

EIB must tighten oversight of Georgia's East-West Highway projects amid authoritarian crackdown



A roadside stall in Khevi, 4 October 2026. With promises of relocation unfulfilled, some vendors have gone back to selling produce along the highway, despite the danger (photo: Mariam Patsatsia).

Georgia has been in authoritarian freefall since spring 2024.¹ The EU has since suspended bilateral assistance directly benefiting the Georgian authorities,² and the European Investment Bank (EIB) has not issued any new sovereign loans to the country.³ However, the Bank still holds a significant active portfolio in Georgia, including the East-West Highway (E60) projects, for which it has committed more than EUR 500 million.⁴ CEE Bankwatch Network has found that these projects fall

¹ Human Rights Watch, [Georgia: New Laws Devastate Independent Civic Groups](#), 9 July 2026.

² Delegation of the European Union to Georgia, [2025 Communication on EU Enlargement Policy \(extract about Georgia\)](#), 5 November 2025.

³ European Investment Bank, [Project Repository](#), accessed 20 October 2026.

⁴ European Investment Bank, [E60 Chumateleti - Khevi section F1 \(FL 20160404\)](#), 10 October 2018; European Investment Bank, [E-60 Ubisa - Shorapani section F3 \(FL 20160404\)](#), 6 July 2018; European Investment Bank, [Support for Georgia's road infrastructure](#), 2 March 2021.

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short of the Bank's own objectives and its Environmental and Social Standards, harming local communities.⁵

Against the backdrop of closing civic space, corruption investigations into former officials of the Bank's partner institutions and a long history of harassment by the Roads Department (the project implementer), the EIB cannot treat its remaining Georgian projects as business as usual.

Sustained authoritarian crackdown

Amnesty International and Human Rights Watch describe the ruling Georgian Dream party's tactics – including restrictive laws, disinformation, abusive policing, heavy fines and compliant courts – as a concerted campaign of repression designed to decimate independent civic groups and media.^{6,7} More than two and a half years of pressure on dissent have shown that, despite the resilience of the Georgian people and civil society, civic space is closing fast.

In a survey of 100 civil society organisations by the Social Justice Center, a Georgian human rights group, in late 2025, 93% reported having reduced or suspended their activities, with community organisations in a particularly dire situation.⁸ According to the Centre for Strategic Research and Development of Georgia, only 37 of the 114 community organisations active in 2024 were still operating in 2025, many of them nearing closure.⁹

The crackdown has also damaged EU–Georgia relations. Although Georgia was granted candidate status in December 2023, its accession process has been 'de facto halted' since June 2024.¹⁰

East–West Highway projects

Despite the EIB's claim that its East–West Highway investments contribute to 'connectivity and road safety for Georgians and Georgian businesses',¹¹ the Bank has fallen significantly short in its project oversight. As a result, communities along the highway's Rikoti Pass section have faced environmental and social costs that the Bank has overlooked.¹² Construction has intensified landslides, while waste generated by both the landslides and tunnel drilling has been poorly disposed of, creating potential environmental and safety risks.¹³

⁵ CEE Bankwatch Network, [Georgia's East–West and North–South road projects: Counting the true costs of highway expansion](#), accessed 20 October 2026.

⁶ Human Rights Watch, [Georgia: New Laws Devastate Independent Civic Groups](#).

⁷ Amnesty International, [Georgia: Anatomy of Repression: 500 Days of Protest, Crackdown and Resilience](#), 5, 60, 15 June 2026.

⁸ Lina Ghvinianidze, [The Impact of Repressive Laws on Georgian Civil Society Organizations](#), Social Justice Center, 9–10, 2025.

⁹ Human Rights Watch, [Georgia: New Laws Devastate Independent Civic Groups](#).

¹⁰ Delegation of the European Union to Georgia, [The European Union and Georgia](#), 7 August 2026.

¹¹ European Investment Bank, [Support for Georgia's road infrastructure](#).

¹² The Rikoti Pass section of the East–West Highway comprises four adjacent road projects financed by multilateral development banks: Chumateleti–Khevi (EIB and World Bank), Khevi–Ubisa (Asian Development Bank (ADB)), Ubisa–Shorapani (EIB) and Shorapani–Argveta (ADB).

¹³ Mariam Patsatsia, [The promise and perils of Georgia's East–West Highway project](#), CEE Bankwatch Network, 2 May 2024.

In Khevi, one of the affected villages in Kharagauli municipality, the local school remains stranded between the highway and the volatile Rikotula River.¹⁴ The replacement for the village preschool, which was demolished for road construction, has yet to open.¹⁵ The rerouting of traffic has also devastated the roadside economy, which, though modest, was a vital lifeline for local families.¹⁶ These issues are the subject of a January 2025 complaint that Bankwatch and Green Alternative, a Georgian environmental organisation, filed with the EIB Group Complaints Mechanism, which is now carrying out a compliance review.¹⁷

In 2021, the EIB committed EUR 106.7 million for two southern sections of the highway: Algeti–Sadakhlo (30 km) and Rustavi–Red Bridge (32 km).¹⁸ The projects cut through Marneuli, home to a large ethnic Azerbaijani population that faces structural discrimination and social exclusion:¹⁹ restricted political participation, inadequate access to basic public services²⁰ and major challenges related to unresolved land issues²¹ and language barriers.²² Women in particular are exposed to intersecting vulnerabilities, including high rates of early marriage, limited educational and economic opportunities, and a lack of protection from state institutions.²³

Project documents indicate that neither the EIB nor the Roads Department has acknowledged these vulnerabilities.²⁴ In 2025, field research by Bankwatch and Green Alternative in 26 project-affected villages identified widespread impacts, including problematic cases of physical resettlement and significant disruptions to agriculture and local businesses.²⁵

Systemic failings at the Roads Department

The problems documented in Rikoti and Marneuli are not isolated. They reflect weaknesses in the Roads Department and in the Ministry of Infrastructure that oversees it. Between 1 January 2024 and 31 August 2025, the Department submitted 31 of the 45 expropriation requests filed in Georgia, a pattern that points to failed negotiations with project-affected people and systemic deficiencies in consultation and resettlement planning.²⁶ Georgia's Public Defender has documented recurring complaints from affected

¹⁴ Ibid.

¹⁵ Chemi Kharagauli, [რატომ გვიანდება ხევის საბავშვო ბაღის გახსნა](#), 20 February 2026.

¹⁶ Mariam Patsatsia, [Bypass: the hidden social toll of Georgia's East-West Highway on its towns and villages](#), CEE Bankwatch Network, 5 May 2025.

¹⁷ EIB Group Complaints Mechanism, [Georgia Transport Connectivity: Initial Assessment Report](#), 1, 3–5, 19 September 2025.

¹⁸ European Investment Bank, [Support for Georgia's road infrastructure](#).

¹⁹ Publika, [როგორ და რატომ არიან ეთნიკური უმცირესობები საქართველოში გარიყულები?](#), 14 December 2022.

²⁰ Kamran Mamedli, [საქირობების მიმოხილვა: ქვემო სარალი, აღმამედლო, ხულდარა, კასუმლო](#), Social Justice Center, 3, 25 March 2020.

²¹ Social Justice Center, [გლეხები მარნეულიდან - უფლება და საჭიროება მიწაზე](#), 5 February 2021.

²² Nargiza Arjevanidze, [კულტურული დომინაციის და უმცირესობების კულტურის წაშლის ნიშნები ქვემო ქართლის რეგიონში](#), Social Justice Center, 264–265, 7 December 2020.

²³ Joanna Pares Hoare, [Child Marriage in Georgia](#), United Nations Population Fund Georgia, 12, 22 April 2020.

²⁴ Mariam Patsatsia, [Highway of injustice: How EIB-financed East-West road projects in Georgia impact local communities](#), CEE Bankwatch Network, 20, 13 October 2025.

²⁵ [Ibid.](#), 3–4.

²⁶ [Ibid.](#), 8.

families who report being denied compensation, offered unfair settlements or excluded entirely from resettlement plans.^{27,28}

In October 2025, Minister of Infrastructure Revaz Sokhadze told the Georgian parliament that 122 of the Roads Department's 135 projects were problematic, with delayed and protracted works.²⁹ The admission came amid criminal investigations into former high-ranking officials, including Irakli Gharibashvili, a former prime minister, and at least three officials of the infrastructure ministry and its agencies.^{30,31} Among them, Levan Kupatashvili, former deputy head of the Roads Department, was detained in November 2025 in connection with the 2023 collapse of a bridge on the Samtredia–Grigoleti highway.³² Prosecutors allege that certificates of completed works were forged by the construction company, confirmed by an international expert who was never in Georgia and signed by Kupatashvili.³³

Recommendations for the EIB

Rikoti Pass sections

While the EIB Group Complaints Mechanism's compliance review continues, the EIB Board of Directors should:

- Ensure implementation of a mitigation and remedial action plan.
- Increase its scrutiny of the Management Committee's project monitoring before, during and after implementation.

Algeti–Sadakhlo and Rustavi–Red Bridge

Before the construction contracts are awarded, the EIB should:

- 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 impact assessment.
- Develop stakeholder engagement plans based on the findings of the vulnerability analysis, paying particular attention to the meaningful participation of women.

²⁷ Public Defender of Georgia, [საქართველოში ადამიანის უფლებათა და თავისუფლებათა დაცვის მდგომარეობის შესახებ 2021 წელი საქართველოს სახალხო დამცველის ანგარიში](#), 203–204, 2022.

²⁸ Public Defender of Georgia, [საქართველოში ადამიანის უფლებათა და თავისუფლებათა დაცვის მდგომარეობის შესახებ 2023 წელი საქართველოს სახალხო დამცველის ანგარიში](#), 224–225, 2024.

²⁹ Parliament of Georgia, [The Infrastructure Minister reported to the Parliament within an Interpellation](#), 29 October 2025.

³⁰ Transparency International Georgia, [Pretending to fight corruption – investigative agencies in service of Georgian Dream internal clan war](#), 15 December 2025.

³¹ Xandie (Alexandra) Kuenning, [Former Georgian official detained over 2023 bridge collapse](#), OC Media, 11 November 2025.

³² Ibid.

³³ Ibid.

- Review and update the land acquisition and resettlement plans to align the projects with the EIB's Environmental and Social Standards.
- Strengthen project monitoring by engaging social and environmental specialists to comprehensively oversee the projects throughout their life cycle.