GEORGIA - BRI - SDG’s

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# Current Economic Situation

<table>
<thead>
<tr>
<th>Key Economic Indicators</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018 H-I Q</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nom. GDP, USD mn</td>
<td>13,988</td>
<td>14,378</td>
<td>15,087</td>
<td>11,993</td>
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<tr>
<td>Nom. GDP per capita, USD</td>
<td>3,755</td>
<td>3,857</td>
<td>4,047</td>
<td>3,216</td>
</tr>
<tr>
<td>Real GDP growth, %</td>
<td>2.9%</td>
<td>2.8%</td>
<td>4.8%</td>
<td>4.8%</td>
</tr>
<tr>
<td>Import (CIF), USD mn</td>
<td>7,300</td>
<td>7,294</td>
<td>7,939</td>
<td>6,690</td>
</tr>
<tr>
<td>Export (FOB), USD mn</td>
<td>2,205</td>
<td>2,113</td>
<td>2,735</td>
<td>2,447</td>
</tr>
</tbody>
</table>

*Source: National Statistics Office*
Doing Business: 6th
Up from #112 in 2005

Economic Freedom: 16th
Up from #99 in 2005

Corruption Perceptions Index: 41st
Up from #130 in 2005

Safety & Crime index: 5th
Up from #20 in 2012

2nd among the countries in Europe
8th among the countries in Europe
6th among the countries in Eastern Europe
5th place among the 125 countries
“Today we salute Georgia’s impressive progress in embracing the Sustainable Development Goals”

Louisa Vinton Head of the United Nations in Georgia
BRI and Georgia

**Trade Turnover Dynamic between Georgia and China (mln. USD)**

- **2014**: 823.86
- **2015**: 713.10
- **2016**: 721.84
- **2017**: 934.65
- **2018**: 1031.92

**Investment Dynamics from China to Georgia (mln. USD)**

- **2013**: 101.13
- **2014**: 220.10
- **2015**: 66.95
- **2016**: 25.46
- **2017**: 40.85
- **2017III**: 27.91
- **2018III**: 54.76

**Dynamics of Chinese visitors to Georgia**

- **2014**: 591
- **2015**: 684
- **2016**: 1084
- **2017**: 1817
- **2018**: 3185

*Jointly Building Belt and Road towards SDGs*
BRI and Georgia
ANAKLIA PORT PROJECT - KEY HIGHLIGHTS

PROJECT SUMMARY
- Public-private partnership with the Government of Georgia (“GoG”)
- Build Operate Transfer (“BOT”) with 52-year concession
- Up to 9 development phases - 340 ha port development area
- 9.3 M ton capacity in Phase 1
- Up to 2,000 ha Special Economic Zone (“SEZ”)* adjacent to port
- Design Port depth of 16m CD
- Able to accommodate vessels up to 10,000 TEU
- Designed uptime of the port – 98%

PHASE 1 DEVELOPMENT / FINANCING
- Opening in 2021 (Fully operational), first vessels handling by the end of 2020
- Up to 1 million TEU initial capacity + 1.5 million tons of dry bulk
- Phase 1 development cost c. $ 600m - 65% debt / 35% equity
- Signed mandate letters for debt financing of up to US$ 400 million with 4 leading IFIs
- GoG direct investment into equity: $ 100m subordinated debt
- Government additional investments in addition to project costs:
  - Hinterland road and rail connections ~ $ 120m,
  - Purchase and transfer of port land ~ $ 30m

“Strategic Project of the Year”
- 2016 Global Infrastructure Leadership Forum in Washington, DC
“Best Investment Project of the Year”
- 2016 Dubai Annual Investment Meeting
“Outstanding Conceptual Design”
- BUILD (UK construction industry architectural journal)
“Belt & Road Initiative Project of the year”
- Asiamoney (Euromoney Institutional Investor PLC)
Georgian railway
Baku-Tbilisi-Kars railroad

[Map showing the Baku-Tbilisi-Kars railroad route through Georgia, Azerbaijan, and Turkey with a flag of Georgia in the corner.]
East-West Highway
Transport and Logistic

- Strategic location within Belt and Road initiative
- Alternative route through Georgia takes 10-15 days from China to Europe instead of 45 days of traditional route

“Georgia has strategic Geographically hub location, key position in Caucasus region, transparent tax and customs regulation” - Gebrüder Weiss, logistic company

### Sea Port
- Poti Sea Port (APM Terminals)
- Batumi Sea Port (BIH)
- Kulevi Terminal (SOCAR)
- Supsa Terminal (BP)

### International Airports
- Tbilisi International Airport (TAV)
- Batumi International Airport (TAV)
- Kutaisi International Airport (UAG)

### Roads and Railway
- Georgian Railway - Total Length: 2,083.9 km
- Road - Total Length: 20,329 km
Georgia’s Economic Perspective

5 hours air flight coverage
- Key urban areas of CIS region
- Majority part of the European region
- Gulf Region
- Central Asia states and North-West of China (Urumqi)
- North West part of India

24 hours road coverage
- Caucasus region
- North-West of Iran (main urban areas)
- Turkey
- South of Russia
- Part of Central Asia region

8 days railway/coverage
- European region
- North-West of China (Urumqi)
- Central Asia states
- Caucasus and Turkey
- Iran
BRI and SDG’s In Georgia

8 Decent Work and Economic Growth

9 Industry, Innovation and Infrastructure

17 Partnerships for the Goals

Jointly Building Belt and Road towards SDGs
BRI and SDG’s In Georgia

1. No Poverty
2. Reduced Inequalities
3. Sustainable Cities and Communities
Do I have recommendations for Government of Georgia before the national workshop?
Any concrete plans before the national workshop?
Thank you