

# Highway of injustice

How EIB-financed East-West road projects in Georgia impact local communities

For more information

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## Contents

Executive summary.....	3
Introduction .....	5
Country context.....	6
The shift towards authoritarianism: Shrinking civic space and its impact on development projects .....	6
Project promoter’s long history of bullying and harassment.....	8
Structural discrimination and social exclusion of the Azerbaijani in Marneuli and beyond .....	10
East–West Highway Projects in Marneuli: Field visit findings .....	11
Rustavi–Red Bridge .....	11
Algeti–Sadakhlo.....	15
Violations of EIB Environmental and Social Standards (2018).....	19
Conclusions and recommendations .....	21
Recommendations for the EIB.....	22

## Executive summary

In 2021, the European Investment Bank (EIB) approved EUR 106.7 million in financing for two major road infrastructure projects – Algeti–Sadakhlo and Rustavi–Red Bridge – covering over 60 kilometres of highway upgrades in southern Georgia. Both projects are individual sections of the East–West Highway, Georgia’s main road artery, which forms part of the international E60 Highway. Aimed at improving safety, efficiency, and regional connectivity, the projects are part of the EIB’s broader EUR 1 billion investment package in Georgia’s transport sector. Construction is expected to begin by the end of 2025.

To assess compliance with the EIB’s Environmental and Social Standards (2018), Green Alternative and CEE Bankwatch Network conducted field visits to the two project sites and their neighbouring municipalities in June and July 2025. We visited 26 villages and carried out interviews using a snowball sampling method to gather first-hand accounts of issues regarding compensation, resettlement, consultation, and access to information. The field visits, as well as a prior review of project documents, legal orders, and media reports, revealed recurring concerns across the communities visited.

Project-related risks vary significantly depending on the country context and the capacity of institutions to mitigate these risks or provide redress in line with international donor standards. In this context, the ongoing political and human rights crisis in Georgia must be taken into account when examining risks related to project implementation and community welfare. Since spring 2024, the ruling Georgian Dream party has been dismantling democratic institutions, consolidating power, repressing civil society, and eroding the EU accession process. As a result, the people of Georgia have been subjected to violent crackdowns and politically motivated arrests, which have coincided with arbitrary lawmaking, a breakdown of the judicial system, and diminished public transparency and accountability.

The promoter of the Algeti–Sadakhlo and Rustavi–Red Bridge projects – the Roads Department of the Ministry of Infrastructure of Georgia – has a long-standing record of rights violations, relying heavily on expropriation to push forward road construction projects while neglecting meaningful engagement with affected communities. Between January 2024 and August 2025, it was responsible for 69 per cent of all expropriation requests in the country, reflecting its failure to negotiate with landowners and a broader disregard for due process. Weak legal frameworks, conflicts of interest within the expropriation system, and limited judicial oversight allow the Department to use expropriation as a tool of coercion, often leaving affected families without fair compensation or access to redress. Despite receiving significant donor funding and being obliged to uphold international safeguards, the Department continues to implement projects hampered by major flaws and irregularities. This has led to devastating social, environmental and cultural impacts.

The two projects primarily affect Marneuli, Georgia’s largest municipality and home to a majority ethnic Azerbaijani population. This community has long faced structural discrimination and social exclusion, resulting in restricted political participation, inadequate access to basic public services, and major challenges arising from unresolved land issues and language barriers. Women in particular face intersecting vulnerabilities, including high rates of early marriage, limited educational and economic opportunities, and lack of protection from violence by state institutions.

The Rustavi–Red Bridge section of the East–West Highway, extending to the border with Azerbaijan, affects 10 villages in Marneuli as well as parts of the city of Rustavi, located around 25 kilometres southeast of the

Georgian capital, Tbilisi. In total, 215 households, 879 individuals, and 23 businesses have been impacted. Our field interviews reveal a widespread lack of information and consultation, with many residents unaware of project details, timelines, or the implications for their livelihoods and farmland access. Roadside vendors and small business owners, already hit hard by the long-standing closure of the Azerbaijan border, face further uncertainty and lack of support, as they have been instructed to dismantle their stalls and kiosks without compensation or relocation plans. Land acquisition has been characterised by low compensation offers, lack of clarity over affected parcels, and the exclusion of leaseholders from the compensation scheme.

The Algeti–Sadakhlo section, extending to the border with Armenia, affects an estimated 540 households and 2,435 people across 16 villages in Marneuli. Impacts include cases of physical displacement as well as significant disruptions to agriculture and local businesses. Residents reported being informed about the project only after land acquisition had begun, and felt pressured into accepting unfavourable terms, often through coercive tactics by Roads Department officials. The use of expropriation has led to fear and confusion, especially among ethnic Azerbaijanis, who face language barriers and have limited trust in state institutions. Some locals consider the expropriation as amounting to outright confiscation, with the Roads Department doing little to explain the nature of the legal proceedings. The situation in the village of Kirovka highlights these issues acutely. Here, residents facing physical resettlement reported harassment following the undervaluation of their properties and threats of expropriation.

A review of the project documents and field evidence indicates that at least three of the EIB's Environmental and Social Standards (2018) were violated in both the Rustavi–Red Bridge and Algeti–Sadakhlo projects. Standard 6 on involuntary resettlement was breached due to the absence of land-for-land compensation and insufficient measures to address livelihood losses. Standard 7 on vulnerable groups was disregarded, as the project promoter failed to recognise the specific socio-political challenges faced by ethnic Azerbaijani communities, including systemic discrimination, language barriers, and gender inequality. Standard 10 on stakeholder engagement was also breached, with no access to meaningful consultations or key project documents. No significant steps were taken to address the language barriers or ensure equal opportunities for women to participate in decision-making.

To bring the project into compliance with its Environmental and Social Standards, the EIB should ensure that a high-level analysis of the discrimination and vulnerabilities of the Marneuli and Rustavi municipalities is carried out along with a comprehensive social assessment. Based on these findings, stakeholder engagement plans should then be developed, focusing particularly on the participation of women. The EIB should further ensure that land acquisition and resettlement plans are revised and that project monitoring is strengthened by appointing qualified social and environmental specialists to oversee compliance throughout the project cycle.



## Introduction

In 2021, the EIB approved financing for two road infrastructure projects aimed at upgrading the southern sections of Georgia's East–West Highway. The Algeti–Sadakhlo project (FL 20170159) involves the construction of a 30-kilometre stretch leading to the border with Armenia, while the Rustavi–Red Bridge project (also FL 20170159) covers a 32-kilometre section extending to the border with Azerbaijan.



Road alignments. Photo: Google Earth

These upgrades are intended to enhance road safety, reduce travel times and vehicle costs, and improve regional connectivity. Together, they form part of the EIB's broader investment of nearly EUR 1 billion in upgrading the East–West Highway since 2012.

Construction on the two projects is set to begin by the end of 2025. Most of the work will take place within the boundaries of Marneuli, while a short initial stretch of the Rustavi–Red Bridge section will begin within the city limits of Rustavi.

Marneuli is situated in the eastern part of Georgia's Kvemo Kartli region and is home to more than 109,000 residents, making it one of the country's most populous municipalities.<sup>1</sup> To the south, it borders both Azerbaijan and Armenia. Marneuli is also one of the country's largest agricultural centres, its key sectors including grain production, vegetable farming, tobacco cultivation, viticulture, and livestock farming.

To evaluate the compliance of the two projects with the EIB's Environmental and Social Standards, a joint team from Green Alternative and CEE Bankwatch Network conducted field visits to the two municipalities, including the proposed construction sites, on 12 June, 13 June, 2 July, and 8 July 2025. Prior to these visits, we reviewed relevant project documents, including land acquisition and resettlement plans, environmental and social impact assessments, road alignment maps, and ministerial orders granting expropriation rights. Relevant news articles and other media reports were also consulted.

Twenty-six villages affected by the project were identified and visited. In each location, at least two individuals were interviewed. Initial respondents were selected randomly, often approached in streets or public gathering areas. These individuals then directed us to other community members with relevant experiences, enabling a snowball sampling approach. Interviews were conducted both one-on-one and in small groups, covering a wide range of topics, including project expectations, compensation adequacy,

<sup>1</sup> National Statistics Office of Georgia, [მოსახლეობის რიცხოვნობა 1 იანვრის მდგომარეობით რეგიონების და თვითმმართველი ერთეულების მიხედვით](#), National Statistics Office of Georgia, accessed 11 August 2025.

resettlement conditions, access to information and grievance mechanisms, consultation experiences, local infrastructure and service needs, and broader socio-political and economic dynamics. This qualitative, field-based approach allowed us to document first-hand perspectives and identify recurring issues across different project-impacted areas.

Conversations and interviews with over 80 local residents revealed significant issues related to land acquisition and resettlement, the rights and interests of vulnerable groups, and stakeholder engagement. Residents reported a pattern of harassment and intimidation by the Roads Department of the Ministry of Infrastructure – the promoter of the projects – as well as practices that appear to violate the EIB’s Environmental and Social Standards.

Our field visit report begins by outlining the broader context in which the projects are being implemented, including recent political developments in Georgia that may pose contextual risks. It then provides background on the promoter, highlighting a documented pattern of problematic practices in relation to its previous infrastructure projects. The report further examines the human rights situation of the Azerbaijani minority in Georgia, with a particular focus on the Marneuli region, where many affected communities reside. The final sections present key findings from the fact-finding missions, concluding with a set of recommendations aimed at addressing the identified shortcomings.

## Country context

### The shift towards authoritarianism: Shrinking civic space and its impact on development projects

Over the past decade, Georgia has emerged as a model country for multilateral development banks, thanks to its reform agenda, improvements in governance, and strengthened institutional capacity. Though Georgia has remained a hybrid political regime since regaining independence in 1991, there has been a clear sense of positive developmental momentum, with the government and the public sharing a vision of a sustainable, democratic, and prosperous future through EU membership. This sustained social cohesion culminated in 2018 when the Georgian parliament enshrined in the constitution a commitment to ensure Georgia’s full integration into the EU and NATO.<sup>2</sup> Towards that goal, Georgia received robust support from a range of international partners, including the EU and its Member States, the United States, the United Kingdom, Canada, Norway, and Japan. These aspirations also rejuvenated international investor interest in the country.

Georgia’s commitment to EU integration has been central to the country’s developmental framework, driving progress in governance, competitiveness, and human and environmental rights in recent decades. Even the adoption of Georgia’s Environmental Assessment Code – which regulates environmental impact assessments and strategic environmental assessments used to evaluate and mitigate the environmental effects of proposed projects or policies – was motivated by the EU association process.<sup>3</sup> Opening civic space and increasing opportunities for public participation formed part of this commitment, providing mechanisms for society to influence the country’s development strategies. As institutional frameworks

<sup>2</sup> Civil Georgia, [New Constitution Enters into Force](#), *Civil Georgia*, 17 December 2018.

<sup>3</sup> Csaba Kiss, Ketevan Vardosanidze, [Access To Environmental Justice In Georgia: Baseline Assessment](#), *United Nations Development Programme*, October 2023.

strengthened and the vibrancy of civil society increased, communities within Georgia gained, if not always enhanced access to justice, at least a better understanding of their rights.

All of this progress, however, came to a shuddering halt in 2024. Under the influence of its billionaire leader and former prime minister, Bidzina Ivanishvili, the ruling Georgian Dream party moved to tighten its grip on power, capturing state institutions for its own benefit. This move precipitated a downward spiral towards authoritarianism in the spring of that year with the introduction of restrictive legislation targeting independent media and civil society organisations. The fraudulent October 2024 elections, described by European legislators as neither free nor fair, resulted in the accession of an illegitimate parliament entirely dominated by a single party.<sup>4</sup> The crisis reached a tipping point on 28 November 2024, when the government announced it would postpone the start of accession negotiations with the EU until 2028.

Since then, despite a state-orchestrated campaign of terror, an unprecedented violent crackdown on demonstrations, arbitrary lawmaking, politically motivated arrests, intimidation, harassment, and financial extortion through exorbitant fines, the people of Georgia have taken to the streets to safeguard civic space and reaffirm their commitment to EU integration. Many have paid a heavy price for their resistance. Over 60 political prisoners have been detained, with opposition figures, students, a teacher, a poet, and a journalist among their ranks.<sup>5</sup>

Between February and July 2025, over 40 new laws or amendments were introduced in a mere 5 months – representing a concerted effort to undermine the rule of law, weaken civil society, silence independent media, target opposition parties, and politicise public sector appointments across party lines.<sup>6,7</sup> The independence of the judicial system has also been severely compromised.<sup>8</sup>

The ongoing breakdown of governance institutions has reversed progress across all sectors. Requirements for civil society participation in drafting laws, regulations, sectoral strategies, action plans, and consultative bodies have been scrapped from all relevant legislation.<sup>9</sup> Public access to information has sharply declined since 2022,<sup>10</sup> while procedures for obtaining environmental approvals have been simplified in favour of project developers.<sup>11</sup>

The government's repressive measures have isolated Georgia internationally and drawn widespread condemnation, with sanctions imposed on key officials as well as on the country's de facto ruler, billionaire oligarch Ivanishvili. On 8 July 2025, members of the European Parliament called for 'the EU and its Member

<sup>4</sup> Gabriel Gavin, [Georgia election was not fair and must be re-run, European Parliament concludes](#), *Politico*, 28 November 2024.

<sup>5</sup> Civil Georgia, [Opposition Politicians Jailed – International Reactions](#), *Civil Georgia*, 27 June 2025.

<sup>6</sup> OC Media, [Explainer | The 16 legislative changes that have shaped Georgia's authoritarian slide](#), *OC Media*, 4 June 2025.

<sup>7</sup> Tea Topuria, [40-მდე კანონი 5 თვეში - რა მოასწრო „ქართული ოცნების“ პარლამენტმა საგაზაფხულო სესიაზე](#) *Radio Free Europe/Radio Liberty*, 15 July 2025.

<sup>8</sup> Transparency International Georgia, [A Violent System Against Independent Media](#), *Transparency International Georgia*, 3 May 2025.

<sup>9</sup> Civil Georgia, [Georgian Dream Parliament Approves a Series of Repressive Legislative Amendments in First Reading](#), *Civil Georgia*, 4 March 2025.

<sup>10</sup> Institute for Development of Freedom of Information, [Freedom of Information in Georgia: Media and Society in the Face of Systemic Illegality](#), *Institute for Development of Freedom of Information*, 20 January 2025.

<sup>11</sup> Anuka Jokhadze, [“ინფრასტრუქტურული პროექტების შესრულება გაცილებით ადრე დაიწყება” - ICCA გარემოსდაცვითი შეფასების კოდექსში ცვლილებებზე](#), *Business Media Georgia*, 22 July 2025.

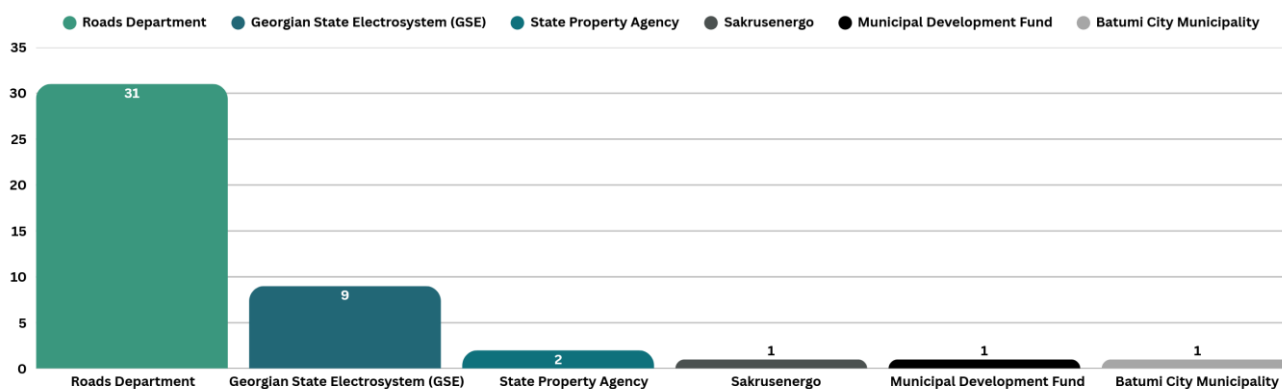
States to introduce, on a bilateral and coordinated basis, personal sanctions against key Georgian Dream political leaders, officials and the regime’s enablers’.<sup>12</sup> With the government continuing to dismantle checks and balances and a broader climate of fear and intimidation taking hold across the country, risks associated with the implementation of development projects have become an increasing concern.

### Project promoter’s long history of bullying and harassment

Responsible for the design, development, and maintenance of international and national roads in the country, the Roads Department of the Ministry of Infrastructure<sup>13</sup> has been at the forefront of the country’s highway construction. The Roads Department’s environmental and social issues unit is responsible for overseeing environmental impact assessments, ensuring compliance with social safeguards, managing land acquisition and resettlement plans, and addressing the economic consequences of highway construction. However, their track record on all of these fronts leaves much to be desired.<sup>14</sup>

During its tenure, the Roads Department has overseen the construction of hundreds of kilometres of roads and highways without properly assessing or mitigating the negative environmental and social impacts of these projects, often disregarding people’s lands and livelihoods in the name of the ‘public interest’. A major concern is its frequent and loose use of expropriation proceedings against affected communities.<sup>15</sup> Between 1 January 2024 and 31 August 2025, the Roads Department submitted 31 out of a total of 45 expropriation requests in Georgia, accounting for approximately 69 per cent of all cases during that period. This trend highlights the Roads Department’s consistent failure to successfully complete negotiations with people impacted by its projects.

**Graph 1.** Breakdown of expropriation requests by institution in Georgia between 1 January 2024 and 31 August 2025 (adapted data obtained from: [Legislative Herald of Georgia](#)).



<sup>12</sup> Committee on Foreign Affairs, [Motion for a European Parliament Resolution on the 2023 and 2024 Commission Reports on Georgia \(A10-0110/2025\)](#), *European Parliament*, 9 July 2025.

<sup>13</sup> The Ministry of Infrastructure was reorganised in April 2025, leading to the creation of two distinct ministries: the Ministry of Regional Development and the Ministry of Infrastructure. The Roads Department continues to operate under the Ministry of Infrastructure.

<sup>14</sup> State Audit Office of Georgia, [ვეფექტიანობის აუდიტის ანგარიში | შიდასახელმწიფოებრივი გზების აქტივების მართვის პროექტი \(SRAMP\)](#), *State Audit Office of Georgia*, 11 September 2024.

<sup>15</sup> Kety Gujaraidze, [აუცილებელი საზოგადოებრივი საჭიროებისთვის საკუთრების ჩამორთმევის მარეგულირებელი კანონმდებლობა საქართველოში და მისი შესაბამისობა გაერო-ს სურსათისა და სოფლის მეურნეობის ორგანიზაციის \(FAO-ს\) სახელმძღვანელო მითითებებთან](#), *Green Alternative*, July 2016.



The deeply flawed legal framework for expropriations certainly plays into the hands of the Department. The lack of transparent criteria and meaningful public consultations restricts affected rights holders from participating in decision-making or proposing alternatives, making expropriation nearly impossible to prevent.<sup>16</sup>

The process for granting expropriation rights to a state authority relies on a ministerial order from the Ministry of Economy and Sustainable Development, as well as a court decision. A 10-member expropriation commission, appointed by the Ministry of Economy, initially reviews these cases. However, conflicts of interest arise, given that its permanent members typically include high-ranking officials from the very institutions that frequently seek expropriation rights.<sup>17</sup> Although the courts are involved in the decision-making process, their role tends to be formal in nature, focusing more on determining fair compensation rather than assessing the necessity or inevitability of expropriation, as the law lacks explicit provisions for this purpose. Moreover, appealing a first-instance court decision does not necessarily suspend expropriation, meaning property can be seized from the owner even if the dispute remains unresolved. Given the systemic corruption and entrenched political influence among Georgia's judiciary, public trust in the legal process is at an all-time low.<sup>18,19</sup> Capitalising on this bias, the Roads Department often weaponises court proceedings to intimidate project-affected people.<sup>20</sup>

Georgia's public ombudsman has documented a recurring pattern in which many affected families report being denied compensation, offered unfair settlements, or excluded entirely from project resettlement plans.<sup>21,22</sup> The ombudsman's office has received complaints related to damage caused by construction, loss of orchards and livelihoods, worsening noise and air pollution, and increased geological hazards. Additionally, a 2023 parliamentary report highlighted inconsistent referrals to the national forensics bureau for property impact assessments and poor coordination between the bureau and the Roads Department. The ombudsman contended that these issues undermined efforts to address grievances and restore rights. Citizens further report limited access to information and few opportunities to participate in decisions affecting their livelihoods.<sup>23</sup>

Despite being one of Georgia's top recipients of international funding and therefore subject to strict donor safeguards, the Road Department has presided over road construction projects marred by major irregularities in project planning, design and implementation – shortcomings that have caused devastating

<sup>16</sup> According to the current legal framework, expropriation may occur either under general public interest projects, as defined by the 1999 Law on Expropriation for Compelling Public Need, or in cases of emergency, as defined by the 1997 Organic Law on Emergency Public Need. The 1999 law identifies specific types of projects – such as infrastructure, utilities, and national defence – that may justify expropriation, although some provisions, including a broad category titled the 'construction of buildings necessary for public need', lack clarity and may be overly inclusive. The law also fails to define clear criteria for assessing what qualifies as a compelling need.

<sup>17</sup> The ministerial order determines the inevitability of expropriation for essential public needs and identifies the entity that may be granted the right of expropriation.

<sup>18</sup> Irakli Kordzakhia, Jim Moliterno, Sopho Verdzeuli, [Control, Resistance, and Collaboration: Periods of Georgian Judicial Administration](#), *Georgian-German Journal of Comparative Law*, 62–74, March 2025.

<sup>19</sup> Tamar Ketsbaia, [Trust in the Judiciary](#), *Gnomon Wise*, June 2023.

<sup>20</sup> For more information, see the case study on Kirovka (Mamei) village featured in this report.

<sup>21</sup> Public Defender of Georgia, [საქართველოში ადამიანის უფლებათა და თავისუფლებათა დაცვის მდგომარეობის შესახებ 2021 წელი საქართველოს სახალხო დამცველის ანგარიში](#), *Public Defender of Georgia*, 203, 204, 2021.

<sup>22</sup> Public Defender of Georgia, [საქართველოში ადამიანის უფლებათა და თავისუფლებათა დაცვის მდგომარეობის შესახებ 2023 წელი საქართველოს სახალხო დამცველის ანგარიში](#), *Public Defender of Georgia*, 224, 225, 2023.

<sup>23</sup> Public Defender of Georgia, [საქართველოში ადამიანის უფლებათა და თავისუფლებათა დაცვის მდგომარეობის შესახებ 2024 წელი საქართველოს სახალხო დამცველის ანგარიში](#), *Public Defender of Georgia*, 266, 267, 2024.

social, environmental and cultural impacts.<sup>24,25</sup> The Department frequently resorts to expropriation and continues to violate human rights, even in major donor-backed projects.<sup>26,27</sup> The sheer volume and consistency of complaints – recorded through various independent accountability mechanisms across nearly all donor-financed road projects overseen by the Roads Department – further highlight the magnitude of the problem.<sup>28–30</sup>

### Structural discrimination and social exclusion of the Azerbaijani in Marneuli and beyond

Marneuli is Georgia's largest municipality, where ethnic minorities – primarily ethnic Azerbaijanis – make up the majority. Given the persistent social and economic challenges faced by minority communities across the country,<sup>29,30</sup> Marneuli has long been a focal point for concerns over the discrimination and marginalisation of the Azerbaijani population,<sup>31</sup> who encounter systemic barriers to political participation and lack access to vital resources and basic social programmes.<sup>32</sup> Distrust in government institutions is widespread among ethnic Azerbaijanis due to repeated discrimination, exclusion and, in some cases, targeted harassment.

In Marneuli, like in other Azerbaijani-populated areas of Georgia, language barriers remain acute. Most residents, especially older people, do not speak Georgian, yet public communication is conducted almost exclusively in the state language. Authorities have largely failed to address this gap, despite being obliged under national law and binding international treaties ratified by Georgia to ensure equal access for minority communities.<sup>33</sup>

Access to land presents further challenges in several Marneuli villages. Many Azerbaijani locals view past privatisation processes as unjust and exclusionary. Deprived of farmland and pastures, some have chosen to emigrate, while many others have been forced to rent small plots or work as low-wage labourers. Women in particular are often relegated to poorly paid work in greenhouses. Meanwhile, large swathes of land remain idle in the hands of absentee leaseholders.<sup>34</sup> Some villages impacted by the two EIB-backed road

<sup>24</sup> Mariam Patsatsia, [Georgia's highway dilemmas and the Asian Development Bank](#), CEE Bankwatch Network, May 2024.

<sup>25</sup> Beril Ocaklı, Valentin Krüsmann, 'Whom the Roads Bypass: Rikoti's East-West Connections in a Disconnecting Georgia', *Mobilities*, January 2025, 1–21, doi:10.1080/17450101.2024.2445808.

<sup>26</sup> Mikheil Gvazdabia, [ექსპროპრიაცია: გზების მშენებლობის გამო მოქალაქეებსა და კომპანიებს მიწებს ჩამოართვევენ](#), *Netgazeti*, 12 August 2020.

<sup>27</sup> Luka Pertaia, [კობი-ქვეშეთის გზისთვის 1 კვ.მ მიწაში 5.6 ლარი 58 მესაკუთრეს შევთავაზეთ – გზების დეპარტამენტი](#), *Netgazeti*, 7 February 2020.

<sup>28</sup> European Bank for Reconstruction and Development, [North-South Corridor \(Kvesheti-Kobi\) Road Project](#), *European Bank for Reconstruction and Development*, 27 September 2019.

<sup>29</sup> Institute for Social Research and Analysis, [ეთნიკური უმცირესობების წარმომადგენლების სოციალური](#), *Institute for Social Research and Analysis*, 2022.

<sup>30</sup> Nargiza Arjevanidze, [კულტურული დომინაციის და უმცირესობების კულტურის წაშლის ნიშნები ქვემო ქართლის რეგიონში](#), *Social Justice Center*, 2020.

<sup>31</sup> Publika, [როგორ და რატომ არიან ეთნიკური უმცირესობები საქართველოში გარიყულები?](#), *Publika*, 14 December 2022.

<sup>32</sup> Kamran Mamedli, [მარნეულის მუნიციპალიტეტის სოფლების საჭიროებების მიმოხილვა](#), *Social Justice Center*, 25 March 2020.

<sup>33</sup> Nargiza Arjevanidze, [კულტურული დომინაციის და უმცირესობების კულტურის წაშლის ნიშნები ქვემო ქართლის რეგიონში](#), *Social Justice Center*, 2020.

<sup>34</sup> Kamran Mamedli, [მარნეულის მუნიციპალიტეტის სოფლების საჭიროებების მიმოხილვა](#), *Social Justice Center*, 25 March 2020.

projects have also witnessed long-standing disputes over land ownership between ethnic Azerbaijani communities and ethnic Georgians, including the Georgian clergy.<sup>35,36</sup>

Women in Marneuli face overlapping vulnerabilities. Limited access to education and cultural or educational spaces, combined with the burden of unpaid labour, is exacerbated by the scarcity of preschools and supporting infrastructure. Excluded from political and social life, these women are often left unprotected and neglected by state institutions in cases of violence. Azerbaijani women face disproportionately high rates of early marriage and premature school leaving. According to the 2018 Multiple Indicator Cluster Survey, 37.6 per cent of Azerbaijani women aged 20 to 24 were married before the age of 18 – the highest among Georgia’s major ethnic groups.<sup>37</sup>

## East–West Highway Projects in Marneuli: Field visit findings

### Rustavi–Red Bridge

The Rustavi–Red Bridge route will extend the East–West Highway to the Georgia–Azerbaijan border. The project is split into two construction segments: from the Rustavi motor market to Algeti farm, and from there to Red Bridge. Rustavi city’s southwestern edge, as well as a total of 10 villages in Marneuli – Ambarovka, Algeti Farm, Keshalo, Azikendi, Didi Mughanlo, Yilmazlo, Kapanakhchi, First Kesalo, Second Kesalo, and Kirach–Mughanlo – fall within the project’s impact zone.

According to the land acquisition and resettlement plan, 215 households comprising 879 individuals are impacted. Of these, 117 households face direct land loss and 4 will be physically displaced. Twenty-three local businesses will also be affected.<sup>38</sup> On 15 June and 8 July 2025, we interviewed over 35 individuals in Rustavi and all 10 affected villages, with at least two participants interviewed in each location. The largest number of interviews took place in Ambarovka, where 7 individuals – including 2 women – were consulted.

### Stakeholder engagement and access to information

Many of the residents we interviewed remain uninformed about even the most basic details of the project. They were unaware of the precise road alignment, how their villages would be affected, when construction is set to begin, how long it will last, where underpasses will be built, how access to agricultural plots will be maintained, how villages will connect to the highway, and what mitigation measures are planned to address air and noise pollution.

Strikingly, nearly half of those we interviewed consider the road construction more of a rumour than an imminent reality. Only individuals directly impacted by the project or those living near villages where the

<sup>35</sup> Social Justice Center, [გლეხები მარნეულიდან - უფლება და საჭიროება მიწაზე](#), Social Justice Center, 5 February 2021.

<sup>36</sup> In 2021, tensions flared between ethnic Azerbaijani residents and the Georgian clergy over long-standing land disputes in the village of Meore Kesalo. Despite years of demands, Azerbaijani farmers continue to be denied access to agricultural land due to incomplete land reform, alleged church interference, and historically unfair distribution. For years, the clergy collected high rental fees without legal ownership documents. When villagers mounted a challenge, seeking legal access through the state, they were met with renewed obstruction, reportedly under church pressure. The dispute remains unresolved.

<sup>37</sup> Joanna Pares Hoare, [Child Marriage in Georgia](#), United Nations Population Fund Georgia, 12, 22 April 2020.

<sup>38</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Land Acquisition and Resettlement Plan Rustavi - Red Bridge Road \(Lots 1 and 2\)](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 22, August 2020.

construction company has inquired about renting accommodation have some sense that the project is moving forward; though even they are unclear on the actual timelines.

Most of the locals did not recall ever receiving information about public hearings or consultations on environmental impact assessments, and reported having had no opportunity to influence the decisions made regarding the project. Only people directly affected by land acquisition, for instance, remember meetings with Roads Department representatives in Marneuli. Several residents said they only became aware of the project when unannounced surveyors showed up to measure their plots, marking the start of the land acquisition process.

None of the people we spoke to, including those impacted by resettlement and land acquisition, were given access to project-related documents, such as the environmental and social impact assessment and land acquisition and resettlement plan.

### **Risks to roadside economies yet to be addressed**

Roadside vendors along the existing route from Rustavi to Red Bridge have been struggling since spring 2020, when Azerbaijan closed its land border with Georgia due to the COVID-19 pandemic. For over five years now, only cargo trucks have been allowed to cross into Georgia, with regular citizens barred from entry. This prolonged closure has led to a significant decline in road traffic, costing Georgia more than 1.5 million potential tourists from Azerbaijan annually.<sup>39</sup> Ironically, the expectation of increased tourism and cross-border traffic was one of the main arguments used to justify the project.

The collapse in traffic has forced many roadside vendors, such as those offering drive-through food and coffee services, out of business. However, some still keep their empty stalls by the roadside. One vendor, a man in his late sixties, told us the Roads Department instructed him to dismantle his old roadside structure. However, he was not offered any compensation, even though the land acquisition and resettlement plan set 8 April 2019 – roughly one year before the border closure – as the official cut-off date for compensation eligibility under the road project, and he had been pursuing his trade prior to this date.

Shop and restaurant owners along the existing route who stayed afloat also remain largely unaware of how the planned highway project may impact their livelihoods. Although the land acquisition and resettlement plan indicates that some of these individuals were contacted and asked to provide tax declarations, only 7 of the 23 businesses identified in the land acquisition and resettlement plan submitted the requested tax information. It remains unclear whether this is due to confusion, lack of outreach, or both.

Some business owners, both those currently out of business and those still operating, told us they would like to continue or resume their services in designated areas. However, there is widespread uncertainty about the steps required to achieve this. Neither the environmental and social impact assessment nor the land acquisition and resettlement plan outlines any support measures that could assist locals in sustaining or resuming their economic activities.

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<sup>39</sup> Civil Georgia, [Georgia-Azerbaijan Land Border to Remain Closed until July 2024](#), *Civil Georgia*, 13 March 2024.

## Land acquisition and resettlement

Agricultural activity is a primary or significant source of income for many residents in the project-affected villages. Nearly all families are also engaged in subsistence farming. However, extensive issues related to irrigation and access to water sources have left many farmers struggling to cope. According to local accounts, the situation worsened about two years ago when pumps drawing water from the Mtkvari and Khrami rivers went out of operation. It is common for farmers discouraged from cultivating crops in this area to shift to hay production instead.

Multiple reports indicate that the Roads Department has used the region's economic downturn to its advantage, offering lower compensation packages and more easily securing rights to private property. Several families who actively contested the initial offers generally succeeded in securing higher compensation; however, those who did not challenge the offers received less favourable terms. When asked about their hesitation to negotiate, many people expressed the belief that they could not possibly achieve a better deal.

Some families receiving compensation for only certain portions of their land are uncertain about which exact sections of their property are appropriated for the highway project and whether continuing cultivation on their land plots remains a viable option.

Unlike other areas in Marneuli, many residents in villages affected by the Rustavi–Red Bridge project do not own their farmland but lease it from the state. In most of these cases, the Roads Department informed leaseholders that their land would be acquired for the project, but provided no compensation, despite the land acquisition and resettlement plan outlining certain compensation entitlements. Of particular concern, the section describing the impact on leaseholders has been redacted from the publicly available version of the land acquisition and resettlement plan.<sup>40</sup> Leaseholders remain uncertain whether the state plans to at least adjust their contracts, given that the families affected will be leasing smaller areas of land. For now, many farmers continue to cultivate these plots.

The land acquisition and resettlement plan identifies an unusually high number of land plots – 120 plots totalling 507,592 square metres – occupied by individuals described in the plan as ‘squatters’.<sup>41</sup> However, it is unclear who these squatters are, as we were unable to meet anyone on the ground who fitted the broad description of private users illegally occupying state-owned land plots. None of the individuals we spoke with would identify themselves as such. This raises questions about whether some of the leaseholders, or those with potentially legitimate claims to the land, may have been classified as squatters. This situation could reflect broader issues related to land registration and land rights in Marneuli, highlighting discrepancies between local perceptions of land ownership or usage rights and the approach taken by the state, the Roads Department, and project consultants.

<sup>40</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Land Acquisition and Resettlement Plan Rustavi - Red Bridge Road \(Lots 1 and 2\)](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 30, August 2020.

<sup>41</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Land Acquisition and Resettlement Plan Rustavi - Red Bridge Road \(Lots 1 and 2\)](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 19, August 2020.





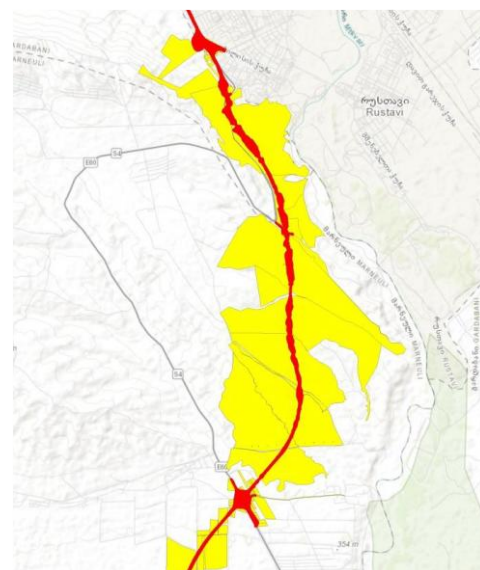
*Farmers work on their greenhouses at the foot of the Iagluja Plateau in the village of Ambarovka, 8 July 2025 (photo: Mariam Patsatsia).*

## A closer look: Iagluja Plateau and Ambarovka village

The complexities surrounding land issues in Marneuli make the land acquisition for the Rustavi–Red Bridge project particularly sensitive and precarious, as illustrated by the village of Ambarovka, located at the foot of the Iagluja Plateau.

This road project impacts agricultural lands on the Iagluja Plateau, owned by ethnic Georgian shepherds from the mountainous Kazbegi region, a local ethnic Azerbaijani landowner, and various registered private companies. The pastureland near the village is used by local cattle farmers from Ambarovka for grazing. The residents of the village also own arable land around the intersection near Algetis Meurneoba.

Owners of the pastureland on the Iagluja Plateau were offered a mere GEL 0.30 (about EUR 0.10) per square metre – an offer they consider unfair and insulting. They have since gone public with their grievances, recounting their story to Radio Free Europe/Radio Liberty.<sup>42</sup> One of the shepherds explained that the Department aims to expropriate a strip of their land roughly one kilometre long and 80 to 90 metres wide.



*Illustration adopted from a drawing in the project ESIA on the location of private plots under the impact of the project corridor<sup>43</sup>*

<sup>42</sup> Giorgi Mgeladze, „ისე წაიღონ, არ მინდა ეს 30 თეთრი“ - როგორ ჩამოართვეს სახელმწიფომ მიწა მეცხვარეებს, Radio Free Europe/Radio Liberty, 11 June 2025.

<sup>43</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Environmental and Social Impact Assessment: Rustavi-Red Bridge Section](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 204, 2019.

The highway would cut through this land, separating cattle farms, shelters, and a river on one side from most of the pastures on the other. The shepherd requested a land swap, proposing to exchange the affected land for nearby state-owned property. However, the Roads Department denied the request, stating that they do not facilitate land swaps and that it falls beyond their authority. Additionally, residents raised concerns that privatising nearby pastures through a land swap would deprive cattle farmers of adequate grazing areas, placing them at a significant disadvantage.

Ambarovkans who own arable land near the first intersection, where the proposed road descends from the Plateau, have reported losing ownership of their more fertile plots, which they did not intend to sell but were compelled to relinquish at prices below market value. According to locals, while the market value for 100 square metres in their area is approximately USD 1000, they were paid only GEL 200 (USD 74).

Following purchase offers from the Roads Department, local authorities intervened to persuade residents that opposing the sale was futile. Ambarovkans have also highlighted inadequate communication regarding the land transfer process. Many remain unaware of which specific parts of their plots were acquired by the Roads Department.

Residents in the community have raised significant concerns regarding the lack of social infrastructure, particularly the absence of irrigation water due to a shortage of pumps. Ambarovka depends on pumps from a neighbouring village, which can result in delays of up to two weeks for their crops to be watered. The residents believe that having a dedicated pump for their village would greatly improve the situation, despite Ambarovka lying downstream from other communities. The water issue is particularly troubling for women, who often have to bring their preschool-aged children to the farmland while they work, as there is no village school available.

## Algeti–Sadakhlo

The Algeti–Sadakhlo section will connect with Rustavi–Red Bridge at the junction between the villages of Azizkendi and Didi Mughanlo, extending the East–West Highway towards Armenia. The project impacts 16 villages, including Azizkendi, Araflo, Didi Mughanlo, Kurtlari, Zemo and Kvemo Kulari, Kirikhlo, Akhali Mamudlo, Dashtafa, Mareti, Zemo and Kvemo Sarali, Seydgojalo, Shulaveri, Akhlo Lalalo, Damia–Geurarkh, Kirovka (Mamei), and Sadakhlo.

According to the land acquisition and resettlement plan, the road expansion will affect 540 households comprising a total of 2,435 people. Among them, 518 households are set to lose land, while 17 will face physical displacement due to residential property loss.<sup>44</sup> Additionally, 10 leaseholders will face a reduction in agricultural income, and 14 local businesses will be disrupted – though only 4 of these businesses provided tax returns. In total, approximately 96 employees from these 4 businesses will be affected.<sup>45</sup> The plan identifies 432 households as being ‘severely affected’ and notes that 77 of these households are headed by women, categorising them as particularly vulnerable.<sup>46</sup>

<sup>44</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Land Acquisition and Resettlement Plan Rustavi - Algeti - Sadakhlo Road \(Lots 3 and 4\)](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 25, August 2020.

<sup>45</sup> Ibid.

<sup>46</sup> Ibid.



Field interviews were conducted on 16 June, 2 July, and 8 July 2025. Close to 50 individuals were interviewed across all affected locations, with no fewer than 2 participants from each village.

### **Stakeholder engagement and access to information**

Conversations with locals reveal that stakeholder engagement and information dissemination have been inadequate at best. Their accounts are very similar to those of the people affected by the Rustavi–Red Bridge project. Though locals directly affected by land acquisition and resettlement have some general knowledge about the project, the broader population of impacted villages remains largely uninformed. Only a handful of project-affected individuals said they participated in the meetings where the environmental and social impact assessment and land acquisition and resettlement plan were presented. They describe the process as a one-way street: They received some information, but at no point were they encouraged to meaningfully contribute or assured that their input would influence the project’s design or implementation.

Since access to project documents has not been provided, people lack critical information about the project’s scope and implications. Locals, for instance, are uncertain about the road’s alignment, how construction activities will be conducted, and what disruptions they should anticipate as the project moves forward.

Most of the individuals we spoke to learned about the project and its impacts on their livelihoods only after the land acquisition process had begun. Two locals recounted that their first contact with the Roads Department was through a text message, in which the authorities instructed them to arrive at the Department’s office in Tbilisi. They went to Tbilisi without knowing the exact reason for being summoned but felt obliged to go since it was a message from the authorities. At the meeting, many attendees learned about the project for the first time, including the fact that their private property would be needed for its completion. Some residents signed agreements to sell their land on the day of the meeting, having only just seen the documents.

### **Land acquisition and resettlement**

Agriculture is important for villages in this area as well. However, agricultural practices are not uniform: in some villages, like Seidgojalo, people rely completely on agriculture, while in others, like Akhlo Lalalo, locals tend to have paid employment and use land plots for subsistence farming.

During our visit, we found that most of the project-impacted households had already accepted the compensation offered by the Roads Department. However, many said they regretted the decision. Very few people were satisfied with the amount they received, and no one considered it fair. They explained that the compensation was so low that it did not allow them to purchase alternative land. Others said the compensation was no more than what they earned in a typical year from farming. One middle-aged man recounted that he viewed the land as an inheritance for his children but was forced to sell around one-third of it. The compensation allowed him to purchase only three or four truckloads of wood for his greenhouses.

Additionally, we noted a discrepancy between the compensations offered for fruit-bearing tree species and the amounts outlined in the land acquisition and resettlement plan. Information shared by locals about the evaluations of walnut trees, the most expensive fruit-bearing trees in the land acquisition and resettlement plan, served as a point of comparison.

The environmental and social impact assessment of the project suggests that, due to the large number of land plots available in the region, agriculture will not be negatively impacted.<sup>47</sup> However, this assessment overlooks the specific circumstances of individual families losing their land and, with it, their sources of income. The village of Seidgojalo, where people overwhelmingly depend on farming for income, is a case in point. According to locals, about 30 households have been impacted, with many of their land plots fragmented by the proposed project. The Roads Department offered compensation for land they considered necessary for the road but refused to purchase the remainder of the fragmented plots. Some locals were left with land plots on both sides of the highway and remain unsure whether using them would be feasible or make economic sense.

Similar to the area affected by the Rustavi–Red Bridge project, the land acquisition and resettlement plan documents a significant number of land plots, 110 to be exact, as occupied by squatters. Again, it is unclear who these individuals are and why they have been designated as such. The total area involved is 226,681 square metres.

### **Intimidation and harassment by the Roads Department**

‘There is no state here – it’s dead,’ said one project-affected person, recalling a series of tense encounters with a representative from the Roads Department who, he claims, pressurised his family into giving up their land on unfavourable terms. His story, however, was not a one-off. Across multiple villages, we heard eerily similar stories of bullying and intimidation by officials.

At the centre of many of these accounts is a man named Shota, reportedly in charge of land acquisition and resettlement in the area. His name came up again and again in interviews, with locals calling him a ‘bandit’ and a ‘fraud.’

Residents said the Roads Department came in with a take-it-or-leave-it attitude. Offers were presented as final, not open for discussion. ‘The state asked, so what could we do?’ was a common refrain in our conversations with locals. In Seidgojalo, for instance, villagers pointed to a neighbour who continues to dispute the Department’s terms as an example of what they see as a futile fight – one that would only wear them down and bring nothing but trouble.

A special area of concern is how the Roads Department is handling expropriation cases through ministerial orders and court decisions. The term expropriation itself, foreign to most locals, is being used to fuel fear and confusion. Many believe it gives the government unchecked power to take their land without proper or any compensation. Clearly, the Roads Department is not explaining legal procedures and is trying to use local confusion to its advantage. Stories shared by residents suggest that officials are also using potential expropriation proceedings in the courts as a tool for intimidation, eroding whatever little trust these communities retain in state institutions.

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<sup>47</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Environmental Impact Assessment \(EIA\) Report for the Construction and Operation Project of the East-West Highway \(E-60\) Algeti–Sadakhlo Section](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 187, 2019.



*The Khrami River in Marneuli, site of the future Algeti–Sadakhlo crossing, 2 July 2025 (photo: Mariam Patsatsia).*

### **A closer look: Kirovka (Mamei) village<sup>48</sup>**

The community in the village of Kirovka (also known as Mamei) is the most severely affected by the Algeti–Sadakhlo project. The planned highway cuts directly through the village, dividing it in two and requiring the demolition of 17 homes. Fourteen of those households have accepted the government’s compensation offers, but not without regret. One homeowner told us he underestimated the cost of restoring his livelihood and said the compensation he received was well below the property’s actual value.

According to residents, three families have refused the resettlement terms altogether, and six others are still holding on to land slated for acquisition. These families say they were never given a real opportunity to provide input during the project design and believe that the current route could have been altered to avoid their displacement. Their concerns go beyond money. What they most worry about is the loss of their home place, history, and the labour they have invested in their land over many decades. None of that, they say, has been acknowledged by the Roads Department. The locals also claim the Department is undervaluing their properties. One independent audit, commissioned by the impacted family and seen by our team, estimates their property is worth nearly twice the compensation being offered by the state.

The families have reported coming under significant pressure and harassment to accept terms they believe are unfair. At least one of these households had to hospitalise a family member due to the stress and fear of resettlement. It became clear to us that these people fear the Roads Department and do not trust the court system to fairly judge their case. Here again, at least one family shared their belief that expropriation would lead to ‘confiscation’ of their property.

That the legal process of expropriation is shrouded in mystery and, according to locals, deliberately so by the Roads Department, contributes to the confusion and fear felt among the community. For instance,

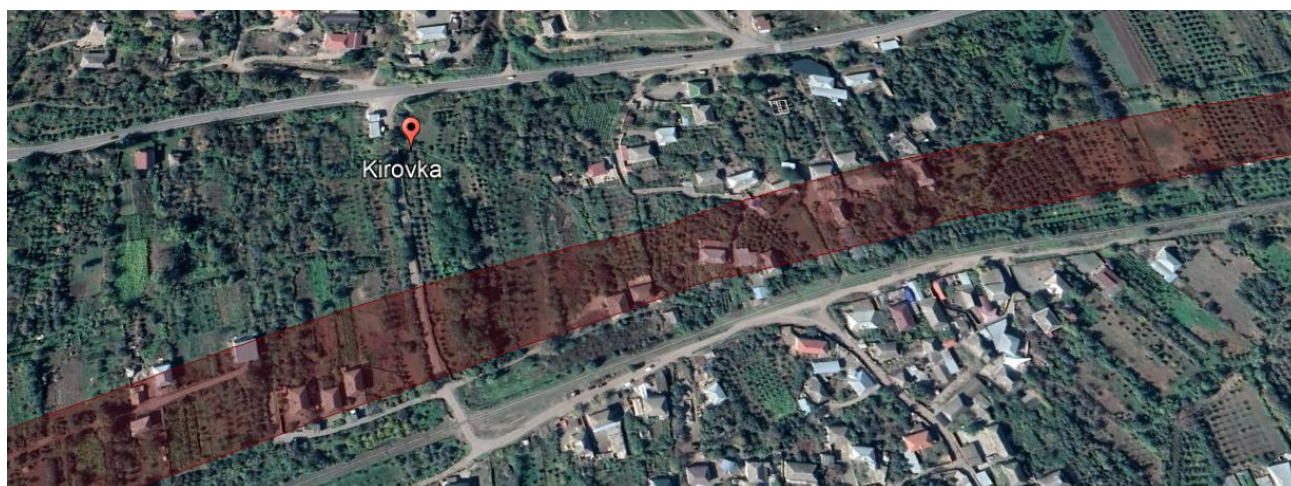
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<sup>48</sup> Kirovka is a soviet name of the village. Locals have called it Mamei and have campaigned for changing the village’s name.



under the law, the Roads Department is required to publish notices of expropriation in the local media. But when an order affecting Kirovka and neighbouring villages was published in July, it triggered panic in the community. Residents phoned us in confusion, saying they did not understand why the media had included them in the reports or why information on their names and land was listed in the news.

Although the Department had sent letters to affected families, they were written in Georgian, leaving many unable to understand their contents. Only when their names appeared in the media did they realise the gravity of the situation. Regrettably, the Roads Department continues to exploit these misunderstandings to intimidate and pressurise local communities.



*Photo: Google Earth*

## Violations of EIB Environmental and Social Standards (2018)

Our desk review of project documents, field visits, and stories from local communities indicate that the project promoter of the Rustavi–Red Bridge and Algeti–Sadakhlo projects has violated at least three EIB Environmental and Social Standards (2018).

### **Standard 6: Involuntary resettlement**

There is no evidence to suggest that the Roads Department has implemented the key requirements outlined in Standard 6 on involuntary resettlement. Notably, affected persons were not provided with an informed choice at the outset between compensation in kind – land-for-land or replacement housing – and monetary compensation, as mandated by the Standard, even when arable land formed the primary or significant source of income and subsistence.

Furthermore, economically quantifiable losses, such as diminished earning potential following the reopening of the Azerbaijani border for local vendors, were not adequately addressed. Affected individuals were not offered comparable replacement sites for movable structures like kiosks and market stalls.

In addition, the resettlement process failed to account for opportunities to improve deficient social and public infrastructure in affected communities. Most villages within the project area lack basic services such as preschools, adequately equipped schools, and irrigation systems. For example, in Kirovka, where 17

households are subject to resettlement, there are no schools whatsoever and no consideration was given to improving social and public infrastructure.

### Standard 7: Rights and interests of vulnerable groups

Despite the well-documented ethnic and gender discrimination and disparities in Kvemo Kartli, particularly in Marneuli, the EIB environmental and social data sheets, as well as the land acquisition and resettlement plans for both the Rustavi–Red Bridge and Algeti–Sadakhlo projects, fail to acknowledge or address these structural inequalities. The language used in these documents is not only dismissive but also misleading, such as the following blanket statement claiming that ‘issues linked to gender, ethnic, and religious minorities have not been identified within the Project’s impact zone’.<sup>49–51</sup> The land acquisition and resettlement plans go further to assert that ethnic and religious minorities have long been integrated within Georgian society and do not feel alienated,<sup>50,51</sup> despite extensive evidence to the contrary.

These claims also directly contradict the findings of the two project environmental and social impact assessments, particularly chapters on public consultations and the grievance mechanism. Noting concerns raised by local civil society regarding gender inequality, the assessments urge the project promoter to prepare a gender action plan, disseminate information to women and youth, and ensure they are actively engaged throughout the project cycle.<sup>52,53</sup>

The failure to reflect the vulnerabilities of project-impacted communities in the environmental and social impact assessments and land acquisition and resettlement plans highlights a serious oversight in violation of the EIB Environmental and Social Standard 7. There is no evidence that a ‘high-level analysis of the nature and degree of discrimination and vulnerability already experienced by individuals, communities and/or groups in the context of the project’ was ever performed. Subsequently, no comprehensive social assessment was carried out.

Despite Standard 7 clearly stating that vulnerability is ‘context specific’, the project promoter appears to have deliberately ignored the specific socio-political context – entrenched social attitudes, gender roles, systemic discrimination and language barriers – in which the two road projects are being implemented. Under the EIB’s own definitions, ethnic Azerbaijani minorities in Georgia qualify as a vulnerable group, as they experience discrimination, unequal access to rights, and limited opportunities for participation in development processes.

<sup>49</sup> European Investment Bank, [Environmental and Social Data Sheet | E-60 Algeti - Sadakhlo Section | Lot 3 and 4](#), European Investment Bank, 27 January 2021.

<sup>50</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Land Acquisition and Resettlement Plan Rustavi - Red Bridge Road \(Lots 1 and 2\)](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 37, August 2020.

<sup>51</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Land Acquisition and Resettlement Plan Rustavi - Algeti - Sadakhlo Road \(Lots 3 and 4\)](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 51, August 2020.

<sup>52</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Environmental and Social Impact Assessment: Rustavi-Red Bridge Section](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 246–249, 2019.

<sup>53</sup> Roads Department, Ministry of Regional Development and Infrastructure of Georgia, [Environmental and Social Impact Assessment: Algeti-Sadakhlo Section](#), Roads Department, Ministry of Regional Development and Infrastructure of Georgia, 221–225, 2019.

## Standard 10: Stakeholder engagement

The absence of meaningful public consultation constitutes a clear violation of Standard 10 on stakeholder engagement and also contravenes provisions of Standards 6 and 7. The project promoter failed to establish a constructive and transparent dialogue with affected communities, instead reverting to coercion, bullying, and intimidation, undermining the potential for inclusive and effective implementation of the project.

No significant steps were taken to address the language barriers that prevent ethnic Azerbaijani minorities from accessing project information in a manner that would enable them to fully understand and defend their rights. Additionally, no access to key project documents such as environmental and social impact assessments and land acquisition and resettlement plans was provided. As a result, principles of free, prior, and informed consultations were not upheld.

No standalone stakeholder engagement plan was developed to reflect and address the social complexities in the Marneuli region and adequately consider vulnerabilities of local communities. For instance, considerations of gender inclusion were entirely absent: no measures were introduced to ensure women had equal opportunity to participate in consultations, voice concerns, or influence project-related decisions.

The grievance redress mechanism, described in the land acquisition and resettlement plan as a two-tier system involving both project-specific structures at the municipal level and a general mechanism through the Ministry of Infrastructure, is non-existent. In practice, affected persons can only access the Ministry's general mechanism to raise concerns over compensation and the land acquisition process.

## Conclusions and recommendations

The ongoing implementation of the EIB-financed Rustavi–Red Bridge and Algeti–Sadakhlo projects reveals significant shortcomings in adherence to the EIB's Environmental and Social Standards. Both projects have already severely impacted vulnerable ethnic Azerbaijani communities in Marneuli during land acquisition and resettlement. With construction scheduled to begin by the end of 2025, the promoter and construction company are entering communities that, due to inadequate public consultations and the coercive practices of the Roads Department, remain at best uninformed or confused about the project's implications – and at worst, feel bullied and intimidated.

This field visit report highlights an urgent need for stronger communication and stakeholder engagement, increased transparency, and more effective protections for affected communities. The broader contextual risks – including the ongoing political and human rights crisis in the country, the project promoter's troubling track record of rights violations and non-compliance with international donor safeguards, and systemic ethnic and gender discrimination – pose additional risks to local communities. These risks must be fully considered in both the project implementation and the EIB's monitoring efforts.

## Recommendations for the EIB

- Conduct a thorough, high-level analysis of the nature and extent of discrimination and vulnerability experienced by communities in the Marneuli and Rustavi municipalities and carry out a comprehensive social assessment.
- Ensure development of stakeholder engagement plans based on the findings of the vulnerability analysis, paying particular attention to the meaningful participation of women.
- Review and update the land acquisition and resettlement plans to align the project with the EIB's Environmental and Social Standards.
- Strengthen project monitoring by engaging social and environmental specialists to comprehensively monitor the project throughout its cycle.

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