NEWS DIGEST ON GEORGIA

June 8-10

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Date:

June 11, 2020

Occupied Regions

* Abkhazia Region

1. Three Georgians Detained Near Abkhazia Dividing Line

Three Georgian citizens have been detained by Moscow-backed Abkhaz authorities on charges of "illegal crossing of the state border" near the dividing line on June 6.

Butkhuz Kvirkvia, Mikheil Lamandzia and Mate Lamandzia – were taken into custody by the Abkhaz KGB in the vicinity of village Pakhulani in Tsalenjikha municipality (Georgia proper).

The Georgian State Security Service confirmed to Civil.ge on June 7 illegal detention of three Georgian nationals, adding that the hotline has been activated and the EU Monitoring Mission was notified about the incident (*Civil.ge, June 8, 2020*).

* Tskhinvali Region (so called South Ossetia)

2. New Prison Chief Appointed in Tskhinvali after Alleged Inmate Abuse

Anatoly Bibilov, Moscow-backed leader of Tskhinvali Region/South Ossetia, has appointed Alan Guchmazov as head of correctional services of the "ministry of justice" – in charge of overseeing prisons – after sacking his predecessor due to an alleged case of inmate abuse, "RES" news agency reported on June 8.

As stated by Tskhinvali media, Otar Margiev, former warden of Tskhinvali jail was suspended from his job on June 8 after several inmates inflicted self-injuries protesting prisoner abuse by jail personnel on June 5 (*Civil.ge, June 9, 2020*).

* Foreign Affairs

3. Georgia Delays Resuming Travel with Israel as Latter Sees Spike in Cases

Israel asked Georgia to postpone resuming travel between two countries after it saw a surge in new COVID-19 infections, the Georgian government reported on June 10.

"We must not put at stake health of our citizens for the sake of receiving tourists," stated PM Giorgi Gakharia. A risk of importing new cases of infection to the country outweighs benefits from tourism, he maintained.

A bilateral deal between Georgia and Israel envisaged instituting a "safe corridor" for receiving tourists in compliance with all public health safety guidelines.

Similar agreements are currently drafted with the Czech Republic, Poland, Austria, Greece, and Baltic countries (*Civil.ge, June 10, 2020*).

* Internal Affairs

4. Intercity Transport Resumes Except for Rail Traffic

All kinds of intercity transportation, bar railway services, resume starting today, upon the decision of the Inter-Agency Coordination Council, a government task force to combat COVID-19 pandemic. All passengers are obliged to wear face masks while in the vehicle (*Civil.ge, June 8, 2020*).

5. Restaurants with Indoor Seating, 'Authorized' Hotels, and Currency Exchange Offices Reopen

Restaurants, bars, cafes and eateries can reopen their indoor dining spaces for customers, provided that they observe all social distancing guidelines.

Hotels certified by relevant health authorities that they comply with all public health requirements can resume operations (*Civil.ge*, June 8, 2020).

6. 8 New Cases, 3 More Recoveries Reported

Georgia has reported 8 new cases of the novel coronavirus, bringing the number of total confirmed cases to 818. In the meantime, three more patients have recovered, bringing the tally of recoveries to 686. The number of active cases stand at 119 (*StopCov.ge, June 9, 2020*).

7. In-Person College Entrance Exams to Start on July 6

University entrance exams – conducted in-person – will kick off starting July 6 and lasting until August 5.

According to NCDC guiding, no more than ten persons can sit the exam in a single room, and social distancing will be properly observed. All examinees and exam invigilators will be obliged to wear face masks.

Those experiencing coronavirus-related symptoms (high fever, cough, breathing difficulties) – but testing negative for the infection – can take the exam in isolated rooms. Students diagnosed with COVID-19 will not be able to sit entrance exams this year, the Education Ministry said (*Civil.ge, June 9, 2020*).

8. Nine New Cases, Four More Recoveries Reported

Georgia has reported 4 new cases of COVID-19, increasing tally of total confirmed cases to 827. In the meantime, four more patients have recovered, bringing the number of recoveries to 690. The number of active cases remains at 119 (*StopCov.ge, June 10, 2020*).

9. 1 New Case, 4 More Recoveries Reported

As of June 11, 11:11, Georgia has confirmed 828 cases of the novel coronavirus of which 694 patients recovered and 13 died. 121 patients are now undergoing COVID-19 treatment. In addition, 3 infected Georgian citizens have been transferred from neighboring countries to Georgia for treatment. Currently, 3230 people are kept in a 14-day mandatory quarantine, while 285 patients remain under observation in hospitals (*StopCov.ge, June 11, 2020*).

10. TI Georgia's Public Opinion Survey on Corruption in Georgia

According to the survey, only 1% of respondents or their families have been asked to pay bribe for a public service. This figure of petty corruption, TI Georgia says, is similar to results of its previous surveys.

Regarding elite corruption, 63% of respondents state that corruption involving high-ranking officials is very likely (16%) or more likely than unlikely (47%). 57% of the respondents believe that companies connected with the officials enjoy privileges at state tenders.

Moreover, 47% of the surveyed consider that the cases involving high-ranking officials or persons associated with the ruling party, are not properly investigated, as opposed to 29% saying that such cases are thoroughly scrutinized. 41% of respondents believe that government is usually covering up persons involved in corruption, while 37% think the opposite (*Civil.ge, June 8, 2020*).

11. Georgian Opposition: Rurua's Release Precondition to Back Electoral Changes

On June 8, the Georgian opposition parties published a joint statement, reiterating that the release of Giorgi Rurua, alleged political prisoner, is a precondition for them to endorse the constitutional amendments on electoral reform as envisaged by March 8 agreement (*Civil.ge, June 8, 2020*).

12. Lelo's Khazaradze Speaks of Church, Queer Rights, Foreign Policy

On 2020 Polls

Lelo's leader called on the ruling party to uphold the March 8 Agreement which would pave the way for redrawing of Georgia's electoral map.

Khazaradze reiterated his party's decision to field candidates in each of 30 single-mandate majoritarian districts if electoral changes are passed by the Parliament.

On Economy

Khazaradze described his party's economic views as "center-right" and market friendly – while being "open-minded" about some progressive talking points such as air pollution and occupational safety.

Khazaradze sought to capitalize on his "proven track record" as a banker and financier, stressing that together with Badri Japaridze – his former business associate and Lelo's co-leader – they have attracted USD 6 billion foreign investments to Georgia and added 10,000 jobs to the market.

On Foreign Policy

Lelo's leader voiced support for a proposal – put forward by former NATO Secretary General Anders Fogh Rasmussen – that for the sake of accelerating accession to the military bloc, the country should consider joining without extending a clause on collective defense on Russian-occupied regions of Abkhazia and Tskhinvali Region/South Ossetia (until the territorial integrity is restored).

On Queer Rights

Lelo's leader voiced strong objection to introducing marriage equality to Georgia and allowing same sex couples to adopt a child.

Khazaradze said rights of minorities were "well defined" in the Constitution and no "revision" was needed. "We don't have to be innovative in this regard – minority rights are well protected in our country and if there are some digressions, it only means that the law is not observed [properly]," he noted, adding that "the minority should not abuse the rights of the majority."

"I am opposed to legalizing the [same sex] marriage, and a child must be reared by a mother and a father," stressed Khazaradze (*Civil.ge, June 9, 2020*).

13. Former Georgian Dream MPs Set up New Party

Several lawmakers who broke off from ruling Georgian Dream's parliamentary majority over different issues in 2019 have set up a new political party "Our Georgia – Solidarity Alliance."

A presentation of the party was held on June 7. MP Beka Natsvlishvili, former member of now defunct Georgian Dream-Social Democrats faction, will serve as the chairman of the newly established party. MP Zviad Kvachantiradze, former chairman of Diaspora and Caucasus Issues Committee, and MP Mariam Jashi, former chairperson of Education, Science and Culture Committee, will serve as chairman of the party's political council and secretary general, respectively.

Former Georgian Dream MPs Levan Gogichaishvili and Gedevan Popkhadze, as well as an independent member of Tbilisi City Assembly (Sakrebulo), Jaba Jishkariani have also joined the new party.

The newly established party said it will not cooperate with either the Georgian Dream party or the united opposition ahead of the October parliamentary polls. The party vowed to present its electoral program in early August.

MP Natsvlishvili named development to be the key priority of the newly set up party, which, in his words, should be based on "solidarity, justice, welfare and national sovereignty." (*Civil.ge, June 8, 2020*)

* Economy and Social Affairs

14. Council of Europe Delivers Aid to Prevent COVID-19 in Georgian Prisons

In a bid to support to inmates and prison staff amid COVID-19 pandemic, the Council of Europe (CoE) has donated protective materials to five member States, including Georgia. The donations for Georgia included 6,500 masks, 2,500 face shields and 500 litres of sanitizer and antiseptic liquid, 20 pulse oximeters; 5,000 disposable plastic shoe covers; and 3,000 medical disposable headcovers.

The donation to Georgia, delivered following the request of the Justice Ministry and the Special Penitentiary Service, was possible in the framework of the project Enhancement of Human Rights and Health-Care Support to Penitentiary System (financed through CoE Action Plan for Georgia 2016-2019) (*Civil.ge, June 9, 2020*).

15. Georgian Gov't Unveils Revised 2020 Budget to Address Virus Fallout

The Georgian Government has presented a revised budget proposal reflecting negative economic impact of the COVID-19 pandemic.

Prime Minister Giorgi Gakharia's Cabinet plans to step up fiscal spending in order to offset effects of virus-induced recession this year. The revised budget proposal will now be submitted to the Parliament for approval (*Civil.ge, June 9, 2020*).

16. Q1'20 FDI USD 165.4 mln: Geostat

Foreign direct investment in Georgia reached USD 165.4 million in the first quarter of 2020, which is 41.7% decrease compared to the same period of last year, according to the preliminary data released by the National Statistics Office, Geostat, on June 9.

"The main reasons for decreasing the FDI included completion of a pipeline project and transferring of ownership in some companies from non-resident to a resident units," Geostat noted (*Geostat.ge, June 9, 2020*).

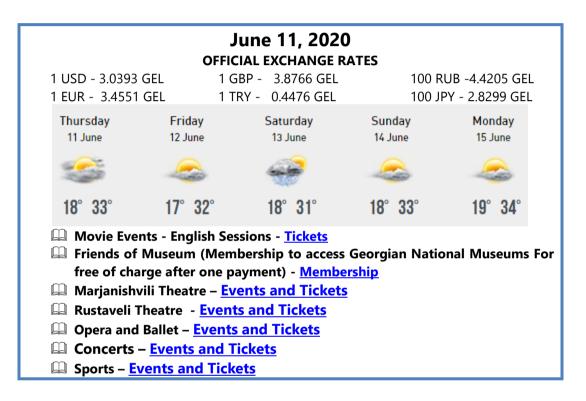
17. Finance Ministry Sells GEL 80 Mln Benchmark Bonds

The Ministry of Finance of Georgia sold benchmark bonds worth GEL 80 million (USD 26.4 million) with a maturity of 364 days on June 9 at the Treasury Bill Auction, according to the Central Bank.

The National Bank of Georgia reported that four commercial banks took part in the auction. Tho overall demand amounted to GEL 154 million (USD 50.8 million) and the weighted average yield neared 8.7 % *(Civil.ge, June 10, 2020)*.

18. Central Bank Sells USD 29,7 MIn in FX Market

The National Bank of Georgia has sold USD 29,7 million in the foreign exchange market auction today. The Central Bank put on sale USD 40 million on June 10 in its latest currency intervention measure, and the average weighted rate amounted to 3.0372. Georgia's national currency has been trading at GEL 3.0301 per one USD on Bloomberg's platform *(Civil.ge, June 10, 2020)*.



Additional Information