

## **Industrial manufacturing**

Georgia provides significant investment opportunities in the manufacturing Industry, which has attracted more than USD 1.5 billion of foreign direct investment since 2007 year. New opportunities are expected to be taken by greenfield investments in export-oriented manufacturing Industries for which duty-free access to the number of markets worldwide, low utility costs and special Government incentives would be attractive. The share of the Industry in Georgia's GDP was 16.5% in 2015.

There are significant business opportunities in processing primary agricultural goods into higher value-added product and supplying equipment and services (greenhouses, storage, deep-freeze facilities, packaging, etc.). The Georgian Government offers number of incentives and co-investment opportunities to investors interested in developing manufacturing facilities in Georgia. "Produce in Georgia" program is devised to support Industrial manufacturing and agro-processing through several instruments, including co-financing of the interest rates on the commercial loans extended by private local commercial banks, co-financing of the interest rates on the leased equipment and transfer of state property (both land and building) into the private ownership for a symbolic price of GEL 1, with certain investment obligations.

Georgia has very liberal foreign trade policy, no restrictions on import and export, abolished import tariffs on over 80% of goods, simple, transparent and business oriented customs procedures, which is important for international trade.

Georgia has Agreement on Deep and Comprehensive Free Trade Area (DCFTA) with EU, Free Trade Agreements with CIS countries and Turkey, GSP with USA, Japan, Norway and Switzerland, signed the agreement with EFTA (European Free Trade Association), finalized negotiations with People's Republic of China and started with Hong Kong. Notably, Georgia is the first country in the region who has concluded FTA with China.