



# OBSERVER

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WEEKLY BILINGUAL  
NEWSPAPER IN GEORGIA

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EUROPEAN COMMISSION  
ISSUED THE FINAL  
AND POSITIVE  
REPORT ON EU-GEORGIA  
VISA LIBERALIZATION



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In general, the work we perform at our office is diverse, as it includes the cultural, economic and political promotion of Georgia to our friends in the United States. We are also entitled to ensure that the rights and lawful interests of Georgian citizens are protected in accordance with local laws and international treaties. Additionally, the agenda of the Consulate General enables us to promote tourism as well as investment opportunities in Georgia, enhance cultural cooperation between the nations, and deepen scientific and technical partnerships.





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# SAAKASHVILI: THEN AND NOW

NINO SHARASHIDZE (BELGIUM)

**T**welve years ago, Mikheil Saakashvili was a "peaceful protester." Now, he has to protect himself from being pummelled with glasses filled with water at governmental meetings in Ukraine. He can provoke Ukrainian ministers easily. In Georgia, the ministers of Eduard Shvardnadze's government either were afraid of him or didn't take him seriously.

Saakashvili never lacked charisma. In politics he is definitely a fish in water. It seems the ex-President of Georgia missed being the center of attention. Even when he was unemployed and living in the U.S., he appeared quite often in Georgian or international media: sometimes he attended international meetings, where current president Giorgi Margvelashvili and PM Irakli Gharibashvili were also present, other times he appeared on his favorite TV channel Rustavi 2 with books in hand that he selected from his own library.

In Georgia people often discuss both Saakashvili's good and bad sides. Public opinion is split, with some mentioning successful reforms while others remembering only façade renovations. Now, it's time for Ukraine to experience this style of politician. They claim that if he can implement successful reforms in Odessa (where he is governor) he can eventually rule Ukraine from the higher echelons.

But first, Saakashvili needs PR. It's important for him that Ukrainian society watches him on TV; presumably, the debate with Minister of Interior of Ukraine Arseniy Avakov on December 14 served this mission. The topic discussed was privatization of the Odessa Portside Plant (OPZ), and the debate ended with the now-famous glass being thrown.

The footage clearly shows that Avakov accused Saakashvili of a relationship with a Russian oligarch. In response, Saakashvili called him a thief and corrupt minister, and claiming that while he might not have millions, he is honest. Then, Avakov shouted "get the hell out of my country!" before he lost control threw in the glass at the Odessa governor's face. In this conflict, Ukrainian Prime Minister Arseniy Yatsenyuk also intervened, calling Saakashvili a "clown" and asking him to leave the country. To that proposal, the governor of Odessa responded that he is a citizen of Ukraine, like Yatsenyuk, with the difference being that he has not plundered the country. Everything happened in the presence of President Poroshenko, who tried to calm down both sides and close the session.

Politicians and international media have made different assessments of the incident. UNM's office stated that Saakashvili has a high degree of popularity in Ukraine, something which irritates Ukrainian officials. This explains Avakov and Yatsenyuk's reactions. UNM also claims that Saakashvili has increasing favorability and expect more conflicts with Ukrainian officials.

*The Guardian*: "There has been speculation both that Saakashvili is after the PM's job, and that he is



being used as an 'attack dog' for Poroshenko, who has fallen out with his prime minister."

This opinion is shared by some members of the Ukrainian Parliament, who think the President uses Saakashvili for his own intentions and that the Prime Minister, who has an approval rating of near-zero, is afraid of him. Apparently, the problem lies with President Poroshenko, who cannot decide which one he needs more: Yatsenyuk or Saakashvili. A governor can't accuse the Prime Minister of corruption and keep his post. If he does, it means either he is telling the truth, people are afraid of him, or someone very powerful is using him.

Maybe Poroshenko, who studied with Saakashvili in Kiyv University

in the 1990, is motivated by his fear of Putin. But by this logic, Putin does not like Yatsenyuk either and is not happy with the fact that Georgian ex-officials hold high positions in Poroshenko's government. *Financial Times*: "Mr Saakashvili, through increasingly outspoken accusations of top-level corruption, is emerging both as a player on Ukraine's national political stage and a significant irritant to the government."

It is true that Saakashvili plays a significant role on the political stage in Ukraine, but according to recent polls, ex-President Viktor Yanukovich's favorability rating currently tops 40 percent. This is alarming for a government that Saakashvili represents together with

PM Yatsenyuk and President Poroshenko.

Regarding irritating the government, we could consider the attitude of Saakashvili toward corruption. This politician, who became famous in Georgia during the rule of Shevardnadze by accusing ministers of corruption, does not feel comfortable in an environment where corruption is flourishing.

Despite the lack of time since his appointment, Saakashvili has already made significant reforms in Odessa by copying what he did in Georgia. It is also worth mentioning that Saakashvili is not alone in Ukraine's government; he has people behind him who enjoy the significant trust of the former President of Georgia. The list

includes Avakov's deputy, Eka Zghuladze, an important pillar of support for Saakashvili.

Finally, it's interesting that the relationship between Saakashvili and Poroshenko is very similar to the relationship between Saakashvili and Eduard Shevardnadze, with Georgia's former president having enjoyed the trust of both. Presumably, like Poroshenko, Shevardnadze was using Saakashvili to make similar speeches during the 1990s. Recalling the scenario that developed with Shevardnadze in 2003 (the Rose Revolution), the President of Ukraine should be cautious. Saakashvili's roses still have thorns, and the ambitions of the now citizen of Ukraine are increasing day by day.





# WHO GETS WHAT, WHEN AND HOW?

TEIMURAZ SHA

The non-governmental organization Institute of Development of Freedom of Information published an analytical blog on December 16 summarizing the bonuses and salary supplements of Georgian high officials during the first six months of 2015. Only the Ministry of Internal Affairs, and the Ministry of Economy and Sustainable Development of Georgia deviated from the publication of documents containing information about salaries and bonuses; the other governmental ministries provided factual information to the IDFI.

According to that information, in the first half (6 months) of 2015, all ministers, their deputies and other officials received summary total of 5,477,391 GEL as bonuses or/and salary supplements. Particularly, less than 1 million GEL have been given as bonuses, and about 4.5 million GEL as salary supplements.

The leading position in the issuing of bonuses and supplements is held by the Ministry of Defense (730,301 GEL), in second place is the Ministry of Internal Affairs (551,155 GEL), and the bronze prize in this golden trinity goes to the Ministry of Culture and Monument Protection (504,830 GEL). Other notable ministries are the ministries of Agriculture (495,105 GEL), Justice (431,097 GEL), Education and Science (415,090 GEL) and Regional Development and Infrastructure (358,348 GEL). Less than 100,000 Lari have been issued as bonuses and supplements by the Offices of the State Minister



of Georgia for Reconciliation and Civic Equality and the State Minister of Georgia for Diaspora Issues, respectively.

It should be mentioned that the average salary in Georgia for the first quarter of 2015 was 921 GEL with the living wage being 160 GEL. According to the GeoStat database, 12 percent of the Georgian workforce is unemployed. According to the same departmental database, for the data of 2014, 432,487 persons are registered as living under the poverty line. This number accounts for 11.6 percent of Georgia's population. The impoverished population is defined as the number of people

who live on less than the living wage of 160 GEL. The remaining 88.4 percent do not constitute the middle or wealthy classes, however. The share of the population living on less than 60 percent of the median income is 21.4 percent, meaning that at least 798,113 of Georgia's citizens are poor. Georgia external debt increases each year. On July 1, 2015, it was \$13.4 billion, or 32 billion GEL at the current rate of exchange. According to official budget projections for 2015 income is more than 8.048 billion GEL and expenditures more than 8.110 billion GEL, with a small amount of red ink (a deficit of 61,000

GEL).

We now live in a capitalist country, where the government does not build and operate mills and factories as it did during the Soviet period, nor will it manage the market and industrial sphere; though it is possible to spread at least a part of those generous government bonuses to benefit ordinary citizens.

For instance, if the half of bonuses and supplements issued by the Ministry of Culture and Monument Protection were directed toward the rehabilitation of historical monuments in the regions or in towns, it could create income for locals as well as potentially attract tourists.

Or, if the first half of bonuses and supplements issued by the Ministry of Education and Science (415,000 GEL) were oriented toward the rehabilitation of second-

ary school accommodations and facilities in the mountainous regions of Georgia or to the reinforcement of the learning of state language in the ethnic minority regions, or for the funding of scholarships for successful students and scientists to take part in student exchange programs or research – these could all bring great benefits to the state.

While the Ministry of Regional Development and Infrastructure issues bonuses and supplements in the amount of 358 348 GEL, we lack safe roads in mountainous regions, the population of the Kiziki historical region has huge problems with water delivery, and neither local officials, nor the central government takes care of these or other problems. The millions of Lari spent on bonuses on supplements do not appear to be money well spent.

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## EU COMMISSION PUBLISHED A POSITIVE REPORT ON VISA-FREE REGIME

European Commission has issued the report on Georgia's visa-free regime. Citizens owning biometric passports will be able to travel Schengen area without visa.

"This is the people's appreciation for such a long wait and a step forward to strengthen the country and this is our victory. EU and the modern civilized world confirmed their trust to Georgians. This day is very important in country's recent histo-

ry," - the Prime Minister declared.

Garibashvili congratulated the European visa-free regime to the government members and expressed his gratitude for the work they have fulfilled on the way to European integration.

EC report does not automatically mean visa-free regime. European Parliament will receive the issue for consideration to make additional recommendations for country's visa policy.



## TBILISI HOSTS 25TH OSCE SESSION ON JULY 1-5, 2016



The 25th annual session of the OSCE Parliamentary Assembly will bring together 57 country's parliamentary delegation and 700 politicians; the world current affairs will be under discussion at the meeting.

According to the Prime Minister, the event is unprecedented taking into account the scale of the political level; therefore, the Government and Parliament should conduct efficient and coordinated cooperation in order to ensure the high standards of the event.

Last OSCE Parliamentary Assembly was held in Helsinki on the 24th of July.

## PUTIN OPENS BORDER FOR GEORGIANS

Russia is ready to abolish visa regime with Georgia. The Russian President Vladimir Putin made a statement at the annual press conference.

"We are not the cause of tension and military intervention in Georgia, the former government and the former president Saakashvili are responsible for their impulsive decisions, which led the country in territorial separation",- Putin said

about the August war.

According to him, Georgia's current government shows signs of cooperation and Russia is open to it. Trade turnover has increased between the two countries, Georgian wine exports to Russia are accounted for 2/3.

Georgia's Prime Minister, Irakli Garibashvili commented on Putin's offer and assessed it as "one step forward in the right direction".





# CONSUL GENERAL DIANA ZHGENTI SUMS UP CONSULAR WORK

EXCLUSIVE

ANNA LOMTADZE (USA)

Appointed by the Ministry of Foreign Affairs of Georgia, Consul General Hon. Diana Zhgenti has had a long and prominent career serving in diplomatic missions. On July 15, 2013, she returned to the Ministry of Foreign Affairs and was appointed as a Consul General of Georgia in New York. She spoke about her work in an exclusive interview with The Observer.

In her office, one notices a rich collection of perfumes, books, journals and a valuable collection of paintings from New York-based Georgian artists of different time periods. Consul General Mrs. Zhgenti indeed collects the artwork of Georgian-American public figures that best reflect the soul and culture of Georgia, the country she represents.

**Observer:** Mrs. Consul General, First of all, thank you very much for this opportunity. I'd like to dive right into it. You have been in charge of the General Consulate in New York from 2013. What are the main issues that you and your team deal with on an everyday basis?

**Mrs. Diana Zhgenti:** To begin with, Georgia has two representations in the United States of America – the Embassy of Georgia in Washington DC and the Consulate General of Georgia in New York. Furthermore, there is a Permanent Mission of Georgia to the United Nations, which represents Georgia's interests to the UN. Consulate General encompasses all of the issues that consulates are required to fulfil according to the Vienna Convention on Consular Relations, 1963. Consulate General provides different services for Georgian citizens residing in the United States (the Consular District of the Consulate General covers 42 states.); Georgian citizens can request all kinds of documents and

get consular protection in case they get into trouble, need special medical care, or any other emergency- we are happy to assist.

In general, the work we perform at our office is diverse, as it includes the cultural, economic and political promotion of Georgia to our friends in the United States. We are also entitled to ensure that the rights and lawful interests of Georgian citizens are protected in accordance with local laws and international treaties. Additionally, the agenda of the Consulate General enables us to promote tourism as well as investment opportunities in Georgia, enhance cultural cooperation between the nations, and deepen scientific and technical partnerships.

**Observer:** Many people note that the Consulate in New York has exceptional experience in popularizing Georgian culture as well as retaining Georgian culture among our own citizens. I know there are many, but please tell us about some of the main events and projects that on which you have worked or plan to introduce in the future.

**Mrs. Diana Zhgenti:** It is true that the Consulate General extensively oversees and coordinates cultural programming. We are proud to present young, emerging and more established artists specializing in the performing, literary, and cinematic arts who, through their work, weave a vibrant tapestry that celebrates Georgian culture and style. It is our mission to bring such work to cultural institutions throughout the United States.

We had an honour to work with the New York Museum of Modern Art (MOMA) in 2013, to organize the retrospective of Georgian cinema. The scale of the event only comes second in the world to the one in Paris held in the beginning of the 1990s. Starting from silent films to modern cinematography,

around forty-five movies were screened. Considering the fact that screened films are not blockbusters, but artworks that are usually derived from large audiences, the MOMA retrospective event gained pleasantly enormous interest and appreciation from New Yorkers. This event was covered by well-known media outlets such as The Wall Street Journal and New York Times.

As for now, we were honourably invited to join the tenth round of the Romanian Film Festival in New York, along with Moldova. We will be represented by the famous "Corn Island." Screening will be followed by an open discussion on recent developments in Georgian cinematography.

Recently, a Georgian book corner was opened at the Queen's library. We plan to start cooperating with New York's Central Library, which is third in the world in its significance, in order to promote modern and historic Georgian literature.

**Observer:** Third and fourth generation migrants struggle to retain roots and identity, especially children (some of whom are not even able to speak in Georgian). I am sure you have come across this issue, and I was wondering if the Consulate has certain projects that would encourage recovering of the "roots" and not losing that linkage with the home country.

**Mrs. Diana Zhgenti:** We are fortunate that the duties of our consulate enable us not only to promote Georgian culture in the US, but also to work directly with our citizens. Especially in modern times, when parents have to be at work most of the time, children have not enough exposure to Georgian culture, which makes them lose that bond with their home country. In that regard, our work with the diaspora organizations is

extremely important and we always encourage them to be proactive in bringing their needs to us. Most recently, we had an opportunity to visit the Georgian Sunday School in California, where we had an opportunity to attend a Georgian language class. In the beginning of the year, the Office of the State Minister of Diaspora Issues of Georgia donated Georgian books to several diaspora organizations.

On December 12, the Consulate General of Georgia in New York, in collaboration with the Ministry of Foreign Affairs of Georgia, plans to collect Christmas gifts for children living in the villages along the occupation line in Shida Kartli, Georgia. The idea is that children from the Georgian diaspora will send Christmas presents to their peers. While encouraging the link with the home country, we will use this opportunity to promote Georgian language and literature to the youth living in the USA.

**Observer:** It should be noted that a large number of Georgians living in United States are undocumented inhabitants. What kind of support are you able to provide for them within the framework of your Consular work?

**Mrs. Diana Zhgenti:** Fortunately, there are a lot of Georgians, previously "undocumented irregular immigrants", who managed to legalize their documents satisfying all the requirements to stay, and thus are able to enjoy all the benefits provided by the US government. However, many of our citizens still remain in the United States with illegal status. Regrettably, we cannot assist them in their search for work since we have to respect the laws of the hosting nation, but there are still legal ways that allow our consulate to provide consular protection for those in need.

The mayor's office of New York

City is working hard on the issues of illegal migrants, and just a year ago they issued ID cards which allow everyone, including illegal residents, to enjoy numerous social services. Any information available through these ID cards will not be used against their status during judicial hearings.

We are more than happy to provide necessary information and consultation to any Georgian citizens on the above-mentioned issues and beyond. They can write us on our Facebook page, visit us at our office, or simply make a call.

**Observer:** What kind of programs do you have to attract foreign investment to Georgia through your office?

**Mrs. Diana Zhgenti:** On September 25-27, 2015, the Ministry of Economy and Sustainable Development of Georgia, in collaboration with the Consulate General in New York, hosted a three-day event "Discover Georgia" in Chelsea Market. This was a good opportunity for us to represent not only Georgian culture, but also to promote tourism opportunities, as well as different products produced in Georgia. Over 15,000 customers visited the exhibition daily, which clearly demonstrates the success of the project.

Within the framework of encouraging business investments in Georgia, we often hold round-table talks and arrange various meetings as a chance to give information to potential investors about reforms in Georgia, on the easiness of doing business in Georgia or any other details that could encourage our partners to start their business in our country.

... After kindly answering my questions, Mrs. Diana Zhgenti rushed to yet another project that the Consulate will organize in preparation for the New Year.





# SANAKOEV: ISIS IS MOBILIZING IN PANKISI GORGE

GIORGI CHAPIDZE (BULGARIA)

**M**eeting was held in Ergneti on December 16 in the framework of the Incident Prevention and Reaction Mechanism (IPRM). Representatives of Office of the State Minister of Georgia for Reconciliation and Civic Equality and the Ministry of Internal Affairs of Georgia met with Davit Sanakoev – the so-called foreign affairs minister of Russian-occupied South Ossetia.

The main topics of negotiation were incidents that occurred since the previous meeting. The Georgian delegation raised the issue of a violation of Georgian-controlled airspace by Russian military aircraft on December 10. According to a statement from the Office of the State Minister for Reconciliation and Civil Equality, corresponding photo and video documentation were presented during the meeting.

Georgian representatives spoke out against the installation of barbed wires and fences. Issues of the safety of locals during the winter period and reestablishment of a “Coordination mechanism of three sides” were also discussed. A coordination mechanism consisting of a Georgian delegation and separatists’ representatives was set up in 2010 under International

Committee of the Red Cross (ICRC) auspices to clarify the fate of missing people. The mechanism operated until 2013 when it was abolished due to the will of the separatist regime.

The renewal of this kind of negotiation platform was welcomed by both sides. Within this framework, the following significant problems will be discussed floor – the issue of citizens abducted by the de facto regime from territory under Georgian control and problems connected with missing persons, as the pre-2013 agenda of a similar framework was comprised.

In line with the State Minister for Reconciliation and Civil Equality document “Action Plan for Engagement”, the existence of a status-neutral liaison mechanism is part of Georgia’s strategy toward conflict resolution. It involves communication facilitation and coordination between Tbilisi and the authorities in control of the occupied regions.

Despite already-mentioned concerns, Sanakoev’s statement was the most surprising. According to him, militants from Islamic State are assembling in Pankisi Gorge. He emphasized that the entry of jihadist terrorists onto Georgian territory is hazardous for Russian



and South Ossetian border guards and combat troops located in Tskhinvali region. He added that this is a threat not only for them but also for Georgian police officers and members of the EU monitoring mission. He anticipated a tense situation on the Georgia-Russia border due to Moscow’s active engagement in military operations in Syria.

The information given by the de facto Ministry of Foreign Affairs of South Ossetia was deemed an intentional deception by the chief of the analytical department of the Special State Protection Service of Georgia Irakli Beraia, who argued that the situation in Pankisi Gorge is under Georgian police officers’ absolute control.

Sanakoev’s statement may serve the following goals. Firstly, we should draw attention to the context, whereas Georgia is entering the final phase of visa liberalization procedures and the European Commission published its fourth and final positive progress report on Georgia’s implementation of the action plan (VLAP) on December 18. This statement serves to create tension in the political climate.

The representative of occupied Tskhinvali Region did not specify his statement’s source, albeit, it’s content conflates with Russian foreign policy toward the occupied territories. The Kremlin is struggling to diminish EU influence over the region while a visa free regime with Georgia is expected to be put into operation in the ensuing months.

Creating a culture of destabilization by means of provocations initiated by Russia supposedly serves e following practical goal-to force the EU authorities think twice before bringing visa liberalization into existence. In its progress report the European Commission argues that it will continue “active monitoring on Georgia’s continuous implementation of all benchmarks under the VLAP through the existing association structures.” The possibility of such outcome

should not be excluded, whereas Moscow endeavours to discredit Georgia and conceptualize it as a volatile county. Recently intensified Russian military instructions and the appearance of combat aircrafts means we can assume the possibility of Russian provocation.

Maybe Sanakoev’s statement is intended to advocate a complete shutdown of Akhagori region’s entrance during the New Year holidays; however, the separatists have never intended to back their previous decisions yet. This makes us deduce that his announcement was predetermined to serve wider intentions; for example, to back the installation of barbed wires with the intention of protecting separatists from imaginary terrorists.

It is important to note that the Russian Federation unilaterally terminated its visa free regime with its southern neighbour in 2000, appealing to the existence of military entities operating in Georgia. According to Kremlin rhetoric, these organizations assisted Chechen terrorists and threatened Russia’s state security. Considering this historical experience, the Georgian government should not turn a deaf ear to Sanakoev’s statement that Islamic State militants are gathering in Pankisi Gorge.





# EU EXTENDS SANCTIONS AGAINST RUSSIA

GURAM PTSKIALADZE (BULGARIA)

The European Union plans to prolong economic sanctions against Russia. At a summit in Brussels, officials announced that the EU is set to agree a six-month extension of economic sanctions until July 2016. If no last-minute objections are raised in the bloc's capitals this weekend, the decision will become official on Monday afternoon, EU officials said. Sanctions would then be extended from late January to late July.

EU ambassadors had been on the verge of approving sanctions extension last week, but Italy blocked the move saying it wanted a deeper discussion of the issue. On Monday, EU foreign policy chief Federica Mogherini and Italian Foreign Minister Paolo Gentiloni both said they expected the issue to come up at Thursday's leaders' summit. Both alleged they saw little resistance to approving the extension.

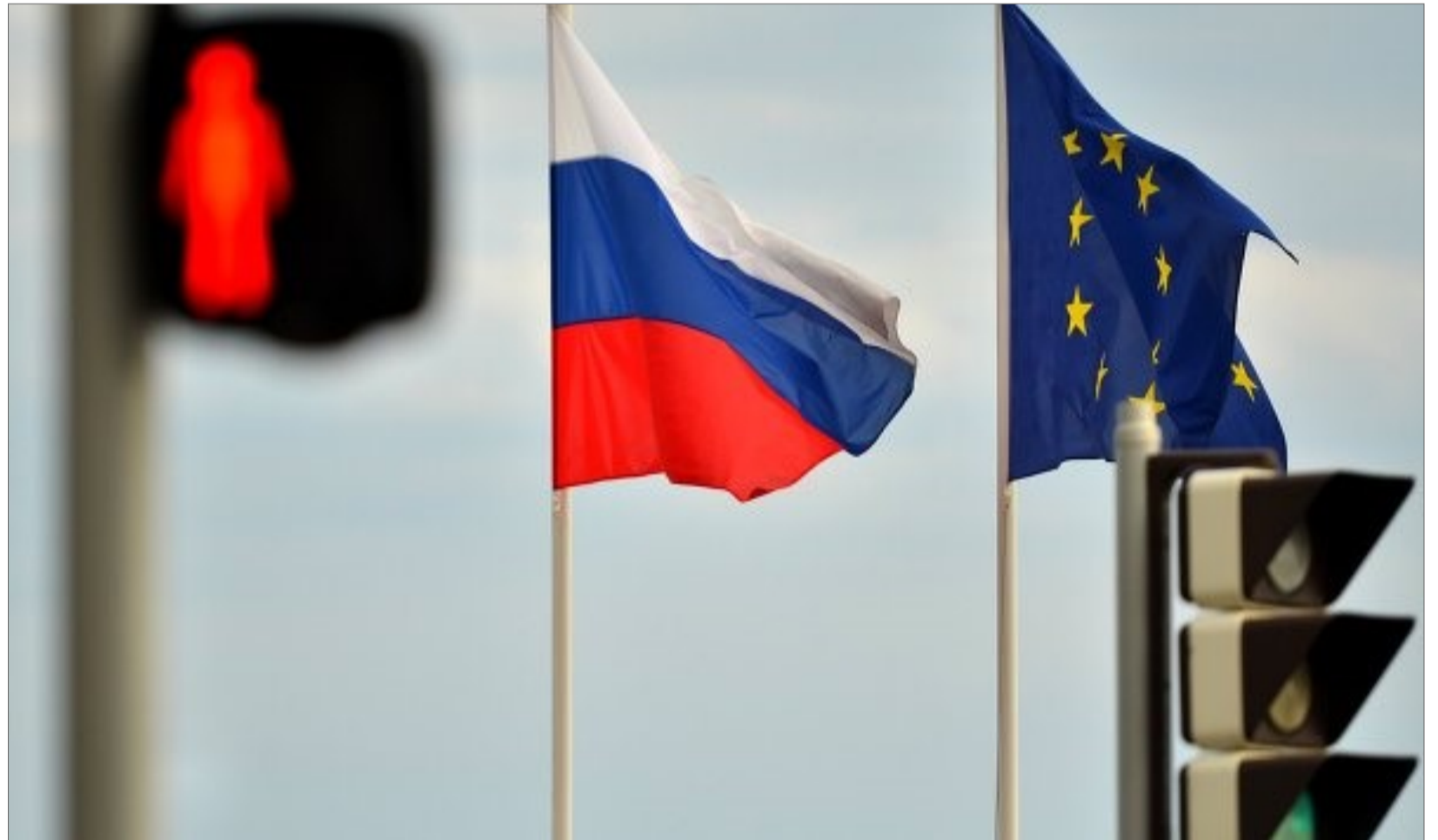
European Council President Donald Tusk said that he had asked ambassadors of EU governments to meet later this week to debate the proposal to extend sanctions on Russia for another six months. It is notable that Tusk is one of the sturdiest supporters of sustaining pressure on Moscow and had already signalled publicly that measures should be maintained because of Russia's failure to completely implement the Minsk agreement.

Diplomats said they were confident the decision would go through, but there are some doubts over how long the bloc's consensus regarding sanctions can last.

Reaching an agreement of "Yes" by all member countries is crucial for diplomatic efforts to make Russia uphold the stipulations of the Minsk peace deal. The logic of the sanctions policy is that it leads to the ultimate goal of forcing the Putin administration to rethink its strategy toward sending military equipment to Ukraine.

The main debate at the summit concerned the Nord stream gas pipeline, which would ship gas via the Baltic Sea to northern Germany, adding an extra 55 billion cubic meters of gas to the European supply. Officials in Brussels, Washington and Kiev each have accused Moscow of using the project to deprive Ukraine of much of its remaining political leverage and revenues from transit fees.

The EU as well as the US began implementing sanctions on Russia due to its immersion in the conflict in eastern Ukraine in July 2014. At first, sanctions were targeted at individuals and entities involved in the invasion and annexation of Crimea, and subsequently restrictions on trade with Crimea were introduced. These sanctions restrict the ability of banks and publicly-listed companies to raise credit on EU and US capital markets. On top of the financial sanctions, the EU and the US have imposed targeted sectoral sanctions that prohibit the export of arms and



dual-use goods to Russia, as well as advanced armaments. The agreement marks the most recent extension of sanctions.

The targeted sanctions focus on well-defined core sectors and companies in the Russian economy, in contrast to overall trade embargoes that have broad effects which are difficult to control and maintain over longer periods. The energy sanctions are aimed at the oil sector, Russia's main export earner. Gas production and delivery are not directly restricted by EU sanctions, but Gazprom is targeted by US sanctions. This reflects the EU's dependence on Russian gas. Oil is a homogeneous good available on the world market at a market price and can easily be replaced. Yet countries that are still highly dependent on Russian pipeline oil have problems, as well as those that are highly dependent on pipeline gas – with or without LNG terminals – and cannot easily change gas suppliers in the short and medium terms.

Generally speaking, sanctions are an indicator that the West regards Russia as part of the military conflict in Ukraine, while Russia denies involvement. The sanctions, in combination with diplomatic efforts, are non-military responses to Russian military aggression in Ukraine. Neither the US nor the EU has so far viewed direct military response as an option. The EU has succeeded in keeping together sanctions progression, and the Commission has boosted facilitation and cohesion of different members' needs and views. This in itself is a great accomplishment for the EU as a multi-state union.

Still, a great deal of uncertainty remains not only over the question

of whether the sanctions work, but even more importantly – what are they actually supposed to achieve? Does the EU want Russia to leave the Donbas? Give back Crimea? Does the EU expect a regime change in Moscow? Or does EU want Russia to start behaving "as a normal European country", i.e. one that bases its influence on attraction rather than coercion?

We can divide the aim of sanctions into the three types of short, mid and long-term goals. A short term goal might be described as weakening the Russian economy and, in fact, sanctions play a role in doing so. A mid-term goal is to make Russia rethink its policy towards Ukraine (especially its eastern part) and Crimea, but we can see that sanctions are not effective in this regard, not to mention the long-term goal: changing Russian government through putting pressure on its economy.

Assuming that sanctions led to regime change in Russia, does the EU believe that this giant country will change its policy and turn toward democracy? If so, the problem is not just Putin and his government, as it is widely believed that Russia's political culture is not the result of just one government's policy, but rather Russia's nature.

In order to wholly understand the situation, we should return to the 1990's. In the aftermath of the Cold War, Moscow saw itself as having given up everything: it left Central Europe and the Baltic States, not to mention Cuba, Africa and the Middle East, and now the West seems intent on 'taking' the last little bit left – 'brotherly' Ukraine. The tension between the West and Russia was dramatized when NATO began its eastward

expansion, coming up to Russia's border. NATO promised the Kremlin that it would not do so, but when they changed their mind, Russia started behaving more strictly and 'defending' its sphere of influence.

Russia thinks in terms of 'spheres of influence' and wants not just to lay a claim to what it considers its own sphere, but, more importantly, to re-legitimize the concept of spheres of influence as an organizing principle in the international arena. What makes the current standoff so tense and dangerous is not the reach of Russia's territorial ambitions, as many suggest, but vice versa – the limited nature of them, and there psychological implications.

A good example of the above-mentioned viewpoint is Georgia. As it became keen on joining the EU and especially NATO, Russia saw the West posing a danger, and conducting a war against its small neighbour was intended to make clear their position: 'you stay here' and 'I will not let you join them.' The West did nothing except take pity on Georgia' they had no highly effective response for Russia. They made a mistake by not answering Russia properly.

After that, Putin assumed that if the West swept the Georgian case under the carpet, Russia could go further. Russia felt powerful, assuming it could do anything it wished for. And then there was the Ukrainian case. Hardly did Ukraine turn an eye on the West when a red line appeared for Russia. Realizing the West made a mistake in the Georgian case, they decided that now it was high time they showed what they could do to stop Russia.

By the time the EU opted to take measures against the Kremlin,

Russia was the EU's third-largest trading partner (representing 8.4 percent of total trade) and the EU Russia's biggest trading partner (with 48 percent of total Russian foreign trade). The West anticipated that economic sanctions Russia would weaken it to a point that it would give up its intentions in Ukraine and rethink its foreign policy.

The main conclusion is that economic sanctions have achieved results contributing to Russia's economic decline, but significant economic costs alone have not been enough to persuade the regime to back off and change its policy towards Ukraine, at least not in the year since sanctions were first imposed.

Pressure on the economy can be kept up with economic sanctions, but the mainly political threats and weaknesses in the Western project must be addressed by political means. So far the EU and the US have shown great certainty in keeping up sanctions. However, less attention appears to have been given to the political problems hindering the success of sanctions. As long as Kremlin propaganda controls the domestic scene and promotes misperceptions about the West's intentions among the Russian population, there will be no pressure from within Russia to resolve the conflict. As time goes by, economic hardship will grow and people may become more open to listening to voices other than those emanating from the Kremlin. This may open an opportunity for the West to be heard. But before it happens, the EU should maintain its strict policy of economic sanctions despite the fact that by these sanctions impose pain on its member countries as well.





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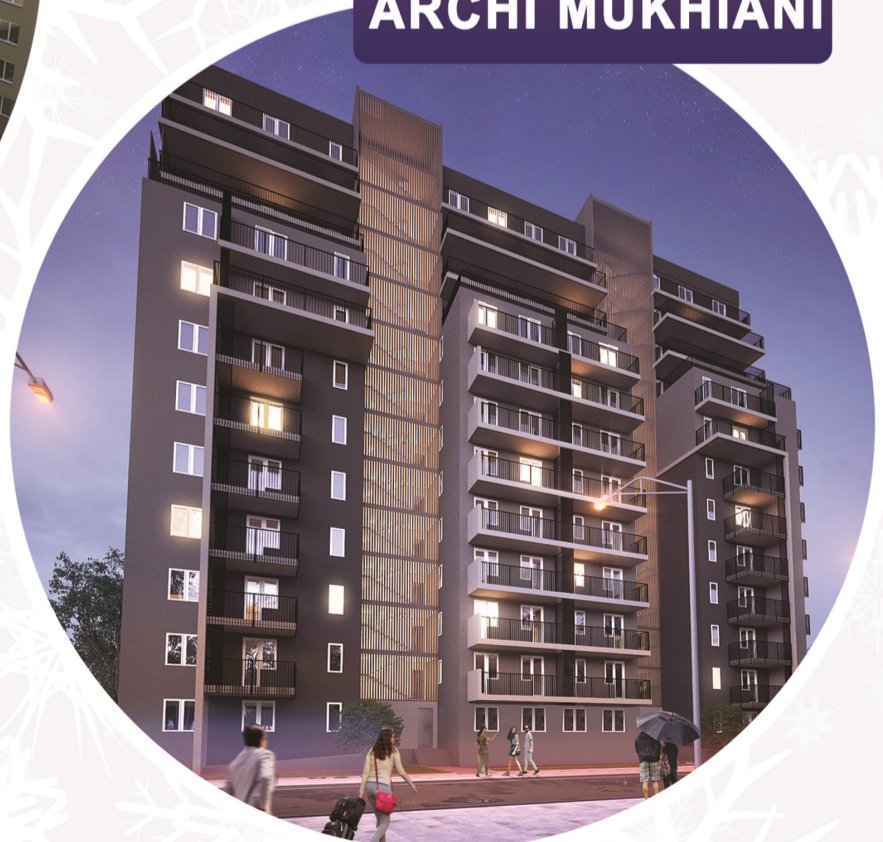
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# GEORGIA OPENS NEGOTIATIONS ON FREE TRADE AGREEMENT WITH CHINA

EKA PKHOVELISHVILI (POLAND)

**M**inister of Economy and Sustainable Development of Georgia Dmitry Kumsiashvili paid an official visit to the People's Republic of China on December 9-10. During the meeting, he signed a memorandum with China as a basis for conducting negotiations on a bilateral free trade agreement (FTA). The Memorandum of Understanding serves as the opening document for negotiations. Within this framework, the parties elaborated the issue of cargo shipments through the Georgian transport corridor.

Georgia will be the first country in the Caucasus region to sign such an agreement. The decision to start negotiations between China and Georgia was made by the Georgian delegation headed by the Prime Minister Irakli Garibashvili during a visit to the People's Republic on September 9-13.

It worth noting that both parties expressed their readiness to complete negotiations imminently, hence the private sector would have the opportunity to increase business and trade. During the meeting, Georgia and China underlined the significance of the "Tbilisi Silk Road Forum" for future cooperation between the two countries.

The first round of negotiations, which will extend throughout the year, is expected to be held in January 2016. Georgia and China reached an agreement on the formation of a working group dedicated to intense bilateral cooperation. China is



going to implement several large-scale projects in Georgia. Primarily, a new locomotive factory and construction of the New Silk Road Project are being discussed. It is also notable that Chinese officials expressed interest in the deep water port construction project in Anaklia on the Black Sea coast.

On November 29, a train loaded with 21 electric freight containers left China's port terminal Lianungian and arrived in Tbilisi on December 13. The train from port Lianungian moved through Kazakhstan, from where it was then delivered to Azerbaijan through the Caspian Sea and to Georgia by railway. From Georgia, it would be shipped by cargo carrier to Turkey. PM Garibashvili praised this event as "a historical day." Through this transportation route cargo needs approximately 15 days to be delivered, which is 25 days faster than by an alternative sea route. The

Baku-Tbilisi-Kars Railway Project, which will be completed in 2016, also increases the route's efficiency.

The Silk Road is a transcontinental trade route linking China to the Mediterranean and Black Sea regions. The New Silk Road aims at creating a free trade zone through cooperation and public diplomacy. The revival of the Silk Road enables Georgia to restore its historical mission that it had for centuries. The idea is for Georgia to stress its transportation function and become part of the sphere of European strategic interests. It will make it possible to ship goods faster and cheaper from China to Georgia. This is a reasonable, pragmatic policy which will make the region attractive for foreign investment and cooperation.

Bilateral relations between Georgia and China are developing dynamically in many ways. In

recent years, China has dramatically increased its investments in Georgia, especially in the roads and infrastructure, construction and energy sectors. Chinese companies have successfully operated in Georgia for almost 25 years. At the same time, China is the third largest trade partner for Georgia after Turkey and Azerbaijan. Since 2014, trade circulation between these two countries increased by 28 percent. Whether exports after Georgia and China abolish tariff duties and the FTA is implemented remains an open question. However, in the meantime the Government of Georgia should make efforts to stimulate local production.

The deepening of economic relations between Georgia and China is a very progressive step. Additionally, in case of the New Silk Road development, Georgia would be regarded as a key transit route. In this context, Georgia will meaningfully increase its geopolitical role.

In addition to deepening economic relations between Georgia and China, it is important to keep in mind the probability of political difficulties that may occur after the New Silk Road begins operating. Since Russia has political concerns, further problems are expected to arise. The New Silk Road countries are deemed by Moscow to be within the Kremlin's sphere of influence. It is obvious that the emergence of a new initiative in the region is not welcomed by Russia.

Russia maintains staunch relations with China up to now, but it would be problematic for Georgia's northern neighbour to tolerate its privileged interests being violated by an outside actor.

Evidently, it is not in the Kremlin's strategic interests for an East-West road to be completed. It will weaken its influence over the region.

The New Silk Road initiative is expected to make significant changes in regional geopolitics and boost the region's economic development. The geostrategic situation makes it possible for Georgia to become a hub for transcontinental shipments. Georgia would demonstrate itself as a trustworthy transit state in terms of energy resources and goods transportation.

This is a historical opportunity to advance a regional infrastructure. The very fact that the energy sector and transcontinental transport systems represent the basis for the New Silk Road enhances its significance. This road still remains of vital importance for Georgia.

Its advantageous location across the Europe-Asia transportation corridor increases Georgia's strategic role, whereas international pipelines (Baku - Tbilisi - Ceyhan, Baku - Supsa, Baku - Tbilisi - Erzurum), situated on the same route are considered core components of European energy security. These circumstances are crucially important for Georgian statehood.



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# “SEED FORUM” OFFERS INTERNATIONAL OPPORTUNITIES TO START-UPS

EXCLUSIVE

NINO SHARASHIDZE (BELGIUM)



The innovation field is getting more popular, both around the world and in Georgia. Start-up companies enjoy big support and growing interest globally.

The President of Seed Forum Global, Steinar Hoel Korsmo, held training sessions for 17 pre-selected companies in Georgia at Geolab on December 14. The meeting was diverse and productive. Each participant presented their own company and received helpful tips for growing their businesses. As a result, 10 companies had an opportunity to present and get funding for their projects at the Seed Forum.

The event was attended by the Ambassador of Norway to Georgia, representatives of the diplomatic corps, the head of Georgian Innovation and Technology Center, the heads of Seed Forum Global and Seed Forum Eastern Europe and the representatives of leading companies in Georgia.

The Country Manager at Seed Forum Georgia, Iliia Ghlonti, organized this event and discussed the project's importance in an interview with Observer.

**Why was it necessary to organize the Seed Forum in Georgia?**

Innovations field requires high investment not only in Georgia, but also around the world, especially if we are talking about global projects. In Georgia, as we expected, there are dozens of this kind of projects. Seed Forum is a place where new companies can meet with potential investors. Accordingly, Seed Forum is not only

needy, but also a necessary process. The Seed Forum network is giving global companies seeking capital a unique opportunity to pitch their investment proposal concepts to investors by facilitating global, national and local investor match-making forums. The companies pitching to investors are nominated, trained and selected in the Seed Forum process to ensure that companies are investor-ready when they pitch to investors. The Seed Forum process is very important for reducing risk on investments in start-ups. The mission of Seed Forum is to provide investor-ready global companies to investors and to educate companies in fundraising and reduce risks for investors.

**What was the purpose of the Forum?**

The main objective of the forum was to discover innovative ideas in Georgia and to share them with local and foreign investors.

**Which companies were presented at the forum?**

On the one hand there were start-up companies like In Gloves, Taxi Tube, WeHelp.ge and Next Mart. Potential investors on the other included Adjara Group, Wissol Group and the Big Four (EY, KMPG, etc.).

**What results are you expecting from this event?**

The most important thing for us is to involve start-up companies and to interest investors in Seed Forum Georgia, which will lead to more successful forums in the future. Also, we would like to focus on the other members of our society to be able to maximize the promotion of Georgian economy and business.

It should be noted that six winner companies in the forum will go to different countries, where they will present their businesses to foreign investors. It is important that all costs are covered by the Seed Forum.

**Ukraine has a relatively long operating Seed Forum. What similarities and differences do you see?**

First of all, the main similarity is that both in Ukraine and in Georgia there is a low activity of investors financing new businesses, despite the fact that, for example, in Ukraine there is a considerable amount of resources in this regard. As for the differences, first of all, it is the complexity of the process. The thing is that in Ukraine the legislation is very complicated, which is influenced both by investors as well as young businessmen. In Georgia, the situation is completely reversed. Our legislation is much more flexible and convenient, and there is the correct approach to this issue, aimed at the promotion of entrepreneurship.

The second, is that in Ukraine the level of innovative start-up companies in terms of experience is higher than in Georgia. And, therefore, a lot of work is required. In the end, despite the similarities, we have to analyse our problems, to set priorities and start working on them.

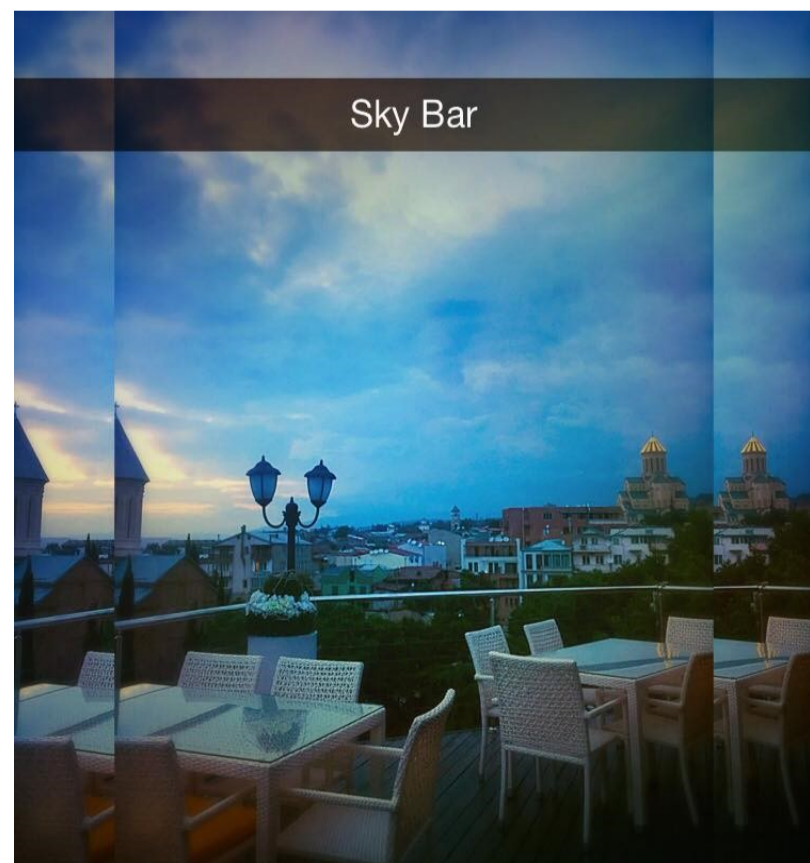
**How much is the Seed Forum head office in the UK involved in the successful implementation of the project in Georgia?**

The Central Office is involved on the level of fundamental decision-making. In particular, they

appoint the manager and allocate operating funds. The rest, he fully trusts to the working team in the country. At this point, we do not need more support, because we have very good cooperation with the Innovation and Technology Agency of Georgia and the Ministry of Economy and therefore, the operation is much easier for us. Also we get support from the Embassy of Norway, whether it is for any project funding, or other support

**What are your future plans?**

In parallel to opening the techno park in the near future, we need to open IHUB Tbilisi (a business accelerator on the basis of which we will hold our activities), but before that we will start the construction of the eco-system. We would like to unite all the people working on innovations and to show the maximum of our abilities. We will hold popular events in Georgia (haka tones, training, etc.), which we would like to transfer to a new level, and we will offer users a new, non-standard approach.





# GEORGIA'S PENITENTIARY SYSTEM PLANS TO EMPLOY PRISONERS

TEONA KHMALADZE

Georgia's Department of Penitentiary is launching a new project for employing prisoners. Based on changes in the Prisoners Code, the penal institution will set up enterprises in which inmates enter into individual employment contracts.

Repair works in the Ministry of Corrections facility are currently being bid for. According to the new project, inmates with craft skills will be able to get a job and appropriate compensation.

"[There] will be created a working enterprise, where inmates enter individual contracts, in our facilities for repairing works. We will lead prisoners from one institution to another to work and in return they will be paid, as it usually happens in the civil sector. This would facilitate the growth of their re-socialization", said Kakha Kakhishvili.

On the basis of planned changes in the penal system, prisoners will also be able to sell their works via online stores. Since individual defendants create various types of hand-made items, paintings, enamel paintings and icons and do not have

the chance to sell them, this problem will now be solved under the supervision of the Ministry.

Former prisoners also will receive attention; the Minister's office, in cooperation with the International Organization for Migration is implementing the project "Social Enterprise for Crime prevention."

"The former prisoners' rehabilitation and re-socialization program" has been implemented in Georgia since 2013. The program aim is to promote the rehabilitation and re-socialization of persons released from prison. Social Enterprise for Crime Prevention is financed by the Government of Switzerland with 87,500 Swiss francs.

The program has been already overseen the opening of a cafeteria in the House of Justice, the "Social Enterprise Cafeteria", where 13 people are employed. The opening of a car wash is also planned, which will employ former drug users.

"We continue to strengthen the program, which was launched in November 2012, titled 'change scenery', the program helps former prisoners to have an amount of

income at the end of a month to provide to their families. This fact will encourage the prevention of recidivism. They have gone through several months of working with a social worker and are already on the path toward integration in the public. With the motto - "change scenery" this social enterprise will be fully justified", said the Minister of Justice at the opening of the cafeteria.

From 2012-2015, 1,271 of former prisoners benefited from the program. Twenty-two former prisoners received funding for implementing their business ideas, and 192 inmates were employed.

In addition to these programs, prisoners are involved in different social activities: educational and psycho-social projects, trainings, intellectual competition and a variety of training courses and handicrafts. Inmates also are involved in a program for the elimination of hepatitis C, which provides free treatment.

The rehabilitation program for prisoners received positive reviews from the Netherlands Minister of Justice. "You want to share best practices from European countries,



but I have to say that we can learn from you as well. For example, former prisoners re-socialization and rehabilitation program, about what you talked, is exemplary", said Gerard Adrian van der Steur during his visit in Georgia.

The main reason for implementation of programs within the penitentiary system is the EU Association Agreement, with which Georgia has an obligation in ac-

cordance of its own legislation with the EU law.

On the one hand, penitentiary reforms are important for prisoners and former prisoners, because they have the opportunity to do a useful job and earn income with which to help their families. On the other hand, the implementation of this program improves social safety mechanisms and helps reduce recidivism.

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# GEORGIAN CITIZENS LIVING IN MOUNTAINOUS REGIONS WOULD BENEFIT FROM IMPROVED FACILITIES

TAMAR CHAPIDZE

The Mountain Development Council's first session, chaired by the Prime Minister, was held on December 14. It granted the status of "mountainous settlement" to 16,000 villages in Georgia.

Granting of such status is defined by hypsometric parameters; as well as the principle of historical and geographical area, populated areas at an altitude of 1,500 meters above sea level were automatically considered mountainous settlements. Historical and geographical regions such as Svaneti, mountainous Racha, Guria, Mtiuleti, Khevsureti, Tusheti, Pshavi and Pankisi are also recognized as mountainous.

Parliament adopted the

"Development of Mountainous Regions" law on July 16, 2015, which is to be launched in 2016. Its purpose is to reduce emigration from mountainous regions by promoting socio-economic development.

Legislation concerning Georgia's mountain population will ensure a number of benefits accounting for 40 million GEL from the national budget. In particular, certified teachers will receive a monthly salary increase of 275 GEL and a pension increase of 56 GEL to reach 216 GEL. A rural doctor's income will be increased to 1010 GEL.

In order to improve demographic conditions of mountainous regions, every first and second new born baby will receive 100 GEL (about 44.2 USD) during the first year, and the third and subsequent child will receive 200 GEL (about 88.4 USD) over the first two years.

Furthermore, the government is concerned with marriage encouragement in mountainous regions. The state will provide a variety of allowances such as housing, one-time cash assistance and the promotion of small business for couples. The most important initiative is to help newly-established families start small agricultural businesses through either low-interest loans or with direct help to develop small farms. Allowances for electricity



and implemented greenhouse applications are included among the benefits. The electricity bill for household customers will be reimbursed by 50 percent for no more than 100 kilowatts of electricity consumption.

"We are going to monthly reimburse half of electricity consumption bills, the public school teachers' basic salaries will be increased by 35 percent, teachers participating in special programs will get remuneration increased by 50 percent; salary augmentations are provided for doctors with the double amount of the pension, and nurses the amount of the state pension. We also have other benefits for the development phase, which will be imposed upon enactment of the law", Garibashvili stated.

The Mountain Region Development Program contributes to small enterprises. According to the new

law, an entrepreneur starting a business in the mountain regions who uses local resources and provides job opportunities for locals, will be exempted from taxes for 5 years.

The adoption of the new law is to develop the mountainous regions to slow internal migration. A UNDP survey showed that 73 percent of vulnerable households are located in mountainous regions, and socio-economic and demographic development trends are negative. The new legislation maintains the returning of residents to the mountains and ensures the welfare of the population by improving living standards, employment and economic and social conditions.

The necessity of attention from the state regarding mountainous regions is a must, as there are many abandoned villages due to migration. On one hand, the situation is

caused by the lack of job opportunities and very low salaries, and on the other hand, the absence of basic living conditions; poorly managed water systems, road access to the villages, electricity supplement, un-repaired schools and transportation are problems, as well. As a result, the population of villages is draining through migration to the cities.

Citizens living in mountainous villages, often express frustration at the necessity to leave their ancestral homes in order to give children a better future and create a basic living environment. If the state helps them solve social-economic problems, migration will decrease and people will gradually return to their abandoned homes.

The development of mountainous areas represents a priority for the government. While working on this project, Georgian Dream requested creating the post of "mountain minister", however, due

to the country's limited budget the initiative didn't get farther than political debate.

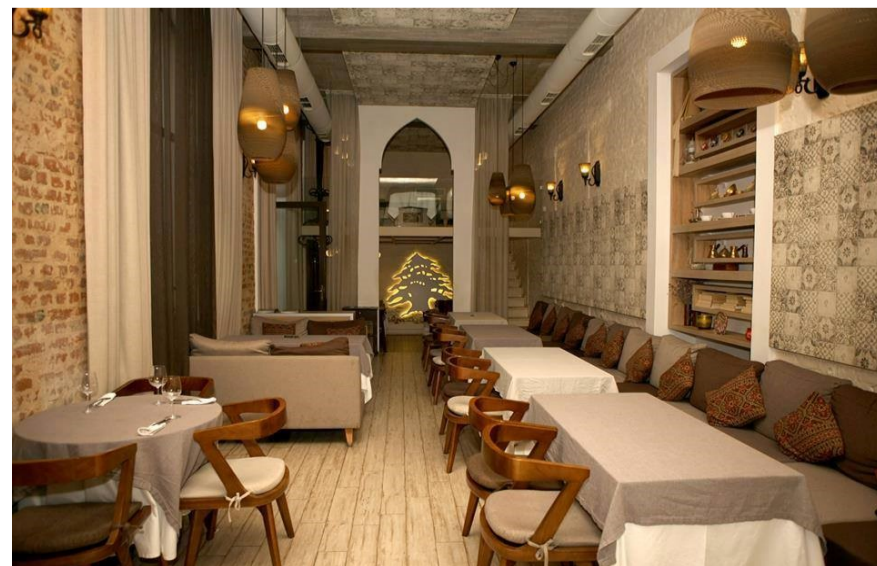
It is worth noting that a similar law titled "The Law of the mountainous region socio-economic and cultural development" was adopted in 1999, but its practical implementation never occurred.

The Mountain Area Development Program has been developed with the assistance of the United Nations Development Program (UNDP), the Swiss Agency for Development and Cooperation (SDC) and the Austrian Agency (ADA). A special National Council of Mountains headed by the Prime Minister will work on project implementation.

The mountain law will remain in force for the next 10 years and benefits will be maintained accordingly. Justification for the new law will be demonstrated with mountainous areas full of residents.

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# EUROPE IS READY FOR CHRISTMAS WITH LIGHT SHOWS, POLICEMEN AND GLÜHWEIN

The Christmas holidays are celebrated in Europe on December 6 until the New Year. The kick-off festivities are given by Saint Nicolas, who with his gifts begins to bring the joy to all children. The children prepare for the coming of Saint Nicolas by hanging their stockings by the fireplace, and they do not forget to leave carrots for his donkey. Children get lots of treats and chocolate that morning.

Many cities of Europe organize "Christmas markets" this tradition has been originated in Germany and the Alsace in 1990s, since then it has spread throughout Europe, where the smells of baking and hot wine spread everywhere. On Christmas Eve, we find almost everywhere the custom of eating Christmas turkey or a goose.

Even though, all cities in Europe have similar traditions of celebrating this festive time, in 2016 each of them offers something very special.

## Brussels

Each year in Brussels sound and light shows take place at the Grand-Place during Winter Wonders. A work of art with 1,600 rails and LED spots illuminates the square, and the show covers all seasons and Christmas.

Winter Wonders includes a Christmas market with more than 200 chalets; fairground attractions (Ferris wheel, merry-go-rounds, and slalom track), an ice skating rink, a Christmas tree and sound and light show on the Grand-Place.

New at Winter Wonders this year is Tunisia as guest of honor with a Tunisian village (crafts, music and culinary specialties) from 27 November to 28 December at the Boulevard Anspach (at the Anspach Gallery).

It should be also noted that after the army operations against terrorists in Paris and the security will be tightened by the police and the organizers.

## Paris

Following the shocking terror attacks in November, Paris has seen an unprecedented number of



cancellations for the holiday season. Big French companies as well as small businesses and artisans are struggling to cope with the dip in demand.

However, Paris is transformed for the festive season. The city's most beautiful monuments are illuminated, Christmas decorations



adorn the streets, and department store windows are filled with animated displays. Markets, Nativity scenes, open-air ice rinks, merry-go-rounds and a host of other activities and events take over the city, offering fun for all the family.

Restaurants keep the festive spirit alive all the way into the New Year, with special menus for an unforgettable New Year's Eve celebration.

Little by little, Christmas markets have become an essential festive event during the Christmas season in Paris. They are held all

over the capital and are a great success with passers-by. These markets made up of wooden chalets create a warm and magical Christmassy atmosphere and are the perfect place to pick up Christmas decorations, festive objects, regional products and arts & crafts.

## London

There's nothing more festive as London at Christmas time. Even if you're not a big fan of living statues or fire-eaters, Covent Garden's cobbled piazza and market buildings are irresistible at this time of year. The decorations take on a mistletoe theme for 2015, with 50 new arrangements of lights hanging over the area's streets and in the pretty market buildings.

The Oxford Street Christmas lights switch-on will see 1778 snowball-like decorations (and their 750,000 LED lightbulbs) lit up once again for what is the fifty-sixth year the road has been decorated for the festive period. In a subtle upgrade from last year's display, 445 new golden baubles will twinkle among the existing silver lights.

It wouldn't be Christmas without 'The Nutcracker' and this year, it's going to be more festive than ever because this year on December 21 you can see it on ice! See a troupe of critically-acclaimed ice skaters perform the ageless tale on a 4,000 square foot ice stage in the Royal Albert Hall.

## Amsterdam

There is no shortage of festive events going on in Amsterdam. Christmas markets, winter festivals, classical concerts, ice skating, even the circus has come to town.

The Dutch National Opera presents a new production of Engelbert Humperdinck's fairy-tale opera Hänsel und Gretel. The spectacle will be performed at the

Dutch National Opera & Ballet until December 29.

This year marks the fourth edition of the Amsterdam Light Festival that will run until January 17, celebrating a theme of 'Friendship'. A whole host of international artists are contributing to this edition, such as Swedish light artist Aleksandra Stratimirovic, whose 'Northern Lights' sculpture will cross the River Amstel.

The World Christmas Circus is one of the most acclaimed circus festivals in the world and features countless top stars of the ring in Amsterdam for more than 25 years. Visitors can see this beautiful Royal Theatre once again, transformed into a circus theatre until January 3 – as it was originally designed to be.

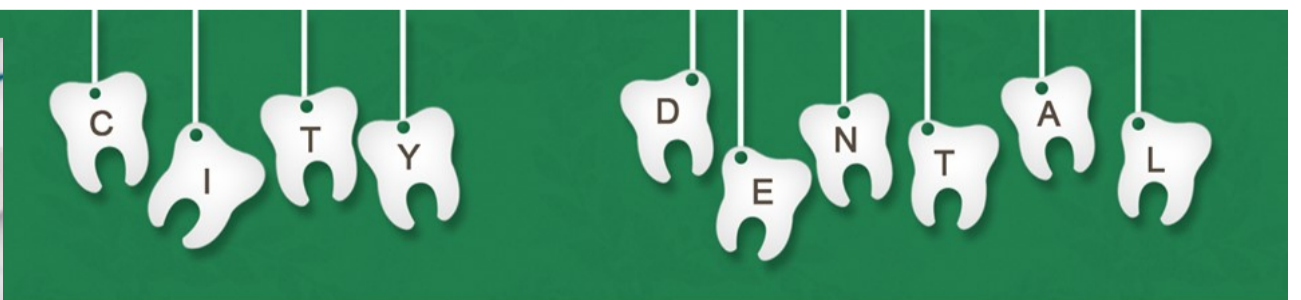
## Berlin

Christmas is a special time in Berlin and music is very much a part of this city's Christmas celebrations.

On December 25, Violinist Yuri Revich joins the German National Chamber Orchestra and the Philharmonic Chamber Orchestra Berlin in three consecutive concerts that take the audience on a journey through the seasons with Vivaldi's "The Four Seasons" and Piazzolla's "The Four Seasons of Buenos Aires". Each work gives an impression of the passing of the year in the composer's home country.

Far from the everyday rush at Christmas time, amazing things can be experienced at the Sony Center at Potsdamer Platz at the end of this year. Luminous ensemble of mythical beings, graceful dance show and fascinating light art can be experienced there.

In the midst of this unique architecture directly below its world-famous roof is a floating, oversized chandelier with thousands of sapphire and golden highlights. Glittering stars on the façades and fairy lights on the Christmas trees complete the atmospheric lighting concept.



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# WORLD-CLASS OPERA STAR NINO SURGULADZE DISCUSSES HER FUTURE PLANS

EXCLUSIVE

NINI MACHAVARIANI

Last week, world-class singer Nino Surguladze was awarded the Order of the Italian Star Cavalry. In an exclusive interview with Observer, Surguladze mentioned that she is very happy and is aware of the increased responsibility.

The award is given to a citizen of any country for their role in promoting the relationship between Italy and another country.

"I was very happy and I think that it is quite an honorable award. It was awarded to me to do even more work in the future both in the relationship of these two countries, as well as charity and in terms of my personal activities," said Surguladze.

Ambassador Extraordinary and Plenipotentiary of Italy to Georgia, Antonio Enrico Bartoli, gave this award to the Georgian singer together with President of Georgia Giorgi Margvelashvili.

The ceremony was held at the Italian ambassador's residence. According to the ambassador, Nino Surguladze is an envoy of Georgia in Italy and, at the same time, a cultural envoy to the world. According to him, Nino Surguladze's work is important because it promotes largescale charitable activities around the world.

The event was also attended by the Minister of Culture and the Minister of Health of Georgia as well as the Italian delegation of cardiac surgeons, led by Professor Vittorio Vanini, which arrives once a month and provides free operations for Georgian children.

Nino Surguladze was born in Tbilisi in 1977. She studied at the School of Art and participated in musicals and concerts both in Georgia and abroad. She also tried her hand in the cinema. Nino appeared in several films, and at the Geneva Film Festival she received a special prize for the main role in the film *The Waltz on the Pechora*.

Before starting a career as a mezzo-soprano, she was a famous pop singer in Georgia. Later, she entered the Tbilisi State Conservatory and became a winner of various prestigious international vocal music competitions.

In 2001 she enrolled at La Scala academic studio. Since then, she has performed in many operas. She met with Riccardo Muti in 2003 at a Christmas concert where Muti was a conductor. Nino Surguladze performs successful roles on opera stages throughout the world: Genoa, Tokyo, Barcelona, Milan, Hamburg, Parma, Nepal, Graz, Verona, Chicago, Tel Aviv, Frankfurt and Turin, among others.

Last season, Nino Surguladze had a debut in Rome (Santa Cecilia), performing Beethoven's 9th Symphony. Next season, she plans



to perform "Requiem" by Dvorak in Berlin and Verdi's "Requiem" in Bari.

It should be noted that the famous mezzo-soprano successfully runs the Charity Foundation Natvris Khe, which has been in existence

for over a year and a half. Its first large-scale event was held in the summer of 2014. There will soon be the fourth event. The foundation has helped many young people with the help of the Ministry of Health, various sponsors and the goodwill

of individual people.

"We introduce our beneficiaries to the audience during the concert. The coming event is planned on January 9, 2016 at Tbilisi Philharmonic Hall. We are waiting for the audience and offer a wonderful

musical evening", said Surguladze. According to the singer, her friends will take part in the gala concert. They are: Alessandro Safina - famous pop opera singer (known for the hit "Luna TU"); Angel Blue - singer at La Scala and other leading opera theatres who sings not only classics but also gospel and soul; Ana Rucner - a Croatian cellist who will present Bosnia-Herzegovina at next year's Eurovision Song Contest; Oliver Poole - pianist from London; and Carlo Ponti - conductor, who has his own orchestra in Los Angeles. He is the son of well-known Italian-American producer Carlo Ponti and actress Sophia Loren.

At the end of the interview, the star said there is no formula for success. She believes that the musician, first of all, should dedicate his or her whole heart and spirit to the work. However, fortune is also very important. "I advise young musicians to never stop working on themselves and trust their intuition. I would also recommend them to research more information in the books and internet. Never be satisfied with the achievements and not to forget the classics, as it is the basis for the art of any sector", - added Surguladze.







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# THE DAUGHTER OF A FORMER DIPLOMAT HELD EXHIBITION ABOUT BORDERS

EXCLUSIVE

NINO SHARASHIDZE (BELGIUM)

On December 17, Elene Mikaberidze, graduate of political sciences and cinematography, held photo exhibition about borders. The photos were taken in Tbilisi, Sokhumi, Nikozi and etc. With this exhibition Elene wanted to show unusual Georgia illustrating the multiplicity of this country.

"The topic of the border and how it affects daily life of the people always fascinated me, so I decided to write a screenplay about it. I am writing it with a researcher from Université Libre de Bruxelles. (ULB) The screenplay will be soon finalized", - said Elene in her exclusive interview with Observer.

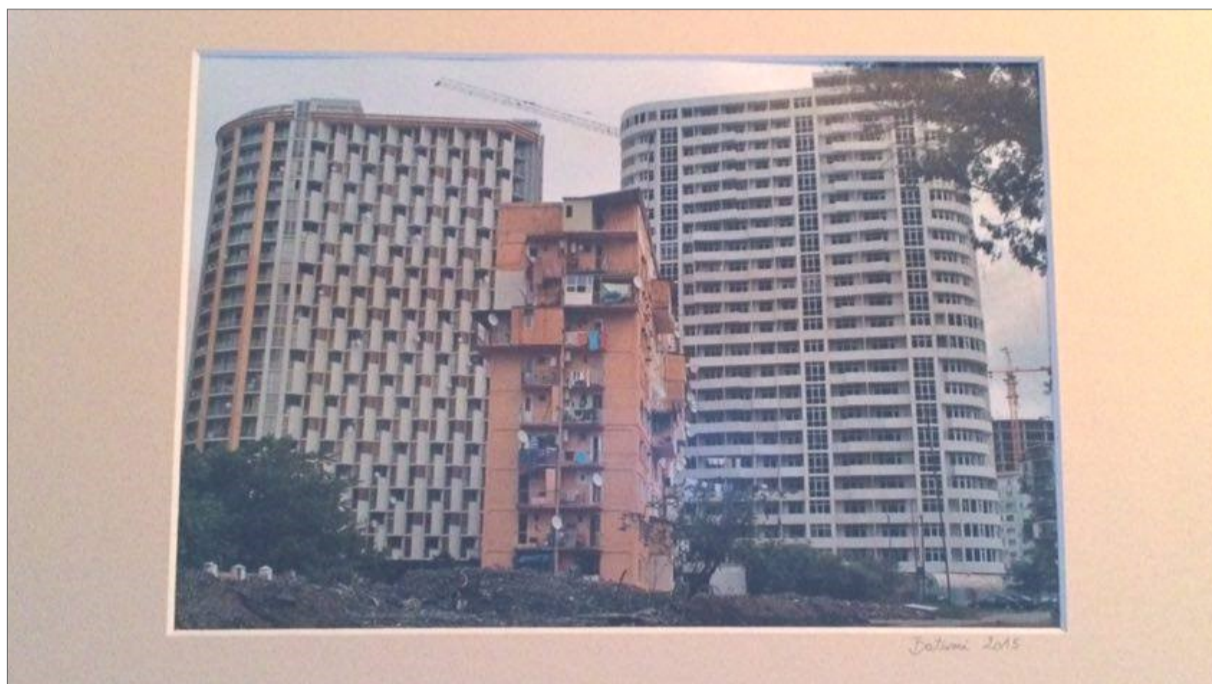
Elene moved to Brussels in 1993. Her father is a former diplomat, who was working in the first Georgian embassy in the Benelux. The exhibition was attended by

people from different countries including her friends, representatives of Georgian Embassy, students, academic circles and etc. They were happy to see another view of Georgia, not the classic one with mountains and churches.

After looking at the photos, people had mixed fillings and emotions. Some of them felt sad and nostalgic others happy and optimistic.

"I am going to Georgia on the January 5 and will stay there until summer, in order to work on the movie", - said Elene.

This film tells the story of a village that sees a white line appearing on its soil one day. This new frontier will shake the lives of its inhabitants who will use tricks to circumvent absurd. Although the story is fiction, it is quite close to the real situation in Georgia.



# MISS WORLD 2015: SPAIN WINS AND GEORGIA DOESN'T MAKE THE TOP 20

The beauty of Mireia Lalaguna Roza of Spain captured the Jury and a 23-years old model became the winner of Miss World Grand Final.

The 65th edition of Miss World was held in Sanya, the People's Republic of China, culminating with the Grand Final on Saturday 19 December at the Beauty Crown Grand Theatre. The participants arrived from 117 countries; among them was Georgia, represented by Nino (Nuka) Karalashvili (179cm). Experienced model that works in this field from the age of 16 was not lucky enough to make the top 20. Although she was quite well prepared on the stage, jury ignored her Georgian beauty.

24 years old Nuka lives in Tbilisi with her close-knit family. An International Tourism Graduate, Nino has aspirations of getting a masters in the field, before working her way through the industry to become a successful professional.

It should be noted that Georgian society observed and supported her way to Miss World significantly. Miss Georgia with brown hair and

green eyes, despite the vast experience in the modelling field, could not hit the record of Irina Onashvili, Miss Georgia 2003 the only one who made the top 20 with the help of talent show.

To win Miss World you must score the highest points, awarded for a range of activities and events which take place from the moment the contestants arrive at the competition. FIVE challenge events take place in the run up to the final; Beauty with a Purpose, Multimedia, Sports, Talent, and Top Model. These offer the chance for the contestants to shine, giving them the opportunity to win important points. Top five of this year's Miss World is: Indonesia, Jamaica, Lebanon, Russia and a winner Spain.

Sofia Nikitchuk of Russia was the runner-up. This 22-years old model with brown hair met the expectations of her fans and took the second place.

Nikitchuk was born in the Russian city of Yekaterinburg, less than 20 kilometres to the east of the border between Europe and Asia. She graduated from Ural Federal

University and won the Miss Russia title in 2015.

One of the oldest beauty contests, the Miss World pageant was held for the first time in the UK in 1951. Russia was represented in the contest for the first time in 1992, by Yulia Kurochkina, who won. Ksenia Sukhinova won the crown in 2008, making Russia one of only three countries to win more than once since the post-Soviet rebirth of the nation.

Regarding the winner of the contest, Spanish beauty with blond hair came from Barcelona, where she studies pharmacy. Her dream is to further her studies with Nutrition, before setting up a business in nutrition and dietics to find alternative health solutions to orthodox medicines. Mireia says that music and travelling are the pillars of her happiness. A skilled pianist she studied up to grade 8 in Musical Language, Harmony and Piano at the Conservatory of the Lyceum of Barcelona, and she has travelled extensively over Europe and the Far East.

South Korea will host Miss World next year.



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# DISCOVERY OF THE YEAR – DADIANI CROSS PALACE

NINI MACHAVARIANI

**M**ore than ten thousand people visit Dadiani Palace in Zugdidi each year. This year a new discovery – Dadiani Cross Palace has joined to the museum complex, which already includes two palaces, botanic garden and a church, all of them have a status of cultural heritage since 2006.

Archeological works were carried out in the framework of the state program. Experts claim that the ruined palace is identical to the Cross Palace mentioned in historical sources.

Nika Antidze, The General Director of the National Agency for Cultural Heritage Preservation of Georgia visited the place, where the palace was discovered. According to him, this monument is even bigger than Niko Dadiani Palace. Archeologists discovered foundation, floor, fireplaces, door arch and various fragments. The palace has been cleaned and we see perfectly constructed building.

Archeologist Revaz Papuashvili claims that Cross Palace is described in the memoirs of the famous French qartvelologist, Mari Brosset, who spent eastern night at Dadiani Palace. According to him in the centre of the palace there was a table where 32 people can sit. This palace was mostly used for banquets, but about its evidence, not much was known.

Excavations are also being held at the main entrance of the botanical garden where archaeologists have found the remains of the palace of Dadiani another. They found a building that was not even mentioned at the topo-maps of the Botanical Garden.

For centuries, the Principality of Dadianis were ruled from Zugdidi and the residencies are one of the most impressive example of the royal architecture.

In the period of Levan II Dadiani's reign (1611-1657), Roman Catholic missionary. Cristoforo font Castelli who travelled in Samgerelo, described the palace in his writings and drawings that dates back to 1628-1654. According to them, the palace was massive, three storey building with double roofing, 17 windows of different shapes and sizes, two balconies and a tower. A high wall with a courtyard, towers and gates;. Belfry and court church was concluding the whole part of this view.

In 19-th century the building of this complex reached its heyday with construction and landscaping, resulting in many of the most beautiful and historical building: David Dadiani's palace, Queen Catherine Palace, the palace of the Murats, the Botanical Garden and others. Although the structures were new, wars, fire and the Soviet regime made some of them to disappear.

Niko Dadiani Palace, which was built in the 80ies of 19th century by the architect I. Vasiliev is contiguous with the botanical garden. The palace has a large-scale structure of the symmetrical facades that giver original view to this composition.



The runoff of the water from the roof posed a particular problem to the building, as well as the vicinity of the accumulated rain water, which is directly flowing into the basement and damaged foundations. At present, the cleaning

works are over, the cement has been removed; basement and the wooden floor are cleaned from land and construction waste; the restaurateurs removed the land around the building and made air channel for the foundation. They have cleaned

the basement walls and restored historic ventilation channels; For the new arrangement was brick floors are prepared.

Nikoloz Antidze said that the discovery will lead to changes in the rehabilitation of Zugdidi Botanical

Garden. These two new discoveries will become a tourist space, there is an option to cover them with the glass, this will protect monuments from damage. The rehabilitation of the botanical garden will begin in 2016.





# HARVARD ESTABLISHES CONNECTIONS WITH GEORGIA

**H**arvard Summer Program starts in Tbilisi to provide language studies and immersion in Georgian and Russian topics. Those interested to apply can send their documents by January 28, 2016.

The Harvard Summer Program in Tbilisi will provide students with a hands-on experience living and studying in the capital of the Republic of Georgia along with a full course in intermediate Russian language meeting daily. Additional lectures with Harvard faculty and other experts include Russian and Georgian culture, history, literature, film, and urban studies will be provided in topic modules meeting 2-3 times each week.

Prof. Julie Buckler will teach a module on Tbilisi as a city, Prof. Stephanie Sandler will teach on Georgian and Russian film and Prof. Justin Weir will present a module on topics in pre-revolutionary Russian literary works dealing with the Caucasus and their cultural mythology (Pushkin, Lermontov, Tolstoy). Prof. Stephen Jones (Harvard Davis Center and Mount Holyoke College) will conduct an

introductory module on Georgian politics, history, and culture. These modules will provide a larger context for Georgia-US relations as well as Georgia-Russia relations and will make use of Tbilisi as a laboratory, including meetings with writers, politicians, and NGOs. All modules and topics will be accompanied by excursions and trips within Tbilisi and throughout Georgia. Despite the course is mainly for international students who are interested in Georgia, students from Georgia and Caucasus region might be interested in this program.

The course starts in the second week of June and will last until August 12; the program fee is \$8000.

However, the links with Harvard does not end with this program. They are willing to establish stronger connections with Georgia; here Tbilisi State University gets involved.

It turns out that the TSU is an affiliated University of Harvard, and its business and economics faculty will teach a new program introduced by the Harvard Business School Strategy and Competitiveness Institute. The course will be an



analogy to Professor Michael Porter's proven "Microeconomics of Competitiveness" and Harvard University will help TSU to gradually

establish the Research Center on Competitiveness of the Economy (in cooperation with other Universities in Georgia). Classes will be

held in English. The methodology, literature and case-studies of this course will be the same as it is in Harvard.

# NEW PORTAL OFFERS THE ACCESS TO EDUCATIONAL DOCUMENTS

**N**ew electronic service for educational institutions and citizens brings together educational records from universities, colleges and schools to simplify access and improve educational information management. The service will benefit 73 institutions of higher education, 92 professional colleges, 2,334 schools, and up to 150

thousand students in Georgia. The information management portal and system of digital records have been developed by the Ministry of Education and Science of Georgia through its National Centre for Educational Quality Enhancement (NCEQE) and Education Management Information System (EMIS), with assistance from the United Nations Development

Programme (UNDP) and Government of Sweden. "Georgia introduces a technologically advanced and customer-friendly system of educational information management to easily exchange information between different educational institutions and reduce bureaucracy in the system of education," Minister Tamar Sanikidze said on 18 De-

cember 2015, while presenting a new service to the Government, educational institutions and international organizations. Niels Scott, Head of UNDP in Georgia, stressed the importance of a new service for promoting ongoing reforms in the system of education. "New technology brings the principles of e-governance into the

system of education. Most importantly, it increases quality of education and benefits hundreds of thousands of students and teachers in Georgia," he said. The information management portal will become fully operational in 2016 after re-training the education system staff and digitalising the existing educational records (diplomas, certificates, etc.).

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## GEORGIAN CUP SEMI-FINALISTS ARE KNOWN

VAKO KIPIANI

The David Kipiani Cup quarter-final repeat matches were held on December 16. All four matches were tense, with stiff competition to win the tournament.

Sioni hosted Samtredia at Bolnisi Tamaz Stephania Stadium. Like the first match, the second match was tense. Both teams had moments, but none was able to make good and the main time ended with a draw 0:0. Nothing changed in the extra time of 30 minutes and the game went to an 11 meter shootout. The lucky ticket was given to Sioni as they won the game by a score of 2:0. Goals were scored by Isiani and Manjgaladze. Sioni advances to the semi-finals and the apprentices of Varlam Kilasonia have a good chance to reach the final.

The crowd saw a dramatic match at Mtskheta Park. WIT Georgia hosted Zugdidi and defeated them by a score of 1:0 with 13 yellow cards and 4 red cards shown by the referees. The only goal was scored by Kurdgelashvili at 43. In the second half of the game at the sixty-fourth minute Sherozia (WIT) and Bulia (Zugdidi) were expelled.



90 minutes later, the score was 1:0 and the teams were given extra time. After 30 minutes, the referee dismissed another two players: Gakharia (WIT) and Lashkhia

(Zugdidi). Here too, the fate of the semi-finalist was decided by an 11 meter shootout. WIT Georgia won the game 5:3 and advances to the next level.

The assembled crowd at Kobuleti Chele Arena was disappointed. The first match ended with Kobuleti, Shukura beating Sachkhere 2:0 respectively. In the first

half of the match, none of the teams were able to use the goal opportunities. Eighteen minutes before the end of the match, the guests seized their chance, with Dekanoidze scoring the goal. In 12 minutes, Shukura equalized the score with the help of Lobjanidze, but they could not do more and Chikura won the match.

The public's great interest made possible the match between Dinamo Tbilisi and Kutaisi Torpedo. The game called a "Georgian classic" two weeks ago was followed up with a draw 1:1, meeting the audience's expectations. The score was opened by Giorgi Kvilitaiani the eighteenth minute. On the fiftieth minute, Torpedo made a draw with the head goal of Sagrshvili. On the sixty-ninth minute, the main referee Silagava sent off Chichinadze and declared an 11 meter shootout, which Mate Tsintsadze scored to send Dinamo to the semi-final.

Four teams are left to fight for the David Kipiani Cup. At this stage, the main favorite is Dinamo. Chikhura and Sioni have equal chances to win, and regarding WIT Georgia, only time will tell.

## WEEKLY SPORT NEWS

VAKO KIPIANI



**Basketball:** Tornike Shengelia showed brilliant game in the last, 10th round of the first phase of the basketball Euro league competition, in Group B where Cedevita was defeated 92-70 in a match against Laboral Kutxa in Vitoria.

Georgian forward was in line-up and spent 20 minutes on the field, he scored 4 three-point field goals

out of 5, 1 two-points and 2 penalty. In total Shengelia scored 16 points.

**Basketball:** Zaza Pachulia's Dallas won another match on December 15 in the regular season of the NBA. Phoenix was defeated 104:94. Pachulia as usual played in the starting five for 28:25 minutes. In this time Georgian center scored

4 points, 12 rebounds and 3 steals. He lost ball 5 times. Zaza threw 3 two-point field goals and two of them fell in the basket.

**Rugby:** Young member of national rugby team, Vasil Lobjanidze (19) has signed 3-years contract with Brive, French Top 14's inhabitant. According to the official web-page of Rugby Union, Georgian National Rugby Team will play against Scotland on November 26, 2016.

It is the first time since 2011 World Cup when Georgia meets Scotland. Presumably, in November Test series Georgian team will meet with the Scottish National Team at BT Murrayfield Stadium, one of the most famous in the world.

**Judo:** Georgia's Paralympian judoka, Zviad Gogochuri ended the continental championship in Portugal. Gogochuri won gold medal in the category of 90kg.

**Judo:** The second edition of



the Golden League was the time for new winners. Fighters Tbilisi, who won the ECC 2014, showed their amazing team spirit also this year. They beat the record winner TSV Abensberg in the final with 3:2.

The line-up of the Fighters was: Vazha Margvelashvili, Amiran

Papinashvili (66kg), Nugzar Tata-lashvili, Shalva Kardava (73kg), Avtandil Chrikishvili, Zebeda Re-khviashvili (90kg), Valeri Lipar-teliani, Zviad Gogochuri (90kg), Adam Okruashvili, Vakhtang Okruashvili and Guram Tushishvili (+90kg).





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