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Georgia (Republic): Recent Developments and U.S. Interests

Jim Nichol, Specialist in Russian and Eurasian Affairs

December 10, 2008

Abstract. This report examines Georgia's efforts to democratize and bolster its free market economy, while surmounting the damage caused by Russia's military incursion in August 2008, Russia's narrowing tutelage over Georgia's breakaway Abkhazia and South Ossetia, Russia's ongoing economic sanctions, and the global economic crisis. U.S. policy and assistance are discussed. Basic facts and biographical information are provided.





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Summary

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U.S. Policy

According to the Bush Administration, "sustained development" is necessary in order for Georgia to serve "as the beacon of reform President Bush identified it as in 2005 (see below)," that will link Europe, Eurasia, and the Middle East. Russia threatens Georgia's deepening Euro-Atlantic ties and its development as a transit corridor for Caspian region energy to international markets.¹



Figure 1. Map of Georgia

President Bush visited Georgia in May 2005, and praised its 2003 peaceful rose revolution for "inspiring democratic reformers" and freedom "from the Black Sea to the Caspian and to the Persian Gulf and beyond." He cautioned Georgians that it might take them "generations" to fully establish democracy, but praised their progress. He urged that Georgia stick to peaceful means to settle separatist conflicts. Saakashvili hailed the United States as the foremost backer of Georgia's democratization.²

Source: Map Resources

¹ Department of State. Congressional Budget Presentation for Foreign Operations, FY2008.

² The White House. Office of the Press Secretary. *President Addresses and Thanks Citizens in Tbilisi*; and *President and President Saakashvili Discuss NATO, Democracy*, May 10, 2005.

In the wake of the August 2008 Russia-Georgia conflict (see below), Vice President Cheney visited Georgia in early September 2008. He stressed that "[President Mikheil Saakashvili] and his democratically elected government can count on the continued support and assistance of the United States." He pledged U.S. aid to help Georgians "to overcome an invasion of your sovereign territory, and an illegitimate, unilateral attempt to change your country's borders by force.... We will help [you] to heal this nation's wounds, to rebuild this economy, and to ensure Georgia's democracy, independence, and further integration with the West."³

The United States has been Georgia's largest bilateral aid donor, budgeting cumulative aid of \$1.9 billion in fiscal years 1992 through 2007 (FREEDOM Support Act and agency funds). Georgia has regularly ranked among the top world states in terms of per capita U.S. aid, indicating the high level of concern for its fate within the Administration and Congress. Estimated budgeted aid for FY2008 is \$66.4 million, and the Administration requested

Georgia: Basic Facts

Area and Population: 26,872 sq. mi., slightly larger than West Virginia. The population is 4.63 million (*The World Factbook*, mid-2008 est.). Administrative subdivisions include the Abkhazian and Ajarian Autonomous Republics.

Ethnicity: 70% are Georgian; 8% Armenian; 6% Russian; 6% Azerbaijani; 3% Ossetian; 2% Abkhazian; and others (1989 census; a 2002 census did not include breakaway Abkhazia and South Ossetia).

GDP: \$19.7 billion in 2007; per capita income is about \$4,200 (World Factbook est., purchasing power parity).

Political Leaders: President: Mikhail Saakashvili; Prime Minister: Grigol Mgaloblishvili; Speaker of the Parliament: Davit Bakradze; Defense Minister: Davit Sikharulidze; Foreign Minister: Grigol Vashadze.

Biography: Saakashvili, born in 1967, received his Master's at Columbia Univ. and his Ph.D. at George Washington Univ. He was elected to the legislature in 1995 and 1999, where he chaired the Constitutional Committee and headed the ruling party's faction. In 2000, he became Minister of Justice, but resigned in late 2001, accusing the government of corruption and forming the National Movement party bloc. In 2002-2003, he chaired the Tbilisi city council. He was elected president in 2004 and reelected in 2008.

\$69.2 million for FY2009 (both these aid amounts include FREEDOM Support Act and other foreign assistance, but do not include Defense and Energy Department funds). The U.S. Millennium Challenge Corporation (MCC) announced in May 2004 that Georgia met required democratic and economic reform criteria and would be invited to apply for aid. In August 2005, the MCC approved a five-year, \$295.3 million agreement (termed a "compact") with Georgia on building infrastructure, setting up a small business investment fund, and creating agricultural grants.

In the wake of the August 2008 Russia-Georgia conflict (see below), Secretary of State Rice announced plans for \$1 billion in U.S. foreign assistance for Georgia (above that already allocated or planned for FY2008-FY2009). USAID Administrator Henrietta Fore specified in late October 2008 that \$720 million would be provided in 2008 in the form of loans and grants, and \$280 million in 2009 (by a new U.S. Administration). Of the \$1 billion, \$250 million would be used for direct budget support, \$100 million for urgent civilian reconstruction, and \$360 million for other reconstruction needs. Also included would be \$100 million in new MCC funding for Georgia and over \$150 million in Overseas Private Investment Corporation loans and guarantees for construction, manufacturing, and affordable mortgages. She stated that \$40 million already had been provided in the immediate aftermath of the conflict to address urgent humanitarian needs, and that more such aid might need to be allocated during the winter.⁴ In late November

³ The White House. Office of the Vice President. *Remarks by Vice President Cheney and President Saakashvili of Georgia After Meeting*, September 4, 2008.

⁴ U.S. Department of State. U.S. Pledges \$1 Billion in Assistance to Georgia, October 22, 2008.

2008, the \$250 million for direct budget support was made available to assist Georgia to pay pensions and academic stipends (\$163.3 million), pay salaries to government employees (except police and military troops; \$30.3 million), provide indigent healthcare (\$26.1 million), support persons displaced by the conflict in Abkhazia (\$6.1 million), and finance schools (\$24.2 million).⁵

Contributions to the Campaign Against Terrorism

The former President of Georgia, Eduard Shevardnadze, immediately condemned the attacks on the United States on September 11, 2001, and offered "airspace and territory" for U.S. coalition operations in Afghanistan. Georgia was among the countries in 2003 that openly pledged to support the U.S.-led Operation Iraqi Freedom. In August 2003, Georgia dispatched 69 troops to Iraq, boosted them to over 850 in March 2005, and increased them to 2,000 by September 2007, making it among the top contributors of troops. Georgian troops served under U.S. command. Many provided security in the "Green zone" in Baghdad, the town of Baqubah northeast of Baghdad, and in Wasit Governorate, along the Iranian border. Most of the troops pulled out in August 2008 in connection with the Russia-Georgia conflict, and the rest pulled out by the end of November 2008.

A \$64 million Georgia Train and Equip Program (GTEP), one of several U.S. security programs in Georgia, began in 2002. U.S. troops provided training to 200 officers, some 2,000 soldiers, and a small number of Interior (police) Ministry troops and border guards. According to the U.S. Defense Department, the GTEP aimed to help Georgia "to resist pressure to allow the Russian military to pursue Chechen rebels" into Georgia, help it combat terrorists inside the country, and block those trying to infiltrate Georgia. Small arms, communications and medical gear, and uniforms were provided. The program ended in 2004 but a follow-on 16-month Sustainment and Stability Operations Program (SSOP) was launched in 2005, funded at \$64 million. SSOP provided training for 2,000 troops, in part to support U.S.-led coalition operations, along with advisory assistance for defense reforms and maintenance for previously supplied helicopters. In 2006, SSOP was extended another year and funded at \$30 million. Prior to the August 2008 Russia-Georgia conflict, the Defense Department planned to budget approximately \$35 million for training for new troop deployments to Iraq.⁶

Foreign Policy and Defense

Among its neighbors, Georgia has developed close ties with Azerbaijan and maintains good relations with Armenia. Georgia has an ongoing interest in ties with about one million Georgians residing in Turkey and about 50,000 Georgians in Iran. Ties with Russia have sharply deteriorated during Saakashvili's presidency. After the August 2008 Russia-Georgia conflict, Georgia broke off diplomatic relations with Russia and withdrew as a member of the Russia-dominated Commonwealth of Independent States (CIS).

⁵ U.S. Agency for International Development. *Press Release: U.S. Government Transfers \$250 Million to the Government of Georgia for Budget Support*, November 21, 2008.

⁶ Senate Armed Services Committee. Hearing on the Georgia-Russia Crisis. *Testimony of Eric S. Edelman, Under Secretary of Defense for Policy*, September 9, 2008.

At the time of the August 2008 Russia-Georgia conflict, Georgia's ground forces and a small navy and air force numbered 21,150. There were also 5,400 border guards, 1,578 national guard troops, and 6,300 Interior (police) Ministry troops.⁷ According to the Georgian defense ministry, 160 military personnel were killed during the Russia-Georgia conflict.⁸ In early December 2008, the government announced that the navy would be incorporated into the Coast Guard. A new defense minister and joint staff chief have been appointed to instigate reforms, with Saakashvili stating that the latter had been appointed in part because of military "errors" made by his predecessor during the Russia-Georgia conflict.

Marking the shift toward more security ties with the West, Georgia withdrew from the CIS Collective Security Treaty in 1999. Georgia assumed full control from Russia over guarding its sea and land borders in 1999. Georgia has hosted NATO's Partnership for Peace exercises annually since 2001. Georgia participated in NATO peacekeeping in Kosovo (150 troops; they left Kosovo in April 2008) and rebuilding efforts in Iraq. NATO signed an Individual Partnership Action Plan (IPAP) with Georgia in October 2004 to deepen cooperation and launched an "intensified dialogue" with Georgia in September 2006 on reforms necessary for possible NATO membership. A NATO Membership Action Plan (MAP) for Georgia was a matter of contention at the April 2008 NATO Summit. Although Georgia was not offered a MAP, the Alliance pledged that Georgia would eventually become a member of NATO. After the Russia-Georgia conflict, a NATO-Georgia Commission was set up to further systematize NATO reform guidance.

In 1995, an economically and militarily weak Georgia reluctantly granted Russia the right to maintain four Soviet-era military bases there through the year 2020. After reported heavy U.S. lobbying (during multilateral talks on adapting the Conventional Armed Forces in Europe Treaty), Russia declared in late 1999 that it would close its bases at Gudauta and Vaziani by July 1, 2001, and that Georgia and Russia would agree by the end of 2000 on the disposition of two other bases. Russia turned over the Vaziani base by the deadline and the Gudauta base later, but announced that 320 troops would remain at Gudauta to support Russian "peacekeepers" in Abkhazia. In late June 2007, Russia formally handed over the Akhalkalaki base, and in late November 2007 it closed the Batumi base. Since the August 2008 Russia-Georgia conflict, however, Russia has announced the deployment of 7,400 troops to new bases in Abkhazia and South Ossetia.

Political Developments

The U.S. State Department joined others in criticizing irregularities in the wake of a November 2003 Georgian legislative election. Mainly peaceful opposition protests (termed by National Movement head Saakashvili a "revolution of roses") led to then-President Eduard Shevardnadze's resignation later that month. The opposition National Movement (NM) and the Burjanadze-Democrats (BD; co-headed by Nino Burjanadze) agreed to endorse Saakashvili for a presidential election on January 4, 2004, where he received 96% of 2.2 million popular votes. OSCE monitors judged the vote as bringing Georgia closer to meeting democratic electoral standards. In legislative elections in March 2004, NM and BD ran on a joint list and captured 67.2% of 1.53 million votes, giving the bloc a majority of seats. The OSCE judged the election as the most democratic since Georgia's independence.

⁷ The Military Balance (Stockholm: International Institute of Strategic Studies, February 2008).

⁸ Open Source Center. Central Eurasia: Daily Report (hereafter CEDR), September 2, 2008, Doc. No. CEP-950366.

On November 7, 2007, police and security forces forcibly dispersed opposition demonstrators, reportedly resulting in several dozen injuries. Saakashvili declared a state of emergency for 15 days. He claimed that the demonstrations had been part of a coup attempt orchestrated by Russia, and ordered three Russian diplomats to leave the country. U.S. and other international criticism may have played an important role in Saakashvili's decision to step down as president on November 25, 2007, so that early presidential elections could be held on January 5, 2008. Georgia's Central Electoral Commission (CEC) reported on January 13, 2008, that Saakashvili had won over 53% of the vote against five candidates, and he was inaugurated on January 20, 2008. A plebiscite held at the same time endorsed holding a spring 2008 legislative election and Georgia's aim to join NATO. In a preliminary assessment, the OSCE stated that the election broadly met its standards, but that irregularities needed to be addressed.

A legislative election was held on May 21, 2008. Twelve parties and blocs were registered to compete for 75 seats to be allocated by party lists and 75 seats by single-member constituencies. The dominant NM pledged to reduce poverty and argued that its stewardship had benefitted the country. The main opposition bloc, the United Opposition Movement, called for President Saakashvili to resign. The CEC announced that NM won the largest share of the party list vote and also 71 of 75 constituency races, giving it a total of 119 out of 150 seats in the legislature. The United Opposition won a total of 17 seats, the opposition Christian Democrats six seats, the opposition Labor Party six seats, and the opposition Republican Party two seats. Some observers argued that the opposition had harmed its chances by failing to unite in one bloc and that the NM also benefitted from several popular businessmen who ran on its ticket in constituency races. Election monitors from the OSCE concluded that the Georgian government "made efforts to conduct" free and fair elections, but that there were a number of problems, including a ban on self-nominated candidates, the use of government resources for campaign purposes, the lack of balance in media coverage, a "contradictory and ambiguous" electoral complaint and appeal process, and troubling irregularities in vote-counting.⁹ Most United Opposition deputies refused their mandates on the grounds that the election had been fraudulent, but some opposition party winners took their legislative seats.

According to the State Department's *Country Reports on Human Rights Practices for 2007* (released March 2008), the Georgian government's human rights record improved in some areas during 2007, but worsened in other areas, especially with the government crackdown in late 2007, and serious problems remained. There were reported cases of police torture of detainees, abuse of prisoners, excessive use of force to disperse demonstrations, impunity of police officers, continued overuse of pretrial detention, lack of access to defense attorneys, and reports of government pressure on the judiciary. The government's record in upholding freedom of speech, the press, and assembly worsened in late 2007. Georgia took some significant steps to improve the human rights situation prior to the setbacks of late 2007. An ethics code for judges was adopted and a school was opened to train judges. Human trafficking continued to be a problem, but the government increased the budget to assist victims and opened the first shelter.

In his address at the U.N. General Assembly on September 23, 2008, President Saakashvili announced new democratization initiatives as a means to strengthen Georgia's sovereignty and independence and thereby prevent Russia from subverting Georgia's statehood. He stated that the judicial and legislative branches of government would be strengthened, that state funding would

⁹ OSCE. International Election Observation Mission. *Georgia: Parliamentary Elections, 21 May 2008, Statement of Preliminary Findings and Conclusions*, May 22, 2008.

be increased to opposition parties and they would have greater access to media, that trials by jury and lifetime judicial appointments would be implemented, and that private property rights would be expanded. In November 2008, Saakashvili stated that reforms in the appointment of judges were being worked out, that judges were beginning to be appointed for life, and that trial by jury would be introduced in January 2009. Some oppositionists have alleged, however, that media restrictions have tightened in recent months.¹⁰ The International Crisis Group, a nongovernmental organization, has warned that government-opposition tensions could rise and that Georgia might lose international donor support for rebuilding unless Saakashvili steps up his democratic reform efforts.¹¹

Economic Issues

Rising bilateral tensions resulted in Russian restrictions on agricultural trade and land, air, and sea links with Georgia in 2006, but Georgia quickly moved to diversify its trade with nearby states and Western countries. Georgia's GDP increased 12% in 2007 and consumer price inflation was 11% (*The World Factbook*). Economic growth was boosted by increased foreign direct investment and growth in the construction, banking, and mining sectors. The World Bank in early 2008 praised Georgia's improved business climate and progress in combating corruption. A widening trade deficit and rising inflation are threats to economic growth. Georgia still has a sizeable poverty rate of about 30%. Economic activities include agriculture, mining, and a small industrial sector. Civil conflict and poverty have spurred the emigration of about one-fifth (one million) of the population since 1991. Georgia is a member of the World Trade Organization. U.S. exports to Georgia were \$266 million in 2007, over one-half of which consisted of automobiles, trucks, and meat. Georgian exports to the United States were \$188.1 million in 2007 and consisted mainly of manganese and fuel re-exports.

Georgia is a transit state for a pipeline completed in mid-2006 carrying one million barrels per day of Azerbaijani oil to the Turkish port of Ceyhan (the Baku-Tbilisi-Ceyhan or BTC pipeline). Another pipeline completed in early 2007 initially carries 2.2 billion cubic meters of Azerbaijani natural gas to Georgia and Turkey, lessening their dependence on Russia as a supplier. Every year since 2005, Russia's state-owned Gazprom gas firm announced increases in the price of gas shipped to Georgia. Azerbaijan has provided some gas supplies to Georgia, easing dependence on Gazprom. Although Gazprom has continued to supply gas in the wake of the Russia-Georgia conflict, Georgia has cut supplies intended for South Ossetia.

According to a report prepared by the World Bank and other international financial institutions, the August 2008 Russia-Georgia conflict "resulted in shocks to economic growth and stability in Georgia [including] a weakening of investor, lender and consumer confidence, a contraction of liquidity in the banking system, stress on public finances, damage to physical infrastructure,... and increased numbers of internally displaced persons." The conflict has reduced projected economic growth for 2008 from 9% to 3.5%, and this constrained economic growth could persist for several years, according to the World Bank. The World Bank recommended that Georgia needed \$3.2 billion to restore economic growth, to address housing and other social protection needs, and to repair and provide investments for the energy, transport, water, and waste management

¹⁰ *CEDR*, November 21, 2008, Doc. No. CEP-950351.

¹¹ International Crisis Group. Georgia: The Risks of Winter, November 26, 2008.

infrastructure.¹² An international donors' conference held in late October 2008 received pledges of \$4.5 billion from thirty-eight countries and fifteen international organizations for humanitarian needs and rebuilding in Georgia for the 2008-2010 period, indicating widespread international concern over the country's fate. Of this amount, \$1 billion was pledged by the United States (see above).

Georgia's Breakaway Abkhazia

In July 1992, Abkhazia's legislature declared the region's effective independence from Georgia, prompting a Georgian attack. In October 1992, the U.N. Security Council (UNSC) approved the first U.N. observer mission to a Eurasian state, termed UNOMIG, to help the parties reach a settlement. Russian and North Caucasian "volunteer" troops that reportedly made up the bulk of Abkhaz separatist forces routed Georgian forces, leading in April 1994 to agreement by the two sides on a framework for a political settlement and the return of refugees. Russian troops (acting as CIS "peacekeepers") were deployed in a security zone along the Abkhaz border with Georgia. The conflict resulted in about 10,000 deaths and over 200,000 displaced persons, mostly ethnic Georgians. A U.S. emissary worked with the U.N. Secretary General, his Special Representative, and "Friends of the Secretary General" (including France, Germany, Russia, the United Kingdom, and Ukraine) to facilitate a peace settlement. Sticking points between Abkhazia and Georgia included the latter's demand that displaced persons be allowed to return to the region before an agreement on its status. Abkhazia insisted upon recognition of independence as a precondition to large-scale repatriation.

In July 2006, the Georgian government ousted a warlord in the Kodori Gorge area of Abkhazia. Saakashvili directed that the Abkhaz "government-in-exile" make the Gorge its home. In October 2006, the Abkhaz side suspended all talks pending Georgia's removal of the government representatives and alleged military forces. In March and April 2008, President Saakashvili proposed new peace initiatives that included international guarantees of autonomy for Abkhazia, quotas for Abkhaz representation in Georgian executive and legislative bodies, the establishment of a special economic zone in the Gali region, and more active involvement by the international community and Russia in a peace settlement. The initiatives were rejected by the de facto Abkhaz authorities.

The United States and others in the international community strongly objected in April 2008 when President Putin issued a directive for stepping up government-to-government ties with Abkhazia and South Ossetia. The United States and others in the international community also raised concerns when Russia announced later in the month that the number of "peacekeepers" in Abkhazia would be boosted up to the maximum permitted under ceasefire accords.

Georgia's Breakaway South Ossetia

In 1989, the region lobbied for joining its territory with North Ossetia in Russia or for independence. Separatist conflict beginning in 1990 reportedly led to about 1,500 deaths. In June 1992, Russia brokered a cease-fire, and a "peacekeeping" force was stationed there, composed of Russian, Georgian, and Ossetian troops. A Joint Control Commission (JCC) composed of

¹² The World Bank. Georgia: Summary of Joint Needs Assessment Findings Prepared for the Donors' Conference of October 22, 2008 in Brussels, n.d.

Russian, Georgian, and North and South Ossetian emissaries (and OSCE observers) was formed to promote a peace settlement. According to one estimate, some 45,000 ethnic Ossetians and 17,500 ethnic Georgians resided in a region that, according to the 1989 Soviet census, at that time contained over 98,000 residents.¹³ An apparent effort by Saakashvili to militarily reclaim the region failed in 2004. In 2005, he proposed a peace plan—which received OSCE backing—that provided for substantial regional autonomy. South Ossetia rejected the plan, on the grounds that it was already independent. A South Ossetian referendum on "independence" and parallel separatist and pro-Georgian "presidential" elections in November 2006 heightened tensions. In July 2007, President Saakashvili decreed the establishment of a commission to work out South Ossetia's "status" as a part of Georgia. South Ossetia's de facto leaders rejected participation. The JCC held a last inconclusive meeting in Tbilisi, Georgia, in October 2007.

The August 2008 Russia-Georgia Conflict

Simmering long-time tensions erupted on the evening of August 7, 2008, when South Ossetia accused Georgia of launching a "massive" artillery barrage against its capital, Tskhinvali, while Georgia reported intense bombing of some Georgian villages in the conflict zone by South Ossetian forces. Georgia claims that South Ossetian forces did not respond to a ceasefire appeal but intensified their shelling, and that Russian troops were entering the region, forcing Georgia to send in troops that reportedly soon controlled Tskhinvali and other areas.¹⁴ On August 8, Russian President Dmitriy Medvedev denounced Georgia's incursion into South Ossetia, asserting that "women, children and the elderly are now dying in South Ossetia, and most of them are citizens of the Russian Federation." He stated that "those who are responsible ... will be duly punished." Russia launched large-scale air attacks across Georgia and Russian troops engaged Georgian forces in Tskhinvali later in the day. Reportedly, Russian troops had retaken Tskhinvali, occupied the bulk of South Ossetia, reached its border with the rest of Georgia, and were shelling areas across the border by the morning of August 10. Russian warplanes bombed the Georgian town of Gori and the outskirts of the capital, Tbilisi, as well as other sites. Russian ships landed troops in Georgia's breakaway Abkhazia region and took up positions off Georgia's Black Sea coast. Russian and Abkhaz forces occupied the Kodori Gorge and swept into other areas of western Georgia outside of Abkhazia.

On August 12, Medvedev declared that "the aim of Russia's operation for coercing the Georgian side to peace had been achieved and it had been decided to conclude the operation.... The aggressor has been punished and suffered very heavy losses."¹⁵ Medvedev endorsed some elements of a European Union (EU) peace plan presented by visiting French President Nicolas Sarkozy. On August 15, the Georgian government formally signed the French-brokered 6-point cease-fire that left Russian forces in control of South Ossetia, Abkhazia, and "security zones" in undisputed Georgian territory.¹⁶ The six points include commitments not to use force, to halt hostilities, to provide full access for humanitarian aid, to withdraw Georgian forces to the places they were usually stationed prior to the conflict, to withdraw Russian forces to positions prior to

¹³ Georgia: a Toponymic Note Concerning South Ossetia, The Permanent Committee on Geographic Names, January 2007.

¹⁴ See also CRS Report RL34618, *Russia-Georgia Conflict in South Ossetia: Context and Implications for U.S. Interests*, by Jim Nichol.

¹⁵ *ITAR-TASS*, August 12, 2008.

¹⁶ See CRS Report RL34618, *Russia-Georgia Conflict in South Ossetia: Context and Implications for U.S. Interests*, by Jim Nichol.

the outbreak of hostilities (although they are permitted to implement security measures in the zone of the conflict until international monitors are in place), and to open international discussions on ensuring security and stability in Abkhazia and South Ossetia.

Russia undertook a pullback of military forces on August 22. However, substantial forces remained, resulting in condemnation by the United States, NATO, and the EU that Russia was violating the ceasefire accord. Further condemnation by the international community occurred in the wake of President Medvedev's August 26 decree officially recognizing the independence of South Ossetia and Abkhazia.

On September 8, 2008, visiting French President Nicolas Sarkozy and Russian President Dmitriy Medvedev signed a follow-on ceasefire accord that fleshed out the provisions of the 6-point peace plan. It stipulated that Russian forces would withdraw from areas adjacent to the borders of Abkhazia and South Ossetia by October 11; that Georgian forces would return to their barracks by October 1; that international observers already in place from the U.N. and Organization for Security and Cooperation in Europe would remain; and that the number of international observers would be increased by October 1, to include at least 200 observers from the European Union (EU), and perhaps more later. The EU deployed over 200 monitors by October 1, and Russia announced on October 9 that its troops had withdrawn from buffer zones. Georgia has maintained that Russian troops have not pulled out of Akhalgori, a district that Russia asserts is within South Ossetia's Soviet-era borders, and the Kodori Gorge in Abkhazia.

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