

Doing Business and Investing in Georgia:

**A Practical Guide by PricewaterhouseCoopers
Georgia LLC**



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This guide is designed to help businesses and individuals navigate the opportunities and challenges of establishing themselves in Georgia. While it does not offer an in-depth analysis of every topic, it provides insights into key considerations and addresses fundamental questions that may arise along the way. For specific matters, it is advisable to refer to the country's laws, regulations, and legal rulings, as well as to seek professional guidance, thus PwC Georgia's consultants are readily available on-site to provide support in these areas.

In preparing this guide, we have made every effort to ensure the accuracy of the information provided. However, due to potential limitations in the availability of latest information, there may be some errors or omissions. PwC Georgia and the content owner cannot be held liable for these inaccuracies. The content is based on information available as of February 2025.

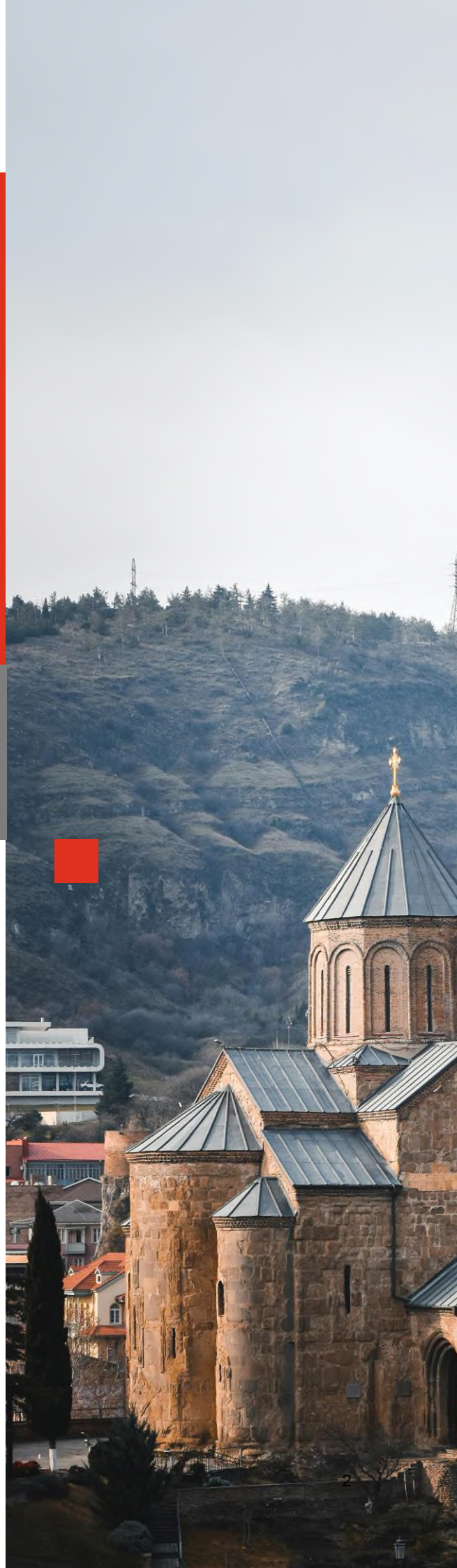


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Welcome and thank you for joining us as we unveil the latest edition of the "Doing Business" publication for Georgia.

It is with great pleasure that I address you today, representing PricewaterhouseCoopers Georgia LLC (PwC Georgia) and our commitment to providing invaluable insights for those considering investment opportunities in our beautiful country.

This publication serves as a vital resource for potential investors, offering comprehensive information and guidance on the business landscape in Georgia. Its purpose is to clarify the local market, showcase the benefits of doing business here, and outline the necessary steps to navigate the regulatory landscape. With abundant opportunities across various sectors, Georgia is becoming an increasingly attractive destination for investors seeking to broaden their horizons.

2025 holds a special significance for us at PwC Georgia, as we celebrate our 20th anniversary in our country. Over the past two decades, we have seen Georgia transform into a dynamic economic hub, and we are proud to have contributed to this journey. Our dedicated team of almost 150 professionals is equipped to provide world-class services tailored to the unique needs of our clients on the ground.

As a proud member of the PwC global network and part of the Central and Eastern Europe cluster, collaborating with experts from 27 territories across the region and 149 territories globally, we bring a wealth of knowledge and experience to our clients. This interconnectedness not only enhances our capability to serve you but also strengthens our resolve to support Georgia's ambitions on the global stage.

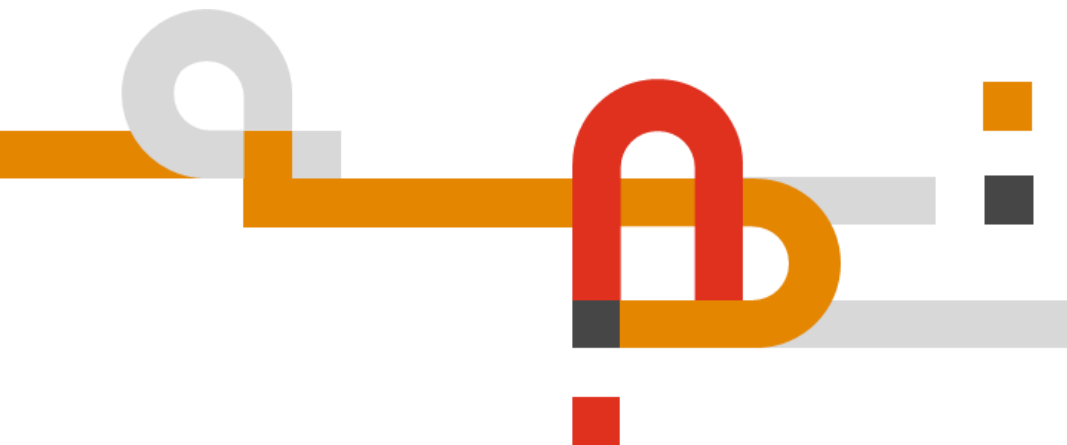
In conclusion, we invite you to explore the publication and leverage its insights as you consider embarking on your business journey in Georgia. Together, let's unlock the immense potential this vibrant country offers.



Lasha Janelidze

Country Managing Partner and Assurance Leader

PwC Georgia



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1. Introduction to Georgia

1.1. Why Georgia?

Nestled at the crossroads of Eastern Europe and Western Asia, Georgia is a country renowned for its stunning landscapes and rich cultural tapestry. The nation is bordered by Russia to the north, Azerbaijan to the southeast, Armenia and Turkey to the south, and the Black Sea to the west. This strategic location has historically made Georgia a cultural and economic bridge between Europe and Asia, enhancing its appeal as a vibrant business hub.

Georgia has a diverse landscape, including snowy mountains in the north and green valleys with a subtropical coast by the Black Sea. This variety supports a wide range of agricultural and industrial activities, contributing to the country's economic dynamism.

The cultural heritage of Georgia is equally diverse, with a history that stretches back thousands of years. The country is home to a variety of ethnic groups, including Georgians, Azeris, Armenians, and Russians, which enriches its cultural landscape. This diversity is reflected in the country's languages, with Georgian being the official language, and a multitude of dialects and languages spoken throughout the regions.

As of 2025, Georgia's population stands at approximately

3.7 million people.

The demographic profile is youthful, with a growing emphasis on education and technological innovation, which is driving the country's transformation into a knowledge-based economy. Tbilisi, the capital city, is the political, cultural, and economic heart of Georgia.

Georgia has a lively cultural scene with famous polyphonic music, traditional dance, and a growing art and food scene. Its cuisine is known for unique flavours and local ingredients, attracting food lovers worldwide.

The Georgian people are known for their hospitality and warmth, a trait that is deeply ingrained in their social fabric. This welcoming nature not only enhances the quality of life for residents but also makes Georgia an attractive destination for expatriates and international businesses.

Overall, Georgia presents a compelling blend of natural beauty, cultural richness, and economic potential, making it an inviting destination for investors and tourists alike.

1.2. Demographics

As of 2025, Georgia's population is approximately 3.7 million people, reflecting a modest growth rate influenced by factors such as migration, birth rates, and economic conditions. The demographic structure is characterized by several key features:

Age Distribution: Georgia has a youthful population, with a significant proportion under the age of 35. This youthful demographic is increasingly oriented towards education and technological innovation, contributing to the country's shift towards a knowledge-based economy.



Ethnic Composition: The population is diverse, with ethnic Georgians making up the majority. There are also significant communities of Azeris, Armenians, Russians, and other minority groups. This ethnic diversity enriches the cultural tapestry of the country.

Urbanization: A substantial portion of the population resides in urban areas, with Tbilisi being the largest city (with population 1.2 million people | 2023 data) and the economic and cultural hub. Other major urban centres include Kutaisi, Batumi, and Rustavi.

Gender Ratio: The gender distribution is relatively balanced, although, like many countries, there may be slight variations in different age groups.

Migration Trends: Georgia experiences both emigration and immigration. Many young Georgians pursue education and work opportunities abroad, while the country also attracts expatriates and business professionals, particularly in sectors like technology and tourism.

Education and Workforce: There is a strong emphasis on education, with increasing enrolment in higher education institutions. The workforce is becoming more skilled, particularly in fields like IT, engineering, and business services.

Sources:

[National Statistics Office of Georgia \(Geostat\)](#)

[World Bank](#)

[International Monetary Fund \(IMF\)](#)

[United Nations Department of Economic and Social Affairs \(UN DESA\)](#)

[CIA World Factbook](#)



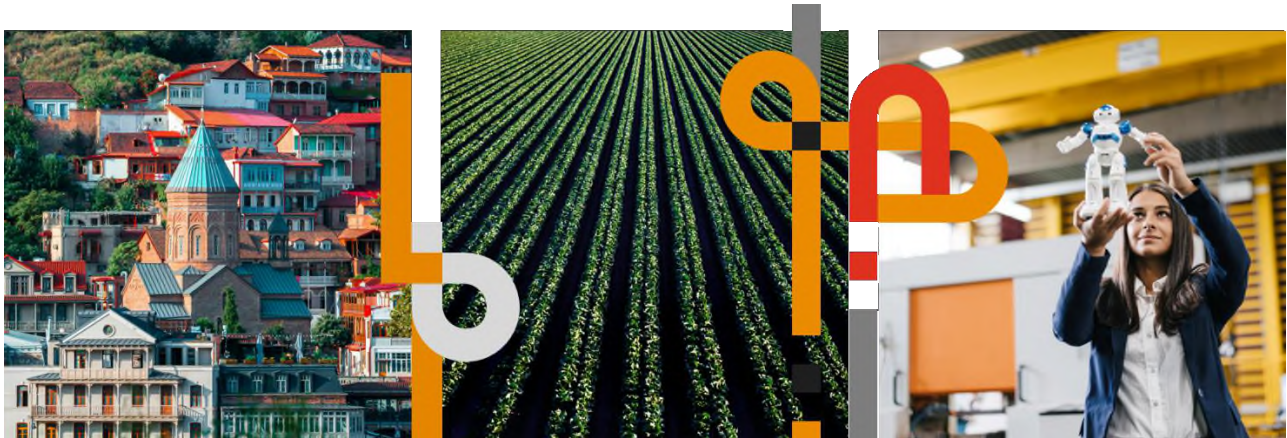
1.3. Economic landscape and growth prospects

As of 2025, Georgia's economic landscape presents a dynamic and promising environment for investment and growth. The country continues to build on its robust foundation of economic reforms, strategic location, and commitment to creating a business-friendly climate.

Economic Growth and Stability

Georgia has maintained a steady trajectory of economic growth, with GDP increasing at an average annual rate of around 5.85% over the past few years. This growth is underpinned by sound macroeconomic policies, a stable political environment, and ongoing structural reforms aimed at enhancing competitiveness and productivity.

Key Drivers of Economic Growth



Diversified Economy

Georgia's economy is increasingly diversified, with significant contributions from sectors such as tourism, agriculture, manufacturing, and information technology. The government has placed an emphasis on developing high-value sectors, which has attracted both foreign and domestic investment.

The European Bank for Reconstruction and Development (EBRD) has revised its economic growth forecast for Georgia in 2025 relative to its September 2024 outlook from 4.6 to 6 per cent – the highest in Eastern Europe and the Caucasus (EEC) region.



<https://1tv.ge/lang/en/news/ebd-increases-economic-growth-forecast-for-georgia-to-6-per-cent/>



Tourism Boom

The tourism industry continues to be a major growth driver, with Georgia's unique cultural heritage, diverse landscapes, and improved infrastructure attracting visitors from around the globe. The sector's expansion is supported by investments in hospitality and transportation services.



Growing IT and Innovation Sector

The information technology sector is experiencing rapid growth, bolstered by a tech-savvy workforce and government initiatives to foster innovation and entrepreneurship.

Georgia is becoming a regional tech hub, with an increasing number of startups and tech companies setting up operations in Tbilisi and other urban centres.



Agricultural Advancements

Agriculture remains a vital part of the economy, with ongoing modernization efforts aimed at enhancing productivity and sustainability. The sector benefits from Georgia's rich natural resources and favourable climate, supporting both domestic consumption and export markets.



Strategic Investments and Infrastructure Development

The Georgian government has prioritized infrastructure development to support economic growth, with significant investments in transportation networks, energy infrastructure, and digital connectivity. Projects such as the expansion of the Batumi and Poti ports, improvements in the railway system, and advancements in renewable energy are enhancing Georgia's logistical capabilities and energy security.



International Trade and Investment

Georgia's strategic location, positioned as a gateway between Europe and Asia, continues to be a significant advantage. The country has strengthened its international trade relations through free trade agreements with the European Union, China, and other key markets, providing businesses with access to a wide range of opportunities.

1.4. Strategic Location and its significance

In 2025, Georgia continues to leverage its strategic location as a critical asset in its pursuit of economic growth and international integration. Situated at the crossroads of Eastern Europe and Western Asia, Georgia serves as a vital bridge connecting diverse cultures, economies, and markets. This unique positioning has historically endowed the country with significant geopolitical and economic advantages, which are being further amplified through contemporary initiatives and infrastructure developments.



1. Gateway Between Continents

Georgia's location makes it an essential transit corridor for goods and energy resources moving between Europe and Asia. The country's participation in the Belt and Road Initiative has further strengthened its role as a key player in regional trade. Enhanced infrastructure, including modernized railways, expanded ports, and improved roads, facilitates efficient and seamless movement of goods across borders. This transit capability boosts trade volumes and positions Georgia as a logistics hub in the region.

2. Access to Diverse Markets

The strategic location provides Georgian businesses with access to a vast array of markets. Through free trade agreements with the European Union, China, and other partners, Georgia offers an attractive platform for companies looking to expand their reach. These agreements allow businesses operating in Georgia to export products to a market of over 2 billion consumers, making it an appealing destination for manufacturers and exporters.

3. Energy Corridor

Georgia's geographic position also plays a crucial role in energy transit. The country is part of the Southern Gas Corridor, a significant initiative aimed at enhancing energy security by transporting Caspian gas to European markets. Infrastructure projects like the Baku-Tbilisi-Ceyhan (BTC) pipeline and the South Caucasus Pipeline highlight Georgia's importance in the regional energy landscape, ensuring a stable supply of energy resources to Europe while providing transit revenues to the nation.

4. Tourism and Cultural Exchange

Beyond trade and energy, Georgia's strategic location enhances its appeal as a tourist destination. The country's rich cultural heritage, diverse landscapes, and historical landmarks attract visitors from neighbouring regions and beyond. This influx of tourists not only contributes to the economy but also fosters cultural exchange and international goodwill.

5. Prospects

As Georgia continues to enhance its infrastructure and strengthen its economic ties with neighbouring regions, the strategic location will remain a cornerstone of its development strategy. Investments in digital infrastructure, renewable energy, and transportation networks are expected to further consolidate Georgia's position as a pivotal hub for commerce and connectivity.

In summary, Georgia's strategic location in 2025 is more significant than ever, underpinning its role as a conduit for trade, energy, and cultural exchange. The country's ability to harness this geographic advantage is central to its vision of becoming a dynamic and integrated player in the global economy.

2. Why Invest in Georgia

2.1. Political structure

The prime minister serves as head of government, with primary executive powers. The president serves as ceremonial head of state and commander-in-chief of the armed forces. Under constitutional changes approved in 2017, the president elected in 2018 served a six-year term. In 2005 and onwards a 300-member electoral college comprising national lawmakers and regional and local officials chose president.

2.2. Pro-Business Government Policies

The Georgian government has implemented a series of pro-business policies aimed at creating a conducive environment for both domestic and foreign enterprises.

Key initiatives include:

Regulatory Reforms: Simplified business registration processes and streamlined regulatory requirements have made it easier for entrepreneurs to start and operate businesses in Georgia. These reforms are part of a broader strategy to reduce bureaucratic hurdles and enhance efficiency.

Tax Incentives: Georgia offers competitive tax rates and incentives to attract investment in key sectors such as technology, tourism, and agriculture. These incentives include reduced corporate income tax rates and exemptions for certain investments, making Georgia an attractive destination for business expansion.

Investment Protection: Robust intellectual property laws and dispute resolution mechanisms - these measures ensure that businesses can operate with confidence, knowing their investments are secure.

Infrastructure Development: Significant investments in infrastructure, including transportation, energy, and digital connectivity, have been prioritized to support economic growth and facilitate trade. These projects not only improve domestic capabilities but also enhance Georgia's role as a regional hub.

Support for Innovation and Entrepreneurship: Recognizing the importance of innovation, the government has launched initiatives to support startups and foster a culture of entrepreneurship. This includes funding for research and development, as well as partnerships with international tech companies to boost the local technology ecosystem.

2.3. Economic reforms and ease of doing business

Georgia has undertaken significant economic reforms to enhance its business environment.



frontnews.ge

Prime Minister Irakli Kobakhidze, addressing the World Governments Summit in Dubai, highlighted Georgia's progress in creating a business-friendly environment. He noted that the country's trade framework now provides businesses access to a market of 2.3 billion consumers without customs or import tariffs. Additionally, the World

Bank's 2024 Business Ready report ranked Georgia among the top three out of 50 countries.

In pursuit of further economic integration, Georgia is seeking a new program with the International Monetary Fund (IMF). The cabinet of Finance Minister expressed optimism about securing a new arrangement, emphasizing Georgia's strong macro-fiscal performance and stability. This move aims to restore investor confidence and address structural and political challenges.



reuters.com

2.4. Free trade agreements and access to markets

In 2025, Georgia has strategically expanded its global trade partnerships through several significant free trade agreements (FTAs), enhancing its access to international markets.

UAE-Georgia Comprehensive Economic Partnership Agreement (CEPA): Effective from the first quarter of 2024, the CEPA between Georgia and the United Arab Emirates aims to double bilateral non-oil trade to \$1.5 billion annually over the next five years. This agreement reduces or eliminates tariffs on a wide range of goods and services, fostering growth in sectors such as logistics, hospitality, agriculture, and telecommunications. Notably, the UAE accounts for over 63% of Georgia's trade with Arab countries and stands as its sixth-largest global investor.



khaleejtimes.com

European Union: Deep and Comprehensive Free Trade Area (DCFTA) established under the EU Association Agreement. This arrangement grants Georgia access to the European Single Market in selected sectors, facilitating the free movement of goods, services, capital, and people. The DCFTA has been instrumental in aligning Georgia's trade practices with EU standards, promoting economic growth and diversification.



en.wikipedia.org

Engagement with the Pan-Euro-Mediterranean Convention (PEM): In a move to further integrate into regional trade networks, Georgia is a participant in the Pan-Euro-Mediterranean Convention, which facilitates free trade among member countries by harmonizing rules of origin. This participation enhances Georgia's trade prospects by allowing its products to benefit from preferential treatment in a broader market.

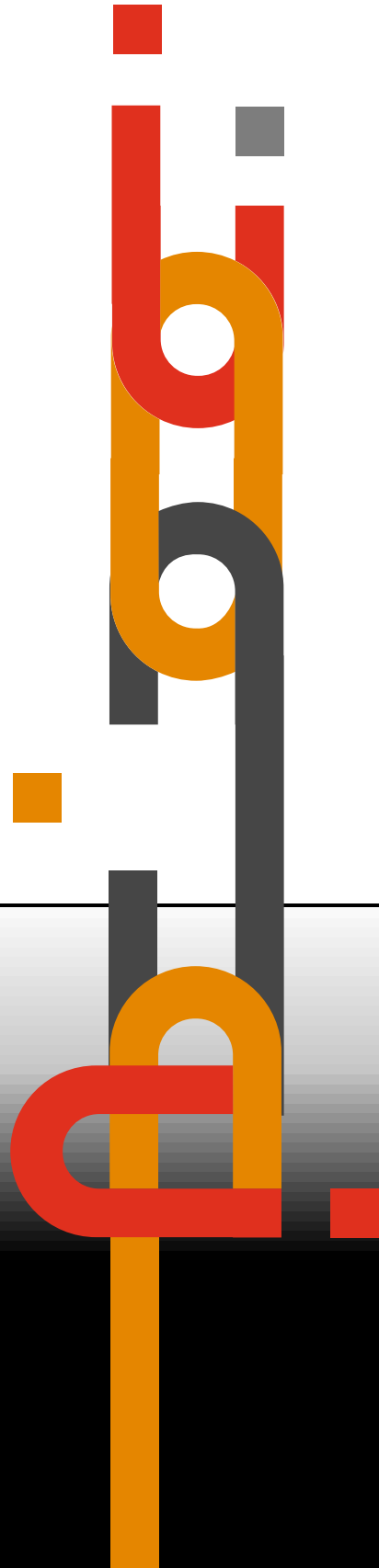


theguardian.com

CIS Free Trade Agreements: Georgia maintains free trade regimes with several Commonwealth of Independent States (CIS) countries, including Azerbaijan, Belarus, Moldova, Armenia, and Ukraine. These agreements, governed by the Multilateral Agreement on the Creation of a Free Trade Area (1994), enable the free movement of goods without customs duties, bolstering regional trade and economic cooperation.

Free Trade Agreement with China: The FTA with China, established to capitalize on the Belt and Road Initiative, provides Georgian companies with preferential access to one of the world's largest consumer markets. This agreement has led to increased trade volumes and diversification of exports, particularly in sectors such as agriculture, wine, and technology.

Recent Developments in FTAs: In 2025, Georgia has successfully negotiated and implemented new trade agreements with key markets in Asia and the Middle East. These agreements are designed to open new avenues for export growth, particularly in sectors like textiles, machinery, and processed foods, where Georgian businesses have a competitive edge.



3. Legal and Regulatory Framework

3.1. Business Entity Types and Registration Process in Georgia

In 2025, Georgia continues to offer a streamlined and efficient process for registering businesses, underpinned by a supportive legal and regulatory framework designed to attract both domestic and foreign entrepreneurs. The registration process is straightforward and free of bureaucratic hurdles. Upon correct applications submission to the Georgian Public Registry ("Registry"), any business can register their company in Georgia within a single day.

Types of Business Entities in Georgia:

Georgia offers several forms of business entities to accommodate various entrepreneurial needs:

Limited Liability Company (LLC): The most popular form of business, favoured for its flexible structure and limited liability for shareholders. It is suitable for small to medium-sized enterprises (SMEs) and can be established with minimal or no capital requirement, as the Law of Georgia on Entrepreneurs does not mandate a minimum capital for forming an LLC.

Joint Stock Company (JSC): Ideal for larger enterprises, especially those intending to raise capital through public offerings. JSCs are subject to more stringent regulatory requirements as at the time of registration, they must have a minimum subscribed capital of GEL 100,000 and must establish a management body, which can be either a board of directors or a single director.

General Partnership: A business entity with at least two partners, where they conduct business activities jointly and have personal, unlimited liability and management responsibilities.

Limited Partnership: Consists of partners, who conduct business activities jointly, with at least one partner (the limited partner) having liability restricted to a guaranteed amount, and the other partner/partners (general partners) being personally liable to creditors without limitation.

Individual Entrepreneur (IE): Ideal for individual entrepreneurs as it is straightforward to establish and involves minimal legal requirements. However, an entrepreneur is not considered a legal entity but operates in business relations as a natural person, bearing personal liability to a creditor with all his/her assets.

Branch Office: Foreign companies can establish and register in the "Registry" a branch office in Georgia to conduct business activities.

Compliance Process with the enactment of the Law of Georgia "On Entrepreneurs":

The enactment of the Law of Georgia "On Entrepreneurs" on January 1, 2022, introduced comprehensive reforms to the registration and operation of business entities. A critical mandate requires all entities registered before this date to update their registration details to comply with the new law by April 1, 2025, however according to a draft law currently under consideration by Parliament of Georgia, the deadline is planned to be postponed until April 1, 2026. Non-compliance may lead to significant operational restrictions or even cancellation of registration.

Steps for Compliance

Update and Compile Necessary Documents: Entities must update and compile their foundational documents, including a legally compliant charter and a founding agreement to align with the new legal requirements. This ensures that the company's internal governance and operational structures meet current standards.

Submission to the Public Registry: Updated and compiled documents, including shareholder resolutions and other necessary paperwork, must be submitted to the "Registry". Utilizing standard charters approved by the Ministry of Justice can streamline this process.

Establish an Electronic Portal Account: Companies are required to create an account on the electronic portal (e-portal) via the **my.gov.ge** platform. For these purposes, the company requires a designated email address, and a phone number registered in Georgia. This account facilitates official communications and ensures compliance with publication obligations under the new law.

Consequences of Non-Compliance: In case of missed deadline, the "Registry" may decide to suspend the registration of an enterprise. This means that no further extract will be issued, an information about the suspension will be communicated to banks and the Revenue Service, potentially disrupting the enterprise's operation. According to the draft law, currently under consideration in Parliament, the deadline is planned to be postponed to April 1, 2026. From this date, the "Registry" will begin suspending enterprise registrations. Starting January 1, 2027, enterprises that have not been brought into compliance will be given three months to address these issues. Failure to correct the deficiencies will result in the cancellation of their registration.

Recommendations: Businesses are strongly advised to initiate the compliance process promptly to avoid last-minute challenges. Engaging legal professionals can provide tailored guidance and ensure a seamless transition under the updated regulatory framework.

Registration Steps

Name Reservation: Entrepreneurs must first check the National Agency of Public Registry's website to verify if their chosen name is unique and is not already registered, as Georgian law prohibits a name that is already in use without consent.

Document Preparation: Depending on the entity type, required documents may include the company's charter, founding agreement, identification documents of founders, consent of director, and confirmation on use of the legal address.

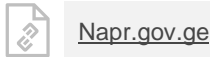
Submission and Registration: Applications can be submitted online through a notary or in person at the Public Service Hall. The registration fee varies based on the speed of processing requested.

Tax Registration: Upon successful registration, businesses are automatically registered for tax purposes, including obtaining a tax identification number (TIN).

Opening a Bank Account: Businesses must open a local bank account to facilitate financial transactions and compliance with local banking regulations.

3.2. Key Regulatory Bodies and Compliance Requirements in Georgia

National Agency of Public Registry (NAPR): The NAPR is responsible for the registration of businesses, real estate, and other legal entities. It provides a streamlined platform for business registration and maintains public records essential for legal compliance.



Revenue Service of Georgia: Operating under the Ministry of Finance, the Revenue Service oversees tax collection and compliance. It administers tax regulations and ensures that businesses adhere to their fiscal responsibilities, including VAT, corporate tax, and personal income tax.



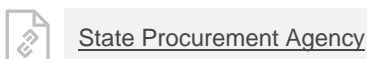
National Bank of Georgia (NBG): The central bank regulates the financial sector, including banks, non-bank financial institutions, and payment service providers. The NBG implements monetary policy, supervises financial institutions, and ensures financial stability.



Georgian National Communications Commission (GNCC): This body regulates the telecommunications and broadcasting sectors. The GNCC ensures fair competition, protects consumer rights, and oversees licensing in the communications industry.



State Procurement Agency: This agency regulates public procurement processes, ensuring transparency, competitiveness, and fairness in government contracts. Businesses seeking to engage in public tenders must comply with its guidelines.



Georgian National Energy and Water Supply Regulatory Commission (GNERC): GNERC regulates the energy and water supply sectors, setting tariffs and ensuring service quality. It plays a crucial role in maintaining fair practices and promoting sustainable energy policies.



Georgian Competition and Consumer Agency (GCCA): GCCA ensures proper conditions for free access of undertaking to the market, detect and prevent the imposition of administrative, legal and discriminative barriers to entry into a market, prevents unlawful restriction of competition. GCCA protects consumer rights and facilitates the restoration of violated rights.



Personal Data Protection Service (PDPS): PDPS Personal Data Protection Service is an independent state authority, which monitors lawfulness of personal data pro-

cession and covert investigate actions and activities performed within the central databank of electronic communications identification data.



Labour Inspection Office (LIO): LIO ensures effective application of labour norms throughout Georgia, conducts advisory monitoring of heavy, harmful and dangerous facilities, supervised labour norms and protects employees' rights.



Compliance Requirements

Business Registration and Licensing: All businesses must register with the NAPR and, if necessary, obtain license or permit for the activity in accordance with the Law of Georgia on Licensing and Permits. This ensures legal recognition and the ability to operate commercially in Georgia.

Tax Compliance: Businesses are required to register with the Revenue Service for tax purposes, file regular tax returns, and adhere to all tax obligations. Compliance with VAT, corporate income tax, and other relevant taxes is mandatory.

Financial Reporting: Financial Reporting: Companies must maintain accurate financial records and submit annual financial statements in accordance with requirements of the law on Accounting, Reporting and Auditing. Georgia has implemented the IFRS Accounting Standards, the IFRS for SMEs Standard and local simplified standards standard for third category entities. Refer to Section 5 for the details of applicable accounting standards.

Labour and Employment Laws: Compliance with labour regulations, including employment contracts, workplace safety standards, and employee rights, is essential. Businesses must adhere to the Labor Code of Georgia and any sector-specific labour laws.

Consumer Protection and Fair Competition: Businesses must comply with regulations aimed at protecting consumer rights and ensuring fair competition. This includes adherence to advertising standards, product safety regulations, and anti-monopoly laws.

3.3. Intellectual Property Rights and Protection in Georgia

As of 2025, Georgia has strengthened its intellectual property (IP) rights framework to align with international standards and promote innovation and creativity. The Georgian government, through key regulatory bodies, has implemented policies and practices to protect the intellectual property of both domestic and foreign entities, fostering a secure environment for businesses and creators.

Regulatory Framework and Key Bodies

National Intellectual Property Centre of Georgia (Sakpatenti): Sakpatenti is the primary institution responsible for IP rights management in Georgia. It oversees the registration and protection of patents, trademarks, designs, and copyrights, ensuring compliance with national and international IP laws.



Sakpatenti

Alignment with International Standards: Georgia is a member of the World Intellectual Property Organization (WIPO) and a signatory to various international treaties, including the Paris Convention for the Protection of Industrial Property and the Berne Convention for the Protection of Literary and Artistic Works. These affiliations underscore Georgia's commitment to upholding global IP standards.

Key Developments and Protections

Patents: Georgia provides robust patent protection for inventions, granting exclusive rights to inventors for a specified period. The patent application process has been streamlined to encourage innovation and attract research and development investments.

Trademarks: Businesses can register trademarks to protect brand identity and prevent unauthorized use. The trademark registration process is efficient, with support from Sakpatenti to assist applicants in navigating the legal requirements.

Copyrights: Georgia's copyright laws protect literary, artistic, and musical works, ensuring creators have exclusive rights to their creations. Recent updates have enhanced digital copyright protections to address challenges in the online environment.

Industrial Designs: Protection for industrial designs is available, allowing designers to secure exclusive rights to the visual aspects of products. This encourages creativity and supports the design industry.

Geographical Indications: Geographical Indications must be registered with Sakpatenti to highlight the place that defines the unique characteristics of goods, thereby informing consumers about a product's origin and its associated qualities.

Varieties and Breeds: It is also possible to protect Plant varieties and Animal breeds by Sakpatenti. The objective is to ensure that the breeder of a new variety is compensated for their labour and material costs, while also earning a profit as a reward for their success, through the sale of the breeding material of that variety.

3.4. Labour Safety

Regulatory Framework: Georgia has strengthened its occupational health and safety regulations to protect workers across various industries. The Labour Code and supplementary laws outline employer obligations to ensure safe working conditions and provide necessary safety training.

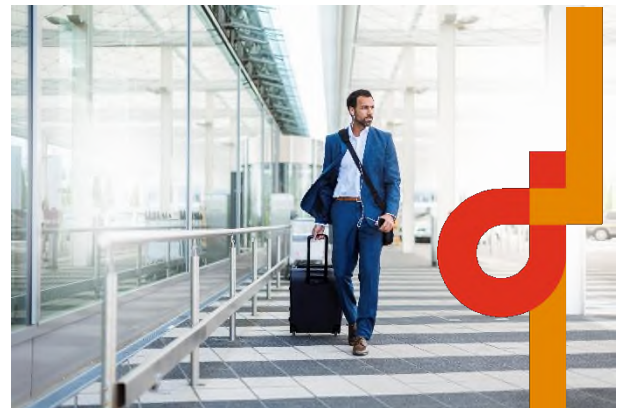
Inspections and Compliance: The Labour Inspection Office (LIO) conducts regular inspections to enforce compliance with safety standards. Employers are required to adhere to regulations and may face penalties for non-compliance.



Law Of Georgia On The Labour Inspection Service

Safety Programs: Employers are encouraged to develop and implement workplace safety programs, including risk assessments and emergency response plans, to prevent accidents and promote a culture of safety.

3.5. Visa Regulations



Visa Regulations for Georgian citizens:

Georgian citizens enjoy visa-free travel to several countries, including those in the Schengen zone, where they can stay for up to 90 days within any 180-day period. For comprehensive information on visa requirements for Georgian citizens entering specific countries, please visit the following website:



<https://www.geoconsul.gov.ge/en/leaving-georgia>

Georgian Visa Regulation for Foreigners:

Georgian visa policy allows citizens of 98 countries to enter, reside, work, and study in Georgia without the need for a visa or residence permit. Additionally, the Georgian government has approved a list of 50 countries whose visa and/or residence permit holders may enter Georgia without a visa for a specified period, which, for most of these countries, is up to one year under appropriate conditions.

For a comprehensive list of countries whose citizens can enter Georgia without a visa, and for additional information on obtaining different types of visas, please refer to the following link:



<https://www.geoconsul.gov.ge/en/entering-georgia>

Visa Categories: Based on Georgian legislation, there are several visa categories: Diplomatic, Special, Ordinary, Immigration, and Transit. Depending on the category, there are two ways to obtain a visa:

E-Visa System: For those requiring a visa, Georgia has implemented an e-visa system, simplifying the application process. Applicants can apply online for short-term visas (Ordinary visas) without visiting a consulate or embassy.



[Georgia e-VISA Portal](#)

Long-Term Visas and Residence Permits:

Individuals seeking long-term residency or a visa in Georgia must apply for the appropriate visa and residence permit. This process involves submitting relevant documentation to Georgian embassies or relevant regulatory authorities in Georgia and is more stringent procedure than obtaining a short-term visa.

3.6. Licenses and Permits

The field of licenses and permits in Georgia is extensively regulated, with numerous laws and bylaws. It is subject to ongoing regulatory development and is often characterized by a changing legislative framework.

Business Licences: Certain industries in Georgia require specific business licenses or permits to operate legally. These may include sectors such as alcohol production, pharmaceuticals, telecommunications, etc. The Law of Georgia on Licenses and Permits contains a comprehensive list of all required permits and licenses.

Application Process: Licenses and permits are typically obtained through the relevant government agency, with requirements varying by sector. Applicants must provide necessary documentation and meet regulatory criteria.

Renewal and Compliance: Businesses must ensure timely renewal of licenses and permits and paying relevant fees to avoid disruptions. Compliance with ongoing operational standards is essential to maintain licensure.

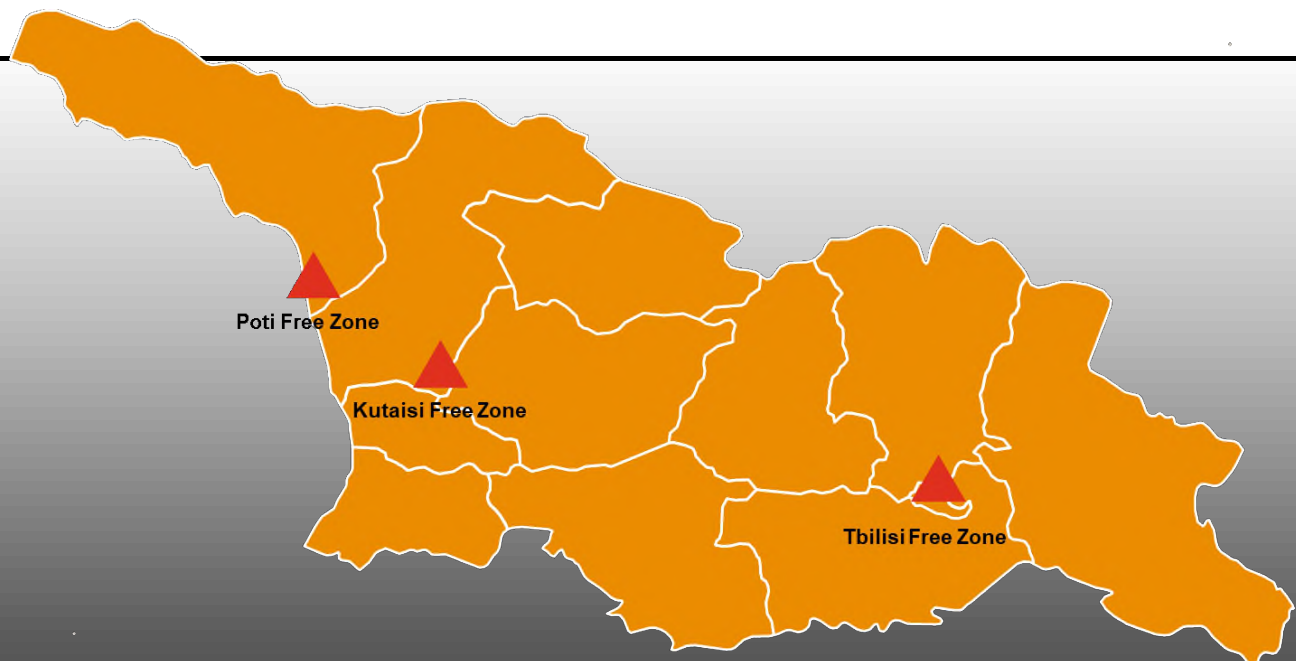
3.7. Free Industrial Zones (FIZs)

Georgia continues to promote its Free Industrial Zones as attractive destinations for foreign investment. In 2025, the government introduced additional incentives for businesses operating within these zones, including simplified customs procedures, and streamlined administrative processes. These measures are designed to foster economic growth, attract international companies, and position Georgia as a regional hub for trade and industry.

Incentives: Georgia's Free Industrial Zones offer tax incentives and streamlined regulations to attract foreign investment. Benefits may include exemptions from VAT, import duties, and corporate income tax.

Key Locations: Notable FIZs include the Poti Free Industrial Zone and Kutaisi Free Industrial Zone, which focus on sectors such as manufacturing, logistics, and technology.

Strategic Advantages: FIZs provide access to modern infrastructure and facilitate easier market entry for international companies looking to expand in the region.



4. Tax System in Georgia

4.1. Taxation in Georgia.

Summary of tax categories:



- > Personal Income Tax (PIT)
- > Corporate Income Tax (CIT)
- > Value-added tax (VAT)
- > Excise duty
- > Import tax
- > Property tax



Definitions:

Resident: An individual or legal entity that is a tax resident of Georgia.

Legal Resident: An individual (natural person) who has a Georgian ID or Passport and has a legal residence to remain in Georgia.

Tax Year: The reporting year for Georgian taxation runs from January 1st to December 31st for annual tax returns.

4.2. Personal Income Tax

PIT tax rate is flat at 20% in Georgia, providing a straightforward and predictable tax obligation for individuals. This flat rate applies to salaries, wages, and other personal income.

PIT for Small Businesses Status

Special tax rates for Small Businesses are applied following approval of the Small Business Status. They cannot be applied retroactively to past income.

1% (On turnover up to 500,000 GEL per year).

Or 3% (starts to apply after exceeding the 500,000 GEL limit in a calendar year).

NOTE: If gross revenue (turnover) exceeds 500,000 GEL in 2 consecutive years, the Small Business Status will be revoked.

Small business income must be declared and paid by the 15th of each month.

PIT for Micro Businesses Status: exempt (0%)

PIT for individuals renting out residential living space (situated in Georgia): 5%

Must be filed and paid by March 31st of the year following the accounting year. If the real estate rent out is situated outside Georgia, tax is not due in Georgia but the applicable taxes in the country where the property is located shall be observed.

PIT on gains derived by individuals from the sale of residential immovable property and vehicles: 5%

Must be declared and paid by the 15th of the month following the month of sale.

PIT on capital gains derived by individuals on sales of non-Georgian stocks/bonds etc.: Typically, 0%.

Some exceptions may exist, and you should discuss your specific situation with a tax adviser.

PIT on cryptocurrency gains: 0%. The status of crypto as a currency is currently undetermined in Georgia law. (see the *Cryptocurrency in Georgia* section below)

Tax on foreign dividends (from a non-Georgian entity): Exempt.

If the dividends are received from a non-Georgian entity by an individual, such income is exempt from taxation in Georgia.

4.3. Cryptocurrency in Georgia

Georgia offers a favourable environment for cryptocurrency activities, with relaxed laws and a 0% tax rate on income from trading crypto for individuals. This makes it an attractive option for obtaining legal and tax residency to easily liquidate cryptocurrencies like Bitcoin into fiat currency, such as cash or direct bank deposits.

Key highlights:

Legality and Taxation: Owning and trading crypto is legal, with individual trading profits generally taxed at 0% due to the nature of crypto not being "Georgian sourced." Corporate entities face a 15% corporate tax and a 5% dividend tax upon distribution.

Tax Residency: Georgia offers two paths to tax residency: spending 183 days in the country within a 12-month period or qualifying under the High-Net-Worth Individual program. However, gaining tax residency in Georgia might not automatically cancel tax obligations in one's previous country, especially in the U.S., where renouncing citizenship may be necessary.

Crypto to Fiat Conversion: Residents can convert crypto to Georgian Lari and deposit it into local banks, with services like Cryptal facilitating quick transfers, however It is important to note that the National Bank of Georgia regulates this area, and it is imperative to use institutions authorized to offer cryptocurrency exchange services in compliance with the regulations set by the National Bank.

Non-residents can also exchange crypto and deposit into international accounts, but tax implications in their home countries need careful consideration.

Potential Risks and Changes: While Georgia is currently crypto-friendly, laws may change. Being informed about tax obligations in other jurisdictions remains crucial, as some countries may continue to claim taxes on capital gains even after exiting their tax systems.

For large transactions or more complex needs, professional advice is recommended to fully leverage Georgia's crypto-friendly policies.

4.4. Corporate Income Tax

CIT rate is standard - 15%

CIT applies to Georgian companies and permanent establishment of foreign entities.

CIT tax is only levied at the time of profit distribution. Re-invested profits within the company or Georgian permanent establishments of foreign entities can remain indefinitely without being taxed, except for commercial banks, credit unions, insurance companies, microfinance organizations, and loan issuer entities, as they are required to submit annual CIT return and pay corresponding tax.

CIT for Virtual Zone Companies OR Free Industrial Zone (FIZ) entity: **Exempt (0%)**

CIT for International Company Status: **5%** at the time of distribution.

4.5. Tax Withholding

Generally, employers are required to withhold personal income tax at source for certain type payment to individuals and payment to non-residents for the Georgian source income, other than exceptions.

Salary paid to resident individuals: 20%

In addition to salary, an employer is required to pay pension contributions for employees who are Georgian citizens / permanent residents of Georgia having foreign citizenship or being without citizenships. The contribution amounts to 2% of the gross salary withheld at the source with the additional 2% paid by the employer.

Salary paid to non-resident individuals: Up To 20%

If your employees are tax residents of countries that have a Double Taxation Avoidance (DTA) Treaty with Georgia, depending on the DTA provisions, the withholding tax can be as low as **0%**, levied in Georgia.

If you have employees who are not residents of Georgia, and there is no DTA, then withholding tax may apply (**20%**) in Georgia. The employee may also be taxed in their home country on the income they receive. In some cases, they can apply for tax relief/credits through their local authorities.

For International Company Status, salary is taxed at just **5% + pension**, if applicable.

Dividends

If a Georgian company pays dividends, they are taxed at the source at the time of distribution to individuals or foreign entities.

Dividends paid to individuals and non-resident persons: **5%**

Dividends paid by a Free Industrial Zone (FIZ) entity: **Exempt (0%)**

Dividends paid by an entity with International Company Status (ICS): **Exempt (0%)**

Georgia does not levy additional personal income tax on dividends that a person receives as a Georgian resident individual, because the dividend tax is subject to withholding by the company itself.

Interest

Interest paid to individuals and non-resident persons without a Permanent Establishment in Georgia - **5%**, except for some exceptions: Interest paid to entities registered in blacklisted jurisdictions: **15%**

Interest paid by a FIZ entity: **Exempt (0%)**

Royalties

Royalties paid to resident individuals: **20%**

Royalties paid to non-resident persons: **5%**

Royalties paid to entities registered in blacklisted jurisdictions: **15%**

Other

The below applies when purchasing services **from non-residents**.

Generally, the withholding tax is applied only on Georgian source income and Article 104 of the tax code provides list of the income that are considered as Georgian source.

Payments to non-residents that are not covered by the rates indicated above are subject to 10% withholding tax.

For the payments performed to non-residents registered in blacklisted countries the applicable tax rate will be 15%. The Government of Georgia determines the list of blacklisted countries.

If Georgia has an effective DTA with a resident country of the non-resident, tax relief may be provided, and the withholding tax could be reduced to zero.



[Full list of the countries.](#)

4.6. Value Added Tax (VAT)

Standard rate: 18%

Applies to the supply of goods/services on the territory of Georgia and import of goods into Georgia.

Generally, not applied to the export of goods/B2B sale of services to non-residents.

B2C sales of services have varying rules regarding the application of VAT.

If the business is VAT registered, it can claim back any input VAT, as long as the taxpayer has the entitlement to credit.

Taxpayers are required to register for VAT if their supplies for the 12 months' rolling period exceeds GEL 100,000, or if they produce or import excisable goods.

Reverse VAT: 18%

Generally, Reverse Charge VAT (RC VAT) applies to the provision of service on the territory of Georgia by foreign taxable person without a fixed establishment in Georgia. Service recipient is required to declare and pay reverse VAT on any such purchases.

Submission of VAT return and payment of RC VAT is required whether service recipient is VAT registered, or not. However, if the service recipient is registered as a VAT payer, then it can declare and simultaneously claim back

the 18%, making the VAT on that transaction effectively zero.

For this reason, if your Georgian business exclusively sells to foreign clients, and you have business expenses both domestic and international, it is usually reasonable to become a registered VAT payer.

Deadlines: VAT & Reverse VAT declarations must be submitted and paid by the 15th of each month.

4.7. Property Tax & Rental Income

Property owned by companies: Up to 1%

For leasing companies (engaged in a financial, not operational lease): **0.6%**

For individuals: 0% to 1% (depending on household income, as well as the municipality in which the property in question is located).

On land: varies by type of land (agricultural or non-agricultural) and municipality.

Property tax on certain types of vehicles: **1%**

A vehicle is defined thus: “Yachts (cutters), helicopters, airplanes, and motor cars specified under Code 8703 of the National Commodity Nomenclature of Foreign Economic Activities that are owned by an individual.

Deadlines

Individuals are required to submit their property tax declaration before 1st November and pay their property tax by November 15th of each year.

Legal entities must file property taxes by April 1st of each year.

4.8. Import Tax

Up to 12%, depending on the type of goods.

You can [check the specific tax rate](#) if you know the HS code of the product OR translate the name of the product into Georgian and input the search for the name rather than the code. Or, you can sift through the [very long list of all the items in Article 197 of the tax code](#).

Some products need special permission to be imported; the permission costs 30 GEL.

Import taxes are usually paid within 5 days (though customs might give a different deadline) of when the product arrives at the customs office.

VAT (18%) may also be applied to imported goods at the time of importation. If VAT applies, it will do so no matter who the recipient is (whether they are a registered VAT payer or not).

Note: Article 173 of the **tax code** lists all the goods that are exempt from VAT on import. In addition to that, goods that are in connection with large-scale projects (pipelines, etc.) that are regulated by international treaties may also be exempt.

Excise

Excise varies depending on the goods.

See Georgian Tax Code Section VII, Articles 182 to 194 for more information.

Excise duty is due to be paid by the 15th of each month on goods assessed in the preceding calendar month.

4.9. Environmental levies

To support sustainable development, Georgia imposes environmental levies on activities that impact natural resources. These taxes aim to promote eco-friendly practices and fund environmental protection initiatives.

4.10. Key Tax Incentives and Exemptions

Free Industrial Zones (FIZs): Georgia offers several Free Industrial Zones, including in Poti and Kutaisi, where businesses enjoy significant tax benefits. Companies operating within these zones are exempt from corporate income tax, VAT, and import duties. This setup is particularly attractive for manufacturing and export-oriented businesses.

Agricultural Incentives: Recognizing the importance of agriculture, the Georgian government offers tax exemptions for agricultural businesses, including exemptions from land tax and reduced VAT rates on agricultural products. These incentives aim to enhance productivity and sustainability in the sector.

Investment Promotion: New and expanding businesses in priority sectors, such as renewable energy, tourism, and information technology, may enjoy preferential tax rates. These incentives are designed to attract substantial investment and foster economic diversification.

Small Business Benefits: Georgia provides simplified taxation for small businesses, with reduced tax rates and simplified reporting requirements. This approach encourages entrepreneurship and supports the growth of small and medium-sized enterprises (SMEs).

4.11. Tax Administration Enhancements

Registration Requirements: Taxpayers are required to register with the Georgian Revenue service (GRS) to ensure compliance and proper tax processing.

Tax Returns and Payments: The GRS has streamlined the process for filing tax returns and making payments, incorporating user-friendly online platforms to facilitate timely submissions.

Assessments and Appeals: Procedures for tax assessments have been refined, and taxpayers retain the right to appeal decisions through established legal channels.

Withholding Taxes: Employers are mandated to withhold appropriate taxes from employee wages, ensuring accurate and timely remittance to the state treasury.

Tax Audits and Control Procedures: The GRS conducts regular audits to ensure compliance, utilizing advanced data analytics to identify discrepancies.

Penalties and Settlements: Non-compliance may result in penalties; however, the tax law offers avenues for settlements and clarifications to resolve tax disputes amicably.

Advance Tax Ruling (ATR): Taxpayers can seek advance rulings from the Department of Revenue to obtain clarity on complex tax matters, ensuring informed compliance.

5. Accounting and Audit Requirements

5.1. Adoption of International Standards

Georgia has fully adopted the IFRS Accounting Standards, which is mandatory to be applied for public interest entities and first category entities. This adoption ensures consistency and comparability in financial statements, facilitating cross-border investments.

Simplified Standards for SMEs: Small and medium-sized enterprises (SMEs) benefit from IFRS for SMEs Accounting Standards tailored to their size and complexity. These standards reduce the administrative burden while maintaining the integrity of financial reporting. This standard is applicable for second and third category entities in Georgia.

Digital Reporting: To streamline processes and enhance transparency, Georgia has embraced digital reporting solutions (Reportal.ge). The integration of e-reporting platforms allows businesses to submit financial statements electronically, improving efficiency and transparency.

Compliance and Deadlines: Companies are required to prepare and submit annual financial statements to regulatory (Service for Accounting, Reporting and Auditing Supervision – SARAS) by specified deadlines (within 9 months after the completion of the financial period). The timely submission of these documents is critical to maintaining compliance and avoiding penalties.

5.2. Audit Requirements

Mandatory Audits: Audits are mandatory for public interest entities, first category and second category companies, ensuring that financial statements are independently verified. This requirement aims to enhance the credibility of financial reporting and protect stakeholder interests.

International Standards on Auditing (ISA): Auditors in Georgia must adhere to International Standards on Auditing, which provide a framework for conducting high-quality audits. These standards ensure that audits are performed with consistency and professionalism.

Licensing and Oversight: Regulatory body SARAS, which is set up under the Ministry of Finance of Georgia oversees the licensing of audit firms and professionals. Regular inspections and quality reviews are conducted to uphold auditing standards and maintain public confidence in the audit process.

Audit Committee Requirements: Public interest entities are required to establish audit committees responsible for overseeing financial reporting and audit processes.

5.3. Amendments to the Law on Accounting, Reporting, and Auditing

In June 2024, the Service for Accounting, Reporting, and Auditing Supervision (SARAS) announced amendments to the existing law to further reform the accounting and auditing sectors.

Key changes include:

Transparency Reports: Audit firms auditing Public Interest Entities (PIEs) are now required to publish an annual transparency report on their websites within four months after the fiscal year ends. This report must remain accessible for at least five years.



saras.gov.ge

Auditor Independence: To safeguard auditor objectivity, stricter regulations have been imposed. Audit firms are prohibited from offering non-audit services to PIEs they audit, their parent entity of the audited PIE entity and entity controlled by the audited PIE entity, addressing potential conflicts of interest. The exceptions for providing the non-audited services for PIEs can be made only in case of approval of the Audit committee.



saras.gov.ge

Electronic Communication: To enhance efficiency, SARAS has implemented electronic delivery of documents and correspondence, reducing delays associated with traditional mailing systems.



saras.gov.ge

Enhanced Penalties for Non-Compliance

Entities failing to submit required reports for two consecutive periods now face fines up to five times the standard amount, emphasizing the importance of adherence to reporting obligations.



saras.gov.ge

Alignment with Anti-Money Laundering Standards

In response to recommendations from international bodies like the Financial Action Task Force (FATF) and the Committee of Experts on the Evaluation of Anti-Money Laundering Measures (Moneyval), Georgia has expanded eligibility criteria concerning the absence of criminal convictions. These criteria now apply to all obligated entities, including certified accountants and accounting firms, reinforcing the integrity of the financial system.



saras.gov.ge

5.4. Reporting Standards and Audit Requirements

For the purposes of application of accounting and financial reporting standards and defining obligation of mandatory audit, the companies are divided into 4 following categories according to different criteria, which is summarised in the below table:

Category	Reporting	Total assets value	Income	Average number of employees
PIE*	IFRS Management report	N/A	N/A	N/A
First	IFRS Management report	> 50 million GEL	> 100 million GEL	> 250 people
Second	IFRS for SMEs Management report	<50 million GEL	> 100 million GEL	> 250 people
Third	IFRS for SMEs	<10 million GEL	<20 million GEL	> 50 people
Fourth	In accordance with the standard of financial reporting for enterprises of the 4 th category.	<1 million GEL	<2 million GEL	> 10 people

***PIE** - Companies that are listed on the stock exchange; banks, insurance companies, micro-finance organizations and credit unions; non-state pension schemes; investment funds; and other entities defined as PIE by the Government.

Management report includes the following parts:



Mandatory audit is required for PIEs, 1st and 2nd category enterprises.

6. Investment Opportunities

6.1. Key sectors for investment

In 2025, Georgia, particularly its capital Tbilisi, has emerged as a dynamic hub for investment across several key sectors. The nation's strategic location, progressive economic policies, and commitment to innovation have created a fertile environment for diverse investment opportunities.

Information Technology (IT):

Tbilisi has emerged as a regional tech hub, attracting startups and established tech companies alike. Investment opportunities abound in software development, IT services, and digital infrastructure projects. The government's commitment to fostering a knowledge-based economy has also led to increased support for research and development activities.

Tourism

Recognized for its rich cultural heritage and diverse attractions, Georgia has been highlighted as a premier European destination for 2025. The country's 10-year development plan focuses on enhancing infrastructure, including improved signage, accessibility, public transportation, and cruise ports, aiming to boost tourist influx. However, proximity to Russia presents certain security considerations for potential visitors.

Sources:

<https://www.idrgroup.nl/en/georgie-wil-groeien-am-bitieuze-plannen-voor-450-toerisme-groei/>
<https://www.unwto.org/investment/tourism-doing-business-investing-in-georgia>
<https://www.fao.org/support-to-investment/our-work/success-story-detail/en/c/1648879/>
<https://www.fao.org/investment-centre/lat-est/news/detail/Georgia-eyes-becoming-a-sustainable-agritourism-destination/en>



Energy

Georgia's energy sector is characterized by a strong emphasis on renewable resources. As of 2021, hydroelectric power accounted for 81% of the nation's electricity production, with natural gas contributing 19%. The government is actively pursuing the expansion of wind and solar energy projects to diversify its energy mix and enhance sustainability.

Sources:

<https://businessgeorgia.ge/ge/investment-opportunities-in-energy-sector-of-georgia/>
<https://iqcc.org.il/georgias-economic-development-strategy-2030/>
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Agriculture

Agriculture remains a cornerstone of Georgia's economy, with fertile lands supporting the cultivation of various crops and a burgeoning wine industry. The government's initiatives to modernize agricultural practices and improve supply chains present lucrative opportunities for investors interested in agribusiness and food processing sectors.

Special Economic Zones in Georgia

As of 2025, Georgia continues to expand and enhance its network of special economic zones (SEZs), which serve as pivotal components of the country's economic development strategy. These zones are strategically designed to attract foreign direct investment, foster innovation, and boost industrial growth by offering businesses favourable conditions and incentives.

6.2. Special Economic Zones (SEZs)

Georgia's SEZs are areas with tailored economic regulations that differ from the rest of the country, providing a business-friendly environment with a range of fiscal and operational benefits. Key features of SEZs in Georgia include:

Tax Incentives: Businesses operating within SEZs benefit from significant tax advantages, such as exemptions or reductions in corporate income tax, VAT, and import duties. These incentives are designed to lower operational costs and increase profitability.

Streamlined Regulations: SEZs offer simplified administrative processes and reduced regulatory burdens, facilitating quicker setup and operation of businesses. This environment encourages efficiency and innovation.

Infrastructure and Services: SEZs are equipped with advanced infrastructure, including transport links, utilities, and digital connectivity, providing businesses with the essential resources needed for successful operations.

Notable FIZs in Georgia

Poti Free Industrial Zone: Located on the Black Sea coast, the Poti FIZ is a key maritime hub offering logistics and manufacturing opportunities. Its strategic location facilitates access to European and Asian markets.

Kutaisi Free Industrial Zone: Known for its focus on manufacturing and technology, the Kutaisi FIZ attracts businesses in sectors such as electronics, automotive components, and textiles.

Sector-Specific Focus: Industrial parks in Georgia cater to industries such as logistics, manufacturing, and agribusiness. They provide specialized infrastructure and services that align with the operational requirements of these sectors.

Public-Private Partnerships: Many industrial parks are developed through collaborations between the government and private sector, ensuring that they meet the evolving needs of businesses and contribute to regional development.

Sustainability Initiatives: Georgia's industrial parks increasingly incorporate sustainable practices, such as energy-efficient facilities and waste reduction programs, aligning with the country's commitment to environmental responsibility.

In 2025, Georgia's special economic zones continue to play a crucial role in driving economic growth and attracting international investment. By offering competitive incentives, state-of-the-art infrastructure, and a supportive business environment, these zones position Georgia as a leading destination for businesses seeking to expand in Eastern Europe and Western Asia.

6.3. Government and Private Sector Projects and Partnerships in Georgia

As of 2025, Georgia is witnessing a surge in collaborative projects and partnerships between the government and the private sector. These initiatives are designed to drive economic growth, enhance infrastructure, and foster innovation across various industries. The strategic alignment between public and private entities is playing a pivotal role in shaping Georgia's economic landscape, positioning the country as a dynamic hub for investment and development.

Infrastructure and Transport

Anaklia Deep Sea Port: The government, in partnership with international investors, has progressed in developing the Anaklia Deep Sea Port. This project aims to transform Georgia into a major logistics and trade hub by increasing cargo capacity and enhancing connectivity between Europe and Asia.

Tbilisi Metro Expansion: In collaboration with private partners, the Tbilisi Metro system is undergoing significant expansion. The project includes new lines and modernized stations, aimed at improving urban mobility and reducing traffic congestion in the capital.



Energy and Sustainability

Hydroelectric Power Projects: Georgia has entered partnerships with global energy companies to develop large-scale hydroelectric power plants. These projects are part of the nation's strategy to increase renewable energy output, reduce carbon emissions, and ensure energy security.

Solar and Wind Energy Initiatives: The Georgian government, along with private investors, is investing in solar

and wind farms. These renewable energy projects are designed to diversify the energy mix and promote sustainable development.



Technology and Innovation

Tech Hubs and Incubators: The government has partnered with leading tech companies to establish technology hubs and incubators in Tbilisi and other cities. These centres aim to support startups, foster innovation, and create a vibrant tech ecosystem in Georgia.

Digital Infrastructure Projects: Collaborations with telecom giants have led to significant investments in expanding digital infrastructure, including the deployment of 5G networks and improved broadband access across the country.



Agriculture and Food Processing

Agri-Tech Partnerships: The government is working with private Agri-Tech firms to modernize the agricultural sector. Initiatives include the adoption of smart farming technologies and the development of sustainable food processing facilities.

Export-Oriented Agribusiness: Joint ventures between Georgian producers and international food companies are enhancing the export capacity of Georgian agricultural products, particularly in wine, nuts, and organic foods.



7. Importing and Exporting

On February 1, 2025, Georgia acceded to the Common Transit Convention (CTC) and the Convention on the Simplification of Formalities in Trade in Goods. This strategic move aims to streamline customs procedures, facilitating smoother and faster movement of goods between Georgia, the European Union (EU), and other member countries. By adopting a unified transit declaration and mutually recognized guarantees, Georgia seeks to reduce administrative burdens.

7.1. Customs Processing Fees, Documents, and Procedures

All goods crossing the border are subject to customs control, which includes specific procedures aimed at ensuring compliance with customs rules. Other types of border control may also be conducted.

The customs authorities may conduct post-entry audits to verify compliance with customs and tax legislation.

An entity is subject to a fee of GEL 400 per customs declaration if the value of goods exceeds GEL 15,000, GEL 300 per declaration if the value of goods is between GEL 3,000 and 15,000, and GEL 100 if the value of goods is less than GEL 3,000. Customs fees for temporarily imported goods vary with respect to the weight of goods.

To facilitate customs clearance, importers are required to submit a detailed customs declaration, accompanied by relevant invoices and transport documents. The recent adoption of the New Computerized Transit System (NCTS) is expected to further streamline these procedures, enhancing predictability and transparency in the transit process.

Import restrictions

As of February 2025, Georgia has implemented several import restrictions to address environmental concerns and public health issues:

Automobile Import Restrictions

Effective January 1, 2024, Georgia has prohibited the importation of passenger vehicles manufactured before 2013. This measure aims to reduce air pollution by ensuring that imported vehicles comply with the Euro 5 emissions standard. The restriction extends to buses and trucks starting January 1, 2025. Vehicles already present in the country, as well as those imported for re-export or transit purposes, are exempt from this regulation.

Customs Duties

Georgia maintains a tiered tariff system for imported goods, with rates set at 0%, 5%, and 12%. Approximately 90% of imports benefit from a zero percent tariff. Higher tariffs typically apply to agricultural products, food items, clothing, construction materials, and certain manufactured goods.

Exports

Georgia's accession to the CTC and the Convention on the Simplification of Formalities in Trade in Goods is anticipated to bolster export activities by simplifying cross-border formalities. These conventions enable the use of a single transit document and guarantee, reducing both time and costs for Georgian exporters trading with EU member states and other participating countries.

Accession to Common Transit Convention (CTC):

- Effective February 1, 2025, Georgia joined the CTC and the Convention on the Simplification of Formalities in Trade in Goods.
- Streamlines customs procedures and facilitates faster goods movement with the EU and other member countries.
- Enhances trade efficiency through a unified transit declaration and mutually recognized guarantees

Trade Facilitation Measures:

- Implementation of electronic customs systems, risk-based inspections, and simplified declarations for trusted traders.
- Adoption of the New Computerized Transit System (NCTS) for improved efficiency.

Regional Cooperation & International Standards:

- Active participation in the Deep and Comprehensive Free Trade Area (DCFTA) with the EU.
- Alignment with the World Customs Organization (WCO) and World Trade Organization (WTO) standards for greater transparency.

7.2. Import Restrictions

Automobile Import Regulations:

- As of January 1, 2024, imports of passenger vehicles manufactured before 2013 are prohibited to meet Euro 5 emissions standards.
- Restrictions for buses and trucks came into force from January 1, 2025.
- Exemptions apply to re-exported and transit vehicles

Prohibited & Restricted Goods

- Certain hazardous materials, pharmaceuticals, and food products face import bans due to public health and safety concerns.

Licensing & Permits

- Imports of firearms, chemicals, and agricultural goods require special permits to ensure compliance with national regulations.

7.3. Customs Processing: Documents & Procedures

Required Documentation:

- Commercial invoice, bill of lading/airway bill, packing list, certificate of origin, and relevant permits.
- Electronic submission via ASYCUDA (Automated System for Customs Data) encouraged for efficiency.

Customs Clearance Process:

- Submission of customs declarations, risk assessment, potential inspection, and payment of duties/taxes.
- Trusted traders under the Authorized Economic Operator (AEO) program benefit from simplified procedures.

Exports & Trade Expansion

Export Procedures:

- Submission of a customs declaration and supporting documents.
- Electronic processing via ASYCUDA speeds up export clearance.

Export Incentives:

- Tax exemptions and government-backed support programs boost export growth.

Key Export Markets:

- The EU, CIS countries, and China remain primary destinations for Georgian goods, including wine, mineral water, agricultural products, and textiles.

8. Setting Up a Business

8.1. Step-by-step guide to business registration

Registering a business in Georgia is a streamlined process designed to facilitate entrepreneurship and attract foreign investment. Whether you are a local entrepreneur or an international investor, the following steps outline the general procedure for business registration in Georgia as of 2025:

Step 1: Choose a Business Structure

Determine the most suitable legal structure for your business. Common options include:

- An Individual Entrepreneur Limited Liability Company (LLC).
- Joint Stock Company (JSC).
- Branch Office (for foreign companies).

Step 2: Choose a Business Name

Visit the National Agency of Public Registry (NAPR) website to check if your chosen name is unique. Ensure the name complies with legal requirements and is not already in use.

Step 3: Prepare Required Documentation

Depending on the chosen business structure, prepare the necessary documents, which may include:

- Company charter or articles of association.
- Identification documents of founders and directors.
- The owner's confirmation on use of the legal address; Consent of Director.
- Decision of the parent company (for branch/representative offices).

Step 4: Submit Registration Application

Submit your application either online through a notary or in person at a Public Service Hall. Include all required documents and pay the applicable registration fee, which varies based on processing speed (standard or expedited).

Step 5: Obtain Tax Identification

Upon successful registration, your business will automatically be assigned a tax identification number (TIN) by the Revenue Service of Georgia. This number is essential for tax filing and compliance.

Step 6: Open a Bank Account

Open a corporate bank account in a Georgian bank to manage your business finances. This account will be necessary for transactions and fulfilling capital requirements where applicable.

Step 7: Register for VAT (if applicable)

If your business activities or turnover require VAT registration, apply with the Revenue Service. Ensure compliance with VAT obligations to avoid penalties.

Step 8: Comply with Sector-Specific Licenses or Permits

Depending on your industry, you may need additional licenses or permits. Check with relevant regulatory bodies to ensure compliance with specific legal requirements.

8.2. Required documents and timelines

The specific documents you need to provide can vary depending on the type of business entity you are registering. Below are common requirements for different business structures, though not exhaustive

An Individual Entrepreneur:

- Application form: A written application requesting registration as an individual entrepreneur, which should contain information such as the full name and the legal address of an applicant, the personal identification number etc.
- Identification documents of the owner (e.g., passport or national ID).
- The owner's confirmation on use of the legal address: the owner's confirmation on allowing an entity to use the address shall be submitted.

Limited Liability Company (LLC):

- Instrument of Incorporations: founding agreement, along with standard or non-standard charter, which shall be duly signed.
- Consent of Director: A consent form from each individual with management and representative authority in the company, agreeing to perform their stated functions.
- Identification document: Identification documents of every interested/participating person (including founding partners, director). The owner's confirmation on use of the legal address: the owner's confirmation on allowing an entity to use the address shall be submitted
- Power of Attorney: If the application is submitted by the third-party relevant Power of Attorney shall also be submitted.

Joint Stock Company (JSC):

- Instrument of Incorporations: founding agreement, along with standard or non-standard charter, which shall be duly signed.
- Identification document: Identification documents of every interested/participating person (including founding partners, director).
- The owner's confirmation on use of the legal address: the owner's confirmation on allowing an entity to use the address shall be submitted.

- **Consent of Director:** A consent form from each individual with management and representative authority in the company, agreeing to perform their stated functions. **Power of Attorney:** If the application is submitted by the third-party relevant Power of Attorney shall also be submitted.

Branch Office:

- **Application form,** which should include information such as the branch name, the legal, the principal place of the entrepreneur, etc.
- **Instrument of Incorporations:** founding agreement, along with branch charter (if any).
- **Decision of the parent company** to establish the branch.
- **Identification document:** Identification documents of every interested/participating person (including founding partners, director). The owner's confirmation on use of the legal address: the owner's confirmation on allowing an entity to use the address shall be submitted.
- **Consent of Director:** A consent form from each individual with management and representative authority in the company, agreeing to perform their stated functions. Incorporation documents of the parent company.
- **Power of Attorney:** If the application is submitted by the third-party relevant Power of Attorney shall also be submitted.

Timelines

The timeline for business registration in Georgia is generally quite efficient, often taking just a few days. Here is an overview of typical processing times:

Standard Processing: Typically, business registration can be completed within 2 to 5 business days.

Expedited Processing: For an additional fee, registration can be expedited to 1 business day.

Additional Considerations

Language: All documents submitted must be in Georgian or accompanied by a certified translation.

Notarization: Certain documents may need to be notarized, especially those originating from outside Georgia.

Legal Assistance: While not mandatory, hiring a local attorney or business consultant can help ensure that all documents meet legal requirements, and that the registration process proceeds smoothly.

8.3. Hiring employees and labour law

Hiring employees and understanding labour laws is a crucial aspect of setting up and managing a business in Georgia. For the most accurate and current information, you should refer to the Ministry of Internally Displaced Persons from the Occupied Territories, Labor, Health, and Social Affairs of Georgia and consult legal professionals.

Hiring Employees

Recruitment Process:

Job Posting: Employers can advertise open positions through various channels, including online job portals, recruitment agencies, and local newspapers.

Selection: Candidates are typically evaluated through interviews, assessments, and reference checks to determine their suitability for the role.

Employment Contracts

Written Contracts: Employment contracts with a term of more than one month must be concluded in writing. The contract should clearly outline the terms of employment, including job responsibilities, salary, working hours, probation period (if applicable), and termination conditions.

Probation Period: Employers often include a probationary period, which allows both parties to assess the suitability of the employment arrangement.

Registration with Authorities

Employers must register new employees with the Revenue Service of Georgia for tax and social security purposes. This process involves obtaining a tax identification number (TIN) for the employee.

Employment of Foreigners

In Georgia, according to the Law on Labour Migration, when a Georgian employer hires a foreign immigrant, it is mandatory to register the labour immigrant in the unified database maintained by the Ministry of Internally Displaced Persons from the Occupied Territories, Labor, Health, and Social Protection. This registration helps ensure compliance with local labour and immigration regulations and facilitates the monitoring of labour migration within the country.

Labor Laws

Working Hours and Overtime: The standard working week in Georgia is typically 40 hours. Any work beyond this is considered overtime and must be compensated at a higher rate as stipulated by law.

Minimum Wage: While minimum wage policies may be subject to change, employers must comply with the legally mandated minimum wage and ensure fair compensation for their employees.

Leave Entitlements: Employees are entitled to annual paid leave, sick leave, and maternity/paternity leave. The specifics of these entitlements, including duration and conditions, are governed by Georgia's labour code.

Termination and Severance: Employers must adhere to legal procedures when terminating employment, which includes providing notice and, in some cases, severance pay. Possible grounds for termination are fully listed in Labour Code of Georgia and must be justified and documented.

Workplace Safety: Employers are responsible for maintaining a safe working environment and must comply with occupational health and safety regulations. This includes providing necessary training and resources to prevent workplace accidents.

Non-Discrimination: Georgia's labour laws prohibit discrimination based on race, gender, age, disability, and other personal characteristics. Employers must ensure equal treatment and opportunities for all employees.

9. Financial and Banking Sector

9.1. Overview of the banking sector

As of 2025, Georgia's financial and banking sector continues to evolve, reflecting the country's robust economic growth and increasing integration with the global financial system. The sector is characterized by stability, innovation, and a commitment to enhancing customer access to a wide range of financial services.

Stability and Regulation: The National Bank of Georgia (NBG) maintains stringent regulatory oversight to ensure the stability and resilience of the banking sector. Through effective monetary policy and regulatory frameworks, the NBG has successfully managed the inflation rates and ensured liquidity within the banking system.

Technological Advancements: The banking sector in Georgia is at the forefront of technological innovation. Banks have increasingly adopted digital banking solutions, offering customers enhanced mobile and internet banking services. The introduction of blockchain technology and artificial intelligence in financial services has further streamlined operations and improved customer experience. NBG has introduced a separate "Digital Banking" license which aims to give more flexibility to the financial institutions targeting customers through digital channels.

Access to Credit: Access to credit has expanded significantly, with Georgian banks offering a variety of lending products tailored to both individuals and businesses. The government and financial institutions have collaborated to provide favourable loan conditions for startups and small to medium-sized enterprises (SMEs), fostering entrepreneurship and economic development.

Foreign Investment: The Georgian banking sector continues to attract foreign investment, reflecting confidence in its regulatory environment and growth prospects. International banks and financial institutions have established partnerships with local banks, facilitating the flow of foreign capital and expertise into the country.

Sustainable Banking Practices: There is a growing emphasis on sustainable banking practices. Georgian banks are increasingly incorporating environmental, social, and governance (ESG) criteria into their lending and investment decisions. This shift aligns with global trends towards sustainable finance and reflects Georgia's commitment to sustainable economic development. NBG is supporting the process with respective regulatory initiatives (e.g. recently introduced green taxonomy).

Financial Inclusion: Efforts to enhance financial inclusion have led to increased access to banking services for underserved populations. Initiatives include the expansion of banking services in rural areas and the development of financial literacy programs to educate citizens on managing personal finances effectively.

9.2. Banking System Structure

National Bank of Georgia (NBG): The central bank responsible for monetary policy, regulation, and supervision of the financial sector. The NBG aims to ensure price stability and a sound banking system.

Commercial Banks: Georgia has a mix of domestic and international banks offering a range of services, including retail banking, corporate banking, and investment services. Currently in Georgia operates 17 commercial banks, the key players are:

- **TBC Bank** - One of the largest banks in Georgia, offering a wide range of financial services to both retail and corporate clients.
- **Bank of Georgia** - Another leading bank in the country, known for its extensive branch network and diverse banking products.
- **Liberty Bank** - Primarily focused on retail banking, Liberty Bank is known for serving a large customer base across Georgia.
- **ProCredit Bank Georgia** - A member of the international ProCredit group, focusing on small and medium-sized enterprises (SMEs).
- **BasisBank** - Offers a variety of financial services, including retail and corporate banking.
- **Credo bank** – A very fast growing bank oriented on Agro micro businesses. The bank successfully transformed from a microfinance institution to a full-fledged commercial bank.

Microfinance Institutions and Non-Bank Financial Institutions: These entities provide additional financial services, especially for small businesses and low-income businesses and individuals that may not qualify for traditional bank loans. They focus on supporting entrepreneurship and economic development, particularly in rural areas.

Technological Integration: Digital banking is prevalent, with many banks offering advanced online and mobile banking platforms. Innovations such as blockchain and AI are increasingly being integrated to enhance service delivery.

9.3. Foreign Currency Rules

Currency Regulations:

Official Currency: The official currency of Georgia is the Georgian Lari (GEL). All domestic transactions, including payment for goods and services, are generally conducted in GEL.

Foreign Currency Accounts: Both residents and non-residents are allowed to hold foreign currency accounts in Georgian banks. This flexibility supports international business activities and personal financial needs.

Foreign Exchange Market:

Currency Exchange: Currency exchange services are widely available through banks, exchange bureaus, and ATMs. The exchange rates are determined by the market, and the National Bank of Georgia (NBG) may intervene in the foreign exchange market to prevent excessive volatility.

Repatriation of Profits: Foreign investors can freely repatriate profits, dividends, and capital from Georgia. This policy is designed to attract foreign direct investment by ensuring that investors can easily transfer their earnings out of the country.

Exchange Controls

Minimal Restrictions: Georgia imposes minimal exchange controls, allowing for the free movement of capital. This policy enhances the country's attractiveness as a business and investment destination.

Reporting Requirements: While there are few restrictions, certain transactions may be subject to reporting requirements to ensure compliance with anti-money laundering (AML) and counter-terrorism financing (CTF) regulations. Financial institutions are required to report large or suspicious transactions to the relevant authorities.

Cross-Border Transactions: Individuals and businesses can conduct cross-border transactions with relatively few restrictions. However, they must comply with international sanctions and any specific regulations that might be in place for certain countries or entities.

9.4. Capital Markets

Development and Structure:

Georgia's capital markets are still developing but have shown progress over the years. The Georgian Stock Exchange (GSE) is the primary platform for trading securities.

- The market includes government and corporate bonds, as well as limited equity offerings. Efforts are ongoing to deepen the market and increase liquidity.

Regulatory Framework:

The NBG, along with the Georgian Securities Industry Association, oversees the regulation and development of capital markets. They ensure compliance with international standards and protect investor interests.

Reforms are underway to enhance transparency, ease of access, and investor protection within the capital markets.

Investment Opportunities:

Georgia encourages foreign investment, and the capital markets offer opportunities in government securities, corporate bonds, and equities. The government often issues bonds to finance infrastructure and development projects.

9.5. Types of Financing and Credit Facilities in Georgia

Commercial Bank Loans

Business Loans: Banks in Georgia offer various loan products tailored to business needs, including working capital loans, equipment financing, and expansion loans. These are available to both small and medium-sized enterprises (SMEs) and larger corporations.

Personal Loans: For individuals, personal loans are available for purposes such as education, home improvement, or personal emergencies. These loans typically require proof of income and a good credit history.

Leasing and Factoring

Leasing: Companies can acquire equipment, vehicles, or machinery through leasing arrangements, which allows them to use the assets without the need for full upfront payment.

Factoring: Businesses can improve cash flow by selling their accounts receivables to a factoring company, which provides immediate funds based on the expected future payments from customers.

Venture Capital and Private Equity:

Georgia's growing startup ecosystem is attracting venture capital and private equity investments. These investors provide funding to high-potential startups and businesses in exchange for equity or convertible debt.

Government and International Programs:

The Georgian government, often in partnership with international organizations like the World Bank or the European Bank for Reconstruction and Development (EBRD), offers programs that provide subsidized loans or grants to support specific sectors such as agriculture, technology, and renewable energy.

Digital and Peer-to-Peer Lending:

With advancements in fintech, digital lending platforms and peer-to-peer lending have emerged, offering alternative financing solutions with more flexible terms and quicker approval processes.

Considerations for Accessing Financing

Creditworthiness: Individuals and businesses must demonstrate strong creditworthiness, typically assessed through credit scores, financial statements, and business plans.

Collateral Requirements: Many loans, especially for businesses, may require collateral to secure the loan.

Interest Rates and Terms: The cost of borrowing, including interest rates and repayment terms, varies among financial institutions and products. Comparing these is crucial to finding the best financing option.

Regulatory Environment: Borrowers should be aware of the regulatory requirements set by the National Bank of Georgia and ensure compliance with all financial regulations.

10. Infrastructure and Logistics

10.1. Transportation networks: roads, rail, ports, and airports

As of 2025, Georgia's transportation infrastructure has undergone significant advancements, reflecting the country's commitment to enhancing connectivity and supporting economic growth. Strategic investments in roads, railways, ports, and airports aim to position Georgia as a critical transit hub between Europe and Asia, facilitating trade and tourism.

Roads

Georgia has made substantial progress in upgrading its road network to improve domestic and international connectivity. The East-West Highway, a vital corridor linking the Black Sea ports with the country's eastern regions and beyond, has seen extensive upgrades, including new lanes and bypasses to alleviate congestion and enhance safety. The highway improvements have reduced travel times and increased efficiency for freight and passenger transport.

The government has also focused on developing regional road networks to connect rural areas with major cities, promoting economic development and access to markets. These initiatives include the construction of new roads and the rehabilitation of existing ones, ensuring that even remote areas benefit from improved infrastructure.

Rail

The Georgian Railways has introduced high-speed train services on key routes, significantly reducing travel times between major cities such as Tbilisi, Kutaisi, and Batumi. These services have enhanced passenger experience and boosted domestic tourism.

Additionally, the Baku-Tbilisi-Kars (BTK) railway, a key component of the transcontinental rail corridor, has become fully operational and is facilitating increased freight volumes between Europe and Asia. This rail link positions Georgia as a pivotal transit country in the region, offering a reliable alternative to maritime routes.

Ports

Georgia's Black Sea ports, including Poti and Batumi, have undergone significant expansions to increase their capacity and efficiency. The development of the Anaklia Deep Sea Port, a flagship project, has progressed with the involvement of international investors. Once completed, Anaklia will be the largest port in Georgia, capable of accommodating large vessels and serving as a major logistics hub in the region.

These port developments are crucial for Georgia's role in the Belt and Road Initiative, enhancing the country's ability to handle increased trade volumes and attract international shipping lines.

Airports

Georgia's airports have seen remarkable growth and modernization, with Tbilisi International Airport leading the way. The airport has expanded its terminal facilities and runways to accommodate the rising number of passengers and flights. Enhanced services and new direct flight routes to major global destinations have positioned Tbilisi as a key air travel hub in the Caucasus region.

Kutaisi International Airport has also experienced growth, becoming a popular low-cost carrier destination and serving as an alternative gateway to Georgia. Investments in airport infrastructure ensure that Georgia can support the increasing demand for air travel and bolster its tourism sector.

10.2. Telecommunications and internet infrastructure

Network Coverage and Quality: Georgia has achieved near-universal mobile network coverage, with major urban areas and most rural regions enjoying reliable connectivity. The leading telecom operators have invested in upgrading their infrastructure to provide high-quality voice and data services.

5G Deployment: The rollout of 5G technology has been a major milestone, with several cities, including Tbilisi, Batumi, and Kutaisi, now having access to 5G networks. This next-generation technology offers faster speeds, lower latency, and increased capacity, supporting the growth of smart city applications and advanced digital services.

Fiber Optic Expansion: Investments in Fiber Optic Networks have expanded high-speed internet access across the country. Many households and businesses in urban and suburban areas benefit from gigabit-speed internet connections, which are essential for modern digital applications and remote working environments.

Internet Infrastructure

Broadband Accessibility: The expansion of broadband internet services has been a key focus, with efforts to increase accessibility and affordability for all citizens. Government initiatives and private sector partnerships have contributed to reducing the digital divide, particularly in underserved rural areas.

Internet Exchange Points (IXPs): The establishment of Internet Exchange Points in Georgia has improved the efficiency of internet traffic management, reduced latency and increasing the speed of data transfer. This development supports the growing demand for online services and content delivery.

Cybersecurity Measures: Recognizing the importance of secure digital infrastructure, Georgia has strengthened its cybersecurity framework. This includes the implementation of national cybersecurity strategies, collaboration with international partners, and investments in state-of-the-art security technologies to protect against cyber threats.

10.3. Digital Economy and Services

E-Government and Digital Services: The Georgian government has expanded its e-government services, providing citizens with convenient access to public services online. This digital transformation enhances transparency, efficiency, and user experience in government interactions.

Support for Innovation and Startups: The robust telecommunications and internet infrastructure in Georgia supports a thriving ecosystem for tech startups and innovation. Initiatives such as tech parks, incubators, and accelerators provide resources and support for entrepreneurs in the digital space.

10.4. Political and Regulatory Challenges

Political Stability: While Georgia has maintained a relatively stable political environment, regional geopolitical tensions can pose risks. Businesses must stay informed about political developments and potential impacts on trade and investment.

Regulatory Changes: Evolving regulations, particularly in sectors such as taxation, finance, and environmental policies, require businesses to remain adaptable. Ensuring compliance with new regulations can necessitate changes in operations and strategies.

Corruption and Bureaucracy: Engaging with local legal and business advisors can aid in understanding regulatory requirements and minimizing bureaucratic hurdles.

13.3 Strategies for Risk Mitigation

Diversification: Businesses can mitigate economic and market risks by diversifying their product offerings and market presence. This reduces dependency on single markets or sectors and spreads risk across different areas.

Currency Risk Management: Implementing hedging strategies or using financial instruments to manage currency risk can protect against exchange rate fluctuations. Regularly reviewing and adjusting pricing strategies can also help mitigate the impact of currency volatility.

Building Local Partnerships: Establishing strong relationships with local partners, including suppliers, distributors, and legal advisors, can enhance understanding of the local market and regulatory landscape. These partnerships can provide valuable insights and support in navigating challenges.

Staying Informed: Businesses should actively monitor economic indicators, political developments, and regulatory changes in Georgia. Engaging with local industry associations and chambers of commerce can provide access to timely information and resources.

Risk Assessment and Planning: Conducting regular risk assessments and scenario planning can help businesses anticipate potential challenges and develop contingency plans. A proactive approach to risk management ensures readiness to respond effectively to changing conditions.

While Georgia offers significant opportunities for growth and investment, awareness and preparedness for potential risks and challenges are essential. By implementing robust risk mitigation strategies, businesses can navigate the complexities of the Georgian market and position themselves for long-term success. For the most current insights, engaging with local experts and staying connected with industry networks is advisable.

10.5. Utilities and energy supply

Energy Supply

Diversity of Energy Sources: Georgia's energy mix is increasingly diverse, with significant contributions from hydroelectric power, which remains the dominant source due to the country's abundant water resources. The government has prioritized the development of renewable energy sources, including wind and solar energy, to reduce dependence on fossil fuels and enhance energy security.

Hydroelectric Power: Hydropower continues to be a cornerstone of Georgia's energy sector, with numerous projects aimed at increasing capacity and reliability. The emphasis on hydroelectric power helps Georgia maintain a low-carbon energy profile and provides opportunities for electricity exports to neighbouring countries.

Renewable Energy Initiatives: Investments in wind and solar projects have accelerated, supported by favourable government policies and international partnerships. Georgia aims to expand its renewable energy capacity significantly, contributing to its goals of sustainability and energy independence.

Energy Infrastructure Development: The government is investing in modernizing energy infrastructure, including the expansion of transmission lines and the upgrading of existing facilities. These improvements are critical for reducing energy losses and ensuring stable and reliable power supply across the country.

Utilities

Water Supply and Management: Georgia has made strides in improving water supply systems, focusing on both urban and rural areas. Projects aimed at enhancing water quality, distribution networks, and wastewater treatment facilities are underway, ensuring safe and reliable water access for more residents.

Gas Supply: The natural gas supply network has expanded, with efforts to increase coverage in underserved regions. Georgia benefits from strategic gas transit routes and agreements, which enhance its energy security and provide stable gas supplies for domestic use.

Waste Management: Waste management systems have seen improvements, with increased investment in recycling programs and sustainable waste disposal solutions. These efforts align with environmental goals and help reduce the ecological footprint of urban and industrial activities.

Smart Utility Solutions: The implementation of smart grids and advanced metering systems is underway, enabling more efficient management of electricity and water resources. These technologies provide consumers with better control over their usage and facilitate energy conservation efforts.

By 2025, Georgia's utilities and energy supply systems are characterized by a commitment to sustainability, efficiency, and reliability. The development of renewable energy projects, modernization of infrastructure, and enhancements in utility services reflect Georgia's strategic vision for a sustainable and resilient future. These improvements not only support economic growth but also contribute to a higher quality of life for its citizens.

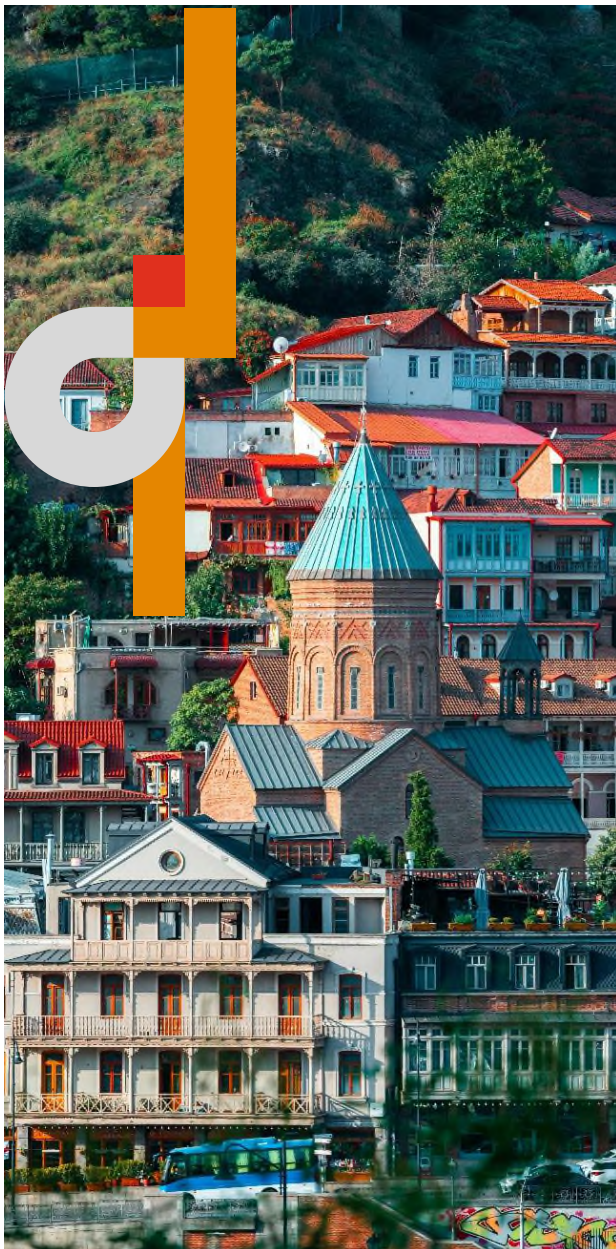


11. Living and Working in Tbilisi

11.1. Quality of life and cost of living

Cultural and Social Scene: Tbilisi is renowned for its vibrant cultural life, offering a diverse array of museums, theatres, and galleries. The city hosts numerous festivals and events throughout the year, celebrating everything from traditional Georgian music and dance to contemporary arts and international films. The culinary scene is another highlight, with a plethora of restaurants serving both Georgian delicacies and international cuisine, all contributing to a lively and inclusive social environment.

Healthcare and Education: Tbilisi boasts a robust healthcare system, with modern hospitals and clinics providing quality medical services. The education sector is also thriving, with a range of international schools and higher education institutions contributing to the city's appeal for families and young professionals.



11.2. Cost of Living in Tbilisi

Housing: The real estate market in Tbilisi offers a variety of options, from affordable apartments in up-and-coming neighbourhoods to luxury residences in the city centre. While rental prices have seen a gradual increase, they remain competitive compared to other European capitals, offering good value for money.

Transportation: Tbilisi's public transportation system is efficient and affordable, with an extensive network of buses, minibuses, and a metro system. The introduction of smart payment systems and the expansion of routes have further improved accessibility. For those preferring private transport, ride-sharing services are widely available and reasonably priced.

General Expenses: The cost of living in Tbilisi is relatively low compared to Western European cities. Groceries, dining out, and entertainment are generally affordable, allowing residents to enjoy a comfortable lifestyle without a significant financial burden. Utility costs are also reasonable, further contributing to the city's attractiveness for both locals and expatriates.

11.3. Working in Tbilisi

Job Market: Tbilisi's job market is dynamic, with opportunities across various sectors such as technology, tourism, finance, and education. The city is becoming a regional hub for startups and innovation, attracting professionals from around the world. The government's pro-business policies and investment in digital infrastructure have fostered a favourable environment for entrepreneurship.

Expatriate Services:

Support Networks: Various expatriate communities and online forums provide valuable resources and networking opportunities for newcomers, helping them integrate into local life.

Language Classes: Many institutions offer Georgian language courses, which can be beneficial for navigating daily life and enhancing cultural understanding.

Relocation Services: Companies specializing in relocation can assist with moving logistics, settling in, and navigating bureaucratic processes, easing the transition for expatriates.

12. Cultural Considerations and Business Etiquette

12.1. Understanding Local Customs and Traditions

Hospitality and Respect: Georgians are known for their warm hospitality, often going to great lengths to make guests feel welcome. Accepting invitations to social gatherings can help build rapport and trust.

Respect for elders and authority is a significant aspect of Georgian culture. Showing deference and politeness, especially to senior figures in business and social settings, is appreciated.

Cultural Celebrations: Participating in or acknowledging local celebrations, such as the wine harvest festival (Rtveli) or traditional feasts (Supra), can deepen your understanding of Georgian culture and strengthen relationships.

Dress Code: Business attire in Georgia is generally formal. Men typically wear suits and ties, while women wear professional dresses or suits. Dressing conservatively and professionally is recommended for business meetings.

Language and Communication Style: Georgian is the official language and learning a few basic phrases can be beneficial and appreciated by locals. However, many business professionals speak English, particularly in urban areas like Tbilisi, Batumi, Kutaisi, Telavi.

Communication Styles: Georgians tend to be direct yet polite in business communications. It's important to maintain eye contact and listen attentively, as this demonstrates respect and engagement.

Meetings may start with small talk to establish rapport before moving on to business matters. Taking the time to build personal connections is valued.

Non-Verbal Communication: Handshakes are the standard greeting in business settings. A firm handshake accompanied by a smile is appropriate when meeting someone for the first time.

12.2. Building Business Relationships and Networking

Trust and personal relationships are crucial in Georgian business culture. Building strong personal connections often precedes formal business dealings.

Networking: Networking is an essential part of doing business in Georgia. Attending industry events, conferences, and social gatherings provides opportunities to meet potential partners and clients.

Business cards are commonly exchanged in professional settings.

Negotiations: Patience is important in negotiations, as decisions may take time and require consensus among various stakeholders. Building a solid foundation of trust can facilitate smoother negotiations.

Be prepared for negotiations to involve a degree of flexibility and aim to find mutually beneficial outcomes.

Cultural awareness and sensitivity are key to succeeding in Georgia's business environment. By understanding local customs, communication styles, and relationship-building practices, you can effectively navigate the cultural landscape and establish productive business connections in Tbilisi.

13. Risks and Challenges

13.1. Economic and Market Risks

Economic Volatility: Georgia's economy, while growing, is susceptible to regional and global economic fluctuations. Factors such as changes in commodity prices, shifts in global trade policies, and economic downturns in key partner countries can impact Georgia's export-driven sectors.

Currency Fluctuations: The Georgian Lari (GEL) has experienced volatility against major currencies, influenced by external economic pressures and domestic monetary policy adjustments. This can pose challenges for businesses engaged in international trade or reliant on imported goods.

Inflationary Pressures: Periods of inflation can affect consumer purchasing power and operational costs for businesses, especially those dependent on imports. Monitoring inflation trends is essential for financial planning and pricing strategies.

14. How PwC Georgia can support you

14.1. Support Offered by PwC in Georgia

- **Establishing a Company in Georgia:** Assist with company registration, legal structures, and regulatory compliance.
- **Financial reporting:** Compliance to the International Financial reporting standards
- **Taxation:** Advise on tax regulations, planning, and compliance to optimize tax positions.
- **Transfer Pricing:** Develop and implement transfer pricing strategies to ensure compliance with international and local regulations, minimizing tax liabilities.
- **Georgian Accounting Requirements:** Ensure adherence to local accounting standards and financial reporting obligations.
- **Payroll:** Set up and manage payroll systems, ensuring compliance with local laws and regulations.
- **Labour Law and Employment Contracts:** Provide guidance on employment laws and help draft compliant employment contracts.
- **Evaluating the Feasibility of Your Project:** Conduct market research and feasibility studies for informed decision-making.
- **Market Entry Strategy:** Develop strategies for successful market entry and competitive positioning.
- **Legal and Regulatory Compliance:** Navigate the local legal and regulatory environment to mitigate risks.
- **Deals and Due Diligence:** Conduct thorough due diligence and advisory services for mergers, acquisitions, and other transactions to ensure informed decision-making and successful deals.
- **Networking and Partnerships:** Establish connections with local business networks and potential partners.
- **Technology Implementation:** Recommend and implement technology solutions to support business operations.
- **Risk Management:** Identify potential risks and develop mitigation strategies to protect the business.
- **Sustainability and ESG Initiatives:** Advise on integrating sustainability practices and reporting ESG metrics.



15. Your main contacts in PwC Georgia

At PwC Georgia, our dedicated leaders and professionals are focused on providing outstanding service in assurance, advisory, tax, legal, technology areas. Leveraging our extensive industry knowledge and global expertise, we help clients navigate complex challenges, fostering success and growth in Georgia's ever-evolving business landscape.

Regulations may change, so we are ready to provide further assistance. Feel free to contact PwC Georgia's professionals.

15.1. Audit and Assurance Services

Audit and Assurance Services		Broder Assurance Services (BAS)	
Financial Statement Audits	PwC conducts thorough audits of financial statements to ensure accuracy and compliance with regulatory standards, helping businesses build trust with stakeholders.	Non-Financial Reporting	Provides assurance on non-financial information such as Environmental, Social, and Governance (ESG) reports, enhancing credibility and meeting stakeholder expectations.
Regulatory Compliance	PwC assists companies in navigating complex regulatory environments, ensuring compliance with local and international standards, thus minimizing the risk of legal issues and penalties.	Sustainability and ESG Reporting	PwC supports companies in developing and verifying sustainability and ESG (Environmental, Social, and Governance) reports, aligning them with stakeholder expectations and regulatory requirements.
Risk Management	By identifying and assessing financial and operational risks, PwC helps organizations develop strategies to mitigate these risks, enhancing overall business resilience.	Third-Party Assurance	Evaluates and certifies third-party service providers, ensuring they meet contractual and regulatory obligations, thereby reducing risks associated with outsourcing.
Internal Controls Assessment	PwC evaluates and strengthens internal controls, ensuring efficient and reliable financial reporting and operational processes.	IT Systems Assurance	PwC assesses IT systems and processes to ensure they support business objectives and protect against cyber threats.
Fraud Prevention and Detection	PwC provides services to detect and prevent fraud, safeguarding company assets and maintaining stakeholder confidence.	Regulatory and Compliance Assurance	Ensures adherence to industry-specific regulations and standards, mitigating the risk of compliance breaches.
Corporate Governance	PwC advises on best practices in corporate governance, helping businesses establish frameworks that support strategic decision-making and accountability.	Data Privacy and Security Assurance	Assesses data protection measures to ensure compliance with privacy regulations and safeguard against data breaches.
Cybersecurity Services	PwC provides information security services in terms of risk assessment, threat and vulnerability identification and compliance with regulatory requirements and global best practices to ensure business resilience to digital threats.	Deal Assurance Services	Provides assurance services related to mergers, acquisitions, and other transactions, including due diligence support and integration risk assessments, to enhance deal value and manage transaction risks.

Lasha Janelidze



Country Managing Partner & Assurance Leader

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Lasha serves as the Country Managing Partner and leads PwC's Audit and Assurance Services for Georgia. He oversees the delivery of comprehensive assurance solutions, including external and internal audits, financial and accounting reviews, and regulatory consulting. Leveraging PwC's vast expertise, Lasha and his team offer context-driven advice to help clients navigate the impact of economic and financial changes on their business operations in Georgia.

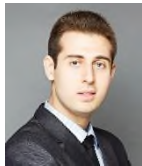


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Director | Assurance

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As a Director, Nino focuses on statutory and regulatory audits, aligning our audit services with business strategies and ensuring high-quality client service, audit quality, and efficiency. With a keen understanding of corporate structures and regulatory advice, Nino and her team provide robust accounting and compliance solutions, including public services audit and advisory for government and non-profit organizations.



Levan Kankava

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Levan leads PwC's Financial Services, advising clients on strategic re-evaluation in response to challenges. His expertise spans risk and regulation, cyber and financial crime, new technologies, and the evolving customer landscape.



Nana Chkhobadze

Director | Capital Markets and Accounting Advisory & Deals

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Leading the Capital Markets and Accounting Advisory Services, Nana provides expert guidance across the deal spectrum, helping clients capture value and address complex accounting and financial reporting challenges during transformational events.



Shota Kvachakidze

Senior Manager | Risk Assurance Services Leader

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Shota heads the Risk Assurance and IT Services, focusing on financial reporting processes, IT management controls and Cybersecurity. His team ensures robust systems, processes and internal controls that align with client business objectives.

15.2. Tax, Legal & People Services

Service	Description
Tax Optimization and Compliance	Helps businesses optimize their tax positions and ensure compliance with local and international tax laws, reducing tax liabilities and minimizing risk of penalties.
Accounting & Financial Reporting	Provides accurate bookkeeping, management reporting, and financial data analysis to support business decision-making and compliance needs.
Payroll & HR Administration	Delivers end-to-end payroll processing, employee tax filings, and HR administrative support to ensure efficiency, compliance, and seamless workforce management.
Legal Advisory and Compliance	Provides comprehensive legal support, ensuring businesses adhere to regulatory requirements and navigate complex legal landscapes effectively.
Mergers and Acquisitions Support	Offers legal and tax due diligence, structuring advice, and post-deal integration services to facilitate successful M&A transactions.
Employee Benefits and Compensation	Assists in designing competitive employee benefits and compensation packages that align with business goals and retain talent.
Global Mobility Solutions	Manages the complexities of employee mobility across borders, ensuring tax and legal compliance for expatriates and foreign employees.
Workforce Transformation	Advises on organizational design, change management, and talent strategies to enhance workforce effectiveness and support business growth.
Risk Management and Dispute Resolution	Provides strategies to manage legal and tax risks and offers support in resolving disputes efficiently.

Sergi Kobakhidze

Partner | Tax, Legal & People Services

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In case you need advice on tax, legal, or related matters, Sergi's team is highly skilled in navigating Georgia's legal and tax landscapes, ensuring that your business operations align with best practices and meet regulatory requirements. Whether you're dealing with complex transactions or need guidance on legal residency and tax obligations, the team in Georgia can offer the expertise you need to make informed decisions and optimize your business strategies.

Vano Gogelia

Director | Head of Legal Practice

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Vano oversees PwC's Legal Practice, providing comprehensive support in corporate and commercial law, M&A, employment law, and regulatory compliance. His team is adept at navigating Georgia's legal landscape, ensuring clients' business operations align with best practices and regulatory requirements.

Ben Pietersen

Director | Transfer Pricing

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Ben leads PwC Georgia's Transfer Pricing services, offering strategic solutions to multinational corporations. With expertise in international tax regulations, he helps clients manage risks, enhance compliance, and align transfer pricing policies with business strategies, leveraging PwC's global resources for optimal tax positioning and sustainable growth.

Eto Iosebidze

Director | Tax Reporting and Strategy

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Eto leads PwC Georgia's Tax Reporting and Strategy services, providing end-to-end solutions in tax, accounting, payroll, HR administration, reporting, operational efficiency and other outsourced services. Her team ensures seamless compliance and strategic planning, helping clients navigate complex regulations, streamline processes, and enhance business performance—leveraging PwC's global expertise for long-term success.



Appendixes

Appendix 1. Economic Indicators

	2022	2023	2024
GDP (GEL billion) ¹	72.9	80.9	Not available yet
GDP growth	11%	7.8%	Not available yet
GDP per capita (GEL)	19 625.6	21 769.1	Not available yet
Inflation (year-end) ²	9.8%	0.4%	1.9%
Officially registered ³ unemployment (thousand persons)	267.9	261.7	227.0
USD/GEL exchange rate (average) ⁴	2.9156	2.6279	2.7208
Foreign direct investments (USD million) ⁵	2 253.4	1 902.2	1 333.8
Gross External Debt/GDP ⁶	94.3%	79.1%	Not available yet
Exports FOB (USD million) ⁷	5 582.4	6 086.4	6 560.4
Imports CIF (USD million)	13 548.4	15 603.6	16 947.7

¹ GDP

² See market inflation report

³ <https://www.geostat.ge/ka/modules/categories/683/dasakmeba-umushevroba>

⁴ NBG Statistics

⁵ GeoStat FDI

⁶ See Gross external debt BPM 5

⁷ GeoStat exports and imports

Appendix 2. Country Ratings

Agency	Rating	Outlook
Standard & Poor's	'BB/B'	Stable
Moody's	Ba2	Stable
Fitch	BB	Negative

On Feb. 7, 2025, S&P Global Ratings affirmed its 'BB/B' long- and short-term sovereign credit ratings on the Government of Georgia. The outlook is stable.

Overview

Forecast is that Georgia's real GDP growth will decelerate to 5.7% this year, partly due to the negative effect of political volatility on investor confidence.

Elevated political tensions and governance slippage could weigh on the inflows of concessional funding and foreign direct investment (FDI), posing risks to growth, balance of payments, international reserves, and public finances.

At the same time, Georgia's moderate and highly concessional government debt provides a policy buffer.

S&P Global

Moody's credit rating for Georgia was last set at Ba2 with stable outlook.

<https://gbc.ge/en/news/finanse/moodys-improves-outlook-on-georgias-sovereign-credit-rating-from-negative-to-stable>

Fitch Affirms Georgia at 'BB'; Outlook Negative.

<https://www.fitchratings.com/entity/georgia-85877873#ratings>

Appendix 3. Taxes at a glance

Monthly filing obligations	Tax payment deadline	Return filing deadline
Corporate income tax	15th of following month	15th of following month
Personal or corporate income tax subject to withholding at the source of payment	Upon payment of income	15th of following month
Value added tax	15th of following month	15th of following month
Excise tax (other than upon importation)	15th of following month	15th of following month
Annual Corporate income tax* and Personal income tax (individual entrepreneurs)	Tax payments are made during the tax year in four equal instalments at 25% of the previous tax year's liability by 15 May, 15 July, 15 September and 15 December. The adjustment payment is made by 1 April of the following year.	31 March of following year
Annual Income tax (individuals)	31 March of following year	31 March of following year
Property tax (individuals)**	15 November of tax year	1 November of tax year
Property tax (on land for entities)	15 November of tax year	1 April of tax year
Property tax (except land for entities)**	Current tax payment is made by 15 June of the tax year; the adjusted payment is made by 1 April of the following year	1 April of tax year

*Commercial banks, credit unions, insurance companies, microfinance companies and loan issuers continue operating under the old CIT regime. Therefore, those entities must file annual corporate income tax returns.

**Information about taxable property (except land) included in the property tax return should be based on the data from the previous tax year

Appendix 4. Standard tax rates

Standard tax rates	As of December 2024
Personal income tax	
• Salaries and employer-provided benefits (withheld at source)	20%
• Other income not from economic activity (rental income, sale of assets)	5% or 20%
Corporate income tax	15%
Corporate income tax for commercial banks, credit unions, microfinance organisations, and loan providers	20%
Value added tax	0% or 18%
Property tax – individuals	Up to 1%
Property tax – corporate	Up to 1%
Customs duties	0%, 5% or 12%
Domestic withholding tax rates	
Dividends paid to resident individuals and non-resident entity	5%
Dividends paid to resident companies	0%
Interest paid by a licensed financial institution	0%
Interest paid by a private entrepreneur	5%
Interest paid by a legal entity that is not a licensed financial institution	5%
Management fees	10%
Insurance premiums paid to non-residents	0%
Royalties paid to entities	5%
Royalties paid to individuals	20%
Income from international transport or international communications	10%
Income from oil and gas operations	4%
Other Georgian-source income that is not connected to a permanent establishment a foreign company has in Georgia	10%
Interest/Royalties/Service fees paid to black-listed countries	15%

Appendix 5. Withholding taxes

Georgia has adopted low rates of withholding tax in its domestic law. Therefore, the maximum tax rates specified in treaties often exceed the rate applicable under domestic law, which is 5%. Therefore, where a cap exceeds 5% under the treaty, the applicable rate would be 5%.

	Dividends	Interest (1)	Royalties
Country	%	%	%
Non-treaty	5%	5%	5%
Armenia	5% / 10%	10%	5%
Austria	0% / 5% / 10% (2)	0%	0%
Azerbaijan	10%	10%	10%
Bahrain	0%	0%	0%
Belarus	5% / 10%	5%	5%
Belgium	5% / 15%	10%	5% / 10% (3)
Bulgaria	10%	10%	10%
China	0% / 5% / 10% (2)	10%	5%
Croatia	5%	5%	5%
Cyprus	0%	0%	0%
Czech Republic	5% / 10%	8%	5% / 10%
Denmark	0% / 5% / 10% (2)	0%	0%
Egypt	10%	10%	10%
Estonia	0%	0%	0%
Finland	0% / 5% / 10% (2)	0%	0%
France	0% / 5% / 10% (6)	0%	0%
Germany	0% / 5% / 10% (6)	0%	0%
Greece	8%	8%	5%
Hong-Kong	5%	5%	5%
Hungary	0% / 5%	0%	0%
Iceland	5% / 10%	5%	5%
India	10%	10%	10%
Iran	5% / 10%	10%	5%
Ireland	0% / 5% / 10%	0%	0%
Israel	0% / 5%	5%	0%
Italy	5% / 10%	0%	0%
Japan	5% / 10%	5%	0%
Kazakhstan	15%	10%	10%
Kyrgyzstan*	5% / 10%	5%	10%
Korea	5% / 10%	10%	10%
Kuwait	0% / 5%	0%	10%
Latvia	0% / 5% / 10%	0% / 5%	5%
Liechtenstein	0%	0%	0%
Lithuania	5% / 15%	10%	10%

	Dividends	Interest (1)	Royalties
Country	%	%	%
Luxemburg	0% / 5% / 10%	0%	0%
Malta	0%	0%	0%
Moldova	5%	5%	5%
Netherlands	0% / 5% / 15% (2)	0%	0%
Norway	5% / 10%	0%	0%
Poland	5 %	5%	5%
Portugal	5% / 10%	10%	5%
Qatar	0%	0%	0%
Romania	8%	10%	5%
San-Marino	0%	0%	0%
Saudi Arabia	5%	5%	5% / 8%
Serbia	5%/10%	10%	10%
Singapore	0%	0%	0%
Slovakia	0%	5%	5%
Slovenia	5%	5%	5%
Spain	0% / 10%	0%	0%
Sweden	0%/10%	0%	0%
Switzerland	10%	0%	0%
Turkey	10%	10%	10%
Turkmenistan	10%	10%	10%
Ukraine	5% / 10%	10%	10%
United Arab Emirates	0%	0%	0%
United Kingdom	0% / 15% (7)	0%	0%
Uzbekistan	5% / 15%	10%	10%

1. Some agreements define 0% rate on the interest paid by the government or any of its units or on the interest guaranteed by them; given table doesn't consider the similar provisions.
2. The 0% rate applies if the foreign company owns at least 50% of the Georgian company and has invested more than EUR 2 million.
3. Royalty rate paid for the enterprise is 5%.
4. 0% rate refers to the copyright, any literature, art or scientific works (except the software) and films and records; 5% rate refers to lease of techniques.
5. The 0% rate applies to interest on bank loans and commercial credits.
6. The 0% rate applies if the German company owns at least 50% of the Georgian company and has invested more than EUR 3 million.
7. The 0% rate applies if the foreign company owns at least 50% of the Georgian company and has invested more than GBP 2 million.

* Kyrgyzstan-Georgia treaty is effective from 1 January 2024.

Appendix 6. Tips for business visitors

Travel to and within Georgia

Most international flights arrive at Tbilisi International Airport. The airport is a 20-30-minute drive from the centre of Tbilisi. The average cost of a ride from the airport is GEL 30, and the price should be negotiated before leaving the airport. It is advised only to use the marked taxis.

The Batumi International Airport has flights to/from Istanbul. Arrival in Batumi's airport might be more convenient for those only doing business in the western part of the country, such as at the ports of Batumi and/or Poti.

Kutaisi International Airport also known as David the Builder (David Agmashenebeli) Kutaisi International Airport was officially opened in 2012; it is located 20 km west of Kutaisi. This is the first International Airport which offers customers low cost-airline services. Headquarters of most companies are in Tbilisi, a city of approximately 1.1 million people. Other major cities include Kutaisi, Telavi, Rustavi, Batumi, and Poti. Below are approximate travel times by car to these destinations:

- Kutaisi: 3½ - 4 hours
- Telavi: 2 hours
- Rustavi: 30 - 45 minutes
- Batumi: 4 - 5 hours
- Poti: 5 - 5½ hours

Travel by train is possible to most locations in western Georgia.

Normal business hours

Normal business hours are usually from 9 am till 6 pm including lunch hour, but we would note that many businesses are not open before 10. It is unlikely that meetings with Georgian businessmen will take place early in the morning or even begin on time. It is more common for early evening meetings to be scheduled, usually over a long dinner.

Statutory holidays

January 1, 2 - New Year Holidays

January 7 - Christmas

January 19 - Epiphany

March 3 - Mother's Day

March 8 - Women's Day

May 9 - Victory Day

May 12 - St. Andrew's Day

May 26 - Independence Day

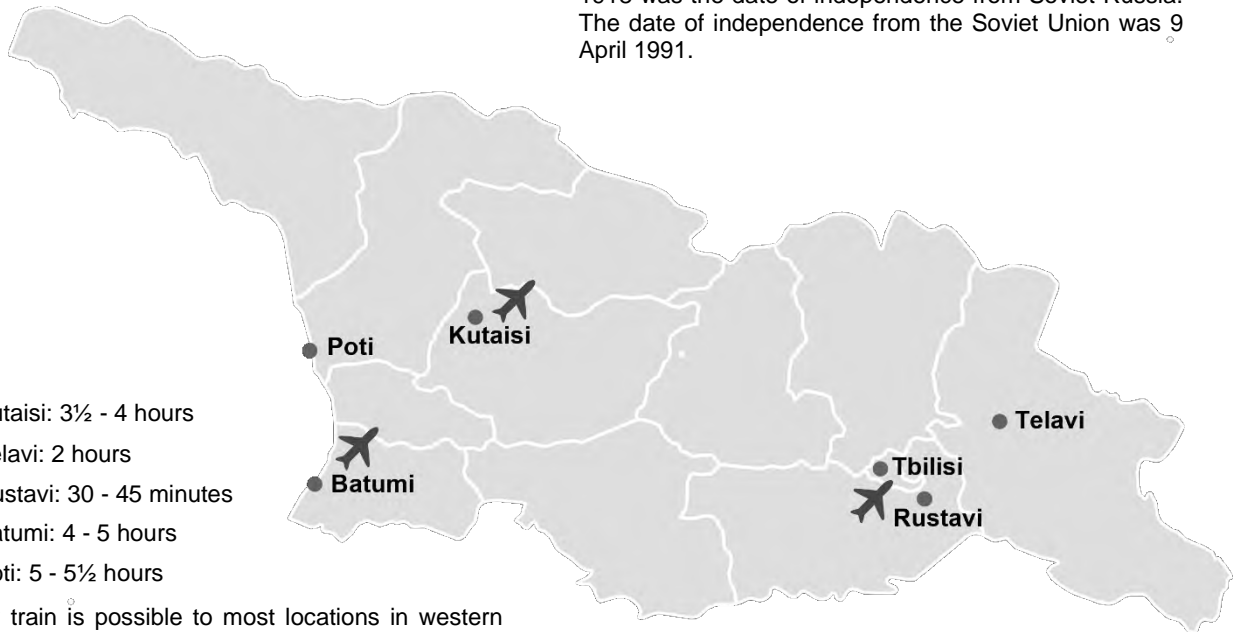
August 28 - St. Mariam's Day

October 14 - Mtskheta Day

November 23 - St. George's Day

Easter Holidays - (Easter Friday & Easter Monday)

Independence Day is celebrated on 26 May, as 26 May 1918 was the date of independence from Soviet Russia. The date of independence from the Soviet Union was 9 April 1991.



Appendix 7. Useful Links

Government Agencies and Investment Promotion Bodies

Ministry of Economy and Sustainable Development of Georgia: Responsible for economic policy, trade, and investment promotion. The Ministry provides information on economic reforms and investment opportunities.

Enterprise Georgia: A government agency focused on supporting entrepreneurship and attracting foreign investment. It offers programs and incentives for businesses and provides guidance on setting up operations in Georgia.

National Agency of Public Registry (NAPR): Manages business registration and public records. The NAPR provides services related to company formation, property registration, and more.

Georgia Revenue Service: Handles tax administration and customs services. They offer resources for understanding tax obligations and compliance requirements.

Invest in Georgia: The official investment promotion agency of Georgia, providing comprehensive support to foreign investors, including market analysis, site selection, and liaison with government bodies.

Parliament of Georgia www.parliament.ge

Ministry of Finance of Georgia www.mof.ge

Ministry of Foreign Affairs of Georgia www.mfa.gov.ge

National Bank of Georgia www.nbg.gov.ge

Ministry of Justice of Georgia www.justice.gov.ge

Georgian National Investment Agency www.investingeorgia.org/

Business Associations and Chambers of Commerce

Georgian Chamber of Commerce and Industry (GCCCI): Represents business interests in Georgia and offers networking opportunities, trade facilitation, and advocacy services.

American Chamber of Commerce in Georgia (AmCham): Provides a platform for American businesses operating in Georgia and offers networking events, policy advocacy, and business support services.

EU-Georgia Business Council (EUGBC): Promotes trade and investment between Georgia and EU member states, offering business development services and policy advocacy.

German Business Association (DWVG): Supports German companies in Georgia, providing a forum for networking, information exchange, and business development.

International Chamber of Commerce (ICC) Georgia: Offers a global business network with resources on international trade, arbitration, and business policy.

Business Association of Georgia (BAG): BAG serves as a unified voice for the Georgian business community, advocating for improved business conditions and economic reforms. It offers members various services, including networking events and policy advocacy.

Banking Association of Georgia: supporting its member banks, facilitating cooperation among them, and representing their interests in discussions with regulatory bodies and the government.



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