NEWS DIGEST ON GEORGIA

February 18-20

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Occupied Regions

* Tskhinvali Region

1. Akhalgori so-called checkpoint temporarily opens after 40-day closure

Occupying forces have decided to temporarily open the so-called checkpoint in the Akhalgori area, currently occupied by Russia, to allow for up to 200 residents of the territory to leave the district.

The de facto leadership of Tskhinvali (South Ossetia) closed the so-called border on 11 January "to avoid the spread of the H1N1 respiratory virus," depriving locals of access to vitally important everyday items they buy in other regions of the country.

The closure created problems for students, who needed to leave the territory and those who generally visit doctors in the other Georgian regions.

The de facto leadership says that the so-called checkpoint at the Akhalgori area, which is mainly inhabited by ethnic Georgian population, will remain open for three days (*Agenda.ge, February 20, 2019*).

* Abkhazia Region

2. Occupying forces make deceased's relatives to mourn from both sides of bridge

Residents of Georgia's occupied region of Abkhazia region brought 53-year-old deceased Gocha Tupuria near the Otobaia-Orsantia bridge earlier today for his relatives standing on the other side of the bridge to mourm, as they were deprived of the right to enter the occupied territory, Radio Atinati reports.

De facto Abkhaz officials closed the Khurcha-Nabakevi and Otobaia-Orsantia so-called checkpoints in 2017.

Starting from March 2017, the Abkhazia region has been connected with the rest of Georgia only via the Enguri bridge.

Movement between the region and the rest of Georgia is available only with the use of temporary residency permits or after paying money.

The sister of the deceased man was allowed to Otobaia after paying 200 GEL and she says that the occupants are now demanding an additional 200 GEL to allow her return back [to the territory controlled by the central Georgian government]," one of the relatives said.

The people gathered at the bridge say that it is not the first time when they have to mourn a deceased person in such a situation (Agenda.ge, February 20, 2019).

3. Abkhazia Faces Power Cuts as Water Level Drops in Enguri Dam

Officials in Sokhumi have imposed restrictions on power supply as water level in the Enguri dam has neared its critical point, apparently caused by rainfall shortages and hike in power consumption in Abkhazia.

Chernomorenergo, the company that manages electricity distribution in Abkhazia, announced three-hour power cuts per day on February 19 to avoid total shutdown of the Enguri Hydropower Plant (HPP), Abkhazia's main electricity supplier.

According to the company, the water level in the reservoir is at 434 meters above sea level, close to its critical point of 420 meters below which the power generation will stop.

"The restriction will be in place until the deficit is covered by electricity supply from the Russian Federation," reads its statement (*Civil.ge, February 20, 2019*).

* Foreign Affairs

4. Georgian defence products presented in Abu Dhabi, at only international defence exhibition in MENA region

Armor and defensive weaponry made by the Georgian Military Scientific-Technical Center Delta has been presented at the IDEX 2019 international defence exhibition in Abu Dhabi, which is the only such exhibition in the Middle East and Northern Africa region (MENA region), demonstrating the latest technology across the land, sea and air sectors of defence. Georgia presented samples of armor, light armor and personal protection products.

"This is the first time Georgia is taking part in the exhibition. More than 1,000 companies working for defence products are taking part in the event," Delta says (*Agenda.ge, February 18, 2019*).

5. Georgian Defence Minister meets with foreign counterparts in Munich

Georgian Defence Minister Levan Izoria has held meetings with his foreign counterparts and other officials at the Munich Security Conference that ran from 15-17 February.

British, Latvian, German counterparts, Acting US Secretary of Defence Patrick Shanahan, United States Army lieutenant general who commands United States Army Europe Christopher G. Cavoli, are among the officials Levan Izoria has met.

Successful partnership in defence, multinational military exercise Agile Spirit 2019 (planned in summer), strategic partnership between Georgia and the aforementioned countries, Latvian contribution to the development of NATO-Georgian joint training and evaluation center (JTEC), German assistance in terms of the Substantial NATO-Georgia Package (SNGP) were emphasized during the meetings (*Agenda.ge, February 18, 2019*).

6. Georgia, China sign deal on Chinese language popularization

The Georgian and Chinese governments signed a deal to make the study of the Chinese language more popular on 15 February. The deal implies supporting the Chinese language teaching process at secondary schools across Georgia.

The ministry reports that the document is based on the education agreement between Georgia and China on deepening academic relationships and cooperation between the countries.

The deal will encourage cooperation with China and enable Georgia's secondary schools to offer the Chinese language lessons to students in accordance with the national curriculum standard. Georgian Education and Science Minister Giorgi Batiashvili stated that China is one of Georgia's friends and

partners and cooperation with it is of utmost significance (Agenda.ge, February 19, 2019).

7. Interior Ministry and OSCE Office for Human Rights sign deal to retrain investigators

The Georgian Interior Ministry and OSCE Human Rights Office (ODIHR) have signed a deal to create a training programme for crime investigators that deal with cases involving discrimination.

The deal was signed within the framework of an ongoing systemic update to provide an efficient response to crimes motivated by hatred.

The special training programme will be developed through close cooperation with the OSCE Democratic Institutions and Human Rights Office (*Agenda.ge, February 19, 2019*).

8. President Zurabishvili announces several initiatives benefiting Georgian emigrants

Georgian President Salome Zurabishvili has voiced several programmes which aim to boost the engagement of Georgian emigrants in the country's everyday life and help them retain close ties with their native country. One of the initiatives proposes the Georgian diaspora receiving its own MP in the Georgian parliament.

"Along with the state agencies, we will work on legislative amendments that will allow for the election of Georgian citizens residing abroad to the parliament of Georgia, Zurabishvili said (*Agenda.ge, February 18, 2019*).

9. President Salome Zourabichvili held official visit to France on February 17-19.

As part of the visit, she has held high-level meetings with President Emmanuel Macron, and President of the Senate Gérard Larcher to discuss prospects for further advancing Georgia-France relations and priorities of Georgia's foreign policy.

Following the meeting with President Macron, the two presidents have signed a declaration of cooperation on launching the Dimitri Amilakhvari Georgian-French Bilateral Political Dialogue that will institutionalize and advance a dialogue between the countries.

The President has held a meeting in UNESCO, visited Saint Nino Orthodox Church and Chateau of Leuvillesur-Orge. In Paris, she has met with Georgian students and diaspora representatives to discuss importance and means of their involvement in the current processes of the country.

The Head of State, also, has held official meeting with the representatives of the French Institute of International Relations that hosted a debate attended by French think tanks, diplomats, businessmen and politician.

President Zourabichvili has delivered a public lecture, "Georgia and Europe: Opportunities in Uncertain Times" in the Paris Institute of Political Studies (Sciences Po) (*President.Gov.Ge, February 20, 2019*).

10. President Zurabishvili floats putting Georgian tolerance on UNESCO intangible cultural heritage list

Georgian President Salome Zurabishvili has proposed putting Georgian tolerance on the UNESCO intangible cultural heritage list at a meeting with UNESCO Secretary General Audrey Azoulay yesterday.

President Zurabishvili stated that the Georgian nation's identity is shown in tolerance as the Georgian people have lived in peace with those of different origins and confessions for centuries (*Agenda.ge, February 20, 2019*).

11. Georgian President: It's important for us to have a friend in Europe like Germany

Georgian President Salome Zurabishvili, who has visited Germany, has met with President Frank Walter Steinmeier and stated that it is important for Georgia to have a friend like Germany in the heart of Europe. Germany and France will support Georgia to become a full member of the European family soon," Zurabishvili said (*Agenda.ge, February 20, 2019*).

12. US 2019 budget bill provides increased financial support for Georgia

The US 2019 state budget bill provides increased support for Georgia, with more than \$127 million in aid. This is \$22 million more than last year, the Georgian Foreign Ministry reports.

The draft budget reads that \$275 million will be allocated in total for countries in Eastern Europe and Eurasia to develop law enforcement and security capabilities, to come closer to the EU and NATO and resist political and economic pressure from Russia, the Foreign Ministry says.

The bill reads that those countries which will recognise the independence of the two occupied regions of Georgia Abkhazia and Tskhinvali (South Ossetia), or establish diplomatic ties with them, will not receive financial support from the United States (*Agenda.ge, February 20, 2019*).

13. Ruling party asks Venice Commission to help settle Georgian court-related row

The Georgian Dream ruling party has asked the Council of Europe Venice Commission to get involved in the drafting of a bill which will set criteria for the selection and the appointment of Georgian judges.

The statement comes after turmoil related to ten judges nominated for the Supreme Court of Georgia in December 2018 (Agenda.ge, February 20, 2019).

14. Venice Commission is ready to accept the offer of the "Georgian Dream"

The Venice Commission is ready to accept the offer of the "Georgian Dream" and get involved in the development of rules and criteria for appointment of judges. Secretary of the Commission Thomas Markert told InterPressNews that they are ready to get involved in the process in case the issue is not focused on specific individuals, judges.

"We have not yet received a request from the ruling party regarding this issue. At this stage I can not express any opinion about the life term appointment of judges. We are ready to be engaged in the process if it involves development of criteria and rules for appointment of the judges and is not focused on specific individuals, judges, "said Venice Commission Secretary *(Ipn.ge, February 20, 2019)*.

* Internal Affairs

15. TBC Bank founders meet media, say they respect state institutions and law

Founders of the Georgian leading Bank TBC Mamuka Khazaradze and Badri Japaridze have met journalists in the afternoon amid the controversies related to the money laundering case involving the bank.

Khazaradze and Japaridze, whose withdrawal from the TBC Bank's supervisory council was demanded by the National Bank of Georgia, claim that they have "all the evidence" that no money laundering took place by them in 2007-2008.

They say that the National Bank's decisions regarding their withdrawal has been appealed and now "we are waiting for the court verdict."

"We came here today to tell the public, partners, shareholders, employees and all interested sides that we are a strong financial institution, a strong team, and we stand together to achieve ambitious goals. First of all, I say that we respect the state institutions and the law. Respect to the law, transparency and honesty have been the key values of the bank since its establishment," Khazaradze said (Agenda.ge, February 18, 2019).

16. American Chamber of Commerce releases statement concerning TBC Bank

"TBC Bank, under the direction of Mr. Khazaradze and Mr. Japaridze, has been a long-standing and key member of AmCham for 15 years. Further, TBC is one of the key pillars of the economy of Georgia and the region, and its FT250 listing on the London Stock Exchange makes it a shining example of Georgia's success. The actions of the National Bank appear to circumvent accepted legal norms by requesting that the TBC shareholders suspend the authority of the Chairman and Vice-Chairman without full due process. As such, AmCham respects the rights of TBC, including its senior management, to avail itself of any and all court proceedings in accordance with the presumption of innocence until proven guilty. The Chamber also recognizes the regulatory role of the National Bank and the necessity to investigate, together with the General Prosecutor's Office, any potential infractions. In this regard, we applaud TBC's offer of full transparency by its willingness to provide all relevant documents to the appropriate Governmental authorities and we fully support the creation of a Governmental or Parliamentary special commission to expedite the investigative process. Most importantly, we encourage all parties to continue to work towards a timely, fair and transparent solution to this issue. Otherwise, an ongoing, very public dispute will result in irreparable harm to the Georgian economy, reputation and future FDI," the statement reads *(lpn.ge, February 20, 2019)*.

17. Mamuka Khazaradze quits TBC bank

"I made a decision to leave TBC bank where I spent 27 years of my life, - reads a statement posted by Mamuka Khazaradze, chairman of TBC Bank's Supervisory Board, on the social network.

"Hopefully, this decision will positively affect the bank's development in a stable and calm environment. I will dedicate my energy to our country's very important project - the Anaklia project. Hopefully, I will be allowed to complete the project.

On Tuesday, as I promised the parliament and the society, I will attend a hearing in the parliamentary committee to quietly discuss the case in detail.

At the same time, I will continue to legally defend my rights as a private person in Georgia and abroad", - reads the statement (*Ipn.ge*, *February 21, 2019*).

18. Mamuka Khazaradze not to sell the TBC Bank share

Mamuka Khazaradze is not going to sell the TBC Bank share, - InterPressNews was told by TBC Bank.

According to the bank, Khazaradze has resigned as the Chairman of the Supervisory Board, but he remains as a shareholder.

According to the statement posted by Mamuka Khazaradze on the social network, the Bank's Supervisory Board decided to terminate a legal dispute with the National Bank due to the interests of the Bank, its shareholders and depositors (*Ipn.ge, February 21, 2019*).

19. Georgian gov't launches implementation of Climate Change Adaptation Programme

The Georgian government has announced the launch of the Climate Change Adaptation Programme with a budget of \$70 million .

The program aims to protect the country from natural disasters and decrease damage caused by disasters to a minimum.

The programme budget unites funds allocated by the Green Climate Fund (GCF)-\$27 million, five million USD provided by the Swiss government and a \$38 million contribution from the Georgian state budget (Agenda.ge, February 19, 2019).

20. People in Tbilisi will pay an hourly fee for parking starting 1 July

Mayor Kakha Kaladze stated at a briefing today that the parking fee will be initially imposed on Kote Apkhazi (former Leselidze) and the surrounding streets.

He said that the 'zonal parking' mode will be totally new for Tbilisi and the parking system will allow the Tbilisi municipality to regulate traffic flow in the city.

Zonal parking was established in all developed European and overloaded cities long ago and is one of the efficient measures to put the transport system in order," – Kaladze said (*Agenda.ge, February 20, 2019*).

21. GD Leaders Reject MP Beselia's Bill on Suspending Lifetime Appointment of Judges

Parliament Speaker Irakli Kobakhidze says the Georgian Dream majority will not support the legislative proposal of their teammate, MP Eka Beselia, on suspension of lifetime appointment of city and appeals court judges until 2025.

Speaking at a news briefing on February 20, after the meeting of the ruling party's Political Council, Irakli Kobakhidze said the GD leadership was initially ready to deliberate on the issue, but "some members of the parliamentary majority proposed a bill that comes in contradiction with the Constitution of Georgia and was drafted without agreement with the ruling team."

Kobakhidze noted that the proposal, if adopted, will lead to halving the number of judges in common courts, and will ultimately incapacitate the judiciary. "Based on these circumstances, the bill will not be endorsed by the parliamentary majority," the Speaker explained (*Civil.ge, February 20, 2019*).

22. Faculty of Mountain to be launched at the Georgian Technical University

Faculty of Mountain will be launched at the Georgian Technical University, - Minister of Regional Development and Infrastructure Maia Tskitishvili stated at the plenary session of the Parliament today.

"We continually identify the needs of the infrastructure in the mountains. Besides that, we also try to identify social needs, too. From this point of view, in 2019-2020 we plan to provide internet access and solar panels for the families who are not supplied with electricity. It is also an important initiative to set up the Faculty of Mountain at the Georgian Technical University," said Tskitishvili *(Ipn.ge, February 20, 2019)*.

23. Maia Tskitishvili : The construction of 227 kilometers of a new highway is planned for 2019-2023 years

"Very large investments are made in the construction of highways. Therefore, I present the plans, stages of construction of these motorways. First - the East-West highway is a route from Red Bridge –Sadakhlo to Sarpi. The construction of 227 kilometers of new highways, with an investment of GEL 5 billion and 100 million, is planned for 2019-2023, "said Minister Tskitishvili (*Ipn.ge, February 20, 2019*).

* Economics and Social Affairs

24. Swedish gov't allocates \$2.3 mln for Georgian SMEs

The Swedish government will allocate 2.3 million USD to provide support for Georgian small and mediumsized businesses, which work in the fields of information and communication technologies, business consulting, internet design and architecture. The programme will kick off this year and continue until 2021, providing funds for 100 local companies.

The programme will be implemented by the Georgian NGO Economic Policy Research Centre (EPRC), with the cooperation of the state agency Enterprise Georgia.

Nino Evgenidze, head of the EPRC, says that the target business sectors have been revealed through the survey conducted by them (Agenda.ge, February 18, 2019).

25. Unemployment rate reaches 15 year low in Georgia

The annual unemployment rate in Georgia decreased by 1.2 percentage points and equalled 12.7% in the fourth quarter (Q4) of 2018.

It should be noted that the downtrend in the unemployment rate has been maintained during the last nine years, furthermore in 2018 unemployment rate reached the lowest level within the past 15 years", said the National Statistics Office of Georgia (Geostat).

In Q4 of 2018, the economically active population constituted 63.6% of the working population (population of 15 years and older).

The employment level has been reduced by 0.2 percentage points in Georgia's urban areas compared to the previous quarter, while in rural areas it has decreased by 1.3 percentage points (*Agenda.ge, February 19, 2019*).

26. European Investment Bank allocates €250 million loan for major infrastructure projects in Georgia

The European Investment Bank (EIB) and the government of Georgia have signed a deal on the allocation of €250 million loan for "vitally important" infrastructure projects in Georgia, the government of Georgia says.

The deal was signed in Tbilisi today by Georgian Prime Minister Mamuka Bakhtadze and Vice-President of EIB Vazil Hudak (*Agenda.ge, February 19, 2019*).

27. Georgia's external trade in January 2019 amounts to \$826 million

In January 2019 the external merchandise trade (excluding non-declared trade) of Georgia amounted to USD 826.8 million, which is the 1.2 per cent higher compared to the same month of the last year, the Georgian National Statistics Office says.

The exports equaled USD 238.8 million (7.2 per cent higher), while the imports stood at USD 588.0 million (1.1 per cent lower) (Agenda.ge, February 19, 2019).



Additional Information