

# CHINESE COMPANIES IN GEORGIA





# Findings At Glance:

An examination of risk exposure, compliance weaknesses, and accountability obligations of the currently active Chinese Companies in partnerships with Georgian Dream shows evidence of corruption risks, weak due diligence practices, and repeated legal and ethical violations across state-approved contractors.

## Most Frequently Identified Violations

**73%** 8 out of 11  
Corruption conviction

**36%** 4 out of 11  
Serious labor rights violations



**55%** 6 out of 11  
Fraud convictions

**27%** 3 out of 11  
Court cases filed



**45%** 5 out of 11  
Sanctioned by  
the World Bank

**27%** 3 out of 11  
Investigated by international  
organizations and/or banks



**36%** 4 out of 11  
Restricted by U.S.  
government departments

**9%** 1 out of 11  
Designated as an  
“International War Sponsor”



**100%**

Alarming evidence shows that every single PRC company cooperating with Georgian Dream government has been implicated in at least one serious legal, financial, or ethical violation.

## Sinohydro

- 1996 - 2009 ● The Malaysian government accused the company of numerous crimes and pressured Sinohydro to complete the project without delays by 2009.
- 2008 ● The IMF intervened in the renegotiation of the terms of a \$9 billion debt between Congo and Sinohydro, considering the loan too expensive and risky.
- 2010 ● Sinohydro first appeared on the Georgian market.
- 2011 ● Sinohydro began constructing the Kobuleti bypass.
- 2012 ● The Botswana government terminated the contract with Sinohydro due to non-fulfillment of the terms of the expansion of the international airport (SSKIA).
- 2013 ● The World Bank (WB) Group Sanctions Board reprimanded Sinohydro for violations during the construction of a hydroelectric power plant in Mali.
- 2014 ● WB investigators accused Sinohydro of illegal activities.
- 2014 ● Sinohydro began constructing the Tbilisi-Rustavi road section.
- 2015 ● Opposition leader Zoran Zaev accused senior North Macedonian officials of engaging in corrupt deals with Sinohydro.
- 2016 ● Sinohydro was sanctioned by the WB for its fraudulent and corrupt practices in Congo, Mali, the Philippines, and Malaysia, as well as in African countries.
- 2016 ● Sinohydro began constructing the Samtredia-Grigoleti road in Georgia.
- 2017 ● A Nigerian energy company, Sunrise Power and Transmission Company, filed an arbitration claim against Sinohydro in the International Criminal Court.
- 2017 ● An investigation by the African Development Bank (AFDB) Integrity and Anti-Corruption Office found that in Uganda Sinohydro had engaged in fraudulent activities.
- 2017 ● The Kenyan Administrative Review Board (ARB) criticized and reversed the contract awarded to Sinohydro Tianjin Engineering Ltd. for the construction of Kenya's Thwake Dam.
- 2017 ● Sinohydro began constructing the Upper Osiauri-Chumateleti section of the E60 highway in Georgia.
- 2018 ● Romania signed its first contract with Sinohydro for the Bucharest Ring Road Project. In 2019, Romanian government officials had been exposed and convicted on the grounds of corruption.
- 2019 ● Zimbabwe Domestic & Allied Workers Union (ZDAWU) found multiple cases of violations of the labor rights of local workers.
- 2019 ● Sinohydro halts the construction of the Kafue Gorge hydroelectric dam.

- 2020 ● In Romania, Sinohydro, together with local company Good Prod, won a tender for a Belt and Road project in the northwest part of the Salaj region.
- 2020 ● Sinohydro won an international tender for a 42 km section of the Khulo-Zarzma road in Georgia.
- 2021 ● Ecuador's state-owned energy company CELEC filed a lawsuit against Sinohydro in an international arbitration court over construction violations identified in the Coca Codo Sinclair hydroelectric dam.
- 2023 ● The European Investment Bank identified violations in five projects it financed, including a project in Georgia implemented by Sinohydro.
- 2024 ● The Georgian government terminated the contract with Sinohydro for failing to fulfill its obligations.

### Tebian Electric Apparatus Stock Co LTD (TBEA Co., Ltd.)

- 2009 ● The memorandum signed between the Republic of Tajikistan Ministry of Energy and Industry and TBEA stated that, in cooperation, TBEA would receive a permit to work on the gold mines in exchange for constructing the power plant.
- 2012 - 2014 ● TBEA took out a loan from the Ex-Im Bank of China to cover the costs of the first phase of the construction of the Dushanbe-2 power plant in Tajikistan.
- 2014 ● TBEA received a permit to work in the gold mines in northern Tajikistan in exchange for constructing a power plant in Dushanbe.
- 2014 - 2016 ● The loan from the Ex-Im Bank of China to cover the costs of the second phase of the construction of Dushanbe-2 was taken out not by TBEA, but by the government of Tajikistan.
- 2013 ● The power plant built by Bishkek Combined Heat and Power Plant (CHP) and Tebian Electric Apparatus Stock Co Ltd (TBEA) in Kyrgyzstan collapsed in the same year the project was completed, leaving most of Bishkek's population without heating and electricity.
- 2017 ● TBEA participated in a tender in Georgia worth 3,559,322 GEL.
- 2018 ● In a tender announced by Georgian State Electrosystem with a value of 14,813,559.00 GEL, TBEA emerged as the winner.
- 2020 ● The Gambian government awarded one of the country's largest projects to TBEA, which funded the visit to China of the President of Gambia, Adama Barrow, in 2017.

## Nuctech

- 2006 - 2007 ● In the Philippines, the state customs agency overpaid when it awarded a \$150 million non-bid contract to Nuctech.
- 2006-2009 ● In Namibia, a Nuctech representative and two Namibian citizens were charged with corruption, money laundering, bribery, and fraud in connection with a contract between Nuctech Company Ltd. and the Namibian government.
- 2009-2010 ● The European Union accused Nuctech Company Ltd. of dumping and imposed provisional anti-dumping duties on imports of Nuctech scanning systems.
- 2012 ● The Georgian Revenue Service purchased an X-ray inspection system from Nuctech Company Limited for customs checkpoints in Kazbegi and Red Bridge.
- 2014 ● The Georgian Revenue Service purchased three units of stationary X-ray control scanners from Nuctech Company Limited for the Ninotsminda, Vale, and Sadakhlo customs checkpoints.
- 2014 ● In the US, the Transportation Security Administration banned Nuctech equipment.
- 2016 ● The head of the Aviation Security Division of the Taiwan Aviation Police Bureau received a bribe of NT\$3.6 million from a Nuctech representative to facilitate the purchase of 17 X-ray scanners from Nuctech for Taiwanese airports.
- 2016 - 2019 ● In Ukraine, Nuctech was awarded a contract to install stationary scanners at checkpoints across the country. In 2019, the head of the State Customs Service of Ukraine stated that instead of seven scanners, Ukraine received only four from Nuctech, while all of them were defective.
- 2018-2020 ● The Revenue Service of Georgia purchased products worth a total of \$5,870,722.48 from Nuctech Company Limited.
- 2019 ● Nuctech publicly stated that it was working closely with St. Petersburg State University to develop high-energy X-ray equipment, anti-terrorist equipment, which can be used for military purposes in the future.
- 2020 ● The Canadian government awarded Nuctech a \$6.8 million contract to supply scanners to 170 Canadian embassies and consulates.
- 2021 ● The Lithuanian government officially decided to ban the supply of Nuctech equipment to three international airports in Lithuania.
- 2021 ● Despite negative comments about Nuctech by the Latvian State Security Service, the Latvian State Revenue Service continued to use Nuctech equipment at all Latvia-Russia border checkpoints.
- 2024 ● EU held raids in Nuctech offices in Rotterdam and Warsaw under the Foreign Subsidies Regulation over suspected Chinese state subsidies distorting competition.

## China Road and Bridge Corporation (CRBC)

- 2009 ● The WB imposed sanctions on the CRBC for fraudulent practices related to the Philippines National Roads Improvement and Management (APL) Program.
- 2009 ● In Kenya, the Standard Gauge Railway (SGR) project, led by CRBC and 85% financed by the scandal-plagued Chinese bank, was heavily criticized by opposition leaders and Kenyan economists, who blamed it for increasing the national debt.
- 2015 ● The Ugandan government awarded CRBC a contract for the Pakwach-Nebbi Road project, which was financed by the WB. However, the Ugandan government was asked to disqualify CRBC from the tender because of the sanctions imposed on the company.
- 2015 ● A Kenyan court issued a civil complaint by number 13, which exposed the CRBC's misconduct in connection with the construction of the SGR. Later, in 2018, the Ethics and Anti-Corruption Commission (EACC) revealed the theft of \$2.20 million by Kenyan government officials.
- 2018 ● In Kenya, "AfriStar" and its major shareholder, CRBC, manipulated a complex ticket reservation system and distributed the revenues of China Railways to the operator and other employees. They created a fake system of refunding money for tickets already distributed to their customers while boarding the train, while the money received was transferred elsewhere.
- 2018 ● Massive corruption scandal surrounding Kyrgyzstan's largest infrastructure project. Members of the Kyrgyz government and CRBC officials were involved in this scandal.
- 2018 ● Scandal over the Pelješac Bridge project in Croatia. The Austrian company Strabag filed a complaint against the Chinese contractor CRBC. The company alleged that in direct violation of EU law, CRBC offered some of the projects at suspiciously low prices.
- 2018 ● The Ex-Im Bank of China provided Ukraine with a \$200 million loan for the construction of the Odesa-Mykolaiv-Kherson Highway, managed by the CRBC.
- 2018 ● The Roads Department of Georgia signed a contract worth 901,973,206.57 GEL with the China Road and Bridge Corporation for the construction of the 13 km Ubisa-Shorapani road.
- 2020 ● As a result of the collapse of the tin roof of the workshop of the Ubisa-Shorapani section by the construction company CRBC, two Chinese workers were slightly injured, and one Georgian worker was seriously injured.
- 2020 ● During the construction of the Ubisa-Shorapani road, a bulldozer operator of CRBC was seriously injured, as a result, the worker required leg amputation.
- 2020 ● The Roads Department of Georgia signed a contract worth 6,997,668.00 GEL with the China Road and Bridge Corporation for the rehabilitation of 25.5 km - 32 km of the Zhinvali-Barisakho-Shatili highway.

- 2020 ● The Roads Department of Georgia published information about the health injury of a specialist from one of the contractor companies on the CRBC construction area, Ubisa-Shorapani highway.
- 2021 ● CRBC promised Montenegro to recover the Tara riverbed under UNESCO protection, which was damaged by the company during the construction.

### China State Construction Engineering Corporation Limited (CSCEC)

- 2004 ● The Department of Public Works and Highways of the Philippines banned the company for one year for violating local rules and regulations.
- 2009 ● The WB blacklisted CSCEC for its involvement in a collusion and corruption scandal in the Philippines.
- 2013 ● CSCEC was fined and accused of using low-quality sea sand to build several skyscrapers in Shenzhen, China.
- 2015 ● Baha Mar Ltd., a local company in the Bahamas, sued CSCEC in the US and the UK for massive fraud and several other misconducts, such as project delays, loss of revenue, lack of experience in building a huge complex, and theft of documents.
- 2017 ● The dispute between BML and CSCEC continued in the New York Supreme Court.
- 2019 ● A Memorandum of Understanding was signed between the Roads Department of Georgia and CSCEC regarding the project "Construction of the Ubisa-Shorapani Section of the E-60 Highway (F3)".
- 2019 ● Pakistan's Communications Minister Murad Saeed stated that the National Roads Authority violated procurement rules by signing a memorandum of understanding worth 259 billion Indian rupees with the CSCEC.
- 2020 ● The Trump administration accused CSCEC of cyber espionage and banned entities registered in the United States from becoming shareholders of CSCEC.
- 2024 ● A World Bank investigation revealed irregularities in Bolivia's infrastructure projects.
- 2025 ● Staff working on a CSCEC project in Algeria went on strike after months without wages.

### China Nuclear Industry 23 Construction Co., Ltd (CNI23)

- 2010 ● CNI23 founder and general manager of the China National Nuclear Corporation (CNNC), Kang Rixin, was sentenced to life imprisonment for accepting a bribe of 6.6 million Chinese Yuan.
- 2012 ● CNI23 and the Roads Department of Georgia signed an agreement to construct the Ruisi-Agara bypass road section.

- 2014 ● The Georgian branch of CNI23 was granted the authority to extract sand and gravel in the Agara area; however, the company was required to comply with environmental protection standards. It was later revealed that the company illegally removed the topsoil and carried out unauthorized mining, causing the state damage amounting to 1,422,961.0 GEL.
- 2015 ● Construction work on the Ruisi-Agara bypass section (km 95 - km 114) completion was delayed by 17 months.
- 2017 ● The agreement was signed between CNI23 and the Road Department of Georgia regarding outdoor lighting works for the Ruisi-Agara bypass section.
- 2018 ● The agreement was signed between the United Water Supply Company of Georgia and CNI23 regarding the construction of Cudauri water and sewage systems and wastewater treatment plants.
- 2019 ● CNI23's second major co-investor, China General Nuclear Power Engineering Co., Ltd. (CGN), was blacklisted by the US Department of Commerce due to allegations of stealing American technology for military purposes.
- 2021 ● French companies involved in a joint Sino-French project accused Chinese authorities of increasing the permissible limits for radiation discharge around the Taishan nuclear power plant to avoid its closure

### Hunan Road and Bridge Construction Group Co Ltd

- 2007 ● The 328-meter Tuojiang Bridge in China collapsed due to poor construction, killing 64 people and injuring 22.
- 2009 ● 20 local government officials and HNRB board members were sentenced to 19 years imprisonment in China for bribery, corruption, negligence, and organized crime.
- 2018 ● The winner of the international tender for the construction of the Khevi-Ubisa section of the Rikoti Byass Road, Hunan Road and Bridge Construction Group and the Department of Roads signed a contract.
- 2019 ● Locals in Uganda protested against the Masaka-Bukakata road project when they temporarily halted construction work by the HNRB leading to local government intervention.
- 2020 ● The New Union of Railway Workers announced on its Facebook page that "a collective labor dispute settlement procedure has begun between 'Hunan Road and Bridge Construction Group LLC' and Georgian Railway Workers New Trade Union."
- 2020 ● Georgian truck drivers of the Hunan Road and Bridge Construction Group held a protest and presented their demands to the employer.
- 2021 ● 250 employees of Hunan Road and Bridge Construction Group went on strike in Kharagauli, demanding a salary increase.



- 2021 ● the Decent Work Platform inspected the HNRB branch in Georgia and found 15 violations related to labor safety.
- 2021 ● More than 100 local residents in Uganda sued Arab contractor Osman Ahmed Osman & Co. and its subcontractor HNRB for failing to compensate for damage caused to agricultural lands and residential houses during the process of extracting stone needed for the construction of the road.
- 2022 ● The Chinese company, HNRB, won a tender that was announced for the construction of the 12-kilometer section of the Samtredia–Grigoleti road.

### China National Technical Import and Export Corporation (CNTIC)

- 2008 - 2009 ● CNTIC's construction of the Adipala power plant in Indonesia was met with allegations of corruption and opposition from residents.
- 2011 ● In Indonesia, villagers were concerned when the equipment used to build the Adipala power plant damaged local roads. The company's local workers went on strike several times due to inadequate wages. The Central Environmental Authority issued an assessment report on the Ruwanpura Expressway in Sri Lanka, which found that the road construction project by CNTIC contained several risks.
- 2010 ● Myanmar's Upper Keng Tawng Hydropower Dam Project, managed by CNTIC, posed several risks. As a result, the Shan population, along with civil society representatives and parliamentarians, called on the government to halt the project.
- 2012 ● Georgia announced a tender for the Shorapani-Argveta highway section.
- 2019 ● According to the report published by the organization "The Global Environmental Justice Atlas" on Myanmar's Upper Keng Tawng Dam, the destruction of the rich ecology of rivers in the Shan region posed a threat to the primary livelihoods of the local population.
- 2020 ● Locals in Indonesia demanded that the CNTIC resolve the problems related to the Adipala power station by restoring forests, improving facilities and infrastructure, and providing health insurance and compensation to the affected population.
- 2020 ● The Sri Lankan Cabinet finally revoked the right of the Chinese contractor CNTIC to build the first section of the road.
- 2020 ● The agreement was signed between the Ministry of Regional Development and Infrastructure of Georgia and the Joint Venture of Guizhou Provincial Highway Engineering Group Co. and CNTIC.
- 2022 ● In Georgia, one of the employees died during the construction process of the Shorapani-Argveta section due to the violations of labor safety rules.

## China Railway Tunnel Group Co., Ltd (CRTG)

- 2018 ● CRTG participated in a tender announced for the construction works on the Chumateleti–Khevi section. The company was not selected as the winning bidder.
- 2019 ● Company officials were convicted in Singapore on massive corruption charges.
- 2019 ● The WB sanctions CRTG for fraud and labor rights violations.
- 2019 ● The company was banned from participating in projects in Zambia and Kenya for 20 months for violating safety standards and legal practices.
- 2020 ● In Poland, the CRTG was accused of corruption in connection with railway projects, which led to project delays and legal disputes.
- 2020 ● CRTG's parent company, CRCC, was blacklisted by the US Department of Defense. In China, CRTG was ordered to pay a fine of 1.6 million Yuan for environmental violations.
- 2022 ● CRTG began construction of one of the tunnels on the Kvesheti-Kobi road section in Georgia.
- 2022-2023 ● Due to CRTG's violation of safety standards during the restoration of the Tel Aviv Metro in Israel and its cooperation with the company responsible for Iran's nuclear program, the Israeli authorities included it on the government blacklist.
- 2024 ● CRTG won a tender for the construction of the Stepantsminda-Larsi Highway in Georgia.
- 2023-2024 ● In Georgia, environmental violations and safety problems were identified in the Stepantsminda-Gveleti section of the Mtskheta-Stepantsminda-Larsi highway.

## Hikvision

- 2019-2024 ● Surveillance cameras manufactured by Hikvision were purchased in 26 tenders announced by state agencies in Georgia.
- 2021 ● The South Korean government imposed bans on some Hikvision products. In addition, more than 1,300 Chinese surveillance cameras were removed from military bases in 2024.
- 2021 ● The European Parliament decided to remove Hikvision-manufactured cameras. This was on the grounds of the company's involvement in human rights violations.
- 2022 ● The New Zealand Ministry of Business, Innovation, and Employment decided not to purchase any more Hikvision equipment. This was due to the human rights violations practices in which the company was involved.
- 2022 ● The US Federal Communications Commission banned the import of surveillance and telecommunications technology manufactured by Hikvision due to security concerns.

- 2023 ● The National Agency for the Prevention of Corruption of Ukraine included Hikvision in the list of “international sponsors of war”, due to the company’s active activities in the Russian Federation.
- 2023 ● The Australian Department of Defence decided to remove Hikvision surveillance cameras from government buildings, due to security risks.
- 2023 ● The Canadian government decided to ban the use of technology manufactured by Hikvision due to security concerns. The reason for this decision was security risks.
- 2024 ● The UK government decided to dismantle cameras manufactured by Hikvision in buildings belonging to critical government agencies by April 2025. The reason for the decision was the espionage activities of actors linked to the Chinese state.
- 2024 ● The Indian government banned 17 Chinese companies, including Hikvision, from participating in tenders and instructed private companies in cooperation with state agencies to prohibit the use of products manufactured by these Chinese companies.

### China Communications Construction Co.

- 2011 ● CCCC and its subsidiaries were sanctioned by the WB for fraudulent activities in a project in the Philippines.
- 2014 ● The head of the Tanzanian port authority and his deputy were charged with corruption after they awarded a port expansion project to CCCC for double the cost.
- 2020 ● US Secretary of State Mike Pompeo said that China is using CCCC and its affiliates to advance its “expansionist agenda.”
- 2020 ● The US Department of Commerce blacklisted 24 companies, including CCCC subsidiaries.
- 2019-2021 ● CCCC was abandoned by American companies BlackRock, Inc., JPMorgan Chase & Co., and The Bank of New York Mellon Corporation.
- 2024 ● The Minister of Economy and Sustainable Development of Georgia Levan Davitashvili announced that a Chinese-Singaporean consortium (CCCC and China Harbor Investment Pte. Ltd) would be declared the winner of the competition to select a private partner for the Anaklia Port Development Project.
- 2025 ● A local council in Uganda terminated its contract with the CCCC due to violations of labor rights and public safety regulations.

They are building on blood: the NACP has included the China State Construction Engineering Corporation in the list of international sponsors of the war

Ex-Hong Kong Official Convicted in Bribe Case Involving Chinese Oil Company



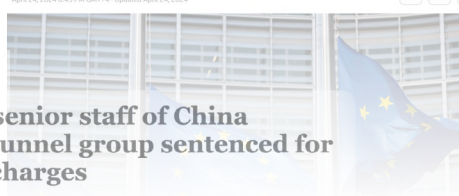
20 jailed over Hunan bridge collapse that killed 64 in 2007

## Exposed Globally - RISK AHEAD.

Chinese company Sinohydro under scrutiny for bribe payments in Latin American projects

China's Nuctech raided in EU over foreign subsidies concerns

By Fao Yun Chen  
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Former senior staff of China railway tunnel group sentenced for bribery charges