was 0.2 percent, and the annual inflation rate was 12.3 percent.

As for August, annual inflation rose to 12.8%, and prices rose 0.7% from July. According to the Central Bank, in August, inflation rate was affected by the increase in prices of fuel, utility bills (caused by end of tax subsidies) and food"

"Core inflation, which excludes high-volatility food, energy and tobacco prices from the consumer basket, was 6.8 percent," the National Bank said in a statement. At the same time, according to the NBG report, annual inflation in August rose to 18.7% for imported goods and 8.2% for locally produced goods. Mixed goods rose 16.5%.

According to the preliminary estimates for August 2021, compared to the same period of the previous year, real GDP



Georgian economy grows 10.3% in August, 12% in the first eight months of 2021.

growth was 10.3%, while the average for the first 8 months of 2021 was 12%. Growth was observed in areas such as manufacturing, financial and insurance activities, trade, electricity, gas, steam and air conditioning, hotels and restaurants, transport and storage, arts, entertainment and leisure. Meanwhile, a declining trend was observed in the con-

struction and mining industries.

PM Irakli Garibashvili said that the economic growth data of Georgia 'is unprecedented in the region' and it became possible to achieve high economic growth thanks to state programmes such as Preferential Agro-Credit, Enterprise Georgia, Plant the Future and others. Next year, it is planned for the government to imple-

ment larger programmes and invest ₾ 2.5 billion in the development of local production while ₾ 7 billion will be invested in agriculture.

The volume of remittances to Georgia in August 2021 increased by 11.2% compared to the previous year and amounted to \$204.9 million, while the volume of remittances from Georgia increased by 18.7% to \$27.4 million.

According to the report of the Central Bank, in August 2021, compared to the previous month, lending to the economy by commercial banks increased by ₾ 495.7 million and the total volume amounted to ₾ 39.6 billion. According to the Central Bank, the increase in the loan portfolio was due to the growth of lending in both national and foreign currencies.

According to the NBG, Georgia's total external debt as of June 30, 2021 amounted to \$20.6 billion, which is 123.3% of GDP for the last 4 quarters.

Recall that, yesterday, 182-day securities with a face value of ₾ 20 million were sold at the Treasury Bill Auction of the Ministry of Finance of Georgia. According to the NBG, 5 commercial banks participated in the auction. The demand amounted to ₾ 47,500,000. The minimum interest rate was 9.38%, the maximum interest rate was 9.48% and the weighted average interest rate was 9.4%.

Additionally, 2-year securities with a face value of ₾ 50 million were sold at the Treasury Bill Auction as well. The demand amounted to ₾ 150,630,000. The minimum interest rate was 9%, the maximum interest rate was 9.33% and the weighted average interest rate was 9.222%. The coupon interest rate was 8,000%. The coupon will be paid twice a year, every 6 months.



In the second quarter of 2021, Georgia's total foreign debt increased by \$11.6 million.



Home for the elderly opens in the village of Rukhi

UNDP improves care services and living standards for persons at risk

TBILISI. 5 October 2021 – A new home for the elderly, Chemi Mordu, opened in the village of Rukhi, Zugdidi Municipality. The home will provide care services for the vulnerable aged population of conflict-affected communities. Most of its residents had been living without fundamental care or had experienced domestic violence.

The United Nations Development Programme (UNDP),

Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ), the Government of Georgia, the local municipality and the Charity Humanitarian Centre Abkhazeti (CHCA) non-governmental organization contributed US\$160,000 to fully modernize and equip the home.

“Older persons who lack support from relatives are one of the most at-risk groups,” said UNDP Head Nick Beresford.

“The pandemic has further worsened their living conditions, creating a huge need for institutionalized care services; this is why UNDP has focused assistance to this area since the beginning of the crisis.”

According to the Social Service Agency, 41,000 out of 772,300 registered Georgian pensioners live alone in extreme poverty. The pandemic made this even worse, revealing the urgent need for systemic care services.

Since the first days of the pandemic, UNDP has repurposed its \$20 million programme in Georgia to assist the most vulnerable groups, including the older

population. This support focused on immediate emergency aid as well as longer-term sustainable solutions for the vulnerable.

For over a year, UNDP has continuously supported municipal shelters for the elderly and homeless in Tbilisi, Rustavi and Samtredia, delivering protective gear, sanitary supplies and medical equipment as well as household appliances and furniture.

Together with CHCA, UNDP delivered sanitary supplies and food packages to vulnerable elderly persons living in over 100 collective centres for internally displaced persons. UNDP and

CHCA also organized home-care services for elderly internally displaced persons and referred those in particular need to state and non-state service providers.

In partnership with the Georgia Red Cross Society, UNDP assisted over 5,000 old persons living independently — but alone — and provided them with home care services, information and counselling through a network of more than 600 caregivers and volunteers.

These initiatives drew on resources provided by Denmark, the United Kingdom and UN rapid response funds.

The News in Brief

PREPARED BY THE MESSENGER STAFF

According to Melia, He Will Name the Coalition Government in Tbilisi in the Coming Days

Tbilisi mayoral candidate Nika Melia says that if he wins, the government of the capital will be in a coalition and will name a shadow cabinet in the coming days, where members will be from different parties. This statement was made by Nika Melia on TV Pirveli.

According to Melia, he is going to cooperate with all political parties, regardless of who gained a lot of support in the first round.

According to the preliminary data of the CEC, the Georgian Dream received 46.68% of the votes throughout Georgia, in Tbilisi - 40.33%.

The second round will be held in all five self-governing cities of Georgia - Tbilisi, Rustavi,

Kutaisi, Poti and Batumi. According to the CEC, the second round will be held in a total of 20 cities.

According to Saakashvili's Lawyer, He's Not Allowed Calls from Prison

According to Beka Basilaia, the lawyer of the former president Mikheil Saakashvili, the prosecutor's office ordered the prison to ban Saakashvili from making phone calls. According to the lawyer, none of the convicts are prohibited from making calls.

“Today, the prison received a request from the prosecutor's office not to allow Mikheil Saakashvili to make a call. This is not the case in any case where the trial is over. Beka Basilaia after his release from prison.”

Mikheil Saakashvili released a video on October 1 where he revealed that he was in Batumi, Georgia. The same evening, he was arrested in Sanzona, Tbilisi.

On October 3, Irakli Gharibashvili said that “no one will release Saakashvili” and that “if he does not behave well, they will add articles and jail others too.”

EU calls on Georgian authorities to ensure fair process in second round of elections



The European Union has commended Georgian citizens for exercising their democratic right to vote in the local elections that took place on 2 October, as well as the dedicated electoral staff and observers, considering the challenging context of the COVID-19 pandemic, according to a statement issued by the EU Delegation to Georgia.

According to the statement, a fully-fledged International Election Observation Mission, which was deployed in Georgia, concluded that “the elections were

generally well administered (though characterised by hardened polarisation), that contestants were able to campaign freely in a competitive environment, and that the Election Day proceeded in an orderly and transparent manner”.

The mission also highlighted important shortcomings, notably widespread and consistent allegations of intimidation, vote-buying, pressure on candidates and voters and an unlevel playing field. In addition, the significant imbalance

in resources and an undue advantage of incumbency further benefited the ruling party.

In view of the second round of elections, the European Union calls on the authorities and all the political parties to urgently make additional efforts to ensure a fair electoral process. “The reported malpractices must not become a norm. We also expect credible and swift investigations of all complaints, including reported intimidation and violence against journalists,” the Delegation says.

Weather

Wednesday, October 6

Day Rain
High: 12°C

Night Light Rain
Low: 10°C

Thursday, October 7

Day Light Rain
High: 12°C

Night Light Rain
Low: 9°C

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