GEORGIA

A PLEASURE
DOING BUSINESS

Investment Opportunities in Energy

Why Georgia

Perfect electricity export opportunity

Growing Local Demand

Electricity demand in Georgia rises by 3.14% annually over the last decade

6th in Taxation

(World Bank's B-Ready 2024)

Huge Untapped Potential

Only around 30% of Georgia's energy potential has been utilized

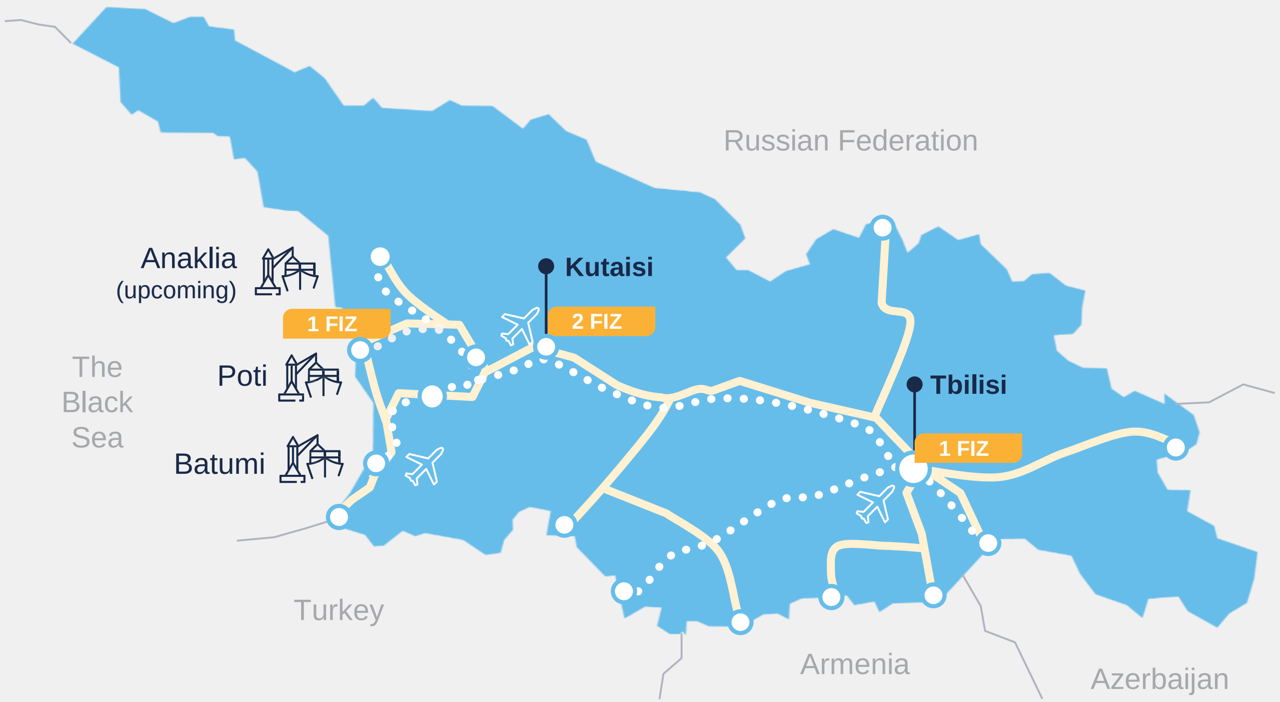
1st in Business Location

(World Bank's B-Ready 2024)

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**

- Railway
- FIZ Free Industrial Zones
- International Airports
- Ports



33.8 BLN USD
GDP in 2024

9.4%
Real GDP Growth Rate
(2024)

76%
Share of Reinvestments
(2020-2024 average)

6.3%
FDI to GDP Ratio
(2021-2024 average)

6.7 BLN USD
FDI inflow
(2021-24)

Source: Geostat

Georgia Standing Out

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B-Ready
Regulatory Framework pillar

BUSINESS READY

3rd

B-Ready
Operational Efficiency Pillar

BUSINESS READY

2nd

Safety Index 2024

NUMBEO

19th

Georgia ranks 9rd in Europe

Global Services Location Index - GSLI 2023

KEARNEY

24th

Georgia ranks 8th in Europe

WJP Rule of Law Index 2024
Eastern Europe & Central Asia Region

World Justice Project

1st

Georgia also ranks 7th in the group of Upper Middle Income countries

Candidate Status

European Commission

Georgia has a Deep and Comprehensive Free Trade Area, an Association Agreement, and Visa-free travel regime with European Union

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

World Bank Group Georgia

THE WORLD BANK
IBRD • IDA

Benefit From The Most Attractive Tax System

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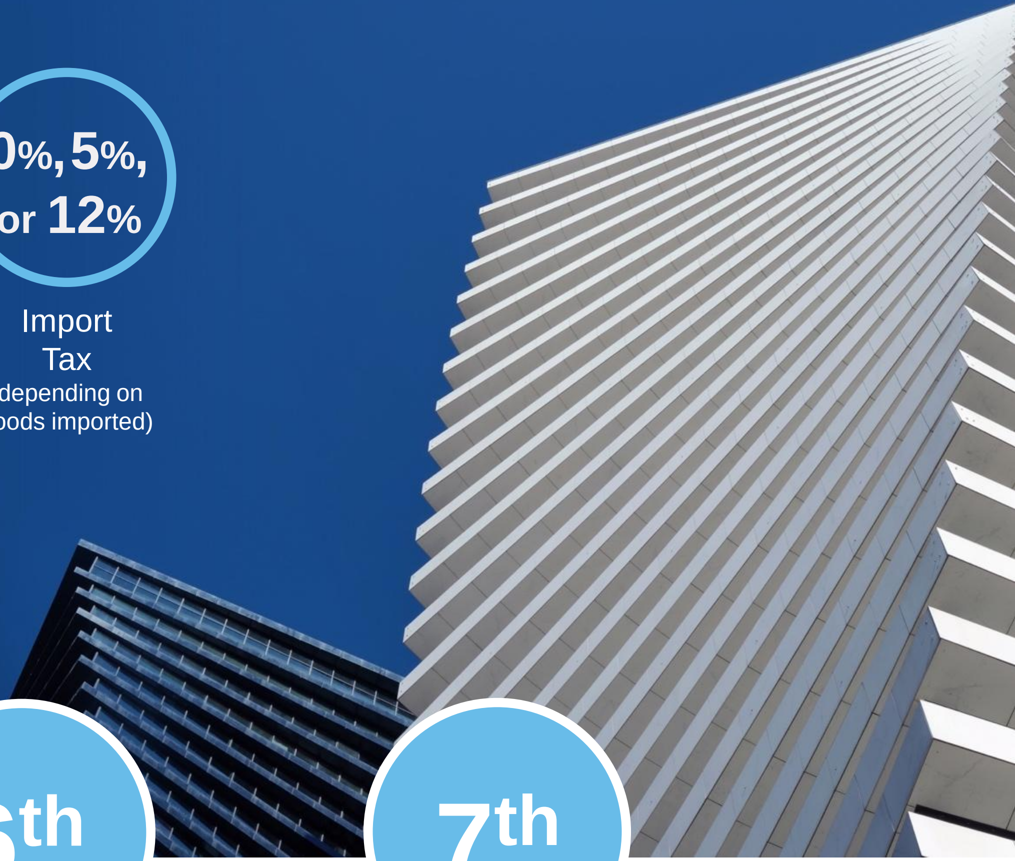
Taxation System

0% or 15%	20%	18%	<1%	0%, 5%, or 12%
Corporate Profit Tax*	Personal Income Tax	Value Added Tax	Property Tax	Import Tax (depending on goods imported)

- ***Corporate Profit Tax applies only to distributed profit**
- **Pension contribution** – 2% paid by Employer, 2% paid by Employee**
- **Personal Income taxes for interest, dividends and royalties are just 5%**
- **Double Taxation avoidance Treaties with 58 countries**

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



0%
Tax on Retained and Reinvested Profit

4
Free Industrial Zones

6th
Taxation
World Bank's
B-Ready 2024

7th
Financial Services
World Bank's
B-Ready 2024

Access To Fresh Talent Pool

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Students

2952

students are enrolled in bachelor, master and professional programs of Engineering, Manufacturing and Construction in 2022-2023school year

Graduates

Over

3,100

students graduated from programs of Engineering, Manufacturing and Construction in 2022-2023 school year (bachelor, master and professional programs)

Institutions Providing Courses Related To Engineering

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

KUTAISI INTERNATIONAL UNIVERSITY

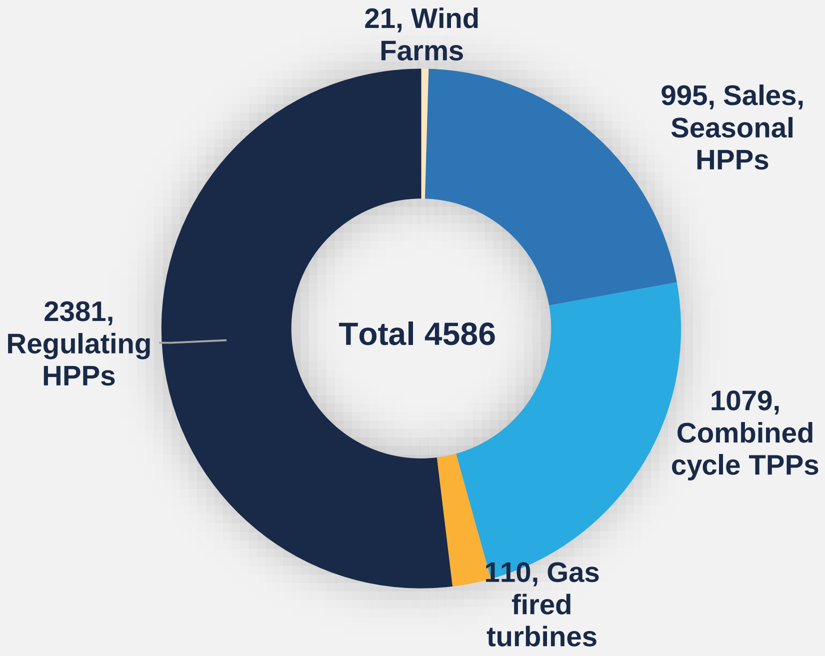
LEPL COLLEGE "LAKADA"

BTU

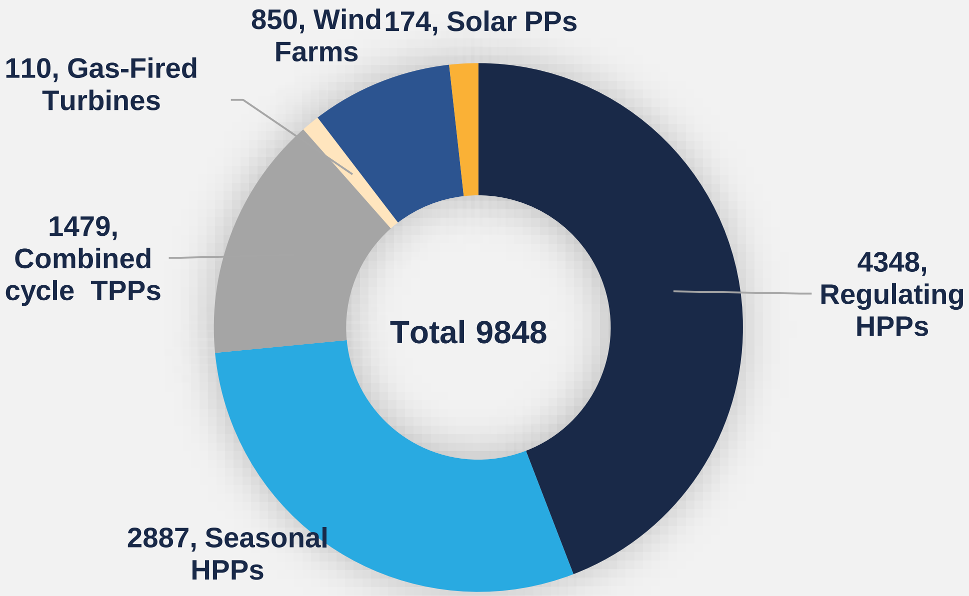
SAN DIEGO STATE UNIVERSITY Georgia

General Statistics – Installed Capacity

Installed Capacities 2024 (MW)

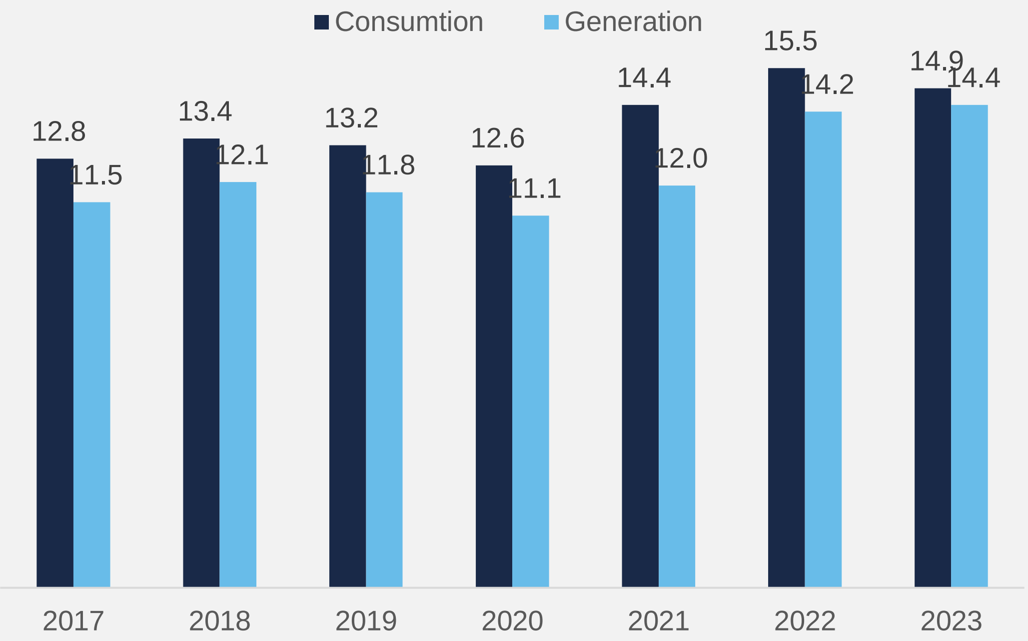


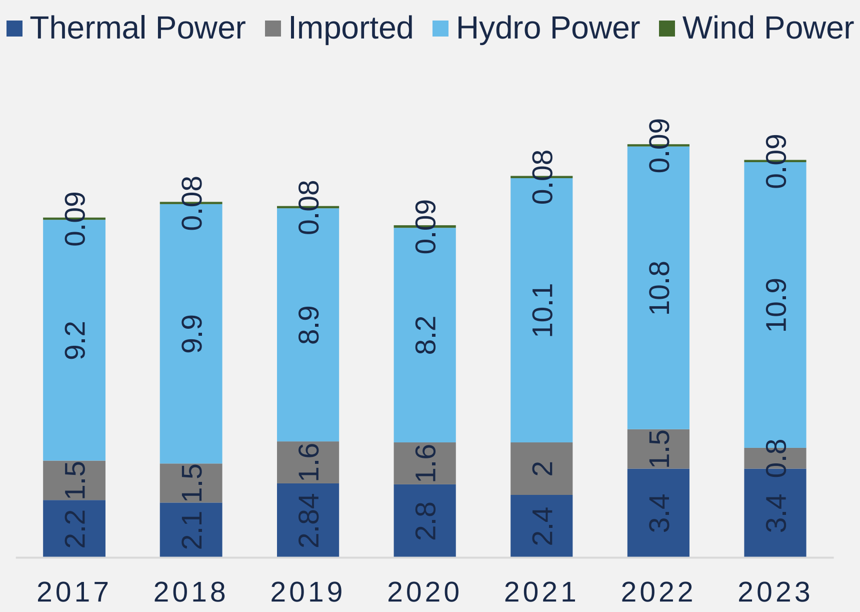
Installed capacities For 2033 (Forecast, MW)



Green Energy
74% of generation from renewables

General Statistics – Generation vs Consumption TWh





According to GSE, power consumption will surpass 20 Billion kWh by 2033, requiring renewable energy expansion

Consumption and generation have been growing at a steady pace

General Statistics – Export & Import

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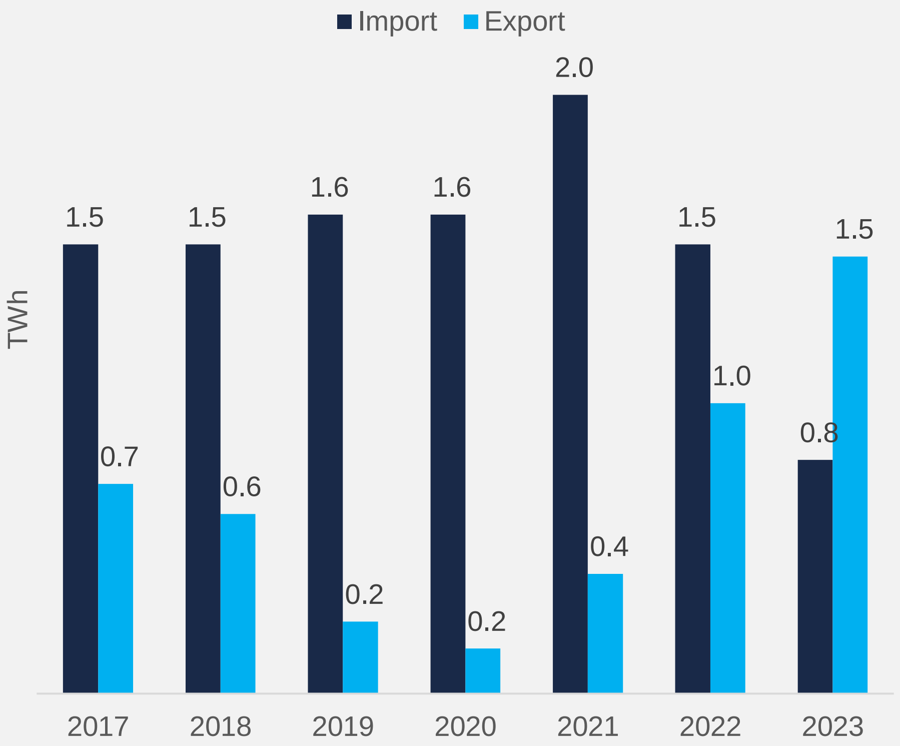
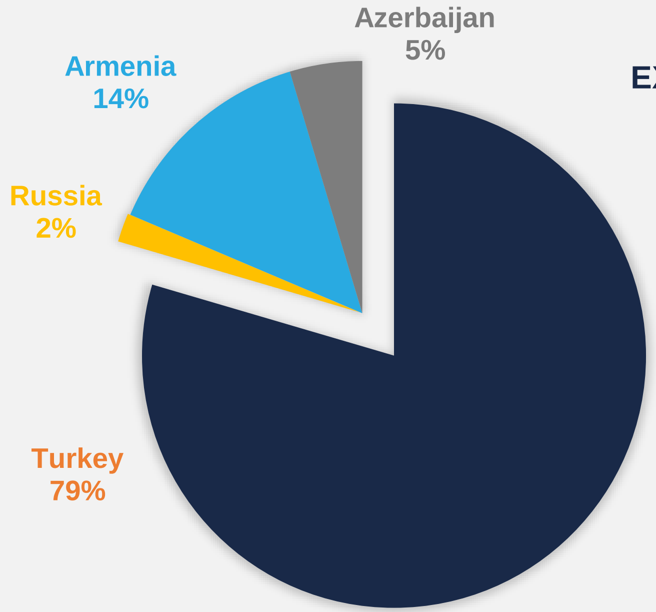


EXPORT DESTINATION
2019-2023



Net Exporter
2023 marking the first time since 2016 that the country exported more electricity than it imported

10.1 USDc

Prices in Turkey
In 2023 Prices in Turkey were higher than in Georgia by 5 USDc and by 9.7 USDc in 2022

Net Exporter
In 2022 Turkey imported more electricity from Georgia than any other country

Potential

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Hydro Power

- One of the top countries for water resources per capita
- Already ~77% electricity generated from hydro
- Hydro potential estimated at 15,000 MW (NREAP)

Wind Power

- Georgia wind energy potential is estimated at 4 TWh, with wind speeds reaching 15 m/s in some areas.
- Wind power has strategic importance in winter
- By 2033, wind power is expected to contribute at least 10% to Georgia's total electricity generation
- Since 2016, 20 MW Kartli 1 wind farm is in operation

Solar Power

- Abundant Sunlight - 250-280 sunny days annually translating to 2,000-2,240 sunlight hours;
- High Solar Radiation levels from 1250 to 1560 KWh/m²,
- UAE's "Masdar" to build a 100 MW SPP

Other Sources

- Georgian geothermal reserves: 250 million m3/year
- 250+ water channels with avg. temp: 30-110°C
- Georgia embarks on producing green hydrogen, showcasing commitment to clean energy
- Significant untapped renewable energy potential drives ambition in the global green hydrogen sector

Investment Opportunities

Power Exchange
Day ahead, intra day and balancing markets
(operated By Nord Pool)

Corporate PPAs
All consumers
(ex. Household) can find direct supplier

Continues Substation Upgrades to handle increased capacity from new renewable energy sources

Submarine Cable
1500 MW, 500kV submarine cable will connect Georgia to Romania and EU

Investment Opportunities

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>2MW

>15MW

Reliable power transmission network and connectivity to neighboring countries

Small plants do not require EIA

Deregulated HPPs (<15 MW) operate without licensing

Generation and Export activities are exempted from VAT

Those Who Have Chosen Georgia

UAE's Masdar, a leading global renewable energy company, develops Georgia’s largest solar power plant with a total installed capacity of 100 MW

“I think that we have taken a very important step in the direction of implementation the largest solar energy generation project in the region today, and most importantly, we see the prospect of implementing even more large-scale projects in the future”

Mohamed Jameel Al Ramahi
Director, Masdar

Adjaristsqali Georgia LLC(178 MW The Shuakhevi HPP) - a Joint Venture between Tata Power, Norway’s Clean Energy Invest (CEI), and International Financial Corporation (IFC) is the largest energy project built in Georgia in the last seven decades.

“The commercial operation of the Shuakhevi HPP is an important milestone for Tata Power and its partners. Shuakhevi HPP represents the largest and most influential energy project in the last 70 years. The success of the 178 MW Shuakhevi HPP cascades are crucial for the integrity, security and independence of energy in Georgia.“

Praveer Sinha
CEO and Managing Director, Tata Power

Other Notable Investors

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Thank You

investingeorgia.org

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