

Economic Policy to Promote small and Medium-sized Enterprises in Georgia in the Post-Pandemic Period

Authors : Gulnaz Erkomaishvili

Abstract : Introduction: The paper assesses the impact of the COVID-19 pandemic on the activities of small and medium-sized enterprises in Georgia, identifies their problems, and analyzes the state economic policy measures. During the pandemic, entrepreneurs named the imposition of restrictions, access to financial resources, shortage of qualified personnel, high tax rates, unhealthy competition in the market, etc. as the main challenges. The Georgian government has had to take special measures to mitigate the crisis impact caused by the pandemic. For example - in 2020, they mobilized more than 1,6 billion Gel for various events to support entrepreneurs. Small and medium-sized entrepreneurship development strategy is presented based on the research; Corresponding conclusions are made, and recommendations are developed. Objectives: The object of research is small and medium-sized enterprises and economic-political decisions aimed at their promotion. Methodology: This paper uses general and specific methods, in particular, analysis, synthesis, induction, deduction, scientific abstraction, comparative and statistical methods, as well as experts' evaluation. In-depth interviews with experts were conducted to determine quantitative and qualitative indicators; Publications of the National Statistics Office of Georgia are used to determine the regularity between analytical and statistical estimations. Also, theoretical and applied research of international organizations and scientist-economists are used. Contributions: The COVID-19 pandemic has had a significant impact on small and medium-sized enterprises. For them, Lockdown is a major challenge. Total sales volume decreased. At the same time, the innovative capabilities of enterprises and the volume of sales in remote channels have increased. As for the assessment of state support measures by small and medium-sized entrepreneurs, despite the existence of support programs, a large number of entrepreneurs still do not evaluate the measures taken by the state positively. Among the desirable measures to be taken by the state, which would improve the activities of small and medium-sized entrepreneurs, who negatively or largely negatively assessed the activity of the state, named: tax incentives/exemption from certain taxes at the initial stage; Need for periodic trainings/organization of digital technologies, marketing training courses to improve the qualification of employees; Logic and adequacy of criteria when awarding grants and funding; Facilitating the finding of investors; Less bureaucracy, etc.

Keywords : small and medium enterprises, small and medium entrepreneurship, economic policy for small and medium entrepreneurship development, government regulations in Georgia, COVID-19 pandemic

Conference Title : ICEBMM 2022 : International Conference on Economics, Business and Marketing Management

Conference Location : Berlin, Germany

Conference Dates : May 23-24, 2022