

# Fintech Development Strategy of Georgia

## Mapping of Priority Actions to Goals and Key Performance Indicators (KPIs)

### **Goal 1: Supporting Georgia's digital economy through safe, reliable, fast and convenient payment services**

This goal entails enabling fast payments across a wide range of transaction channels and use cases, contributing to increase digital payment acceptance and facilitating third-party payment initiation in synergy with open banking, while ensuring robust risk management.

Strategy Pillar	Relevant priority actions	KPIs (at the goal level)
<b>Foundational: Institutional Arrangements and Governance</b> - establishment of an inter-institutional fintech committee/working group responsible for the strategy implementation		
<b>Regulation, Oversight, and Supervision</b>	<ol style="list-style-type: none"><li>1. Broaden the scope of open banking to enable consent-based access to customer data across sectors.</li><li>2. Authorities work to establish appropriate cooperation mechanisms in the area of cybersecurity, expand the scope of cybersecurity supervision, and strengthen the framework for fraud management and product suitability in light of complex fintech products.</li></ol>	<u>Percentage of adults sending/receiving digital payments</u>  <u>Number of digital payments per adult</u>  <u>Number of users (individuals) of open banking/finance services, of which payment initiation services</u>
<b>Infrastructure</b>	<ol style="list-style-type: none"><li>3. Promote the development of infrastructures, overlay services and platforms that harness fintech developments to enable greater participation and competition in financial services, and leverage economies of scale to reduce costs.</li><li>4. The NBG's IPS should be designed to enable a wide range of entities with differing regulatory statuses to connect to/use the platform, while maintaining the safeguards required for the system's safety, and incorporates overlay services on top of the core infrastructure as well as a wide range of use cases.</li><li>5. The NBG evaluates the performance of open banking arrangements and develops mechanisms to ensure broad stakeholders' inputs in decision-making.</li></ol>	<u>Number of merchants accepting digital payments (including QR-code payments)</u>  <i>If the number of merchants cannot be obtained, the following indicator could be considered:</i> <u>Number of POS (including m-POS) terminals at merchants</u>  <u>Digital payment fraud rates (value of fraud as a share of the total value of transactions)</u>  <u>Cost of cross-border retail payments and remittances (percentage of payment amount)</u>

<p>6. The NBG evaluates the possibility to expand the independence and the scope of the working group, responsible for all common open banking/finance/data API standards.</p>	
<p>7. To promote technology-driven innovations in the financial sector through the modern financial infrastructure, new technologies are experimented at an early stage (e.g., blockchain) and already tested technologies are implemented (e.g., instant payment system).</p>	
<p>8. Develop a centralized Ultimate Beneficial Ownership (UBO) registry to enhance financial transparency and support AML/CFT supervision.</p>	
<p>9. Authorities work with the MoJ to roll out the digital identity wallet in the financial sector.</p>	

**Goal 2: Leveraging innovation to reduce the financing gap for micro, small and medium-sized enterprises (MSMEs) and addressing the needs of underserved segments (e.g., remittance recipients)**

This includes completing the enabling environment for asset-based financing solutions and evaluating alternative financing models, building on open finance to reduce information asymmetries and improve credit decisions.

Strategy Pillar	Relevant priority actions	KPIs (at the goal level)
<b>Foundational: Institutional Arrangements and Governance</b> - establishment of an inter-institutional fintech committee/working group responsible for the strategy implementation		
<b>Regulation, Oversight, and Supervision</b>	1. Broaden the scope of open banking to enable consent-based access to customer data across sectors.	<u>Number of users (individuals) of open banking/finance services, of which data services</u>
	2. Develop a regulatory proposal on equity crowdfunding through a consultative process.	<u>Number of users (firms) of open banking/finance services, of which data services</u>
<b>Infrastructure</b>	3. The NBG's IPS should be designed to enable a wide range of entities with differing regulatory statuses to connect to/use the platform, while maintaining the safeguards required for the system's safety, and incorporates overlay services on top of the core infrastructure as well as a wide range of use cases.	<u>Fintech financing volume: Total amount of financing provided through fintech platforms per year, of which SME financing</u>

	<p>4. Experiment new technologies at an early stage/implement tested technology.</p> <p>5. Authorities cooperate to enhance the accessibility of government-held data, including for use by financial sector entities. This involves providing required legal and technical support for the development of secure, standardized, and interoperable data-exchange frameworks, ensuring the efficient sharing of information across diverse business processes and ICT systems.<sup>1</sup></p>	<u><i>The share of adults and SMEs using fintech solutions for financial services</i></u>
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### **Goal 3: Increasing the participation of new players in financial service market, fostering competition while protecting consumers and ensuring financial sector stability**

This goal builds on earlier reforms that sought to remove regulatory barriers to new players and business models, and focuses on levelling the playing field by enabling access to key infrastructures and data assets and increasing competition.

<b>Relevant core enablers</b>	<b>Relevant priority actions</b>	<b>KPIs (at the goal level)</b>
<b>Foundational: Institutional Arrangements and Governance</b> - establishment of an inter-institutional fintech committee/working group responsible for the strategy implementation		
<b>Regulation, Oversight, and Supervision</b>	<p>1. Broaden the scope of open banking to enable consent-based access to customer data across sectors.</p> <p>2. Design a regulatory roadmap on crypto-assets/crypto-asset services through a consultative process.</p> <p>3. Explore and operationalize uses of AI for regulatory and supervisory policy objectives.</p> <p>4. Monitor AI applications and regulatory developments in the financial sector to identify and address potential regulatory gaps, ensuring a safe and responsible use of AI.</p>	<p><u><i>Number of registered/licensed fintech companies operating in/from Georgia</i></u></p> <p><u><i>Number of third-party providers (TPPs) participating in open banking/finance</i></u></p> <p><u><i>Number of fintech firms that have graduated from regulatory sandbox</i></u></p> <p><u><i>Herfindahl-Hirschman Index (HHI) in key market segments (to track competition concentration)</i></u></p>

<sup>1</sup> Establishing a unified policy framework for accessing government-held data and services can be crucial for implementing open banking/finance/data solutions. Therefore, this action will be implemented in cooperation with the Strategy for the Development of Digital Governance of Georgia (2025–2030), which aims to improve access to open data held by administrative bodies.

	<p>5. Authorities work to establish appropriate cooperation mechanisms in the area of cybersecurity, expand the scope of cybersecurity supervision, and strengthen the framework for fraud management and product suitability in light of complex fintech products.</p> <p>6. Identifying and implementing mechanisms to enhance competition in the credit information services market and reduce the monopoly of the existing credit bureau.</p>	
<b>Infrastructure</b>	<p>7. The NBG evaluates the discharge of open banking and develops mechanisms to ensure broad stakeholders' inputs in decision-making.</p> <p>8. The NBG evaluates the possibility to expand the independence and the scope of the working group, responsible for all common open banking/finance/data API standards.</p> <p>9. Promote the development of infrastructures, overlay services and platforms that harness fintech developments to enable greater participation and competition in financial services, and leverage economies of scale to reduce costs.</p> <p>10. Granting non-bank institutions access to the existing infrastructure, including the IPS once implemented, provided they meet the necessary regulatory requirements.</p> <p>11. Authorities cooperate to enhance the accessibility of government-held data, including for use by financial sector entities. This involves providing required legal and technical support for the development of secure, standardized, and interoperable data-exchange frameworks, ensuring the efficient sharing of information across diverse business processes and ICT systems.</p> <p>12. NBG to revise its regulatory sandbox access criteria to enable participation of unregulated entities.</p>	

<b>Innovation Support<sup>2</sup></b>	13. “One-stop shop” connecting sandbox entities to financial support.	
	14. Cultivate a culture of innovation through educational programs and awareness campaigns.	

#### **Goal 4: Supporting the MC agenda through fostering regional collaboration on fintech issues**

The goal involves promoting regulatory harmonization and technical standardization to improve cross-border payments and facilitate the provision of innovative services across borders, while ensuring effective cooperative oversight.

<b>Relevant core enablers</b>	<b>Relevant priority actions</b>	<b>KPIs (at the goal level)</b>
<b>Foundational: Institutional Arrangements and Governance</b> - establishment of an inter-institutional fintech committee/working group responsible for the strategy implementation		
<b>Regulation, Oversight, and Supervision</b>	1. Design a regulatory roadmap on crypto-assets/crypto-asset services.	<u>Georgia’s participation in multilateral initiatives/projects (e.g., cross-border payments, data sharing) – number of initiatives/projects</u>
<b>Infrastructure</b>	2. The NBG’s IPS should be designed to enable a wide range of entities with differing regulatory statuses to connect to/use the platform, while maintaining the safeguards required for the system’s safety, and incorporates overlay services on top of the core infrastructure as well as a wide range of use cases.	<u>New international MOUs/ fintech cooperation agreements (e.g., information sharing between regulators/supervisors)</u>
<b>International Collaboration</b>	3. Promotes common principles on open banking through the relevant regional fora, as a first step towards cross-border interoperability.	

<sup>2</sup> Fintech development relies on a supportive general business environment, including strong ICT infrastructure, favorable tax policies, and access to skilled talent and funding. While these foundational elements are beyond the direct scope of the fintech strategy, they are crucial for enhancing the efficiency, security, and scalability of fintech operations. To promote these enablers, the fintech strategy will be implemented in close collaboration with Georgia’s National Strategy for the Development of the Digital Economy and Information Society for 2025–2030, led by the Ministry of Economy and Sustainable Development (MoESD), which outlines measures to strengthen digital infrastructure, develop digital skills, improve access to capital, and support innovation-friendly tax policies.

	<p>4. NBG works with other regional central banks/authorities to explore and support (i) the establishment of a cross-border sandbox, (ii) cross-border payments using QR codes, and (iii) cross-border payments through interlinking IPSSs.</p> <p>5. Articulating the fintech aspects of the MC Roadmap, e.g., identifying enablers of cross-border e-commerce and specific actions.</p>	
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## **Goal 5: Attracting fintech solutions to Georgia**

Growing the fintech ecosystem and talent pool, and raising the international profile of Georgia as a regional fintech hub.

<b>Relevant core enablers</b>	<b>Relevant priority actions</b>	<b><i>KPIs (at the goal level)</i></b>
<b>Foundational: Institutional Arrangements and Governance</b> - establishment of an inter-institutional fintech committee/working group responsible for the strategy implementation		
<b>Innovation Support</b>	NBG to revise its regulatory sandbox access criteria to enable participation of unregulated entities.	<u>Number of registered/licensed fintech companies operating in/from Georgia</u>
	“One-stop shop” connecting sandbox entities to financial support.	<u>Investment growth in fintech activities</u>
	Cultivate a culture of innovation through educational programs and awareness campaigns.	<u>Number of jobs created in the fintech sector</u> <u>Number of firms that have graduated from regulatory sandbox</u>