GEORGIA UPDATE

WEEKLY EDITION • 19 November 2010

A Publication of the Government of Georgia

www.georgiaupdate.gov.ge

TOP STORIES

- President Obama, President Saakashvili to Hold First Meeting on Sidelines of NATO Summit in Lisbon
- NATO Parliamentary Assembly Calls for End to Occupation, Urges Moscow to "Reverse Ethnic Cleansing"
- Electoral Working Group Meets, Sets Out Cooperative Agenda for Reform
- Historic Green Car Initiative Aims at US Export-Import Bank Support
- Georgia Continues Rapid Expansion of Renewable Energy, Announcing Four New Hydropower Plants



President Saakashvili met Wednesday with European Commission President Barroso to discuss a range of issues, focusing especially on a free trade pact. "Georgia's choice is Europe; there is no alternative for Georgia, but to be in Europe," Saakashvili said. "Hopefully Europe will appreciate that and will more look at Georgia not just as a neighbor country, but also eventually as a future integral part of this great Union." Barroso hailed President Saakashvili for "number of achievements during recent years in bringing forward an agenda of political and economic reforms."

INTERNATIONAL MEDIA ON GEORGIA

FOREIGN POLICY: The Russians return

WASHINGTON POST: Why Senate Republicans should pass new START

AGENCE FRANCE PRESSE: Two plead guilty over nuclear smuggling in Georgia

THE INDEPENDENT: Nuclear smuggling exposed in secret trial

RADIO FREE EUROPE/RADIO LIBERTY: Top U.S. diplomat discusses regional developments, abuses, stalemates

NEW YORK TIMES: Georgia aiming for electric or hybrid cars

CHRISTIAN SCIENCE MONITOR: Russia to beef up its Black Sea fleet

THE INDEPENDENT: Boer farmers head for new home in Georgia

FRANKFURTER ALLGEMEINE ZEITUNG: Having a chat with the bath attendant

QUOTES OF THE WEEK

"The strong and visible presence of the EU in Georgia is also necessary. Therefore the EU Monitoring Mission in Georgia is currently irreplaceable for preventing new conflicts; the mission should also have access to the regions of Abkhazia and South Ossetia."

—Estonian Minister of Foreign Affairs Urmas Paet

"The President was absolutely clear that Poland will, at all possible levels, continue to support Georgia in all issues—be it the country's NATO membership, or other issues. In this view, the President has already made several very important supporting statements. He also plans to make relevant statements at the NATO Summit in Lisbon."

—Parliament Speaker Bakradze after meeting Wednesday with Polish President Bronisław Komorowski

UPCOMING MILESTONES

Nov. 17: FM Vashadze in Tunis

Nov. 19: President Saakashvili to meet President

Obama at NATO Summit in Lisbon

Nov. 19-20: NATO summit in Lisbon

Nov. 23: President Saakashvili addresses the

European Parliament

Nov. 23: 7th anniversary of the Rose Revolution

Nov. 28-3: Parliament Speaker Bakradze in Paris

Dec. 1-2: OSCE summit in Astana

Dec. 7-8: Parliament Speaker Bakradze in Slovakia

Dec. 16: FM Vashadze visits Croatia

Dec 16: Next round of Geneva talks

PAGE 2

www.georgiaupdate.gov.ge

TOP STORIES

President Obama, President Saakashvili to Hold First Meeting on Sidelines of NATO Summit in Lisbon

President Barack Obama will hold his first one-on-one meeting this evening with Georgian counterpart Mikheil Saakashvili during the NATO summit in Lisbon. The two met briefly on the margins of the Nuclear Security Summit in Washington last April, but this will be their first extended encounter. While in Lisbon, President Saakashvili also will deliver remarks on Georgia's contributions to the NATO mission in Afghanistan, its commitment to expand its presence there, and the country's determination to become a member of the Alliance. By a 3-to-1 majority, Georgians favor joining NATO. President Saakashvili traveled to Lisbon from Brussels, where he met with European Commission President José Manuel Barroso and European Union President Herman Van Rompuy

AGENCE FRANCE PRESSE: Obama to hold first meeting with Georgia's Saakashvili

NATO Parliamentary Assembly Calls for End to Russian Occupation, Urges Moscow to "Reverse Ethnic Cleansing"

The Parliament of Georgia yesterday welcomed the resolution passed by the NATO Parliamentary Assembly in Warsaw urging NATO to reaffirm at its upcoming summit in Lisbon that Georgia will become a member of the NATO alliance—as articulated in the Bucharest Summit declaration—and that all candidates should be judged only on merit. The resolution expressed deep concern over the ongoing occupation of the Georgian territories of Abkhazia and South Ossetia and about the continuing failure of Russia to comply fully with the EUbrokered ceasefire agreement. It specifically expressed "profound concern" over Russia's failure to withdraw its forces, as required by the ceasefire agreement, brokered August 12, 2008, by President Nicolas when France held the EU Presidency. The resolution urges the European Union to place the implementation of the ceasefire agreement on the agenda of the upcoming EU-Russia summit. The Chairman of the Georgian Delegation to the NATO PA, MP Giorgi Kandelaki, said: "We welcome this strong statement by NATO Parliamentarians supporting Georgia's rights to be free from military occupation and to choose its own democratic and Euro-Atlantic future."

<u>GEORGIA TIMES: NATO Parliamentary Assembly to Pass Resolution on Georgia</u>

Electoral Working Group Meets, Sets Out Cooperative Agenda for Reform

A non-partisan parliamentary working group met last week to outline a cooperative agenda for electoral reform, creating a democratic forum where representatives from across the political spectrum can participate in the reform process. Officials from over a dozen opposition parties and senior ruling party lawmakers decided, during the three-hour discussion, to inaugurate a series of regular meetings to address election code reform. "It was a difficult, but fruitful meeting," said Parliament Speaker Bakradze. "I hope that, as a result of this process, we will have new election code, which will define a renewed and improved electoral environment." he said. "It won't be an easy process; we are at the beginning of lengthy and delicate road of searching for political compromises on a number of issues, but I hope that final result of this process will be as constructive as the meeting held today." All parties agreed to have local and international non-governmental organizations act as observers to the meetings. Participants decided that all parties with seats in Parliament will participate in the meetings, plus those defined by the election code as "qualified"—the parties which won at least 4 percent of the vote in the last parliamentary elections and at least 3 percent of the vote in the last local elections.

<u>CIVIL GEORGIA: Opposition, Ruling Party Set for "Lengthy" Election</u> Talks



Georgian desert monastery

A group of experts is trying to preserve the unique sixth-century frescos of an Orthodox desert monastery in eastern Georgia. The rock-hewn David Gareja monastery complex, located in the desert southeast of Tbilisi, is under threat of decay. The complex includes hundreds of cells, churches, chapels, refectories, and living quarters hollowed out of the rock face. The site was used for military exercises during the Soviet Union and in the mid-1990s by the Georgian defense ministry. Today the monastery is active and serves as a popular destination for tourists and pilgrims. Scientists and experts will soon submit a plan to preserve the "frescoes."

Historic Green Car Initiative Aims at US Export-Import Bank Support Georgia is in talks with the US Export-Import Bank on plans to allocate \$200 million on electric and hybrid cars in a bid to create the first "green government" among the former Soviet republics. "It's natural for us to become a green country," Economy Minister Vera Kobalia said last week. "Our products are organic and we have hydropower resources, so why not?" In a plan backed by President Saakashvili, the government intends to buy about 4,000 cars in the next three to four years from foreign producers including General Motors Co., Ford Motor Co., and Toyota Motor Corp. The cars will cost an average of \$32,000 each. According to Kobalia, the government will auction off many cars from its existing fleet. Long-term savings on fuel will offset the high purchase price of electric and hybrid cars, making this a viable project for the government, said Davit Narmania, executive director of the Tbilisi-based Caucasian Institute for Economic and Social Research. Georgia also plans to build a streetcar line of electric cars in Tbilisi.

BLOOMBERG: Georgia, U.S. Export-Import Bank in Talks on \$200 Million Green Car Plan

Georgia Continues Rapid Expansion of Renewable Energy, Announcing Four New Hydropower Plants

The Georgian government last week awarded a remarkable \$150 million hydropower project to Turkey's Kolin Construction, Tourism Industry and Trading Co. Inc. Kolin will build a cascade of four hydropower plants with a capacity of at least 105.7 MW on the Tekhuri River in the Samegrelo region of western Georgia. Construction on the project is expected to last four years. According to Kolin's 10-year agreement with the Georgian energy ministry, the Turkish company has agreed to sell power for domestic consumption for three months each winter, when the country often experiences shortages, and is free to sell to any customer in Georgia or abroad for the remainder of each year. President Saakashvili said last week that Georgia may receive as much as \$5 billion of investment in hydropower over the next seven years.

BLOOMBERG: Georgia Awards \$150 Million Hydro Project to Turkey's Kolin Construction

www.georgiaupdate.gov.ge

INTERNATIONAL MEDIA ON GEORGIA

FOREIGN POLICY: The Russians return

More than two years after it invaded Georgia, Russia continues to occupy its neighbor's territory, rendering meaningless the EU cease-fire agreement it signed at the end of the war. Its recognition of Georgia's occupied territories of Abkhazia and S. Ossetia and distribution of Russian passports to citizens there is a continuing violation of international law. No doubt Moscow will also use its token assistance in Afghanistan as a bargaining chip to solidify its position in Georgia, a country whose westward integration both the EU and NATO have made a priority.

www.foreignpolicy.com

WASHINGTON POST: Why Senate Republicans should pass the new START treaty

Senate Republicans seem sorely tempted not to pass the new START agreement during the lame-duck session. Yet, the new START, whatever its flaws, is not a threat to US security. Failure to pass START will help empower Putin. And it will let the Obama administration off the hook. Now is the time to see whether "reset" can deliver on the tough problems—like Georgia—as well as on the easier ones. But failure to pass New START will give the administration all the excuse it needs to throw up its hands.

www.washingtonpost.com

AGENCE FRANCE PRESSE: Two plead guilty over nuclear smuggling in Georgia

Two Armenian men have pleaded guilty during a secret trial to smuggling highly enriched uranium into Georgia and trying to sell it to an undercover agent. Sumbat Tonoian and Hrant Ohanian were arrested in a sting operation in March after they smuggled 18 grams of uranium from Armenia into Georgia, Interior Ministry spokesman Shota Utiashvili said. The two are facing at least 10 years in prison each.

www.google.com

THE INDEPENDENT: Nuclear smuggling exposed in secret trial

Nuclear weapons-grade uranium is now available on the black market in Georgia, according to officials who broke up a smuggling ring in the country. Two men involved in transporting highly enriched uranium from Armenia to Georgia were arrested last April. "The dangerous thing is that there might be more material out there somewhere," said the chief of Georgia's nuclear smuggling unit, Archil Pavlenishvili. "This proves that if a criminal or an extremist is wealthy enough, it is possible to obtain material."

www.independent.co.uk

RADIO FREE EUROPE/RADIO LIBERTY: Top U.S. diplomat discusses regional developments, abuses, stalemates

"Russia's relationship with many countries around the world—indeed, its reputation around the world—will never be what it could be, what Russians want it to be, so long as in the view in much of the world, it's occupying a sovereign country," said Assistant US Secretary of State for European and Eurasian Affairs, Philip Gordon, responding to a question on US-Russian relations. "And when Russia recognized S. Ossetia and Abkhazia, they may have expected a number of countries would go along, but they haven't. And it will constantly be an issue for many countries around the world, for many countries in the EU and certainly for the US."

www.rferl.org

NEW YORK TIMES: Georgia aiming for electric or hybrid cars

Never let it be said that the government of Georgia thinks small. Georgia last week announced plans to replace its entire fleet of state-owned cars with electric or hybrid vehicles within four years. Georgia is the first country in the world to make this commitment, said Vera Kobalia, whose ministry—formerly the Ministry of the Economy—has been renamed the Ministry of the Economy and Sustainable Development. Saakashvili, the New York-educated lawyer turned president, has a predilection for bold initiatives.

www.nytimes.com

CHRISTIAN SCIENCE MONITOR: With Ukraine's blessing, Russia to beef up its Black Sea fleet

The Russian naval upgrade is likely to cause waves around the Black Sea, which is bordered by NATO members Romania, Bulgaria, and Turkey, as well as Ukraine and Georgia. The NATO aspirations of Ukraine and Georgia, both former Soviet republics, had stirred strong concerns in Moscow. But with NATO rules stipulating that member countries may not host non-NATO foreign military bases on their soil, Yanukovych's agreement to prolong Russia's grip on Sevastopol would seem to block Ukraine from even considering joining the alliance for decades to come.

www.csmonitor.com

THE INDEPENDENT: Boer farmers head for new home in Georgia

In what would be an extraordinary migration, the Georgian government has invited South Africa's farmers to buy up land in the country for next to nothing in exchange for bringing their expertise and knowledge of modern farming methods. Papuna Davitaya, Georgia's State Minister for Diaspora, said: "We are looking for investors in our agricultural sphere, because Georgia historically always used to be an agricultural country but in Soviet times we lost these traditions." The government hopes that importing farming expertise will boost the country's agricultural and wine sectors.

www.independent.co.uk

FRANKFURTER ALLGEMEINE ZEITUNG: Having a chat with the bath attendant

Germany's leading national newspaper featured an extensive travel report on Georgia, providing readers with a glimpse of the capital city's unique culture, tradition and development. From the country's prominent history and its important role in European culture, (e.g. The Legend of the Argonauts), to its modern and vivid city center, Georgia is presented as an attractive tourist destination between tradition and modernity. Tbilisi particularly illustrates the ties between the old and new with its traditional sulfur baths and mass infrastructure development. www.faz.ne

RADIO FREE EUROPE: Following the tracks of the "disappeared" on the Georgia-Abkhaz administrative border

Since the war in 2008, Georgia's Tsalenjikha District, an area bordering the country's Russian-occupied territory of Abkhazia, has been under heavy watch. But for many of its residents, its troubled history stretches back even further, to the Abkhaz war of independence in the early 1990s. As the world marked the International Day of the Disappeared on August 30, this tiny region along the Abkhaz-Georgian administrative border remains fraught with anxiety over the fate of its missing persons. Many of the disappeared are presumed dead. But without definite information, victims' families can languish for years with no sense of closure.

www.rferl.org