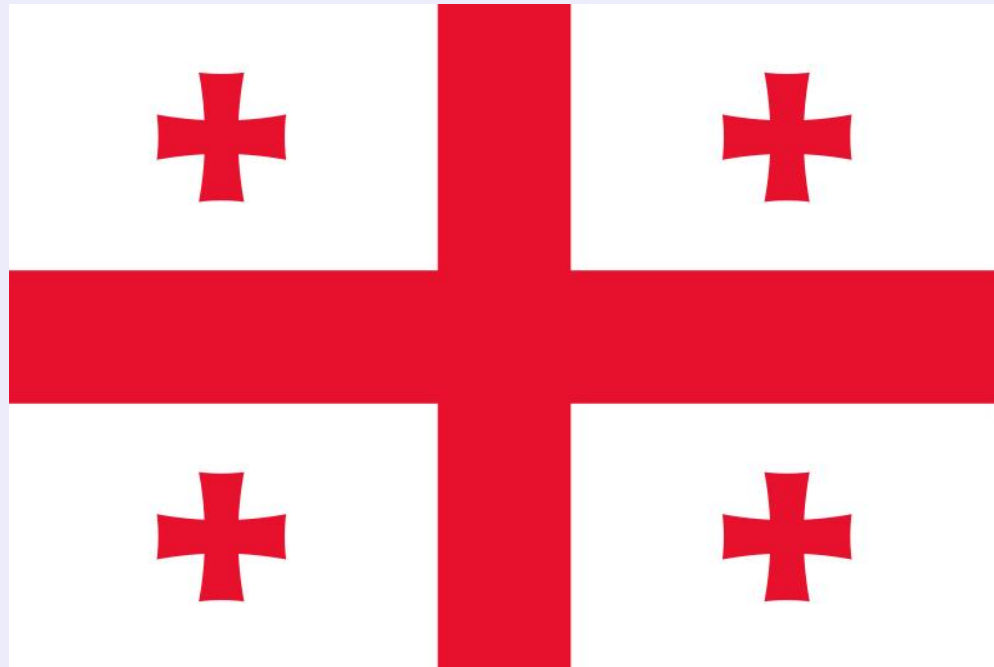


Georgia slide package for a foreign investor



Nataliya Blyakha
April 2009



TURUN KAUPPAKORKEAKOULU
Turku School of Economics
PAN-EUROOPPA INSTITUUTTI



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The information in this document is compiled and edited from a variety of sources. The Pan-European Institute assumes no responsibility for the completeness or accuracy of the information.



1. General information

a) Geographical facts

Land area:
69 700 km²

Border countries:

Armenia	164 km
Azerbaijan	322 km
Russia	723 km
Turkey	252 km

Distance from Tbilisi to some European capitals:

Berlin	2637 km
Helsinki	2462 km
London	3540 km
Madrid	4018 km
Moscow	1649 km
Paris	3372 km

[www.geobytes.com]

Sources: CIA World Factbook



1. General information

b) Administrative and territorial constitution

Territorial constitution:

9 regions, 1 city and 2 autonomous republics,
which are subdivided into 69 districts

Administrative divisions:

Regions:

Guria, Imereti, Kakheti,
Kvemo Kartli, Mtskheta-Mtianeti,
Racha-Lechkhumi, Kvemo Svaneti,
Samegrelo, Zemo Svaneti,
Samtskhe-Javakheti, Shida Kartli

Autonomous republics:

Autonomous Republic of Abkhazia
Autonomous Republic of Adjara

City: Tbilisi



Sources: CIA World Factbook

1. General information

c) Population and basic facts

Population: 4 382 100 (2008)

Major cities: (population)

Tbilisi (capital) 1 106 700

Kutaisi 185 965

Batumi 121 806

Rustavi 116 348

Share of urban population:

52 % (2007)

Industries:

Steel, aircraft, machine tools, electrical appliances, mining (manganese and copper), chemicals, wood products, wine

Natural resources:

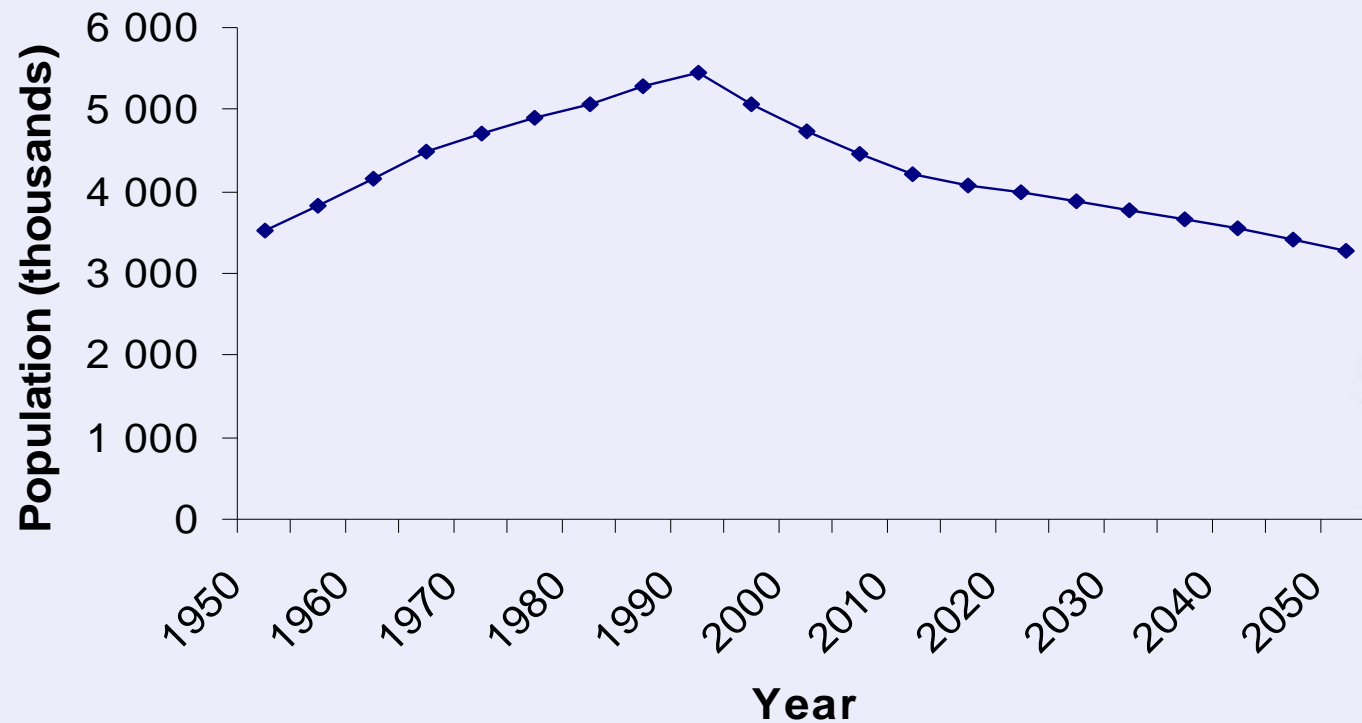
Forests, hydropower, manganese deposits, iron ore, copper, minor coal and oil deposits



Sources: Statistics Georgia; IMF World Economic Outlook Database 09/2008; UNICEF; Bureau of European and Eurasian Affairs; CIA World Factbook

1. General information

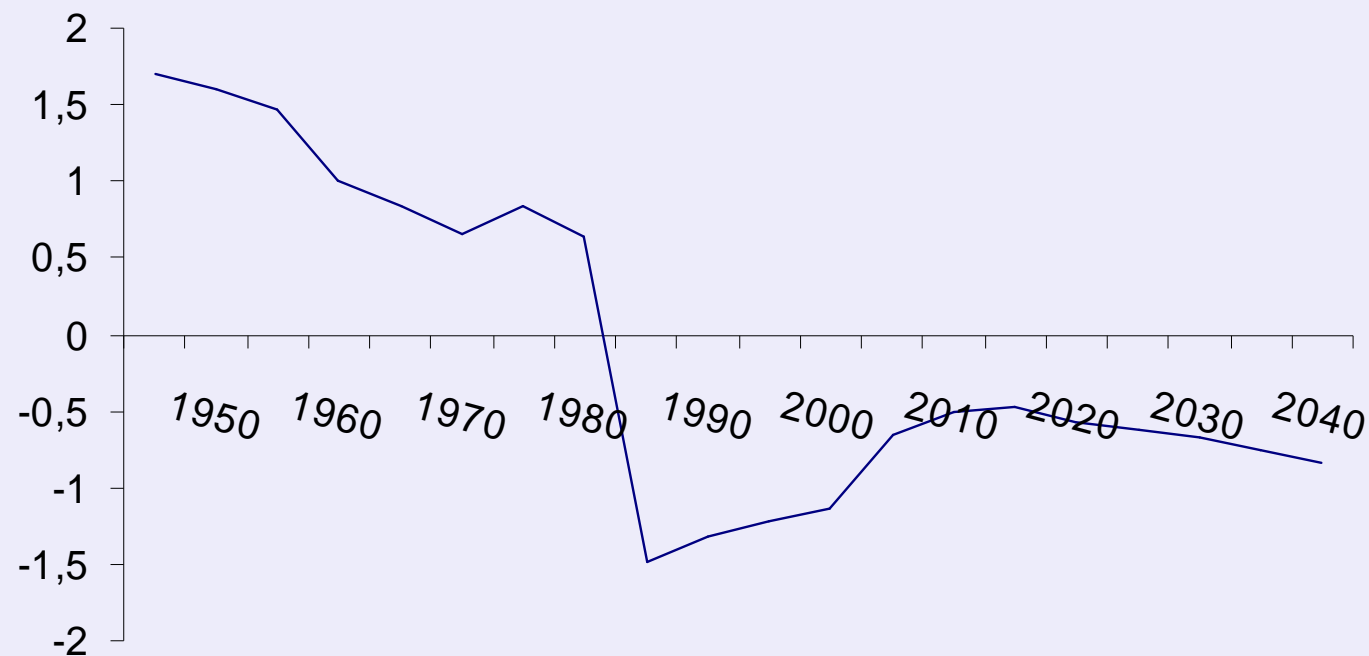
d) Population 1950-2050



Source: United Nations Population Division, World Population Prospects: The 2008 Revision Population Database

1. General information

e) Population growth rate 1950-2050



Source: United Nations Population Division, World Population Prospects: The 2008 Revision Population database

1. General information

f) Transport infrastructure

Airports	23
Ports	Batumi, Poti (Black Sea ports)
Railways	1 612 km
Roadways	20 232 km 1 474 km of main roads with about 70% in good condition 3 392 km of secondary roads of which 60% are in poor condition 15 429 km of local roads most of which are in very poor condition



Sources: CIA World Factbook; The World Bank: World Developments Indicators database, September 2008

1. General information

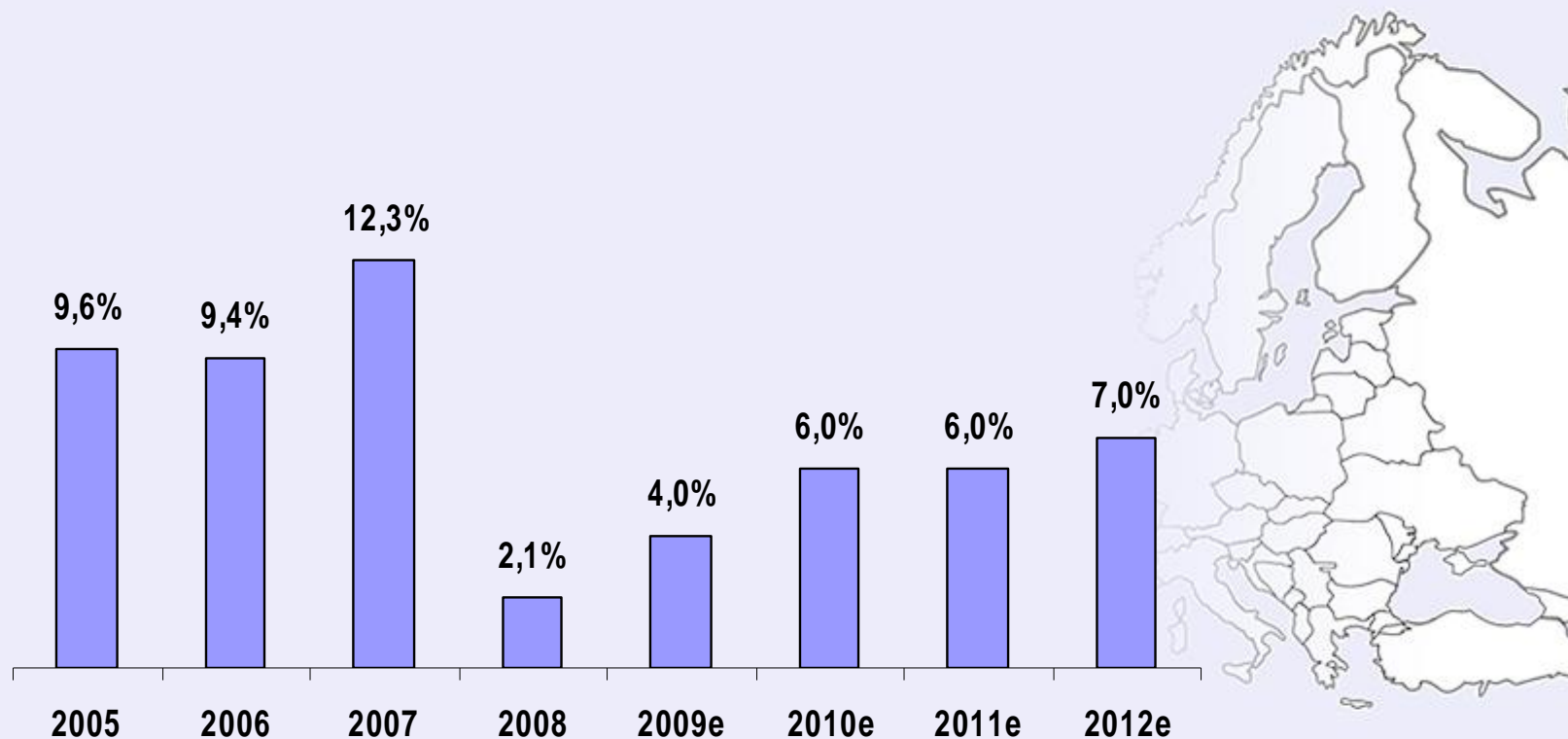
g) Taxation in Georgia

	2004	2005	2008	2011f
Number of taxes	21	7	6	6
VAT	20%	20%	18%	18%
Income tax	12%-20%	12%flat	Social tax+ Income tax 25%	18%
Social tax	33%	20%	-	-
Corporate profit tax	20%	20%	15%	15%
Dividend income tax	10%	10%	10%	3%

Source: Georgia.gov.ge: Georgian Economy Overview

2. Economic development

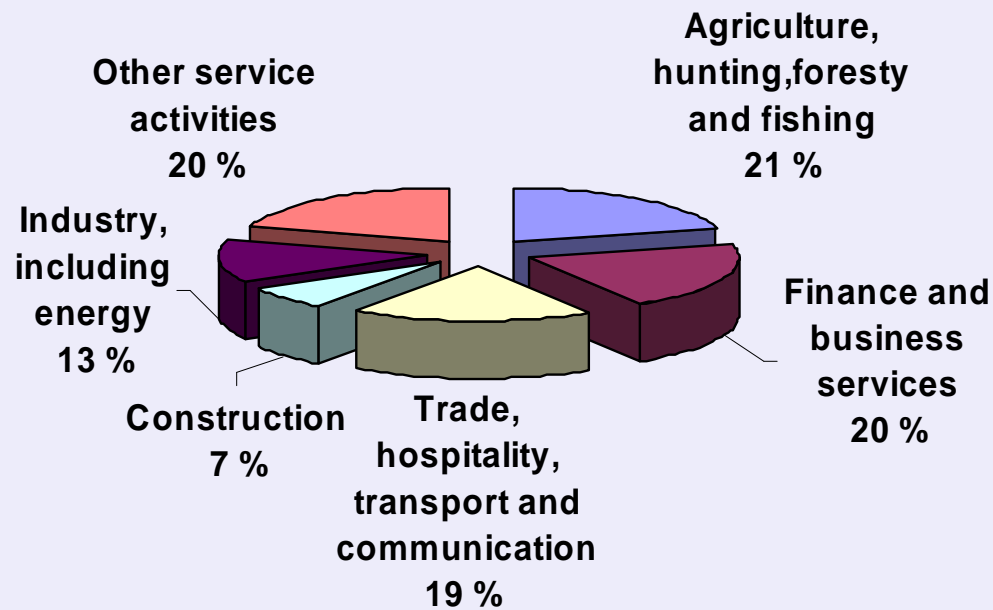
a) GDP annual growth rate



Sources: Statistics Georgia; estimates (e) from IMF World Economic Outlook Database 10/2008

2. Economic development

b) GDP by major sectors, 2007

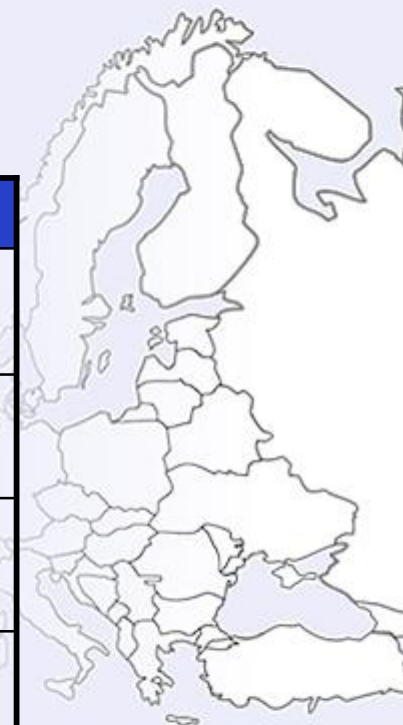


Source: UNECE Statistical database

2. Economic development

c) Labour force and population

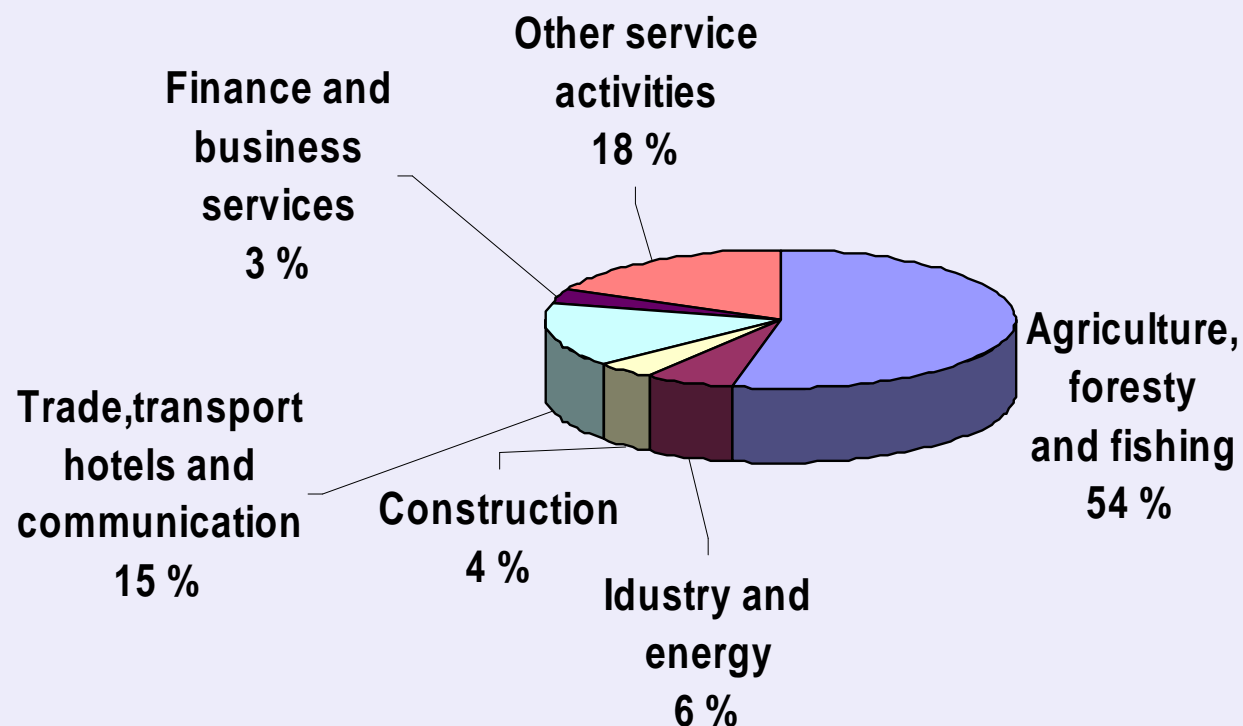
	2002	2005	2007
Population (1 000)	4 371	4 321	4 394
Number of unemployed (1000)	265	279	261
Unemployment rate (%)	12,6	13,8	13,3
Economically active population (1000)	2 104	2 023	1 965



Sources: Statistics Georgia; Eurostat; LABORSTA; ILO Bureau of Statistics

2. Economic development

d) Employment by main sectors, 2008

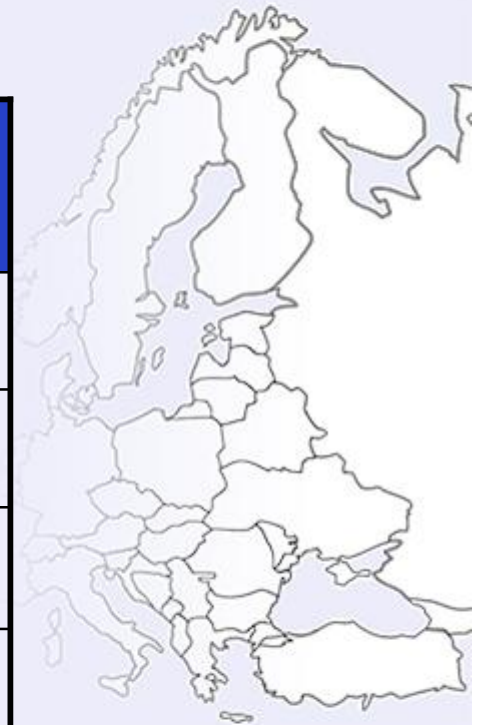


Source: UNECE Statistical database

2. Economic development

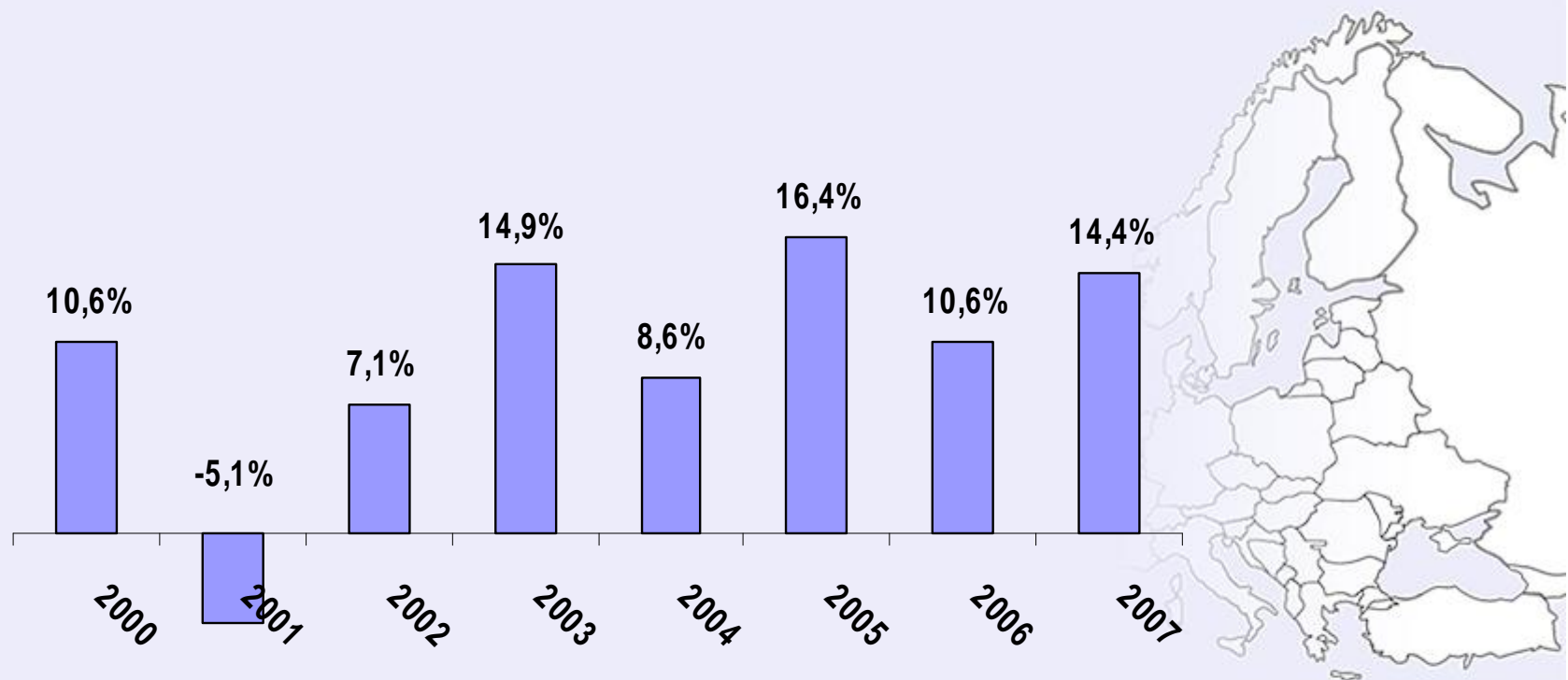
e) Georgia's business environment in comparison

Ranking index	Rank of Georgia / Total number of countries
World Democracy Audit overall ranking 2008 [World Audit]	86/150
Index of Economic Freedom 2009 [The Heritage Foundation]	32/179
Corruption Perceptions Index 2008 [Transparency International]	67/180
Global Competitiveness Index 2008-2009 [World Economic Forum]	90/131
Ease of Doing Business 2008 [World Bank]	18/178



2. Economic development

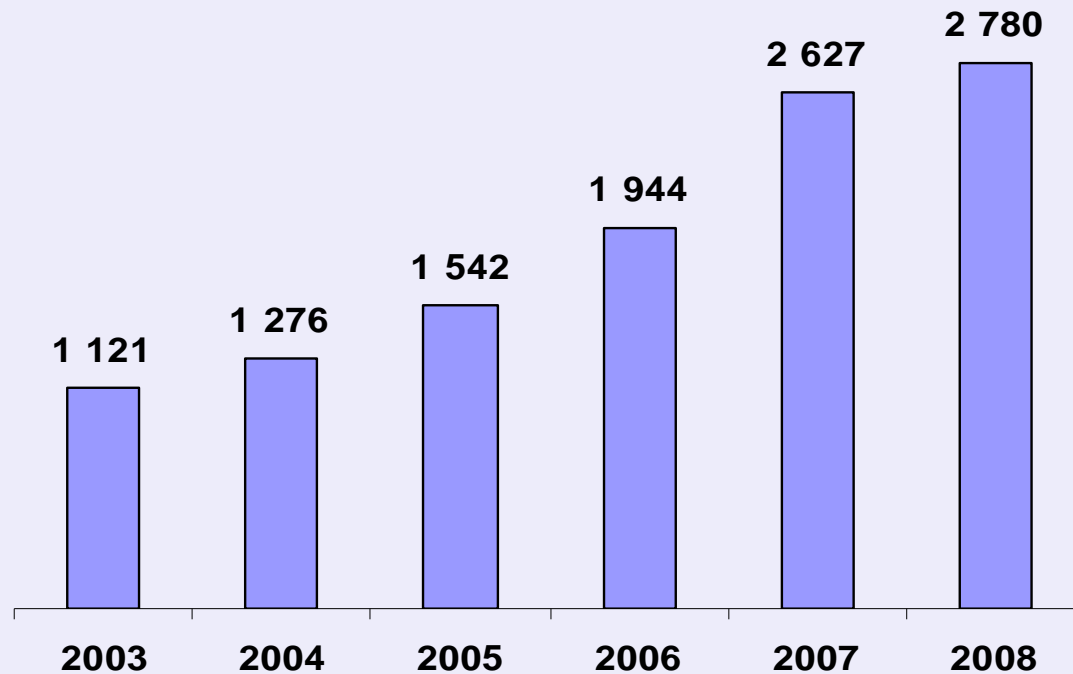
f) Industrial production growth rate



Source: UNECE Statistical Database

2. Economic development

g) Industrial turnover, 2008 (million \$)

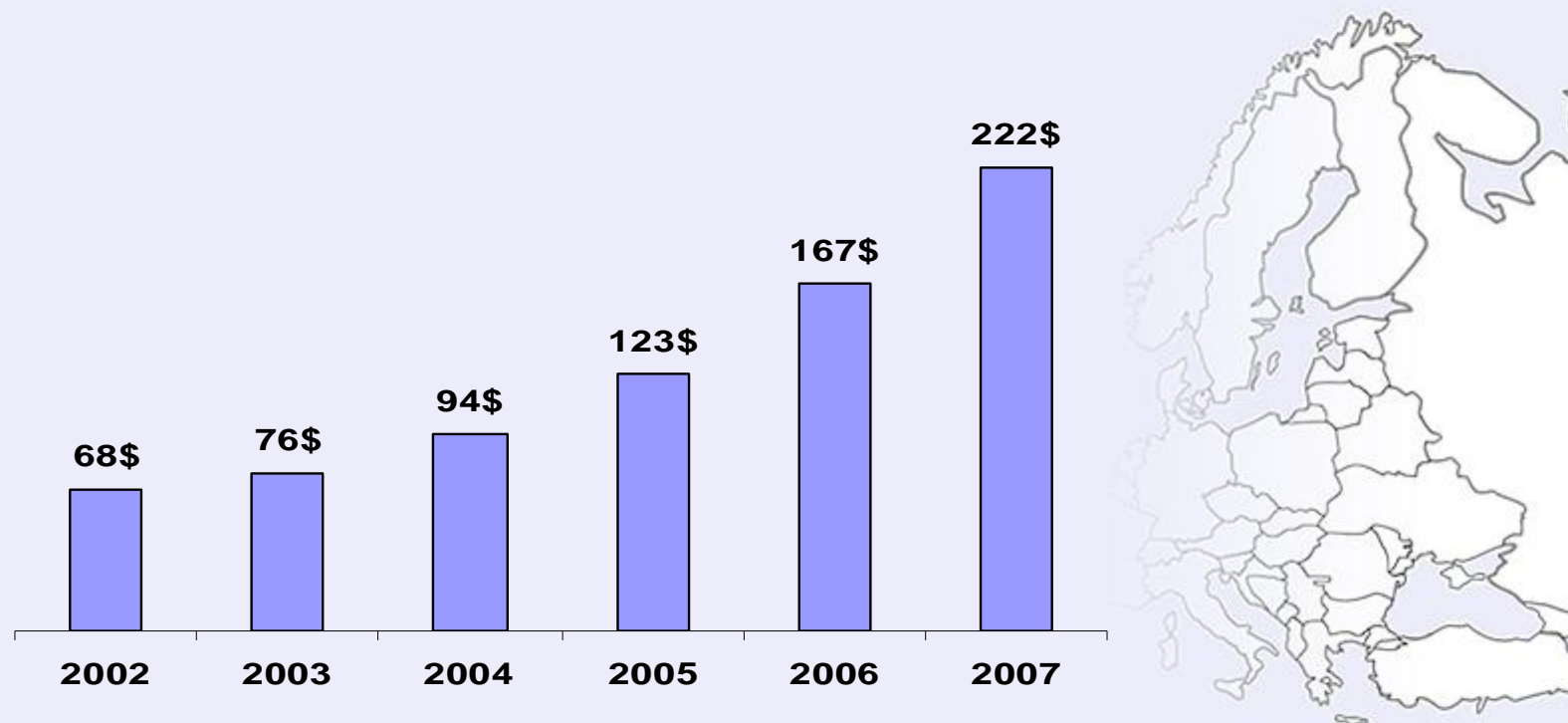


(Considering the exchange rate of National Bank of Georgia by 16.04.09
1\$=1,6600 GEL)

Source: Statistics Georgia

3. Prosperity and consumption

a) Average monthly gross earnings



(Considering the exchange rate of National Bank of Georgia by 16.04.09
1\$=1,6600 GEL)

Source: National Bank of Georgia; Statistics Georgia



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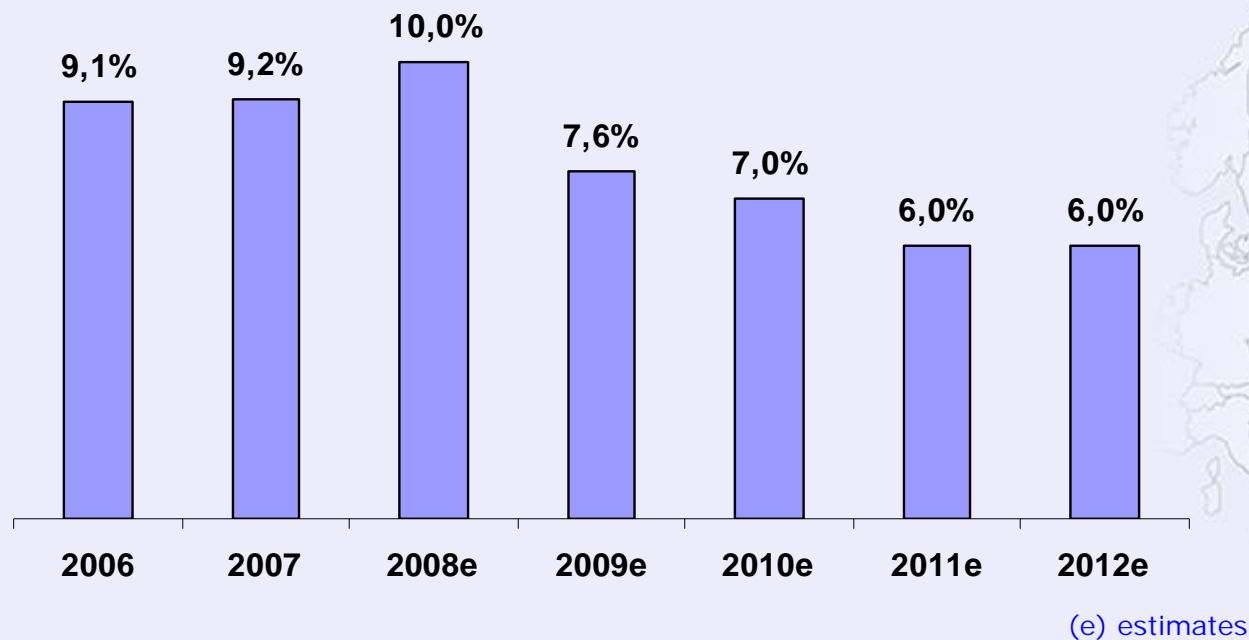
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3. Prosperity and consumption

b) Consumer price index, annual percent change



Source: IMF World Economic Outlook Database 10/2008



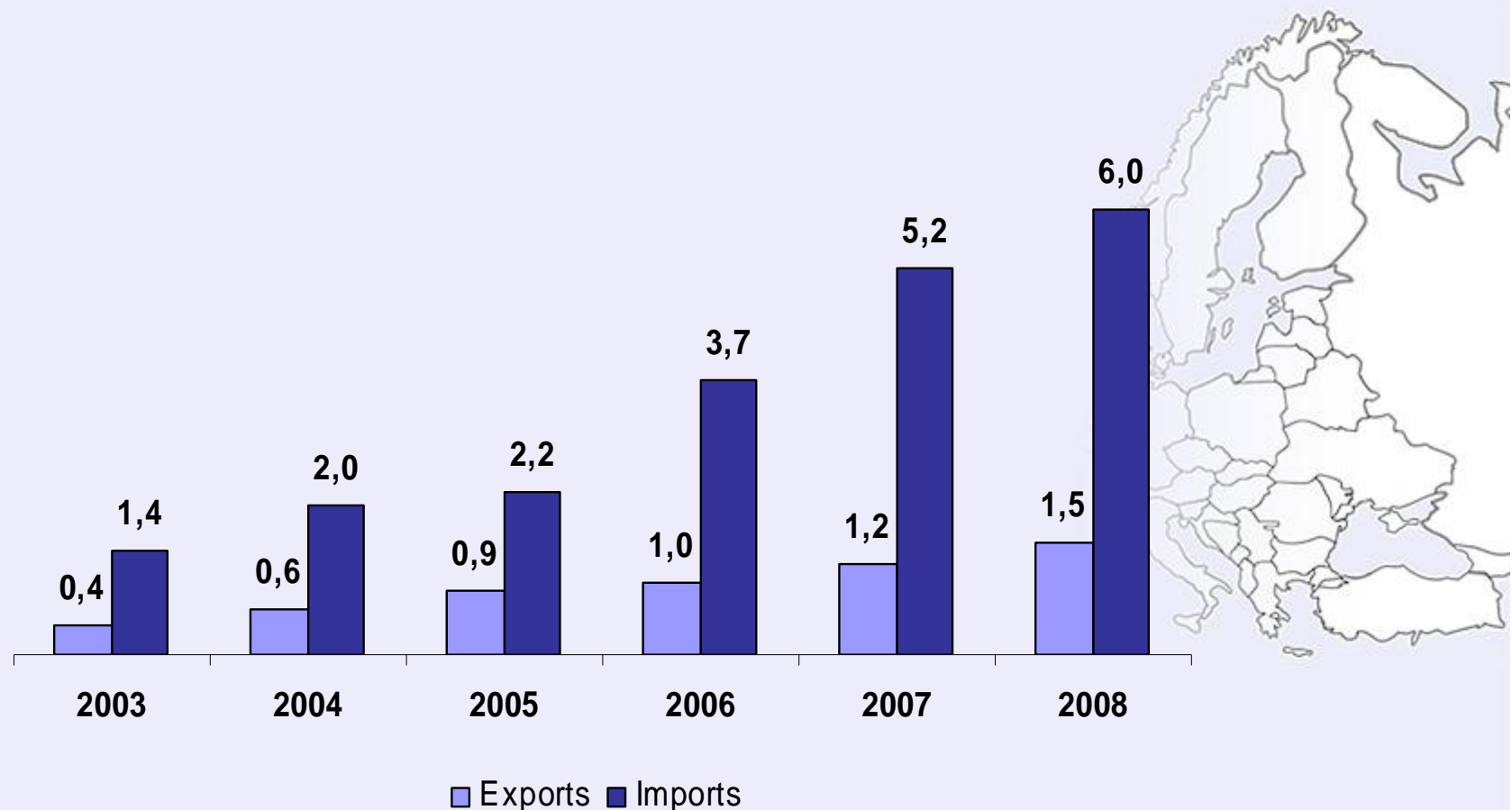
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4. External economic relations

a) Development of foreign trade (billion \$)

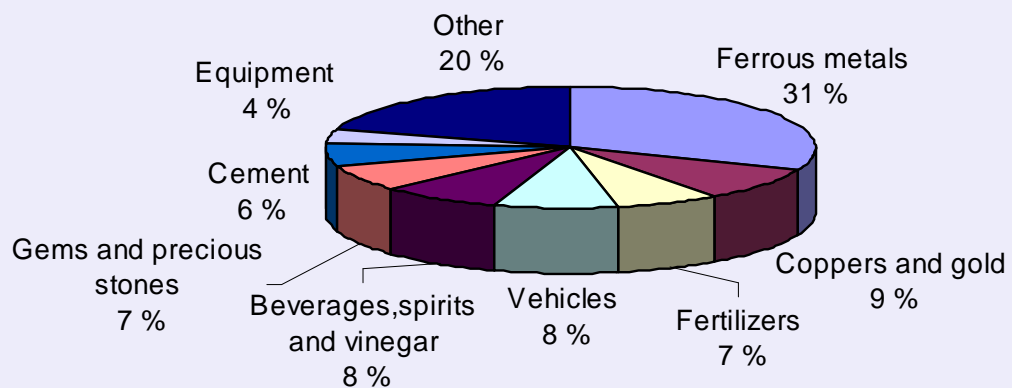


Source: Ministry of Economic development of Georgia

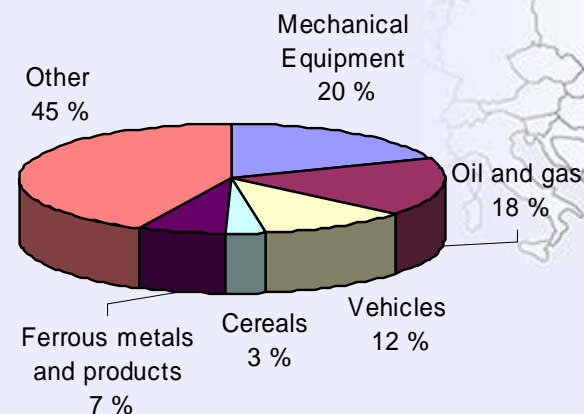
4. External economic relations

b) Foreign trade structure by product, 2008

Export structure



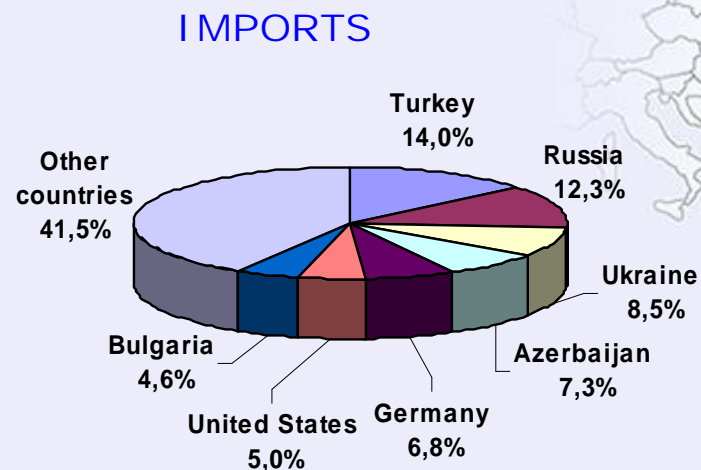
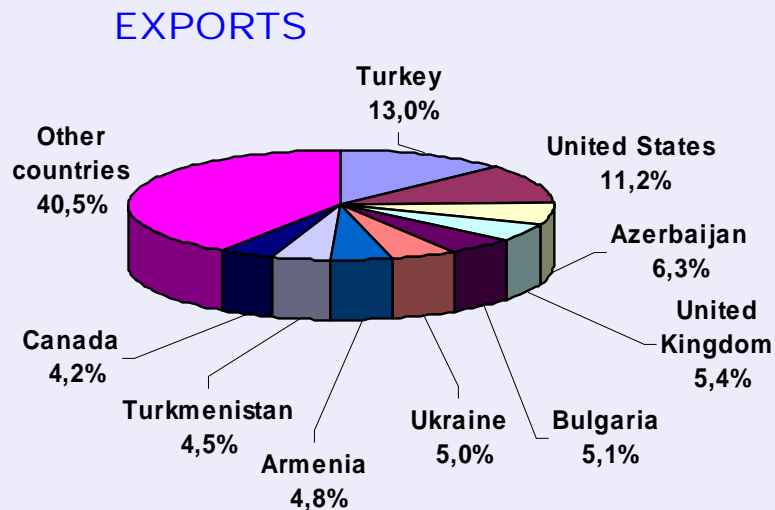
Import structure



Source: WTO: Trade Competitiveness Map

4. External economic relations

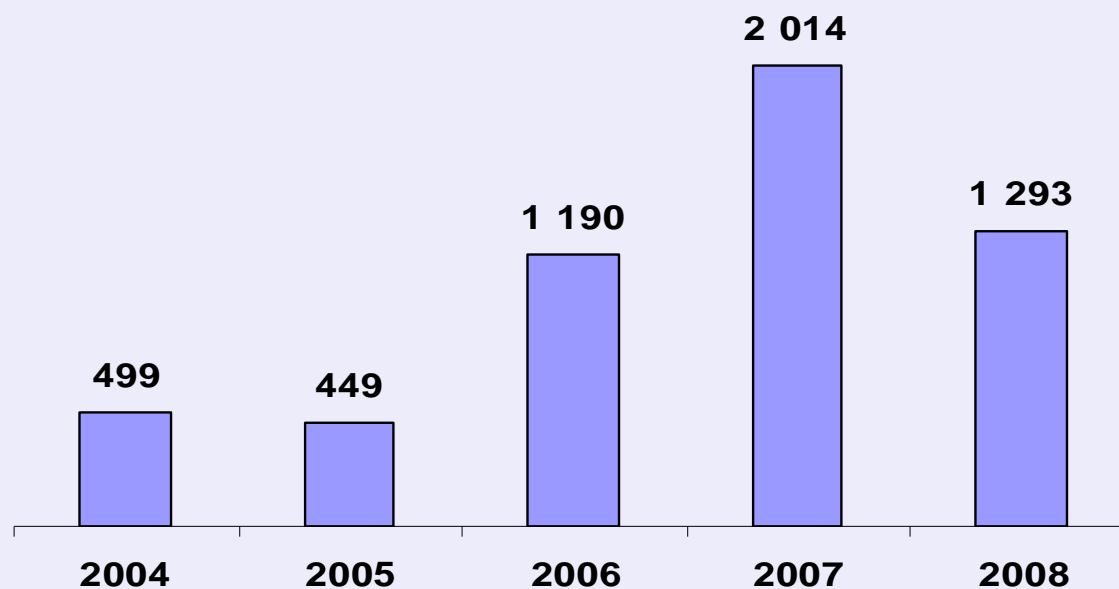
c) Major export and import partners in 2007



Source: CIA World Factbook

4. External economic relations

d) Foreign direct investments in Georgia (million \$)

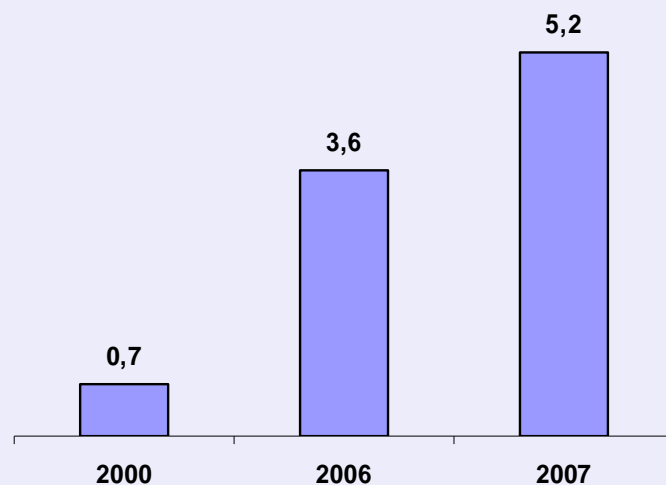


Source: Statistics Georgia

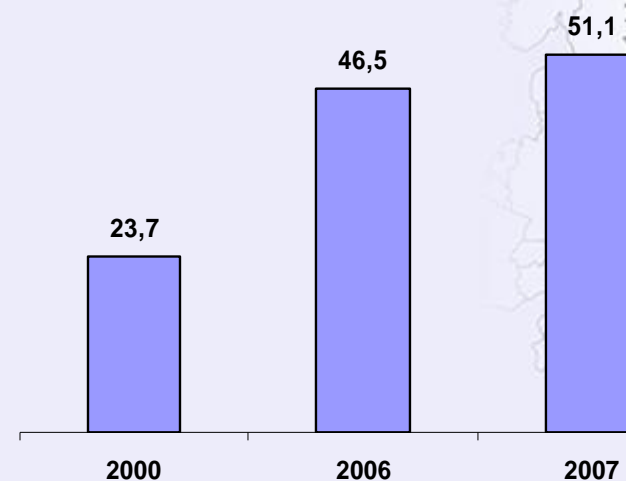
4. External economic relations

e) Foreign direct investment stock

Billion \$



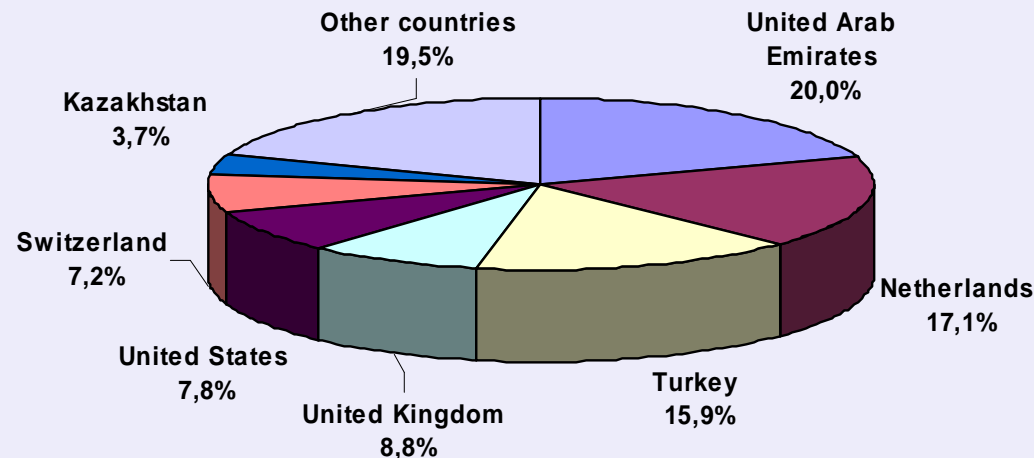
As a percentage of GDP



Source: UNCTAD: World Investment Report 2008

4. External economic relations

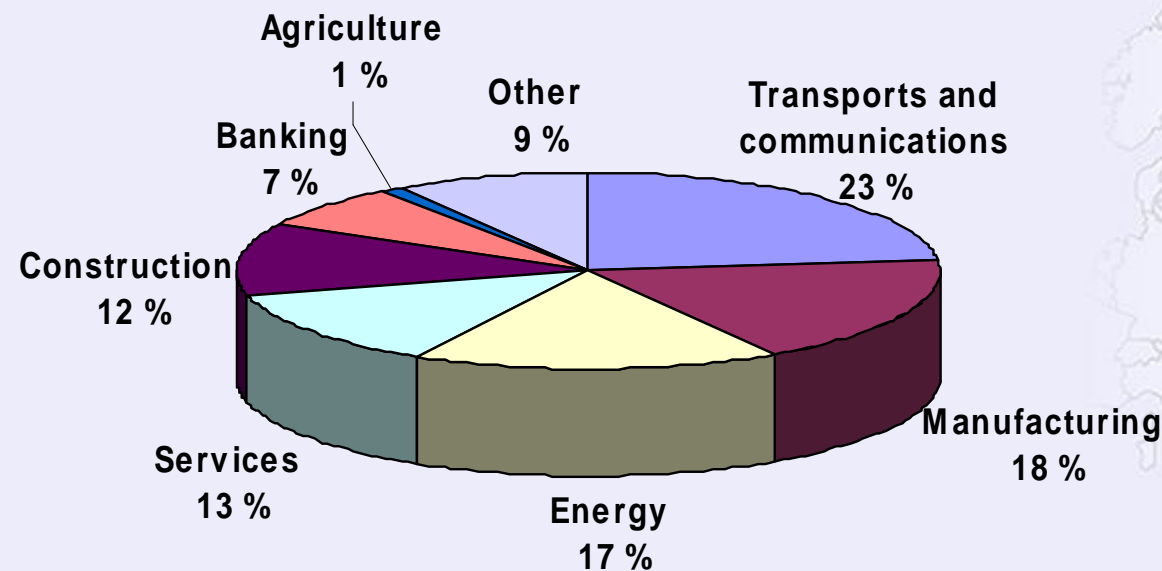
f) Foreign direct investment by countries, 2008



Source: Ministry of Foreign Affairs of Georgia

4. External economic relations

g) Foreign direct investment by sectors, 2008



Source: National Bank of Georgia

5. Additional information

a) Business services and authorities

BUSINESS SUPPORTING SERVICES

Georgian chamber of commerce and industry
www.gcci.ge

Georgian National Investment Agency
www.investingorgia.org

SOME AUTHORITIES

Government of Georgia
www.georgia.gov

Ministry of Economic development of Georgia
www.economy.ge

Ministry of Finance
www.mof.ge

Ministry of Foreign Affairs and European Integration
www.mof.ge

National Bank of Georgia
www.nbg.gov.ge



Information subject to changes

5. Additional information

b) Finnish mission and European Commission's Delegation

Roving ambassador to South Caucasus
formin.finland.fi

Contacts:

Roving Ambassador for South Caucasus Mr. Petri Salo

Visiting address:

Ministry for Foreign Affairs,
Merikasarmi, Laivastokatu 22,
00160 Helsinki
Finland

Postal address:

Merikasarmi, P.O. Box 427,
00023 Government, Finland
Tel. +358 9 1605 5532
E-mail: ita-22@formin.fi

Delegation of the European Commission to Georgia

www.delgeo.ec.europa.eu/en

Contacts:

Delegation of the European Commission to Georgia
38, Nino Chkheidze Street,
Tbilisi 0102
Georgia
Tel. +995 32 94 37 63
Fax +995 32 94 37 68
E-mail: delegation-Georgia@ec.europa.eu



Information subject to changes

5. Additional information

c) Other sources

CIA World Factbook

<https://www.cia.gov/library/publications/the-world-factbook/index.html>

The Economist Intelligence Unit EIU

www.eiu.com

European Bank for Reconstruction and Development EBRD

www.ebrd.com

Eurostat

epp.eurostat.ec.europa.eu

International Labour Organization ILO

www.ilo.org

International Monetary Fund IMF

www.imf.org

Statistics Georgia

www.statistics.ge



Information subject to changes

5. Additional information

c) Other sources

United Nations Economic Commission for Europe UNECE
www.unece.org

Unicef
www.unicef.org

The World Bank
www.worldbank.org



Information subject to changes