

OPINION & ANALYSIS

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BY KHATIA BZHALAVA

On the briefing of May 13th, at the Ministry of Healthcare the director of National Center of Disease Control, Amiran Gamkrelidze talked about PCR tests, experience of Coronavirus treatment using plasma and drug called 'Remdesivir'.

As Gamkrelidze stated according to the algorithm declared by the Ministry of Healthcare, major testing is implemented via tests based on PCR technology and so far, 33000 people have been tested with his method.

He clarifies that world recommendations favours and validates tests established only on molecular technology (PCR). In January-February these tests were assembled by laboratory assistants, but from the beginning of February, various companies commenced mass production of tests based on PCR technology. As he stated, unlike rapid tests, PCR ones are enclosed with extensive documentation, which assures their reliability, therefore every confirmed case of coronavirus has been examined with PCR technology tests.

Gamkrelidze also paid attention to the successful experience when they used plasma of a cured person to treat a patient infected with coronavirus, however, this method could not be widely used since the resources are limited.

"The principle of treatment with plasma is not unusual in medicine and is used for several other diseases and regarding the specific circumstances in which it should be used, treating 100, 200, 300, 1000 patients with this

Head of NCDC shares coronavirus epidemiological updates



► Head of NCDC, Amiran Gamkrelidze.

method is not possible. As far as I know, in Georgia, this method has been developed by the team lead by Tengiz Tsertsvadze, and has been successfully used in one patient. It is possible for this method to be included in the protocol and probably should be, but it can not be widely used," said Gamkrelidze.

He also mentioned a drug 'Remdesivir' and clarified that in case there

is a necessity, this preparation will be used only on severe patients who will be selected randomly.

As he explained the drug was developed in 2015 by one of the largest companies in the field - 'Gilead', and was being used during the Ebola outbreak. It was also used in Wuhan, China and nowadays is used in every country where it is available. He points out

that yet there are no solid researches or proofs that confirm that the drug is able to cure the virus, consequently WHO has decided to conduct a survey in numerous countries in order to finally confirm or deny the effectiveness of 'Remdesivir' against COVID-19.

As for May 13th, there are 647 cases of coronavirus infection, with 372 recoveries and 11 deaths.



► in case of necessity, drug 'Remdesivir' will be used in severe patients.

Anaklia Deep Water Seaport as perfect solution for Georgia's economic resurgence

By KHATIA BZHALAVA

In the statement issued by Anaklia Development Consortium, readiness to cooperate with the government and attract additional investment is expressed. According to the statement As Georgia turns its attention toward rebuilding the nation's economic strength in the wake of the Covid-19 health crisis, two vital ingredients of a strong economy - foreign investment and major infrastructure projects – naturally come to mind.

The statement promises that the development of a deep water seaport at Anaklia, together with the surrounding Special Economic Zone will be a leading stimulator to Georgia's economic rebirth as it would be a catalyst for thousands of jobs and the creation of a new, vibrant city.

Anaklia Development Consortium declares readiness to promptly restart working.

"While the project is currently stalled by a dispute with the Government, ADC has temporarily paused with filing an arbitration claim against the Government as Georgia responds to the Covid-19 public health crisis. At the same time, ADC has voiced its willingness to avoid the arbitration so that the dispute does not further delay this strategic infrastructure project, and work cooperatively with the Government to attract additional investors and continue with the work that has already commenced," reads the statement.

According to Anaklia Consortium, development of deep water seaport will benefit the country greatly and to prove the point following beneficial factors are mentioned: Foreign investment: Foreign investors are already on-board with the project, with more being solicited; Jobs: Direct and indirect employment of up to 16,000; Revenue for the Government: Over the duration of the concession, the royalties to be paid by ADC to the government are estimated to be USD 500 million. In addition, ownership of the Port of Anaklia will transfer to the Government at the conclu-

ANAKLIA DEVELOPMENT CONSORTIUM RELEASES A STATEMENT.



▶ Anaklia Deep Water Seaport.

sion of the concession period, meaning even further direct revenue for the Government.

As the statement reads, significant advancement has already been obtained. ADC has been actively promoting Anaklia deep water seaport on an international level; After signing investment agreement in 2016, consortium has also signed cooperation agreements with strategic peers along the Middle Corridor (ports in Azerbaijan, Kazakhstan and Turkmenistan); joined the Trans-Caspian International Transport Route to become a vital part of the cargo transit between Europe and China; collected commitments to attract new bulk cargo from Central Asia; and established cooperation with the Constanza port in Romania to secure the connectivity with the European Union as a major trade partner.

ADC has signed Mandate letters with four international financial institutions (IFI) including the European Bank for Reconstruction and Development (EBRD), the Asian Development Bank (ADB), the Asian Infrastructure Investment Bank (AIIB) and the Overseas Private Investment Corporation (OPIC) for debt funding of USD 400 million. Within the framework of the project, ADC has been cooperating with some major foreign companies- SSA Marine, ZPMC, Hyundai and Van Oord Dredging and Marine Contractors BV.



▶ Anaklia Development Consortium has been collaborating with major foreign companies.

According to the long-term view of the project, parallel to the development of the port, Anaklia will be a modern innovative city with distinctive urban design, featuring modern sea, rail and air links, and considerable diverse employment opportunities in logistics light manufacturing, development, healthcare and other sectors, with an emphasis on sustainability.

Alongside the development of Anaklia deep water port, ADC has also been considering the development of the Anaklia City Special Economic Zone and to carry out this project,

ADC works in accordance with Japanese investors, who have expressed their readiness for further commitments.

According to the statement, Anaklia is the only suitable location, if Georgia is to realize its full potential as a transport hub and a transit corridor.

"Anaklia is the only suitable location if Georgia is to realize its full potential as a transport hub and transit corridor. The long-term commitments for the Anaklia Deep Seaport project and constant upgrade of the port's capacities is a sound signal to Georgia's neighbours and partners that the country is a

reliable and committed partner for the development of international transportation corridors," the statement reads.

ADC pledges that once the project is undertaken, Anaklia city will be an international transport and logistical hub and world-class business and cultural destination, assuring the city to become a focal point between Europe and Asia.

In March, the Prime Minister Giorgi Gakharia announced that according to the Epidemic situation the port of Anaklia needed to be built and if anyone had any resource and could provide additional investment for Anaklia or any other major project, the government would be ready to provide all kinds of support in order to create jobs for citizens.

However, after the release of ADC's statement, On May 13th, Chairman of the United Nation Movement faction, Roman Gotsiridze said that the port of Anaklia would never be built under the current government as the Georgian Dream would not let it happen. In addition, he stated that without changing the government no major Georgian project would be implemented and considers such beliefs as pure illusions.

The project of Anaklia deep water seaport has been terminated since February 2020, due to disagreement between the government of Georgia and the investor company of the project.

THURSDAY		MAY 14
Day		Sunny
		High: 26°C
Night		Clear
		Low: 14°C
FRIDAY		MAY 15
Day		Sunny
		High: 28°C
Night		Cloudy
		Low: 14°C

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EBRD: Georgia's GDP will fall by 5.5 % in 2020

By NATALIA KOCHIASHVILI

The European Bank for Reconstruction and Development (EBRD) has released a new macroeconomic review on 13th of May. The bank forecasts a 5.5% economic decline in Georgia in 2020. At the moment, this is the most pessimistic forecast for the Georgian economy, as both the IMF and the National Bank of Georgia (NBG) are considering a 4% reduction in the economy's forecast.

At the same time, by 2021, the EBRD expects economic activity to improve in the country and grow by 5.5%. The sharp drop in tourist flow is the main reason for the EBRD's decline in Georgia's growth. The report notes that the hospitality sector will be severely hit due to travel bans amid coronavirus fears.

"With tourism receipts normally amounting to nearly one-fifth of GDP, the negative impact will be widespread across many sectors. We expect the economy to shrink by 5.5 per cent in 2020 before recovering by 5.5 per cent in 2021," said the report.

Revenues from tourism account for almost one-fifth of the country's GDP, 20%.

"If social distancing remains in place for much longer than expected, the recession may deepen further and fail to reach the level of production per capita in 2019 over the years," the document read.

The EBRD says that Geor-



► Economies across the regions of the EBRD may contract on average by 3.5% this year, because of the impact of the coronavirus, with a rebound of 4.8% possible in 2021.

gian economic growth amounted to 5.1% in 2019. It notes that Georgia had a record number of 7.7 million international visitors last year.

According to the bank, Georgia's economy will shrink by an average of 3.5%, compared to 1.2% in Central Asia.

The Georgian government estimates that about 350,000 jobs will be lost in the country due to coronavirus. People employed in the agricultural sector are not considered in this number. Inflation is also named as a major problem for the country.

As for other countries in the South Caucasus, Azerbaijan and Armenia, a document published by the EBRD says that, Armenia's economic downturn forecast for 2020 is 3.5%, for Azerbaijan 3%. The EBRD forecasts an economic rebound of 5.5 per cent in Armenia and recovery of 3 per cent in Azerbaijan by 2021. As for Ukraine and Russia, the economy



► Loss of tourism receipts will be a significant blow to the Georgian economy

is predicted to shrink by 4.5%.

Meanwhile, the International Monetary Fund (IMF) says that economic growth in Georgia will reach 3% in 2021, while it will be reduced by 4% in 2020.

The World Bank projects Georgian economic growth to slow sharply this year, coming close to 0% in 2020 due to the challenging external environ-

ment and impacts of the COVID-19 pandemic.

International Investment Bank Renaissance Capital also released its updated macroeconomic forecast for Georgia. According to the document, the bank forecasts a recession in Georgia in 2020, however, the scale of the recession is relatively smaller than the IMF predicts, and it is -2.9% instead of -4%.

From a sectoral point of view, the focus of Renaissance Capital's research in this review is also the

60% due to quarantine measures, and in April-June, it will actually be equal to 0, however. If the sector is opened from July 1st, the country will have the opportunity to maintain the flow during the peak of the season.

According to the basic scenario prepared by Renaissance Capital, at least less than half of the tourist visits to the country will be restored during the second half of 2020. At the same time, the share of local tourists in the sector will increase. "Overall, the measures announced by the government should help reduce the sector's losses and keep the country's GDP decline at about 2.9%," the Renaissance Capital said in a statement.

Another issue related to the bank's research is the exchange rate of the Georgian national currency. Renaissance Capital writes that according to the basic scenario, against the US dollar, the Georgian GEL should remain at the 3.2 mark until the end of the year.

The loss, which will be related to the decline in exports and exports of services, is expected to be in the range of \$1 billion, and in terms of remittances in the range of \$500 million. This will be offset by declining imports from Georgia, as well as lower oil prices, claims the statement. The decline in foreign exchange inflows will be offset by international financial institutions, which plan to issue a \$3 billion package to help Georgia.

Initiative of Georgian Presidency of Committee of Ministers: restorative and child-friendly justice

On 12th of May, the Council of Europe has published a set of statements and resources on restorative justice and participation of children in judicial proceedings that were meant to be presented at a high-level conference in Strasbourg cancelled due to the COVID 19 health crisis in Europe.

Every year, thousands of children across Council of Europe member states are involved in judicial proceedings. Whether a victim of crime or in conflict with the law, they are often vulnerable and in need of protection: in other words, they need justice systems to be "child-friendly".

The crisis and particularly the introduction of broad confinement measures in an effort to save lives were mentioned by Council of Europe Secretary General Marija Pejčinović Burić in her welcome message. "However, confinement can leave children locked in with their abusers, with little opportunity to raise the alarm", she warned. "These children must have a place to go with access to professionals who can help them to piece their lives back together".

The difficulties in accessing



► Promoting child-friendly restorative justice and exchanging best practices in this area has been one of the priorities of the Georgian Presidency of the Council of Europe. Photo: MFA Press

justice is not something new, Secretary General Burić underlined. "Victims may experience fear, shame and feel that they are among the least likely groups to be heard or have their views taken into account during judicial processes," she stated. "Our justice systems must help them to overcome the trauma, not compound it."

In her statement Tea Tsulukiani, Vice Prime Minister and Minister of Justice of Georgia presented the Georgian national experience with restorative justice for children in con-

flict with law since the launch of reforms several years ago. "Breaking away with the zero-tolerance in the juvenile justice system highlighting criminal sanctions and massive use of detention rather than non-custodial alternatives, prevalent in Georgia before 2012, was the single biggest challenge that we encountered."

The Juvenile Justice Code adopted in 2015 introduced an entirely new philosophy for children in conflict with the law, where non-custodial measures were made a default and crimi-



► 'Justice systems must help children overcome fear and trauma, not make them worse'. Photo: Equal Education Law Centre

nal sanction the exception, the Minister said. "We are making maximum use of diversion and mediation for children and young people under the Code whereby juveniles are dealt with without resorting to judicial proceedings or trial with human rights and legal safeguards respected", she stated. "It is an encouragement offered to young people in conflict with the law to return to law-abiding life without punishment nor conviction, in exchange for voluntary participation in the programmes tailored to their needs, with the involvement

of an independent and neutral person – a mediator," the Minister explained, stressing that as of 2019, only 9% of juveniles previously involved in diversion/mediation programs committed crime again.

The creation of a Child Referral Mechanism and Referral Centre for juveniles in January 2020, and the introduction of "micro prisons" (family-type establishments), with the first two to be operational by the end of 2021, are examples of the holistic approach to child-friendly justice, Minister Tsulukiani said.