
Armenian Experts Propose Creating Free Economic Zone Between Armenia And Georgia

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Armenian experts attach importance to creation of a common economic zone between Armenia and Georgia with the aim of promoting economic relations between the two countries, was stated at the February 11 presentation of the research "Armenia-Georgia Relations. Unused Opportunities". The research was done by a group of Armenian experts under the UNDP program on transborder cooperation between Shirak and Samtskhe-Javakheti regions.

The head of the research group Tigran Jrbashian characterized the current economic relations between the two countries as quite passive. Trade turnover volumes of Georgia with Turkey or Azerbaijan are several times as much as its trade turnover with Armenia. Georgia is most active in Armenia's service sector: transportation, transit traffic, communication, tourism.

According to T. Jrbashian, the revenues of Georgia from transit transportation of gas made nearly 41 million dollars in 2006. For comparison, he said that goods of 54 million dollars were exported from Armenia to Georgia during the same period.

In the opinion of T. Jrbashian, in order to overcome this disproportion in Armenian-Georgian trade and economic relations, it is necessary to use a mutually beneficial model of development. He said that the creation of a common economic zone would reduce the trade restrictions that other countries use with respect to Armenia and Georgia. It would neutralize Russia's restrictions on Georgian goods and the economic consequences of Armenia's blockade by Turkey. This approach would also increase the opportunity of developing trade links of the two countries with the European Union, which is in line with the EU policy in the region. Active transborder cooperation may also contribute to improvement of the socioeconomic conditions of border communities in Shirak marz of Armenia and Samtskhe-Javakheti region of Georgia.

It was stated that a similar research was also done by Georgian experts, and its presentation will be held soon. The proposals of Armenian and Georgian experts will be submitted to international organizations, Armenian and Georgian authorities, the appropriate bodies for discussion.
