

## **ANNUAL REPORT**

2018

















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**Executive Director of EU-Georgia Business Giorgi Kacharava took part at the** 

### 3rd meeting of the EU-Georgia Civil Society Platform

The meeting was held on March 22, 2018 at the Georgian Foundation for Strategic and International Studies (Rondeli Foundation).

The opening remarks were made by the Co-chairs of the EU-Georgia CSP: Kakha Gogolashvili,
Director of the EU Studies Center and Andrzej Adamczyk, Member of the European Social and
Economic Committee. H.E. Mikheil Janelidze, Vice PM, Minister of Foreign Affairs of Georgia and H.E. Janos
Herman, Ambassador of the European Union to Georgia assessed the state of play in the implementation of the
EU-Georgia Association Agreement.

The meeting was attended by the representatives of civil society of EU and Georgia who simultaneously are the members of the abovementioned platform. They discussed the implementation of Agreement, presented the reports on the current developments of SME and

Food safety in Georgia. The delegates adopted a joint statement involving the evaluation process of AA implementation and the relevant recommendations.

Read more → Ø



### The next in turn meeting of the Investors Council was held

Secretary General of EU-Georgia Business Council, Zviad Chumburidze took part in the meeting of Investors Council, chaired by Georgian Prime Minister Giorgi Kvirikashvili held on March 21, 2018



The meeting was attended by Ms. Katarina Mathernova, Deputy Director-General, DG

NEAR, European Commission. For attendees Ms. Mathernova presented new EU

External Investment Plan. Council members and invited guests have discussed other

important issues related to the reform of the Judicial System, draft law on Ownership of

Agricultural Land, Pension Reform etc.





#### On behalf of EUGBC, Secretary General raised the issue on EU employment.

As Mr. Chumburidze emphasized, this is a right time to intensify efforts of EU Member States, the Georgian Government, Donors and Business sector in order to promote Georgian citizens' temporary legal employment in the EU countries under Mobility Partnership initiative between EU and Georgia signed in Brussels in 2009. The following initiative aims to combat illegal migration and promote legal migration, including through "circular migration" scheme.

This framework allows Georgian citizens to work legally, study, get trained, and then return to Georgia. EUGBC Secretary General formed all the benefits and of "Circular Migration scheme". As well as, he talked about practical ways to solve possible risks might appear within the projects implementation process. The initiative was highly rated from all the attendees.



#### Conference in Tbilisi

## "Business Disputes and Court Practice"

On March 6 EUGBC organized first ever Conference in close cooperation with the Judicial Authority titled "Business Disputes and Court Practice". Partners of the conference were: "BDO Legal", Georgian Distributors Business Association, LLC "Karizma" and JSC "Sarajishvili".

EUGBC was the initiator of starting dialogue of Business Sector with Judicial Authority around 2 years ago. EUGBC Secretary General held range of meetings with the high representatives of Supreme Court and Tbilisi City Court, which was followed by first ever meeting of Business Sector with Judges in 2016

It should be emphasized that the around 25 Judges from Supreme Court of Georgia, Courts Appeals of Tbilisi and Kutaisi, as well as City Courts of Tbilisi, Batumi and Poti took part in the conference.









During the Conference acting judges made presentations about important aspects of court disputes entailed by commercial activities, as well as on practical issues related to settlement of these disputes. Besides, representatives of Business Companies presented their vision on business development perspectives in Georgia and the role of the Judicial Authority in that sense.

EU-Georgia Business Council agreed with the Supreme Court to organize similar format conference in one or two years' time. In the meantime there will be possibility to quarterly organize thematic meetings of Business Sector with Judicial Authority within the framework of the Supreme Court's Scientific-Advisory Council.

During the conference Judges and Business Sector jointly underlined that there is need for:

- Further improvement and popularization of system of electronic clerical work info.court
- Training of Judges with regard to Business Disputes
- Monitoring of finalized business disputes, so called "Case Study".
- Increase of number of Judges





## MEDIA COVERAGE



#### <u>Imedi TV</u>



#### TV Maestro





#### Rustavi 2



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#### **EUGBC Annual Members Meeting 2018**



ON FEBRUARY 1, 2018 EU-GEORGIA BUSINESS COUNCIL HELD THE ANNUAL MEMBERS
MEETING, CHAIRED BY MR. CHRIS SCHLUETER, BP COUNTRY MANAGER IN GEORGIA. THE
MEETING WAS ATTENDED BY H.E. JANOS HERMAN, AMBASSADOR OF THE EUROPEAN UNION TO GEORGIA.

Up to 50 representatives of the business sector attended the meeting, discussing the ways of encouraging foreign companies (with special focus on EU countries) to start or expand business in Georgia as well as Georgia businesses to expand their business to other countries.

Secretary General of EUGBC summed up the previous year and together with the members of EUGBC Board of Directors presented a new Action Plan for 2018 year.

At the meeting the members were informed about the new service of the business council. Namely, on its official website (www.eugbc.net) EUGBC placed member companies profiles and business cooperation proposals for potential partners from the EU, as well as, from other countries around the world. The information will be updated on permanent basis.









#### TV Maestro



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## On January 24, Minister of Regional Development and Infrastructure of Georgia met representatives of EU-Georgia Business Council member companies.

At the meeting Zurab Alavidze informed business sector about ongoing infrastructure projects and its importance in country's development. The meeting continued in questionanswer mode.





On June 19, EU-Georgia Business Council organized a Round Table meeting between Polish and Georgian business delegation. Within the framework of the Round Table, representatives of



Georgian Business Sector met the Delegation from Wielkopolska Region, one of the largest regions in Poland and held negotiations with them. Polish Business Sector representatives discussed the prospects of deepening business ties in Georgia and got acquainted with business environment in the country.

Round Table was followed by tasting Georgian Wine by "Winery Khareba".











Representatives of EU-Georgia Business Council participated in BIA ANNUAL INVESTMENT FORUM "GEORGIA – LAND OF OPPORTUNITIES".

Executive Director of EUGBC, Giorgi Kacharava head to the panel which aimed to discuss one of the most important issue for Georgia – Investment opportunities in agriculture and prospects for Georgia's export.

Representatives of EUGBC attended the working panels of the following forum. The one-day forum brought together over 500 chief executives drawn from politics, the business community, international financial institutions, embassies, chambers, international organizations, associations and media to create a platform for communication between investors and local companies and to direct sales and open networking opportunities for both local and international businesses.



### Georgia-Austria business forum was held at the hotel "Tbilisi Rooms", on May 16, 2018

Within the framework of the forum, Executive Director of "EU-Georgia Business Council" Giorgi Kacharava presented a new project "Georgia-Europe Energy Line" where the business council works with Gross Energy Group LLC.



Representatives of 26 Austrian companies who were visiting Georgia were present at the forum. They met interested Georgian companies in B2B format right after the Forum.

The event was organized by the Georgian Chamber of Commerce and Industry and the Austrian Federal Economic Chamber. EU-Georgia Business Council is actively cooperating with Austrian Embassy in Georgia and Austrian Trade Agency. We remind all of you that last year Georgia-Austrian Business Round Table was held jointly. Since this successful event and EUGBC and the Austrian side have been cooperating permanently.



#### **EU-Georgia Business Council held conference titled**

RENEWABLE ENERGY DEVELOPMENT - THE WAY FOR SECURING ENERGY INDEPENDENCE.



The conference was held n 24 April, 2018. Secretary General of the EU-Georgia Business Council, Zviad Chumburidze together with Regional Director of BP, Chris Schlueter opened the event. Carlo Natale, Deputy Head of the EU Delegation to Georgia, also delivered opening speech. Representatives of about 80 local and foreign companies, as well as,

80 local and foreign companies, as well as, representatives of the relevant Governmental Bodies, experts and diplomats participated in the conference.

During the working session, attendees discussed prospects of Renewable Energy in Georgia, including wind, solar and hydro power development. EUGBC member and partner energy companies presented its ongoing and future specific energy projects in Georgia. Energy conference was held with the support of the companies BP, ხარიზმა/Kharizma Sarajishvili and Norwegian company "Hexagon".









**©** Executive Director of EU-Georgia Business Council Giorgi Kacharava and Financial Director of Gross Energy Group, Irakli Tkebuchava announced one of the most important energy project

"EU-Georgia Energy Line" 🖓

which envisages the submarine electric power transmission Georgia and Europe via the Black Sea Line construction.



Media coverage
To find out more details
About the project











- Energy Conference has caused great interest from Georgian Media, including leading business programs.
- Member energy companies presented their projects on live broadcast



### Please find the videos attached by clicking on screenshots





About 1514 GWh Namakhvani Hydropower Project in Georgia





MW WIND FARM PROJECT IN IMERETI, WESTERN GEORGIA

### **EUGBC Board meet with the Finnish Delegation**



On September 28, Board of Directors of EU-Georgia Business Council held a meeting withthe Finnish Delegation Headed by Mr. Arto Satonen, Chairman of the Board Grand Committee, Head of Inter Parliamentary Friendship Group. Mr. Satonen was accompanied by the Representatives of Finnish Business Sector.

During the meeting, the two sides discussed the prospects of developing economic relations and partnership between businessmen from the two countries and the necessary steps to increase trade turnover.









## Meeting with the new Ambassador of EU to Georgia

On September 27, 2018 Ambassador Zviad Chumburidze, Secretary General of EU-Georgia Business Council, held introductory meeting with H.E. Carl Hartzell, newly appointed Ambassador of the European Union to Georgia . The sides talked about future cooperation possibilities in the light of AA/DCFTA Implementation process.

#### Meeting with Hungarian Business Delegation

Executive Director of EU-Georgia Business Council,
Giorgi Kacharava held a meeting with the
Ambassador of Hungary to Georgia, H.E. Dr. Viktória Horváth
and Hungarian Business Delegation visiting Georgia.
High officials from Chamber of Commerce and Industry of Zala
County, as well as, representatives of Hungarian business
companies from different sectors were participating in the
meeting. They discussed perspectives of future cooperation
and talked about the business environment in Georgia. In
scope of EU-Georgia Business Council's activities to foster
economic cooperation with V4 Countries, Hungarian
companies are interested to start and develop business in
Georgia, for this purpose they are continuing to consult with
EUGBC in this direction.





## Site Visit to Polimeri1's modern enterprise

On September 26, representatives of the Diplomatic Corps and Business Sector visited Georgian enterprise of the company Polimeri1, built with the support of the program "Enterprise Georgia".

The company owns a factory which produces the polyethylene pipes of European quality for water and gas lines. The company aims to export Georgian product produced by modern technologies abroad, including in EU countries. Polymeri1 is one of the Core Members of EU-Georgia Business Council.





## Memorandum between "Georgian National Academy of Sciences" and "EU-Georgia Business Council"

Memorandum of Cooperation was signed between the "Georgian National Academy of Sciences" and "EUGeorgia Business Council". The Memorandum aims to provide bilateral cooperation with the introduction of international quality knowledge and scientific technologies in Georgia. The agreement is committed to the joint work of Georgian scientists and specialists abroad. The event was held on 31 July at the Event Hall of the Academy of Sciences. The official agreement was signed by the president of the Academy of Sciences, Giorgi Kvesitadze and the General Secretary of the EU-Georgia Business Council, Zviad Chumburidze.





### **Meeting with Romanian Business Delegation**

EUGBC Executive Director, Giorgi Kacharava held a meeting with the representatives of Romanian Business Delegation visiting Georgia, During the meeting they discuss issues related to export promotion of Georgian alcoholic and nonalcoholic beverages, as well as implementation of joint projects. They also talked about the possibilities of temporary legal employment of Georgian citizens to Romania.



## **Polish-Georgian Business Forum in Warsaw**



On July 12, EU-Georgia Business Council (EUGBC) in close cooperation with the Ministry of Foreign Affairs of Georgia and Embassy of Georgia to the Republic of Poland, organized Polish-Georgian Business Forum in Warsaw, Poland. General Partner of the event is IBC Corporate Solutions.

At the opening of the forum, Mr. Zviad Chumburidze, General Secretary of the EU-Georgia Business Council, as well as Deputy Chairman of the Parliament of Georgia, Giorgi Volski, Deputy Minister of Foreign Affairs of Georgia, Giorgi Sharvashidze and Ambassador of Georgia to Poland, Ilia Darchiashvili delivered a speech. More than 100 Georgian and Polish companies participated in the business conference. After reviewing Georgia's economic potential, presentations on export directions were held. Panel sessions were followed by (B2B) meetings, where Georgian food and beverage manufacturer, construction, tourism, consulting and logistics companies met with potential partners in face-to-face. At the end of the Business Forum, attendees tasted Georgian wine produced by Winery Khareba and Georgian Brandy by Sarajishvili.

















## **Media** coverage



### Maestro TV

Live interviews with the Secretary General of EUGBC, Zviad Chumburidze, Executive Director of EUGBC, Giorgi Kacharava and Country Manager of IBC Corporate Solutions, Irakli Arjevanidze. They Summarized results of the Conference.

Please find the videos attached by clicking on screenshots





TV Pirveli





October started with the next in tern meeting of Investors Council

Chris Schlueter, Chairman of the Board of Directors of EU-Georgia Business Council (EUGBC), BP Country Manager in Georgia and Giorgi Kacharava, EUGBC Executive Director, took part in the meeting of Investors Council, chaired by Georgian Prime Minister Mamuka Bakhtadze held on October 1, 2018. On behalf of EUGBC, Mr. Schlueter spoke about the issue of promotion of temporary legal employment of Georgian citizens in EU Countries initiated by EUGBC (in March 2018) within the framework of IC. He mentioned very good progress of cooperation with Poland in this direction, as well as ongoing negotiations process with a number of European countries.

EUGBC Board Chairman emphasized that expected positive results for Georgia's economic development among the others, would be:

- Sustainable visa-free travel with EU and minimization the likelihood of implementation of "suspension mechanism";
- Supporting vocational education via Importing of gained knowledge and experience, new production and organizational skills in the country upon return of temporary migrants
- Growth of investment potential of remittances and contributing to the decrease and poverty in the country
- Reducing economic losses and social risks via replacing irregular migration with regular migration and protecting the rights of labor migrants.



## Meeting with Ambassador of Poland to Georgia



On October 11, 2018 EUGBC member companies met H.E. Mariusz
Maszkiewicz, Ambassador Extraordinary and Plenipotentiary of Poland to Georgia.

Existing relations in trade and economy, as well as the ways for further development of business ties between the two countries were discussed during the meeting.

Participants also talked about results of Polish-Georgian forum, "Doing business and investment in Georgia- incentives and opportunities", held on July 12, 2018 in Warsaw.





## Meeting with H.E. Davit Zalkaliani, Minister of Foreign Affairs of Georgia



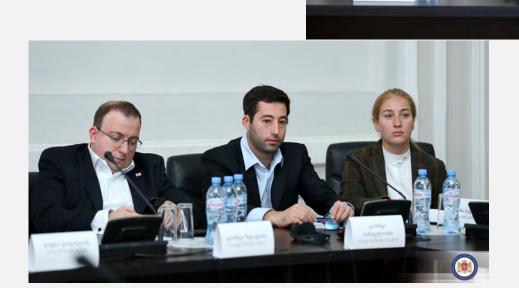
On October 19, 2018 H.E. Mr. Davit Zalkaliani, Minister of Foreign Affairs of Georgia met members of EUGBC Board of Directors and representatives of council's member business companies.

In his welcoming words Davit Zalkaliani emphasized the priority role of economic diplomacy in the activities of the Ministry of Foreign Affairs. Mr. Zalkaliani noted that cooperation and coordination with business sector is crucial for economic development and growth of investment opportunities of Georgia. In this regard, he highlighted example of EU-Georgia Business Council, which, together with Georgia's diplomatic missions abroad, carries out many activities to popularize the country's economic and investment opportunities.











### Estonia – Innovative Platform for International Business



Seminar titled "Estonia – Innovative Platform for International Business" was held today in Radisson Blu Hotel Tbilisi. EEGE EU-Georgia Business Council was co-organizer of the event together with the Georgian Chamber of Commerce and Industry, the Embassy of Estonia in Georgia and the Agency "Produce in Estonia".

The event was opened by the President of the Chamber of Commerce and Industry of Georgia, Nino Chikovani; Ambassador of Estonia to Georgia, H.E. Kai Kaarelson and Executive Director of the EUGBC, Giorgi Kacharava. The aim of the event was to introduce Estonian investment potential to Georgian companies. The business conference was mainly dedicated to sharing information about Estonia's capabilities in industrial industry, IT technologies and logistics.







# First meeting of newly appointed EU Ambassador to Georgia, H.E. Carl Hartzell with EUGBC Business Community



By the initiative of the EU-Georgia Business Council, the first meeting was held between newly appointed EU Ambassador to Georgia, H.E. Carl Hartzell and business sector representatives.

Representatives of EUGBC member companies from different business sectors participated in the meeting. Two sides discussed the existing trade-economic relations between Georgia and the EU, country's achievements and challenges that faces Georgia in the process of implementing DCFTA (Agreement on Deep and Comprehensive Free Trade Area Agreement with the EU)







## **Site Visit at Zedazeni Factory**

## The largest producer of Georgian beer and soft drinks

Foreign Diplomats and Business Sector representatives visited "Zedazeni" factory on November 20 in Saguramo, Mtsketa district. The event was organized by EU-Georgia Business Council and Georgian beer company "Zedazeni".

Visitors get a look at Beer and Soft Drinks modern factory of "Zedazeni", equipped with latest European technologies. Site Visit included special presentation about the company Zedazeni, discussion of its products and beer tasting.

EU-Georgia Business Council has been carrying out Site Visits in members companies since the day it was established in Tbilisi. The goal of the project is to popularize Georgian products, production and modern services existing in Georgia. *Photo credit – Giorgi Bazaev*.









## Giorgi Kacharava, Executive Director of EU-Georgia Business Council took part at the 4th meeting of the EU-Georgia civil society platform (CSP) held in Brussels.

Mr. Kacharava gave the presentation on the topic of Renewable Energy Sources and Energy Efficiency in Georgia. The CSP complements the political bodies existing within the framework of the EU-Georgia Association Agreement, and it allows civil society rganisations from both sides to monitor the implementation process and prepare their recommendations to the relevant authorities both in Georgia as well as in the European



## EUGBC top management took part in Eastern Partnership Business Forum 2018, hosted by Vienna, the capital of Austria.

The forum and B2B Matchmaking platform "EaP Business Forum" gave an excellent opportunity to representatives of the companies, experts and public institution from EU member states and EU's six Eastern partner countries (Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova, Ukraine) to exchange knowledge and views in the fields of Energy Efficiency – Renewable Energy and IT –Digital Market. The event was participated by politicians and entrepreneurs from six Eastern partner countries, including Georgia; as well as, from 28 EU Member countries EU

The conference was organized on the occasion of Austria's EU Presidency 2018 by the Austrian Federal Economic Chamber, ADVANTAGE AUSTRIA and GO International, in partnership with the Austrian Federal Ministry for Europe Integration and Foreign Affairs and the Austrian Federal Ministry for Digital and Economic Affairs.



## Eastern Partnership (EaP) annual conference 2018 held in Vienna



The high-level first annual Eastern Partnership (EaP) conference was held in Vienna, Austria on December 7.

On behalf of EU-Georgia Business Council, Executive Director, Giorgi Kacharava took part in the conference, which brought together all the stakeholders of the EaP in order to highlight success stories of 2018 in the partner countries (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine). Parties discussed some several areas, such as economic and investment climate, labour (market) challenges and youth issues (education, training and employment).



### 10th Annual Assembly of the Eastern Partnership Civil Society Forum



Tbilisi hosted 10th Annual Assembly of the Eastern Partnership Civil Society Forum (EaP CSF) titled "Leading the Way Towards a Democratic European Future". Executive Director, Giorgi Kacharava presented EUGBC on the following assembly.

Within the three days event attendees discussed key issues for five Eastern Partnership countries (Armenia, Azerbaijan, Belarus, Georgia and Ukraine) such as Democracy, Human Rights; Good Governance and Stability, Social and Labour Policies and Social Dialogue; Environment, Climate Change and Energy Security etc.



## Successful closing of the year

## EUGBC organized first large scale meeting between Georgian Ambassadors and Business Sector



On December 19, Georgian Ambassadors met with representatives of Georgian business sector in Courtyard Marriott Hotel Tbilisi. The meeting was organized by EU-Georgia Business Council in cooperation with the Ministry of Foreign Affairs of Georgia.

Minister of Foreign Affairs Davit Zalkaliani and Secretary General of the "EU-Georgia Business Council" Zviad Chumburidze addressed the participants with a welcome speech. Georgian Foreign Minister emphasized the importance of economic diplomacy and diplomatic corps in the country's rapid economic development. He also drew attention to the unique possibilities Association Agreement with the EU gives to Georgia.







David Zalkaliani also talked about Georgia's close economic cooperation with other countries and underlined importance of Free Trade Agreement with China and active negotiations with India and United States in this regard.

The meeting was attended by the representatives of the EU-Georgia Business Council's member and partner companies from various business sectors. Georgian diplomats and businessmen discussed prospects of increasing export and developing of trade-economic cooperation with foreign partners. The event was attended by more than 70 diplomat and over 80 businessmen.



















