



**Manila**  
2018  
51<sup>st</sup> ADB ANNUAL MEETING  
3-6 MAY



## **GEORGIA**

**Nikoloz Gagua**, Temporary Alternate Governor

Esteemed President Takehiko Nakao, Honorable Heads of Delegations, Honorable Ministers, Distinguished Delegates, Ladies and Gentlemen

It's my sincere pleasure to be here with you all, participate in the 51st Annual Meeting of the Asian Development Bank (ADB) and the wide range of seminars and events dedicated to foster dialogue, partnership and knowledge sharing. On behalf of the delegation of Georgia, I would like to express my sincere appreciation to the Government of Philippines for the excellent organization of the event and warm hospitality.

My remarks today will address the importance of progressive values in the context of globalization. In an era of globalization, which shaped our international economic governance system, especially, in terms of economic development, social progress and peace, the process has simply been positively incontrovertible. It is undoubtable that partnership among countries played an important role in this considerable success. ADB is one of the most important financial institutions in the world. In December of 2018, the Bank marked 52 years of development partnership contributing to economic development and poverty reduction across the region of Asia and Pacific and has quite a lot to share with member states in terms of achievements in order to fulfill its mission – namely to help developing member countries to reduce poverty through inclusive growth. With this aim, ADB approved loans, grants, technical assistance and co-financing in order to meet the necessities for the proper development of a specific region. Annual operations of the Bank, reached a record \$32.2 Billion, formed by - \$20.1 billion in loans, grants and investments from its own resources (up to 51% from 2016) including non-sovereign operations of \$2.3 billion (a 31% increase from 2016); \$11.9 billion in co-financing from bilateral and multilateral agencies and other financing partners; and \$201 million in technical assistance (a 11% increase from 2016). This was a 26% increase from the year before. Additionally, ADB's financing of climate mitigation and adaptation reached a record \$4.5 billion in 2017, a 21% increase from the previous year. Therefore, it is clear, that in 2017, the Bank continues to meet growing development needs of Asia and the Pacific.

Specifically in regards to the partnership of Georgia and ADB, we should emphasize, that since 2007 the latter is one of Georgia's largest multilateral partners with over \$2.1 billion approved for development assistance. We highly appreciate the support of ADB in fostering inclusive and sustainable economic growth, accelerating poverty reduction, and enhancing regional connectivity and investment environment.

Strategic location of Georgia justifies its importance for Europe and Asia, as well as to the rest of the world. A bridge between Europe and Asia, Georgia offers direct access to European and Asian markets. Three major oil and gas pipelines, Black Sea ports, well-developed railway systems, together with numerous airports are playing an increasingly important role in linking the EAST to the WEST and vice versa.

Georgia is an asset to any investor.

Our country is more open to international trade than ever.

The examples are apparent - DCFTA with the EU, Free Trade Agreement with People's Republic of China and Turkey opening non-barrier access of Georgian companies to around 2.3 billion customers.

It is of considerable importance that Georgia is one of the lowest tax burden countries with a very simple tax structure, and streamlined regulations for businesses. Simplified customs procedures closely align with the most appraised international practices. According to the index of economic freedom published by the Heritage Foundation, Georgia ranked 16th (score – 76.2, increase by 0.2 point) in 2018.

The Rule of Law Index published under the World Justice Project in 2017-2018 ranks Georgia as the leader country in the Eastern Europe and Central Asia region. These indexes are a solid proof that our aspirations of becoming a part of democratic and sustainable world are attainable.

Having considered Georgia's strategic location and stable environment for investment, the Bank has been actively engaged in public and private operations, with a steadily growing portfolio. Key development priorities of ADB in Georgia are to foster inclusive and sustainable economic growth, accelerate poverty reduction, and enhance regional connectivity. Guided by the country partnership strategy, priority sectors include transport, water supply and sanitation, energy, public sector management, and finance. Herewith, I would like to highlight that we need ADB's active and continued engagement in Georgia's economic growth, especially in regards to implementing the reforms in the following sectors: education, governance, economic development, which includes pension reforms, capital market reform, reforms in tax system, Deposit Insurance, and infrastructure as well – initiated by the Government of Georgia.

Finally, we believe that Banks' resources directed to Georgia and to the other countries will play significant role in scaling up project financing, sharing development knowledge and expertise, improving current economic stance and provide the best example to other International Financial Institutions.

Mr. President, I want to take another opportunity to express our gratitude to all the delegates present today and to the ADB and desire to see the expansion of our cooperation in all of the sectors of the Economy.

The people in this room have an advantage – we owe it to the developing world to use this advantage for good. I am confident that with the continuous work with organizations like ADB, this dream, no matter how Ludacris it might seem at times, can become a reality.

We strongly appreciate the existing cooperation with ADB and hope it will continue in the same directions as it was before and moreover, will further broaden its support for country's development by financing projects in the priority areas of Georgia.

Thank you!