

# Russia – Georgia:

## New approach to the partnership

RF Interviews Ambassador of Georgia to the UK, his Excellency Mr. Amiran Kavadze

### How can you evaluate the Russian-Georgian bilateral trade and economic relationship?

First of all Russia is a major trade partner for Georgia. Our countries enjoy free trade regime with minor exemptions (sugar, tobacco products, beer and ethyl alcohol). We purchase electricity, gas, oil and food products from our neighbouring country and export beverages, mineral water, agricultural products, drilling pipes etc. Numerous Russian companies show their interest in investing into Georgian economy. Joint Economic Commission chaired by Minister of Transport of Russia Mr. Levitin and State Minister of Georgia Mr. K. Bendukidze is increasing its activities and efficiency as well. However, there are still some barriers for improvement of our bilateral economic partnership: Russian authorities continue to support separatist regimes in Sokhumi and Tskhinvali.

**Ambassador of  
Georgia Amiran  
Kavadze**

### What kind of economic relationship has Russia with breakaway regions – Abkhazia and South Ossetia?

The Russian side continues in a planned manner to apply preferential trade and eco-

nomical regimes to two Georgian provinces - Abkhazia and former South Ossetia, which at present are temporarily outside the control of the Georgia's central authorities. Despite of Georgian government's clear objections, Russian federal entities carry out double standard approaches towards Georgia. Russia creates certain obstacles in trade and economic relations with Georgia (hidden barriers to trade, restriction of transit of certain goods, functioning of illegal customs checkpoints, unfair customs procedures etc.) and the same time actively promotes commercial ties with the above mentioned outbreak regions, which runs counter the fundamental principles of international law and WTO requirements. Furthermore, Russia does not fulfil commitments towards various bilateral and multilateral trade arrangements with Georgia. Those commitments stipulate, inter alia, that Russia should conduct its foreign trade policy with Georgia according to the basic principle of non-discrimination. Besides, uncontrolled influx of smuggled goods from Russian territory into Georgia, through Abkhazian and South Ossetian sections of Russian-Georgian state border, causes serious damage to the domestic market and undermines our economy.

### What is the situation with the cooperation of Russian federal authorities and local governments and business community with the Georgian provinces being beyond the control of the central authorities?

Despite numerous appeals of the government of Georgia, the Russian side continuously ignores decisions of the CIS Council of the heads of member-states on conflict in Abkhazia, Georgia and maintains close cooperation with separatist authorities of Abkhazia. It should be noted, that in accordance with the decision by the Georgian authorities all legislative and legal acts adopted or joined by the separatist regime of Abkhazia, including civil deals, involving purchasing, selling or leasing property, are considered as void and invalid. The Russian side was officially informed about the above decision on numerous occasions. Despite that both legal and physical persons of the Russian Federation supported by local administrations of neighbouring regions of Russia are actively involved in the process of privatization of state property and are buying or leasing sanatoriums, rest homes, tourist camps and factories on the territory of Abkhazia.

