NEWS DIGEST ON GEORGIA

January 11-13

Compiled by: Aleksandre Davitashvili Date: January 14, 2019

❖ Occupied Regions

1. De-facto president of occupied Tskhinvali meets with President of Salvador

Anatoly Bibilov, de facto president of occupied South Ossetia, who is paying a "visit" to Venezuela, has met with Salvador Sánchez Cerén, President of Salvador.

"We have a lot in common, including the fight for the independence of Salvador as well as for South Ossetia. Salvador has gained a great respect in this struggle. I hope our familiarity will grow into friendship," Bibilov said.

Salvador Sánchez Cerén said that Salvador develops its ties with friendly nations across the world (*Ipn.ge, January 10, 2018*).

2. De facto leaderships of Georgian occupied regions close so-called border due to flu

De facto leaderships of two Georgian occupied regions of Abkhazia and Tskhinvali (South Ossetia) have decided to close the so-called border with the rest of Georgia to "avoid the spread of H1NI," the flu which has claimed 15 lives in Georgia.

Only those having the "passport of Abkhazia" and people who are employed in the Enguri power station are allowed to enter the Abkhazia region.

The same decision has been made today by another occupied region Tskhinvali, and announced that the "border will be temporarily closed from 8 pm today." (Agenda.ge, January 11, 2018).

3. Georgian government concerned by closure of so-called border by de-facto leadership of Abkhazia and Tskhinvali

"The situation in Georgia is not an epidemic and on the other hand, this flu is spreading in many other countries including Russia. We always care about our citizens in Abkhazia and Tskhinvali and we could help them as well in case of a spread of the flu with necessary medication. Closing the so-called border does not have any justification. This will serve as an additional restriction for people to whom moving around the so-called border is vitally important," Tsikhelashvili said (Agenda.ge, January 12, 2018).

Foreign Affairs

4. Georgia does not recognize legitimacy of Nicolas Maduro as President of Venezuela

Georgia shares the position of the international community and says that the country does not recognize the legitimacy of Nicolas Maduro as the president of Venezuela.

Maduro's re-election in May 2018 was widely criticised by foreign nations and organisations, with numerous reports and statements regarding coercion, electoral rigging and fraud. Maduro is set to be inaugurated today for the second time, extending his term in office to 2025.

"The elections in Venezuela were conducted in an unequal, unfair and non-democratic environment," the Georgian Foreign Ministry says.

Georgia has many times expressed a critical position regarding the violation of election and other rights of the Venezuelan people. Georgia joins the international community and condemns actions which aim to further complicate humanitarian crisis and encourage violence," the Foreign Ministry says (Agenda.ge, January 10, 2019).

5. Georgia grants asylum to 82 foreign citizens

The majority of the people granted asylum in Georgia were citizens of:

Egypt – 20 citizens (status of refugee)

Yemen – 18 citizens (humanitarian status)

Iraq – 15 (status of refugee)

On the other hand, the smallest number of citizens granted asylum by Georgia came from:

Somali (one person)

Russia (one person)

Pakistan (one person)

During the same period, 940 people sought asylum in Georgia, including 216 citizens of Iran, 76 from Yemen and 72 Iraqis (Agenda.ge, January 11, 2019).

6. Georgian President Zurabishvili holds 1st meeting with media, names top three foreign priorities

Zurabishvili said her three top foreign priorities include:

- Raising Georgian issues more intensively on the international arena.
- Further enhancing Georgia-EU relations.
- > Supporting closer relations with representatives of the Georgian diaspora.

She said that her first foreign destination as the president will be Brussels. "I will hold my first meetings abroad at the headquarters of the EU and the NATO," Zurabishvili said (Agenda.ge, January 11, 2019).

Internal Affairs

7. Ruling party founder Ivanishvili reveals his view on recent turmoil on judges for Supreme

Head of the ruling Georgian Dream party political council and the founder of the party Bidzina Ivanishvili has revealed his view regarding the controversial issue of the nomination of ten judges for the Supreme Court of Georgia at the end of December.

In a statement released today, Ivanishvili also criticized former head of Parliament's Legal Affairs Committee Eka Beselia, who stated on 27 December that she left her post because of the list of "controversial judges who are linked with politically motivated cases."

Ivanishvili stated that the 24 December decision of the High Council of Justice, an independent body responsible for the appointment of judges in the country to nominate judges for lifetime positions on the Supreme Court in an accelerated manner had "objective grounds," as currently there are 10 judges instead of 28 on the court to deal with issues.

"However, despite this, I believe that the ruling party in the parliament made a reasonable decision to postpone discussions on the list of judges until the spring session. We respect different views and the High Council of Justice also took the decision with understanding," statement reads (Agenda.ge, January 10, 2019).

8. Gigi Ugulava: Ivanishvili's statement shows what we already knew - Ivanishvili submitted that list and it has not been withdrawn

"This is shameful hypocrisy and gossiping in the Dream. People want to know if these life-long monsters will be appointed as judges. This statement shows what we already knew - Ivanishvili submitted that list and it has not been withdrawn. This is a red line! If we want to get a result on this issue, we should organize non-party civic consolidation," Ugulava said (*Ipn.ge, January 10, 2019*).

9. Gedevan Popkhadze: We could not receive an answer to the main question – whether Ivanishvili supports the list of judicial candidates

"We are interested in his public attitude towards this list. There are people in the team who are loyal to the list and there are people who are principally opposing it. The unity of our team is commitment to the values that we won in the elections of 1 October 2012. My team is the people who had been praying for our victory with a candle in their hands in prison. This is our team that we will never betray. For these people it is unacceptable to appoint Saakashvili's judges. Vano Zardiashvili is not my team and I do not have anything in common with Zardiashvili. If they make a decision that Gedevan Popkhadze should not be in the Dream, they will take a step against those who had been fighting with us and they will also leave the team," said Popkhadze (*Ipn.ge, January 10, 2019*).

10. Irakli Kobakhidze says it is legally impossible to withdraw judicial candidates from Parliament

"The procedure for the selection of judges of the Supreme Court is political and therefore it must be in line with the logic that is relevant to the constitutional-legal procedure. However, I will repeat once more that we will discuss the procedure and criteria in detail and after that we will make a decision. All this will have counterforce with regard to the submitted candidates. It is impossible to withdraw the list of candidates. This is a shortcoming of the legislation. This is a principle norm related to all constitutional procedures, be it submission of judicial candidates, government or auditor general. Withdrawal is impossible, but the procedure and the criteria will be retroactive for the candidates submitted by the Council of Justice in December, "said Irakli Kobakhidze (*Ipn.ge, January 12, 2019*).

11. Irakli Kobakhidze: The principle of teamwork has been violated several times, we will look at how the processes will continue

"A lot of MPs had different positions regarding the court's case, including regarding the terms, list and so on. Many such MPs were in the team, but we have not considered any sanction against them, because we respect the diversity of opinions. Differences in the inside of the team naturally cannot become the basis for certain sanctions or any other similar approach. Such a thing may be on the agenda only if an MP violates the principle of teamwork." – Kobakhidze said (*Ipn.ge, January 12, 2019*).

12. Georgian presidential administration begins staff restructuring process

The Georgian presidential administration is undergoing a staff restructuring, which will cut the number of employees within the body to 60. The restructuration will be carried out in two stages.

During the first stage, which will begin on 15 January, vacancies will be announced for all positions within the presidential administration for all current employees.

During the second stage of the process, which will begin on 15 February, those who meet the necessary criteria and have higher qualifications will be re-employed at the presidential administration, while others will be offered jobs at other state institutions (Agenda.ge, January 10, 2019).

13. Georgian PM: all citizens will receive anti-flu drug Tamiflu free of charge

Georgian Prime Minister Mamuka Bakhtadze has stated that the state will cover the expenses for anti-flu medicine Tamiflu and Georgian citizens in need of the medicine will receive it free of charge, Georgian Health Minister David Sergeenko stated today.

Sergeenko said that the state budget will also cover expenses for emergency services for all citizens "to prevent fatalities."

The Prime Minister phoned me late yesterday and informed me. The initiatives will come into play from Monday, I believe. The decision is one more proof that the main value for the government is the people and their health," Sergeenko said.

Up to now the medicine was free of charge only for pregnant women, children, the socially vulnerable and people with chronic illnesses (Agenda.ge, January 11, 2019).

14. New construction regulations come into play in Georgia on January 15

Starting 15 January, new technical regulations for the production of cement products, steel frames, electric cables and plastic pipes will come into play.

The updated technical regulations have been based on the best practices of the developed countries of the European Union, says the Technical and Construction Supervision Agency of Georgia.

The new construction regulations are part of Georgia's obligations to the EU within its Association Agreement and part of the Deep and Comprehensive Free Trade Deal as well.

Following the regulations, importers of construction materials are obliged to submit a declaration of the characteristics of the imported product to the Revenue Service of Georgia (Agenda.ge, January 11, 2019).

15. Anaklia Development project is the reason for TBC's case

Weekly Newspaper Kviris Palitra reports that the reason behind investigation in TBC bank and remembering violations that happened 10 years ago is standing Anaklia Development Project. Almost everyone knows that Kvirikashvili, former PM had good relations with Mamuka Khazaradze, head of the board of TBC bank and rumors are saying that Kvirikashvili had helped Khazaradze to obtain Anaklia Deep Sea project. Source of Kviris Palitra is saying that case against TBC and Khazaradze had started after the personal request of Ivanishvili. It was followed by sponsored anti-PR campaign against Khazaradze (Kviris Palitra, January 14, 2018).

Economy and Social Affairs

16. World Bank forecasts 5% economic growth for Georgia in 2019

The World Bank forecasts 5% economic growth in Georgia in 2019, 5% in 2020 and again 5% in 2021, shows the Global Economic Prospects report of the World Bank.

As for Georgia's neighbouring countries, Armenia will experience 4.3% economic growth, Azerbaijan – 3.6% growth, Russia – 1.5% growth and Turkey – 1.6% growth.

Compared to the previous report which was published in June 2018, the World Bank moved its forecast up by 0.8 percentage points for 2018 and by 0.2 percentage points for 2019 (Agenda.ge, January 10, 2019).

17. Georgia's Black Sea region hosts almost 2 mln travellers in 2018

Georgia's Black Sea region of Adjara attracted 1,931,179 international travellers in 2018, 14.7% more compared to 2017, announces the Department of Tourism and Resorts of Adjara Autonomous Republic (Agenda.ge, January 10, 2019).

18. Georgia's statistics office sums up 2018

The director of the National Statistics Office of Georgia (Geostat) Gogita Todradze summirised 2018 and highlighted Georgia's main statistical data from the past year earlier today.

Todradze said that in the first 11 months of 2018 Georgia's economy grew 4.7%. He said that in the reporting period indicators for both exports and imports.

Todradze said that Georgia's exports increased to a record high in the first 11 months of 2018 by 24%.

Overall, Georgia's external trade grew by 18.6% in January-November and reached \$11.32 billion in January-November 2018, says Geostat.

During this period the value of Georgia's exports increased by 24% to \$3.03 billion, while the value of imports also increased 16.8% to \$8.29 billion (Agenda.ge, January 11, 2019).

19. Passenger traffic up by 23% at Georgian airports in 2018

The number of passengers who took regular or charter flights in Georgia's three international airports increased by 23% in 2018 compared to 2017, while the number of performed flights increased by 17%. Last year Georgian airports of Tbilisi Shota Rustaveli International Airport, Batumi International Airport and Kutaisi David Aghmashenebeli International Airport served in total 5,033,323 passengers.

More specifically:

- > Tbilisi International Airport served 3,808,619 passengers a 20.37% increase y/y
- ➤ Kutaisi International Airport served 617,373 passengers 52.37% increase
- ➤ Batumi International Airport served 598,891 passengers 20.83% increase (Agenda.ge, January 11, 2019).

20. Georgian agriculture and construction companies to profit from energy efficiency loans

The Green for Growth Fund (GGF) has provided a loan of 10 million USD to Georgia's Basisbank for supporting energy efficiency lending to large and medium-sized companies in the agriculture and construction sectors.

The synthetic GEL loan will enable BasisBank to on-lend to eligible Georgian businesses in local currency without bearing exchange rate risk upon repayment to GGF.

The loan will be further supported through tailored capacity building activities of the GGF Technical Assistance Facility to enable the lender better assess the environmental impact of its prospective investments (Agenda.ge, January 12, 2019).

Additional Information

January 14, 2019 OFFICIAL EXCHANGE RATES

 1 USD - 2.6686 GEL
 1 GBP - 3.4078 GEL
 100 RUB -3.9875 GEL

 1 EUR - 3.0766 GEL
 1 TRY - 0.4901 GEL
 100 JPY - 2.4652 GEL



- > Movie Events English Sessions <u>Tickets</u>
- > 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