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The European Union for Georgia



IOM
UN MIGRATION

Diaspora Economic Forum

February 27, 2021

Georgians living abroad have immense potential, ranging from skills, knowledge, ideas to culture capital, finance, trade and business links, which may also successfully be applied to accelerate Georgia's development and build economic opportunities in the country.

Nowadays, substantial change can be observed in Georgia in approaches towards boosting local economic development. There are number of investment and business start-up initiatives from which Georgians living abroad can successfully benefit.

The diaspora economic forum provides an opportunity for the Georgian diaspora to participate and receive comprehensive information on opportunities for doing business and investing in Georgia, means of accessing financing, available business development support programmes and services offered by State and non-state actors.

This event is a steppingstone in stimulating the communication and cooperation among Georgians living abroad by engaging them in local Micro, Small and Medium Enterprise development projects and promoting Business2Business (B2B) networking for the benefit of all.

The Forum is organized within the frames of the EU funded projects, "Sustaining Border Management and Migration Governance in Georgia (SBMMG)" aiming at strengthening migration governance framework in the country through building the capacity of the government to counter irregular migration, fight cross-border crime, facilitate legal migration through bilateral labor migration programmes, harness the development potential of migration, uphold migrants' rights manage readmission effectively including third countries, and

"EU Innovative Action for Private Sector Competitiveness in Georgia", joint initiative of the European Union and four UN Agencies – United Nations Development Programme (UNDP), Food and Agriculture Organization (FAO), United Nations Industrial Development Organization (UNIDO) and International Organization for Migration (IOM), aiming at enhancing entrepreneurship and business sophistication by strengthening the capacities of governmental and local entities to develop and operate clusters and supporting companies directly with strategic investments and better connect to diaspora communities, while also demonstrating the effectiveness of these strategies to businesses.



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15:00 - 15:40

Official Opening Session facilitated by Sanja Celebic Lukovac, Chief of IOM Mission to Georgia

Welcome Speeches by:

Salome Zourabichvili, President of Georgia

David Zalkaliani, Vice-Prime Minister, Minister of Foreign Affairs of Georgia

Ekaterine Mikabadze, First Deputy Minister of Economy and Sustainable Development of Georgia

Beka Odisharia, The Chair of the Diaspora and Caucasus Issues Committee, Parliament of Georgia

Technical Break

Renate Held, Regional Director of IOM

Sabine Machl, UN Resident Coordinator

Catalin Gherman, Deputy Head of Cooperation of the European Union Delegation to Georgia

1ST PANEL DISCUSSION – BUSINESS SUPPORT PROGRAMMES (FOR NON-AGRICULTURAL BUSINESSES)

15:40 - 16:15

Presentations by:

Tornike Zirakishvili, Deputy CEO, Enterprise Georgia, MESD

Tinatin Chachanidze, Deputy Head, National Agency of State Property, Ministry of Economy and Sustainable Development

Salome Khachiauri, Head of the Department of Innovation & Commercialization, Georgia's Innovation and Technology Agency (GITA), MESD

16:15 - 16:30

Q&A Session

16:30 - 17:10

Presentations by:



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David Okropiridze, Senior SME Expert for Georgia, GFA Consulting Group; EU4Business. Overview, selected projects and results in Georgia

Marika Shioshvili, Deputy Chief of Party, The USAID Economic Security Program

Giorgi Rogava, Commercial Manager, Hualing Kutaisi Free Industrial Zone

Tamar Sakheishvili, Chief Investment Officer, Poti Free Industrial Zone

17:10 - 17:30

Q&A Session

17:30 - 18:00

Technical Break

In this session business support programmes, ranging from tourism and hospitality to production, innovative start-ups, in rural, high mountainous and other settings, will be presented by the state and non-state actors.

Representative from the Ministry of Economy and Sustainable Development of Georgia will make a short overview of business and investment climate and supporting mechanisms in Georgia; Entrepreneurship support programmes and services introduced by Enterprise Georgia will be presented, including micro and small business support programmes, collateral and credit guarantee mechanisms, interest rate co-financing for businesses in different sectors: industry (textile and apparel, ceramics, etc.), tourism services, hotel industry, etc. Attention will also be given to the loan application submission and approval procedures.

National Agency of State Property will focus on the real estate, which is available for privatization within the frames of the campaign “100 Investment Offers for Business.”

Existing entrepreneurial ecosystem and initiatives will be introduced by GITA, including projects for the diaspora involvement, access to different grant mechanisms and support to innovative Start-ups.

EU will focus on the EU4Business portfolio of projects and cover Business Enabling Environment (BEE), Business Development Services (BDS) and Access to Finance (A2F) projects carried out in Georgia. Selected projects will be highlighting who they are intended for, accessibility and expected result from the participation.

The USAID Economic Security Program will target the following sectors and value chains: Tourism (Gastronomic, Cultural/Historical, Mountain/Adventure), Light Manufacturing (Furniture, Packaging, Construction Materials, PPE and Solid waste management), Creative Industries (Production, Postproduction, Artisans), Shared Intellectual Services (BPO, ICT), Cross-Cutting: E-Commerce and Logistics.

Keynote presentation will cover information on business start-up and existing advantages (tax free environment) of Industrial Zones of Georgia, including Poti and Hualing Kutaisi Free Industrial Zones,



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welcoming companies from diverse fields of businesses, including trade, industrial manufacturing, pharmaceutical, etc. Operating terms, license and tax types and trade benefits will be discussed.

2nd Panel Discussion – Business Support Programmes (Agriculture and Rural Development)

18:00 - 19:15

Presentations by:

Aleksandre Melkadze, Chief Officer of Grant and Investment Assessment, Rural Development Agency (RDA), Ministry of Environmental Protection and Agriculture (MEPA)

Nodar Kereselidze, Project Manager, “Improving Rural Development in Georgia” under ENPARD III, United Nations Development Programme in Georgia (UNDP)

Alexander Sakandelidze, Manager of the cluster seeds and seedlings, Georgian Seeds and Seedlings Association, The Food and Agriculture Organization of the United Nations (FAO)

Juba Maruashvili, Senior National Policy Advisor, **Giorgi Andguladze**, Value Chain Development Specialist, The Food and Agriculture Organization of the United Nations (FAO) - FAO Support to Georgian Agricultural Sector under ENPARD III

Katy Tchumburidze, Chief of Party; USAID/Zrda Activity in Georgia

Sigrun Andresdottir, the Team Leader of the GRETA project (Green Economy: Sustainable Mountain Tourism and Organic Agriculture)

19:15 - 19:30

Q&A Session

19:30 - 19:50

Technical Break

This session will focus on existing state and non-state programmes in support of agricultural businesses. The Rural Development Agency (RDA) will present current programmes, including Agro-production



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Promotion, Co-financing of Agro Processing and Storage Enterprises, Dairy Modernization, Rural Development, Preferable Agrocredit, Tea Plantation Rehabilitation and "Plant the Future" project.

UNDP presentation will cover opportunities for funding rural businesses in Georgia and other rural development services.

Panel speaker from the United Nations Food and Agriculture Organization (FAO) will present the Georgian seeds and seedlings sector, with the main focus on nurseries, certification and European standards. Besides, available cooperation opportunities (e.g. professional involvement) with Georgian diaspora will be discussed with forum participants.

The Food and Agriculture Organization will also overview the EU-funded "FAO support to Georgian agricultural sector under ENPARD III". Goals and implementation mechanisms of the programme will be discussed, also elaborating on fund-matching mechanism, which offers cost shared investments aiming at improving productivity by supporting farmers, SMEs and cooperatives.

USAID/Zrda will share information on its grant opportunities for MSMEs in agriculture and tourism sector. Tourism support programmes, including agro, adventure and cultural tourism will be also presented.

GRETA will provide information on agriculture and tourism support through the grant scheme projects in organic agriculture (OA) and sustainable mountain tourism (SMT) component, including agro and adventure tourism.



3rd Panel Discussion – Investment Opportunities in the Country

19:50 - 20:00

Overview of the Foreign Trade Policy in Georgia (existing international trade agreements, trade regimes, etc.), **by Marika Gabunia**, Head of the Foreign Trade Policy Department, MESD

20:00 - 20:50

Gvantsa Bitsadze, Head of International and Project Management Unit; LEPL National Agency of Mines, Ministry of Economy and Sustainable Development

Dachi Kinkladze, Deputy Head of Department for International Relations Revenue Service, Ministry of Finance of Georgia

Nino Jinjolava, Managing Partner of Area Group

Konstantine Chanturia, Project Manager, United Nations Development Programme (UNDP), Packaging Cluster Development

Archil Bukia, Director, “Imereti Agrozone”, **Giorgi Dadiani**, Executive Director, „GeoHolding” & KSH Consortium

Business Cluster Management Organizations (CMOs); Individual Businesses

20:50 - 21:05

Q&A Session

Investment possibilities – land, mineral water, natural resources, etc. will be discussed and concrete investment ideas and prospects will be presented by the state agencies.

The National Agency of Mines will introduce several commercially attractive deposits around different regions of Georgia, presentation will also cover the general rules and procedures of licensing. Furthermore, detailed information on the rules and procedures for the E-auction will be provided.

The forum will provide a platform for interested parties (potential taxpayers) to hear exclusive insights and discuss existing tax/customs policy, including special regimes, as well as services offered by Revenue Service. This panel will also examine the current status of Free Trade and Double Taxation Avoidance Agreements and their long-term strategic impact on the companies.

On the event Area Group will present some of their investment projects in tourism sector to show the attraction and the potential of the country for the investments and assist investors to find the desirable opportunities for business making in real estate and tourism / service sector.

This Panel will bring together Individual Businesses, Business Cluster Management Organizations and Industry leaders to discuss the best practices and future investment possibilities.

CMOs will be introduced. Blended discussion by the CMOs, on the: services and benefits available for cluster member companies; cooperation prospects with the member businesses; CMO’s role in supporting



such potential cooperation; niches in the businesses, value chains for new business establishment, work done exploring and securing new markets, how they see diaspora engagement - human and financial capital investment, other. Besides, UNDP will present the very first Georgian Packaging Cluster, PMAG (Packaging Manufacturer's Association of Georgia). Forum participants would be able to receive a comprehensive information.

4th Panel Discussion – Access to Finance

21:05 - 21:15

Presentations by International Financial Institutions:

Andreas Berkhoff, Senior Loan Officer, Banks – EU Neighbourhood, The European Investment Bank (EIB)

21:15 - 21:35

Presentations by:

Archil Bakuradze, Chairman of the Supervisory Board, JSC Micro Finance Organization Crystal; Diaspora Financial Services

Aieti Kukava, Chief Executive Officer Alliance Group Holding, investment and consulting company

21:35 - 22:00

Q&A Session and closure of the event

This panel will brief the participants on those products that International and Georgian Financial Institutions can offer to support the MSMEs development in Georgia.

EIB will discuss the various products offered by the bank, including available loans via financial intermediaries and available direct investment loans for the Georgian businesses. The presentation will include information on the loan application process and procedures, sector eligibility, etc.

Furthermore, existing products and services will be presented by the local financial institutions in Georgia. "Crystal" will among other issues, introduce innovative financial products and services it offers to micro and small entrepreneurs as well as farmers. Investment company "Alliance Group Capital" will focus on the services it can offer to diaspora, including, consultancy, fundraising and strategic advisory services. Besides, detailed information will be presented on the Georgian Venture Capital, a platform for project developers, companies and investors who are willing to invest in start-ups and seed-stage firms in Georgia.

Time will be allocated for questions though the forum, allowing participants to deepen their understanding and applying the information to their own practice.

All the presentations will be uploaded and made available at the diaspora web-portal www.gda.ge as well as on the IOM Georgia's website: <https://georgia.iom.int>