NEWS DIGEST ON GEORGIA

January 14-16

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Foreign Affairs

1. NATO Military Committee Holds Session on Georgia

The Military Committee, NATO's highest military authority, discussed Georgia's progress on defense reforms and implementation of the Substantial NATO-Georgia Package at its session on Georgia on January 16.

According to the Georgian Defense Ministry, the Chief of the General Staff, Major General Vladimer Chachibaia, who attended the meeting on behalf of Georgia, briefed the NATO officials on security challenges facing the country and the region, as well as on recent achievements and future plans of NATO-Georgia cooperation.

"[At the] meeting with Georgia, the Chiefs of Defense received an update on the security situation in and around the country, the strengthening of its institutions and ongoing defense reforms," the Chairman of the Military Committee, Air Chief Marshal Sir Stuart Peach said at his press conference (*Civil.ge, January 15, 2019*).

2. Georgian Parliament Speaker meets with French counterpart in Paris

Georgian Parliament Speaker Irakli Kobakhidze has started his official visit to France with a meeting with his French counterpart, Gerard Larcher.

The top issues on the agenda were the enhancement of the political, economic and cultural relations between the countries, Georgia's integration into NATO and the EU and the current situation in the occupied regions of Georgia, Abkhazia and Tskhinvali (South Ossetia) (Agenda.ge, January 15, 2019).

3. Georgian Parliament Speaker tells French MPs that Russia has turned Georgian occupied regions into military bases

Georgian Parliament Speaker told French lawmakers today that "both occupied regions of Georgia Abkhazia and Tskhinvali (South Ossetia) have in fact become the closed military bases of Russia or service stations".

He said that despite the efforts of the Georgian government, the regions are currently unable to share in the progress the rest of Georgia has achieved.

During his speech at the Foreign Affairs Committee of the National Assembly of France, Kobakhidze noted that 20 per cent of Georgian lands are occupied by Russia and that a continuous creeping occupation on Georgian territory is also taking place *(Agenda.ge, January 16, 2019)*.

4. Georgian Vice-PM: we are waiting for the Patriarchate's decision on Ukrainian church independence

Georgian Vice-Prime Minister and Minister for Regional Development Maia Tskitishvili says that the Georgian government is waiting for the decision of the Georgian Patriarchate regarding the recently gained independence of the Ukrainian church from Russia.

"First of all, I share the view that the Georgian church should be the first in the country to share its position regarding the issue."

"On the other hand, I welcome any step which will provide opportunities for our ally state to strengthen itself as an independent country," Tskitishvili said (*Agenda.ge, January 15, 2019*).

5. Georgian, Armenian PMs hold informal meeting in Georgian town of Bolnisi

Georgian and Armenian Prime Ministers Mamuka Bakhtadze and NIkol Pashinyan met informally on Tuesday in the Georgian town of Bolnisi, which is predominantly inhabited by ethnic minorities, Armenians among them.

The goal of the visit was to meet with the local Armenian population in Georgia. Bilateral relations were disused during the meeting of Bakhtadze and Pashinyan.

Bakhtadze congratulated Pashinyan on his recent appointment to the position of prime minister and stated that he believes current bilateral relations between Georgia and Armenia will be further enhanced, the Georgian PM's press office reported.

Pashinyan thanked Bakhtadzee for the congratulation and emphasised the importance of Armenian-Georgian relations in many fields, Armenian news agency-news.am reported *(Agenda.ge, January 16, 2019)*.

6. Georgian FM on Ukrainian church independence: we welcome any step which strengthens Ukraine

Georgian Foreign Minister David Zalkaliani told journalists today that Georgia is happy about each step which strengthens the statehood of Ukraine, its independence and sovereignty.

"We are gladdened by and welcome any step that solidifies the statehood, independence, territorial integrity and sovereignty of Ukraine. This is not only welcomed in [our] declarations but confirmed by [our] actions".

"As for sending an official congratulatory letter to Kiev, Foreign Minister Zalkaliani explained that this decision should be made within the Georgian Orthodox Church and it is unacceptable for the state to interfere in the Church's affairs.

"I would like to very clearly state that the Georgian Orthodox Church is reviewing this question. Considering the canonical processes, the attitude towards the [issue] should first be determined by the Orthodox Church of Georgia. Regarding the state, it is not interfering in the activity of the Church," said Zalkaliani (Agenda.ge, January 16, 2019).

Internal Affairs

7. Parliament speaker says two formats will be created for discussions on judges

Georgian Parliament Speaker Irakli Kobakhidze says that two formats will be created to provide criteria and procedures which will remove question marks regarding the lifetime appointment of judges in courts.

The statement comes after a controversy concerning a list of judges for the Supreme Court of Georgia, which was composed by the High Council of Justice - an independent body responsible for the appointment of judges in the country on 24 December.

A working group will be created with the involvement of interested individuals and organisations to discuss procedures and criteria for the selection and appointment of judges.

The second format, which will be a parliamentary format, will also discuss the same issues. Such type of work will lead to the results which will be liked by everyone," Kobakhidze said.

8. Security Service Appoints Five New Regional Department Heads

The State Security Service, Georgia's domestic counterintelligence agency, appointed five new regional department heads on January 15.

The appointments were made in Kakheti, Kvemo Kartli, Samtskhe-Javakheti, Mtskheta Mtianeti and Shida Kartli regions, all in the east of the country.

The State Security Service said the appointments are part of a staff reshuffle process announced earlier by the agency chief, Vakhtang Gomelauri *(Civil.ge, January 15, 2019)*.

9. Newly elected Georgian president holds first working meeting with PM

Newly elected Georgian President Salome Zurabishvili has met with Georgian Prime Minister Mamuka Bakhtadze on their first working meeting today. Zurabishvili hosted the PM at the Atoneli presidential residency *(Agenda.ge, January 15, 2019)*.

10. Car sharing project coming to Georgia's capital of Tbilisi

Residents of Georgia's capital of Tbilisi will soon be able to rent electric cars scattered around the city at an affordable price as a car sharing project is starting for the first time in the capital, announces Tbilisi City Hall.

At the first stage, 300 electric cars will be available for use and three brands will be represented: Nissan Leaf, Smart and Renault.

"Over time, their number will increase in the city and the cars will be placed in every district of Tbilisi", said Tbilisi Mayor Kakha Kaladze.

The vehicles will available to users after they join a special programme and download the relevant application.

"A special application shows where the car is located, and you can use the same application to book a car, open its doors and drive a car without keys", said the company representative, which will implement the car sharing project in Tbilisi (Agenda.ge, January 15, 2019).

11. Gudauri-Kobi section of road connecting Georgia, Russia closed to all vehicles

The Gudauri-Kobi road section of the Mtskheta-Stepantsminda-Larsi route, connecting Georgia to Russia, is closed to all vehicles due to the threat of avalanche. There is a snowstorm and low visibility for now, the Road Department of Georgia says.

Vehicles from the village of Mleta, Dusheti municipality of eastern Georgia, will be allowed to move only in a non-stop regime. The restriction will be removed from the 86th section of the Mleta-Gudauri road *(Agenda.ge, January 16, 2019)*.

12. What infrastructure projects are planned for Tbilisi in 2019?

The Tbilisi public bus fleet will be completely renewed in 2019, meaning that all existing yellow buses will be replaced with new ones, which will be environment-friendly.

Metro stations and train cars will be renovated: currently the Samgori metro station is under renovation and Avlabari metro station as well. Work will be completed on 20 February.

A tender has been announced to renovate Station Square metro station as well, and will be announced for Gotsiridze, Isani, Freedom Square, Rustaveli, Marjanishvili and Tsereteli metro stations this year (Agenda.ge, January 16, 2019).

13. Prosecutorial Council Elects New Chair

On January 16, prosecutor Nana Khunjua was elected as the new chair of the Prosecutorial Council, the 15-member body in charge of nominating candidates for the chief prosecutor.

According to the Prosecutor's Office, 12 out of 15 members voted for Khunjua's candidacy. Her only opponent – defense lawyer Irma Chkadua – failed to garner sufficient votes.

Khunjua has more than 12 years' experience in working for the Prosecutor's Office. She will chair the Prosecutorial Council for a term of two years.

Justice Minister Tea Tsulukiani, who chaired the Prosecutorial Council from 2015, from the year it was established, said Khunjua's election finalizes the process of separating prosecutorial bodies from the executive branch (Agenda.ge, January 16, 2019).

14. Explosion in Didi Dighomi District, Tbilisi, Death toll rises to four

A four-year-old child has died in hospital after a Tbilisi residential building explosion rocked Tbilisi several hours ago. Doctors say the child was in a critical condition when he was brought to Imedi Clinic.

Among the injured are six minors and two middle-age individuals-a man and a woman, based on the latest information.

Georgian PM Mamuka Bakhtadze has declared 17 January as a mourning day. Flags on state buildings will fly at half-staff tomorrow.

Georgian President Salome Zurabishvili, who visited the injured children in the Iashvili Clinic, stated that their lives are not at risk.

A gas leak may have caused the explosion. Nearby buildings were also damaged in the blast, locals say. The evacuation of people from the building where the explosion took place has ended. Prime Minister Mamuka Bakhtadze and Tbilisi Mayor Kakha Kaladze were at the scene *(Agenda.ge, January 16, 2019)*.

15. MIA starts investigation into gas explosion case

The Ministry of Internal Affairs started investigation into the gas explosion which killed four people including four-year-old child on January 16 in Tbilisi.

The explosion which took place on the fourth floor of a newly-built nine-storey residential building in Didi Digomi district of Tbilisi also injured eight - six minors and two middle-age individuals.

The investigation is based on accusation over the violation of safety standards in the building process. The initial information gathered by the police from the witnesses show that a gas leak may have caused explosion in the residential building *(Agenda.ge, January 16, 2019)*.

Economy and Social Affairs

16. New terminal coming to Black Sea Batumi Port

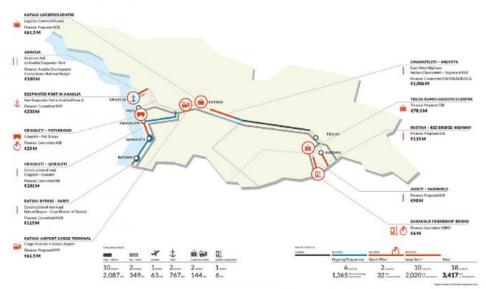
International logistics company Wondernet Express will build a multimodal transit terminal in Georgia's Black Sea Batumi Port.

This will be a new mineral fertilizer terminal that will comply with all environmental standards and regulations, said Georgia's Ministry of Economy. The total cost of the project will be \$20 million. The terminal will be of regional importance and will contribute to the growth of the economy of Georgia and particularly of Adjara region, announces Georgia's Ministry of Economy (Agenda.ge, January 14, 2019).

17. EU to spend €3.5 billion on 18 projects in Georgia [MAP]

The European Union will spend &13 billion for infrastructure projects in Eastern Partnership member countries including Georgia where in total 18 projects worth &3.5 billion will be implemented.

The money will be spent on the arrangement of roads and rail lines, ports, airports, logistic centers and border checkpoints. Some projects are planned to be completed in 2020, some in 2030 (Agenda.ge, January 16, 2019).



18. Georgia's central bank purchases \$15 mln at foreign exchange auction

The National Bank of Georgia (NBG) has purchased \$15 million at foreign exchange auction to control the national currency's changing value against the US dollar. The weighted average exchange rate was 2.6632 GEL for every 1 USD.

Today 1 USD equaled 2.6644 GEL, while 1 EUR cost 3.0449. From tomorrow, 1 EUR will cost 3.0363 GEL (Agenda.ge, January 16, 2019).

19. Feasibility Study on FTA between Georgia and India Accomplished

A summarizing meeting of Georgia-India joint research group for conducting the feasibility study of the free trade agreement was held at the Ministry of Economy and Sustainable Development of Georgia.

Deputy Minister of Economy and Sustainable Development of Georgia, Genadi Arveladze and Bidyut Bihari Swain, Additional Secretary of the Department of Commerce of the Government of India and the Head of the Indian Delegation co-chaired the meeting.

Within the framework of the meeting, relevant document completion of the survey was signed as well. The study illustrated that the Free Trade Agreement between India and the Republic of Georgia will positively affect the economic prosperity of the countries and the bilateral trade in terms of trade of goods and services as well as the investments in the field of trade, which, in turn, will facilitate the creating of new opportunities for business.

According to Genadi Arveladze, the Deputy Minister of Economy and Sustainable Development, the free trade agreement between the two countries is actually implementable and will be mutually beneficial. Such a conclusion is based on the study results regarding the trade of goods, trade of services and investment opportunities. At the same time, the research provides recommendations for the establishment of a joint interstate committee on negotiation on the Free Trade Agreement.

* Sports and Culture

20. Russia, Italy, Greece are largest remittance senders in December 2018

Russia, Italy and Greece are the largest remittance senders in December 2018, says the National Bank of Georgia (NBG).

Last month Georgia received \$43.8 million in remittances from Russia, \$20 million from Italy and \$17.1 million from Greece.

Overall, the volume of money transfers from abroad to Georgia constituted \$150.9 million, which is 9.1% more than the amount in December 2017. The vast majority (94.3%) of all money transfers from abroad came from 18 countries.

After Russia, Italy and Greece, other countries from where money transfers are regularly sent to Georgia in December 2018 included:

- ➢ United States − \$15.1 million
- ➢ Israel \$13 million
- ➢ Turkey \$7.8 million
- ➢ Spain \$ 4.1 million
- ➢ Germany \$4.1 million
- Vkraine \$2.8 million
- > Azerbaijan \$2.2 million
- Poland \$2.2 million
- ➢ France \$2 million
- ≻ Kazakhstan \$1.7 million
- United Kingdom \$1.5 million
- ➢ Kyrgyzstan \$1.5 million
- Canada \$1.4 million
- ➢ Cyprus \$1.2 million
- > Armenia \$1 million (Agenda.ge, January 15, 2019).

21. Canadian investment company looks to build industrial complex in Rustavi, Georgia

A large Canadian investment company, Kamcon Investments, is looking at the possibility of investing in Georgia to build an industrial complex in the city of Rustavi.

The project entails the creation of an industrial centre, hub, a logistics centre and communications complex on 400 ha of land in the industrial zone of Rustavi.

The project will be implemented at different stages and will employ over 4,000 locals. Furthermore, local materials will be used during the construction process (*Agenda.ge, January 15, 2019*).

22. Russia, Ukraine, Armenia – top importers of Georgian tangerines

Georgian tangerines were mainly exported to:

- Russia 19,267 tonnes
- > Ukraine -6,280 tonnes
- Armenia 2,690 tonnes
- ➢ Uzbekistan − 261 tonnes
- \succ Kazakhstan 138 tonnes
- Belarus 120 tonnes
- ➢ Kyrgyzstan − 60 tonnes
- ➢ Latvia − 40 tonnes

The price of tangerines varies from 0.40 GEL to 0.70 GEL. Georgia has exported 28,855 tonnes of tangerines as of 15 January 2019. The export of tangerines grew by 29.36% compared to the 2017-2018 season (Agenda.ge, January 16, 2019).

Additional Information

