



## FOCUS

ON PRIGOZHIN & PUTIN

Dmitri Alperovitch on Prigozhin's death, Wagner looking ahead, and Putin's gangster state

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## Con Coughlin on the F-16s and the Mixed Hope for Success in Ukraine's Counteroffensive

INTERVIEW BY VAZHA TAVBERIDZE

**R**FE/RL's Georgian Service sat down with Con Coughlin, Defense and Foreign Affairs Editor at The Daily Telegraph, to discuss the F-16s and their potential impact in the ongoing counteroffensive in Ukraine, and Western support for Ukraine's territorial integrity.

"The fact that Ukraine is getting these aircraft does represent a serious upgrade in its military capabilities. And it also deepens their military relationship with the NATO Alliance, which looking to the future will be very important for Ukraine to maintain its independence and sovereignty," Coughlin notes.

We ask him about their impact on the ongoing counteroffensive.

"At the moment, I'm not sure that they will be operating in time to contribute to the current counteroffensive, because it takes quite a long time to get these aircraft embedded in the air system. It could be done, but it's unlikely," he says.



Continued on page 6 Con Coughlin. Photo by David Rose

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

As of 29-Aug-2023

Markets				STOCKS			
	Price	w/w	m/m		Price	w/w	m/m
<b>BONDS</b>				Bank of Georgia (BGEO LN)	GBP 35.45	+2.0%	+10.4%
GRAIL 07/28	86.89 (YTM 7.29%)	+0.2%	+0.2%	Georgia Capital (CGEO LN)	GBP 9.53	-0.1%	+3.0%
GEOPAP 03/24	100.12 (YTM 5.89%)	-0.0%	+0.6%	TBC Bank Group (TBCG LN)	GBP 28.15	+0.5%	+13.1%
SILNET 01/27	98.30 (YTM 8.96%)	-0.2%	-0.1%				
TBC 06/24	99.10 (YTM 6.91%)	+0.1%	+0.1%				
				<b>CURRENCIES</b>	Price	w/w	m/m
				GEL / USD	2.6229	+0.1%	-0.4%
				GEL / EUR	2.8534	+0.4%	-1.6%
				GEL / GBP	3.3149	-0.6%	-2.0%
<b>COMMODITIES</b>	Price	w/w	m/m	GEL / CHF	2.9842	+0.3%	-1.4%
Crude Oil, Brent (US\$/bbl)	85.49	+1.7%	+0.6%	GEL / RUB	0.0274	-1.4%	-4.5%
Gold Spot (US\$/Oz)	1 937.54	+2.1%	-1.1%	GEL / TRY	0.0986	+2.5%	+0.8%
				GEL / AZN	1.5447	+0.2%	-0.3%
				GEL / AMD	0.0068	+0.2%	-0.2%
<b>INDICES</b>	Price	w/w	m/m	GEL / UAH	0.0710	-0.4%	-0.4%
FTSE 100	7 464.99	+2.7%	-3.0%	EUR / USD	0.9191	-0.3%	+1.2%
FTSE 250	18 468.59	+2.5%	-3.4%	GBP / USD	0.7909	+0.7%	+2.6%
DAX	15 930.88	+1.4%	-3.3%	CHF / USD	0.8784	-0.2%	+1.0%
DOW JONES	34 852.67	+1.6%	-1.7%	RUB / USD	95.4961	+1.4%	+0.0%
NASDAQ	13 943.76	+3.2%	-2.6%	TRY / USD	26.5952	-2.2%	-1.2%
MSCI EM EE	38.73	+1.2%	-5.9%	AZN / USD	1.6973	-	+0.0%
MSCI EM	987.58	+2.2%	-5.3%	AMD / USD	385.7700	-0.0%	-0.1%
SP 500	4 497.63	+2.5%	-1.8%				
MSCI FM	2 169.95	+0.7%	-4.2%				



# More Rain Fell on Tuesday Night than Did in Tbilisi Flood of 2015

BY MARIAM GORKHELASHVILI

**O**n August 29, streets were flooded in Tbilisi due to heavy rainfall. The overflowing water covered half of the cars in some places, and even entered buses and subway cars. Traffic in the city all but ground to a halt.

According to Tbilisi Mayor Kakha Kaladze, the rain exceeded the amount of precipitation recorded on June 13, 2015 – the date of the Tbilisi flood which swept away half the zoo and killed 20 people.

“According to the preliminary data of the National Environment Agency, the amount of precipitation that fell within three hours last night was more than double the amount of precipitation that fell during six hours on June 13, 2015.

Last night’s rainfall covered the entire territory of Tbilisi and created some problems in different areas,” Kaladze said.

Kaladze also denied accusations that drainage systems throughout the city are not working properly. The mayor



Source: businessformula.ge

stated at the meeting of the government of Tbilisi municipality that the drainage system was delayed during the rain, which prevented the flow of water.

“In the first minutes, relevant agencies of the City Hall were already in the problem areas and trying to take the necessary measures.

“Yesterday I was personally on the right bank of Mtkvari, where the road leading to the ramp of King Tamar was flooded. We have heard many claims that the drainage systems do not work in the capital. Of course, we have problems with underground communications. That is why, where we carry out rehabilitation works, first of all, we arrange such communications. The problem last night was that the drain grates were covered with debris and this prevented the water from draining.

“Where I was, we cleaned this debris by hand and the drainage system began working properly. As soon as the rain stopped, there was not a single drop of water on the asphalt and the flooded area was completely empty,” said Kaladze.

The Emergency Situations Management Service has not reported any injuries.



## Germany to Declare Georgia and Moldova as Safe Countries

**G**erman Minister of Internal Affairs Nancy Faeser defended the planned recognition of Georgia and Moldova as safe countries.

“Both countries want to join the European Union. In both countries, people are usually not at risk of persecution for political reasons. In addition, more than one in ten asylum seekers in Germany come from these countries, and recognition as safe will allow us to reduce illegal migration very quickly and effectively,” she said in an interview with Funke’s publications released on Wednesday, August 30, as reported by DW.

Nancy Faeser announced the planned signing of agreements in the field of migration with Moldova and Georgia.

“This will give a chance to people who want to come to Germany, get an education here, work here, and it will also attract essential qualified personnel,” she said, adding that Moldova and Georgia at the same time undertake to take back people who do not have the right

stay in Germany. Until now, due to the lack of such agreements, Germany has not been able to expel a large number of migrants.

The German government intends to approve the bill submitted by Faeser on August 30. The German Interior Ministry substantiated the need for the speedy adoption of this document by the fact that in the first half of the year, the share of approved asylum applications from citizens of Moldova and Georgia was only 0.1 percent.

The status of safe countries of origin will allow Germany to expedite the processing of asylum applications from citizens of these countries and expel rejected migrants more quickly.

According to the German Ministry of Internal Affairs, in 2022 and the first half of 2023, 99.9% of asylum seekers’ applications from the mentioned countries were rejected.

In total, 8,865 citizens of Georgia and 5,218 citizens of Moldova sought asylum in Germany in 2022.

## UCMAS Georgia Celebrates Exceptional Triumph: “Grand Champion” Title Secured in International Online Challenge 2023



**I**n an extraordinary display of academic prowess and mathematical acumen, UCMAS Georgia is elated to announce a monumental achievement on the global stage. The accomplished student, Rezi Abulashvili, emerged as the triumphant “Grand Champion” in the highly competitive International Online Challenge 2023. With over 17,000 participants representing 84 countries, Rezi’s victory stands as a testament to the program’s efficacy and the dedication of UCMAS Georgia’s National Franchise Owner, Sahar Harb.

The International Online Challenge, a premier platform for young minds to showcase their mathematical skills, witnessed an overwhelming response from talented students worldwide. Amidst this fierce competition, Rezi

Abulashvili’s exceptional performance shone brightly, ultimately earning him the prestigious title of “Grand Champion.” This accomplishment reflects his dedication, diligence, and the comprehensive training provided by UCMAS Georgia.

Sahar Harb, the esteemed National Franchise Owner for Georgia, has played an instrumental role in fostering a conducive environment for educational excellence. Under her guidance, students like Rezi have been empowered to embrace academic challenges on an international scale. Mrs. Sahar’s commitment to nurturing young talents and encouraging their participation in global events is truly commendable.

The victory of Rezi Abulashvili stands as a testament to the effectiveness of the UCMAS program, which goes beyond

conventional education to cultivate cognitive abilities and mathematical proficiency. This triumph reinforces UCMAS Georgia’s dedication to honing the skills of young learners and preparing them for success not only within the classroom but also on a global stage.

UCMAS Georgia extends its heartfelt gratitude to Sahar Harb for providing students in Georgia with the opportunity to participate in international competitions of this stature. Her vision and dedication have been instrumental in fostering an environment that encourages young minds to excel beyond boundaries.

As UCMAS Georgia continues to nurture young talents, it remains committed to providing transformative educational experiences that empower students to achieve remarkable feats.



# BBC World Questions Comes to Georgia

COMPILED BY KATIE RUTH DAVIES AND MIKE GODWIN

**B**BC World Questions, the BBC World Service program that puts people and their questions at the heart of the debate, is landing in Tbilisi on Tuesday 12 September, seeking to bring together leading figures and the public to discuss the issues that matter most to the people of Georgia.

Presented by Anu Anand on location at the Liberty Theater, a panel of politicians and opinion formers will join a debate led entirely by questions from a public audience.

Critical subjects including the country's possible accession to the European Union, relations with Russia, freedom and democracy, the economy and the environment, will all be up for discussion.

Appearing on the panel for this program will be:

- Mariam Lashkhi, MP for the governing party, Georgian Dream Party
- Tina Bokuchava, MP for the opposition party, United National Movement (UNM)
- Kornely Kakachia, Professor of Political Science, Tbilisi State University
- Levan Ghambashidze, Philosopher

"BBC World Questions travels the globe hearing about the big issues that matter most to our audiences, and it's their opportunity to hold power to account," says Gwenan Roberts, Commissioning Editor, BBC World Service English. "We're excited to visit Tbilisi and look forward to an informed and lively debate!"

GEORGIA TODAY sat down with Helen Towner, Series Producer of BBC World Questions, to find out more about the upcoming event.

## WHAT PROMPTED THE BBC TO COME TO TBILISI

## TO HOST THIS EVENT?

BBC World Questions is the BBC World Service radio program that puts people and their questions at the heart of the debate. As Georgia continues its journey to join the EU, we are delighted to be hosting World Questions in Tbilisi - bringing together government and opposition politicians, as well as leading thinkers and analysts. They will be answering the questions and discussing the topics that matter most to the people of Georgia.

## WHAT ARE YOUR EXPECTATIONS FOR THE EVENT?

We hope to have an open and free debate about topics that are important for the people of Georgia. These could be around membership of the EU, or relations with Russia, or the political situation in Georgia, or the environment - we let the audience decide which questions they want to put to the panel. This way we hope to let the world know what Georgians are thinking about and discussing.

## HAVING BOTH SIDES OF THE POLITICAL SPECTRUM ON STAGE IN TBILISI IS UNCOMMON, PARTICULARLY TO ANSWER THE PUBLIC'S QUESTIONS. DO YOU THINK THIS MIGHT BE A CLARIFYING OR COMPLICATING MOMENT FOR EACH SIDE?

It is really important in any democracy for people to be able to hear both sides of an argument or political position. We are delighted to have elected representatives from both the governing party, the Georgian Dream, and the leading opposition UNM party on our panel. This gives the public the chance to hold their elected politicians to account. It can be very empowering, and hopefully enlightening.

## ONE OF THE TOPICS IS GEORGIA'S ACCESSION TO THE EUROPEAN UNION, AND

## BOTH THE RULING PARTY AND OPPOSITION HAVE TOUTED THEIR PLANS AS THE KEY TO ACHIEVING THIS GOAL. HOW MUCH WILL WE GET TO SEE EACH SIDE'S ROADMAP TO THE EU DURING THE EVENT?

We expect both parties to outline their plans to achieve the goal of EU membership. We also have two political analysts on the panel who can pick that apart a bit, and give more context. It's a complex issue. I hope we get some real clarity on this difficult issue.

## NATURALLY, RELATIONS WITH RUSSIA IS A SENSITIVE TOPIC IN A COUNTRY STILL FACING A RUSSIAN MILITARY PRESENCE IN ITS TERRITORY. WHAT ARE SOME THINGS YOU HOPE THE PANEL WILL ADDRESS IN THIS MATTER?

The topics will be determined by the audience, so we will be guided by their opinions and questions, but given events in the region, it seems very likely that Russia will come up. I hope that we will hear thoughtful opinions and suggestions on what Georgia's position should be in relation to Russia, and we look forward to hearing our audience's views on this as well. Maybe some Russians will attend the event in the audience - it would be really interesting to hear from them too.

## HOW WILL THIS TOWN HALL FORMAT BE DIFFERENT REGARDING QUESTIONS ABOUT FREEDOM AND DEMOCRACY IN THE COUNTRY, SINCE THE QUESTIONS WILL BE COMING FROM THE PUBLIC DIRECTLY?

This is a chance for the people to get their questions answered by their politicians, and to become part of the debate themselves - it's democracy in action. We usually get through six or seven questions in the course of the program,



A photo from BBC World Questions - Delhi

and we keep an open mind about what those issues will be. It will be exciting to see what Georgians want to discuss.

## WITH THE ELECTIONS APPROACHING NEXT YEAR, DO YOU THINK THIS EVENT WILL AFFECT POPULAR OPINION FOR EITHER SIDE?

Public debate should always be informative, so we hope it may even encourage new thoughts and ideas on some level. We are also very grateful to the people of Tbilisi and our panel for giving the BBC their time and energy, and for taking part in this event, which will then be heard around the world.

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BBC World Questions: Georgia is an English-language program which will be recorded for broadcast worldwide across the BBC World Service and BBC Sounds, as well as most other podcast providers. It will be recorded in English on Tuesday 12 September in front of a live audience at the Liberty Theatre, Tbilisi. We invite all audience members to attend a reception from 6.30pm to prepare questions for the debate, with the recording from 7.30pm.

Tickets to be part of the audience can be found at <https://www.bbc.co.uk/shows-and-tours/shows/world-questions-12sep23>.

## TOGETHER WE MAKE LIFE EASIER!

Every year, Sheraton Grand Tbilisi Metechi Palace takes part in the Marriott International Hotels charity campaign "You Eat, We Give."

In the month of September, you can enjoy your meal at "Craft House" and therefore become a charity fundraiser. After every transaction you make for your meal at "Craft House" the Sheraton Grand Tbilisi Metechi Palace will donate 2 GEL to the charity organization "MAC Georgia".

MAC has educated hundreds of teachers, parents, community leaders, and institutional staff about disabilities and has encouraged children in outlying regional areas to go to university by giving 88 children university scholarships. Massage therapists are taught techniques for working more efficiently with children, and hundreds of children have been evaluated by MAC staff. Autistic children have a voice through their parents' participation in parents' group, and the first IQ test in Georgia was normed by MAC.

Craft House working hours:  
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# Ramzan Kadyrov: Putin's New Blue-Eyed Boy

BY SAAHIL MENON

In Putin's Russia, flying too close to the sun and wearing your heart on your sleeve invariably lands you in jail or, worse still, gets you killed. Paradoxically, the same brash demeanor is of the essence to rise through the Kremlin's ranks and cement one's place among its ruling elite. Disgraced warlord Yevgeniy Prigozhin's rags-to-riches-to-ashes story is a pertinent example of an innate risk-taker who decided to push the envelope and let the chips fall where they may at the tail end of his colorful career. Cognisant of the fine line between constructive criticism and outright character assassination, Prigozhin repeatedly vented his frustration at high-ranking military officials via the social-media platform Telegram until it became evident that his no-holds-barred, vitriolic rants were not being taken seriously by the Ministry of Defense. In many ways, their inertia thrust him into uncharted territory which ultimately ended up sealing his fate.

That said, the Wagner boss painted a target on his back and fell out of favor with the State Duma well before the armed insurrection in June. Described as a "talented businessman" in Putin's eulogy, it is somewhat surprising that Prigozhin had no concept of basic office politics and was convinced he could get away with making enemies of the conventional armed forces' most senior and decorated commanders. All the more unfathomable was that he did not see his doomsday coming even though the Russian President is on record claiming he does not forgive betrayal under any circumstances. While he may be a serial liar who routinely enters into unscrupulous agreements not worth the paper they are written on, Putin has proven time and time again how much loyalty matters to him. Eliminating his golden goose with no obvious heir apparent or succession planning vis-à-vis Wagner speaks volumes of the ex-KGB agent's austere moral code that is not to be toyed with.

To some extent, Prigozhin's value proposition, both on and off the battlefield, led him to carry on with business as usual and assume he was in the clear. From rubbing shoulders and cutting side

deals with prominent dignitaries at the Russia-Africa Summit in St. Petersburg a month ago, to filming himself donning fatigues in the "50-degree" heat and barren terrain of Mali shortly before his plane crash, the putschist's followers were deluded into believing that he had been given a new lease of life by the very tyrant he left red-faced. Meanwhile, revealing that the "special military operation" had gone sideways was arguably as cardinal a sin as the failed coup itself. Having admitted that his mercenary unit was running low on artillery and had to retreat from key strategic positions in Eastern Ukraine as a result, the former convict inadvertently peddled a narrative which ran counter to the triumphant discourse Kremlin-affiliated media outlets were force-feeding their audience.

Surrounding himself with ultra-nationalist, warmongering loudmouths cut from the same cloth is a deliberate ploy by Vladimir Putin to show the Russian populace what they are in for if he ever relinquishes power. Even Dmitry Medvedev, who was long considered a level-headed statesman and the darling of the West during his four-year term as commander-in-chief, has now morphed into the high priest of anti-NATO posturing. Prigozhin, for his part, had always been a loose cannon while in the public eye, and made the fatal error of using prison yard tactics to try and overthrow the current regime. The billionaire chef's rough upbringing on the crime-ridden fringes of then Leningrad was embodied in his abrasive persona and his receptivity to undertake all kinds of dirty work and odds jobs for the Kremlin. However big his boots are to fill, as well as those of his late right-hand man Dmitry Utkin, one thing remains certain: nobody is indispensable in Putin's eyes.

State-sponsored propagandists spun the downing of Prigozhin's Embraer jet as a scheme hatched by Ukraine's security apparatus (SBU) on its independence day to decapitate Wagner and starve Russia's war chest of the money they were making hand-over-fist in Africa. Much like the 2020 assassination of Qasem Soleimani, Iran's second most powerful figure at the time, Prigozhin is being depicted as a martyr who perished in the thick of advancing the motherland's "common good" to drum up domestic support and incite further animosity towards the collective West. The



Ramzan Kadyrov and President Putin. Source: Telegram

sheer number of makeshift memorials that have mushroomed across Moscow and St. Petersburg this past week not only suggests that he was a folk hero to many - just as Soleimani was to even the most apolitical Iranian citizens - but that the Kremlin appears to be preying on his mourners' credulity with its own twisted version of events.

With Prigozhin now out of the equation, the modern-day tsar is in dire need of a trusted confidante who appreciates how high the stakes are for becoming too adventurous or megalomaniac. Chechen leader Ramzan Kadyrov got the memo at a very young age, having seen his hometown Grozny bombed to smithereens as part of Russia's "war on terror". Ever since taking the reins in 2007, there has been an unspoken quid pro quo between Kadyrov and Putin. In exchange for flushing out sympathisers of Salafist militia groups like ISIS and Al Qaeda, as well as separatist guerrilla movements, the 46-year-old strongman has carte blanche to run Chechnya like a family-owned conglomerate, and receives munificent funding from state coffers for its "post-war beautification". Although still a cesspit of misery where flagrant human rights abuses including domestic violence, enforced disappear-

ances and contract killings are rife, the threat of radical Islam permeating to other parts of the country from what was once a breeding ground for jihadi fighters is remarkably low.

Besides Kadyrov being a known quantity, bringing him to the forefront is also conducive to gaining political mileage and currying favor with Moscow's new-found Middle Eastern allies. The recent expansion of BRICS, which will soon include six new members, of whom four are Muslim-majority states, goes to show how bullish the Russians are on West Asia. In a sense, BRICS+ is nothing more than a manifestation of Putin's inferiority complex towards the G7, which Russia was famously booted from back in 2014 after occupying Crimea. The Chechen President, who is a familiar face across the Gulf and masquerades as Russia's de facto diplomatic attaché to the region, will no doubt be looked upon as their meal ticket to keep up cosy ties with sanctions evasion hubs like Dubai and Doha. The Arab World is increasingly being touted as the Kremlin's next El Dorado amid an inevitable scaling down of Wagner's underhand commercial ventures in Africa that have fleeced parts of the continent dry and helped fund the ongoing conflict.

Russian lawmakers even ratified a decree to pilot shariah-compliant banking in the predominantly Islamic republics of Tatarstan, Bashkortostan, Dagestan and Chechnya from the start of September. As far as the full-scale invasion is concerned, Kadyrov has been one of its most vociferous apostles, yet his light-infantry "Akhmat" battalion turned out to be all bark and no bite when they were deployed to the frontlines. Notwithstanding, the Chechen head could be entrusted with less heavy-duty missions such as Russia's unfinished business in nearby Georgia. Medvedev's recent remarks on the prospect of formally annexing Abkhazia and South Ossetia were just as much tongue-in-cheek as they were off-the-cuff. The Georgian Dream party's pay-to-play arrangement with Moscow, coupled with President Salome Zurbishvili's administration being asleep at the wheel as the Russian diaspora proliferates, renders Georgia low-hanging fruit and a potential consolation prize for Putin, given his army's abject failure in Ukraine. On that note, perhaps Prigozhin was merely his sacrificial lamb to usher in young blood and with it, an era of less grandiose foreign policy manoeuvres that do not risk blowing up in his face.

## US Ambassador Kelly Degnan Bids Farewell to Georgians



Source: mtavari.tv

US Ambassador Kelly Degnan, whose term as an Ambassador ends this summer, has expressed her affection for Georgia's culture, nature and people in her farewell letter to Georgian citizens.

In the letter, published in Georgian, she writes that during her time in Georgia, she learned that Georgians, like

Americans, have fought for the unity and strength of their country.

She highlights that Georgians throughout the centuries, have preserved their freedom, faith and values, which define Georgian identity.

The Ambassador notes that these are values that Americans share with Georgians: the pursuit of freedom, independence, creativity, compassion, and perseverance.

## Rock Erosion Mitigation for Chabua Amirejibi Highway Expected to Exceed \$4 Million

BY MARIAM GORKHELASHVILI

On the Chabua Amirejibi highway, efforts are underway to prevent rock erosion and ensure safety. A protective net is being installed to mitigate the risk of rock falls, and ongoing rock cleaning activities are part of the endeavor. The State Procurement Agency's website indicates that the project cost totals 4,424,000 GEL.

The stretch of road facing the threat of rock falls is situated between the intersections of Amirejibi and Kakutsa Cholokashvili highways and Mikheil Tamarashvili Street. This segment will remain closed for traffic until September 10.

"In Tbilisi's Saburtalo district, along the Chabua Amirejibi highway, a rocky area has sections prone to rock falls. Protective nets were installed on various parts of the rock years ago, complemented by consistent cleaning and monitoring of fallen debris at the rockbase," the Agency website reports.

"Based on construction experience, the underlying foundation of erosion consists of Upper Eocene sandstones and mudstones. These rock formations are naturally compact and resilient when in contact with moisture, classifying them as bedrock. However, prolonged exposure to the surface accelerates their deterioration, causing them to dry out and accumulate gypsum. Among them, argillites and subargillites are especially susceptible to rapid deterioration, transforming into slag and debris.

"From a geodynamic standpoint, these rock formations are heavily dislocated and affected by tectonic disturbances. Their overall strength and resistance to erosion, landslides, and gravity-induced processes are notably low, leading to significant geodynamic activity.

"Recently, the erosion of the stone formations has intensified, resulting in larger fallen rocks. As a consequence, the previously installed protective grid has been compromised by the impact of these larger boulders. Unfortunately, this grid can no longer guarantee the safety of the area. Although efforts are made to clear the fallen debris, the rate of stone erosion is on the rise. Immediate and comprehensive research of this rock section is imperative. Based on this analysis, an anti-rock erosion net must be established using anchoring mechanisms."



# "Nothing Personal, Just Business" - Dmitri Alperovitch on Prigozhin's Demise and Putin's Mafia State

INTERVIEW BY VAZHA TAVBERIDZE

**D**mitri Alperovitch is a Soviet-born cybersecurity expert and entrepreneur who has waded deeply into geopolitics. A co-founder of CrowdStrike, who helped investigate high-profile cases, including the Russian hack of the US Democratic Party in 2016. He also launched the Silverado Policy Accelerator, a nonprofit think tank, to examine US policy challenges in the 21st century.

Alperovitch spoke to RFE/RL's Georgian Service after the crash of Wagner founder Yevgeny Prigozhin's private jet on August 23. He talked about what Prigozhin's demise says about President Vladimir Putin's "gangster state," the chilling message it sends, and its likely effect on events in Africa and the war in Ukraine.

## PRIGOZHIN MIGHT HAVE SUNG HIS OWN ARIA ALREADY, BUT WHAT ABOUT THE WAGNER OPERA ITSELF?

I think the Russian military would love to have the Wagner folks, both the commanders and individual infantrymen, join up and sign contracts either directly with the Russian military or through one of their cutout PMCs [private military companies], like Redut, for example, that the Russian military organized a few years ago. And, in fact, Putin personally made the case to them a week after the mutiny when he met with about 30 Wagner commanders and Prigozhin himself, in the Kremlin, as he himself claimed, and tried to push them to abandon Prigozhin and sign up. And according to his telling, they were all ready to do so, if not for Prigozhin, who said, speaking for them, that they did not want it.

## WHAT MIGHT HAVE MADE PRIGOZHIN THINK HE COULD ESCAPE PUNISHMENT?

This goes to the issue of why he was [allegedly] killed, and I do not buy the argument that this was simply revenge for the mutiny. I do think that there was a deal that was made after the mutiny, where he was going to be forgiven for this act of "disobedience." But it was going to be on Putin's terms, and one of those terms is that he was going to go away. Exile to Belarus was not really about Belarus as much as about Prigozhin disappearing into the night. And he decided not to do that.

And this latest confrontation about Africa was the straw that broke the camel's back, where Putin sat back and said: "Wait a second, not only does this guy get away with mutiny, and I gave him his life back and guaranteed his safety, but now he dares to challenge me? The payment for the mutiny was that I'd take away your business, and give it to myself and my cronies. And you dare to resist that? That's it. You're done."

## SO, PRIGOZHIN RENEGED ON A PARDON THAT WAS GIVEN TO HIM?

Yeah, I don't know that he knew exactly that he was reneging on it, because I'm not sure that the deal that he got specified all those details. But certainly, in Putin's mind, it was a complete capitulation, and that whatever conditions that Putin put forward, even if he didn't mention Africa originally, but if he decided later on at some point he was going to



take Africa away from Prigozhin, that Prigozhin's job was to say, "Yes, sir," and oblige. And Prigozhin dared again to obstruct, to fight back, and that was unacceptable.

## SPEAKING OF BELARUS, WE SHOULD PROBABLY MENTION THE GREAT MEDIATOR, BELARUSIAN LEADER ALEKSANDR LUKASHENKO. HE'S HAD AN ALMOST SHAKESPEAREAN ROLE IN ALL THIS. HOW DOES IT LOOK FROM YOUR PERSPECTIVE?

I don't think he was some great negotiator here. I think he was a messenger boy. Because Putin, clearly, at the time of the mutiny, was uninterested in talking directly with Prigozhin. Prigozhin wanted to talk to Putin directly and explain, because I think Prigozhin got very scared during that episode that Putin was interpreting it as a challenge to his rule, which I don't think Prigozhin ever intended it to be.

I think Prigozhin was very misguided in that he thought he could drive an armored column to Moscow and still be friends with Putin, and just, you know, ask for the resignations of Defense Minister [Sergei] Shoigu and Chief of the General Staff [Valery] Gerasimov. But Putin obviously didn't take it that way, and he was livid. And Prigozhin was trying to make amends, and Lukashenko was the one guy that could talk to both of them and pass the messages along. So that's the role he played.

The Belarus scenario of "Wagner goes to Belarus" never really made much sense. I think it was really much more of an exile for Prigozhin and Putin sort of waving him away and saying: "OK, I will forgive him, I'll let him live. He just needs to go away." Where he went, I don't think Putin really cared a whole lot. But when Prigozhin, instead of going away, decided to keep challenging the

Russian system and the Russian government, that's when he signed his own death warrant.

## SPEAKING OF SHOIGU AND GERASIMOV, CAN THEY BREATHE A SIGH OF RELIEF NOW, OR IS IT STILL MURKY WATERS FOR THEM?

I don't think they're breathing a sigh of relief- I think they're toasting life with champagne glasses right now. Because not only did they have their rival eliminated, but it's also very, very sweet revenge, right? After all, even though Putin took it as an affront to him personally that there was this march toward Moscow, that was really the only thing that Prigozhin ever did to Putin. But with Shoigu and Gerasimov, he was vicious to them in all of his videos and public statements, making fun of them, and trolling them nonstop. So, to say that they had no love lost for him is a massive understatement.

## THE ACTUAL [ALLEGED] EXECUTION, THE MANNER OF IT, WAS VERY SENSATIONALIST, RIGHT OUT OF MAFIA AND HOLLYWOOD MOVIES. THEY COULD HAVE CHOSEN MANY OTHER METHODS, BUT THEY [ALLEGEDLY] OPTED FOR THIS. WHAT'S THE MESSAGE THERE?

That's hard to tell. I'm not sure that Putin was actually micromanaging the means of [an alleged] execution. I think he most likely gave the order to go do it, and his underlings, most likely the FSB (Federal Security Service), that [allegedly] carried it out, decided on the means. And that probably was related to how to get to Prigozhin, given that he is very paranoid and he has a lot of security. Killing him in Africa would have been very challenging, given that he was surrounded by mercenaries; killing him in Moscow, when he was always traveling with sig-

nificant security, was also going to be very challenging. So, it actually made sense to try to orchestrate an "accident in the air." That may have been simply the easiest way to get it done.

And it also probably has a little bit of a poetic justice in their minds, because, after all, not only did Prigozhin march on Moscow, but in the process, he shot down a number of Russian aviators and killed them. So, to have him die the same death, falling out of the sky, has a certain ring to it that I'm sure certain people in Moscow, if not Putin himself, would appreciate.

## WHEN THE PRIGOZHIN MUTINY HAPPENED, THERE WAS LOTS OF TALK THAT "PUTIN IS WEAKENED," OR "HIS GRASP ON POWER IS WEAKENING," ETC. HAS HE SHOWN RUSSIA AND THE WIDER WORLD WHO IS BOSS?

Yes, he has. I think he has reestablished, for now, at least, his hold on power. I think he sent a clear message that "My enemies tend to die. Never forget that."

## EVEN IF IT TAKES TWO MONTHS FOR THEM TO DO SO.

Yes, yes. In fact, that's even better, right? That you never know when the Sword of Damocles is going to strike you. But I think Putin's geopolitical issues actually got worse, because this rush for Africa is going to be very challenging for him. Prigozhin was not just the CEO of this business empire, he was a really phenomenal organizer, quite entrepreneurial, and an inspirational leader to his people. Even though he was a brutal thug, he learned how to rule by both fear and inspiration. He had a lot of connections with all of these leaders across the continent that were personal in nature that will be hard to replicate and will certainly take time.

It's unclear what's going to happen to Wagner. Some of these people may decide to sign on and work with the Defense Ministry, some of them may just decide, "You know what, I'm done here. I liked working for Prigozhin, but I'm just going to go home now and cash in my chips." So, this is going to be a challenge for them to actually rebuild what Prigozhin had constructed, in terms of this whole system in Africa, and it will certainly take time and will not be without problems.

Wagner, as an assault force that Prigozhin had built and used successfully in Ukraine to take Bakhmut, is also now done. And to the extent that Putin could have used Wagner again in future offensives in Ukraine, that's going to be much more difficult for him and probably less likely to happen.

So, yes, he has taken out a rival who dared to challenge him. Yes, he has taken over that rival's business interests. But his geopolitical strategic interests, resolving the mess that he got into with this war in Ukraine and increasing his influence in Africa, have actually not improved as a result of this action.

## WHAT ARE THE IMPLICATIONS FOR UKRAINE AFTER PRIGOZHIN?

I've had a lot of conversations with a range of officials in Kyiv since the mutiny in June but also since Prigozhin's death. And, actually, their reaction is really interesting: It's sort of taking out the popcorn and enjoying the show, but also appreciating that it really has very little relevance to their current fight.

Wagner is out of Ukraine, of course,

and has been out of Ukraine since early June, so what's taking place right now with this counteroffensive, Wagner is not involved at all. So, regarding what happens to Prigozhin, people in Kyiv somewhat pay attention to it, but not a whole lot, because they're preoccupied with their own concerns and they know that this episode really has very little effect on their lives going forward.

There are two things that they can draw from it. That, one, Wagner as it existed under Prigozhin really has ended, and that's a positive for Ukraine, frankly, a positive for the world, because whatever form it continues in, if it continues, it will not be the same, and it will not be as effective as it was under Prigozhin. I think that is very clear. But, two, it also shows that Putin's word can't be trusted. This is the guy who guaranteed Prigozhin's safety, and for whatever reason, he chose to renege on that word.

## ONE MIGHT ARGUE THAT UKRAINIANS KNEW HIS WAYS ALREADY, EVEN WITHOUT PRIGOZHIN.

The Ukrainians certainly know it. But there are a lot of people in Europe and elsewhere who keep talking about the prospect for negotiations. And I keep getting asked whenever I visit European capitals: "When are they going to finally start?" And my response to them is: "Who are you negotiating with and what do you think you can get from Putin, first and foremost, and what do you think you can get from him that you can actually trust?" And I think that's going to be a message from the Ukrainians going forward: that this is not a guy that can be trusted and don't keep pushing us to negotiate with him.

## THE WORLD PRESS HAD A FIELD DAY WRITING ABOUT THIS, REplete WITH ALL SORTS OF REFERENCES, STARTING FROM CLASSICAL LITERATURE AND ENDING WITH POP CULTURE AND MAFIA MOVIES. EVEN THE WIRE GOT A MENTION. WHAT DO YOU THINK WOULD BE A FITTING EPITAPH FOR PRIGOZHIN?

Well, I actually think that the whole episode is perfectly reflected by the Godfather scene where Michael Corleone says, "It's not personal, Sonny, it's strictly business." That's what I think actually happened here. Putin did know Prigozhin, as he said, for many, many years, going back to the early 1990s; there's some indication they may have had some intersections around casinos that Putin was responsible for granting licenses to in his early days in St. Petersburg, and he's certainly run into him on a number of occasions over the years.

I think [Putin] probably did not relish the idea of killing Prigozhin. I think a lot of people assume that he's this guy that is almost a caricature of a bloodthirsty tyrant that just assassinates people for fun. I don't think that's the case at all. I think he doesn't mind killing people if he thinks that it advances his goals, but I don't think he particularly enjoys it. And I think he probably wishes that he hadn't [allegedly] had to take this route, that it hadn't come to this.

But it was business. And, you know, the one thing you cannot do is interfere with business interests in a mafia state, which is what Russia is today. It is not just a dictatorship, an authoritarian system; it literally is a gangster state that Putin has created, and it lives by gangster rules.



# Con Coughlin on the F-16s and the Mixed Hope for Success in Ukraine's Counteroffensive

Continued from page 1

**THE ESTABLISHED CONSENSUS IN THE WEST IS THAT THE UKRAINIAN COUNTEROFFENSIVE IS GOING SLOWER THAN EXPECTED AND ACHIEVING LESS THAN WHAT WAS HOPED FOR. WHAT ARE THE REASONS FOR THE SLOW PROGRESS AND MODEST GAINS?**

Well, first of all, it is very hard to assess the exact nature of the progress that is or is not being made, but the fact is that they do not have air cover. And with this kind of military operation, if you don't have air cover, then your ground forces are very exposed. President Zelensky himself has admitted that without proper air defenses, you are sending young Ukrainian men and women to their deaths. So those types of considerations have impeded the pace of advance. And saying that, the Russians are also in a bad position. They've lost roughly about half their military gear and morale is said to be low. So there is also the possibility that the Russians will collapse if the Ukrainians break through.

**HOW BIG IS THAT POSSIBILITY?**

Ukrainians have got some very well trained, well equipped units. Nearly a dozen new combat brigades have been built up over last year, trained by the West, equipped by the West with NATO equipment, NATO attire, NATO heavy armor, artillery missiles. I think these are effective groups, if used properly. At the moment, a lot of these brigades have been held back from the main fight, because what's been going on throughout the summer is the Ukrainians probing the Russian defense, looking for a weak spot. I think if they found a weak spot and exposed it properly, then this could move very, very quickly, but it's a very big IF at the moment.

**AND HOW MUCH TIME DO THEY HAVE TO FIND THIS WEAK SPOT? HOW MUCH TIME CAN THEY AFFORD THEMSELVES, LOOKING FOR WEAK SPOTS?**

Well, if you remember, at the end of last year, a lot of the big Ukrainian successes near Kherson and Kharkiv were achieved in the autumn, in September-October. So, until winter really sets in, in late November, there is a possibility to move forward on the ground and there's a possibility of a wider military operation being conducted by sea and air. So, if we are looking for big strategic gains, I would expect something significant by November.

**ACCORDING TO THE WASHINGTON POST, US INTELLIGENCE BELIEVES THAT UKRAINE WILL FALL SHORT OF CAPTURING MELITOPOL OR ANY OTHER TARGET OF LARGE STRATEGIC IMPORTANCE THAT WOULD ALLOW IT TO SEVER THE LAND BRIDGE TO CRIMEA. IF THAT INDEED COMES TO PASS, WHERE DOES IT LEAVE US?**

Well, if that happens, then I think you end up with a conflict that neither side can win. I mean, first of all, I don't think after the fiasco with the Wagner group, one of the most effective Russian battle units, that the Russians can win. And then if, as the American intelligence assessment suggests, the Ukrainians can't take these sort of targets, then we're looking at a deadlocked conflict. What I would say, though, is that there are people in Washington, in the Biden administration, who, in my view, do not want Ukraine to win: they want to get a



Source: REUTERS/Piroschka van de Wouw/File Photo

deal, to negotiate a deal by the end of the year, before next year's presidential election campaign. They don't want Ukrainians to succeed on the battlefield, because that would complicate any efforts on the diplomatic front from that perspective. So when these reports come in, it's fair to ask the question, is this negative propaganda put out by the Americans to undermine the Ukrainians, because they want to maintain diplomatic contacts? Or is it a genuine intelligence assessment? There's a lot of politics going on at the moment.

**WHAT'S THE RATIONALE FOR NOT WANTING UKRAINE TO WIN? WRAP THIS UP BY THE END OF THE YEAR AND THEN PRESENT IT TO THE VOTER AS A VICTORY FOR PEACE? WILL IT SELL LIKE THAT?**

Well, that's what they will try to do. I think that would be a big betrayal of the Ukrainian cause, and if you surrender Ukraine's territorial integrity, then you set a very bad precedent for the rest of global security. So I think it's a very bad idea myself. But we've already heard from senior people in NATO that Ukraine won't be able to win this war and might have to give away territory. There are lots of people in the NATO alliance, both in Washington and in Europe, who would prefer a negotiated settlement and who are prepared to sacrifice Ukraine's territorial integrity to achieve that aim.

**WHAT I THINK YOU'RE REFERRING TO IS THE RECENT STATEMENT FROM STIAN JENSSEN, SEC GEN STOLTENBERG'S HEAD OF STAFF, WHICH WAS THEN QUASHED BY NATO. WAS IT TESTING THE WATERS TO SEE THE REACTION OF THE WIDER PUBLIC?**

Yes. If you look at the recent NATO summit in Vilnius, Ukraine went to that summit asking for guarantees that Ukraine would be granted NATO membership. That was refused, because that would have meant NATO had an obligation to protect Ukraine's territorial integrity. I think the reason NATO leaders failed to respond positively to that request is that

they don't want that commitment. They don't want to preserve the territorial integrity of Ukraine. And so then, a couple of weeks later, you get senior NATO officials saying what we all suspected was being said behind closed doors in public, and, of course, Zelensky denounced this ridiculous suggestion. But if this becomes a big power negotiation between Moscow and Washington on how to end the war, then Ukraine's interests might be completely overlooked.

**AND WILL ZELENSKY AND KYIV HAVE TO BOW DOWN TO THAT REQUEST, CONSIDERING THE SPIGOT OF MILITARY ASSISTANCE IS IN WESTERN HANDS?**

It will be very difficult to continue the war without Western support. Although there is a very sharp difference of opinions within the NATO alliance between frontline countries like Poland, now Denmark and other Scandinavian countries, the Baltic States- there are a lot of countries who feel very strongly that Ukraine must win this conflict for the long term security of their own space, and also Europe. So it is a very challenging issue, but there are also people who are anticipating that Ukraine will not prevail on the battlefield, which will lead to a negotiated settlement and the Ukrainian sellout.

**IS THIS PART OF WHAT I'VE SEEN DESCRIBED AS UKRAINE FATIGUE, OR ARE OTHER THINGS AT PLAY HERE?**

I think Ukraine fatigue is an element. And, of course, you've had the cost of living prices, particularly in Europe, caused by high energy prices, in turn caused by Putin, his attempts to blackmail the West over energy supplies, but these have been mitigated. In a lot of European countries, energy prices have stabilized, the cost of inflation is coming down. So these pressures, which I think contributed to Ukraine fatigue, are being mitigated. But I think people are inevitably getting more weary of the war and the conflict, and particularly when there is this ongoing talk of grain shortages, food crises and so on. So that will be an

inevitable thing. But some of the most recent opinion polls I've seen in Europe suggest that overall support for the Ukrainian cause remains strong.

**YOU WRITE THAT TO ACHIEVE VICTORY, "THE UKRAINIANS NEED TO HAVE A KILL-RATE RATIO OF 8:1, EIGHT RUSSIANS KILLED FOR EVERY UKRAINIAN". HOW FAR ARE WE FROM THOSE NUMBERS TODAY AND WHAT WOULD IT TAKE TO BRING THEM UP?**

The kill ratio of 8:1 is what's needed to really put Russians under pressure, and that is also because of the relative sizes of the Russian and Ukrainian military. Russia, for all its setbacks, still has the infrastructure. So that is why it comes down to this kill ratio. Last time I looked, it was about 3:1. And we know through the last century or more that Russian commanders pay very little attention to battlefield casualties: they employ what we call meat grinder tactics, where whole battalions are sent forward without any regard for their safety, just to whittle down the enemy. We don't do that in the West. And Ukrainians don't do that - if they did, the West would stop supporting them. It's an ugly term, but it's the reality of war. War is a very ugly business. But this ratio is what you need to inflict a devastating defeat on Russian forces, and looking at how Putin runs a country, I think it's in all our interests to see the back of this Putin regime and see a more stable and responsible one in its stead.

**HAS THE WEST DONE ENOUGH WHEN IT COMES TO MILITARY ASSISTANCE, AND IN EXPEDIENT ENOUGH A MANNER?**

Well, the West has certainly been very generous in its support for Ukraine, there's no doubt about that. The Americans, the Germans, the British, have spent billions of dollars and euros in military support. But there has also been some misuse, some challenges which have not been addressed. First of all, the Americans were reluctant to provide long-range missiles. Then there were the arguments about the main battle

tanks. And then about warplanes - all these arguments have led to delays in the provision of equipment. And there's no doubt that had the West responded earlier to these requests, that would have made a material difference to the Ukrainian war effort on the battlefield.

Having said that, a lot of these systems, like the US Abrams main battle tank, are integrated into the US military but no other military, so making them operational with the Ukrainian force is a big challenge. I think it is fair to say the West has dragged its feet on the revision of some of the more top-end equipment, but it's got there eventually. And I think the fact that it's now prepared to give these weapons helped consolidate Ukraine's position within the Western alliance and demonstrates a long term commitment to protect Ukraine's sovereign integrity.

**THERE HAVE BEEN CRITICISMS THAT UKRAINE IS UNABLE TO REPLICATE THE WESTERN MANTRA OF COMBINED ARMS MANEUVER WARFARE. HAS IT BEEN GIVEN ENOUGH TO ACTUALLY STAGE COMBINED ARMS MANEUVER OPERATIONS?**

My understanding is that, having spoken to some of the Western generals responsible for training the Ukrainians in combined arms warfare maneuvering, they have the kit, there is no doubt about that. But these are ground operations. And the Americans, for example, wouldn't dream of undertaking these operations without proper air protection. And that is the Achilles heel of the whole thing. So they've got the kit, they've had the training, they have resources, and the Western military commanders I've spoken to, who've been involved in this, and inspected Ukrainians, have been very impressed with what they can achieve. But there are limits to what can be achieved in the circumstances without air power.

**AND THIS BRINGS US BACK TO THE F-16S. TWO OF THE LATEST PIECES YOU PUBLISHED IN THE DAILY TELEGRAPH HAVE VERY TELLING HEADLINES: "PUTIN'S PLOT TO SPLIT THE WEST MAY BE SUCCEEDING" AND "THE WEST DOESN'T WANT UKRAINE TO BEAT RUSSIA." HAS THE GREENLIGHT ON F-16S ALLEVIATED YOUR CONCERNS SOMEWHAT?**

Well, all I would say is it's moving in the right direction. I still wonder when the F-16s will arrive and after they have arrived, how soon it will be before they're deployable. These are sophisticated systems that need to be fully integrated into the Ukrainian military before they become effective and operational and not vulnerable to Russian countermeasures. So it's a big step. And had the decision been taken at the end of last year, when the Ukrainians originally made the request, then these systems could have been operational by late spring this year, and made a very big difference. That hasn't happened. And that is why you find me writing articles questioning whether the Americans are more interested in a negotiated settlement and whether we are being robust enough in the West to counter Putin's invasion.

**IF THINGS GO AS THEY ARE GOING NOW, WHAT WILL THE NEXT HEADLINE BE?**

I would love to write the headline: "The Ukrainian victory is celebrated as Russia suffers massive battlefield disaster." But I don't think I will be writing that in the near future.



# Georgia & Armenia Tech/AI Hub Summit & AI Workshop



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Date: **September 21st, 2023**

9:30 AM to 2 PM including lunch

Lunch 2 PM at Parnas Restaurant

Location: Tbilisi Marriott Hotel, Grand Ballroom, 13 Rustaveli Avenue

free entry for first 40 delegates

## Agenda

- Armenia & Georgia Challenges and Opportunities as a hub
- Armenia & Georgia multinationals developing AI
- AI as a way to reduce work force or a way to share increase shareholder value?
- Deploying AI in a company
- AI and copyrights
- **AI WORKSHOP**



## Delegate Pre-Registration Open

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# Binance Moves into Georgia, Cementing it as a Tech HUB



BY NINO BOLKVAZDE,  
KLEIN & PANTSULAIA

In March of this year, Binance announced its arrival in Georgia, cementing Georgia as a Tech Hub. This is in step up, with the recent series of Tech Hub Conferences sponsored by its authors, Georgia Today, Georgia Today Business Magazine and Marriott Hotels.

Nino Bolkvadze who is the Counsel at Klein & Pantsulaia, writes that the latest Georgian liberal energy policy and low electricity tariffs have turned Georgia into an attractive and demanding place for the foreign entrepreneurs - i.e. virtual asset service providers, dealing with producing and trading with the so called virtual money and virtual assets on the territory of Georgia. Georgia has no shortage of hydro power, which is partially behind the interest for the crypto energy-hungry industry. Moreover, Georgia is a leading market for IT workers and not only has Binance moved in to take advantage of this, but Tether has as well.

The main reason why Georgia became so attractive for Binance, Tether and

related blockchain companies is that the Georgian tax system does not impose tax on Crypto Trading. In other words, Georgia has a 0 Crypto trading tax. Considering the last years' statistics, whereas the transactions under USDT crypto exceeded enormously compared to Visa and Mastercard transactions, which in



Georgia is a new hub for blockchain transactions thanks to its liberal tax approach and its super cheap crypto mining expenses

total amounts to \$18 billion, Georgia can be deemed as a new hub for blockchain transactions for its liberal tax approach and for its super cheap crypto mining expenses, deriving from the low electricity fees on the territory of Georgia.

Moreover, the Georgian employment market in the blockchain business is also very promising. Many young Georgian professionals are involved in international blockchain projects, and, Tbilisi, the capital of Georgia, has recently hosted a number of international blockchain business conferences. Add to this the fact that the London Stock Exchange's list of renowned Georgian banks have already been officially enrolled in crypto transactions as well.

The latest vast development of this business field and the potential of huge production and trading with virtual assets on Georgian territory led the Georgian Government to realize that this new field of business needed a specific legal framework. To this end, the National Bank of Georgia (NBG) enacted a new Order #94/04 on the Rule on Registration, Deregistration and Regulation of the Virtual Asset Service Providers (the "VASPs") on June 13, 2023.

Under the new regulation, virtual asset service providers shall be subject to a

mandatory registration requirement and obtaining the respective license from the NBG thereof.

According to the new VASP order, a Virtual Asset Service Provider (VASP) is a person who provides virtual asset service for the benefit of another person.

The following activities are considered to be virtual asset services:

- Exchange (including via kiosks) between convertible virtual asset and fiat currencies (national or foreign), between one or more forms of virtual assets, between convertible virtual asset and financial instrument;
- Transfer of convertible virtual asset;
- Safekeeping and/or administration of convertible virtual asset or of the instrument enabling control over virtual asset;
- Portfolio management of convertible virtual assets (excluding collective portfolio management);
- Administration of the trading platform of the convertible virtual assets;
- Lending of convertible virtual asset;
- Initial Coin Offering of convertible virtual asset and/or service related to initial coin offering.

A virtual asset is a digital representation of value that is interchangeable and non-unique, can be digitally traded or transferred, and can be used for investments and/or payment purposes. A virtual asset does not include digital representation of fiat currencies, securities, or other financial instruments.

A convertible virtual asset is a virtual asset that has an equivalent value on the market, in national or foreign currency, in another virtual asset, and/or a financial instrument in which it can be exchanged.

Important requirements for license seekers for the named business field in brief are as follows:

- The management of the license seeker company must hold specific knowledge and previous practical experience in the given field of business;
- The license seeker must provide the business plan and strategy for the VASP for the foregoing 3 (three) years;
- The license seeker must provide the website and the digital application model through which the respective business operations shall be performed by the customers;
- Proof of ownership of the immovable property of the license seeker where the head office of the business shall be located;
- Information on the beneficiary shareholders of the license seeker, holding



In 2022, transactions under USDT crypto exceeded enormously Visa and Mastercard transactions

minimum 10% of the shares at the company.

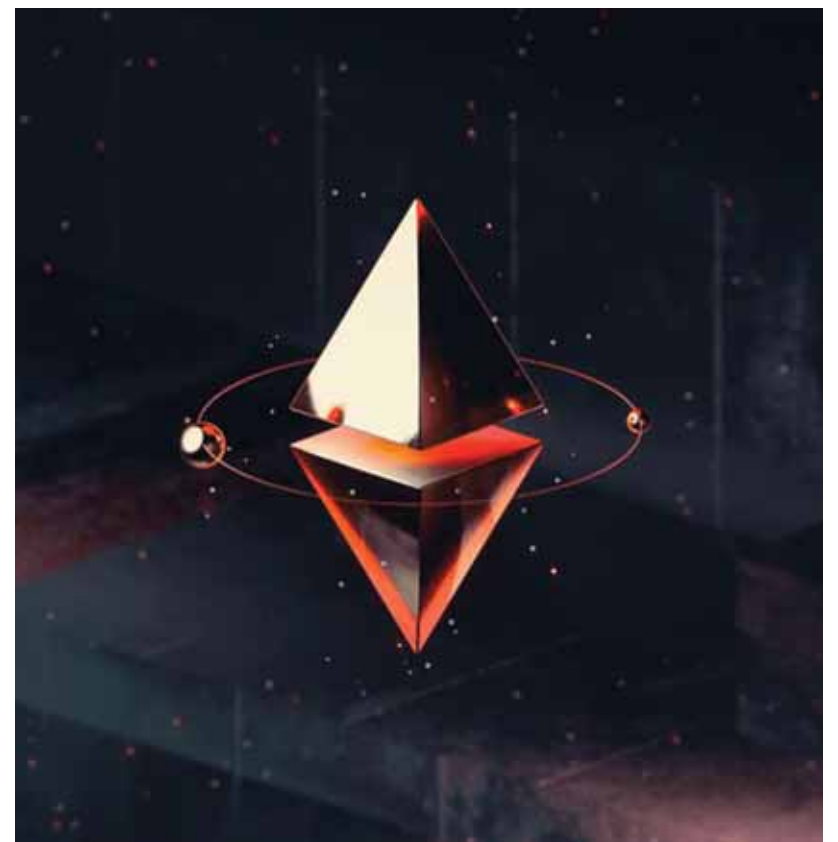
The fee for a license is 5000 GEL (about \$1200), and the approval process takes about 2 months.

The new Order of NBG provides several restrictions on basic operational matters, as well as for the license seekers. The most important in the given order is that the virtual asset shall not be the subject for loans towards individuals, namely the lending of virtual assets to individuals by the VASP shall be deemed null and void. Along with the above, the new order of NBG prohibits the provision of virtual asset services through an agent.

As regards to the license seekers, the license seeker shall not be eligible to obtain a license, if:

- The license seeker holds previous criminal conviction;
- The license seeker in parallel manages or keeps any stake holding interest of other companies in this field, unless such other companies are not united under the same corporative umbrella;
- The license seeker does not hold specific knowledge or experience in this field;
- The license seeker is officially insolvent;
- The license seeker does not meet the rules on combatting money laundering and terrorist financing thereof;
- The license seeker has previously violated entrepreneurial, banking and financial laws before.

Order N94/04 is effective as of 1 July 2023, except for certain requirements concerning the video surveillance of self-service kiosks, which shall come into force on 1 January 2024.





# An Almost Perfectly Paved Roadtrip Around Georgia – A Very Welcoming Surprise

BLOG BY ERIC LIVNY

**H**aving just returned from a long road trip around Georgia, I cannot but express my admiration for the sheer volume of investment in the country's road infrastructure.

Everybody know about the rather advanced state of the East-West highway, including the recently opened section on the way down from the Rikoti mountain pass (driving on these 5km of tunnels and bridges was a dream come true).

But driving around Samegrelo was a very pleasant experience as well. All roads leading in and out of Martvili are in perfect condition. Furthermore, Guria was a major positive surprise. Chanchati, a small village lost in the mountains above the Supsa river valley, has become

a lot more accessible thanks to a brand new 20km-long asphalt road climbing up from Kvemo Shukhuti to Aketi.

The road to Bakhmaro, a rather chaotic resort in the mountains dividing Guria and Adjara, was in perfect condition as I was going up from Chokhatauri. So much so that I was able to enjoy the amazing Swiss-style scenery around me. Further up, beyond the Nabeghlavi factory, the road is being repaved, creating temporary difficulties, but promising a smooth ride in the future.

From Bakhmaro, I continued on very rough mountain roads (used almost exclusively by local shepherds and marshrutka drivers) over a 2,400 mountain pass into Adjara. It was pretty rough riding indeed, but I noted public investment in connecting tiny local communities to the electricity grid – and it's worth mentioning that villages at these altitudes are only populated a few months a year,



Goderdzi. Photo by the author used by locals for summer pasture.

Once I came down from Upper Adjara (passing the Borjomi-sounding Ghorjomi), another great surprise awaited on the "main" road leading from Batumi to the Goderdzi Pass (a very promising ski resort!). In my naive mind, I expected a highway, but this road is currently one big (re-)construction site, starting a few kilometers above Khulo. Barely 20km in length, the last stretch of this super bumpy trip took me more than 1.5 hours. Once construction is completed, however, the travel time from Batumi to Goderdzi is likely to be

reduced to 2 - 2.5 hours.

Goderdzi ski resort in summertime is a sad proposition. Sitting right next to the main ski lift, Ambassador-Goderdzi is absolutely empty. It probably took a very generous subsidy package to convince Ambassador to make such a major investment 4-5 years before the road to Goderdzi is rebuilt. I am nevertheless impressed with the vision that went into making this investment happen.

Finally, the greatest surprise awaited me on the way down from Goderdzi to Akhaltsikhe. The entire road (about 40 or 50km) is being rebuilt by a Chinese

contractor. Sharp angles are cut with the help of small bridges, the road is straightened and widened. Work is ongoing along the entire length of this road, promising relatively quick delivery. Major parts of the new road are already paved with asphalt or are about to be paved, allowing me to accelerate. The scenery around is out of this world and the road is not particularly curvy or dangerous, providing for a very pleasant driving experience (even now!).

I am sure these remarkable improvements will pay off handsomely! Well done, Georgia!



The Road up to Bakhmaro - a work in good progress. Source: lucaonadventure

# The Ladies' Turn



BLOG BY TONY HANMER

**I**f you've been to enough typical feasts in this country, you've seen how hard Georgian women work to put all that food on groaning tables, and then as long or longer to clean it up afterwards. The men's feast-related jobs, at least in the villages, will be butchering any animals, doing barbecues or cauldron stews, and, if the gathering is large enough, taking care of bench and table setup, plus a marquee or tent if the weather requires it. But it

seems to be that the women work the hardest in this domain, and the men do most of the eating, drinking and making of toasts; with the odd token word given to honoring the women.

We recently hosted two ladies up from Tbilisi who are friends of ours and who came to offer something to the ladies of our village. They were only here for a few days. But they brought materials for making beautiful greeting cards, and we called the ladies and then provided drinks and snacks, and hosted the gatherings in our cafe.

It's a busy time of year in the farming schedule. There is hay to be cut (either

by the traditional scythe or by a new gasoline-powered cutter called an alligator); this the men do. Once it's cut, all available family members help in turning it over until it is dry, and then raking and pitchforking it into haystacks for the ruminant livestock's winter feed. The moving of the stacks to barns all used to be done by oxen pairs on sleds of wooden runners, which might not have wheels at all. This, too, is giving way to cheap but useful little trucks, bought from Japan, which have become very popular in villages across the country. So, women can be quite tied up with hay-raking.



The potato harvest is still a little ways off, starting soon after school's mid-September reopening. So that isn't keeping our ladies busy yet, though it will. But there is the twice-daily milking and the mucking out of barns, driving cows to their daily grazing in the mornings and then fetching them back every evening, sometimes from an hour's walk away at a quick pace (which both men and women, and teenagers too, can do). So the ladies still have much to occupy them here.

The first call for "ladies' club" gave us one responder, plus some of her children and her husband hanging around, so they were invited at least to sit with my wife and the guests and follow proceedings. The second time, though, had a few more ladies, and children who are always welcome, and they had a grand time just enjoying themselves, chatting, socializing, making cards, and being free from work for a few hours.

We've also noticed that the simple gazebo we have had outside for a few years now, with a table and chairs and even a donated football table, is a great hang-out spot for children of all ages. They buy something from our shop, play a few rounds of Barcelona vs. Arsenal

or whoever, relax in their own space away from home, and just are able to be themselves. We are delighted for this to happen, and also for opportunities to give the ladies a chance to get out from under their workload and chill a bit. "All work and no play", after all, is not recommended.

Now if we could just take one of our 70-plus single ladies on even a few days' holiday with us to the Black Sea coast! A dream, for her as well as us, though we do it annually anyway. The hard part is finding someone to take over her barn duty just for those few days, plus whatever cooking and cleaning she does for herself and her nephew at home! We would whisk her off before she could find any reason why not. Still working on that one.

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 over 2000 members, at [www.facebook.com/groups/SvanetiRenaissance/](http://www.facebook.com/groups/SvanetiRenaissance/). He and his wife also run their own guest house in Etseri: [www.facebook.com/hanmer.house.svaneti](http://www.facebook.com/hanmer.house.svaneti)



# Nana – A Star Lost In Paradise



The late Nana Janashia with Helena Bedwell

BY HELENA BEDWELL

I always thought that writing about a best friend who has died would be a very hard thing to take on, but how wrong I was!

Though always a summer person, one who has lived in Turkey, Taiwan and various other tropical and subtropical places, I found this particular August overly disturbing. The heat was unbearable in the capital, Tbilisi, making me lose all desire to go on holiday, as Europe was also suffering in the heatwave, and so I thought, why bother when I can lay in the 41C heat at home!

Nanuka, though, was eager to get out as soon as she could take some time off

from her ever busy schedule. We both celebrated our birthdays a week apart from each other with a small coffee gathering with close family around us, and that's when she told me about her plans to visit the Dominican Republic, a beautiful island paradise. The daunting flying hours didn't bother her in the slightest.

We kissed each other goodbye on July 27th, and little did I know this would be our last hug. Besides phone and messenger communications this summer, the last time I heard her voice was August 13th, when we talked about Switzerland's raclette cheese, my Barbie-style outfit, and my husband's recovery from a recent operation. We squeezed in other issues in as well, such as the passing of the elderly aunty of our friend from the trio we were known for. That's simply how

we were. Talk, talk, talk about here and there, about everything.

August stretched further and on a hot Saturday, August 19th, I got a chilling phone call informing me of a tragic incident that had happened on that paradise island, the place Nana had longed to travel to, where even the arrival and 5-hour journey from the hotel to that fateful beach was a joy to her. She called that beach La Junglita. The dreaded place was called Las Galeras.

I am a journalist, writer, and reporter, and to me facts are more important than feelings, so I wanted to know all the details. I immediately contacted local colleagues and read words that will be forever imprinted in my heart: "Woman of Swiss nationality dies after being struck by lightning in Samaná. Las Galeras firefighters indicated that the woman was identified as 51-year-old Nana Janashia," a local news portal reported. The article went on to remind visitors and residents of the need to seek safe shelter in stormy weather and to avoid open areas, such as beaches, during electrical activity.

I have known Nana for more years than I can remember. She was such an inspiration to all who knew her, always the bright light at any event, but not only did she brighten large social events (and I imagine her name was the first to go onto any attendance list), but she was just as exciting to be with on a one-to-one basis, be it at home or in a coffee shop.

In all the years we were friends, I never saw any animosity in her words or actions: She was always willing to help me care for street animals; she was a doting mother to Leon, never missing any kid's events to show what a hands-on mother she was; and a loving wife to Laurent.

Her main goal was to help the global and Georgian environment, which she did for more than 25 years by leading one of the largest organizations (CENN), and implementing countless projects. We often talked about how Georgia disrespected its amazing nature. She cared

for every tree and valley, desert and river. Her motto was "recycle, reuse and help the planet." We shared the same passion towards recycled fashion, and loved jewelry made from various household items. Most of all, our visions about our country's future matched, and when I touched down for her funeral in the picturesque city of Lausanne this week, I understood her adrenaline-driven need to seek time in nature, to find ways to

make Georgia better, instead of enjoying a simple, easy, comfortable life.

Her passing was so sudden and bizarre that I still do not believe she has left us without us having the opportunity to say our farewells.

Very simply, Nana, you will be missed by all who knew and loved you!

Nana was laid to rest in Switzerland, the country she also considered her home.



The late Nana Janashia with Helena Bedwell

## They Have All Gone Crazy About English



Image source: [studying-in-uk.org](http://studying-in-uk.org)

OP-ED BY NUGZAR B. RUHADZE

Ranking by the number of native speakers, English stands third on the list after Chinese and Spanish, but judging by the total number of users, including native speakers and

those who have learned the tongue, English is the most widely spoken language in the world, followed by Chinese, Hindi, Spanish, French, Arabic, Bengali, Russian and Portuguese, in that sequence. Certainly, there are some ponderous arguments for this kind of linguistic balance on the Planet. These languages have achieved that high level of development and popularity either via natural multi-

plication of native speakers in the countries of their origin, or due to historical invasion of other lands by some of these peoples.

It so happened that the 20th century would determine the preconditions for turning the English language into the most significant cultural adhesive of our epoch. Its impact started with the overwhelming influence of the British Empire

on the world's development, then it was science and technology that used English more intensively than other languages; then followed the roaring birth of the Internet capabilities of humankind; after that, we have the factors of lifestyle, military power, economic capability and mass-culture of the United States that came about after two big wars of the bygone century. Consequently, all went according to the well-known model of the snowball effect, and finally, it simply became cool all over the world to master and speak English well.

English as the language of international communication gives us access to comfy travel and a variety of entertainment, and definitely turns us into astute communicators and smart consumers. The English language has overwhelmed the world, as a result of which modern humanity is no longer capable of operating without its services. Other languages are doing a good job too, on their own level, but the gap between English and the rest of them is hardly fillable. Suffice to say that the most popular electronic reference medium, called Wikipedia, offers almost seven million articles (its satellite reference sources not in this number), whereas the next most usable German version has not even half that quantity, saying nothing about other national efforts to catch up.

All this is being said not just to praise one of the world's thousands of tongues, spoken around the globe, but with the purpose of explaining those innumerable attempts of groups and individuals, operating on the Internet, to teach English, among them, 'teachers' of any age, gender, profession, accent and nationality. The impression is that the entire world

has gone crazy on the subject. We all have an issue with the English language – we just want to know it! Even I have doubled-down, over producing something of the sort in an attempt to make it easier for all of us to master the tongue that gives us a chance to enhance our standard of living. Believe it or not, English in today's world has become a real money maker. Any employer would consider hiring, and later increasing the salary of the employee who displays some English efficiency. People are desperately browsing the Internet for all those sites and personal flashes to somehow improve their knowledge of English, but on the flip side of the process, it is also a fact that many of those who venture to call themselves English instructors come off so miserably unprofessional that they should not be open to the public for the elevated and difficult mission of teaching the language at all! But you can't stop the avalanche – the notion of the freedom of speech happens to be viable even in this realm. The only thing that might be usefully practicable is the effort to tell future learners of English to beware and look for highly professional linguistic courses on the internet, courses that are 100% conducive to successfully mastering a foreign language. How to discern between good and bad? Very simple! Just ask around those who already know English well enough to drop us some tips. After all, we all know each other on social media, within which we usually communicate on any topic. So, what's wrong with shopping around and asking for advice? This will save our time and beget a much higher chance of achieving the goal. And achieving a goal like learning English makes a lot of sense.



# Shangri La Batumi Opening

**S**hangri La Batumi opened its doors to the public on the 1st of August, 2023 in the 5-star Ramada Plaza Hotel on Zhiuli Shartava Avenue. As it stands

today, Shangri La proudly claims the title of the largest entertainment complex on the Black Sea coastline, with of 28 gaming tables and 136 state-of-the-art slot machines, with ability to expand.



Shangri La Batumi has several leading slot machine brands, with a standout feature—the largest single bank of Light & Wonder - TwinStar cabinets in the whole of Georgia. These cutting-edge cabinets house a selection of state-of-the-art progressive slot games. Furthermore, the entertainment complex offers a dynamic multilevel Jackpot system, with the values updated in real-time and

prominently displayed on the complex's floor as well as the official website. The Shangri La brand has solidified its renown not only within the confines of Georgia but also well beyond. This is evidenced by the over 700 guests who visited the entertainment complex on the 5th of August, for the eagerly awaited live musical performance by the esteemed Israeli Mizrahi music pop singer-song-

writer and composer, Moshe Peretz. The venue was abuzz with excitement, resonating with the harmonious melodies that filled the air. Mark your calendars, for the official grand opening is slated for the 7th of October, promising an event of grandeur and prestige that befits the Shangri La name and reputation. We look forward to seeing you all there!

## Georgia's State Services Development Agency Achieves Record Revenue Growth in First Half of 2023

BY MARIAM GORKHELASHVILI

**T**he State Services Development Agency under the Ministry of Justice of Georgia has achieved a notable milestone by recording a revenue of 57.2 million GEL in the first half of 2023, the agency reports. This figure stands out as it represents a 30% surge compared to the revenue generated during the same period in the previous year, emphasizing the agency's financial growth.

The core responsibility of the State Services Development Agency encompasses the issuance of vital documents including identity cards, passports, marriage certificates, residence permits, and other official papers within the country. The upswing in revenue is primarily attributed to revised fees for essential documents that the agency provides. Notably, the cost for obtaining an identity card has been revised from 30 GEL to 60 GEL, and the fee for a biometric passport has been adjusted from 100 GEL to 150 GEL. The rationale behind these increases has been clarified by the agency, citing the need to cover rising expenses.

In response to an inquiry by Member of Parliament Davit Usupashvili, the



Business-Partner.ge

agency disclosed its revenue figures. The data reveals that in 2022, the agency accumulated a total income of 104 million GEL, marking a substantial increase compared to the 56 million GEL earned in 2021.

Furthermore, a breakdown of income on a monthly basis shows that the agency's highest revenue was achieved in June 2023, amounting to 11.5 million GEL. This highlights a notable peak in demand

for the agency's services during that particular month.

In conclusion, the State Services Development Agency's impressive financial performance in the first half of 2023, driven by revised fees for essential documents, underscores its pivotal role in providing crucial public services. The surge in revenue aligns with increased expenses and reflects the public's continued reliance on the agency's offerings.



Source: BM.ge

## Helping Farmers: New Irrigation Reservoir Planned for Alazani River Tributary in Kakheti

BY MARIAM GORKHELASHVILI

**I**n Akhmeta Municipality, construction of a new water reservoir is planned on the Ilto River, specifically a tributary of the Alazani River. The feasibility study plan for the reservoir will be prepared soon.

"On the basis of the decree, the state will carry out a preliminary technical-economic study for the construction of the Ilto reservoir. The Ilto irrigation reservoir will have historical significance. A technical-economic study for the

renewal of the construction of the Ilto reservoir will be carried out, a full technical-economic justification of the construction of the reservoir, including an environmental impact report.

"During the irrigation season, the water deficit in the Alazani river basin will be replenished, and water supply will be improved on the 40,000-hectare area of the Lower and Upper Alazani irrigation system," the information released by the government says.

According to the Minister of Environment Protection and Agriculture, Otar Shamugia, the new reservoir will be able to supply water to 50,000 farmers.



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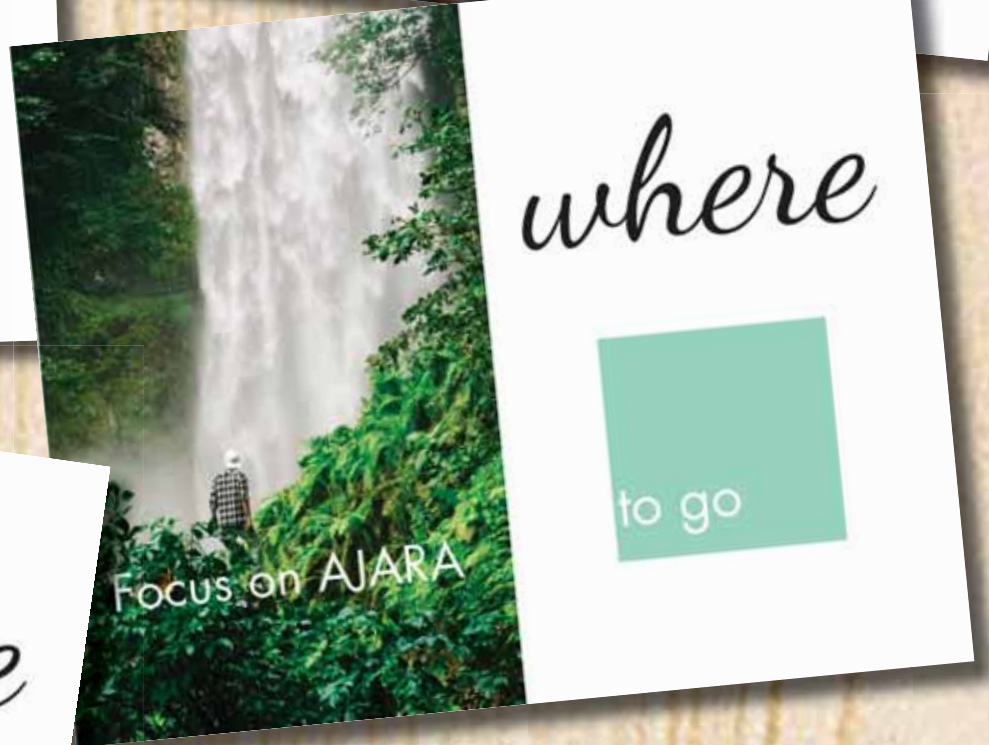
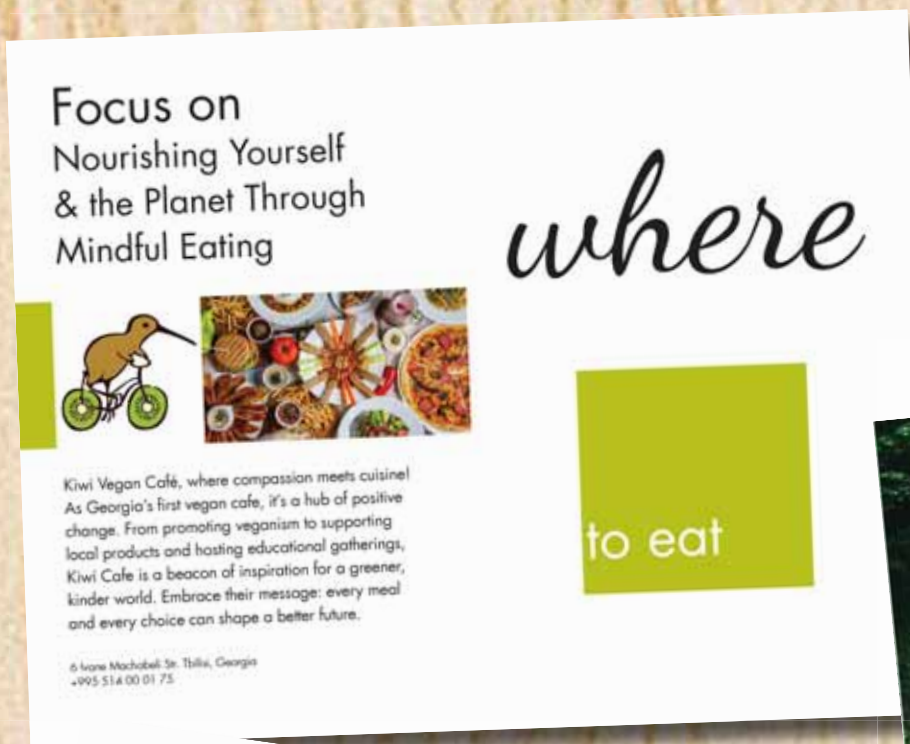
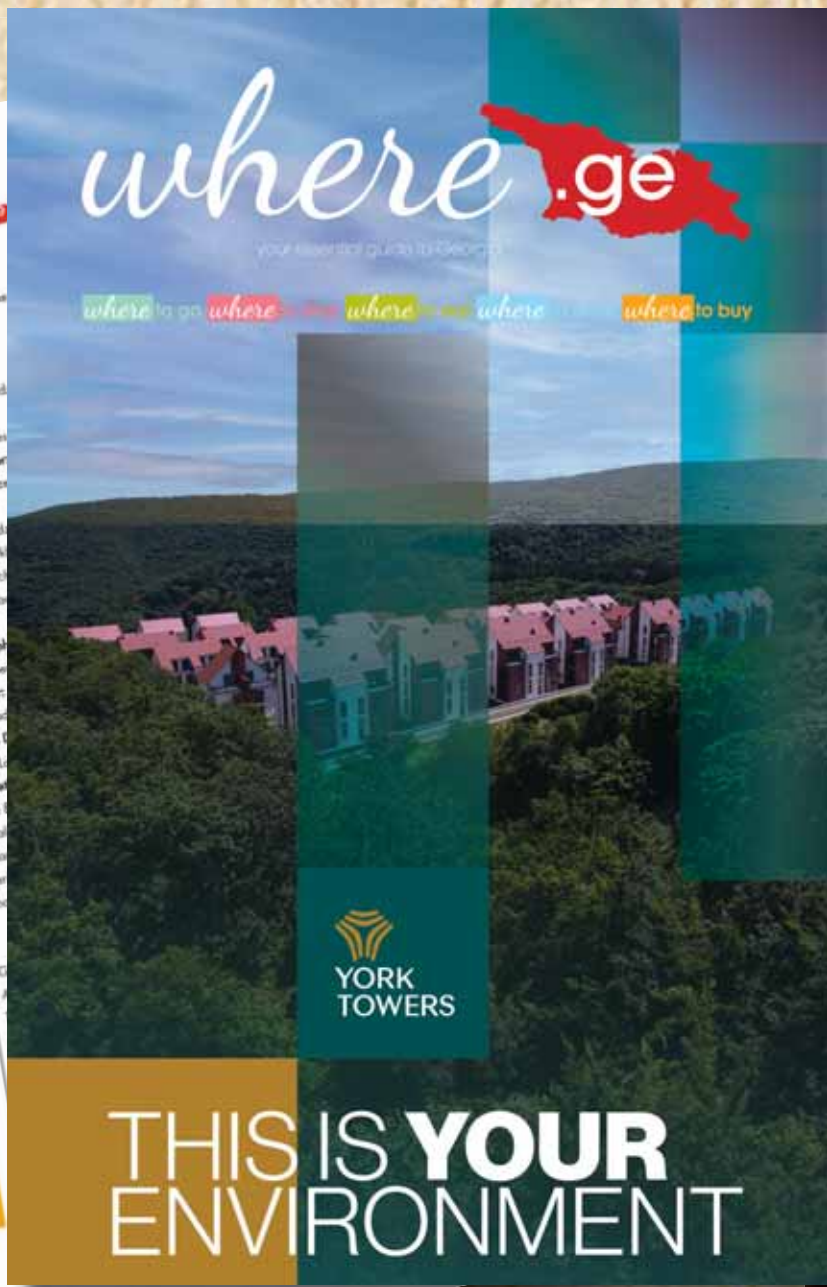
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