

# NEWS DIGEST ON GEORGIA

January 8-9

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## ❖ Foreign Affairs

### 1. Georgia takes 51st place in Henley Passport index

Georgia goes into the new year holding 51st place on the Henley Passport index, with citizens enjoying visa-free/visa-on-arrival access to 114 destinations – two countries more than in 2018.

The Henley Passport Index is the original ranking of all the world's passports according to the number of destinations their holders can access without first getting a visa.

Georgia's Foreign Ministry considers collaboration with other countries a priority and signed travel procedure agreements with six countries in 2018. Some of them are already in force while with other negotiations continue, which should be reflected in next year's report.

As for Georgia's neighbouring countries Armenia ranks 79 (access to 61 destinations), Azerbaijan – 74 (66 destinations), Turkey – 52 (111 destinations), Russia 48 (119 destinations) (*Agenda.ge, January 9, 2019*).

### 2. Deputy FM visits US to discuss strategic partnership goals

Deputy Foreign Minister of Georgia Lasha Darsalia is visiting the US on January 8-10 to discuss bilateral cooperation prospects with the representatives of the US government and think tanks.

At the meetings held in Washington DC the two parties have discussed further steps in the bilateral strategic partnership process.

"The US is our major ally which supports Georgia's sovereignty and territorial integrity. At the meetings we have discussed different topics including Russia-Georgia conflict and difficult situation in Georgia's occupied territories. We have also set certain goals for the current year in our bilateral relations," Lasha Darsalia said (*Agenda.ge, January 9, 2019*).

### 3. EIU's Democratic Index report : Georgia suffering the steepest drop in democratic quality in eastern Europe

According to the statistics for the Democracy Index 2018, published by Economist Intelligence Unit (EIU), recent presidential election squabbles led to Georgia suffering the steepest drop in democratic quality in eastern Europe.

Georgia has 5.93 points within the index, while it lowered at 5.50 points in 2018. It should be noted that Georgia still remains in the list of "hybrid regimes" countries (*Ipn.ge, January 9, 2019*).

## ❖ Internal Affairs

### 4. More than 80% of Georgian officials' 2018 property declarations contained violations

The Georgian Civil Service Bureau has checked 448 property declarations of public servants and state officials last year and reports that 379 of them included violations.

Violations included: indication of inaccurate size of real estate, undeclared real estate, inaccurate bank accounts, undeclared bank accounts and others.

31 of the 379 declarations had minor violations: these individuals received only verbal warnings, while others whose declarations included inaccurate information have been fined (*Agenda.ge, January 8, 2019*).

#### **5. Ruling party says accelerated discussion of controversial list of judges not on the agenda**

Georgian Dream ruling party leaders say that the controversial list of ten judges for the Supreme Court of Georgia will not be discussed in an accelerated manner and discussions around the issue will take place in the spring.

The statement came after today's meeting of ruling party members in the village of Kachreti, in eastern Georgia.

The ruling Georgian Dream group leader in parliament Mamuka Mdinardze told the media that the parliament must discuss the case of each judge separately and cautiously, as the lifetime appointment of judges in the Supreme Court is a "very significant issue." (*Agenda.ge, January 8, 2019*).

#### **6. Georgia to purchase double amount of anti-flu vaccines for 2019-20**

Georgia will purchase double amount of anti-flu vaccines for 2019-2020 and this will be 80,000 vaccines instead of the 41,000 which were purchased for 2018-2019, head of the National Disease Control Centre Amiran Gamkrelidze has told Netgazeti.

The supply we had for 2018-2019 is almost used. In the autumn, before the new season, we will purchase 80,000 vaccines," Gamkrelidze stated amid the spread of acute respiratory illness H1NI in Georgia, which has claimed more than 10 lives this winter.

Flu vaccines cause antibodies to develop in the body about two weeks after the vaccination takes place (*Agenda.ge, January 8, 2019*).

#### **7. Flu in Georgia: school semester postponed, 640 being treated in hospitals**

Studies at Georgian public schools and kindergartens have been postponed until January 21 due to the spread of flu.

Up to 640 people are being treated in the country's hospitals for the virus, 39 of them are receiving critical care. According to official data 10 have lost their lives to the swine flu. A child and a young woman also died yesterday as they had suffered the symptoms of flu. However, it has not been yet confirmed in a lab that the reason of the deaths was also swine flu.

The Georgian Education Ministry has stated today that they will observe the situation during the time studies are postponed.

The ministry has recommended the leadership of all public schools to carry out disinfection activities. Georgian Health Minister Sergeenko said that 45 per cent of patients consulted a doctor immediately after detecting the symptoms of flu and respiratory infection.

#### **8. Georgian Prosecutor's Office investigates money laundering scheme involving TBC Bank**

The Georgian Chief Prosecutor's Office has stated that it started an investigation into money laundering involving TBC Bank in August 2018.

The office says that its Financial Monitoring Service launched a study of financial assets of TBC Bank, its client companies, bank administrators and particular shareholders in May 2018, which revealed that there were "signs of money laundering".

The monitoring service then sent the materials to the National of Bank of Georgia and addressed the Prosecutor's Office to take further steps.

We launched the investigation into money laundering on 2 August 2018. The case concerns developments in 2008, when LTD Samgori M and LTD Samgori Trade received a 17 million USD loan in an accelerated manner from TBC Bank without providing any real estate," the Prosecutor's Office says.

The office reports that when the money was placed on the accounts of the companies, head of TBC Mamuka Khazaradze and another representative of the bank Badri Japaridze took the same amount of loan as physical entities from TBC.

The Prosecutor's Office says that at the end of 2008, TBC, without providing any genuine reasons, wrote off the debt of the companies and in 2012 completely freed the companies from any financial obligations before the bank.

The Prosecutor's Office says that Khazaradze and other individuals related to the case have already been questioned (*Agenda.ge, January 9, 2019*).

#### **9. Salome Zurabishvili, two opposition parties received GEL 1 million each from state budget**

"The electoral subjects have already received money to cover their election expenses. The candidates, who obtained at least 10% of votes [in presidential elections], received the reimbursement. Accordingly, Salome Zurabishvili, "European Georgia" and "National Movement" received it," Ana Mikeladze said (*Ipn.ge, January 9, 2019*).

#### **10. President Zurabishvili pays off "Cartu" bank loan**

President Salome Zurabishvili received GEL 1 million from the state budget. According to the "Election Code", the candidate who obtains at least 10% of votes in elections, can receive GEL million from the state budget to cover election expenses (*Ipn.ge, January 9, 2019*).

## **❖ Economy and Social Affairs**

#### **11. Cigarette prices increase in Georgia by an average of 50 tetri**

Cigarette prices have increased by an average of 50 tetri (about \$0.19/€0.16) in Georgia following amendments to the Tax Code that came into play on January 1, providing for an increase of ad valorem tax on cigarettes from 10% to 30%.

Also from January 1, 2019, the excise tax on tobacco became equal to filtered and non-filtered cigarette and totaled 1.70 tetri (about \$0.63/€0.56) per 20 cigarettes. Before, the excise tax on non-filtered cigarette was 60 tetri (about \$0.22/€0.20).

The cost of a pack of Winston cigarettes has risen from 4.30 GEL (about \$1.61/€1.41) to 4.80 GEL (about \$1.80/€1.57), the price of Camels increased from 4.00 GEL (about \$1.50/€1.31) to 4.50 GEL (about \$1.68/€1.47) and Magna from 3.70 GEL (about \$1.38/€1.21) to 4.20 (about \$1.57/€1.37)GEL (*Agenda.ge, January 9, 2019*).

#### **12. Heavy snow blocks two Georgian customs checkpoints, main roads**

Heavy snowfall has temporarily shut down Georgian customs services at the Georgian-Russian and Georgian-Armenian borders and caused traffic problems on several international roads. The Dariali and Kartsakhi customs checkpoints are on emergency alert for the whole day.

Heavy snow, strong wind and risk of avalanche have made it impossible for cars to move in and out of Georgia at some points.

Roads are closed at the Gudauri-Kobi section of the Mtskheta-Stepantsinda-Larsi highway due to avalanche danger. The Akhalkalaki-Kartsakhi highway is closed to trailers, semi-trailers and buses with more than 30 seats, while movement is open to regular cars (*Agenda.ge, January 9, 2019*).

### **13. Georgia's Batumi seaside city in NY Times' '62 Places to Go in 2019'**

Georgia's Black Sea destination Batumi has been selected by The New York Times as one of 52 locations to visit this year, picked alongside places like Aberdeen, Scotland and Calgary, Canada.

The city - a major local seaside hub of the Adjara province known for its diverse landscape - has seen wider recognition of its tourist potential over the past few years, including in Airbnb's '19 destinations to visit in 2019' list.

Its selection for The New York Times travel advice reflects the city's natural surroundings and hospitality attractions (*Agenda.ge, January 9, 2019*).

### **14. Georgia's central bank purchases \$10 mln at foreign exchange auction**

The National Bank of Georgia (NBG) has purchased 10 million dollars at foreign exchange auction to control the national currency's changing value against the US dollar. The weighted average exchange rate was 2.6684 GEL for every 1 USD.

In the first nine days of 2019 the NBG purchased \$25 million at foreign exchange auction, while in 2018 the NBG purchased \$197 million in total.

Currency reserves reached a historic high since the independence of Georgia in December of 2018 when the currency reserves increased by \$201 million to \$3,289,847,600. Despite this record currency reserves remain at the same level as in 2013 (*Agenda.ge, January 9, 2019*).

## **❖ Sports and Culture**

### **15. Opera star Anita Rachvelishvili receives critical acclaim for Metropolitan Opera role**

Georgia's internationally recognised mezzo-soprano Anita Rachvelishvili has drawn praise from classical music critics for her "show-stopping" debut in Adriana Lecouvreur at New York's Metropolitan Opera House.

Appearing as Principessa di Bouillon, one of major protagonists of the opera by Francesco Cilea, Rachvelishvili's performance was noted by critics of The Washington Post, The New York Times and the Operawire review website.

[T]he real showstopper was not [Anna] Netrebko, fine as she often was, but the mezzo-soprano Anita Rachvelishvili as Adriana's rival and poisoner, the Princess of Bouillon, singing with an old-school blood-and-guts approach in a voice several sizes larger than that of anyone else onstage, to the loud delight of the audience," Anne Midgette said in her piece for The Post (*Agenda.ge, January 8, 2019*).

## **Additional Information**

## January 10, 2019

### OFFICIAL EXCHANGE RATES

1 USD - 2.6675 GEL

1 GBP - 3.3939 GEL

100 RUB - 3.9804 GEL

1 EUR - 3.0543 GEL

1 TRY - 0.4835 GEL

100 JPY - 2.4493 GEL

Thursday 10 January	Friday 11 January	Saturday 12 January	Sunday 13 January	Monday 14 January
				
-3° 6°	-2° 8°	-1° 9°	-1° 9°	0° 9°

- **Movie Events - English Sessions - [Tickets](#)**
- **Friends of Museum (Membership to access Georgian National Museums For free of charge after one payment) - [Membership](#)**
- **Marjanishvili Theatre – [Events and Tickets](#)**
- **Rustaveli Theatre - [Events and Tickets](#)**
- **Opera and Ballet – [Events and Tickets](#)**
- **Concerts – [Events and Tickets](#)**
- **Sports – [Events and Tickets](#)**