

grants and other funding mechanisms / grants of the banking and microfinance institutions, national level enterprise support and / or other types of grants.

For more efficiency, it is possible to create a database of international donors and potential investors, Mechanisms / tools for building and managing relationships with them and other relevant resources.

Also, we could think of some actions by the municipality in this direction (Eg: on the basis of competition, supporting the municipality economic development with 3-5 innovative and effective business projects). In this scheme, in the future may be involved - „ Municipality Development Fund ". Also, the municipality can take measures to create prerequisites (investment and other type of attractiveness), that will facilitate attracting financial resources to Zestafoni municipality.

6.5. Land and Infrastructure

Zestafoni Municipality includes 19 administrative units including the city.

One of the hindering factors of urban development and attracting investments is the absence of a land use and development plan.

It is necessary to note that still there is no plan for the purpose of attracting investments on property in the central and local level , to creat jobs. In case of developing municipality land use and general plan will significantly interest investors and support urban development.

For now Zestafoni is actually provided with utility infrastructure. Specifically: 100% of the electrification, 98% of gasification, 70% of drinking water supply and 65% Internet access.

60% of the villages in the municipality are operated by local water supply systems, up to 70% of the population have gasification. Works are going to repair local roads.

However, in the municipality there is still a lot to be done in infrastructure, including the city Zestafoni and villages.

In the process of development of the plan, the idea of creating "Investment Catalog" has been identified in which the land plots and real estate would be totally identified, which are owned by the state or municipality and may be used for their investment purposes. In the same catalog will ve indicated important parameters of land and real estate.

It is desirable that each land plot and real estate had attached specific attractive proposals to interest investors / different types of privileges, low prices and etc). At the same time, the municipality must make initiative to state (Ministry of Economy) in order to provide investors with the simplified procedures in case of lease or under certain conditions to the lands and real estate.

6.6. Regulatory and Institutional Framework

There are good conditions to to start a business in Georgia, the registration procedures are quite simplified, and even one day is enough for it.

On the other hand, there is no big tax pressure on business operators, which is an additional positive condition, namely 6 taxes (income, profit, VAT, excise, import and property), from which only the property taxes are transferred to the local municipal budget. This tax rate is compliance with the appropriate conditions, by the municipal representative / elective authority - City Council and is capable of establishing certain benefits for the promotion of local business and attracting investments. The issue of local fees is also important, in the Zestafoni municipality there are following charges: Ad placement, gambling business, construction permit and cleaning.