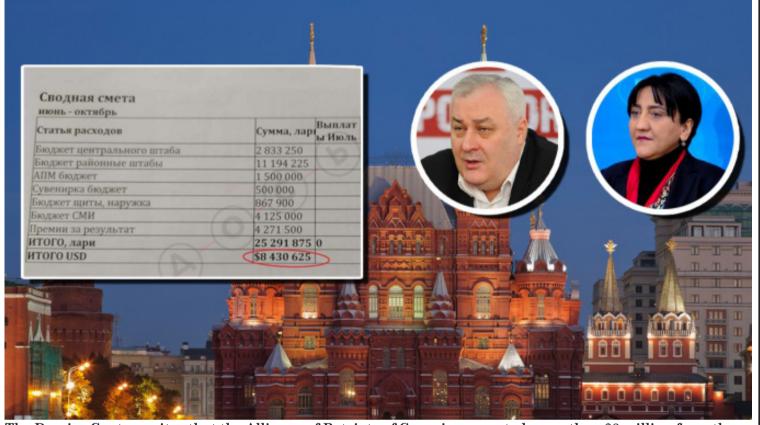
Dossier Center: Kremlin Interferes in Georgia Polls, Aids Alliance of Patriots



The Dossier Center writes that the Alliance of Patriots of Georgia requested more than \$8 million from the Administration of the President of Russia.

By Natalia Kochiashvili

Russian investigative project established by the prominent Kremlin critic, Mikhail Khodorkovsky to track criminal activities of Kremlin-associated persons, Dossier Center released an investigative report, claiming that the election campaign of the Alliance of Patriots, is backed by Russia.

According to the report, for the upcoming October parliamentary polls, the Kremlin is placing its bets on Vice-Speaker Irma Inashvili and David Tarkhan-Mouravi, the leaders of Alliance of Patriots party. The report reads that a pre-election budget, worth millions, has already been drafted. It does not, however, provide any documentary proof of the sums being disbursed. So far only the first part of the investigation has been released.

The report details the network which handles the relations with the Alliance. The key coordinating role is allegedly played by the Presidential Directorate for Interregional Relations and Cultural Contacts with Foreign Countries, formed by Vladimir Putin in 2005 with the initial goal to counteract so-called color revolutions.

The Directorate is led by Vladimir Chernov, General of the Foreign Intelligence Service (SVR). According to Dossier, he is a close associate of President Vladimir Putin's friend, his former chief of staff, Sergey Ivanov. The key positions in the Directorate are reportedly held by former staff members of Federal Security Services (FSB), Main Intelligence Directorate of the General Staff (GRU) and the SVR

Dossier Center bases its investigation on documents lifted from Chernov's sec-

retariat, including working documents, analytical reports, financial estimates, election manuals, and operational reports.

The Dossier Center writes that the Alliance of Patriots of Georgia requested more than \$8 million from the Administration of the President of Russia.

Georgian oppositionists have sent a budget for 4 months of the election campaign to Moscow. They are ready to spend \$166,667 on souvenirs alone, and the total expenses are estimated at \$8,430,625, which is a huge amount for poor Georgian opposition of the sent and the sent and

gia", says Dossier Center.

According to the Dossier Center, the Alliance of Patriots of Georgia has hired political strategist Sergey Mikheev and the Moscow company POLITSECRETS to promote the party.

He was apparently sanctioned by the European Union on Lithuania's initiative in 2014. Mikheev, the report said, is supervised by Chernov's direct subordinates – FSB Colonel Valery Maksimov and GRU officer Valery Chernychov.

Moscow-based company

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Deposits increased by \$\psi 1.8\$ billion in July



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POLITSECRETS, headed by Vera Blashenkova, a Russian campaigner and author, is in charge of the direct promotion of 'Patriots'. Blashenkova claims to have been engaged in election campaigns in Kyrgyzstan, Kazakhstan, Ukraine, and Russia, including for the ruling United Russia party.

According to the leaked documents, Russia has mobilized media agencies, including "Sputnik Georgia", "EurAsia

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Opposition demands Alliance of Patriots of Georgia is banned from the October elections due to alleged Kremlin support.

The probable collapse of authoritarianism in Belarus and the Georgian elections

By Malkhaz Matsaberidze

Y eorgia has a little more than two months left before the parliamentary elections. Its consequences will depend not only on the domestic situation but also on the foreign policy background. It is important for countries in transition to democracy, what trends dominate in the near or distant neighborhood. Of particular note in this regard are the developments in Belarus since the August 9th presidential election. What is happening in Belarus was a complete surprise to many.

Lukashenko has ruled the country for 26 years and believed victory in the next presidential election would be easy - the opposition was weak and a large part of the people was making peace with his rule. Lukashenko has presented himself as a guarantor of stability and some prosperity. He was planning on ruling the country for an infinitely long time and was said to be preparing his son as his successor. He was called "the last dictator"

of Europe," and such an epithet did not bother him much. The announcement of the results of the August 9th presidential election changed Belarus at once. Lukashenko has been accused of falsifying election results, and a powerful wave of protests has swept the country. The repression failed to quell protests, and the West declared the election results illegitimate and imposed sanctions on the Lukashenko regime. The events in Belarus are a stern warning to anyone thinking of rigging the election results and extending their own rule.

Lukashenko's Belarus is a loyal ally of Putin. The end of his rule will be a double blow to Putin - first of all, his plans for 'post-Soviet integration' Putin's eternal presidency will be brought into question. That is why Moscow is likely to do everything in its power to keep Lukashenko at bay and view Belarus in a "geopolitical context" as a Western attempt to undermine Russia's position in the post-Soviet space. In any

case, a "new front" is being created for Putin's Russia in the form of Belarus.

The Georgian government does not comment on the developments in Belarus. The election results were neither ignored nor condemned. The statement was issued by the President of Georgia. "We avoid all forms of violence. We believe that Belarus and its people will be able to find a democratic solution to their future," Salome Zurabashvili said. The democratic opposition in Georgia demands that the government condemn Lukashenko. Pro-government analysts say that official Tbilisi's restraint over the events in Belarus is completely logical and correct. They believe if Lukashenko remains a president, the support of the Belarus opposition by the Georgian government may pose a threat to our country.

An angry Lukashenko may comply with Moscow's old demand and recognize the 'independence' of Abkhazia and Tskhinvali. However, Lukashenko recently admitted that his non-recognition of the 'independence' of the two territories was due to fears of Western sanctions and nothing else. The Georgian media and the opposition reacted strongly to the August 16th flight between Tbilisi and Minsk. As the government explained, Georgian Ambassador Valeri Kvaratskhelia, who had left Minsk on August 6th, returned there. Ukraine, on the contrary, summoned its ambassador from Minsk, while the Georgian ambassador to Ukraine has not been in Kyiv for a long time.

The main conclusion that the Georgian government should draw from the events in Belarus is simple - the democracy of the upcoming parliamentary elections should not be questioned. This will be followed by protests from the opposition and a strong reaction from the West. On August 19th, an NDI survey was published that showed high expectations of citizens about the democratic conduct of the upcoming elections. However, many problems remain in the pre-election period, which further strengthens the polarization and undermines public confidence in the electoral process. These include the abuse of administrative resources and the judiciary, hate speech, intimidation and harassment of voters, and restrictions on the freedom of media. The NDI report sets out 30 recommendations for improving Georgia's electoral system.

However, the opposition does not believe the government's promises about holding transparent elections. On the contrary, they say that a large part of the NDI named recommendations will remain unfulfilled. On August 19th, 30 opposition parties adopted a declaration. According to the declaration, Ivanishvili's oligarchic rule is the biggest challenge for the democratic development of the country. The signatory parties pledge to work together to "end the harmful custom of electoral manipulation in Georgia."

> (Translated from Georgian by Mariam Mchedlidze)

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Daily", REGNUM, and political center "North-South" to provide AP with information support.

The investigative report claimed that Mikheev had sent a \$700,000-draft budget to the Staraya Square (the location in Moscow where the Presidential Executive Office is situated) at the beginning of the year. The budget covers services of political consultants, including transportation and accommodation fees, however, costs may rise should the second round in some majoritarian constituencies become necessary. According to Dossier, "\$ 700,000 was found somewhere, and the work kicked

The nativist party allegedly

Weather

Wednesday, August 26

Day Clear
High: 27°C
Night Clear
Low: 15°C

Thursday, August 27

Day Clear
High: 29°C
Night Clear
Low: 16°C

wanted to benefit from "the Inashvili-hosted TV-program" "Magic Box" which would offer prizes worth \$700-1000 to low-income families; however, Mikheev reportedly had warned Alliance of Patriots against potential legal consequences due to vote-buying charges.

Aside from \$700,000 requested by Mikheev for his services, Alliance of Patriots reportedly handed Moscow an \$8,430,625 budget proposal to cover the party's campaign expenses. A comprehensive list of expenses includes funds needed for souvenirs, media-expenses, central and regional offices, etc.

According to the report released by Transparency International Georgia, a local watchdog, the revenues of the Alliance of Patriots in 2019 stood at \$\inspec\$1,676,618 making it the second after the ruling Georgian Dream party which received \$\inspec\$9,502,653.

Some of the Blashenkova's recommendations for the Alli-

ance of Patriots, as disclosed by Dossier, include:

Working with undecided voters; Taking votes away from larger parties, including the governing Georgian Dream party (GD), opposition United National Movement (UNM), and Kremlinfriendly Nino Burjanadze's United Georgia – Democratic Movement. Fueling protest sentiments among Georgian voters. including by breeding public discontent, even if it is "beneficial for UNM/UG-DM and completely detrimental to the GD". by articulating current problems and negative future scenarios.

Potential grave scenarios include economic and political consequences of tensions with Russia should the UNM regain the power, U.S.-ordered experiments with minors in terms of 'early sexual education,' against a rise of tolerant attitudes towards the LGBTI+ community, etc. POLITSECRETS has already prepared some campaign videos with infographics depicting

problems in demography and crime rates.

Fueling up envy and greed among ordinary voters by shaming fancy lifestyles of government and opposition elites against the background of the general poverty in the country; Vote splitting to prevent forming potential parliamentary coalitions through smear campaigns against their opponents, including by pointing at their aggressive attitudes towards each other and their inability to reach agreements.

Interestingly, the report said, Blashenkova has also requested information on persons openly supporting the Alliance of Patri-

Elene Khostharia, one of the leaders of the European Georgia party and the majoritarian candidate for the Vake district of Tbilisi, has even submitted a statement to the General Prosecutor's Office of Georgia today regarding the Kremlin's financing of the Alliance of Pa-

triots of Georgia.

Inashvili denies the allegations. She says that former President of Georgia Mikheil Saakashvili and Giga Bokeria (currently one of the leaders of the opposition European Georgia party and a former member of Saakashvili's United National Movement party) ordered this investigation be given to the Dossier Center. According to Inashvili, she has submitted a response statement to the prosecutor's office and demands the removal of the European Georgia and the National Movement that torture people.

Georgian candidates and parties are prohibited from receiving donations from foreign citizens, companies, international and religious organisations, movements, government agencies, as well as from anonymous sponsors in Georgia.

Parliamentary elections are scheduled to be held in Georgia on October 31st to elect 150 members of parliament: 120 deputies will be elected according to party lists, and 30 - according to majoritarian districts. In addition, the barrier for a party to enter parliament has been lowered and stands at 1%.

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Deposits increased by (1.8 billion in July



Loans in GEL increased by 233 million in July.

of the current year.

"As of August 1st this year, the 'larization' ratio of total loans was 42.72%. "Compared to July 1, 2020, the 'larization' of total loans decreased by 0.19 percentage points (excluding the exchange rate effect, increased by 0.38%)," said in the report of the NBG.

According to the National Bank, \oplus 30.54 billion was deposited in the banking sector as of August 1st, which is \oplus 1.77 billion or 6.16% more than in July (5.41% more without exchange rate effect).

In July, compared to the previous month, there was an increase in time deposits by 684.57 million or 5.15% (increased by 4.58% without the effect of the exchange rate), and demand deposits by 1.09 billion or 1.02% Increased (in-

creased by 6.13% without the effect of the exchange rate).

According to the NBG, the deposit 'larization' ratio was 39.42% as of August 1st, which is 0.83 percentage points higher than the same data of the previous month (excluding the exchange rate effect, it increased by 1.11 percentage points).

It should be noted that in the reporting period, the share of USD in foreign currency deposits was 84.53%, while the share of EUR was 14.11%.

As for interest rates, the weighted average annual market interest rate on time deposits in July was 6.68%, including 8.71% on deposits in national currency and 2.54% on deposits in foreign currency.

By Natalia Kochiashvili

A ccording to the National Bank of Georgia (NBG), the volume of loans issued by commercial banks in July (excluding interbank loans) increased by © 694.04 million (2.05%) compared to June (excluding exchange rate effect, increased by 0.72%) and amounted to ©34.49 billion as of August 1st, 2020.

During the same period, the volume of loans in national currency increased by $\triangle 232.94$ million (1.61%), while the volume of loans in foreign currency increased by $\triangle 461.10$ million (2.39%) (excluding the exchange rate effect, it increased by 0.05%)

At the end of July 2020, commercial banks issued loans to resident legal entities in the national currency amounting to $\triangle 4.44$ billion (0.40% less than in the previous month), and in foreign currency amounting to $\triangle 12.16$ billion (2.83% more than in the previous month) (without exchange rate effect, 0.46%).

During July 2020, the volume of lending to the resident household sector increased by 2.37% or $\ ^{\ }$ 395.84 million and amounted to $\ ^{\ }$ 17.1 billion by August 1^{st}



As a result of trading on August 25^{th} , the national currency depreciated slightly against the dollar by 0.35 tetri to ± 3.0778 .

