Remarks by H.E. Zurab Nogaideli Prime Minister of Georgia OSCE - Vienna, 30 October 2007

INTRODUCTION

- Mr. Chairman, Your Excellencies, Dear Friends...
- I am very grateful for your kind invitation to speak today.
- My main purpose is to bring you up to date on the conflicts in Georgia, with particular reference to that of South Ossetia, in which the OSCE has such an important role to play.
- There have been important developments over the last year and there will be more in the coming year of that I am sure.
- I will not limit myself however to a *tour d'horizon*.
- I think the situation is ripe today, and we are ready for imaginative and pragmatic moves towards lasting solutions.

- But before I enter this subject, let me just note, that this year has been eventful in Georgia.
- Some of these events I would rather not have occurred. And my hope is they will not recur in the future.
- It is quite abnormal for a country to suffer a bombing in March, a missile attack in August, and other such incidents thereafter.
- You are all aware because it is the mandate of this institution that these dangerous incidents tested our resolve and that of the international community.

• I believe that Georgia responded with extraordinary restraint. The international community responded with extraordinary constraint.

- I would like to use this opportunity to extend our gratitude to the OSCE for its constructive activity during the August 6 Tsitelubani incident. Special thanks to those member states who nominated experts, as well as to the OSCE Spanish chairmanship and the FSC Danish chairmanship.
- Our task today is not to discuss who was responsible for this incident for that part of the story is already widely known and understood.
- Rather, our job is to make sure that they do not happen again in Tsitelubani or elsewhere in Georgia or elsewhere in Europe as such incidents corrode the prospects for goodwill.
- I think that the manner in which this was eventually resolved is a healthy sign. Now we must all pull together to find ways to move forward. These ways, among others, include reactivation of existing rapid reaction and conflict prevention mechanisms. At the same time the OSCE should not be reluctant to establish new mechanisms if necessary. Ongoing discussions on the Chairmanship's Food for Thought Paper can certainly contribute to this end.
- The decision on increase of number of OSCE military monitoring officers should be put in place without any delay.
- And we welcome forthcoming dialogue on "lessons learned" at the joint FSC-PC meeting to be held on November 14.

• On a slightly different topic, on behalf of my government, I am pleased to extend our very warm welcome of the new representative of the OSCE in Georgia, Ambassador Terhi Hakkala.

• You may rest assured that Ambassador Hakkala will receive our full support in her work. We are grateful to her for undertaking this very important mission, at this important time.

CURRENT SITUATION

- Yours Excellencies,
- I would now like to focus my remarks on our conflicts and how together we can finally put them in the past.
- If you look beyond the occasional incidents that I have mentioned, you will have noted a pattern in both our policies and our statements during the past three years.
- Most recently, these were repeated by our President at the United Nations General Assembly.
- Our refrain is simple:
- The territorial integrity and sovereignty of Georgia is inviolable. Just as is all of yours.
- But, widespread and meaningful autonomy can be achieved within the embrace of our sovereignty.
- That, surely, is one of the lessons we have learned and that the OSCE has promoted over the last decades.
- Genuine autonomy does not mean separation. And, certainly, international law and modern European practice clearly supports this contention in the case of Georgia.

• Georgia today is ready, willing and able to absorb separatist regions into the constitutional, political and economic life of our country.

- We now see that given free access to information and democratic choice, these populations also want this solution. This is a promising development.
- The political, legal and economic conditions now exist in the rest of Georgia for this to allow this to occur.
- Our democracy is advancing.
- Laws are enshrined in parliament.
- Security for each family exists.
- Our economy is booming.
- Why shouldn't these same fruits of good governance, transparency and equal access to opportunity be extended to those, who today are most in need?
- That I argue is our common task one that my government will not back down from because it is our solemn responsibility.

- We are ready to make very significant allocations out of our budget to cement peace and prosperity by rebuilding the livelihoods shattered by civil war over a decade ago.
- Today, we are backing this undertaking through a process that is open and inclusive.
- And I want to stress the term inclusive because all who live in these regions, all who live in South Ossetia, must be given a chance to enjoy the fruits of freedom and lasting peace.
- We are committed to constitutional solutions that fully respect individual human rights as well as the collective identity of minorities.
- We respect language, culture, history and heritage.

- Indeed, that diversity is the very source of our national strength. And we
 invite all residents of South Ossetia to participate fully, at all levels of
 political life.
- We are ready to meet and discuss anywhere and anytime. And we are committed to encouraging direct links among and between populations.

- Statements of our intent, however, are insufficient.
- In the course of the last year, we have put our ideas into practice. And our primary attention has focused on South Ossetia.
- Why have we moved in this direction?
- In our view the context and conditions have changed so dramatically over the last 36 months that we believe there is a very real opportunity to deliver a peaceful and lasting solution to this conflict.
- We cannot afford to be static in our diagnosis.
- There is a dynamic at work within society and we must take bold initiatives to bring peace and prosperity.
- We as leaders would be derelict if we did not exhaust every constructive opportunity.
- In South Ossetia, the price of separation has cost the population dearly.
- They are isolated and impoverished. We do not wish this: but unfortunately their leaders have imposed it.
- But today, former South Ossetian separatist leaders are acting responsibly and with leadership, proposing a new vision that entails negotiating a future for South Ossetia within Georgia.

- Today, we have a new South Ossetian leadership. Leadership committed to reconciliation, reconstruction, and peace instead of hatred, devastation and conflict as we had in the past.
- And it is indigenous.
- I wish to take this opportunity to thank all those brave individuals who have chosen the path of peace. To thank Mr. Dmitri Sanakoyev and members of his team who are leading South Ossetia forward.
- And I wish to thank the tens of thousands of local residents who are expressing the very same desires and to salute the fact that this trend is growing every day.

- It is only natural that we have reciprocated favorably.
- And it is only natural that these voices are gaining in strength and numbers.
- It is that on-ground trend that gives me hope and confirmation that our path to peace is the right one.

- Today in South Ossetia, we have a budget that is financing job creation and the rehabilitation of key social infrastructure.
- And we have a democratic political system that is able to respond to a variety of constitutional, political, social, cultural and economic incentives.
- We are sowing the seeds of peace and these are taking root.
- This, Ladies and Gentlemen, is the simple, practical reality of what is happening in South Ossetia.

- There is, however, a corresponding responsibility for the international community to adapt as well.
- The current framework for resolving this dispute no longer reflects the realities on the ground.
- The JCC has been immobilized.
- Decisions are not made and implementation is impossible, because the format and the separatists themselves constantly reject initiatives and proposals.
- No where was this more evident that just last week, when we held a JCC
 meeting in Tbilisi during which all attempts to move forward and make
 progress were once again blocked.
- Conflicts cannot be solved in this manner they can only be prolonged.
- I ask all of you, is it in our interest to prolong the suffering and stalemate?
- To prolong the presence of dangerous weapons?
- To prolong the inequalities?
- To stand by and accept a deteriorating security situation?

- The Georgian government does not reject the JCC.
- In fact, we welcome the role of the OSCE as part of our national effort to unite our country.
- That is why we have repeatedly come to this venue, offering serious proposals.
- But in plain terms, it is not enough. And it will not bring us to peace.

- Where then do we go from here?
- The road to resolution of the South Ossetia dispute requires three distinct but inter-dependent approaches.
 - First, a national, inclusive and participatory process of consultation over the status of a South Ossetian Autonomous Region in Georgia.
 - O Second, more robust engagement by the international community, through the JCC and other formats, to enhance security, ensure freedom of movement of goods and people, and to encourage dialogue both bilaterally and among the different representatives of the people of South Ossetia.
 - And, third, to move rapidly towards the implementation of a comprehensive plan for the economic rehabilitation and development of South Ossetia.
- Over the last months, we have responded to the shifting political reality by passing laws in our Parliament and by Presidential decree to ensure the process is based on rule of law and transparency.
- Some of you may recall that two years ago I presented a peace plan at this very occasion.
- A plan that this entire body then endorsed in Ljubljana.
- Unfortunately, the separatist authorities in South Ossetia and other forces blocked any practical implementation of that plan.

• We then agreed with OSCE sponsored economic development activities, that have since been under the supervision of the JCC.

- Indeed, the donor conference that was held in Brussels last year was a very positive step forward one that I wish to further support by announcing the continuation of Georgia's monetary pledge of an additional 250,000 euros.
- Those funds and any co-financing of this nature are to be dedicated to projects that help ALL the residents of South Ossetia...
- ...Which in this latest case will go for the reconstruction of the main Tskhinvali hospital and Tiriponi water irrigation system.
- These projects just said are examples of the types of projects which are indeed needed for the region.
- Implementation of any project should contribute to the overall conflict resolution process aimed at restoring territorial integrity of Georgia by strengthening confidence and serving needs of the entire community in the region.
- The criminal separatist regime should not be able to hijack any project and to exploit it for their private interests and for encouraging secession and separation.

- In May and then July of this year, we passed laws that established a provisional administration of the territory of the former South Ossetia Autonomous District.
- This now exists. And I am pleased to say that it functions and that its representation is both broad and reflective.
- Provisional administration as you may see from the slide now administers about half of the territory of South Ossetia. The same slide shows how mixed the local geography is and how much interaction exists between Georgian and Ossetian communities since the villages are located like a chessboard.

- My government has now moved to the next and fundamental stage.
- We have created a Commission to elaborate proposals for the future status of the former Autonomous District of South Ossetia.
- The work of this Commission is, I repeat, national in scope, inclusive to all interested parties and participatory in process.
- It includes Georgians and Ossetians from across South Ossetia, as well as Ossetians from outside the conflict zone.
- And once I mentioned Ossetians from outside the conflict zone, let me share with you interesting figures: total number of ethnic Ossetians living in Georgia side by side, in peace and harmony with Georgians, is approximately 110 thousand. Out of it, only 50 thousand live within the borders of the former autonomous district of South Ossetia. And out of it, only 35 thousand inhabit the part of the conflict zone controlled by the defacto Tskhinvali authorities.
- We have invited the Russian Federation as well as the separatist authorities to participate.
- Similarly we are encouraging the active involvement of civic groups and NGOs in the process.
- We have also invited all of you...
- Indeed, just a few days ago I was once again in South Ossetia, for another routine but important set of meetings of the Commission.
- The details are in fact what matters when you build peace, and I am pleased that it is progressing forward.

• The work of the State Commission is divided into five working groups that provide recommendations on constitutional, financial, economic, educational and cultural matters.

- These are in fact the real, tangible components of autonomy.
- And this is the process that will establish the relationship between Tbilisi and the new South Ossetia.
- The task is great and we welcome expert advice from the international community.
- When we have completed initial phase of the process, we will share our
 proposals with such institutions as the OSCE, the Council of Europe and
 the Venice Commission to ensure that our proposals for
 autonomy/distribution of competences between Tbilisi and Tskhinvali are
 harmonized with European standards and practices.
- Parallel to the work of the Commission, there is the equally important role that the international community can play.
- And here we extend our invitation for further cooperation. Cooperation which gives a chance not only to us, people of Georgia... Which gives a chance to each of you, those, who want to be a part of the unprecedented process of a peaceful resolution of the frozen conflict... This is our joint chance and we need to use it jointly.

- As for the JCC, we believe there are ways in which it could adapt and focus its activities to contribute to a solution.
- The JCC should now focus on four principal objectives:
- <u>First</u>: to reduce the security threat within the region. This calls for the JCC and specifically the JPKF to actively prevent the diversion of weapons, the creation of so-called armed "volunteers", to end the movement of contraband and to be more efficient in the location of JPKF posts. To that end, establishment of a joint control over the Roki Tunnel and the Didi Gupta bridge is of a vital importance.

- These measures should be framed within a new policy supported by all JCC members and the international community in order to promote the immediate demilitarization of the region.
- <u>Second</u>: the JCC needs to take active measures to enhance the prospects for legal, I repeat, legal movement of people and goods.
- This is central to the establishment of a climate of confidence and economic development in the region. The first element in this process is to remove those JPKF posts that are a disincentive to the movement of people along certain roads.
- <u>The third</u> contribution that the JCC can make is to prevent the unilateral and illegal import of contraband including energy into the separatist areas from the Russian Federation. Illegality quite simply, must be stopped.
- And finally, the <u>fourth</u> requirement of the JCC concerns the framework for dialogue.
- The time is now ripe for the JCC to initiate a direct bilateral dialogue between local communities in the conflict area.
- Parallel to this and mirroring the efforts of the State Commission, the JCC should intensify and expand the dialogue among all the parties including the Provisional Administrative Unit of South Ossetia and its elected Head.
- These steps are both concrete and they are feasible.
- They are what needs to be done and we ask your support in transforming these declarations into reality.

- Your Excellencies!
- The litmus test of our efforts, if we all work with good will, should be the immediate improvement in the economic and social life of the inhabitants of the Tskhinvali/South Ossetia region.

- While we talk, they suffer.
- The time has now come and the conditions exist to reverse the cycle of isolation, mistrust and impoverishment.
- Progress in the work of the Commission and the JCC must be accompanied by the economic rehabilitation of the region.
- We are dealing with a small population living in a fairly large area with complex terrain.
- But from the perspective of economic development planning, we have a project that is similar in scope to the restoration of a relatively small European town and its environs.
- That is the actual scale. It is manageable and do-able.
- As I mentioned earlier, the Belgian Chairmanship took the initiative in late 2006 with the donor conference.
- We are grateful for the commitments made then.
- Georgia, in parallel to the work of this project has also committed same amount of 7.8 million Euro.
- However, we must now move to a comprehensive plan. Certainly Georgia is ready to allocate more from its budget.
- As we sit here today, the State Commission has a working group that is actively reviewing the fiscal, financial and economic plans for the integration and economic development of the South Ossetia Autonomous Region into Georgia.
- If we can work together to create the political and legal enabling environment, I believe that the economic development of the region will have a rapid and transformative effect.

- We must not only restore basic infrastructure, as demonstrated in the OSCE Needs Assessment mission of 2006, we must now look to the comprehensive development of the region.
- Now we must move to activities that provide jobs, allow free and legal movement of goods and guarantee access by all to basic social services.
- The challenge for us all is not a question of quantities of money needed.
- These, in relative terms, are quite modest.
- Rather, our challenge is to ensure the quality of work and the ability to have a transparent process of development which accelerates overall political settlement of the conflict based on fundamental principle of territorial integrity of Georgia and not to the contrary.

- Your Excellencies!
- Georgia's purpose is pragmatic.
- We want to restore our territorial integrity and improve the lives of our citizens by systematically removing from the table practical obstacles to peaceful resolution.
- We believe that we are part of the solution.
- The months ahead provide us with the opportunity to resolve the issue of South Ossetia. We can achieve this with an imaginative and robust international engagement.
- You can make a difference.
- Kokoity regime is falling apart. We are approaching a solution. With Russian participation in the process, settlement of the conflict will be easier and will happen earlier, otherwise it can take a bit more time, it can be more difficult but it will be happening any way.

- In conclusion, let me be clear about the seriousness of our intent, and the legitimacy of our inclusive actions.
- When I can come here again in a short while, I will be carrying with me a status document that enshrines free voices of ALL the communities of South Ossetia.
- That is our path that is our pledge and that is our responsibility as the democratically elected leadership of my country.
- Ours is a mission of peace.
- I have said before that building peace is hard work. And today, we have no other option.
- Let us not hesitate.

THANK YOU