NEWS DIGEST ON GEORGIA

April 27-29

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Occupied Regions

* Abkhazia Region

1. Abkhazia's 'Patient Zero' Recovers

Abkhazia's "patient zero" – the first recorded case by Sokhumi authorities – has now recovered from a disease caused by the novel coronavirus, Russian media has reported (*Civil.ge, April 27, 2020*).

* Tskhinvali Region (so called South Ossetia)

2. Tskhinvali regime revives the city's Soviet-era name, Stalinir

The head of South Ossetia puppet regime Anatoly Bibilov seems to revive Soviet-era name of Tskhinvali.

The city, which was a capital of South Ossetia Autonomous Oblast, between 1934-1961 bore the name of Soviet leader Josef Stalin- Staliniri or Stalinir in Ossetian.

It was a common thing in the USSR when major cities and towns bore names of prominent communist leaders, mostly Vladimir Lenin and Josef Stalin. Although placenames after the former are still scattered across former Soviet territory, the latter's name was almost totally eliminated in the years following 20th convention of USSR Communist Party in 1956 where the rule of Stalin was denounced by his successors. However, it seems, South Ossetia's de facto authorities are seriously determined to restore at least some of Soviet symbols .(*DFWatch.net, April 27, 2020*).

* Foreign Affairs

3. Georgia Receives 40,000 PCR, 20,000 Antibody Tests from China

Georgian Health Ministry has received 40,000 polymerase chain reaction (PCR) test kits from China. According to Health Minister Ekaterine Tikaradze, Georgia has also received 20,000 coronavirus antibody tests as a gift.

Minister Tikaradze added that the national COVID-19 testing algorithm is being expanded "on a daily basis" to include more groups. "This week we are expanding testing for vulnerable, high-risk groups, and additionally we are working on who will be the next priority," Tikaradze stated (*Civil.ge, April 29, 2020*).

4. Amnesty Int'l Assesses Georgia's Response to Coronavirus Pandemic

Amnesty International, London-based human rights watchdog, released a report on April 29 assessing Eastern European and Central Asian states' responses to the coronavirus pandemic.

The watchdog stated that state of emergency measures introduced by the Georgian government on March 21 were "necessary, proportionate, and motivated by legitimate public health objectives."

Amnesty International raised concerns over the fact that some emergency measures were applied "in a discriminatory fashion," referring to large gatherings of Georgian Orthodox Church parishioners in churches on religious holidays (*Civil.ge, April 29, 2020*).

5. Zelenskyy's Vice PM Offer for Saakashvili Angers Georgian President

Georgian President Salome Zurabishvili released a statement on April 28 regarding potential appointment of former Georgian President Mikheil Saakahvili as the deputy Prime Minister of Ukraine, which, she says, "triggered legitimate concerns" among Georgian authorities and society.

The President stated that appointment of a person – convicted by Georgian courts and prosecuted for corruption offenses – on a high-level position was "both incomprehensible and unacceptable."

President Zurabishvili reiterated her commitment to the strategic friendship and strong bilateral relations, noting that Georgia and Ukraine share history to gaining independence, common goals and Euro-Atlantic aspirations, all of which became "even more important" in the face of the COVID-19 outbreak (*Civil.ge, April 29, 2020*).

Internal Affairs

6. Wholesale Trade in Quarantined Marneuli's Agricultural Bazaar Resumed

Agricultural bazaar's wholesale trade section resumed in quarantined Marneuli today, local media has reported.

Selling agricultural produce remains a key source of income for many in Marneuli municipality. On April 22, hundreds of protesters, mostly ethnic Azeri farmers, hit the streets of Shulaveri village in Marneuli Municipality protested strict quarantine regime in effect since March 23, and expressed grievance caused by inability to sell their produce (*Civil.ge, April 27, 2020*).

7. Gov't Eases Strict Lockdown Measures in Lentekhi Municipality, Village in Khashuri Municipality

The Inter-Agency Coordination Council on Coronavirus, a Government task force, has decreed to relax strict quarantine measures that were in place in Lentekhi municipality (northwestern Georgia) and Khidiskuri village of Khashuri municipality (central Georgia) to halt the spread of the disease. As stated by the Government, the decision was made considering "current epidemiological situation."

4,300 residents of Lentekhi, as well as 80 residents of Khidiskuri village have undergone thermoscreening (measuring body temperatures) for several times, while all traced contacts of confirmed cases have been tested for the virus, according to the Government (*Civil.ge, April 28, 2020*).

8. Coronavirus Testing to be Conducted in Care Homes for Elderly and People with Disabilities

Health Minister Ekaterine Tikaradze has stated that COVID-19 testing will be expanded to care home residents – senior citizens and people with disabilities.

Georgia will be rolling out testing of new target groups to "prevent the spread of the infection among the high-risk groups."

"In fact, we are ready to start testing tomorrow. However, we will announce exact date after concluding some paperwork procedures," Tikaradze noted (*Civil.ge, April 28, 2020*).

9. Restrictions to be Eased for Tbilisi Residents to Allow 'Essential' Agricultural Work out of Capital

Starting today, residents of Tbilisi will be allowed to leave the capital for agricultural works during 06:00-08:00 and return during 18:00-19:00, based on a special permit available online at the Ministry of Environmental Protection and Agriculture. Residents of Batumi, Rustavi and Kutaisi should apply to the regional headquarters for permission.

Georgia shut down the country's four largest cities – the capital city of Tbilisi, Kutaisi, Batumi and Rustavi – for 10 days effective from April 15, 21:00. However, the ban has been further extended until the end of the state of emergency (*Civil.ge, April 29, 2020*).

10. Total Confirmed Cases Increase to 539

22 more patients have tested positive for COVID-19 in Georgia, increasing the number of total confirmed cases to 539, according to government-run StopCov.ge website on April 30, 2020.

11. Police Seize 40 kg of Heroin in Cooperation with U.S. Authorities

The Georgian Interior Ministry announced on April 26 that it had seized 40 kg of heroin and arrested two persons as part of an operation carried out in partnership with the U.S. Drug Enforcement Administration, and local authorities including the Prosecutor's Office of Georgia and Adjara's Police and Customs Departments.

In a statement, the Interior Ministry noted that the two men, Bulgarian citizens, had hidden heroin in a car, which entered Georgia from Armenia.

The Interior Ministry said drugs were intended for international transit, and that heroin worth about USD 2 million was stored in Batumi before being seized (*Civil.ge, April 27, 2020*).

12. Ombudsperson Calls on Adjara TV Management to Restore Employees' Labor Rights

Georgian Public Defender Nino Lomjaria – who had completed an examination into the cases of labor rights violation with regard to former head of Adjara TV's newsroom Shorena Glonti, her deputy Maia Merkviladze, and news anchor Teona Bakuridze – has announced that the said persons were dismissed or reassigned to another positions in violation of the Labor Code of Georgia and Adjara TV's own internal regulations.

In a statement released on April 27, the Public Defender noted the disciplinary proceedings against Shorena Glonti were conducted in violation of the established term, while disciplinary sanction was imposed on Teona Bakuridze twice for the same violation (*Civil.ge, April 27, 2020*).

13. New Chief of Tbilisi Police Main Division Appointed

Lasha Jokhadze has been appointed as the new head of Tbilisi Patrol Police Main Division, replacing Colonel Kakha Bukhradze, the Interior Ministry reported on April 27.

The position, prior to Jokhadze's appointment, was covered by the deputy director of Interior Ministry's Patrol Police Department. The two posts were separated following recent structural changes, Interior Ministry reported. Earlier, Lasha Jokhadze served as the deputy head of Tbilisi Main Division of Patrol Police Department.

The Interior Ministry added that Kakha Bukhradze will continue serving as the deputy director of the Patrol Police Department (*Civil.ge, April 27, 2020*).

14. TI Georgia on Change in Law Allowing Municipalities to Delegate Powers to Public Law Entities

Transparency International Georgia, a local watchdog, released an assessment of an amendment to the Local Self-Government Code of Georgia on April 28, which – if adopted – would expand municipal

governments' authority to form legal entities of public law (LEPL), municipal bodies exercising a wide range of delegated powers, for a period of ten years.

Authority to establish LEPLs should only be granted to municipal governments in the framework of a fundamental change in the laws regulating LEPLs, said the watchdog, stressing the need to put in place a unified registry of LEPLs, as well as effective monitoring mechanism for implementing oversight.

According to the draft law, municipal authorities will be able to establish LEPLs and delegate some of its powers to those entities, including collection of local taxes, street maintenance, municipal waste management, organizing local traffic, issuance of construction permits, management of municipal transport services, animal control service and other municipal roles and responsibilities.

The Government argues that the said change in law will allow municipal authorities to exercise more powers and that such reform would open the door to better local governance practices (Civil.ge, April 28, 2020).

15. ISFED Slams Selection Process for Members of Central Election Commission

The International Society for Fair Elections and Democracy (ISFED), a local watchdog, released a statement, criticizing selection process for four vacant positions on the board of the Central Election Commission (CEC), conducted in November, 2019, by a selection commission designated by the President.

In the statement of April 25, the watchdog identified a number of shortcomings that call into question both "impartiality" of the selection commission, as well the evaluation process of CEC board membership candidates (*Civil.ge*, *April 29, 2020*).

* Economy and Social Affairs

16. Top Rating Agency Downgrades Georgia's Economic Outlook from 'Stable' to 'Negative'

Fitch Ratings, a U.S.-based credit rating agency, has revised Georgia's economic outlook from "stable" to "negative", affirming its long-term issuer default rating – which measures country's ability to meet its financial obligations – at "BB" ("speculative" credit quality).

In a statement, Fitch says the updated outlook reflects "the evolving impact" of the COVID-19 pandemic on Georgia.

"This significant shock will lead to a sharp contraction of Georgia's small and open economy with a high dependence on tourism, deterioration in fiscal accounts including markedly higher public debt and increased risk stemming from Georgia's higher external debt and wider structural current account deficit relative to the median of its "BB" category peers," notes the rating agency.

Fitch forecasts that Georgia's real GDP growth in 2020 is set to contract by 4,8 %, while services and industries related to the tourism sector will be "hardest hit" by the coronavirus fallout. "A national lockdown, in place since March 21, will accentuate the impact on domestic demand," reads the statement (*Civil.ge, April 27, 2020*).

17. National Bank Sold USD 20 Million to Help Steady Lari

National Bank of Georgia (NBG) sold USD 20 million at the foreign exchange (FX) auction today in an bid to shore up the weakened national currency. The average weighted bid rate amounted 3.2035, the NBG said. The NBG also stepped in on March 13, 19 and March 25 to carry out currency intervention worth USD 100 million to ease the pressure on the exchange rate of Lari amid coronavirus fallout.

Currently, Georgia's national currency is trading at GEL 3,2072 per U.S. dollar on Bloomberg's platform *(Civil.ge, April 27, 2020).*

18. Georgian Central Bank Reduces Key Rate to 8.5%

On April 29, the National Bank of Georgia (NBG) decided to reduce its key refinancing rate by 0.5 percentage points to 8.5%, amid the COVID-19 pandemic.

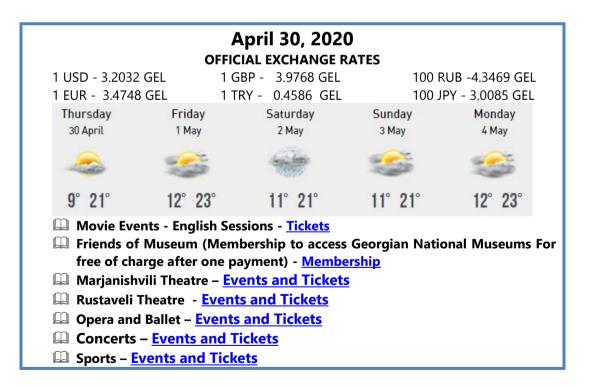
In the released statement, the NBG noted that the annual inflation rate in March was 6.1 percent, adding that "supply factors caused by logistical constraints will delay the decline in inflation over the coming months; however, a sharp decline in external and domestic demand due to pandemic will create a downward pressure on inflation over the course of the year." (*Civil.ge, April 29, 2020*)

19. Georgia in Open Budget Survey 2019

Georgia ranked 5th among 117 countries in terms of budget transparency in the Open Budget Survey 2019, released by the International Budget Partnership, an international fiscal watchdog. The country got 81 points out of 100 in state budget transparency, losing one point compared to 2017 survey, while keeping its place in ranking.

A single-point decrease was mainly caused by the change in assessment methodology by the IBP, remarked Transparency International Georgia.

According to the report, eight key budget documents evaluated for their contents and their availability to the public in due course include pre-budget statement, budget proposal, enacted budget, citizens' budget, in-year reports, mid-year review, year-end report, and audit report (*Civil.ge, April 29, 2020*).



Additional Information