

Based on a new report by the World Bank “Investing Across Borders 2010”, Georgia is one of the most opened countries for direct foreign investments among 87 countries in the world. Based on all indicators of mentioned research of World Bank, Georgia is fully opened for foreign capital and there are not any restrictions to foreign companies. Only 4 procedures and 4 days is enough to establish the business and LTDs in Georgia. Foreign company does not need any additional documents or permissions that it represents the subsidiary company of existed company in foreign country. Company is able to sign in the necessary documents for registration in “online” regime and receive the identification number. The companies are able to establish bank accounts in foreign currency. There is no any demand of existence of minimal foreign capital for local companies as well as for foreign companies. The establishment of business in Georgia can be done in less than a week. Based on mentioned research, it is necessary 33 days to establish the business in Poland, in Russia-31 days, in Greece-22 days, in Bulgaira-20 days, Armenia-18 days, Turkey 8 days. More than 6 months is necessary to begin the business in Angola (263 days) and Haiti (212 days). According to the law adopted in 2008, the registration issues concerning the possession of land has been significantly simplified and accelerated. Only 1 week is necessary to hold land under lease in Georgia while the mentioned procedure needs 5 months in Poland. The land of government’s property is possible to lease in 50 days while in Bulgaria it continues almost 1 year (352 days). Investing Across Borders 2010 aims to help countries develop more competitive business environments by identifying good practices in investment policy design and implementation. It provides indicators examining sector-specific restrictions on foreign equity ownership, the process of starting a foreign business, access to industrial land, and commercial arbitration regimes in 87 countries.

[See statistic...](#)

# Georgia

## INDICATORS

COUNTRY  
SCOREIAB REGIONAL  
AVERAGE  
(20 COUNTRIES)IAB GLOBAL  
AVERAGE  
(87 COUNTRIES)

## HIGHLIGHTS

### INVESTING ACROSS SECTORS

Foreign equity ownership indexes (100 = full foreign ownership allowed)	COUNTRY SCORE	IAB REGIONAL AVERAGE (20 COUNTRIES)	IAB GLOBAL AVERAGE (87 COUNTRIES)
Mining, oil and gas	100.0	96.2	92.0
Agriculture and forestry	100.0	97.5	95.9
Light manufacturing	100.0	98.5	96.6
Telecommunications	100.0	96.2	88.0
Electricity	100.0	96.4	87.6
Banking	100.0	100.0	91.0
Insurance	100.0	94.9	91.2
Transportation	100.0	84.0	78.5
Media	100.0	73.1	68.0
Sector group 1 (constr., tourism, retail)	100.0	100.0	98.1
Sector group 2 (health care, waste mgt.)	100.0	100.0	96.0

Georgia is one of the most open countries to foreign equity ownership across all sectors indicators. All of the 33 sectors covered by the IAB indicators have either no or liberal foreign ownership rules, with neither sectors with monopolistic or oligopolistic markets or sectors with any required operating licenses.

### STARTING A FOREIGN BUSINESS

	COUNTRY SCORE	IAB REGIONAL AVERAGE (20 COUNTRIES)	IAB GLOBAL AVERAGE (87 COUNTRIES)
Time (days)	4	22	42
Procedures (number)	4	8	10
Ease of establishment index (0 = min, 100 = max)	84.2	76.8	64.5

With only 4 procedures and 4 days, Georgia (Tbilisi) is the most open country in the world for starting a foreign-owned limited liability company (LLC). The only procedure other than the authentication of the parent company's documents is the Approval of Instruction on State and/or Tax Registration. The company can be registered on the same day of filing or the following day. The company must be registered in the Entrepreneurial Register and obtaining an identification number. Identification numbers are required in order to commence the company's operations and to maintain bank accounts in foreign currency. There is no requirement for foreign companies. Since 2008, evidence of contribution to the

### ACCESSING INDUSTRIAL LAND

	COUNTRY SCORE	IAB REGIONAL AVERAGE (20 COUNTRIES)	IAB GLOBAL AVERAGE (87 COUNTRIES)
Strength of lease rights index (0 = min, 100 = max)	86.7	82.9	82.1
Strength of ownership rights index (0 = min, 100 = max)	100.0	97.6	92.2
Access to land information index (0 = min, 100 = max)	52.6	50.3	41.3
Availability of land information index (0 = min, 100 = max)	80.0	78.9	70.6
Time to lease private land (days)	8	43	61
Time to lease public land (days)	50	133	140

In Tbilisi, Georgia's capital, registration of land-related transactions is governed by a law that was adopted in 2008. Both privately and publicly owned land may be leased through direct negotiations with the landowner, general persons or companies seeking to lease the land, through an open competitive bidding process. Different approvals may be required depending on where the land is located. For example, more approvals may be required for land located in Tbilisi. Fast-track registration of land is available in Tbilisi, for which the registration fee is 0.5% of the value of the land and can offer the lessee the right to subdivide, sublease or assign the lease contract. There are no restrictions on the use of land in the land registry and a cadastre, which are linked and coordinated.

### ARBITRATING COMMERCIAL DISPUTES

	COUNTRY SCORE	IAB REGIONAL AVERAGE (20 COUNTRIES)	IAB GLOBAL AVERAGE (87 COUNTRIES)
Strength of laws index (0 = min, 100 = max)	85.8	82.5	85.2
Ease of process index (0 = min, 100 = max)	75.2	69.7	70.6

When *Investing Across Borders* (IAB) data was collected, Georgia had a Law on Private Arbitration of 1997. The law requires that both parties to an arbitration. It does not specify, however, the

