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GEORGIA HOSTS EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD) ANNUAL MEETING AND BUSINESS FORUM 2015



On 13-15 May 2015, the European Bank for Reconstruction and Development (EBRD) Annual Meeting and Business Forum 2015 took place in Tbilisi, Georgia. Global decision-makers, corporate executives and EBRD staff gathered in Tbilisi to discuss the latest initiatives and developments across the region. The event was the EBRD's 24th Annual Meeting with the main theme of Investing for Change and this was the first time the conference had been held in the Caucasus region. Georgia applied to host the event and was chosen in recognition of the country's progress in the reform process.

During the meeting, the EBRD's Governors and the representatives of its 66 shareholders considered a strategy for the EBRD regions for the coming years, guided by three overriding priorities designed to help re-energize transition in EBRD countries:

- Strengthening transition resilience, by supporting policies that improve the investment climate and achieve greater social cohesion and inclusion

- Promoting integration, by supporting investments that strengthen economic, financial and infrastructure links across countries and national borders.

- Addressing global and regional challenges such as climate change, resource depletion and food security.

Within the framework of the EBRD Annual Meeting and Business Forum 2015, various events and high-level official meetings were conducted which were unambiguously significant for the future development of the country. They also presented a unique opportunity in terms of highlighting Georgia's potential in different directions, establishing some key contacts and exploring channels for the improvement of the economic environment.

During the meetings, one major event was the establishment of the Investors Council between the Government of Georgia and EBRD. President of the EBRD Sir Suma Chakrabarti and Georgia's Prime Minister Irakli Garibashvili signed a Memorandum of Understanding with the aim of providing a strong platform for dialogue between the private and public sectors. Furthermore, the new institution will bring together representatives of the government, state agencies, business associations, the

business ombudsman and international investors.

During the unprecedented event in Georgia, the EBRD Host Country Investment Outlook held on May 14, 2015 was a standout part. The Host Country Investment Outlook session is an integral part of the second day of the EBRD Annual Meeting and Business Forum and is an institutional event where key decisions are taken about the direction of the EBRD.

The Investment Outlook session provided participants with an opportunity to gain an in-depth insight into the country's investment climate and its position as a regional hub.

The session also included a Georgian Economic Outlook Panel and Success Stories from the companies operating on the Georgian market. Georgia has undertaken a number of institutional reforms aimed at modernizing the economy and improving the business environment. It has illustrated its com-

mitment to opening its doors to the international investor community.

Georgia is geographically well positioned as a gateway between Europe and Asia. The country is perfectly situated for easy access to most major European, Central Asian and Middle Eastern markets and has free trade agreements (FTAs) with many countries in these regions. Therefore, Georgia already boasts the preconditions required to become a regional financial and business center. Together with liberalization of the government and the economy, improved public governance has placed Georgia among the most attractive business destinations globally. Procedures for setting up a business in Georgia are simple and efficient, based on a transparent system that promotes the establishment of new enterprises. Georgia is a leading reformer in the region and ranks 15th out of a total of 189 countries surveyed in the World Bank's Doing Business Survey.

In general, EBRD seeks to develop a sound investment climate based on an effective legal and regulatory framework which promotes corporate governance, including sound management practices, a firm stance against corrupt practices, disclosure of information, and clear and consistent accounting and auditing practices.

All operations are guided by the need to promote environmentally sound and sustainable development as well as appropriate procurement practices. As for its concrete relations with Georgia, EBRD focuses on supporting the private sector clients directly and via private banks; investing in energy sector projects, which aim to increase production and access export markets; supporting the introduction of modern regulatory frameworks; and investing in infrastructure,

This will be the first time the EBRD Annual Meeting is held in the Caucasus region and the EBRD President Sir Suma Chakrabarti underlined that "Georgia is one of the most innovative of the more than 30 countries of operations where EBRD supports transition to free and open markets and that's allowed the EBRD to introduce new investment instruments in Georgia before bringing them to other countries in our regions."





logistics, telecommunications and the financial sector to support cross-border economic activities. It is significant that the EBRD has been very active in Georgia – virtually doubling its annual investments in 2014 to over €200 million. The Bank has invested a total of €2.6 billion in the country over the last 22 years, one of the largest investments per capita in any of the countries in which it operates.

During the EBRD Annual Meeting and Business Forum 2015, EBRD's Legal Transition Team ("LTT") also prepared an event giving a brief presentation of the Bank's Legal Transition Programme and launched the Bank's legal journal "Law in transition".

The General Counsel of EBRD, the Director of LTT, the focus editor of Law in Transition, officials from the

Ministry of Economy and Sustainable Development of Georgia and several other lawyers from the EBRD's Office of the General Counsel participated in the event. In addition, members of EBRD's Small Business Support Team attended the meeting and following Law in Transition's focus on SME access to finance, the CEO of Enterprise Georgia, George Tsikolia was presented at the meeting to introduce the working process of the Entrepreneurship Development Agency.

The list of significant events included the EBRD Annual meeting and business forum is long, which obviously underscores the extent and value of the event. In this regard, a representative of MEDEF International, together with other representatives from French companies visited Georgia and met

with the CEO of Enterprise Georgia, George Tsikolia and Vice Minister of Economy and Sustainable Development of Georgia, Ketevan Bochorashvili to discuss possible future cooperation with the Georgian government and the representatives of SMEs, as well as organizational issues for meeting with French companies in Paris.

Furthermore, Tbilisi hosted representatives of International Enterprise (IE) Singapore aiming to strengthen further its cooperation and exchange information for potential collaboration. IE Singapore is a government agency driving Singapore's external economy and global network of overseas centers in over 35 locations and provides the necessary connections in many developed and emerging markets. Considering the similarities between IE

Singapore and Enterprise Georgia, their common values and mission will promote the establishment of sustainable partnership between these two agencies as well as bringing benefits in terms of accelerating economic growth.

Another crucial part of the EBRD Annual Meeting and Business Forum was the exhibition & sales of national products - "Discover Georgia", organized by the Entrepreneurship Development Agency.

Georgian companies specializing in mineral water and food as well as souvenirs and handicrafts displayed their own products at the exhibition stand. The exhibition enabled visitors and potential buyers to gain a firmer understanding of Georgian national cultural and historical features, which in turn highlighted Georgia's export

potential, exploring channels to enhance exports across borders and make Georgian products more accessible and attractive to foreigners.

Overall, the hosting of the EBRD Annual Meeting and Business Forum 2015 was positively evaluated. According to the EBRD group, Tbilisi was a fitting backdrop for the exciting series of events. It should be emphasized that the event is a precondition for the implementation of large-scale investment programmes in Georgia and has the utmost importance for the whole country. At the same time, Georgia is likely to become more attractive for foreign investors which will ensure long-term economic development and should open up new vast opportunities to establish close contact with donor organizations.



POSITIVE CAMPAIGN - FOREIGN GUESTS RECEIVE GIFTS

The Georgian Government has come up to an original way of saying 'season's greetings and welcome' to the country's international guests.

All foreign citizens arriving in any of Georgia's three international airports from May 11 to end of June

*"I don't know who revived the idea of offering bottles of wine to foreigners upon arrival at Tbilisi Airport but it is working and giving a very positive impression! The whole government's strategy should be based on hospitality and conviviality be it for tourists, investors or local business people.... and by the way the person who revived this idea should be publicly congratulated!"
Fady Asly on his*

Facebook page.
May 12, Tbilisi

will receive a bottle of Georgian wine as a gift.

The campaign was initiated by Georgia's Entrepreneurship Development Agency, a state agency created in 2014 with the aim of spurring the growth of business.

A bottle of red dry Saperavi wine from the vintage 2012 collection would be offered to each foreign visitor immediately after they passed through passport control.

The campaign has already gained popularity in social media.



GEORGIAN EXPORTER COMPANIES AT LEADING ASIAN MEETING POINT FOR THE FOOD AND BEVERAGE INDUSTRY



On May 6-8, 2015 Georgian exporter companies, organized by the Entrepreneurship Development Agency, participated at the most prestigious and largest international food and beverage exhibition "SIAL CHINA 2015" that took place at the Shanghai New International Expo Centre, China.

SIAL CHINA is the leading Asian meeting point for the food and beverage industry and, with over 115,000 square metres of exhibition space, 2,734 exhibitors and 55,000 visitors from 110 countries and regions, SIAL CHINA is a mega exhibition. With its generous range of products, professional visitors delighted in the diverse business experience that SIAL CHINA offered in early May.

As the world's number one Food & Beverage industry trade organizer, SIAL Group is supporting growth worldwide. Developed since 1964 in Paris, the world capital of gastronomy, SIAL has become a global brand for agri-food players and distributors, declining since 1997, the recipe of its success all over the world: in

ASIA, NORTH AMERICA, LATIN AMERICA and in the MIDDLE EAST.

The world over, SIAL Group showcases an offer from international and national exhibitors aiming at local markets. These B2B trade exhibitions are geared to different geographical regions. Together with supports from global exhibitors and partners, SIAL CHINA is the true meeting point for global food inspirations and business. In 2015, meat, dairy and seafood, fruits and vegetables and wine were the strongest categories of its 21 kinds.

Within the framework of "SIAL CHINA 2015", Georgian juices, mineral water, spring water, and nuts, as well as food industry companies in particular: "Aroma Product" (fruit and vegetable processing); "Kula" (fruit and vegetable processing); "Nabeghlavi" (Mineral and Spring water producing); Georgian Products Renaissance LTD (nuts); "Vaziani" (wine); "Marneuli" (wine) took part in the unique trade show alongside the perfect mix of international and national exhibitors, so presenting the

Georgian national pavilions for the very first time.

Entrepreneurship Development Agency (Enterprise Georgia), under the Ministry of Economy and Sustainable Development actively assists Georgian exporters to represent their products at various leading and prestigious exhibitions as well as at trade missions and helps companies to establish links between local and international consumers and promote the popularization process of Georgian products.

For the past 15 years, SIAL CHINA has been the leading event for the Chinese food market. Domestic and international producers and manufacturers of food products, wine and spirits, and food service equipment, contributed to make a success of this main Asian event. Participation in the SIAL CHINA 2015 session allows the opportunity to meet and interact with the main Chinese players of the food and beverage and hospitality sectors, as well as develop business with buyers and decision-makers for both retail and food service and is clearly one big step toward promotion of Georgian products worldwide.

At the same time, in recognition of Georgian product quality, samples of Georgian production will be sent to various food and beverage prestigious competitions. What's more, on the initiative of the Entrepreneurship Development Agency, a catalogue of Georgian production has been created.



GEORGIAN COMPANY "MARSHE" WILL PARTICIPATE AT THE TRAINING AND DIALOGUE PROGRAMME ORGANIZED BY JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)



On May 17-30, 2015 the "Business Management of Agribusiness" is being organized for the representatives of various companies from different countries by the Japan International Cooperation Agency (JICA). In April, 2015 LEPL Entrepreneurship Development Agency (Enterprise Georgia) suggested several companies eligible to participate in the business management training. Relevant application forms were forwarded and, according to the results of the selection process, Georgian company "MARSHE" was chosen.

MARSHE combines a centralised production line, wholesale points and packaging warehouses. The company is distinguished by a wide range of manufacturing products (4500 different kinds), including meat, bakery, confectionary, diary and fish production, and is one of the leading companies on the territory of Georgia.

JICA's Training and Dialogue Programs are a form of technical cooperation that JICA carries out in Japan. Some of the knowledge that Japanese society has accumulated, including its background in areas such as organizational know-how and social systems, can only be understood through first-



hand experience. The programs are an important means of technical cooperation which support human resource development and resolving issues in developing countries.

During the training, Mr Sinisa Ljubicic - the company's representative will gain insight into the Japanese management methods such as Kaizen - the Japanese practice for improving processes, marketing, and HACCP standardization and will give Mr. Ljubicic the opportunity to establish business relations not only with the Japanese but also with CIS entrepreneurs.

Japan International Cooperation Agency (JICA) was established on 1st October, 2003 as an Incorporated Administrative Agency under the Act

of the Incorporated Administrative Agency - Japan International Cooperation Agency (Act No. 136, 2002). JICA aims to contribute to the promotion of international cooperation as well as to the sound development of the Japanese and global economy by supporting the socio-economic development, recovery or economic stability of developing countries. JICA also promotes public-private partnerships, pooling the experience, technologies, and resources of local governments, universities, non-governmental organizations, and other actors.

Participants in JICA's Training and Dialogue Programs are exposed to systems and development experiences unique to Japan and also discover use-

ful technologies. Applying that knowledge to their own society and adapting it to meet their local circumstances, participants develop specialized solutions to specific problems. JICA's Training and Dialogue Programs thus provide assistance to people in developing countries so they can apply the experiences and technologies unique to Japan to solve problems in their home countries.

The visit of the representative of Georgian company "MARSHE" is one step forward en route to the development of entrepreneurship in Georgia. The training program serves as an ideal platform for exchanging information and knowledge among its participants from over the 10 countries which is

a great possibility for Georgia to establish necessary links with foreign colleagues and increase the export potential as well as productivity. Similar events encourage local companies, in general small and medium businesses, to become more active and improve competitiveness, which in itself will positively affect the country's overall economic situation and will attract potential investors as well as open up new production opportunities in Georgia.



BUSINESS ADMINISTRATION COURSE SUCCESSFULLY COMPLETED



On May 4, 2015 in the framework of the technical support of the "Produce in Georgia" programme and with the participation of the Entrepreneurship Development Agency and the EY Georgia (former Ernst & Young) Business Academy, the Agency offered to the beneficiaries the Mini-Business Administration Programme that aims to help entrepreneurs and promote the improvement of essential skills for business, management policy and strategy planning.

The five-day intensive course on Management was successfully completed. The beneficiaries of the Entrepreneurship Development Agency as

well as the Georgian entrepreneurs were awarded with Business Administration Certificates.

The EY Georgia, over the past three decades, has been working with entrepreneurs; adapting their experience, industry capabilities and resources to work for entrepreneurial, fast-growth companies. This organization aims to build a better working world through their own actions and by engaging with like-minded organizations and individuals.

Through the program the entrepreneurs were given the opportunity to explore how to advance in Company Policy Planning and the basic strategy

of Management, as well as economic analyses of managerial decisions via four Modules:

- Business Strategy
- Finances
- Increasing personnel efficiency
- Effective use of management

Within the framework of the project, the representatives from the various companies also participated in Strategic Business games, Simulation Management and Business Administration examples.

The programme was adapted to the requirements of the European Higher Educational Area with wide-spread Case Study and Simulations methodol-

ogy. Particular attention was paid to the development of business skills that will assist the beneficiaries to use the most innovative techniques and tools for practical purposes in the near future.

In general, the Entrepreneurship Development Agency aims to encourage the private sector towards three main directions:

1. Facilitate support mechanisms for technical assistance to local enterprises to improve the production process, operations management and business cycle;

2. Provide the proper environment for access to financing for small and medium businesses, via different schemes (Co-financing interest rate, collateral co-

financing, grants, leasing services, etc.);

3. Promote Georgian products internationally to targeted markets via: product exhibitions, inbound and outbound trade missions as well as online marketing.

The Entrepreneurship Development Agency constantly elaborates innovative and intentional program to achieve its main goals. According to the EY Georgia: "Entrepreneurs make a difference; they not only have great ideas but also the drive to make them a reality. They use their fresh thinking and hard work to create positive social change – bringing new concepts and products to the market, and creating jobs and wealth." Enterprise Georgia fully shares the values and taking into consideration all the above mentioned approaches, the Agency is committed to helping export-oriented companies to access business intelligence and, via short training courses, aims to advance the knowledge and skills of proper employees and help them to enter new markets.

Simultaneously, Enterprise Georgia is certain that the efforts of the Agency will considerably enhance the efficiency of Small and Medium Enterprises (SMEs) and will assist national companies to be more competitive on both local and global markets, as well as to promote the interoperability with international standards.

EY
Building a better working world

ENTERPRISE GEORGIA WILL HAVE FULL ACCESS TO INFORMATION ON THE FLAGSHIP SERVICE OF EUROMONITOR INTERNATIONAL



On May 11, 2015, Enterprise Georgia signed a one year contract with Euromonitor International. Euromonitor International is a privately owned, London-based market intelligence firm, providing market research, business intelligence reports, and data to industry. The Company operates in more than 85 countries and collects information from various sources including national statistical offices, private industry, trade associations and with the use of its own

primary research.

The contract entails a 12 month subscription on Passport, the flagship service of Euromonitor International. The Passport portal is a global market research database providing statistics, analysis, reports, and surveys and breaking news on industries, countries and consumers worldwide.

Enterprise Georgia will have full access to information by 28 industries in 10 countries which include statistical information, market research, forecasts and more.

With the use of the new service, Enterprise Georgia will develop its export support activities as well as support Georgian companies with market information and new export opportunities.

GEORGIAN HAZELNUT PROCESSING FACTORY PRODUCTS RENAISSANCE GOT FRENCH BUERS



GPR pays enormous importance to quality, which is the key factor behind the success of the company. The international quality certificate ISO 22000:2005 is implemented in the Factory and it provides a complete production cycle of a high standard working principle.

In fact with help of Enterprise Georgia Company got on the world's biggest annual food & hospitality show Gulfood 2015, where the French buyers got interested in product and eventually visited Tbilisi to get close look of the factory.



NEW COFFEE FACTORY IN GEORGIA

Within the framework of financial support component of the "Produce in Georgia" Programme, Enterprise Georgia signed an agreement with "BB Company" that focuses on coffee industry.

A new coffee project will be launched in 6 Month and soon be available in coffee mugs all around the country and further beyond as well as develop Georgian roasted coffee, an unique blend, that only represents Georgia and will supply it to the local market before venturing further afield and selling it to foreign markets.

"BB Company" imports and sales coffee powder and kitchen equipment since 2002 and has 13 years of experience realization of coffee products; According to the statement of the representatives from the company they will create different sorts of Georgian coffee with the different taste and flavor, further, the quality of the unique Georgian coffee will be guaranteed by an ISO 22,000 certificate.

Company will employ 20 person and cover the significant share of Georgian market as well as the production will

initially be sold in the Georgian market however it is planned to export Georgian coffee to Azerbaijan, Armenia, Ukraine, Iran and other countries in the future.

Besides the all, in the frames of "Produce in Georgia", throughout the country, 73 beneficiaries already have the access to the financial resources as well as physical infrastructure, the implementation process of certain programmes is already underway and expected total investment amounts 121, 210, 000 US \$.

