GEORGIA UPDATE

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Russian forces finally withdraw last week from Perevi, a Georgian village that was outside the administrative boundary line with Russian-occupied S. Ossetia. Georgian forces took control of Perevi and sought to ensure residents were safe from mines and other hazards. The EU welcomed the move by Moscow but said it was only a very small step toward compliance with the 2008 ceasefire. Said EU foreign policy chief Catherine Ashton: "I look forward to further progress towards the full implementation of the EU-brokered Six Point Agreement of August 2008 and its Implementing Measures of September 2008."

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QUOTES OF THE WEEK

"We still do not see much will from Russia to reach out to us. We are ready for serious, meaningful talks about the issues but we have certain issues that cannot be overlooked and cannot be overcome by neglect."

—President Saakashvili in a Reuters interview on Wednesday

"Society should have full and comprehensive information about media owners, about who is behind media organization, and how they are financed. The initiative is part of our democratic reform package and it will be a step forward toward democracy development."

—Parliament Speaker Bakradze speaking Tuesday about new draft legislation on media transparency to be debated next month

UPCOMING MILESTONES

Oct. 28-29: Montenegrin FM visits Georgia

Nov. 3-4: Iranian FM visits Georgia

Nov. 8-13: UN permanent representatives from

South/Central America visit Georgia

Nov. 12-13: FM Vashadze visits Morocco

Nov. 17: FM Vashadze visits Tunis

Nov. 19-20: NATO summit in Lisbon

Nov. 23: 7th anniversary of the Rose Revolution

Nov. 24-25: Ukrainian FM visits Georgia

Dec. 1-2: OSCE summit in Astana

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TOP STORIES

Public Approval Ratings of Government at Record High; Georgians Support New Constitution

With Georgia's economy showing signs of growth, public support for the country's direction, for President Mikheil Saakashvili, and for his United National Movement (UNM) have all reached their highest marks in three years, according to a new survey. The nationwide survey of Georgian adults finds that, although most Georgians still express concern about the economy, 39 percent now describe the country's economy as "strong," the highest share who say this in the past three years. Partly as a result, 50 percent of all adults now see the country headed in the right direction, compared to only 32 percent who see it going in the wrong direction. The 50 percent figure represents a 12-point increase just since March of this year, and is the highest mark at any time since late 2007. Among the 54 percent of Georgian adults who are most likely to vote in a parliamentary election, the share who give president Saakashvili favorable personal ratings moved up to 61 percent, and the share giving his UNM party favorable ratings moved up to 54 percent; both of these figures are high-water marks as well. The survey also shows that a rising share of the country—now a 50-16 percent majority—approves of the country's new constitutional reforms, with even stronger support among those who have seen or heard the most about the reforms. The survey was conducted by the US polling firm Greenberg Quinlan Rosner on behalf of the UNM; it was based on face-to-face interviews with 1,200 Georgian adults, conducted September 28 to October 2. RUSTAVI: Greenberg Quinlan Rosner Publishes Survey Results

Georgian Police Take Over Control of Perevi Village from Russian Forces

Georgian police last week regained control over the Georgian village of Perevi, the only village that Russian occupation forces have evacuated since their 2008 invasion. Georgian police have taken strong security precautions to ensure the safety and security of the village and its residents, scouring the village to ensure the territory is not mined. Although Russian soldiers have now left Perevi—located outside the administrative borders of Georgia's Russian-occupied territory of S. Ossetia—they have relocated to the nearby village of Kardzmani. The decision to withdraw from Perevi was announced earlier this month, after the 13th round of the Geneva peace talks. EU foreign policy chief Catherine Ashton welcomed the withdrawal from Perevi as "a positive development on the ground." Said Ashton: "I look forward to further progress towards the full implementation of the EU-brokered Six Point Agreement of August 2008 and its Implementing Measures of September 2008."

CIVIL GEORGIA: Russian Soldiers Withdraw from Perevi

European Parliament Backs Proposal to Ease Visa Rules for Georgian Citizens

Georgian citizens will be able to obtain EU entry visas more easily under a proposal backed Tuesday by the European Parliament's Civil Liberties Committee. MEPs also supported an agreement with Tbilisi on the readmission of irregular immigrants. Parliament will vote on the measures in November. The visa accord will simplify the documents required for Georgians seeking an EU visa. A decision on whether to issue a visa will have to be taken within 10 days, and the fee will be €35. Students, journalists, and people taking part in cultural, artistic, scientific and sports events will not need visas. The committee approved the agreement on the basis of a report by Nathalie Griesbeck, with only one vote against. The Committee also backed a separate agreement on the readmission of irregular immigrants. On the basis of complete reciprocity, Georgia and the EU will have to take back any of their nationals who are in an irregular situation, as well as nationals of third countries and stateless persons where it is proved that the person holds a visa for the signatory state or has resided or transited through that state.

EUROPEAN PARLIAMENT: MEPs back relaxation of visa rules for Georgia



PM Gilauri Meets With Chinese Premier, Pursues Asian Investors Georgian PM Gilauri met this week with Chinese vice-premier Wang Qishan in Beijing, seeking to enhance Georgia's relations with China. Beijing is Gilauri's first stop on his tour of Asian, where he to attract investment. Gilauri and the Georgian delegation also met with Chinese ministers of commerce and transport before traveling to Shanghai to attend the World Expo 2010, which also featured a "Day of Georgia" pavilion. Georgian and China have recently pursued a variety of measures to boost relations, signing last June an inter-governmental agreement that allocated \$3 million to Georgia's Ministry of Finance to help update technological equipment and facilitate custom control. Gilauri will end his Asian tour in Mumbai, India next week, where the prime minister will present Georgia's vast investment opportunities to a forum of Indian investors.

CIVIL GEORGIA: Georgian PM Visits China, India

An "Eiffel Tower" for Batumi, a "Central Park" for Tbilisi

President Saakashvili last week unveiled fresh plans to build two modern, landmarks in the cities of Batumi and Tbilisi, aiming to attract tourists and pay tribute to the country's rich culture and western ties. "We are opening constructions of Batumi Eiffel tower today. We have commissioned the construction company to build it in five months," Saakashvili said at the launch ceremony in Georgia's Black Sea resort town of Batumi. A 150m tall glass Eiffel Tower analogue adorned with 33 letters from the Georgian alphabet, an aerial tramway, a funicular railway and an artificial golden beach will be constructed in Batumi. The tower serves as a monument and humble homage to Georgia's unique alphabet and heritage. Said Saakashvili: "The main idea is that the Georgian alphabet is our DNA, our genetic code." Helping to further lure tourists to the lush, Georgian beach town, the tower will also house a 360-degree rotating restaurant and multiple television studios. Meanwhile, American landscape designers arrived in Tbilisi last week to help create an analogue of New York City's Central Park. The grand park will be built on the same property as the Mzirui Park and the city zoo, linking the city's established Saburtalo and Vake districts. The projects come in sync with the construction of a ski resort in the remote mountains of Svaneti that plan to be accessible by plane from another Georgian Black Sea resort spot.

EURASIANET: "Eiffel Tower" for Batumi, "Central Park" for Tbilisi

Georgian Exports Leap by 34% in First 9 Months of Year

Georgian exports showed exceptional growth during the first nine months of 2010, up 34 percent from last year. According to Geostat, the country's statistics office, total foreign trade turnover was valued at \$4.6 billion from January to September of this year. Geostat said Georgian exports totaled over \$1 billion, up by 34 percent, while gross imports hit \$3.5 billion, a 13 percent increase from last year. Meanwhile, the country's trade deficit was \$2.4 billion during the same period, a 5 percent increase from 2009. Turkey remains Georgia's largest trading partner with \$770 million in trade, followed by Azerbaijan at \$486 million, Ukraine at \$445 million, and the US with \$253.5 million dollars.

CIVIL GEORGIA: Georgia's Foreign Trade Grows 17% in Jan-Sept

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INTERNATIONAL MEDIA ON GEORGIA

DEUTSCHE PRESSE AGENTUR: Georgia amends constitution, reduces presidential powers

President Saakashvili last week welcomed a change in the constitution that transfers powers from the president to the prime minister. The new constitution will come into effect with the next presidential elections, which will take place in October 2013. Almost all off the recommendations made by the Council of Europe's legal advisory body, the Venice Commission, were taken into account.

www.earthtimes.org

RADIO FREE EUROPE: Georgia gets a more democratic constitution

The Georgian parliament adopted amendments to the Constitution that will bring the country's political system closer to a parliamentary republic and make the PM Georgia's most powerful figure. A democratic constitution is not a guarantee of democracy, but it is a prerequisite. Most commentators agree that the new amendments bring the previous super-presidential system closer to the European parliamentary model and make the constitution more democratic. www.rferl.org

THE ECONOMIST: The spectre of a multi-polar Europe

The post-Cold War order is unraveling. Rather than uniting under a single system, Europe's big powers are moving apart. Tensions between them have made security systems dysfunctional: they failed to prevent war in Kosovo and Georgia, instability in Kyrgyzstan, and disruption to Europe's gas supplies, nor did they solve frozen conflicts. Any serious thought about the region east of the EU quickly comes to the conclusion that the best way to stabilise things is economic success, political stability, the free movement of people, goods and services, and some kind of long-term perspective of EU membership. The main reason that doesn't happen is the fears of the bigger and older EU members about having the hairy and muddy masses from the east annoying their voters.

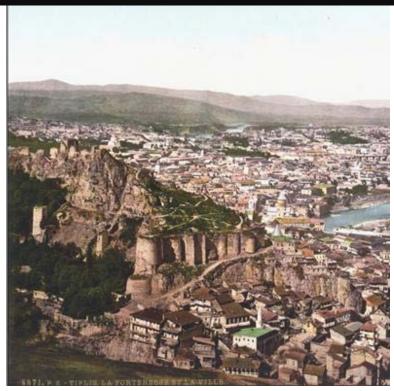
www.economist.com

JAMESTOWN: Clinton endorses Georgia's integration with West Secretary of State Clinton underscored the significance of "the vital friendship between the US and Georgia," reiterating America's longtime "commitment to enhancing Georgia's future as a prosperous and secure member of the Western family of nations" and to strengthening "Georgian security and democracy." Clinton also reaffirmed US support for Georgian sovereignty and territorial integrity, calling on Russia to end its illegal occupation of Georgia: "We continue to call on Russia to end its occupation of Georgian territory and to withdraw its forces, and abide by its other commitments under the 2008 ceasefire agreements." She also called Georgia "a role model for many other countries seeking to replicate the success that Georgia has had."

jamestownfoundation.blogspot.com

WASHINGTON POST: Putin's agenda and Medvedev's dilemma
What about the "reset" with the US, to which Medvedev pledged
himself in three summits with President Obama? Putin says that he
"would like" to believe in the reset. But isn't Georgia "being rearmed"
by the US, and didn't similar "rearming" provoke Georgia's
"aggression" against S. Ossetia two years ago? And isn't the US
planning to deploy "anti-missiles" in other European countries? So,
"where is the reset?" Putin asks. There was no "smoking gun" in
Putin's recent speech pointing to his future presidential ambitions
(Putin is too clever for that), but the PM did articulate, openly and
proudly, what amounted to a strategic agenda. It was a thoroughly and
unmistakably reactionary one—and a point-by-point rebuttal of virtually
every key element of the "modernization thaw" declared by President
Medvedev, including the "reset" in US-Russian relations.

www.washingtonpost.com



ARCHITECTURAL REVIEW: Restoring Old Tbilisi

Old Tbilisi has survived 29 invasions and emerged with an indomitable spirit. This is reflected in the vitality and charm of its vernacular architecture built over 1,500 years, an eclectic mix of Middle Eastern and European influences. It is a jumble of ancient, crooked streets, crumbling walled courtyards, wonky overhanging balconies, amazing wrought-iron gates and doors, higgledy-piggledy spiral stairs and fine examples of art nouveau and neo-classicism. The architecture tells the story of Old Tbilisi's long cosmopolitan tradition—from Arabs in medieval times, Persians, Turks, Greeks, Armenians, Azeris, Jews, and later Russians have all settled here alongside indigenous Georgians. The town was first built in 500 AD, with Dachi, the heir of one of Georgia's greatest kings, constructing the capital according to his father's plans and incorporating churches that remain standing to this day. The restoration of Old Tbilisi, which is now underway, should allow it to retain its vibrancy while restoring it as a magnet for tourists. www.architectural-review.com

BLOOMBERG: Georgian wine exports rise 40 percent

Georgia's award-winning wines are in the midst of an export boom, as foreign sales increased at a 40 percent annual pace through September, to 10.1 million bottles, according to the agriculture ministry. Ukraine topped the list of Georgian wine customers, taking 52 percent of total exports, followed by Kazakhstan and Belarus.

BLOOMBERG: Georgian Wine Exports Increased Annual 40 Percent

EURASIANET: Tbilisi thinks MTV can turn on tourists

The Georgian government is negotiating with MTV about staging what could become an annual rock festival in the Black Sea resort of Batumi. Officials are hoping to replicate the success of The Isle of MTV Malta festival, which brings tens of thousands of additional tourists to Malta. www.eurasianet.org

THE INDEPENDENT: Roméo et Juliette—from civil war to La Scala Georgia's latest operatic export appears in the comely form of soprano Nino Machaidze, about to make her Covent Garden debut as Juliette in Gounod's version of Shakespeare's play. Small and power-packed, she speaks with grand gestures: her perfect Italian is a reflection of the way, since settling in Milan after the Scala provided her big break, she's gone native there. "But in my heart I am always Georgian," she says. www.independent.co.uk