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EXPERT COMMENT

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What should be Georgia's next goal after Visa liberalization?

Georgia has signed the Association Agreement and achieved visa liberalization with the European Union (EU), obtaining the two main "carrots" made available by the EU through the Eastern Partnership format. In light of that, what should be Georgia's next (realistic and concrete) foreign policy goal?

Georgia's government and society have made impressive progress in Euro-Atlantic integration under the current government, signing an Association Agreement in 2014 and obtaining a visa-free regime with the Schengen Area in 2017. Both milestones were reached through Georgia-EU cooperation under the Eastern Partnership (EaP) initiative.

Now that Georgia has reached some of its key goals in Euro-Atlantic integration—and with full membership in the EU and NATO still only a distant prospect—the country must now articulate priorities for the immediate future.

At the request of the Georgian Institute of Politics, a selection of experts from Brussels, Georgia, and Portugal provided thoughts and recommendations for the country's next round of concrete foreign policy goals.

KAKHA GOGOLASHVILI, *Director of the Centre of EU Studies at the Georgian Foundation for Strategic and International Studies (GFSIS), Tbilisi*

At this stage, Georgia has achieved practically everything possible for a third country seeking rapprochement with the EU but without falling under the EU's enlargement ambitions. The Association Agreement and visa-free regime, as well as numerous bilateral arrangements, establish excellent opportunities for Georgia's functional integration with the EU. The opportunity should be exploited and the country should

continue to reform to become closer and more attractive for the Union.

Indeed, the perspective for further advancement in institutional integration cannot be guaranteed merely by the individual efforts of the country. Geographic distance, lack of connectivity, fragile stability, and weak intraregional cooperation prevent the EU from viewing Georgia as an attractive country for further integration into the Union. To obtain such a perspective, it is important that Georgia fall under the EU's future enlargement area, if it decides to continue enlarging into the Black Sea region.

To assure that outcome, Georgia, Moldova, and Ukraine need to enhance regional cooperation – i.e., to prove that they represent a sub-region with huge similarities. The creation of an “EaP 3” format, a European Economic Area Plus or a Neighborhood Economic Community (NEC) with the EU would certainly contribute to the establishment of a sub-regional grouping of states aspiring toward EU membership. If successful, such an area could attract the EU’s interest and help its members receive membership perspectives.

The government of Georgia and all other relevant institutions and stakeholders should work to promote ties with Ukraine and Moldova to influence, when necessary, the mentioned countries to commit more strongly to European values and integration. Consolidation of all political forces and society around European integration objectives is essential. There should be a high-level consensus in the country and readiness on the part of everyone to contribute to the process.

The Georgian government should actively strive to establish all possible formats of multilateral cooperation and integration with the mentioned states and the EU. Any attempt to by Georgia to distance itself from Moldova and Ukraine will leave it without the prospect of being considered within a common regional context, and therefore diminish its chances of receiving a European perspective.

LICÍNIA SIMÃO, *Assistant Professor of International Relations at the University of Coimbra, Portugal*

Georgia’s Euro-Atlantic integration is a complex and unfinished business, despite the successful signing of the Association Agreement and approval of visa-free status

with the EU. Further work remains to be developed in the political and social dimensions, including the consolidation of democratic institutions and human rights standards. Without these steps, Georgia’s European integration would be meaningless. Close dialogue with the EU and implementation of measures identified in the “Georgia in Transition” report by Thomas Hammarberg should be major priorities for all political forces in Georgia. At the economic level, implementation of the Deep and Comprehensive Free Trade Agreement (DCFTA) with the EU require careful balancing in order not to jeopardize Georgia’s chosen path of global trade liberalization.

Most observers note that a model closer to the European Economic Area might be more suitable for Georgia than full integration into the EU Customs Union. This path could prove fruitful for other EaP countries, namely Ukraine and Moldova (but potentially also Armenia and Azerbaijan), suggesting that Georgia can become a regional leader on these matters. Another central aspect is the development of a framework for lawful labor migration to the EU, something that’s not ensured by the current visa-free regime.

Finally, a major area of interest for Georgia remains the field of security and military. The peaceful positive transformation of the separatist conflicts in Abkhazia and South Ossetia should remain a major priority for any future Georgian government. Investing fully in the International Geneva Discussions and stepping up efforts toward substantive dialogue is fundamental. Moreover, as NATO integration is likely to remain a strategic option for Georgia, it will be important for the country to keep track of EU developments in the security and military field, especially in the current context of tensions between the EU and the new Trump administration in the US.

MICHAEL EMERSON, *Associate Senior Research Fellow at the Center for European Policy Studies (CEPS), Brussels*

The next stage for Georgia is to build upon the basis of strategic economic development objectives already identified, namely its regional hub and transit role, and the principle underpinning its new free trade agreement with China. The general objective must be to build momentum for economic growth.

On the regional transport hub objective, I recently had the experience of driving from Batumi to Tbilisi, and saw all too well how dangerous and inadequate the road is, especially for roughly half the way at the Batumi end. It seems that progress is moving forward on constructing a complete highway all the way to the Turkish frontier, but only at the pace of a tortoise. I am not informed what the obstacles are, but currently there is a problem with disconnect between official Georgian rhetoric and reality.

This also relates to the Chinese FTA. It is interesting that the FTA goes ahead, with the motivation for both sides being to capitalize on Georgia's DCFTA with the EU, by attracting some Chinese direct investments that ultimately target the larger EU market. Of course, this means that the enterprises in question would have to fulfill the EU's rules of origin, namely that not less than 40% of the value added must be accounted for in Georgia.

This leads to the next priority, namely to exploit fully the Pan Euro-Mediterranean Convention for preferential rules of origin, including diagonal cumulation with Georgia's other free trade partners in the European region, starting with Turkey. In this way, the constraints of the EU's 40% value added requirement could be eased.

GEORGIAN INSTITUTE OF POLITICS (GIP)

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