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**BUSINESS CLIMATE
REFORM**

SUCCESS STORY

Georgia Opens for Business

Georgia's new business information center attracts foreign and local investors



"OUR AIM IS TO SERVE INVESTORS," GEORGIAN PRESIDENT MIKHEIL SAAKASHVILI TOLD REPORTERS COVERING THE MAY 25, 2006 OPENING OF THE NEW BUSINESS INFORMATION CENTER.

"I can't imagine a more exciting investment play in Eastern Europe than Georgia," said one foreign investor after visiting the business information center.

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American investor Matt Bartelsian planned to open a new juice factory in Armenia until a colleague referred him to the Georgian government's new business information center.

Now, said Bartelsian, "I've committed to Georgia and I'm working on my investors." Business information center staff, he said, "have been invaluable in selling me on Georgia. They have been proactive in answering my questions and helping me network with a broad range of people."

The business information center has served more than 150 potential investors – both foreign and local – in its first two months of operation. Georgian President Mikheil Saakashvili opened the center on May 25, 2006. "The staff in this office will provide all investors with appropriate information, answer their questions, and explain everything in detail. Our aim is to attract and support any investor interested in our country," said Saakashvili.

The center is a "one-stop shop" for investors, providing comprehensive information about how to do business in Georgia. For example, one foreign investor asked whether he can own land in Georgia. Advised that he could, he quickly made a purchase in Batumi. The center also fields questions on investment opportunities, privatization, tax and customs, licensing and permitting, and property

issues.

Established by the Georgian National Investment Agency in cooperation with the city of Tbilisi, the business information center is supported by USAID's Business Climate Reform project.

The city of Tbilisi provided office space at City Hall and has three economic development specialists working with the business information center team, assuring coverage of both urban and rural areas. The center also operates a new business information hotline to answer inquiries (+995 32 933 095).

Georgian National Investment Agency Director Merab Lominadze says the center will also be a forum for discussion between the public and private sectors.

At one recent event, Customs Chairman Zurab Antelidze fielded questions and suggestions from the private sector. "Everything we do," said Lominadze, "is designed to help investors understand how open Georgia is for business."

Based on Bartelsian's experience, the business information center is already having impact. "The perception that the business information center has given me is that my investment is not only wanted, but that Georgia is going to bend over backwards to ensure that all structural and regulatory preconditions for success exist. I can't think of another developing country anywhere else in the world where this is the case," said Bartelsian.