

# GEORGIA UPDATE

WEEKLY EDITION • 5 April 2012

A Publication of the Government of Georgia

[www.georgiaupdate.gov.ge](http://www.georgiaupdate.gov.ge)

## TOP STORIES

- NATO Chief Hails Georgia's Reform, Euro-Atlantic Commitment; Pledges Stronger Ties, Membership
- President Highlights Need for Transparent Elections, Invites Short-Term & Long-Term Observers
- Parliament Passes Amendments to Party Funding Law; Minimum MP Age Lowered
- New Johns Hopkins Study Reveals Links Between Russia & 2009-11 Bombings in Georgia
- Geneva Talks End on "Relatively Positive" Note
- US Senate Confirms New Ambassador to Georgia
- Strong Tourism Growth Propels Industry to 7% Share of GDP

**Georgia Update is taking an Easter break & will next appear on April 19, 2012**



Meeting Tuesday in Brussels with President Saakashvili, NATO Secretary General Anders Fogh Rasmussen praised Georgia's reform achievements and underscored that NATO-Georgia relations are as strong as ever. "Georgia has become a model of commitment, cooperation, and connectivity with the Alliance and we encourage you to continue that way," he said, calling Georgia a "special partner." Rasmussen hinted at the Alliance's plan for recognizing Georgia's reform achievements, military contributions, and "aspirant" membership status at the upcoming NATO Summit in Chicago. "All in all I hope that could be reflected in a strong declaration, statement from the Summit," he said. President Saakashvili used the occasion to highlight his government's commitment to transparency in the upcoming elections.

## INTERNATIONAL MEDIA ON GEORGIA

**BLOOMBERG:** Saakashvili's party would win snap Georgian vote, poll shows

**AGENCE FRANCE PRESSE:** EU refuses to recognize South Ossetia election

**RFE:** Russia names special representatives for Abkhazia, South Ossetia

**EURASIA DAILY MONITOR:** Moscow strives to diminish its foreign protectorates to the level of the Russian regions

**KOREA TIMES:** Georgian leader courts Korean firms

**EURASIA DAILY MONITOR:** Ivanishvili's coalition reveals destabilizing potential

**THE ART NEWSPAPER:** Controversial sculptor Zurab Tsereteli opens museum

**XINHUA:** Archaeological findings show Georgia one of earliest to collect honey

**GLOBAL INSIGHT:** Strong 2011 brings annual Georgian GDP growth to 7%

**XINHUA:** English becomes No.1 foreign language test in Georgia

**EURASIANET:** Caucasus Film Festival

## QUOTES OF THE WEEK

"We have elections this year and we call strongly on international community, on the EU, the European Parliament, the OSCE, our partner countries, including members of the Alliance, to send not only short-term, but long-term observers, to do polling of public opinion for all this period, to monitor Georgian media coverage, to monitor party financing mechanisms in order to ensure that not just the day of the elections but the whole process is transparent.

♦ President Saakashvili speaking at the NATO-Georgia Commission on Tuesday

"Georgia has become a model of commitment, cooperation and connectivity with the Alliance and we encourage you to continue that way."

"This is a long road, and we are taking it one step at a time. But you have already made good progress. And I trust you will continue with your progress, and your reforms, as you approach the parliamentary elections this year. Those will be an important test for Georgia's democracy and a chance to show how far you have come."

♦ NATO Secretary General Anders Fogh Rasmussen

"Georgia represents the most visible and vocal thorn in the eye both to the political designs of Russian leaders, and to their authoritarian model of government. Russian policies toward Georgia, thus, flow from Moscow's failure to achieve one of the stated aims of the 2008 invasion: the downfall of Georgia's democratically elected government."

♦ From a new report by the Central Asia-Caucasus Institute at Johns Hopkins University

## UPCOMING MILESTONES

**May 15-22:** NATO summit in Chicago

**May 26:** Parliament relocates to Kutaisi

**Jun. 7-8:** 20<sup>th</sup> round of Geneva peace talks

**Oct:** Parliamentary election

**TOP STORIES****NATO Chief Hails Georgia's Reform, Euro-Atlantic Commitment; Pledges Stronger Ties, Membership**

NATO Secretary General Anders Fogh Rasmussen hailed Georgia's reform progress and Western integration efforts Tuesday, calling the country a "model partner." Rasmussen recounted Georgia's achievements upon welcoming President Saakashvili to NATO's headquarters in Brussels. "Georgia has become a model of commitment, cooperation, and connectivity with the Alliance and we encourage you to continue that way," he said.

The Secretary General also lauded Georgia's commitment to NATO operations and accession. "Your troops are doing an outstanding job, shoulder to shoulder with NATO troops, under challenging circumstances," he said, highlighting Tbilisi's plans to double its troops in Afghanistan to 1,600—a move that will make Georgia the largest non-NATO member contingent supporting the mission. Rasmussen also emphasized that Georgia's military involvement and "clear progress" on reform have not gone unnoticed.

The Alliance will issue a "strong declaration" at next month's NATO Summit in Chicago to recognize Georgia's achievements, support its bid for NATO membership, and encourage further reform, he said. "This is a long road, and we are taking it one step at a time. But you have already made good progress. And I trust that you will continue with your progress, and your reforms, as you approach the parliamentary elections this year," he said.

[NATO STATEMENT: NATO Secretary General Praises Georgia's Commitment and Reforms](#)

**President Saakashvili Highlights Need for Transparent Elections, Invites Short-Term & Long-Term Observers**

President Saakashvili pledged Tuesday that the upcoming elections will be fully "transparent" and invited international observers to monitor the polls. "Usually countries try to avoid—especially in my region—all kinds of international intrusions into their election process," he said in addressing members of the NATO-Georgia Commission in Brussels. "We want it in order to make the whole thing sustainable and institution-building irreversible." An umbrella group advocating for election transparency—"This Affects You Too," uniting election watchdogs, legal advocacy groups, and some media outlets—immediately applauded the statement. "We welcome this initiative and express hope that in the nearest future the Georgian government will send a formal request to international organizations...to start assessing the pre-election environment in Georgia," the group said in a statement on Wednesday.

[DEUTSCHE PRESSE AGENTUR: Georgia election will be "transparent," Saakashvili tells NATO](#)

**Parliament Passes Amendments to Party Funding Law; Minimum MP Age Lowered**

Parliament endorsed a series of amendments to relax political party funding regulations, heeding key recommendations from electoral advocacy groups. Passed in a first reading, the amendments will narrow the scope of organizations whose political contributions can be audited by Georgia's new campaign finance monitoring agency, the Chamber of Control. They also lower penalties levied by the agency, increase annual campaign spending caps for individual donors, and strengthen judicial oversight of Chamber operations. Lawmakers also added a provision requiring the Chamber to publish a monthly list of political party donations. Lawmakers also tabled a proposal to lower the minimum age for becoming a MP from 25 to 21. "I think the proposals create an important opportunity for young people to actively participate in parliamentary life," said MP Pavle Kublashvili, who chairs the parliamentary legal affairs committee. Parliament will host a month-long public debate before voting on the amendment.

[CIVIL GEORGIA: Amendments to Party Funding Law Endorsed](#)  
[CIVIL GEORGIA: Cutting Age Limit of MP to 21 Planned](#)

**New Johns Hopkins Study Reveals Links Between Russia & 2009-11 Bombings in Georgia**

A newly released study sheds new light on the 2009-2011 bombing campaign in Georgia, finding "compelling" evidence of Russian involvement. The study, conducted by the Central Asia-Caucasus Institute at Johns Hopkins University, addresses three central questions: who did it; why did they; and what, if anything, should Western governments do about it.

The evidence shows that Russian authorities were responsible for ordering the series of bombings in Georgia, write authors Svante Cornell and Johanna Popjanevski. The theory discounts conventional wisdom that implicates rogue Russian intelligence services. According to the authors, Moscow was motivated by its continual quest to control its "near abroad." This policy drove the Kremlin to undermine Georgia's democratic development by all means. "Georgia represents the most visible and vocal thorn in the eye both to the political designs of Russian leaders, and to their authoritarian model of government. Russian policies toward Georgia, thus, flow from Moscow's failure to achieve one of the stated aims of the 2008 invasion: the downfall of Georgia's democratically elected government," the study reads.

"Only a more robust and public exposure of Russian covert actions in Georgia could lead to a fundamental rethink of the policy environment that permitted the use of such measures in the first place," the authors conclude. They urge Western governments to be more forthcoming in acknowledging the perpetrators and to advance Georgia's integration with NATO and the EU.

[CACI: The 2009-11 Bombing Campaign in Georgia: Who Did It & Why?](#)

**Geneva Talks End on "Relatively Positive" Note**

The 19th round of EU/OSCE/UN-mediated peace talks in Geneva ended on a "relatively positive" note, said Deputy Foreign Minister Sergi Kapanadze, noting that "we are moving in the right direction." While some progress was made, Russian negotiators refused to reciprocate Tbilisi's unilateral non-use of force pledge and allow an international peacekeeping presence in Georgia's Russian-occupied territories—key demands from the Georgian side.

[CIVIL GEORGIA: Nineteenth Round of Geneva Talks](#)

**US Senate Confirms New Ambassador to Georgia**

The US Senate confirmed last week veteran diplomat Richard Norland as the country's new Ambassador to Georgia. Norland, who has served 32 years in the Foreign Service, welcomed the new role and outlined his priorities in shaping US-Georgia relations: "Of paramount importance, I want to emphasize the US commitment to Georgia's territorial integrity and sovereignty remains steadfast," he said during a nomination hearing before the Senate Foreign Relations Committee. Norland will replace John Bass, who has served since late 2009.

[CIVIL GEORGIA: Senate Confirms New U.S. Ambassador to Georgia](#)

**Strong Tourism Growth Propels Industry to 7% Share of GDP**

Georgia's tourism industry, whose share of economic output has grown to 7%, is set to expand further. "Russian tourists, as a high-spending segment, are important for Georgia," Maya Sidamonidze, chairman of the National Tourism Agency, said Tuesday. "We expect their share to grow to 40% in the next few years from only 7% of total tourists this year." Georgia was ranked as the world's third-fastest growing tourist destination last year with a 39% increase in foreign arrivals, according to a March report published by the World Tourism Barometer. Georgia is benefiting from a threefold increase in Russian arrivals last month at tourist destinations such as Tbilisi, Batumi, and the ski resorts of Bakuriani and Gudauri. The tourism industry contributed 5% to economic output in 2011, Economy Minister Kobalia said, adding that Georgia expects more than 3 million tourists this year, from 2 million in 2010. President Saakashvili in February called for closer economic ties with Russia, with which it fought a five-day war in 2008, offering visa-free travel for investors and tourists.

[BLOOMBERG: Georgia Sees Tourism Gaining Share of GDP on Russian Visitors](#)

## INTERNATIONAL MEDIA ON GEORGIA

**BLOOMBERG: Saakashvili's party would win snap Georgian vote, poll shows**

President Saakashvili's party would win parliamentary elections if they were held tomorrow, beating billionaire Bidzina Ivanishvili's opposition coalition, a poll showed. As many as 47% of likely voters would back the ruling National Movement, according to a survey by the National Democratic Institute. The results have only been given to political parties. The poll, funded since 2008 by the Swedish International Development Agency, showed Ivanishvili's party had 10% backing ahead of October's parliamentary vote.

[www.bloomberg.com](http://www.bloomberg.com)

**AFP: EU refuses to recognize S. Ossetia election**

The EU refused last month to recognize a leadership election in Georgia's occupied region of S. Ossetia. "The European Union does not recognize the constitutional and legal framework within which these elections have taken place," said EU foreign policy chief Catherine Ashton in a statement. Ashton "reiterates her support to the territorial integrity and sovereignty of Georgia, as recognized by international law," the statement said.

[www.eubusiness.com](http://www.eubusiness.com)

**RADIO FREE EUROPE: Russian president names special representatives for Abkhazia, South Ossetia**

Medvedev has appointed special representatives for Georgia's occupied regions of Abkhazia and S. Ossetia. Both appointees now head Russian Federation subjects that border on the disputed regions. While Putin suggested last summer that S. Ossetia could be part of the Russian Federation, Medvedev said that there are no legal or actual preconditions for the territory to unite with N. Ossetia.

[www.rferl.org](http://www.rferl.org)

**EURASIA DAILY MONITOR: Moscow strives to diminish its foreign protectorates to the level of the Russian regions**

By appointing special representatives in Georgia's territories of S. Ossetia and Abkhazia, Moscow is trying to devolve its authority over these territories to the regional level to diminish their importance and autonomy and make them feel like any other Russian region. This does not mean that Moscow will be successful in establishing tighter control over Abkhazia and S. Ossetia now. Instead, it might create even greater resentment against Russia in both of these territories.

[www.jamestown.org](http://www.jamestown.org)

**KOREA TIMES: Georgian leader courts Korean firms**

President Saakashvili last week touted his country as a destination for Korean investment, saying it is following the Korean development model to overcome a "very complicated" geopolitical situation and become a hub for commerce in its region. "There are a lot of similarities between our countries," he said while in Korea to attend the Seoul Nuclear Security Summit. "Korea has been developing under tremendous pressure, being surrounded by big powers and being a divided country. It's a very similar situation for us."

[www.koreatimes.co.kr](http://www.koreatimes.co.kr)

**EURASIA DAILY MONITOR: Ivanishvili's coalition reveals destabilizing potential**

Opposition leader Irakli Alasania warned that Bidzina Ivanishvili's Georgian Dream coalition might not recognize the outcome of the upcoming elections. Ivanishvili's coalition has commissioned an exit poll from an [unnamed] "world-famous organization. We and the international community will not recognize the results of the elections if the official results do not match those provided by the exit poll." The warning overlapped with the results of the semi-annual poll commissioned by the US National Democratic Institute, which shows 47% support for the governing United National Movement versus 10% for Ivanishvili's Georgian Dream coalition.

[www.jamestown.org](http://www.jamestown.org)

**THE ART NEWSPAPER: Controversial sculptor Zurab Tsereteli opens museum in Georgian capital**

The Georgian-born painter and sculptor Zurab Tsereteli opened the Zurab Tsereteli Museum of Modern Art in his hometown of Tbilisi in February. "This is the first museum [in Georgia] that will focus on contemporary art, on modern art," says Vasili Tsereteli, his grandson. The artist, who knew Picasso and Dali, bought a dilapidated pre-revolutionary cadet corps building for the museum and commissioned architect Givi Metreveli to restore the historic façade and transform the interior.

[www.theartnewspaper.com](http://www.theartnewspaper.com)

**XINHUA: Archaeological findings show Georgia one of earliest to collect honey**

Georgia may have joined Spain, Egypt, and China as one of the earliest nations in the world to have collected and used honey as food. Georgian archaeologists have found honey remains on the inner surface of clay vessels unearthed from a robbed tomb of a Georgian woman. The tomb was found during the construction of the Baku-Tbilisi-Ceyhan pipeline. Further tests could show Georgian honey to be 5,500 years old.

[news.xinhuanet.com](http://news.xinhuanet.com)

**GLOBAL INSIGHT: Strong 2011 brings Georgian GDP growth to 7%**

The Georgian economy is performing well, hitting 7% GDP growth in 2011. If structural reforms continue as planned, concessional credits to support further transition should not be threatened and these should secure respectable industrial expansion. Further strengthening of the Georgian economic base is likely with reforms resulting in increased productivity and strengthened competitiveness.

[www.ihs.com](http://www.ihs.com)

**SUNDAY EXPRESS: Georgia has the UK on its mind**

Georgia is in talks with the UK about strengthening air links as part of a plan to become Eurasia's main trading hub. Economy Minister Vera Kobalia said: "Diversification is key for our economy. We want to become a hub or gateway for the rest of the region just as Singapore is in Asia." She has sounded out easyJet and Ryanair about launching flights. Bmi already flies to Georgia from the UK. And the country also wants to tap into the UK's maritime expertise as it seeks to bolster its ports.

[www.express.co.uk](http://www.express.co.uk)

**EURASIANET: Caucasus Film Festival**

A week-long Caucasus Cinema Festival concluded in Tbilisi Monday. In a region marked by discord during the post-Soviet era, the festival strived to promote peace-building by highlighting cultural commonalities. The driving force behind the festival is Claire Delessard, who serves as a Caucasus Regional Conflicts Adviser attached to the British Embassy in Tbilisi. The EU is helping to fund the film series. "Caucasian people had always been living together without division lines for centuries," Delessard said. "We wanted for people to remember these times through cinema."

[www.eurasianet.org](http://www.eurasianet.org)