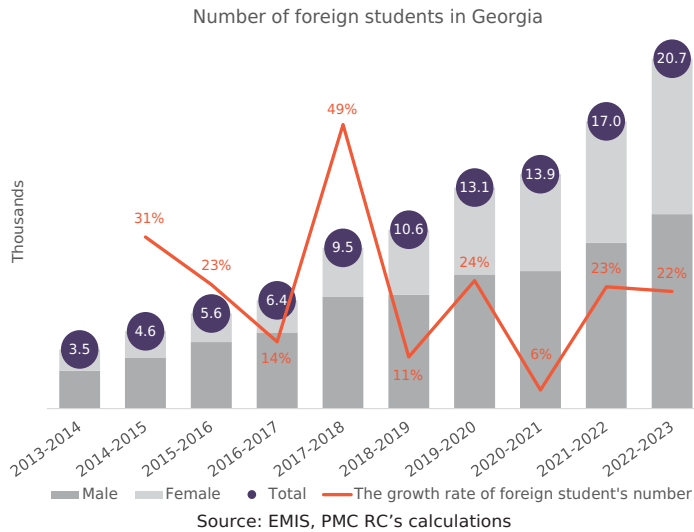


In recent years, the number of international students has been increasing worldwide, with their contributions to host countries' economies growing accordingly,¹ and Georgia is not an exception. As shown in PMC RC's study, total expenses incurred by foreign students, their foreign relatives, and friends in Georgia in the 2020-2021 academic year exceeded US\$132 million.² Understanding the dynamics of foreign students and foreign language programs in Georgia is crucial to ensure further growth and investment in the education sector. Therefore, this bulletin overviews the dynamics of foreign students in Georgia and their financial contribution to the country's education sector.

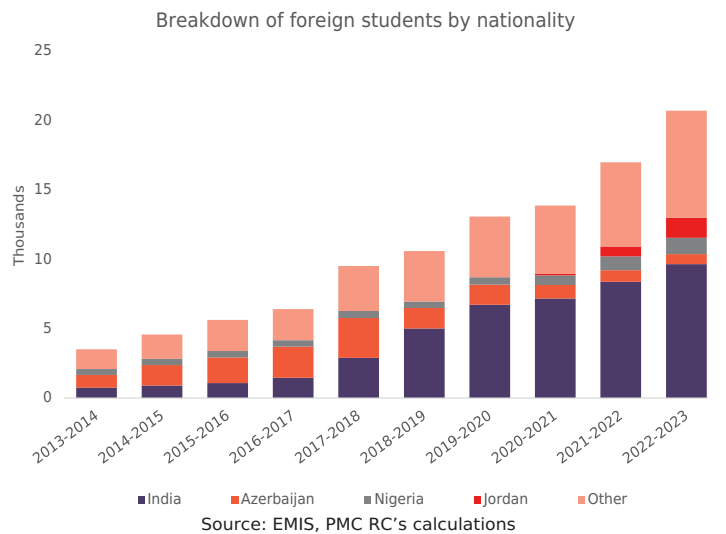


The number of foreign students enrolled in higher education institutions in Georgia has risen recently. Specifically, from the 2013-2014 academic year to the 2022-2023 academic year, their number increased from 3,508 (from 27 countries) to 20,690 (from 80 countries), indicating an average annual growth rate of 22.3%.

Furthermore, the share of foreign students among the total number of students in Georgia has also grown noticeably, going from 2.9% in the 2013-2014 academic year to 12.6% in the 2022-2023 academic year.

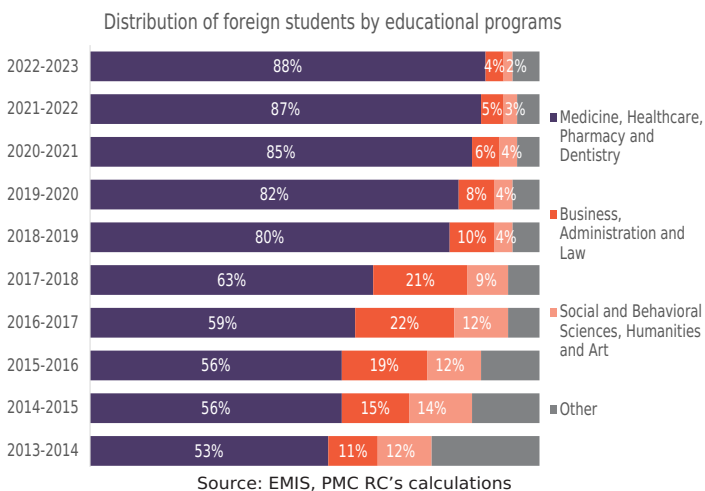
Compared to foreign student dynamics in other countries, Georgia's increase in its inbound mobility rate³ has been significant. Pertinently, the inbound mobility rate is a UNESCO indicator, defined as the number of students from abroad studying in a given country, expressed as a percentage of total tertiary enrolment. From 2015 to 2021, Georgia's inbound mobility rate indicator score increased from 3.7 points to 9.1. Moreover, in 2021, Georgia ranked highest for this indicator among Eastern Partnership countries.⁴

A breakdown of the number of foreign students in Georgia by nationality reveals that from the 2013-2014 academic year to the 2016-2017 academic year, the highest share came from Azerbaijan, averaging 32% during this period. However, from the 2017-2018 academic year to the 2022-2023 academic year, the number of students from Azerbaijan shrank rapidly, with an annual growth rate of -22%.



Elsewhere, from the 2016-2017 academic year to the 2022-2023 academic year, the share of students from India significantly increased. Specifically, during this period, the share of Indian students increased by 24 percentage points (pp) and amounted to 47%.

Interestingly, the number of students from Jordan grew rapidly during the analyzed period. For instance, from the 2013-2014 academic year to the 2019-2020 academic year, no students were enrolled in Georgian universities from Jordan. However, the number of Jordanian students amounted to 1,442 in the 2022-2023 academic year, making it the second-highest country in terms of share of foreign students.



To gain a broader picture of the foreign students dynamics, it is necessary to observe their distribution by educational program. The share of foreign students taking medicine, healthcare, pharmacy, and dentistry increased significantly from the 2013-2014 academic year to the 2022-2023 academic year. Indeed, the overall growth amounted to 35 pp over this period and amounted to 88%. This category's share increased every academic year as well, with the most noticeable rise being from the 2017-2018 academic year to the 2018-2019 academic year (17 pp).

Meanwhile, the share of students studying business, administration, and law also grew from the 2013-2014 academic year to the 2016-2017 academic year. However, the share of this category started to shrink from the 2017-2018 academic year and stood at 4% in the 2022-2023 academic year. The most noticeable decrease in this period was recorded during the 2018-2019 academic year (11 pp). Meanwhile, the share of social and behavioral sciences, humanities, and arts also declined. From the 2013-2014 academic year to the 2022-2023 academic year, this share decreased from 12% to 2%.

Crucially, over the analyzed period of 2013-2022, the demand for foreign language programs has become less diverse as the enrollment of foreign students in the medicine, healthcare, pharmacy, and dentistry has grown substantially. Meanwhile, the growth in the share of medicine, healthcare, pharmacy, and dentistry students was determined largely by an increase in the number of Indian students, the majority of whom study subjects in this category.

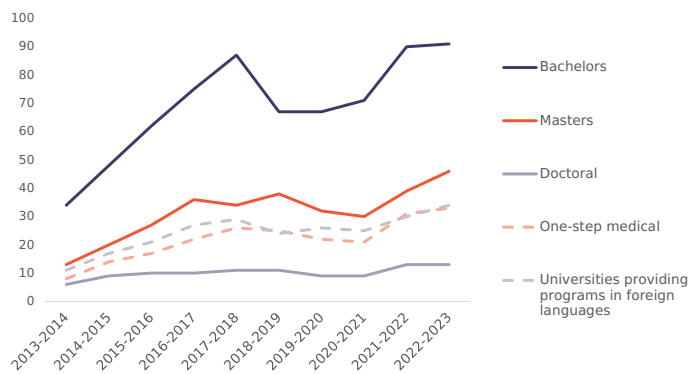
As the number of foreign students in Georgia grows, the number of foreign-language educational programs has also undergone an upward trend.

For instance, from the 2013-2014 academic year to the 2022-2023 academic year, the number of foreign-language programs has increased from 61 to 183. The majority of them (158) are in English, and 19 are in Russian. Moreover, from the 2013-2014 academic year to the 2022-2023 academic year, the number of bachelor's foreign language programs has increased from 34 to 91, master's programs rose from 13 to 46, and doctoral programs rose from 6 to 13. In addition, the number of one-step medical programs also increased markedly over the same period, from 8 to 33. The number of universities providing such programs has also increased, going from 11 to 34 during this period.

The number of programs has increased noticeable at every academic level in 2022-2023 academic year, compared to the previous year, except for doctoral, which has remained the same.

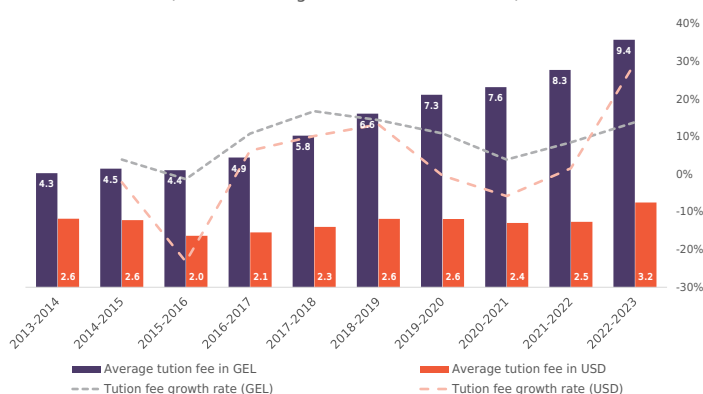
In the academic year of 2022-2023, the distribution of foreign-language programs in which foreign students are enrolled is as follows: medicine-related fields - 29%; business, administration, and law - 20%; social and behavioral sciences, humanities, and arts - 21%; and other fields - 30%. Moreover, the breakdown of foreign students across these programs is as follows: medicine-related fields - 88%; business, administration, and law - 4%; social and behavioral sciences, humanities, and arts - 2%; and other fields - 6%. Thus, the distribution of students across fields is unequal.

Foreign language programs



Source: EMIS, PMC RC's calculations

Average tuition fee for foreign language educational programs (in which foreign students are enrolled)



Source: EMIS, PMC RC's calculations

From the 2013-2014 academic year to the 2022-2023 academic year, average tuition fees for foreign-language educational programs in which foreign students were enrolled skyrocketed, from GEL 4,300 to GEL 9,400, respectively. The annual growth rate over this period amounted to 9%.

From 2013 to 2021, despite an increase in tuition fees in GEL, these did not increase in USD. Hence, the increase in tuition fees in GEL during this period was strongly determined by the depreciation of the Georgian Lari. However, in the 2022-2023 academic year, the tuition fee in USD rose far sharper than it did in GEL. The average tuition fee in GEL increased by 14%, while in USD it rose by 30%.

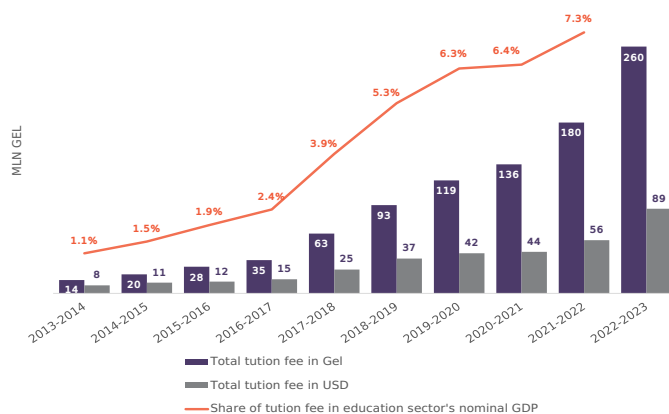
In the 2022-2023 academic year, on average, the most expensive program was the American MD Program (English), which on average cost GEL 37,000 for foreign students, while in 2013-2014, the most expensive program was international relations (English) and cost GEL 8,150.

The total amount of tuition fees paid by foreign students and its share in the education sector's GDP has been steadily increasing since the 2013-2014 academic year.

Since then up until the 2022-2023 academic year, the total amount of tuition fees paid annually by foreign students increased from GEL 14 million to GEL 260 million, with an average annual growth rate of 39%. However, the increase in the total amount of tuition fees paid has been less significant in USD. Over the analyzed period, the total amount of tuition fees paid (in USD) increased from USD 8 million to USD 89 million, indicating an average annual growth rate of 32%.

As the number of total tuition fees paid has increased over the analyzed period, so too did its share in the education sector's nominal GDP. From the 2013-2014 academic year to the 2021-2022 academic year, this share increased from 1.1% to 7.3%. In terms of total nominal GDP, over the analyzed period of 2013-2021, the share increased from 0.05% to 0.3%.

The total amount of tuition fees paid by foreign students



Source: EMIS, Geostat, PMC RC's calculations

To conclude, in recent years, there has been a significant rise in the number of foreign students studying in Georgia, and as a result of the increased demand, Georgian institutions have started to expand the number of educational programs in foreign languages. Along with the growing quantity of foreign students, their financial contribution to Georgian higher education has also risen. In terms of programs being studied by foreign students, the situation is somewhat homogenous as the vast majority are enrolled in medicine-related programs. A dependence on programs in medicine to attract foreign students may provide challenges in the future if interest declines. With this in mind, the Georgian higher education system should put more effort not only toward attracting students from a broader range of countries but also toward attracting foreign students interested in academic fields other than medicine.

1. Source: <http://data.uis.unesco.org/>.
 2. Source: https://migration.commission.ge/files/bmp_22_students_ge.pdf.
 3. Source: <http://uis.unesco.org/en/glossary-term/inbound-mobility-rate>.
 4. Eastern Partnership (EaP) countries: Georgia, Armenia, Azerbaijan, Moldova, Ukraine, and Belarus (as of June 2021, Belarus has suspended its participation in the EaP).

Basic Economic Indicators	2020	2021	2022 Q1	2022 Q2	2022 Q3	2022 Q4
Nominal GDP (mIn USD)	15 842.9	18 629.4	4 597.5*	5 870.4*	6 829.9*	-
GDP per Capita (USD)	4 255.7	5 023.2	1 246.4*	1 591.5*	1 851.6*	-
GDP Real Growth (%)	-6.8%	10.5%	15%*	7.2%*	9.8%	-
Inflation	5.2%	11.8%	13.2%	13%	12.7%	10.3%
FDI (mIn USD)	589.0	1 241.8	576.9*	353.4*	745.3*	-
Unemployment Rate (%)	18.5%	20.6%	19.4%	18.1%	15.6%	16.1%
External Debt (mIn USD)	7 535	8 205	8 082	7 784	7 182	7 982
Poverty Rate (relative)	19.7%	18.9%	-	-	-	-

*Preliminary data



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