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Opinion & Analysis

With the elections approaching, the polarization of the political climate deepens

FULL STORY ON Page 2

Economics

Absence of energy strategy leaves the country without multibillion-dollar economic benefits. research finds



FULL STORY ON Page 3

By NATALIA KOCHIASHVILI

The Prosecutor General's Office of L Georgia has launched criminal charges against five people, two of them, minors, for the premeditated murder of Giorgi Shakarashvili under aggravating

Five people charged with Shakarashvili's murder



A total of 17 people have been arrested in Shakarashvili's case. The cases of 6 juveniles are separated, as the Juvenile Justice Code requires expedited trial, while the guilt of the remaining 11 persons is considered by the court in a separate trial.

circumstances.

According to the Prosecutor's Office of Georgia, five people were involved in the murder of Giorgi Shakarashvili, who was beaten to death and then thrown into the water. A briefing on this issue was held at the Prosecutor's Office on the 11th of

August.

According to the second part of Article 109 of the Criminal Code of Georgia, premeditated murder is punishable by 13 to 17 years of imprisonment.

According to the prosecutor's office, V.Ch. was injured during the conflict in

the country house and returned to Tbilisi to take revenge on the opposing party, whilst two friends who remained at the party place were provided with the information.

The prosecutor said that V.Ch. contacted his friends in Tbilisi and at about 00:30 they drove to Mtskheta in a Toyota and a Mercedes car.

Due to the physical confrontation, most of the guests at the birthday party left the place. Among them was Giorgi Shakarashvili, who, along with other people at the party, started walking towards Tbilisi.

"The 2 above-mentioned friends of V. Ch. were following and watching them. According to them, the persons who arrived in Mtskheta from Nadzaladevi district in a Mercedes car headed towards Giorgi Shakarashvili and other persons walking on the highway with him," was said at the briefing.

According to the prosecutor, at around 00:47, in the vicinity of the car wash near the Aragvi Bridge, persons in the Mercedes car attacked Giorgi Shakarashvili and others walking with him. The assailants were also joined by two of V.Ch.'s friends. The assailants physically assaulted Giorgi Shakarashvili and the rest of the group. People in the Toyota car with V.Ch. went to the cottage to find the representatives of the opposing party in the conflict, however, they were gone. According to the investigation, a Toyota Camry that left the country house blocked the way for Shakarashvili and the people ac-



companying him.

"As soon as they stopped, V.M., N.R., A.G., Z.Kh., A.K. got out of the car together with V.Ch. and chased

Prosecutor's Office said Giorgi Shakarashvili was dragged into a ravine by five people, beaten and thrown into the water.

CONTINUED ON Page 2

P2 Opinion & Analysis

With the elections approaching, the polarization of the political climate deepens

By MALKHAZ MATSABERIDZE

Ŋ iorgi Rurua's sentencing \mathbf{J} and the president's refusal

to pardon him sharply escalated the confrontation between the government and the United Opposition. The authorities also no longer heeded the advice of Western friends in this regard. Controversy has also deepened between opposition parties, which have failed to maintain pre-election unity and are increasingly being criticized.

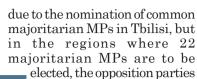
The long-running dispute over the March 8th agreement is over. On July 30th, the Tbilisi City Court sentenced Giorgi Rurua to 4 years in prison for illegal acquisition, possession and carrying of weapons, which the opposition considers to be fabricated charges. This was immediately followed by a reac-

tion both from within the country and from Western friends. Opposition parties to the

March 8th agreement, as well as Western friends, hoped that President Zurabishvili would pardon Giorgi Rurua after his trial. Such hopes were somewhat reinforced by the news that the Prime Minister was happy to meet the President at his residence. However, as it turned out, the opposite was agreed on. Salome Zurabishvili said the next day that she would not pardon Giorgi Rurua and his decision "no one and nothing can influence.'

On July 31st, 20 opposition parties issued a joint statement condemning the release of Giorgi Rurua in custody on "false evidence", saying it "defines a preelection political climate" and "releasing Giorgi Rurua with less risk for the country to run a difsequences for the country. It should be noted that the US Ambassador to Georgia made a direct statement regarding this.

but the main thing is that nothing threatens the strategic cooperation between the two countries," Gakharia said.



will be identified separately.

The main reason for the

breach of unity is that each

opposition party demands

more than other opposition parties think it deserves.

Clearly, the proliferation of

opposition candidates in-

creases the chances of pro-

government candidates win-

ning in majoritarian constituencies. However, the

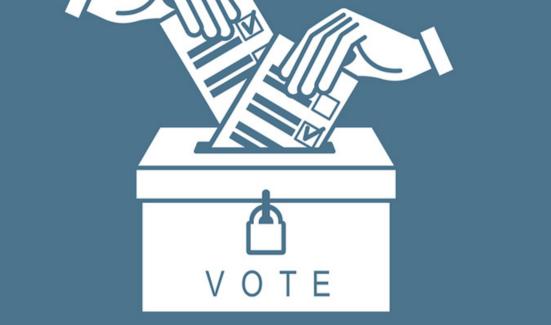
opposition hopes that the

case will reach the second

round and the strongest op-

position candidate will natu-

rally emerge, who will be



ficult election campaign."

On July 31st, Jim Rish, chair-man of the U.S. Senate Foreign Relations Committee, said that in the interests of depolarizing the political climate ahead of the election, President Zurabishvili should pardon Giorgi Rurua, as he did in the case of Giorgi Ugulava and Irakli Okruashvili. MEP Andrius Kubilius responded to the incident. According to him, the Georgian government "warned the State Department to stop politicizing the judiciary and the electoral process in the form of Mike Pompeo, but the politicization of justice continues.'

The opposition has long called on the government that ignoring critical statements by Western friends would have dire conKelly Degnan said it is important that any message, if any other statement coming from members of Congress, be taken seriously.

However, it seems that the Georgian Dream government will no longer take these statements into account. According to former Parliament Speaker Irakli Kobakhidze, "any statement that opposes the independence of the judiciary is unacceptable." However, the authors of these statements accuse the Georgian government of the fact that the judiciary in Georgia is not independent. Critical statements from the West were also not given much importance by the Prime Minister. "Some congressmen will praise us, some congressmen will criticize us,

The prime minister's remarks were not about Rurua's release in the West, but about a letter from six congressmen to Mike Pompeo dated July 27th. The letter refers to Bidzina Ivanishvili as a Russian oligarch and expresses concern about the decline of democratic governance in Georgia and possible corruption. The letter of the congressmen was made public by the Georgian opposition parties.

As for the pre-election preparations of the United Opposition, which has maintained unity in the fight for electoral reform, in fulfilling the terms of the March 8th agreement, it has not been able to maintain unity in the nomination of common majoritarian candidates. The inertia to unity may be partly

supported by other opposition parties. But even if it comes to the second round, the government will be able to mobilize much more resources there. As for the proportional elec-

tions, here the opposition parties are competing with each other and, in addition to criticizing Ivanishvili's government, they are also criticizing each other. This could negatively affect their prospective electorate and disappoint some of them. Not a small part of the opposition electorate expected a strong opposition coalition, and they even promised it, but it is already clear that the unity of the opposition is failing. Although it is clear to everyone that no opposition party alone can defeat the current government.

> (Translated by Mariam Mchedlidze)

Five people charged with Shakarashvili's murder

CONTINUED FROM Page 1

Shakarashvili and his companions, at the same time, verbally abusing them," reads the statement.

To escape the impending violence, Shakarashvili, with oth-

bridge and the highway, and continued jogging west. After crossing the concrete dividing line arranged on the highway, beaten G.K. hid in the plants in the dividing line. V.Ch, A.Q. and Z.Kh followed the boys. Shakarashvili and V.A. pursued

Prosecutor claims that during the escape, Shakarashvili was attacked from both sides, which deprived him of the opportunity to move freely and he was forced to enter the ravine on the left side of the road to avoid inevitable retaliation, where he forearm. Shakarashvili, severely beaten, was thrown into the Aragvi River by the attackers, as a result of which he died.

Moreover, the Investigative Experiment Determined that the period of time when the Toyota Camry was on the Mtskheta Highway was enough to fulfill the intention.

"Before the opening of the case of Shakarashvili's murder, we cooperated with the prosecutor's office, therefore, we have no complaints," Giorgi Shakarashvili's uncle and family lawyer Mirian Nikoladze told journalists at a long period together with the investigation and, in the end, we came to the result of what is called the opening of a crime by mutual agreement and cooperation," he commented, adding that the family has no complaints with the investigation, otherwise there were a lot of questions and these questions have expired on the way.

19-year-old football player Giorgi Shakarashvili's body was found in the Aragvi River after a 4-day search. Examination revealed that he had suffered numerous injuries in his life, and his death was caused by asphyxia, which occurred by drowning in water. 17 people have been arrested in connection with the case.

	ers, fled west on the highway to the Aragvi Bridge, crossed the Weather		was followed by all 5 attackers. He was unable to escape through the river, the attackers took ad- vantage, and injured Shakarashvili in the area of his head, both eyebrows, upper and lower lips, right elbow and right	uncle and family lawyer Mirian Nikoladze told journalists at a press conference. Nikoladze states that the family trusted the investigation at the first stage. "We went through this whole
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The Messenger

Economics P3

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272; GBP - 4.0294;

100 Russian Ruble - 4.2244;

Swiss Franc - **3.3725**

Absence of energy strategy leaves the country without multibillion-dollar economic benefits, research finds



GNERC approves wholesale electricity market rules.

By NATALIA KOCHIASHVILI

eorgian National Energy and Water Regulatory Commission (GNERC) has approved the rules of the wholesale electricity market. The new regulation includes day-to-day, daily, balancing, and ancillary services market rules to ensure the safe and reliable operation of the electricity market, and the regulation of electricity trading on the energy exchange. The rules apply to market participants - power plant owners, large consumers, traders, and electricity suppliers. The rules prohibit possible conflicts of interest and cross-subsidization in the market.

The purpose of the day-to-day and daily market rules is to create the legal environment necessary for the development of a competitive electricity market in Georgia and the formation of a fair price, to promote efficient production and consumption. The rules provide for the introduction of hourly trading in electricity, which will allow customers to purchase electricity at an hourly rate.

The rules of the market of balancing and ancillary services will regulate the functioning of the market of balancing and ancillary services, determine the obligations of the transmission system operator and the balancing market operator, the person responsible for balancing and the balancing service provider related to the balancing of the power system. A self-dispatch model will be introduced to plan and operate the power system.

The rules are developed based on European regulations and its adoption is conditioned by the Law of Georgia on Energy and Water Supply.

Interestingly, World Experience for Georgia has recently completed work on a National Energy Strategy Regulation Impact Assessment Report. WEG presented the results of the study on August 7, 2020, at an online seminar organized by the USAID Energy Program.

Research shows that by implementing policies based on strategic analysis and research in energy, it is possible to reap multibillion-dollar economic benefits over the next 10 years. Besides, the strategy will help strengthen energy security, accelerate economic development, increase employment, better protect the interests of the population, and gain confidence in public policy.

Previous studies and consultations with experts show that the lack of an energy strategy has largely contributed to the accumulation of problems in the energy sector, including an increase in energy imports and monopolies, a reduction in private investment, and an increase in public investment. The research states that the lack of renewable energy resources hurts the sector and the country and poses development threats. "To address these problems, in-depth analysis, strategic planning, and implementation are needed, which requires proper analysis and research support and political will," finds the research.

In the study, WEG considered 3 possible scenarios for the development of the strategy, of which the Ministry identified the establishment of a Strategic Analysis Center and energy research, allocating at least \oplus 1 million per year and considering the results in the policy. Costbenefit analysis shows that spending \oplus 18-20 million over the next 10 years could bring in a profit of \oplus 7-10 billion.

The study was conducted as part of the USAID Energy Program project. It aimed to identify effective and optimal ways to develop in-depth energy strategies and to offer ways to overcome existing barriers for decision-makers.



"It is necessary to start budget initiatives to establish the appropriate structure, as well as to use current and planned donor projects and action plans following international obligations," reads WEG report.

Coronavirus: Eight macro-financial assistance programmes agreed to support enlargement and neighbourhood partners

As of today, the Commission, on behalf of the EU, has agreed Memoranda of Understanding (MoU) on macro-financial assistance (MFA) programmes with eight partners. The agreements are part of the \in 3 billion MFA package for ten enlargement and neighbourhood partners, aimed to help them limit the economic fallout of the coronavirus

said: "Supporting our neighbours is essential during this time of crisis to keep the entire region stable. As part of the EU's global response to the coronavirus pandemic, we are working to help our neighbouring countries to cushion the worst of its economic impact. These 'crisis MFA programs' will be provided on voura ele terms on the basis of signed Memorandums of Understanding outlining concrete reform commitments. It will help the neighbouring countries to cover their external financing needs in 2020-21, given the difficulties in tackling the eco-nomic impact of the pandemic." Paolo Gentiloni Commissioner for Economy, said: "The COVID-19 pandemic knows no borders and its unprecedented economic and social impacts affect countries around the world. enlargement Our and neighbourhood partners are severely affected, and as a Union we have the financial strength to help them limit the economic fallout of the pandemic. The Commission, on behalf of the EU, is working with ten partner countries to support their efforts and implement effective economic policies at a time of unprecedented crisis. Agreement has already been reached with eight partners in a demonstration of the EU's solidarity."

The MoUs provide for the policy actions to which the beneficiaries commit in order to receive the second tranche of assistance. Agreeing and signing the MoUs is an important step towards the first disbursement under the programmes, which is conditional on fulfilling the political pre-conditions, including the respect of democratic principles, human rights and the rule of law. Beneficiary tries should also benefit from an IMF financial assistance programme. For Albania, the policy conditions for its €180 million MFA programme relate to strengthening public finance and the resilience of the financial sector, improving governance and fighting corruption, and enhancing social protection. For Georgia, the policy conditions for its €150 million MFA programme relate to strengthening public finance management, improving governance, sector reforms, and labour market policies.

operations. They cover public finance management, utilities, social and labour market policy, and governance,

For **Kosovo**, the policy conditions for its €100 million MFA programme relate to strengthening public finance and financial stability, addressing youth unemployment and improving good governance, and the fight against corruption.

For **Moldova**, the policy conditions for its €100 million MFA programme relate to strengthening public finance management, good governance and fight against corruption, and improving the business environment.

For **Montenegro**, the policy conditions for its €60 million MFA programme relate to strengthening public finance and the fight against corruption, enhancing financial stability, improving the business environment, and reforming social protection. For North Macedonia, the policy conditions for its €160 million MFA programme relate to strengthening fiscal governance and transparency, the fight against corruption, enhancing financial sector supervision, improving the business environment, and tackling youth unemployment. For Ukraine, the policy conditions for its €1.2 billion MFA programme are larger and more comprehensive and relate to strengthening public finance management, governance and rule of law, reform of the judiciary, competition in the gas market, improving the business climate and governance of stateowned enterprises.

Background

MFA is part of the EU's wider engagement with neighbouring and enlargement countries and is intended as an exceptional EU crisis response instrument. It is available to enlargement and EU neighbourhood countries experiencing severe balance-of-payments problems. It demonstrates the EU's solidarity with these countries and the support of effective policies at a time of un-

panaenne.

The ongoing and swift implementation of these programmes is an important demonstration of the EU's solidarity with these countries at a time of unprecedented crisis.

Memoranda of Understanding have already been agreed with Albania, Georgia, Jordan, Kosovo, Moldova, Montenegro, North Macedonia and Ukraine. These documents have also been formally signed with four of them: Kosovo, Moldova, North Macedonia and Ukraine. Negotiations of the MoUs with the remaining two countries – Bosnia and Herzegovina, and Tunisia – are underway.

Valdis **Dombrovskis**, Executive Vice-President for an Economy that works for people, For **Jordan**, the policy actions for its €700 million MFA programmes are more comprehensive, as they cover two MFA precedented crisis.

The Decision on providing macro-financial assistance to ten enlargement and neighbourhood partners in the context of the COVID-19 pandemic was proposed by the Commission on 22 April and adopted by the European Parliament and the Council on 25 May 2020.

In addition to MFA, the EU supports the Neighbourhood and Western Balkans through several other instruments, including humanitarian aid, budget support, thematic programmes, technical assistance, blending facilities and guarantees from the European Fund for Sustainable Development to support investment in sectors most affected by the coronavirus pandemic.