

112TH CONGRESS  
2D SESSION

# H. R. 4258

To ensure free, fair, and competitive elections in the Republic of Georgia.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 26, 2012

Mr. McDERMOTT introduced the following bill; which was referred to the  
Committee on Foreign Affairs

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## A BILL

To ensure free, fair, and competitive elections in the Republic  
of Georgia.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Republic of Georgia  
5 Democracy Act of 2012”.

6 **SEC. 2. FINDINGS.**

7 Congress makes the following findings:

8 (1) A democratic and stable Republic of Geor-  
9 gia is in the political, security, and economic inter-  
10 ests of the United States.

1           (2) Georgia plays a key role in the security of  
2 the Black Sea and South Caucasus region, which is  
3 important for Euro-Atlantic security, transportation,  
4 and energy diversification to and from the Caspian  
5 Sea.

6           (3) Georgia has been a reliable partner and ally  
7 in enhancing global peace and stability with its sig-  
8 nificant contribution to operations in Iraq and Af-  
9 ghanistan.

10           (4) The United States–Georgia Charter on  
11 Strategic Partnership, signed in January 2009, out-  
12 lines the importance of the bilateral relationship as  
13 well as the intent of both countries to expand de-  
14 mocracy and economic programs, enhance defense  
15 and security cooperation, further trade and energy  
16 cooperation, and build people-to-people cultural ex-  
17 changes.

18           (5) Georgia’s democratic nature is one of its  
19 core strengths and the basis for the deep friendship  
20 between Georgia and the United States. As such,  
21 continued democratic reform, the strength of Geor-  
22 gia’s democratic institutions, and regular free, fair,  
23 and competitive elections are key priorities for a  
24 strong continuing relationship between the United  
25 States and Georgia.

1           (6) Democracy in Georgia is facing serious  
2 challenges and political freedom and fair competition  
3 between political parties is under assault. For exam-  
4 ple, the government has increased detaining mem-  
5 bers of the political opposition and civil society non-  
6 governmental organizations (NGOs), limited freedom  
7 of the press, undermined the right of workers to or-  
8 ganize and bargain collectively, and stopped opposi-  
9 tion groups from holding demonstrations—often by  
10 violent means.

11           (7) According to the Department of State’s  
12 2010 Human Rights Report on Georgia, when Presi-  
13 dent Mikheil Saakashvili was re-elected to the Presi-  
14 dency in 2008, “the OSCE identified significant  
15 problems, including widespread allegations of intimi-  
16 dation and pressure, flawed vote-counting and tab-  
17 ulation processes, and shortcomings in the com-  
18 plaints and appeals process. These and other prob-  
19 lems continued into the parliamentary elections in  
20 May 2008, which international observers concluded  
21 were uneven and incomplete in their adherence to  
22 international standards.”.

23           (8) On February 13, 2012, United Nations  
24 Special Rapporteur on the Right to Freedom of  
25 Peaceful Assembly and Association Maina Kiai con-

1       cluded at the end of his visit to Georgia that the  
2       previous positive trajectory of the country was being  
3       replaced with a “widespread climate of fear, intimi-  
4       dation and arbitrary restrictions of fundamental  
5       freedoms.” He identified multiple problems, includ-  
6       ing with the way in which the government under-  
7       mined political parties and NGOs, such as pros-  
8       ecuting and detaining political activists with little to  
9       no evidence. Furthermore, he noted, “there have  
10      been long standing concerns—by regional bodies and  
11      the UN—about the inability to distinguish between  
12      the ruling party and the state, which is especially  
13      relevant in light of the upcoming parliamentary and  
14      presidential elections.”.

15           (9) Georgia will hold parliamentary elections in  
16      October 2012. In the run-up to the election, Geor-  
17      gian President Mikheil Saakashvili and the Georgian  
18      Parliament enacted constitutional changes that re-  
19      duce the power of the president and increase the  
20      power of the prime minister.

21           (10) Georgian President Mikheil Saakashvili’s  
22      presidential term ends in 2013 and it has been re-  
23      ported that he plans to assume the role of Prime  
24      Minister if his political party, United National Move-

1       ment (UNM), wins the majority of the seats in the  
2       Parliament, which it currently has.

3               (11) Bidzina Ivanishvili, a Georgian business-  
4       man who has never served in the Georgian Govern-  
5       ment, launched a new political party called Georgian  
6       Dream, on October 5, 2011, in an effort to unify the  
7       Georgian opposition parties and challenge  
8       Saakashvili's increasingly dictatorial control over  
9       Georgia's government.

10              (12) In response to the creation of Georgian  
11       Dream, Mikheil Saakashvili's regime stripped  
12       Bidzina Ivanishvili of his citizenship despite the fact  
13       that Mikheil Saakashvili granted Ivanishvili's citizen-  
14       ship in the first place, Ivanishvili was born in Geor-  
15       gia, and there is no legal basis for his citizenship to  
16       be revoked.

17              (13) Since the launch of Georgian Dream, the  
18       Saakashvili regime has launched a concerted, ag-  
19       gressive campaign to undermine Georgian Dream's  
20       ability to compete against Saakashvili's party in the  
21       Parliamentary elections. For example, the Georgian  
22       Government has fired those employees, especially  
23       teachers, who support Ivanishvili or other opposition  
24       parties.

1           (14) The Georgian Government has increased  
2 harassment and detention of the supporters of  
3 Ivanishvili, Georgian Dream and other opposition  
4 parties, often through violent means, without due  
5 process. Hundreds of opposition supporters have  
6 been detained in March 2012 as part of a concerted  
7 effort to intimidate voters and opposition cam-  
8 paigners.

9           (15) On February 27, 2011, Solomon  
10 Kimeridze, an Ivanishvili supporter, died under sus-  
11 picious circumstances while in police custody.

12           (16) On May 26, 2011, Georgian security offi-  
13 cials killed two protesters while using violent means  
14 to break-up a peaceful protest. An investigation into  
15 this incident has been requested by United States  
16 Ambassador Robert Bass, the United Nations High  
17 Commissioner for Human Rights, the European  
18 Commission, Human Rights Watch, and Amnesty  
19 International.

20           (17) On December 28, 2011, the Georgian Par-  
21 liament passed new election laws that will limit op-  
22 position parties' access to funds. The OSCE and the  
23 U.S. State Department criticized this law for both  
24 its substance and the abnormal way in which it was  
25 enacted by the Saakashvili-controlled parliament.

1 Furthermore, the Chamber of Control, the state  
2 audit agency that is controlled by Saakashvili, cre-  
3 ated a new division specifically focused on inves-  
4 tigating Georgian Dream and Bidzina Ivanishvili  
5 and blocking Ivanishvili’s financial support for oppo-  
6 sition candidates and party building.

7 (18) United Nations Special Rapporteur on the  
8 Right to Freedom of Peaceful Assembly and Asso-  
9 ciation Maina Kiai concluded that these changes to  
10 the election law “appear to affect the rights to asso-  
11 ciation and to peaceful assembly . . . these amend-  
12 ments, which at times use ambiguous language, are  
13 fuelling an overall climate of distrust, and appear to  
14 largely violate international human rights law.”.

15 (19) The Saakashvili regime has warped the  
16 Georgian banking sector, previously a model of post-  
17 Soviet success and transparency, in an effort to de-  
18 stroy Bank Cartu, a bank owned by Bidzina  
19 Ivanishvili. Based on a law passed at the end of Oc-  
20 tober 2011 after Ivanishvili announced the creation  
21 of Georgian Dream, the Georgian Government seized  
22 over millions of dollars in bank assets. The Amer-  
23 ican Chamber of Commerce criticized this new law,  
24 predicted that it would undermine a model banking  
25 system that has been built with the support of the

1 United States Government, IMF, and World Bank.  
2 The Georgian Government has only applied this new  
3 law, which gives the Government the right to seize  
4 loan collateral before the banks that issued the loan,  
5 to Bank Cartu and no other banks. As a result, the  
6 Saakashvili regime continues to seize Bank Cartu  
7 assets in an effort to force the bank out of business  
8 and remove a source of Ivanishvili's financial sup-  
9 port.

10 (20) United States national security interests  
11 are best served by a democratic Georgia no matter  
12 what individuals and which parties are in control of  
13 the country. An undemocratic Georgia will breed in-  
14 stability in a volatile region and increase the likeli-  
15 hood of violent conflict. As such, it is incumbent on  
16 the United States Government to clearly commu-  
17 nicate to President Saakashvili that if he continues  
18 down his current path and does not allow free, fair,  
19 and competitive elections, the special relationship be-  
20 tween the United States and Georgia will be at risk  
21 and Georgia will face the loss of both United States  
22 political support and financial assistance.



1 **SEC. 3. LIMITATION ON ASSISTANCE TO THE REPUBLIC OF**  
2 **GEORGIA.**

3 (a) LIMITATION.—No funds available to any United  
4 States department or agency for fiscal year 2013 may be  
5 used to provide assistance to the Republic of Georgia until  
6 the Secretary of State certifies and reports to the Com-  
7 mittee on Foreign Affairs of the House of Representatives  
8 and the Committee on Foreign Relations of the Senate  
9 that the parliamentary elections held in October 2012 or  
10 such other date if rescheduled were carried out in a free,  
11 fair, and competitive manner consistent with international  
12 standards.

13 (b) MATTERS TO BE INCLUDED.—The report re-  
14 quired under subsection (a) shall include information on—

15 (1) the presence and findings of election observ-  
16 ers;

17 (2) the ability of opposition parties to campaign  
18 effectively; and

19 (3) whether Bidzina Ivanishvili and the Geor-  
20 gian Dream Party participated in the election, and,  
21 if not, the reason for their absence.

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