

Austrian Presidency of the Council of the European Union**Special Permanent Council No. 601
27 March 2006****EU statement in response to the Prime Minister of Georgia,
H.E. Zurab Noghaideli**

1. The European Union welcomes the Prime Minister of Georgia, H.E. Zurab Noghaideli, to this special meeting of the Permanent Council.
2. Since the Prime Minister's last visit to the Permanent Council, in October 2005, we have seen a number of positive developments. The adoption of the 'Statement on Georgia' by all participating States at the OSCE Ministerial Council in December 2005 has been a particular highlight.
3. As the EU underlined previously, the momentum of Ljubljana should not be lost. High level political contacts between all sides remain crucial to move the process of peaceful resolution of the conflict in South Ossetia, Georgia, forward. The EU welcomes the ongoing meeting of the JCC in Vladikavkaz on the 27 and 28 of March.
4. The EU reiterates that it stands ready to contribute actively, and in every relevant forum, to accelerating the process of demilitarisation and of conflict resolution overall, based on respect for the sovereignty and territorial integrity of Georgia within its internationally recognised borders.
5. The EU welcomes the fact that the Georgian government has enhanced its efforts with regard to a number of elements of the Peace Plan of President Saakashvili, which was introduced by the Prime Minister in the Permanent Council last year.

6. The Georgian government has announced welcome unilateral steps aimed at demilitarisation. The EU would like to be kept informed on the implementation of these steps and on progress achieved. The EU calls on the South Ossetian side to undertake similar steps. At the same time, full implementation of all demilitarisation agreements, which were reached in the Joint Control Commission in the past, remains crucial for the peace process and are long overdue.
7. The EU welcomes the intensive and fruitful cooperation by all sides on the economic Needs Assessment Study, which is being coordinated by the OSCE Mission to Georgia and the results of which may prove to be instrumental in the area of economic confidence building and development. Based on the outcome of the study, the EU will consider further support.
8. The EU also welcomes the recent round of consultations between the Georgian government and the Venice Commission on the draft law on restitution of property of victims of the Georgian-Ossetian conflict. The EU would appreciate to be kept informed on further steps by the Georgian government towards the adoption and implementation of the draft law, including consultations with all sides involved.
9. More generally, the EU underlines the value of the Georgian leadership's commitment to political and economic reforms, based on respect for democratic values, rule of law and human rights. In this context the EU underlines the importance of continued efforts by the Georgian government towards the consolidation of democratic institutions in Georgia. This seems particularly valid with regards to reform of the judiciary and penal conditions in Georgia. The EU reiterates its readiness to continue to assist Georgia in the development of democratic institutions and the rule of law
10. In conclusion, Mr Chairman, the EU has appreciated this opportunity to exchange views on the situation in Georgia and thanks the Prime Minister for his appearance in this special Permanent Council today.

The Acceding Countries Bulgaria and Romania, the Candidate Countries Turkey, Croatia* and the former Yugoslav Republic of Macedonia*, the Countries of the Stabilisation and Association Process and potential candidates Albania, Bosnia and Herzegovina, Serbia and Montenegro, EFTA country Norway, a member of the European Economic Area, as well as Ukraine and the Republic of Moldova align themselves with this declaration.

*Croatia and the former Yugoslav Republic of Macedonia continue to be part of the Stabilisation and Association Process