

NEWSLETTER

QUARTER 2
JUNE 2025



INSIDE THIS ISSUE

- GEORGIA'S ADOPTION OF THE NEW COMPUTERIZED TRANSIT SYSTEM (NCTS)
- ICS SEMI-ANNUAL MEETING
- WORKSHOPS ON CORPORATE LAW REFORM (BORJOMI - TBILISI)
- SUPPORTING SUSTAINABLE BUSINESS PRACTICES IN REGIONS
- STAKEHOLDER CONSULTATION SERIES ON CROP AND WAREHOUSE RECEIPTS
- MOVING FORWARD ON GENDER-LENS INVESTING IN GEORGIA



Georgia's adoption of the New Computerized Transit System (NCTS) marks a major advancement in simplifying international transit operations across the country.



A joint workshop of the IC Company Law Working Group and the AmCham Commercial and Tax Law Committee (CLTC) took place on May 15-16 in Borjomi, bringing together legal experts to address key aspects of corporate law reform, with a strong emphasis on harmonizing Georgian legislation with European Union standards.



STAKEHOLDER CONSULTATION SERIES ON CROP AND WAREHOUSE RECEIPTS

From June 2-4, 2025, a series of stakeholder consultation roundtable discussions was held in Tbilisi to assess the potential introduction of Crop and Warehouse Receipts in Georgia—financial instruments aimed at strengthening access to finance for agricultural producers at both pre-season and post-harvest stages, and their potential relevance to Georgia's financial and agricultural sectors.



GEORGIA'S ADOPTION OF THE NEW COMPUTERIZED TRANSIT SYSTEM (NCTS) - 14 APRIL



According to the Resolution of the Government of Georgia dated December 17, 2024, Georgia acceded to two major international conventions: the Convention on the Simplification of Formalities in Trade in Goods (Single Administrative Document – SAD) and the Convention on the Common Transit Procedure (Common Transit Convention – CTC). This accession entered into force on February 1, 2025, officially making Georgia a member of the Common Transit System (CTS), which currently includes 37 countries—comprising all EU member states, countries of the European Free Trade Association, as well as Turkey, Serbia, North Macedonia, Ukraine, and the United Kingdom

Mandatory procedural changes will be introduced in two stages: export procedures will be updated starting May 1, 2025, followed by international transit shipments from June 1, 2025.

To discuss these changes and address potential challenges, a working meeting was held, jointly organized by the Secretariat of the Investors' Council and the Revenue Service, with participation from representatives of the business community.

The NCTS enables goods to be transported between Convention member countries using a transit declaration processed through the system. This modernization significantly streamlines transit procedures and facilitates smoother international trade.



IC COMPANY LAW WORKING GROUP AND AMCHAM COMMERCIAL AND TAX LAW COMMITTEE HOLD JOINT WORKSHOP ON CORPORATE LAW REFORM 15-16 MAY



A joint workshop of the IC Company Law Working Group and the AmCham Commercial and Tax Law Committee (CLTC) took place on May 15–16 in Borjomi, bringing together legal experts to address key aspects of corporate law reform, with a strong emphasis on harmonizing Georgian legislation with European Union standards.

The participants discussed comments and recommendations submitted by CLTC members on the draft amendments prepared by the IC Company Law Working Group. The meeting marked the conclusion of several months of cooperation between the two groups, aimed at ensuring that the proposed reforms reflect both legal precision and practical business needs.

The findings of the Gender Impact Assessment (GIA), facilitated by the IC Secretariat, were presented to the participants of the joint workshop. The agenda further included topics such as the application of Joint Stock Company (JSC) rules to Limited Liability Companies (LLCs), disclosure obligations, trade name regulation, and the digitalization of shareholder decision-making.

Participants reaffirmed the importance of aligning the Entrepreneurs Law with the EU acquis to enhance transparency, strengthen corporate governance, and support Georgia's broader EU integration efforts.



SEMI-ANNUAL MEETING OF INVESTORS COUNCIL 7TH OF MAY

On May 7th, ICS organized a semi-annual meeting, which was attended by IC members. The meeting covered the progress made in the period of October 2024 to April 2025 and outlined upcoming activities.



The participants agreed on the final text of the proposed amendments. This version will be sent to the Ministry of Justice for the next steps in the legislative process. The two groups also agreed to work together on new recommendations and draft changes related to digital tools in company operations. The goal is not only to fulfill the requirements of the EU Directive, but to go further by including global best practices.

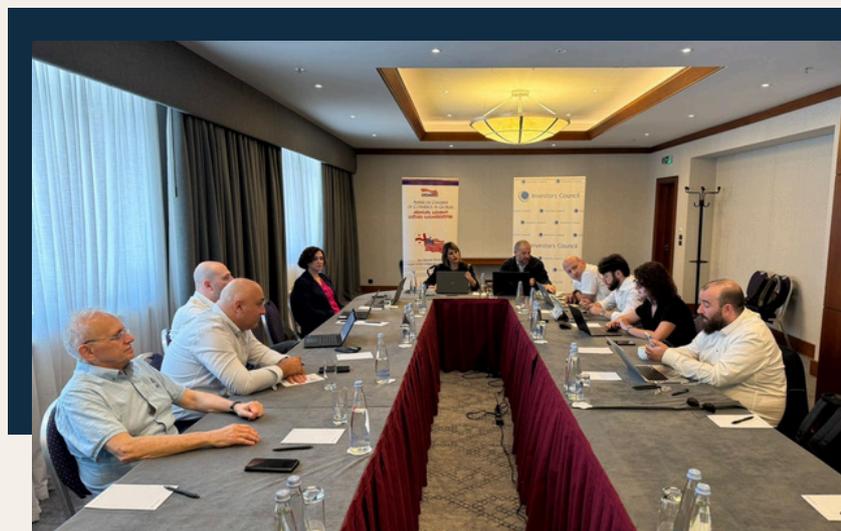
ONGOING DIALOGUE ON CORPORATE LAW REFORM – JOINT MEETING OF THE INVESTORS COUNCIL WORKING GROUP AND AMCHAM GEORGIA CLTC

On June 20, a follow-up joint meeting took place in Tbilisi between the Company Law Working Group of the Investors Council (IC) and the Commercial and Tax Law Committee (CLTC) of the American Chamber of Commerce in Georgia. The meeting continued discussions of the workshop held in May in Borjomi and focused on improving key parts of the planned corporate law reforms, especially in line with EU legal standards.

During the meeting, participants discussed in detail the latest version of the draft amendments to the Law of Georgia on Entrepreneurs. The main topics were the rights of shareholders to access information and the procedures that protect those rights, as well as the capital structure of companies.

investorscouncil.ge

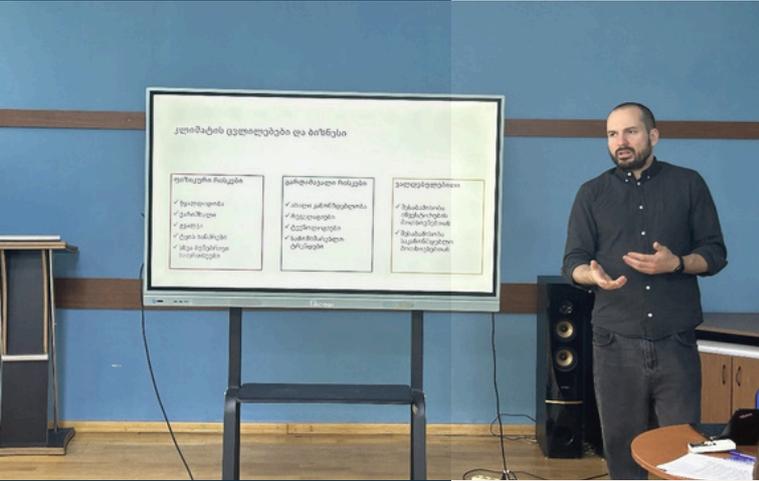
In addition, the groups decided to add inclusivity and equality principles to the Law of Entrepreneurs. Once again, the meeting confirmed the strong cooperation between the two working groups and their shared goal: to help create a transparent, innovation-driven, and EU-compatible legal system for companies in Georgia.



SUPPORTING SUSTAINABLE BUSINESS PRACTICES IN REGIONS

As part of its Green Economy Transition (GET) initiative, the Investors Council Secretariat (ICS)–in close collaboration with the implementing partners of the EU-funded GREEN Project (Global Resilience and Environmental Empowerment Nurturing)–organized a series of regional workshops for local MSMEs.

- 📍 Zugdidi (May 15–17)
- 📍 Ozurgeti (May 19–21)
- 📍 Batumi (May 22–24)



These workshops aimed to equip businesses with up-to-date knowledge on sustainable business practices, including tailored individual consultation sessions.

Up to 50 businesses benefited from the trainings and received practical insights into the advantages of implementing sustainable practices.

ICS remains committed to working closely with a broad range of stakeholders to enhance efficiency and further support the integration of sustainable practices into everyday business operations.



ADVANCING AGRICULTURAL FINANCE IN GEORGIA: STAKEHOLDER CONSULTATION SERIES ON CROP AND WAREHOUSE RECEIPTS



From June 2–4, 2025, a series of stakeholder consultation roundtable discussions was held in Tbilisi to assess the potential introduction of Crop and Warehouse Receipts in Georgia—financial instruments aimed at strengthening access to finance for agricultural producers at both pre-season and post-harvest stages, and their potential relevance to Georgia’s financial and agricultural sectors.

This initiative is being implemented by the Investors Council of Georgia in cooperation with the Georgian Farmers Association, with support from the International Finance Corporation (IFC)—a member of the World Bank—and its donor partner - the State Secretariat for Economic Affairs (SECO).

Three sessions targeted key stakeholder groups:

- ◆ Public sector authorities
- ◆ Financial institutions
- ◆ Representatives from the agricultural sector

The consultations featured contributions from international experts, including:

- Kyrlo Mukhomedzyanov, Project Lead, IFC
- Leyla Huseynli, Financial Sector Specialist, IFC
- Agil Abdullayev, Legal Expert, IFC
- Ivan Yerko, Director, OTP Agri-Factory, OTP Bank Ukraine

The dialogue provided an opportunity to exchange international experience, discuss legislative frameworks, and consider the institutional infrastructure necessary for successful implementation in Georgia.

This marks a significant step toward developing sustainable, agriculture-specific financial tools that can enhance sectoral growth and improve financial inclusion in rural areas.



MOVING FORWARD ON GENDER-LENS INVESTING IN GEORGIA

A working meeting took place in Tbilisi on June 6, 2025, marking an important initial step in developing a Gender-Lens Investing (GLI) Framework for Georgia. This gathering, organized by the Investors' Council Secretariat in collaboration with UN Women, brought together a diverse group of national and international experts, private sector representatives, development partners, and stakeholders.

The meeting focused on beginning to implement the Georgia Gender Inclusive Reporting Framework (GGIRF). This framework uses a five-pillar approach to address gender-related economic and social challenges by looking at:

- Bridging Gender Gaps
- Sector Diversification/Skills Development
- Work-Life Integration and Wellbeing
- Entrepreneurship and Economic Resilience
- Culture & Policy Alignment



The day included interactive sessions where participants explored the fundamentals of gender-lens investing, its relevance to Georgia's socio-economic context, and initial steps for framework implementation. Attendees actively shared knowledge and engaged in strategic planning, contributing valuable insights that will help refine a forthcoming knowledge paper and develop practical GLI tools tailored for Georgia's investment landscape.

This initiative highlights a commitment to fostering inclusive economic development by integrating gender equality considerations into investment decision-making. Work continues to build on this foundational meeting, as efforts are underway to further develop Georgia Gender Inclusive Reporting Framework.

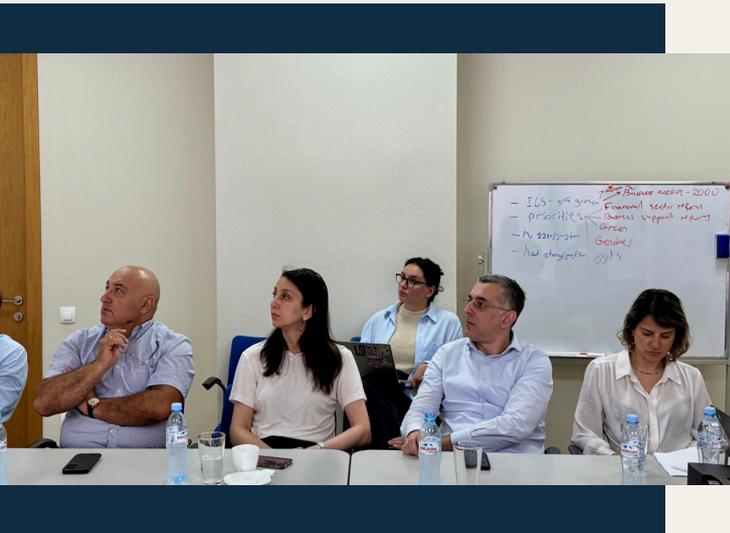


STAKEHOLDER WORKSHOP HELD ON CBAM'S IMPACT ON GEORGIAN ECONOMY

On June 27, 2025, the Investors Council hosted a working meeting to discuss the potential impact of CBAM on the Georgian Economy and Specific Sectors. Discussion was led by PMCG experts.

The meeting focused on the potential implications of the EU's Carbon Border Adjustment Mechanism (CBAM)—a key regulatory initiative with full implementation set for January 2026.

During the event, PMCG experts presented early-stage insights into how CBAM could affect trade volumes, economic competitiveness, employment, and potential carbon leakage. Attendees from the member business associations contributed valuable feedback, highlighting both immediate concerns and longer-term adaptation needs.



The meeting revealed the importance of:

- Raising awareness across industries,
- Identifying sector-specific risks,
- Developing practical mitigation strategies.

This collaborative effort marks a crucial step in equipping Georgia's private sector for a greener, more resilient trade future.