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FOCUS

ON REOPENING FLIGHTS FROM RUSSIA

Georgian citizens, opposition protest the reopening of flights between Georgia and Russia, claiming it will harm the country's chances of getting EU candidacy PAGE 3,5

Image source: Maxim Shipenkov/EPA-EFE

Embassies: Take a Stand for Human Rights For All: Stop Discrimination and Violence against LGBTQI+ Persons in Georgia

A joint statement was issued this week by the United Nations system in Georgia, the Delegation of the European Union to Georgia, the Embassies to Georgia of Austria, Belgium, Bulgaria, Canada, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Ireland, Israel, Italy, Latvia, Lithuania, the Netherlands, New Zealand, Norway, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Switzerland, the United Kingdom and the United States, the European Investment Bank's Regional Representation for the South Caucasus, and the Head of the EU Monitoring Mission in Georgia.

"On the International Day against Homophobia, Biphobia and Transphobia (IDAHOBIT), we celebrate diversity and call for solidarity with the lesbian, gay, bisexual, transgender, queer and intersex (LGBTQI+) community in Georgia. LGBTQI+ persons continue to experience prejudice, discrimination, stigma, hostility and violence on a daily basis and are prevented from living their lives in dignity as free and equal members of Georgian society.

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Prepared for Georgia Today Business by **GALT & TAGGART**
CREATING OPPORTUNITIES

As of 15-May-2023

BONDS				STOCKS			
	Price	w/w	m/m		Price	w/w	m/m
GRAIL 07/28	85.53 (YTM 7.47%)	-0.2%	-0.3%	Bank of Georgia (BGEOLN)	GBP 33.40	+10.0%	+19.9%
GEORG 07/23	99.98 (YTM 6.01%)	-0.1%	-0.1%	Georgia Capital (CGEOLN)	GBP 8.14	+2.3%	+4.8%
GEOPAP 03/24	97.83 (YTM 8.93%)	+0.2%	-0.1%	TBC Bank Group (TBCGLN)	GBP 23.85	-1.6%	+7.4%
SILNET 01/27	98.07 (YTM 8.99%)	-0.2%	+0.1%				
TBC 06/24	98.53 (YTM 7.17%)	+0.2%	+0.3%	CURRENCIES			
				GEL / USD	2.5523	+2.7%	+2.2%
				GEL / EUR	2.7755	+1.4%	+0.1%
				GEL / GBP	3.1988	+2.0%	+1.5%
COMMODITIES				GEL / CHF	2.8641	+2.4%	+1.6%
	Price	w/w	m/m	GEL / RUB	0.0320	-	+4.2%
Crude Oil, Brent (US\$/bbl)	75.23	-2.3%	-12.8%	GEL / TRY	0.1297	+2.0%	-0.2%
Gold Spot (US\$/Oz)	2 016.49	-0.2%	+0.6%	GEL / AZN	1.5012	+2.8%	+1.0%
				GEL / AMD	0.0066	+2.9%	+1.6%
INDICES				GEL / UAH	0.0692	+2.7%	+1.5%
	Price	w/w	m/m	EUR / USD	0.9196	+1.2%	+1.1%
FTSE 100	7 777.70	-0.0%	-1.2%	GBP / USD	0.7982	+0.7%	-0.9%
FTSE 250	19 258.75	-1.0%	+0.1%	CHF / USD	0.8956	+0.7%	-0.2%
DAX	15 917.24	-0.2%	+0.7%	RUB / USD	79.7411	+2.7%	-3.1%
DOW JONES	33 348.60	-0.8%	-1.6%	TRY / USD	19.6731	+0.9%	+1.6%
NASDAQ	12 365.21	+0.9%	+2.0%	AZN / USD	1.6977	-0.1%	-0.1%
MSCI EM EE	36.82	-0.8%	+3.9%	AMD / USD	386.0000	-0.2%	-0.6%
MSCI EM	977.48	-1.2%	-2.3%				
SP 500	4 136.28	-0.0%	-0.0%				
MSCI FM	2 102.74	-2.3%	-2.1%				



Ombudsman: Lack of Rights for LGBT+ People is Still Serious Problem in Georgia

Public Defender, Levan Ioseliani spoke about May 17, marked as the International Day Against Homophobia, Transphobia and Biphobia in more than 130 countries around the world since 2004, noting that despite the existing legal guarantees and human rights protection mechanisms, the rights situation of LGBT+ people is still a serious problem in Georgia, especially with regards access to health care, education, employment, freedom of assembly and expression in public space.

"In the context of freedom of expression of LGBT+ persons, the European Court of Human Rights, in the cases

against Georgia, has repeatedly emphasized the obligation of the authorities to use all available means to advocate a tolerant, conciliatory position, for example, by making public statements, without any ambiguity.

"The situation is aggravated by the fact that the LGBT+ group is not mentioned at all in the state policy documents developed for the purpose of protection of human rights," reads the statement.

As the Public Defender points out, it is necessary for all responsible agencies to ensure effective preventive response to the violations of the rights of LGBT+ persons.

PM: We Are Steadily Moving Forward and Our Future Goal is to Join the EU



The Prime Minister of Georgia Irakli Garibashvili stated during his speech at the summit of the Heads of State and Government of the Council of Europe that Georgia is steadily moving forward and the country's goal is to join the European Union. "Today, we are facing one of the most important challenges in Europe, which is Russia's aggression in Ukraine, which violates the UN, Helsinki, and other dec-

larations. Georgia firmly supports the territorial integrity and sovereignty of Ukraine. We remember the full-scale war we had with Russia in 2008. We suffered a huge loss in terms of lives and occupation of 20% of our territories. Georgians know very well the price of war and the price of peace," stated Garibashvili.

He spoke about Georgia's aspiration to join the European Union.

"We are progressing in different directions, joining the European Union is our

target. We have applied to join the European Union, and this is the great goal of our country and our nation. As you well know, we received a European perspective, thus proving that our future is in the European Union. We are steadily moving forward and our future goal is to join the European Union. We are moving towards this goal and direction, and we are implementing all twelve recommendations in order to obtain candidate status," said the Prime Minister.

Ukraine Latest: Russia Doubles Down in Bakhmut, Grain Deal Extended for Ukrainian Shipping Corridor

COMPILED BY ANA DUMBADZE

Russia appears to be doubling down on its efforts to capture Bakhmut in eastern Ukraine. Ukraine's armed forces said Wednesday that Russian forces continue to concentrate their efforts on capturing the besieged town and nearby areas around Lyman, Avdiivka and Marinka.

In an operational update, the general staff of Ukraine's armed forces sectors said there had been 55 combat engagements recorded in those areas in the past 24 hours. "Bakhmut and Marinka remain at the epicenter of hostilities," Ukraine's military staff reported.

THURSDAY'S ATTACKS ON KYIV ARE NINTH IN MAY

Thursday saw the ninth time this month that Russian air raids targeted the capital, a clear escalation after weeks of lull and ahead of a much-anticipated Ukrainian counteroffensive using newly supplied advanced Western weapons.

The raids by Russia are "unprecedented in their power, intensity and variety," the Kyiv City Regional City Administration (KMBA) wrote on Telegram.

"This time, the attack was carried out by strategic bombers Tu-95MS, Tu-160 from the Caspian region, probably by cruise missiles of the X-101/555 type. After launching the rockets, the enemy deployed its reconnaissance UAVs over the capital," the KMBA wrote.

Ukraine's army reported several explosions in Kyiv and other parts of the country early Thursday morning. The military also reports "cruise missile"

attacks in the central Vinnytsia region of Ukraine, and local media reported explosions in Khmelnytskyi, about 100 kilometers further west. Air raid alerts are still in place for Kyiv and people have been urged to stay in bomb shelters.

A fire broke out at a business in the city's Darnytskyi district as a result of falling debris, and an explosion was recorded in the Desnyanskyi district, according to Kyiv's mayor, Vitali Klitschko.

"The attack on the capital continues. Do not leave the shelters during the air alert!" he implored on Telegram.

SUPPORT BUILDS FOR UKRAINE'S 'JETS COALITION' BUT IT'S UNCLEAR WHO WILL SUPPLY THEM

Momentum appears to be building behind Ukraine's so-called "jets coalition," but it remains to be seen who will supply the fighter aircraft.

Ukraine has been requesting fighter aircraft to combat Russia's invasion for months. Its preference is to receive F-16s, jets operated by the US as well as Belgium, Denmark and the Netherlands.

The UK, which does not operate F-16s, said earlier this week that it's happy to train Ukrainian pilots and, on Tuesday, the prime ministers of Britain and the Netherlands agreed "they would work to build an international coalition to provide Ukraine with combat air capabilities, supporting with everything from training to procuring F16 jets."

Belgium's prime minister said Wednesday that Belgium is also ready to train pilots to fly such jets, but cannot provide the aircraft. The US previously ruled out providing F-16s too.

Denmark previously seemed more



Image source: Anadolu Agency | Getty Images

amenable to the idea, with its defense minister saying in February that it is "open" to the idea of sending fighter jets to Ukraine.

Germany does not have the training capacity or military equipment to actively contribute to a British-Dutch initiative to supply Ukraine with fighter jets, German Defense Minister Boris Pistorius said on Wednesday.

"We cannot play an active role in such an alliance, because we have neither the training capacities, the competencies or the planes," Pistorius said in Berlin after a meeting with his British counterpart.

For now, however, Ukraine has international partners willing to help it pro-

vide them.

UKRAINE DENIES RUSSIA DESTROYED PATRIOT MISSILE DEFENSE SYSTEM

Ukraine denied on Wednesday that a Russian hypersonic missile had destroyed a US-made Patriot missile defense system during an air strike on Kyiv.

Russia's defense ministry made the assertion on Tuesday after an overnight air attack on the Ukrainian capital. Two US officials later said a Patriot system had probably suffered damage but that it did not appear to have been destroyed.

"Do not worry about the fate of the

Patriot," Ukrainian air force spokesperson Yuriy Ilnat told Ukrainian television, ruling out the possibility of a Russian "Kinzhal" missile knocking out a Patriot system.

"Destroying the system with some kind of 'Kinzhal' is impossible. Everything they say there can stay in their propaganda archive," he said.

The Patriot system is one of an array of sophisticated air defense units supplied by the West to help Ukraine repel Russian air strikes following Moscow's invasion last year.

It is considered one of the most advanced US air defense systems, including against aircraft, cruise missiles and ballistic missiles, and typically includes launchers along with radar and other support vehicles.

UN CHIEF WELCOMES EXTENSION OF BLACK SEA GRAIN DEAL

United Nations Secretary-General António Guterres welcomed the decision between Russia, Ukraine and Turkey to extend the Black Sea Grain Initiative for another two months.

"These agreements matter for global food security. Ukrainian and Russian products feed the world," Guterres told reporters at the United Nations. "I hope we will reach a comprehensive agreement to improve, expand and extend the [Black Sea Grain] Initiative - as I proposed in a recent letter to the Presidents of the three countries," he added.

Since August, nearly 1,000 ships carrying more than 30.2 million metric tons of agricultural products and foodstuffs have left Ukrainian ports for global destinations, according to figures provided by the United Nations.

Georgians Protest Reopening of Georgia-Russia Flights

COMPILED BY KETEVAN SKHIRTLADZE

Following the restoration of direct flights between Russia and Georgia, United Airports of Georgia reported that flights from all three international airports of Georgia will be operated only by those airlines and those aircraft that are not on the sanction list.

"The decision applies to all international airports of Georgia: Shota Rustaveli Tbilisi International Airport, Kutaisi Davit Aghmashenebeli International Airport, and Alexander Kartveli Batumi International Airport. We will clarify once again: flights to the airports will be performed only by those airlines and those aircraft that have not been affected by the sanctions," reads the statement.

AZIMUTH REMOVES ABKHAZIA, SOUTH OSSETIA FROM THE LIST OF COUNTRIES POSTED ON ITS WEBSITE

The Russian airline Azimuth, which plans to launch direct flights between



Image source: publika.ge

Russia and Georgia, has removed Abkhazia and South Ossetia from the list of countries posted on its website, Echokavkaza reports.

Abkhazia and South Ossetia were listed as separate countries. In particular, customers could choose the self-proclaimed republics when registering on the air-

line's website.

Ekhokavkaza writes that Giorgi Mshvenieradze, the head of the non-governmental organization Guardians of Democ-

racy, appealed to the Georgian government this week with the message, "Have you checked and issued a permit to the company that names Abkhazia and South Ossetia as separate states on its website?" About two hours after the appeal, Mshvenieradze published a post saying that Azimuth had removed Abkhazia and South Ossetia from the list of countries on its site.

Ekhokavkaza writes that Azimuth received permission to fly from Moscow to Tbilisi from May 17.

The airline has already started selling tickets for Moscow-Tbilisi-Moscow flights. The ticket price from Moscow starts at \$215, and from Tbilisi \$260.

CITIZENS PROTEST THE RESTORATION OF FLIGHTS TO RUSSIA IN FRONT OF PARLIAMENT

A rally against direct air traffic with Russia was held near the Parliament following the government's decision to go ahead with the flights.

Citizens noted that the restoration of flights does not correspond to the interests of Georgia and the country's goal of European integration.

Continued on page 6

Embassies: Take a Stand for Human Rights For All: Stop Discrimination and Violence against LGBTQI+ Persons in Georgia

Continued from page 1

We welcome the increase in public support for the protection of minority rights in Georgia, as the number of Georgians stating that LGBTQI+ rights must be protected has doubled since 2015. We also welcome the protections against discrimination based on sexual orientation and gender identity and expression that Georgia's landmark Law on the Elimination of All Forms of Discrimina-

tion continues to provide since 2014. We acknowledge the efforts of various state institutions and civil society organizations in ensuring the full protection of human rights and freedoms.

We are concerned that despite these efforts, progress has stalled. Newly adopted national policy documents, such as the National Human Rights Strategy 2022-2030, the State Concept of Georgia on Gender Equality and the national development strategy Vision 2030 do not


include measures to strengthen protection and inclusion of LGBTQI+ persons. Stigmatization, discriminatory language and hate speech by some public officials, politicians, media and religious figures incite further harassment against LGBTQI+ persons and threaten their lives.

Instigators and many perpetrators of open acts of violence against LGBTQI+ individuals in recent years, including during Pride Week in July 2021, have not been brought to justice, thus further

limiting the opportunity for LGBTQI+ persons to exercise their right to peaceful assembly.


Exclusion of any member of society perpetuates social, economic and political inequality and injustice for everyone, thus hampering the further development of Georgia's democracy. We call upon Georgian state, political, civic and religious leaders to stand up and speak out against hate, discrimination and violence and to work together with the LGBTQI+




communities to ensure the full enjoyment of everyone's rights. We call on the Government of Georgia to align state policy and practice with Georgia's international commitments to safeguard the rights of LGBTQI+ persons and to promote an inclusive society where everyone is safe and free to make decisions about their bodies and their lives. As Georgia's international supporters, we stand ready to continue working alongside Georgian partners toward these goals."




EXPLORE OUR BELOVED CITY FROM THE BIRD VIEW

Xeme restaurant is located on the 31st floor in The Biltmore Tbilisi Hotel





THE BILTMORE
TBILISI

The name of the restaurant Xeme speaks for itself, as it means the arctic fork-tailed gull.

29 Rustaveli Avenue, 0108, Tbilisi, Georgia / T: +995 322 72 72 72 / Info.bhtg@biltmorecollection.com



Photo Credit: AP/Musa Sadulayev

BY MICHAEL GODWIN

Following the ceasefire agreement at the end of the 2008 August War, Russo-Georgian relations have steadily improved. Trade and tourism have returned, largely replacing the cold glares of border guards at the Administrative Border Line, or ABL as it is officially referred to. Yet, despite this warming of relations and moves from the ruling party to cozy up to the Kremlin, the prospects of a long-lasting peace remain elusive.

The reasons for this run deeper than the actions of Georgian Dream, or any recent events. While the evidence of Russian intelligence activities in Georgia, the ongoing war in Ukraine, and increasing concern over the actions of the government by the West all seem to paint a gloomy picture for the near future, global trends point to a decline in peace treaties overall. Since the mid-twentieth century, the classic peace treaty has been a dying breed.

A study published by International Organization, a geopolitical affairs journal, states that "since approximately 1950, the rate at which interstate wars have ended with a formal peace treaty has declined dramatically." Succinctly put, the study finds that this is due to the

nature of modern warfare and the law of war. According to the report, "states today prefer to avoid admitting to a state of war and risk placing their leaders and soldiers at risk of punishment for any violations of the law of war."

While many states have avoided the legal classification of war for their overseas forays, this is most evident in the Kremlin's terminology surrounding its 2022 invasion of Ukraine. Labeling it a "special military operation" has nominally avoided all the legal implications of a full scale war, as well as potentially absolving the government of its transgressions in the eyes of the citizenry. Additionally, and potentially most importantly, it does not require a peace treaty for it to cease or enter a "frozen conflict" stage, and leaves the door open for further offensive operations.

The use of the "special military operation" moniker is not the first time Russia has avoided the war label. Many will likely recall the title of Russia's invasion of Georgia; a peace enforcement operation. Similarly, it attempts to shy away from the liability of its actions against the country as well as maintain that there could be, if needed, follow up operations. All in the name of "peace".

All of this points to the indication that in the future there is little likelihood that the Kremlin is willing to settle with its own territorial holdings and allow its former vassal states to flourish. With

Why Lasting Peace with Russia Is Impossible

invasion and outside influence seen as the largest threat to the Russian nation, keeping the buffer states on its frontier destabilized works to its benefit. In Georgia's case, it seeks to keep the nation pinned down, with European Union integration within view, but just out of reach.

The Kremlin is aware that the people of Georgia want EU and NATO membership, and will benefit from this status, but that the actions and words of its government are perpendicular with European values. As long as this divide is present, the country can't unify and move Westward at rapid speed. Additionally, it forces the nation to rely on Russia economically and diplomatically, particularly with regard to its largest bargaining chips- Abkhazia and South Ossetia.

To mirror this effect, many have noted that prospects for peace between Ukraine and Russia are unlikely or impossible. "I believe that negotiations for peace are currently impossible," UN Secretary General António Guterres noted. He added that, "what we are doing, as far as possible, is a dialogue with both parties to solve specific problems." However, according to leaked documents from United States intelligence, the UN, among others, had been too lenient on the Kremlin and this has been "undermining broader efforts to hold Moscow accountable for its actions in Ukraine."

This lackluster performance is well known to Georgians, who have seen a less than stellar activity from the UN, the EUMM, and others when it concerns Russia. Russians and South Ossetians continue to abuse villagers along the line of occupation, the Kremlin's intelligence assets routinely operate in and out of Tbilisi, and the most senior government officials continue to spout Moscow's talking points, even gaining praise from the most ardent supporters of Russian expansionist doctrine.

It is imperative that this stops. Georgians routinely vote in a multitude of polls in favor of European integration, clearly outlining the desire of the people. The government, acting on behalf and

with the consent of the people, is obliged to act at the will of the people. However, it is highly unlikely the Kremlin will ever allow this to come to fruition, using all of its overt and covert tools to ensure the country stays tethered to its will.

This doctrine of manipulation makes it impossible to ratify a long-lasting peace that can bring Russo-Georgian relations to normal levels. Unless leadership in Moscow or Tbilisi makes changes, or themselves change, this continual cycle of abuse by Russia and internal strife in Georgia will continue. Real peace with Russia is impossible, but the ability to shake off the shackles of the Kremlin is well within reach, particularly for voters in the coming year.



Photo: Irakli Gedenidze/Reuters

Two Conceptual Models for Sakartvelo's Future

OP-ED BY NUGZAR B. RUHADZE

The earthquake-like collapse of the USSR was embraced by the civilized world with unfeigned applause and exaltation. The consequent independence of the 15 former Soviet republics, Georgia among them, has been taken for granted by the international community, which welcomed all of them almost simultaneously into the system of political and economic interaction between the nations, making new plans and building new hopes for a fairer and happier life around the globe. Question: Has the naively presumed universal bliss been seen in reality? The impression is "no." One expert opinion maintains that the Soviet Union could have suggested a standard of living that would have looked and felt no less agreeable compared to what we have today in the post-Soviet republics. They say it was not socialism that hampered the advent of a quality lifestyle in the soviet land, but the way it was handled by the soviet people and its leadership, a handy substantiation of which is the fact that socialism has not prevented China from becoming the second most powerful economy in the contemporary world.

Let's say the Intelligent Designer's blueprint came true, and as a direct outcome of it, we are today enjoying a free, democratic and independent Sakartvelo, with all its accompanying merits and flaws. One of those flaws is the verity that the good people of this country have never benefitted to the fullest extent the fruits of the painfully acquired freedom, democracy and independence. Why is that? What failed? The lost-in-doubts



Image source: Euronews

and confused-to-stupor nation has always fallen victim to radical splits. As soon as the soviet era was over, we came apart, having lived through a gory resistance to the leftovers of the soviet regime, the civil war and the demise of the first presidency of the nation, supported by an overwhelming popular vote. Then we fought to get our act together and continue living as a civilized independent nation, having suffered the revolutionary change of the government, finally

learning the political art of a peaceful change of power. But nothing has helped, nothing has changed, and nobody has given up that untamed longing to grab the reins of authority. Right now, the internal struggle for political supremacy is reaching a dangerous acme as all seek the treasured spot at the top.

The challenge is brewing between the two conceptual models for building the country's future. One is like a glowing sample of liberalism and is unequivocally

oriented to the West, meaning the potential initiation of Georgia into Euro-Atlantic structures, drastically and angrily negating anything that connects Georgia with Russia or that procreates the possibility of future cooperation with the aggressive Bear. This model sees us enjoying every possible support from Western social institutions and political figures. The second concept, reflecting moderate conservatism, probes into the possibility of triangular interaction:

West-Georgia-Russia, basing its plan on the potential prosperity of Georgia emanating from the West, and eliminating the potential aggression of Russia, based on the fear of revisiting past experience, though in certain divergence from Western dictates, elevating traditional national values into the rank of a political struggle for freedom and independence.

Both perceptions deserve nationwide heed and balanced discussion, yet the politicians responsible for reaching the most optimal bottom-line are driving their notions home in an extremely antagonistic and destructive way, so that their furious narratives only make the electorate feel insecure, confused and edgy. In the end, violence begets violence, and the senseless hostilities generated in the political crucible only augment the daily belligerency between the sides. What adds fuel to the fire is that the political hardliners are joined by the engaged-by-them mass-media proxies who would do anything at their disposal to carry out the orders of their forceful patrons.

The aggressive insistence on the truth, invented by contemporary politicians and their media, is a habitual behavioral paradigm everywhere in the world, but this phenomenon knows no limits in Georgia, and is slowing down the achievement of the ultimate goal of turning the country into a genuine democracy, compatible with every international norm, reflected in now-functioning conventions, agreements and declarations. The clash between the above-described ideals is a totally acceptable detail of the political process, but there is no disinterested intellectual force in the world who would say which one is better for Georgia's future. All of them, just all of them, are flagrantly biased.

Ilya Zhegulev – Georgia Is a Country Held Hostage by Russia



Ilya Zhegulev, author and reporter

INTERVIEW BY VAZHA TAVBERIDZE

Ilya Zhegulev is the author of *The Tsar Move* (in Russian), about the fight for power and influence in today's Russia. Since 2002, he has worked as a reporter and then as a columnist in the Russian inde-

pendent media. From 2006, he worked for *SmartMoney* magazine, then for *Forbes*, *Meduza*, and *Reuters*. He now lives in Tbilisi. Radio Free Europe's Georgian Service sat down with him to discuss Putin's decree to cancel visas for Georgians and resume country-to-country flights, and what this means for Georgia's future.

"I have a somewhat complex take on



You can't call it a victory if you kidnap someone, starve them, and then make them say they'll be friends with you in exchange for food

this," he tells us. "On one hand, as a normal person with relatives in Moscow, I can see the positives. But my wife is Ukrainian and I remember her saying, 'when the flights are resumed, there will be a flow of Z-patriots coming here and we will have to leave.' I don't think that, I don't expect a gigantic wave of 'patriots' to start crashing into Georgia, prancing around in Tbilisi. It won't happen."

CAN YOU EXPLAIN THE GESTURE? WHAT DID WE DO TO MERIT SUCH A "FAVOR" FROM PUTIN?

It's more like what Georgia didn't do, to be honest. It didn't join the sanctions against Russia, it isn't actively denouncing the war – to be more precise, the population of Georgia denounces it, but the government has a more pragmatic stance. And the latest factor, which I think was noticed in Moscow, is how the Georgian government actively criticizes its Ukrainian counterpart. Because of Saakash-

vili, they seem to have become two opposite camps and are exchanging rather strong-worded messages. Which is against the trend – it's not trendy nowadays to criticize Zelensky and the government in Kyiv.

SO IS THE FLIGHT RESUMPTION A REWARD FOR US "BEHAVING WELL"?

Yes, it's an example for others to follow. If you behave well, there will be "candy".

WHAT MIGHT EARN GEORGIA MORE "CANDIES"?

More trade turnover, I guess, which is already on the rise. I saw sardine cans in Tbilisi which had "Za Pobedu" (For Victory) written on them. That's already happening. What might happen – well, I wouldn't exclude some sort of re-establishing of diplomatic relations between the two countries. It won't be full restoration, but something like the Japan model, where the two countries are formally still at war, not signing a peace agreement because of their territorial dispute, but they do talk to each other, they have diplomatic relations with each other.

HOW MUCH OF A REWARD CAN THE INCREASE IN TRADE TURNOVER BE, WHEN RUSSIA CAN SWITCH IT OFF AT WHIM, IF WE SUDDENLY DECIDE NOT TO BEHAVE SO WELL?

That's obviously what Russia will do and has done many times in the past. This is leverage they have used not only on Georgia itself, but also on parts of Georgia that consider themselves independent countries – they have used trade to pressure Abkhazia, for example, when they didn't want to follow Moscow's directives in one matter or another.

SOME IN GEORGIA HOPE THAT NORMALIZATION OF RELATIONS WITH RUSSIA REPRESENTS A CHANCE TO GET OUR OCCUPIED TERRITORIES BACK. ON A SCALE FROM 1 TO

10, HOW REALISTIC WOULD IT BE TO EXPECT "POSITIVE DYNAMICS" REGARDING ABKHAZIA AND OSSETIA?

0. Not more, I would say. Because there is nothing that can stop Russia from keeping these territories and handing out other "bonuses" to Georgia instead for good behavior. There is no consideration given to this scenario in Moscow at all. From their perspective, this ship has sailed. Yet the Georgian side doesn't push this issue that hard either, and there was a rather peculiar statement from the Prime Minister, when he said 'We won't go into NATO without first solving the issue of the territorial integrity of Georgia. The only way to solve this is through peace.' That's exactly what the Kremlin wants to hear: keep things the way they are.

IF THERE IS A DIPLOMATIC VICTORY HERE, TO WHOM DOES IT BELONG?

I don't think this can be viewed as a diplomatic victory for anyone. Georgia is practically blocked, they don't have much choice here. It's a country held hostage by Russia. And for Russia, you can't really call it a victory if you kidnap someone, starve them, and then make them say they'll be friends with you in exchange for food.



I wouldn't exclude some sort of re-establishing of diplomatic relations between the two countries

Turkiye's Presidential Election Heading to Runoff



Kemal Kilicdaroglu will face off against President Recep Tayyip Erdogan in a run-off election at the end of May. Sedat Suna/EPA/AAP

COMPILED BY TEAM GT

Turkiye's presidential election is to head to a runoff vote as Sunday's results showed neither President Recep Tayyip Erdogan nor his main rival had secured the majority of votes needed to win, CNN reported. Ballots of the 64 million eligible to vote showed the president scoring 49.51%

against Kılıçdaroglu's 44.88%. Nationalist third candidate Sinan Ogan picked up 5.17% of the vote. A candidate must win over 50% of the vote in order to be elected. Turkiye is now heading to a runoff on May 28.

Speaking at the ruling Justice and Development (AK) Party headquarters in Ankara during the counting, the Turkish president claimed to be ahead in the voting. "We believe we will finish this round with over 50% of the votes," he said. Erdogan is facing the biggest chal-

lenge yet in his two decades in power as he faces economic headwinds and criticism that the impact of the devastating Feb. 6 earthquake was made worse by lax building controls and a shambolic rescue effort.

The main opposition leader welcomed the prospect of a runoff vote. "If our nation says second round, we gladly accept it," he said in a televised speech at his party's headquarters early Monday. "We will absolutely win this election in the second round. Everyone will see that." Kilicdaroglu earlier accused Erdogan's AK Party of demanding recounts and delaying results in opposition strongholds, including in Ankara and Istanbul.

The third presidential candidate, Sinan Ogan, an ultra-nationalist allied with Erdogan, took to Twitter on Sunday night to cast doubt over overseas votes and warn the election council to prevent "manipulation." Ogan could be a kingmaker in the election runoff. Ogan said "Turkish nationalists and Atatürkists are in a key position for this election."

Earlier on Sunday, Ankara Mayor Mansur Yavas, who is the vice-presidential candidate for the main opposition Nation Alliance bloc, contested Anadolu's results, saying the agency is unreliable. He added that the opposition's data showed Kilicdaroglu as being ahead of Erdogan.

On Thursday, Georgian Prime Minister

Irakli Garibashvili held a phone conversation with Recep Tayyip Erdogan, congratulating him on successfully holding the recent election and his success in the first round, with the ruling party's winning of the majority of the votes.

The PM underscored President Erdogan's personal role in both strength-

ening the strategic partnership between Turkey and Georgia and the sustainable and steady development of the region through supporting international projects engaging Turkey and Georgia.

Garibashvili then wished Erdogan success in the holding of the upcoming runoff.



The Erdogan government's slow response to devastating earthquakes in southern Turkey in February was widely criticised. Khalil Hamra/AP/AAP

The EU's Expansion into the Wider Black Sea Region

ANALYSIS BY EMIL AVDALIANI

In the midst of the Ukraine conflict, Western sanctions, and the consequent deterioration in EU-Russia ties, Brussels is attempting to diversify its energy supplies. In December 2022, the presidents of Azerbaijan, Romania, Georgia, and Hungary signed a pact in Bucharest, which was attended by EU Commission President Ursula von der Leyen, to connect the EU with Georgia and Azerbaijan and export green energy from the South Caucasus. The signing ceremony came after an 18-month feasibility study in 2022.

Georgia and Azerbaijan will be able to sell green power to the EU market thanks to the 1,195 km long electricity cable (1100 km undersea and 95 km land). It will also encourage local clean energy development, but more crucially, it will improve the likelihood of EU direct foreign investment in Georgian and Azerbaijani renewable resources. The EU is particularly interested in Georgia since it has a tremendous potential for converting its rich hydro resources into power.

The concept of an underwater power cable had been in the works for quite some time. The project's initial cost is estimated to be approximately \$2.7 billion. The funding will come from international institutions such as the European Bank for Reconstruction and Development (EBRD). In addition to the power line, a digital data cable is planned, which will assist the South Caucasus to become

more connected on the EU internet web market.

The project's financing is part of the EU's ambitious Global Gateway plan, a global effort to compete with China's massive Belt and Road Initiative (BRI), that intends to mobilize more than 300 billion Euros (\$318.41 billion) in the coming years. The Black Sea cable project is expected to be operational by 2029.

The EU's energy interests in the South Caucasus have long been evident, as seen by its financing for a succession of pipelines and railway lines developed during the 1990s that connect the Caspian basin to Turkey and the European market. As additional evidence of the region's energy importance to the Union, von der Leyen visited Baku in July 2022 and signed a new gas deal aimed at gradual expansion of Caspian gas exports into the EU market over the coming years.

There are no assurances that the project will be realized, as previous trans-Black Sea projects have failed. One example was the failed Liquefied Natural Gas effort between the EU and the South Caucasus. Indeed, the current turbulent political context, particularly the ongoing military conflict at sea, reduces the likelihood of success. Nonetheless, the impetus for the installation of the underwater cable is considerably stronger than it was before 2022, when the EU was heavily reliant on transit through Russia and its energy resources.

The EU's push toward the Black Sea and the South Caucasus is powered by geopolitical cataclysms such as the war in Ukraine and the changing nature of

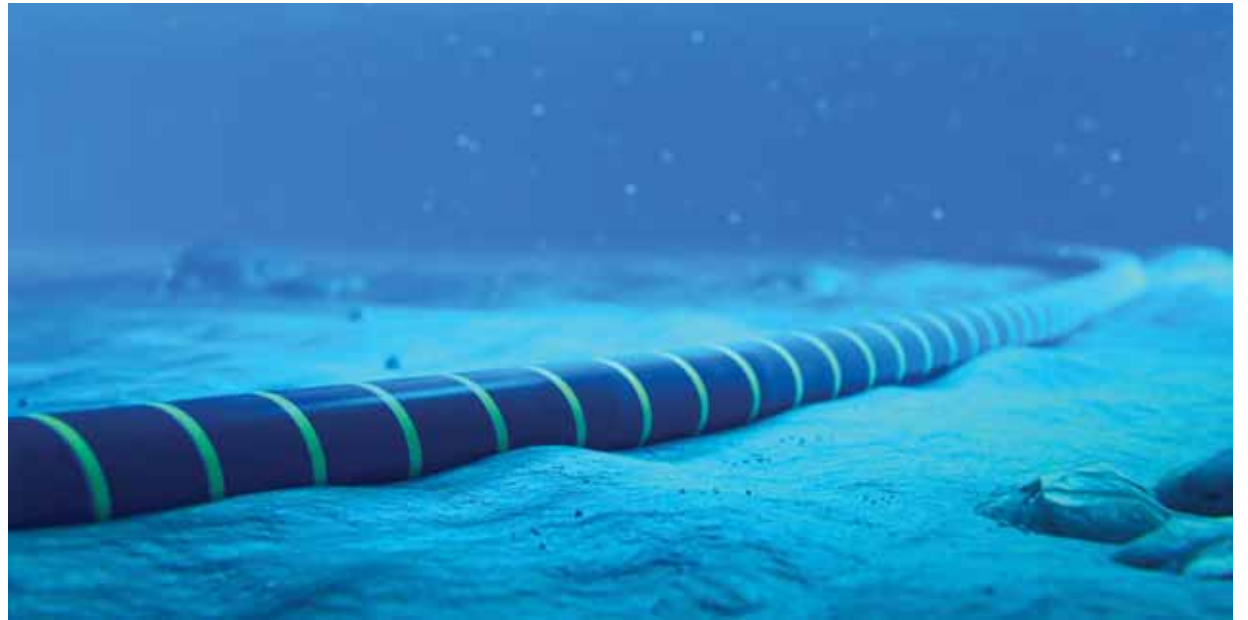


Image source: gse

Eurasian connectivity, which for decades mostly ran through Russia. As the corridor through Russia is stagnating because of the Western sanctions, the likeliest alternative is the so-called South Corridor which connected the Black Sea and Turkey with the Caspian Basin and Central Asia.

Moreover, from a Eurasia-wide perspective, the route could also link the EU and China. Before the war, the Black Sea was a route where 3.8% of global trade transited, as opposed to 17% which went through Russia. But the end of 2022, the transit through Russia was down by some 40%. Part of it moved to

the Middle Corridor. Indeed, cargo shipments along the route grew to 3.2 million tons by the end of 2022. It is even expected that the Middle Corridor's capacity could reach a staggering 10 million tons per year. This comes in a striking contrast with the period of 2020-2021, when the throughput was between 350,000 and 530,000 tons. This is why the EU is supporting the development of Black Sea infrastructure.

The war in Ukraine has thus served as a highly impactful geopolitical development, one which is set to change the way the EU and perhaps even the collective West had been viewing the wider Black

Sea region since the 1990s. The need to expand into the region, which is increasingly seen as a faultline between Russia and the West, needs to be done not solely through traditional political and military measures, but most of all via economic and large-scale infrastructure projects. Eurasian geopolitics (the expansion of the Middle Corridor) favors this approach, so is the relative Western unity when it comes to Russia's challenge to the present order.

Emil Avdaliani is a professor of international relations at European University in Tbilisi, Georgia, and a scholar of silk roads.

Georgians Protest Reopening of Georgia-Russia Flights

Continued from page 3

Many law enforcement officers were mobilized on the spot and in the surrounding area.

The organizer of the rally was May Civil Movement, which claimed that Georgia has "no right to adopt a policy of rapprochement" with Russia.

"A sanctioned country automatically means rejection of the [EU] candidate status!!! We have no right to accept a policy of rapprochement with Russia. We are ordinary citizens who want our children to live in Europe and not in Russia," the organizers of the rally said.

Citizens also gathered in protest in front of the Georgian Airways office in Tbilisi after the company announced that it will operate Tbilisi-Moscow-Tbilisi flights seven times a week starting this weekend. The protesters chanted: "No to Russian flights."

Representatives of various opposition parties, members of the civil movement, and ordinary citizens participated in a rally under the name "We cannot enter the European Union on a Russian ship."

The Civil Aviation Agency of Georgia revealed that Georgian Airways will start Tbilisi-Moscow-Tbilisi flights from May 20.

Droa party leader Elene Khoshtaria announced a protest rally for the 19th of May.

"We will gather at Republic Square at 12:00 and march in a convoy to protest this treacherous decision. We have nothing against the passengers, but we will show Russia and the whole world that these flights are applauded by no-one in Georgia, except the Georgian Dream," Khoshtaria stated.

REACTIONS TO BILATERAL FLIGHTS

Opposition MPs Teona Akubardia, Ana Natsvilshvili, Khatuna Samidze, Ana



Image source: publika.ge

Buchukuri, and Khatia Dekanoidze called on the government to revoke its consent to bilateral flights with Russia.

"We call on the Georgian government to revoke its consent to direct flights. Although the introduction of the visa-free regime is a unilateral decision of Russia, the restoration of direct flights is a bilateral decision and it should not have the consent of the Georgian government. It is impossible for the country to aspire to Europe on the one hand, for which it has made an official application, and on the other hand take steps to return to Russia's orbit. This decision should be revoked. Otherwise, working and creating the illusion that the 12 points are being fulfilled will become a farce," Natsvilshvili said.

Samnize claimed the decision is a "sabotaging" of Georgia's European status.

"All surveys show, and Georgian Dream is well aware, that peace and prosperity are connected to our European future; security and stability are connected to our European future. In such a situation, deepening relations with Russia and direct flights are a sabotage of Georgia's European future," she noted.

US Ambassador to Georgia Kelly Degnan spoke about the restoration of flights between Russia and Georgia and noted

it's not for the United States to say whether this will impact Georgia's European Union candidate status.

"It does raise the question as to why Putin would give this to Georgia. I'm sure no-one believes that he cares about the convenience of Georgian travelers," she noted. "We have seen that he uses the presence of Russians in a country to sometimes interfere in that country. I think there are already many Georgians who are concerned about the hundred thousand Russians who came to Georgia last year, and now we hear from the Russian Tourism Agency that maybe a million more might be coming in as a result of these direct flights."

"I think that if Mr. Putin wanted to show that he cared about Georgia, he would withdraw Russian forces from Abkhazia and Tskhinvali," Degnan went on. "He would comply with the obligations under the ceasefire agreement from 2008, and he would reverse Russia's recognition of Abkhazia and Tskhinvali. Those would be signs that I think Georgians would appreciate as a sincere gesture."

"Remembering that Russia is the country that in 2008 invaded Georgia, that in 1989 tried to crush Georgia's freedom, that tried to silence Georgia's language in 1979, and that for centuries desecrated

Georgia's churches throughout the country. This is a country that is attacking Ukraine in the same way that it attacked Georgia 15 years ago, targeting apartment buildings, schools, hospitals, and children, taking children from their families. It seems very odd to welcome a gesture from a regime, a bloody regime, that is in the middle of doing to Ukraine what it did to Georgia just 15 years ago, a country it still occupies."

Degnan pointed out that an important difference between today and 2019 in terms of seeking revenue from Russian tourism is the fact that Russia has since invaded Ukraine.

"Russia has destabilized the entire region with this unjustified, brutal war that is purely aimed at taking Ukrainian territory and trying to eliminate Ukraine's identity. That is a significant change from before."

"Georgia doesn't rely on Russian tourism or Russian business as much as it did in 2019. We saw after the ban was put into effect a surge in visitors from many other countries. Georgia does not have to rely on and become dependent on Russia again. That is giving Russia dangerous leverage over Georgia's economy, and we have seen in many other countries how Russia will use that lev-

erage when it wants to.

"Georgia does not need to fall into that trap again of becoming dependent on Russia. We need more information as to how the Georgian government is going to respond to this, and what the details of these potential flights are going to be before we can establish whether there are export control or sanctions that apply to this situation, but I would imagine that there will be some," she noted.

The Chairman of the Parliament of Georgia, Shalva Papuashvili, stated that it is welcome news to have the [Russian] sanctions against Georgia lifted and noted that other injustices against Georgia, including the occupation, should also be ended.

"The ban on flights was a sanction imposed by Russia, and Russia has now lifted this sanction and, of course, it is welcome news to have sanctions against Georgia lifted. Other injustices against Georgia, including the occupation, should also be ended. Ultimately, this is where Russia's decisions should go. Regarding our approach, we have said many times that Georgia will ensure full compliance with international sanctions. We will ensure that Georgia is not used to circumvent sanctions, and it has been clearly stated that not a single airline, not a single plane which is under sanctions will land at a Georgian airport. Georgia does not intend to impose bilateral sanctions on Russia and does not intend to impose sanctions on its own citizens," Papuashvili concluded.

Senior Vice President for Democracy at the German Marshall Fund, Laura Thornton, noted, "The resuming of flights between Russia and Georgia was very clearly presented as a 'thank you.' Thanks for what? Thanks to the Government of Georgia for its behavior. If your behavior as a government makes the Kremlin happy, there are problems in your foreign policy."

MONTHLY TOURISM UPDATE

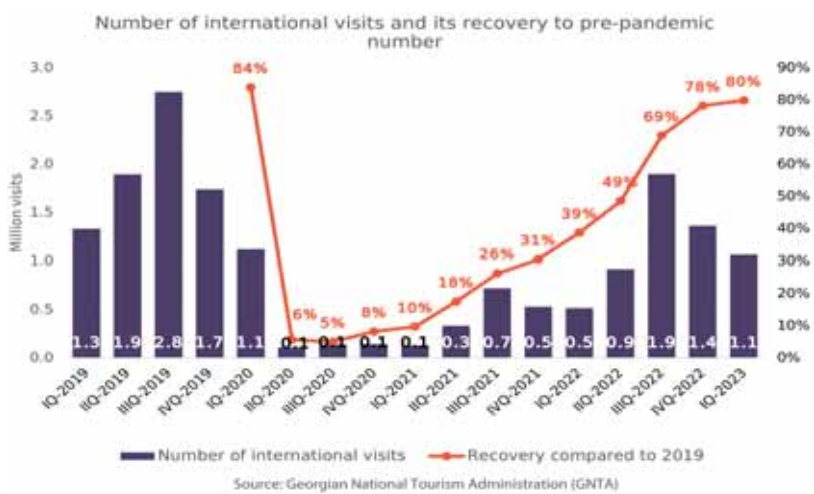
April 2023

Georgia

Research
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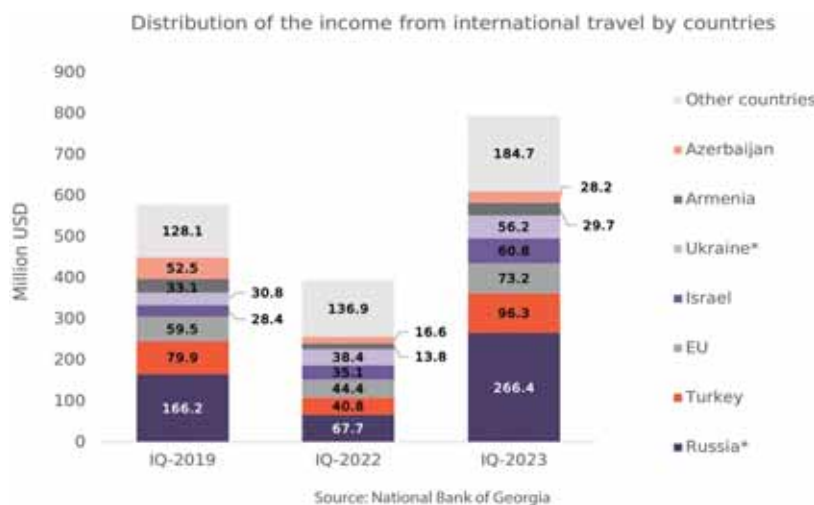
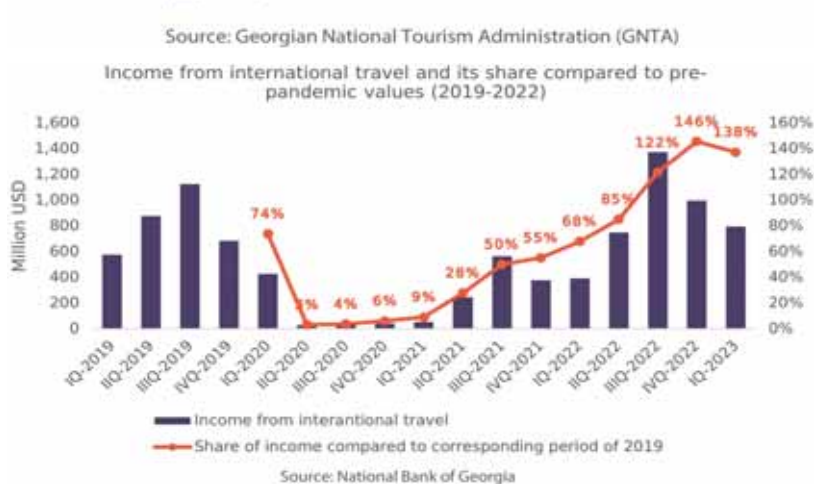
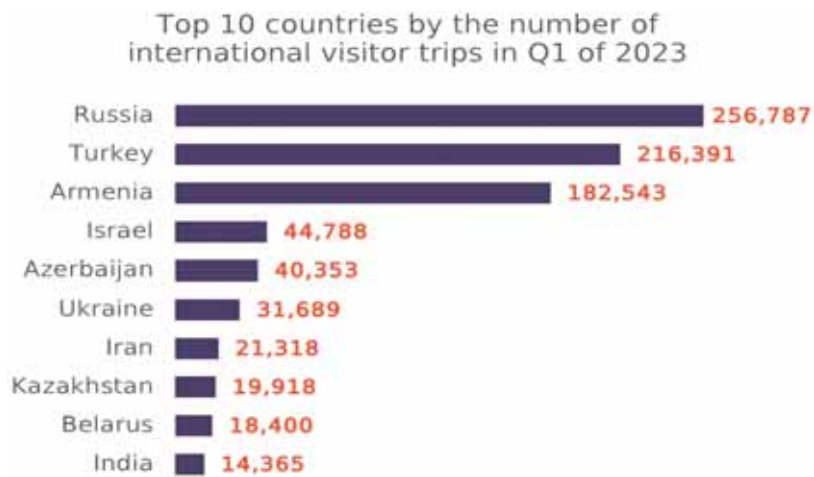
International Travel Dynamics in Georgia (Q1 of 2023)

MONTHLY TOURISM UPDATE April 2023 - International Travel Dynamics in Georgia



In Q1 of 2023, the inflow of international visitors to Georgia showed a significant recovery compared to the pre-pandemic numbers. In particular, the number of international visits reached a total of 1.1 million, which is 106% higher compared to Q1 of 2022 and amounts to 79.9% of the pre-pandemic (Q1 of 2019) total. Of note, tourist visits (i.e. international visits including at least one overnight stay) almost recovered to the pre-pandemic number (4.2% lower compared to Q1 of 2019) and reached 845,322 visits. This could be attributed to the increased global demand for tourism services after the end of the pandemic and non-tour-

ism-related factors (e.g. the continuation of the large-scale migration/inflow of Russians, Ukrainians, and Belarusians since the beginning of the Russo-Ukrainian War). Notably, the official declaration of the end of the COVID-19 pandemic on the 11th of May 2023 is also expected to positively impact tourism recovery. In Q1 of 2023, Russia was the biggest source country of visitors to Georgia, with 256,787 visits, which is equal to 24% of total international visits (5 pp higher compared to 2019). Pertinently, the number of visits by Russian citizens showed a significant year-on-year increase (257.7%), exceeding the pre-pandemic number as well (by 1.1%). In terms of the



recovery rates were recorded by Ukraine (78%) and Israel (68%).

According to the National Bank of Georgia, as of 31 March 2023, 35.5% of Russian citizens, 23.7% of Ukrainian citizens, and 44% of Belarusian citizens residing in Georgia were estimated to have been living in the country for one year or intending to stay for more than one year. According to IMF methodology, they are treated as Georgian residents, and their expenses are not included in the calculations of income from international travel.

HOTEL PRICE INDEX IN GEORGIA

In April 2023, in Georgia the hotel price index decreased by 0.2% compared to March 2023. The 3-star, 4-star, and 5-star hotel price index increased by 1.5%, while for guesthouses, the price index decreased by 20.5%. The monthly HPI was the highest in Kakheti (8.5%) and lowest in Shida Kartli (-10.6%).

In April 2023, compared to April 2022, hotel prices in Georgia increased by 5.0%. The prices of 3*, 4*, 5* hotels increased by 4.0% and the prices of guesthouses increased by 7.1%. The yearly HPI was the highest in Guria (25.2%) and lowest in Racha (-12.9%).

THE AVERAGE HOTEL PRICES IN GEORGIA

In Georgia, the average cost of a room in a 3-star hotel was 157 GEL per night in April 2023, while the average cost of a room in a 4-star hotel in Georgia was 247 GEL per night and the average cost of a room in a guesthouse was 115 GEL per night.

The average cost of a room in a 5-star hotel in Georgia in April 2023 was 373 GEL per night. In Kakheti, the average price was 548 GEL, followed by Tbilisi - 452, Samtskhe-Javakheti - 354, and Guria - 328.

number of visits, the second and third source countries were fellow neighbors Turkey (20% of total visits, exceeding its pre-pandemic number by 7.6%) and Armenia (17% of total visits, still 21.5% below its pre-pandemic number).

Among the top 10 source countries, the number of visits from Belarus exceeded the pre-pandemic number by 181%, followed by Kazakhstan (85.2%), Israel (79.2%), and India (23.4%). On the other hand, the smallest recovery among the top 10 was recorded by Azerbaijan (86.2% lower compared to Q1 of 2019), which is directly attributed to the closure of its land borders.

INCOME FROM INTERNATIONAL TRAVEL IN Q1 OF 2023

Despite only a partial recovery in the number of international visitors in Q1 of 2023, income from international travel exceeded the pre-pandemic level significantly. In particular, in Q1 of 2023, income from international travel reached USD 795.4 million, which is 102% higher compared to Q1 of 2022 and 38% higher compared to Q1 of 2019. Significantly, the recovery has been gradual, but since Q3 of 2022 income from international travel has been exceeding the pre-pandemic number for the corresponding periods. Factors such as the partial inclusion of long-term travelers in the calculations, increased average length of stay, and the relative recovery of international tourism as a whole have all played a role in this steep increase in income.

In terms of nationality, income from Russian travelers was highest in Q1 of

2023 and amounted to USD 266.4 million (33.5% of total income from international travel), which is 29% higher compared to 2019. In this regard, Russia was followed by Turkey (12% of total income), which marked a recovery to 64% of the pre-pandemic number, and the EU (recovering to only 38% of its pre-pandemic number, and contributing 9% of total income).

Among the top countries, the income recovery rate was the lowest for Saudi Arabia (recovering to just 10% of its pre-pandemic figure) and Azerbaijan (36%). Meanwhile, after Russia, the highest

Region	Hotel		3*, 4*, 5*		Guesthouse	
	2023 Apr	2023 Apr	2023 Apr	2023 Apr	2023 Apr	2023 Apr
Kakheti	8.5%	1.9%	15.8%	11.8%	4.9%	-5.8%
Imereti	0.4%	-0.4%	0.5%	-5.3%	0.0%	4.7%
Guria	3.2%	25.2%	3.2%	9.2%	-	88.9%
Kvemo Kartli	-	10.0%	-	10.0%	-	-
Adjara	1.9%	5.5%	3.4%	1.8%	-10.6%	12.8%
Racha	0.0%	-12.9%	-	-	0.0%	-12.9%
Shida Kartli	-10.6%	19.2%	-	Ap	-10.6%	28.5%
Samegrelo-Zemo Svaneti	2.7%	8.8%	2.6%	16.4%	2.8%	2.4%
Samtskhe-Javakheti	8.4%	1.9%	6.0%	2.8%	-2.2%	1.3%
Mtskheta-Mtianeti	-9.4%	8.0%	-17.7%	5.1%	-0.2%	12.2%
Tbilisi	0.3%	4.9%	2.9%	4.8%	-31.1%	5.7%
Overall Price % Change	-0.2%	5.0%	1.5%	4.0%	-20.5%	7.1%

	2016	2017	2018	2019	2020	2021	2022	2022	2022	2022	2022	2023
GDP in current prices for Accommodation and Food Service Activities (mn)	1054.1	1477.5	1800.0	2223.0	1204.5	1761.6	300.9*	538.2*	821.3*	648.2*	2374.5*	-
Number of International Travelers (thousand persons)	4720.0	7602.5	8679.5	9357.8	1747.1	1881.5	576.5	1049.4	2266.7	1534.3	9426.8	1208.5
Number of Tourists (thousand persons)	3297.3	4869.4	4716.6	5080.5	1087.0	1577.5	456.0	748.1	2082.6	948.8	1652.8	845.3
Revenue from International Travel (mn USD)	2110.7	2704.3	3222.1	3268.3	541.7	1244.9	393.7	748.8	1274.7	996.5	1516.8	785.4
The Expenditures of Georgian Travelers Abroad (mn USD)	386.3	463.6	524.7	652.2	180.5	184.7	72.0*	103.5*	118.6*	114.3*	408.6*	-
Foreign Direct Investment in Hotels and Restaurants Sector (mn USD)	118.1	111.4	106.0	119.3	247.3	-7.4	10.6*	6.9*	16.3*	-2.0*	31.5*	-

* Preliminary data



Maqro Construction Unveils a New Prestigious Project for Tbilisi

companies that, with the projects implemented in Tbilisi, choose not to harm, on the contrary, to contribute to the proper development of the city and to establish new standards in the real estate market. A fantastic example can be found in construction company "Maqro Construction", which has already acquired two unique projects for the city: "Green Budapest" and "Green Diamond", which are created with a "green" concept and offer customers all services in an ecologically clean environment without their needing to leave the residential area.

As the city continues to evolve, a new series of luxury projects is set to make its mark on the landscape. Following the "green" concept, Maqro Construction has announced the launch of its new "Prestige" series, which aims to offer a boutique, high-end living experience to a select few.

We spoke to Ozgur Kaan Karaer, Sales and Marketing Manager at Maqro Construction, about the company's plans for the Prestige series. "The Prestige series is designed to exhibit a different stance

that will blend elegance and art in the central locations of Tbilisi," he says. "This puts a great responsibility on us for the future of the city."

Karaer explains that Maqro Construction is approaching the launch of the Prestige series in a unique way.

"We haven't made any announcements yet, but the work on the Prestige series has started," he says. "The reason we have not made any announcement is that we will first share the Prestige series with our private customers."

The decision to focus on a select group of customers is a deliberate one, according to Karaer. "Our customers, whom we know from our previous projects and with whom we have experienced an important process in owning a special project, are people who are included in the definition of a special customer profile for us," he explains. "We think that people who are respected and who will integrate with the elegance and aesthetic understanding of Tbilisi should be in this profile."

For Maqro Construction, the Prestige series is not just about creating high-end

living spaces, but about contributing to the cultural heritage of Tbilisi. "The people of Tbilisi, in every period of its history, consisted of a highly cultured society," says Karaer. "If the perception of aesthetics is not combined with art, respect, and elegance, no step taken in the name of elegance and exclusivity can find a place in Tbilisi."

While the Prestige series is still in the early stages of development, Karaer is excited about what the future holds. "We are fully conscious of the perception of culture and art of the people of Tbilisi," he says. "With this awareness, we will primarily present the Prestige Series to our private customers."

As the Prestige series takes shape, it is clear that some addresses in Tbilisi are gaining prestige. With its focus on art, culture, and exclusivity, Maqro Construction is creating a new standard of luxury living in the city. The launch of the Prestige series is sure to be eagerly awaited by those who appreciate the finer things in life, and it will be fascinating to see how this new project contributes to the ongoing evolution of Georgia's capital.

Tbilisi, the capital of Georgia, is known for its cultural heritage, ancient architecture, and unique blend of modernity and tradition. The city is growing and developing by

the day. The number of new construction projects is also increasing in accordance with the demand. On the one hand, this is certainly a positive factor, but on the other, the appearance of the city is suffering. Yet, there are construction

Bridging Tech Frontiers: Insights from the Georgia and Armenia Tech Hub Summit 2023

On May 15, the Tbilisi Marriott Hotel hosted the highly anticipated Georgia and Armenia Tech Hub Summit 2023, a collaborative effort between Georgia-Based law firm Klein & Pantsulaia and Armenia-based law firm Klein & Iskandaryan. This prominent event, supported by GEORGIA TODAY and Tbilisi Marriott Hotel, aimed to explore the burgeoning tech landscapes of Georgia and Armenia, bringing together industry leaders, innovators, and international experts.

The summit kicked off with a captivating keynote speech by Arsen Babayan, representing Adobe. His address set the tone for a stimulating day ahead, marked by engaging panel discussions and insightful debates. Notable participants included UK's Exactpro, Devexperts, and America's Lineate, represented by Giorgi Tsikoloia, who brings huge experience as the former Deputy Chief of Mission at the Embassy of Georgia in the United States.

The focus of the event, amongst other issues, made comparisons between doing business in Armenia and Georgia, with lots of detailed discussions and debate re staffing and related issues as concerns both countries.

While both economies have expanded by double digits in the last year (two of the strongest growing economies in the world), the regional Tech Foreign Direct Investment (FDI) has well outstripped these figures, since there has been a dramatic and sudden shifting of Tech firms from Belarus, Ukraine and Russia, seeing dozens of foreign tech firms appearing in the region since last year. There are several instances where up to 1500 employees of a company relocated to the South



Caucasus. Not only has this shocked the local job market, but it has impacted on commercial/residential rental prices and the general cost of living.

During the event, Arsen Babayan shared his views on the significance of the summit as a step toward uniting the communities of the two featured countries. He expressed his wholehearted belief in

the potential of Georgia and Armenia, not just for the region but for the world as a whole. Babayan emphasized the importance of working together and acting as a unified front, rather than perpetuating historical divisions. He stated, "I actually view this opportunity as one of the first steps in bringing the communities of both countries together,

because, quite honestly, I believe wholeheartedly in that. And as it comes to Georgia and Armenia, so it will generally to the region. Hopefully, one day all of the countries in the region will act as a single front in the world. I believe that actually trying to increase the size of the pie will work for our nations rather than trying to split the pie, which we have

done a lot of times in history and which never worked."

This sentiment echoed the overall theme of collaboration and cooperation that permeated the summit. Participants recognized that by joining forces, Georgia and Armenia can tap into their collective strengths, harness the immense potential within the region, and present a formidable presence on the global stage.

According to the insights shared by Daniel Klein, the esteemed representative from Klein & Pantsulaia, Georgia boasts a remarkable presence of over 40 foreign tech companies, a significant portion of which have also established operations in Armenia. Curiously, despite being considered part of the same geographical area by multinational tech firms, there is a discernible lack of substantial initiatives between the two nations. This has created an undeniable demand for a greater number of similar events and initiatives, both on a corporate and governmental scale. While these foreign tech players view Georgia and Armenia as integral components of their business landscape, there appears to be a prevailing absence of collaboration concerning tax rates, incentives, and employment practices. Given the relatively modest size of their respective markets, it is paramount that the two countries shift their focus from competition to cooperative endeavors in order to enhance their competitive stance against regional counterparts such as Romania and Bulgaria. Acknowledging this imperative, Klein & Pantsulaia is actively pursuing the establishment of a foreign tech trade association that can encompass the broader region, fostering enhanced synergy and comprehensive cooperation.

Shangri La Continues to Support "Bakuriani-2023"



On 25th of April for the first time in Georgia, the archery championship among couples - "Bakuriani-2023" was held. Beneficiaries living in different regions of Georgia took part in the championship. Each pair was represented by a disabled female and a war veteran, amputee, low vision, hearing impaired and spinal cord injured person.

The championship was held within the framework of the Olympic system and three winning couples were identified. Third Place was taken by Gela Kheladze, a veteran soldier from peacekeeping



mission and Stella Andriuk with limb loss, the second place were taken by Papuna Skhulukhia, a soldier in the peacekeeping mission, and Irma Zverishvili who has to use wheelchair, and first place winners of the championship from Kutaisi, David Akhrakhadze and his spouse Irma Partsvania, in wheelchair. Medals and diplomas were awarded to the winning couples, while the first-place winners received a transitional cup, which will be placed in Kutaisi municipality for one year.

The championship was organized by the National Archery Federation with great help of professional instructors

and also disabled persons - war veteran Revaz Gorgadze and Giorgi Managadze in wheelchairs.

Shangri La entertainment complex management sees high importance of supporting the "Bakuriani-2023" project within the framework of social responsibility companywide. And due to contribution to the implementation of Article 30 of the 2006 United Nations Convention on the Protection of the Rights of Persons with Disabilities and, by promoting and the establishment of equal rights in the society of disabled people, military personnel wounded in the peacekeeping mission and war veterans.

ECHR Rejects Saakashvili's Attorneys' Appeal to Transfer Him to Warsaw for Treatment

According to the ECHR's ruling, Saakashvili was refused transfer to Warsaw, and the state was not instructed to transfer him to another treatment facility within the country.

The European Court of Human Rights (ECHR) rejected ex-president Mikheil Saakashvili's lawyers' plea, the Georgian Minister of Justice, Rati Bregadze, announced at a briefing.

"The Strasbourg court published its decision, in which the convicted Mikheil Saakashvili was denied transfer to Warsaw, and the state was not instructed to transfer him to another treatment facility within the country," the Minister said.

He noted that, as a European state, Georgia stands unwaveringly in defense of human dignity and all rights derived from it.

"Unfortunately, there is a group of people who cannot adapt to Georgia's success, and purposefully cast a shadow on our country's European future. From the first day of convict Saakashvili's arrival, a deliberate slanderous campaign funded by unknown sources began, intending to portray Georgia as a state where someone was being tortured.

"To achieve this purpose, this group took it so far as to push the convict to go on four episodes of hunger strike, disobey the doctor's instructions, refuse treatment, and therefore worsen his health, which is nothing more than self-harm.

"Within his campaign to obtain freedom, based on the artificial deterioration of his health, legal disputes in Georgia's Court of First Instance and Court of Appeal resulted in an unfavorable outcome for Saakashvili's defense.



"Subsequently, lawyers appealed to the Strasbourg court, requesting that he be sent to Warsaw for treatment as a temporary measure.

"However, the Strasbourg court's decision ruled that Mikheil Saakashvili was denied transfer to Warsaw, and, also, the state was not instructed to transfer him to another treatment facility.

"As we have frequently contested, this decision shows that the state's actions since his imprisonment have been correct and appropriate to the highest human rights standards.

"Once again, I would like to thank all of our worthy employees who work hard

to safeguard human rights, with special appreciation going to the medical staff who, despite many insults and slander, have faithfully performed and continue to do their duty and protect human health," Bregadze stated.

On April 11, Georgia's ex-president Mikheil Saakashvili's lawyers filed a lawsuit in the ECHR. The lawyers requested Mikheil Saakashvili's sentence be postponed and that he be transferred abroad for treatment.

"This decision put an end to the year-and-a-half campaign regarding the fact that Mikheil Saakashvili was dying in prison. It was a campaign built on abso-

lute lies, on falsehood, which is over now after the Strasbourg decision. This decision was absolutely predictable, based on the fact that the government acts in accordance with the standards, these are the standards of human rights and human approach, which have been introduced in our country since 2012," Chairman of the Georgian Dream party Irakli Kobakhidze thus evaluated the ECHR's decision regarding the ex-president.

According to the mother of the third president of Georgia, Giuli Alasania, Mikheil Saakashvili was not sure that the Strasbourg court would make a positive decision on the application of the

temporary measure.

"I didn't like this decision, I was expecting a different decision, taking everything into account, first of all, because of his condition. Statements by Volodymyr Zelensky, Maia Sandu and MEPs indicated that he should be transferred abroad for treatment. At this stage, nothing was taken into account. Strasbourg is just one stage. Let's see how things will develop now.

"He has never been sure that the Strasbourg court would make a positive decision. I was more optimistic," she said, adding that Saakashvili's condition continues to be serious.

Apart Development Bringing New Life to Old Tbilisi – Interview with Beka Khoperia

BY ANA DUMBADZE

We want to give new life to Old Tbilisi and create a service focused on the wishes and needs of the customer.

Apart Development is one of the fastest growing representatives of the Georgian development market. The company, created in 2019, started operating with a construction area of 2,500 square meters, and soon this figure exceeded 40,000 square meters.

The rapid growth in the team is associated with the first bold step, the launch of a large-scale project in Old Tbilisi – Old City Panorama – which provides for the renewal of the capital's old districts.

GEORGIA TODAY sat down with Beka Khoperia, founder of Apart Development, who built the company through his own experience in development and management.

APART DEVELOPMENT APPEARED ON THE MARKET NOT SO LONG AGO AND YET HAS ALREADY EARNED RECOGNITION AND A HIGH REPUTATION. WHAT DO YOU THINK IS THE REASON FOR THE INTEREST IN YOUR COMPANY, ESPECIALLY FROM FOREIGN INVESTORS?

It is true that the company is only four years old, but a fairly experienced team has gathered in our management, and I think it is thanks to this that we have positioned ourselves correctly in the market. The construction and development market is really quite saturated, and we found the right niche and entered the Old Tbilisi location with new construction projects, which was difficult for many companies, who considered it not worth doing due to the low development ratio and, accordingly, profitability. However, especially from foreign customers, the demand for this location was high and our projects were justified.

We had our very first project on Bukhaidze Street in Old Tbilisi, which was sold in record time, followed by a second and third large-scale construction on the same territory. Today, we have 2 completed and 5 ongoing premium class residential projects in Old Tbilisi, and 1 shopping center on the Rustavi – Tbilisi highway. In total, that's about 35,000 square meters of construction space. We boast 3 offices, up to 150 employees, and clients with substantial capital from different countries around the world.

Our remote service center is attractive and convenient for foreign investors, a place where we help clients go through the necessary procedures for buying an apartment without needing to come to Georgia: contact with banks, state structures, etc. On our site, a user can follow the ongoing construction process 24/7. We also offer a rental service where clients can make an investment and quickly receive a return on their money, so that they are minimally involved in it themselves – all these comforts are important to them. And as Old Tbilisi is a tourist center and the rental income here is much higher and more intense than in other areas, it is profitable for them.

MANY ARE TALKING ABOUT YOUR PROJECT, OLD CITY PANORAMA. TELL US WHAT MAKES IT SPECIAL.

One of our biggest and most important projects is Old City Panorama, the first phase of which is being completed in 3 months – we are preparing for the grand opening event in September.

In addition to unique panoramic views, the complex includes interesting entertainment and leisure spaces, open and closed pools, spa, fitness hall, and cafe and co-working spaces.

HOW WOULD YOU EVALUATE THE RENOVATION PROCESS OF OLD TBILISI AND THE NEW INITIATIVE OF CITY HALL IN THIS REGARD?

I am happy with Tbilisi City Hall's initiative to actively start rehabilitating



dilapidated houses in Old Tbilisi and replace them with new buildings. Obviously, the project is accompanied by certain difficulties, for example, negotiations with residents, most of whom do not even have registered land and make irrelevant demands of investors. If in this part, City Hall has a complex vision and offer for the population, and we, the investors, will be able to start working on "clean" land, saving a lot of time and resources. The topic of the K2 coefficient needs to be taken into account [The K2 construction intensity coefficient is the ratio of the overall area of the floors of a building on a given plot of land to the overall area of the plot]. Increasing the construction intensity coefficient by paying a certain fee means that the construction company can add to the number of floors of a building], which is considered rather challenging in Old Tbilisi, while developers working in other areas enjoy certain benefits in this regard.

REFLECT NEW STANDARDS THAT GEORGIAN CONSTRUCTION COMPANIES MUST MEET?

Soviet construction standards are still in force in Georgia, although active work is underway to move to European standards. The main difference between the existing and Euro standards is related to seismic resistance, with buildings needing to be more earthquake resistant, safe, and of higher quality. We believe that most of the main construction spectrum is ready to build buildings designed in accordance with EU norms.

Regarding the production of construction works, over the last 10 years, the construction process has significantly improved – a large number of companies have started producing basic construction documentation, and quality control directions have also been established.

HOW HIGH IS THE COMPETITION IN TERMS OF CONSTRUCTION QUALITY ON THE GEORGIAN MARKET TODAY?

Construction quality and requirements are definitely improving, which is accompanied by even stricter norms and standards to ultimately benefit our city and country. This process only serves to

make us happy and strengthen us, as does the existence of competitors and their activities. The more interesting projects there are in the country, the more the general economy will improve due to new investments or tourism.

BATUMI HAS THE LARGEST SHARE OF THE DEVELOPMENT MARKET AFTER TBILISI. DO YOU SEE PROSPECTS IN OTHER CITIES AND ARE YOU PLANNING PROJECTS OUTSIDE THE CAPITAL?

Batumi is definitely an interesting location for investment, especially for foreign clients, although it is also worth noting that when choosing between Batumi and Tbilisi, the capital is still our first choice.

Unlike coastal cities, the capital is not characterized by seasonal rentals; long-term contracts, etc. are more common in Tbilisi. However, the pace and number of constructions in Batumi emphasize its attractiveness. That is why we also have plans for Batumi, which we will implement in the coming years, however, we believe we will maintain our niche and stay within the boundaries of the central, old part of Batumi.

WHAT IS YOUR COMPANY'S STRATEGY FOR FURTHER DEVELOPMENT?

We think that the market demands it and we are ready to offer our concept, quality and location advantages to a wider audience. I won't go into the details of specific projects at this stage, but I will tell you that we have already made quite large investments in terms of land. Work is ongoing on premium-class complexes with large-scale development, 1000 or more apartments, in various districts of Tbilisi. Each new project concept will be unique and distinctive, tailored to the master plan of the city.

The management is preparing to take on big challenges. We are working with some invited business consultants to properly mobilize forces, because in the next 2-year plan, the scale of the company will increase not by 100 and 200, but by almost 1000%.

We Recycle! Georgian Communities Take Action Against Plastic Pollution

UNDP Resident Representative in Georgia Nick Beresford hosted a summary event of the UNDP Accelerator Lab's project "Development of the Plastic Waste Management Chain and Practices" which took place in Batumi and Tbilisi municipalities. The project promoted plastic waste collection and recycling in these two cities through a behavioral experiment.

The event brought together distinguished guests, including H.E. Peter Fischer, the Ambassador of Germany to Georgia; H.E. Hassan bin Ahmed Al-Mutawa, the Ambassador of Qatar to Georgia; and Archil Chikovani, Batumi Mayor, along with representatives of diplomatic missions, international organizations, and civil society.

During the event, UNDP presented a short documentary showcasing sustainable waste management practices. The documentary provided insights into a behavioral experiment that went viral and inspired local governments and communities across Georgia to take action against plastic waste pollution. The experiment demonstrated how sustainable municipal practices, relevant infrastructure, and targeted communication campaigns can significantly reduce plastic waste and facilitate a shift towards sustainable management of municipal waste.

Speaking at the event, Nick Beresford highlighted the importance of collaboration in tackling plastic waste pollution. "Our work with Germany, Qatar, and Batumi municipality is a great example



of how a small but well-designed experiment can open up much bigger opportunities. We found communities in Batumi were very willing and able to sort their plastic waste at source – people want a

cleaner city. Batumi city council were quick to scale this up and connect it to their recycling program. It shows we can successfully expand recycling systems even if we develop basic waste manage-

ment services," Beresford said. The success of the waste management project and the experimental approach taken by UNDP were praised by attendees, with the German Ambassador stating

that the project is an excellent example of how innovation and experimentation can be used to tackle global challenges. The Ambassador of Qatar noted that the successful results of the project are expected to inspire similar initiatives in other parts of Georgia.

The Mayor of Batumi stressed Batumi City Hall's commitment to sustainable urban development and environmental protection. He also noted that initiatives such as the waste management experiment help turn Batumi into Georgia's greenest, cleanest and most sustainable urban space.

UNDP Accelerator Lab first launched its behavioral experiment in 2021 with 40 plastic waste collection bins being installed in the residential areas of Batumi and Tbilisi. This was followed by a targeted educational campaign on plastic waste collection in the pilot districts.

In Batumi only, the experiment led to a 16-fold increase in plastic waste collection, from 50 to 800 kilograms per week. Building on this success, UNDP and Sweden, as part of their Governance Reform Fund programme, helped equip municipal waste collection and recycling facilities in Batumi and assisted the city in developing and adopting a municipal waste management plan.

As Georgia continues its journey towards a climate-smart and sustainable economy, UNDP will assist the country by promoting sustainable waste management, responsible production and consumption, and other sustainable practices in close partnership with national stakeholders, donors and supporters.

Paris Printemps (Paris in Spring)

BLOG BY TONY HANMER

Paris, over 2 millennia old... which we had dreamed to see in this season for some years. My last visit there was in 1999, taking the Chunnel train from London with a friend to see my favorite pop group in the world, Eurythmics, on their Peace reunion world tour. Annie, Dave, you never disappoint.

I did get to see Notre Dame (Our Lady) cathedral then, intact, long before its recent devastating fire. This return visit sees its reconstruction in full swing, with the grand reopening scheduled for a couple of years from now, five years since it was largely destroyed.

We also took in the Champs Ulysses, Paris's most famous street for shopping and fashion, crowned by the Arc de Triomphe, which was commissioned in 1806 to celebrate Napoleon's victory at Austerlitz. The Eiffel Tower, built in the late 19th century, an engineering triumph. And several world-class museums. And the Alexandre II bridge, one of the world's most beautiful, on which my father took my mother's portrait while they were on honeymoon.

Having bought a couple of 3-day all-inclusive public transport tickets for the city, we were free to hop on and off the Metro, buses, trams, trolleybuses and the train system too. A map of all this guided us, and it was my game to try to get us from our hotel's Metro stop to any destination in as few line changes as possible, usually 1 change. The Metro is quieter than Tbilisi's, and huge of course, serving many more millions, and we never saw it too crowded.

We ate out at a French restaurant only once, but this was extraordinary. Just a



little place near our hotel, La Mere Lachaise (www.lamerelachaise.fr), and it was only 47 Euros for our two meals, including drinks. Fabulous, quiet, delicious. Highly recommended, but there are hundreds if not thousands of worthy competitors in this city of gastronomy.

While we couldn't get tickets for Bruce Springsteen, these having been sold out months earlier, we consoled ourselves with Free Museum Night on May 13, our last night, happening all over Europe. How to narrow down the choices to see between 6 pm and 1 am?

I decided on the museums of Picasso and Rodin, and these both dazzled. I

have to say, though, that I saw little of beauty in the former's collection; and much in the latter's. Pablo might have been THE giant of 20th century art, but he's not for everybody's tastes, despite obvious huge genius from his early childhood until his death at 92 in 1973.

Auguste Rodin, though, one of the world's greatest sculptors... The Thinker, The Kiss, The Gates of Hell, and so many more, in clay, plaster, marble and bronze. Gardens and house were full of his genius creations. While my camera was warning me of a low battery about to die, and my spare was forgotten in the hotel room, I shot away, knowing I was in the presence of greatness.

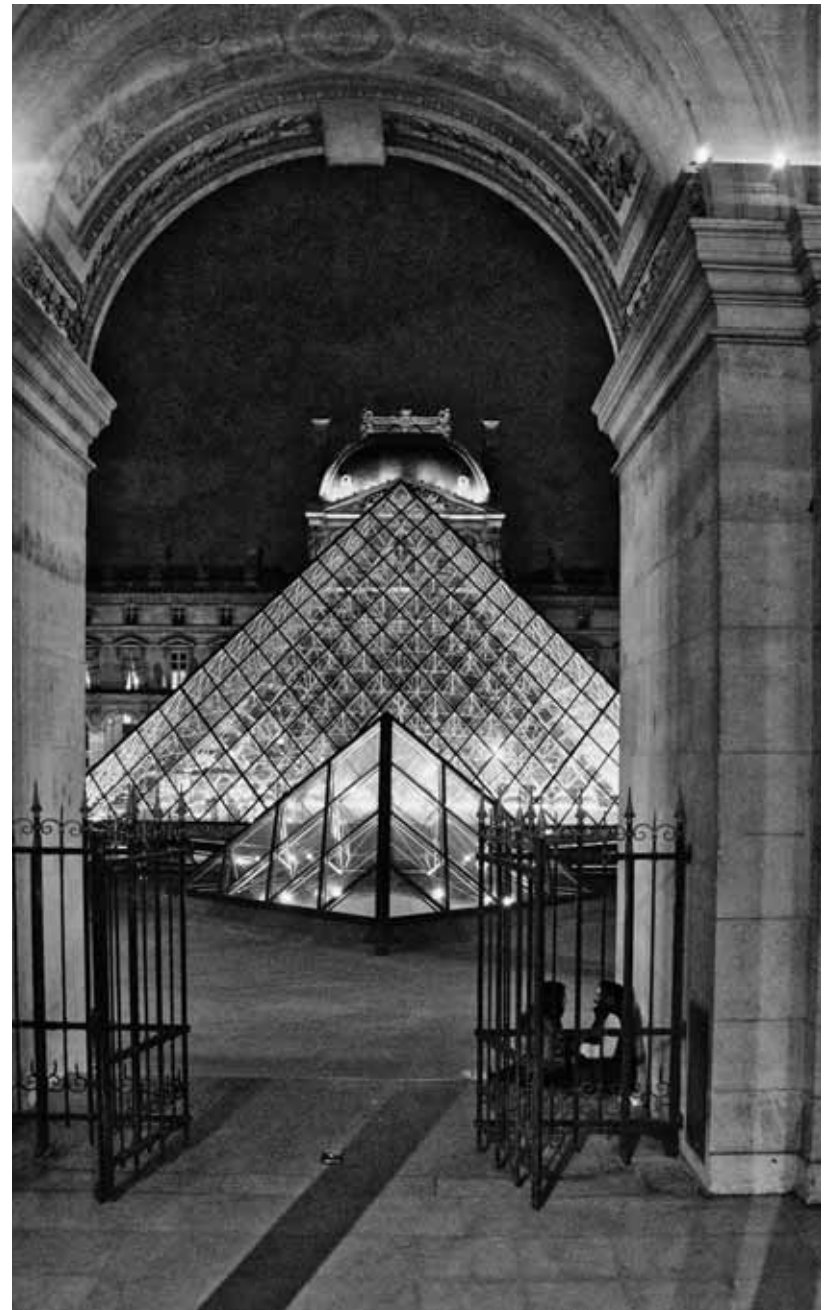
Then my wife suggested, against internet warnings of needing a reservation, that we try the Louvre as well; it wasn't far away. To our surprise and delight, we walked in unhindered, with no line-up even. Now we had only a couple of hours. What to focus on in one of the world's largest art museums with its 400-odd rooms stuffed with masterpieces from the last few thousand years!

The Winged Victory of Samothrace, or the goddess Nike, beckoned from her solo position at the top of a staircase. This roughly 2200-year-old marble masterpiece, made only more mysterious without her arms or head, was a thrill. My camera allowed more shots.

Where was La Gioconda, Leonardo's crown, the Mona Lisa? We found her too, in a crowd of selfie-takers, dominating a huge room in the wing devoted to Italian art, and gazed on her perfectly enigmatic little smile, while she gazed back. I shot on, hardly believing the camera battery was holding out.

It would take weeks or months to see the whole Louvre collection properly, but we contented ourselves with what was possible to take in before the staff shooed us all out. Dazzled into silence, we took the Metro home deep in thought. We had only scratched the surface of a small corner of this amazing city, but it would do.

Next morning, our Wizzair budget flight from Paris Beauvais to Kutaisi, getting in at nearly midnight. Then a nearly all-night drive back to Tbilisi in the rain and dark, having to use the Chiatra bypass of the Rikoti road, with some terrible sections and zero signage.



Somehow we made it. Memories linger on, of cool, green, blossoming Paris in the Spring.

Tony Hanmer has lived in Georgia since 1999, in Svaneti since 2007, and been a weekly writer and photographer for GT since

early 2011. He runs the "Svaneti Renaissance" Facebook group, now with nearly 2000 members, at www.facebook.com/groups/SvanetiRenaissance/. He and his wife also run their own guest house in Etseri: www.facebook.com/hanmer.house.svaneti



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