NEWS DIGEST ON GEORGIA

October 18-21

Compiled by: Aleksandre Davitashvili

Date: October 22, 2018

Occupied Regions

Tskhinvali Region

1. Occupants kidnap two men near the occupation line

Two Georgian citizens, Soso Shukakidze and Giorgi Shamanauri, have been kidnapped by Russiacontrolled so-called border guards from the village Okami in Kaspi municipality today.

The State Security Service has stated that the Russian-backed armed forces have detained Georgian citizens for so "illegally crossing the border" (Agenda.ge, October 20, 2018).

2. Two Georgian citizens detained by occupants released

Two Georgian citizens arrested by the Russia-controller so-called border guards near the Lomisi monastery in Akhalgori municipality have been released. The State Security Service has confirmed that the two detainees have been freed *(Agenda.ge, October 21, 2018)*.

Abkhazia Region

3. Illegal trade on rise due to dire economic situation, Gali residents say

The loss of sources of income related to the spread of deadly brown marmorated stink bug (BMSB), which has devastated locals' orchards, urges residents of Gali to return to illegal business of smuggling goods, particularly cigarettes, from the breakaway Abkhazia to Georgia proper.

This illegal trade used to be rife in late 1990s and early 2000s but had almost entirely been suppressed by mid 2000s. Now it seems to be on rise again, due to dire hardship of Gali population.

"Formerly many people were busy with this business, but most of them were forced to suspend these kind of activities due to the fear of arrest and high fines. Today, some of them return to this job. The reason is hardship. All revenues for locals have actually disappeared, while cigarette [smuggling] leaves quite a big profits. On the other hand, stakes are high – smuggling of only one pack of cigarettes gives a gain of at least 1,5 lari (\$0.57), that's urge people to risk," said a Gali resident to DFWatch.

"If you cross the [Enguri] bridge, everyone is being checked. If you've ever been caught, there is barely another chance. People resort to different methods in order to evade the arrest. If detained, the fine depends on the amount of cigarettes smuggled. The punishment is decided by the court [in Zugdidi]. Sometimes [the judge] rules leniently, taking into account the context, but sometimes punishment is quite harsh," he said (*DFWatch.net, October 20, 2018*).

Foreign Affairs

4. US gives two patrol boats to Georgia on 20th anniversary of Georgian Coast Guard

The US government has given Georgia two Island-class patrol boats on the 20th anniversary of the Georgian Coast Guard.

Georgian top officials and acting US ambassador to Georgia Elisabeth Rood arrived in the country's western coastal town of Poti to attend the ceremony for the event.

Georgia PM Mamuka Bakhtadze and Interior Minister Giorgi Gakharia thanked the US government for its continued support for Georgia and stated that the boats will play important roles in Black Sea coast security *(Agenda.ge, October 18, 2018)*.

5. Moscow says Georgia does not try to reduce tensions in "border" areas with Abkhazia, "South Ossetia"

Georgia does not show a willingness to work together with Abkhazia and South Ossetia to reduce tensions in the border areas, - Russian Foreign Ministry spokesperson Maria Zakharova said in a statement on October 18.

"In order to prevent detentions, it's necessary to inform people about the new border lines and the rules, required for crossing them. The Incident Prevention and Response Mechanism of Georgia-Abkhazia and Georgia-South Ossetia show that in the areas where there are fences and information stands, the number of unintended violations is reduced and the number of detentions are also decreased. Regrettably, Georgian partners are still not ready to be involved in the joint work, which will actually reduce the tension in the border areas. The efforts of Abkhazia and South Ossetia, which unintentionally install the warning signs and fences, are not sufficient for effective prevention of such incidents, "the statement reads.

The Russian Foreign Ministry explains that the "borders between Georgia and Abkhazia and Georgia and South Ossetia are interpreted inhomogeneity.

"People who are on different sides of the state border are not to blame and have the right to require new conditions of life to be clear, as life continues. They often unintentionally cross the border lines of a new state," the statement reads *(IPN.Ge, October 18, 2018)*.

6. Georgia MFA: statements of Russian Foreign Ministry spokesperson are cynical

Georgian Ministry of Foreign Affairs says that recent statements made by Spokeswoman of the Russian Foreign Ministry Maria Zakharova are cynical, as the latter said yesterday that the government of Georgia should "raise its citizens' awareness regarding the border lines to avoid their detentions for illegal border crossings".

The statement is an attempt by Russia to justify the illegal detentions of the Georgian conflictaffected population, their abductions, ethnic discrimination, torture, inhumane and abusive treatment, as well as the violation of other, fundamental human rights," representative of the Georgian Foreign Ministry Vladimir Konstantinidi stated *(Agenda.ge, October 19, 2018)*.

7. Putin claims 'alarming genetic research' being conducted in US-built lab in Tbilisi

Russian President Vladimir Putin says that he has heard information about genetic research being conducted at the US-built, Tbilisi-based Lugar Centre and added that if the information is valid the news is "alarming."

He stated in Sochi during a session of the Russian-based think tank Valdai Club yesterday, that the research, "which is allegedly being made on dogs and rats, aims to produce substances that will be able to totally change the human appearance."

Tbilisi has responded to the statements by saying that they are far from reality and only serve Russian foreign policy aims.

However, Georgian Health Minister David Sergeenko has stated that his body has already made a decision to ask the World Health Organisation to send a mission in Georgia, "which will completely study the activities of the Lugar Centre." (Agenda.ge, October 19, 2018).

8. Zurab Abashidze comments on Vladimer Putin's remarks about Lugar Laboratory

"We have repeatedly announced that the Lugar Laboratory, which represents Georgia's property and is financed by our Government, is conducting scientific research activities transparently. The information, disseminated by Russian state agencies and media about the so-called closed experiments, is totally groundless. The laboratory doors are open for foreign experts and scientists who often visit this center. In mid-November Georgia and Germany jointly conduct an international seminar, which participants from over 20 countries, will be provided with full information about Lugar Laboratory. Regrettably, the Russian side refused to participate in the seminar despite the invitation. We confirm our rediness for carrying out the monitoring of the Lugar Laboratory through the international mechanisms and with involvement of high level experts, "said Zurab Abashidze *(IPN.ge, October 19, 2018).*

9. Two Georgians accused of illegally transporting migrants detained in Italy

According to Ambebi.ge, Italian law enforcers detained Georgians, when they crossed the Italian border with a 14-meter boat with 71 migrnats on board, allegedly of Pakistani origin.

The boat has been confiscated and the migrants have been transferred to migrants' temporary placement center. The detainees do not plead guilty. Georgians have been arrested two more times on the same charges for the last several months *(IPN.Ge, October 19, 2018)*.

10. Kurt Walker: The Kremlin thinks it has a right to indicate Ukraine and Georgia that they should not join NATO

"Russia still thinks that it can prevent other countries from making a decision on joining NATO. These countries should make similar decisions independently, as it happened in Ukraine and Georgia," said Kurt Walker, Special Representative of the US Department of State in Ukraine, stated in the Atlantic Council.

According to him, there is a strong principle in NATO – attacking one of the member states means attacking all members of the alliance, but this is not aggression or threatening, this is defense.

11. Presidential elections are very important and the west is observing it carefully - Francis Fukuyama

During his visit to Georgia Francis Fukuyama will hold course of public meetings discussing his new book about political populism that initiated massive raise of ultra-right wing political parties and movement.

He also touched the election process in Georgia. "This is very important elections for Georgia and the west is observing it carefully."

In 2016 President Giorgi Margvelashvili has awarded Prof. Francis Fukuyama with the Order of Honor for his role in the development of democracy and effective governance.

Fukuyama is considered as one of the influential authors and scientists among liberal wing of Georgian politicians (Rustavi 2, October 21, 2018).

Internal Affairs

12. Georgian Dream survey results : Salome Zurabishvili receives 53 percent of the votes

According to the survey, conducted by the "Georgian Dream", presidential candidate Salome Zurabishvili will win 53 percent of the votes in the first round of Georgia's presidential election, - Mamuka Mdinaradze, one of the leaders if the party, stated about it at a news conference on Thursday.

He said the internal survey results show that Grigol Vashadze, presidential candidate of the United Opposition, will be the second with 19 percent, followed by Davit Bakradze – with 11 percent.

Since there is a high interest of the media and society, we have made a decision to make the survey results public. According to the study, without so-called "A" location, 27% of the respondents vote for Salome Zurabishvili, 10 %- for Grigol Vashadze and 9 % - for Davit Bakradze, 6 %- for other candidates. 48 % of the respondents do not plan to cast a vote or have not decided whom to vote for.

The survey results according to "A" location are the following - Salome Zurabishvili tops the election with 53%, she is followed by presidential candidate Grigol Vashadze - with 19%, and Davit Bakradze is the third with 17%, as for other candidates, they have the support of 11% of the voters", - Mamuka Mdinaradze said *(IPN.Ge, October 18, 2018)*.

13. EU Ambassador expresses concern that presidential candidates do not focus on pre-election programs

"It's regrettable that the presidential candidates do not focus on pre-election programs. The President of Georgia will have enormous opportunities to become a unifying power and at the same time to act on the international arena. The president's institute is very important in various directions. No one talks about what this institution means. It's a bit strange for me," the EU Ambassador said.

Carl Hartzell also noted that there is a rough pre-election environment in the country.

"I think the presidential candidates have a general desire to calm the tensions in order to ensure more constructive discussion around the elections, but it's hard to do it in the existing environment," Carl Hartzell added *(IPN.Ge, October 18, 2018)*.

14. 200 minibuses and 100 buses fail vehicle inspections in Tbilisi

About 200 yellow minibuses and 100 buses failed inspections and are banned from use on roads, announces Transport Department of Tbilisi City Hall.

The Transport Department announced that the number of minibuses might be reduced when more new MAN buses are brought to Tbilisi. As promised, by the end of 2019 all old buses will have been replaced by new ones (Agenda.ge, October 19, 2018).

15. Supreme Court leaves ex-official in prison for notorious murder case in 2006

The Georgian Supreme Court has left the previous verdict the Tbilisi City Court in power and said that two former high-rank officials, under the United National Movement leadership, are guilty in the murder of three young men back in 2006.

The court stated that former head of the Constitutional Security Department of the Ministry of Internal Affairs, David Akhalaia, exceeded his official powers, committed murder and then fabricated evidence in the wake of the "brutal murder of three youngsters" in the outskirts of capital Tbilisi in 2006. Akhalaia is a wanted man in Georgia.

For the charges, Akhalaia was sentenced in absentia to 12 years in prison and was deprived of taking a state posts for two years following his release *(Agenda.ge, October 19, 2018)*.

16. Grigol Vashadze will be registered on the ballot papers on behalf of UNM - Vashadze accuses the CEC of illegal decision making

"The CEC is directly performing illegal tasks of Georgian Dream," - said one of the leaders of the United Opposition Giorgi Vashadze at the special briefing.

According to him, the CEC has made an illegal decision and Grigol Vashadze will not be a presidential candidate of the United Opposition "Force in Unity" in the ballot papers.

Giorgi Vashadze says that according to the unlawful decision of the Central Election Commission, Grigol Vashadze will be registered in the ballots as the presidential candidate of UNM.

According to Giorgi Vashadze, the government tries to portray the struggle of the United Opposition with the Georgian Dream as a battle of two parties. Vashadze says that the United Opposition will appeal this decision (*Rustavi 2, October 19, 2018*).

17. Central Election Commission Chairwoman calls decision on Grigol Vashadze legal

This was a legal decision, because the election code does not allow a candidate to change a name in the presidential election, - the Chairwoman of the Central Election Commission, Tamar Zhvania, said about the decision, according to which, presidential candidate Grigol Vashadze was refused to participate in the elections under the name of Power is in Unity *(IPN.ge, October 19, 2018)*.

18. "The only political force interested in a turmoil is the" National Movement "- ruling team

"The only political force interested in turmoil and chaos before the elections is the ," National Movement. "I am sure that they have no chance to win under the conditions of free and democratic elections," Eka Beselia said.

Members of the parliamentary majority also name secret recordings as part of an attempt to destabilize.

"This destabilization is not just a separate demonstration, or what actions have taken place, including on your part, it was a stream of deliberately planned provocations, the flow of records, "- Mamuka Mdinaradze said *(Rustavi 2, October 19, 2018)*.

19. MIA arrests 10 individuals for kidnapping a citizen from Tbilisi

The Ministry of Internal Affairs has detained 10 members of a criminal group responsible for kidnapping a Georgian citizen in Tbilisi. The arrested individuals face nine to 14 years of imprisonment.

The investigators said that the criminal gang kidnapped a Georgian citizen born in 1995. The father of the kidnapped individual has reported to the police that the criminals demanded a large amount of money from him as a ransom by phone. Otherwise they threatened to kill his son.

The Georgian media reports that the amount of the demanded ransom was about three million GEL (more than 1.1 million USD).

The police found the kidnapped individual in a village in Imereti in western Georgia and returned him to safety (Agenda.ge, October 19, 2018).

20. Presidential candidate and up to 10 people detained over Tbilisi cannabis legalization festival

Zurab Japaridze, the founder of the opposition party Girchi and the presidential candidate for the elections which are scheduled in one week, has been arrested at the cannabis legalization festival at Dedaena Park today.

Just before the arrest the presidential candidate was seen giving out three cannabis joints. The Georgian media has reported that while holding the 'joints' he told the people attending the event that he was waiting for a police reaction as his action was illegal (Agenda.ge, October 20, 2018).

21. Georgian presidential candidate, supporters detained at cannabis rally freed

Georgian presidential candidate from Girchi party Zurab Japaridze and his supporters were released last night shortly after being detained at a cannons rally in Tbilisi.

"Thanks to the Ministry of Internal Affairs, we will all sleep in our homes tonight," the official Facebook page of Girchi wrote.

Eight individuals including Japaridze were taken into custody by police and searched. The MIA said that two detainees were found with a small amount of marijuana.

"Fighting against the popularisation of the use of narcotics including marijuana is one of the major priorities of the Ministry of Internal Affairs. Any attempt at the public popularisation of narcotics will be immediately prevented by law enforcement," the MIA said in a statement today *(Agenda.ge, October 21, 2018)*.

* Economy and Social Affairs

22. Austrian Development Agency offers €4 mln for organic farming development in Georgia

The Austrian Development Agency has allocated about $\notin 4$ million to help Georgia develop organic farming.

One of the initiatives that is planned for developing organic farming in Georgia is to liberalise the tax regime.

First Deputy Agriculture Minister Nodar Kereselidze said that organic farming is an important component of the green economy that the Georgian government has been developing in the country (Agenda.ge, October 18, 2018).

23. Tbilisi hosting EBRD Trade Finance Forum

Georgia's capital of Tbilisi is hosting the 2018 European Bank for Reconstruction and Development (EBRD) Trade Finance Forum and 200 participants from 40 countries.

Georgian Economy Minister Giorgi Kobulia opened the forum today, saying that trade will always be a very significant sector for Georgia.

We are a small economy and the development of the export and export production are the keys for a successful economy. Therefore, the development of and contribution from trade finance mechanisms is of the utmost importance for Georgia", Kobulia said *(Agenda.ge, October 18, 2018)*.

24. KazTransGas Tbilisi sells for \$40 million, reports Kazakh media

KazTransGas Tbilisi, which is the affiliate of Kazakh gas company KazTransGas, has been sold for \$40 million, reports Kazakh news agency abctv.kz.

Abctv.kz reports that by selling the Georgian company, the Kazakh side has absorbed significant financial damage, as its initial investment was \$160 million.

The new owner of the Tbilisi gas distribution company is Waltbay LTD, which belongs to the Georgian investment group CBS.

Earlier, Forbes.kz wrote that Georgian Industrial Group intended to purchase KazTransGas Tbilisi (Agenda.ge, October 18, 2018).

25. Georgian exports to EU countries worth \$533 mln in Jan-Sept 2018

Georgia is strengthening trade relations with the European Union (EU), to where in January-September of 2018 exports from Georgia amounted to 533 million – 13.2% higher year-on-year.

In the reporting period imports reached \$1.95 billion (21.5% higher), show the data from the National Statistics Office of Georgia (Geostat).

Overall, in January-September 2018, trade turnover with EU countries increased by 19.6% y/y and amounted to \$2.48 billion.

Turkey (\$1.12 billion), Russia (\$879.8 million) and China (\$727.3 million) were Georgia's top trade partners in January-September 2018, said Geostat *(Agenda.ge, October 19, 2018)*.

26. Georgia enjoys record grape harvest in 2018, farmers generate 300 mln GEL

Over 230,000 tonnes of grape have been processed during the grape harvest of 2018 and the income of 22,000 grape growers exceeded over 300 million GEL, announces Agriculture Minister of Georgia Levan Davitashvili, who says this result is a record high.

Such an amount of harvested grapes has not been processed in Georgia since independence. Georgia wine export is also at a record high. We expect to export 100 million bottles of Georgia wine in 2018", said Davitashvili *(Agenda.ge, October 19, 2018)*.

27. Number of foreigners visiting Georgia's protected areas up by 27% y/y

Protected areas in Georgia have hosted 974,827 visitors in January-September, which is a 14% increase in comparison to the same period of last year. More than half (52%) of total visitors were Georgians.

The number of foreign visitors has shown a 27% increase y/y, the Agency of Protected Areas reported. The majority of foreign visitors were from Germany, Poland, Israel, Ukraine and Russia *(Agenda.ge, October 20, 2018)*.

Additional Information

October 22, 2018 OFFICIAL EXCHANGE RATES 1 USD - 2.6972 GEL 1 GBP - 3.5155 GEL 1 EUR - 3.0921 GEL 1 TRY - 0.4796 GEL 100 JPY - 2.3999 GEL						
	Monday 22 October	Tuesday 23 October	Wednesday 24 October	Thursday 25 October	Friday 26 October	
	10°21°	12°23°	11°22°	11°22°	7°15°	
 Movie Events - English Sessions - <u>Tickets</u> Friends of Museum (Membership to access Georgian National Museums For free of charge after one payment) - <u>Membership</u> 						
 Marjanishvili Theatre – <u>Events and Tickets</u> Rustaveli Theatre - <u>Events and Tickets</u> 						
 Opera and Ballet – Events and Tickets 						
Í.	 Concerts – Events and Tickets 					
Sports – Events and Tickets						