

GEORGIA UPDATE

WEEKLY EDITION • 30 June 2011

A Publication of the Government of Georgia

www.georgiaupdate.gov.ge

TOP STORIES

- **Governing Party, Several Opposition Parties Agree on Electoral Code Reforms**
- **UN Adopts Resolution Advancing Right of Georgian IDPs to Return Home**
- **Police Arrest Eight Members of Radical Armed Group Linked to May Attacks**
- **Georgia Opens Probes Into Possible Excessive Use of Force During May Protests**
- **EBRD, IFC Invest \$115 Million in Latest Hydropower Project**
- **Government Targets Tourism to Grow to 11% of GDP**



The Chairman of Georgia's Parliament, David Bakradze, met with NATO Secretary General Anders Fogh Rasmussen in Brussels Tuesday, to discuss regional security issues related to Russia's illegal occupation of Georgia. "His stance towards Georgia is very positive," Bakradze said of Fogh Rasmussen. "We've heard NATO's full support towards Georgia's territorial integrity and that NATO will continue its non-recognition policy [of Abkhazia and S. Ossetia]." He added that NATO will raise the issue of Georgia and call on Moscow to end the occupation during the next week's NATO-Russia Council meeting in Sochi.

INTERNATIONAL MEDIA ON GEORGIA

LE MONDE: "It is time for the West to recognize the Russian occupation"

ALJAZEERA: David Bakradze interview

BLOOMBERG: Georgia's former defense minister planned May coup, police say

THE GUARDIAN: David Cameron must stand up to Putin

AGENCE FRANCE PRESSE: US warship in Georgia on training mission

BLOOMBERG: Georgia seeks opposition leader's husband after failed payment

LE FIGARO: The "kid" who brought Georgia's police into line

DEUTSCHE PRESSE AGENTUR: Flooding in Georgia kills four, blocks highway

AGENCE FRANCE PRESSE: Ninth Georgian soldier killed in Afghanistan

NEW YORK TIMES: The Onion is seeking a Pulitzer, any Pulitzer

EVENE: Five good reasons to visit Tbilisi

QUOTES OF THE WEEK

"Since 2009, Georgia has experienced 12 acts or attempted acts of terrorism within its borders which the Georgians believe are linked to Russian forces. One such bombing of Sep. 22 of 2010 took place near the US embassy in Tbilisi, two thwarted attempts took place just this month. One IED was intercepted on June 2, two days before several colleagues and I arrived in Tbilisi. Another was intercepted on June 6, while we were still there.... As the investigation proceeds to determine the origin and intent of these bombings, it is more important than ever that we stand with our Georgian friends, that we stand with their right to sovereignty and territorial integrity, that we stand with their efforts to build a stronger democracy."

♦ US Congressman David Dreier

"What we see today with Russia reminds me very much of the Soviet presence in eastern Europe and the Baltic countries. They tried to create this impression that they are there forever. They bring military weapons and build military fortifications, they build so-called border lines to give and strengthen the impression that Russia is there forever. But I believe that historical logic is absolutely the same as it was in the case of E. Europe, and one day they will have to go because there is no other possible continuation of this."

♦ Parliament Speaker Bakradze

UPCOMING MILESTONES

Jul. 1: FM Vashadze attends ministerial of Community of Democracies in Vilnius

Jul.7-8: NATO-Georgia conference on "Emerging Security Challenges," Tbilisi

Aug. 12: 3rd Anniversary of Sarkozy-Medvedev ceasefire agreement

Aug. 18-20: FM Vashadze visits Austria

Aug. 25: FM Vashadze visits Brazil

Oct. 4: Next round of Geneva peace talks

TOP STORIES

Governing Party, Opposition Agree on Electoral Code Reforms

Proposals by Georgia's governing party on electoral system reform gained the support of the leading opposition party, the Christian Democrat Movement, as well as of the New Rights Party and three other opposition parties. They agreed on several fundamental changes to the electoral code. The key provisions in their agreement include an increase from 150 to 190 in the number of Parliament seats. Of these, 107 seats will be distributed by a party-proportional system, while 83 will be allocated to candidates who win a simple majority in their constituencies (currently, proportional and majoritarian seats are split equally); the change ensures greater representation in Parliament for opposition parties. Meanwhile, in order to verify the accuracy of voter lists, the agreement stipulates the creation of a special commission chaired by the opposition and composed of representatives from the governing and opposition parties, as well as from civil society organizations. Among other changes in the electoral code, all parties that receive more than 5 percent of the vote will be guaranteed 1 million GEL in party financing. Parliament is expected to pass the electoral code amendments this autumn, a year ahead of the next elections for Parliament in October 2012.

[CIVIL GEORGIA: New Electoral System Outlined](#)

[CIVIL GEORGIA: Saakashvili Hails Electoral System Deal](#)

UN Adopts Resolution Advancing Right of Georgian IDPs to Return

The UN General Assembly on Wednesday voted in favor of a resolution endorsing the right of return for all displaced persons and refugees from the Russian-occupied Georgian regions of Abkhazia and South Ossetia. The vote was 57 in favor to 13 against, with 74 abstentions. "The displaced are consumed by all that they were forced to leave behind—their once-vibrant, multiethnic villages and towns that are now ghost towns or foreign military garrisons," Georgia's ambassador to the UN, Alexander Lomaia, told the General Assembly before the vote. "But they have positive thoughts, too. They dream of the day they will return to heal the wounds and restore their broken communities. They earnestly believe that the consistent calls of the international community will bear fruit—that those who prevent these men, women, and children from returning to their homes will one day be compelled to give up. Each and every one of these 400,000 souls carries a dream in his or her heart—a dream of returning to their roots, to the soil that nurtured generations of their ancestors, and to share all this with their children." Similar non-binding resolutions were passed by the UN General Assembly in the last three years. In 2008, the resolution passed by a small margin of 14 votes in favor to 11 against, with 105 abstentions. The following year, 48 countries voted in favor, 19 against, and 78 abstained. In 2010, the margin widened, with 50 countries voting in favor and 17 against, with 86 abstentions. "This is an absolute success of Georgia," Lomaia said of this year's vote margin in support of the resolution.

[RUSTAVI: Briefing at the Foreign Ministry](#)

Police Arrest Eight Members of Radical Armed Group Linked to May Attacks

Georgian authorities arrested last week an armed group men for coordinating and supporting the violent attacks against the police during last month's opposition-led protests. Following court orders, police detained eight men with links to Georgia's radical opposition; they were charged with forming an armed group to bring a fugitive politician, former defense minister Irakli Okruashvili, into the country, and for possessing illegal firearms and explosives. "These eight people and others organized a criminal conspiracy to bring Okruashvili back," said interior ministry spokesman Shota Utiashvil. Okruashvili fled the country after being convicted of corruption. The ministry released video testimony in which one of the suspects said Okruashvili was to enter the country through Georgia's Russian-occupied region of S. Ossetia.

[AFP: Georgian Police Arrest Armed Opposition Group](#)

[BLOOMBERG: Georgia's former defense minister planned May coup](#)



Airzena Georgian Airways last week launched the first direct flights between Moscow and Georgia's port city of Batumi. Georgia's national airline will operate weekly charter flights until October to meet high demand for the route. Georgia expects as many as 3 million visitors by the end of the year, 50 percent more than last year.

Georgia Opens Probes Into Possible Excessive Use of Force During May Protests

Prosecutors said last week that they are probing allegations that riot police used excessive force to break up an opposition protest in Tbilisi last month. "The possible excessive use of force by certain representatives of law enforcement agencies on May 26, 2011 is under investigation," the prosecutor's office said in a statement. The prosecutor also demanded pre-trial detention for Badri Bitsadze, the husband of protest leader Nino Burjanadze; he is believed to have fled the country, after being charged for organizing attacks on the police.

www.hurriyetdailynews.com

EBRD, IFC Invest \$115 Million in Latest Hydropower Project

The European Bank for Reconstruction and Development and the International Finance Corporation announced plans last week to invest \$115.5 million to develop Georgia's hydropower infrastructure. Awarded to Georgia Urban Energy, a subsidiary of Turkish energy conglomerate Anadolu Group, the credit will finance the construction of an 87 MW hydropower plant in Paravani, in south-western Georgia. "Paravani is a ground-breaking project that supports Georgia's efforts to increase the output of renewable energy, avoid carbon emissions, and achieve energy self-sufficiency," said IFC Director Gulrez Hoda. The project envisages a 14-kilometer tunnel to divert water from the Paravani River to the Mtkvari River to supply Georgians with electricity during the winter season when the country is energy deficient. The HPP will also export energy to the Turkish markets the remaining nine months of the year. "I hope that this strategic support will contribute to attracting other investors in the country's renewable-energy market," said Tuneban Aksoy, head of Anadolu Group.

[CIVIL GEORGIA: USD 115.5m EBRD, IFC Funding for Paravani HPP](#)

Government Targets Tourism to Grow to 11% of GDP

Georgia's tourism industry could grow to constitute 11 percent of the country's economy over the next few years, and up to 6 percent in 2011. "Tourism is growing fast, but we must not be dependent just on it," said Georgia's Economy Minister Kobalia last week. "Agriculture and transit routes are also important," she said, adding that the development of Georgia's infrastructure was essential for tourism to Georgia to grow. According to Kobalia, Georgia will attract as many as 3 million visitors this year, up from 2 million in 2010. PM Gilauri also relayed his positive economic outlook on the country's tourism industry at last week's World Economic Forum meeting in Vienna: "This year we are seeing serious investments in the tourism industry," he said. "A huge number of new hotels are being constructed, and the construction will be done this year and next year."

[BLOOMBERG: Georgia Tourism May Grow to 11% of GDP](#)

INTERNATIONAL MEDIA ON GEORGIA

LE MONDE: "It is time for the West to recognize the Russian occupation"

"The time has come to increase the pressure put on Russia, even if Western states want to develop ties of friendship with it," says Georgia's Deputy PM Giorgi Baramidze in an interview. "We are not seeking to push anyone towards confrontation, but simply for facts to be recognized: ethnic cleansing and occupation. We are trying to cross a dangerous river, but we are still in the middle and have not reached the other shore yet. Russia feels that we are vulnerable and is therefore maintaining its attempts to bring us back. Joining NATO will change everything for us."

www.lemonde.fr

ALJAZEERA: David Bakradze interview

"We still have Russian troops illegally stationed in Georgia occupying 20 percent of our territory. We still have Russia bringing additional, sophisticated weaponry to those territories, and we still have Russia trying to destabilize the situation in Georgia. So, unfortunately there is not progress," Georgia's Parliament Speaker Bakradze said in an interview on relations with Russia. "And we said many times that despite the fact that Russia is an occupying force, we are ready to open negotiations. Unfortunately the response from the other side is totally negative."

english.aljazeera.net

BLOOMBERG: Former defense minister planned May coup

At least eight people linked to a former defense minister, Irakli Okruashvili, were detained and charged with being part of the plot to stage a military coup, said an interior ministry spokesman. The detainees said they were acting under instructions from the former minister, who was traveling to Georgia via the country's Russian-occupied region of S. Ossetia to take part in anti-government protests.

www.bloomberg.com

THE GUARDIAN: David Cameron must stand up to Putin

What is needed is a transatlantic consensus that the EU's largest neighbor and the source of much of its oil and gas is not just a democratic backslider but a real threat to stability led by an unaccountable and corrupt cabal. The European Parliament has been forthright. In a newly adopted resolution, MEPs favor more ambitious trade, visa and co-operation agreements with Russia, but only if it does more to protect human rights, for example by ending "politically motivated court decisions," removing curbs on press freedom, and pulling its troops out of Georgia.

www.guardian.co.uk

AFP: US warship in Georgia on training mission

"The Russian side has repeatedly stressed that we will not let pass unnoticed the appearance of elements of US strategic infrastructure in the immediate proximity to our borders and will see such steps as a threat to our security," the Russian foreign ministry said in a statement, referring to the USS Monterey's port call in Batumi last week to conduct a joint maritime training mission. But Georgia's Deputy FM Kalandadze rejected Moscow's concerns: "As far as the Russian foreign ministry's protest is concerned, the training is aimed at improving global security in the region."

www.portraitofgeorgia.com

BLOOMBERG: Georgia seeks opposition leader's husband after failed payment

A Georgian court ordered that Badri Bitsadze, the husband of opposition leader Nino Burjanadze, be detained after failing to make a \$61,000 bail payment. Bitsadze has been charged with helping a group of anti-government protesters last month attempt an armed uprising, Khatuna Iosava, a spokeswoman for the Prosecutor General's Office, said. Bitsadze's whereabouts remain unknown.

www.bloomberg.com



LE FIGARO: The "kid" who brought Georgia's police into line

This is how Eka Zguladze (above), a delicate woman who became deputy minister for internal affairs at the age of 26, brought Georgia's police into line: by making this once-hated corporation one of the country's most respected institutions. In five years she has imposed a cultural revolution on the security forces of this S. Caucasus' country. And when she leaves her big white office, the prompt salute of policemen underlines all the respect she inspires.

www.lefigaro.fr

DEUTSCHE PRESSE AGENTUR: Flooding in Georgia kills four, blocks main highway

Flooding and landslides caused by severe rains have killed four people and blocked one of Georgia's most important highways. Storms in central Georgia caused the Mtskheta River to overflow its banks on Sunday, triggering avalanches and sweeping away vehicles and buildings in its path, said Georgian PM Gilauri. "It was a virtual wall of water," said Koba Subeliani, Georgia's minister of refugees, who had been on the road at the time the floods struck.

www.portraitofgeorgia.com

AFP: Ninth Georgian soldier killed in Afghanistan

President Saakashvili expressed sorrow last week after a ninth soldier from the small ex-Soviet state was killed while serving with NATO-led forces in Afghanistan. The private died after an attack by Taliban insurgents in restive Helmand province, the Georgian defense ministry said. Meanwhile, reports in Georgian media have suggested that the country is preparing to boost its deployment even further and intends to become the largest non-NATO contributor to the Western military alliance's forces in Afghanistan.

www.emirates247.com

NEW YORK TIMES: The Onion is seeking a Pulitzer, any Pulitzer

Despite a professed designation as "America's Finest News Source," *The Onion* has never actually won the highest honor in American journalism: the Pulitzer Prize. With an oddness that only *The Onion* could muster, the list of luminaries who have contributed testimonial video pleas to the Pulitzer board includes Gayle King, the radio talk show host and best friend of Oprah Winfrey, and President Saakashvili of Georgia.

www.nytimes.com

EVENE: Five good reasons to visit Tbilisi

We do not necessarily think of Georgia when planning holidays. And we are wrong. Because the capital of this small country in the Caucasus has the charm of cities getting back on their feet. Our reporter found at least five good reasons to visit Tbilisi: for its city lights, cultural emergence, churches, the Old Town, and for the gastronomy. Old Tbilisi has a quasi-medieval atmosphere. From the Narikala fortress to the new presidential palace with its glass dome, from the spectacular TV tower to the balconies of the city center, Tbilisi shines after the sun sets. In Georgia as in France, everything ends in song.

www.evene.fr