

# CREATING BUSINESS ACCELERATOR FOR SUSTAINABLE DEVELOPMENT, TBILISI CITY, GEORGIA

*Mayors for Economic Growth (M4EG) Pioneer Project*



## PROJECT FACTSHEET

### The project in a nutshell

**Timeframe:** 2018-2022

**Budget:** EUR 1,013,268 (EU contribution - EUR 506,634)

**Partners:** Tbilisi Municipality City Hall, the Georgian Employers' Association (GEA)

**Geographic coverage:** Tbilisi, Georgia

**Target groups:** Start-ups with innovative entrepreneurial ideas, registered local SMEs, individual entrepreneurs, social entrepreneurs

## CONTEXT



Georgia's capital, Tbilisi, is located in the country's eastern half. The city stretches along the banks of the Mtkvari River at an altitude of between 380 and 600 metres, and covers around 720km<sup>2</sup>. The capital's main source of water is the Mtkvari, which crosses the capital from North-West to South-East. Tbilisi is Georgia's economic and political centre.

The city is home to numerous local and international organizations. Despite the fact that unemployment is quite high in the capital (21%), Tbilisi's economy is quite intense: over 40% of the country's businesses are registered in the city, which is also noteworthy as an ideal location for small businesses: over 80% of business entities registered in Tbilisi are small businesses.

## PROJECT GOAL AND OBJECTIVES

The Project's main goal is to promote employment and encourage capacity-building within start-ups in Tbilisi. Its aim is the creation of a **Business Accelerator for Economic Growth** that will offer special free business development programmes to enterprises registered or active in Tbilisi. The Project will be run in Tbilisi to achieve the following **objectives**:

- 1) To support start-ups with innovative entrepreneurial ideas; to provide advice and training to these startups in their fields of activity; to help them plan the development of their businesses; and to offer them opportunities to benefit from coworking spaces and sales promotion and marketing activities.
- 2) To help registered SMEs with their further development; to provide expert advice, support and meeting venues; to promote their sales on international and local markets; and to help them identify potential investors.

## PROJECT ACTIONS



In line with the Project, a **Business Accelerator for Economic Growth** will be set up in Tbilisi and will help start-ups draft business plans and implement their ideas according to their needs. The priority areas will be:

- Traditional crafts;
  - IT;
  - Innovative business ideas in different sectors;
  - Energy efficient technologies.
- Tourism and related businesses;
  - Vocational and higher education;
  - Business related to sports and health;
  - Medical businesses;

### The Business Accelerator will include 5 other support initiatives:

1. *Coworking spaces* will be provided free of charge to local start-ups in Tbilisi;
2. Expert advice will be offered to start-ups and established local businesses;
3. Meeting venues will be renovated and equipped for start-ups and local businesses;
4. Advice will be offered on sales promotion and the use of marketing instruments;
5. Help will be given to identify potential investors.

## ESTIMATED RESULTS

- The activities of **60** start-ups and **40** existing SMEs registered in Tbilisi will be developed;
- **152** business plans will be drafted.

The Project will promote Tbilisi's economic development, will support and stimulate the private sector, link businesses and strengthen civil society. It will also have a substantial impact on investment. The **Business accelerator model** will act as a huge driver for local start-ups, will play a crucial role towards improving the local business climate, and will encourage local start-ups and SMEs. All this will lead to a rapid rate of growth of Tbilisi's economy.

The pioneer project "Creating Business Accelerator for Sustainable Development" is being implemented in Georgia as part of the Mayors for Economic Growth (M4EG) Initiative. The M4EG Initiative began to operate in January 2017 within the Eastern Partnership framework. Its overall goal is to help mayors and municipalities in Eastern Partnership countries to become active facilitators for economic growth and job creation at local levels. For more information, please visit [www.m4eg.eu](http://www.m4eg.eu).



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