

POLITICS

Opposition changes its plans about holding rallies in process of negotiations with the government



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Parliament approves environmental liability law



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BY KHATIA BZHALAVA

On March 2, the US Department of State released the 2021 Money Laundering report, which reads that the overall number of money laundering cases in Georgia is low in 2020 compared to the number of predicate offenses. The report also says that the current economic situation in Georgia creates a convenient ground for money launderers.

The US Department of State reports that in June 2020, the Financial Monitoring Service of Georgia and the Financial Investigation Department adopted new regulations to define the future of Georgia's AML/CFT (anti-money laundering program) regulatory framework. Georgian law enforcement has exercised monitoring mechanisms set up in recent years to detect links between drugs, organized crime, and money laundering. The report also says that the considerable illegal income in Georgia comes from bank fraud and cybercrime. The US Department of State notes that cryptocurrency, which is not regulated in Georgia, should be addressed, along with the gaming industry.

"The general economic situation in Georgia, which is far from a developed one, forms a fruitful ground for money launderers to find frontmen. Ease of doing business, which enhances Georgia's attractiveness for clean investments,

US Department of State evaluates money laundering risks in Georgia



► The US Department of State

is a vehicle for ill-gotten funds to enter the financial system. Cryptocurrency is unregulated in Georgia, increasing vulnerability to money laundering," reads the report.

Based on the monitoring mechanism established in previous years, prosecutors identified links between drugs, organized crime, and money laundering. The US Department of State believes that the uncontrolled growth of the gaming industry, including internet gaming, is concerning.

According to the report, Georgia continues to be a popular virtual currency mining location as bitcoin and other virtual currencies are extremely

popular. It is also noted that Georgia has an adequate legal and institutional framework for investigating and prosecuting money laundering offenses, however, the country lacks experienced cybercrime labs and has few qualified digital forensic analysts. The Prosecution Service of Georgia (PSG) recently created a new cybercrime department and is currently in the process of developing cryptocurrency seizure guidelines, which will be used by law enforcement.

The report shows that the number of STRs (Suspicious Transaction Report) submitted by gaming businesses has increased from 1 (2018) to 10 (2020).

"This change is attributed to government efforts to establish monitoring departments within gaming entities, develop guidelines on the reporting requirements for gaming businesses, and implement awareness-raising programs. However, the overall number of reports is still suspiciously low and may indicate the gaming industry may not be fully complying with existing regulations," reads the report.

Georgia's 2019 money laundering risks are assessed as medium and terrorism financing risks as low. The report reads that "Georgia has policy-level inter-agency cooperation but lacks a taskforce approach at the operational level." The US Department of State believes Georgia should take steps to supervise and improve regulation of its gaming industry, and Georgian prosecutors and law enforcement authorities should continue to emphasize pursuing links between organized crime and money laundering.

Another report of The US Department of State on Drug and Chemical Control reads that due to the COVID-19 crisis, domestic drug use has increased in Georgia, particularly narcotics purchased via cryptocurrency on the Dark Web. The report mentions that the Georgian government closed the country's borders in March 2020 to avoid the spread of the coronavirus, which, according to the Ministry of Internal Affairs is a probable cause of a 66 percent decrease in drug smuggling from January to August of 2020 compared to the same period in 2019. The report notes that the overall drug-related crimes in Georgia decreased by approximately 32 percent in the same period.



► According to the report, Georgia has an adequate legal and institutional framework for investigating and prosecuting money laundering offenses.

Opposition changes its plans about holding rallies in process of negotiations with the government



► Manjgaladze said the opposition will hold a series of protests in a 'modified format'.

BY NATALIA KOCHIASHVILI

Opposition parties have temporarily postponed joint protests until the completion of negotiations with the government, which was initiated by the President of the European Council Charles Michel. The big rally, scheduled for March 13, and the picketing of government buildings were postponed until March 20.

“In order not to give the government additional grounds, additional reasons to refuse or disrupt the talks, the opposition decided to temporarily postpone the non-violent rallies until the end of the talks, which was set for March 16,” said a member of the Strategy Aghmashenebeli

opposition party Paata Manjgaladze.

UNM member Tina Bokuchava said that as it is very important for the UNM that the opposition works together. Instead of holding a rally at the administrative building of the Government of Georgia on March 5, they will drive in a convoy from Republic Square to Rustavi Prison, where Nika Melia is serving his sentence.

Opposition leaders gathered on Rustaveli Avenue a few days ago and decided to picket government buildings. The government administration, the Ministry of Internal Affairs, and the Court were scheduled to be picketed from March 5 to 13, including a



► After months, opposition politicians, who met with ruling party leaders after the October parliamentary elections 4 times, held the first direct dialogue with the PM on March 1.

large rally in front of the parliament on March 13. The political crisis was exacerbated by the arrest on February 23 of the arrest of Nika Melia, the leader of the United National Movement. Against the background of the

current crisis, the first dialogue between the government and the opposition, initiated by the President of the European Council Charles Michel took place on 1 February. The next day, the opposition organized a picketing

rally at the Parliament building, which Georgian Dream described as destructive.

“The attempt to picket the parliament, which is against the interests of the state and our people,” he said.

Georgian FM visits Turkey on the 100th anniversary of Georgia-Turkey diplomatic relations

BY KHATIA BZHALAVA

Yesterday, Turkish Foreign Minister Mevlut Cavusoglu hosted his Georgian counterpart David Zalkaliani in Ankara, on the 100th anniversary of Georgia-Turkey diplomatic relations. According to the Ministry of Foreign Affairs of Georgia, the meeting focused on the current issues of bilateral agenda, as



► Georgian Foreign Minister David Zalkaliani and his Turkish counterpart Mevlut Cavusoglu

well as challenges, threats, and the prospects facing the region.

The colleagues discussed the successful cooperation between the two countries in terms of politics, trade, economics, transport, energy, culture, defense, and security. The sides noted that Turkey is one of Georgia's significant trading partners and pointed out the need to increase the prospects of growing Georgian exports to the Turkish market. The parties welcomed the steps taken towards further liberalization of tariffs within the framework of expanding free trade agreements.

Foreign Ministers welcomed the format of trilateral Azerbai-

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THURSDAY MARCH 4

Day ☀️ Mostly sunny
High: 9°C

Night 🌙 Partly cloudy
Low: 0°C

FRIDAY MARCH 5

Day ☁️ Partly cloudy
High: 13°C

Night 🌙 Clear
Low: 0°C

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Parliament approves environmental liability law



► According to IQAir on average, 3741 people die as a result of air pollution each year in Georgia.

BY NATALIA KOCHIASHVILI

Parliament approved in the third reading a package of legislative initiatives on “environmental responsibility”, which imposes new obligations on enterprises operating in Georgia. Amendments have been made to a total of 7 Georgian laws, including the Law on Atmospheric Air Protection, according to which large enterprises in Georgia will have to install air monitoring systems.

The implementation of the new regulations is mandatory

from June 1, and the obligation to control air pollution applies to a total of 85 enterprises.

The new installations will monitor how much air is polluted by a particular company and whether the degree of pollution exceeds the established norms.

Even though there are only a few months left before the regulation goes into effect, an accurate list of so-called pollutants has just been provided to businesses. According to the private sector, this is one of the reasons why the equipment has not been purchased so far.

Levan Vepkhvadze, executive director of the Georgian Business Association, says that 3 months left before the new regulation enters into force, is not enough time to purchase and install the equipment. According to him, it’s a logistical issue since the installation of the equipment could cost the company €1 million as it has many emission points.

“The company has to announce an international tender, other companies have to be given a deadline to participate in this tender, then a selection has to

be made, then the contract is negotiated individually, which lasts for 2-3 weeks. After all this, money is transferred, and installed,” he said, adding that terms are unrealistic.

The private sector demanded the postponement of commitments, but the Parliament approved the legislative package in the third reading. The deadlines for the enactment of the regulations have been partially extended to a total of 6 months, to ensure that the by-laws are drafted before their enactment.

“We had several meetings



► The new obligation to control air pollution applies to a total of 85 enterprises.

with business and agreed that the new regulations, which provide for air monitoring, will enter into force this year. We also introduced the draft by-law to the business, as well as sent a letter to each company and the Ministry has a group of employees who advise the business,” Nino Tandilashvili, the Deputy Minister of Environment, told *bm.ge*.

According to the Ministry of Environment, consultation meetings have been held with businesses before law amendments. The ministry also underlined that it would not be able to inspect all companies right after the rule enters into force, but the Supervision Service will plan the process and follow it.

Businesses will have to incur financial costs to meet new requirements. According to the explanatory card, the installation of a self-monitoring system for each harmful substance, (there are 6 of them in total), costs an average of €10-15 thousand, although the private sector says that one device is needed for each disposal point, which rounds up to immense costs.

Georgian FM visits Turkey on the 100th anniversary of Georgia-Turkey diplomatic relations

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jan-Georgia-Turkey cooperation in the region and agreed to facilitate strengthening this format in terms of regional development. Zalkaliani stressed that the countries of the region should be open to the involvement of European and Asian partners in cooperation initiatives. He stressed that such cooperation should focus on economic projects that would contribute to sustainable development in the region and strengthen economic ties with Europe and Asia.

According to the Georgian Public Broadcaster, the Turkish Foreign Minister focused on trade relations and stated that the trade volume between Turkey and Georgia is \$ 1.8 billion, however, Cavusoglu highlighted that it is important to further develop

the cooperation and increase the volume to \$ 3 billion. The Turkish FM stressed that Turkey supports Georgia’s territorial integrity, including Abkhazia and the so-called South Ossetia. “Respecting territorial integrity is crucial for the establishment of peace and stability in the region,” said Cavusoglu. The Minister of Foreign Affairs of Georgia expressed gratitude to Turkey for its support and once again stressed how firm and important the ties between the two countries are. Within the framework of Georgian FM’s official visit, Zalkaliani will also meet with Turkish Vice-President Fuat Oktay and at the end of his visit, Zalkaliani will visit the Embassy of Georgia in Ankara, where a symbolic celebration of the 100th anniversary of diplomatic relations will be held.



► Cavusoglu stressed that respecting territorial integrity is crucial for establishing peace and stability in the region and reaffirmed his support towards Georgia’s territorial integrity.