

NEWS DIGEST ON GEORGIA

July 23-3, August

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❖ Occupied Regions

❖ Abkhazia Region

1. Three Detained Georgians Released from Abkhazia Custody

Three Georgian citizens that were detained by Moscow-backed Abkhaz authorities on charges of “illegal crossing of the state border” on June 6, were released from Abkhaz custody.

The Georgian State Security Service, the country’s chief domestic intelligence agency, confirmed to Civil.ge late on July 24 that three detained Georgian citizens got today to the Tbilisi-controlled territory (*Civil.ge, July 24, 2020*).

2. Abkhaz Leader Completes Cabinet, Makes Other Key Appointments

Abkhaz leader’s latest appointment is Sergei Shamba, the region’s former long-time foreign minister and ex-prime minister, who will now lead the security council.

Earlier, on July 22, Bzhania appointed Russian-born Sergey Pustovalov as the region’s new vice-premier minister. Pustovalov, who spent more than a dozen years in the system of Soviet and Russian Armed Forces, reportedly moved to Abkhazia in 2004 after assuming the post of assistant to the defense minister.

Other cabinet appointments include:

- the foreign minister – Daur Kove, 41, who served the post since 2016 (appointed on July 15);
- the justice minister – Anri Bartsits, 30 (appointed on July 6);
- the minister of education and language policy – Inal Gablia, now 29 (appointed on June 19);
- the minister of agriculture – Beslan Jopua, first vice-premier (appointed on June 19);
- the minister of culture – Gudisa Agrba, now 36, (appointed on June 5);

On July 21, Bzhania appointed Alkhas Chitanava as the acting head of Sokhumi district (*Civil.ge, July 29, 2020*).

3. Abkhazia Reopens for Russia Despite Surge in COVID Cases

On August 1, Moscow-backed Abkhazia lifted all four-months-long travel restrictions with the Russian Federation. Russian Prime Minister Mikhail Mishustin also signed the order earlier today, reopening Russia to Georgia’s Black Sea region.

The Russian visitors seeking to arrive in Abkhazia will not be required to present COVID-free certificates. The Abkhaz will also be allowed to freely enter Russia.

Kremlin-backed Abkhaz leader Aslan Bzhania, who is visiting Moscow since July 30, made an unexpected announcement about reopening the region to Russia on July 31, following the decision of Russian coronavirus task force to lift travel restrictions with Abkhazia from August 1 (*Civil.ge August 2, 2020*).

❖ **Tskhinvali Region (so called South Ossetia)**

4. Tskhinvali Jails 'Former Advisor to President,' his Ethnic Georgian Wife

On July 20, the supreme court of Moscow-backed Tskhinvali Region/South Ossetia sentenced "a former advisor to the president" Sergey Lipin and his ethnic Georgian wife 16 and 13 years in prison, respectively, for committing "treason."

The two were detained in July 2019 on suspicion of passing "state secrets" to Georgia's central government, shortly after Anatoly Bibilov, leader of the occupied region dismissed Lipin as his advisor.

U.S.-based rights watchdog Freedom House stressed in its Freedom in the World 2020 report that "South Ossetia's judiciary is not independent" and that "the justice system is manipulated to punish perceived opponents of the separatist leadership." (*Civil.ge, July 23, 2020*)

5. 96th IPRM Held in Ergneti after 11 Months

On July 30, the 96th Incident Prevention and Response Mechanisms (IPRMs) Meeting was held in village Ergneti, near the occupation line with Tskhinvali Region/South Ossetia.

IPRMs in Ergneti have been stalled since late August, when Tskhinvali representatives, angered by Tbilisi's construction of a police checkpoint in village Chorchana near the dividing line, disrupted the 95th meeting.

The meeting came amid the backdrop of 11-months-long closure of crossing points connecting Tskhinvali region to Georgia proper and Moscow-backed Ossetian authorities' increased bio-warfare allegations against Tbilisi (*Civil.ge, July 30, 2020*).

6. CSOs Criticize Continued Dismissals in Adjara TV

Coalition for Media Advocacy, a group of a dozen civil society organizations, as well as the Georgian Journalistic Ethics Charter, have slammed continued dismissals in Adjara TV and Radio Company, a public broadcaster based in the city of Batumi on Georgia's Black Sea Coast.

The Journalistic Ethics Charter, journalists' self-regulatory union, said in its statement of July 30 that the ongoing developments in Adjara TV are "extremely concerning."

The Coalition for Media Advocacy stated early on July 31 they regard the dismissals as "persecution" of critical journalists. It maintained that the measures taken by the Adjara TV leadership are "inhumane, aimed at punishing the employees." (*Civil.ge, July 30, 2020*)

❖ **Foreign Affairs**

7. U.S. House, Senate Pass Defense Bill, with Provisions Supporting Georgia

The U.S. House of Representatives and the Senate passed their versions of the National Defense Authorization Act (NDAA) for Fiscal Year 2021, on July 21 and 23, respectively, that include provisions to support Georgia.

In section 1244 of the USD 740 billion defense bill – sponsored by Rep. Adam Smith [D-WA-9] – the Democrat-led House says Georgia is "a valued friend" of the U.S. that "has repeatedly demonstrated its commitment to advancing the mutual interests of both countries," including the deployment of Georgian forces in Iraq and Afghanistan.

According to the bill, the U.S. should “continue support for multi-domain security assistance for Georgia in the form of lethal and nonlethal measures to build resiliency, bolster deterrence against Russian aggression, and promote stability in the region, by

- strengthening defensive capabilities and promote readiness; and
- improving interoperability with NATO forces; and
- further enhance security cooperation and engagement with Georgia and other Black Sea regional partners.” (*Civil.ge, July 24, 2020*)

8. Georgian Prime Minister, U.S. Secretary of State Hold Phone Talk

Georgian Prime Minister Giorgi Gakharia and U.S. Secretary of State Mike Pompeo held a telephone conversation on July 27.

The U.S. Secretary of State highlighted “the importance of holding free, fair, and transparent elections in Georgia this October,” noting that “a level playing field is integral to democratic elections.”

Secretary Pompeo hailed Georgia’s passage of constitutional amendments establishing a largely proportional electoral system and “stressed the importance of rigorous implementation of recently passed electoral reforms.” (*Civil.ge, July 27, 2020*)

9. Six U.S. Lawmakers Address Pompeo over “Potential Corruption” in Georgia

Six U.S. congressmen – Texas republican representatives Jodey Arrington, Bill Flores, Will Hurd, Brian Babin, Randy Weber, as well as Markwayne Mullin [R-OK] – addressed Secretary of State Mike Pompeo with a letter on July 27, in which they express their concern “with the recent decline in democratic governance and potential corruption in Georgia.”

The letter noted that “since the Russian oligarch, Bidzina Ivanishvili, and his Georgian Dream Party” came to power in 2012, Georgia has been “backsliding on [its] progress.”

The congressmen stated that “after speaking with [Pompeo’s] colleagues, Cheryl Fernandes and Aaron Rupert, we feel assured that the State Department is doing their best to monitor the continued deterioration of the private sector investment environment, especially for U.S. companies as well as the Government of Georgia’s commitment to continued democratic reform and seek to be a NATO ally.”

The lawmakers then asked Pompeo to keep in mind while meeting with the Georgian officials, especially Prime Minister Gakharia that

- “The current government of Georgia led by the Georgian Dream party is being manipulated by Russian oligarch, Bidzina Ivanishvili, who is making efforts to drive out U.S. businesses that have been contributing to the American and Georgian economy for decades.
- Activities related to Black Sea ports in Georgia endanger critical American national security interests, including:
 - The deliberate exclusion of American companies from Black Sea port investments/ownership aimed at insulating Georgia from Russian and Chinese influence; and
 - Deficiencies in enforcing American sanctions against Iran and Russia, especially and specifically in the context of port activities and other related private sector investments.
- The fact that the Georgian Parliament still has not passed the necessary electoral reform law which is crucial for the Fall 2020 parliamentary elections to be transparent and fair.” (*Civil.ge, July 30, 2020*)

❖ Internal Affairs

10. Court Sentences Giorgi Rurua to Four Years in Prison

On July 30, the Tbilisi City Court sentenced Giorgi Rurua, one of the shareholders of pro-opposition Mtavari Arkhi TV, charged with illegal purchase, storage and carrying firearms, to four years in prison. Rurua, arrested on November 18, and sent to pretrial custody on November 20, denies all charges against him and considers himself “a political prisoner.”

Giorgi Rurua, who is a brother of late Nika Rurua, a former member of the United National Movement, ex-Minister of Culture under former President Saakashvili, owns 2.5% of Mtavari Arkhi’s shares since September 24. He bought the shares from a 49% shareholder at GEL 2,500 on the condition of investing USD 250,000 in the TV channel (*Civil.ge, July 30, 2020*).

11. Opposition Parties Release Joint Statement on Rurua’s Imprisonment

In their joint statement released on July 31, 20 opposition parties said Bidzina Ivanishvili, the chairman of the ruling Georgian Dream party is behind the “political decision” of the court to sentence Giorgi Rurua, pro-opposition Mtavari Arkhi TV’s shareholder, to four years in prison.

Rurua, convicted for illegal purchase, storage, and carrying firearms by the Tbilisi City Court on July 30, denies all charges against him. Rurua himself, and much of the Georgian opposition considers him “a political prisoner” – a claim, that the Georgian Dream party strongly rejects.

The opposition parties noted that yesterday’s ruling showcased the tight grip the governing party keeps on the judicial system (*Civil.ge, July 31, 2020*).

12. U.S. Senator Suggests Georgian President to Pardon Rurua, Zurabishvili Declines

U.S. Senate Foreign Relations Committee Chair James Risch said on July 30 that he “remains very concerned” about sentencing Giorgi Rurua, pro-opposition Mtavari Arkhi TV shareholder, “on spurious charges.”

Risch told Voice of America (VoA) Georgian that “a legal system should never be used to fulfil political aims.”

“As she did earlier with Giorgi Ugulava and Irakli Okruashvili, President Zurabishvili should pardon Mr. Rurua in the interest of depolarizing the political climate as elections near,” noted the U.S. Senator (*Civil.ge, July 31, 2020*).

13. Political Platform ‘Strategy Aghmashenebeli’ Holds Party Congress

A new political platform – “the Strategy Aghmashenebeli” – held its congress on July 30. The platform was established by the New Georgia party and Law and Justice party, led by Giorgi Vashadze and Tako Charkviani, respectively, on July 27.

The political platform, the name of which refers to King Davit the Builder, most-revered XI-XII century Georgian monarch, has put forward Giorgi Vashadze as its Prime Ministerial candidate for upcoming October parliamentary polls.

Addressing the congress, Giorgi Vashadze, former UNM MP and ex-Deputy Justice Minister under former President Mikheil Saakashvili, lambasted Georgian Dream (GD) government, noting that eight years of GD rule had deplorable consequences for the country.

Speaking of priorities of the newly set-up political platform, Vashadze named “solving grave problems” caused by the party of “shattered dreams” as the top priority. He then unveiled 5 key promises of the platform for the upcoming polls, namely:

- Creating 300,000 jobs in the next four years;
- Halving the interest rates on bank loans since 2021;
- Since 2021 – 30% reduction of drug prices; there will be no more “monopolist medical companies”;
- Since 2020 – writing off high-interest rates for pensioners;
- Since 2021 – businesses with less than GEL 1 million (USD 0.323 million) turnover will be exempted from VAT (*Civil.ge, July 30, 2020*).

14. Watchdog on Alleged Case of Torture Involving Police Officers

The Georgian Young Lawyers’ Association, a local civil society outfit, has welcomed bringing charges against three policemen in the case of alleged ill-treatment of Irakli Khoperia, while slamming the prosecution’s move to re-qualify the charges from torture to exceeding official powers, as well as delayed investigation.

The watchdog also said that signs of ill-treatment are also apparent in the actions of the fourth police officer, whose identity the prosecutors have yet to identify (*Civil.ge, July 31, 2020*).

15. European Georgia Launches Election Campaign, Names Majoritarian Candidates

On August 3, the European Georgia party, the largest opposition group in the Georgian Parliament, officially kicked off its election campaign for October parliamentary polls and named several majoritarian candidates for recently redrawn single-mandate constituencies:

- MP Zurab Chiaberashvili for Telavi, Akhmeta, Kvareli and Lagodekhi municipalities;
- Giorgi Ghviniashvili for Gurjaani, Sagarejo, Dedoplistskaro and Signagi municipalities;
- MP Irma Nadirashvili for Rustavi municipality and Norio, Martkopi, Akhalsopeli, Sartichala, Gamarjveba, Akhali Samgori, Lemshveniera, Teleti, Kumisi and Krtsanisi administrative units in Gardabani municipality;
- Ahmed Imamkuliev for Marneuli and Gardabani (excluding aforementioned adm. units) municipalities;
- Arsen Karapetyan for Akhalkalaki and Ninotsminda municipalities;
- MP Otar Kakhidze for Kutaisi municipality;
- MP Sergo Ratiani for Sachkhere, Chiatura and Kharagauli municipalities;
- MP Gigi Tsereteli for Tkibuli, Terjola, Zestaponi and Bagdati municipalities;
- MP Akaki Bobokhidze for Samtredia, Tskaltubo, Vani and Khoni municipalities;
- Former Tbilisi Mayor Gigi Ugulava for Zugdidi municipality;
- MP Giga Bokeria for Poti, Khobi and Senaki municipalities;
- MP Lela Keburia for Tsalenjikha, Chkhorotsku, Martvili and Abasha municipalities;
- MP Khatuna Gogorishvili for Ozurgeti, Lanchkhuti and Chokhatauri municipalities;
- Taniel Nakaidze for part of Khelvachauri, as well as Keda, Shuakhevi, and Khulo municipalities;

European Georgia’s Elene Khoshtaria and Shalva Shavgulidze, united opposition’s majoritarian candidates for Tbilisi’s Vake and Mtatsminda districts, respectively, also attended the event today.

Opening the event in downtown Tbilisi's April 9 Park, MP Davit Bakradze, the former speaker, said welfare, safety, and integration with the West are the party's key promises (*Civil.ge, August 3, 2020*).

❖ Economy and Social Affairs

16. Georgia not to Terminate Contract with Frontera Resources

Georgia's Ministry of Economy announced on July 23 that the Government decided not to terminate the contract with Frontera Resources, despite winning against Texas-based oil and gas company in International Arbitration Tribunal in April following the long-running legal dispute.

The Ministry said the decision was based on the strategic tasks facing the country, in particular, to maintain Georgia's positive image as a destination of foreign direct investment; not to allow "purely commercial dispute" with Frontera damage strategic ties with the U.S.; and to "allow Frontera Resources to spend resources on fulfilling its commitments, including pay off salaries of their employees, instead of taking efforts to mobilize its lobbyists."

The controversy around the U.S.-based company's operations in Georgia has beset bilateral relations since the number of U.S. lawmakers penned letters to the Georgian government, raising an alert due to "harassment and expropriation attacks" against Frontera Resources by Georgian authorities (*Civil.ge, July 23, 2020*).

17. Frontera Accuses Georgian Gov't of "Disinformation Campaign"

Frontera Resources said in response to the Georgian Government's announcement over reversing its policy towards U.S.-based oil exploration company, that the Government "continued a public disinformation campaign" regarding the contract and the results of the recent international arbitration ruling.

In its statement of July 23, the company called on Georgian Prime Minister Giorgi Gakharia and his cabinet "to stop this intentionally deceptive, damaging and disingenuous practice and, instead, engage honestly with the public and directly with our company to advance a true spirit of substantive partnership."

Frontera stated that the Government's announcement not to terminate the contract with it "was wrapped in a litany of slanderous statements that served only to defame the character of our company and advance false statements about our work." (*Civil.ge, July 24, 2020*)

18. Anaklia Development Consortium Files Arbitration Claim against Georgia

On July 29, the Anaklia Development Consortium (ADC) and Bob Meijer, one of its principal investors, filed separate arbitration claims against Georgia in relation to their rights in the Anaklia Port Project.

Noting that their claims seek to recover the value of ADC's and Meijer's rights in the project, the two said that the value of those rights is substantial, "in excess of USD 1 billion, representing ADC's and Meijer's losses directly resulting from the Georgian Government's campaign to undermine the Anaklia Port Project."

ADC lambasted the Government and ruling Georgian Dream party, noting that it "undertook an overt and covert campaign to ensure the Project could never succeed." (*Civil.ge, July 30, 2020*).

19. Geostat: GDP Declined by 5.8% in First Half of 2020

Georgia's real GDP shrank by 5.8% year-on-year in the first six months, according to preliminary data released by the National Statistics Office, Geostat, on July 31.

In the second quarter, GDP declined by 12.6% year-on-year.

The corresponding year-on-year figure for June stood at 7.7%, according to Geostat.

In June real growth was negative in almost all activities, other than Mining and quarrying and Water supply, sewerage, waste management and remediation activities, Geostat added (*Civil.ge, July 31, 2020*).

20. Germany Disburses EUR 28.5 Mln Grant, EUR 170 Mln Loan for Georgia

Georgia will get a grant amounting to EUR 28.5 million and preferential loan equalling EUR 170 million from the German Government, the Georgian Finance Ministry reported.

Georgian Finance Minister Ivane Machavariani and German Ambassador Hubert Knirsch signed the relevant document on July 31.

In particular, the grants and loans will be disbursed for:

- "Sustainable Urban Mobility in Georgia" – EUR 100 million loan, EUR 2 million grant;
- "Energy Efficiency Open Program" – EUR 40 million loan, EUR 3,2 million grant;
- "Communal Infrastructure for Environment and Tourism" – EUR 30 million loan, EUR 3 million grant;
- "Biodiversity and Sustainable Local Development" – EUR 18.5 million grant;
- Energy Efficiency Measures and Approximation to EU Energy Efficiency Standards, phase II" – EUR 1.8 million grant (*Civil.ge, July 31, 2020*).

21. Geostat: Annual Inflation 5.7% in July

Georgia's annual inflation in July stood at 5.7%, while on a monthly basis prices decreased by 0.5%, the Georgian National Statistics Office (Geostat) reported on August 3.

The annual inflation rate was driven by price changes in the following groups: food and non-alcoholic beverages (11.5% increase); alcoholic beverages and tobacco (9% increase); transport services (9.3% decrease) (*Civil.ge, August 3, 2020*).

Additional Information

March 9, 2020

OFFICIAL EXCHANGE RATES

1 USD - 2.7748 GEL

1 GBP - 3.6067 GEL

100 RUB - 4.0872 GEL

1 EUR - 3.1386 GEL

1 TRY - 0.4555 GEL

100 JPY - 2.6336 GEL

Monday

9 March



4° 17°

Tuesday

10 March



5° 19°

Wednesday

11 March



9° 23°

Thursday

12 March



8° 22°

Friday

13 March



9° 20°



Movie Events - English Sessions - [Tickets](#)



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](#)