

Georgia: Background and U.S. Policy

Updated September 4, 2024

Congressional Research Service

<https://crsreports.congress.gov>

R45307



R45307

September 4, 2024

Cory Welt

Specialist in Russian and
European Affairs

Georgia: Background and U.S. Policy

Georgia has been one of the United States' closest partners among the post-Soviet states that gained their independence after the Soviet Union's dissolution in 1991. Building on a history of substantial development aid and security cooperation, the United States deepened its strategic partnership with Georgia after Russia's invasion of Georgia in 2008 and initial invasion of Ukraine in 2014. U.S. policy expressly grounds the U.S.-Georgia relationship in shared values and commitment to the country's integration into the Euro-Atlantic community. The United States also supports Georgia's sovereignty and territorial integrity against Russian occupation of the regions of Abkhazia and South Ossetia. Georgia has been a leading recipient of U.S. foreign and security assistance in Europe and Eurasia.

In 2024, U.S. and European Union (EU) officials have expressed concerns about possible democratic backsliding and the potential for a foreign policy reorientation away from Euro-Atlantic integration under the governing Georgian Dream (GD) party. Since EU members agreed to grant Georgia EU candidate status in November 2023, the Georgian parliament has passed or introduced several legislative acts, including one on the "transparency of foreign influence," which Georgian opposition parties, some U.S. and EU officials, and some observers have contended undermine democracy and run counter to Georgia's EU integration efforts. In a June 2024 meeting, the leaders of EU member states called on "Georgia's authorities to clarify their intentions by reversing the current course of action which jeopardizes Georgia's EU path, de facto leading to a halt of the accession process." Following passage of the foreign influence law, the U.S. Department of State announced a "comprehensive review" of U.S.-Georgia bilateral cooperation. According to the State Department, the review resulted in a "pause" in the provision of more than \$95 million in "assistance that directly benefits the Government of Georgia." Georgia is scheduled to hold parliamentary elections on October 26, 2024.

Georgia's relations with Russia have been tense since the last years of the Soviet Union. In 2008, Russia invaded Georgia to prevent the Georgian government from reestablishing control over the regions of South Ossetia and Abkhazia, which broke away from Georgia in the early 1990s and became informal Russian protectorates. Russia maintains its occupation of Abkhazia and South Ossetia in part to preserve influence over Georgia and prevent it from joining NATO.

Since GD came to power in 2012, the Georgian government has made efforts to improve the Georgia-Russia relationship. In particular, Georgia's response to Russia's war against Ukraine since 2022 has been the subject of some controversy in Georgia. The Georgian government officially holds Russia responsible for the war, and opinion polls indicate many Georgians do as well. At the same time, the Georgian government has maintained a measured approach in criticizing Russia, stating that it seeks to avoid possible reprisals or economic losses. The government has promoted increased trade and travel with Russia and permitted an influx of Russian nationals. The government of Georgia has not imposed its own direct sanctions on Russia, although Georgian officials assert that the government complies with U.S., EU, and other international sanctions.

Since Russia's 2008 invasion of Georgia, Congress has expressed firm support for Georgia's sovereignty and territorial integrity. Since FY2017, annual foreign operations appropriations have prohibited foreign assistance to governments that recognize the independence of Abkhazia or South Ossetia and restricted funds from supporting Russia's occupation of Abkhazia and South Ossetia (most recently, in the Further Consolidated Appropriations Act, 2024; P.L. 118-47, 7047(c)). Some Members of the 118th Congress and previous Congresses have advocated for continued democracy and governance reforms in Georgia and the deepening of Georgia's ties with the European Union and the United States. In 2024, some Members of Congress have introduced legislation (H.R. 8566, S. 4425) expressing concerns about possible democratic backsliding and reaffirming support for Georgia's Euro-Atlantic integration.

For FY2023, planned State Department and U.S. Agency for International Development (USAID) assistance for Georgia totaled \$133 million. For FY2024 and FY2025, respectively, the State Department/USAID budget requests included \$121 million and \$117 million in assistance for Georgia. The United States also provides assistance to Georgia through Department of Defense programs.

Contents

Introduction	1
Politics and Governance	2
Reform Challenges and Criticisms.....	5
Transparency of Foreign Influence Law	6
Other Controversial Legislation.....	7
Economy	9
Relations with the European Union and NATO	10
European Union	10
NATO	12
Relations with Russia	12
Economic Relations with Russia.....	14
Russian Occupation in Georgia: Abkhazia and South Ossetia.....	15
U.S.-Georgia Relations.....	17
Congressional Considerations	19
Foreign and Security Assistance	21

Figures

Figure 1. Georgia.....	2
Figure 2. Parliamentary Factions or Groups in Georgia.....	3

Appendixes

Appendix. 2008 Russia-Georgia War	24
---	----

Contacts

Author Information.....	25
-------------------------	----

Introduction

Georgia is one of three countries in the South Caucasus, a region between the Black and Caspian Seas separated from Russia by the Greater Caucasus mountain range (see **Figure 1**).¹ Historically situated between rival empires, various Georgian kingdoms and principalities were incorporated into the Russian Empire beginning in the early 19th century. Georgia enjoyed a brief period of independence from 1918 until its forced incorporation into the Union of Soviet Socialist Republics (USSR, or Soviet Union) in 1921-1922. Georgia again gained independence in 1991 with the dissolution of the Soviet Union.²

Georgians speak and write a distinct Caucasian language, with a written literary form that emerged at least as early as the fifth century. The Georgian Orthodox Church, to which most Georgians belong, is autocephalous (independent), with roots that date back to the fourth century.

Since Georgia's independence in 1991, successive Georgian governments have pursued varying degrees of Euro-Atlantic integration while seeking to ensure the country's security and economic development alongside the Russian Federation, Georgia's powerful and frequently hostile northern neighbor. Since independence, Georgia has faced two territorial conflicts over the Russia-occupied regions of Abkhazia and South Ossetia. These regions, in addition to being home to ethnic Georgians, are home to minority ethnic groups that more closely identify with ethnic kin in Russia's North Caucasus. After a short war with Georgia in 2008, Russia unilaterally recognized the independence of Abkhazia and South Ossetia and stationed military forces in these regions (for more on the 2008 war, see **Appendix**).

Since Russia's 2008 invasion of Georgia, Congress has expressed firm support for Georgia's sovereignty and territorial integrity (see "Congressional Considerations" below). Some Members of the 118th Congress and previous Congresses have advocated for continued democracy and governance reforms in Georgia and the deepening of Georgia's ties with Europe and the United States. In 2024, U.S. and European Union (EU) officials, as well as some Members of Congress, have expressed concerns about possible democratic backsliding and the potential for a foreign policy reorientation away from Euro-Atlantic integration under the governing Georgian Dream

Georgia at a Glance

Population: 3.69 million (2024 est.)

Comparative Area: 69,700 sq. km., slightly larger than West Virginia

Capital: Tbilisi

Ethnic Composition: 87% Georgian, 6% Azerbaijani, 5% Armenian (2014 census)

Religion: 83% Georgian Orthodox, 11% Muslim, 3% Armenian Apostolic (2014 census)

GDP/GDP per capita: \$30.5 billion/\$8,219 (2023 est.)

Top Exports: motor vehicles, beverages, copper ores, fruit and nuts, iron and steel (2023)

Leadership: Prime Minister Irakli Kobakhidze, President Salome Zourabichvili, Foreign Minister Ilia Darchiashvili, Parliamentary Chairman Shalva Papuashvili (as of August 2024)

Source: National Statistics Office of Georgia. Data does not include the regions of Abkhazia and South Ossetia.

¹ The other two countries in the South Caucasus are Armenia and Azerbaijan. Historical surveys of the Caucasus include Charles King, *The Ghost of Freedom: A History of the Caucasus* (Oxford: Oxford University Press, 2008); and Thomas De Waal, *The Caucasus: An Introduction*, 2nd ed. (Oxford: Oxford University Press, 2019).

² Historical surveys of Georgia include Ronald Grigor Suny, *The Making of the Georgian Nation*, 2nd ed. (Bloomington: Indiana University Press, 1994); Donald Rayfield, *Edge of Empires: A History of Georgia* (London: Reaktion Books, 2012); and Stephen Jones, *Georgia: A Political History Since Independence* (London and New York: I.B. Tauris, 2013).

(GD) party, which has led Georgia since 2012. Georgia is scheduled to hold parliamentary elections on October 26, 2024.

Figure 1. Georgia



Sources: Map created by CRS. Map information generated using data from the National Geospatial Intelligence Agency, DeLorme, Department of State, and Esri.

Politics and Governance

Over the course of more than three decades, observers generally have characterized Georgia as having a “hybrid” political system, containing both democratic and nondemocratic elements.³ The U.S.-based nongovernmental organization (NGO) Freedom House considers Georgia to be one of four “partly free” post-Soviet states which gained their independence after the dissolution of the Soviet Union in 1991.⁴

Georgia has a parliamentary system of governance. The country’s unicameral parliament has 150 members, and the October 2024 elections are to be based on a fully proportional (party list) system for the first time.

The governing Georgian Dream-Democratic Georgia (GD) party was founded in 2012 as a center-left party. Over the last few years, party fractures and internal reorganizations have transformed GD into a more nationalist-conservative party. A GD-dominated two-party coalition

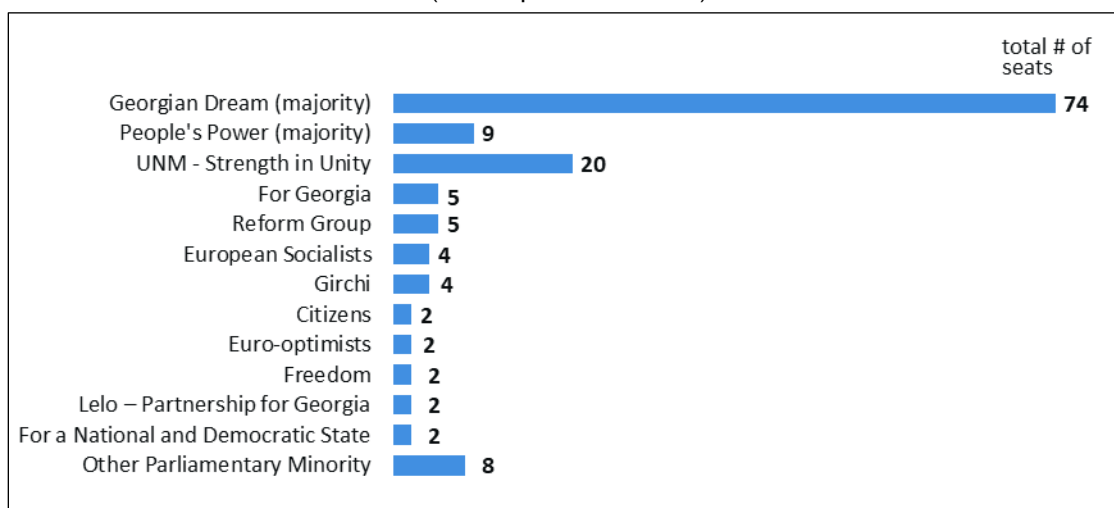
³ The U.S.-based nongovernmental organization (NGO) Freedom House ranks postcommunist states by a “democracy” score that ranges between 1 (least democratic) and 7 (most democratic). Georgia’s “democracy score” in 2024 was 3.04 (transitional or hybrid regime). Scores reflect the state of affairs at the start of the year. Freedom House, *Nations in Transit 2024*.

⁴ The other three are Armenia, Moldova, and Ukraine. Freedom House ranks all countries in the world by a “global freedom” score, which includes measures of political rights and civil liberties. Georgia’s “freedom score” in 2024 is 58 out of 100. On that scale, 100 is most free. Freedom House, *Freedom in the World 2024*.

currently holds a governing majority of 83 out of 150 seats in parliament (see **Figure 2**).⁵ GD holds 74 seats (down, due to party defections, from the 90 seats it won in 2020 elections; see “2020 Parliamentary Elections and 2021 Local Elections” box, below). A more conservative splinter faction, People’s Power, holds nine seats. GD first came to power in 2012 as the leading party in an electoral bloc and governed alone from 2016 to 2022.⁶

Figure 2. Parliamentary Factions or Groups in Georgia

(as of September 1, 2024)



Source: Parliament of Georgia.

Notes: UNM = United National Movement. Eleven of 150 seats were vacant as of September 1, 2024.

A 56-seat parliamentary minority is divided among 10 different factions and groups, as well as independents. The opposition bloc Strength in Unity, led by the center-right United National Movement (UNM), a former ruling party once led by ex-President Mikheil Saakashvili (2004-2013), is the largest minority faction, with 20 seats (down from the 36 it won in 2020). Four minority factions—For Georgia, the Reform Group, European Socialists, and Girchi—each have four or five seats.

Recent opinion polls have offered various findings regarding political party support. In July 2024, an opinion poll commissioned by an opposition-leaning media organization suggested that GD and its coalition partner had 32% support and the UNM and other leading opposition parties combined had more than 60% support.⁷ In August 2024, an opinion poll commissioned by a pro-government media organization suggested almost the opposite results.⁸

Officially, the Georgian government’s most powerful executive is the prime minister, elected by parliament to head the government. Irakli Kobakhidze assumed the premiership in February 2024. Prime Minister Kobakhidze previously served as majority leader in parliament and GD party

⁵ Eleven seats in parliament currently are unfilled.

⁶ In 2016, Georgian Dream-Democratic Georgia (GD) won reelection with a supermajority of more than 75% of parliamentary seats.

⁷ Mtavari TV, “Results of ISSA’s Sociological Research,” April 13, 2024 (in Georgian), <https://mtavari.tv/news/153386-issa-sotsiologiuri-kvlevis-shedegebi-sruli-versia>.

⁸ Formula TV, “How the Parties Rank – A Study by Edison Research,” July 28, 2024 (in Georgian), <https://formulanews.ge/News/114833>; and Imedi TV, “GORBI Poll Shows if Parliamentary Elections Were Held This Week, Georgian Dream Party Would Receive 59.3% of Votes,” August 14, 2024.

chair. He also served as parliamentary chair from 2016 to 2019 before resigning in the wake of a clash between police and demonstrators seeking to breach the parliament building.⁹

2020 Parliamentary Elections and 2021 Local Elections

Georgia's 2020 parliamentary elections were mired in controversy. Opposition parties accused the authorities of electoral fraud and for months refused to enter parliament. International observers characterized the election results as "competitive" and stated that "overall, fundamental freedoms were respected." At the same time, observers expressed concerns about various shortcomings, including a controversial appeals process that was a central focus of opposition complaints. After the elections, opposition parties organized several protests, including one that riot police dispersed. European and U.S. officials helped negotiate a resolution to the dispute.

In Georgia's 2021 local elections, GD candidates won mayoral elections in 63 out of 64 races and majorities in 57 of 64 local councils. International observers said elections were "marred by widespread and consistent allegations of intimidation, vote-buying, pressure on candidates and votes, and an unlevel playing field." The United National Movement and some other opposition parties rejected the results.

Sources: *Civil Georgia*, "19 Detained as Police Used Water Cannons Against Election Rally in Tbilisi," November 9, 2020; U.S. Embassy in Georgia, "Statement by the United States Embassy and the Delegation of the European Union to Georgia," December 11, 2020; Organization for Security and Co-operation in Europe (OSCE)/Office for Democratic Institutions and Human Rights (ODIHR), *Georgia Parliamentary Elections, 31 October 2020*, March 5, 2021; Joshua Kucera, "Ruling Party Dominates Georgian Local Elections, Sparking Protest," *Eurasianet*, November 1, 2021; and OSCE/ODIHR, *Georgia, Local Elections, 2 and 30 October 2021*, April 8, 2022, pp. 1, 38-40.

GD founder and billionaire Bidzina Ivanishvili, who served as prime minister from 2012 to 2013, is widely believed to exert an influential role in Georgia's politics.¹⁰ In December 2023, GD appointed Ivanishvili to the newly established position of honorary party chair and altered its party rules to allow the honorary chair to nominate the prime minister. Prior to this appointment, Ivanishvili had not held a formal political appointment or party position for three years (Ivanishvili served as GD party chair from 2018 to 2021).

The Georgian presidency holds mainly symbolic importance, but the president is commander in chief of the armed forces and has the power to veto legislation. President Salome Zourabichvili (or Zurabishvili) was elected in 2018 as an independent candidate.¹¹ Zourabichvili's term ends in 2024, and she is to be Georgia's last directly elected president. Due to constitutional reforms that GD passed in 2017 over a presidential veto, the president is to be elected subsequently by members of parliament and local government representatives.

Although GD supported Zourabichvili's candidacy, a rift emerged between her and GD leadership, especially after Russia launched its full-scale invasion of Ukraine in 2022. Zourabichvili has urged the government to align itself more firmly with U.S. and EU policy toward the conflict, as well as to implement reforms in support of Georgia's EU candidacy. The rift led to impeachment proceedings against Zourabichvili in fall 2023; GD accused Zourabichvili

⁹ Demonstrators had been protesting a parliamentary protocol decision to permit a Russian member of parliament to deliver a speech from the parliamentary speaker's chair in his capacity as chairman of the Interparliamentary Assembly on Orthodoxy, which the Georgian parliament was hosting. Many protestors considered the decision a national affront, given Russia's 2008 invasion of Georgia and occupation of parts of its territory (see "Relations with Russia and Secessionist Regions" below). *RFE/RL*, "Furious Anti-Russia Protesters in Tbilisi Demand Speaker's Resignation, Clash with Police," June 21, 2019; and Giorgi Lomsadze, "Violent Crackdown Throws Georgian Ruling Party's Survival into Question," *Eurasianet*, June 21, 2019.

¹⁰ Khatia Ghoghberidze, "How Does Oligarch Bidzina Ivanishvili De Facto Rule Georgia?," *JAM News*, June 27, 2022; Giorgi Lomsadze, "Georgia's Revenant Oligarch," *Eurasianet*, January 18, 2024; and Transparency International (TI) Georgia, "Oligarch Bidzina Ivanishvili—The Real Ruler of Georgia and the Architect of Georgia's Pro-Russian Shift," May 29, 2024.

¹¹ Prior to first entering the Georgian government as a minister of foreign affairs in 2004, Zourabichvili was a French national and diplomat.

of violating the constitution by improperly exercising representative powers in foreign policy (Zourabichvili allegedly had traveled to European capitals to advocate for Georgia's EU candidacy, without the government's approval). In a required procedural step, Georgia's Constitutional Court ruled that Zourabichvili's actions had violated the constitution. The parliamentary vote for impeachment fell short of the two-thirds support required for enactment.¹²

Opposition parties have taken some steps to coordinate efforts to unseat GD in the October 2024 elections. In May 2024, President Zourabichvili called on parties to unite behind an "action plan" she called the "Georgian Charter," which she said includes policies "necessary not only for European integration but also for the democracy of our country and the establishment of a fair state."¹³ Most opposition parties signed the charter, which called for the establishment after the elections of an interim government nominated by the president and the implementation of various reforms, followed by new snap elections in 2025.¹⁴ Several opposition parties have announced their unification into electoral blocs to contest the October 2024 parliamentary elections.¹⁵

Reform Challenges and Criticisms

Since 2022, Georgia's reform efforts have centered largely on fulfilling criteria for Georgia to achieve EU candidate status (which it received in December 2023) and to open formal accession talks (see "European Union," below). In November 2023, the European Commission (the EU's executive) recommended that EU members grant Georgia "the status of a candidate country on the understanding that the following steps are taken."¹⁶ In summary form, the nine conditions the European Commission recommended for granting candidacy status are as follows:

- Fighting disinformation against the EU and its values;
- Improving Georgia's alignment with EU common foreign and security policy;
- Addressing political polarization;
- Ensuring a free, fair, and competitive electoral process;
- Improving parliamentary oversight of some institutions, including the security services, and the independence and impartiality of others, including the National Bank of Georgia;
- Completing holistic and effective judicial reform;
- Establishing a strong track record in investigating corruption and organized crime cases;
- Implementing a systemic approach to "de-oligarchization" (i.e., countering the excessive influence of wealthy business figures in politics); and
- Improving the protection of human rights.

¹² *RFE/RL*, "Top Georgian Court Says President Violated Constitution by Visiting EU Countries," October 16, 2023; Dato Parulava, "Georgian Parliament Fails to Impeach President over Unsanctioned EU Visits," *Politico*, October 18, 2023; and TI Georgia, "A Failed Impeachment of the President," November 7, 2023.

¹³ Administration of the President of Georgia, "Speech Delivered by H.E. Salome Zourabichvili, President of Georgia," May 26, 2024, <https://president.ge>.

¹⁴ Administration of the President of Georgia, "Georgian Charter," May 26, 2024; and Georgian Public Broadcaster, "President's Office Publishes List of 'Georgian Charter' Signatories," June 3, 2024.

¹⁵ *Civil Georgia*, "Opposition Coalitions Continue to Expand," August 19, 2024.

¹⁶ European Commission, *2023 Communication on EU Enlargement Policy*, Communication from the Commission to the European Parliament, the Council, The European Economic and Social Committee, and the Committee of the Regions, November 8, 2023, pp. 25-26.

After EU members agreed to grant Georgia EU candidate status, the Georgian parliament passed or introduced several legislative acts that Georgian opposition parties, some U.S. and EU officials, and some observers have contended undermine democracy and run counter to Georgia's EU integration efforts.

Transparency of Foreign Influence Law

The legislation that has received the greatest attention is the "Transparency of Foreign Influence" law (hereinafter, foreign influence law). In May 2024, the Georgian parliament overrode (via a simple majority) a presidential veto to enact the foreign influence law.¹⁷ The legislation, which the U.S. Department of State has called "Kremlin-inspired," was introduced in April 2024 after the parliament shelved an earlier version in March 2023 amid protests and Western criticism.¹⁸

GD officials justified the foreign influence law by alleging that some Georgian nongovernmental organizations (NGOs) that receive foreign funding are connected to the political opposition and have sought to undermine Georgia's democratically elected government.¹⁹ In a statement accompanying the bill's introduction, the parliamentary majority said a "lack of transparency" in Georgia's donor-supported civil society sector was "one of the most important challenges for state security" and that the law would "protect Georgia from artificial attempts to cause unrest."²⁰

The foreign influence law requires NGOs and media outlets that receive more than 20% of their funding from foreign sources to register as organizations "pursuing the interest of a foreign power." The law establishes the creation of a public registry of such organizations. It requires registering entities to submit annual declarations detailing the "source, amount, and purpose" of income and expenditures; enables the Ministry of Justice to solicit a range of data for the stated purposes of registration and compliance; and imposes fines for noncompliance.

The European Commission for Democracy through Law (or Venice Commission), a Council of Europe legal advisory body, has assessed that the legislation's "fundamental flaws will involve significant negative consequences for the freedoms of association and expression."²¹ According to the Venice Commission, the legislation "presupposes that anyone receiving foreign support will act in pursuit of the interests of the foreign funder" and, hence, the law could have a "stigmatizing effect" on registered organizations, "undermin[ing] their public trust and access to financial resources."

Public protests were held in Tbilisi, Georgia's capital, against the legislation and what demonstrators characterized as a shift in the government's foreign policy away from the West and toward Russia.²² The State Department noted "clear indications of a campaign of intimidation and

¹⁷ An unofficial English translation of the law is available at [https://venice.coe.int/webforms/documents/?pdf=CDL-REF\(2024\)026-e](https://venice.coe.int/webforms/documents/?pdf=CDL-REF(2024)026-e). Also see Ekaterine Kadagishvili et al., "Georgia Passes Controversial 'Foreign Agents' Bill Despite Widespread Opposition," *CNN*, May 14, 2024; and Ivan Nechepurenko, "Georgia's Ruling Party Secures a Contentious Law on Foreign Influence," *New York Times*, May 28, 2024.

¹⁸ U.S. Department of State, "Georgia 'Transparency of Foreign Influence' Draft Law," April 18, 2024. On the 2023 bill, see Sophiko Megrelidze and Dasha Litvinova, "Georgia to Drop Foreign Agents Law After Massive Protests," Associated Press, March 9, 2023; and Lela Kunchulia and Andy Heil, "Why the Georgian Government Climbed Down on the 'Foreign Agents' Law," *RFE/RL*, March 9, 2023.

¹⁹ Georgian Dream, "Statement by the Political Council of Georgian Dream," Facebook post, May 21, 2024.

²⁰ Georgian Dream, "Statement by the Parliamentary Majority," Facebook post, April 3, 2024.

²¹ European Commission for Democracy Through Law (Venice Commission), *Georgia: Urgent Opinion on the Law on Transparency of Foreign Influence*, May 21, 2024.

²² Ani Chkhikvadze, "New Protests Erupt in Georgia After Parliament Passes 'Foreign Agent' Law," *Voice of America*, May 15, 2024; and *Civil Georgia*, "'Yes to Europe, No to Russian Law'—Rallies Against Foreign Agents Bill," updated May 28, 2024.

the use of violence to suppress peaceful dissent” in response to these protests.²³ In June 2024, Amnesty International noted that some “actions by government officials [could] easily be interpreted as a green light to commit violence against government critics with impunity” and called on Georgian authorities to “put an end to the cycle of violence [and] immediately investigate all violent attacks.”²⁴

It remains to be seen how the foreign influence law will impact voter sentiment for and against GD and the opposition in the October 2024 elections. As mentioned above, some summer 2024 opinion polls concur that GD remains Georgia’s most popular political party but differ regarding the relative popularity of the opposition. Some observers have suggested the possibility of grassroots—in particular, youth—mobilization on the basis of the recent protest movement.²⁵ Some analysts also suggest the government may use the foreign influence law to force NGOs to close by imposing large fines or to hinder their ability to scrutinize government actions during the election campaign and to conduct independent election monitoring.²⁶

Other Controversial Legislation

Since 2023, the Georgian parliament has introduced or passed other legislation that has garnered controversy. In 2023, the parliament overrode a presidential veto to amend legislation on Georgia’s central bank, the National Bank of Georgia (NBG). The amendments altered the bank’s management structure in ways the International Monetary Fund (IMF) said could undermine its “independence and credibility.”²⁷ Consequently, the IMF postponed the release of a second tranche of funding under a three-year IMF stand-by arrangement that was approved in 2022 to support Georgia’s public finance reforms. The NBG subsequently reversed course on a sanctions-related bank policy, seemingly in response to government pressure, by unblocking the assets of a wealthy Georgian individual whom the United States had sanctioned.²⁸ The IMF assessed this decision “added to concerns about NBG independence and introduced regulatory ambiguity and potential financial sector risks.”²⁹

In 2024, the parliament overrode three more presidential vetoes to enact a series of amendments to Georgia’s election code in advance of October 2024 parliamentary elections. These amendments repealed reform measures put in place after the 2020 elections to promote

²³ U.S. Department of State, “Announcement of a Visa Restriction Policy for Undermining Democracy in Georgia and Comprehensive Review of All U.S.-Georgia Cooperation,” May 23, 2024.

²⁴ Amnesty International, “Georgia: Authorities Must Immediately Investigate Attacks on Government Critics,” June 11, 2024.

²⁵ Felix Light, “Georgia’s Pro-EU Generation Z Spearheads ‘Foreign Agent’ Protests,” Reuters, May 15, 2024; Joshua Kucera, “After ‘Foreign Agent’ Law Defeat, Georgian Protesters Set Sights on Elections,” *RFE/RL*, May 30, 2024; and Stephen Jones, “Georgia on the Brink,” *Eurasianet*, June 3, 2024.

²⁶ Global Network of Domestic Election Monitors, “GNDEM Expresses Its Solidarity with Citizen Observers Targeted by Russian-Style Foreign Influence Law,” May 13, 2024; Council of Europe, “Situation in Georgia: Statement by the Secretary General,” May 28, 2024; and Laura Thornton (with Tamara Sartania), *Georgia’s 2024 Parliamentary Election: Pre-election Risk Assessment*, German Marshall Fund, May 31, 2024.

²⁷ International Monetary Fund (IMF), “IMF Staff Concludes Visit to Georgia,” press release, February 17, 2023; Administration of the President of Georgia, “President Zourabichvili Issues Veto on Amendments to National Bank Law, Citing Concerns on Autonomy,” February 23, 2023; and *Civil.ge*, “Chairman of the Parliament Approves Amendments to the NBG Law,” June 20, 2023.

²⁸ U.S. Department of State, “Imposing Further Sanctions in Response to Russia’s Illegal War Against Ukraine,” September 14, 2023; Giorgi Lomsadze, “Georgian Government Defends Ex-Prosecutor from U.S. Sanctions,” *Eurasianet*, September 20, 2023; and Tata Shoshiashvili, “Resignations at Georgian National Bank After Partskhaladze Asset Freeze Revoked,” *OC Media*, September 20, 2023.

²⁹ IMF, *Georgia: Staff Report for the 2024 Article IV Consultation*, April 29, 2024, p. 5.

nonpartisanship in the Central Election Commission (CEC). The amendments, among other provisions, enable the parliamentary majority to potentially appoint all members of the CEC, allow the CEC to make decisions on the basis of a simple majority, and abolish gender quotas for parliament.³⁰

In May 2024, the Georgian parliament overrode another presidential veto to enact legislation to provide tax exemptions to offshore companies that transfer assets to Georgia. Some observers speculate the law could facilitate the transfer of Ivanishvili's own offshore assets to Georgia, potentially in anticipation of possible U.S. or EU sanctions, or attract Russian assets that are subject to U.S. and European sanctions.³¹

In June 2024, GD introduced a legislative package of amendments on the "protection of family values and minors." The parliamentary majority subsequently supported the amendments in two procedural votes.³² If enacted, the amendments would formally bar registration of same-sex marriages (Georgia's constitution has defined marriage as "a union of a woman and a man" since 2018). They also would prohibit LGBTQ individuals from adopting children, ban sex or gender identification changes, and ban LGBTQ "propaganda" in public gatherings, educational institutions, broadcast media, and advertising. Critics say the amendments are similar to laws that have been passed in Russia to undermine LGBTQ rights.³³

Imprisonment of Former President Mikheil Saakashvili

In 2018, former Georgian President Mikheil Saakashvili was convicted twice in absentia and sentenced to a total of six years in prison for crimes related to abuse of power during his term in office (2004-2013). He was detained in Georgia and imprisoned in 2021. Saakashvili's supporters consider the charges against him to be politically motivated and have accused authorities of failing to adequately care for his health, which reportedly declined during his imprisonment.

After leaving office in 2013, Saakashvili departed Georgia, adopted Ukrainian citizenship, and served as a Ukrainian government official. In 2015, Saakashvili was stripped of his Georgian citizenship (Georgia prohibits dual citizenship, although the law permits exceptions). Saakashvili returned to Georgia on the eve of October 2021 local elections, seemingly to support the opposition. He was detained on the basis of his existing convictions and additionally charged with crossing the border illegally. In May 2024, the European Court of Human Rights ruled, in an appeal brought by Saakashvili, that the criminal proceedings for which he was convicted did not violate the European Convention of Human Rights.

Some U.S. and European officials, together with Saakashvili supporters and human rights organizations, have called regularly on Georgian officials to ensure Saakashvili receives appropriate medical care. In May 2022, he was transferred to a civilian medical clinic. In February 2023, the European Parliament passed a resolution calling on Georgian officials to release and pardon Saakashvili. In February 2024, a group of specialists established by the Georgian public defender's office to monitor management of Saakashvili's medical condition reported that, although Saakashvili's physical condition had improved, the state of his mental health did "not allow solid positive forecasts to be made yet."

³⁰ Venice Commission, *Georgia: Follow-up Opinion to the Joint Opinion of the Venice Commission and ODIHR on the Draft Amendments to the Election Code and to the Rules of Procedure of the Parliament*, June 24, 2024; Venice Commission, *Georgia: Opinion on Amendments to the Election Code Which Abolish Gender Quotas*, June 24, 2024; and *Civil Georgia*, "Parliament Overrides President's Veto on Amendments to Election Code," June 27, 2024.

³¹ Tata Shoshiashvili, "Georgian Dream Eliminates Taxes on Offshore Assets Brought to Georgia," *OC Media*, April 19, 2024; TI Georgia, "The Georgian Dream Tailors the Changes to the Tax Code Related to Offshore Zones to Bidzina Ivanishvili," April 19, 2024; and Maia Nikoladze, "Its 'Foreign Agent' Bill Caused an Uproar. Now Georgian Dream Has Fast-tracked Another Concerning Law," *Atlantic Council*, May 30, 2024.

³² *Agenda.ge*, "Georgian Parliament Passes Amnesty, Anti-'LGBT Propaganda' Bills in Second Reading," September 4, 2024.

³³ Gabriel Gavin, "Georgia Introduces Russian-style Crackdown on LGBTQ+ Rights," *Politico*, June 4, 2024; and Shota Kincha, "Explainer: What's in Georgia's New Anti-queer Bill?," *OC Media*, June 20, 2024.

Sources: Civil Georgia, “Complicated: Guide to Saakashvili’s Jail Controversy,” October 25, 2021; European Parliament Resolution of 15 February 2023 on the Situation of the Former President of Georgia Mikheil Saakashvili, 2023/2543(RSP); Public Defender (Ombudsman) of Georgia, “Conclusion No. 12 of Group of Specialists/Experts Set Up by Public Defender for Monitoring Management of Mikheil Saakashvili’s Medical Condition,” February 5, 2024; and European Court of Human Rights, Case of Saakashvili v. Georgia, Judgment, May 23, 2024.

Economy

For more than three decades, Georgia has gradually recovered from the severe economic decline it experienced after the dissolution of the Soviet Union.³⁴ In 2023, Georgia’s gross domestic product (GDP) was about \$30.5 billion (approximately one-eighth the size of the GDP of Oklahoma, which has a slightly larger population size). Georgia’s per capita GDP (\$8,219 in 2023) is midsized in comparison with the per capita GDP of Russia and other post-Soviet states.

Georgia’s economy entered a period of higher growth starting in 2017. From 2017 to 2019, GDP grew by more than 5% a year. In 2020, the first year of the COVID-19 pandemic, Georgia’s GDP declined by more than 6%. Over the next three years, GDP rebounded: by 10.6% in 2021, 11% in 2022, and an estimated 7.5% in 2023. Economic growth since 2022 has at least in part been due to an influx of Russian nationals who left Russia after the latter invaded Ukraine (see “Economic Relations with Russia,” below).³⁵

Georgia has made progress in combatting unemployment, underemployment, and inflation. According to official data, 12% of the population lived in poverty in 2023 (down from 26% a decade before). The official unemployment rate in 2023 was 16% overall (down from 26% in 2013) and 32% for young people aged 20-24. About 17% of Georgian laborers work in agriculture, a sector of the economy that accounts for about 7% of GDP. Inflation declined in 2023 to 3% after rising to 10% in 2021 and 12% in 2022.³⁶

Georgia’s economy relies in part on remittances, mainly from migrant workers abroad. Remittances on average were equivalent to about 10% of Georgia’s GDP from 2017 to 2021, rising to more than 15% of GDP in 2022-2023. Russia is the largest source country for remittances to Georgia, followed (in 2023) by Italy, the United States, Greece, Germany, and Israel (also see “Economic Relations with Russia,” below).³⁷

Georgia’s energy supply includes natural gas, oil, hydropower, biofuels, and coal. Most of Georgia’s natural gas supplies come from Azerbaijan and Russia. Georgia purchases oil and petroleum products mainly from Russia, Romania, Bulgaria, Azerbaijan, and Turkmenistan. Georgia has rehabilitated hydropower plants and constructed new ones, although some key hydropower development plans have engendered local and NGO opposition related to environmental and community impacts.³⁸

³⁴ According to World Bank estimates, Georgia’s gross domestic product (GDP) declined by 45% in 1992, 29% in 1993, and 10% in 1994.

³⁵ Rezo Bitsadze, “Strong Economic Performance in Caucasus amid Geopolitical Turmoil,” European Bank for Reconstruction and Development, September 28, 2022; and International Monetary Fund (IMF), “IMF Reaches Staff-Level Agreement on First Review for Georgia’s Stand-By Arrangement,” press release, November 7, 2022.

³⁶ National Statistics Office of Georgia (Geostat), at <https://www.geostat.ge/en>.

³⁷ National Bank of Georgia, at <https://nbg.gov.ge>.

³⁸ Josef Gassman, “Untapped Potential: What’s Behind Georgia’s Hydropower Slowdown?,” *Investor.ge*, December 12, 2021; Nini Gabritchidze, “Georgia Seeks \$3 Billion to Expand Power Generation,” *EurasiaNet*, January 6, 2023; and Shota Kincha, “Georgia’s ‘Zombie’ Hydropower Projects,” *OC Media*, October 4, 2023.

In 2023, Georgia's largest merchandise trading partner was the EU, which accounted for about 21% of total trade (\$4.3 billion). Georgia's largest bilateral trading partners were Turkey (\$2.9 billion, or 14% of Georgia's trade), Russia (\$2.4 billion, 12%), China (\$1.6 billion, 8%), Azerbaijan (\$1.5 billion, 7%), the United States (\$1.3 billion, 6%), and Armenia (\$1.1 billion, 6%). More than 60% of Georgia's merchandise exports went to five countries: Azerbaijan, Armenia, Kazakhstan, Kyrgyzstan, and Russia. Georgia's main exports were motor vehicles (re-exported), beverages (wine, water, and spirits), copper ores, fruit and nuts, and ferroalloys.³⁹ Georgia has free-trade agreements with the EU and China.

In 2018 and 2019, foreign direct investment (FDI) in Georgia was \$1.35 billion a year. FDI declined to \$595 million in 2020, during the first year of the COVID-19 pandemic, but recovered to \$1.25 billion in 2021, \$2.1 billion in 2022, and \$1.6 billion in 2023. Top sources of FDI in 2023 were the United Kingdom, the Netherlands, Turkey, the United States, Russia, and Malta.⁴⁰

Relations with the European Union and NATO

Georgia's relations with the EU and NATO face more challenges in 2024 than in previous years. Since the late 1990s, successive Georgian administrations, including GD-led governments, made closer integration with the EU and NATO a priority. A constitutional amendment that came into effect in 2018 states that Georgia's "constitutional bodies shall take all measures within the scope of their competences to ensure the full integration of Georgia into [the EU and NATO]."⁴¹ In polls conducted since 2020, about 75% to 90% of respondents in Georgia have supported EU membership and 67% to 80% have supported NATO membership.⁴²

European Union

Since 2022, Georgia's relations with the EU have advanced in some respects but also have been marked by growing tensions. One week after Russia renewed its invasion of Ukraine in February 2022, Georgia joined Ukraine and Moldova in applying for EU membership.⁴³ On March 15, 2022, the Georgian Parliament unanimously adopted a resolution calling on the government "to strengthen its efforts towards Georgia's European integration" and on the EU "to take all necessary steps to accelerate Georgia's accession."⁴⁴

During 2022, EU officials and some European politicians expressed concerns about the state of democracy and governance reforms in Georgia.⁴⁵ EU concerns were reflected in a European

³⁹ Geostat, as reported in Trade Data Monitor (TDM), an online database.

⁴⁰ Geostat.

⁴¹ Constitution of Georgia, Article 78, <https://matsne.gov.ge/en/document/view/30346?publication=36>.

⁴² Center for Insights in Survey Research (International Republican Institute), "Georgian Survey of Public Opinion," September-October 2023; and National Democratic Institute (conducted by CRRC Georgia), "Taking Georgians' Pulse: Findings from October-November 2023 Face to Face Survey," December 2023.

⁴³ EU accession is a long, complex process that can take years or decades to complete and requires prospective members to adopt and implement a large body of EU laws. Aspiring EU members also must meet core political and economic criteria, including stable institutions guaranteeing democracy, the rule of law, human rights, and respect for minority protection; a functioning market economy; and administrative capacity to take on the obligations of membership. For more, see CRS Report RS21344, *European Union Enlargement*, by Kristin Archick and Sarah E. Garding.

⁴⁴ *Civil Georgia*, "Parliament Unanimously Backs Resolution on Georgia's EU Integration," March 16, 2022.

⁴⁵ *Civil Georgia*, "PM Complains to EC President over European Parliament 'Falsehoods,'" July 18, 2022; *Civil Georgia*, "GD Chair Doubles Down on Criticizing EU, U.S. Ambassadors," July 22, 2022; and Delegation of the EU to (continued...)

Council decision of June 2022 to defer granting Georgia EU candidate status.⁴⁶ In the decision, the Council “recognize[d] the European perspective” of Georgia, together with that of Ukraine and Moldova, but did not name Georgia a candidate country as it did the other two. The Council said the EU would grant candidate status to Georgia after the country addressed a set of 12 governance priorities, including remedying political polarization; promoting democratic oversight; and implementing electoral, judicial, and anti-corruption reforms.

In November 2023, the European Commission (the EU’s executive) recommended that the European Council, “in ... light of the results achieved since June 2022,” grant Georgia “the status of a candidate country on the understanding” that a series of follow-on reform steps be taken (see “Reform Challenges” above).⁴⁷

Subsequently, passage of Georgia’s foreign influence law led to an informal pause in the country’s EU accession process. In April 2024, the European Parliament passed a resolution stating that “EU accession negotiations should not be opened as long as [the foreign influence law] is part of Georgia’s legal order.”⁴⁸ After the Georgian parliament passed the law, the EU noted it “deeply regrets” the law’s passage, which “goes against EU core principles and values.”⁴⁹ In June 2024, the European Council called on “Georgia’s authorities to clarify their intentions by reversing the current course of action which jeopardizes Georgia’s EU path, de facto leading to a halt of the accession process.”⁵⁰ In July, EU Ambassador to Georgia Paweł Herczyński stated that Georgia’s accession process “is stopped for now” and that the EU had “frozen” \$30 million in security assistance to Georgia.⁵¹

Georgia’s EU candidacy follows a decade of increased economic and social integration with the EU. In 2014, Georgia concluded an association agreement with the EU that included a Deep and Comprehensive Free Trade Area and encouraged harmonization with EU laws and regulations.⁵² In 2017, the EU granted Georgian citizens visa-free entry to the EU’s Schengen area of free movement, which allows individuals to travel without passport checks between most European countries. In addition to being Georgia’s largest merchandise trading partner, the EU is a major source of financial and technical assistance to Georgia, providing about €100 million (\$108 million) a year in foreign aid.⁵³

Georgia, “Joint Press Statement Following the 7th Association Council Meeting Between the EU and Georgia,” September 7, 2022.

⁴⁶ The European Council is an institution composed of the heads of state or government of the 27 EU member states, the European Council President, and the President of the European Commission. European Council, *European Council Meeting (23 and 24 June 2022) – Conclusions*, June 24, 2022; and European Commission, *Opinion on Georgia’s Application for Membership of the European Union*, June 17, 2022, pp. 17-18.

⁴⁷ European Commission, *2023 Communication on EU Enlargement Policy*, November 8, 2023, pp. 25-26.

⁴⁸ *European Parliament Resolution of 25 April 2024 on Attempts to Reintroduce a Foreign Agent Law in Georgia and Its Restrictions on Civil Society*, 2024/2703(RSP).

⁴⁹ European Commission, “Statement by the High Representative with the European Commission on the Final Adoption of the Law on Transparency of Foreign Influence in Georgia,” May 28, 2024.

⁵⁰ European Council, *European Council meeting (27 June 2024) – Conclusions*, June 27, 2024, p. 10.

⁵¹ EU Delegation Georgia (@EUinGeorgia), X post, July 9, 2024.

⁵² The free-trade agreement was applied provisionally in 2014 and entered into force in 2016.

⁵³ Delegation of the EU to Georgia, “The European Union and Georgia,” updated September 7, 2023.

NATO

As with Georgia-EU relations, recent political developments in Georgia could contribute to a slowdown in some two decades of close cooperation with NATO. In 2008, NATO members agreed Georgia would become a member of NATO, together with Ukraine.⁵⁴ Neither state, however, was granted a clear path to or timeline for membership, in part reflecting concern that membership could lead to a heightened risk of war between NATO and Russia. NATO's Washington Summit Declaration of July 2024, unlike previous NATO summit declarations, did not include a statement affirming NATO's 2008 promise of membership for Georgia.⁵⁵

NATO officially has considered Georgia to be “one of NATO's closest partners.”⁵⁶ A NATO-Georgia Commission was first established in 2008, after Russia invaded Georgia (for more, see “Russian Occupation in Georgia: Abkhazia and South Ossetia” below). At NATO's 2014 Wales Summit, NATO leaders established a Substantial NATO-Georgia Package to help Georgia bolster its defense capabilities. Since 2014, Georgia has been a NATO Enhanced Opportunity Partner, a cooperative status currently granted to four countries (including Ukraine).⁵⁷ In 2015, Georgia joined the NATO Response Force, a multinational rapid reaction force.

Also in 2015, NATO opened a Joint Training and Evaluation Center in Georgia to enhance interoperability and operational readiness. The center has hosted three joint NATO-Georgia exercises. Some NATO member states also have participated in two sets of military exercises led by the United States and Georgia: Agile Spirit and Noble Partner (also see “U.S.-Georgia Relations,” below).

Georgia was one of the top troop contributors (and the top non-NATO contributor) to the NATO-led Resolute Support Mission in Afghanistan, which ended in 2021. At its height, Georgia's deployment to NATO's previous International Security Assistance Force (ISAF) mission in Afghanistan exceeded 1,500 troops, who served with no operational caveats.⁵⁸

Relations with Russia

Georgia's relations with Russia have been tense since the last years of the Soviet Union, when Georgia's independence movement flourished. Observers generally assess that since then, Russia has sustained the secession of Georgia's regions of Abkhazia and South Ossetia, which broke away from Georgia in the early 1990s, to maintain influence over Georgia and prevent it from joining NATO.⁵⁹ Georgia's relations with Russia worsened after Georgia's 2003 Rose Revolution,

⁵⁴ In NATO's Bucharest Summit Declaration of April 2008, heads of state and government of NATO member countries declared that “NATO welcomes Ukraine's and Georgia's Euro-Atlantic aspirations for membership in NATO. We agreed today that these countries will become members of NATO.” NATO, “Bucharest Summit Declaration,” April 3, 2008.

⁵⁵ The July 2024 declaration stated, by comparison, that “Ukraine's future in is NATO.” NATO, “Washington Summit Declaration,” July 10, 2024.

⁵⁶ NATO, “Relations with Georgia,” updated March 7, 2024.

⁵⁷ NATO's Enhanced Opportunity Partners are Australia, Georgia, Jordan, and Ukraine. Finland and Sweden were Enhanced Opportunity Partners before they became NATO members in 2023 and 2024, respectively. NATO, “Partnership Interoperability Initiative,” updated March 7, 2024.

⁵⁸ Georgia also contributed more than 2,250 troops to the NATO-led Kosovo Force, or KFOR, between 1999 and 2008. NATO, *Deepening Relations with Georgia*, August 2013; U.S. Department of State, “U.S. Security Cooperation with Georgia,” June 16, 2020; and NATO, “Resolute Support Mission (RSM): Key Facts and Figures,” updated February 2021.

⁵⁹ An official 1995 Study on NATO Enlargement stated that “resolution of [ethnic disputes or external territorial (continued...)]

which brought to power ex-President Saakashvili, who sought to deepen Georgia's integration with the West and restore Georgian sovereignty over the breakaway regions.⁶⁰ In 2008, Russia invaded Georgia to prevent the Georgian government from reestablishing control over South Ossetia and Abkhazia (see "Russian Occupation in Georgia: Abkhazia and South Ossetia," below, and **Appendix**).

Since GD came to power in 2012, the Georgian government has made efforts to improve the Georgia-Russia relationship. In 2013, Moscow lifted an embargo on popular imports from Georgia (including wine and mineral water) that had been in place since 2006. As a result, Russia again became one of Georgia's top trading partners. Russian tourism to Georgia has grown under the GD government; between 2012 and 2019, the number of Russians visiting Georgia more than tripled.⁶¹ Russia suspended direct passenger flights to Georgia in 2019, however, alleging that public protests against a visiting Russian parliamentarian posed a threat to the security of Russian nationals.⁶² Subsequently, the COVID-19 pandemic diminished Russian and other international travel to Georgia for two years.⁶³

Georgia's response to Russia's war against Ukraine since 2022 has been the subject of some controversy in Georgia. The Georgian government officially holds Russia responsible for the war, and opinion polls indicate many Georgians do as well.⁶⁴ At the same time, the Georgian government has maintained a measured approach in criticizing Russia, stating that it seeks to avoid possible reprisals or economic losses.⁶⁵ The government has promoted increased trade and travel with Russia and permitted an influx of Russian nationals.⁶⁶ In May 2023, the Georgian government accepted a Russian offer to resume direct air travel. Russian authorities announced the introduction of a visa-free regime for Georgians, reciprocating a visa-free regime for Russians that Georgia instituted in 2012 under ex-President Saakashvili.⁶⁷ The government of Georgia has

disputes] would be a factor in determining whether to invite a state to join the Alliance." NATO, *Study on NATO Enlargement*, September 3, 1995. Also see Christian Lowe, "Russia Warns Against Georgia NATO Membership," Reuters, March 11, 2008; and Michael Kofman, "The August War, Ten Years On: A Retrospective on the Russo-Georgian War," *War on the Rocks*, August 17, 2018.

⁶⁰ Lincoln A. Mitchell, *Uncertain Democracy: U.S. Foreign Policy and Georgia's Rose Revolution* (Philadelphia: University of Pennsylvania Press, 2008); and Cory Welt, "Georgia's Rose Revolution: From Regime Weakness to Regime Collapse," in Valerie Bunce, Michael A. McFaul, and Kathryn Stoner-Weiss, eds., *Democracy and Authoritarianism in the Post-Communist World* (Cambridge, UK: Cambridge University Press, 2010), pp. 155-188.

⁶¹ GNTA, at <https://gnta.ge/statistics>.

⁶² Andrew Roth, "Putin Bans Russian Airlines from Flying to Georgia," *Guardian*, June 21, 2019. On the 2019 protests, see footnote 9.

⁶³ Margarita Antidze, "Coronavirus Hits Georgia's Booming Tourism Industry," Reuters, March 20, 2020; and Manana Vardiashvili, "Georgian Tourism Struggles to Recover," Institute for War and Peace Reporting, September 14, 2021.

⁶⁴ *OC Media*, "Georgians Want Their Government to Support Ukraine," March 15, 2022; *Agenda.ge*, "PM Reaffirms 'Solidarity' with Ukrainian People, Highlights 'Great Significance of Peace,'" February 26, 2024; and Caucasus Research Resource Centers, "Caucasus Barometer 2024 Georgia," 2024.

⁶⁵ *Economist*, "Georgians Back Ukraine, But Their Government Is More Hesitant," April 23, 2022; *Agenda.ge*, "Ruling Party Head: 'Pragmatic' Policy with Russia Aimed at Avoiding Harm to Georgia, Its Citizens," May 17, 2023; and *Civil Georgia*, "Speaker Papuashvili Roasts Opponents, Frames Elections as 'Choice between War and Peace,'" July 26, 2024.

⁶⁶ Maradia Tsaava, "One Year After Emigration: Russians in Georgia," *JAM News*, March 29, 2023; Joshua Kucera, "After a Frosty Reception, Tbilisi's Wartime Russians Are Beginning to Leave," *RFE/RL*, January 21, 2024; and Natia Zoidze and Ketevan Chachava, "Influx Sparks Anti-Russian Backlash in Georgia," Center for European Policy Analysis, February 6, 2024.

⁶⁷ *RFE/RL*, "Russian Lifting of Visas, Flight Ban Highlight Georgia's Precarious Relations with Moscow," May 11, 2023; and Nini Gabritchidze, "Georgia: Uncertainty Looms as First Carriers Authorized for Russia Flights," *Eurasianet*, May 16, 2023.

not imposed its own direct sanctions on Russia, although officials assert that Georgia complies with U.S., EU, and other international sanctions.⁶⁸

In 2024, some signs have emerged of a possible deeper Georgian-Russian rapprochement. In February 2024, a Russian Foreign Ministry official noted that “Russia intends to further facilitate the normalization of ties with Georgia.”⁶⁹ Russian officials have spoken approvingly of Georgia’s foreign influence law.⁷⁰ Georgian officials on occasion have emphasized what they allege to be the role of Western “parties” in precipitating the Ukraine war rather than Russia’s own actions.⁷¹

Economic Relations with Russia

The Georgian government has sought to improve economic relations with Russia. Between 2012 and 2023, Georgia’s trade with Russia as a percentage of its total trade increased from 5% to 12%, with merchandise exports to Russia as a percentage of total exports growing from 2% to 11% and imports from Russia growing from 6% to 12% of total imports.⁷²

Trade between Georgia and Russia continued to grow following Russia’s 2022 invasion of Ukraine. In 2023, the value of Georgia’s exports to Russia were about 8% higher than in 2021. In addition, Georgia’s exports to members of the Russia-led Eurasian Economic Union (which includes Armenia, Belarus, Kazakhstan, and the Kyrgyz Republic) were almost 175% higher, suggesting these countries may have served as intermediaries for Georgia’s trade with Russia (mainly of re-exported motor vehicles, for which the Georgian government banned export to Russia and Belarus in August 2023).⁷³

The total value of Georgian imports from Russia in 2023 was about 70% higher than in 2021, mainly due to growth in the import of oil and gas (reversing past efforts to reduce Georgia’s energy dependence on Russia). In 2022 and 2023, Georgia’s oil imports from Russia amounted to 47% of its total oil imports (up from 16% in 2021). Georgia’s natural gas imports from Russia began rising in 2019; in 2023, they amounted to 29% of Georgia’s total gas imports.⁷⁴

A post-pandemic recovery of tourism in Georgia and out-migration from Russia since the start of the Ukraine war contributed to the arrival in Georgia of almost 1.1 million Russians in 2022 and

⁶⁸ Institute for Development of Freedom of Information (IDFI), *Georgia’s Implementation of the International Sanctions Imposed Against Russia*, November 7, 2022; *Civil Georgia*, “Revenue Service Affirms Adherence to Russia Sanctions,” June 26, 2023; and *Agenda.ge*, “PM: Gov’t Not Imposing Sanctions on Russia but ‘Ensuring’ Georgia Not Being Used to Circumvent Them,” March 1, 2024.

⁶⁹ *Civil Georgia*, “Russia to Pursue ‘Normalization with Georgia’ Despite Absence of Diplomatic Relations,” February 12, 2024.

⁷⁰ TASS Russian News Agency, “Georgian Protests Against Foreign Agent Bill Reek of U.S. Influence – Medvedev,” April 17, 2024; and *Interpressnews*, “Vyacheslav Volodin: Any Country, if It Wants to Become a Sovereign State, Is Obligated to Adopt a Law on Foreign Agents - Those Who Are Against the Law Are Acting in the Interests of Another State,” April 18, 2024.

⁷¹ *Civil Georgia*, “Bidzina Ivanishvili Backs Anti-Western Policies, Threatens Repressions,” April 29, 2024; and *Agenda.ge*, “Georgian PM: Transparency Law Designed to ‘Prevent Poverty, Revolution, Disorder, Opening of Second Front,’” June 5, 2024.

⁷² Geostat, as reported in TDM.

⁷³ Nini Gabritchidze, “Georgia Bans Re-export of Western-imported Cars to Russia, Belarus,” *Eurasianet*, August 3, 2023; and Vakhtang Partsvania, “The Unbearable Lightness of Georgia’s Car Re-exports,” *Riddle*, March 15, 2024.

⁷⁴ Geostat, as reported in TDM; and TI Georgia, *Georgia’s Economic Dependence on Russia: Summary of 2023*, February 16, 2024.

1.4 million in 2023, reaching pre-pandemic levels. More than 115,000 Russians have been registered as immigrants to Georgia since 2022.⁷⁵

Along with an influx of Russian nationals, official data indicate a relatively high level of Russia-origin financial activity since the start of the Ukraine war. In 2022, as Russian nationals visiting or residing in Georgia relocated funds there, Georgia recorded more than \$2 billion in money transfers from Russia, about five times the average amount of annual remittances from Russia over the previous seven years (and almost half of all remittances to Georgia in 2022). In 2023, remittances from Russia declined to \$1.5 billion, still about 3.7 times higher than in 2021.⁷⁶ Registration of Russian-owned companies, in many cases sole proprietorships, also has been considerably higher since 2022 than before the war.⁷⁷

Russian Occupation in Georgia: Abkhazia and South Ossetia

Russia occupies and recognizes the independence of Abkhazia and South Ossetia, two small but strategically located regions of Georgia that combined make up almost 20% of Georgia's territory (see **Figure 1**).⁷⁸ Abkhazia accounts for more than half of Georgia's Black Sea coastline. South Ossetia is located along a major transportation route to Russia and close to Georgia's main east-west highway. As in occupied regions of Ukraine, Russia has provided citizenship to residents of Abkhazia and South Ossetia. Russia justified its 2008 invasion of Georgia in part by alleging the need to defend Russian citizens in South Ossetia (for more, see **Appendix**).⁷⁹

The 2008 war ended with a six-point cease-fire plan and a follow-on implementation plan brokered by then-French President Nicolas Sarkozy. The six-point plan included a non-use of force pledge and the return of Russia's armed forces to the positions they held prior to the start of hostilities.⁸⁰ Regular Russian forces withdrew from areas they had occupied outside South Ossetia and Abkhazia, but within the two regions Russia deployed military forces in greater numbers and outside prior peacekeeping formats. As a result, U.S. officials and others consider Russia to be in noncompliance with the six-point plan.⁸¹

Since the 2008 war, Moscow has tightened control over Abkhazia and South Ossetia. Russia established military bases and border guard outposts that are estimated to currently house around 2,000 personnel in each region (down from 3,500-5,000 each before Russia's 2022 invasion of Ukraine).⁸² In October 2023, local authorities in Abkhazia reported that Russia was planning to

⁷⁵ GNTA, <https://gnta.ge/statistics/>; and TI Georgia, *Georgia's Economic Dependence on Russia: Summary of 2023*, February 16, 2024.

⁷⁶ National Bank of Georgia, <https://nbg.gov.ge>.

⁷⁷ TI Georgia, *Georgia's Economic Dependence on Russia: Summary of 2023*, February 16, 2024. Also see Giorgi Menabde, "Russians Open Record Number of Businesses in Georgia Amid War in Ukraine," *Eurasia Daily Monitor*, February 15, 2024.

⁷⁸ In addition to Russia, four other countries (Nicaragua, Venezuela, Nauru, and Syria) recognize Abkhazia and South Ossetia as independent states.

⁷⁹ Yuri Zoria, "Is Russia's Passport Scheme in Donbas a Harbinger of Full-Scale Invasion Like in 2008 Georgia?," Euromaidan Press, May 14, 2019; and Toru Nagashima, "Russia's Passportization Policy Toward Unrecognized Republics: Abkhazia, South Ossetia, and Transnistria," *Problems of Post-Communism*, vol. 66, no. 3 (2019), pp. 186-199.

⁸⁰ Council of the EU, *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia*, vol. 3, pp. 587-594.

⁸¹ See, for example, U.S. Mission to the OSCE, "Fifteen Years Since the Full-scale Military Aggression Against Georgia by the Russian Federation," September 8, 2023.

⁸² The 7th Military Base in Abkhazia is in Gudauta; the 4th Military Base in South Ossetia is in Tskhinvali. The (continued...)

build a new Black Sea naval base in the region; in July 2024, some observers reported what appeared to be a small naval presence and initial construction at the site.⁸³ Russian and local authorities have constructed boundary fences, imposed transit restrictions, and frequently detained Georgian citizens for “illegal” boundary crossings.⁸⁴

Since 2008, the U.N. General Assembly annually has passed a resolution recognizing “the right of return of all internally displaced persons and refugees and their descendants ... to their homes throughout Georgia, including in Abkhazia and the Tskhinvali region/South Ossetia.”⁸⁵ The most recent such resolution passed by a vote of 103-9 (with 53 abstentions) in June 2024.

Georgia, Russia, and representatives from Abkhazia and South Ossetia, together with the United States, the EU, the United Nations, and the Organization for Security and Co-operation in Europe (OSCE), participate in the Geneva International Discussions, convened to address issues related to the conflict.⁸⁶

Georgia, Russia, and representatives from South Ossetia, together with the United Nations and the OSCE, also participate in a joint Incident Prevention and Response Mechanism (IPRM) to address local security issues and problems affecting communities along the boundary lines.⁸⁷ A corresponding IPRM for Abkhazia has not convened since 2018 due to a lack of engagement by Abkhaz representatives (the IPRM for Abkhazia also did not convene from 2012 to 2016).⁸⁸

The EU leads an unarmed civilian monitoring mission in Georgia that monitors compliance with the 2008 cease-fire. Russian authorities do not permit the mission to operate in Abkhazia and South Ossetia.⁸⁹

Georgia's Relations with China

Georgia's relations with the People's Republic of China (PRC, or China) have expanded in the last few years. China is Georgia's fourth-largest trading partner, after the EU, Turkey, and Russia. Georgia-PRC trade consists primarily of copper and precious metal ore exports from Georgia and machinery, electrical equipment, and motor vehicle imports from China. Georgia has had a free-trade agreement with China since 2017. The two governments issued a joint statement on the establishment of a strategic partnership in July 2023 and agreed to visa-free travel in spring 2024. In May 2024, Georgian officials announced that a PRC-Singapore consortium was the only applicant to submit a bid to jointly develop a Black Sea port at Anaklia, which has been characterized as Georgia's “largest

estimated number of armed forces does not include local military formations. Abkhazia maintains local forces under the command of the Russian military; some local South Ossetian forces have been absorbed into the Russian military. International Institute of Strategic Studies (IISS), *Military Balance 2024*, p. 206.

⁸³ Rayhan Demytrie, Paul Brown, and Joshua Cheetham, “Russia's New Black Sea Naval Base Alarms Georgia,” *BBC News*, December 12, 2023; H.I. Sutton, “New Development in Black Sea, Russian Navy Using Base in Georgia,” *Naval News*, July 10, 2024; and Logan Williams, “Construction Accelerates at Planned Russian Navy Base in Disputed Abkhazia,” *Bellingcat*, July 30, 2024.

⁸⁴ Mariusz Rzeszutko, *The Borderization of Georgia's Breakaways as a Tool of Russia's Long-term Struggle with the EU and NATO*, George C. Marshall European Center for Security Studies, May 2022; JAM News, “‘More Georgian Citizens Are Being Detained by Russian Occupiers in the Georgian-Ossetian Conflict Zone,’- Ombudsman,” April 2, 2024; and Council of Europe, *Consolidated Report on the Conflict in Georgia (October 2023-March 2024)*, April 15, 2024.

⁸⁵ A/RES/78/283. See United Nations, “General Assembly Adopts Texts to Support Conflict-Affected in Georgia, Address Central Asian Illicit Drug Trade,” June 4, 2024.

⁸⁶ U.S. Mission to International Organizations in Geneva, “U.S. Participation in the 61st Round of Geneva International Discussions on the Conflict in Georgia, June 25-26, 2024,” June 27, 2024.

⁸⁷ OSCE, “120th Incident Prevention and Response Mechanism Meeting Takes Place in Ergneti,” July 23, 2024.

⁸⁸ *Civil Georgia*, “Sokhumi Hints at Resuming Gali IPRM,” October 18, 2022.

⁸⁹ For more, see the EUMM website, <https://eumm.eu>; and *Civil Georgia*, “Interview: Head of the EUMM Bettina Patricia Boughani,” June 25, 2024.

ever infrastructure project”; in August 2024, Georgian officials stated that the consortium’s proposal was still under review. U.S. officials have expressed concern about the consortium’s potential role in the project.

Sources: National Statistics Office of Georgia; Government of Georgia, “Joint Statement of the People’s Republic of China and Georgia on Establishing a Strategic Partnership,” July 31, 2023; Ministry of Foreign Affairs of Georgia, “Citizens of Georgia Will Travel to the People’s Republic of China Without a Visa Starting from 28 May 2024,” April 29, 2024; *RFE/RL*, “Chinese-Led Consortium to Build Massive Port Project on Georgia’s Black Sea Coast,” May 29, 2024; U.S. Embassy in Georgia, “Ambassador Dunnigan’s Interview with Interpressnews,” June 18, 2024; and *Civil Georgia*, “Belgian Company to Carry out Maritime Infrastructure Construction Works for Anaklia Deep Sea Port,” August 1, 2024.

U.S.-Georgia Relations

Georgia has been one of the United States’ closest partners among the post-Soviet states. Building on a history of substantial development aid and security cooperation, the United States deepened its strategic partnership with Georgia after Russia’s invasion of Georgia in 2008 and initial invasion of Ukraine in 2014. A U.S.-Georgia Charter on Strategic Partnership was signed in 2009 and has provided a framework for much of the two countries’ bilateral engagement. Until 2020, a Strategic Partnership Commission convened annual sessions and working group meetings to develop political, economic, security, and people-to-people ties.⁹⁰ Successive U.S. Administrations have supported democracy and governance reforms in Georgia and the country’s EU and NATO membership aspirations.

Some Members of Congress and successive U.S. Administrations have condemned Russia’s occupation of territory in Georgia. The Countering Russian Influence in Europe and Eurasia Act of 2017 (P.L. 115-44, Title II, §253) states the United States “supports the policy known as the ‘Stimson Doctrine’ and thus does not recognize territorial changes effected by force, including the illegal invasions and occupations” of Abkhazia, South Ossetia, and the territories of other countries occupied by Russia.⁹¹

The United States repeatedly has called on Russia to comply with the terms of the cease-fire agreement that ended its 2008 war against Georgia, including withdrawal of its forces to prewar positions, and to reverse its recognition of Abkhazia and South Ossetia as independent states. U.S. officials have criticized Russian efforts to harden and extend the boundary lines of Abkhazia and South Ossetia.⁹²

Since 2021, the U.S.-Georgia relationship has been marked by some tensions. U.S. officials have urged the Georgian government to sustain democracy and governance reforms, issued targeted sanctions against some Georgian individuals related to corruption and Russian malign influence, and encouraged Georgia not to facilitate Russian efforts to circumvent U.S. and European sanctions. In April 2023, the Department of State imposed visa restrictions on four Georgian judges for alleged corruption.⁹³ In September 2023, the Department of State imposed sanctions

⁹⁰ U.S. Department of State, “U.S.-Georgia Strategic Partnership Commission,” n.d.

⁹¹ As noted in a proposed concurrent resolution introduced in September 2008 (H.Con.Res. 430), the Stimson Doctrine is named for Secretary of State Henry Stimson, who “declared in 1932 that the United States would not recognize territorial changes effected by force following the seizure of Manchuria by Japan.”

⁹² See, for example, U.S. Mission to the OSCE, “Fifteen Years Since the Full-scale Military Aggression Against Georgia by the Russian Federation,” September 8, 2023; U.S. Mission to the OSCE, “On the 61st Round of the Geneva International Discussions on the Conflict in Georgia,” July 4, 2024; and U.S. Department of State, “Marking 16 Years Since Russia’s Invasion of Georgia,” August 7, 2024.

⁹³ The visa restrictions were issued under Section 7031(c) of the Department of State, Foreign Operations, and Related (continued...)

pursuant to Executive Order 14024 on an individual it said was “a Georgian-Russian oligarch” whom Russia’s security services had “leveraged ... to influence Georgian society and politics for the benefit of Russia.”⁹⁴

Georgian officials, in turn, have asserted that U.S. (and EU) criticisms of democracy and governance reforms in Georgia are unfounded, that the United States and the EU improperly interfere in Georgia’s domestic politics, and that U.S. and European officials have pressured Georgia to impose direct sanctions on Russia and take other actions that could lead Georgia into an unwanted war with Russia.⁹⁵ Georgian officials called the U.S. visa bans against Georgian judges “completely incomprehensible and unacceptable” and called on Georgia’s central bank to reverse what they referred to as an “unconstitutional” decision to freeze a U.S.-sanctioned individual’s assets.⁹⁶ After a first procedural vote on the foreign influence bill, GD honorary chair Ivanishvili delivered a speech in which he called Georgian NGOs “pseudo-elites ... appointed from outside” and castigated an unidentified “global war party” for viewing “Georgia and Ukraine as cannon fodder” and for seeking “to deprive Georgia of its state sovereignty.”⁹⁷ Prime Minister Kobakhidze has criticized what he calls U.S. and European “pseudo-liberalism” and accused “foreign sources” and “donor organizations” of funding “liberal fascism” in Georgia.⁹⁸

U.S. and EU officials, as well as some Members of Congress, have publicly expressed concerns about possible backsliding in democracy and governance under GD and GD’s potential foreign policy reorientation away from Euro-Atlantic integration. On May 15, 2024, the White House stated that passage of Georgia’s foreign influence law would “compel us to fundamentally reassess our relationship with Georgia.”⁹⁹ In July 2024, U.S. Under Secretary of State for Civilian Security, Democracy, and Human Rights Uzra Zeya visited Georgia, where she conveyed the United States’ “grave concerns regarding Georgia’s anti-democratic trajectory.”¹⁰⁰ Also in July, U.S. Secretary of State Antony Blinken stated that “the Georgian government’s anti-democratic actions and false statements are incompatible with membership norms in the EU and NATO.”¹⁰¹

Following passage of Georgia’s foreign influence law, the U.S. Department of State announced a “comprehensive review” of U.S.-Georgia bilateral cooperation that, in part, resulted in a “pause”

Program Appropriations Act, 2023 (P.L. 117-328, Division K). U.S. Department of State, “Public Designations of Mikheil Chinchaladze, Levan Murusidze, Irakli Shengelia, and Valerian Tsertsvadze, Due to Involvement in Significant Corruption,” April 5, 2023; and U.S. Embassy in Georgia, “Fact Sheet: 7031C Designations of Georgian Officials,” April 5, 2023.

⁹⁴ Sanctions imposed under Executive Order 14024 are authorized by the International Emergency Economic Powers Act (50 U.S.C. §§1701 et seq.) and other legislative authorities. E.O. 14024 of April 15, 2021, “Blocking Property with Respect to Specified Harmful Foreign Activities of the Government of the Russian Federation,” 86 *Federal Register* 20249, April 19, 2021; and U.S. Department of State, “Imposing Further Sanctions in Response to Russia’s Illegal War Against Ukraine,” September 14, 2023.

⁹⁵ *Civil Georgia*, “PM Slams U.S., EU Ambassadors for ‘Interference,’ ‘Diktat,’ Challenges Them for TV Debate on Foreign Agent Law,” April 14, 2024; and *Agenda.ge*, “Georgian PM Says ‘No Alternative’ to Fighting ‘Global War Party,’” May 23, 2024.

⁹⁶ Ministry of Foreign Affairs of Georgia, “The Letter of Ilia Darchiashvili to the U.S. Secretary of State,” April 6, 2023; and *Civil Georgia*, “Kobakhidze Slams NBG, President, for Partskhaladze Comments,” September 18, 2023.

⁹⁷ *Civil Georgia*, “Bidzina Ivanishvili Backs Anti-Western Policies, Threatens Repressions,” April 29, 2024.

⁹⁸ *OC Media*, “Georgian Dream Renounces Affiliation with Centre-Left EU Parliament Group,” May 11, 2023; *Civil Georgia*, “CPAC: PM Kobakhidze Defends Christianity, Identity from ‘So-Called Liberals,’” April 25, 2024; and Government of Georgia, “Executive Government Meeting Held on July 11, 2024,” July 11, 2024.

⁹⁹ White House, “Press Briefing by Press Secretary Karine Jean-Pierre and United States Trade Representative Katherine Tai,” May 14, 2024.

¹⁰⁰ *Civil Georgia*, “Interview: Uzra Zeya, U.S. Under Secretary for Civilian Security, Democracy, and Human Rights,” July 12, 2024.

¹⁰¹ U.S. Department of State, “United States to Pause Assistance to the Government of Georgia,” July 31, 2024.

in some assistance to the Georgian government (also see “Foreign and Security Assistance,” below). In addition, the Department of State announced a new visa restriction policy, pursuant to Section 212 (a)(3)(C) of the Immigration and Nationality Act, that is to “apply to individuals who are responsible for or complicit in undermining democracy in Georgia, as well as their family members.”¹⁰² In June 2024, the State Department announced the imposition of such visa restrictions on “dozens” of Georgian individuals, including GD party members, members of parliament, law enforcement officials, and others.¹⁰³

In July 2024, the Department of Defense announced the United States would “indefinitely postpone” a U.S.- and Georgia-led multinational military exercise that had been scheduled to start that month. The Defense Department said the exercise was postponed “due to the Georgian government’s false accusations against the United States and other western entities of pressuring Georgia to open a second front against Russia to alleviate pressure on Ukraine, and of participating in two coup attempts against the ruling party.”¹⁰⁴

U.S.-Georgia Trade

In 2023, the United States was Georgia’s fourth-largest source of merchandise imports and eleventh-largest destination for exports. The value of Georgia’s merchandise imports from the United States—mainly motor vehicles—was \$1.19 billion in 2023. The value of merchandise exports to the United States—mainly iron and steel and beverages—was \$96.9 million in 2023 (down from \$265 million in 2022).

U.S. and Georgian officials periodically have discussed the possibility of a free-trade agreement. The United States and Georgia have signed a bilateral investment treaty and a Trade and Investment Framework Agreement. They also have established a High-Level Dialogue on Trade and Investment.

Source: National Statistics Office of Georgia (Geostat), as reported in Trade Data Monitor (TDM).

Congressional Considerations

In 2022, the U.S. Department of State said that “Georgia’s strategic importance lies in its example as a young democracy committed to greater integration into the Euro-Atlantic family, its location at a key international crossroads, and its ability and willingness to contribute to mutual security objectives.”¹⁰⁵ Members of Congress may wish to consider whether and how to prioritize democracy and human rights concerns in Georgia, Georgian resilience against Russian malign influence, and Georgia’s further integration into the Euro-Atlantic community. Members of Congress also may wish to assess the effectiveness of U.S. sanctions, foreign assistance, and diplomacy in achieving related U.S. objectives.

Members of the 118th Congress and previous Congresses have expressed support for Georgia’s sovereignty and territorial integrity against Russian encroachment. Since FY2017, annual foreign operations appropriations have prohibited foreign assistance to governments that recognize the independence of Abkhazia or South Ossetia, and restricted funds from supporting Russia’s occupation of Abkhazia and South Ossetia (most recently, in the Further Consolidated Appropriations Act, 2024; P.L. 118-47, 7047(c)). The 2014 Ukraine Freedom Support Act (P.L. 113-272) provides for sanctions against Russian entities that transfer weapons illegally to the territory of Georgia and other states.

¹⁰² U.S. Department of State, “Announcement of a Visa Restriction Policy for Undermining Democracy in Georgia and Comprehensive Review of All U.S.-Georgia Cooperation,” May 23, 2024; and U.S. Department of State, “United States to Pause Assistance to the Government of Georgia,” July 31, 2024.

¹⁰³ U.S. Department of State, “Department Press Briefing,” June 6, 2024.

¹⁰⁴ U.S. Department of Defense, “Postponement of Exercise Noble Partner Announcement,” July 5, 2024.

¹⁰⁵ U.S. Department of State, *Integrated Country Strategy: Georgia*, April 14, 2022, p. 1.

Some Members of Congress also have expressed support for the continuation of democracy and governance reforms in Georgia and the deepening of Georgia's ties with Europe and the United States. From FY2018 through FY2023, Georgia was one of two countries in Europe and Eurasia for which Congress specified that funds be made available for assistance (the other country was Ukraine).¹⁰⁶

The FY2021 Consolidated Appropriations Act (P.L. 116-260, §7046) required the Secretary of State to submit a report on actions taken by the Georgian government since January 1, 2020, to “(1) strengthen democratic institutions, including through recent elections; (2) combat corruption; and (3) ensure that rule of law in the private-sector and the foreign investment climate meet international standards.”¹⁰⁷ The Explanatory Statement accompanying the Consolidated Appropriations Act, 2023, directed the Secretary of State to submit an updated version of this report to the Committees on Appropriations.¹⁰⁸

In 2024, some Members of Congress have introduced legislation (H.R. 8566, S. 4425) expressing concerns about possible democratic backsliding and reaffirming support for Georgia's Euro-Atlantic integration.¹⁰⁹ H.R. 8566 would require the Administration to submit reports to Congress on Georgia-related corruption, Russia sanctions evasion, Russian malign influence, and potential sanctions; the bill also would encourage increased U.S. assistance to Georgia on the basis of a certification that Georgia “has shown significant and sustained progress toward reinvigorating its democracy.” On July 11, 2024, H.R. 8566 was ordered to be reported (amended) out of the House Foreign Affairs Committee by a vote of 41-6.

S. 4425 would impose visa bans on Georgian officials who engage in acts of corruption or “acts of violence or intimidation in relation to the blocking of Euro-Atlantic integration in Georgia” and sanctions on those who “undermine the peace, security, stability, sovereignty, or territorial integrity of Georgia.” It also would direct that funding be made available “to strengthen democracy and civil society in Georgia” and “support [Georgia's] aspirations for membership in the [EU] and Euro-Atlantic integration.” The bill would require reports on, among other issues, a five-year strategy for U.S.-Georgia relations and foreign and security assistance to Georgia.

In the 117th Congress, the Georgia Support Act (H.R. 923) passed the House on April 27, 2022, by a vote of 406-20. The bill would have called for enhanced U.S. assistance to Georgia and required the President to impose sanctions on those responsible for serious human rights abuses in Abkhazia and South Ossetia. The House passed similar bills (H.R. 6219, H.R. 598) during the 115th and 116th Congresses.

In previous Congresses, the Senate and the House have passed resolutions in support of Georgia's sovereignty and territorial integrity: in 2016 (H.Res. 660, 114th Congress); in 2011-2012 (S.Res. 175 and H.Res. 526, 112th Congress); in September 2008 (S.Res. 690, 110th Congress); and, before the 2008 war, in May-June 2008 (H.Res. 1166 and S.Res. 550, 110th Congress) and December 2007 (S.Res. 391, 110th Congress).

¹⁰⁶ See, most recently, P.L. 117-328, §7046(a)(1).

¹⁰⁷ Explanatory Statement regarding H.R. 133 (P.L. 116-260), *Congressional Record*, December 21, 2020, p. H8794.

¹⁰⁸ Explanatory Statement regarding H.R. 2617 (P.L. 117-328), *Congressional Record*, December 20, 2022, p. S9300.

¹⁰⁹ Also see Commission on Security and Cooperation in Europe (U.S. Helsinki Commission), “Wilson, Cohen, Hudson, Veasey Introduce MEGOBARI Act,” May 24, 2024; and Senator Jeanne Shaheen, “Shaheen, Risch Introduce Bipartisan Legislation to Hold Georgian Officials Accountable for Corruption, Human Rights Abuses and Anti-Democratic Efforts,” May 24, 2024.

Foreign and Security Assistance

Georgia has been one of the largest recipients (after Ukraine) of U.S. foreign and security assistance in Europe and Eurasia. Members of Congress may wish to assess the impact of U.S. assistance to Georgia, as well as a pause in some assistance that the U.S. Department of State announced in July 2024, on Georgia's Euro-Atlantic integration and resilience against Russian malign influence.

According to the U.S. Department of State, the United States has provided more than \$6.2 billion in assistance to Georgia since 1992.¹¹⁰ About \$1 billion in assistance was committed in FY2008-FY2009 after Russia's August 2008 invasion of Georgia.¹¹¹ U.S. assistance to Georgia has included two five-year Millennium Challenge Corporation (MCC) compacts totaling \$535 million (2006-2011, 2014-2019).¹¹²

For FY2022 and FY2023, planned State Department and USAID assistance for Georgia totaled, respectively, \$153 million (including supplemental funding) and \$133 million, including \$35 million a year in Foreign Military Financing, or FMF. For FY2024 and FY2025, the State Department/USAID budget requests included, respectively, \$121 million and \$117 million in assistance for Georgia (including \$25 million a year in FMF).¹¹³ The Department of State's FY2025 budget justification states, "U.S. assistance to Georgia will help strengthen democratic governance, bolster the country's abilities to resist continued aggression by Russia, and mitigate the spillover effects of Russia's full-scale invasion of Ukraine. Assistance will also support the Georgian people's overwhelming desire to integrate with Euro-Atlantic institutions, including the European Union."¹¹⁴

The "comprehensive review" of bilateral cooperation that the U.S. Department of State announced in May 2024 has affected U.S. assistance to Georgia. In May 2024, U.S. Assistant Secretary of State James O'Brien said that about \$390 million in planned U.S. assistance to Georgia "has to be under review if we are now regarded as an adversary and not a partner."¹¹⁵ On July 31, U.S. Secretary of State Antony Blinken announced that the United States "is pausing more than \$95 million in assistance that directly benefits the Government of Georgia." Secretary Blinken also stated the United States would "continue assistance to programs and activities that benefit the people of Georgia by strengthening democracy, rule of law, independent media, and economic development."¹¹⁶

Georgia receives security assistance through FMF and International Military Education and Training (IMET), as well as the Department of Defense's Section 333 (Building Partner Capacity) account. From FY2015 to FY2023, Georgia received about \$334 million in FMF assistance "to

¹¹⁰ U.S. Department of State, "United States to Pause Assistance to the Government of Georgia," July 31, 2024.

¹¹¹ U.S. Department of State, "Remarks on U.S. Economic Support Package for Georgia," September 3, 2008; and testimony of S. Ken Yamashita, in U.S. Congress, Senate Committee on Foreign Relations, *Georgia: One Year After the August War*, hearings, 111th Congress, 1st sess., August 4, 2009.

¹¹² The Millennium Challenge Corporation (MCC) provides assistance on a competitive basis to countries "committed to good governance, economic freedom and investing in their citizens." See the MCC website, <https://www.mcc.gov>; and CRS Report RL32427, *Millennium Challenge Corporation: Overview and Issues*, by Nick M. Brown.

¹¹³ U.S. Department of State, Foreign Operations and Related Programs (SFOPS), Congressional Budget Justifications for Fiscal Year 2024 and 2025.

¹¹⁴ U.S. Department of State, Congressional Budget Justification for Fiscal Year 2025: Foreign Operations, Appendix 2, p. 320.

¹¹⁵ U.S. Embassy in Georgia, "Assistant Secretary of State for European and Eurasian Affairs James O'Brien Remarks to Media in Tbilisi," May 14, 2024.

¹¹⁶ U.S. Department of State, "United States to Pause Assistance to the Government of Georgia," July 31, 2024.

purchase U.S.-manufactured defense articles, training, and services in support of its national defense needs.”¹¹⁷ Since 2022, the Department of Defense (DOD) has provided assistance to the Georgian armed forces through a five-year, \$110 million program, the Georgia Defense and Deterrence Enhancement Initiative (GDDEI), which “supports defense reform as well as training and equipment modernization to strengthen the capacity of the Georgian Defense Forces to resist and repel Russian aggression.”¹¹⁸ DOD assistance also has supported Georgia’s special operation forces, Black Sea maritime domain awareness, and other needs. The GDDEI is a follow-on program to the Georgia Defense Readiness Program, which “served as the focal point for bilateral security cooperation with Georgia” from 2018 to 2021.¹¹⁹ The United States has provided Javelin portable anti-tank missile systems to Georgia.¹²⁰ On August 1, 2024, the U.S. ambassador to Georgia noted that “for now” assistance to Georgia’s armed forces would continue.¹²¹

Georgia has received separate nonproliferation and threat reduction assistance administered by DOD.¹²² Such assistance has supported the Richard Lugar Center for Public Health Research. The Lugar Center is “a state of the art biosafety level 3 research facility constructed by [DOD’s Defense Threat Reduction Agency] and handed over to the Georgian National Center for Disease Control for operation and ownership in 2013.” The Lugar Center also houses the U.S. Army Medical Research Directorate-Georgia, established in 2014 “to build Georgian scientific and medical capacity, monitor disease threats with a particular focus on antibiotic resistance, and use its laboratory facilities to support U.S. and allied forces deployed within U.S. European Command.”¹²³

The United States and Georgia have held regular joint military exercises in Georgia since 2011. Initial exercises, dubbed Agile Spirit, began as counterinsurgency and peacekeeping operations training exercises and shifted to a “conventional warfare focus” in 2015, the year after Russia’s initial invasion of Ukraine.¹²⁴ That year, Agile Spirit began to include other NATO partners. A second bilateral exercise, Noble Partner, was launched in 2015 and designed “to enhance regional partnerships and increase U.S. force readiness and interoperability in a realistic, multinational training environment.”¹²⁵ In 2024, DOD “indefinitely suspended” that year’s planned Noble Partner exercise (see “U.S.-Georgia Relations” above). Georgia’s armed forces are partnered with the Georgia National Guard through DOD’s State Partnership Program, administered by the National Guard Bureau.

¹¹⁷ U.S. Department of State, “U.S. Security Cooperation with Georgia,” June 16, 2020; and annual SFOPS budget justifications.

¹¹⁸ Responses to questions submitted by members post hearing, in U.S. Congress, House Committee on Armed Services, *U.S. Military Posture and National Security Challenges in Europe*, hearings, 118th Congress, 1st sess., April 26, 2023, p. 89.

¹¹⁹ U.S. Department of State, “U.S. Security Cooperation with Georgia,” June 16, 2020; and U.S. Embassy in Georgia, “Georgia Defense and Deterrence Enhancement Initiative,” October 18, 2021.

¹²⁰ Defense Security Cooperation Agency (DSCA), “Georgia—Javelin Missiles and Command Launch Units,” Transmittal No. 17-59, November 20, 2017; and DSCA, “Georgia—Javelin Missiles,” Transmittal No. 21-48, August 3, 2021.

¹²¹ U.S. Embassy Tbilisi, “Ambassador Robin Dunnigan’s Media Comment in Samegrelo,” August 1, 2024.

¹²² Nonproliferation and threat reduction assistance refers to obligated funds from the Cooperative Threat Reduction (CTR) account, as reported by ForeignAssistance.gov.

¹²³ U.S. Army Medical Research Directorate-Georgia is part of the Walter Reed Army Institute of Research laboratory network. U.S. Embassy in Georgia, “Defense Threat Reduction Agency”; and U.S. Army Medical Research and Development Command, “Subordinate Commands,” updated May 22, 2023, https://mrhc.health.mil/index.cfm/about/subordinate_commands.

¹²⁴ U.S. Marine Corps, “Exercise Agile Spirit Ends with Bang,” July 27, 2015.

¹²⁵ U.S. Army Europe and Africa, “Exercise Announcement for Noble Partner,” August 25, 2022.

The provision of U.S. security assistance to Georgia predates Russia's 2008 invasion of Georgia. In the late 1990s, the United States began to provide Georgia with increased aid to improve border and maritime security and to combat transnational crime, including through the development of Georgia's Coast Guard.¹²⁶ U.S. security assistance increased after the terrorist attacks of September 11, 2001. The George W. Bush Administration considered Georgia part of a "second stage" in the "war on terror," together with Yemen and the Philippines, and supported Georgia with a two-year Train and Equip Program (the Administration said that Al Qaeda-linked fighters had entered Georgia via the neighboring Russian republic of Chechnya).¹²⁷ This program was followed by a Sustainment and Stability Operations Program through 2007 that supported a Georgian troop deployment to Iraq in Operation Iraqi Freedom. U.S. military assistance totaling more than \$200 million also supported Georgia's deployments to Afghanistan in ISAF and the follow-on Resolute Support Mission.¹²⁸

¹²⁶ For more, see International Business and Technical Consultants, *Maritime Security Special Thematic Report*, Georgia Monitoring Project, submitted to U.S. Department of State, April 2012.

¹²⁷ In March 2002, President George W. Bush said: "Now that the Taliban are gone and al Qaeda has lost its home base for terrorism [in Afghanistan], we have entered the second stage of the war on terror—a sustained campaign to deny sanctuary to terrorists who would threaten our citizens from anywhere in the world." White House, "President Bush Thanks the World Coalition for Anti-Terrorism Efforts," March 11, 2002.

¹²⁸ U.S. Department of State, "U.S. Security Cooperation with Georgia," June 16, 2020.

Appendix. 2008 Russia-Georgia War

In 2008, Russia invaded Georgia to prevent the Georgian government from reestablishing control over the Russia-supported regions of South Ossetia and Abkhazia, which broke away from Georgia in the early 1990s during and after Georgia's pursuit of independence from the Soviet Union.

At the time, ethnic Abkhazians and South Ossetians—both related to minority populations in Russia's North Caucasus region—sought to separate Abkhazia and South Ossetia from Georgia and unite with Russia. Some observers asserted that Soviet authorities instigated the conflicts to halt Georgia's efforts to secede from the Soviet Union, whereas others viewed the secessionist movements as homegrown but facilitated by Moscow.¹²⁹ After active conflict ended in 1992-1993, Russian forces remained in both regions, officially as part of joint peacekeeping missions with Georgian forces.

From 2004, under then-President Mikheil Saakashvili, the Georgian government sought to restore Georgia's sovereignty over the breakaway regions and accelerate Georgia's integration with the West. Georgian authorities, which already controlled one part of South Ossetia, established greater control over other Georgian-populated areas in South Ossetia and the remote and thinly populated Kodori Gorge in Abkhazia. In 2004, clashes occurred in South Ossetia between Georgian and local forces.¹³⁰ In 2006, Russian authorities imposed an embargo on popular imports from Georgia (including wine and mineral water) and forcibly deported more than 2,000 Georgian migrant workers from Russia, seemingly in response to Georgia's arrest of four Russian military officers on espionage-related charges.¹³¹

After another round of escalation in 2008, Russia invaded Georgia to prevent the Georgian government from reestablishing control over South Ossetia. A five-day war in August 2008 led to the deaths of more than 800 Georgian civilians and military personnel, the expulsion of some 20,000 Georgian residents from South Ossetia, the destruction of Georgian-populated villages, and South Ossetia's takeover of the Georgia-controlled Akhalkgori region.¹³² In Abkhazia, local forces took control of the Kodori Gorge. Russian forces temporarily occupied Georgian territory outside Abkhazia and South Ossetia and recognized the latter as independent states.

In 2021, the European Court of Human Rights ruled that Russia had violated several articles of the European Convention on Human Rights during the 2008 war, including through what the U.S. Department of State has characterized as Russia's "responsibility for the arbitrary detention of

¹²⁹ The South Ossetia conflict occurred in 1991-1992; the Abkhazia conflict occurred in 1992-1993. See, for example, Svetlana Chervonnaya, *Conflict in the Caucasus: Georgia, Abkhazia, and the Russian Shadow* (Glastonbury, UK: Gothic Image Publications, 1994); Dov Lynch, *Engaging Eurasia's Separatist States: Unresolved Conflicts and De Facto States* (Washington, DC: U.S. Institute of Peace Press, 2004); and Bruno Coppieters, ed., *Contested Borders in the Caucasus* (Brussels: VUB Press, 1996).

¹³⁰ Cory Welt, "The Thawing of a Frozen Conflict: The Internal Security Dilemma and the 2004 Prelude to the Russo-Georgian War," *Europe-Asia Studies*, vol. 62, no. 1 (2010), pp. 63-97.

¹³¹ In 2014, the European Court of Human Rights (ECHR) ruled the deportations violated the European Convention on Human Rights but did not make a ruling regarding compensation. In 2019, the ECHR ruled that Russia should pay €10 million (almost \$12 million) in compensation; Russia has not complied with the ruling. *Civil Georgia*, "CoE Concerned with Russia's Failure to Pay to Deportation Victims," September 5, 2020; and *Agenda.ge*, "Council of Europe 'Deeply Deplores' Russia for not Paying €10 Mln Compensation to Georgia After Ruling," September 23, 2022.

¹³² Council of the EU, *Report of the Independent International Fact-Finding Mission on the Conflict in Georgia* (3 vols.), September 2009; Ruslan Pukhov, ed., *The Tanks of August* (Moscow: Centre for Analysis of Strategies and Technologies, 2010); and Gerard Toal, *Near Abroad: Putin, the West, and the Contest over Ukraine and the Caucasus* (Oxford: Oxford University Press, 2017).

civilians, the ... treatment, torture, and other ill-treatment of prisoners of war, and the denial of Georgian citizens' right to return to their homes.”¹³³

According to the last locally-conducted census in 2011, Abkhazia's population was about 240,000 (50% Abkhazian, 19% Georgian, 17% Armenian, and 9% Russian). Most Georgians—who were previously the largest ethnic group in Abkhazia—were forced to flee Abkhazia during the initial 1992-1993 conflict and became internally displaced persons (IDPs). Abkhazia's population in the 1989 Soviet census was about 525,000, of which 46% were ethnic Georgians and 17% were ethnic Abkhazians. Ethnic Georgians that still live in Abkhazia, primarily in the southeastern district of Gali, face challenges regarding political rights, freedom of movement, and native-language education.¹³⁴

Authorities in South Ossetia stated that the region's population in 2015 was about 54,000 (90% Ossetian, 7% Georgian). In the 1989 Soviet census, the region's population was about 98,000 (66% Ossetian, 29% Georgian); most of South Ossetia's Georgian population was forced to flee in the 1990s conflict and again in the 2008 war. The few thousand ethnic Georgians who remained in South Ossetia after the 2008 war are mainly residents of the Akhlagori region, which was under Georgia's direct control until the war.

Author Information

Cory Welt
Specialist in Russian and European Affairs

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.

¹³³ U.S. Mission to the OSCE, “On the ECHR Judgment in the Case Concerning the Armed Conflict Between Georgia and the Russian Federation,” January 28, 2021. Also see European Court of Human Rights, “Judgment in the Case Concerning the Armed Conflict Between Georgia and the Russian Federation in August 2008 and Its Consequences,” press release, January 21, 2021.

¹³⁴ Lana Kokaia, “Abkhazia: Erasing the Georgian Language,” Institute for War and Peace Reporting, November 24, 2022; Inal Khashig, “Head of Gali District on Challenges Facing Georgians in Abkhazia,” *JAM News*, January 22, 2024; and Democracy & Freedom Watch, “Over 700 People Detained for Crossing ‘Border with Georgia’ in 2023: Abkhaz De Facto Authorities,” January 23, 2024.