



Georgia's Macroeconomy at a Glance: April Growth - Current Development an Echo of the Past?

After a few months of strong GDP growth performance (November 2013-March 2014), a monthly growth rate of only 2.7% (y-o-y) in April 2014 comes as an unwelcome surprise. According to the Georgian national statistic's office, the VAT payers' turnover is down and electricity demand has declined compared to April of last year.

Is this a reason for concern? Perhaps not just yet.

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HIGHLIGHTS:



ISET Hosts Mamuka Khazaradze, Chairman of the Supervisory Board of TBC Bank

ISET hosted Mamuka Khazaradze, Chairman of the Supervisory Board of TBC Bank, who talked about the story of his success in business, particularly the establishment of TBC Bank in Georgia.

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New Head of BP Georgia Talks about the Shah Deniz 2 Project

On May 15, ISET hosted Chris Schlueter, the new head of BP Georgia. Mr. Schlueter presented the new Shah Deniz 2 gas pipeline project, underlining its importance for Georgia and Europe and outlining the challenges facing the project.

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PROJECT UPDATES:

[Consumer Confidence Index: Georgian Consumers Waiting for Elections](#)

[Leading GDP Indicators: Slowdown Again, Though No Reason for Pessimism!](#)

[Khachapuri Index: Egg Prices Collapse as a Result of a Sharp Increase in Imports](#)

Inclusive Growth Dialogues:



Renewable Energy and Energy Efficiency Projects

BP in Georgia has implemented a number of projects related to renewable energy and energy efficiency through its Sustainable Development Initiative. The projects are designed to raise awareness about energy efficiency and provide subsidies for households to implement energy efficiency measures. In addition, several social programs related to increasing the efficiency of energy use and renewable energy have been implemented over the last four years.

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Restoring Efficiency to Agriculture Production (REAP) Project

REAP, funded by USAID and implemented by CNFA, is a five-year USD 19.5 million program that aims to contribute to income and employment growth in rural areas through launching successful agriculture-based enterprises, delivering firm-level investment and technical assistance to expand the operations of existing smallholder farmers and rural enterprises.

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Other Projects:



Revising Household Needs Index in the Means Tested Formula in Georgia

ISET Policy Institute was contracted by UNICEF to revise the Needs Index and upgrade it to reflect current reality. Ministry of Health, Labour and Social Affairs of Georgia, the Social Service Agency and UNICEF are in the process of refining the social service protection system in Georgia to make it more child sensitive. The current system uses sophisticated methodology of calculating the score of the household which applies for the assistance to the socially Unprotected Families. One of the most important elements in the methodology is Needs Index which translates needs of different families into monetary value.

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Understanding the Puzzle of Informal Employment in Georgia

The first wave of labor market data, which was collected by the Caucasus Research Resource Center (CRRCC) in January-February 2013, have finally become available for researchers' internal use. This dataset provides an unprecedented wealth of information about the incidence and characteristics of informal employment in the Georgian economy, relating it to household and individual characteristics, on the one hand, and to local labor market conditions, on the other.

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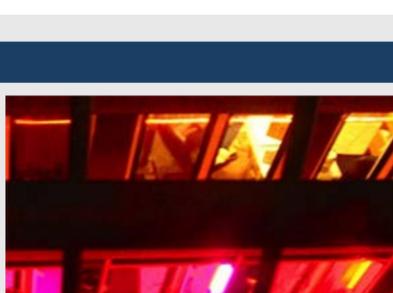
FROM THE BLOG:



Georgia Caught Between the Russian Rock and the EU Hard Place

On June 27, the European Union plans to sign an Association Agreement (AA) with Georgia, paving the way to closer political integration. Where does the Georgian trading caravan move? To Russia, to Europe, or can it strike a middle ground?

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The Economics of Prostitution

Culture and religion pose serious constraints on the operation of markets (and government), potentially preventing them from achieving the "first best" outcome. A good case in point is "provision of sexual services". While often referred to as the world's oldest profession, prostitution is treated very differently in different cultural settings.

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