

GEORGIA UPDATE

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TOP STORIES

- **NATO Convenes Extraordinary Meeting With Georgia; “Open Door to NATO for Georgia,” Says Clinton**
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- **E.U. Monitors Report More Georgians Forced From Abkhazia**
- **Parliament Speaker Warns Russia May Try to Incite Chaos in Georgia in Coming Months**
- **Georgia, US Deepen Ties on Combating Nuclear Smuggling**
- **New Central Bank President Appointed; Helped Prevent Financial Crisis During War**



President Saakashvili traveled last week to the United Arab Emirates to meet with political and business leaders. Last month, one of the UAE's largest holding companies, Rakeen, announced \$2 billion in investments in Georgia in the next five years. The governments also have negotiated visa-free travel for citizens of Georgia and the UAE.

INTERNATIONAL MEDIA ON GEORGIA

CHRISTIAN SCIENCE MONITOR: Recession? War? Gulf developer continues massive Georgia luxury project

WASHINGTON POST: A “reset” that doesn't compute

EURASIANET: Security agreement does little to ease fear in villages

RUSSIA TODAY: Most Russians say conflict over Crimea is “possible”

EU OBSERVER: EU ministers at odds over energy and eastern projects

CHICAGO TRIBUNE: Doormat diplomacy

EURASIA DAILY MONITOR: Georgia prepares to repel aggression

REUTERS: No Russian soap operas as Georgia marks anniversary

QUOTE OF THE WEEK

“We should continue to open NATO's door to European countries such as Georgia and Ukraine and help them meet NATO standards.”

—US Secretary of State Hillary Clinton, speaking on March 5 in Brussels in advance of an extraordinary meeting of the NATO-Georgia Commission

UPCOMING MILESTONES

Mar. 2-13: NSC Secretary Tkeshelashvili visits Washington, D.C., & NYC

Mar. 5: FM Vashadze meets Secretary of State Clinton and NATO FMs in Brussels

Mar. 8-12: FM Vashadze visits Japan

Mar. 23-27: Parliament Speaker Bakradze visits Washington, D.C.

Mar. 30: Parliament Speaker Bakradze visits Denmark and Norway

Mar. 31: EU monitoring mandate expires

Apr. 2-4: Parliament Speaker Bakradze visits Finland

Apr. 27: 10-year anniversary of Georgia's CoE membership.

May 15: United Nations SG to release report on Georgia and UNOMIG.

TOP STORIES

NATO Convenes Extraordinary Meeting With Georgia; “Open Door to NATO for Georgia,” Says Clinton

The North Atlantic Alliance today convened an extraordinary session of the NATO-Georgia Commission in a sign of support for Tbilisi. Said Secretary of State Clinton: “We should continue to open NATO’s door to European countries such as Georgia and Ukraine and help them meet NATO standards.” She also said that NATO members must “never” recognize the occupied territories of South Ossetia and Abkhazia.

[CIVIL GEORGIA: Clinton-NATO should Continue to Open Door to Georgia, Ukraine](#)

Two Georgians Are Held in South Ossetia, Casting Doubt on Geneva Agreements

Two Georgians are being held by South Ossetian militias after crossing the administrative border; the detentions occurred despite an agreement by Russia and Georgia at the Geneva talks in February to work to prevent such incidents. “This case clearly underscores the need to address movement across the administrative boundary line in a systematic fashion,” said Hansjörg Haber, head of the EU Monitoring Mission. “It is a legitimate interest of civilians on both sides of this boundary line to be able to cross it without ending up in jail or before a court.” Meanwhile, FM Vashadze said Monday that Russia would try “to kill” the Geneva talks with hand of “its proxy regimes” in Abkhazia and South Ossetia.

[CIVIL GEORGIA: EU Monitors Call for Putting Geneva Agreement into Practice](#)

[CIVIL GEORGIA: Georgian FM-“Russia will Try to Kill Geneva Format”](#)

E.U. Monitors Report More Georgians Forced from Abkhazia

Russian-backed forces in Abkhazia expelled over 50 Georgian families from their homes in the Gali district after a villager purportedly refused to join an Abkhaz militia. The EU Monitoring Mission in Georgia met with Georgians forced from their homes to further investigate the grave human rights violations. “It evidently shows that there is a serious danger of renewed ethnic cleansing,” said the Foreign Ministry. The eviction preceded the arrival in Abkhazia of Heidi Tagliavini, the Swiss diplomat heading the EU’s inquiry into Russia’s invasion of Georgia last August.

[AP: Georgian families forced out of Abkhazia](#)

Parliament Speaker Warns Russia May Try to Incite Chaos in Georgia in Coming Months

Parliament Speaker Bakradze warned this week that Russia’s incessant efforts to destabilize Georgia remain unchecked. Moscow’s indirect involvement in the country’s domestic politics and its incitement of internal political instability is more dangerous than direct military aggression, because

eventually the instability and “chaos can be more effective than tanks for replacing the authorities,” he said. Although Bakradze believes a renewed military confrontation is not likely, he argued that Vladimir Putin aims to remove President Saakashvili from power “by any means.”

[CIVIL GEORGIA: Bakradze warns Russia may try to incite chaos in Georgia](#)

Georgia, US Deepen Ties on Combating Nuclear Smuggling

Georgia and the US have signed an agreement boosting efforts to combat illicit trafficking of nuclear material in Georgia and the Caucasus. Since the early 1990s, the US has provided over \$275 million in assistance to Georgia to secure nuclear and radioactive materials, to improve border monitoring, to support the Georgian coast guard, and to advance nuclear forensics capabilities. After the August war, the US approved \$20 million in funding for secure communications and other support to Georgia’s law enforcement agencies and for developing a national response plan for responding to incidents related with radioactive materials.

[CIVIL GEORGIA: Georgia, US deepen ties on combating nuclear smuggling](#)

New Central Bank President Appointed; Helped Prevent Financial Crisis During War

Giorgi Kadagidze was appointed this week to head Georgia’s central bank. The U.S.-educated 28-year-old had served on the bank’s board. He is credited with having prevented a banking crisis during Russia’s invasion last August through a series of proactive initiatives, including a loan refinancing program and lowering bank reserve requirements. “It’s a great decision to appoint Giorgi Kadagidze,” Prime Minister Gilauri said. “He’s experienced, competent and has done great work in the central bank so far.”

[BLOOMBERG: Georgia’s Central Bank Gets New 28-Year-Old Governor](#)



Georgian President viewed constructions in Batumi

President Saakashvili at the site of a new Hilton Hotel being built in the seaside town of Batumi, in the region of Adjara. The resort will rank among the most luxurious on the Black Sea coast. The old town also will undergo massive reconstruction, while a dolphinarium and a concert hall, designed by world-renowned architects, will be built as well

INTERNATIONAL MEDIA ON GEORGIA

CHRISTIAN SCIENCE MONITOR: Recession? War? Gulf developer continues massive Georgia luxury project

Despite a war and global financial crisis, the UAE's Rakeen investment group is pressing ahead with a massive, multi-billion-dollar investment program in Georgia—including in the strategic port of Poti, luxury homes, five-star hotels, and major infrastructure projects. The company is indirectly owned by Ras al-Khaimah, one of the United Arab Emirates. Since 2003, the government has attracted FDI by slashing regulations, eliminating corruption, and developing a reputation as accommodating to businesses. The government has given almost "too much support" says Rakeen's director in Georgia. "When we have a problem they always help us."

<http://www.csmonitor.com>

WASHINGTON POST: A "reset" that doesn't compute

Russia's internal instability and aggressive foreign policy in the Caucasus and beyond make "resetting" bilateral relations improbable. Putin's ambition to subjugate Georgia—manifest in the hysterical rhetoric with which officials here continue to describe its democratic and pro-Western government—remains very much alive. Pavel Felgenhauer, a respected military reporter in Moscow, offers a detailed case for his conclusion that the possibility of a Russian military operation this summer to "finish the job" of toppling President Saakashvili is "frighteningly high." Naturally, those betting on a new spring in U.S.-Russian relations scoff at such speculation. But Felgenhauer is used to that. He was also dismissed last year—when he correctly predicted that a Russian invasion of Georgia would come by August.

<http://www.washingtonpost.com>

EURASIANET: Security agreement does little to ease fear in border villages

A recent security agreement on the occupied territories does little to restore peace and security for ethnic Georgian villagers. "At night they come, shoot their guns and walk around drunk," said one Georgian villager of the Russian-backed S. Ossetian militiamen. "They simply do not leave us alone. They want us to leave." The incident-prevention agreement, reached in February at the Geneva talks, fails to grant international monitors access to the territories—essential to ensuring human security Abkhazia, S. Ossetia, and nearby areas.

<http://www.eurasianet.org>

EU OBSERVER: EU ministers at odds over energy and eastern projects

EU external-relations commissioner Ferrero-Waldner called on the EU Monday to agree to an extra €350 million for the Eastern Partnership. The new policy, to be launched in Prague in May, is designed to help Ukraine, Moldova, Georgia, Armenia and Azerbaijan come closer to the EU. Belarus may also be involved, if it resists Russian pressure to recognize Georgian rebels in Abkhazia and S. Ossetia as independent

states. "After the Russian-Georgian war and the gas crisis, it has become evident that we have a crucial interest in the political and economic stability of these countries," Waldner said.

<http://euobserver.com/>

CHICAGO TRIBUNE: Doormat diplomacy

Only a month into President Obama's presidency, the Kremlin is testing his diplomatic resolve with several brazen foreign policy provocations. Among a laundry list of aggressive measures, Russia is planning to establish a Black Sea naval base in Georgia's breakaway province of Abkhazia, conquered by Moscow last summer. The Kremlin surely has noted that its recent provocations—Abkhazia, Kyrgyzstan, the rapid reaction force—have elicited barely a peep from Washington. Some are deliberate threats to US interests, others mere probes to ascertain whether the new president has any spine.

<http://www.chicagotribune.com>

EDM: Georgia prepares to repel Russian aggression

The Georgian army is recovering from last summer's invasion and preparing to ward off further threats. "Our defenses should be ready to repel potential Russian aggression. All the military programs and priorities for 2009 will be developed based on the experience of the Russian war," said Defense Minister Sikharulidze. Speculation over a possible military provocation by Russia against Georgia intensified after the statement by Pavel Felgenhauer, a well-known Russian military analyst, that Russia will try to renew hostilities with Georgia with the arrival of spring.

<http://www.jamestown.org>

REUTERS: No Russian soap operas as Georgia marks anniversary

Georgia halted broadcasts of Russian soap operas and songs last Wednesday to mark the anniversary of its 1921 occupation by the Soviet Red Army. Cars drove slowly along the main Rustaveli avenue in the capital, Tbilisi, at 11 a.m., horns blaring and red-and-white Georgian flags streaming from windows. Children stood in line outside schools. The Red Army invaded Georgia on February 25, 1921, ending its brief independence and starting 70 years of Soviet rule.

<http://uk.reuters.com>

WEBSITES @ GEORGIA

Civil Georgia: Leading independent English-language news website on Georgia: <http://www.civil.ge>

Georgia Update: Official government information service: <http://www.georgiaupdate.gov.ge>

Georgian Foundation for Strategic and International Studies:

Leading non-governmental organization that focuses on Georgian domestic and foreign policy: <http://www.gfsis.org>

Georgian Mission to NATO: <http://embassy.mfa.gov.ge>

Georgian Parliament: <http://www.parliament.ge/>

Government of Georgia: <http://www.government.gov.ge/eng/>

Local Government: Official website of Georgia's capital, Tbilisi: http://www.tbilisi.gov.ge/index.php?lang_id=ENG&sec_id=1

Ministry of Foreign Affairs: <http://www.mfa.gov.ge>

National Investment Agency: <http://www.investgeorgia.org>

President Saakashvili's official website:

<http://www.president.gov.ge/?l=E&m=0&sm=0>