

GEORGIA UPDATE

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- **President Saakashvili: Europe Is Georgia's Identity, the EU Its Destination**
- **Targeting Unemployment, Government Seeks to Register Those Without Work**



The commander of US Army forces in Europe, Mark Hertling, met yesterday with President Saakashvili in Tbilisi for talks on defense cooperation and Georgia's role in Afghanistan. Hertling thanked Saakashvili for maintaining a major contingent in Afghanistan as part of the NATO-led International Security Assistance Force. He also held talks on European security concerns and military cooperation with a range of Georgian defense officials, including Deputy Defense Minister Maia Siphashvili-Lee and Chief of Joint Staff Devi Chankotadze.

INTERNATIONAL MEDIA ON GEORGIA

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INSTITUTE FOR WAR & PEACE REPORTING: New PM boosts ruling party

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FOODEPEDIA: Georgian wine, reborn

DEADLINE.COM: Ron Perlman joins "Tbilisi, My City" Cast

XINHUA: Tbilisi breaks ground on 2015 Olympic Festival Village

QUOTES OF THE WEEK

"Georgia's joining NATO is a guarantee of security in the region and Turkey will do everything to make it happen in the near future."

♦ Turkish Defense Minister Ismet Yilmaz speaking yesterday in Tbilisi

"Merabishvili is not the kind of figure you make prime minister and then, after the elections, tell to resign and give up his position. He's a figure of a different caliber. If the UNM wins, Merabishvili could be prime minister until 2016. That means the answer to the question of whether Saakashvili will be prime minister after 2013 is 'no'."

♦ Levan Vepkhvadze, Member of Parliament for the opposition Christian Democrats

"The transformation of Georgia in recent years has set an important example which has attracted the right kind of international attention."

♦ EU Commissioner for Enlargement Stephan Füle

"Europe for Georgia is not just a matter of pragmatic choice. The beauty of Europe is that we have no other choice; this is our choice, this is our essence, this is our identity."

♦ President Saakashvili speaking at the "European Way" conference in Batumi

UPCOMING MILESTONES

Aug. 7: 4th anniversary of Russian invasion

Sep.: NATO Secretary General Anders Fogh Rasmussen visits Georgia

Oct.: Parliamentary election

TOP STORIES

New NDI Survey Shows Broad Optimism, Support for EU, NATO Integration; Ruling Party Enjoys Comfortable Lead Ahead of Parliamentary Vote

A new survey by the National Democratic Institute underscores broad optimism and support for Georgia's development and Western integration efforts. Of those polled, 53% said Georgia is going in the right direction vs. 23% wrong direction, while 58% said the Government is making changes that matter to them; 33% disagreed.

The poll also shows the ruling United National Movement comfortably ahead against main challenger Georgian Dream, with 36% of the vote versus 18%. Another poll released this week, by Greenberg Quinlan Rosner, showed the UNM with a similarly large lead, yielding 57% against 31% for Georgian Dream. The UNM won 59% in the last parliamentary election in 2008; most of the opposition movements from that year—the United Opposition, the Labor Party, and the Republican Party—have yielded to Georgian Dream. From the 2008 opposition field, only the Christian Democrats, who won 8.66% that year, appears likely to clear the 5% threshold to enter Parliament.

The NDI survey showed 70% of Georgians polled approve of the ruling party's goal to join the EU. Similarly, 62% support the administration's NATO membership ambitions. According to the survey, public trust lies with the ruling party to manage foreign relations issues. Over 30% of Georgians trust the United National Movement party to manage the country's NATO membership aspirations; only 15% place their faith in the Ivanishvili-led Georgian Dream Coalition on the same issue.

New PM Merabishvili, who at the time of survey was interior minister, leads when Georgians were asked how they rated the job performance of specific politicians, with 49% saying that Merabishvili is doing either "very well" or "well." NDI surveyed 6,299 voters across the country in June; the poll has a margin of error of plus/minus 2%.

US-based NDI is one of the most respected international organizations in the field of democracy-building, and has a long track record of conducting surveys whose findings hew closely to subsequent election results. The same is true for Greenberg Quinlan Rosner, a preeminent American firm that has worked in Georgia since 2007 for the UNM. Both organizations publish their methodologies and follow the guidelines of the World Association for Opinion Research. Despite this, Georgian Dream has attacked both for their findings, and in March urged US Ambassador John Bass to block NDI (and another US organization, the International Republican Institute) from conducting polling in Georgia.

On the upcoming parliamentary elections, 55% of Georgians told NDI they believe the vote will be conducted "totally" or "somewhat well" and transparently. They had high marks for new electoral institutions like the Voter List Verification Commission, which is checking the accuracy of voter rolls—86% assessed its work positively, versus just 3% who disagreed. Confidence in the elections has had a positive impact on rallying voters to the polls: 75% of respondents said they would likely vote if the parliamentary elections were held tomorrow, up from 64% five months earlier.

Mirroring NDI's poll in February, respondents ranked healthcare, agriculture, and pensions as the three most important areas requiring attention. Public confidence in the government's ability to achieve reforms in these areas has jumped over the past six months. Out of those polled, 25% expect the government to achieve healthcare reform by 2013, up from 16% in February. Data show similar trends for pension and agricultural reforms. The interests of the public align closely with PM Merabishvili announcement to reenergize the government's reform initiatives and implement a universal health insurance system, increase pensions to \$100 a month, and invest \$2.4 billion in agriculture.

[CIVIL GEORGIA: Political Parties react on NDI Polls](#)

[NDI: Public Attitudes in Georgia](#)

[CIVIL GEORGIA: NDI Releases Public Opinion Survey](#)



President Saakashvili last week honored renowned opera diva Tsisana Tatishvili with the Presidential Order of Brilliance for helping to develop and popularize Georgian opera.

Georgia Least Corrupt Among Countries Seeking to Join NATO

Georgia ranks least corrupt among countries seeking NATO membership, according to a new survey by a group of leading international organizations. Co-commissioned by the International Bank for Reconstruction and Development, Transparency International, the International Research and Exchanges Board, and the EU, 99% of those surveyed in Georgia said they had not been asked for bribes in an official institution in 2011, while 77% said their government has been taking effective measures in fighting corruption. In other indices, Georgia scored 4.1 on the 10-point Transparency International Corruption index, ranking 64th among the 183 countries in 2011.

[XINHUA: Georgia Least Corrupt Among Countries Seeking NATO](#)

President: Europe Is Georgia's Identity, EU Its Destination

President Saakashvili last week underlined the country's ambitions to join the EU, saying Georgia's European choice is part of its identity and destiny. "Europe for Georgia is not just a matter of pragmatic choice," said Saakashvili during his address to European leaders at the European Way conference in Batumi. "The beauty of Europe is that we have no other choice; this is our choice, this is our essence, this is our identity," he said, expressing hope that next year's Eastern Partnership summit in Vilnius would produce a concrete roadmap to EU membership for Georgia.

European Enlargement Commissioner Stephan Füle, speaking at the same event, outlined the EU's modernization vision for the Eastern Partnership, referring to Georgia as a model country. "The transformation of Georgia in recent years has set an important example which has attracted the right kind of international attention," said Füle. He hailed Tbilisi's new media reforms, which provide greater media parity for political parties in accessing and informing voters. "I am glad to note in this regard that the parliament of Georgia adopted 'must carry/must offer' rules for TV channels with political content, and also President's strong commitment to make this work," he said. "I am also encouraged by the recent dialogs, in parliament and with civil society, on laws regulating the elections."

[CIVIL GEORGIA: Georgia Wants Membership Perspective from EU](#)

Targeting Unemployment, Government Seeks to Register Those Without Work

The government has launched a new social initiative aimed at curbing unemployment, with plans to train 3,000 "employment agents" who will visit Georgian households nationwide and register unemployed citizens. Presented by Paata Trapaidze, who heads the newly created employment ministry, the six-point plan aims to identify the type of training that Georgia's unemployed require by creating a database of those without work. The ruling party's plan to tackle unemployment is a key priority for the government and its new program "More Benefits to People." The ruling party says the program will be the main platform for its campaign ahead of October's parliamentary vote.

[CIVIL GEORGIA: Govt Plans Registration of Unemployed Citizens](#)

INTERNATIONAL MEDIA ON GEORGIA

DEUTSCHE PRESSE AGENTUR: Georgia offers aid after flooding in Russia

Russia's Krasnodar region was struck earlier this month by a deadly flood that killed over 170 people. Georgia, which borders the region, has offered to help victims of the flooding. The government in Tbilisi offered to deploy rescue teams and humanitarian aid to disaster victims, despite Russia's 2008 invasion of Georgia.

www.welt.de

INSTITUTE FOR WAR & PEACE REPORTING: New PM boosts ruling party

Georgia's newly appointed PM Merabishvili is the most influential figure to hold the post since Zurab Zhvania, who died in 2005. While some speculate that his appointment was a move to position President Saakashvili into the prime minister's seat after finishing his presidential term, many analysts dismiss this. Levan Vepkhvadze, a member of parliament from the opposition Christian Democrats, agreed, saying, "Merabishvili is not the kind of figure you make prime minister and then, after the elections, tell to resign and give up his position. He's a figure of a different caliber. If the UNM wins, Merabishvili could be prime minister until 2016. That means the answer to the question of whether Saakashvili will be prime minister after 2013 is no."

iwpr.net

MOSCOW TIMES: Saakashvili, it seems, will not pull a Putin

In a move that took everybody by surprise, Saakashvili plucked Vano Merabishvili from his imposing position as the interior minister and appointed him prime minister. Parliament then quickly passed a bill increasing the prime minister's authority. The baton has been passed. Saakashvili, it seems, won't pull a Putin.

www.themoscowtimes.com

AGENCE FRANCE PRESSE: Georgia fines opposition tycoon's companies \$6.7 million

A Georgian court has issued fines totaling \$6.7 million to firms linked with billionaire tycoon turned opposition leader Bidzina Ivanishvili. "Burji and Management Service have violated the law of Georgia on political parties," Tbilisi City Court said in a statement, fining them \$5.25 million and \$1.44 million, respectively. The violations include illegal political donations in the form of free transportation services and the renovation of party offices at deflated prices, the court said.

www.ipotnews.com

REUTERS: Manager to oversee Georgia tycoon's seized assets

A Georgian court appointed a manager to oversee the confiscated assets of billionaire opposition leader Bidzina Ivanishvili on Thursday. "While the debtor will remain the owner of the property, the new manager will enjoy all the rights of an owner until the termination of the forced management regime," said the National Enforcement Bureau. Last month, police seized satellite dishes from a firm owned by Ivanishvili's brother Alexander, who is suspected of giving dishes away to win votes for Ivanishvili's coalition. The state audit agency ruled the free distribution of satellite dishes with a loan from Ivanishvili violated party funding rules.

in.reuters.com

DER STANDARD: Interview—S. Ossetian journalist Maria Plieva

Since 2008 one has heard relatively little about Georgia's Russian-occupied region of S. Ossetia. Human rights are in bad shape there, says Maria Plieva, a S. Ossetian journalist and blogger. According to Freedom House, human rights in S. Ossetia are in a dire state; the region was ranked alongside countries such as China, Belarus, and Cuba on Freedom House's annual human rights index. "I was threatened with violence and rape on several occasions by the South Ossetian authorities and by anonymous persons from North Ossetia," Plieva says.

derstandard.at

**ELITE TRAVELER: New wine & Black Sea tour of Georgia**

Silk Road Tours has debuted new eight-day journey uncovering 8,000 years of winemaking tradition in an extraordinary cultural heritage destination located along the coast of the alluring Black Sea. Travelers explore the Kakheti wine region and enjoy superb views of the snow-capped Great Caucasus Mountains and verdant valleys of Georgia's premier wine country whilst sipping on traditionally made wines from local wineries. One stop is the wine cellar of the Alaverdi Cathedral, which has been operated by winemaking monks as early as the sixth century. To get a sense of how the region traditionally stores wine, guests will get to visit a local master of Georgian clay jars known as *qvevri*.

www.elitetraveler.com

BLOOMBERG: Georgia in talks with investors to build city

Georgia began talks with potential investors to build a city of half a million people on its Black Sea coast after lawmakers backed a decision to grant the site "special constitutional status." "We are in talks with large Chinese corporations, Iranian, Azeri, Ukrainian investors to develop this project," said Iva Davitaia, director of the Strategic Development Agency. The city, to be called Lazika, will include a commercial center as well as a port and will take up to 10 years to complete.

www.bloomberg.com

EUROPEAN NEWS AGENCY: German settlers in Georgia

Not many German tourists travel to the Caucasus, but those who do will see a unique history, culture, and religion. Some Germans can trace their roots to Georgia through early German settlers, although few are aware. German settlers in Georgia were very successful in the agriculture and wine-production sectors, particularly in the 19th century.

www.european-news-agency.de

SHANGHAI DAILY: Chinese firm is 1st to buy bank overseas

China's Xinjiang Hualing Industry and Trade Co. has acquired 90% of Georgian JSC Basisbank, becoming the first Chinese private company to buy a commercial bank overseas. The bank will change its name and operate in Tbilisi and Kutaisi, Georgia's second largest city.

www.china.org.cn

DEADLINE.COM: Ron Perlman joins "Tbilisi, My City" Cast

"Tbilisi, My City," a feature built on a series of 12 short films about Georgia, has just added Ron Perlman and Sarah Dumont to the cast. Malcolm McDowell. Hatched by David Agiashvili, the melding of fiction and documentary is written and directed by Georgian natives, with each story taking on a personal narrative about the republic's capital city.

www.deadline.com

XINHUA: Tbilisi breaks ground on Olympic Festival Village

Georgia's PM thanked a Chinese investor for creating 3,000 jobs to construct the Olympic Village for the 2015 European Summer Youth Olympic Festival. "I want to give 3,000 thanks to our Chinese friends for creating 3,000 working places in Georgia," PM Merabishvili said. Tbilisi at-out-bid Brno for the rights to host the Festival which features events such as athletics, basketball, cycling, gymnastics, and tennis.

news.xinhuanet.com