

GEORGIA UPDATE

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TOP STORIES

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NATO’s senior decision-making body, the North Atlantic Council, applauded Georgia’s reform achievements shortly after arriving in Tbilisi yesterday. “Georgia has come a long way by promoting freedom of expression and economic growth, fighting corruption, and ensuring that the military is properly sized and structured,” said NATO Secretary General Anders Fogh Rasmussen (center). “Your efforts have been impressive. Georgia is on the right track. And you have come a long way.” He added: “Georgia is important for NATO and I know NATO is important for Georgia; we are already close and we want to move even closer.” Members of the Council, which includes representatives from all 28 allies, will meet today with President Saakashvili in Batumi.

INTERNATIONAL MEDIA ON GEORGIA

FINANCIAL TIMES: Russia/WTO—What’s in it for Georgia?

THE HILL: Trade committee chairmen voice worries on Russia WTO bid

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BLOOMBERG: Investors may buy bank from Georgian soccer star

QUOTES OF THE WEEK

“Georgia has come a long way by promoting freedom of expression and economic growth, fighting corruption, and ensuring that the military is properly sized and structured,” Rasmussen said. “Your efforts have been impressive. Georgia is on the right track. And you have come a long way.”

♦ NATO Secretary General Anders Fogh Rasmussen during the visit yesterday of the North Atlantic Council to Georgia

“Vice President Biden spoke by telephone with President Mikheil Saakashvili of Georgia this afternoon to congratulate him on the agreement signed in Geneva today establishing a trade monitoring arrangement between Georgia and Russia. VP Biden commended President Saakashvili for his leadership in the talks and called the agreement a historic step that has the potential to increase economic ties between the peoples of both countries and help reduce tensions in the region.... For the first time, Georgia will have full transparency regarding trade from Russia, including trade to and through the occupied territories.”

♦ White House statement released yesterday

“We have embarked on our path to the EU. In carrying out reforms, we want Georgia to become a better candidate for membership. We do not have this status yet, but it is apparently possible in the future.... Georgia should never leave the path of European integration. The more closely Georgia integrates with EU institutions, the more Russia will have to rethink its policy towards Georgia.”

♦ President Saakashvili in an interview with EurActiv

UPCOMING MILESTONES

Nov. 9-10: NATO Secretary General Anders Fogh Rasmussen and North Atlantic Council in Georgia

Nov. 23: 8th Anniversary of the Rose Revolution

Dec.: Venice Commission recommendations on Georgian electoral code

May 15-22: NATO summit in Chicago

May 26: Parliament relocates to Kutaisi

Oct.: Georgian Parliamentary elections

TOP STORIES

“Georgia Has Come a Lot Closer” to NATO Membership, Rasmussen Says as Alliance Visits Tbilisi

NATO Secretary General Anders Fogh Rasmussen made clear yesterday that Georgia remains firmly on track for membership in the Alliance. “Georgia has come a lot closer,” Rasmussen said. “Further reforms will be Georgia’s ticket to membership, and NATO is here to help.” Rasmussen was on a two-day visit to Georgia together with members of the North Atlantic Council; they convened a session of the NATO-Georgia Commission in order to assess the Alliance’s partnership with Georgia and identify priorities for further work. Today, the NAC will meet with President Mikheil Saakashvili in the port city of Batumi, as well as with parliamentarians and civil society members.

At the Bucharest summit in 2008, Allies agreed that Georgia will become a member of NATO. “That decision by our Alliance remains firm,” Rasmussen said. NATO ambassadors stressed the importance of maintaining the momentum in electoral reform and upholding democratic principles to ensure free, fair, and inclusive elections, and encouraged Georgia to continue to strengthen the rule of law. “Georgia has come a long way by promoting freedom of expression and economic growth, fighting corruption, and ensuring that the military is properly sized and structured,” Rasmussen said. “Your efforts have been impressive. Georgia is on the right track. And you have come a long way.” He added: “The elections of 2012 as 2013 will be a litmus test of your democracy,” referring to parliamentary and presidential votes over the next two years.

Prime Minister Gilauri told the visiting NATO ambassadors during his opening remarks that Georgia has made progress in every area required by the Alliance. “It’s not just the political motive of the government (to join NATO)—it’s the aspiration of the general public,” he said, citing recent polls showing nearly 80 percent of Georgians support NATO membership. NATO allies also thanked Georgia for its role as the second-largest non-NATO contributor to ISAF. “That is a priceless contribution and the best proof of your commitment to our alliance, Rasmussen said. The NATO-Georgia commission was inaugurated when the NATO Council last visited Tbilisi shortly after the Russian invasion and occupation of 20 percent of Georgia.

[NATO: North Atlantic Council travels to Georgia](#)
[BLOOMBERG: Georgia Making Progress Toward NATO–Rasmussen](#)

Georgia & Russia Sign WTO Agreement; Deal Hailed by International Community

Georgia and Russia signed a Swiss-brokered deal yesterday that removes the last obstacle to Russia joining the World Trade Organisation after 18 years of negotiations. “It’s over. We’ve signed the document,” said Sergi Kapanadze, Georgian deputy foreign minister and senior negotiator. “There are no more obstacles from Georgia to Russia to becoming a member of the WTO.”

For the first time, Georgia will have full transparency regarding trade from Russia, including trade to and through the occupied territories, and will also have access to an impartial dispute resolution mechanism should disagreements arise. An independent company—which will be hired and answerable to Switzerland, on behalf of the international community—will monitor trade through the Russian-occupied Georgian territories of Abkhazia and S. Ossetia.

Kapanadze said Russia’s agreement to allow international monitors to oversee trade into the Russian occupied provinces of Abkhazia and South Ossetia would not have likely happened without Swiss mediation and US diplomacy. “I think it’s important to note that the White House and the US administration have been exceptional on this,” he said. Vice President Biden called President Saakashvili yesterday to commend him for his leadership in securing the agreement and dubbed it a historic step. Biden told President Saakashvili the US stands ready to support the full implementation of the agreement.

[NEWSWEEK: Georgians praise White House on border deal](#)



President Saakashvili congratulated Georgian Muslims during the Eid al-Adha religious celebration, making a special visit to a Tbilisi mosque to mark the national holiday. “The whole of Georgia celebrates this holiday because the holidays of each community in our country are national holidays,” he said. “Today, we celebrate this holiday together with our Muslim brothers, our fellow citizens.” The President was warmly greeted at the mosque by the Muftis of Tbilisi and Batumi and a congregation of Muslim Azerbaijanis. “We have done a lot since the Rose Revolution to unite our society, bringing together an array of religions and ethnicities,” the President said. “Today we enjoy national unity, and this is especially evident in young people.”

Launch of FlyDubai Flights Opens New Commercial Opportunities Between Georgia, Middle East

Dubai’s premier low-cost airline, FlyDubai, began service to Tbilisi this past weekend, becoming the UAE’s first air carrier to offer direct flights between the countries. “The inaugural flight represents an important milestone in the development of relations between the two nations,” the airline said in a statement after the launch of the first flight to Tbilisi. FlyDubai CEO Ghaith Al Ghaith highlighted the route’s importance in expanding tourism, trade, and business opportunities: “At FlyDubai, we aim to connect Dubai to emerging destinations and we are very excited about the route to Tbilisi — a capital steeped in history,” he said. “In addition to promoting travel and tourism between our nations, we hope that these new flights will play a role in forging future collaborations in the various fields of common interest such as banking and real estate.” The flights are twice weekly. Said Economy Minister Kobalia “Georgia is becoming more and more attractive for foreign airlines. These flights will increase passenger flow between Georgia and the UAE and have a positive impact on trade and tourism cooperation.”

[GULFNEWS.COM: Flydubia Launches Tbilisi Flights](#)

Georgia Pursues Sailors Seized by Pirates Off Coast of Africa

The Georgian government is continuing efforts to return Georgian sailors seized by Somali pirates last year. “Georgia is doing everything possible to free its citizens,” said FM Vashadze. He declined to offer details about the government’s efforts “in order not to endanger their lives,” he said. The lawless pirates captured 15 Georgians and three Turks last September when they boarded their cargo ship, MV Olib B, in the Gulf of Aden off the coast of Somalia. Georgian hostages were permitted to call their families until April of this year, when the pirates cut off all contact. The pirates have since demanded a \$9 million ransom. “We are holding our breath and hoping for a miracle,” said Naira Khalvashvili, the wife of a captured Georgian soldier. Somali pirates captured 12 other Georgians working on a fuel tanker off the Nigerian coast earlier this month, but have since released them. According to the International Maritime Bureau, Somali pirates have taken 625 hostages this year after hijacking ships in the high seas.

[AGENCE FRANCE PRESSE: Families Fear for Georgian Sailors Seized by Pirates](#)

INTERNATIONAL MEDIA ON GEORGIA

FINANCIAL TIMES: Russia/WTO—What's in it for Georgia?

The publicity of Russia's WTO bid has helped remind the world of Georgia's claims to Abkhazia and S. Ossetia, the two regions now occupied by Russia. Moscow is considering a Georgian proposal for international observers to monitor trade across their shared borders. That's not as good from Tbilisi's viewpoint as asserting its territorial right by posting its own officials—but it's a good second best as it highlights that these frontiers are disputed, or, at the very least, constitute a special case.

blogs.ft.com

THE HILL: Trade committee chairs voice worries on Russia WTO

The heads of the congressional trade committees told the Obama administration that Russia should not be let into the WTO unless certain conditions are met. Russia's 18-year bid to join the WTO has reached an endgame amid reports that Georgia is preparing to drop its opposition to the accession, which requires consensus approval. The committee leaders say they continue to have "numerous concerns" about Russia's lax enforcement of intellectual property rights.

thehill.com

STRATFOR: Russia rebuilding an empire while it can

Russia's ultimate plan is to re-establish control over much of its former territories. The Kremlin intends to have a Eurasian Union fully formed by 2015, when Russia believes the US will return its focus to Eurasia. This inevitably will lead Moscow and Washington back into a confrontation, negating any so-called reset, as Russian power throughout Eurasia is a direct threat to the US ability to maintain its global influence.

www.stratfor.com

LA CROIX: Georgia, a democracy under construction

The people we met in the capital bear witness to the government's successful efforts in eliminating petty corruption: Tbilisi, once feared for its insecurity, is now a peaceful town, day and night. This progress is acknowledged by international organizations, so much so that police reform in Georgia is considered as an example for the rest of the Caucasus and as a textbook case. "We had to get rid of the Soviet mentality," explains Alexander Rondeli, president of an esteemed Georgian think-tank. In order to create a new enlightened class of citizens open to the West out of nothing, the Saakashvili government began by standardizing English-language instruction in schools. "We also reformed examinations in order to put an end to corruption, and we now want to provide laptop computers to every student," said Georgia's National Security Advisor Giga Bokeria, a close aid to the president who dreams of a "meritocracy" providing everyone with the same chances "throughout the country."

www.la-croix.com

EDM: Billionaire Ivanishvili offers to lead Georgian opposition

Tycoon Bidzina Ivanishvili seems unaware of the conflict-of-interest arising when the country's richest individual—in this case, as rich as the state itself—starts his own political movement to capture power. Such a move would seem inconceivable in any country anywhere. Bidzina, who announced last month his candidacy for one of Georgia's two top posts, released two documents that call aggressively for regime-change. The agenda is uncompromisingly radical; but the overall tenor is one of didacticism and provincial naiveté.

www.jamestown.org

EURASIANET: Georgia—jury trials set to launch

Georgia's first-ever jury trial is scheduled to commence in Tbilisi. The 12-person jury will sit in judgment at an aggravated homicide trial set to begin on November 10. Authorities completed their investigation of the nine-year-old case only earlier this year. If all works according to plan, the possibility of having one's peers sit in judgment of an alleged criminal misdeed will bolster Georgians' faith in the legal system.

www.eurasianet.org

**THE TELEGRAPH: Captain Corelli's Mandolin**

The Kote Marjanishvili Theatre of Tbilisi has joined forces with the Mercury Theatre in Colchester to create a puppet-based version of Louis de Bernieres' international bestseller *Captain Corelli's Mandolin*. Levan Tsuladze's production moves you to tears at its sweeping sense of scarring human experience in a show that renders the vulnerability of those humble denizens of the Greek island of Cephallonia during the Second World War manifest in miniature. An added ingenuity of Tsuladze's production is that it sports a handful of actors, drawn from both countries, often appearing alongside their Tom Thumb-sized doppelgangers. This caters well for the shifts in the novel's register, from quirky humor to full-throated passion, from epic scale to close-up action.

www.telegraph.co.uk

RADIO FREE EUROPE: South Ossetia election plot thickens

It is becoming increasingly difficult to say whether the presidential election campaign in Georgia's Russian-occupied territory of S. Ossetia is a geopolitical thriller, a soap opera with a cast dominated by former wrestling champions, a farce—or a combination of all three. The Russian authorities do not want the clique of incumbent de facto president Eduard Kokoity to remain in power, suspecting them of having creamed off much of the millions of rubles channeled to S. Ossetia from the federal budget over the past three years to finance the reconstruction of infrastructure.

www.rferl.org

REUTERS: Genocide claims complicate Russian Olympics plans

Russia wants to hold the 2014 Winter Olympics in the very same broad valleys and mountain slopes around Sochi that Circassians say hold the bones of their ancestors. Circassians say their ancestors were forcibly deported and killed a century-and-a-half ago by Russian soldiers. The Circassian campaign attracted international attention in May when Georgia recognized the 19th-century killings as genocide.

www.reuters.com

WIRTSCHAFTSBLATT: Interview with Economy Minister Vera Kobalia

Economy Minister Kobalia underscored Georgia's commitment to liberal economic policy as a means to encourage foreign investment in its budding energy industries. The most promising sectors of the economy are tourism and energy. The country has huge potential in hydro-electric power, which could be exported to neighboring countries suffering from an energy deficit. The World Bank has praised Georgia's reforms.

www.wirtschaftsblatt.at

BLOOMBERG: Investors may buy bank from Georgian soccer star

Fast Plus, a Georgian trading company with Iranian partners, seeks to buy a bank in the Black Sea country from soccer star Kakha Kaladze. Kaladze, who plays for Genoa C.F.C. in Italy's Serie A, confirmed Fast Plus's interest in Progress Bank. "The bank belongs to me 100 percent," he said by text message. "If I decide anything, I'll make it public. I'm also in talks with a European group, but I can't reveal the name."

www.bloomberg.com