

#### **GEORGIA**

## A PLEASURE DOING BUSINESS

# Investment Opportunities In Advanced Manufacturing



## **Why Georgia**



INVEST IN GEORGIA

**Strategically** located at the crossroad of **Europe and Asia** 



1<sup>st</sup> in Business Location

(World Bank's B-Ready 2024)

2.3 **Billion** 

**Free Trade Agreements with** Market of 2.3 **Billion population** 

(Including EU, EFTA, CIS and China)



6th in Taxation

(World Bank's B-Ready 2024)

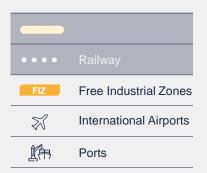


Competitively Priced, Skilled and Productive Workforce

## The Country At A Glance



Region	Europe
Population	3.7 Million
Capital	Tbilisi
Govt type	Parliamentry
GDP Per Capita (2024)	9,141 USD
Inflation (2024)	1.1%
Currency	Georgian Lari





**GDP in 2024** 



Real GDP Growth Rate

(2021 – 2024 average)





**Share of Reinvestments** 

(2021-2024 average)



FDI to GDP Ratio

(2021-2024 average)



**FDI** inflow

(2021-24 total)

#### **Georgia Standing Out**







3rd





## Global Services Location Index - GSLI 2023

KEARNEY

**24**th

Georgia ranks 8th in Europe

#### **WJP Rule of Law Index 2024**

Eastern Europe & Central Asia Region



1st

Georgia also ranks 7<sup>th</sup> in the group of Upper Middle Income countries



"Deep reforms in economic management and governance have earned Georgia a reputation as star reformer"

World Bank Group Georgia



**Your Nearshoring Destination** 

EU - DCFTA

EFTA - FTA

CIS - FTA

UK - FTA

Turkey - FTA

Ukraine – FTA

UAE – FTA

China (incl. Hong Kong) - FTA

2.3

Free trade agreements cover market with 2.3 bln population



Centrally located to access Europe, Asia and the Middle East



BY PLANE

Simple and service-oriented customs policy and administration



DAYS BY TRUCK

80% of goods are free from import tariffs



Membership of both Middle Corridor and TRACECA

10<sup>th</sup>

Georgia's rank in International Trade Topic B-Ready by World Bank

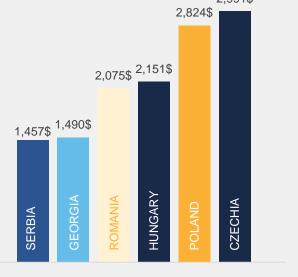
#### **Access Young, Skilled And Competitive Talent Pool**



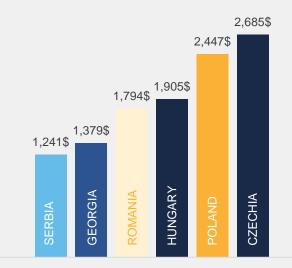


**Average Monthly Salary for Skilled Production Operative** 

(including social security)



**Average Monthly Salary** for Engineer (including all taxes)



**Average Monthly Salary** for Automotive Engineer (including all taxes)



Aerostructure Technologies Cyclone





Georgia's rank in **Labor Topic B-Ready by World** Bank



**Labor Productivity** Growth (ILOSTAT)



**Total** Workforce



Unemployment



**Unemployment with** advanced education

#### **Access To Fresh Talent Pool**





5,035

students are enrolled in bachelor, master and professional programs of Engineering, Manufacturing and Construction in 2020-2021 school year **Graduates** 

Over

2,300

students graduated from programs of Engineering, Manufacturing and Construction in 2020-2021 school year (bachelor, master and professional programs)

## **Institutions Providing Courses Related To Manufacturing**

18
High Education Institution

25 Vocational College

39 Community College

98% Literacy Rate

92%

Population with Secondary Education

64 HEIs 66 VETs

Most VET courses are financed by the Government with customized courses available

Notable Educational Centers







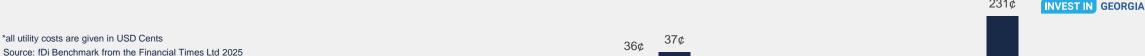


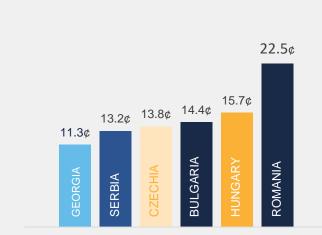




### **Competitive Operational Costs**



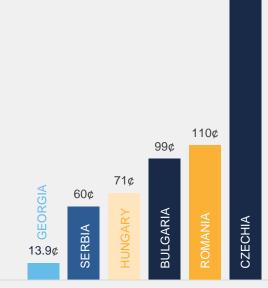




Electricity
(per kWh)



Industrial Gas (per c/m)



Water (per c/m)



form renewables





All consumers
(ex. Household) can find
direct supplier



Buyer can choose supplier and negotiate price

#### **Benefit From The Most Attractive Tax System**







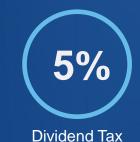
Tax\*













**Import** Tax (depending on goods imported)





- Personal Income taxes for interest and royalties are 5%
- **Double Taxation avoidance Treaties with 58 countries**

\*\*up to 2% paid by Government until savings reach 60,000 GEL













#### We Are Here To Support Your Business



#### FREE INDUSTRIAL ZONES

#### Special Tax Regime

- Exemption from all taxes except Personal Income Tax (20%), which is paid from employees' salaries (goods produced for export)
- In case of import form other territory of Georgia, the company has to pay VAT and 4% of revenue from national sales
- Simplified Procedures and Available Facilities
- Great Location: Tbilisi (capital city), Poti (sea port), Kutaisi (International Airport)

#### FINANCIAL INCENTIVES

#### State Support Programs

- Subsidies for loan interest payment
- · Collateral Guarantee co-financing

#### **FDI Grants**

- Eligible sectors: electronics, auto & aircraft parts, logistic centers
- Cashback on investment costs, including workforce training costs
- Investment obligations:
  - Manufacturing of electronics, auto& aircraft parts at least 100 new jobs created and USD 3 mln investment
  - o logistic centers at least 50 new jobs and USD 3 mln investment



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