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ALI AND NINO: A LITERARY "WHODUNIT"

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AMCHAM A Magazine Of The American Chamber Of Commerce In Georgia

ISSUE 58 AUG.-SEP. 2017

US Vice President Brings Message of Support

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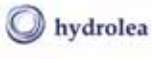

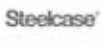

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US Vice President Delivers Message of Support to Tbilisi

US VICE PRESIDENT MIKE PENCE REAFFIRMED WASHINGTON'S POLICY TO SUPPORT GEORGIA AND STRENGTHEN ITS ALLIANCE WITH THE SOUTH CAUCASUS NATION DURING A TWO-DAY TRIP THAT WAS CAPPED WITH A VISIT TO ONGOING US-LED MILITARY DRILLS.

US Vice President Mike Pence vowed Washington's continued support for Georgia during his two-day visit to the country's capital.

"We are with you, we stand with you," the US vice president said during a press conference with Georgian Prime Minister Giorgi Kvirikashvili on 1 August.

Pence made a point to underscore US support for Georgia's territorial integrity. "The United States supports Georgia's sovereignty and territorial integrity within its internationally recognized borders and under President Donald Trump, the United States of America will reject any claim, at any time, by any nation that undermines this enduring principle," he was quoted as saying on Civil.ge website.

STRATEGIC PARTNERS

"We are proud of our friendship and strategic partnership with the nation and the people of Georgia," Pence said.

He added that "America First does not mean America alone."

SHARED BATTLES

Pence also spoke about the two countries' bilateral military cooperation.

"Nowhere is the bond between our two nations stronger than in our shared effort to promote security and stability across the wider world," he said.

The US vice president noted that "thousands of Georgians have served shoulder-to-shoulder with Americans - in Kosovo, in Iraq, and in Afghanistan."

Pence also repeated US support for Georgia eventually joining NATO and praised the country's commitment to reforms.

PM THANKS PENCE

"We are thankful to America. Georgia's aspiration to maintain peace within the country and in the region remains unchanged.

The USA is Georgia's loyal friend, reliable geopolitical ally, and strategic partner. It is an ally, who we are linked to with common values and global security priorities.

Our aim is to regain our place in the family of European states. Over the past few years, we took measures to achieve Euro-Atlantic integration, be it the agreement with the EU on Deep and Comprehensive Free Trade Area and closer cooperation with NATO," Kvirikashvili said, as reported by BBC Monitoring.

The PM also spoke about the importance of US investment in the Georgian economy.

"We have one of the best business environments today with a very low corruption and bureaucracy indices and low taxes, which is the best opportunity for American business to gain profit here. Our aim is to create the best platform in the region for American business interests and it is noteworthy that American companies' interests are involved in the large regional infrastructure projects that are being implemented in our country," Kvirikashvili said.

The PM was referring to the involvement of the Conti Group in the Anaklia Deep Sea Port Consortium and a cooperation document between the Anaklia Port Consortium and SSA Marine.

INVESTMENT NEWS

INVESTOR.GE PROVIDES A BRIEF UPDATE ON INVESTMENTS AND CHANGES IN GOVERNMENT POLICY THAT COULD IMPACT THE BUSINESS ENVIRONMENT. THE INFORMATION IN THIS ISSUE WAS TAKEN FROM AGENDA.GE, A GOVERNMENT-SUPPORTED WEBSITE, AND OTHER SOURCES.

GEORGIAN ECONOMY GROWS 4.5 PERCENT

The Georgian economy grew 4.5 percent in the January-May period, Reuters news agency reported on 4 July, citing official statistics.

Last year, the economy grew just 2.9 percent in the same period.

The economy grew 5.3 percent in May, compared to just 2.1 percent in April. The report credited an increase in remittances and exports for the higher growth numbers.

NUMBER OF INTERNATIONAL TOURISTS UP

The number of international arrivals increased by 28.5 percent in June compared to the same period last year, agenda.ge reported, citing official data.

"During the first six months of 2017 Georgia hosted 2,996,170 international travellers (13.4 percent increase), including 1,309,982 tourists (29.1 percent increase)," the report noted.

GEORGIA RECEIVES $400M IN INVESTMENTS IN FIRST QUARTER

Georgia received a boost in foreign direct investment in the first quarter of 2017, according to the National Statistics Office, agenda.ge reported.

Foreign direct investment was up 3.7 percent, to $403.3 million in the first quarter (Q1) of 2017.

The top three countries investing in Georgia were Azerbaijan, with $97 million in FDI (24.1 percent of all FDI); Turkey, with $82 million in FDI (20.2 percent of all FDI); and the United ▸▸

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Kingdom, with $80 million in FDI (19.8 percent of all FDI).

The top three sectors for investment were transport and communication, with $141.1 million in FDI (35 percent of all FDI); real estate, with $80.3 million in FDI (20 percent of all FDI); and the financial sector, with $79.6 million in FDI (20 percent of all FDI).

"Our country is the only one in the region with investment growth, while all the other countries have an evident decrease. This is why up to a 4 percent increase is a high indicator for us, but we will keep on ensuring that FDI will become even higher from now on," Georgian Minister of Economy Giorgi Gakharia said.

ASIAN INVESTMENT BANK LENDS GEORGIA $114 MILLION

Georgia and the Asian Infrastructure Investment Bank (AIIB) and Georgia have signed a $114 million financing agreement for the construction of the Batumi Bypass Road in the Adjara region, agenda.ge reported.

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GEORGIA'S SHUAKHEVI HYDROPOWER PLANT SET TO OPEN

Georgian Prime Minister Giorgi Kvirikashvili announced the country's Shuakhevi Hydropower Plant will open this summer, agenda.ge has reported.

He said 100 percent of construction has already been completed.

"In 2015, several international financial institutions teamed up to help Georgia build the Shuakhevi HPP by investing $416 million in the construction and operation of the power plant," agenda.ge said.

At a ceremony in Adjara, Kvirikashvili thanked Adjaristsqali Georgia— a joint venture of India's Tata Power and Norway's Clean Energy Invest, the International Finance Corporation (IFC), the Asian Development Bank (ADB) and the European Bank for Reconstruction and Development (EBRD)—for their contributions to the plant's construction.

"Our supreme goal is to substitute locally produced energy for imported energy in the shortest period of time. To achieve this, we need unity between people and the government, support from international institutions and the engagement of local and foreign investors," Kvirikashvili said.

The plant will employ 300 local people and is expected to produce 450 gigawatt hours of power annually. It will also reduce greenhouse gas emissions by more than 200,000 tonnes per year, the report said.

GEORGIA EXPORTS FOOD TO QATAR

A Georgian company has started exporting blueberries, greens and tomatoes to Qatar, agenda.ge reported, citing information provided by the Georgian Economy Ministry.

"In June this year the need to find new exporter countries and companies and especially food-product producing companies has emerged in Qatar.

Large Qatari companies addressed the Georgian Embassy in Qatar to help them find potential partners in Georgia," announced Georgia's Ministry of Economy.

"For this reason, representatives from the export-promotion department of 'Produce in Georgia' contacted more than 100 private companies and provided all information about these companies to the Qatari side," read the statement from the Ministry.

Uvie's Berries, a Georgian company, responded to the query, which responded in a contract with a Qatari supermarket chain, Lulu, to supply it with Georgian blueberries and greens, the report said.

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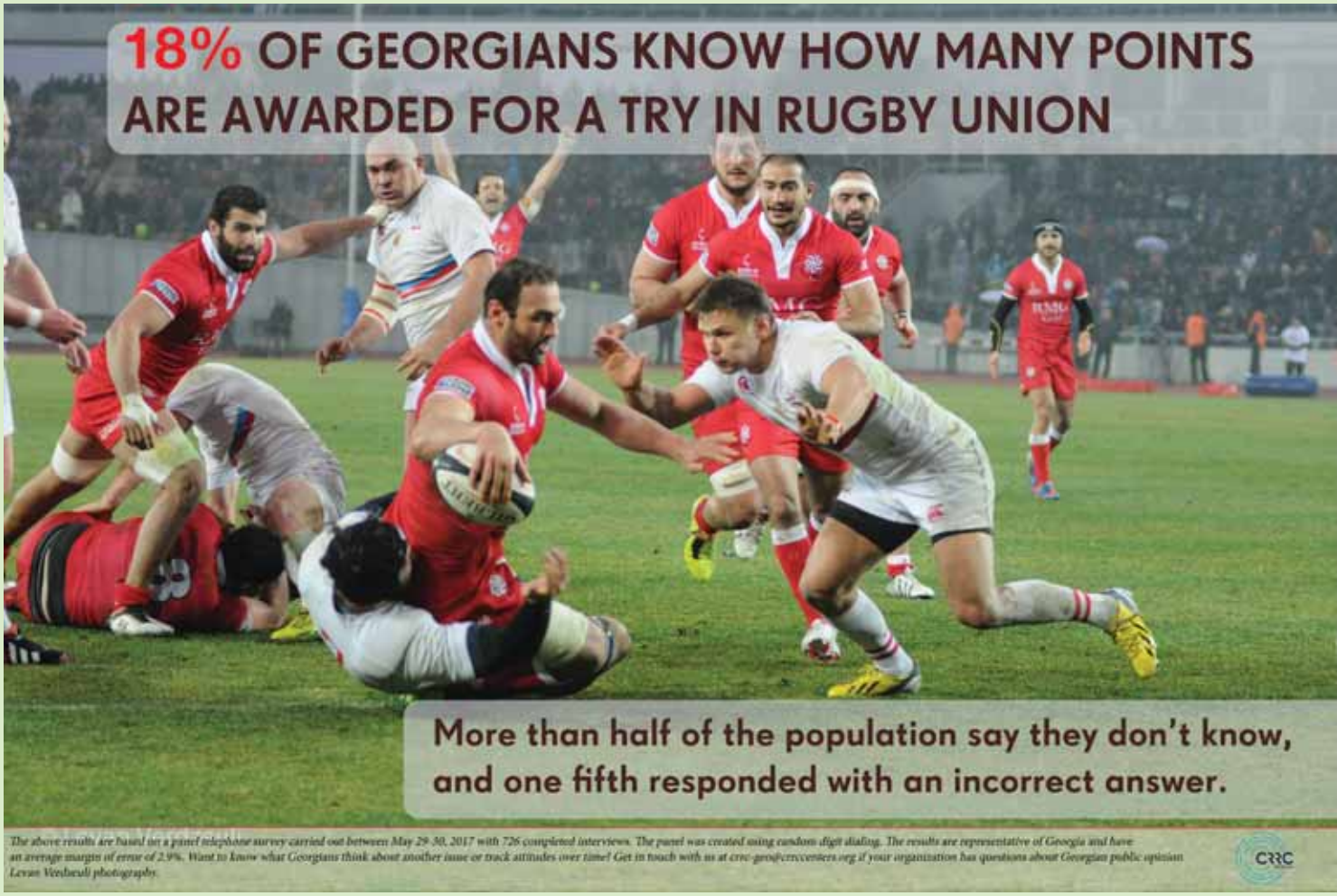


Georgians Say Rugby Country's Most Successful Sport

THE CAUCASUS RESEARCH RESOURCE CENTER HAS FOUND THAT GEORGIANS BELIEVE ITS RUGBY TEAM IS THE COUNTRY'S MOST SUCCESSFUL SPORTS TEAM, BUT FANS DON'T KNOW MUCH ABOUT THE GAME.

The Georgian National Rugby Team's achievements have been many in recent years. From gaining automatic qualification for the 2019 Rugby World Cup in 2015 for the first time, to ranking 12th in the world rugby rankings, the team has obtained widespread national support and established a presence on the international rugby scene.

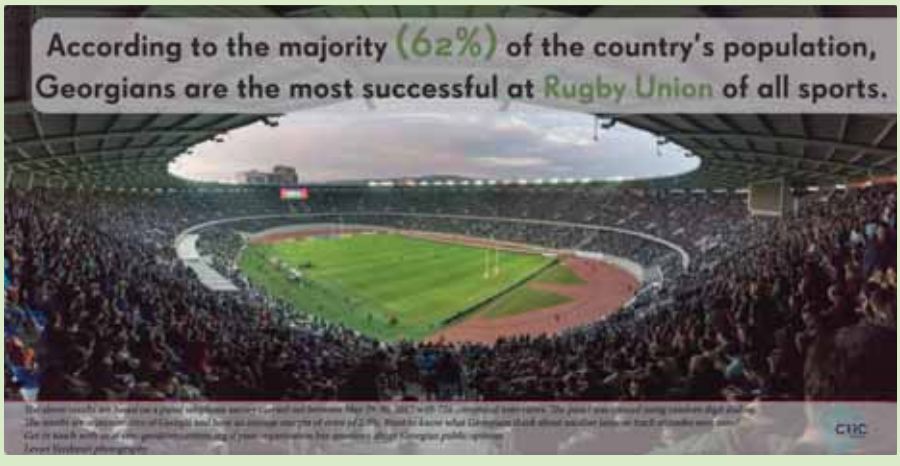
The results of a telephone survey CRRC-Georgia conducted on May 29-30, 2017, suggest that the public recognizes these achievements. According to the survey, 62% of the Georgian public think that rugby is the sport in which Georgia enjoys the most success. This attitude is highest in Tbilisi at 72%, compared to other urban and rural areas, which registered 67% and 51% respectively. Notably, 67% of female respondents, compared to 57% of men consider rugby to be is the sport in which Georgia enjoys the most success. The public also

backs financial support for rugby: 38% supported soccer, followed by 27% who supported funding for rugby. In 2015, Georgia won the right to host the World Rugby Under 20 Championship for the first time, one of the highest level juniors' tournaments in the rugby world. The tournament kicked off on May 31 in Kutaisi and came to an end on June 18, at the Mikheil Meskhi Stadium in Tbilisi. Tournament awareness was high. According to the CRRC-Georgia survey results, 55% was aware that Georgia was about to host the World Rugby Under 20 Championship.

Despite strong support for rugby, many Georgians don't know much about the game. The survey shows that only 18% of the population knows what the amount of points for a try without a conversion kick is (five points), and only 6% of Georgians know how many players are in the scrum for each team (eight players). While 21% gave an incorrect answer on the latter question, 73% responded that they didn't know. Notably, 28% of men gave the right answer more often than women, who only responded correctly 10% of the time to the question.

CRRC-Georgia's survey results show that Georgians recognize the country's rugby achievements and support allocating financial resources to the sport. However, many aren't so knowledgeable of the game's rules. These results are based on a panel telephone survey carried out between May 29-30, 2017 with 726 completed interviews. The panel was created using random digit dialing. The results are representative of Georgia and have an average margin of error of 2.9%.

Want to know what Georgians think about another issue or track attitudes over time? Get in touch with us at crrc-geo@crrccenters.org if your organization has questions about Georgian public opinion.



Georgia Plans Public Listing for Wind Power Station

GEORGIAN PRIME MINISTER GIORGI KVIRIKASHVILI HAS ANNOUNCED PLANS TO LIST GEORGIA'S GOVERNMENT-OWNED WIND POWER STATION ON THE STOCK MARKET. THE PLAN HAS BEEN PRAISED AS A WAY TO JUMP-START GEORGIA'S CAPITAL AND ENERGY MARKETS.

SALLY WHITE

The georgian government's decision to privatise Kartli wind power station is feeding into hopes for the country's green energy sector and its capital market. Once a valuation is complete, shares in the station are to be sold at the Georgian Stock Exchange.

A success with this sale will encourage the government to expand the privatisation programme by launching similar sales for hydro, thermal and more wind power stations, according to market experts.

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KICK-OFF FOR GREEN ENERGY

The plan has the potential to put new life into Georgia's stock market and attract domestic and foreign investors to Georgian privatisations. Also being targeted is provision of funds to help grow the country's burgeoning green energy industry. As a kick-off, the 21-megawatt Kartli farm has a good investment story to tell, a third of its electricity going as exports to Turkey, the rest being used to cover peak power demand in the cold winter months.

Announcing the move, Prime Minister Giorgi Kvirkashvili said on the government's Agenda.ge website, "We have decided to make a public offer on the Georgian Stock Exchange and we have offered, for the first time, (opportunities) to buy a stake in this project. This is a form of privatisation. I believe this decision will incentivise the stock exchange and our citizens will acquire the feeling of involvement in on-going projects. Moreover, domestic investors will also be able to buy the project shares.

"The project will be prepared for public offer on the domestic stock market and this is a very good precedent," he added.

Kartli Wind Power Station was completed last year and is currently owned by the Georgian Energy Development Fund. Speaking to international news agency Bloomberg, Deputy Energy Minister Mariam Valishvili said: "The share sale will be the first public offering locally, a better option than classic privatisation and definitely possible this year. We will hire auditors to evaluate the offer."

The export market is complex, but basically Georgia needs to generate more electricity if it is to supply its own requirements and have tradeable surpluses. However, green energy does not come cheap – Georgia's first wind project cost $30 million to build, Bloomberg pointed out.

More wind plants are being planned, with two more to be constructed in 2018. Kvirikashvili has made his strategy to grow a green energy industry clear. As he said on Agenda.ge: "We have taken many serious steps in this direction. Green energy should become one of the important priorities. "

ROLE FOR STOCK MARKET

Georgia has also been working with the EU to put in place the necessary regulations and institutions to manage its energy markets profitably. As the IMF commented: "State-of-the-art infrastructure requires appropriate regulatory and commercial mechanisms that ensure its technical and economic efficiency."

The stock market part of the plan is important as Georgia's capital markets need to catch up with those elsewhere in the region. Otherwise it will be hard ▸▸

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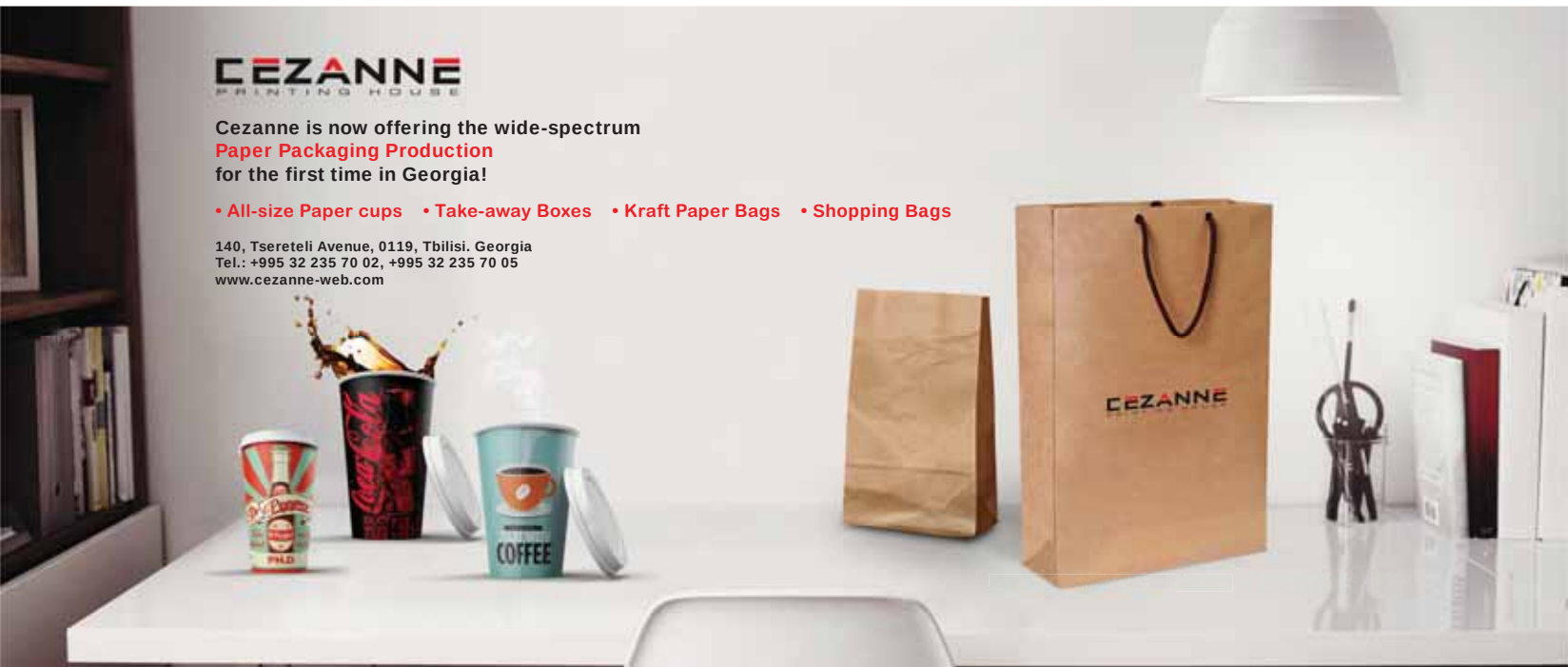

to achieve the government's aim of developing a local pension sector and expanding the insurance market, let alone grow the economy.

The major banks, TBC and Bank of Georgia have leapt with alacrity to follow up on the government's enthusiasm for the local stock market. TBC has done bond placements, the most recent of which is a $10 million bond for Georgia's Nikora food group. It has been trading this security after placing the bonds with foreign and local investors, and now will ensure that it continues to trade actively in the market.

While, as TBC says, it is difficult to judge how fast the market will grow given that it is "in its nascent stage" it expects a build-up of new funding on it by Georgian companies over the coming months. Both foreign buyers and (with the emergence of a Georgian pension industry) local investors are, it says, attracted by Georgian bonds. The bank sees bonds rather than shares being the main form of investment offered at the moment. But, it adds "... watch this space! TBC capital is aggressively expanding its platform; we are adding more innovative products for our customers."

TBC also sees scope for Georgia to develop as a funding and investment hub for the whole region: "Infrastructure is in place, investment banking experience has been accumulating and foreign interest in this market is growing. Also considerable investments were made into local stock exchanges in order to facilitate trading operations."

The Bank of Georgia (BoG), too, has a pipeline of corporates seeking to raise funds locally (having dominated international bond issuance) and has already started to help build a local investor-base for the market. Reflecting the government's drive to create a local pensions industry, BoG's broking company, Galt & Taggart, has signed a first private pension fund management contract and started managing pension assets. Says BoG's CEO Kakhaber (Kaha) Kiknavelidze: "We will be actively involved in the implementation of the wider pension reform planned from 2018."

While the Georgian market can offer attractions to foreign investors – good bond yields, diversification, a growing economy – BoG, like TBC, is being careful not to over-hype expectations, he added. Georgia's scale was small for many foreign investors, and when it came to equities there remained a lot to be put in place in terms of regulation and governance.

However, BoG is also doing its bit with helping turn the locals into investors, he said: "..... we are working in conjunction with the National Bank of Georgia and have developed a program on how to improve finance education among Georgian citizens. The program is comprehensive and includes regular trainings, financial literacy workshops both in cities and rural areas, courses in universities, etc."

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Georgian Government Upbeat on Chinese Trade

THE NEW FREE TRADE DEAL BETWEEN CHINA AND GEORGIA WILL ALLOW 94 PERCENT OF GEORGIAN PRODUCTS TO ENTER THE CHINESE MARKET WITHOUT PAYING CUSTOMS FEES. THE AGREEMENT IS JUST THE LATEST IN A GROWING NUMBER OF BILATERAL ECONOMIC DEALS BETWEEN THE TWO COUNTRIES.

LIKA JORJOLIANI

Georgian goods—including wine, iron and steel ore and many, many other products—are heading to China's 1.3 billion-person market, thanks to the free trade deal signed between the two countries in May.

Under the agreement, 94 percent of Georgian products and services will be exported to the Chinese market without custom fees, at a zero tariff rate. Ambassador of the People's Republic of China in Georgia Ji Yanchi told *Investor.ge* that the agreement is very significant.

"The agreement provides good perspectives for the further development of mutually beneficial cooperation and partnership; it is also very significant for the construction of the Silk Road Economic Belt initiated by the President of China, Xi Jinping. I think that we are on the right track with Georgia. I am very glad that this year we signed this agreement, and I hope that it will enter into force before November," he said.

The Ambassador noted that China has already signed free trade agreements with 22 countries, including 11—like Georgia—signed under the One Belt, One Road policy.

"These agreements have a great significance, and Georgia can use its geographic location to develop its links and trade/economic cooperation with the CIS, the EU and Turkey. China is the fourth among major trade partners of Georgia; trade turnover for the first quarter of this year reached $176 million," Ambassador Ji Yanchi said.

He noted that Georgia's main exports to China include alcoholic beverages and wine.

In terms of volume, China is the second-largest importer (after Russia) of Georgian wine, the Ambassador said.

"UNIQUE OPPORTUNITY" FOR AGRICULTURE

"The free trade agreement with China represents a unique opportunity for the export of some products to the Chinese market.

"Currently, we do not have sufficient volumes of products to satisfy the Chinese market, but in the future, free trade will stimulate Georgian producers to increase the volumes of their production," First Deputy Agriculture Minister Nodar Kereselidze told *Investor.ge*.

Currently, the biggest change is likely to be in the wine sector, he said.

"After the removal of customs tax, ▸▸

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EXCEPTIONS TO THE "LARISATION POLICY"

Effective from 1 July 2017, new regulations adopted in light of the Government's "Larisation policy", obligate entrepreneurs to denominate the price in Georgian Lari when offering or advertising goods or services. Recent Order #93/04 of the President of the National Bank of Georgia established several exceptions from the above rule. Carve-out mainly captured goods and services largely dependent on foreign currency, such as, for instance, airplane tickets, hotel services, gambling, international carriage of goods, trade in free trade areas and free industrial zones, roaming services, foreign reinsurance, etc. Most importantly, Administrative Offences Code of Georgia was amended to set a penalty for violation of the above restrictions. Namely, in the event of first violation, the perpetrator will be given a warning, whereas repeated violation is penalized by GEL 1000 and each subsequent violation - by GEL 5000.

AMENDMENTS TO INSOLVENCY LEGISLATION

On 4 May 2017, amendments were introduced to the Law of Georgia on Insolvency. Pursuant to the new amendments, creditors are entitled to either request voidance of transactions made prior to commencement of insolvency proceedings and causing damage to the creditors or claim compensation of damages, whereas previous edition of the law did not provide for the latter option. The so-called clawback-period was increased to cover 1 year preceding commencement of insolvency instead of 6 months. However, if the transferee is a related party to the debtor, the clawback-period shall now capture past 2 years, instead of 1 year.

ONGOING LAND REFORM – IS IT LIMITED TO AGRICULTURAL LAND ONLY?

Widely debated bill of amendments to the Constitution of Georgia was recently approved on the second hearing by the Parliament of Georgia. The latest version of the bill declares that the land can be owned only by State, self-governing authority, citizen of Georgia or union of citizens of Georgia. The same bill states that exceptions from this general rule may be prescribed only under the organic law of Georgia. We note that unlike previous version of the bill, the latest edition is no longer limited to agricultural land only but rather makes reference to any land in general, irrespective of its purpose. The bill of organic law is hopefully underway to provide some clarity on the State policy concerning lands.

As for the agricultural land, current bill of amendments to the Law of Georgia on Agricultural Land Ownership provides that foreign individuals may own agricultural land only in case if they hold permanent residence permit or investment residence permit of Georgia, or receive the land through inheritance or marriage. Legal entity, on the other hand, may own agricultural land only if such entity is established under the Georgian law. However, if such Georgian entity has more than 50% of foreign participation, it may own the agricultural land only if additional requirements are satisfied (company possessed the land for continued past 5 years, paid applicable taxes and provides for the investment plan and proof of investment to the Government).

Please note that until the enactment of the amendments to the Constitution of Georgia, the Government has suspended transfers of agricultural lands to foreign individuals or entities, or local entities with foreign participation. Stay tuned to hear more updates on the ongoing land reform.

RECENT SUCCESS STORIES OF BLC TEAM

BLC is proud to announce another victory in the largest tax dispute in the history of Georgia. We acted as legal counsels for the Georgia's top producer and exporter of ferroalloys - Georgian Manganese LLC in respect of unprecedented tax imposition of circa GEL 200 million. Following unsuccessful outcome at the first instance court, the company appealed the case to Kutaisi Court of Appeals. The appellate court ruled that taxes were imposed without thorough study of merits of the case by the tax authority, ignoring important circumstances and evidences present in the case, which entailed material breach of statutory provisions of Georgian law. As a result, the court held that the case was not sufficiently prepared, overruled decision of the first-instance court and returned the case to the tax authority for recalculation of the tax charges.

Besides, BLC has successfully completed litigation in the court of first instance in the first ever competition dispute against Competition Agency. BLC acted as legal counsels for Sun Petroleum Georgia LLC (Gulf) in relation to appeal against imposition of multimillion GEL fines on the company for alleged violation of competition legislation. The Tbilisi City Court established that the Competition Agency did not sufficiently investigate relevant market, omitted to analyze key economic factors and that there was no evidence of violation of the competition legislation by Sun Petroleum Georgia LLC. In light of the foregoing, the court set aside the imposition and returned the case to the Competition Agency.

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which was as high as 40 percent of the cost of the product, Georgian wine will become more competitive on the Chinese market," Kereselidze said, noting that Georgia's agreement with China on removing the tariff burden on Georgian wine was "unprecedented."

"Other countries were released from this tax step-by-step over a 10-year or 5-year period," he said.

Kereselidze was also upbeat about mineral water and non-alcoholic beverage exports to China. The Deputy Minister played down fears that Georgia will be inundated with Chinese products.

Noting the current volume of Chinese imports—and the fact that China is a net importer of agricultural goods—he said the government does not expect any radical changes.

CHINA TRAINS GEORGIAN FARMERS

Kereselidze underscored a two-year Chinese training program for Georgian farmers as an example of Beijing's commitment to helping Georgia modernize.

"In Marneuli, we opened a demonstration greenhouse complex that is designed to assist Georgian farmers in the cultivation of vegetables in greenhouses. With the help of experts from China's south-western Hunan province, six large and 27 small solar greenhouses were constructed on a five-hectare area in Marneuli," Kereselidze said.

Around 500 Georgian farmers have been trained in modern vegetable cultivation, with classes both in Georgia and in China, the Deputy Minister said. "The Chinese government allocated 20 million RMB ($3 million dollars in 2015. To summarize the results of two years of work, Georgian and Chinese specialists concluded that this experimental base should continue retraining specialists in order to stimulate the development of greenhouses of such a type in other regions of Georgia."

"These agreements have a great significance, and Georgia can use its geographic location to develop its links."

A second tranche of $3 million dollars is expected to be used to give farmers who are interested in Chinese technology small grants. There are also plans to fund new greenhouses in Georgia's western Imereti region, he said, adding, however, that the specifics on how the funds will be spent are still under discussion.

CHINESE INVESTMENT FUND

A Chinese company and Georgia's government-run Partnership Fund agreed to create a Chinese investment fund to help other sectors of the Georgian economy as well, according to Partnership Fund CEO Davit Saganelidze.

The fund, officially called the Georgian-Chinese Fund for the Regeneration of Georgia, will create a new investment platform for creating business projects and stable financial instruments, as well as for infrastructure, power engineering, agriculture, industry, tourism, and other sectors, he said.

The Georgian-Chinese Fund will invest around $50 million, with the Partnership Fund holding 49 percent of the capital (around $24 million) and the Chinese partner, CFC, holding 51 percent (around $26 million).

He said the fund will focus on start-up projects and will only operate in Georgia. The fund will start operating this year, according to Saganelidze, who said a Chinese delegation will visit Georgia in the summer to discuss the Georgian-Chinese Fund's organization and management.

FINDING CHINESE PARTNERS

The Georgian Chamber of Commerce and Industry (GCCI) is already working with Georgian companies in various sectors to help them navigate the ins and outs of the new trade agreement, according to the Head of the Chamber's International Relations Department, Giorgi Vekua.

"Georgian companies address us for explanation about what the agreement

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GEORGIA'S CURRENT TRADE AGREEMENTS

INFORMATION TAKEN FROM THE MINISTRY OF ECONOMY AND SUSTAINABLE DEVELOPMENTS WEBSITE

- **Most Favored Nations (MFN)**

The majority of Georgia's trade partners are members of World Trade Organization (WTO); among the WTO member states (164 countries) trade relations are regulated on the basis of MFN principles.

- **Generalized System of Preferences (GSP)**

The Generalized System of Preferences establishes low-rate tariffs for the base import tariff on goods imported from the beneficiary countries, which facilitates access of goods from developing countries to the markets of developed countries.

Georgia has a GSP agreement with the USA, Japan, Canada, Switzerland, and Norway.

- **Free Trade Regime**

Georgia has a free trade regime with all CIS countries, China (signed in May), Turkey and European Union.

MULTILATERAL INTERNATIONAL AGREEMENTS ON FREE TRADE

Free trade regimes among the CIS countries, with the exception of the Russian Federation, are regulated by the Multilateral Agreement on the Creation of a Free Trade Zone among the CIS countries (1994), as well as by bilateral agreements with the countries Georgia has signed the bilateral agreements. Georgia has not signed bilateral agreements with Kyrgyzstan, Belarus or Tajikistan.

Georgia is also a member of the Multilateral Agreement on the Creation of Free Trade Zone (2002) within the framework of the GUAM Organization for Democracy and Economic Development.

BILATERAL INTERNATIONAL AGREEMENTS ON FREE TRADE

Georgia has signed free trade agreements with the Russian Federation, Azerbaijan, Armenia, Ukraine, Moldova, Kazakhstan, Uzbekistan, Turkmenistan and Turkey. The free trade regimes with the Russian Federation and Turkey, unlike those with the other listed countries, exempt certain goods from the free trade regime.

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EXPANDING BORDERS: GEORGIA SEEKS BIG TRADE DEALS ABROAD

CHINA, INDIA, THE EU…THE GEORGIAN GOVERNMENT IS WORKING HARD TO SECURE TRADE DEALS IN THE BIGGEST MARKETS IN THE WORLD. INVESTOR.GE SPOKE WITH DEPUTY ECONOMY MINISTER GENNADI ARVELADZE ABOUT THE GOVERNMENT'S TRADE POLICY AND, FOLLOWING CHINA AND THE EU, WHICH TRADE DEALS ARE ON THE AGENDA.

The limits for Georgian trade are growing ever wider as Tbilisi brokers more and more deals with countries around the globe.

Analysis and demand are driving the government's policy on trade agreements, Deputy Economy Minister Genadi Arveladze told *Investor.ge* .

"The foreign trade policy department researches the markets where there is a demand for the products in which we have an interest," he said.

He said that part of that research is also meeting with businesses in the private sector, to identify their market interests. "Together, with those aspects, we are trying to then analyze which countries can be of interest for our country to have an FTA with," he said.

PATH TO INVESTMENT

Arveladze noted that the government also looks at FTAs as a vehicle to attract investors.

"An FTA is a possibility to attract investors and investment to our country in order to increase capacity and introduce greenfield and brownfield investments in our country in order to then use Georgia as a platform for regional trade," he said.

Noting Georgia's existing agreements with its immediate neighbors, countries in the region, China and the European Union, Arveladze said the country offers investors a platform for regional trade.

The government is also exploring a trade agreement with India, he noted, and there is interest in exploring the possibility of launching free-trade agreement negotiations with the United States, he said.

MADE IN GEORGIA

Arveladze said the government works hard to make sure Georgia's "first priority goods" are included in the no-exception list of products and the country's "sensitivities" are also protected.

"We have such a basket of products where we have our sensitivities and mostly those are the agricultural products, everything–mineral waters, wine, vegetables, fruits, canned vegetables and fruits, non-alcoholic beverages, lemonade and such. Honey, tea–those are the list of products where we see the priority interest ... there are many of them," he said.

Signing the DCFTA, the free trade agreement with the European Union, was a milestone for the government, he said, noting that it has created the "opportunity to bring European standards to Georgia and to make Georgia's legislation approximate to EU legislation, which will increase ... the quality and the safety of those products."

The DCFTA will also increase the competitiveness on the local market, as well as in new markets, Arveladze said.

"This is our goal. We have started the implementation of these EU agreements; the reforms are ongoing.

We have already introduced many successful reforms and the process of approximation is anticipated to last for more than ten years. It is a long process, especially for the animal origin products," he said.

He added, however, that Georgia has already had real success exporting goods to the EU market: dried fruits, kiwi products, citrus fruit, nuts–and the procedures to export some processed canned vegetables and some processed fruit has already started.

Arveladze noted that reforms are already underway for the first animal origin products as well.

"The first product of animal origin was honey, so on honey we have already been granted recognition by the EU: since December 3, 2016 honey has been added to EU legislation in the country's list where it is allowed to export honey products to EU market… The Black Sea fish and the Black Sea fish products will be the second product," he said.

means and to ask for help searching for a partner in China. It is very difficult for Georgian companies to find a partner on the Chinese market independently, as there are communication problems," he said. Vekua noted that the Chamber helped organize a trip for Georgian businesspeople to different Chinese provinces.

"Many Georgian manufacturers found partners there. Besides that, Chinese businessmen were interested in a [Georgian] company that manufactures furniture," he said. The Georgian Chamber of Commerce and Industry is planning to open an informational center where anyone may receive answers concerning the agreement on free trade with China. He added that Georgia's Commercial-Industrial Chamber signed an agreement with the head office of the China Council for the Promotion of International Trade (CCPIT).

"It is a Chinese trading organization, which includes representatives of commercial segments of the state, and representatives of different organizations.

"It is very good mechanism to establish trading-economic relations with different Chinese provinces," he said.

Liquid Gold: A New Life for Georgia's Cooking Oil

AN IRISH DRILLING EXPERT HAS OVERCOME OBSTACLES IN LOCAL MENTALITY AND THE MARKET TO CREATE A NICHE FOR RECYCLING USED COOKING OIL.

INGE SNIP

Every day, a small minivan cruises through Tbilisi from restaurant to restaurant, hotel to hotel. Filled with large metal containers, the driver has to be careful not to make any sudden movements, or he risks spilling the valuable load he transports: old cooking oil.

The minivan is part of Jeffrey Kent's new venture: collecting old cooking oil, cleaning it, and sending it to Europe to have it repurposed as biofuels.

Kent, an Irish drilling expert, moved to the Caucasus over 10 years ago after having worked in Australia, Indonesia and Romania, to drill at the Marneuli gold mine in southern Georgia. He currently owns a drilling company called Well 3 Drilling.

Six years ago, a friend from Ireland told him how he was collecting old cooking oil to have it repurposed as biofuels by companies such as Shell and BP. In the EU, 5.75 percent of all fuels need to come from a renewable source, otherwise additional taxes need to be paid.

"Old cooking oil is valuable now," Kent tells *Investor.ge*, "and it could be collected like the jarti [Georgian for scrap metal] guys collect scrap metal, but it wasn't happening in Georgia."

MORE THAN PROFITS

However, the possible profits that could be reaped from starting a grease collection business were not the reason Kent and his Georgian business partner decided to start it. In Georgia, Kent tells ▸▸

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Investor.ge, the old cooking oil—which is mainly from cooking fried chicken and bacon—is sold to farmers who come by the restaurants and hotels. These farmers then use the old cooking oil, mixing it with ground corn, to feed it to their livestock.

"It's like animal cannibalism," Kent says, seemingly disgusted. And it not only feels unethical to feed chickens with chickens, and pigs with pigs, but it is also quite dangerous, he adds.

When animals eat the remains of their own species, prion diseases, a group of uncommon and deadly brain diseases, can be spread quickly. These prion diseases, such as bovine spongiform encephalopathy (BSE)—also called Mad Cow disease—can be transmitted to humans as well.

The European Union banned the use of animal by-products in animal feed after the outbreak of BSE in 1994. The U.S. implemented a similar feed ban in 1997. An outbreak of a different disease, the so-called Foot and Mouth Disease (FMD), led to tighter regulations in 2008, even though this virus is rarely passed to humans.

Georgia, however, has no regulations in place on the contents of animal feed. "The Ministry of Health is more occupied with making sure kids wash their hands," a disappointed Kent says about the attempts he and his business partners have made to try change the regulations.

And convincing restaurants and hotels to sell their old cooking oil to him instead of to farmers, even after explaining the dangers of selling to the latter, was not easy either.

THREE YEARS OF NEGOTIATIONS

It took Kent three years to get the first container ready, as the only ones wanting to join were those with international management, well aware of the issue, such as the Radisson and the Sheraton.

In addition to the lack of education about the dangers of using used cooking oil in animal feed, farmers pay more for the product: Kent can offer businesses 20 tetri per liter, while the farmers pay 50 tetri per liter.

Kent detailed the trouble he had interesting local restaurants, noting, however that McDonald's recently joined his initiative, after Kent was able to speak to the general manager.

EXPORTED TO THE EU

Kent's's company, oillio, is fully certified and his oils are thoroughly tested. After their employee collects oil, it is filtered, leaving a greasy residue of fries, chicken, bacon and other foods. The residue is sold as well to the EU, where companies use it to make soaps.

Unfortunately, producing biofuels from the old cooking oil in Georgia itself is almost impossible, Kent tells *Investor.ge*.

"Not only is there too little old cooking oil, but the government taxes biofuels the same as regular fuels, making it too expensive," Kent says, adding that it could only work if biofuels would fall under some sort of exception.

"The legislation has to change," he added.

But this hasn't stopped Kent, who just as easily ships and sells it to Europe. And recently he also opened an Armenian office with a former Australian coworker from the drilling industry and a local Armenian, expanding the oil collection business beyond Georgia's borders.

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Mementos and Keepsakes: Buying a Bit of Georgia

AS TOURISTS TRAVEL TO GEORGIA IN INCREASING NUMBERS, A GAP BETWEEN WHAT BUYERS DEMAND – AND WHAT SOUVENIR SHOPS HAVE TO OFFER – HAS APPEARED. THE COUNTRY'S SOUVENIR MARKET IS DEVELOPING BUT STILL FALLS SHORT OF VISITOR DEMANDS AND SELLER EXPECTATIONS, ACCORDING TO ENTREPRENEURS AND TOURISM COMPANIES.

NINO BAKRADZE

Wine, felt scarves, enamel jewelry—Georgia's traditional products and crafts are widely available in the capital of Tbilisi and other major cities.

But while the souvenir market has grown exponentially over the past several years, expanding to include chic bags and designer goods, as well as neatly packaged spices and other delicacies, there are still gaps between sellers' inventories and buyers' expectations, according to tourism industry experts.

MORE THAN DRINKING HORNS

Georgia is ranked 70th out of 136 countries in the Travel and Tourism Competitiveness Index developed by the World Economic Forum, scoring above neighbors Armenia and Azerbaijan but below Russia and Turkey.

In some areas, like prioritizing travel and tourism, Georgia scored in the top 45, above all its neighbors. But in cultural resources and business tourism, it ranked at the bottom of the scale, under Armenia, Azerbaijan, Russia and Turkey.

The study did not look specifically at souvenirs as a factor in a country's rating. But the low score in the area of cultural resources is a reflection of a larger problem in the tourism sector, according to Manana Mertveli, a tourism specialist.

"Cultural monuments are not the only part of cultural resources. In this regard, the level of services directed to cultural resources … is quite low in Georgia. Specifically, there are no special tours for visiting museums, and different entertaining facilities do not exist at cultural heritage sites. The souvenir business is at a low level of development, etc.," she was quoted as telling the Georgian newspaper Commersant.

This is not to say variety has not improved—the days of only being able to find a bottle of wine or a ceramic drinking horn are long gone. Shops, stalls and artisans now offer a wider spectrum of goods, in Tbilisi and elsewhere. But there is room for improvement, tourism specialists noted.

NOT ENOUGH BUSINESS

The souvenir stalls at the Tbilisi History Museum (also known as Karvasla) are lovely, full of handmade crafts and traditional Georgian wares.

But sellers complain tourist spending falls short—especially in the winter months.

Nino Antelidze, a pediatrician by profession, has been producing enamel souvenirs for more than 10 years. She started her family business six years ago with her husband and opened a workshop, Nima Enamel House, in the Karvasla Tbilisi History Museum. ▸▸

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In the small shop windows, colorful artworks are exhibited. Various types of jewelry and souvenirs are also for sale, with items priced at 50 lari and higher.

The artworks made by Antelidze and her husband, Irakli Tatishvili, are popular with foreign tourists in the summer, but that is not enough to support their business, she said.

Giorgi Komshiashvili, who sells painted wooden souvenirs sculptured near the central Shardeni Street—an area popular with tourists—agrees.

"My friend and I came to this place two years ago. Before that, we had exhibited our works near "Kartlis Deda." For more than five years I have been working in this area. In recent years, the income from this business has sharply declined compared to what it used to be," he said.

"The number of tourists is quite high, but they are not willing to buy souvenirs despite the low prices. The starting price of souvenirs is 15 GEL so they may be affordable for tourists," Komshiashvili tells to *Investor.ge*.

Part of the problem is variety, according to Irakli Kabulashvili, the head of Omnestour. He noted that his clients often ask him where they can purchase more "interesting things."

Kabulashvili also noted that not all tourists are interested in purchasing local souvenirs. While some groups, often from Western Europe and other developed countries, spend money on local crafts and traditional goods, others do not, he said.

ECONOMIC IMPACT OF SOUVENIRS

The general trend for spending, both domestic and of foreign tourists, is up, according to the World Travel & Tourism Council's 2017 report on Georgia.

"Leisure travel spending is expected to grow by 9.4 percent in 2017 to 4,914.3 mn lari, and rise by 6.3 percent to 9,054.9 mn lari in 2027," it stated.

The Georgian National Tourism Association does not conduct surveys about the souvenir business in the country, or subsidize any programs in this field, according to GNTA spokesperson Giorgi Gabrichidze.

But souvenir sales are a factor in travel spending, and a way tourism can help combat poverty, according to the World Tourism Organization.

The World Tourism Organization has identified the sale of tourism-related products as one of its seven "mechanisms of poverty reduction," especially if vulnerable communities are included.

Sopho Barbakadze, projects assistant at the NGO Elkana, said that the organization started a special program called "Empowering Poor Communities and Micro-entrepreneurs in the Georgia Tourism Sector" in 2015.

The project works to generate employment and increase household income for poor and vulnerable communities in the Kakheti and Imereti regions, where there are ongoing World Bank-financed regional development projects to support tourism development and urban regeneration.

So far, they have funded about 270 entrepreneurs who produce different kind of souvenirs, she said.

Elkana and World Bank funds each entrepreneur with $500-2000, so they could buy raw materials or machines to produce their goods.

The grant includes training of entrepreneurs in marketing, accounting and tourism as well.

Tbilisi Neighborhoods: Saburtalo

INVESTOR.GE HAS TEAMED UP WITH ANALYST AND HISTORIAN EMIL AVDALIANI TO EXPLORE THE HISTORY OF TBILISI'S GREAT NEIGHBORHOODS. WE BEGIN IN THE OFT-MALIGNED SABURTALO. WHILE IT MAY SEEM LIKE A MESS OF TRAFFIC AND HIGH-RISE APARTMENT BUILDINGS, IT STARTED OUT AS A TRAINING GROUND FOR QUEEN TAMAR'S TROOPS.

EMIL AVDALIANI

It is clear, with a glance at a map of Tbilisi, that the majority of the city's districts are spread along the River Mtkvari.

But even as Tbilisi was growing from what we now consider the Old City and Freedom Square toward the modern-day Vake in late 19th and early 20th centuries, a similar process was taking place in another direction of the city, along the right embankment of the Mtkvari River, in what is known today as Saburtalo.

THE "BALL" DISTRICT

Saburtalo's unique name— "burt" means "ball" in Georgian and the prefix/suffix pair Sa- and –o mean "for," so it literally translates as "for balls"—is linked to its flat terrain. Because of the flatness of the land, in the medieval period Saburtalo was used as agricultural territory—and as a training area for martial arts practice. For instance, during Queen Tamar's reign, Georgian troops usually went to Saburtalo "to play ball" and exercise.

The district started to adopt its modern role as one of Tbilisi's central residential areas under Soviet rule in the 1920s when apartment blocks were constructed around Pekin and Kazbegi Avenues. Soon, the village of Delisi was linked to Saburtalo (Delisi was initially known as Gdelisi, according to 18th-century documents. Later, the letter "G" was lost and it became known as Delisi).

Vazha-Pshavela Avenue (the longest street in Tbilisi), it was built during the 1950s. Initially called Komintern (a world Communist organization) Street, ▸▸

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it was renamed for one of Georgia's famous writers, Vazha-Pshavela (Luka Razikashvili), in 1961. The Saburtalo district grew significantly in the second half of the 20th century, when residential neighborhoods, known as "ubani" were built. Large buildings for universities, libraries and cultural and sporting events—like the Sports Palace and several buildings of the Georgian Technical University—popped up around the district.

Soon, the village of Delisi was linked to Saburtalo (Delisi was initially known as Gdelisi, according to 18th-century documents. Later the letter "G" was lost it became known as Delisi).

Vazha-Pshavela Avenue (the longest street in Tbilisi), it was built during the 1950s.

UNIVERSITIES AND ATHLETES

Saburtalo was also unique due to the fact the district was free of factories and manufacturing facilities. Instead, Saburtalo became a hub of university and sports life with university buildings, football/basketball fields, and large recreational zones. This made the area attractive for scholars, artists, sportsmen and others, much like Saburtalo's neighboring district, Vake.

But with just one major road connecting central Saburtalo to the rest of Tbilisi (through modern-day Kostava Avenue), there were traffic problems.

In 1958, Saburtalo was linked to Vake via Delisi road, which was originally known as Guramishvili Street (and renamed Tamarashvili Street in 1990), which, together with the metro, helped connect the district with the rest of Tbilisi as the city grew.

Today, Saburtalo, with a population of 160,000, is one of the most heavily populated districts in Tbilisi. What started as farmland and a military training ground for medieval Georgian monarchs has turned now into a virtual hub of the capital.

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Forget Berlin, Here is Tbilisi

TBILISI'S CLUB SCENE IS BOOMING. WITH CLUBS IN OLD AND UNUSED COMMUNIST-ERA BUILDINGS AND A LARGE COMMUNITY OF CREATIVE AND OPEN-MINDED PEOPLE, MANY LIKE TO SAY THAT TBILISI IS "THE NEW BERLIN." JUST LIKE IN BERLIN IN THE '90S, CLUBBING IN TBILISI IS NOT JUST ABOUT MUSIC. "IT'S A MOVEMENT."

MAARTEN DE BOER

"When I saw this building for the first time, I just fell in love with it," Tamuna Axander, founder of the techno club Khidi, says. We slowly walk up a dark staircase in a building that is located inside the Vakhusti Bagrationi Bridge. "It is amazing to have a club in a bridge, with such a huge industrial space. You cannot imagine how big it is. There are even five tunnels that are each 200 meters long."

After years of involvement in the organization of festivals, Tamuna and her husband decided that it was time to invest in a permanent place for a club. "We really had to invest a lot of money to organize a quality event. When we needed a projector for 3D-mapping, we would have to rent it in Kyiv for 2000 euros. It got difficult, so we decided to find a place and settle."

Their story is an illustration of the development that Tbilisi is seeing: young creative people with a love for music who build up something new in places that were abandoned. Tamuna believes this is only the beginning. "You cannot distinguish clubs from museums anymore. It is a cultural movement. Before, clubbing was seen as something dangerous for young people. Now it's for everybody, there is no age to it anymore. It's a part of life."

THE RISE OF TBILISI'S CLUB SCENE

Even though the Russo-Georgian war only lasted three days, its implications for economic and cultural life were tre- ▸▸

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mendous. Though commercial festivals continued to be organized, underground initiatives—like the record store and DJ-school "Loud"—ceased to exist. But underneath, something was boiling. The turning point came around 2011/2012, first with the opening of "Gallery," a restaurant and nightclub that offered a space to both music lovers as well as members of the LGBT community, and later with the opening of the electronic music club Mtkvardze.

"There was no club with a good sound system yet. We wanted to pay more attention to the music quality and acoustics," Mtkvardze founder Keta Gabunia says. "My husband had been in the business for 12 years, organizing festivals sponsored by tobacco brands. We just wanted to experiment. When I saw this iconic building on the river Mtkvari, a former fish restaurant that closed ten years ago, I knew that it was the perfect venue for our experiment." What started with an experiment with a seven-thousand-dollar investment, led to an iconic club that has now already existed over five years.

Currently Tbilisi's club life is seeing momentum. "The combination of cheaper direct flights by companies like WizzAir—and young people who started to travel and opened their eyes—and of increased internet usage has had a strong influence on the young generation of Georgia. It is a great moment to live in this country," Gabunia says.

SOCIAL MOVEMENT

But clubs became more than places that just offer high-quality music. "What is interesting is that nightclubs in Tbilisi have become places of social change," Gabunia says. "We have become social activists that are involved in many movements—whether it is about supporting LGBT rights, improving the environment or about aiding vulnerable people that are in need of our support," he explains.

According to Tato Getia, Georgia's isolation due to several wars—and the many economic, political and social crises it has experienced—are important explanations for why Tbilisi is now seeing such development in its cultural life. Together with two partners, Getia founded the underground techno club Bassiani at the end of 2014. The club is literally underground, deeply hidden in a former swimming pool under the Dynamo Tbilisi stadium. Since it appeared, it has been frequently compared to Berghain, Berlin's most notorious club.

The founders have a clear vision. "Bassiani is known not only for entertainment, but also as [a place for] social movement and for its political context, which fights against inequality and oppression in society—such as against inhuman drug policy, homophobia and violence against women," Getia tells *Investor.ge*.

BIG BUSINESS

The founders of these underground techno clubs have been able to establish a successful business. Forbes Georgia called Bassiani "a startup that has managed to create a world-class clubbing product." And the number of tourists visiting these clubs is significantly increasing. "About 20% of all the visitors of Mtvkardze are tourists," according to Gabunia. "We are realizing that we have become a business. Even the government has now decided to organize festivals and bring international DJs. They are trying to make this sphere more popular, because they see that tourists are traveling here to visit clubs like ours," Gabunia explains. Indeed, music has put Georgia on the map of tourism. This is also illustrated by the yearly organized GEM Fest (taking place in Anaklia from July to August), the longest festival in the world. A record number of music tourists are expected this year. "Everybody is talking about Georgia," Khidi founder Tamuna concludes. "There is something happening here. And Tbilisi is a welcoming place, the food is good and hospitality is in our DNA. Each artist that is playing here is saying what a great place this is. That's how many people find out about Georgia. Because of its techno scene."

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New Futures for Georgia's Abandoned Buildings

ARCHITECTS AND ENTREPRENEURS ARE TURNING OLD, EMPTY BUILDINGS INTO NEW VENTURES, BUSINESS HUBS AND HOTELS.

INGE SNIP

For over 20 years, Kutaisi's former pride – the automobile plant employing over 15,000 people in Soviet Union times – had been left abandoned. The structures of the factory buildings and warehouses were still standing, although most of the buildings had missing roofs and windows.

But when the Chinese investment firm Hualing Group bought the 36 hectare plant from the government in a privatization auction, they were determined to keep the place's history alive.

"I'd personally rather have something like Dubai," General Manager of the Hualing Group Josef Nibladze admits during our interview at the firm's other project, the Chinese City at the edge of Tbilisi Sea. "But the renovation work has been really impressive."

Hualing Group bought the plant to create a free economic zone in Kutaisi, and after opening its doors in 2015, it currently is the fastest-growing free economic zone of the four in the country.

But the former automobile plant in Kutaisi is not the only example Georgia has seen of an old Soviet factory being repurposed into something new.

"HISTORY AND THE STORY MATTER"

The most visible and popular transformations have that been of the Adjara Hospitality Group, which started out by transforming former hotels to new hotels, first with Holiday Inn – a former hotel in which Internally Displaced People lived after the conflict in the 1990s - and then an old sanatorium - spa - in Kazbegi. Soon the group was completely remodeling a former publishing house in Tbilisi into a hotel.

"We try to buy old buildings with a history, and not start from scratch," says Levan Berulava, the general manager at Rooms Tbilisi. "We believe history and the story matter. And we hope others will follow us in preserving history by keeping the buildings' stories alive."

And with their latest project, transforming an old sewing factory in a run-

down old residential area into a cultural and creative hub with workshops, bars, cafes, and a hostel, their work is being noticed.

GROWING TREND

Georgian architect and urban designer Anna Kintsurashvili says the work of the Adjara Hospitality Group is setting a trend, albeit small, in adaptive reuse that she hopes others will follow. "We can argue about how well the Holiday Inn was done," Kintsuarashvili tells *Investor.ge* over the phone, "but their work with Fabrika and Rooms is impressive."

Adaptive reuse is a common global process whereby old sites and buildings are being transformed and/or reused, often targeting industrial sites as cities grow and manufacturing moves to the outskirts of the city.

But Georgia, with its vast amount of "forgotten" industrial sites that were looted during the so-called dark 1990s, has seen an increase in the new construction instead of renovating the existing buildings, Kintsurashvili explains. "The architects are lazy, it's much easier to break something down and build something new, than to renovate an old building," she says.

She adds that construction companies often cite old, Soviet standards for housing, arguing that the existing buildings are older than they were planned to be, and are now dangerous. "That's often not the case; just some simple things need to be replaced," Kintsurashvili says.

Architect and CEO at IDAAF Architects, Nanuka Zaalishvili, agrees with Kintsurashvili, but notes that citizens' growing understanding of the importance of the country's Soviet legacy means it is not as easy to tear down buildings as it used to be.

Together with her team, Zaalishvili, who founded the architectural legacy-oriented online magazine IDAAF, has specialized in adaptive reuse by reinforcing old structures and adding new structures to extend spaces. "When we study an old building, we first ask what the value is, the historical legacy," Zaalishvili tells *Investor.ge*.

The young architect and her team have been selected to preserve, renovate, and find a solution to reuse the old Soviet mosaic monument on the military highway to Kazbegi. And the team is putting all its efforts to keep the mosaic in the forefront, making it more accessible to people with disabilities, and develop a small cafe - which will blend in - for visitors to rest next to the mosaic.

Preserving Soviet-era structures - like factories and monuments - is both important and prudent, notes Mate Zosiashvili, senior executive investor relations at the Hualing Kutaisi free industrial zone.

"Soviet structures and construction are very strong and solid," he tells *Investor.ge* at the former automobile plant that they are transforming into a useable site for factories, trade companies, and manufacturers.

"We need to use all of the aspects of our history to build a new and better future," he adds.

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Ali and Nino: A Literary "Whodunit"

ANYONE WHO GOES TO THE CAUCASUS SHOULD READ THE NOVEL ALI AND NINO. IT IS A REMARKABLE STORY, NOW A MOVIE, WHICH TAKES PLACE BETWEEN BAKU, AZERBAIJAN, AND TBILISI, GEORGIA, BEFORE AND DURING THE OCTOBER REVOLUTION IN THE RUSSIAN EMPIRE. THIS IS A STORY OF THE BEAUTIFUL AND ROMANTIC LOVE BETWEEN NINO, A CHRISTIAN GIRL FROM TBILISI, AND ALI, A MUSLIM AZERBAIJANI OF NOBLE ORIGIN. A HISTORY OF LOVE FIGHTING TO BE FREE FROM PREJUDICE AND NATIONAL OR RELIGIOUS BARRIERS—IT'S A STORY FOR OUR TIMES.

You can read this fascinating novel in one sitting. More intriguing, however, is the literary detective mystery involving the real author of the book. With every new investigation and revelation, a fascinating story reveals new twists as interesting as the novel itself.

THE STORY OF KURBAN SAID

For many years the author of *Ali and Nino* was believed to be Kurban Said, a pseudonym said to belong to Essad Bey, alias Lev Nussimbaum, the author of numerous books, novels and biographies popular during his lifetime. He was born in Kiev in 1905 to a wealthy Jewish family, and converted to Islam at 17.

He spent his childhood in Baku as the son of a rich oil baron, then, in 1918, after the Russian Revolution, he and his father managed to escape the violence in Azerbaijan through Turkmenistan and Iran. They continued on to Germany and Austria and, eventually, Nussimbaum moved to Italy, where he lived until his death at age 37 from a rare blood disease.

The entity known as "Kurban Said" helped to register a friend of Nussimbaum's, the Austrian Baroness Elfriede Ehrenfels, because during the Third Reich it was impossible for Jews to register or publish books in Germany or Austria. Ali and Nino was first published in German in 1937 in Vienna. After its first translation into English in the early 1970s, the book became internationally popular worldwide and has been translated into 37 foreign languages. In 2005, an American writer, Tom Reiss, wrote *The Orientalist*, about the unusual life story of Nussimbaum.

MYSTERY SURROUNDING THE AUTHOR

There is a lot of mystery surrounding the identity of the author of *Ali and Nino*. Understandably perhaps, for Azerbai-

jan—especially after it had emerged from the Soviet sphere in in 1991—it seemed much more appropriate if the author was of Azeri origin.

In 2011, an American magazine called Azerbaijan International (AI) conducted a study to determine the real author of this novel. Betty Blair, the publisher of AI, claims she was inspired by pure curiosity, because prior to releasing the issue of the magazine dedicated to *Ali and Nino*, "We wanted to recheck some Azerbaijani scientists' research, according to which the author of the novel *Ali and Nino* was not Lev Nussimbaum, but an Azerbaijani, Yuzif Vazir Chamanzaminli."

The AI study was conducted in ten languages and included the countries of Azerbaijan, Turkey, Italy, Austria, Germany, Georgia and Iran. About 60 people were interviewed, including Tbilisi-based scholars Zaza Aleksidze and Tamar Injia, as well as descendants of the Austrian Baroness Elfriede Ehrenfels. At the Institute of Manuscripts in Baku, Chamanzaminli's diaries and stories were found to contain evidence of his contacts with German publishers and the family documents of Lev Nussimbaum. As a result of the research, which lasted several years, AI unexpectedly came to the conclusion that, most likely, the author of *Ali and Nino* was not Lev Nussimbaum, but the Azerbaijani writer Chamanzaminli. "At least, according to the magazine, the records of Chamanzaminli, as well as many facts from his biography, testify to this," Blair said.

Chamanzaminli was an Azeri writer, statesman, historian and folklorist from a noble Azeri family. His real name was Yuzif Mirbaba oghlu Vazirov and he was born in 1887 in the town of Shusha.

From 1919 to 1920 Chamanzaminli was the first ambassador of independent Azerbaijan to Turkey, after which he immigrated to France where his brother lived. He returned in 1926 to find his country brutally Sovietized by the Bolsheviks. He began teaching languages and translated some Russian works into Azeri. He wrote several novels under his pen-name of Chamanzaminli and, in 1937, he was repressed during the Stalinists purges and accused of being a counter-revolutionary. Just before his arrest, he burned many of his manuscripts. He died in the Soviet Gulag in 1942.

SHARED DESTINY

Even though they were of different ages and origins, Chamanzaminli and Nussimbaum had similar destinies. They had wandered around the world after the tragic events following the collapse of the Russian Empire, trying to find themselves again.

Betty Blair explained: "Four empires of the six empires in the world collapsed during the years 1910–1930. We've got the Ottoman Empire, the Russian Empire, the Austro-Hungarian Empire and the German Empire collapsing. So you have an incredible influx of refugees into capital cities, especially in Europe. How are they going to survive? How do they take it intellectually? A 50-year-old man from one of these countries has his own language and is able to use it. What do you do if you come to Germany or to London? He has no language skills or networks, and he is hungry."

Chamanzaminli's story *Notebook of a Refugee* narrates the grave sort of emigrants to France who were forced to sell the fruits of their labor for nothing.

"… I had been fired from my job at the factory, and since then I wasn't able to find a new job. Hunger was exhausting me... I worked in a village for five months. My employer used to wake me at 5 o'clock every morning. I looked after eight horses and fifteen cows. After cleaning them, he would send me into the fields where I would work until 8 o'clock in the evening. In addition to meals, he gave me five francs, which I spent on cigarettes and haircuts," Chamanzaminli wrote.

Blair and her team believe that this was the path by which the Chamanzaminli diaries fell into the hands of Lev Nussimbaum. The publisher probably believed it was Nussimbaum because he already had a decent literary career under the name Essad Bey. According to the authors of the study, Nussimbaum received and read from his German agent, Werner Schendel, manuscripts of unknown and unpublished authors, many of whom, like Chamanzaminli, were emigrants. In one of Nussimbaum's letters, he even warns Schendel against printing so many books at the same time, because "this can lead to suspicion of being too prolific."

Blair notes, however that it cannot be denied that Lev Nussimbaum worked on *Ali and Nino*: "It is not to say that Nussimbaum does not have his fingers in the book. His fingers are clearly in that book. He is a 'cut and paste' author. You take it here, cut and paste it there, into the next book. This is what Lev Nussimbaum did. And we can see the similarity—Yes, his fingerprints are clearly in this book; he was part of it."

FOLLOWING THE FOOTSTEPS OF ALI AND NINO

To establish the truth, more work is required in the literary archives of Germany and Austria. The copyright on the novel still belongs to the heirs of the Austrian Baroness and this complicates the situation, despite the fact that Elfriede Ehrenfels herself never claimed any monetary benefit during her lifetime. In her private correspondence she stated that she did not write this novel.

An eccentric man and a self-created ▸▸

myth, Lev Nussimbaum was undoubtedly a very talented and successful writer. No wonder he still has a lot of fans around the world. One of them is the German book publisher and collector of *Ali and Nino* novels, Hans-Juergen Maurer from Frankfurt am Main. Maurer is probably one of the greatest experts on the novel. He has 138 copies of *Ali and Nino* in his collection, as well as other books written by Essad Bey, including several with the author's handwritten signature. Although he has been obsessed by this novel for ten years, Maurer visited Baku for the first time only last May to follow the footsteps of Ali and Nino. I met him at the bookstore "Ali and Nino" at the Square of Fountains.

"My goal is a complete bibliography of the novel *Ali and Nino*," he said.

"I want to create a complete overview of when and in which language this book was published. In Baku, I was looking for a 1972 radio manuscript. It is a translation of the novel from Turkish into Azerbaijani written specifically for Radio Liberty in Munich to be broadcast to Azerbaijan. I found this manuscript in the national archives," he said.

Taking into account the publication history of the novel, one conclusion appears obvious: the story of the authorship of *Ali and Nino* is, among other things, highly politicized. Hans-Juergen tells an interesting story about what happened after this novel was published in English in 1971 by Random House.

After the first English printing of the novel, press reviews were published immediately. Hans-Juergen tells me a story about two Azerbaijani immigrants, Yusif Kahraman und Mustafa Türkekul, who read these reviews and then immediately bought the book and were amazed at how truthfully and precisely places, names of famous families, and many historical details were described in it. They began to try and solve the riddle of who Kurban Said was.

After putting all the facts together that they knew about Azerbaijan during that period, and about Yuzif Vazirov, they concluded that the real author was Yuzif Vazir Chamanzaminli. Via the immigrant information grapevine, this information was soon leaked into Soviet Azerbaijan.

In the USSR, the book was banned, as it carried an ardent-though-underlying anti-Soviet message. In the storyline, a common theme is the idea that the

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ნოდია, ურუმაშვილი და პარტნიორები
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BUSINESS LAW FIRM

guarantee of happiness for the main characters is the establishment of an independent Democratic Republic of Azerbaijan. Chamanzaminli's family, residing in Baku, immediately encountered serious problems with the KGB and appealed to Baku scholars to prove their father had not written the novel.

The scholars began research, led by Azeri linguist Abas Samanov and helped by his friend and German translator, Achmed Schmiede. "They surmised that Essad Bey and Chamanzaminli could not possibly have met in Europe and that they also could not even have met because the Azerbaijani writer was much older than Nussimbaum. In addition, they studied the stylistic means used in the novel, and came to the conclusion that Chamanzaminli was not the author of the novel," Hans-Jurgen explains.

After this the family was left in peace, according to Maurer, but after the fall of the Berlin Wall and the breakup of the Soviet Union, "the Iron Curtain fell and everything turned upside down. Chamanzaminli's family began to assert that the author of *Ali and Nino* was indeed their father," Hans-Juergen Maurer explains.

Ali and Nino, as well as the history of the book's author, will still challenge historical researchers for years to come. Disputes and questions continue to arise about the true author of the novel, and include studies in Georgia by Tbilisi scholars Zaza Aleksidze and Tamar Injia. They point out that in Ali and Nino, Essad Bey borrowed entire passages from a book by the Georgian writer Grigol Robakidze. Unfortunately, the original *Ali and Nino* manuscript has never been found, so it is difficult to judge how much Essad Bey brought to the novel, how much he borrowed, or whether he can be accused of plagiarism.

The story around the authorship of Ali and Nino contains many mysteries and still causes fierce controversy in literary circles around the world.

In Baku, the owner of the bookstore chain Ali and Nino, Nigar Kocharli, stated: "If a person did not want his authorship to be known, he did everything so no one would reveal who he really was. Exactly 80 years ago this man wrote his manuscript, left it and then disappeared. He did not want us to know who he was, and I think we should treat his decision with respect. Let this remain forever a secret."

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AMCHAM GEORGIA REACHES OUT TO US CONGRESS

The US government has carried out some great new initiatives in the last six months, but this has occurred at the same time as the White House has offered some troubling signals. The White House proposed budget for 2017/2018 is could be particularly problematic, if implemented, as it would significantly cut major US programs in Georgia. In order to communicate our concerns on this issue, AmCham wrote to 86 US Senators and Congressmen and women about recent US policy and planned policy in Georgia. This went largely to Senate Appropriations, Armed Services and Foreign Relations committees as well as the House, Appropriations, Ways and Means and Budget Committees, as well as the Georgia Caucus. We plan to follow this letter with an AmCham Delegation to DC in the fall.

AMCHAM

AMERICAN CHAMBER OF COMMERCE IN GEORGIA

The Honorable Bob Corker
SD-425 Dirksen Senate Office Building
Washington, DC 20510

29th of June, 2017

Re: AmCham Georgia's Comments on US Governmental Support to the Country

Dear Senator Corker,

I am writing to you on the behalf of the American Chamber of Commerce of Georgia to express our gratitude for the continued commitment by the US Government towards Georgia, and to express some concerns about the White House's proposed budget cuts. We are writing to you as a long term supporter of Georgia and in your capacity as the Chairman of the Foreign Relations Committee. You may also remember that we met with Ben Purser and John Rader from your office last year.

We have been very encouraged by the bipartisan passage of House Resolution 660 and proposed Senate Resolution 106 that express support for the territorial integrity of Georgia as well as the increased funding provisions of HR 244 and the ban on US funding to countries that recognize the independence of Georgia's occupied territories. We are also in full agreement with the most recent vote to increase sanctions against Russia. The meeting that took place last month between Georgian Prime Minister Kvirikashvili, President Trump and Vice President Pence was another indication of the continued strong relationship between the US and Georgia.

Unfortunately, while these actions have been extremely well received, the budget recently proposed by the White House would seem to mitigate those efforts. In particular, we are worried about the significant proposed cuts to USAID programs and Foreign Military Financing.

In Georgia, the cuts would materially affect continuing Westernization efforts in the country and be perceived by some as a reduction of US support. US-financed development programs have been critical in helping to produce Georgia's success story as the most stable, democratic and pro-Western country in the region. Further, US military assistance has helped Georgia to become a significant and effective contributor to NATO missions in Kosovo, Iraq and Afghanistan.

America's support has also provided geopolitical security in the face of Russian pressure and we are concerned that such a large decrease will be taken by some to suggest a reduction in that support. This perception could also encourage increased Russian aggression in the region. Therefore, we hope that you will recognize that Georgia is a worthy exception to many of the planned cuts.

As a final note, we are planning another AmCham delegation visit to Washington, DC, later this year and look forward to meeting with you and your staff to discuss these and other important issues, including a proposed bi-lateral Free Trade Agreement between the US and Georgia. Again, thank you for your continued support of and to Georgia.

Respectfully,

R Michael Cowgill

Michael Cowgill
President of AmCham Georgia

FOREIGN MINISTER MEETS AMCHAM MEMBERS

AmCham Georgia hosted a members' only luncheon with Minister of Foreign Affairs of Georgia Mikheil Janelidze on June 26, at Radisson Blue Iveria Hotel. The minister presented about current work of the ministry, the US-Georgia relations and trade-economic updates between these two countries.

Janelidze underlined the importance of the American Chamber of Commerce in Georgia and wished its members success.

The presentation was followed by a lively Q&A between members and the Minister.

AMCHAM MEMBERS MEET U.S. AMBASSADOR

AmCham hosted a monthly round-table meeting at Holiday Inn on June 14. Ian C. Kelly, U.S. Ambassador to Georgia, presented his political and economic update to attending AmCham member company representatives. The presentation was followed by a Q&A session between AmCham members and the ambassador.

TWO NEW CORPORATE A MEMBERS WERE WELCOMED:

- Gazelle Finance Georgia LLC, represented by Ms. Stephanie Komsa
- Conformity Assessment International (CAI) LLC, represented by Mr. Sandro M. Shelia

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AMCHAM MEMBERS MEET MINISTER ZURAB ALAVIDZE

AMCHAM GEORGIA HOSTED A MEMBERS' ONLY LUNCHEON WITH THE MINISTER OF REGIONAL DEVELOPMENT AND INFRASTRUCTURE OF GEORGIA ZURAB ALAVIDZE ON JULY 19, AT HOLIDAY INN HOTEL. THE MINISTER PRESENTED NEW INFRASTRUCTURAL PROJECTS OF 2017 AND THE CURRENT WORK OF THE MRDI. THE PRESENTATION WAS FOLLOWED BY A LIVELY Q+A BETWEEN MEMBERS AND THE MINISTER.

AMCHAM MEMBERS DISCUSS JUDICIARY REFORM

AMCHAM MEMBERS DISCUSSED JUDICIARY REFORM WITH RUSUDAN TABATADZE(DEMOCRACY AND GOVERNANCE OFFICE USAID/CAUCASUS) AND PETER DANIS (EU DELEGATION) ON JULY 28 AT FABRIKA.
AFTER THE DISCUSSION, AMCHAM HELD A COCKTAIL RECEPTION TO THANK THE SPONSORS OF THE INDEPENDENCE DAY PICNIC FOR THEIR GENEROUS SUPPORT.

NEW MEMBERS

CleanTech Ltd.
Corp A

CleanTech provides professional hygiene systems to hospitality and food companies. As the distributor of Diversey and Kimberly-Clark, the company covers 95% of potential needs of customers in kitchen, hotel rooms, personnel care, laundry linen care, food processing, general and special floor cleaning and maintenance. Company's delivery covers all Georgia, with warehouses in Tbilisi, Batumi and Kutaisi.

www.cleantech.ge

Dentons Georgia LLC
Corp A

Dentons is the world's largest law firm, delivering quality and value to clients around the globe. Dentons is the leader on the Acritas Global Elite Brand Index, a BTI Client Service 30 Award winner and recognized by prominent business and legal publications for its innovations in client service, including founding Nextlaw Labs and the Nextlaw Global Referral Network. Dentons' polycentric approach and world-class talent challenge the status quo to advance client interests in the communities in which we live and work.

Dentons' Tbilisi office opened in 2017 with a team of highly ranked lawyers. With a legacy dating back in 1996, the team is among the most experienced and respected in the Georgian market. Having worked on many of the most important M&A and real estate deals, financing transactions and infrastructure projects, litigation and arbitration matters the company offers you unique insights into the country's legal and business environment.

Dentons is a full service law firm in Georgia with key capabilities in Litigation and Dispute Resolution, Corporate, Banking and Finance, Intellectual Property, Energy, Government and Infrastructure.

www.dentons.com

Spotcoin LLC
Corp A

Spotcoin is a Crypto-currency trading platform that is managed from Georgia. The company started operations in December of 2016 and just received an investment to increase operations in Georgia and globally.

spotcoin.net

NEW MEMBERS

Murphy Bridge
Corp B

Murphy Bridge is representative company of Murphy Shipping and Commercial Services Ltd. or MSCS for short, which is a UK-based organization that has been operating on market for more than 42 years. In the nearest future Murphy Bridge plans to implement 12 projects in Georgia. The company's goal is the construction of moderate logistic centers with comprehensive services and their operation. Murphy Bridge will include full-scale customs clearance, warehousing and terminal services as well as Truck Park, laboratories, accommodations, etc. The logistic center will relieve traffic jams of trucks and chaotic movements on the road in most attractive region of our country for tourism. The company leadership believes that by accelerating the flow of transit, their project will contribute to the growth of imports and exports in the region.

murphyshipping.com

Union of Business Ladies
Non-Profit

Mission of UBL is to develop an outstanding network for successful entrepreneurs, to arrange events for the welfare of Women in Business. These include conferences; forums; masterclasses; training; ; developing the role of women with families in entrepreneurship; educating young entrepreneurs who come from different backgrounds, to make them professionally capable of rising up in the competitive business world; to encourage and develop women oriented entrepreneurial projects; to arrange events including auctions to play a part in charity.

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SPEAKERS

Ketevan Bochorishvili (Tbilisi, Georgia)
Natia Sirabidze (Tbilisi, Georgia)
Christy Largent (California, USA)
Charlie Dove Edwin (UK)
Viviane Afene Gille (Reims, France)
Maggie Semple (UK)
Mako Abashidze (UK)
Sanem Oktar (Istanbul, Turkey)
Sophie Ibbotson (UK)

pwc proudly announces admission of the first Georgian partner

INVESTOR.GE SPOKE TO LASHA ABOUT HIS PROMOTION AND HIS FUTURE PLANS AT PWC.

The professional services firm PwC Georgia (PricewaterhouseCoopers) announces that effective 1 July 2017, Lasha Janelidze has been promoted to a Partner within the Assurance Services.

Starting from the establishment of PwC Georgia in July 2005, Lasha has been instrumental in helping to grow the local practice and has made a considerable contribution to establishing the PwC brand of the Tbilisi office in the Georgian market.

Lasha has 15 years of extensive experience working with key industry players in the Georgian market and is the Fellow Certified Chartered Accountant (FCCA).

He has worked with local and international PwC teams within the Assurance, Advisory and Tax and Legal practice areas to bring value to a broad range of local and international clients in various industries.

"Lasha has been with PwC since July 2005 and has served the firm since the establishment of our office in Tbilisi, Georgia. It is a historic moment for PwC Georgia and for Lasha as the first national Partner. My team and I are extremely pleased to have Lasha Janelidze as a new Partner in our firm and look forward to his continued professional contribution towards the further development and growth of our Georgian practice" - Altaf Tapia, Country Managing Partner, PwC Georgia.

Lasha noted the promotion means "huge responsibility, trust and confidence to take PwC practice in Georgia to the next level."

"My role will be to lead my team, clients and broad range of stakeholders, with the PwC global purpose to build trust in society and resolve important problems. I will now be empowered along with my fellow partners in the PwC global network to bring the best knowledge, innovation, cutting edge technology and our network capabilities to Georgia and help local business and public sector address current and future challenges," he said.

Lasha added that being the first Georgian partners at PwC gives him a unique chance to help the next generation of leaders at the company.

"Partnership is the most motivated, challenging and interesting career path progression and the PwC unique development opportunity, which the firm offers to all its employees.

What excites me to be the first Georgian Partner of PwC is the opportunity to develop the next generation of PwC Georgia future leaders and continue to innovate and contribute into my country development," he noted.

Lasha, who has a degree in mathematics as well as a graduate degree in public administration, started his career in auditing 2003 when he started at the local audit firm UBC International, working in cooperation with PwC.

"My career at PwC started with PwC office opening in Tbilisi in the position of assistant manager in the Assurance department and all these 12 years enables me to say that PwC is unique and special," he said.

"Continuous thirst to learn and develop has brought me here… learning and development is key driver for me and this will continue to be more important as we move to new global reality with constant changes, challenges and new opportunities," he said.

Lasha also underscored his deep appreciation for all his colleagues and mentors.

"I would like to thank all, who helped me to get where I am now, with their advice, coaching, cooperation and leadership. Special, thanks to the Managing Partner of PwC Georgia, Altaf Tapia, for his support and personal encouragement and for his confidence in potential of the local practice and the country overall to move to the next level," Lasha said.

PRESS RELEASE

"Carrefour" and Wissol Group Georgia Form a Successful Partnership

Tbilisi, Georgia /June 20/2017: Majid Al Futtaim Retail – the retail arm of Majid Al Futtaim, the leading shopping mall, communities, retail and leisure pioneer across the Middle East, Africa and Asia, today announced its partnership with MP Development, the real estate arm of Wissol Group in Georgia. At the end of July 2017, MP Development will launch its next shopping center in the heart of Batumi City, where the anchor tenant will be "Carrefour" supermarket. The 2,500-square meter-store will offer customers the widest choice of fresh produce and household goods with over 15,000 items at competitive prices and will create more than 150 new jobs. In addition to Carrefour Batumi, the second shopping center for MP Development, will also carry fast food restaurants Wendy's and Dunkin' Donuts, a branch of Bank of Georgia, a pharmacy shop, toy shop, shoe and clothing shops and other retail shops of different profiles.

Carrefour launched its first supermarket in May 2017 in the MP Development-owned shopping center located in Gldani, Tbilisi. Carrefour Georgia will take over two more supermarkets from Wissol Group's "Smart" during the summer. Smart will continue to develop itself in its original format as small-sized supermarkets, mostly located at petrol and natural gas stations in different cities and at rest areas on highways. Smart small-format supermarkets have shown great profitability; hence, it has become one of Wissol Group's priorities to further develop this business.

Carrefour was first launched in Georgia in 2012, with its first hypermarket in Tbilisi Mall. Today, Carrefour has two hypermarkets and six supermarkets in Tbilisi, with over 1500 employees. As a result of its successful partnership with Wissol Group, Carrefour will soon open its first supermarket in Batumi and two additional supermarkets in Tbilisi. This step will initiate new opportunities and will help create new jobs to support the economy in Georgia. In line with Majid Al Futaim's vision to create great moments for everyone, every day, Carrefour offers an exceptional shopping experience, providing the widest range of quality products at competitive prices and distinguished customer service.

"It is highly valuable for us to have such a close partnership with Carrefour that is economically interesting for both parties. This partnership will bring solid investments, modern infrastructure and more jobs. The Batumi shopping center alone will create over 250 additional jobs," said Soso Pkhakadze, President of Wissol Group.

"We are delighted with this successful partnership established between Carrefour and Wissol Group in Georgia. It is our intention to develop several interesting projects together with Wissol Group. This partnership will pave the way for further expansion of Carrefour stores in Georgia, as well as further investments and more job opportunities," said Philippe Peguilhan, Country Manager of Carrefour in Georgia.

ABOUT MAJID AL FUTTAIM

Founded in 1992, Majid Al Futtaim is the leading shopping mall, communities, retail and leisure pioneer across the Middle East, Africa and Asia. A remarkable business success story, Majid Al Futtaim started from one man's vision to transform the face of shopping, entertainment and leisure to 'create great moments for everyone, every day'. It has since grown into one of the United Arab Emirates' most respected and successful businesses, spanning 15 international markets, employing more than 35,000 people, and obtaining the highest credit rating (BBB) among privately held corporates in the region. Majid Al Futtaim owns and operates 21 shopping malls, 12 hotels and three mixed-use communities, with further developments underway in the region. The shopping malls portfolio includes Mall of the Emirates, Mall of Egypt, City Centre malls, My City Centre neighbourhood centres, and four community malls which are in joint venture with the Government of Sharjah. The Company is the exclusive franchisee for Carrefour in 38 markets across Middle East, Africa and Asia, and operates a portfolio of more than 175 outlets in 15 countries.

Majid Al Futtaim operates 284 VOX Cinema screens and 30 Magic Planet family entertainment centres across the region, in addition to iconic leisure and entertainment facilities such as Ski Dubai and Ski Egypt, among others. The Company is parent to the consumer finance company 'Najm', a fashion retail business representing international brands such as Abercrombie & Fitch, AllSaints, lululemon athletica, and Crate & Barrel; and a healthcare business that operates City Centre Clinics. In addition, Majid Al Futtaim operates Enova, a facility and energy management company, through a joint venture operation with Veolia, a global leader in optimised environment resource management. The Company also owns the rights to The LEGO Store and American Girl in the Middle East and operates in the food and beverage industry through a partnership with Gourmet Gulf.

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Dinehall Celebrates First Anniversary

When restaurant DINEHALL opened on 9 June 2016, the main purpose was to open a place where guests are highly appreciated and can experience high quality service, hospitable environment and fresh food. The right to life and health is part of fundamental human rights and freedoms. We live in a world where our food is industrialized. DINEHALL Tbilisi is the first branch of the world's first fresh casual café restaurant, and its motto is "Good Food is a Human Right".

DINEHALL's concept and menu is absolutely different from other restaurants that are presented on the local market. DINEHALL offers fewer options on its menu, but provides more benefits for guests. Here you can eat only fresh and healthy food, which nowadays is very difficult. DINEHALL prices meats according to its service and food quality. Moreover, it can be said that DINEHALL's quality is higher than offered prices. One year ago, when DINEHALL opened, it only offered an international menu, however, after some period of time there was a high demand from customers to also include Georgian Cuisine. Now, at DINEHALL international dishes, as well traditional Georgian dishes, are served.

From the day it opened until today, the entire DINEHALL team strives to learn the individual demands of each guest. Our team always knows who they are, what they love and what they expect from us. For DINEHALL main aim is to be up to date every day and never lose close communication with our guests.

The restaurant's target audience is ABC1 group representatives, with their families, tourists and expats.

We try to make them feel like home, create environment where they can relax with family, have private meetings, business lunches, corporate events, trainings or just hang out in DINEHALL's five different venues, located on 1000sq meters: Restaurant, Café, Bar, Expo halls and Wine Cellar.

DINEHALL's concept consists from three main areas: Food, Wine and Art. According to the concept "Food Wine Art," DINEHALL supports art. At the DINEHALL art gallery, guests can look at the work of the young and famous sculptor Levan Bujiashvili and buy his pieces. In addition, Dinehall offers a special music program to the guests on Wednesday, Friday and Saturday evening. DINEHALL also believes that good music should be listened to in a good place. The 11 best wine companies in Tbilisi are represented in DINEHALL's wine cellar.

Now DINEHALL is a one year old. During this year, the restaurant achieved its main goals. From the day it opened until today, it has served 85,775 guests. Every day, DINEHALL hosts 300 guests.

DINEHALL's young team of 63 people, work every day to do their best and create fresh-casual, friendly and comfortable atmosphere for you. DINEHALL constantly strives to grow and now we are preparing to open a second and third branch abroad.

Mr. Taner Icten
Board member and Group head

COCKTAIL RECEPTION AT TIFLIS VERANDA

AMCHAM GEORGIA HOSTED A COCKTAIL RECEPTION AT TIFLIS VERANDA ON JUNE 30. AMCHAM PRESIDENT MICHAEL COWGILL GREETED THE GUESTS AND USED THE OPPORTUNITY TO CELEBRATE SUMMER'S ARRIVAL. MEMBERS ENJOYED FABULOUS VIEWS OVER OLD TOWN AND RECONNECTED WITH FRIENDS, COLLEAGUES AND FELLOW REPRESENTATIVES OF MEMBER COMPANIES.

AMCHAM COCKTAIL RECEPTION, USAID / CSR CLUB PRESENTATION

AmCham Georgia hosted a cocktail reception and a presentation by USAID Mission Director Douglas Ball with the Georgian CSR club/CiDA for AmCham members at Betsy's Hotel on May 25. AmCham Executive Director George Welton greeted the guests. Mr. Ball talked about CSR's importance in the current business environment and opportunities within USAID's work for CSR engagement. Representatives of TBC Leasing and Centers for Civic Engagement presented their CSR visions. The presentation was followed by a lively discussion among the members and the presenters.

After the presentation, AmCham members and partners enjoyed cocktails and used the opportunity to reconnect with friends, colleagues and fellow representatives of member companies.

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Sunday Brunch

12:30 pm to 4:00 pm every Sunday

- Special Kid-Friendly Buffet
- Clown & Table Magician
- Live Music

Kids Area Consisting of:

- Face Painting
- Games Console
- Toys and Games

Children under 12 years free, children over 12 years - 50% discount / Pay GEL 55 for standard menu or pay GEL 70 and get unlimited wine and beer

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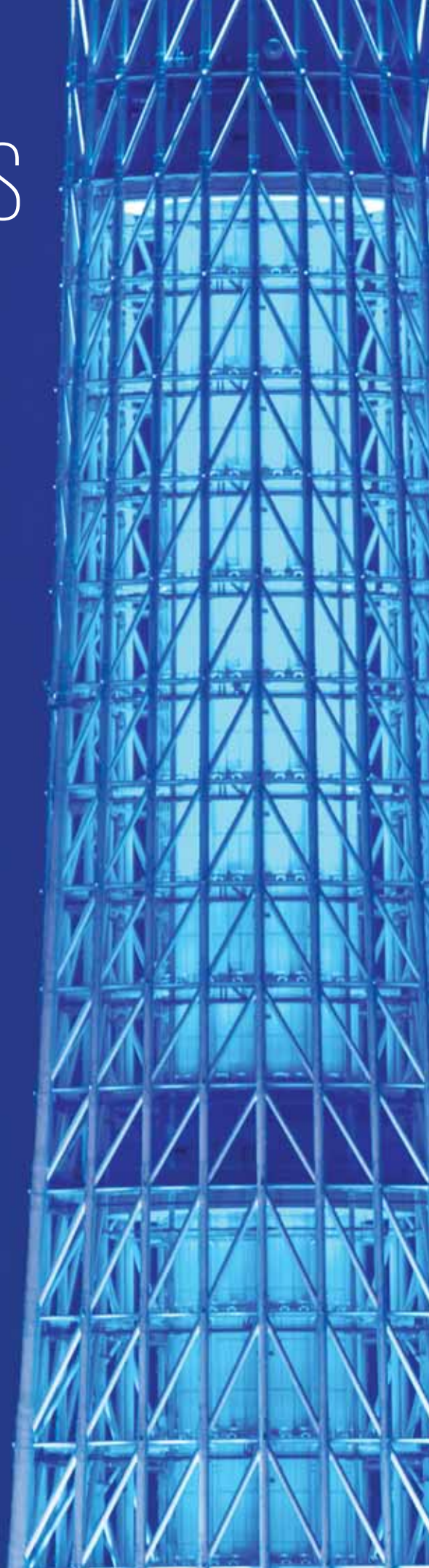

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