

NEWSLETTER

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Investors Council Secretariat participated in the Regional Trade Finance & Factoring Conference in Tbilisi, contributing to a panel on the draft Law on Factoring and its potential market impact.



ICS took part in the Economic Empowerment through Gender-Smart Investing workshop on March 20, organized by the World Bank and IFC, reaffirming its commitment to fostering a more inclusive investment climate in Georgia.

CONCLUDING WORKSHOP IN COOPERATION WITH AMCHAM

The Investors Council (IC) Secretariat has been actively cooperating with the American Chamber of Commerce (AmCham) on drafting recommendations and proposed amendments to the Law on Entrepreneurs (2021). ICS has worked closely with the AmCham Tax and Commercial Law Committee as part of this collaboration.

INVESTORS COUNCIL ADVANCES PLANS FOR PRACTICAL DISCUSSIONS ON LABOR LEGISLATION



The Investors Council (IC) is also stepping up efforts to support businesses navigating labor legislation amid a shifting political and legal landscape. In response to growing concerns about employer-employee dynamics, the IC Secretariat will organize targeted working sessions aiming to foster stable and compliant workplaces while reinforcing confidence in the broader business environment.

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COMPANY LAW REFORM

The Investors Council (IC) Secretariat, in close collaboration with the American Chamber of Commerce (AmCham), has been actively engaged in drafting key recommendations to amend the Law on Entrepreneurs (2021). Through a series of consultations with AmCham's Tax and Commercial Law Committee and its own legal expert, the IC has addressed critical issues such as subscribed capital, shareholder meetings, disclosure requirements, company naming, and digital governance.

These efforts, informed by EU Commission reports and implementation reviews, have culminated in draft amendments submitted to the Ministry of Justice. Building on this momentum, the IC is exploring a two-day workshop to deepen collaboration with AmCham stakeholders and further refine the proposed legal reforms.



FACTORING REFORM

IC actively participating in development of the factoring reform. The law adopted by the Government and submitted to the Parliament. Parliamentary Committee hearings are expected to begin in the spring of 2025. In this regards, preparatory working meeting was held with the Ministry of Economy and Sustainable Development of Georgia.



REGIONAL TRADE FINANCE AND FACTORING CONFERENCE IN TBILISI, 13-14 MARCH



The Investors Council participated in the Regional Trade Finance & Factoring Conference in Tbilisi, organized by the EBRD Trade Facilitation Program, FCI, and the International Chamber of Commerce in Georgia. Giorgi Cherkezishvili, Head of the Investors Council Secretariat, joined the panel discussion on the Draft Law on Factoring & Its Market Impact, moderated by Milot Ahma (EBRD), alongside representatives from IC Armenia and TBC Bank.

- "Factoring plays a key role in providing liquidity to businesses, and with the upcoming adoption of legal framework, we anticipate significant benefits for SMEs and corporates alike. Ensuring that businesses in Georgia have access to modern trade finance solutions is essential for fostering economic growth." - [Giorgi Cherkezishvili](#)

During the discussion, he emphasized the critical role of factoring in providing liquidity to businesses and the anticipated benefits of the upcoming legal framework for SMEs and corporations. The Investors Council has been actively engaged in factoring reform to enhance financial accessibility for businesses in Georgia and remains committed to fostering modern trade finance solutions to support economic growth.



ECONOMIC EMPOWERMENT THROUGH GENDER-SMART INVESTING WORKSHOP, 20 MARCH



The Investors Council is at the forefront of advancing gender-smart investing in Georgia. A collaborative effort with UN Women is underway to develop a framework methodology on gender lens investing, underscoring the Council's dedication to addressing the gender dimensions of the investment climate—a significant and early focus.

Participation in the recent Economic Empowerment through Gender Smart Investing workshop, organized by the World Bank and IFC, highlighted the Council's commitment. The workshop served as a vital platform to explore how Gender Smart Investing (GSI) can foster equal economic participation and drive women's economic empowerment within Georgia's private sector.

ADVANCING GENDER LENS INVESTING IN GEORGIA

The international expert, in collaboration with a gender expert from the IC, successfully conducted all planned interviews with key stakeholders to gather crucial insights regarding the GLI framework within Georgia. These interviews have been diligently transcribed and are undergoing parallel analysis with the interview process to ensure timely identification of key themes and findings.

The valuable information gleaned from this process will directly inform the drafting of the GLI framework, scheduled to take place during April and May. The framework will then be further refined and finalized following an in-person workshop in Tbilisi on June 6-7, made possible through the generous financial support of the UN Women Country Office in Georgia.



SUPPORTING TRADE FACILITATION THROUGH GNTFC

As a co-chair of the Georgian National Trade Facilitation Committee (GNTFC), ICS is actively involved in discussions and workshops facilitated under this framework.

On February 21, an ICS Business Analyst expert participated in a discussion on the Model Law on Electronic Transferable Records (MLETR) Project, supported by ADB. Subsequently, on February 28, the expert contributed to deliberations on the challenges and benefits of the Convention on a Common Transit Procedure (NCTS).



ASSESSMENT OF CBAM'S IMPACT ON THE GEORGIAN ECONOMY AND SPECIFIC PRODUCT GROUPS



In close collaboration with UNDP, ICS actively contributed to developing a project proposal aimed at assessing the impact of the EU's Carbon Border Adjustment Mechanism (CBAM) on the Georgian economy, with a primary focus on CBAM-covered economic sectors.

As a result, the procurement process for selecting the implementing partner was initiated in the fourth quarter of 2024. During the reporting period, the procurement process was completed and the implementing partner was contracted, allowing the project to be launched at full scale.



AWARENESS RAISING ON GET ISSUES

ICS continues to closely monitor the local business environment, where capacity development remains a significant challenge. Awareness of sustainability and circular business practices is extremely low. In response, ICS is committed to identifying new awareness-raising needs, with a primary focus on representatives of the MSME sector in the country.

During the reporting period, the first draft of the curriculum was developed. It will be further refined by relevant stakeholders to ensure that the needs of the private sector are well addressed.



ADVANCING THE EXISTING EXTENDED PRODUCERS RESPONSIBILITY (EPR) FRAMEWORK:

EPR

Extended
Producer
Responsibility



Since 2020, Georgia has implemented the Extended Producer Responsibility (EPR) framework. However, discussions with business associations have revealed several challenges, including regulatory loopholes, inadequate control mechanisms for hazardous waste, and issues related to tariff policies, among others. These challenges hinder the development of a fair and well-regulated waste management system that supports a business-friendly and investment-attractive environment in the country.

To address these concerns, ICS, in cooperation with BAG, has been in close communication with representatives of the EPR Association. Meanwhile, in order to explore the topic in greater depth and respond promptly to the most pressing issues, it was decided to expand the range of stakeholders involved to ensure a more comprehensive and inclusive approach.

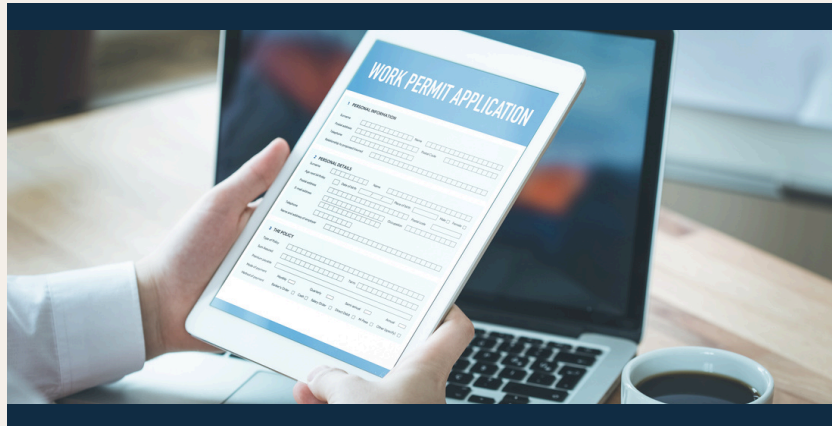
GREEN GROWTH STRATEGY

The Investors Council Secretariat (ICS), through its member associations, is actively involved in drafting Georgia's Green Growth Strategy in close collaboration with the Ministry of Economy and Sustainable Development. The draft prepared by the Ministry is currently under review by ICS and will subsequently be shared with business associations for their input, ensuring that the final version reflects the perspectives of the private sector.



DIGITALIZATION OF CONSTRUCTION PERMITS

ICS is actively supporting the EBRD in overseeing the digitalization of construction permits for buildings of special importance at TACSA. The ICS Business Analyst has participated in weekly meetings to address challenges arising during the process and to coordinate between the agency, the implementing company, and the IT department within the Ministry of Economy and Sustainable Development. Out of three main flows of the project, one – Registry of the objects and Map was widely discussed and improved in the reporting period.



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