

## Milestones of Investors Council January 2024 – March 2024

### 22<sup>nd</sup> Meeting of the Investors Council:

The 22<sup>nd</sup> Investors Council's meeting chaired by the newly appointed Prime Minister Irakli Kobakhidze was held on March 22, 2024.

The main topics of the discussion was the development of Georgia's economy and financial sector; the importance of the Middle Corridor; the issues concerning commercial arbitration and third-party liability insurance. The discussion also included Georgia's EU approximation and the required further reforms. The IC members expressed their full support for the process.

### Improvement of Georgia's ranking in the OECD Country Risk Classification:

Georgia's ranking in the OECD Country Risk Classification has improved from 6 to 5. During 2007-2023, Georgia invariably was evaluated as category 6. According to the OECD 2024 report, Georgia has advanced to category 5.

It is noteworthy that the topic of the OECD country risk classification was discussed during the 20<sup>th</sup> meeting of the Investors Council, held on July 14, 2023, and in this regard, the Investors Council actively cooperated with the relevant government agencies.

The improvement of Georgia's ranking will increase access to finance for the private sector and will positively influence Georgia's investment potential.

### Organizational Social Scholarships:

To support the students in pursuing their education, the Investors Council's members discussed the issue of organizational social scholarships during the 21<sup>st</sup> meeting of the Investors Council, held on November 15, 2023.

The provision of social scholarships posed an issue for some students since it was counted towards the family income (rather than solely benefiting the student) and could lead to losing the entire social assistance payments.

Following the Investors Council's meeting, the government of Georgia changed the regulations (Decree N474 dated 6.12.2023), and social scholarships will not cancel families' social assistance payments.

## Postponement of the re-registration for businesses:

As per the requirement of the new Law on Entrepreneurs (LoE), companies in Georgia had a fixed deadline to bring their incorporation documents in line with the new law.

The matter of re-registration for businesses underwent extensive discussion during the 21<sup>st</sup> meeting of the Investors Council, which was held on November 15, 2023. After the 21<sup>st</sup> IC meeting, representatives of the Investors Council Secretariat actively engaged in discussions with MPs, experts, and businesses to address the specifics of the legislative changes.

In December 2023, the Parliament of Georgia approved amendments to the Law on Entrepreneurs extending the re-registration deadline by one year until January 2025. Individual proprietors and non-commercial legal entities are exempt from this obligation.