

Georgia's Investment Landscape:
COMPARATIVE ANALYSIS OF
CHINESE AND WESTERN
INVESTMENTS
(2018–2025)
PART II



CIVIC
idea

TBILISI
2025

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INTRODUCTION

“I think that China is precisely the **superpower that everyone should emulate.”**

- Prime Minister of the Georgian Dream, Irakli Kobakhidze,
05.06.2025

The deepening of diplomatic and political ties with the People’s Republic of China has emerged as one of the clearest hallmarks of the Georgian Dream government’s increasingly anti-Western foreign policy trajectory.

Against the backdrop of deteriorating relations with the European Union, representatives of the ruling party have sought to win domestic political points by showcasing selected figures of economic cooperation with Beijing. Yet, as a series of **studies** by Civic IDEA has demonstrated, these portrayals frequently distort the underlying reality.

In this publication, Civic IDEA presents a comparative analysis of foreign direct investment (FDI) from the People’s Republic of China into Georgia during the period 2018–2025. The study draws upon official data published by the National Statistics Office of Georgia.

Consistent with the findings of our 2024 report, the evidence once again underscores the limited role of China as an investor in Georgia. The volume of Chinese FDI remains negligible, and the PRC still does not appear among the top ten sources of investment. By every meaningful metric, China continues to lag far behind Georgia’s principal Western economic partners.

Foreign Direct Investment from China (2018–2025)

Between 2010 and 2025, the cumulative volume of foreign direct investment from the People’s Republic of China into Georgia amounted to USD 743 million.

It is important to note, however, that official statistics on Chinese investment diverge markedly from the narratives advanced by representatives of the Chinese Embassy in Georgia:

“As for China, it also considers Georgia to be a promising investment environment and has always been its largest investor, with investments totaling more than USD 800 **million**.”

- Zhao Chuan, Counselor of the Chinese Embassy in Georgia,

25.06.2024

“It is also promising for China to invest in Georgia. The total investment in Georgia will exceed USD 800 **million**.”

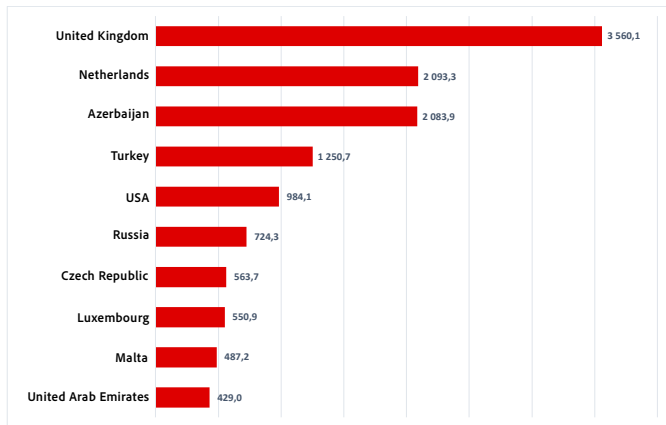
- Zhou Qian, Ambassador of the People's Republic of China to Georgia,

20.07.2024

YEARS	Direct Investments from China (million USD)
2010	-7 882,0
2011	30 382,7
2012	70 156,8
2013	101 129,7
2014	220 099,2
2015	66 947,6
2016	25 480,8
2017	19 364,4
2018	75 991,1
2019	44 750,0
2020	-35 132,0
2021	-27 849,3
2022	43 700,1
2023	98 987,6
2024	6 217,2
Q.1 2025*	11 169,3
In total	743 513,1

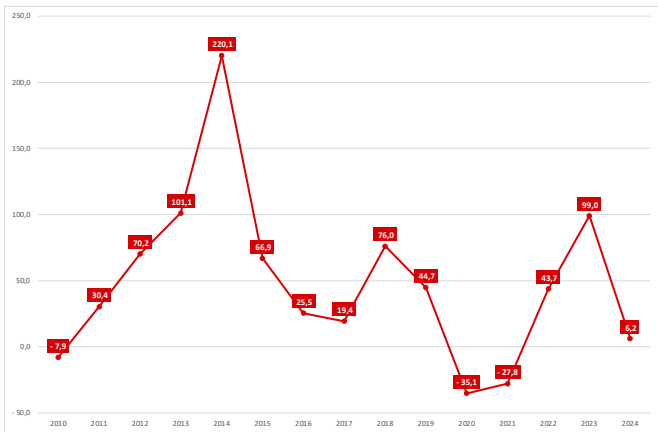
According to data covering the period 2015–2025, the People’s Republic of China did not appear among the top ten largest investors in Georgia. Not only did traditional partners such as the United States and European Union member states demonstrate significantly higher levels of investment, but even relatively smaller economies—such as the Netherlands, the Czech Republic, and Malta—surpassed China when considered individually.

Chart #1: Foreign Direct Investment, 2015–2025 Q1 (Million USD)



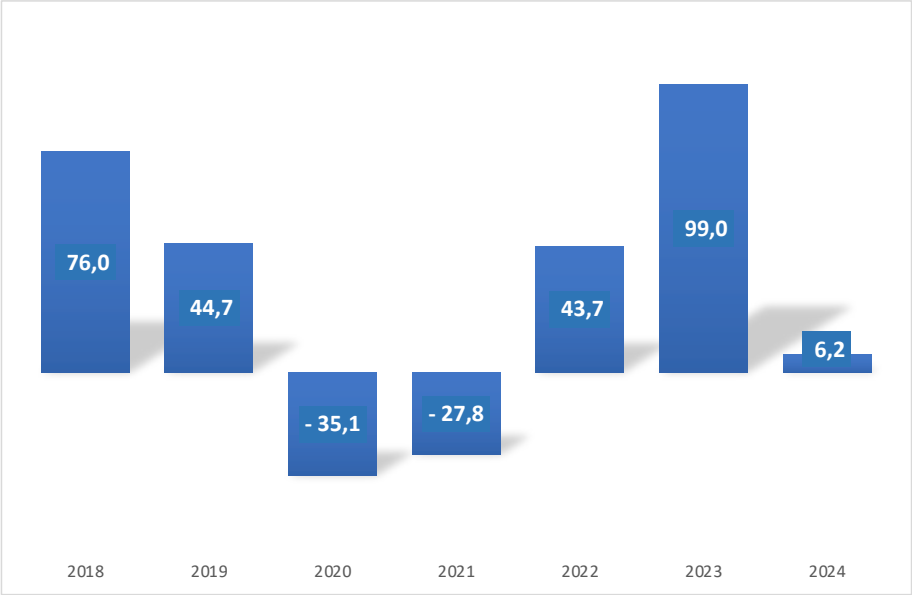
An examination of data from 2010–2025 reveals that Chinese foreign direct investment (FDI) in Georgia reached its peak in 2014, amounting to USD 220 million. Following that high point, inflows of Chinese investment **began to decline, hitting their lowest levels by 2020.**

Chart #2: Direct Investment from China, 2010–2024 (Million USD)



It is important to note that the sharp contraction of Chinese FDI can be attributed not only to the global slowdown and recession precipitated by the COVID-19 pandemic but also to other external macroeconomic pressures. Nevertheless, by 2024, the decline had accelerated dramatically: Chinese FDI dropped by 93.7% compared to 2023, reaching only USD 6.2 million.

Chart #3: Direct Investment from China, 2018–2024 (Million USD)



The post-pandemic recovery did not bring about a resurgence in Chinese investment in Georgia. On the contrary, FDI from China failed to regain pre-pandemic levels. For example, in 2024, the volume of Chinese FDI decreased by approximately 86% relative to the 2019 benchmark (USD 6.2 million versus USD 44.7 million).

Foreign Direct Investment from the West

„The Georgian Dream government’s persistent anti-Western foreign policy course has adversely affected not only Georgia’s diplomatic relations with the European Union and the United States but also undermined the robust business and investment ties cultivated over previous decades. Since 2023, Western FDI in Georgia has declined sharply.

Against this backdrop, a central question emerges: has the Georgian Dream’s self-proclaimed “reliable” strategic partner—China—managed to compensate for the reduction in Western investment?

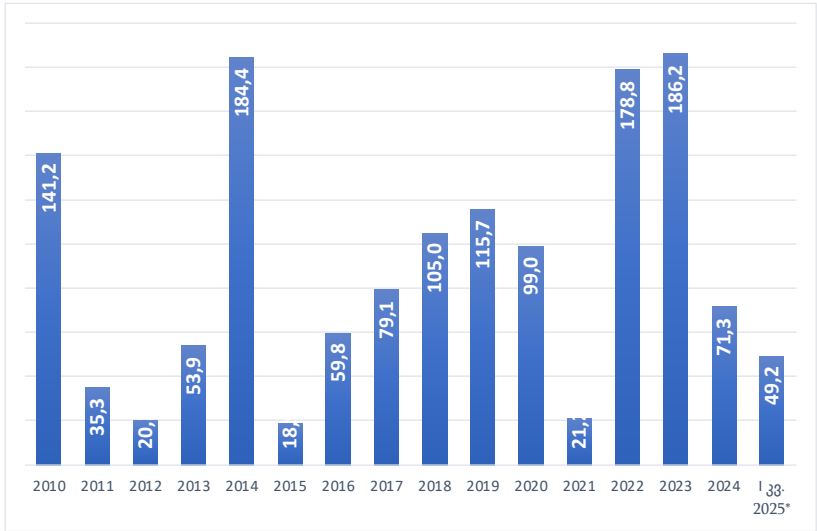
Top Ten Largest Investors in Georgia, 2024

Countries	Million USD
United Kingdom	431 125,4
Netherlands	230 864,6
Malta	191 706,1
Spain	191 015,6
Turkey	110 270,1
Azerbaijan	83 939,6
Russia	71 389,8
USA	71 282,3
Japan	63 955,2
Germany	56 172,7

As the table illustrates, in 2024 the People’s Republic of China once again failed to secure a position among Georgia’s top ten investors. More strikingly, China ranked 33rd, falling behind states with far smaller economic weight, including Kazakhstan (16th), Panama (19th), and India (32nd).

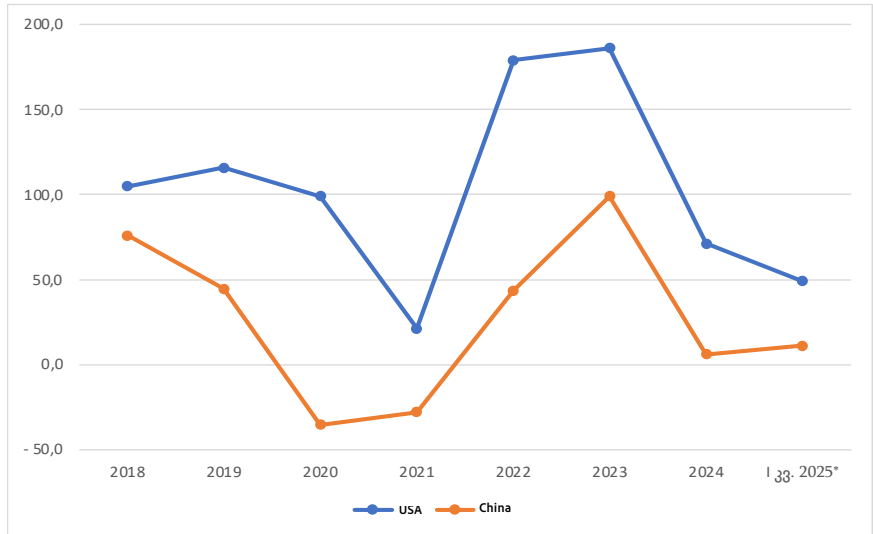
By contrast, despite the erosion of Georgia’s strategic partnership with the United States under the Georgian Dream government, the U.S. still remained among Georgia’s largest investors in 2024.

Chart #4: Foreign Direct Investment, 2010–2025, **United States** (Million USD)



Despite the overall decline in American FDI to Georgia, the volume of U.S. investment continues to far exceed that of China. In 2024 alone, the United States invested approximately USD 71 million in Georgia—nearly 11 times greater than the figure for Chinese investment that same year (USD 6.2 million).

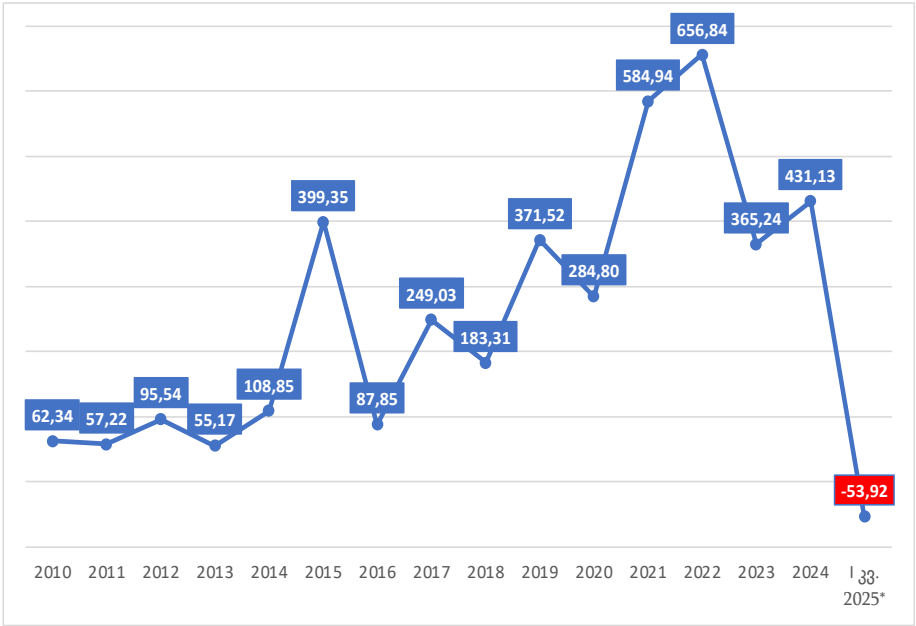
Chart #5: Foreign Direct Investment, 2018–2025, **United States** (Million USD)



Thus, both before and after the pandemic, the scale of American foreign direct investment consistently dwarfed that of China.

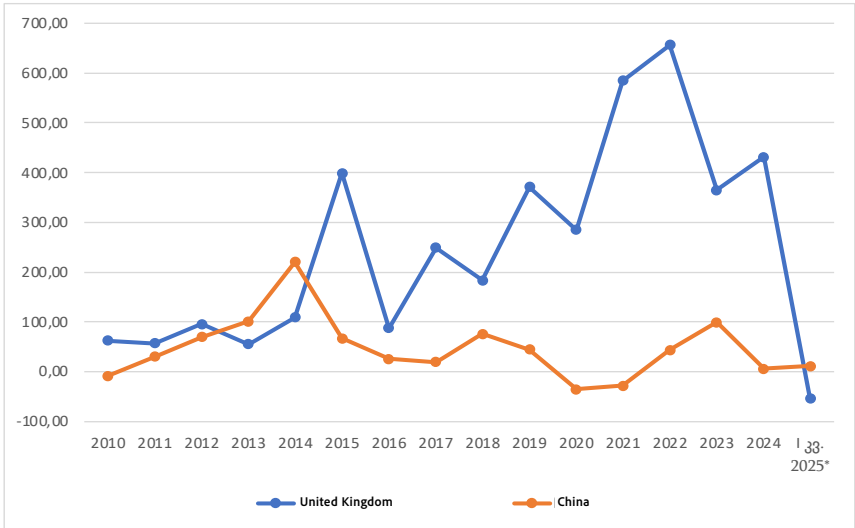
A similar pattern emerges when examining Georgia’s other Western partners. Both the aggregate data for 2015–2025 and the annual dynamics for 2024 confirm that the United Kingdom has been Georgia’s single largest investor. Over the past decade, the total volume of British FDI in Georgia exceeded USD 3.5 billion.

Chart #6: Foreign Direct Investment, 2010–2025, **United Kingdom** (Million USD)



In 2024 alone, British investment in Georgia reached USD 431 million, which was approximately 69 times higher than the comparable Chinese figure. A similar disparity was evident prior to the pandemic: in 2019, the United Kingdom invested USD 371 million, while Chinese investment amounted to only USD 44 million—roughly one-eighth of the British total.

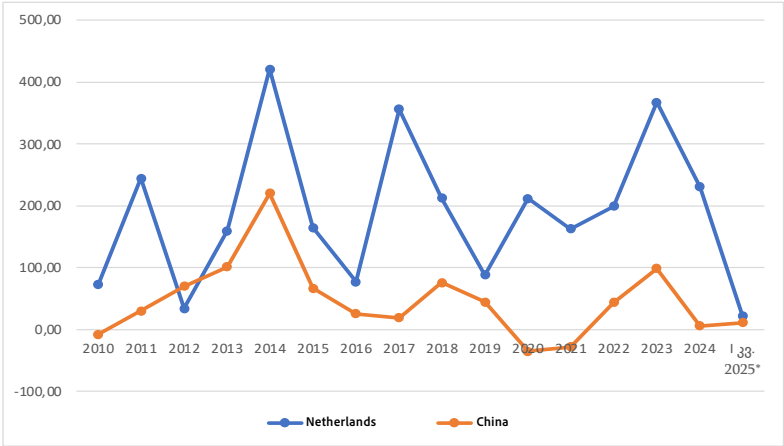
Chart #7: Direct Investment, 2010–2025, **United Kingdom** (Million USD)



As the data illustrate, China also lags considerably behind the Netherlands in terms of foreign direct investment (FDI) in Georgia. Both the aggregate data for 2015–2025 and the annual figures for 2024 confirm that the Netherlands consistently ranks among Georgia’s top ten investors.

Even during the downturn observed in 2023–2025, Dutch investments remained substantially higher than those from China, underscoring once again the limited role of Beijing in Georgia’s investment landscape.

Chart #8: Direct Investment, 2010–2025, **Netherlands** (Million USD)

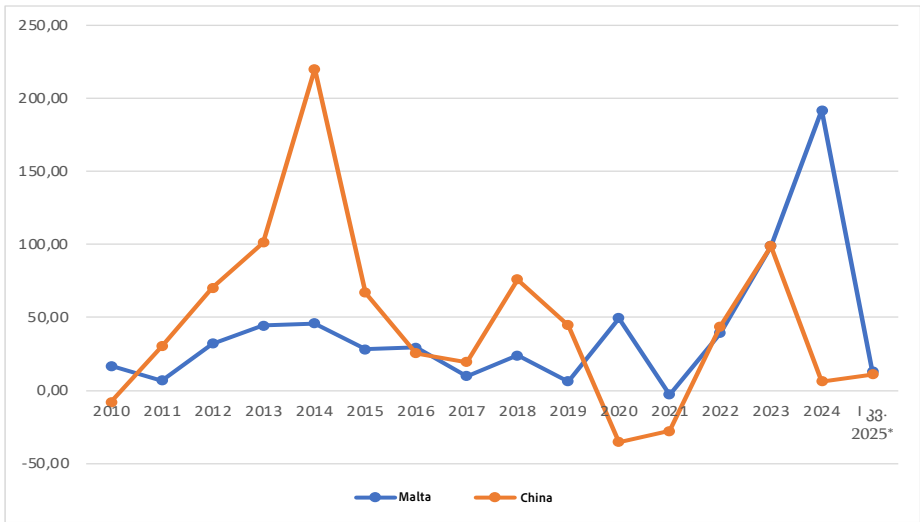


In 2024, Dutch FDI in Georgia fell by approximately 37.3% compared to 2023. Yet, even with this decline, investments from the Netherlands still exceeded Chinese FDI nearly 37-fold.

This disparity highlights an important point: China trails not only behind countries with the world's largest economies but also behind small and mid-sized economies. Two particularly striking examples are the Czech Republic and Malta.

A comparative analysis reveals the scale of this discrepancy against the government's rhetoric. Malta—one of the smallest economies within the European Union—registered a significant surge in FDI in the post-pandemic period. In fact, Maltese investment in Georgia reached an all-time high of USD 191 million in 2024. By contrast, Chinese FDI that year was thirty times lower.

Chart #9: Direct Investment, 2010–2025, **Malta** (Million USD)

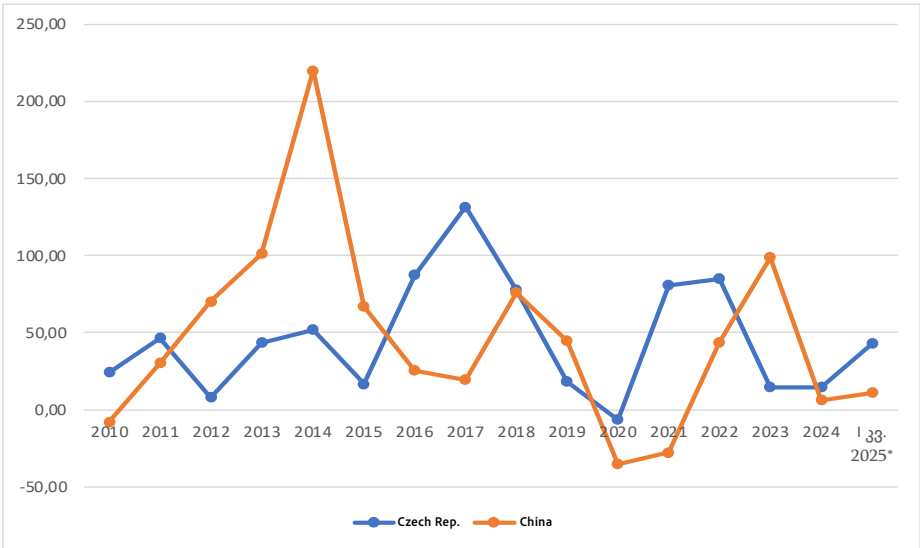


The contrast with Malta is especially telling. By 2024, the People's Republic of China **was** the second-largest economy in the world by GDP, while Malta **ranked** only 122nd globally. Despite this vast asymmetry in economic capacity, Malta's foreign direct investment in Georgia far outstripped that of China.

A similar pattern can be observed with the Czech Republic, another leading European investor in Georgia. Even during the pandemic years, Czech FDI displayed steady growth. Once the pandemic officially ended in 2022, Czech investment surged to USD 84 million, surpassing China by approximately USD 41 million.

This advantage has been sustained: in 2024, Czech investment again exceeded that of China by around USD 8.5 million, and in the first quarter of 2025, the Czech Republic continues to outperform the People’s Republic of China in FDI to Georgia.

Chart #10: Direct Investment, 2010–2025, Czech Republic (Million USD)



It is also noteworthy that even following the signing of the Strategic Partnership Agreement with China, the level of Chinese foreign direct investment (FDI) in Georgia has continued to trail well behind that of Western partners.

According to data for 2023–2025, the People’s Republic of China ranked only 14th among foreign investors in Georgia. By contrast, Malta—a small EU member state—rose to become Georgia’s third-largest investor. The full ranking for the period is as follows:

- | | |
|-------------------|--------------------------|
| 1. United Kingdom | 8. Germany |
| 2. Netherlands | 9. Israel |
| 3. Malta | 10. Marshall Islands |
| 4. United States | 11. Austria |
| 5. Azerbaijan | 12. United Arab Emirates |
| 6. Turkey | 13. Switzerland |
| 7. Russia | 14. China |

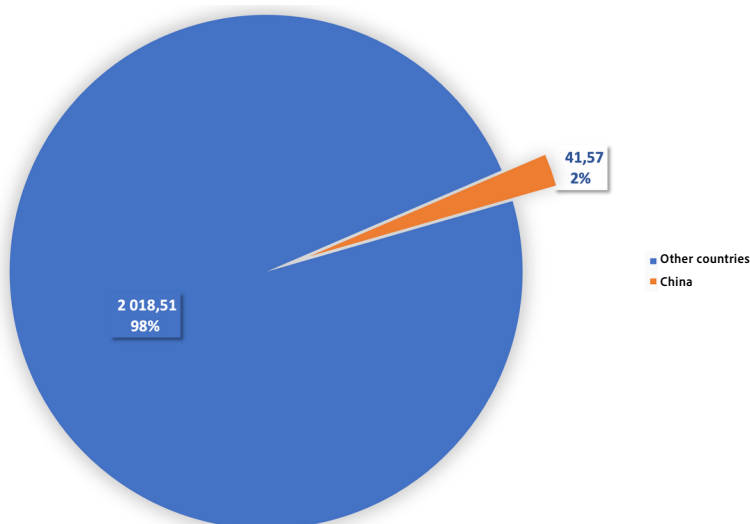


CONCLUSION

The analysis of investment flows from 2018–2025 demonstrates a clear conclusion: despite the claims of government propaganda, the People's Republic of China is neither a major nor a decisive economic actor in Georgia.

China's share in Georgia's overall investment portfolio remains marginal. According to data covering Q4 2023–Q1 2025, Chinese FDI accounted for just 2 percent of total inflows.

Chart #11: Foreign Direct Investments, Q4 2023 – Q1 2025 (Million USD)



For years, China has consistently failed to appear among Georgia's top ten investors. During the pandemic, in contrast to Georgia's Western partners who maintained or even expanded their engagement, China withdrew investment from Georgia rather than increasing it.

Thus, in terms of investment engagement, China is clearly overshadowed by numerous Western states. While the dominant positions of the United Kingdom and the United States can in part be explained by the scale of their economies, the cases of Malta and the Czech Republic underscore a crucial point: even states with relatively modest economies have demonstrated a higher level of economic activity in Georgia than the world's second-largest economy, the People's Republic of China.