### **NEWS DIGEST ON GEORGIA**

#### March 18-21

Compiled by: Aleksandre Davitashvili Date: March 22, 2019

### Occupied Regions

- ❖ Abkhazia Region
- 1. Lithuanian FM urges prompt investigation into death of Georgian man in occupied Abkhazia

Foreign Minister of Lithuania Linas Linkevicius says that the death of Georgian citizen, 29-year-old Irakli Kvaratskhelia in unclear circumstances in Georgia's occupied region of Abkhazia on March 10 should be promptly investigated.

"The death should be thoroughly, transparently and promptly investigated," Linkevicius told the media before the beginning of the EU foreign ministerial in Brussels earlier today (Agenda.ge, March 18, 2019).

### 2. Georgian PM: all details behind the death of Georgian man in occupied Abkhazia will be clarified

Georgian Prime Minister Mamuka Bakhtadze says that all international organisations have been involved and the government will clarify all details and conditions surrounding the death of 29-year-old Georgian man Irakli Kvaratskhelia, who was found hung in an interrogation room in Georgia's occupied Abkhazia region on March 10.

"A huge tragedy took place last week, one more Georgian young man was found dead on our occupied territory. I want to send my condolences to the family and say that we will clarify all details behind the death," Bakhtadze stated in a Facebook live address late yesterday (Agenda.ge, March 21, 2019).

#### 3. Ukraine imposes sanctions on de facto officials of two occupied regions of Georgia

The Ukrainian government has imposed sanctions on the de facto officials of Georgia's two occupied regions of Abkhazia and Tskhinvali, who visited the country's rebel-controlled Donetsk and Luhansk regions in eastern Ukraine in November 2018 to observe the so-called leadership elections. The list provided by Ukraine sets sanctions on 294 companies and 848 individuals from several countries.

Head of the Central Election Commission of the breakaway Abkhazia region, Tamaz Gogia, de facto MP Almaskhan Ardzinba and a member of the foreign affairs agency of the region Oleg Arshba are on the list (Agenda.ge, March 21, 2019).

- Tskhinvali Region (so called South Ossetia)
- 4. Georgian citizen illegally detained by occupying forces released

Georgian citizen Givi Beruashvili, who was illegally detained by occupying forces for "illegally crossing" the so-called border on March 17 has been released, the Georgian State Security Service says.

Witnesses say that Beruashvili was detained in the village of Ditsi, near Georgia's occupied Tskhinvali (South Ossetia) region. Beruashvili, 21, was visiting his grandparents there, who live 500 meters from the occupation line (Agenda.ge, March 19, 2019).

#### 5. French Defence Minister: Georgia was torn into pieces in 2008, then it was Ukraine's turn

Defence Minister of France Florence Parly has spoken about the importance of close cooperation between the US and the EU and used Georgia and Ukraine as examples, saying that the repetition of such conflicts will seriously affect both the EU and the United States.

"European countries have moved to strengthen their capabilities as the continent's security environment has been sorely tested. In 2008, Georgia was torn into pieces. In 2014, it was Ukraine's turn," Parly stated at the Atlantic Council, in Washington yesterday.

Parly says that if any of the NATO member states is attacked in that way as Georgia and Ukraine, it will not only be a catastrophe, but also a signal that US influence has sharply diminished (*Agenda.ge, March 19, 2019*).

#### 6. Bodies of Georgian civilians killed in 2008 war in occupied Tskhinvali transferred to Tbilisi

The remains of seven Georgian civilians killed during the Russia-Georgia war in 2008 have been identified and transferred to Tbilisi from the country's occupied Tskhinvali (South Ossetia) region, the Georgian State Security Service reported earlier today.

The graves were opened and the bodies exhumed by the International Committee of the Red Cross (ICRC) in the village of Tamarasheni in the occupied Tskhinvali region in October 2017 (Agenda.ge, March 19, 2019).

#### 7. Georgia improves ranking on World Happiness Report

This year Georgia came in 119th place in the World Happiness Report, while last year Georgia ranked 128th among the world's happiest countries.

The global ranking of happiness levels across 156 countries is measured by gross domestic product (GDP) per capita, social maintenance, average lifespan, freedom of people and corruption. As for Georgia's neighbours, Armenia ranked 116th, Azerbaijan – 90th, Russia – 68th and Turkey – 79th (Agenda.ge, March 19, 2019).

### ❖ Foreign Affairs

#### 8. NATO-Georgia Exercise 2019 kicks off with 24 states, 350 soldiers involved

The NATO-Georgia Exercise 2019 has started today at the NATO-Georgia Joint Training and Evaluation Center (JTEC), National Training Center Krtsanisi, near Tbilisi, Georgia.

The exercise is comprised of 21 allied nations and three NATO partner nations, including Georgia as the host nation.

Georgian Deputy Defence Minister Lela Chikovani says that this year's exercise is the largest in scale, with 24 nations and more than 350 soldiers involved (*Agenda.ge, March 18, 2019*).

#### 9. Georgian Foreign Minister David Zalkaliani on tour in Latin America, meets Uruguay officials

Georgian Foreign Minister David Zalkaliani has held meetings with officials in Uruguay during his tour in Latin America from March 17-23. David Zalkaliani also plans to visit Argentina during the tour.

At a meeting with Vice President and President of the Senate of Uruguay Lucia Topolansky, the parties praised Georgia-Uruguay amicable relations and the countries' great potential for democratic development and economic progress (Agenda.ge, March 19, 2019).

## 10. Georgian Justice Minister: we've presented more than 700 pieces of evidence that Russia started the 2008 war

Georgian Justice Minister Thea Tsulukiani stated in parliament today that starting from 2013 the Georgian Dream leadership has gathered and presented more than 700 pieces of evidence proving that Russia started the war in Georgia in 2008.

"We have managed to show that it is Russia which was carrying out control on our occupied territories since the 1990s," Tsulukiani said.

She stated that the evidence have been sent to the European Court of Human Rights and the International Criminal Court.

"We are waiting for the European Court of Human Rights to deliver a verdict either this year or next year which will be in our interests. The evidence will also play a big role in the ICC investigation regarding the Russia-Georgia war," Tsulukiani said (Agenda.ge, March 20, 2019).

#### 11. EU defence official hails Georgia's contribution to EU-led missions

Pedro Serrano Deputy Secretary General for Common Security and Defence Policy and Crisis Response at the European External Action Service is on his first official visit to Georgia.

At the press conference with Georgian Defence Minister Levan Izoria, Sorrano said the EU supports the country's territorial integrity and sovereignty (*Agenda.ge, March 19, 2019*).

#### 12. Travelers will no longer read Kiev but Kyiv at Tbilisi and Batumi airports

All visitors of airports in Tbilisi and Batumi will see a changed spelling of the capital of Ukraine, in addition to other Ukrainian citizens.

Formerly, the names of Ukrainian cities were written per the Russian style of transcription in the Latin alphabet (Agenda.ge, March 21, 2019).

# 13. Georgian FM speaks at South-South Cooperation Conference, states Georgia ready to share experience

Georgian Foreign Minister David Zalkaliani spoke at the South-South Cooperation Conference in Buenos Aires and stated Georgia is ready to cooperate with all countries to share its experience gained throughout the years.

Zalkaliani focused on the significance of partnership adding shared experience represents the key tool for economic transformation (*Agenda.ge*, *March 21*, *2019*).

### ❖ Internal Affairs

#### 14. Ruling party, opposition MPs clash in parliament

European Georgia opposition legislator Otar Kakhidze and ruling party MP Irakli Beraia <u>verbally insulted</u> and <u>physically attacked</u> each other at the meeting of Parliament's Legal Affairs committee earlier today, where the committee members were discussing a bill on the selection and appointment of the Supreme Court judges.

Beraia claims that he wanted to ask a question regarding the bill and Kakhidze did not allow him to do so.

"I asked him to act normally and allow me to ask a question. My remark irritated him. I have the impression that Kakhidze wanted to leave the meeting and was looking for a reason [to exit]," Beraia said.

Kakhidze says that Beraia verbally abused him which gave rise to the brawl.

"I spoke against the violation of the committee procedures and my colleague Beraia allowed himself to abuse me at that time," Kakhidze said (Agenda.ge, March 18, 2019).

#### 15. Venice Commission welcomes amendments to the Criminal Procedure Code of Georgia

The Venice Commission of the Council of Europe has welcomed the amendments provided by the Georgian Interior Ministry to the Criminal Procedure Code of Georgia, which strongly separates the obligations of prosecution and investigators.

The ministry claims that clear boundaries between their responsibilities will boost the quality of investigation.

According to the amendments, an investigator will be responsible for the beginning of the investigation and its independent conduct, while prosecutors will be obliged to bring cases to court and see it through to completion (*Agenda.ge, March 18, 2019*).

#### 16. Justice Minister says bill on selection of judges by ruling party MPs meets int'l standards

Georgian Justice Minister Thea Tsulukiani says that a bill drafted by Parliament Speaker Irakli Kobakhidze and six other ruling party MPs fully meets the recommendations of the Venice Commission of the Council of Europe.

The bill, which has been criticised by NGOs and opposition, was approved in its first reading earlier today [two readings are left for the final approval].

Ruling party MP Archil Talakvadze says that the bill will be supported by the Georgian Dream legislators when it is presented for the final vote procedure (*Agenda.ge, March 20, 2019*).

## 17. Irakli Sesiashvili: The military recruitment may fail due to the actions of pseudo-religious organizations

"We should not artificially escalate the situation. It was not my aim to discriminate anyone, but it is a sad reality that the military recruitment may fail due to the actions of the pseudo-religious organizations," Sesiashvili said.

"I understand that young people do not like compulsory military service in the 21st century, but this is necessary for our country. We need the system of recruitment and we all understand why we need it. I confirm my respect for the religious organizations that enjoy this article in an honest manner. However, I want everyone to realize that the recruitment should not fail, the security system should not be endangered," Sesiashvili said and called on all MPs to actively engage in the consultations with religious confessions (*Ipn.ge, March 19, 2019*).

#### 18. Parliament fails to dismiss Zviad Kvachantiradze

The ruling party's initiative on the dismissal of Zviad Kvachantiradze, Chairman of the Parliament's Committee on Diaspora and Caucasus Issues, has failed to gain the MPs' support. Kvachantiradze's dismissal was backed only by 67 MPs, while the quorum was 76. 8 MPs voted against.

The replacement of Zviad Kvachantiradze by Beka Odisharia has been initiated by the ruling party. Members of the parliamentary majority made the relevant decision at the Georgian Dream office yesterday (*Ipn.ge, March 19, 2019*).

### 19. Irakli Kobakhidze says political consultations will be held with MPs who did not support Zviad Kvachantiradze's dismissal

"We will reconsider this issue in two weeks. As for the MPs who did not support Kvachantiradze's dismissal, we will have political consultations with them," Kobakhidze said (*Ipn.ge, March 19, 2019*).

#### 20. Parliamentary by-elections to be held on May 19

Polls for parliamentary by-elections will open in the district of Mtatsminda, in Georgia's capital of Tbilisi on May 19, the Central Election Commission (CEC) announced today. Voting will be held at 31 polling stations, where a total of 43,868 voters are registered (*Agenda.ge, March 20, 2019*).

### 21. Former Georgian political opponents unite for parliamentary by-elections, name joint candidate

Opposition European Georgia and Free Democrats parties, whose members once strongly opposed one another, have created an election bloc for the May 19 parliamentary by-elections and nominated one of the leaders of the Free Democrats, Shalva Shavgulidze, as a joint candidate for the Mtatsminda district MP seat.

Secretary General of the European Georgia parliamentary opposition Gigi Ugulava acknowledged that the two parties do not have a common past, but now they share common values and a vision of the future (Agenda.ge, March 21, 2019).

#### 22. President celebrates Novruz with ethnic Azerbaijani population

Georgian President Salome Zurabishvili visited Gardabani in Georgia's eastern region of Kvemo Kartli to congratulate the local Azeri population on the holiday of Novruz.

"I feel at home here, just like any other place in Georgia, and I am very happy to be at home with you and to have the opportunity to celebrate this wonderful holiday together", Zurabishvili said while speaking with locals (Agenda.ge, March 20, 2019).

#### 23. 'Georgia's strength is in its diversity', PM sends warm wishes on Novruz holiday

Georgian Prime Minister Mamuka Bakhtadze has sent his warm wishes on Novruz to the local Azerbaijani population in the Marneuli district of eastern Georgia in the Azerbaijani language and stated that the country's strength is in its diversity.

"I wish you a happy Novruz [the coming of spring]. The centuries-old history of Georgia is a story of unity, love and brotherhood. Georgia's strength has always been in its diversity," Bakhtadze stated, while attending festive events in the district (*Agenda.ge, March 21, 2019*).

#### 24.7 bln GEL to be spent on construction, renovation of schools in Georgia

A total of 7 billion GEL (about \$2.61b/€2.29b) will be spent on the construction of new schools and the renovation of old ones, says the Prime Minister of Georgia Mamuka Bakhtadze.

"We need about 7 billion GEL worth of schools in every village, region and town of Georgia to be equipped with the latest technology; where it will be possible to give lessons along European standards", said Bakhtadze.

He explained that building new schools is important to make more places available for the pupils at schools so the number of pupils in class should not exceed 13-15 (Agenda.ge, March 21, 2019).

#### 25. Deputy Interior Minister says investigation on cyber threats against TBC Bank underway

Georgia's Deputy Interior Minister Natia Mezvrishvili says that an investigation into the cyber threats against TBC Bank has been long underway.

"I understand very well that there are questions about when the investigation will end ... Naturally I cannot speak in detail due to the interests of the investigation", Mezvrishvili said.

TBC Bank Founder Mamuka Khazaradze said he had informed the Interior Minister Giorgi Gakharia on the cyber-attacks against his bank as soon as his IT crew discovered the source of the attack, including the signal, IP addresses and locations of alleged cyber attackers (*Agenda.ge*, *March 21*, *2019*).

## 26. Acting US Ambassador says complex steps should be made for improvement of election environment in Georgia

"I am glad that I take part in today's forum, where we are discussing Georgia's experience in the elections and the steps that the country should take to improve the election process and strengthen democracy. In this regard Georgia has made a great progress in the last three decades, however, various international reports indicate some problems and shortcomings, and it's important to solve them to achieve the country's successful development. These are the issues we are discussing today. I welcome the involvement of MPs, civil society and other groups in this discussion, "Ross Wilson said at the "2018 Presidential Elections of Georgia: Gained Experience and Future Steps" that underwent at the Biltmore Hotel in Tbilisi. (Agenda.ge, March 21, 2019).

### Economy and Social Affairs

#### 27. Average monthly salary in Georgia is 1,202 GEL:

The average monthly salary in Georgia has increased by 61.1 GEL (about \$22.80/€20.07) year-on-year and reached 1,202 GEL (about \$448.51/€394.92) in the fourth quarter of 2018, show the latest data published by the National Statistics Office of Georgia (*Geostat, March 18, 2019*).

#### 28. January-February 2019: Georgia's external trade with EU up 6.3%, with CIS up 2.8%

Georgia is increasing its role as an important trade partner for the European Union (EU), the Commonwealth of Independent States (CIS) and other countries.

In January-February 2019, trade turnover with EU countries increased by 6.3% (amounted to \$422.4 million) and with CIS countries by 2.8% year-on-year (y/y) (amounted to \$627.7 million), show the latest data published by the National Statistics Office of Georgia (Geostat).

In the reporting period export from Georgia to the EU countries amounted to \$118.2 million (10.7% lower compared to January-February 2018), while imports amounted to \$304.2 million (4.5% lower).

In January-February 2019 export to the CIS countries stood at \$254.8 million (45.7% higher compared to January-February 2018), while imports equalled \$372.9 million (14.4 percent lower) (Agenda.ge, March 19, 2019).

### 29. Hong Kong business delegation visiting Georgia, offers to help promote Georgian products in Asian countries

A business delegation from Hong-Kong is visiting Georgia to familiarise themselves with the Georgian business environment and offer help to Georgian exporters to promote their products in Asian countries.

"With Hong Kong's unparalleled knowledge of the Chinese market as well as Asian consumer needs and tastes, Hong Kong can help Georgia's exporters promote Georgian products to emerging markets in China and other Asian countries", read the press-release published by the Government of the Hong Kong Special Administrative Region.

The Secretary for Commerce and Economic Development, Edward Yau, emphasised Hong Kong's strengths as a key business matching platform for Georgian enterprises seeking and forging strategic partnerships (Agenda.ge, March 19, 2019).

#### 30. EU offers almost €100 million to Georgia for skill, economy, business development

Georgia will receive almost €50 million from the EU within the Support for Skill Development financial agreement and about €48 million within the Economic Development and Business Support in Georgia agreement, Georgian Prime Minister Mamuka Bakhtadze has announced after a meeting with EU Commissioner Cecilia Malmstrom. Both agreements were signed last year in Brussels.

While talking about the Skill Development financial agreement, Bakhtadze said that the employment of the Georgian population is the main concern of the government, and vocational education is a highly effective way to overcome this challenge (*Agenda.ge, March 19, 2019*).

#### 31. 'EMBRACE Tsalka': EU launches €2.4 mln rural development project in Georgia

The European Union (EU) has launched a new €2.4 million rural development project 'EMBRACE Tsalka' in Georgia's Tsalka Municipality.

The project aims to provide support to entrepreneurs, women, youth and other local actors by improving access to knowledge and innovation, introducing best practices, creating public-private partnerships and business linkages, as well as generating new employment opportunities by utilising the development potential of the area (*Agenda.ge*, *March 20, 2019*).

#### 32. Georgian PM: "All preconditions exist to increase export to Japan by 10 times"

Georgian Prime Minister Mamuka Bakhtadze has summed up his visit to Japan, saying it was very successful.

Bakhtadze said that it is important to receive more foreign direct investments from Japan in high technology.

"We have all opportunities to increase our exports to Japan 10 times over the next five years", he said.

He said that the recently signed agreement on the insurance of exports and investments with Japanese company NEXI "will help us to attract more investments from Japan" (Agenda.ge, March 21, 2019).

#### 33. 8-point demands from investors in Anaklia Deep Sea Port project

Georgian Minister of Regional Development and Infrastructure Maia Tskitishvili says international financial institutions have eight demands that should be fulfilled in order to invest in the project.

"The first point is about development phases of the project. Per the current agreement the first phase of the project must be completed in three years after the start of construction. The first phase is due to be completed by November 20, 2020. Regrettably, as there are no finances for this project, I presume this deadline will not be met", Tskitishvili said.

"Once there is a feasibility study, all investors will come to a consensus whether the port should be developed or not and then move to the next phase", Tskitishvili said.

Tskitishvili said that the next demand is about the so-called golden share. The other points are related to the continuation of the terms, compensation or political force majeure. One of the demands is related to the road and railway that will be connected to the port. Another demand is about loan agreements. Following the current agreement the state has the right to approve the conditions of credit agreements, while the banks offer the state only to approve the amount of and the term of the loan agreement.

One of the main problems that the banks name is the termination of the contract and compensation regime in case of investor defaults (*Agenda.ge*, *March 21*, *2019*).

## 34. Mamuka Khazaradze on Anaklia project: It is very important how the state will negotiate with our funding banks

"We have never suspended the construction. There has not been any delay. The issue of financial closure was postponed, but it does not hinder the construction," said Khazaradze (*Ipn.ge, March 21, 2019*).

## 35. Mamuka Khazaradze: There cannot be any mediator between me and Badri Japaridze, we are members of one family

"You know that Badri Japaridze and I are not only partners, but members of one family. Therefore, there cannot be any mediation between us, because we represent one and the same side," said Khazaradze.

Mamuka Khazaradze stated a few weeks ago that he had received a threat letter from Interior Minister Giorgi Gakharia. Later, it was said that Khararadze received the letter via a mediator. Reportedly, the mediator was another founder of TBC Bank, Badri Japaridze (*Ipn.ge, March 21, 2019*).

### **Additional Information**

#### March 22, 2019 **OFFICIAL EXCHANGE RATES** 1 GBP - 3.5182 GEL 1 USD - 2.6793 GEL 100 RUB -4.2031 GEL 1 EUR - 3.0515 GEL 1 TRY - 0.4917 GEL 100 JPY - 2.4243 GEL Friday Sunday Tuesday Saturday Monday 22 March 23 March 24 March 25 March 26 March 1° 13° 2° 10° 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