

# GEORGIA UPDATE

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

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**Tbilisi Selected to Host 2015 UEFA Super Cup**



Vano Merabishvili became the country's new prime minister this week, as the government reenergizes its reform efforts ahead of October's elections. President Saakashvili said Merabishvili, who was interior minister until his appointment as prime minister, has the qualities to advance the government's priorities "He turned the police, which had been completely discredited for decades, into an extremely effective, world-class law enforcement system, which is highly trusted by Georgian society," the President said. Merabishvili announced the launch of a new four-year reform program, and pledged to focus government efforts and resources in three key areas: unemployment, rural development, and healthcare reform. "In the government of Georgia, each day, each hour, and each minute will be oriented on meeting these three main goals," he said.

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## QUOTES OF THE WEEK

"My main goal will be very concrete -- more benefits for the people. The time has come for every single Georgian family to benefit from the outcomes of Georgia's modernisation and development."

"Members of our government will only be assessed based on...whether they work for people's benefit and how much benefit they can bring to families."

♦ Prime Minister Vano Merabishvili

"These Parliamentary elections will be crucial for the development of our country for the next four years. This is why I am appointing Vano Merabishvili, because this man has been able to make a decisive strike on crime and corruption."

♦ President Saakashvili

"The delegation acknowledges a number of positive steps taken since 2008 in preparation for the upcoming election cycle. New election-related institutions have been established such as the Commission for Ensuring Voters' List Accuracy, and the Financial Monitoring Department of the State Audit Agency."

♦ Excerpt from National Democratic Institute report on Georgia's electoral environment

## UPCOMING MILESTONES

**Aug. 7:** 4th anniversary of Russian invasion

**Sep.:** NATO Secretary General Anders Fogh

Rasmussen visits Georgia

**Oct.:** Parliamentary election

## TOP STORIES

**New Prime Minister Vano Merabishvili: Author of Key Georgian Reforms Lays Out Four-Year Program**

Vano Merabishvili, who has served as interior minister since 2005, was confirmed by Parliament yesterday as Georgia's new prime minister. Merabishvili lost no time in setting out his program for the coming years, nor in reaching out to the public as he embarked on visits with Georgian families. "Our main priority is employment," Merabishvili said shortly after his appointment was announced. "It is time for people to feel more prosperity as a result of the country's development and modernization," he added, underscoring that the government's program will be centered on three key priorities: employment, agriculture development, and healthcare affordability. "Like the police reform has been felt by each citizen, Georgia's economic development should also be felt by each citizen," Merabishvili said. He presented lawmakers with an ambitious four-year government program, in which each family will receive around \$600 in vouchers over four years, pensions will rise to \$100 a month, all citizens will get basic health insurance, and \$2.4 billion will be spent on developing rural areas and boosting agriculture.

For his team Merabishvili named former Defense Minister Bacho Akhalaia as interior minister and former Education Minister Dimitri Shashkin to head the defense ministry. Khatia Dekanoidze will become education minister and Dali Khomeriki will be minister responsible for refugee issues, while Paata Trapaidze will take the new position of employment minister. All other ministers will remain in their posts.

Merabishvili is responsible for many of the most lauded reforms since the Rose Revolution. Under his leadership, the Government effectively eliminated the influence of the country's formally dominant mafia families. The police force, meanwhile, has undergone a remarkable transformation under Merabishvili, becoming one of the country's most trusted institutions and a symbol of Georgia's democratic progress. Today, Georgian police are ranked the third least corrupt in the world, tied with Switzerland and Norway, and behind only Denmark and Finland. Trust in the police among the Georgian public has soared from 5% before the Rose Revolution to 76% today.

Merabishvili also spearheaded the drive against corruption, which led to Georgia being named first in the world in terms of public perceptions of the decrease in corruption. According to the Transparency International's 2010 Global Corruption Perceptions Index, Georgians perceive their institutions as less corrupt than all but four European nations; 77% of Georgians view the anti-corruption efforts of the Georgian government as effective. Surveys consistently rank the new prime minister as the second most popular politician in Georgia, behind only the President.

President Saakashvili, in announcing the appointment, had high praise for outgoing PM Nika Gilauri. "His role was decisive in the Georgian economy surviving crises and turning the economy towards growth again, strengthening the trust of investors in Georgia, while many other countries suffered a decline in investments," the President said. Gilauri will head a new development agency charged with bringing investments into Georgia.

In addition to his core portfolio at the interior ministry, Merabishvili has taken on special duties in recent years, most prominently leading the Government's efforts to house IDPs after Russia's 2008 invasion of Georgia. He also has been a force in Government debates on issues such as agriculture, an area that has animated his professional career. Prior to his service in government, Merabishvili, as president in the 1990s of the Association for Protection of Landowners' Rights, played a leading role in reforming Georgian agriculture. He subsequently founded a think tank, the Liberty Institute, and then joined Parliament in 1999. Together with President Saakashvili and the late PM Zurab Zhvania, Merabishvili led a group of reformers who advocated a Western-oriented, democratic political path for Georgia.

[REUTERS: Georgian President Names New PM as Elections Loom](#)  
[AFP: Georgia Boosts Spending Ahead of Elections](#)



*President Saakashvili hosted EU Council President Herman Van Rompuy in Tbilisi on Wednesday.*

**NDI Establishes Observer Mission, Notes "Positive Steps," Warns of Polarization**

The National Democratic Institute has launched its initial observation mission in Georgia ahead of October's parliamentary vote, noting "positive steps" in the electoral effort. "The delegation acknowledges a number of positive steps taken since 2008 in preparation for the upcoming election cycle," said NDI in its first report on the electoral environment. "New election-related institutions have been established such as the Commission for Ensuring Voters' List Accuracy, and the Financial Monitoring Department of the State Audit Agency." The delegation applauded the government for launching the Inter-Agency Task Force for Free and Fair Elections, for advancing the newest media reforms that compel all cable operators to carry all news channels, and for collaborating with civil society and political parties to pass a number of electoral code amendments. The five-member mission commended the Central Election Commission for operating in a "transparent and inclusive manner." NDI also warned of growing political polarization: "The delegation is concerned about growing political polarization in the country and a dearth of civil discourse among political leaders," the report said, adding that hate speech against minorities is still common.

[NDI: Statement by Pre-Election Delegation to Georgia](#)

**Russian Tourist Arrivals in Georgia Soar 75.5% in 2012**

Georgia had 154,600 visitors from Russia in the first six months of 2012, a 76% year-on-year increase; the surge in Russian tourist arrivals reached 100% in June. Georgia reported 1,690,500 foreign arrivals through June, up 53% from 2011. Most came from Turkey, Armenia, Azerbaijan, Russia, EU countries, Ukraine, and Iran.

[KYIV POST: Russian Tourist Arrivals in Georgia 75.5%](#)

**International Maritime University to Be Launched in Batumi**

Georgia will develop the next generation of world-class sailors at its new International Center for Seafarers in Batumi, set to open in 2015. The new, innovative maritime university will prepare sailors across the Black Sea region for taking to the high seas. "It will be a major source of income for Poti and Batumi, from which most of the sailors will come," President Saakashvili said. Georgia has over 18,000 sailors.

[TREND: International Maritime University to Open in Batumi](#)

**Tbilisi Selected to Host 2015 UEFA Super Cup**

Europe's governing football body, UEFA, selected Georgia last week to host the 2015 UEFA Super Cup, the annual football match between the UEFA Champions League winner and the UEFA Europa League holder. Tbilisi will be the third city, after Prague and Cardiff, to host the annual competition, which has been hosted in Monaco since 1998.

[CIVIL GEORGIA: Tbilisi to Host 2015 UEFA Super Cup](#)

## INTERNATIONAL MEDIA ON GEORGIA

**FOREIGN POLICY: Putin's got America right where he wants it**

Russia has treated with contempt its 2008 ceasefire agreement with Georgia, which was meant to conclude the summer war between the two countries. Despite a clear demand that Russian forces withdraw from Georgian territory, Russia has actually upped its military presence in the breakaway territories of S. Ossetia and Abkhazia. Nevertheless, the US pressured Tbilisi not to block Russia's accession to the WTO.

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

**NEW YORK TIMES: Panderer's box**

Last week, what for months had looked like the standard story of a government trying to muzzle its critics took a surprising turn for what could be a happier ending in Tbilisi. The Georgian government announced that it would soon pass legislation forcing cable companies to include all channels. Yet even if the liberalization of media laws further polarizes political debate here, it's still a good thing. With almost 9 out of 10 Georgians relying on television as their primary source of news, according to a recent survey by the Caucasus Research Resource Centers, the "must-carry" laws would at least enable Georgians to hear both sides of the debate and decide for themselves who—if anyone—is telling the truth.

[latitude.blogs.nytimes.com](http://latitude.blogs.nytimes.com)

**AFP: Georgia gives opposition TV broadcast rights**

Georgia's parliament on Friday approved legislation that gives opposition TV channels guaranteed broadcasting rights on cable networks during election campaigns. The law compels cable operators to carry all news channels for 60 days during election campaign periods—a move intended to quell criticism of the government's media rights record before a crucial parliamentary vote in autumn.

[vancouverdesi.com](http://vancouverdesi.com)

**LE FIGARO: A lobbying war in Washington**

Bidzina Ivanishvili, a billionaire with his eyes set on the presidency, has hired several lobbying firms in the US with the aim of destabilizing his rival, President Saakashvili. While Ivanishvili insists on the country's democratic deficit, the governmental team evokes the billionaire's Russian connections—his fortune was built in the country. "I do not see a secret plot," said Georgia's ambassador to the US Temuri Yakobashvili. "But I see that the arguments used by the opposition's lobbyists are the same as those used in Russia's lobbying against us."

[www.lefigaro.fr](http://www.lefigaro.fr)

**LE FIGARO: Georgia fears a Russian intervention**

Why has the Kremlin rescheduled the traditional Russian military exercises in the Caucasus from the month of July to the autumn? In order to give itself the possibility of a military intervention is the common reply of Georgian officials and Russian dissidents. Georgia's October elections together with potential military strikes by Israel against Iran—which some experts fear will happen in the autumn—could give Moscow such a pretext. The Russian daily Kommersant, citing official sources, wrote in March that a war in Iran "could complicate the situation in the Caucasus" and that Russia "will have to close certain gaps," i.e. secure the border between Iran and Armenia.

[www.lefigaro.fr](http://www.lefigaro.fr)

**EDM: Moscow redeploys heavy armor to Dagestan**

Moscow last month began to deploy nearly 30,000 Interior Ministry personnel as military reinforcements, along with their heavy military equipment, supplementing two other divisions already stationed in the republic. The Russian military force in Dagestan currently tops 60,000 servicemen. In addition, Dagestan currently has nearly 18,000 police officers. Bearing in mind that heavy armor is rarely used against the insurgents, this shipment is hardly accidental. The tanks might be crucial not only to the Kavkaz-2012 military exercises, but also to an incursion into Georgia, as Georgian officials fear.

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

**WORLD ARCHITECTURE NEWS: Zoological innovation—Tbilisi Zoo**

The London studio of Hassell and engineering firm Arup will design the new Tbilisi Zoo. Selected by Tbilisi City Hall, the project will replace the existing zoo with a zoological and recreation complex adjacent to the inland lake, the Tbilisi Sea. The concept uses a design strategy of minimal disturbance to preserve the area's natural beauty. The need for new buildings, due to the relocation of the animals, has inspired the design of an entrance hub, boulevard, a secondary hub with playground and café, inner zoo and an outer open range zoo as well as woodland areas.

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

**PAP: Georgia wants Polish observers for fall elections**

President Saakashvili asked Poland to send a large group of observers for the parliamentary elections to ensure democratic standards are met, said Polish Senate Speaker Bogdan Borusewicz following his trip to Georgia last week. The Polish leader also assured Saakashvili that both the EU and Poland "stand on guard of Georgia's territorial integrity and do not recognize Abkhazia and South Ossetia as entities of international law."

[www.pap.pl](http://www.pap.pl)

**HERITAGE: Ronald Reagan's legacy in Georgia**

Today, Ronald Reagan's belief in democracy, free markets, a strong defense, and liberty are encapsulated in the reforms taking place in modern Georgia. This is in stark contrast to Georgia's northern neighbor Russia, where democratic freedoms are in retreat, corruption is endemic, and the future is bleak. The same cracks showing in the Soviet Union a quarter of a century ago are starting to reappear in Putin's Russia.

[blog.heritage.org](http://blog.heritage.org)

**THE SPECTATOR: At home with the Stalins**

Acceptance of the past, in Stalin's birth city, as everywhere, is uncomfortable and gradual. The unimaginable enormity of what Stalin did—including the special evils visited against the people of Georgia—appears to have filtered down slowly and somewhat reluctantly. Before I went to the museum, I headed to the faultline of S. Ossetia and saw a vast new Russian military base, which has shot up on the Russian-occupied side. Here, as everywhere, the past is always before us. As Georgia knows, what we do with it and what we learn from it matters.

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

**TORONTO GLOBE & MAIL: Georgia punches above its weight**

Georgia has had a strong run of dominance at the European Nations Cup, winning the important second-tier tournament several times in recent years. Rugby in Georgia has had "a huge growth spurt in the last five years," said Georgian coach Milton Haig, a New Zealander. "They like to play any game with physicality."

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

**CNN: Georgia hopes "pop-up" city will become economic hub**

President Saakashvili wants to build a whole new city called Lazika. The promotional video for it presents an impression of futuristic skyscrapers, golf courses, and high-end luxury condos for the entrepreneurs who will make this city their home. "We are looking for a new destination not for the sake of spending lots of money like some other governments have done just to show off," he says. "We only look at it as a way to generate more income, more goods, more services."

[articles.cnn.com](http://articles.cnn.com)