

PROGRAMS AND INCENTIVES AVAILABLE FOR INVESTORS FROM THE GOVERNMENT OF GEORGIA



PRODUCE IN GEORGIA

In order to facilitate the development of the private sector in the directions of industrial manufacturing and agro-processing, the Government of Georgia, since June 1, 2014 has launched a special state program called "Produce in Georgia".

PROGRAM COORDINATORS:



Ministry of Economy and
Sustainable Development
of Georgia



Ministry of Agriculture
of Georgia

The program offers various support mechanisms to private manufacturers and food processing.

SUPPORT MECHANISMS:

- Interest Rate Co-financing on the loan or the subject of lease for the first two years;
- Partial collateral guarantee for the first 2-4 years, 50% of the total loan (Upper limit GEL 2 500 000);
- Infrastructure Support: Provision of State Property for a symbolic price of GEL 1 ;
- Consulting Support: Co-financing of consulting services, export market diligence, business matching, installation of technology and innovation, skills development, quality management, standardization, etc.

ELIGIBILITY

- At least 80% of the loan must be directed towards the purchase of PPE (Property, Plant, Equipment);
- Manufacturing must be focused on either Industrial Manufacturing or Agri-processing;
- Investment obligations for provided state property.

Contact information

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In addition, in order to facilitate the development of the private sector in the direction of tourism Industry of Georgia, Special State Program “Produce in Georgia” is supplemented with a new component: Hospitality Industry Infrastructure Support in the Regions of Georgia.

PROGRAM COORDINATORS:



Ministry of Economy and
Sustainable Development
of Georgia

The component offers various support mechanisms to the companies:

SUPPORT MECHANISMS:

- Co-financing of Franchising Fee by international brands;
- Interest Rate Co-financing on the loan for the first two years;
- Partial Credit Guarantee for the first 2-4 years, 50% of the loan (Upper Cap GEL 2,000,000);
- Consulting Support: Co-financing of consulting services, business matching, installation of technology and innovation, skills development, quality management, standardization, etc.

ELIGIBILITY

- At least 80% of the loan must be directed towards the purchase of PPE (Property, Plant, Equipment);
- Ownership of the land plot designated for the hotel;
- Hotels must not be located in the administrative territories of Tbilisi and Batumi.

Contact information

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Year of establishment: 2011 - JSC PARTNERSHIP FUND

PRODUCTS

Equity, loan

TARGET SECTORS

Energy, Real Estate & Tourism, Manufacturing, Agribusiness, Infrastructure & Logistics

DESCRIPTION OF FINANCIAL SERVICES

Partnership Fund (PF) funds private investors with the following conditions: PF has a mandate to invest only in Georgia in any industry, excluding services sector. PF invests only in commercially viable projects. PF is authorized to provide equity financing and subordinated/senior loan (both convertible and non-convertible) in rare cases. Maximum amount of funds (both debt and equity) that PF is able to invest in the project should not exceed private investor's equity. PF's participation in projects is limited to minority share (up to 50%). PF co-finances companies and assists its partners and management teams in developing plans to create sustainable long-term value. In every project, the Fund has clearly predefined exit strategy.

Contact Information

Website: www.fund.ge

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Year of company establishment: 2013 - Funds under Management (USD): Up to USD 6 Billion

GEORGIAN CO-INVESTMENT FUND

PRODUCTS

Equity and Hybrid Financial Instruments (i.e. Convertible Debt, etc.)

TARGET SECTORS

1. Energy & Infrastructure
2. Hospitality & Real Estate
3. Agriculture & Logistics
4. Manufacturing

DESCRIPTION OF FINANCIAL SERVICES

Private equity investment in startup and seasoned companies in the country of Georgia

SELECTION CRITERIA AND TECHNICAL ASSISTANCE AVAILABLE

Minimum project size: USD 5 million

Fund's equity participation : 25% - 100%

Financial Criteria : Minimum equity IRR to the Fund: 17%

Contact Information

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