



INVESTORS COUNCIL

HE Giorgi Kvirikashvili
Prime Minister of Georgia
State Chancellery,
7 Pavle Ingorkva Street,
Tbilisi 0134

N 1/12-2017
4 December 2017

Re: Agricultural Land ownership Organic law

Your Excellency,

On behalf of the Investors Council members allow me to draw your attention to the concerns that we have about the development of the organic law, laying out the public-interest exceptions to the ban of ownership of Agricultural land by foreigners.

As you know, now that the language of the new constitution explicitly stipulates that the *Agricultural land* as a resource of special significance may only be in the ownership of Georgians, a new organic law is to be drafted to regulate the details of public-interest exceptions to the law.

The Investors Council members agree that a ban on the ownership of the agricultural land by foreigners, if done without significant and explicit exceptions, will have a negative impact on economic and agricultural development in Georgia. However, provided that the relevant exceptions are laid out in this organic law, these negative impacts may be mitigated.

As we agreed, the development of this law will require participation by all stakeholders. Hence, we have been looking forward to contributing to this discussion through the Investors Council Land Ownership working group, in accordance with the last Investors Council Meeting of 6 September 2017.

In addition to the above, allow me to inform you that a number of donors have expressed readiness to provide expert technical advice to Georgia to the end of sharing best international practice with respect to the issue of the Ownership rights of Agricultural land, provided such assistance is accepted by the Government of Georgia. The IC secretariat would then act as a coordinator agency for mobilization of such assistance.

Unfortunately, we have been unable to identify the correct agency with which to start these consultations yet and, furthermore, senior figures in the parliament have made public statements, which suggest that a process of developing the organic law has already started without the consultation. Furthermore, it has been suggested that the exceptions will be minimal. We, therefore, would appreciate the government to identify and allocate a point-person for consultations allowing us to review and discuss any current drafts that may be under consideration.

As always, we appreciate your efforts and look forward to further engagement on this issue, which we consider to be beneficial and necessary. With our collective efforts, we remain confident that we can create an outcome that serves to enhance Georgia's growth and the economic opportunities of the Georgian people.

Respectfully,

Mariam Megvinetukhutsesi
Head of Secretariat



On behalf of the Investors Council members

cc: Irakli Kobakhidze, Chairman of the Parliament;
Dimitry Kumsishvili, First Vice Prime Minister, Minister of Economy and Sustainable Development;
Mamuka Bakhtadze, Minister of Finance;
Levan Davitashvili, Minister of Agriculture;
Zurab Alavidze, Minister of Regional Development and Infrastructure;
Tea Tsulukiani, Minister of Justice;
Zurab Dzelashvili, Business Ombudsman.