

# Georgia's East-West and North-South road projects: The billion-dollar infrastructure gambles that should make the ADB think twice



*East-West Highway, Chumateleti, 2024. Photo: Mariam Patsatsia*

The East-West Highway and the North-South Corridor – two of Georgia's most ambitious road projects supported by the Asian Development Bank (ADB) – have had devastating social, environmental and cultural impacts.

The state body responsible – the Ministry of Infrastructure's Roads Department – has a well-documented record of bullying and harassment. Yet it has faced no meaningful accountability from its international funders.

Now, despite a catalogue of unresolved failures, the ADB is considering pouring yet more money into Georgia's road infrastructure. This issue paper sets out why that would be a serious mistake, especially given the fallout from previous projects has yet to be addressed.

## Background and the ADB's role

The East-West Highway runs approximately 388 kilometres from Georgia's border with Azerbaijan to the Black Sea coast, forming part of the international E60

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corridor. The North–South Corridor meanwhile connects Georgia’s borders with Russia in the north and Armenia in the south.

The ADB has provided financing across multiple sections of both routes, including the Khevi–Ubisa section of the East–West Highway (approximately EUR 255 million), the Shorapani–Argveta section (approximately EUR 236 million), and significant financing for the Tskere–Kvesheti and Tskere–Kobi Tunnel sections of the North–South Corridor, totalling approximately EUR 370 million.

## The Roads Department: A legacy of corruption and harassment

The Roads Department, responsible for the design, development and maintenance of Georgia’s international and national roads, has faced mounting public scrutiny over systemic failures in project implementation.

In October 2025, the newly appointed Minister of Infrastructure from the ruling Georgian Dream party, Revaz Sokhadze, publicly acknowledged widespread problems within the department following the unexpected resignation of his predecessor, Irakli Karseladze, that April.<sup>1</sup> According to Sokhadze, 122 out of 135 projects – valued at GEL 4.2 billion (EUR 1.4 billion) – had missed at least one deadline.<sup>2</sup> He identified systemic shortcomings, including inadequate oversight, systematic overloading of contractors, delivery of projects with significant defects, and a critical shortage of qualified personnel, particularly in regional offices. Among the problematic projects, he specifically cited the Rikoti and Samtredia–Grigoleti sections of the East–West Highway, which are among Georgia’s key donor-financed infrastructure initiatives.

These admissions come amid ongoing criminal investigations against former high-ranking officials. Levan Kupatashvili, the former deputy head of the Roads Department, was detained in connection with the collapse of a bridge on the Samtredia–Grigoleti highway in 2023.<sup>3</sup> Prosecutors allege that, in 2018, work completion certificates were forged by an unidentified international expert who was never present in Georgia, and that Kupatashvili signed these documents. Three managers from an Azerbaijani company and one international expert have been charged in absentia. Kupatashvili faces up to 11 years in prison if convicted, while those charged in absentia face a maximum of 9 years.

None of these problems are new. Documented cases of misconduct, abuse of power and poor construction practices on donor-financed highway projects stretch back years, predating the current investigations and ministerial admissions.<sup>4</sup>

Beyond the poor construction quality and oversight failures, the Roads Department has demonstrated a persistent inability to adequately assess or mitigate the environmental and social impacts of its projects. Between 1 January 2024 and 31 August 2025, the Department submitted 31 out of 45 total expropriation requests in Georgia, accounting for approximately 69% of all cases during that period. This

<sup>1</sup> Parliament of Georgia, [ინტერპელაცია - რევაზ სოხაძე, საქართველოს რეგიონული განვითარებისა და ინფრასტრუქტურის მინისტრი](#), 29 October 2025.

<sup>2</sup> Parliament of Georgia, [პარლამენტში, ინტერპელაციის წესით, ინფრასტრუქტურის მინისტრს მოუსმინეს](#), 29 October 2025.

<sup>3</sup> Xandie (Alexandra) Kuenning, [Former Georgian official detained over 2023 bridge collapse](#), OC Media, 11 November 2025.

<sup>4</sup> Mariam Patsatsia, [Georgia’s highway dilemmas and the Asian Development Bank](#), CEE Bankwatch Network, 2 May 2024.

disproportionate share reflects a pattern of failed negotiations with project-affected people, as well as systematic deficiencies in consultation and resettlement planning.<sup>5</sup>

Georgia's public ombudsman has documented recurring grievances in which affected families report being denied compensation, offered unfair settlements or excluded entirely from resettlement plans.<sup>6,7</sup> The ombudsman concluded that these deficiencies undermined efforts to address grievances and restore affected rights. Citizens have also reported limited access to project information and insufficient opportunities to participate in decisions affecting their livelihoods.<sup>8</sup>

The scale and consistency of these complaints – further documented through multiple independent accountability mechanisms across nearly all donor-financed road projects overseen by the Roads Department – underscore the depth and breadth of these institutional failures.<sup>9</sup> For instance, the ADB Compliance Review Panel issued a critical report on the Kvesheti–Kobi road project,<sup>10</sup> while local communities have filed multiple complaints concerning different sections of the Rikoti road project, including the ADB-financed Khevi–Ubisa and Shorapani–Argveta sections.

## Neglecting labour health and safety

These widespread institutional and oversight failures are also linked to a general disregard for safety regulations, leading to tragic consequences over the years. In 2022, two workers died in separate incidents on road construction sites, while a further ten workers were poisoned.<sup>11</sup> In June and August 2023, two workers died during construction of the Rikoti road.<sup>12,13</sup> Most recently, in November 2025, four construction workers died and another was hospitalised after a suspected ground collapse during retaining wall work near the village of Tskere on the Kvesheti–Kobi section of the North–South Corridor road project.<sup>14</sup>

<sup>5</sup> Mariam Patsatsia, [Highway of injustice: How EIB-financed East–West road projects in Georgia impact local communities](#), CEE Bankwatch Network, 8–10, 8 August 2025.

<sup>6</sup> Public Defender of Georgia, [საქართველოში ადამიანის უფლებათა და თავისუფლებათა დაცვის მდგომარეობის შესახებ 2021 წელი საქართველოს სახალხო დამცველის ანგარიში](#), 203, 204, 31 March 2022.

<sup>7</sup> Public Defender of Georgia, [საქართველოში ადამიანის უფლებათა და თავისუფლებათა დაცვის მდგომარეობის შესახებ 2023 წელი საქართველოს სახალხო დამცველის ანგარიში](#), 224, 225, 2 April 2024.

<sup>8</sup> Public Defender of Georgia, [საქართველოში ადამიანის უფლებათა და თავისუფლებათა დაცვის მდგომარეობის შესახებ 2024 წელი საქართველოს სახალხო დამცველის ანგარიში](#), 266, 267, 2 April 2025.

<sup>9</sup> Mariam Patsatsia, [Highway of injustice: How EIB-financed East–West road projects in Georgia impact local communities](#), 8–10.

<sup>10</sup> Asian Development Bank Compliance Review Panel, [Final Report on Compliance Review Panel Request No. 2021/1 on the North-South Corridor \(Kvesheti-Kobi\) Road Project in Georgia \(Asian Development Bank Loan 3803\)](#), 18 November 2022.

<sup>11</sup> Netgazeti, [კობთან გზის მშენებლობაზე, სადაც მუშა დაიღუპა, 10 ადამიანი მოიწამლა](#), 14 June 2022.

<sup>12</sup> Zhanna Akopashvili, [ტრაგედია რიკოთზე | საგზაო მშენებლობაში კიდევ ერთი ადამიანი იმსხვერპლა - ახალი დეტალები](#), Mtavari Arkhi, 2 1 June 2023.

<sup>13</sup> Radio Free Europe/Radio Liberty, [რიკოთის უღელტეხილზე ერთი მუშა დაიღუპა, ერთი დაშავდა](#), 18 August 2023.

<sup>14</sup> Civil Georgia, [Four Workers Die, One Injured in Collapse at Controversial Kvesheti-Kobi Road Project](#), 24 November 2025.

## Threats and intimidation of journalists

Journalists reporting on the collapse of a cemetery near the Kvesheti–Kobi road on 1 April 2026 were met with threats and interference. When the crew arrived to document the scene, Georgian and Chinese representatives of the construction company, alongside employees of the supervising engineering firm and the Roads Department, demanded they stop filming and leave.

Acting on direct orders from management, company personnel blocked the journalists, hurled obscenities, disrupted their drone operation and threatened to smash their equipment. The search for missing human remains was halted until the cameras were switched off.<sup>15</sup> The Shida Kartli Regional Prosecutor’s Office has since opened an investigation. Five sets of remains were disturbed by the collapse; the body of a young man was relocated to a nearby cemetery, but the four others remain missing.<sup>16</sup>

## Decimating roadside economies

The East–West Highway has rerouted traffic away from towns and rural communities, leading to the collapse of small businesses, markets and roadside economies. Some villages have effectively lost their connection to transport links. Promises of relocation and recovery have largely failed to materialise, leaving communities to bear the burdens of progress in which they had no part.

## Environmental damage

Construction of the East–West Highway has also triggered landslides, while inert waste generated by these landslides and during tunnel works has been dumped in substandard disposal sites. Rivers along the route appear to have been narrowed or diverted in places. The resulting environmental damage has created serious safety risks for local residents and commuters, many of which remain unaddressed.

The Kvesheti–Kobi Road, part of the North–South Corridor, has devastated the nine-kilometre Khada Valley, radically altering its previously intact landscape. The project has heightened threats to biodiversity and cultural heritage and removed opportunities for ecotourism development.

## Cultural heritage failures

The construction of the Kvesheti–Kobi road has laid bare chronic failures in Georgia’s protection of its cultural heritage. In the unique historic landscape of Khada Valley – known as ‘the valley of 60 towers’ – the project moved forward without an adequate heritage assessment. In 2023, the ADB’s Compliance Review Panel found ADB management had failed to carry out basic due diligence, including a full inventory of cultural assets and an assessment of the valley’s significance. While the initial environmental permit identified only 34 cultural heritage sites, subsequent assessments revealed a total of 189. Despite this discovery, most of these sites still lack formal protected status and remain without effective legal protection.

<sup>15</sup> Mtis Ambebi, [რუსეთის გზის ფასი: ამოყრილი საფლავეები, დაღუპული მუშები და დანგრეული ძეგლები](#), 5 April 2026.

<sup>16</sup> Mtis Ambebi, [პროკურატურამ ხადის ხეობაში ჟურნალისტებზე თავდასხმის ფაქტზე გამომიება დაიწყო](#), 2 April 2026.

The Roads Department is now pushing forward with a realignment of the East–West Highway through Mtskheta, Georgia’s historic former capital. Proposed road widening, tunnel construction and alignment changes threaten the setting of Jvari Monastery, a UNESCO-listed site. Despite formal objections from heritage authorities, cultural considerations continue to be treated as a mere formality.

## Recommendations for the ADB

- Projects in Georgia currently under consideration for ADB Board approval mirror the objectives of the ADB-financed road projects described above. Without serious, enforceable preconditions established prior to approval, these new projects risk replicating the same institutional failures, corruption vulnerabilities, and safeguard violations that have systematically undermined the impact of existing ADB investments.
- Conduct comprehensive audits of all projects involving the Ministry of Infrastructure, particularly those executed between 2018 and 2024.
- Assess current projects for potential compromise by officials connected to the networks now under investigation.
- Strengthen safeguards, including independent third-party monitoring, enhanced financial oversight, and whistle-blower protection mechanisms for future projects.
- Coordinate with other international financial institutions to establish sector-wide standards for transparency and accountability in Georgian infrastructure projects.
- Engage with independent civil society organisations to better understand governance risks.
- Consider suspending new disbursements to compromised institutions pending satisfactory reforms and accountability measures.