

# GEORGIA GOOD FOR BUSINESS GOOD FOR AMERICA

- + Georgia is well positioned to be a premier U.S. trade partner with a strategic location at the crossroads of Europe and Asia, giving companies access to new markets and opportunities.
- + The Georgian government prioritizes reforms and investment to support a strong, open economy.
- + Georgia is a free and democratic ally of the United States.

---

## GATEWAY TO TRADE

Georgia is strategically located at the crossroads of Europe and Asia, giving U.S. companies access to high growth markets.

- + A strategic trade agreement would grant U.S. businesses entry to eight landlocked nations with 120 million consumers and over \$500 billion in economic activity.
- + Georgia is the only country in the world with free trade agreements with the European Union, China (including Hong Kong), Turkey, Ukraine and CIS countries.
- + A strategic trade agreement with Georgia could provide U.S. businesses tariff-free access to key markets in the Eurasia region, comprising an estimated market of 2.3 billion people.
- + A U.S.-Georgia trade agreement would: Result in 27% growth of US exports during the first 5 years.

---

## DEDICATED AMERICAN ALLY

Georgia is a strong ally of the United States

- + Georgia stands shoulder to shoulder with the U.S. and NATO Allies in Afghanistan, where Georgia is one of the largest troop contributors to the Resolute Support Mission.
- + Since 2010, Georgia has provided more troops per-capita to the coalitions in Iraq and Afghanistan than any other country, deploying over 30,000 soldiers in support of U.S. operations in Afghanistan.
- + Georgian defense spending exceeds NATO spending benchmarks.

---

## EASE OF DOING BUSINESS

Georgia is one of the easiest places to do business in the world and a top European country for the rule of law. Georgia has made a drastic transformation to its free-market, democratic governance, and rule of law, making it a leading reformer in Eastern Europe.

- + The World Bank Group ranks Georgia 6<sup>th</sup> in terms of ease of doing business, making it the highest ranked country in Eastern Europe and Central Asia in terms of economic freedom.
- + The Index of Economic Freedom ranks the Georgian economy the 16<sup>th</sup> most free in all of Europe.
- + The Heritage Foundation ranks Georgia as one of the top 20 European countries for rule of law due to its free-market economy, democratic governance, and rule of law.

---

## STRONG ECONOMIC GROWTH

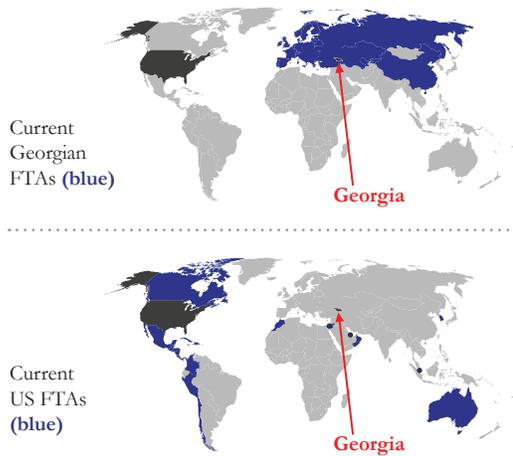
The Georgian economy has experienced steady year-on-year growth for the past decade and maintains comparatively strong growth rates among its neighbors and the wider region.

- + Georgia had an estimated real GDP growth rate of 4.8% in 2019 with an increased projected growth due to an influx of tourism and pipeline infrastructure.
- + The U.S. direct investments for the past decade surpassed \$1.5 billion.
- + 190 U.S. companies are already doing business in Georgia.
- + Overseas Private Investment Corporation (OPIC) has successfully invested \$500 million across wide areas of economy.

# GEORGIA GOOD FOR BUSINESS GOOD FOR AMERICA

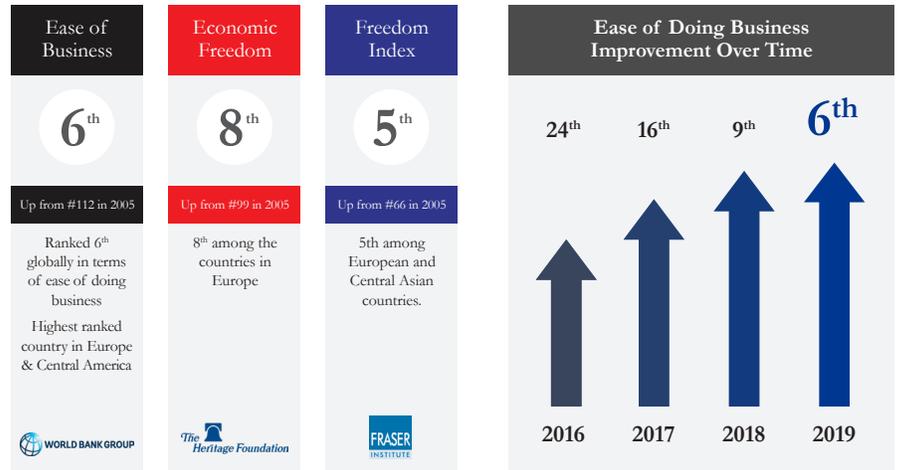
## GATEWAY TO TRADE

Georgia is strategically located to provide U.S. companies unique access to high-growth markets of 2.3 billion consumers and is an ideal logistical hub for European and Asian distribution operations.



## EASE OF DOING BUSINESS

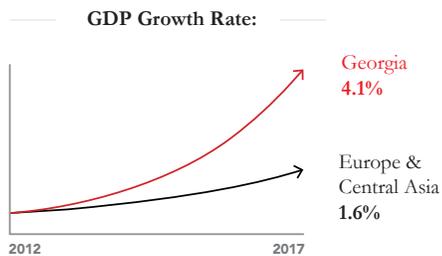
Georgia is recognized as one of the easiest places to do business in the world and is among the world's top ten economies according to the World Bank Group's annual Doing Business report.



## STRONG ECONOMIC GROWTH

### GDP

From 2012 to 2017, the Georgian economy grew at a compound annual growth rate of 4.1%. In comparison, Europe and Central Asia growth rate was 1.6%.



In 2012-2017, the strongest growth occurred in:



## BUSINESS INCENTIVES

The 2019 Index of Economic Freedom ranked Georgia as the 8th least tax burden country in the world.



## HOSPITALITY

Tourism Revenue increased by 19% in 2018, \$3.3 billion dollars.



# GEORGIA GOOD FOR BUSINESS GOOD FOR AMERICA

## KEY INVESTMENT SECTORS

In the last seven years, the government has made large-scale infrastructure investments in roads, railroads, ports and airports to bolster its position as a hub for commerce and trade. This investment has attracted extensive foreign direct investments in energy, technology, tourism and construction. Georgia is a growing hub for tourism, a regionally interconnected transit center, an agricultural and manufacturing hub, and has untapped renewable energy potential. During the last decade Georgia became a BPO hub for foreign offshore outsourcing companies.

### Energy

- + Renewable energy is a national priority. 80% of the country's total energy is generated from hydropower, with an estimated 10% of the country's energy slated to come from wind power by 2025.
- + In total, 140 renewable energy projects are under development. The overall installed capacity of these projects is 3175 MW and approximate electricity generation is around 13,855 million kWh.
- + In 2019, Solar panel manufacturing facility was opened in Georgia, which is first solar panel manufacturing plant in the region.

### Tourism

- + Georgia is a growing hub for tourism, with a 19% increase in tourism revenue in 2018.
- + Tourism receipts increased by 250% since 2011; revenues exceeded \$3.3 billion in 2018.
- + Tourism in Georgia has a significant potential for even more growth.
  - In 2017: 7.9 million visitors, with a growth of 17.6% over the previous year.
  - In 2018: 8.7 million visitors, with a growth of 9.9%
- + The U.S. ranked 15<sup>th</sup> for top international visitors in Georgia, with 33.6K visitors in 2017 and 41.8K visitors in 2018.

### Transit and Logistics

- + To enhance Georgia's role as a hub for regional business, Georgia is developing a new deep sea port in Anaklia that will expand Georgia's role as an East-West logistics and transit hub.
- + Georgia is an integral part in the Baku-Tbilisi-Kars railway project, connecting Asia to Europe via railway in 15 days.

### Manufacturing and Agriculture

Georgia is ripe with opportunities for investment in:

- + Light industries – Wood, paper and furniture.
- + Apparel and Textile – Georgia is currently producing apparel for renowned brands such as, Tommy Hilfiger, Marks & Spencer and Roberto Cavalli.
- + Heavy Industries – Metals, constructions and building materials, glass, plastics-packaging, chemicals and aircraft components.
- + Organic Food Processing – Tomatoes, apples, cucumbers, potatoes, stone fruits, citrus, olive oil and other fruits and vegetables.
- + Georgia will start producing electric cars that will be appear on local as well as EU markets starting in 2020.

### Business Process Outsourcing

- + The average Georgian monthly salary is \$430/month, which provides an affordable labor force.
- + Most citizens are proficient in business language, with skills to serve English speaking countries.
- + Lowest utilities costs (including internet) in the wide region, approximately 2.3 USD per sq.m.
- + Customer Relationship Management (CRM), Human Resources Outsourcing (HRO), Finance and Accounting (F&A) management process, Information Technology Outsourcing (ITO), and Architecture and Design services are the most attractive business outsourcing services.