

Politics

Is Plaquenil an effective cure for the virus?

Two of the infected people revealed that they've been using Plaquenil for their treatment, and the reaction to this statement was mixed.

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BY NATALIA KOCHIASHVILI

In Marneuli, where strict quarantine has been declared for a month now (as well as in Bolnisi Municipality), the residents of 5 villages gathered in the village of Shulaveri on 22nd of April blocking the central highway. Carrier trailers were not allowed to move until the end of the assembly. The rally was mainly attended by farmers, demanding the sale of agricultural products at appropriate prices, activity that has been the only source of income for Marneuli residents in a quarantine zone.

Along with the blockade of the road, the residents also threw products at the rally, which were harvested, but due to the closed municipality, they are going bad.

The rally was held in several villages in parallel. The recommendations were practically not followed, most of the protesters did not have any masks or other means of protection against the virus.

The demonstrators were joined by Ahmed Imamkuliev, the head of the Marneuli office of the European Georgia, and Azer Suleymanov, the leader of the Marneuli office of the United National Movement. Law enforcers were also mo-

#stayhome Stay home, Stay safe #staysafe

Protest rally held in Marneuli violating all recommendations



The recommendations for preventing the spread of the Coronavirus were practically not followed during the rally. Photo: 1tv.ge

bilized on the spot.

Even though protesters were chanting 'Misha, Misha,' the local opposition says they had no contact with organizing the rally, they just knew that local farmers had trouble cultivating the land and selling the crop and learned about the protest from the social network.

Imamkuliev denied any wrongdoing or participation in the organizing of the

event, according to him politics 'is not happening here.' "I said from the very first second, you don't want someone's political name. Today, we are interested in the people, the harvest and the income of the people," he explained.

According to Suleymanov, the path must be opened and the state isn't helping the people, who are working on the land and have bank responsibilities.



Giga Bokeria announced at the parliament session: "Representatives of 'European Georgia' are in Marneuli and are trying to calm people down."

Giga Bokeria, European Georgia MP, responded to the rally in Marneuli during the special session of the parliament, noting that the representatives of his party are trying to calm the people. He urged supporters and others to refrain from any action that may violate the rule of law, even 'if you have grounds for resentment against this government.' He also addressed other MP's and gov't, saying that when the situation is out of control, when people are locked up for weeks and are not allowed to provide for the family, it may become impossible to control.

Irakli Kobakhidze, a member of the parliamentary majority, called the events in Marneuli purposeful.

According to him, the representatives of the branches of the National Movement held a joint rally in Marneuli and he urged Bokeria, to 'pick up the phone, call Imamkuliev and Suleymanov and take the people back home,' instead of making general statements in parliament.

Marneuli Mayor Zaur Dargali and Kvemo Kartli Governor Shota Rekhviashvili arrived on the spot as well. They believe the rally has a political connotation.

The governor of Kvemo Kartli told reporters today that the Marneuli residents have no problems and that they took the

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Is Plaquenil an effective cure for the virus?



Controversy surrounding the drug for allegedly curing the virus.

BY ANASTASIA SOKHADZE
Marina Endeladze, head of the Department of Hospital for Infectious Diseases, stated

in March that the drug had been prescribed to the first patient infected with the Coronavirus. Tengiz Tsertsvadze, director of the Scientific-Practical Center

for Infectious Diseases, AIDS and Clinical Immunology, said on April 7th that the drug was used in Georgia with all patients. The doctors from the United

States and Georgia argue about how effective this drug is, and the media writes about its side effects.

According to The Georgian Protocol, this drug is not used for treating people who have no symptoms. Patients whose conditions are severe undergo 5-10 days of treatment which includes the use of Plaquenil.

Because different medical societies choose different ways to treat COVID-19 and fight the virus indirectly, it remains unclear if the drug is effective or not. It is used to alleviate the complications and symptoms caused by the virus, but it requires reviews and updating interminably.

“Plaquenil relieves the expulsion of the virus. This will not hurt anyone. Rheumatologists have been prescribing the drug for months and years due to simple joint pain,” stated Tsertsvadze.

However, the aforementioned drug has side effects. These include dizziness, headache, decreased appetite, nausea, vomiting, abdominal pain, tinnitus, irritability, dermatitis, psoriasis,

diarrhea, hair loss, neuromuscular pain and headache. Experts say it cannot be used for patients with heart diseases and may be incompatible with other medications for diabetics.

On April 12th, Beka Bakhtadze, an intensive care physician/resuscitator at Tanner Hospital and a cardiologist at Cleveland Clinic, told TV Pirveli that a study by the University of Michigan found that the condition of 30 patients under the effect of Plaquenil was worse than that of the other 30 drugs.

Doctors who use the drug for treatment spoke to RFE/RL about the side effects of the drug.

“Obviously, the drug has side effects, so it should be used very carefully and that is why in the process of its use, patients are actively monitored,” said Marina Endeladze on March 24th.

Doctors warn the population that taking the drug unless prescribed is dangerous. The call became necessary after a shortage in the market due to people buying to protect themselves from the Coronavirus.

Protest rally held in Marneuli violating all recommendations

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streets because of the political orders during the peak of the epidemic. He accused locals and opponents of the deal.

Rekhviashvili called the rally inappropriate and untimely. He said the restrictions had had an effect, but that certain forces wanted political speculation.

According to him, during the conversation with the population, who want to sell local products, took place in an absolutely calm environment and the positions were reconciled; it was said that all the accumulated agricultural products will come out easily and the distribution company, which has large spaces in Tbilisi, will receive the mentioned product, then will supply the rest of Georgia.

The governor promises locals that more resources will be mobilized if needed. At the same time, he noted, up to 22,000 families in the region have received various types of assistance. By the end of the day, the governor promised to sell all the crops.

Sozar Subari, Advisor to the PM on Regional Affairs, who has also made an appearance at the rally also commented that certain political forces took advantage of the situation. According to him, since the announcement of the strict quarantine, the population has not had any problems with agricultural work and, conversely, there has been maximum support in this regard. Logistics was also arranged on how to import the goods needed here and how to export agricultural products, from which the rest of Georgia is supplied, and not only Georgia, but also the neighbors, which naturally, is now closed.

As for price dissatisfaction, Subari said that the current situation, the current crisis in the world has changed prices everywhere. He explained that as soon as these borders were closed, products were accumulated and this

caused some dissatisfaction. This has been used by certain political forces, which have been clearly seen here and who have spoken not about management, but about elections and political issues.

According to him, the main speculation was about the price, because people said that last year, what they sold for ₾3-4 in the market, say in Tbilisi, Kutaisi, now the company that came here is buying for ₾1. However, Subari says prices are changing everywhere and he has explained this to the rally participants as well.

The agreement has been reached and a distribution machine will go to every village, every family, which will be loaded with products and will take it to any part of Georgia, Tbilisi, Kutaisi.

“Secondly, when a company buys something for ₾1, the price increase is about 5-7 tetri, not a single tetri more. In other words, this price increase cannot even cover the price of exporting from here, because this is the situation today and we all have to work in such a situation,” said Subari.



Plaquenil alleviates the conditions, but does not cure the virus.

EU4Digital to carry out market assessment in Eastern partner countries

The EU has announced that it will support the extension of the ‘Digital innovation and scale-up’ initiative to the Eastern partner countries (Armenia, Azerbaijan, Belarus, Georgia, the Republic of Moldova and Ukraine), in line with the Eastern Partnership policy beyond 2020.

The initiative will allow digital start-ups and small and medium-sized enterprises to improve their access to finance and EU markets, and strengthen their links with EU innovation ecosystems.

To achieve this, the EU4Digital Facility will carry out a market assessment on the investment landscape for digital/high-tech innovative start-ups in the six Eastern partner countries.

Weather

Friday, April 24

Day Rain
 High: 8°C
 Night Mostly Cloudy
 Low: 5°C

Saturday, April 25

Day Cloudy
 High: 11°C
 Night Showers
 Low: 7°C

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Georgian Banks suffer record

☎ 747 million in first quarter of 2020



According to the statistics published by the NBG, most of the money was used by the banks to neutralize the potential losses.

By NATALIA KOCHIASHVILI

The 15 commercial banks operating in Georgia lost a total of ₾747 million in the first quarter of 2020, according to statistics released by the National Bank of Georgia (NBG). This is the largest loss rate in the history of these statistics.

From the financial indicators, it is clear that the main reason for the loss was the reserve by the banks for possible losses of ₾1.2 billion. In total, Georgian commercial banks have saved ₾1.22 billion in the 'possible losses of assets' buffer, which reflects the amount of possible losses on loans due to the expected crisis.

Georgian Banking Association (GBA) explained that the damage was caused by "the creation

of a surplus reserve, and it is irrelevant to talk about the fact that this reserve is actually being realized and it will be more or less than that." According to GBA president, Aleksandre Dzneladze, all commercial banks have held reserves and in the NBG's indicators, the profit is reduced to the direct reserves.

Other points in the statistics of commercial banks' financial indicators show that, as of the first quarter, the revenues of Georgian banks remain stable. Moreover, all major indicators have improved compared to 2019. Among them, compared to the previous year, the total income received by banks has increased by 15.8% and it amounts to ₾1.2 billion.

The NBG made a special ex-

planation regarding these statistics as well, noting that in previous years, the sector has been highly profitable, allowing banks to create adequate volumes of buffers, the use of which is important in such crisis situations.

Statement reads, that the operating profit of the first quarter of the banking sector amounted to ₾386 million. The net profit of banks is negative and minus ₾747 million, which is only 1.5% of total assets. This is mainly due to the creation of reserves for negative expectations from COVID-19. The banking sector, as of March, had possible losses of \$1.2 billion in loans reserve and this number represents only a potential (and not sold) loss. The reserve in the event of the loss actually occurs in the future, banks will be able to avoid the financial stability risks.

In the previous periods, the banking sector was profitable, notes NBG. In 2019, the industry's average annual profit (ROE) was 20%, which allowed banks to raise the capital adequacy ratio (CAR) to a high level. At the same time, the NBG imposed additional capital requirements on banks, which created a fairly large capital buffer in the industry to deal with a similar stressful situation.

At the same time, the NBG eased capital requirements for banks. This change involved the abolition of the capital conservation buffer (2.5% of the weighted assets at risk) and the elimina-

tion of part of the Pillar 2 buffer (2/3 of the non-hedged credit risk buffer). Therefore ₾1.6 billion of capital back was released to banks in March and expressed readiness, if necessary, for additional capital release.

With the release of this released capital, there are far more reserves that will allow banks to handle even more negative developments.

At the same time, the average annual profit of the banking sector in recent years was ₾900 million, in 2020 only, the first 3 months of operating profit is ₾386 million. Due to the increased credit losses, the net profit of banks this year may be negative, predicts NBG. However, given these decent operating incomes, it is expected that after the transition to the pandemic, banks will soon regain profitability.

Statement also emphasized that financial statements of a commercial bank consistently reflect the real financial condi-

tion of the bank. Special attention is paid to the quality of assets.

"In terms of transparency, the Georgian banking system is one of the best and all stakeholders have the opportunity to receive important and timely information about banks," notes the letter, adding that it's the reason why the banking sector has often been the object of unfair criticism (so-called high profitability), while other economic entities fail to ensure a high level of transparency and, thus, avoid criticism.

NBG reiterated its prudent regulatory policies of the current year, the potential losses in order to neutralize large buffers are available, and the banking sector's stability is not in danger.

As of now, the volume of overdue loans in the Georgian banking system is one of the lowest in the region, accounting for 1.37% of the total portfolio, or ₾437 million.



Overall state of economy is changing globally, in the US, first-quarter earnings reports from JPMorgan Chase and Wells Fargo showed the country's largest banks were preparing for a recession and customer pain. customer pain/recession.

EU supports bilingual campaign to inform local population on COVID-19

The EU-supported Akhalkalki Local Action Group (LAG) in Georgia recently started a bilingual online campaign to raise awareness among the non-Georgian speaking population about the COVID-19 outbreak. The aim of the campaign is to inform non-Georgian speakers about the current state of emergency and the health protection measures available.

LAG has disseminated over 10 videos in both Georgian and Armenian through social media. In addition, over 15 bilingual posters have been circulated, containing information from the World Health Organization, the National Centre of Disease Control and Prevention, and the Georgian Government.

Locals are systematically informed about the lockdown and self-isolation



Photo: ENPARD Georgia

rules, protocols for going out, healthcare measures and focal contact points.

The campaign is part of the project 'Promoting a new rural development approach in Akhalkalaki'. It is implemented under the European Neighbourhood Programme for Agriculture and Rural Development (ENPARD).

EU High Representative and Prime Minister of Georgia discuss bilateral affairs

On 21 April, EU High Representative Josep Borrell had a phone call with Georgian Prime Minister Giorgi Gakharia to discuss the global response to the COVID-19 pandemic, the EU's support to Georgia and the wider EU-Georgia agenda.

In view of the comprehensive partnership between the EU and Georgia, the High Representative and the Prime Minister agreed to further strengthen their relationship and said they are looking forward to meeting at the next Association Council.

Mr Borrell presented the EU's comprehensive package to support Georgia and the other Eastern partner countries in addressing the short- and long-term socio-economic impact of the pandemic. The support package amounts to €80 million for the immediate needs of the health sector, and €883 million for the short-term socio-economic impact of COVID-19. As part of this package, Georgia will benefit from over €180 million of redirected bilateral funds.

Mr Borrell reiterated the EU's strong support of Georgia's reform process. He also added that the EU firmly supports the sovereignty and territorial integrity of Georgia within its internationally recognised borders. The EU described the recent 'borderisation activities' along the administrative boundary line in the Georgian breakaway region of South Ossetia as 'completely unacceptable'.



Photo: European Union

David Sarajishvili - Country of Liquid Sun



David Sarajishvili, as a businessman, Maecenas and public figure, is an outstanding phenomenon in the history of Georgia.

David Sarajishvili, who had wide range of interests and goals from his youth, left Tbilisi for St. Petersburg after graduation from the Hacke Boarding School and Gymnasium No. 1. In 1866, he enrolled in the Faculty of Natural Sciences of St. Petersburg University and, after one year, continued his education at the Faculty of Chemistry at Munich University. In 1871, he was awarded the degree of Doctor.

Up until the year 1878, Sarajishvili studied agricultural sciences in Germany. Between 1878-1879, he visited France in order to study wine making and the production of strong alcoholic beverages. After returning from France, he intended to work in the sphere of agriculture but became engaged in vodka production. Although the mass production of vodka and cognac began in Georgia from 1850-1860s, the products of various producers were of low quality and production technologies were primitive.

David Sarajishvili purchased a vodka factory and launched the production of high quality alcoholic beverages. He was aware that Georgia vine varieties, with their organic properties and chemical composition, were close to the French von Blanc and Colombard grapes from which French cognacs were produced.

From the Sarajishvili's family estate, peasants delivered grapes by horse-drawn carriages to the Tbilisi rectification factory, located on Olga Street (currently Merab Kostava Street) for processing and making the cognac spirits. Sarajishvili started producing cognac spirits and their cask-aging using French technology. Anton Jurde, a famous specialist from the Cognac Department in France, was invited by Sarajishvili to provide assistance.

Sarajishvili's alcohol factory was opened on 1 September 1884, at the premises on Olga Street in Tbilisi. It underwent modernisation in 1886 and 1892 which led to the increase in the production of high quality cognac spirits by 40 times.

Sarajishvili was careful to keep the cognac spirits separately, grouped according to

their places of distillation, for the purpose of observation and their further adequate usage so as to prevent the mixing of the ethyl alcohols. In addition to the wines obtained from his own vineyards, he also purchased raw materials of alcohols from other large producers. Agreements with the winemakers were made in advance: Sarajishvili used to buy only those wines which were made without grape skins. The blending of cognacs and liqueurs in his factories was done by the French professionals, Jurde and Burdon.

Sarajishvili made the first step in the creation of a Russian cognac production technology. In 1889, at the session of a technical commission, he was first who spoke about the technological novelty permitting the reduction of the strength of the cognac alcohols through the addition of sugar syrup and distilled water. From 1890, therefore, the strength of Russian cognac was decreased from 55% to 45% and the addition of 1.5% sugar and distilled water was allowed. In this way, the method of production of Russian cognac approximated the French techniques.

In 1884, the firm Sarajishvili and Partners was established. After one year, together with his father-in-law, Ivane Porakishvili, Sarajishvili purchased the vodka factory located on 4.5 versts from Vladikavkaz and began production.

In 1902, the firm launched a new business involving trade in Kakhetian wine. Sarajishvili was engaged in wine production quite seriously which was further evidenced by the fact that he ordered a great number of American vines from France through the Imperial Agricultural Society of Caucasus for planting in large vineyards in Kvareli.

In addition to vodka production, Sarajishvili was interested in other business as well; specifically, the breeding of the bulls and pigs for market. At the time, only Georgians were employed in this business. In 1902, the public was informed about the intention of the meat shop commission to purchase 2,000 of cattle for slaughtering annually.

Sarajishvili was so charmed by the beauty of Caucasian goats that he placed a sculpture in their image in the yard of his house. The sculpture was made by Iakob Nikoladze and was placed at the office of Sarajishvili and Partners located on Olga Street, as well. Moreover, Sarajishvili also had a wall clock prepared by the French clock makers with the emblem of the Caucasian goat. It is not surprising, therefore, that the emblem of Sarajishvili's firm is a Caucasian goat on a rock.

In 1889-1913, cognacs and other alcoholic beverages produced by Sarajishvili's firm were awarded prizes at international and all Russian exhibitions and fairs with 11 gold, 2 silver and 1 bronze medals. His firm held a special place as well at the Caucasian Exhibition held in Tbilisi at the Mushtaidi Park.

In 1902, David Sarajishvili was awarded the title of Commercial Advisor for his contribution to development of alcoholic beverages. In 1913, his firm received the special title of Supplier of the Court of His Imperial Majesty.

The famous Caucasian Shashlik restaurant was located in the cellar of a building in the centre of Moscow, on Tver Street in front of Central Telegraph building. The owners served fine shashlik (grilled meat on skewers) together with stewed Spanish onions, velvety Mukuzani and a gentle and pleasant Georgian cognac which was produced in Tbilisi. Every evening, a young dancer performed the Lekuri dance with twelve daggers for which he was awarded the first prize at the international competition of the folk dancers in London in 1935. Diplomats and foreign guests visited this restaurant not only to taste the fine food and Mukuzani or Georgian cognac but also to see this dance performance as well.

David Sarajishvili initiated the production of cognac not only in Tbilisi but in Transcaucasus and Russia as well. He was the originator of an absolutely new production and he gained a market for his products and provided permanent subsistence to thousands of people. He became very wealthy through the expansion of his business and the sale of

his products and emerged as one of the most successful Georgian businessmen. With his knowledge and skills, he turned the property inherited from his father into millions and bequeathed this great wealth, which was gained by fair means, to Georgia.

Many of the strong alcoholic beverages produced by Sarajishvili's firm are popular even now - cherry, apricot, raspberry, rose, black currant and pepper vodkas, peach and apricot liqueurs, Jamaican rum, Swiss Absinthe, tarragon and quinine beverages, amongst them.

Sarajishvili's firm existed until 1916 when David's his wife, Ekaterine Sarajishvili, died. (Porakishvili was her maiden name). Afterwards, upon the basis of the firm, the so-called D. Z. Sarajishvili Partnership was established which operated to the end of 1919.

David Sarajishvili's work was not vain. Georgian cognac production, which was created by him and based upon his vast experience, has had many achievements. Fortunately, there are some very old cognacs which are stored in the cellars of company David Sarajishvili and Eniseli. This repository is indeed unique as it is hardly imaginable that cognac alcohol, made in 1893 would be still available as a legacy in the form of this legacy of David Sarajishvili.

