



SUMMARY



Giorgi Solomnishvili -THE ROLE OF ECONOMIC LEGISLATION HARMONIZATION IN DEVELOPMENT OF AGRICULTURE OF GEORGIA

The necessity of economic legislation harmonization in development of agriculture of Georgia is grounded in the article; in particular, there is analyzed the necessity of application of food safety, sanitary and phytosanitary security rules, product safety standards and regulations in developed countries with the purpose of population security.

Georgia's agrarian-food product export role in development of agriculture field development is analyzed in this work. In this sector import replacement policy is recognized one of the priorities. In order to achieve this, along with other measures, economic legislation harmonization in compliance with the world standards is considered. The speculation that commercial-economical collaboration level is higher among the countries with similar acting rules on internal market is grounded. With respect of this the necessity of implementation of appropriate economic legislation in Georgian agriculture is offered.

In the article the conclusion is made that implementation of European standards into Georgian legislation will facilitate Georgian-European relations and create a favorable environment for future development of the agricultural field.

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Shota Minjoraia, Zhuzhuna Tsiklauri-Shengelia, Giorgi Minjoraia - Taxes and Tax Policy in Georgia

This work considers the taxes as the one of the most important mechanisms of operation of state's economic system. Besides, regulation of tax system is considered the basic precondition for development of state and its economy. It's noted that taxes and tax policy should be in compliance

with real local conditions. Taxes and tax policy play an important role in the development of state, because they are universal. Taxes are related to interests of not only state, but to each citizen, different groups of population, industries and organization.

On the basis of analysis of modern taxes of Georgia, the defects and inefficiency of tax system are revealed. Opinions are made about the optimal model of distribution of loads between suppliers and consumers and about the further improvement of particular taxes.

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Giorgi Kuparadze, -The Impact of Tax Policy on Real Sector Investments

In the article it is reviewed the impact of Tax Policy on real sector investments in case of Georgia. For the analysis there is used a modified King-Fullerton model. In the first part of the article is reviewed the theoretical basis of the model with its modifications and extensions. In the Second part of the article the AETR and METR indicators is calculated based on the tax code of Georgia. Based on analysis it is concluded that current tax policy in Georgia is giving more stimulus for investing in financial sector than in real sector of economy.

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Anzor Aabralava, Ketevan Garibashvili - National Economic Interests and Integration processes

Due to its important geographical location Georgia has an opportunity to actively involve in the global integration processes. That's why at present the improvement of transport infrastructure is the most important prerequisite of economic and social development of our country. In the conditions of present-day world globalization and economic openness the complete assimilation of our transit potential will give Georgia very important political and economic benefits.

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The article “Financial Risks in the current Economic Systems”, written by **Aleko Kutateladze** and **Irma Kvetenadze**, reviews existing financial approaches, widespread now in the systems of banking risks. Financial risks associated with the probability of loss of financial resources. These risks are divided into the risks of buying in cash and the risks of the investment of capital (investment).

World practice shows that in practice of credit institutions the innovative components that increase the role of the securities in the investment portfolio take the great significance. New tools allow them to successfully reduce credit risks.

The output of the bank beyond a mediator functions and diversification of banking business, as well as the use of new financial instruments by the Bank significantly increased the demand for the organization of management and supervision of banking risks. Gradually were developed the necessary regulations and procedures, that allowed to predict the origin of the financial risks associated with the introduction of innovative credit facilities. This commits practitioners and theorists of risk management constantly to work in developing of new full-fledged methods within the bank full control.

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ირინა ვაშაყმაძის სტატიაში „საქართველოს საბანკო სისტემის ფინანსური მდგრადობის განმტკიცების აუცილებლობა“ აღნიშნულია: მდგრადობის პრობლემა ფართო გაგებით მნიშვნელოვანია არა მარტო საბანკო საქმიანობაში, არამედ იგი გადამწყვეტია საბაზრო ეკონომიკის სხვა ფინანსური ინსტიტუტებისთვისაც, ვინაიდან მასში საბოლოო ჯამში აისახება კონკურენციული გარემო პირობებში ყველა ეკონომიკური სუბიექტების ურთიერთობები ეკონომიკის სტაბილიზაციის მიღწევაში.

საბანკო სისტემის ფინანსური მდგრადობის გაუმჯობესებას განსაკუთრებით ხელი შეუწყო კომერციული ბანკების რაოდენობრივ შემცირებასთან ერთად მათი გამსხვილების შედეგად სა-

ბანკო სისტემის ფინანსური მაჩვენებლების ზრდამ. საბანკო დეპოზიტების დაზღვევის სისტემა, როგორც ბანკის გაკოტრების შემთხვევაში მცირე თანხის მქონე მესახს ინტერესების დაცვის საშუალება, საქართველოში არსებული სიტუაციიდან გამომდინარე ბანკებისადმი ნდობის გაღრმავებისა და ქვეყნის საბანკო სისტემის მდგომარეობის გაუმჯობესების ხელშეწყობი დამატებითი ფაქტორი იქნება. ამდენად მისი დანერგვა საბანკო სექტორისათვის ურთიერთდაკავშირებული პოზიტიური ფინანსური შედეგების მომტანი გახდება.

ქვეყნის ეკონომიკურ მდგომარეობაზე რეალურად ზემოქმედების ფაქტორებიდან განსაკუთრებული ადგილი უკავია საბანკო სისტემის ფუნქციონირების ფინანსური მდგრადობის უზრუნველყოფის პირობების განსაზღვრას. საბანკო სისტემის ფინანსური მდგრადობის განმსაზღვრელ პირობების შესწავლასთან ერთად საჭიროა ამ მიმართულებით სხვა ქვეყნების გამოცდილებაზე დაყრდნობით, ქვეყნის ეკონომიკის თავისებურებების გათვალისწინებით, მათი პრაქტიკული განხორციელებისათვის მექანიზმების შემუშავება.

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In the Article of **Ekaterine Bakhtadze** “ Place marketing strategies ” is a basic aspect of development of countries, regions and cities, which requires the community service development, urban redesign and planning and economic development. It would be better if economic development activities in Georgia are being done within the scope of a mixed model where responsibility is shared between the public and private sectors.

In the case of place marketing the process of strategic planning covers the issues from the place audit, visionary work, forming goals and strategies to the action plans and implementation. It is too important to work purposefully on creating place image. A place is a product that attracts different target groups – customers.

According to exist four place marketing strategies places have different strategic and implementation abilities (high and low). Places can be

'losers', 'expanders', frustrators' and 'gamblers'. Place marketing planning should have balancing strategic vision and place has to be positioned properly.

Adjara region, especially city Batumi is accepting many challenges – increasing number of tourist, implementation of infrastructural projects, subsequent development according to the space planning project, improvement and development of real estate market. Compliance with place marketing strategies Adjara is in the role of 'Gambler', as it lacks the strategic eye and does not have any marketing strategic plans. But with luck and hard work the region has got some short-term success. The local and main actors of this process are the government of Adjara, City Mayor, Ministry of Finance and Economy with its departments of Investment and Information, International Relationships, Urban Development, Department of tourism and resorts with its tourist agency, Chamber of Commerce and Industry and Investors International Association.

It is remarkable that the umbrella brand of Adjara is Batumi with its history, awareness, strong advertising activities. To make promotion activities of Adjara investment and tourist potential effective the region has to have its marketing strategic plan which provides its movement from 'gambler' position into the position of 'expander'. At first success factors (Availability of qualified staff, ease of access to markets, customers, clients, transport links with other cities and internationally, the quality of telecommunications, the climate governments create for business, value for money of office space and others) should be searched and studied. All the stakeholders of our region should be involved in this process and share their responsibilities and functions.

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Nodar Futkaradze - "Economic Analysis of Investment Projects" is about the funding of specific projects and a limited resource allocation problem through compromise - One project financing at the expense of another.

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ნათია შენგელიას და ჟუჟუნა ნიკლაური -შენგელიას სტატიაში განხილულია “ძირითადი საშუალებების საგადასახადო და ფინანსური აღრიცხვის თავისებურებები“. ბიზნესის უმრავლესობა ძირითადი საშუალებების გარეშე ვერ იარსებებს, რადგან სწორედ მათი დახმარებით ხდება საქონლის წარმოება, ისინი ადმინისტრაციული და ზოგადად ნორმალური ფუნქციონირებისათვისაა საჭირო. ამიტომაც მათი ბუღალტრულად აღრიცხვა უნდა ხდებოდეს რეგულარულად და დეტალურად.

გარდა ამისა, საგადასახადო მიზნებისათვის ძირითადი საშუალებები, ცვეთის ხარჯები მნიშვნელოვანია, რადგან ისინი მონაწილეობას იღებენ მოგებისა და მოგების გადასახადის, ქონების გადასახადის გამოანგარიშებასა და საბოლოო განსაზღვრაში; ასე რომ გრძელვადიანი მატერიალური აქტივების როგორც ფინანსურ ისე, საგადასახადო აღრიცხვას დიდი მნიშვნელობა ენიჭება და სათანადო ყურადღება უნდა დაეთმოს მათ კომპანიაში.

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Darejan Chkhbadze - Mathematical (matrix) method of Economic Analysis and its practical value.

Business development is impossible without the use of information technologies; The Stable development of economy is reached by full development of the analysis. The widespread use of the matrix method provides the main direction in perfection of the economic analysis. It gives the possibility to calculate precisely and solve in practice different problems in different spheres.

Mathematical methods of analysis are quite labor-consuming even when using techniques, but in practice their role is very great. They give the possibility to assess objectively the situation in economy and to receive the best management decisions at any level of economy. They help to work out the strategy and tactics of the enterprise development, to document plans and management decisions, to make monitoring of their implementation, to identify reserves of increasing the efficiency of the enterprise, to estimate the final results of the production.

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Revaz Nakashidze - For Preparation of New, Reality -Equivalent Professional Cadres. Our countries' social-economic and scientific-technical developmental aims that preparation of professional cadres needs a radical transformation inevitably.

Professional education towards to public opinion begins more actively.

Every citizen would have an opportunity to get an interesting professional qualification of mastering or employing.

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In the article "Operating and Finance lease Accounting" of **Zhuzhuna Tsiklauri-Shengelia**, there are discussed accounting of Operating and Finance Leases. Thus, generally by summarizing today's situation and the scale of our economy, small and medium-sized businesses can still play an important role in the development of national economy. They often lack of financial resources to re-invest, to expand, to acquire buildings and/or other fixed assets. In this case management of such businesses apply to take a loan from bank, or usually use an operating, finance lease, lease - agreement with repurchasing at low prices to acquire any expensive medical, agricultural machinery or other fixed assets. Therefore, with maintaining the liquidity, lease is a significant factor for business promotion and development in case of limited resources.

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Нино Футкарадзе «Генезис и формирование морского круизного рынка» отмечены: круизы не просто вид путешествий. Это целая индустрия, объединившая компании, занятые круизным бизнесом, судостроением, поставкой товаров и услуг для круизных судов и их пассажиров, продвижением и реализацией круизного продукта. Промышленная революция, создавшая предпосылки для формирования массового туристского рынка, сделала более доступными для широких слоев населения морские путешествия, хотя сегодня многие воспринимают их как исключительно элитарный вид отдыха.

В труде Мзисадар Бжалава “Деятельность паракходной компании и исследование фрахтового рынка” рассмотрены основные характерные черты свободного фрахтового рынка и значения исследования фрахтового рынка для успешной деятельности паракходной компании. Проанализированы основные показатели конъюнктуры фрахтового рынка: фрахтовфя и арендная ставка конкретных сделок, среднее значение фрахтовой сделки в разный период и в зависимости от притока грузов; индивидуальные, групповые и общие фрахтовые индексы. Отмечено, что основная задача исследования рыночной конъюнктуры – изучение развития тенденции сезонности и цикличности рынка, что даст возможность паракходной компании разработать обоснованные стратегические и технические планы.

Darejan Chkhubadze - The Theoretical and Methodological aspects of Economic Analysis in evaluating the Competitiveness of Production.

The article says that success of industrial activity and business is the installation of competitiveness of production. According to it the article draws attention to the method of economic analysis of the evaluation of the parametrical index where the accent is shifted to the consideration of the issue from the point of view of the consumer.

The citrus industry, which is now in an “intensive care” condition, is taken as a reference point to represent the method. Due to foreign intervention it is now expelled from the domestic market, the traditional markets (Russia) are lost and in establishing its program of reconstruction, rehabilitation and export priorities the main emphasis is placed on the quality of product, namely on the establishment of a parameter of index of competitiveness where the role of the economic analysis is great.

In the conditions of market economy among a set of criteria the work gets more value due to consideration and evaluation of competitiveness from the point of view of the consumer in the consumer market as well as practical implementation of the method.

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Lali Sadagasvili, Nana Savchichvili, Natia Mindiachvili - The work „The Importance of Elements of Profit and Loss Statement in Accounting” covers each profit and loss elements in accounts. Their correct calculation which gives the possibility to have more profit with less expenses is also discussed in above motioned work. There are two methods of expense calculations: A method of grouping according to economic content and a method of expense classification according to function. There are advantages and disadvantages of both methods on the basis of comparison and analysis. The option between expense calculation methods depends on historical and industrial factors and the particularities of enterprise. Both methods characterizes those expenses which can be changed directly or indirectly in accordance with the changes of enterprise manufacture or realization level.

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В статье **Мзисადარ Бжалава** “Реитинговая оценка конкурентно-способности паракходной компании “ рассмотрены основные методы оценки конкурентноспособности фирмы. Отмечено, что в современной экономической литературе вместо термина конкурентноспособность часто употребляется термин реитинг - своего рода индикатор, который свидетельствует об эффективности политики предприятия или указывает на необходимость его корректирования.

Отмечено, что в сложной рыночной обстановке при определении ориентации компании, необходимо правильно оценить не только собственный потенциал, но и потенциал партнеров и конкурентов. А это требует изучения основных действующих факторов, воздействующих на интенсивность конкуренции. Особое внимание в работе уделено анализу технических и экономических показателей, определяющих качества конкурентноспособности паракходов.

Irma Chkhaidze - Social Responsibility of Business in the Reality of Georgia

The present article studies the concept of corporate social responsibility. It's defined as a balanced system of the company which is oriented on social-responsibility, which on the other hand includes: to provide business profitability, take care about the environment, to provide social projects in the different sphere.

It's analyzed how it impacts the company's social responsibility, as the company's business – also the activity of the society. It's considered companies which are oriented on social-responsibility on the one hand, is it a loyal community, and on the other hand what obstacle factors are influencing on it's development, that hinders the development of corporate social responsibility.

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Vasil Khizanishvili's Scientific Article “ Globalization and Business Ethics” deals with actual issues of globalization in the context of Business Ethics, where this for the latter is particularly relevant in three spheres: Culture, Law and Accountability. Each of these aspects separately and all together shows globalization as an irreversible process of deterritorialization through a prism of the global economy.

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Besik Bauchadze - The Main Modern Concepts of the Administrative Analysis in the Industrial Enterprise

The historical role of *accounting* and *analysis* in the control system was unfairly reduced. Often such functions as planning, organization, adjustment, coordination, stimulation, control were allocated in classification groups of administrative functions; and *accounting* and *analysis* were a part of the control function. The administrative analysis aims to identify the internal resources and opportunities of the enterprise, to assess the current state of business, to identify strategic problems. The need of carrying out the administrative analysis is determined by several factors: first of

all it is necessary for working out the strategy of enterprise development and effective implementation of management as a whole as it represents the most important stage of an administrative cycle; secondly, it is obligatory to assess the attractiveness of the enterprise, from the point of view of external investors, definition of the company's position in the national and other ratings; thirdly, the administrative analysis gives the chance to reveal reserves and possibilities of the enterprise, to define the directions of adaptation of internal opportunities of the enterprise to the changes of environmental conditions.

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Suzana Doborjginidze - “ Knowledge Management”

Knowledge management is currently a crucial issue for the industry as well as in the information - research field. Knowledge Management (KM) consists of multidisciplinary approaches to achieve maximum results in the organization through the effective use of knowledge. It is focused on knowledge acquisition, creation and sharing, as well as cultural and technical basis. Knowledge management is to create and support continuous learning-based culture, in which the organization's employees regularly enrich and share their knowledge to their colleagues in order to achieve higher productivity.

Organizations gradually realize that the intellectual capital and corporate knowledge are valuable assets that can be governed effectively as well as physical assets in order to improve results. Knowledge management focuses on connections between people, processes and technology to achieve the goal of corporate knowledge. The current database professionals present the future of knowledge management and they will make these connections possible.

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В статье **Г.Багдасариана, К. Маргарет**-Объективные закономерности развития мирового хозяйства -доказывают, что дальнейшее развитие и экономический рост всех стран мира в основном обусловлены тем, как глубоко они внедрены в мировые интеграционные и глобализационные процессы. Для полного интегрирования в

мировое хозяйство национальные экономики начинают строить свои отношения путем региональной интеграции, в дальнейшем имея возможности больше расширять сферы экономического сотрудничества. Следовательно, в этом контексте наша страна тоже не является исключением, т.е. ее дальнейшее развитие и экономический рост также обусловлены участием в региональных интеграционных процессах и углублением экономического сотрудничества с соседними странами.

Таким образом, в этой статье приведены основные факторы, которые способствуют развитию армяно-грузинского экономического сотрудничества и меры, которые были предприняты для этого.

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В статье **Медея Кавтарадзе и Натиа Бежанидзе**: «Глобализация рынка туристических услуг» рассматриваются сущность глобальной экономики, ее отличительные особенности и основные проявления. В туристском бизнесе, как и в других отраслях экономики, появилась тенденция глобализации, отражающая сотрудничество государств и социальных организаций в политической, экономической, культурной и других областях.

В статье проанализированы показатели мирового экспорта услуг, уровня информатизации и динамики туристических прибытий по регионам мира и др.

Сделан вывод, что глобализацию в туризме можно определить как процесс резкого усиления туристических потоков, а также потоков услуг, капитала, информации. Глобализация имеет долговременный характер, а ее движущей силой является, прежде всего, революция в сфере информационно-коммуникационных технологий, либерализация рынков и обострение международной конкуренции.

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Marina Bagaturia, Nato Gegenava - “ The Problems of Globalization in Georgia”.

The economic consequences of globalization might be positively eval-

uated. More globalization or more economic openness and cooperation promises much more development especially for economically delayed countries. Globalization is a good school in order to get adapted to the world market and competition, learn how to achieve success. Globalization smashes artificially established political carriers and gives more economic freedom to ordinary people, so that they can make better use of own talents and skills. Globalization tightly connects individuals and enterprises, electorate of various countries who resist to confrontation and support peace in the world.

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Kamladze Lela ,Tsiklauri -Shengelia Zhuzhuna -The Importance of Computer Accounting Programs in the Accounting Case Studies

Today in practice accounting documents are processed in one of the computer program, making it easier for the accountant. These programs are: Oris; INFO computer programs which include: Primary documentation processing; business case: the creation of the Charter of the enterprise and the enterprise's accounting policy.

ATSU - an undergraduate program in "Accounting and Auditing" seeks to prepare specialists in the field of accounting. Great work is conducted in the improvement and further development of university course. With relevant departments are being prepared properly equipped laboratory, computer accounting programs, where students can study proper skills; We hope that ATSU will be able to prepare such specialists in this field in the nearest years, which will fully meet the requirements of the labor market. They will be able to use a computer accounting software programs in Accounting and Audit.

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Ketevan Garibashvili-Regional Conflicts Impact on European Integration Process

Independent drive to European institutions is very popular in South Caucasus countries, especially in Georgia. However, geographic, political and economic reasons may postpone the perspectives of this integration. And if murderous wars will take place from time to time in the South Cau-

casus countries, then this perspective will become even more distant. In these conditions, the project of regional integration looks much realistic, though in fact it is hardly feasible.

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In the article of **Natia Shengelia**, there are discussed **“Financial Statement, its Essence, Components, Interpretation and their Importance”**. Thus, the financial statements can play an important role. It describes the company’s financial situation and the results of economic operations. Its purpose is to show the effect of company’s activities to the different users of different interests. Interpretation of Financial Statements enables analysis of the company’s financial results, profitability, liquidity and working capital ratios, long-term financial stability for investors and other interested parties with calculating the coefficients. Moreover, it provides an opportunity to discuss the results of our business activities, planning and forecasting overall scale. Furthermore, it also shows the connection between the financial statements of different components, which in turn allows us to analyze various business opportunities in the present and in the future, as well as to compare the concrete company’s data to the market average indexes, therefore, to evaluate competitors, and to plan an appropriate financial strategy for gaining a competitive advantage.