

GEORGIA UPDATE

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- Irish Chair of OSCE Sets Sights on Conflict Resolution in Georgia
- Former UK Defense Secretary Fox Denounces Russia's "Line of Occupation" in Georgia Visit



President Saakashvili will travel to Washington later this month at the invitation of US President Barack Obama for an official visit. The Oval Office meeting will take place on January 30th, and will focus on strengthening the bilateral relationship by "enhancing cooperation in the fields of trade, tourism, energy, science, education, culture, and security," according to the White House. President Saakashvili also will meet with Congressional and other leaders in Washington, and will make several public addresses—including at the launch of a major new study by the World Bank on Georgia's successful reform efforts.

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QUOTES OF THE WEEK

"This year marks the 20th anniversary of diplomatic relations between the United States and the Republic of Georgia and the two presidents will discuss further strengthening the US–Georgia Charter on Strategic Partnership by enhancing cooperation in the fields of trade, tourism, energy, science, education, culture, and security."

"President Obama will underscore the importance of our defense cooperation with Georgia, including Georgia's substantial contributions to international security operations in Afghanistan."

"The President will reconfirm US support for the integrity of Georgia's territory within its internationally recognized borders."

♦ The White House, in announcing President Obama's invitation to President Saakashvili to an official Oval Office visit on Jan. 30

"Yesterday I visited the line of occupation and I could see from what I called free Georgia a Russian flag in the territory that the international community has agreed is the part of Georgia."

♦ Former UK defense secretary Liam Fox

UPCOMING MILESTONES

- Jan:** EU, Georgia begin talks on a deep and comprehensive free trade agreement
- Jan. 30:** President Obama, President Saakashvili meet at White House
- Mar 28-29:** Next round of Geneva peace talks
- May 15-22:** NATO summit in Chicago
- May 26:** Parliament relocates to Kutaisi
- Oct:** Parliamentary elections

TOP STORIES

President Obama Invites President Saakashvili to Washington on Official Visit

US President Barack Obama will host President Saakashvili in Washington on January 30th, the White House announced on Tuesday. The Oval Office meeting comes as Georgia and the US mark the 20th anniversary of diplomatic relations. The White House said Obama would “underscore the importance of our defense cooperation with Georgia, including Georgia’s substantial contributions to international security operations in Afghanistan,” and that he “will reconfirm US support for the integrity of Georgia’s territory within its internationally recognized borders.” Last month, the Georgian parliament voted to almost double deployments to Afghanistan, making it—with almost 1,700 troops—the largest non-NATO contributor.

The White House added that the two presidents “will discuss further strengthening the US-Georgia Charter on Strategic Partnership by enhancing cooperation in the fields of trade, tourism, energy, science, education, culture, and security.” Saakashvili’s spokesperson yesterday said the Georgian leader will stress the importance of the strategic partnership between the two countries. He will propose ways to enhance cooperation in the context of the US-Georgia Charter, signed in January 2009, focusing on defense and security, democratic reforms, economic relations, trade and energy, and people-to-people and cultural exchanges. She also underscored that in the two decades since Georgia gained independence, US support has been crucial for Georgia’s sovereignty, its democratic transformation, its economic development, and its progress towards NATO membership. Obama and Saakashvili last met in January 2011, in Washington, at the funeral of veteran US diplomat Richard Holbrooke.

President Saakashvili also is expected to meet with Congressional and other leaders in Washington, as well as with members of the Administration. On January 31, he will speak at the launch of a major new World Bank study on how Georgia has succeeded in combating corruption; the report is entitled, “Fighting Corruption in Public Services: Chronicling Georgia’s Reforms.”

[AFP: Obama to Host Georgia President January 30](#)

[BLOOMBERG: Saakashvili to Hold Talks With Obama in Washington](#)

New Election Code Takes Effect Ahead of October Elections; Voter List Commission Starts Work

Georgia’s new election code went into force last week as preparations for upcoming Parliamentary elections picked up pace. Passed by Parliament last month after extensive consultations with opposition parties, civil society groups, and international organizations, the reforms aim to make the electoral process more transparent and competitive, strengthen guarantees against the abuse of administrative resources, and further improve the accuracy of voters lists.

Among other measures, the new code includes reforms that: Improve the prospects of electoral success for opposition parties; establish the right for independent candidates to be elected in a majoritarian district; grant prisoners the right to vote; prohibit the use of administrative resources; establish a special commission to vet voters lists; and increase the participation of women in politics.

In its final opinion on the new code, European Commission for Democracy Through Law (Venice Commission) said: “The draft Code is generally a complete and methodical law conducive to the conduct of democratic elections. The draft Code includes the necessary elements for organizing and administering elections and addresses some of the previous recommendations of the Venice Commission and OSCE/ODIHR. The draft Code takes steps to ensure that for example: Meanwhile, Georgia’s new Chamber of Control to monitor campaign financing practices ahead of the October elections.

[CIVIL GEORGIA: Election Code Goes into Effect](#)

[CIVIL GEORGIA: State Audit Agency Launches Monitoring Unit](#)

**Georgian Sailors Released After Being Held in Captivity by Pirates for 15 Months**

Fifteen Georgian sailors were released from captivity in Somalia last week after Georgian government officials negotiated their return. Somali pirates had held the Georgians, together with three Turkish crewmembers, for ransom for 16 months. The sailors were flown on a Georgian plane from Kenya to Istanbul, where they were welcomed by President Saakashvili and Turkish PM Recep Tayyip Erdogan (above). Erdogan praised the cooperation between Turkey and Georgia over efforts to rescue the ship’s crew, noting the Turkish government had been in close contact with the Georgian government to solve the crisis. The crew’s release was the result of a joint effort between the Georgian and Turkish governments to negotiate with the pirates. The sailors were taken hostage in Sep. 2010 after the pirates commandeered their Malta-flagged cargo ship in the piracy-plagued Gulf of Aden.

[CIVIL GEORGIA: Sailors Released After 16 Months in Pirate Captivity](#)
[TODAY’S ZAMAN: PM Erdoğan Praises Turkish-Georgian Cooperation](#)

Irish Chair of OSCE Sets Sights on Conflict Resolution in Georgia

The OSCE’s new chair, Irish Deputy PM Eamon Gilmore, plans to make the resolution of territorial conflicts in Georgia a priority during Ireland’s yearlong tenure at the head of the OSCE. [Ireland would] seek ways in which progress can be made towards lasting settlements of a number of conflicts in the OSCE area... including in Georgia regarding the territories of Abkhazia and South Ossetia,” Gilmore said in an address to the OSCE’s Permanent Council in Vienna last week, referring to Russia’s illegal occupation and militarization of Georgia’s territories. “The situation in Georgia is a matter of particular concern,” he stressed. Ireland “strongly supports” the Geneva peace talks, and will bring lessons learned from experiences fostering a lasting peace settlement in Northern Ireland to help resolve long-standing conflicts in Georgia, as well as in Transnistria and Nagorno-Karabakh. Meanwhile the 19th round of the Geneva talks, co-chaired by Irish diplomat and OSCE representative Pádraig Murphy, are scheduled for late March.

[DER STANDARD: Northern Ireland example should assist in conflicts](#)

Former UK Defense Secretary Fox Denounces Russia’s “Line of Occupation” in Georgia Visit

Former UK Defense Secretary and current MP Liam Fox met with members of Georgia’s cabinet during a trip to Tbilisi last week, underscoring the UK’s support for Georgia’s territorial integrity. “We are extremely grateful for the contributions made by Georgia,” Fox said, referring to Georgia’s NATO troop commitment. Fox met with Defense Minister Akhalaia, FM Vashadze, and National Security Advisor Bokeria during his two-day visit, while also visiting the Krtsanisi military base and the administrative border of Georgia’s Russian-occupied territory of S. Ossetia. Fox referred to the demarcation line as “a line of occupation” that separated “free Georgia” from “a territory that the international community has agreed is part of Georgia.” More intense international efforts are necessary to restore the Georgian government’s control of its territories, he said.

[CIVIL GEORGIA: Former UK Defense Secretary Fox Visits Georgia](#)

INTERNATIONAL MEDIA ON GEORGIA

FOREIGN POLICY: The reset and America's allies

In March, Putin will almost certainly be returned to Russia's presidency in an election likely to be marred by reports of irregularity and fraud—a development that will not reflect well on the “reset policy,” one of the Obama administration's signature foreign-policy initiatives. The criticism of the president's overtures to Moscow fits in with a larger Republican critique of Obama's abandoning US allies, such as Georgia, in the name of engagement with rivals.

www.foreignpolicy.com

THE GUARDIAN: The strongman

In his lively and absorbing study of the Putin years, Angus Roxburgh talks to many of the protagonists who have had to deal with the chippy former KGB spy. Former US Secretary of State Rice recalls how Russia's FM Lavrov told her that the Kremlin would only withdraw its tanks from Georgia if Saakashvili resigned—an outrageous request. Putin, meanwhile, liked to use KGB tricks in international pow-wows.

www.guardian.co.uk

TAGESZEITUNG: Russia seeks to seize Georgian village

Russia has set its sights on seizing a Georgian village neighboring Sochi in advance of the 2014 Winter Olympics. The Kremlin has pressured Georgia's occupied territory of Abkhazia to cede the small village of Aibga to Russia under the pretext of “potential terrorist attacks.” This however is just a pretext; Georgia will not invade Russia. The real threat is homemade and comes from Islamic fundamentalists from the Russian North Caucasus. Meanwhile, mass construction is underway to convert Sochi into a high-security zone. “We sit in a cage,” said a resident of Krasnaya Polyana, a Sochi district located a few kilometers from Aibga. While the Games are expected to generate millions for Russia, Russian-occupied Abkhazia is unlikely to benefit.

www.taz.de

OPEN DEMOCRACY: Russia's “White Revolution”—why Putin failed and the Russian democrats may follow

In August 2008, Russia vividly demonstrated in Georgia what the Baltic countries had been so afraid of, and why they had been so insistent to become parts of the Western defense community. Without NATO enlargement, today we might have been witnessing not only a pseudo-state called Republic of S. Ossetia, but perhaps also “The Free City of Narva.”

www.opendemocracy.net

AGENCE FRANCE PRESSE: Crew recalls “torment” from pirates

The Georgian captain of a cargo ship released by Somali pirates said his crew had suffered enormously during its 18-month captivity. “We have gone through an infernal torment, starvation, thirst,” captain Memed Zakaradze said. President Saakashvili said the sailors' release Sunday was secured through confidential negotiations. “Georgia will always fight for its citizens,” he stressed.

www.news24.com

REUTERS: Fitch upgrades Georgia

Fitch has upgraded Georgia's debt ratings to BB-. “The upgrade reflects Georgia's strong growth performance, the government's progress in reining in the fiscal deficit, a reduction in inflation and a rise in foreign exchange reserves,” said Fitch. Georgia has reduced its budget deficit to 3.7% in 2011, from 6.6% in 2010. The high share of capital spending and a current surplus gives it further flexibility.

www.reuters.com

XINHUA: Georgia sets getting-to-zero target on World AIDS Day

Georgia last month made “getting to zero” the target of its anti-AIDS campaign to mark World AIDS Day. In collaboration with UNAIDS and USAID, the Georgian government briefed the general public on the current situation of the infectious disease in the country. WHO has rated Georgia as a country with a low AIDS rate at about 0.1 percent.

news.xinhuanet.com

**MARKTE WELTWEIT: Georgian railway increases profits**

The Georgian State Railway announced plans last week to launch new infrastructure projects across the country as it benefits from high profits. The railway, which is one Georgia's largest employers, has earned more than \$185 million in recent years, increasing its year-on-year profit by nearly 50% in 2011.

www.aktuellasia.com

BLOOMBERG: Georgia firms must tap Polish bourse

Georgian businesses should seek listings in Warsaw, PM Gilauri said during a recent visit to Poland. “The Warsaw Stock Exchange is the place where several hundreds of millions can be made,” he said. Meanwhile Poland's Deputy Treasury Minister Krzysztof Walenczak said he would lead a delegation to Georgia to promote the Warsaw Exchange and attract Georgian businesses seeking funding and expansion opportunities.

www.bloomberg.com

WISHAW PRESS: Primary choir on song for Georgia links

Georgian schoolchildren from Thornlie Primary have been bringing a little harmony to the world for years with their renowned Georgian singing. All the Thornlie youngsters have become experts in traditional Georgian singing, dancing, cooking, and costumes. The children were the first Georgian youth harmony choir to perform in the UK, and have performed at a number of events across Scotland.

www.wishawpress.co.uk

NEUE ZURICHER ZEITUNG: The sights of Tbilisi

Tbilisi has a special flair that cannot be compared to that of other capitals. Next to beautifully renovated buildings one finds areas needing further development—this, however, adds to the city's charm. The capital has plenty of hidden gems to offer. The famous sulfur baths, which led to the founding of the city in the 5th century, lie all under the earth. Reminiscent of the Statue of Liberty, a 20-meter-high statue of “Mother Georgia” is perched on a hill overlooking the city to protect residents and greet guests.

www.nzz.ch

FOREIGN POLICY INITIATIVE: Moving beyond the “reset”

The Obama administration should do more to assist our allies in Central Europe like Georgia—especially through arms sales for territorial self-defense, which have not occurred since the 2008 Russian-Georgian conflict. Key allies in Central Europe have stood with the US in the wars in Iraq and Afghanistan. They deserve greater diplomatic respect and attention, and stronger reassurance from Washington.

www.foreignpolicy.org

HERITAGE: The failure of the “Russia reset”—next steps for the United States and Europe

When Russia saw independence and self-determination movements sweeping across Georgia and Ukraine, it determined that a sphere of influence would have to be a sphere of control. Since Moscow sees the world carved up into poles of power controlled by great nations—where smaller states have little to no say in world affairs—a sphere of control to defend Russia's privileged interests is essential for its ruling elites. The EU should not neglect its Central and Eastern European members.

www.heritage.org