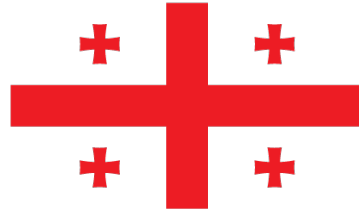




FILM IN GEORGIA

Georgia – snapshot 2015



- ❖ Population: ~ 3.8 mln
- ❖ GDP: USD 13.8 bln (2015*)
- ❖ GDP/Capita (PPP 2015*): ~ 9,120 USD
- ❖ GDP growth: 2.8% (2015)
- ❖ FDI: USD 1.35 bln (2015)
- ❖ Export: USD 2.2 bln (2015)
- ❖ Import: USD 7.7 bln (2015)
- ❖ Unemployment rate: 12.4% (2014)



Business Friendly and Safe Environment

Doing Business

#24

Up from #112 in 2005

Georgia is one of the leading countries in the world in terms of starting a business, dealing with bureaucracy and the number of procedures required to launch and operate an enterprise



Economic Freedom

#23

Up from #99 in 2005

Majority of Georgia's reforms are oriented on the development of free, open and transparent, private-sector driven market economy



Corruption Perception

#48

Up from #130 in 2005

Alongside recognitions as the top reformer in the world, Georgia is the leader in the wider region in terms of fighting with corruption



Crime Index

#6

#1

World

Europe

In the last ranking of countries by crime index, Georgia was named as one of the safest place in the world with the lowest crime rate in the Europe



Taxation Burden is Simple, Low, Flat and Efficient

WORLD
ECONOMIC
FORUM

WORLD BANK GROUP

#9

Total Tax Rate

16.4%

Total tax rate
(% of profit)

15%

Corporate Profit Tax

18%

VAT (Value Added)

20%

Personal Income

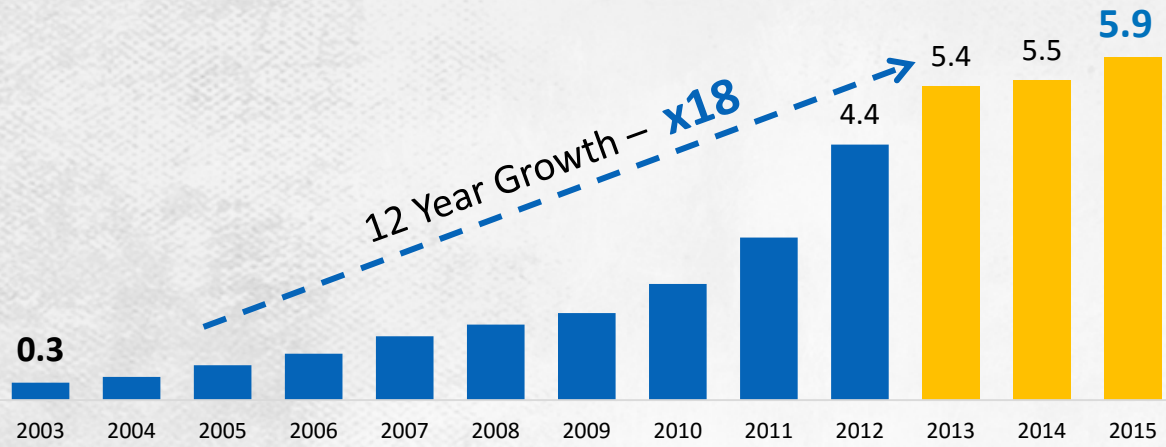
≤1%

Property Tax



Events in 2015

International Visitor growth was 18X in 10 year period

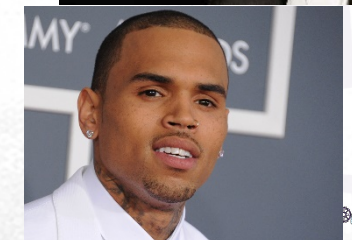
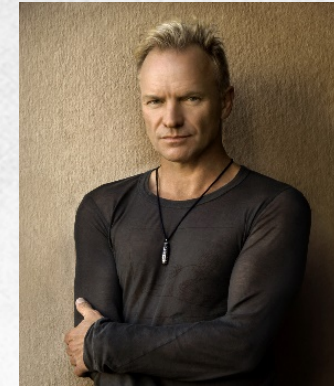


- EBRD Annual Meeting
- Black Sea Trade and Development Bank Annual Meeting
- Silk Road Forum
- European Youth Olympics
- UEFA Super Cup
- GEM Fest 2015, Anaklia
- Miss China Cosmos Pageant Semi-Finals



Events in 2016

- ❑ 4gb music festival
- ❑ Gem – fest
- ❑ Jazz – fest
- ❑ 1th UNWTO Global Conference of wine
- ❑ Summer set
- ❑ Wings for life
- ❑ Blick – fest
- ❑ Tbilisi fashion week
- ❑ Mercedes-Benz fashion week
- ❑ OSCE 2016 Parliamentary Session
- ❑ European Athletics Youth Championships



WHY GEORGIA?



Inspirational locations: shoot subtropical, coastal, alpine mountains, desert and beautiful forest scenes in one day



Unique and captivating fusion of medieval and modern architecture with Asian, European, and Soviet Styles



Six climate zones and long sunny days



Fully accessible public locations free of charge



Competitive financial incentives: up to 25% off



Easy to apply cash rebate scheme: One-stop-shop principle and no red-tape



Business-friendly environment: flexible labor market, cheap energy, and low-taxes



Modern infrastructure: three international airports, cargo and passenger ports, and well-connected roads and rail



High speed fiber-optic internet connectivity across the country



Film Friendly Society



DIVERSE OPPORTUNITIES



Georgia is a land, where mountains surround you from all sides and every corner is capture-ready. The scene is spectacular any time of year.



The Black Sea keeping ancient legends and history of plentiful ships is a perfect destination to recreate Italian and French Riviera scenes among many others.



Several regions of Georgia boast lunar, semi-desert. Monuments and cities curved out in rocks, like Vardzia and David Gareja heighten the uniqueness of the area.



Georgia is also home to vast expanses of completely unspoiled wildernesses, including one of Europe's largest national parks.



Asian mosaics and design; Soviet Flavor; European Classic; Art Nouveau and Futuristic Buildings make unique mix of architectural styles.



Eligibility Criteria's

- ❑ Open for international and local productions registered as legal entity in Georgia
- ❑ Open to applications for feature film, TV film, TV series or mini-series (pilot episodes are eligible), animation, documentary films, commercial, reality show, music video
- ❑ At least 50% of the total production budget should be in place upon application
- ❑ Rebateable expenses must be directly related to the filmmaking process
- ❑ The rebate of GEL 1,000,000 (~ \$400 000) is approved automatically. Projects requesting higher rebate need special approval of the Government of Georgia
- ❑ If a grant is awarded the subsequent production of scenes' shoot in Georgia should be completed within 24 months of the decision
- ❑ No "Cultural Test" for initial 20% cash rebate



Cash Rebate Scheme

Rebate of **20%** of qualified expenses incurred in Georgia

| Products Eligible for Cash Rebate and Minimum Requirements | Min. Local Expenditures | Audience Coverage Requirements |
|--|--------------------------------|---|
| Feature Film | GEL 500,000 / ~ USD 250,000 | N/A |
| Internet/TV Film | | |
| Drama/Series, mini series (including pilots) | | In at least 3 countries outside Georgia |
| Documentary | GEL 300,000 / ~ USD 150,000 | N/A |
| Animated Film | | N/A |
| Commercials | | In at least 3 countries outside Georgia |
| Reality Show | | In at least 1 country outside Georgia |
| Music Video | | In at least 3 countries outside Georgia |



Cash Rebate Scheme

❑ **2%-5%** - Additional rebate on qualified expenses if the production includes promotional elements of Georgia, in other words meets the so called “Cultural Test”

1% - Production completed and released theatrically or on major network. ‘Making of’ showcases Georgian shoot

1% - Employment of Georgian citizen in at least one of the following categories:

1. Lead Actress/Actor (first two positions in credits) / Director (first two positions in credits)
2. Screenwriter (first two positions in credits) / Composer (first two positions in credits)
3. Two supporting actresses/actors (first ten positions in credits)
4. At least three Head of Departments (DP, first position in credits), Producer (first three positions in credits), Production Designer (first position in credits), Costume Designer (first position in credits), Line Producer (first position in credits), Production Manager/Unit Production Manager (first position in credits, only if the picture does not have a line producer)

1% — Use of one of the following Georgian elements in the production:

1. Depiction of Georgia as location (as a supertitle on screen or other indication)
2. Story based on Georgian literature piece / historical event
3. Depiction of one of the national landmarks commonly associated with Georgia, such as:
 - UNESCO cultural heritage recognized sites and candidates
 - Using landmarks from the approved list (40 sites)
 - Depiction of Georgian flag for at least 2 seconds

1% — Spending at least 50,000 GEL (around \$ 25,000) on Georgian post-production activities

1% — Distribution of final products in at least two EU member countries or in US or Canada or India; or participation in the main competition of an A festival (as recognized by FIAPF), or Sundance FF or an AMPAS or BAFTA nomination.



Technical Support

Provision of Production Services from the State, based on “One Stop Shop” principle:

- Location scouting
- Assistance in acquiring permits issued by government institutions
- Coordination & communication with various stakeholders



Procedures – Timeline

State receives online
Application
www.filmingeorgia.ge

30 days – Granting the
applicant a ‘Beneficiary’
Status

Within 90 days – State
rebates relevant
expenditures

Within 90 days – State
rebates relevant
expenditures

Within 2 years –
submission of
audited financial
statement

Within 2 years – State Receives
online application for cultural
cash rebate additional 2-5%
www.filmingeorgia.ge

