
Armenia-Georgia

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The parties will have increased chances

Held on October 15-16, the Sixth Session of the Inter-Governmental Committee of the Armenian-Georgian Economic Cooperation can, without exaggeration, be considered a turning point in both countries' economic and political history.

During the past years, Armenia and Georgia were considered in the world as poor countries with limited economic capacities, and the international structures which maintained relations with them acted as donors. The maximum that has been realized with joint efforts up to date was the unhampered work of the life support systems. At difficult moments the parties have always found relevant solutions to the issues regarding the shipment of goods, gas and electricity supply.

Being in an economic blockade, Armenia managed, during the past years, to open simultaneously two windows, one of them looking to Georgia and the other - to Iran.

The last evidence of the above-mentioned is the opening of the Iranian ports of Enzel and Bender Abas for the Armenian goods carriers. This comes to supplement and replenish the shipments carried out via the ports of Poti and Batumi. In such conditions, when Armenia is becoming faced with serious alternatives, the issue of economic cooperation with the neighboring Georgia is acquiring a mutually beneficial character for two main reasons: First: the prospect of forming an Armenian-Georgian Common Economic Area is viewed by the West as a most important condition for the South Caucasian republics in terms of strengthening their independence and integrating to Europe.

Second: this kind of prospect allows Georgia to overcome the consequences of unilateral inclusion in or exclusion from the Turkish-Azerbaijani economic and political area, and enables Armenia to further increase its chances of joining the European and the World Markets.

Therefore, without the slightest exaggeration we can already insist that the Sixth Session of the Inter-Governmental Committee of the Armenian-Georgian Economic Cooperation was the actual beginning of the process of realizing the long-range program aimed at forming an Armenian-Georgian Common Economic Area. Instead developing into regular interstate negotiations, this actually changed into a joint meeting between the two countries' Governments.

In the course of their activities, which lasted no more than two days, Prime Ministers Serge Sargsyan and Zourab Noghaidely managed to sketch the general picture of the Armenian-Georgian Common Economic Area and predetermine the primary problems. And they immediately gave recommendations to the relevant structures of their countries for the solution of those problems. That is, the decisions made during the session became specific program of the two countries governments the goal of the program being the formation of a market with its trade, investment, energy, communication, customs and other components.

As justifiably noted by the Georgian Prime Minister Z. Noghaidely, the South Caucasus is forming a relatively big and extensive market, which already has 8 million consumers. It is natural that there will be considerably chances and interests for making investments in this market will increase considerably. There will be an increased inte rest

especially on the part of those Western financial and economic circles that have learnt to work in a large market which, though composed of independent countries like the European Unions, is economically united.

Of course, the European Union's aspiration to make the newly-formed South Caucasian market our economic and political fulcrum will play its positive role as well. Considering both countries' common past as well as the fact of their belonging to the Christian world, this kind of political-economic area will be viewed as one of Western Asia's pivotal points shifting the focus of the EU programs to its side. And this, in turn, promises to considerably increase the two countries' general attractiveness in the World Market, as well as create prerequisites for gaining privileged conditions in cooperation with other markets.

It is also necessary to bear in mind that the diaspora Armenian businessmen also get greater chances for investments and transit trade.

Thus, the Armenian Georgian Inter-Governmental Session marked the beginning of the process of transforming the two countries' economic cooperation into economic integration. The agreements achieved during the Session went beyond the framework of solving the current economic problems between Armenia and Georgia and predetermined the new political prospects that are opening for the two neighboring and friendly countries and peoples.
