

Tbilisi, March 2020

French Embassy in Georgia
Tbilisi Economic Service

The interview of the French Ambassador, Mr. Diego COLAS with The Minister of Economy, Ms. Natia TURNAVA.

The meeting of the Ambassador of France to Georgia with the Minister of Economy of Georgia on March 24, 2020 made it possible to take stock of Economy.

3 subjects:

- The economic support plan
- The funding available to deploy this plan
- Relay the individual questions of French companies

The economic support plan:

The Minister did not hide a very difficult economic situation with the brutal collapse of tourism. The growth expected around 4 to 5%, should at first glance be between -2 and 0% while the currency is falling.

The Minister of the Economy had well in mind the need to preserve the production and service capital of the Georgian economy and was very interested in the measures adopted in France so that the State took responsibility for part of the business costs. She made it clear to us that she defended this position in the inter-ministerial discussion and found it very useful, in this context, the Ambassador's arguments for sufficiently massive and strong action to avoid irreversible decisions to cut jobs or permanent closure of production sites.

Measures already exist and it was not excluded that the government of Georgia would go even further thanks to the massive support of the IFIs, for example sectoral measures beyond tourism since the activity of other sectors were at a standstill (restructuring of bank loans, tax exemptions, adjustment of payments for electricity bills, etc.). Its objective is to support, as a priority, exporting companies and those embarking on import-substitution (sugar, pasta, face masks and disinfectants etc.). Keep the production sites open, especially those of exterior works (constructions) and keep the borders open for the passage of freight.

At the same time as other government ministers must focus on the poor population and those weakened by the loss of employment, the Minister of Economy assured to be on the front line of the battle in favor of companies to maintain the employment. This serious crisis requires a massive response on both fronts while taking into account the situation of limited resources.

2. The funding available for the implementation of the plan: priority the support of the IFIs which is currently being rolled out. France will participate with concessional loans from the Treasury and the AFD.

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