AGREEMENT BETWEEN THE GOVERNMENT OF GEORGIA AND THE GOVERNMENT OF THE RUSSIAN FEDERATION on Cooperation in Restoration of Economy in the Georgian-Ossetian Conflict Zone and Return of Refugees

The Government of Georgia (Executive Authorities of Georgia) and the Government of the Russian Federation, hereinafter referred to as the Parties,

Pursuant to the provisions of the Agreement on Principles of Settlement of Georgian-Ossetian Conflict, adopted on June 24 1992 in Sochi, the Memorandum on Measures Aimed at Guarantying Security and Strengthening Mutual Trust between the Parties in the Georgian-Ossetian Conflict, adopted on May 16, 1996 in Moscow, and the Protocol of the meeting devoted to comprehensive settlement of the Georgian-Ossetian conflict, held on March 5, 1997 in Moscow,

With a view of restoration and development of economy of the regions suffered as a result of the Georgian-Ossetian conflict, and in order to create conducive conditions for return of refugees and internally displaced persons to the places of their permanent residence,

Agreed on the following:

Article 1

The Parties acknowledge the necessity for further financing of restoration works in the Georgian-Ossetian conflict zone and shall work out, in cooperation with representatives of South Ossetian and North Ossetian Sides:

- Inter-Governmental program of cooperation and restoration of economy in the Georgian-Ossetian conflict zone;

- The Inter-Governmental program of repatriation, accommodation, integration and re-integration of refugees, including the measures aimed at restoration of economy in the regions where refugees and internally displaced persons will return.

The Parties shall undertake measures to secure implementation of the aforementioned programs, while inviting international organizations to participate in their implementation.

The Georgian Side, in full conformity with norms of the international law, shall secure full respect of human rights of refugees and internally displaced persons returning to their places of permanent residence.

The Parties shall contribute to endeavors undertaken by International organizations in realization of social, economic and humanitarian programs in the regions suffered as a result of the conflict.

Article 2

In order to meet the pledged commitments in full conformity with this Agreement and norms of the international law, the Parties shall make the best use of existing capabilities to
attract financial and other resources, contribute to attraction of investments, favorable credits and subsides in the Georgian-Ossetian conflict, including inviting international and foreign organizations, the third countries, as well as promote the creation of joint enterprises, development of direct economic ties between different forms of property ownership, including industrial cooperative enterprises located in the conflict zone.

Article 3

The Parties shall support initiatives of the administrative-territorial bodies, enterprises and organizations of Georgia and the Russian Federation on rendering support to the South Ossetian Side in the process of restoration works and promote attraction of funds in order to secure further development of the economy.

Article 4

The Parties underline the sheer necessity of settlement of the issue related to payment by the consumers, living in the conflict zone, of their debts to the Russian Joint Stock Company “EAS Russia” for provision of electricity in 1998 and the first quarter of 1999. The Georgian Side commits itself to pay back the aforementioned debt on the principles of restructuring. The timetable for clearing off the debt shall be defined in a separate protocol.

The Parties consider continuation of current provision of electricity to the conflict zone as an extremely important factor, in terms of the reconstruction process and return of refugees. The pattern of provision of electricity and clearing off the debt shall be defined in the relevant contracts.

Article 5

The current Agreement may be complemented by protocols, clarifying the mechanism of its implementation.

Control over the implementation of programs envisaged by this Agreement shall be carried out by the Joint Control Commission on Settlement of the Georgian-Ossetian conflict.

Article 6

This Agreement shall come into effect immediately after it is signed.

Agreement signed on December 23, 2000 in Tbilisi

On behalf of the Government of Georgia G. Arsenishvili

On behalf of the Government of the Russian Federation I. Klebanov

23 December 2000

(Archive of the Ministry of Foreign Affairs of Georgia/in Georgian)

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