

GEORGIA UPDATE

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- Geneva Talks Make Little Progress as Russia Obstructs, Abkhaz Walk Out
- PM Sees Foreign Investors Returning, FDI Reaching \$1.3 Billion in 2009



After 16 years, the sun will set next month on the OSCE monitoring mission in Georgia. Moscow, in defiance of near-unanimous support for the mission among the OSCE's other 55 members, vetoed its mandate. The international community fears Russian violations of the ceasefire agreement now will further compromise stability. In June, the UN must decide whether to extend the mandate of its own mission in Georgia; The U.N. deploys 129 military observers, drawn from 30 states, and 16 police officers in Abkhazia.

INTERNATIONAL MEDIA ON GEORGIA

AP: Ex-officials of rebel Georgia area say leader is corrupt

INVESTORS BUSINESS DAILY: Russia still has Georgia on its mind

LE MONDE: EU revives gas pipeline project in order to bypass Russia

AFP: Canada blames Russia for impasse over OSCE in Georgia

EURASIANET: Georgia-Villagers want jobs, not protests

THE MOSCOW TIMES: The "Keystone Coup"

EURASIA DAILY MONITOR: Radical Georgian opposition considers shift

VARIETY: Georgia welcomes back film crews

QUOTES OF THE WEEK

"The Vice President welcomed the Georgian government's measured response to the ongoing opposition protests and its efforts to engage in a dialogue with the non-parliamentary opposition."

—White House statement after VP Biden spoke with President Saakashvili (May 14)

"Russia bears the responsibility for this unfortunate impasse on Georgia and for the termination of the OSCE presence there."

—Canadian Foreign Minister Lawrence Cannon

UPCOMING MILESTONES

May 20-22: President Saakashvili visits Azerbaijan

May 24-28: NATO Special Representative Simmons visits Georgia

May 26: Georgian Independence Day

Jun. 1-4: Defense Minister Sikhuralidze visits Washington

Jun. 2-5: State Minister Baramidze visits UK

Jun. 30: OSCE's monitoring mandate in Georgia expires

Jul. 1: Sweden assumes EU Presidency

Jul. 1: Next round of Geneva peace talks

Jul. 6-8: President Obama visits Russia

TOP STORIES

US Vice President Biden Affirms “Unwavering” Support for Georgia, Applauds Response to Protests

US VP Biden reaffirmed “unwavering” US support for Georgia and applauded President Saakashvili’s handling of opposition protests. “The Vice President welcomed the Georgian government’s measured response to the ongoing opposition protests and its efforts to engage in a dialogue with the non-parliamentary opposition,” the White House said, following a call between Biden and Saakashvili on May 14.

[AFP: Biden affirms “unwavering” US support for Georgia](#)
[CIVIL GEORGIA: US hails government’s “measured response”](#)

Georgian Public’s Support for Government, President Rises Amidst Opposition Demonstrations

Six weeks after the onset of opposition demonstrations in Tbilisi, popular support for the Government and President has risen, according to a poll by widely respected US firm Greenberg Quinlan Rosner. In the survey of 1,200 respondents, conducted May 1-9, the President’s job approval rating rose two points to 65 percent. By 66-22 percent, the public sees protests as unsuccessful for the opposition. Meanwhile, 45 percent of Georgians said replacing Saakashvili with someone new would “most likely worsen” the situation in Georgia, while 29 percent said his ouster would bring improvement.

[BLOOMBERG: Saakashvili’s Popularity Rises Amid Georgia Protest, Poll Shows](#)

Russia Kills OSCE Mission in Georgia, Despite Near-Unanimous Support Among Members

Russia vetoed the OSCE’s monitoring mission in Georgia, despite near-unanimous support among its 56 members. In its 16th year, the mission must now pull out by June 30—despite an urgent need to help protect human rights, ensure compliance with the ceasefire, and create conditions for the return of displaced Georgians. Said the US state department: “We commend the Georgian delegation for its constructive approach and are disappointed that Russia could not accept the Greek chairmanship’s constructive status-neutral solution.”

[CIVIL GEORGIA: Russia rejects Greek proposal on OSCE monitors in Georgia](#)

[AGENCE FRANCE PRESSE: US regrets failure to extend OSCE mission in Georgia](#)

UN Secretary General Says Situation “Fragile,” Urges Broad Mandate for Mission in Georgia

Urging the international community to extend and expand the UN monitoring mission in Georgia, UN SG Ban Ki-moon said this week that the security situation in Abkhazia since February “has remained fragile, with a continued threat of incidents.” In a report to the Security Council released Tuesday, Ban also said the local population in the Gali district remains “in a precarious situation, with limitations on its freedom of

movement across the cease-fire line,” and that “the cease-fire regime—the key foundation for the separation of forces and stabilization—has continued to erode.”

[AP: UN proposes Abkhazia-Georgia security zones](#)

Geneva Talks Make Little Progress as Russia Obstructs, Abkhaz Walk Out

Russia and its separatist allies in Abkhazia and S. Ossetia disrupted the fifth round of peace talks in Geneva by staging walkouts and outright boycotts. Although the parties agreed to meet again on July 1, little progress was made. Mediators especially expressed disappointment at the slow progress in getting humanitarian assistance through to those in need in the breakaway areas. Said Georgia’s MFA: “It is now obvious that Russia is trying to use the Geneva peace talks as a tool to blackmail the international community.”

[CIVIL GEORGIA: Russia walks out of Geneva talks](#)

[FINANCIAL TIMES: Russia and Georgia resume talks on security](#)

PM Sees Foreign Investors Returning, FDI Reaching \$1.3 Billion in 2009

PM Gilauri says Georgia expects \$1.3 billion in foreign direct investment this year, cushioning the country’s economy during the global financial crisis. In combination with a continuing flow of international aid from \$4.5 billion in funds pledged last October, Georgia is weathering the global economic crisis. Georgia’s business-friendly, low-tax regime has continued to appeal to foreign investors even in difficult times.

[REUTERS: Georgia PM expects \\$1.3 billion FDI in FY 2009](#)



The renowned 10th-century Gialia Monastery has a long history—and now it also has a brighter future. The medieval Georgian Orthodox sanctuary, in the Cypriot village of Gialia, was identified in 1981 by the Georgian scholar Wachtang Djobadze. The monastery, expanded in the 12th century at the behest of Queen Tamar of Georgia (1184-1213), contains 13th- and 14th-century Georgian paintings and inscriptions. Now, 18 Georgian scholars funded by the culture ministry, are conducting a new round of excavations. Their efforts are helping lay the groundwork for a conservation plan that will be backed by the Cypriot government.

INTERNATIONAL MEDIA ON GEORGIA

ASSOCIATED PRESS: Ex-officials of rebel Georgia area say leader is corrupt

Tyranny and official corruption have flourished in S. Ossetia following Russia's invasion. "Now the air in S. Ossetia is saturated with fear, despair and hate," says Askhar Kochiyev, the territory's former chief prosecutor. "There are permanent threats against those who could say something against the leadership." Ex-officials assert that aid money has been embezzled and "not one apartment has been rebuilt"; by contrast, they praised Georgia's support of the displaced. news.yahoo.com

INVESTORS BUSINESS DAILY: Russia still has Georgia on its mind

Moscow's new National Security Strategy not-so-subtly warns that if the West does not behave, the invasion of Georgia may be the shape of things to come. "The international policy in the long run will be focused on getting hold of energy sources, including in the Middle East, the Barents Sea shelf and other Arctic regions, the Caspian and Central Asia," it says. "Amid competitive struggles for resources, attempts to use military force to solve emerging problems can't be excluded." Russia's invasion of Georgia was a shot across the Western bow regarding energy. news.yahoo.com

LE MONDE: EU revives gas pipeline project in order to bypass Russia

The EU has once again revived the Nabucco gas pipeline project, aiming to minimize the bloc's energy dependence on Russia. At the Prague Summit earlier this month, European and Turkish officials agreed to sign an energy agreement by June 30. Georgia, Azerbaijan and Egypt also signed on, assuming a critical role in developing the region's high-profile energy corridor. www.lemonde.fr

AGENCE FRANCE PRESSE: Canada blames Russia for impasse over OSCE in Georgia

Canada expressed "deep concern" over the failure to extend the OSCE mission in Georgia, squarely blaming Russia for the impasse. "Russia bears the responsibility for this unfortunate impasse on Georgia and for the termination of the OSCE presence there," said Canadian FM Cannon. Russia has stubbornly challenged all efforts to extend the OSCE's mission in Georgia, which expires June 30. news.yahoo.com

EURASIANET: Georgia-Villagers want jobs, not protests

Georgians are losing interest in the opposition's month-long demonstrations, prioritizing employment and economic stability over politics. Many of Georgia's impoverished have shunned opposition efforts to recruit them for the campaign to force President Saakashvili from power. Widespread skepticism about the opposition's ability to tackle existing problems has further dampened interest among the population. www.eurasianet.org

THE MOSCOW TIMES: The "Keystone Coup"

It seems that the Kremlin does not understand that Georgia has emerged from chaos to become a full-fledged independent nation. Moscow can't orchestrate a coup in Georgia just by waving its little finger as it has done in the past. Last week's failed military mutiny resembled something from the "Keystone Cops," rife with incompetence and idiocy. www.themoscowtimes.com

EURASIA DAILY MONITOR: Radical Georgian opposition considers shift in tactics

With demonstrations having lost steam, Georgia's radical opposition is wavering between two options: dialogue with the government and possible use of force in the streets. Former diplomat Irakli Alasania has emerged as the most moderate and popular of the opposition figures. Unlike the others, most of whom are fixated on ousting the President, he seeks to advance a substantive dialogue on constitutional and institutional reforms. www.jamestown.org

VARIETY: Georgia welcomes back film crews—country declares itself 'safe'

"The August war with Russia put us on the world map for all the wrong reasons," says Culture Minister Rurua, "but now that everybody knows about Georgia, we would like to capitalize on this for our film industry." His ministry is prepping a new law that would offer major tax incentives to producers of films shot in the country. Georgia this year brought nine projects to Cannes. www.variety.com

WEBSITES @ GEORGIA

Civil Georgia: Leading independent English-language news website: www.civil.ge

Georgia Update: Official government information service: www.georgiaupdate.gov.ge

Georgian Foundation for Strategic and International Studies: Leading NGO focusing on domestic, foreign policy: www.gfsis.org

Georgian Mission to NATO: embassy.mfa.gov.ge

Georgian Parliament: www.parliament.ge

Government of Georgia: www.government.gov.ge/eng

Tbilisi: Official website of Georgia's capital: www.tbilisi.gov.ge

Ministry of Foreign Affairs: www.mfa.gov.ge

National Investment Agency: www.investgeorgia.org

President Saakashvili's official website: www.president.gov.ge