



Newsletter

January to March 2013

CONTENT

Ministry of Economy and Sustainable Development of Georgia organized a meeting of the government of Georgia, civil society and business sector on the negotiations on Deep and Comprehensive Free Trade Area (DCFTA) between Georgia and EU.	3
Ministry of Justice of Georgia held the first public presentation of the Amendments to the Draft of the Labor Code.	3
Fifth round of DCFTA negotiations took place in Tbilisi.	4
Members of EUGBC and DCFTA Working Group held a meeting with the Deputy Minister of Economy and Sustainable Development, Chief Negotiator on DCFTA from Georgia, Michael Janelidze.	4
EU representatives visited Tbilisi to participate in the Informal Eastern partnership dialogue.	6
EU and Georgia Signed Financing Agreement to Support Reform Process in Georgia.	7
The meeting of the Committee on Political Affairs, Human Rights and Democracy of the Eastern Partnership Parliamentary Assembly was held in Tbilisi.	8
The Prime Minister of Georgia Bidzina Ivanishvili met with the representatives of business sector in Georgia.	8
European Commissioner for Home Affairs Cecilia Malmström visited Georgia for visa liberalisation talks.	10
EU-Georgia Business Council organized a meeting of its core member BP with Tedo Japaridze, Chairman of the Foreign Relations Committee of the Parliament of Georgia.	10
Eurasia Partnership Foundation (EPF) presented a Report on the implementation of the European Neighbourhood Policy Action Plan for Georgia in trade and some trade related areas in 2012.	11
Commissioner Füle presented the European Neighbourhood Policy package.	12

The EU released 2012 Progress Report on Georgia. 13

Chairman of the EUGBC Board and Secretary General held a meeting with Tamar Beruchashvili, Deputy State Minister of Georgia on European and Euro-Atlantic Integration. . . 13

Final round of negotiations on Association Agreement between Georgia and EU was held in Brussels. 14

Final round of negotiations on Deep and Comprehensive Free Trade Area (DCFTA) between Georgia and EU was held in Brussels. 15

The presentation of the Information Center on NATO and EU was held in Tbilisi. 15

EUGBC Members’ News:

Gvinadze & Partners expands its presence to Batumi. 17

Bank Republic Invited its Partner Organizations to Marjanishvili Theatre. 17

Société Générale Group increases its Share Participation at Bank Republic. 18

DLA Piper’s Another Award: N1 in the World in M&A. 18

DLA Piper won “The Most Innovative Firm in Finance Law 2012” awards from the Financial Times. 19



Ministry of Economy and Sustainable Development
OF GEORGIA

Ministry of Economy and Sustainable Development of Georgia organized a meeting of the government of Georgia, civil society and business sector on the negotiations on Deep and Comprehensive Free Trade Area (DCFTA) between Georgia and EU

The Ministry of Economy and Sustainable Development of Georgia organized a meeting with the civil society and business sector on the negotiations on Deep and Comprehensive Free Trade Area (DCFTA) between Georgia and EU, and respective reforms. The meeting took place on 16 January 2013 at Radisson Blu Iveria, Tbilisi.

The meeting was opened by **Michael Janelidze**, Deputy Minister of Economy and Sustainable Development of Georgia, Chief Negotiator on DCFTA from Georgia. Mr. Janelidze presented to the audience the history and the status of the DCFTA negotiations between EU and Georgia.

Current reforms in two areas – Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary measures (SPS) – were discussed at the meeting. Irakli Matkava, Deputy Minister of Economy and Sustainable Development of Georgia informed the meeting participants on the reforms in the areas of technical regulations. In addition, information on the reforms in the areas of food safety was presented by **Zurab Chekurishvili**, Head of National Food Agency. **Ilia Kvitaishvili**, Deputy Minister of Agriculture of Georgia also took part in the meeting. The sessions were followed by number of questions and discussion from the invited guests.

The representatives of the Ministry of Economy and Sustainable Development of Georgia promised continuous dialogue with the business community and civil society in the light of ongoing negotiations with the EU on DCFTA. EUGBC was represented at the meeting by the country representative **Tamar Khuntsaria**.



Ministry of Justice of Georgia held the first public presentation of the Amendments to the Draft of the Labor Code

On January 22, Ministry of Justice of Georgia held the first public presentation of the amendments to the draft of the Labor Code at the Hotel "Radisson Blu Iveria" in Tbilisi.

The event was opened by **Thea Tsulukiani**, Minister of Justice and **Aleksandre Baramidze**, Deputy Minister of Justice.

Mr. Baramidze presented the amendments to the draft of the Labor Code in four main areas: Individual Labor Relationships, Collective Labor Relationships, Dispute Settlement and Tripartite Social Partnership Commission. The draft of the amendments to the Labor Code is attached.

The presentation was followed by questions on and discussion of the presented amendments. The participants of the meeting were representatives of the parliament and the government, diplomatic missions and international organizations, business associations, professional unions, employers association, civil society and experts. On behalf of EUGBC, Country Representative, **Tamar Khuntsaria** took part in the meeting.

Fifth round of DCFTA negotiations took place in Tbilisi

Fifth round of DCFTA negotiations took place in Tbilisi during January 29-31, 2013. Deputy Minister of Economy and Sustainable Development, Chief Negotiator on DCFTA from Georgian side, **Michael Janelidze** and his team participated in the negotiations with European counterparts. The EU side was headed by **Philippe Cuisson**, Representative of Directorate General for Trade of the European Commission, Chief Negotiator on DCFTA from the EU side.



According to the Deputy Minister, **Michael Janelidze** negotiations in all fourteen chapters of DCFTA are covered and that most of the body of the text is provisionally closed.

According to the EU Delegation Trade Officer **Virginie Cossoul**, overall, negotiations are progressing well, with outstanding issues still (IPR enforcement, energy, services, customs and trade facilitation) but the aim is to conclude them ahead of the Vilnius Summit in November 2013.

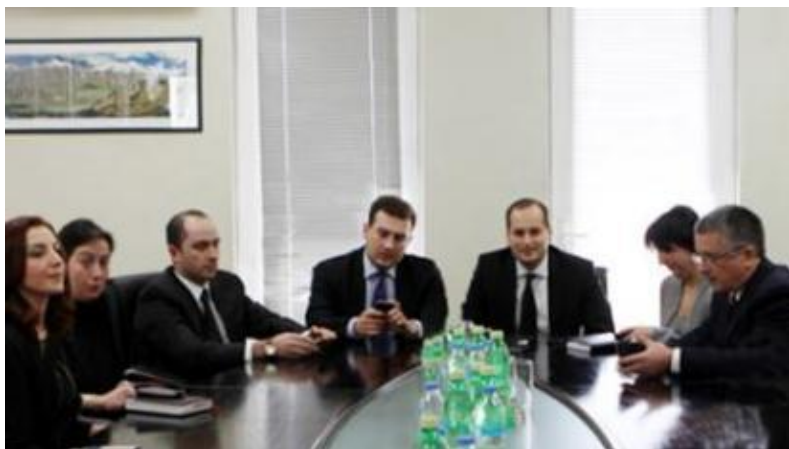
Members of EUGBC and DCFTA Working Group held a meeting with the Deputy Minister of Economy and Sustainable Development, Chief Negotiator on DCFTA from Georgia, Michael Janelidze

On 6th of February, Members of EUGBC and DCFTA Working Group held a meeting with the Deputy Minister of Economy and Sustainable Development, Chief Negotiator on DCFTA from Georgian side, **Michael Janelidze**.

Participants from the side of the Ministry also included Deputy Minister, **Irakli Matkava** and the Secretary of the DCFTA negotiation team at the Ministry, **Marika Gabunia**.

Deputy Minister, Michael Janelidze thanked EUGBC for organizing the meeting and for facilitating dialogue between the government and business community in Georgia. He updated EUGBC members on the current state of DCFTA negotiations. It was stated that negotiations in all fourteen chapters of DCFTA are covered and that most of the body of the text is provisionally closed.

This chapters are: Trade in Goods; Rules of origin; Customs and trade facilitation; Technical regulations on industrial products, standards and conformity assessment procedures; Sanitary and phytosanitary measures; Services, freedom of establishment and investment; Competition; IPR, including GIs; Public procurement; Trade and sustainable development; Transparency; Trade defence instruments; Dispute-settlement/mediation mechanism and Institutional structures/provisional application.



In addition, Mr. Janelidze stated that two rounds of negotiations have remained to finalise the negotiations, next one taking place in Brussels in mid-March 2013. However, he stressed that finalising negotiations and signing the agreement does not imply entering this agreement into force. It will take some time to implement and institutionalise the EU requirements and DCFTA provisions. In addition, certain time is needed to ratify the document by all EU member states' parliaments. So, it is anticipated that Georgia will have DCFTA in full force with the EU by 2015.

At the meeting, EUGBC Country Representative, **Tamar Khuntsaria** introduced the members of EUGBC and DCFTA Working Group to the Deputy Ministers. She spoke about the activities of EUGBC and DCFTA working group with respect of supporting the negotiation process. In addition, she emphasized importance of DCFTA and involvement of business community, as one of the major stakeholder in ongoing trade talks. It was underlined that the meetings of business community with the negotiating teams both from Georgia and from the EU are very important, and shall continue in future.

Members of EUGBC approached the Deputy Minister with concrete questions in concrete field of their business activities and received comprehensive responses. Major issues raised at the meeting were ongoing reforms in the area of competition policy, food safety and labor code. A specific recommendation from the side of members was to allow certain time for the discussion of draft laws, so that business has possibility to review and comment on introduced provisions.

It was suggested from the side of the Ministry that in addition to maintaining close cooperation with the DCFTA negotiation team consult with relevant Ministries and parliamentary committees on sector-specific reforms (e.g. SPS – Ministry of Agriculture of Georgia, Competition – Committee of Economy of the Parliament, Labor Code – Ministry of Justice, etc.). Overall, readiness to receive feedback from the side of business on specific reforms was very much hailed and appreciated. Mr. Matkava stressed that the DCFTA negotiating team relies on business as a major partner in this process and welcomes active involvement and close cooperation.

In the end of the meeting Mr. Janelidze asked EUGBC to help the Ministry in identifying specific service sectors in the EU that would interest Georgian service-provider businesses. He recommended a separate sector-specific meeting on this issue, with the possibility to develop a brief survey on the basis of which to consult EUGBC and DCFTA WG members and get feedback.

EU representatives visited Tbilisi to participate in the Informal Eastern partnership dialogue

Commissioner for Enlargement and European Neighbourhood Policy **Štefan Füle** and Deputy Secretary General of the European External Action Service **Helga Schmid** took part in the second Foreign Ministers meeting of the Informal Eastern Partnership (EaP) dialogues in Tbilisi on February 12-13, 2013.

The meeting was hosted by Georgia and brought together Foreign Ministers and high level officials of the Eastern Partnership countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine). For the first time the Foreign Ministers meeting was followed up by a sectoral ministerial meeting - this time dedicated to transport, where the European Commission was represented by Vice-President of the Commission and Commissioner responsible for transport **Siim Kallas**.



The Informal EaP dialogue meeting is an important occasion for the Foreign Ministers of the partner countries to engage in discussions about the implementation of reforms related to the European agenda just few months ahead of the third Eastern Partnership Summit in Vilnius in November this year. In addition, at this meeting the foreign policy issues of common interest such as Syria, Iran, Pakistan, Afghanistan and Mali were also discussed.

The informal Eastern Partnership dialogues are held twice a year and hosted in turn by one of the Eastern Partnership countries.

On February 13, Commissioner Füle and Deputy Secretary General of the European External Action Service Helga Schmid attended the Informal Eastern Partnership Dialogue with the Foreign Ministers.

At the event Commissioner Füle stated: *"This second meeting of the Informal Eastern Partnership Dialogue is about shaping the expectation of the upcoming Eastern Partnership Summit in Vilnius when we hope to sign the Association Agreement with Ukraine and conclude the negotiations with Georgia, Moldova and Armenia and also advance in our negotiations with Azerbaijan."*

The EU officials used their participation at the Informal EaP dialogue for bilateral meetings with Georgian partners. In the meetings with Prime Minister **Bidzina Ivanishvili** and President **Michael Saakashvili** Commissioner Füle stressed: *"The road between now and the Eastern Partnership Vilnius Summit in November is a historic moment for Georgia to deliver on the major challenges of cohabitation. Politicians are expected to find the channels of communication for successfully tackling the most important interests Georgia – and I believe the EU agenda is one of them. Pragmatic and value based cohabitation are needed to successfully deliver on Georgia's EU aspirations at the Vilnius Summit."*

The meetings were also held with Chairman of the Parliament **David Usupashvili** and Chairman of the Parliamentary Minority **David Bakradze**. In these meetings Commissioner Füle once again highlighted that Georgia is an example of consistency and commitment on the way of agreed reforms and should continue in this way despite the challenges in the process of cohabitation.

During his two-day visit to Tbilisi Commissioner Füle also met with the Foreign Minister **Maia Panjikidze**. He also signed a financial agreement with Georgian Minister for European and Euro-Atlantic integration **Alexander Petriashvili** worth € 20 million to support the reform process in Georgia.

EU and Georgia Signed Financing Agreement to Support Reform Process in Georgia



On February 12, 2013 European Commissioner for Enlargement and European Neighbourhood Policy **Štefan Füle** and Georgian Minister for European and Euro-Atlantic Integration **Alex Petriashvili** signed the Financing Agreement totaling € 20 million to support the reform process in Georgia. The main focus of this financial help is on comprehensive institution building. The funding will support key Georgian institutions to undertake the necessary reforms in three main areas: trade, oversight and public accountability, and co-ordination of EU-Georgia agreements.

"The programme launched today focuses on important elements of political association and economic integration, which are: shared values such as democracy and respect for human rights; development of stronger and modern institutions; and opening of new trade opportunities," Commissioner Füle said after the signing.

The programme will in particular:

- Support institutions that play a key role in aligning Georgian goods with EU standards and norms and, by doing so, enhance Georgia's ability to trade with the EU and other partners. These institutions are: the National Food Agency, the National Accreditation Centre and the Georgian Agency for Standards, Technical Regulations and Metrology;
- Strengthen the public accountability and the rule of law by supporting the Parliament, the Public Defender's Office and the State Audit Office;
- Promote coordination of the Prime Minister's office, the Ministry of Foreign Affairs, the State Ministry of European and Euro-Atlantic Integration and other governmental bodies.

This new programme builds on the financing already provided under the 2011 programme in support of EU-Georgia Agreements, totaling € 9,7 million. Its key feature, comprehensive institution building, has been conceived in the framework of the Eastern Partnership launched in May 2009 to focus on strengthening the institutions and administrative capacity to deal with future obligations streaming from the Association Agreement.

The meeting of the Committee on Political Affairs, Human Rights and Democracy of the Eastern Partnership Parliamentary Assembly was held in Tbilisi

The meeting of the Committee on Political Affairs, Human Rights and Democracy of the Eastern Partnership's Parliamentary Assembly was held on February 14, 2013 at Hotel "Sheraton Metechi Palace" in Tbilisi.

The Committee meeting of the EURONEST Parliamentary Assembly was hosted first time in Georgia. The Committee meeting was organized by the European Integration Committee of the Parliament of Georgia. The European Peoples Party (EPP) Group was represented by Member of the European Parliament (MEP) **Gunnar Hökmark**, MEP and European Parliament Rapporteur for Georgia **Krzysztof Lisek**, and MEP and Member of the Foreign Affairs Committee of the European Parliament **Joachim Zeller**.



The meeting was opened by the Chairman of the Georgian Parliament **Davit Usupashvili**, MEP, Chairman of the Committee on Political Affairs, Human Rights and Democracy of the Eastern Partnership's Parliamentary Assembly **Gunnar Hökmark** and Chairman of the European Integration Committee of the Parliament **Victor Dolidze**.

Members of the European Parliament (MEPs) and the Members of the Parliaments of the Eastern European States discussed the state of their relationship, cooperation results and future plans. Main theme of discussion was regional security challenges in eastern European partner countries.

Prior to the meeting, Gunnar Hökmark and other MEPs held meetings with chairman of the parliamentary minority **Davit Bakradze** and chairman of the parliamentary majority **Davit Saganelidze**. A meeting with the Prime Minister **Bidzina Ivanishvili** and the President **Michael Saakashvili** was also held.

At the end of the committee meeting Victor Dolidze and Gunnar Hökmark held a joint press-conference. Meeting of Mr. Hökmark and the MEPs with the civil society and NGOs also took place on February 15.

The Prime Minister of Georgia Bidzina Ivanishvili met with the representatives of business sector in Georgia



The Prime Minister of Georgia **Bidzina Ivanishvili** together with the government's economic group met with the representatives of business sector in Georgia on February 19, 2013 at Hotel "Sheraton Metechi Palace" in Tbilisi. The meeting of Bidzina Ivanishvili and businessmen proceeded behind closed doors. Up to 300 representatives of business community participated in the meeting. On behalf of EUGBC, council's members and country representative, Tamar Khuntsaria took part in the meeting.

At the meeting the Prime Minister underlined the superiority of the rule of law at all levels. "Everything should start from above – President must protect law first of all, and then the members of the government and afterwards we must demand this from others", Prime Minister says. During the meeting, Ivanishvili underscored that simplified customs procedures, simplicity of founding a company is important but not crucial. Head of Georgian Government said that law taxes are the most important.

The Premier Minister stated that Georgia is the fourth in the world in terms of small number of taxes and he urged the businessmen to provide information to their partners abroad in order to use this circumstance as a factor to interest them. He says the fees are, on average, of 16%, which is very interesting for business. "We guarantee that no official will dare to interfere with private property," - said the Prime Minister.



At the meeting Prime Minister presented a new business ombudsman **Giorgi Gakharia**. Ivanishvili noted that the new business ombudsman has received an education in business management and political studies and has many years of experience in working as a general manager. Mr. Gakharia previously worked as "Lufthansa" Director General in Eastern Europe. Ivanishvili noted that Gakharia understands well the language of business. "And if someone dares to remember the past, business ombudsman will bring your story to us" – said the Premier. Ivanishvili said it would be desirable if businessmen take a week and meet with Giorgi Gakharia, and think about the relations with him. "We can change the name if you want, business ombudsman or something else, so that it will be easier for you to convey the story to the government", Ivanishvili said. The Prime Minister underscored that the government is obliged to assist business.

Three-hour meeting of Prime Minister and the government's economic group with businessmen proceeded in an open and lively environment with increasing number of questions raised and discussed.

European Commissioner for Home Affairs Cecilia Malmström visited Georgia for visa liberalisation talks



European Commissioner for Home Affairs **Cecilia Malmström** arrived in Tbilisi and delivered the Visa Liberalisation Action Plan to the government of Georgia on February 25, 2013.

The Visa Liberalisation Action Plan, which is a main instrument for conducting talks, represents a set of detailed requirements that a country should meet in order to be granted by the EU short-term visa-free regime.

Georgia and the European Union announced about the launch of the visa liberalisation dialogue with an aim to examine all the relevant conditions for visa-free travel to the EU for Georgian citizen in June, 2012.

According to the European Commission visa liberalisation talks address areas related to document security, border management, migration, mobility and asylum, as well as other issues such as the fight against corruption and organized crime, protection of human rights, minorities, and anti-discrimination, which are relevant to ensure that mobility takes place in a secure and well-managed environment.

In the scope of her visit to Georgia, Commissioner Malmström meets with the Prime Minister, Bidzina Ivanishvili; President of Georgia, Michael Saakashvili; Minister of Foreign Affairs, Maia Panjikidze; Interior Minister, Irakli Garibashvili and State Minister for European and Euro-Atlantic Integration, Alexi Petriashvili.

EU-Georgia Business Council organized a meeting of its core member BP with Tedo Japaridze, Chairman of the Foreign Relations Committee of the Parliament of Georgia

On 15-17 March, 2013 Brussels hosted the [Brussels Forum](#) – an annual high-level meeting of the most influential North American and European political, corporate, and intellectual leaders to address pressing challenges facing both sides of the Atlantic. Participants include heads of state, senior officials from the European Union institutions and the member states, U.S. Cabinet officials, Congressional representatives, Parliamentarians, academics, and media.

In the framework of the Forum, EU-Georgia Business Council (EUGBC) organized a meeting of the representatives of its core member BP (co-sponsor of Brussels Forum) with Tedo Japaridze, Chairman of the Foreign Relations Committee of the Parliament of Georgia.



The meeting was attended by Peter Mather, Group Regional Vice-President, Europe and Head of Country UK; Emmanuel Haton, Director European Government Affairs, Al Cook, Vice-President of Shah-Deniz Full Field Development; Olivera Drazic, External Affairs Manager, Southern Gas Corridor; Konstantin Zaldastanishvili, EUGBC Secretary General and Valerian Gvalia, EUGBC intern.

At the meeting Georgia's role as a transit country, and BP's activities in the Caspian region was discussed. Mr. Japaridze was pleased to highlight BP's as foreign investor's strong presence in Georgia. He also pointed out that it is important to further raise BP's visibility amongst Georgian population. The Georgian official thanked BP for its contribution to improving education of young generations in the regions across pipelines through the Community development initiative and advised BP to continue this initiative.

BP representatives have noted that during the second phase of Shah-Deniz development, large amount of investment flows will be directed to Georgia. This investment will boost economic prosperity of country and will create hundreds of employment opportunities. Both sides agreed to cooperate closely in the future.

Eurasia Partnership Foundation (EPF) presented a Report on the implementation of the European Neighbourhood Policy Action Plan for Georgia in trade and some trade related areas in 2012



On 19 March 2013, Eurasia Partnership Foundation (EPF) presented its [report on Implementation of European Neighbourhood Policy Action Plan for Georgia in Trade and Some Trade Related Areas in 2012.](#)

The report was prepared by a group of experts within the framework of EPF's European Integration Program with the assistance of grants provided by the Swedish International Development Cooperation Agency (Sida) and the Canada Fund for Local Initiatives. The report evaluates Georgia's progress on its path towards EU integration, identifies obstacles to the implementation of reforms in various spheres, and provides recommendations for navigating these obstacles. The presentation was attended by representatives of the Georgian government, the diplomatic corps, business, civil and international organizations and the media.

Please refer to the full report of the presentation at www.eugbc.net – news.

Commissioner Füle presented the European Neighbourhood Policy package

“Vilnius Summit to be a milestone in bringing partners closer to political association and economic integration” said Stefan Füle, Commissioner for Enlargement and Neighbourhood Policy in his [speech made in Brussels at the European Parliament Foreign Affairs Committee on 20 March 2013](#) when presenting the European Neighbourhood Policy Progress Reports.

Stefan Füle, Commissioner for Enlargement and Neighbourhood Policy, presented the European Neighbourhood Policy Progress Reports to the Committee on Foreign Affairs of the European Parliament.

In his speech he outlined four main conclusions from the reports: Firstly, the process is still at its beginning, as the transition to democracy takes time; Secondly, although elections are an important step, they are just the first step which needs to be followed by political reforms; Thirdly, the importance of social-economic reforms must not be underestimated, as populations in partner countries need and demand jobs; Fourthly, the EU needs to maintain its engagement in the Neighbourhood and focus on implementation, while communicating the benefits of the EU offer better to populations in partner countries.



The Commissioner welcomed the progress made concerning Associations Agreements including Deep and Comprehensive Free Trade Areas, but reminded that the signature of the agreement with Ukraine is subject to the fulfillment of the 10 December Council Conclusions by Ukraine. Furthermore he especially underlined the importance of the progress achieved concerning mobility of people and expressed his intention to put a stronger focus on this policy field.

Commissioner Füle highlighted the need for further differentiation within the neighbourhood according to the more-for-more principle and underlined the Eastern Partnership countries' need for continues support. He stated that they deserve an “ambitious future” including a European Perspective in the line with Article 49 Treaty of European Union (TEU) if they share the EU’s principles of freedom, democracy and rule of law.

The Commissioner appreciated the growing role of Parliaments and the civil society in the Neighbourhood Policy and underlined that they are the main drivers of democratic reforms.

The EU released 2012 Progress Report on Georgia

On March 20, 2013 the EU released its annual Progress Report on Georgia – [“Implementation of the European Neighbourhood Policy in Georgia Progress in 2012 and recommendations for action”](#). The report reviews achievements made by Georgia within the European Neighbourhood Policy (ENP) in 2012 and outlines areas and recommendations where further efforts are needed.

According to the Report, there was an intense EU-Georgia political dialogue in 2012 and negotiations on Association Agreement, including a Deep and Comprehensive Free Trade Area (DCFTA), made significant progress.



Overall, the report addresses following issues: Political dialogue and freedom, including areas of deep and sustainable democracy, human rights and fundamental freedoms, cooperation on Foreign and Security Policy, conflict prevention and confidence building; Economic and social reforms, including macroeconomic framework and functioning market economy, and social situation, employment and poverty reduction; Trade-related issues, market and regulatory reform; Cooperation on justice, freedom and security; Transport, energy, environment, the information society, research and innovation; People to people contacts, education and health.

Chairman of the EUGBC Board and Secretary General held a meeting with Tamar Beruchashvili, Deputy State Minister of Georgia on European and Euro-Atlantic Integration



On 22nd March, 2013, Emmanuel Haton, Director of European Government Affairs BP, Chairman of EUGBC Board and Konstantin Zaldastanishvili, EUGBC Secretary General met Tamar Beruchashvili, Deputy State Minister of Georgia on European and Euro-Atlantic Integration. Valerian Gvalia, EUGBC intern also attended the meeting. Meeting was held in BP Brussels office.

Emmanuel Haton welcomed Deputy State Minister and has introduced the activities of BP European Government Affairs office in Brussels. The conversation addressed the aspects related to global energy geopolitics.

At the meeting the role of the Caspian Region in contributing to Europe’s energy security was highlighted and strategic transit function of Georgia was stressed. Mr. Haton in his capacity as EUGBC Chairman emphasized particular role of the Council in promoting EU-Georgia economic relations.

Deputy State Minister informed about the progress made by Georgian side in the process of negotiations on Association Agreement and Deep and Comprehensive Free Trade Area. She confirmed strong commitment of Georgia’s new government to European and Euro-Atlantic integration.

In the context of EUGBC, Mrs. Beruchashvili expressed deep satisfaction towards the activities implemented by the EUGBC. She highlighted Council's important role in raising awareness of Georgian business community on EU trade practices and stressed that EUGBC publications are unique and important guidelines for Georgian exporters.

Talking about Energy issues, Deputy State Minister noted that energy pipeline infrastructure played crucial role in providing stability in Georgia and broadly in the region. She also expressed confidence and support towards planned regional energy supply projects which will be delivered in coming years.

The fruitful cooperation between EUGBC and State Minister's Office on European and Euro-Atlantic Integration has good track record. Both sides are committed to maintain and strengthen these relations in the future.

Final round of negotiations on Association Agreement between Georgia and EU was held in Brussels



On 21-22 March 2013, final round of negotiations on Association Agreement between Georgia and EU was held in Brussels. First Deputy Foreign Minister, Chief negotiator on Association Agreement from Georgia, **David Zalkaliani** headed the Georgian delegation in Brussels. The EU side was led in the negotiations by Director for Russia, Eastern Partnership, Central Asia, Regional Cooperation and OSCE at the European External Action Service, **Gunnar Wiegand**.

This final 14th round dealt with the political part of the Association Agreement. Closing this important part allowed achievement of a significant progress in the negotiations.

As a result, Georgia is now better prepared for the Eastern Partnership Summit taking place in Vilnius this November, where the final text of the agreement is planned to be initialized.

Georgia started negotiations about an Association Agreement in July, 2010. It will replace a Partnership and Cooperation agreement with the EU that was signed in 1996 and entered into the force in 1999.

First Deputy Foreign Minister Davit Zalkaliani said after the last, fourteenth round of negotiations in Brussels that the Association Agreement will be a new level of cooperation with the EU, which will also create a better legal framework for cooperation. The agreement is more comprehensive, politically stronger and deeper by its content which contains strong mechanisms for EU integration. Davit Zalkaliani said the agreement will be binding for Georgia and will lead to legislation being closer to the EU and its standards.

Final round of negotiations on Deep and Comprehensive Free Trade Area (DCFTA) between Georgia and EU was held in Brussels

On 18-22 March 2013, final round of negotiations on Deep and Comprehensive Free Trade Area (DCFTA) between Georgia and EU was held in Brussels.

Deputy Minister of Economy and Sustainable Development, Chief Negotiator on DCFTA from Georgia, **Michael Janelidze** led the Georgian delegation in Brussels. The EU negotiation team was headed by Representative of Directorate General for Trade (DG Trade) of European Commission, Chief Negotiator on DCFTA with Georgia, **Philippe Cuisson**.

With this final 6th round the negotiations in all fourteen chapters of DCFTA have been covered and the body of the text closed. This chapters are: Trade in Goods; Rules of origin; Customs and trade facilitation; Technical regulations on industrial products, standards and conformity assessment procedures; Sanitary and phytosanitary measures; Services, freedom of establishment and investment; Competition; Intellectual Property Rights (IPR), including geographical indications (GIs); Public procurement; Trade and sustainable development; Transparency; Trade defense instruments; Dispute-settlement/mediation mechanism and Institutional structures/provisional application.

The EU-Georgia Association Agreement, of which DCFTA is an integral part, is planned to be initialized at the Vilnius Summit of the Eastern Partnership taking place in Lithuania in November 2013.



The presentation of the Information Center on NATO and EU was held in Tbilisi

The presentation of the Information Center of NATO and EU and its 2013 Action Plan took place in Tbilisi on March 27-28.

On March 27, the presentation was delivered to the representatives of civil society, experts and NGOs, members of the Advisory Board established within the Ministry on European and Euro-Atlantic Integration. On behalf of EUGBC, Country Representative Tamar Khuntsaria (Member of Advisory Board of the Ministry) and Member of EUGBC Board, David Lee took part.

On March 28, the presentation of the Center was made to the representatives of international organizations and diplomatic corps accredited in Georgia. On behalf of EUGBC, Member of the Board David Lee participated.

State Minister of Georgia on European and Euro-Atlantic Integration, **Alex Petriashvili** opened the meetings on both days. Defense Minister of Georgia, **Irakli Alasania** participated in the meeting with diplomatic corps on March 28. The presentation of the Action Plan was delivered by the Director of the Center, **Elene Gotsadze**.

The Center plans to engage in an active dialogue and cooperation with various government structures, non-government organizations, civil society, media and academic communities in Georgia in order to promote raising awareness on the issues related to EU-Georgia and NATO-Georgia relations. For details please see the Center's 2013 Action Plan in Georgian and in English languages at EUGBC website www.eugbc.net - News.

At the meeting of March 27, **Tamar Khuntsaria** briefed the Minister and the Director of the Center about the activities of EUGBC, with particular emphasis on the Council's experience in carrying out educational projects on the EU-Georgia trade related themes. She proposed close cooperation of the Center and EUGBC on possible joint projects and initiatives. It was agreed that the sides will schedule a separate working meeting to discuss these issues.

At the meeting with diplomatic corps on March 28, **David Lee** spoke about the role of EUGBC in facilitating trade and economic relations between EU and Georgia and underlined the Council's important activities in carrying out projects for raising awareness of business community on the trade practices in the EU. David Lee offered the Center EUGBC assistance and close cooperation.

EUGBC Members' News

Gvinadze & Partners expands its presence to Batumi



Gvinadze & Partners law firm is pleased to announce expansion of its presence to Batumi. The firm is joined by **David Chkonia**, an experienced local lawyer competent to support the firm's business in all areas of commercial law in Adjara and broader West Georgia region, with particular expertise in real estate, construction, international sales, storage and transportation of goods, as well as microfinance sectors. Please visit www.gvinadzeandpartners.ge for more on David Chkonia.

Bank Republic Invited its Partner Organizations to Marjanishvili Theatre



SOCIETE GENERALE GROUP

Candoco, the British dance company, was invited by the British Council to perform at the Marjanishvili Theatre for the people with special needs on March 21 and 22. Candoco is unique in a way that it employs people with special needs, who perform modern dances.

Bank Republic, as the General Sponsor of the Marjanishvili Theatre, invited the beneficiaries of its two partner NGO's to the show, hosted by the theatre.

Union for People with Special Needs is a NGO serving the people with mental disabilities. The beneficiaries are involved in work therapy and various related activities. *ADS Studio* is the first NGO in Georgia implements the inclusive informal education method for children with special needs. Bank Republic supports these NGO's in various social projects.

Like Marjanishvili theatre, Bank Republic, as a socially responsible financial institution, is actively involved in social projects and strives to contribute to the integration of the people with special needs in the society and to promote their work skills.

Société Générale Group increases its Share Participation at Bank Republic

On March 28, 2013, Bank Republic announced that its major shareholder, Société Générale Group, has recently increased its share participation. Currently, Société Générale Group holds 93.64% of the bank's total share capital. The rest of the stock is owned by the European Bank for Reconstruction and Development (EBRD).

The increased stake is in line with the strategy developed by Société Générale while acquiring the bank in 2006 and represents a strong indication of investor confidence and the stable success of the bank.

2012 was a successful year for Bank Republic in many aspects. The year was marked by financial success combined with the transformation of the institution and its shift to *relationship banking*. In accordance with the Société Générale Group's general strategy, Bank Republic embarked on a new brand platform, expressed in the slogan "Each of us matters". Bank Republic will continue operating as a universal commercial bank fully focused on client needs.

Bank Republic

Bank Republic, a member of the Société Générale Group since 2006, is one of the most successful banking institutions in Georgia. Established in 1991, the bank enjoys a leading position in the retail and corporate market. Thanks to its universal business model, Bank Republic Société Générale Group remains a reliable long-term financial partner for its clients. The bank provides simple, transparent and innovative banking products and a superior quality of service via its 38 branches throughout Georgia. Webpage: www.br.ge

Societe Generale

Société Générale is one of the largest European financial services groups. Based on a diversified universal banking model, the Group combines financial solidity with a strategy of sustainable growth, and aims to be the reference for relationship banking, recognized on its markets, close to clients, chosen for the quality and commitment of its teams. More than 154,000 employees, based in 76 countries, accompany 32 million clients throughout the world on a daily basis. Société Générale's teams offer advice and services to individual, corporate and institutional customers. Webpage : www.societegenerale.com.

DLA Piper's Another Award: N1 in the World in M&A

DLA Piper is pleased to announce that **mergermarket** has again ranked DLA Piper **N1 globally for M&A** (overall deal volume). At the same time, **Thomson Reuters** ranked DLA Piper #1 in global transactions for the middle market, for 2012. These two major awards follow DLA Piper's designation by the **Financial Times** as the "Most Innovative Law Firm in Finance Law in 2012," and **mergermarket** and the **FT's** selection of DLA Piper as "European Mid-market Law Firm of the Year."



"DLA Piper's global rankings as the leading finance and corporate firm reflect capabilities that directly benefit all our clients. Because of the firm's network and reach, its capacity, depth and experience, we can bring the benefit of leading global legal services to our Georgian clients and to our foreign investor and

financier clients doing business here in Georgia. I just had the pleasure of attending DLA Piper's global Finance & Projects conference in Brussels with over 300 of my colleagues in this group - from Europe, Asia Pacific, Africa, and the Middle East, as well as representatives from our U.S. and Latin America practices.

Whether in the corporate sector for which we are recognized as the world's #1 firm for M&A, or the finance and projects work that earned us FT's award as the "Most Innovative Law Firm in Finance Law," DLA Piper is achieving its goal to be the World's Leading Business Law Firm. And it is our pleasure to be able to offer you the benefits of that, in your business, here in Georgia."

DLA Piper won "The Most Innovative Firm in Finance Law 2012" awards from the Financial Times

The Financial Times awarded DLA Piper with "Most Innovative Firm in Finance Law 2012" award.

The firm received this accolade for its ground-breaking work for the National Development Corporation of Tanzania (NDC) on the US\$ 3 billion joint venture between NDC and Sichuan Hongda for the development of mines and a power plant in Southern Tanzania. The Financial Times described the transaction as "the biggest ever investment in East Africa" and praised the firm for our "cross-cultural sensitivity".

The deal is of considerable significance in Tanzania and the wider region as it promises to develop long ignored resources as will generate much needed power for the country. DLA Piper, along with other regional development partners, expended considerable effort to help deliver a significant and celebrated outcome, which culminated in a material investment in and development of the country's resources. This transaction was lauded by Tanzania's Trade and Industry Minister as, "a fundamental step towards achieving the Tanzania Development Vision 2025".

A group of London lawyers from Finance & Projects group, led by Charles Morrison, worked on the deal assisted by our Tanzanian Group firm, IMMMA.

The Finance & Projects group was also "commended" in the Finance Law category for their work on the UK's largest local authority transport deal in Nottingham. The group's training team were "highly commended" for the F&P Academy in the "Most Innovative Firm in Corporate Strategy" section.

Awards such as these from a newspaper of the standing of the Financial Times are a testimony to the quality of our work and our relevance to the international business community.

Subsequently, **Mergermarket** and the **Financial Times** named DLA Piper "**European Mid-market Law Firm of the Year**" at the M&A Awards in London on December 12. For full story please refer to this link: <http://www.dlapiper.com/dla-piper-named-european-mid-market-law-firm-of-the-year-for-third-year-running-12-14-2012/>

DLA Piper in Georgia continues to be first-ranked in all categories covered -- General Business Law, Finance and Corporate, and Dispute Resolution, by all of the major international rating agencies that cover Georgia - Chambers, Legal 500 EMEA, and IFLR 1000. This year an unprecedented number of our lawyers - 5 - were Chambers-rated - more than any other Georgian law firm: Ted Jonas, Otar Kipshidze, Avto Svanidze, Nino Suknidze, and Natela Otaridze.

CONTACT US:

BRUSSELS:

Secretary General, Ambassador
KONSTANTIN ZALDASTANISHVILI
Av. Paule 18, 1150 Brussels, Belgium
Tel: +32-2-770.10.04
Fax: +32-2-770.84.95
kote.zal@eugbc.net

www.eugbc.net

TBILISI:

EUGBC Representative in Georgia
TAMAR KHUNTSARIA
38 Saburtalo str., 0194 Tbilisi, Georgia
Tel: +995-32-259.36.07
Fax: +995-32-259.34.80
tamar.khuntsaria@eugbc.net

Core Members

