

FactCheck



Davit Narmania

"It is important that we establish order in terms of city development and elaborate a construction plan for the capital city. There has only been one plan and a few changes have been made to it."

FactCheck

Davit Narmania, Tbilisi mayoral candidate from the Georgian Dream coalition, stated the following during the debates with other mayoral candidates held on 29 May 2014 on TV 3: "It is important that we establish order in terms of city development and elaborate a construction plan for the capital city. There has only been one plan and a few changes have been made to it. We need to get a valid document as a general plan for the construction of the city."

FactCheck took interest in the statement of the mayoral candidate and verified its accuracy.

Tbilisi City Council made a decision about the approval of a general plan for the capital city's prospective development on 5 June 2009. Prior to that, the general development plan for Tbilisi was created in 1971 with no new documents being elaborated since then.

The new general plan included several important changes in Tbilisi. Among them was the creation of a new transport in order to ensure a continuous flow of vehicular traffic on different roadways. According to Tbilisi City Council, the Architectural Service has been working with developers and representatives of different international organizations on a general plan for land use. The Regulation Commission for the Use and Development Tbilisi areas also discussed the document in its development process and presented it to the City Council for approval. City Council approved the general plan after a month-long public discussion and a working-out of its shortcomings.

CONCLUSION

Tbilisi City Council made a decision about the approval of a general plan for the capital city's prospective development on 5 June 2009. Prior to that, the general development plan of Tbilisi was developed in 1971 and has not changed since then. According to the City Council of Tbilisi, this abovementioned plan was adopted after two years of work. Changes to the general plan were made periodically.

Since 5 June 2009, 42 documents can be found in the development plan of the capital city on the website of the *Georgian Legislative Gazette*. Of these documents, 12 have been changed since the ruling majority and the chairman of the City Council were changed. In the case of his winning the elections, Davit Narmania stated that "an effective document should be adopted." It is, however, difficult to say whether or not this will be an absolutely new general plan or if changes will be made to the current plan adopted in 2009.

Accordingly, **FactCheck** concludes that Davit Narmania's statement, "It is important that we establish order in terms of city development and elaborate a construction plan for the capital city. There has only been one plan and only a few changes have been made to it. We should adopt an effective document as a general plan for the development of the city," is **HALF TRUE**.

HALF TRUE



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Urbanization and Big Cities Will Drive Growth in Rapid-Growth Markets

The FINANCIAL

While the world needs to get used to a slower pace of growth across rapid-growth markets (RGMs) relative to the past decade, a gradual recovery will see growth above 4.5% next year, according to EY's latest Rapid-Growth Markets Forecast (RGMF).

RGMs have recovered somewhat from the financial turmoil in the second half of 2013 and early 2014, and a fast-growing population, strong investment rates and the rapid adoption of technologies, will continue to grow rapidly over the medium term.

Political challenges exist in some economies; in particular, the on-going conflict in Ukraine is weighing on growth prospects in emerging Europe. Furthermore, instability in Iraq has brought geopolitical risks to the fore and put pressure on oil prices. On the other hand, in economies such as India and Indonesia, new political leaders with strong credentials in governance have recently come to power and must now usher change for accelerating growth, according to EY.

"While near-term growth in several emerging economies hinges on the political will to implement second generation of reforms; in the medium term, fast-growing populations and increasing productivity are expected to lift growth, with cities especially in Africa and Asia, expected to be the epicenter of this growth," said Rajiv Mehani, EY's Chair of the Global Emerging Markets Committee.

URBANIZATION AND NEW TECHNOLOGIES INCREASE GROWTH POTENTIAL

The economic output of China's 150 largest cities will triple from US\$8 trillion today to US\$25 trillion by



2030, according to the report. China's urban development plan, highlighted in March by the Chinese Government, puts the urban consumer at the heart of its development, with ambitious targets to improve rail infrastructure, reduce emissions and ensure its cities are fit for the next generation. A faster adoption of green technologies in China has the potential to lift its growth by 0.7% per year on average from 2025 to 2030.

The growing number of lower-middle income households with some disposable income is set to exceed 30 million by 2030 in Africa and South Asia - with incomes above US\$5,000 but below US\$10,000 in Africa and India. This growth will help to create markets of scale for mobile phone airtime cards and other consumer goods and services, according to EY.

EXPONENTIAL GROWTH OF CITIES

It is estimated that by 2030, China, Indonesia, Nigeria and Ghana will have more than two-thirds of the population living in cities, with the population in Lagos increasing by a phenomenal 13 million. By this time, 40% of the 50 largest cities in the world (based on GDP by consistent prices)

will be in China. Outside of China, Jakarta, Istanbul and Sao Paulo will all rank among the world's top 20 cities in terms of economic output.

In Latin America, it is estimated that between 2013 and 2030 Mexico City's GDP at consistent prices will grow by more than 60% - faster than many European and Japanese cities. The green economy reforms the government is expected to sanction soon in Mexico will have a direct impact on this. RGMF expects these reforms to underpin medium-term growth of 4% a year. It is also estimated that Curitiba, Brazil's sixth largest city, will be one of the fastest growing cities in Brazil over the next 10 years, helped by urban planning reforms which promote greater sustainability, according to EY.

There will also be tremendous shifts within sectors in RGM cities. Manufacturing will expand in cities with more space to grow, whereas financial services will accelerate in cities such as Beijing, Mumbai and Lagos. Industrial output in more space-constrained cities such as Hong Kong, Shanghai, Seoul, Bangkok and Sao Paulo, with relatively more expensive land and labor costs, will grow much more slowly than in cities like Jakarta.

Mexico, Indonesia, China among others are grasping the opportunity to push forward

ambitious reforms, including more sustainable technology and shifting their economies away from heavy manufacturing, according to EY.

INCREASING DEMAND FOR HEALTH AND EDUCATION SERVICES

Varying demographic trends in cities across the RGMs bring challenges and opportunities. For countries such as Russia, Poland, South Korea and China, it is estimated that there will be fewer than five workers supporting each elderly person by 2030. In contrast, it is estimated that India, Indonesia, Egypt and South Africa will still have almost 10 workers for each elderly person.

For all the RGMs, this presents a challenge for the provision of urban public services. Mumbai's working age population is forecast to expand by a third by 2030, while Tokyo's will shrink by 7%.

Aging populations will add to pressures on health services in Russian, Polish and South Korean cities. In addition, rising pollutions and congestion is a serious concern in many Asian cities, according to EY.

& Did you know?

The FINANCIAL is read by nearly 75 % of Top Financial Decision-makers in Georgia.

It reaches more CEO's than all Georgian newspapers combined.

Source: Global Idea

Americans Worried About Basic Financial Necessities Such as Health Care and Having Money for More Than Basic Things



The FINANCIAL

The economy remains something of a paradox. As leading indicators continue to move into positive territory and the Dow Jones Industrial Index remains near 17,000, all should indicate a rosy situation. But this doesn't seem to translate into a rosy opinion of how the economy is actually doing. The American public remains concerned about many aspects of the overall economic picture and, more importantly, how it impacts them in their wallets and savings accounts, according to Harris Interactive Inc.

The President is a figure who the public blames when things are not going well economically but rewards when things are going well. And, only three in ten Americans (30%) give President Obama positive ratings for his handling of the economy while seven in ten (70%) give him negative ratings. This is down slightly from last month, when almost one-third (32%) gave the President positive marks on the economy and over two-thirds (68%) gave him negative ratings.

SOME WORRIES AMERICANS HAVE

Financial worries can keep people up at night. More than two-thirds of those Americans who are either employed themselves or have a spouse who is (68%) say they are worried they will not have enough money for retirement while more than three in five of this same group (63%) worry they will have health care costs they cannot afford.

While three in five of these employed Americans (60%) say they are not worried that they or their spouse will have to take on a second job to make ends meet, two in five (40%) are worried about this.

A majority of all Americans (55%) are worried that they will have to work later in life than they want because they won't be able to afford to retire. However, this includes people who may have their eyes already on retirement. Among the younger generations, the worry is a lot more as almost two-thirds of Millennials (64%) and three-quarters of Gen Xers (74%) are worried about this, according to Harris Interactive Inc.

Parents are always going to have special worries, whether it is about the health of their children or just their overall happiness, no matter what their age. Among those parents with children under 18, more than three in five (63%) are worried that they will not have enough money for one or more of their children to go to college. And over one-third of parents of children of all ages (36%) are worried that their child or children will have to move back in with them because they will not be able to afford housing.

Housing worries are another issue. Almost one-quarter of those with a mortgage (23%) are worried that they will lose their home because they can't afford the mortgage payments, and this rises to one-third of Millennials (32%) who own a home and have a mortgage. Among those who are not yet home owners, three in five (61%) are worried they will not be able to afford to buy a home. More than two-thirds of Gen Xers who do not own a home (68%) and two-thirds of non home owning Millennials (66%) are worried they will not be able to afford to buy a home.

Then there are the basic things one buys every day - some are small luxuries such as a latte; others are really basic such as food and transportation. Half of Americans (51%) are worried they will not be able to afford anything more than the basic necessities and two in five (41%) are worried that they will not have enough money for basic necessities such as food, housing, clothes, and transport, according to Harris Interactive Inc.



Nika Melia

“This [Panorama Tbilisi] project had not even been announced and Sololaki Ridge was already being excavated.”

Nino TURIASHVILI
FactCheck

Nika Melia, Tbilisi mayoral candidate from the United National Movement, stated on 15 May 2014 that Sololaki Ridge was being excavated even before the announcement of the Panorama Tbilisi project.

FactCheck took interest in Nika Melia's statement and sought to verify its accuracy.

The Georgia Co-Investment Fund presented its approved investment projects on 25 March 2014 with the Panorama project among them. It was explained at the presentation that the project brings together a multi-functional complex; namely, 1) Sololaki Slope, 2) Sololaki Gardens, 3) Freedom Square and 4) Erekle II Square. Within the framework of the project, both central and historical parts of the city will be connected by rope ways and oblique elevators.

According to Giorgi Bachiasvili, Executive Director of the Georgia Co-Investment Fund, 30,000 new trees will also be planted under the project, additional underground parking lots targeted for 1,800 cars will be constructed in the city centre and environs (Freedom Square-300 spaces, Erekle II Square-500 spaces, Sololaki Gardens-500 spaces, Sololaki Slope-500 spaces) which exceeds the needs of the project and solves the current parking problem in the city. The project's preliminary budget exceeds a USD half million. The terracing of Sololaki Hill is being planned under the Panorama-Tbilisi, Sololaki Gardens and Sololaki Slope projects. Giorgi Bachiasvili also stated that the sketch of the Sololaki Gardens project is finished and will soon be presented to the relevant city authorities.

An application about the implementation of the Panorama-Tbilisi project was filed at Tbilisi City Hall on 27 March 2014. According to the response from City Hall: “Due to the fact that the provided documents and materials from the applicant could not substantiate the advisability of granting a planning task to the presented large-scale project development regulation plan, the Tbilisi Territory Urbanisation and Utilisation Issues Regulatory Commission held a discussion and decided not to grant the Georgia Co-Investment Fund planning conditions on the adjacent land to the Kojori Highway in the Mtatsminda District.”

FactCheck requested public information from



Tbilisi City Hall in order to verify Nika Melia's statement. According to the materials provided by LEPL Tbilisi Architecture Service and the protected data in the information system of the General Development Plan of the Capital City, Tbilisi Architecture Service has issued construction permits for different projects at Sololaki Slope and on the Kojori Highway since the approval of the general plan¹ on 25 March 2014, namely: building demolition, block house construction, multi-functional entertainment center construction, current building reconstruction; auxiliary building construction and storage and individual residence house construction.

FactCheck also contacted Nika Melia in order to verify his statement. He told

FactCheck that the excavating of the Ridge is taking place on the territory adjacent to GDS TV. We checked the territory identified by the Tbilisi mayoral candidate. Construction work is indeed being implemented next to GDS TV and the Ridge is being excavated.

According to the information published on the interactive map of Tbilisi Architecture Service, a construction permit for one new construction and storage facility is being issued at the Kojori Highway N13 on the territory adjacent to GDS TV. According to the information received from Tbilisi City Hall, the customer organisation of the construction is the Cartu Group and the built-up area is equal to 3,292.5m². The permission for the construction on this

forementioned land was issued on 4 June 2013 and the construction period was defined from 5 June 2013 until 5 June 2016. It is clear from the dates and the aims that this construction work identified by Nika Melia is not linked to the Panorama Tbilisi project.

¹ General Development Plan of the Capital City- This is a general plan land use-urban planning document which defines the main parameters of land use and development, conditions of amenities and spatial-territorial terms of environmental and immovable cultural heritage, spatial aspects of engineering, transport and social infrastructure as well as economic development and territorial issues of accommodation. (Article 1, Point 1). Approved by Tbilisi City Council's decision of 05.06.2009 N6-17

Category:
Infrastructure

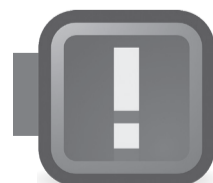
CONCLUSION

Nika Melia stated that the excavating of Sololaki Slope started before the presentation of the Panorama Tbilisi project. According to the information presented by the Georgia Co-Investment Fund on 25 March 2014, the first part of Panorama Tbilisi and the second parts comprising Sololaki Gardens and Sololaki Slope are being planned on Sololaki Ridge.

The Georgia Co-Investment Fund was not responsible for the construction work implemented on the Kojori Highway before 25 March 2014 which is included in the Panorama Tbilisi and Sololaki Gardens project.

As shown herein, the excavating of Sololaki Ridge was being implemented before the announcement of the Panorama Tbilisi project and with the Cartu Group responsible for the work. However, Nika Melia made a factual mistake in the main context of the statement when he indicates that the construction is being implemented within the framework of the Panorama Tbilisi project. According to the information we received, the construction of a storage facility on the territory of GDS TV is underway and Tbilisi City Hall issued a construction permit for this work on 5 June 2013 which indicates that this construction work is not connected to the Panorama Tbilisi project.

Accordingly, FactCheck concludes that Nika Melia's statement, “This [Panorama Tbilisi] project had not even been announced and Sololaki Slope was already being excavated,” is **MOSTLY FALSE**.



MOSTLY TRUE

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