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PM Kvirikashvili Discusses Reforms with AmCham

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The deep-sea port in Anaklia, on the Black Sea coast, has been slated for years as a key component of Georgia as a transit hub. In February, the Georgian government awarded the Georgian-U.S. consortium, Anaklia Development Consortium, the right to build the facility.

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Two of the front-running candidates for the 2016 U.S. presidential election have ties to Georgia: former Secretary of State Hillary Clinton and billionaire Donald Trump.

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In February, the Tbilisi government unveiled a new vision for one of the city's most historic neighborhoods, Aghmashenebeli Avenue – from the metro to Saarbrücken Square (near the Dry Bridge).

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Innovative cafes are making waves in Tbilisi, turning the traditional Georgian supra [feast] into a brand new experience.

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DAIRY SECTOR PRIME FOR INVESTMENT

INVESTOR.GE SPOKE WITH ANDRIY YARMAK, A PROJECT COORDINATOR AND ECONOMIST OF THE INVESTMENT CENTER OF FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS (FAO), ABOUT THE PROGRAM IMPROVING FOOD SAFETY THROUGH CAPACITY BUILDING IN GEORGIA'S DAIRY SECTOR. IMPROVING FOOD SAFETY AND COMPETITIVENESS IN GEORGIA'S COMMERCIAL DAIRY SECTOR WAS THE FOCUS OF THE COUNTRY'S FIRST NATIONAL DAIRY CONGRESS, WHICH WAS ORGANIZED BY FAO AND THE EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT (EBRD), AND HELD IN TBILISI ON MARCH 10.

An audit of Georgia's commercial dairy industry found several interesting things, including untapped investment potential, according to Andriy Yarmak, the coordinator of the FAO and EBRD project to improve food safety in the country's dairy industry.

Georgia's "unique" dairy market – Georgian consumers demand products

that are not produced elsewhere – has created a situation where "milk prices paid by processors in Georgia to farmers are probably the highest globally, especially considering the relatively poor quality and safety of most of the milk," Yarmak said in an e-mail interview with *Investor.ge*.

"This situation makes investments in commercial dairy farms very attractive – the payback period in Georgia would be much lower than in most other countries in the region."

He added that productivity at many relatively modern commercial dairy farms could also be significantly improved without major investments. "All they need is knowledge of modern practices in milk farming," Yarmak said.

Other major findings included:

- Safety and quality of milk and many dairy products require significant improvement;
- Only around 5% of milk goes through formal processing (in the EU – nearly 100%) – the rest is consumed fresh or processed in very primitive conditions;
- The productivity of dairy cattle held by households and some extensive commercial farms is extremely low – in most cases within the range of 1000-1500 kg per year per cow, which is on par with production levels of good milking goats. However, this can be improved significantly;
- Animal health is a very serious issue in Georgia and requires the attention of both the dairy business and the government;
- Georgia has excellent climatic conditions for commercial dairy farming in some regions;
- For many years, Georgia has lacked livestock specialists knowledgeable in dairy farming, which is a huge problem and limitation for new investment proj-

ects in the country.

EDUCATION AND OPPORTUNITIES

"Underproduction is not really a problem – it is an opportunity or, rather, a result of the problems [found in the audit]," Yarmak said.

He noted that the project will address these issues through capacity development, knowledge transfer and sharing experience (training modules, study tours, practical manuals).

Yarmak said the project will last two years.

"Increasing productivity and efficiency is possible through better feeding, improved keeping conditions, animal health management and overall herd management, milking and other factors. So, basically we are talking about improved knowledge," Yarmak said.

He noted that improving the safety and quality of Georgia milk to reach the levels required by the EU will be "a long process."

FIRST ANNUAL NATIONAL DAIRY CONGRESS

Yarmak said that around 40-50 commercial farmers – as well as processors, equipment suppliers, industry experts and the government – attended the first annual national dairy congress.

"We are hoping that farmers, which represent at least 50-60% of all commercial production of milk in the country, would participate in this training program," he said.

"We expect that this would help increase commercial milk production in Georgia by around 35-40% in just two years, and that quality and safety of this milk will also increase significantly." Yarmak added that the program hopes "to boost commercial milk processing in the country to benefit consumers and contribute to import substitution."



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Georgia's first tech park

Flashes of Ingenuity in Georgian Tech Spheres

GEORGIAN ENTREPRENEURS ARE FINDING NEW WAYS TO USE MODERN TECHNOLOGY FOR BUSINESS AND INVENTION.

MATTHEW MILLER

There is cautious optimism for Georgia's long-lagging innovation and technological industries.

From 2000 to 2013, Georgia saw the number of newly registered patents fall by more than 50 percent, according to data from the World Intellectual Property Organization.

The drop has been tied to low skill levels in the country's labor force. A 2013 World Bank study found that the lack of inventions was creating a disturbing pattern in the market: few employment incentives existed for people to acquire technological skills, so fewer innovative businesses emerged.

FILLING THE VOID

For tech-oriented enterprises like Potters, a Tbilisi-based digital marketing firm, the lack of competition became an opportunity.

Potters's co-founder, David Khosroshvili, and his friends started their company four years ago by helping small businesses increase their online presence.

Over three years, Potters grew from its founding core to twenty-five employees as they began to service larger clients, such as ProCredit Bank.

"Basically, we looked at the marketing strategies of big companies and developed digital products that fit with their [plans]," Khosroshvili said.

Potters has also created other profitable ventures over the last year. Eventerge, one of Potters' subsidiaries, has become one of the premier Tbilisi sites for selling concert tickets and promoting events, while wifisher.com provides free WiFi to over 20 Tbilisi establishments, whose patrons view ads as a condition of using the establishments' wireless networks.

Potters is not the only company filling the void for technological marketing

services.

Tbilisi Marketing, a local advertising and graphic design firm, has twelve employees and generated over \$200,000 in 2015, primarily by providing their services to local businesses and government offices.

"We do have international clients. These are mostly companies that have offices in Georgia. Much of our business, though, comes from municipal offices, universities, and local businesses," said Giorgi Dolidze, Director of Tbilisi Marketing.

While some tech-oriented firms have thrived in an industry marked by its lack of competition, export-oriented tech companies have been a rarity in Georgia. An exception to this trend has been Tbilisi-based Lemondo Entertainment, whose mobile games are distributed worldwide on iTunes and Android to a clientele that CEO Levan Kiladze says is less than 1 percent Georgian.

"We, the founders, had been working for large enterprises and were a little bit bored," Kiladze said.

"We were keen to create products, where we could utilize our technical ►►



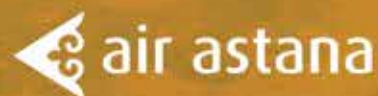
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PM Giorgi Kvirikashvili visits the country's first tech park

► skills, creativity and mojo to create products that would be useful and/or fun for millions of smartphone customers,” he added.

NEW PUSH FOR FUTURE GENERATION OF INNOVATION

The 2015 Global Innovation Index, an annual publication co-published by INSEAD, Cornell University, and the World Intellectual Property Organization that ranks countries’ innovative environments and innovative production, ranked Georgia 73rd out of the 141 countries surveyed.

The index cites “low capitalization, lack of training, low levels of patenting activity, and low levels of knowledge-intensive industries” as inhibiting factors that are “reflected in the [business sector’s] low levels of intangible assets and a poor use of ICT, which severely hampers innovation capacity.”

One U.S.-Georgian project hopes to change that. The \$140-million Millennium Georgia Compact was signed in 2014 and aims to “to develop Georgia’s human capital capacity for economic

growth and reduce the country’s poverty rate” over the next five years by investments in education – specifically in the STEM (Science Technology Engineering and Math) areas.

The newly founded San Diego State University program in Tbilisi is one part of the compact.

Still in its first academic year, the SDSU campus offers four bachelor of science tracks to its freshman class of 84 students, and it plans to add more in the coming years, according its Dean, Dr. Kenneth Walsh.

In addition to its academic offerings, SDSU-Georgia also maintains a mission of improving the infrastructure, with regard to both safety and technological capacity, of its local partnering universities.

“We have already rehabilitated 1,688 square meters of classrooms to provide students with the same type of labs as in San Diego,” Dr. Walsh commented.

To date, 45 local SDSU-Georgia faculty members have visited the university’s main campus in San Diego, according to Dr. Walsh.

“During these visits they work with

our equipment and our faculty, so that we can involve them in teaching our courses – with the idea that they could teach these classes on their own in the future – as a part of our curriculum, with our methods of teaching and of assessing student learning,” he added.

Another effort to bolster the tech and innovation sector in the country is the Ministry of Economy and Sustainable Development’s Georgia’s Innovation and Technology Agency (GITA), which was founded in 2013.

To tackle shortages in technologically skilled labor and innovative enterprises, GITA set ambitious goals, including creating 40,000 ICT export-oriented experts working in country and generating \$1.1 billion in IT exports by 2020.

In an effort to jumpstart local entrepreneurship and innovation, GITA opened Georgia’s first tech park this past December. Equipped with working spaces and state-of-the-art technology, which includes laser cutters, 3-D printers and 3-D scanners, the tech park offers important innovative infrastructure free of charge to its members.

“[The park] works on a one-stop-shop principle, where every interested person can transfer their creative and crazy ideas into business,” said GITA’s Head of International Relations, Mariam Lashkhi.

A START-UP INCUBATOR

In addition to providing infrastructure for its members, the tech park also serves as an incubator for eleven startups that were selected through a competitive application process, according to Lashkhi. The chosen teams have access to business training and consultation, provided by M Academy, as well as legal and financial guidance, provided by the international consulting firm Deloitte.

The projects range from the practical to the novel.

SizeX, one of the startups that the tech park hosts, is currently developing a mobile application that can take and store body measurements that will rectify incongruities in orders from online clothing retailers.

Another team, Colhica, consists of two brothers that specialize in watchmaking and woodworking. Their team will develop handcrafted wooden-faced timepieces made from a boxwood native to Georgia. In addition to promoting innovation, GITA also hopes to improve Georgia’s technological readiness.

Under the guidance of the World Bank, the tech park will be the center of the Georgian National Innovative Ecosystem (GENIE), which GITA hopes will bring a broadband connection to more than 2,000 villages.

GITA is also hoping to use the expanded broadband connection to establish a “hub-and-spoke” network of innovation centers and hubs across the country, where beneficiaries will have access to equipment and services that are similar to what the tech park provides.

The World Bank has stated that the GENIE project will also include training components in e-commerce and digital literacy, which will be a step toward digitizing Georgia’s economy and will train 3,000 people with the skills necessary for the work environments the project is trying to promote.

The successful implementation of this project would address important transitional needs, according to some Georgian experts.

“For technological industries to really be successful in Georgia, we need to [become] a knowledge-based economy,” said Nino Nanitashvili, Head of Communications at the International School of Economics at Tbilisi State University and Founder of the Google Development Group chapter in Georgia.

“For this to happen, we need to get more people online,” she added.

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THE ESTONIAN MODEL EXPLAINED

SINCE GEORGIAN PRIME MINISTER, GIORGI KVIKASHVILI ANNOUNCED HIS INTENTION TO MOVE THE GEORGIAN CORPORATE TAX SYSTEM TO THE “ESTONIAN MODEL,” THERE HAS BEEN A LOT OF DISCUSSION ABOUT WHAT THIS MEANS FOR BUSINESSES. IN THIS ARTICLE, ANDREW COXSHALL, MANAGING PARTNER OF KPMG GEORGIA, CONSIDERS THIS PROPOSED CHANGE AND ITS LIKELY IMPACT.

The main change envisaged by the so called “Estonian Model” is that the moment of taxation for corporate income tax (profit tax) will move from when profits are earned (based on a calendar year) to when they are distributed, which is at the discretion of the shareholders. As a result, while the rate of tax on corporate income will not change, profit that is kept inside the company will not be taxed. This should reduce corporate tax payments, stimulate investment and decrease corporate compliance costs.

REDUCTION IN TAX PAYMENTS

The first key benefit for companies is that the amount of profit tax that most companies will have to pay will decrease because most companies do not distribute all of their profits in the short term. So, if a company currently generates profits of GEL 100 and distributes GEL 60 as dividends in the following year, under the current system the company would pay profit tax of GEL 15 GEL. Under the new system the company will only pay GEL 10.60 ($60 \times 0.15/0.85$).

It is also hoped that since this is reducing taxes on retained earnings, that this will encourage companies to retain and re-invest their profits, thereby helping investment and growth in the country as a whole.

REDUCTION IN WORKLOAD FOR ACCOUNTANTS BUT MONTHLY REPORTING: A NET BENEFIT

The new system should also reduce the workload of accountants. However, this benefit is a little complicated. Currently, company accountants calculate their profits every year, in accordance with the regulations of the Tax Code of Georgia, and submit an annual declaration. Under the new

system there will no longer be a need for an annual profit tax declaration.

This reduction in administration could be considerable. Calculating profits subject to corporate tax can be a complicated and time-consuming process. Under the Georgian Tax Code, fixed assets are put into various categories and depreciated over a certain number of years depending on the type of asset. In addition, certain expenses can only be charged when they are paid, rather than when they are accrued. These calculations often lead to differences between the values assigned to assets and liabilities by a company’s internal accounting system and the tax value assigned to it by the tax authority. As a result, companies end up keeping two sets of records. Under the new system, this would be far less of a problem.

It’s not all good news. Under the new system, companies will need to submit monthly tax declarations instead. Many people have asked, “Why do we need to submit tax returns on a monthly basis if tax is only due when dividends are paid?” The reason is that companies will now need to pay profit tax on the following on a monthly basis:

- Non-deductible expenses – these are expenses that are not allowable (and have never been allowable from a tax point of view) such as donations to non-charitable organizations, expenses without sufficient documentary evidence, penalties other than tax paid to the state budget, etc.

- Non-arm’s-length transactions with related parties – if a wine producer sells 1,000 bottles of Saperavi with a retail price of GEL 15 per bottle to a related party for GEL 10 per bottle, the difference of GEL 5 per bottle would be subject to profit tax ►►

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- Loans to non-resident entities – if a company lends \$2 million to a company registered in the Netherlands; the total amount of the loan will be subject to profit tax immediately.

- Loans to individuals – for example the company lends GEL 10,000 to an individual for two years,

“The first key benefit for companies is that the amount of profit tax that most companies will have to pay will decrease because most companies do not distribute all of their profits in the short term.”

even if the interest rate is a market rate; the total amount of the loan will be subject to profit tax immediately.

- Free-of-charge supplies – for example if the company provides free-of-charge services to another entity; the market price of services rendered would be subject to profit tax immediately.

It may be difficult to imagine exactly what will be the net effect of reduced annual declarations versus increased monthly declarations. However, from discussions with people experienced in the Estonian tax system, they are confident that the Estonian system is quite a lot easier overall.

To give us some idea how much easier, the World Bank, in their Ease of Doing Business assessment for 2015, suggests that an average company in Georgia takes 362 hours to complete its tax returns in a given year. In Estonia, the annual total is only 81 hours, making it the 12th most efficient system in the world. This should,

therefore, be a considerable time savings.

REDUCTION IN DISPUTES WITH THE GEORGIAN REVENUE SERVICE

Another expected consequence of the simplified administrative process is that it will reduce disputes with the Georgian Revenue Service.

AmCham has been advocating for reform in the Georgian Revenue Service for many years, and improvements have been made. However, unwarranted disputes with the Georgian Revenue Service currently continue to be a significant business risk.

A simplified tax code that no longer requires companies to calculate profit, for tax purposes, will remove some of the most complicated elements of the tax-accounting system. It therefore seems reasonable to think that with fewer and less-complicated regulations, there will be less opportunity for differences of interpretation and the disputes that they bring with them.

TAX LOSSES

One other major change is that under the current system, companies that make losses for tax purposes can carry these losses forward for 5 years, although this period can be extended for up to ten years. A tax loss can be generated if the company makes operating losses but it can also generate a tax loss by taking advantage of the option to depreciate fixed assets 100% in the year of acquisition. However, under the new system, companies will

not be able to carry forward losses and hence the new system removes a tax benefit.

Also, companies with accumulated tax losses as of the implementation date of the new system may lose these tax losses, and will incur a charge in their next set of financial statements.

It is hard to judge the overall impact of this change, but it does open the possibility that start-ups, which generally lose money in the first few years will lose out.

That said, the loss of the ability to carry forward losses needs to be seen in the context of the new system, and should be manageable.

FINANCIAL STATEMENT IMPLICATIONS

As the Estonian model has only recently been proposed, accounting professionals in Georgia are still learning what these changes will mean for companies' financial statements. Fortunately, the system has been in place in Estonia for many years, and hence some application issues are straightforward. However some of the transition issues are currently being

“The new system should also reduce the workload of accountants. However, this benefit is a little complicated.”

debated. One point is clear: deferred tax assets and liabilities will no longer appear in companies' financial statements because the accounting base and the tax base for assets and liabilities will be the same under the new system.

Less clear is the issue of when

to recognize a tax liability. At the current time, the profit tax payable can be calculated and is recognized as a liability for that year. Under the new system, should a liability be recognized when the distribution is made or when it is declared? Current thinking is that a liability should only be recognized when the dividend is declared.

TRANSITIONAL PROVISIONS: HOW TO TREAT PROFIT TAX PAYMENTS ALREADY PAID WHEN DISTRIBUTIONS ARE MADE

Another major issue when thinking about the law is how one will transition from one system to the next. Transitional provisions have not yet been finalized and may well change before the bill becomes law. One major issue is that if a company has made taxable profits in the past and paid profit tax but has not previously distributed dividends, it does not make sense that the company should now have to pay profit tax on those dividends.

In the current draft of the legislation, there is a provision that basically says that if one paid profit tax on profits earned from 2012 to 2016, but not yet distributed those profits, then the tax paid can be set-off in full. 2012 is the current statute of limitations for prior tax periods.

However, there may well be companies out there that made good profits in the years up until 2012 but did not pay out dividends and then, for whatever reason, did not make profits since that time. If they now wanted to pay out a dividend, they would end up being taxed twice on the same profits.

Transitional provisions could also be a lot more complicated if the transition happens mid-year. The first version of the law that was proposed

by the government suggested that the new system would come into effect on July 1, 2017. However, after intense consultation with its members and experts, AmCham agreed that this could create a range of negative unintended consequences. AmCham has therefore been engaging in discussions with the government at the highest level to try and secure a change to the proposed law, so that it comes into force from January 1 2017. On March 21 in a meeting with the finance minister, the government accepted AmCham's concerns and the law will not come into effect in 2017.

GETTING THE LEGISLATION RIGHT

Currently, Estonia is the only country in the world that has adopted this system. When the system was introduced, there was a lot of confusion about whether Estonia had become a tax haven. In addition, there was concern about

whether or not the double tax treaties that Estonia had signed were still valid. Estonia has made several amendments to

the legislation since it adopted this form of corporate profit tax in 2000. This means Georgia has a good model to follow but great care is needed in drafting the legislation, and amending other legislation, to ensure that the new system really does follow the Estonian model.

CONCLUSION

Overall, it would appear that there are many positives to adopting the Estonian model, including a reduction in tax payments, increased incentive to invest, lower compliance costs

and fewer expected disputes with the Georgian Revenue Service. The negatives of losing carried-forward losses and any transition confusion therefore seem modest by comparison. Ensuring that the legislation is of a very high standard is vital to address the various issues identified – as well as those that will be identified in the future.

Communication about the new system, within Georgia and with its trading partners, is essential to ensure that companies and shareholders are not disadvantaged by the new system. This is also important to make sure the reform is understood clearly by the international community to avoid Georgia being labeled a tax haven. However, if applied diligently and carefully, we hope that these changes may be a considerable addition to Georgia's reputation as a good place to do business and should encourage

investment and growth from old businesses and new.

“Under the new system, companies will need to submit monthly tax declarations”

Andrew Coxshall has over 27 years of experience in audit, accounting, tax and advisory services in more than 10 countries around the world.

He is a Fellow of the Institute of Chartered Accountants in England and Wales, a member of the Chartered Institute of Taxation, is a Registered Auditor in Georgia and has an MBA from Herriot Watt University in Scotland. He is also the Tax Chair of the Commercial Law and Tax Committee of AmCham.



PM Giorgi Kvirikashvili at AmCham's February Luncheon



The Four- Point Plan

GEORGIAN PRIME MINISTER GIORGI KVIRIKASHVILI HAS TASKED HIS CABINET TO TACKLE KEY CHALLENGES TO THE COUNTRY'S ECONOMY, WHICH INCLUDE EXTENSIVE REFORMS FOR THE TAX SYSTEM, THE PUBLIC SECTOR, VITAL INFRASTRUCTURE AND EDUCATION.



PM Giorgi Kvirikashvili and AmCham President Sarah Williamson

PRIME MINISTER GIORGI KVIRIKASHVILI HAS ANNOUNCED AN AMBITIOUS FOUR-POINT REFORM PLAN TO HELP THE GEORGIAN ECONOMY GROW. IN AN EMAIL EXCHANGE WITH INVESTOR.GE, THE PRIME MINISTER DETAILED THE VISION FOR THE STEPS HIS GOVERNMENT WILL TAKE TO BOLSTER GROWTH AND EMPLOYMENT IN THE COUNTRY – AND IMPROVE GEORGIA’S COMPETITIVENESS IN THE INTERNATIONAL MARKET.

FOSTERING DEVELOPMENT AND INCLUSIVE ECONOMIC GROWTH

The four-point reform plan was created to achieve two overall objectives: foster greater development of the country, and encourage inclusive economic growth. We are confident that the comprehensive reform plan will enable us to make significant strides across all sectors of the Georgian economy. The Georgian government’s reform plan was developed through extensive analyses of the current situation in the government and the country. Our assessments focused on identifying opportunities to spur growth and development in the civil, private, and NGO sectors.

The Georgian government has identified a number of key opportunities to bolster economic development as well as encourage growth – and increased access – to the financial sector, particularly

for small- and medium-sized enterprises. While a number of state programs offer different levels of financial support – such as the “Produce in Georgia” program that supports the agricultural sector – there is still room to do more. We have identified opportunities to develop more tailored mechanisms, particularly for start-up projects.

FUNDS FOR START-UPS

Research conducted by international financial institutions shows that due to the high investment risks associated with start-ups, commercial financial institutions are less likely to support start-ups and R&D-oriented entrepreneurship. Specifically, analysis shows that the most vulnerable projects are those requiring investment in the range of 15,000 GEL – 100,000 GEL.

In order to address this challenge and better support the development of

start-ups in the Georgian economy, a new initiative, led by the Partnership Fund and the Ministry of Economy and Sustainable Development, will improve opportunities for start-ups that fall in that investment range. Start-up projects will be assessed based on financial and conceptual criteria, and considered for financial assistance through a fair selection process.

In order to support new investment and foster an environment that encourages new opportunities for entrepreneurs, we found it is necessary to implement key policy measures, such as the decriminalization of minor economic infractions, meaning that pre-trial detention in case of economic crimes will no longer be applied. We have already made some preliminary steps in this direction, e.g. a recent decision provides that taxpayers with no operation will have their tax arrears written off given they meet certain conditions. This initiative aims to ease where possible the burden for businesses and make procedures more straightforward with a view to encouraging investment and entrepreneurship.

EFFECTIVE, EFFICIENT GOVERNMENT

The government's four-point reform plan seeks to improve the quality of life of the Georgian people and increase development throughout Georgia. To this end, it is necessary to ensure that public administration and government entities work effectively and efficiently.

For example, to support and encourage continued growth in the private sec-

tor, the reform plan seeks to improve the quality of public services offered to the private sector, as well as increase their accessibility. We will be offering a new "single window" of public services to the private sector and "front offices" that will streamline the process – in brief, we are looking for ways to optimize government resources by speeding up decision-making processes and improving their efficiency and transparency.

STRENGTHENING LINKS BETWEEN BUSINESSES AND COLLEGES

Vocational education is an important instrument to provide the private sector with a skilled workforce that meets its needs: it prepares technical specialists endowed with practical skills and knowledge. To accomplish this goal, we need to do two things: engage the private sector in the planning, delivering and quality control of vocational education and enable students to learn by doing.

This is why we are focusing on introducing work-based learning approaches into our educational system. Our plan is to build on some of the best experiences throughout Europe and other countries. One of the goals is to enable students to learn in a real work environment so that they are better equipped for future employment. This approach allows the private sector to meet perspective employees from very early stages, such as during internships, or any other form of work-based learning, including dual education. The latter is the key to success in many European countries – including Germany, Switzerland, and Austria – as ►►

The government's four-point reform plan seeks to improve the quality of life of the Georgian people and increase development throughout Georgia.

PM Kvirikashvili's Four-Point Reform Plan

1. Job creation and support to economic development

- Cancellation of profit tax and introduction of distributed profit tax.
- Decriminalization of economic offenses
- Support to starting businesses and creation of a start-up financing mechanism

2. Business involvement and transparency reform

- Business is involved in government decision-making process
- Increased transparency
- Many competent people involved in decision-making process
- Main emphasis should be on young people and business representatives

3. Regional development

- Speeding up infrastructure projects in regions
- Assessment of priorities to create corresponding plans for important issues and challenges in regions.

4. Education reform

- Vocational education development
- Support an increase in popularity for vocational education
- General education reform
- Fundamental reform in higher education based on dynamic research of needs in the country



► it helps to strengthen the linkage between business and colleges. This will ensure that both colleges and businesses are engaged in delivering the educational program jointly. All of the efforts regarding vocational education reform, with the support of European Union, GIZ, UNDP and other international and local organizations, have laid a solid foundation for a new phase of reform that will ensure hands-on engagement of the private sector in implementing the work-based learning approach, thus meeting labor market demands. Professional skills help youngsters and adults to get well-paid jobs, but this is not the only purpose of vocational education. We see it as an important instrument for boosting entrepreneurship as well, through providing entrepreneurial knowledge and skills to students. This new phase of reform will open an array of opportunities for students, including employment, entrepreneurship, and pursuing higher education.

The end goal is to equip Georgians with all the skills and knowledge to earn a decent wage and realize their full potential through employment or entrepreneurial activities.

LINKING EAST AND WEST, NORTH AND SOUTH

Infrastructure reform and development are key components of the reform plan, as this will further encourage development and increased connectivity across the country and its borders.

One of the most important infrastructure projects is the International East-West Highway, which runs along the historic Silk Road route. This new highway will further enhance Georgia's vital role as a hub and connector between Europe and Asia. Other major motorway projects will significantly increase connections and transport between north and the south Georgia through these projects, meaning Georgia can make full use of its transport-logistics corridor potential.

Infrastructure projects are also vital to the continued development of Georgia's booming tourism industry, which is a major driver for economic growth in the country. This includes improving travel routes to resorts in the mountainous regions to support Georgia's role as a destination for international travelers. The Svaneti Road, for instance, will connect 36 villages and, importantly, provide a link between Kutaisi airport – which receives a number of low-budget flights – and all major tourist destinations in Georgia. The Tetnuldi four-season ski resort, currently under construction, will serve over four thousand skiers and house the longest (9.5 km) and highest (1.7 km) vertical fall ski track in the Transcaucasia area. The Bakhmaro resort and spa, situated about 2,050 meters above sea-level, is being reconstructed, and resorts in Bakuriani, Gudauri and Adjara are being transformed into all-season resorts to support the increased demand for tourism.

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STRADDLING EUROPEAN, ASIAN AND MIDDLE EASTERN TRADE ROUTES, IN RECENT YEARS GEORGIA HAS BEEN TRYING TO BANK ON ITS GEOGRAPHICAL LOCATION TO RAISE ITS PROFILE IN THE INTERNATIONAL TRANSIT SECTOR AS CHINA AND CENTRAL ASIAN COUNTRIES REVIVE THE ANCIENT SILK ROAD FOR TRADE. THE DEEP-SEA PORT IN ANAKLIA, ON THE BLACK SEA COAST, HAS BEEN SLATED FOR YEARS AS A KEY COMPONENT OF GEORGIA AS A TRANSIT HUB. IN FEBRUARY, THE GEORGIAN GOVERNMENT AWARDED THE GEORGIAN-U.S. CONSORTIUM, ANAKLIA DEVELOPMENT CONSORTIUM, THE RIGHT TO BUILD THE FACILITY.

Anaklia can be a game-changer for Georgia's economy, which in 2015 was severely hit by a regional downturn and the devaluation of the national currency. A deep-sea channel would enable the access of large Panamax-size vessels that are too large to call in the two other Georgian ports. Currently, sizable ships with Georgia-bound cargo use other ports in the Black Sea region where containers are reloaded onto feeder ships, carrying a maximum of 1,700 containers, heading to the ports of Poti and Batumi. Experts maintain that the Anaklia port may unlock Georgia's capacity as a transit hub.

exception. Bypassing Istanbul would cut the transport time by two to three weeks.”

The project envisions a port that spreads over 988 acres (400 hectares) and, in addition, ADC also received the rights to develop a free industrial zone on about 1,482 acres (600 hectares) of adjacent land for 49 years. ADC is a joint venture between TBC Holding, which is based in Georgia, and Conti International, a U.S. infrastructure developer. The consortium also includes port designer Moffatt & Nichol and Maritime and Transport Business Solutions, a Netherlands-based port transaction advisor.

The tender award paves the way to the area's development and seals a long process. Originally floated by former President Mikheil Saakashvili in 2011, the project stalled and was revived under the new administration in 2014. Twelve consortia and companies responded to the government's call for expressions of interest on construction and development



პეპსიკო
განვითარების კონსორციუმი

Conti

TBCHOLDING

“Once completed, the port can potentially increase the business flow tremendously,” says John Braeckeveldt, regional manager of the Belgium-based logistics group Gosselin.

Upon completion, the port will have the capacity to process 100 million tonnes of cargo per year, potentially boosting Georgia’s GDP by 0.5% by 2025. The project comes at a total price tag of \$2.5 billion with the first phase being the most capital intense at about \$600-700 million. The government has committed to add \$100 million in infrastructure upgrades, including the construction of a 18-kilometer segment of railway to Zugdidi to connect the port to the national rail system.

The key, though, is not the trade to and from Georgia. Braeckeveldt maintains that the Caucasus market is too small for such an investment, which only makes sense if Georgia acts as a connection for trade between Europe, Central Asia, and China.

“Precious time has been lost and other ports have taken advantage of Georgia’s delays. Today, Riga’s port accounts for most of the trade with Central Asia, with vessels calling in Latvia and their cargo then being transported via railway through Russia. We are about five years late,” Braeckeveldt said. The Belgian group is also betting \$11 million on the country’s transit potential, as it is building a 70,000 square-meter logistics business park, which is scheduled to be operational by mid-2017.

Upon completion, the port will have the capacity to process 100 million tonnes of cargo per year, potentially boosting Georgia’s GDP by 0.5% by 2025.

of the deep-water port. Out of those candidates, seven were shortlisted and requested to submit a proposal. By last fall, candidates were down to two consortia, ADC and a consortium of Chinese state-owned Power Construction Corporation of China (PowerChina) and Anaklia Industrial Eco-Park and Port, a company founded by Georgian businessman Teimuraz Karchava.

Work at Anaklia is timed to start in October. The construction phase is scheduled to last three years, with the first vessel expected to dock by



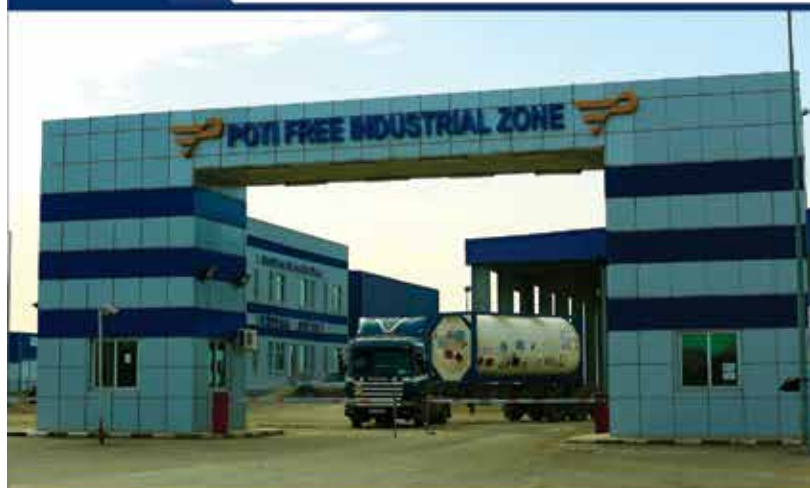
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► the beginning of 2019. The employment opportunities are also relevant: the port envisions the creation of 6,400 jobs (3,400 during the construction phase).

GEORGIA'S MARITIME WINNING CARD

Anaklia is located about 68 km from Poti and their close vicinity to each other has raised questions about whether the new project will jeopardize the country's leading port. In an interview last autumn though, Economy Minister Dmitry Kumsishvili stated that "Anaklia will not kill Poti; the idea is to attract a new flow, not move the already-existing one."

Mamuka Khazaradze, founder and president of TBC Holding, agrees. "All ports have a future in Georgia"; [reviving the Silk Road route] "is a big game and business can only benefit from healthy competition," he explained.

Georgia's ports have been steadily growing since 2000 and were privatized in 2008. Batumi and Poti are the country's two commercial port facilities, while the Supsa and Kulevi oil terminals handle a variety of hydrocarbons.

Last year, APM Terminals, part of world's largest container ship operator, AP Møller-Maersk, which operates and has owned an 80% stake in the port of Poti since 2011, announced a "large scale port expansion" plan in Poti. The project, expected for 2018, foresees the construction of two new deep-water berths able to accommodate vessels with capacities of 9,000 TEUs (twenty-foot equivalent units) and an annual throughput capacity of one million TEUs.

In 2014, Georgian ports' container handling increased by 18.5% y/y to 480,000 TEUs, with Poti accounting for 80% of the total. Estimates for 2015 are for over 8 million tons of cargo and 400,000 TEUs, with more than 1,300 vessel calls.

GEORGIA'S PROJECT OF THE CENTURY: The Anaklia Deep Sea Port

ANAKLIA DEVELOPMENT CONSORTIUM, A VENTURE OF GEORGIA'S TBC HOLDING AND U.S.-BASED CONTI GROUP, WON THE GOVERNMENT TENDER FOR BUILDING AND OPERATING A DEEP SEA PORT ON THE BLACK SEA'S ANAKLIA RESORT IN FEBRUARY. INVESTOR.GE SPOKE WITH KURT CONTI, PRESIDENT AND CEO OF CONTI INTERNATIONAL, AND LEVAN AKHVLEDIANI, THE CEO OF THE ANAKLIA DEVELOPMENT CONSORTIUM, ABOUT THEIR PLANS.

MAIA EDILASHVILI

SEVEN MILLION TONS OF CARGO

Conti and TBC Holding are planning to build a port with the capacity to handle 7 million tons of cargo within three years of operation and gradually increase its capacity to at least 40 million tons in thirty years. The port's eventual final capacity should reach 100 million tons.

Anaklia Port will also fill a gap in Georgia's transit infrastructure: cur-

rently, ports in Batumi and Poti cannot handle big Panamax and post-Panamax ships. They accept only feeder vessels capable of carrying a maximum of 1,700 containers. The Anaklia Port project aims to solve this problem by providing berthing for cargo ships with a capacity of 10,000 TEU (twenty-foot equivalent units).

TRANSFORMING THE COUNTRY

The project has the potential to change people's lives, noted Conti In-





Mamuka Khazaradze, founder and president of TBC Holding, and PM Giorgi Kvirikashvili

ternational CEO Kurt Conti.

“We realized early on that the Anaklia Deep Sea Port is positioned to spur unprecedented regional growth and improve the lives of millions of people,” Conti said.

According to him, with free trade agreements between Georgia and Europe already in place and ongoing talks of a free trade agreement between Georgia and China, the Port is set to play a pivotal role in fostering greater relations for strong economic development.

“The Anaklia Deep Sea Port is going to offer new, safe routes from Asia to Europe, and our focus is on meeting the schedule for groundbreaking by the end of this calendar year and completing the first stage of the Port by 2020,” he said. “In terms of the long-term perspective, there are a number of upside potentials. Anaklia will serve as a gateway port on the new Silk Road connecting Asia and Europe, and the adjacent Free Industrial

Zone will create further throughput for the Port.”

Levan Akhvlediani, the CEO of the Anaklia Development Consortium, (ADC) noted that there is a lot of potential that can be achieved – something that can really transform the country.

“The Anaklia Deep Sea Port is going to offer new, safe routes from Asia to Europe, and our focus is on meeting the schedule for groundbreaking by the end of this calendar year and completing the first stage of the Port by 2020.”

“So there is not only the emotional part, but there is a business part to it, and we feel being part of it is very important,” he said.

AMERICAN PARTNERS

The Chairman of TBC Bank’s supervisory board, Mamuka Khazaradze,

is personally responsible for attracting Conti International to the project: A 2000 alumnus of Harvard University Business School’s Owner/President Management Program, he and Kurt Conti were classmates. When Khazaradze hosted a Harvard reunion in October 2013, he and Conti decided to invest in a joint project.

“When they looked at projects that were available at that time, [Anaklia Deep Sea Port] was one of the most attractive projects. That’s how the idea came about,” Akhvlediani said.

In the project, Conti will serve as the overall program manager, overseeing development, design, and construction of the port. The company has created preliminary conceptual designs working together with its teaming partner, Moffatt & Nichol.

“Conti has a 100-year tradition of being at the center of some of the most important and complex economic development projects, and the Anaklia Deep Sea ►►

Anaklia Port: Background

Anaklia Development Consortium (ADC) was announced the winner of the project tender in early February 2016. Construction will begin in earnest in 2017 after environmental reviews have been completed. The port is expected to be put into operation three years after groundbreaking.

The construction process is expected to create 3,400 jobs, and 6,400 jobs will be created after the port becomes operational. The contract with the government envisions that ADC has to employ as many Georgians as possible – over 90% – and a combination of skilled and unskilled workers. To achieve this high employment rate for locals, the consortium plans set up a training center.

The estimated cost of the project is \$2.5 billion, which ADC plans to finance partly with equity, partly with debt. The fundraising has already started: a fundraising team has been established and ADC's financial consultants are going to go around the world attracting private investors for this project. "We have already made significant progress. I can't name names, but we have good commitments from different private investors," said Levan Akhvlediani, ADC's CEO, Co-founder and Partner.

ADC has also already approached international financial institutions, and the plan is to have well-established IFIs already operating in Georgia as the main providers of credit, Akhvlediani said.

The Georgian government has committed to invest in the project as well, mainly by providing road and infrastructure development.

"The Georgian government's steadfast backing of this project has proven to be an essential advantage, and they are a critical partner in ensuring the Port's success," Conti said.



► Port is certainly one that has the potential to produce immense economic benefits for the region," Conti told Investor.ge in an e-mail interview. "We are excited to be partnering with TBC Holding as well. We believe that their on-the-ground knowledge, combined with our deep sector experience makes us the perfect team to achieve this project."

The project has the potential to change people's lives, noted Conti International CEO Kurt Conti.

A CHINESE CONNECTION

ADC's contract with the government is a build, operate and transfer model, meaning that the consortium will get the right to use 400 hectares of land allocated for the port for 49 years. In addition, approximately 600 hectares of adjacent land will be handed over to ADC to develop a free industrial zone (FIZ).

The port has the real potential to attract foreign manufacturers to export via Georgia, noted Akhvlediani.

"Georgia signed a free trade agreement with the EU, and products produced in Georgia can be freely exported to the EU. Within the FIZ, as per Georgian law, there are tax breaks for companies operating within the zone. Therefore, that gives double incentives for international

companies to come and establish their factories," he said.

ADC plans to focus primarily on assembly and processing at the FIZ. "International companies will have an opportunity to come and establish themselves there, take advantage of tax relief as well as tariff-free export to EU, and access to such a big market.

That will create extra throughput for the port as well, and will be very beneficial for the country and the project as well," Akhvlediani added.

In particular, ADC is eyeing the Chinese as potential investors.

Akhvlediani noted that one of the routes for Chinese president Xi Jinping's 2013 One Belt, One Road initiative—a plan to move Chinese goods to Western markets—goes through Georgia.

"We believe Anaklia will be one of the natural gateways for cargo coming from China to Europe," he said.

The size of trading ships is growing, he noted, as are the economies of scale, which will lead to more and more demand for ports that can berth larger vessels. "I think that will be one of the main advantages we will have," he pointed out.



BP Georgia:

\$2 Billion Invested in Georgia so far, \$2 Billion More Underway

BP CELEBRATES ITS 20 YEARS IN GEORGIA IN 2016. CHRIS SCHLUETER, BP GEORGIA COUNTRY MANAGER, SPOKE WITH INVESTOR.GE ABOUT BP'S INVESTMENTS IN GEORGIA OVER THE PAST TWO DECADES - INCLUDING THE \$2 BILLION CURRENTLY BEING INVESTED AS PART OF THE SOUTH CAUCASUS PIPELINE EXPANSION PROJECT.

TWENTY YEARS

On behalf of its business partners and with 20 years of successful operations in the country, BP has brought \$2 billion in investments into the Georgian economy, and created more than 10,000 local jobs. The employment was generated by three major pipeline projects: the Baku-Supsa, the Baku-Tbilisi-Ceyhan oil pipelines, the South Caucasus gas pipeline and the South Caucasus Pipeline Expansion Project (SCPX) currently underway.

“We at BP, our partners and stakeholders in Georgia, have a lot to celebrate this year. Together, we have played a vital role in the integrated process of getting the resources produced from the Caspian to the people in the many surrounding countries and markets further afield to Europe and beyond,” said Chris Schlueter, BP in Georgia Country Manager.

He added, “Over the past twenty years our contribution helped to promote local community and business development, education, energy efficiency and the protection of Georgia’s cultural and

natural environment.”

SCPX \$2 BILLION INVESTMENT

With the development of the Shah Deniz 2 gas reserves in the Caspian Sea, the South Caucasus pipeline will be expanded, increasing gas supplies and adding employment. In Georgia, the scope includes two compressor stations, each bigger than 50 football pitches, 62 km of additional pipe from the border of Azerbaijan and a new gas metering station to connect with TANAP at the Turkish border.

“Part of the contribution to Georgia is supplying increased gas from the South Caucasus Pipeline for domestic use, which provides great value to the country,” Schlueter said.

Work on this \$2 billion project, which started in 2014, has ramped up to full speed, like a “crescendo in symphonic terms,” he noted.

Investment is flowing in to Georgia: \$400 million of this massive project is being spent right here in Georgia — into local goods and services, jobs and ►►



for 2018, with supplies to Georgia and Turkey; gas deliveries to Europe are expected in 2020.

Once online, the expanded pipeline will also offer Georgia a chance to at least double the amount of gas it currently receives from the SCP, Schlueter said.

“If you take today’s demand — and we supply about 24 percent of Georgia demand now; once we get to our peak, it could be up to 75 percent of current demand,” he said.

“Georgia’s demand is increasing, so it may not be precisely 75 percent that we supply in future.

“But it is a big addition and an important further contribution to Georgia’s energy security.

“So when you hear others talking about current gas shortages in Georgia and conversations that they are having with potential sources, it is more of a shorter term issue — before this project comes along and before the underground gas storage gets developed in Georgia.”

Georgia is a proven reliable energy corridor of global significance and its role continues to grow, Schlueter said.

He noted that “success has bred success”: BP has invested heavily with its partners and has successfully operated here two decades — and another massive expansion is underway.

► contracts with major works underway at several locations across the country.

“This \$400 million is for everything from the trucks, the gravel, the heavy equipment, to most of the work force and many local service contracts supporting the project construction,” Schlueter said.

Concerning employment, “We are getting to close to 3,000 people total on this project in the country. Approximately 75 percent, over 2,200 Georgian nationals, are employed at the sites right now on this project,” he said.

1 PERCENT OF GLOBAL HYDROCARBONS A DAY

“Even today, ahead of the SCPX project, Georgia moves almost 1% of the

world’s hydrocarbons every day through the country. This is 10 percent of BP’s hydrocarbons — so for our company and partners, it is a very large amount as well. This is major world-scale energy transportation” Schlueter said.

The SPCX will eventually transport of 24 billion cubic meters of gas a year — three times more than the existing pipeline. The gas will travel from the Caspian Sea to Europe through a series of pipelines: the SPCX in Azerbaijan and Georgia, TANAP in Turkey and TAP into Europe through Greece, Albania and on to Italy.

Schlueter noted that, given the size of the project, it will come online in stages, with the SPCX first gas delivery targeted

BP: 20 Years of Milestones

- March 1996: The Georgian Parliament ratifies agreements on the Baku-Supsa (WREP) pipeline; BP opened its first office in Tbilisi, Georgia
- 1998: Construction work on Western Route Export Pipeline underway
- 1999 : First tanker loading and official inauguration of Supsa Oil Terminal
- 2000: BTC Intergovernmental agreements ratified by parliaments of Azerbaijan, Georgia and Turkey
- 2001: SCP intergovernmental agreement for Shah-Deniz project signed for the transit, transport and sale of natural gas
- 2003: The first pipes for the BTC started to arrive
- 2005: The first oil for BTC started to flow
- 2007: SCP started to transport commercial gas
- 2010: First one billion barrels of oil delivered by BTC
- 2011: 500th tanker loaded in Supsa
- 2014: Start of SCPX project construction
- 2016: 20 year anniversary

Georgian Views on US Presidential Candidates

TWO OF THE FRONT-RUNNING CANDIDATES FOR THE 2016 U.S. PRESIDENTIAL ELECTION HAVE TIES TO GEORGIA: FORMER SECRETARY OF STATE HILLARY CLINTON AND BILLIONAIRE DONALD TRUMP. INVESTOR.GE SPOKE WITH GEORGIANS ABOUT THEIR EXPECTATIONS FOR THE RACE – AND WHAT THE CANDIDATES COULD POTENTIALLY MEAN FOR U.S. POLICY TOWARD GEORGIA.

JOSEPH LARSEN

It is campaign season in the United States. It is always campaign season in the United States, but now the candidates are playing for keeps. On November 8, 2016, Americans will go to the polls and choose the country's 45th commander-in-chief. This election year has brought a number of surprises.

Lifelong Democrat Hillary Clinton is the odds-on favorite to win both her party's nomination and the presidency but is facing unexpected challenges from the right and left in Donald Trump and Bernie Sanders, both political outsiders with large followings. Trump has no public-sector experience; Sanders has been a member of the Democratic Party for less than one calendar year. What is certain is that American voters face a more genuine choice than in past election years.

"There is a mess in U.S. politics," remarked Kornely Kakachia, Professor of International Relations at Tbilisi State University. Kakachia and many other Georgians are following the campaigns closely, as the United States' unique role in the international community means the outcome could impact their country's future.

The current favorite for the Republican nomination is Trump, a Manhat-

tan billionaire who flouts conservative orthodoxy on issues from healthcare to abortion to the U.S. invasion of Iraq. Trump relies on a boisterous persona and targeted insults toward immigrants, Muslims, women, and his political opponents.

On the Democratic side, Clinton is running against Vermont Senator Bernie Sanders, a self-professed "Democratic Socialist." Sanders is a classic left-wing populist who resents the wealth and power amassed by America's financial and industrial elite. He vows to succeed where the Obama administration has come up short: ensuring universal healthcare and affordable tertiary education, reining in Wall Street, and getting organized money out of Washington.

Some candidates have personal ties to Georgia.

GOP frontrunner Trump also has ties to Georgia. Trump visited the country in 2012 to kick off construction of the Trump Tower Batumi, a \$250 million, 47-story residential building bearing his personal brand. Despite his financial presence, Georgians are more likely to view him as an enigma than an authority figure.

"[Trump's popularity] gives the wrong message to Georgians. If a stable democracy will tolerate someone like Trump, what does it mean for Georgia?," Kakachia remarked. ▶▶

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► Clinton leads all candidates in demonstrable foreign policy expertise. She served as U.S. Secretary of State from 2009 to 2013 and made official visits to Georgia in 2010—where she pledged American support for Georgia’s NATO aspirations—and in 2012.

Gvantsa Koberidze, a 26-year education administration professional, was straightforward about her preferred candidate: “Hillary Clinton, of course.” While Koberidze doesn’t view gender as a decisive factor, she believes a Clinton victory would be a symbolic step forward. “I’m pretty excited that a woman will be the next president. That’s a pretty amazing thing,” she added.

Clinton’s reputation has been tarnished, however, by the Obama administration’s “reset” with Russia, an initiative that remains deeply unpopular in Georgia. Launched less than a year after Russia’s 2008 invasion, many Georgians view the reset as American acquiescence to Russian aggression.

Clinton has defended the policy, even declaring “the reset worked” in a 2014 interview with CNN. Scepticism remains. “Many Georgians would not be happy with Hillary [Clinton] as president,” Lomtadze asserted.

Kakachia, while critical of the reset, was less harsh toward Clinton: “She has experience in how to deal with Russia. She was doing as much as she could in the Obama administration.”

Many Georgians believe the outcome will have a significant impact on their country’s future, especially with regard to NATO accession.

Sergi Kapanadze, a former Deputy Foreign Minister and current Dean of Caucasus University, had this to say: “There is a chance for a window of opportunity [for NATO expansion], and you need an initiative to use it, to exploit that chance.”



New Plans for Old Neighborhoods



An artist's rendition of a reconstructed residential yard along Aghmashenebeli Avenue

IN FEBRUARY, THE TBILISI GOVERNMENT UNVEILED A NEW VISION FOR ONE OF THE CITY'S MOST HISTORIC NEIGHBORHOODS, AGHMASHENEBELI AVENUE – FROM THE METRO TO SAARBRUCKEN SQUARE (NEAR THE DRY BRIDGE). THE PLAN HAS INSPIRED CAUTIOUS OPTIMISM THAT TBILISI CAN RECLAIM GREEN SPACE FOR PEDESTRIANS, ALTHOUGH SOME URBAN PLANNERS AND CONSERVATIONISTS WARN THAT THE DEVIL IS IN THE DETAILS – AND THE IMPLEMENTATION.

NINO BAKRADZE AND LIKA JORJOLIANI



Artist's rendition of renovated neighborhood

In three years, if all goes according to plan, the hustle and bustle on a portion of Aghmashenebeli Avenue will fade to the sound of footsteps and bicycle wheels.

Currently, the avenue is a major route for traffic moving on the right side of the Mtkvari River. But the city's new plan calls for turning the avenue from the Central Post Office at 46 Aghmashenebeli to Saarbrücken Square (near the Dry Bridge flea market) into a closed street for pedestrians.

"Tourists, as a rule, express their interest in pedestrian streets and historic buildings. I think that the D. Aghmashenebeli Avenue, being in an old district of the city, will enjoy popularity among tourists. Today, the most visited places are the Sololaki district and Rustaveli Avenue. However, many guests of the capital find accommodations along D. Aghmashenebeli Avenue," First Deputy Head of Administration of the Tourism Department of Georgia, Rusudan Mamatsashvili, told *Investor.ge*.

She noted there are also plans to open a tourism information center in the neighborhood and to "include the new route in the tourist maps of Tbilisi, which will cover the territory restored under the auspices the 'New Tiflisi' program of the capital's government."

In addition, the city wants to recreate historic green spaces in the neighborhood,

and is undertaking an effort to restore at least some of the 100 hectares of gardens that existed in the area in the 19th century.

"Returning all of the green areas is impossible in the 21st century. However, our concept considers the maximal restoration of these gardens. Dozens of hectares that are possible to revive will become a green environment. A natural environment in the city may be created in the center of the capital. In addition, the plans for 'Eco-paths' have been developed to connect these gardens," Giorgi Baidarashvili, Director of the Development Fund of Tbilisi, said.

Irakli Zhvania, architect and co-author of project's concept, says if the construction company chosen to implement the work remains true to the project's vision, "New Tiflisi" will be "good and useful for the city."

"The renovation of gardens and a green zone is necessary to help solve Tbilisi's ecological problems. As we know, the area surrounding Aghmashenebeli Avenue is the most polluted location in Tbilisi and is the location of the city's highest temperatures in the summer. To have several hectares of green zone in the mid-city would help our environmental problems. On the other hand, renovation of those gardens means renovation of our city's history," he said.

Another important part of the project is

public and private transport, Zhvania noted, saying transportation routes "should be well planned."

"Organizers should think on that very well. Our streets are full with cars, and pedestrians have no space to walk. But this project includes the idea of having streets only for pedestrians, where cars will be prohibited. It will help the development of social spaces without transport noise and air pollution. That is one more benefit to the local inhabitants, too," he said.

MORE THAN JUST FACADES

Some urban planners have doubts about how beneficial the project will actually be.

Zurab Bakradze, an urban planner, complained the city could not have planned such a major project in just 10 weeks. He also claimed no one "outside the organizer companies has seen the plan. I doubt there is any such document at all. It is not serious if they have done research and a study process in 10 weeks."

"I think this project will not make this district healthier. I guess we will get the same result as we got from the renovation of Aghmashenebeli Avenue's first part. They painted facades and nothing more," he said.

Baidarashvili stressed, however, that the project is not just about renovating building facades.

"We will restore not only facades, but yards as well. We will completely renovate the engineering and communicative infrastructure," he said.

"First of all, we will fortify these buildings, then we will restore their facades. The state of all buildings located along the avenue has been studied in detail and their restoration and rehabilitation will be conducted according to the guidelines for restoration of historic monuments."

Baidarashvili added that several vestibules "that haven't lost their authenticity" will also be restored.

"There are some historic doors and entrance halls requiring reconstruction. Entrance halls of many houses that are situated on Aghmashenebeli Avenue are incredibly beautiful and have unique architectural appearances," he said.

For example, he noted that a house at 96 Aghmashenebeli Avenue, designed by a famous sculptor of Italian origin from St. Petersburg, Anjelo Andreoletti, will be renovated.

Baidarashvili said a separate project is slated to restore ancient balconies. "Open balconies and galleries, including beautiful carvings, were obligatory parts of houses, and recently these sites have really attracted interest tourist interest," he said.

In total, 47 buildings on Aghmashenebeli Avenue, many of which are cultural sites, will be renovated based on the project. The project is expected to cost 21 million lari, and it will be implemented by InSi and Dagi construction companies, both of which were involved in the 2010 renovation of the Aghmashenebeli Avenue from Tamara Mepe Street to Marjanishvili Metro Station.

The construction is supposed to take three to four months.

CALLS FOR MORE INFORMATION, MONITORING

Conservation specialists have questioned what the city can realistically accomplish in just three or four months, however. They have also expressed

concern that more communication and public discussion are necessary to make the project a success.

Tsira Elisashvili, an expert of cultural heritage affiliated with Tiflis Hamkari (a union of Tbilisi caretakers) said the fund needs to study "the first part" of the renovation of Aghmashenebeli Avenue, implemented under the previous government, to make sure they do not "repeat the same mistakes."

Elisashvili said Tiflis Hamkari will monitor the project's implementation.

She also expressed frustration that she has not been able to see any documents about the project plans and called for better implementation of the laws that determine what can be built where.

Bakradze also called for stronger legislation to guarantee proper planning.

"Every land plot is regulated by different orders, laws and amendments; we do not have general strong rules. We should change our attitude toward the city," he said.

The government has stressed that all necessary measures have been taken to preserve the neighborhood's historic heritage: 200 specialists have been included in the development of the concept of the "New Tiflisi" project according to the development fund.

Georgian Prime Minister Giorgi Kvirikashvili stressed that the government has prioritized the preservation and conservation of the city's historic heritage in his remarks at the project's launch on February 5.

"Tbilisi is an absolutely unique city, with its special location, architecture and residents. It is our duty to renovate the legacy of our ancestors – this unique city – and develop tourism and the economy to make the capital promising for its residents, interesting for tourists and to create new workplaces," he said.

"We have to give new impetus for development to the country, and this process starts today at Aghmashenebeli Avenue," he said.

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NEW AMENDMENTS TO THE LAW ON ENTREPRENEURS

In February, extensive amendments were introduced to the Law of Georgia on Entrepreneurs. As a general note, it shall be emphasized that the amendment package attempts to regulate the matters that have been subject of ongoing debate in the legal circles due to absence of explicit legislative regulations.

The amended clauses introduce, inter alia, the rules for dilution of participation interest in LLCs, the possibility of which was not directly envisaged in the legislation up till now. Furthermore, the time limits for the distribution of dividends have been introduced - LLCs and JSCs shall have to pay out dividends within the maximum term of 9 months after adopting the shareholders' resolution on distribution thereof.

Another very important development is the new rule, according to which the Chairman of the Supervisory Board, either in JSCs or in LLCs, may not at the same time hold the office of a Director of the same company. This amendment shall come into force as of 15 May 2016. The companies currently employing the same individual for both offices are given two years to elect either the Chairman of the Supervisory Board or the Director.

The amendments also specify that the existing shareholders in JSCs have pre-emptive rights over the newly issued shares. To limit the insider trading, it also sets forth that the subsidiaries of a reporting entity admitted at the stock exchange shall be prohibited to purchase the shares in this listed entity.

As an attempt to introduce the elements of modern corporate governance applicable to companies traded at a stock exchange, the amendments set forth the obligation of a listed company to maintain at least one independent member of the Supervisory Board.

And most importantly, certain procedural rules applicable to minority squeeze-out have been clarified enabling the corporations to use this mechanism even when the identity or the legal address of certain minority shareholders is not identifiable. Similar difficulties often were major reason for the inability of corporations to use this option granted by the legislation.

NEW REGULATIONS AT THE HOUSE OF JUSTICE

Effective from February 2016, the House of Justice will shorten its business hours until 9:00 PM of the last day of the statutory term. This rule shall also apply to the services to be completed in one business day, provided that the application for such services is filed no later than 12:00 PM on the same day. Most importantly, effective from 20 March 2016, in case of any insufficiency in the documents submitted by the applicant, the House of Justice has to inform the applicant of such discrepancy prior to expiry of the registration term. This effectively enables the applicant to remedy such discrepancy within the initial registration procedure. Notably, this rule does not apply to the services of registration of legal entities or political unions.

UPCOMING AMENDMENTS TO THE TAX CODE OF GEORGIA

Extensive amendments are underway to the Tax Code of Georgia. The announced objective of this new regulation is to encourage reinvestments and disincentivize offshore trading. The bill also proposes abolishment of a thin capitalization rules.

According to the Bill, the corporate income tax (profit tax) will be cancelled for Georgian companies and permanent establishments of foreign entities on reinvested income. Upcoming changes in corporate income tax system are tailored to the so called "Estonian Model" whereby the profits of the companies are not taxed, unless distributed to the shareholders as dividends. Likewise, Georgia aims to fully release reinvested profit from profit tax burden thereby incentivizing reinvestments.

If enacted, the amendments are expected to align tax accounting with financial accounting. For instance, enterprises will no longer be able to use a so-called "swift depreciation" option to deduct the entire value of purchased fixed asset at once. Instead, the companies will now have to follow IFRS rules and deduct depreciation costs accordingly. Also, tax losses accumulated from the previous years will vanish and the losses generated in future periods will no longer be carried forward.

The above amendments shall not apply to Oil & Gas and gambling businesses, operating in the so-called systemic-electronic area, as well as to the commercial banks, microfinance organizations, insurance companies and NGOs.

For more information and advise please contact us:

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The amendments are expected to come into force from July 2016.



The Rise of Boutique-Style Eating in Tbilisi

INNOVATIVE CAFES ARE MAKING WAVES IN TBILISI, TURNING THE TRADITIONAL GEORGIAN SUPRA [FEAST] INTO A BRAND NEW EXPERIENCE.

HELENA BEDWELL

Those who love Georgian food have been saying for many years that the system of layers upon layers of plates of food on the table is nothing but a holdover from the Soviet style of eating. During those repressive times, the Soviets realized that nothing prolonged their rule more than breaking the deep roots and social traditions of food and drink.

No one knows how many local recipes, traditions, utensils and cooking habits were lost. Well, it's time now to revive those traditions.

A 19TH-CENTURY GEORGIAN FEMINIST

Levan Qoqashvili, the founder and co-owner of Gastronom, was walking around with his wife at the Dry Bridge flea market, when suddenly he came across a cookbook – originally from 1874, and reprinted in 1914.

The book was exactly what Levan was looking for: a perfect restaurant food idea based on the recipes of Barbare Eristavi-Jorjadze, a woman known for her fierce stand on feminism and a great writer.

"Foreigners and locals love this food, it's nothing they have ever tasted before and it's all Georgian recipes," Levan tells me in his cozy little restaurant while passing a plate of baked pumpkin balls, amazing caramelized onions, and walnut bread and dips. All were made following Barbare's cooking advice. The menu is something exciting for the connoisseur, especially eggplant in walnut sauce, and authentic Georgian desserts, like wine sauce cheesecake and walnuts.

"And, of course, wine goes perfect with our menu; our selection is unprecedented," his wife adds. "Qvevri wines are the most exquisite; I – and many others – have endorsed this wine bottling factory for many years."

Levan is a firm advocate of continuing to learn; he says that those entrepreneurs, restaurateurs and chefs who are not afraid of increasing their culinary knowledge have all achieved success.

He shows me the list of online recommended Georgian restaurants, some of which I have never heard of before. "All these people did not fear something new and made changes," he said.

Getting the word out about these new cafes is easier thanks to food self-

ies and social media: So far Barbarestan (meaning "at Barbares"), Barbare and other restaurants like it are advertised by word of mouth, with the added power of social media sites such as TripAdvisor, Foursquare, and Facebook.

Another cafe looking to reestablish the roots of Georgian cuisine is Azarphesha.

Its founder, John Wurdeman, is almost a household name in Tbilisi these days.

A cheerful American who came to Georgia in the 90s and decided to stay and take part in the country's 8,000-year-old wine-making tradition, he is now working on the combination of wine and food.

"You can't have these two separately in Georgia; they complement each other here," he said in an interview at Azarphesha, while presenting me with another amazing menu, flooded with mouth-watering recipes and never-before-heard-of dishes that, of course, are all authentically Georgian.

John is a big lover of Georgian food and uses organic ingredients. His business buys local and uses sunflower oil made in

the countryside, which I could taste while enjoying the sautéed green peppers. A bite brought back to the tastes I remember from the oil used in my youth.

Azarphesha, just like Barbarestan, is never short of customers. An English-speaking wine advisor explains to new customers, who also end up here by word of mouth or TripAdvisor or by a recommended luxury trip expert, which wine is the best for their choice of food. The wine choice is excellent and comprehensive.

Barbarestan, Azarphesha, Pil Pili are an addition to one of Tbilisi's most famous restaurants – Black Lion (Shavi Lomi). A cozy, underground place, it leads the list of favorite places to visit in Tbilisi. Local chef here, Meriko Gubeladze, was one of the first champions of improving the taste of old, authentic Georgian flavors.

I heard from several people in Tbilisi that Georgians are not very amused with the size of some of the boutique-style restaurant dishes. I mean who would want to nibble on fried chicken in garlic? Or *khachapuri*?

NEW OPPORTUNITIES, NEW RESPONSIBILITIES

Professor Dali Tsatava, a wonderful recipe keeper and cook, agrees that Georgia needs to move in a new direction when it comes to food, but it should take care not to lose its originality and unique taste.

That includes the size of the portions, too. "The world is becoming very united and globalized these days and people are seeking new flavors. That's where we come into the picture: we have traditions, we have culture, we have authentic food and if we lose it, no one will come to visit," she said.

Tsatava thinks that restaurateurs and some chefs do whatever they like with the Georgian food, because there are no united standards for it yet.

She wants Georgia follow the examples of the French, Japanese, Chinese, Mexicans and Italians and set standards for its cuisine.

Fans of traditional Georgian fare should not worry: the boutique restaurants also serve the country's trademark *khinkali*.

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AMCHAM GEORGIA HOSTS THE PRIME MINISTER OF GEORGIA, GIORGI KVIRIKASHVILI

AmCham Georgia hosted the Prime Minister of Georgia, Giorgi Kvirikashvili, for a special Members' Luncheon event on February 26 at the Funicular Restaurant.

PM Kvirikashvili provided his insights on trends and challenges in Georgia's economy, new tax legislation, the Estonian model, and economic and political relations.

The event was attended by over 200 representatives from AmCham member companies. Members had the opportunity to engage in discussions with the Prime Minister during the question-and-answer session that followed.

"We have been really excited to see the proposals that Prime Minister Kvirikashvili has announced since the beginning of the year, and the American Chamber of Commerce is already working closely with the government on a range of these issues," AmCham President Sarah Williamson said.

"Today's meeting was a great opportunity to let our membership connect with the Prime Minister and his economic team directly. It signals a great attitude and a high level of engagement on the side of Mr. Kvirikashvili that we look forward to building on in the coming year."



AMCHAM COCKTAIL HOUR WITH OUTGOING HEAD OF NATIONAL BANK, GIORGI KADAGIDZE

On February 18, AmCham hosted NBG President, Giorgi Kadagidze, who completed his 7-year term as the Governor of the National Bank of Georgia at the end of February.

Mr. Kadagidze discussed Georgian monetary issues, the state of the Georgian economy, future development of the value of the Georgian Lari and his time at the National Bank. The presentation was followed by a cocktail happy hour where members had the opportunity to reconnect with each other.



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ESTONIAN TAX MODEL EXPLAINED

At the monthly roundtable meeting at Courtyard Marriott on March 9, AmCham Executive Director George Welton, together with tax experts from member companies, explained the government's plans to change to the Estonian tax model.

Members were informed about the implications of the planned changes and had a chance to share their thoughts with AmCham so the Chamber can discuss any potential problems and clarify any misunderstandings with—and pass on any recommendations to—the government.



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AMCHAM SUPPORTS: CONFERENCE “PROMOTING CORPORATE SUSTAINABILITY IN GEORGIA”

On April 22-23, 2016, an international conference on “Promoting Corporate Sustainability in Georgia” will be held in the Tbilisi Marriott Hotel in Tbilisi, Georgia.

The event is organized by the Government of Georgia and Civil Development Agency (CiDA), in cooperation with the United Nations Global Compact Headquarters. The American Chamber of Commerce in Georgia is a partner organisation of the event.

The Conference is financed by the

East-West Management Institute with funding from the USAID, within the framework of the Project “Advancing CSO Capacities and Engaging Society for Sustainability.”

Within the framework of the Conference, CiDA will sign a Memorandum of Understanding with the United Nations Global Compact Headquarters and an Active Global Compact Local Network Georgia will be launched in the country.

The purpose of the event is to popularize corporate responsibility in Georgia

through highlighting its role in promoting sustainable social and economic development.

This conference will also present a business case for corporate sustainability to Georgian companies.

The speakers of the conference will include representatives of the government of Georgia, business companies (local and multinational), the UN Global Compact, international and non-governmental organizations and trade union.

AmCham Members Speak with MCC Executive

At the February 4 roundtable meeting, Fatema Sumar, Millennium Challenge Corporation (MCC) Regional Deputy Vice President, outlined for AmCham members opportunities for public-private partnership and Science, Technology, Engineering and Mathematics (STEM) education through the MCC Compact. Ms. Sumar, who is the MCC Regional Deputy Vice President for Europe, Asia, the Pacific and Latin America, was interested to hear from AmCham members about their experiences in Georgia and about labor market challenges that employers face in technical fields. MCC in Georgia is one of the main U.S. government development donors. MCC provided \$395 million that was spent on roads, regional infrastructure

development and agriculture between 2005 and 2011, under the first MCC Compact. Due to the success of the first project, Georgia received a second Compact.

Valued at \$140 million, this will focus on Science, Technology, Engineering and Mathematics (STEM) education, including infrastructure and technical assistance for primary education, universities and technical vocational education (TVET).

MCC is also supporting a partnership between the Georgian government and San Diego State University to deliver U.S. bachelor degree programs in chemistry and electrical and computer engineering in Tbilisi. The presentation was followed by a dynamic Q&A between AmCham members and MCC representatives.

CLT COMMITTEE DISCUSSES TAX AMENDMENTS

The package of new draft amendments to the Tax Code was the main topic of the CLT Committee meeting on March 2. Members agreed that proposed changes should have a positive impact on businesses.

Due to large interest in the topic, AmCham organized a roundtable on March 9 related to aforementioned issue, where members will have possibility to discuss the draft provisions.

CLT members also discussed issues related to production losses and ongoing judiciary reforms.

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THE SALVATION ARMY IN GEORGIA



In the one hundred and fifty years since its founding in London, the Salvation Army has strived to take the Christian message in very practical ways to people around the world who are in the greatest need. While The Salvation Army (Khsnis Armia) in Georgia is much younger, this desire to be “Doing Good Today” has been as true in the nearly twenty four years of its existence in Georgia. Across the world, Christmas is a particularly important time for The Salvation Army and this is no less so in Georgia. Thanks to the generosity of our supporters nearly four hundred children received a Christmas gift through the Angel Tree Program. This project, which has been continually developing in recent years, helps to provide a gift for a child, many of whom would have received no other gift at Christmas.

Just prior to Christmas we were the recipients of a generous donation from The Salvation Army in the United States to help our “Back to School” project. This funding enabled children to be bought a new coat and shoes, an absolute necessity as they go to school through

the cold winter months. Several hundred children were helped in this way, through our centers in Tbilisi and Rustavi, as well as Batumi and Lagodekhi. We were also in the pleasing position of being able to respond to requests for help in other parts of Georgia. The need is great, and we are pleased to be able to do what we can.

Many individuals and organizations are keen to support the work of The Salvation Army. In recent months links with an American charity “Vision for the Children International” has helped to develop our work with children in Didi Digomi. Additionally, their generosity has meant that we have been able to purchase a couple of computers at our center in Ponichala. These computers mean that children can be helped to do research for their school work and also gives the potential for older people to become familiar with modern technology.

The work of The Salvation Army is not just restricted to children and young people. We recognize that on the streets of Tbilisi there are people who sleep rough. A team of young people from our Samgori center have recently

commenced a feeding program, which takes them out onto the streets one night a week to offer a hot meal to those who might otherwise go hungry.

As we continue to engage with the fast-changing world, The Salvation Army in Georgia is continuing to develop its online presence. In recent days our website (www.salvationarmy.ge) is moving to keep a record of the work that we do. We endeavor to have our news available in Georgian and Russian, as well as in English, on our website.

In a similar way, our Facebook presence (www.Facebook.com/KhsnisArmiaGeorgia) is slowly developing into a means of sharing our news with as wide a community as possible as quickly as possible.

As part of a worldwide Christian church with over a million members, The Salvation Army strives to bring hope to those for whom all seems to have been lost. We are grateful for the support of so many people, enabling us to do all that we can to alleviate suffering and bring hope of a new life for some of the world’s most vulnerable people.



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MKD has always been committed to providing high-quality practical legal advice and business solutions, remaining faithful to its values – integrity, the highest professional and ethical standards, teamwork, and understanding the commercial needs of its clients.

The shared values are instilled by the firm's five partners, who lead and manage the team of expert lawyers, and a well-established network of outside professionals, enabling MKD to offer both international and domestic clients a higher degree of specialization and focus.

The performance of MKD lawyers and professionals translates into client satisfaction, as a real measure of the firm's success. We are proud of the external recognition we have gained through client assessments in a range of international research-based guides for the legal profession, which in 2016 again recognized MKD as one of Georgia's leading law firms.

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VISA, A GLOBAL LEADER IN PAYMENTS, HOSTS REPRESENTATIVES OF GEORGIAN MEDIA

Visa International hosted a press event with Georgian journalists on March 16. The latest global trends in the payments industry, the multiple layers of security Visa uses to prevent fraud, and insights on how Visa is addressing market opportunities were discussed.

The Visa speakers at the event were Mandy Lamb, Group Country Manager for CIS & South-East Europe, Andrei Aleikin, Senior Director, Emerging Products & Innovations for CIS & South-East Europe, and Hector Rodriguez, Vice-President, Risk for the Central and Eastern Europe, Middle East and Africa (CEMEA) region.

The Visa representatives summarized the successful performance of the company in Georgia, highlighting that in terms of card penetration and readiness to accept innovations, Georgia is one of the leading countries in the region. For example, in 2015, Georgia was the first country to launch Host Card Emulation in the region. Georgia also led in issuing Visa payWave and contactless micro tag stickers in the South Caucasus, with 28% of all face-to-face Visa transactions in Georgia made on Visa payWave cards in September 2015.

Visa has already invested in and is planning to further invest in the industry's development in Georgia for the coming years, launching innovative

products, providing secure and reliable payments for its customers and deepening the established partnerships with leading Georgian banks, government and law enforcement agencies.

As Mandy Lamb, Group Country Manager, CIS&SEE commented, "Visa's business is focused on growing electronic payments and displacing cash in the system. With Georgia being one of the most progressive and innovative countries in the region, and a flagship market for Visa payWave and contactless payments, we believe that we are very much on track to achieving this goal."

Andrei Aleikin, Senior Director, Emerging products & innovations CIS&SEE has mentioned, "The world is rapidly becoming more connected, millions of devices will be connected to the internet, and the ability to pay or be paid will be at the heart of many everyday devices and services. Visa is offering the payments ecosystem – financial institutions, their technology partners and vendors – the tools and services that help develop new deliver secure, fast and reliable payments services across diverse commerce experiences. This is why we opened up our network through Visa Developer, an open platform for developers, offering API interfaces for direct access to new Visa services. In doing so, we aim to accelerate the migration to new

digital commerce experiences and gain the support of consumers who increasingly rely on connected devices to shop, pay and get paid."

Hector Rodriguez, Regional Risk Officer, CEMEA, noted, "With the speed of payment innovations in the world and in Georgia particularly, our role as one of the world's leading payments network is to make sure every time a Visa cardholder enters their card details online or dips, swipes, or taps their Visa card at the point-of-sale, they know they are accessing the most secure way to pay. Visa employs multiple layers of security that work together to help us manage fraud. From anti-counterfeiting features, to network-based fraud detection, to data security standards to help keep sensitive information secure, Visa is committed to leading the industry toward a more secure, trusted payment system. And, to ensure consumers feel they feel confident in using their Visa cards, we are working with Georgian issuers to strengthen consumer protection in the market by introducing rules that will provide Visa cardholders peace of mind whenever and wherever they use their Visa cards."

The press meeting was followed by Q&A session with invited media representatives. The event was organized with the support of NobletMedia CIS PR Agency.





Aecom Georgia LLC Corp A

Aecom is a global network of experts working with clients, communities and colleagues to develop and implement innovative solutions to the world's most complex challenges. Delivering clean water and energy, building iconic skyscrapers, planning new cities, restoring damaged environments, connecting people and economies with roads, bridges, tunnels and transit systems, designing parks where children play, helping governments maintain stability and security. Aecom connects expertise across services, markets, and geographies to deliver transformative outcomes. Worldwide, the company designs, builds, finances, operates and manages projects and programs that unlock opportunities, protect its environment and improve people's lives.

aecom.com



American Hospital Management Company (AHMC) Corp A

AHMC's successful track record includes collaboration in more than 50 hospitals and projects spanning 24 countries around the globe. A primary focus of the company in Georgia is to design, build and operate the American Hospital Tbilisi (AHT) in conjunction with Sayali Ltd. The construction phase of the project is expected to be completed in June 2017 with the hospital becoming operational in the 3rd quarter of 2017. The facility will bring new international healthcare standards (Joint Commission International accreditation) to Tbilisi and the region. The AHT will be an 80 bed multi-specialty hospital and will offer a comprehensive scope of inpatient and outpatient services.

www.americanhospitalmanagement.com



M&M Miltzer & Munch Georgia, FedEx GSP Corp A

FedEx Corporation is an American global courier delivery services company headquartered in Memphis, Tennessee. The name "FedEx" is a syllabic abbreviation of the name of the company's original air division, Federal Express, which was used from 1973 until 2000. The company has expanded from its original focus on ground and air-based services to include home delivery options and a retail division.

www.fedex.com/ge



Meridian Express Ltd. Corp A

UPS (NYSE: UPS) is a global leader in logistics, offering a broad range of solutions including transporting packages and freight; facilitating international trade, and deploying advanced technology to more efficiently manage the world of business. Headquartered in Atlanta, UPS serves more than 220 countries and territories worldwide. The company can be found on the web at ups.com and its corporate blog can be found at longitudes.ups.com. To get UPS news direct, visit pressroom.ups.com/RSS.

In Georgia, UPS business is represented by Meridian Express LTD as an Authorized Service Contractor of UPS and provides high quality express international and domestic shipping and logistic services to customers. Meridian Express Ltd. has always been providing UPS services in Georgia in compliance with UPS standards and quality and has always been concentrated and focused on customers' individual needs, demands and problem solutions. As Meridian Express Ltd. Team states, they are glad and proud of not having any single court or arbitration disputes with customers since 1996. All the services and business provided by the company is always compliance with Georgian and international LAW and oriented developing their business as much higher quality as possible to promote, support and allow its customers business to better serve their own customers and focus on their core competencies, which in general is positively impacted on the economy of Georgia.

ups.com



ModernRoofing Corp A

ModernRoofing offers flat roofing, waterproofing and heat insulation service of terraces, construction basements and walls; we offer the installation works of "soft tile" roofs, the so called "Shingle Roofs", by using modern and high quality materials, in correspondence with European standards. The quality of works is guaranteed. Works are performed by experienced and highly qualified specialists, who have undergone probation period in construction and construction materials manufacturing organizations.

modernroofing.ge



Sicpa Security Solutions Georgia Corp A

The company is organized around three global businesses: security inks; government security solutions; product and brand protection solutions. The executive management team of SICPA, together with several group functions, are based in the Lausanne Headquarters.

sicpa.com



Georgian Express Ltd. Corp B

International express deliveries; global freight forwarding by air, sea, road and rail; warehousing solutions from packaging, to repairs, to storage; mail deliveries worldwide; and other customized logistic services – with everything DHL does, the company helps connect people and improve their lives. With a global network in over 220 countries and territories across the globe, DHL is the most international company in the world and can offer solutions for an almost infinite number of logistics needs. DHL is part of the world's leading postal and logistics company Deutsche Post DHL Group, and encompasses the business units DHL Express, DHL Parcel, DHL eCommerce, DHL Global Forwarding, DHL Freight and DHL Supply Chain.

dhl.com



GM Capital Corp B

GM Capital is a consulting company that provides wide range of services for various industries including hydro and solar power plant construction, maintenance and operations, chemical plant operations and maintenance, etc. Applying specialists across a broad range of high speed rotating equipment such as compressors, turbines and pumps, the company enables safe, reliable and cost-effective solutions throughout the lifecycle of customers' facilities and assets. Using the experience in operating plants and overhauling and maintaining rotating equipment, GM Capital delivers O&M strategies to enhance operational performance and system reliability of industrial assets. Skilled operations and engineering teams provide equipment maintenance solutions to minimize downtime, increase availability and reduce overall operating costs. GM Capital also provides financial and industrial plans including financial planning, budgeting, reporting, accounting, VAT reconciliations, taxation issues, payroll control, etc. Company helps to improve procurement process by organizing and participation of all major international suppliers of equipment and consumables in the tender process and ensuring the transparency of the entire process. GM Capital also provides services to facilitate the sale of the output both on internal and international markets.

gmcapital.ge



ICS Ltd. TNT Agent in Georgia Corp B

TNT is an international courier delivery services company with headquarters in Hoofddorp, Netherlands. The firm has fully owned operations in 61 countries and delivers documents, parcels and pieces of freight to over 200 countries. The company recorded sales of €6.91 billion in 2015.

tnt.ge



Pasha Bank Georgia JSC Corp B

Pasha Bank is a Baku-based financial institution operating in Azerbaijan, Georgia and Turkey, providing a full range of corporate and investment banking services to large and medium-sized enterprises. Pasha Bank Georgia JSC is a regional bank, which is a part of Pasha Holding - a diversified investment group with interests in banking, insurance, property development, construction, tourism and other sectors. As of December 2014, the total assets of Pasha Holding are approximately EUR 3 billion. Pasha Bank Georgia JSC has been operating in Georgia since 2013. As of December 2015, the Bank's total assets exceeded GEL 278 million.

pashabank.ge



RSM Georgia LLC Corp B

RSM Georgia is an independent member of a global network RSM, which is the 16th largest network of independent audit, tax and advisory firms in the world and fifth largest firm in the U.S. The network comprises of more than 38,000 staff working across 760 offices in 120 countries, each of the top 40 major business centers throughout the world. RSM Georgia offers its services from four main offices in Tbilisi and branch offices in Batumi, Kutaisi, Poti and Ozurgeti. Since 2012 RSM has been a leading sponsor of European Business Award, Europe's largest and most significant cross-sector business recognition program.

rsm.ge

**Mr. Michael Anthony
Miller,
Individual**

**Mr. Nick Tabatadze,
Individual**

AmCham Company Members as of April 2016

PATRON MEMBERS

BP Exploration Georgia

24, S. Tsintsadze St.
Tel: 2593400
www.bpgeorgia.ge

KPMG Georgia LLC

3rd Floor, Besiki Business Center,
4 Besiki St., 0108
Tel: 2935713; Fax: 2982276
www.kpmg.ge

PricewaterhouseCoopers

7 Bambis Rigi St., 0105
Tel: 2508050; Fax: 2508060
www.pwc.com

UGT

17a Chavchavadze Ave., 7th floor
Tel: 2220211; Fax: 2220206
www.ugt.ge

CORPORATE A MEMBERS

AECOM Georgia LLC

34, Chavchavadze Ave.
Tel: 555603200
www.aecom.com

Alliance Group Holding, JSC

47/57 M. Kostava St., 0179
Tel: 2424181; Fax: 2998112
www.agh.ge

Ameriacan Hospital Management Company (AHMC)

6 U. Chkheidze St., 0102
Tel: 577007012
www.americanhospitalmanagement.com

American Medical Centers, Georgia

12 Arakishvili, Tbilisi, 0179
Tel: 557313707
www.amcenters.com

Auto Service Caucasus

5 Shalikhvili St.
Tel: 2208080
www.precisiontune.com

Avon Cosmetics Georgia LLC

117 Tsereteli Ave.
Tel: 2226805; Fax: 2226806
www.avon.com

Betsy's Hotel / Prosperos Books

32/34 Makashvili St. /
34 Rustaveli Ave.
Tel: 2987624; Fax: 2923592
www.betsyshotel.com

BHP International

Office 305, 3rd Floor,
2 Baratashvili St.
Tel: 2103207
www.bhp-int.com

British American Tobacco

71 Vazha Pshavela Ave.
Tel: 2157500/01/02; Fax: 2157503
www.bat.com

Catoni & Co. Georgia

7 Dzmebi Zubalashvilebi St.
Apt.22/23
Tel: 2989230; Fax: 2922264
www.hapag-lloyd.com

Caucasia Trading

Apt 11, Bld 7, 16 Krtsanisi St.
Tel: 14433050083; Fax:
14433788388
www.caucasiatrading.com

Caucasus University

77 Kostava St., Bld.6, 4th fl.
Tel: 2377777; Fax: 2313226
www.cu.edu.ge

CH2M Hill

5th Floor, GMT Plaza,
Freedom Square
Tel: 2474040; Fax: 2470210
www.ch2m.com

Chemonics International

5, 2nd Blind Alley, Chavchavadze St.
Tel: 2234311; Fax: 2234309
www.chemonics.com

Colliers International Georgia LLC

37/39 Kostava St.,
Grato Business Center 7th Floor
Tel: 2224477
www.colliers.com

Construction Service LLC

2 Gen. Mazniashvili St., Rustavi
Tel: (599)500559
www.cs.ge

Cushman & Wakefield - Veritas Brown

6th floor, Block 10,
71 Vaja-Pshavela Ave.
Tel: 2474849
www.veritasbrown.com

Dechert Georgia LLC

7th floor, Pixel building,
34 Chavchavadze avenue
Tel: 2334719
www.dechert.com

Deloitte

36a, L. Asatiani St., 0105
Tel: 2244566; Fax: 2244569
www.deloitte.ge

Diplomat Georgia

65, Kakheti Highway
Tel: 2984950
www.diplomat.ge

DLA Piper Georgia LP

10 Melikishvili St.
Tel: 2509300; Fax: 2509301
www.dlapiper.com

EY Georgia

44 Kote Abkhazi St.
Tel: 2439375; Fax: 2439376
www.ge.ey.com

F H Bertling Georgia Ltd.

Room 3, 4th Floor,
154 Agmashenebeli Ave.
Tel: 2252287
www.bertling.com

FINCA Bank Georgia

71 Vazha-Pshavela Ave. 3rd fl.
Tel: 2244949
www.finca.ge

Frontera Resources Georgia

12 Paliashvili St.
Tel: 2252412
www.fronteraresources.com

Georgian American Alloys, Inc.

200 S Biscayne Blvd Suite 5500,
Miami FL 33131 USA
Tel: (1)3053757560
www.gaalloys.com

Georgian American University

8 Aleksidze St.
Tel: 2206520; Fax: 2206519
www.gau.ge

Georgian Logistic Group Ltd.

12 G. Kuchishvili St., 0179
Tel: 2422424
www.glg.ge

GMT Group

4 Freedom Square
Tel: 2988988; Fax: 2988910
www.gmt.ge

Gosselin Moving Georgia

3 M/D, Didi Digomi
Tel: 2596601/02/03; Fax: 2596600
www.moving.gosselinggroup.eu

Grant Thornton LLC

61 D. Aghmashenebeli Ave.
Tel: 2604406
www.grantthornton.ge

Greco Group

1 Nutsbidze St.
Tel: 2393138; Fax: 2311107
www.greco.ge

GT Group

48 B. Cholokashvili St.
Tel: 2740740
www.gtgroup.ge

GULF Georgia

by Sun Petroleum Georgia LLC
Pixel Business Center,
34 Chavchavadze Ave.
Tel/Fax: 2496444
www.gulf.ge

Hilton Batumi

13 Takaishvili St., Batumi
Tel: 292092
www.hilton.com

Iberia Refreshments, JSC

Tetri Khevi Hesi District, Orkhevi
Tel: 2241091; Fax: 2241090
www.pepsi.ge

■ **IG Development Georgia Ltd.**
47/57 Kostava St.
Tel: 2987589
www.igdevelopment.ge

■ **IMSS Ltd.**
10a Bakhtioni St.
Tel: 2920928
www.imss.ge

■ **Kavkaz Cement JSC**
29 Andronikashvili St., 0189
Tel: 2619090
www.kavkazcement.ge

■ **Maersk Georgia LLC**
6 Khetagurov St.
Tel: 2200800; Fax: 2200815
www.maerskline.com

■ **Marriott Hotels, Resorts & Suites**
13 Rustaveli Ave.
Tel: 2779200; Fax: 2779210
www.marriott.com

■ **Meridian Express**
15-17 Ketevan Tsamebuli Ave. 0103
Tel: 2745188
www.ups.com

■ **Microsoft Georgia LLC**
34 Chavchavadze Ave.
Tel: 2970123
www.microsoft.com

■ **M & M - Militzer & Munch
Georgien, FedEx GSP**
39 Ketevan Tsamebuli Ave.
Tel: 2748240, 2748941
www.fedex.com/ge

■ **ModernRoofing Ltd.**
118 Tsereteli Ave.
Tel: 2356611
www.modernroofing.ge

■ **Oracle**
Ayazağa Mevkii Meydan Sok.
Spring Giz Plaza Kat:11
Maslak, Istdnbul, Turkey
Tel: 577500151
www.oracle.com

■ **PepsiCo Wimm-Bill-Dann**
Village Ponichala, Tbilisi 0165
Tel: 2475290
www.wbd.ru

■ **Philip Morris**
1 Tabidze St.
Tel: 2439001; Fax: 2439005
www.philipmorrisinternational.com

■ **ProCredit Bank**
154 Agmashenebeli Ave.
Tel: 2202222; Fax: 2202222-2226
www.procreditbank.ge

■ **Radisson BLU Iveria Hotel**
1 Rose Revolution Sq.
Tel: 2402200; Fax: 2402201
www.radissonblu.com

■ **Ronny's Ltd.**
3 Apt., 3 Vazha-Pshavela Ave.
Tel: 2472472
www.ronnyspizza.com

■ **Savaneti 99 Ltd.**
Village Savaneti, Bolnisi Region
Tel: 2605599

■ **SEAF Management LLC**
7, Niko Nikoladze St. II Floor.
Tel: 2998115; Fax: 2923533
www.seaf.ge

■ **Sheraton Metechi Palace Hotel**
20 Telavi St.
Tel: 2772020; Fax: 2772120
www.sheraton.com/tbilisi

■ **SICPA Security Solutions
Georgia**
79 Chargali St., 0178
Tel: 2434580
www.sicpa.com

■ **T&K Restaurants (McDonald's
Georgia)**
1 Dzmebi Kakabadze St.
Tel: 2921246; Fax: 2251422
www.mcdonalds.ge

■ **TBC Group**
7 Marjanishvili St.
Tel: 2272727; Fax: 2228503
www.tbc.com.ge

■ **TMC Global Professional
Services**
6001 Indian School Road NE, Suite
190, Albuquerque, NM 87110, USA
Tel: (1 505) 8723146
www.tmcservices.com

■ **West Invest Ltd.**
13a Lortkipanidze St.
Tel: 2997275
www.west-invest.ge

CORPORATE B MEMBERS

■ **Adjara Group Hospitality**
1, 26 May Sq., 0179
Tel: 2300099
www.adjargroup.com

■ **Air Astana Airlines JSC**
5th Floor, Pixel Business Center,
34 Chavchavadze Ave.
Tel: 2514999
www.airastana.com

■ **Aliance Georgia Ltd**
33 Samurzakano St.
Tel: 2243773
www.groupaliance.com

■ **Asseco Georgia**
24 Mosashvili St.
Tel: 2720901
www.asseco.ge

■ **Aversi Pharma**
148/2 Aghmashenebeli Ave.
Tel: 2987860
www.aversi.ge

■ **Baker Tilly Georgia Ltd.**
Meidan Palace, 44 Kote Abkhazi St.
Tel: 2505353; Fax: 2505353
www.bakertillyinternational.com

■ **Bank of Georgia**
3 Pushkin St.
Tel: 2444134; Fax: 2983269
www.bog.com.ge

■ **Bank Republic**
2 Gr. Abashidze St.
Tel: 2925555; Fax: 2925544
www.republic.ge

■ **Basel LLC**
49 Krtisanisi St.
Tel: 2550110
www.krtisanisi.com

■ **Basis Bank JSC**
1 Ketevan Tsamebuli Ave.
Tel: 2922922; Fax: 2986548
www.basisbank.ge

■ **Batumi International Container
Terminal**
11, Baku Street, 6010, Batumi
Tel: 422 276452
www.bict.ge

■ **BDO LLC**
2 Tarkhishvili St.
Vere Business Centre, 0179
Tel: 2545845; Fax: 2399204
www.bdo.ge

■ **BGI Advisory Services Georgia**
18 Rustaveli Ave., II floor
Tel: 2997292; Fax: 2996615
www.bgi.ge

■ **BLB (Business Legal Bureau)**
1 Shevchenko St, Apt.1
Tel: 2995797
www.blb.ge

■ **BLC Law Office**
4 Gudishvili Sq.
Tel: 2922491; Fax: 2934526
www.blc.ge

■ **BMC Gorgia**
140 Tsereteli Ave.
Tel: 2960960
www.gorgia.ge

■ **Capital Bank**
1 Vertskhli St.
Tel: 2428888
www.capitalbank.ge

■ **CaspiGroup Ltd.**
29 Bochora St.
Tel: 2550818
www.caspigroup.com

■ **Caucasus Online LLC**
71 Vazha-Pshavela Ave.
Tel: 2480048; Fax: 2480048
www.caucasus.net

AmCham Company Members as of April 2016

■ Channel Energy (Poti) Limited Georgia LLC, By Petrocas Energy Group

52, David Agmashenebeli St., Poti
Tel: (995493) 2-7-08-60
www.petrocasenergy.com

■ Château Mukhrani, J.S.C.

Sangebros St.
Tel: 2201878; Fax: 2201878;
www.mukhrani.com

■ Citi & Co.

4 Besiki St.
Tel: 2920921

■ Crowne Plaza Borjomi

Baratashvili Str. 9, 1200 Borjomi
Tel: 995 367 220260
www.cpborjomi.com

■ Crystal, MFO JSC

72 Tamar Mepe St. Kutaisi, 4600
Tel: 431253343
www.crystal.ge

■ Duty Free Georgia

3rd floor, 4 Besiki St.,
Besiki Business Center
Tel: 2430150
www.dfg.ge

■ Efes Brewery in Georgia - Lomisi JSC

Village Natakhtari, Mtskheta Region
Tel: 2357225
www.natakhtari.ge

■ EVEX Medical Corporation

40 Vazha-Pshavela Ave.
Tel: 2550505
www.evex.ge

■ Gebrüder Weiss LLC

Airport Adjacent Territory,
Kakheti Hwy
Tel: 2710011
www.gw-world.com

■ GeoCapital Microfinance Organization Ltd.

5 Tsereteli St, Kutaisi
Tel: 431 267070
www.geocapital.ge

■ Geocell

3 Gotua St.
Tel: 2770100, ext. 7435;
Fax: 2770119
www.geocell.ge

■ GeoEngineering LLC

15a Tamarashvili St.
Tel: 2311788; Fax: 2311787
www.geoengineering.ge

■ Geomill LLC

4, Chirnakhuli St.
Tel: 2400000
www.geomill.ge

■ Georgian Airways

12 Rustaveli Ave.
Tel: 2999730; Fax: 2999660
www.georgian-airways.com

■ Georgian Beer Company

3311 Saguramo, Mtskheta District
Tel: 2437770
www.geobeer.ge

■ Georgian Express

105, Tsereteli Avenue, 0119
Tel: 2696060
www.dhl.com

■ Georgian Hospitality Group

22 Peritsvaleba St., 0103
Tel: 2987789
www.ghg.ge

■ Georgian Integrated Systems (GIS)

Office 1, 85 Abashidze St., 0163
Tel: 2243724
www.gis.ge

■ Georgian Resources Company

3-5 Kazbegi St.
Tel: 2936676
www.georgianresources.com

■ Geo Steel LLC

36 Davit Gareji St., Rustavi, 3700
Tel: 2243794
www.geosteel.com.ge

■ Globalink Logistics Group

14-A Shartava St, 2nd fl, Suite 7
Tel: 2253262; Fax: 2439002
www.globalinkllc.com

■ GM Capital LLC

2 Tarkhnishvili St., 0179
Tel: 2912626
www.gmcapital.ge

■ Gvinadze & Partners LLC

44 Kote Abkhazi St, 0105
Tel: 2438970, Fax: 2438971
www.gvinadzeandpartners.ge

■ HeidelbergCement Georgia

18 Lermontov St.
Tel: 2474747
www.heidelbergcement.ge

■ Herbalife

Bld. 4a Tamarashvili St., 0162
Tel: 2202929
www.herbalife.com

■ Hotels And Preference Hualing Tbilisi

Hualing Tbilisi Sea New City, 0152
Tel: 2505025
www.hotelspreference.ge

■ Hualing International Special Economic Zone

25 Apt. 34/36 Kobuleti St.
Tel: 591005900
www.hualing.cn

■ Hydrolea LLC

11 A. Apakidze St.
Tel: 790420015
www.hydrolea.com

■ ICS Ltd. TNT Agent in Georgia

25 Agmashenebeli Ave.
Tel: 2910220
www.tnt.ge

■ IGroup

197/24g Kazbegi Ave.
Tel: 2308483
www.igroupgeorgia.com

■ ILF Beratende Ingenieure ZT GmbH Branch in Georgia

15 Tamar Mepe Ave.
Tel: 2199453
www.ilf.com

■ Imedi TV

51 Ljubljana St.
Tel: 2464646
www.imedi.ge

■ Interco Travel Holding

36 Al. Kazbegi St.
Tel: 2294343
www.intercontinental.ge

■ International Black Sea University

David Agmashenebeli Alley 13 km,
2, 0131
Tel: 2595005
www.ibsu.edu.ge

■ JTI Caucasus

VII Floor, Pixel Business Center,
34 Chavchavadze Ave.
Tel: 2604111
www.jti.com

■ Kordzhahia, Jgenti Law Firm

10 Petriashvili St.
Tel: 2921878
www.kjlaw.ge

■ KSB Bank

3 Ketevan Tsamebuli Ave.
Tel: 2550000, Fax: 2507707
www.ksb.ge

■ Leavingstone

12a Al. Kazbegi Ave.
Tel: 2105103
www.leavingstone.com

■ Legal Partners Associated LLC

Office #203, Besiki Business Center,
4 Besiki St. 0108
Tel: 2200203; Fax: 2250458
www.lpa.ge

■ Lemondo LLC

13 Dzotsenidze St.
Tel: 2193377
www.lemondo.com

■ Liberty Bank JSC

74 Chavchavadze Ave.
Tel: 2555500; Fax: 2912269
www.libertybank.ge

■ Luca Polare

54 Oniashvili St.
Tel: 2990399
www.lucaolare.com

■ Mercure Tbilisi Old Town

9 Gorgasali St., Old Tbilisi, 0105
Tel: 2006060
www.mercure.com

■ **Mgaloblishvili Kipiani Dziridzuri (MKD)**
Office 24, 71 Vazha-Pshavela Ave.
Tel: 2553880
www.mkd.ge

■ **Mina JSC**
4 Besiki St.
Tel: 2449981/82/83; Fax: 2449980
www.mina.com.ge

■ **Mira-Group Ltd.**
Brose Street Turn, Old Tbilisi
Tel: 2242244/55/88
www.riverside.ge

■ **National Center for Dispute Resolution**
4/7 Rustaveli St., Rustavi
Tel: 2193406
www.ncdr.ge

■ **NCC Ltd.**
9, Erekle II turn
Tel: 2725088
www.ensisi.ge

■ **Noblet Media**
7, Khorava St.
Tel: 2396300
www.nobletmedia.com

■ **Nodia, Urumashvili & Partners**
Office #28, IV Block,
71 Vazha-Pshavela Ave.
Tel: 2207407
www.nplaw.ge

■ **Nutrimax Ltd.**
68a Rustavi Highway, 0165
Tel: 2305335
www.nutrimax.ge

■ **Overall Management Group (OMG) Inc.**
29 Marjanishvili St.
Tel: 2436052; Fax: 2436052

■ **Paine Stevens LLC**
1 Ivane Javakhishvili Sqr.
Tel: 2903211, Fax: 2903291
www.painestevens.com

■ **PASHA Bank Georgia JSC**
15, Shota Rustaveli Ave.
Tel: 2265000
www.pashabank.ge

■ **Policy and Management Consulting Group (PMCG)**
61 Aghmashenebeli Ave, 4th floor
Tel: 2921171
www.pmcg.ge

■ **Poti Free Industrial Zone**
Pixel Building, 4th floor,
34 Chavchavadze Ave.
Tel: 2485485
www.potifreezone.ge

■ **Publicis Ltd.**
17 V. Jorbenadze St.
Tel: 2745672; Fax: 2745671
www.publicis.ge

■ **Qebuli Climate**
101, Tsereteli Ave.
Tel: 2356201
www.qebuli.ge

■ **Rakeen Development LLC**
Pixel Business Center,
34 Chavchavadze Ave.
Tel: 2933393; Fax: 2933993
www.rakeen.ge

■ **Resolution Insurance Brokers, Georgia LLC**
61, Gorgasali St.
Tel: 2936305
www.rib.ge

■ **Rixos Hotel Borjomi**
16 Meskheti St., Borjomi
Tel: 2292292
http://borjomi.rixos.com

■ **Rooms Hotel**
14 Merab Kostava St.
Tel: 2020099, 2730099
www.roomshotels.com

■ **RSM Georgia LLC**
67, Aghmashenebeli Ave.
Tel: 2558899
www.rsm.ge

■ **Rustavi Azot Ltd.**
2 Mshvidoba St. Rustavi-3702
Tel: 995341270900
www.azot.ge

■ **Rustavi Steel LLC**
12 Y. Gagarin St., 3700 Rustavi
Tel/Fax: 260 66 99
www.rmp.ge

■ **Sakcable JSC**
Suite 414, 19 Gamrekeli St.
Tel: 2221418
www.sakcable.ge

■ **Sayali Ltd.**
6 Ushangi Chkheidze St.
Tel: 2951212;
www.sayali.ge

■ **Silknet Ltd.**
95 Tsinamdzgvrishvili St.
Tel: 2910345;
www.silknet.com

■ **SRG Investments LLC**
49a Chavchavadze Ave, 3rd floor
Tel: 2253581
www.silkroad.ge

■ **Tbilisi View**
4a, Freedom Sq.
Tel: 2999980
www.tbilisiview.ge

■ **TBC Leasing JSC**
8 Bulachauri St., 0161
Tel: 2272727
www.tbcleasing.ge

■ **Teliani Valley JSC**
2 Marshal Gelovani Ave.
Tel: 2313245; Fax: 2313249
www.telianivalley.com

■ **Terrace Hotel & Restaurant**
7 Polikarpe Kakabadze St.
Tel: 2999001
www.theterracetbilisi.com

■ **Theco Ltd.**
16 Chikovani St.
Tel: 592107515
www.tbilisia.ru

■ **University of Georgia**
77a Kostava St.
Tel: 2552222
www.ug.edu.ge

■ **VD Capital**
77 Kostava St., 0175
Tel: 2363672; Fax: 2364302

■ **Wings and Freeman Capital**
Green Building, 6, Marjanishvili St.
Tel: 2940051; Fax: 2940053
www.wfcapital.ge

■ **Wissol Georgia**
74b Chavchavadze Ave.
Tel: 2915315; Fax: 2915615
www.wissol.ge

NON-PROFIT ORGANIZATIONS

■ **Agricultural University of Georgia**
140 David Aghmashenebeli Alley
Tel: 2594901
www.agruni.edu.ge

■ **American Friends of Georgia**
77 Nutsbidze St.
Tel: 2397174; Fax: 2388495
www.afgeorgia.org

■ **CARE International in the Caucasus**
37 Tsagareli St., 0162
Tel: 2291941
www.care-caucasus.org.ge

■ **Europe Foundation**
3 Kavsadze Str.
Tel: 2253942; Fax: 2252763 (ext. 112)
www.epfound.org

■ **Free University of Tbilisi**
140 David Aghmashenebeli Alley
Tel: 2200901
www.freeuni.edu.ge

■ **Georgian Wine Association**
12 Mtatsminda St.
Tel: 2505457

■ **Good Governance Initiative**
Pixel Center, 8th Floor, 34,
Chavchavadze Ave.
Tel: 2243111
www.ggi.ge

■ **QSI International School of Georgia**
Village Zurgovani, Tbilisi
Tel: 2537670; Fax: 2322607
www.qsi.org

■ **Salvation Army**
16 Ikalto St.
Tel: 2333786; Fax: 2330227
www.salvationarmy.org

■ **San Diego State University - Georgia**
3 Chavchavadze Ave.
Tel: 2290820
www.sdsu.edu

■ **Transparency International Georgia**
61 Aghmashenebeli Ave. 0102
Tel: 2932129
www.transparency.ge

AmCham Cocktail Party and Tiffany Bar's Birthday Celebration

ON FEBRUARY 5TH, AMCHAM GEORGIA HOSTED A MEMBERS' APPRECIATION RECEPTION AND TIFFANY BAR'S BIRTHDAY CELEBRATION IN TIFFANY BAR. LAST YEAR HAS BEEN HUGEY SUCCESSFUL FOR AMCHAM AND WE'VE DECIDED TO START THE NEW ONE WITH COCKTAILS AND IN COMPANY OF FRIENDS.

GUESTS ENJOYED DELICIOUS CANAPES, DRINKS AND BIRTHDAY CAKE. AMCHAM PRESIDENT SARAH WILLIAMSON GREETED THE GUESTS AND THANKED TIFFANY BAR FOR SPONSORING AND HOSTING THE WONDERFUL RECEPTION. MEMBERS USED THE OPPORTUNITY TO RECONNECT WITH FRIENDS, COLLEAGUES AND FELLOW REPRESENTATIVES OF MEMBER COMPANIES.





AmCham Cocktail Party at Betsy's Hotel on March 25





7th Tbilisi Burns Supper & Ball

THIS YEAR'S TBILISI BURNS SUPPER & BALL, CELEBRATING THE BIRTH OF SCOTLAND'S MOST FAMOUS POET, ROBERT BURNS, TOOK PLACE AT THE FUNICULAR BALLROOM. GUESTS WERE TREATED TO A SUMPTUOUS 4-COURSE SCOTTISH MEAL PREPARED BY CHEF JORGE DA SILVA, INCLUDING TRADITIONAL HAGGIS, ACCOMPANIED BY PLENTY OF WINE AND WHISKY WITH WHICH TO WASH IT DOWN. SPEECHES FROM STUART NELSON (HILTON BATUMI); ANDREW COXSHALL (KPMG); LUBA PROTSIVA (WORLD VISION) AND WILLIAM BOYD (EUMM) HAD THE AUDIENCE ON THEIR FEET IN APPRECIATION, WHILE THE GLENCRAIG SCOTTISH DANCE BAND, SPONSORED BY KPMG, KEPT THE GUESTS DANCING UNTIL THE WEE HOURS OF THE MORNING.

THE LIVE AUCTION BY AUCTIONEER EXTRAORDINAIRE, CLIFF ISAAK, TOGETHER WITH THE RAFFLE (WITH PRIZES DONATED BY GENEROUS DONORS INCLUDING QSI, HILTON BATUMI, MARRIOTT HOTELS, ADJARA HOSPITALITY GROUP, RADISSON BLU IVERIA, CHATEAU MUKHRANI, BETSY'S HOTEL, FUNICULAR COMPLEX AND KPMG) HELPED THE EVENT TO RAISE A RECORD AMOUNT. BENEFICIARIES OF THE EVENT ARE THE TEMI COMMUNITY – HELPING SOCIALLY VULNERABLE PEOPLE IN EASTERN GEORGIA; CATHARSIS – HELPING THE ELDERLY, IN PARTICULAR BY PROVIDING A DAILY HOT MEAL TO THOSE WITHOUT HOMES; AND DOG ORGANIZATION GEORGIA, WHICH OPERATES SHELTER FOR STRAY DOGS ALONG WITH STERILIZATION, VACCINATION AND ADOPTION PROGRAMS.





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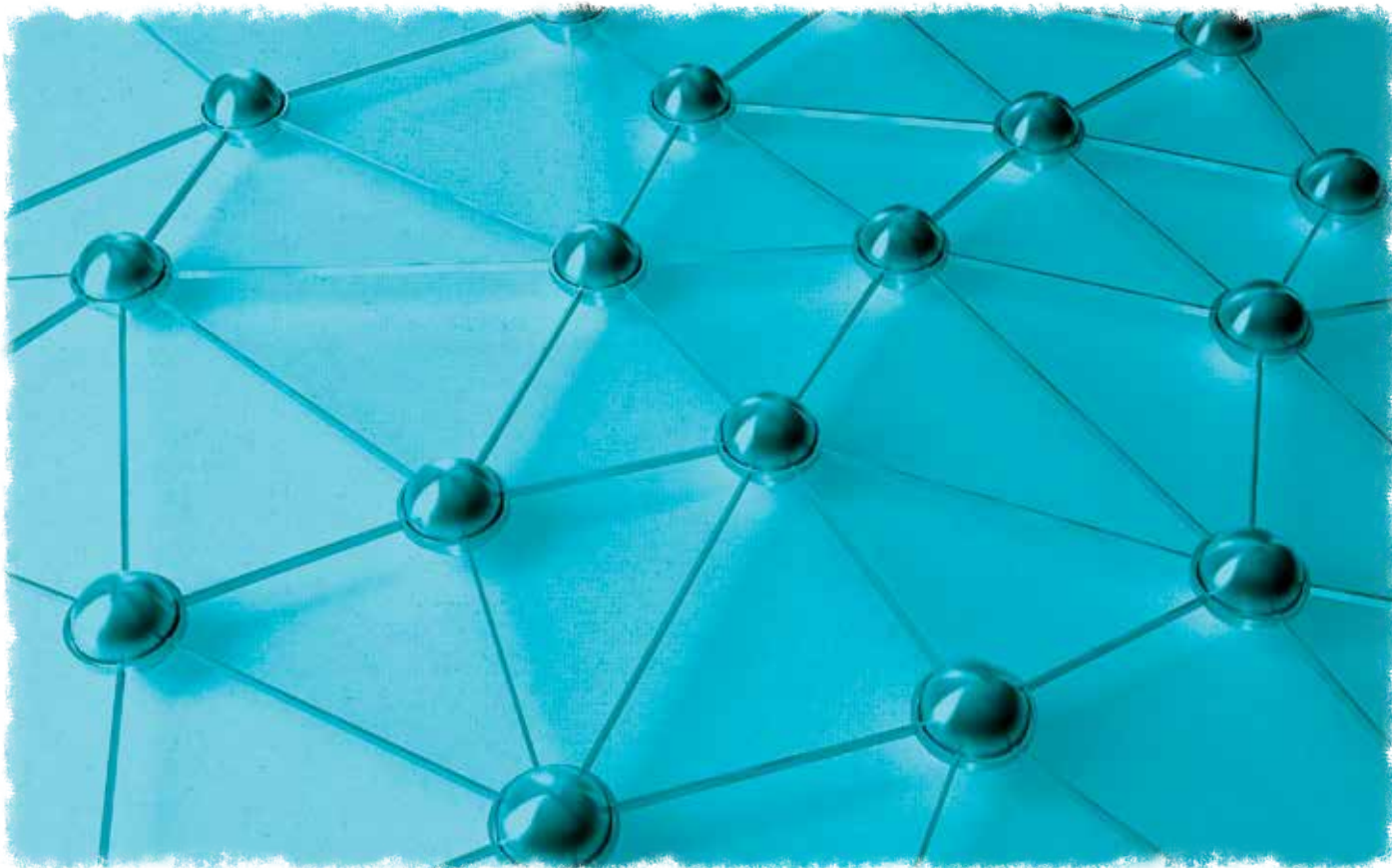
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