

# GEORGIA UPDATE

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

## TOP STORIES

- Secretary of State Clinton: "Russian Activities Negatively Affect Regional Stability"
- As NATO-Georgia Commission Meets, Alliance Reaffirms That Georgia Will Become a Member
- Georgia Hosts NATO "Partnership for Peace" Training Exercises
- US Senators, in Visit to Tbilisi, Back Georgia's NATO Membership, Defense Capacity
- Successful Eurobond Issue Is Latest Sign of Georgia's Economic Strength
- Booming Batumi Getting Ready to Host 1.5 Million Tourists This Summer

GEORGIA UPDATE IS TAKING AN EASTER BREAK \*\*\* THE UPDATE WILL NEXT APPEAR ON MAY 5



*A delegation of US senators visited Georgia earlier this week, meeting with President Saakashvili and other senior officials, and traveling to the administrative boundary line with the Russian-occupied territories. Senator Jon Kyl, who headed the delegation, stood firm with Georgia in defense of its sovereignty and territorial integrity. "I hope... [the United States] would not sacrifice Georgia's future to some theoretical value of a 'reset' relationship with Russia," Kyl said. "No country or people should be a pawn in that relationship—sacrificed by the United States—because of our desire to have better relations with Russia." He added that if ensuring Georgia's security "means the acquisition of defensive weaponry" then he supports it. He also underscored that Washington must continue to express its support for Georgia's membership in NATO.*

## INTERNATIONAL MEDIA ON GEORGIA

**AGENCE FRANCE PRESSE:** Obama urged to limit Russia missile shield sway

**AP:** Israeli ambassador—no arms sales to Abkhazia

**THE ECONOMIST:** Social capital—Georgia's not-so-big society

**TIME:** Why hackers hit Russia's most popular blogging service

**RADIO FREE EUROPE:** The battlefield on your desktop

**EURASIANET:** Looking for a rare leopard called Noah

**THE AUSTRALIAN:** Adventure powers the keyboard—Khatia Buniatishvili

**AGENCE FRANCE PRESSE:** Georgia builds "tourist paradise" near conflict zone

**BILD:** Georgia wants to become as glamorous as Marbella

**THE NATIONAL:** Take a breath and immerse yourself in Georgia

## QUOTES OF THE WEEK

"We share Georgian concerns regarding recent Russian activities that can negatively affect regional stability.... We continue to urge Russia at the highest levels to comply with its obligations under the 2008 cease-fire agreement, and to reduce tensions in the region."

♦ US Secretary of State Hillary Clinton on Russia's involvement in terrorist attacks in Georgia

"The NATO-Georgia relationship has deepened significantly in recent years. This has been to the benefit of NATO, of Georgia, and to the Euro-Atlantic area as a whole. And it has helped Georgia to play an increasingly important role as a security contributor."

"Through the NATO-Georgia Commission, we have pursued a substantive and meaningful political dialogue. Through the Annual National Program, specific and very effective programs are now in place to support Georgia's defense and security-sector reforms and put them in the context of wider democratic reforms."

♦ NATO Secretary General Anders Fogh Rasmussen

## UPCOMING MILESTONES

**Apr. 15-20:** Parliament Speaker Bakradze attends IPU meeting in Panama

**May 1-2:** Foreign Minister Vashadze visits Kuwait

**May 2-8:** Deputy PM and Reintegration Minister Tkeshelashvili visits Washington

**May 6-7:** Latvian Foreign Minister visits Tbilisi

**May 26:** Georgian Independence Day

**Jun. 7:** Next round of Geneva peace talks

## TOP STORIES

**Secretary of State Clinton: "Russian Activities Negatively Affect Regional Stability"**

US Secretary of State Hilary Clinton last week voiced said Moscow's actions in Georgia are aggravating instability in the region. "We share Georgian concerns regarding recent Russian activities that can negatively affect regional stability," Clinton said at the NATO foreign ministers summit in Berlin. Russia, in addition to its illegal occupation and militarization of S. Ossetia and Abkhazia, has been implicated in a recent series of terrorist bombings in Georgia, including one that targeted the US embassy in Tbilisi. "We continue to urge Russia at the highest levels to comply with its obligations under the 2008 cease-fire agreement, and to reduce tensions in the region," she added. Clinton also called on Russia to be "completely transparent" about its forces and military equipment in Georgia's occupied regions, and reaffirmed American support for Georgia. "US support for Georgia's sovereignty and territorial integrity remains steadfast," she said. Clinton also applauded the government's continued commitment to democratic reform. "There is no important objective than building upon the democratic gains made thus far," she said, adding that the success Georgia's upcoming parliamentary and presidential elections in 2012 and 2013, respectively, will be of particular importance.

[AFP: US Shares Georgia Concerns on Russia—Clinton](#)  
[ASSOCIATED PRESS: Clinton Calls for Russian Military Transparency](#)

**As NATO-Georgia Commission Meets, Alliance Reaffirms That Georgia Will Become a Member**

NATO Secretary-General Anders Fogh Rasmussen praised Georgia's reform progress at last week's NATO-Georgia Commission meeting in Berlin, reaffirming the country's future membership into the Alliance. "The NATO-Georgia relationship has deepened significantly in recent years," he said. "This has been to the benefit of NATO, of Georgia, and to the Euro-Atlantic area as a whole." Georgia has played an "increasingly important role" as a contributor to global security, he added. The NATO chief also applauded Georgia's "strong performance in defense reform" and overall democratic progress, urging the government to advance reforms to meet NATO's membership criteria. Georgia will host the next meeting of the Commission in the autumn.

[NATO: NATO Foreign Ministers Welcome Georgia's Performance](#)

**Georgia Hosts NATO "Partnership for Peace" Training Exercises**

Georgia last week hosted a series of high-profile NATO training exercises aimed at "deepening cooperation, interoperability, and credibility between NATO Partnership for Peace program countries and military, civilian, international, and non-governmental organizations," according to Georgia's defense ministry. Participants in VIKING-2011 engaged in computer-assisted war games for a week at Georgia's Vaziani military base near Tbilisi. The drills are the 6<sup>th</sup> in a series of major joint peacekeeping exercises that bring together military and civilian personnel from 24 NATO and partner countries.

[RIA NOVOSTI: Georgia Takes Part in NATO Exercises](#)

**US Senators, in Visit to Tbilisi, Back Georgia's NATO Membership, Defense Capacity**

Four US Senators visited Georgia this week to gauge the impact that America's "reset" policy with Russia is having on the security of US allies in eastern Europe. "The [US] relationship with Russia should stand on its own and not have to be improved by any kind of sacrifice of the interests of our allies and our friends," said Senator Jon Kyl, the Republican whip in the Senate who headed the delegation; he was accompanied by Sens. Mike Capo, Ron Johnson and Jeff Sessions. "The US considers Georgia a real partner and we look forward to that partnership in economic matters, in political matters, and in military matters," Kyl said. The senators also briefly discussed with Georgian leadership the option of having Georgia host NATO's missile defense radar system.

[RADIO FREE EUROPE: U.S. Senator Says Georgia's Future Should Not Be 'Sacrificed For Reset'](#)



*In southern Afghanistan, NATO reinforcements don't just come from the US. They also come from Georgia. Georgia is preparing for its third rotation of infantry battalions in Helmand province, where it has fought alongside Marines in some of the toughest terrain in Regional Command-Southwest. Ninety-four soldiers from Georgia's 33rd Light Infantry Battalion held a ceremony last week to mark the beginning of its deployment to Afghanistan. The 3rd Battalion, 7th Marines, which trained the unit for war earlier this year as part of the Georgia Deployment Program, also attended the event. Marine commanders have credited Georgian troops with fighting fiercely in combat. The training program will likely be extended, due to the program's success in preparing troops to support NATO operations in Afghanistan.*

[MARINE TIMES: Next Georgian battalion to fight alongside Marines](#)

**Successful Eurobond Issue Is Latest Sign of Georgia's Economic Strength**

Georgia last week successfully issued its second \$500 million Eurobond, generating strong foreign investor interest thanks to the country's robust economic performance. "The outstanding success of this new benchmark offering was driven by the confidence of investors in the Government of Georgia's ability to maintain and advance macro-economic stability, an exemplary business climate, and free-market oriented reforms, and by the strengthening trend of Georgia's credit quality," PM Gilauri said. The 10-year, B+ rated sovereign bond, the country's first long-term security transaction, yields 7.125%. Investors in Georgia's first Eurobond, issued three years ago, were given the opportunity to swap their current exposures into the new benchmark offering. Credit ratings agencies Fitch and Standard & Poor upgraded Georgia's rating outlooks to "positive" from "stable" in advance of the transaction as a result of the country's declining current account and budget deficits and its significant economic growth in 2010.

[CIVIL GEORGIA: Georgia Issues a 10-year USD 500m In Eurobond](#)

**Booming Batumi Getting Ready to Host 1.5 Million Tourists**

Georgia is preparing for a record tourist season, with the Black Sea resort town of Batumi expecting to host 1.5 million tourists this year. Infrastructure improvements are underway as officials in Georgia's Adjara region next month plan to open new train lines linking Batumi to Baku, Azerbaijan, and bus lines to and from Iran. Municipal authorities have also launched a new bike-taxi program in Batumi, modeling it on transportation services in some of Europe's most popular tourist destinations. "We are already organizing bike lanes," said Vaja Diasamidze, a deputy chief of the department of tourism and resorts in the region of Adjara, where Batumi is located. The department has created new outdoor recreation zones and entertainment attractions, offering concerts, festivals, restaurants, and nightclubs. Diasamidze expects significant growth in the number of tourists to Georgia from European countries and the Baltic States, with the majority of tourists originating from the Caucasus.

[FINANCIAL: Batumi Getting Ready to Host 1.5 Million Tourist](#)

## INTERNATIONAL MEDIA ON GEORGIA

**AGENCE FRANCE PRESSE: Obama urged to limit Russia missile shield sway**

President Obama must beat back Russian demands for “red-button” sway over a missile shield in Europe and deny Moscow access to sensitive data tied to the program, 39 US senators urged. They said in a letter to Obama that they were “concerned” Russia would exploit his desire for bilateral cooperation on the issue to “undermine” US national security. “We trust this includes the location of interceptors in Europe, including in Romania and Poland, and missile defense radars, whether in Turkey, Georgia, or another location that is most advantageous for the defense of the American people,” they wrote.

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

**AP: Israeli ambassador—no arms sales to Abkhazia**

Israel’s ambassador to Georgia says his country has no intention to supply weapons to Georgia’s separatist province of Abkhazia. Ambassador Yitzhak Gerberg made a statement following a visit to Georgia’s Russian-occupied territory of Abkhazia by representatives of an Israeli security firm. Senior executives from the security consultancy, Global CST, had visited Abkhazia to meet Abkhazian officials and discuss potential business ties.

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

**THE ECONOMIST: Social capital—Georgia’s not-so-big society**

Georgia’s famed hospitality is part of a tradition of strong families and friendships. In the jargon, this is known as “bonding” social capital. A Caucasus Research Resource Center report finds a wider reluctance among people who do not know each other to collaborate for the common good. This shortage of “bridging” social capital, the CRRC suggests, inhibits the country’s development.

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

**TIME: Why hackers hit Russia’s most popular blogging service**

During Russia’s 2008 invasion, Georgian government websites were crippled by hackers, and a year later, a Georgian blogger who wrote on LiveJournal with an anti-Russian slant was hit with attacks so massive they briefly shut down Facebook and Twitter. “This kind of attack is something totally new,” says Marina Litvinovich, a former government spin doctor who went on to create Russia’s main aggregator of blog posts, BestToday.ru. “It is an attempt to uproot not one user but the entire LiveJournal community, which appears to have become too influential, too strong in setting the political agenda.”

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

**RADIO FREE EUROPE: The battlefield on your desktop**

Moscow refuses to sign the only promising agreement on cyber-security, the European Convention on Cybercrime, which has been open for signatures since 2001. The Kremlin does not want to cooperate with foreign law-enforcement officials looking into something like the 2007 cyberattacks on Estonia, and it is surely does not want to risk exposure of its links to the thugs who run cybercrime syndicates. Cyberwarfare is a cost-effective, stealthy fourth way to attempt to subdue the countries on Russia’s periphery. The 2008 cyberattacks on Georgia were a bit more sophisticated than those on Estonia. They were coordinated with a kinetic attack and invasion, and, this time, Russian organized crime didn’t hide its involvement.

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

**EURASIANET: Looking for a rare leopard called Noah**

In recent years, Georgia’s Vashlovani National Park has sheltered an Asian leopard, an animal believed to be extinct in Georgia since the 1950s. Scientists registered Vashlovani’s lonely leopard in 2004 and gave him the symbolic name of Noah. For almost five years, remote sensory cameras regularly recorded Noah’s movements in the park, and then, in 2009, he vanished. The reason for the disappearance remains a mystery, but biologists maintain that Noah’s tenure at the park raises hopes that environmental conditions still exist to support an animal that for centuries symbolized Georgia itself.

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

**THE AUSTRALIAN: Adventure powers the keyboard—Khatia Buniatishvili**

Renowned Georgian pianist Khatia Buniatishvili, who lived in Georgia until she moved to Vienna to study when she was 19, began playing piano at age three “by ear, without scores” on an instrument her mother had had since she was a child. Her family still lives in Georgia (her sister, Gvantsa, is also a pianist). The region’s difficult history and its strong folk-music heritage have helped her playing. “Polyphonic thinking of music is very strong in Georgian music,” she says. “If you know it, it gives you some freedom to play classical music because you have a different view of it.” Of being on stage, she says: “You’re doing something physically but your soul is somewhere else. Somehow there are moments when you forget yourself: the moment when everything is unified, there is no more public, no more me. That is when I’m happy with my concert.”

[musicavivaaustralia.wordpress.com](http://musicavivaaustralia.wordpress.com)

**AGENCE FRANCE PRESSE: Georgia builds “tourist paradise” near conflict zone**

The village of Anaklia lies in a Black Sea coastal region, which saw fighting during Russia’s 2008 invasion. Georgia is building the multi-million-dollar resort there in the hope of luring holidaymakers to the frontier of the country’s Russian-occupied territory of Abkhazia. “We are telling our fellow citizens beyond this irrational Berlin Wall erected on a sandy beach that we will all be part one day of the same future,” President Saakashvili said, adding that he wants to make a peaceful appeal for unity to those living on the other side under Russian occupation. This is Saakashvili’s latest project after the high-profile reconstruction of Georgian towns like Batumi and Signaghi, and he brought in one of his favorite architects, Spaniard Alberto Domingo, to transform Anaklia’s landscape.

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

**BILD: Georgia wants to become as glamorous as Marbella**

Georgia plans to build five new luxury hotel complexes, several gardens and waterside promenades, and a marina in the coastal town of Anaklia on the Black Sea. The infrastructure projects are part of the government’s efforts to make Anaklia a tourist hotspot. “Investors of the world, assemble here in Anaklia,” President Saakashvili said last December. Compared to 2009, 36 percent more visitors came to Georgia in 2010, and the trend continues upwards. Investors in Georgia benefit from extensive tax exemptions for up to 15 years, free land to build on, and gambling licenses.

[www.bild.de](http://www.bild.de)

**THE NATIONAL: Take a breath and immerse yourself in Georgia**

Old Town Tbilisi’s narrow streets and alleys are sentinelled by old houses whose architecture, sometimes Mediterranean or Persian influenced, remains uniquely Georgian: wood-and-brick structures with overhanging galleries, ports cochères, and wooden or metal filigree. In the Old Town, you also will find the world-famous sulphur baths, where 25 dollars or so buys you a couple of hours of soaking in 45-degree water, a serious scrubbing-down, and informal tea service.

[www.thenational.ae](http://www.thenational.ae)