

Civic IDEA advances freedom and resilient state-building in Georgia by advocating for democratic values, transparency, and inclusive governance.

Beijing’s Black Sea Push: A New Maritime Frontier

Strategically positioned at the crucial juncture of Europe, Asia, and the Middle East, Georgia’s geographic and maritime assets hold the capacity to profoundly transform regional geopolitics. Boasting a 190-mile expanse along the Black Sea, Georgia is uniquely placed to ascend as a central transportation and logistics hub. This pivotal role could not only strengthen economic and strategic connections between Europe and Central Asia but also reduce Western reliance on the Northern trade route that presently traverses through Russia. By capitalizing on its maritime capabilities, Georgia can assert a more influential role in shaping regional dynamics and fostering new avenues for trade and diplomacy.



Port of Poti: One of Georgia’s largest ports, serves as a crucial logistics hub, handling a diverse range of cargo, including metals, oil, and grain. It is situated on the eastern coast of the Black Sea and acts as a major gateway for trade into Georgia and the broader Caucasus region.

Port of Batumi: Located on the southern coast of the Black Sea, the Port of Batumi is vital for the export of oil and oil products. It also handles containerized and general cargo and is a popular destination for cruise ships, contributing to the regional tourism industry.

Anaklia Port: Development aimed at expanding Georgia’s Black Sea trade capabilities. Positioned to form a crucial link in the Middle Corridor transit route, it could facilitate goods movement from China through Central Asia and the South Caucasus to Europe.

Port of Ochamchire: located on the eastern Black Sea coast in Abkhazia, has historically functioned as a modest facility. Following the Russian-Ukrainian war, Russia’s interest in the port renewed, viewing it as an alternative naval outpost to Crimea. Recent reports indicate that Russia plans to expand Ochamchire into a strategic logistics hub to support its military and commercial operations.

Anaklia Deep Sea Port

A paramount endeavor in enhancing Georgia's strategic maritime infrastructure is the development of the Anaklia Deep Sea Port. Recognized as the optimal site for a deep-water port in Georgia, Anaklia represents a significant milestone in the country's maritime expansion. Initiated in 2014 with the Georgian government's **call** for proposals, the project quickly attracted global attention. By 2015, the contest **was narrowed** down to two major contenders: the U.S.-backed Anaklia Development Consortium LLC and a consortium led by the Chinese state-owned Power Construction Corporation of China. The Anaklia Development Consortium, a collaboration between Georgia's TBC Holding and U.S.-based Conti International, ultimately **won** the bid in 2016.

The Consortium's ambitious plan was to develop the port across **nine phases**, with the initial phase expected to be **operational** by 2021, allowing the port to accommodate large vessels by 2022. Furthermore, the project scope **included** the creation of a Special Free Economic Zone adjacent to the port, set to significantly boost the economic landscape of the region.

However, the project faced setbacks as Georgian governmental support dwindled shortly after the agreement's conclusion. Despite robust interest from Western investors, the lack of governmental guarantees weakened their enthusiasm, reflecting a reorientation of Georgia's geopolitical alliances and increasing ties with Russia—a development that seemingly contradicted the project's Western-oriented inception. This shift became particularly apparent when Bidzina Ivanishvili, the founder of the ruling Georgian Dream party and the country's shadow ruler, **expressed** reservations about American involvement in the Black Sea, favoring instead Chinese investment, thus casting a shadow over the project's future and highlighting the complex interplay of regional and international politics affecting Georgia's strategic initiatives.

In June 2019, a crucial **meeting** took place in Washington, D.C., where then-Prime Minister Mamuka Bakhtadze engaged with U.S. Secretary of State Mike Pompeo. During this significant encounter, Pompeo vocally endorsed the Anaklia Deep Sea Port project, affirming its strategic importance. He articulated a strong hope for Georgia's swift and complete implementation of the project, emphasizing that its realization would fortify Georgia's economic connections with free-market economies and shield it from undue influences by Russia and China.

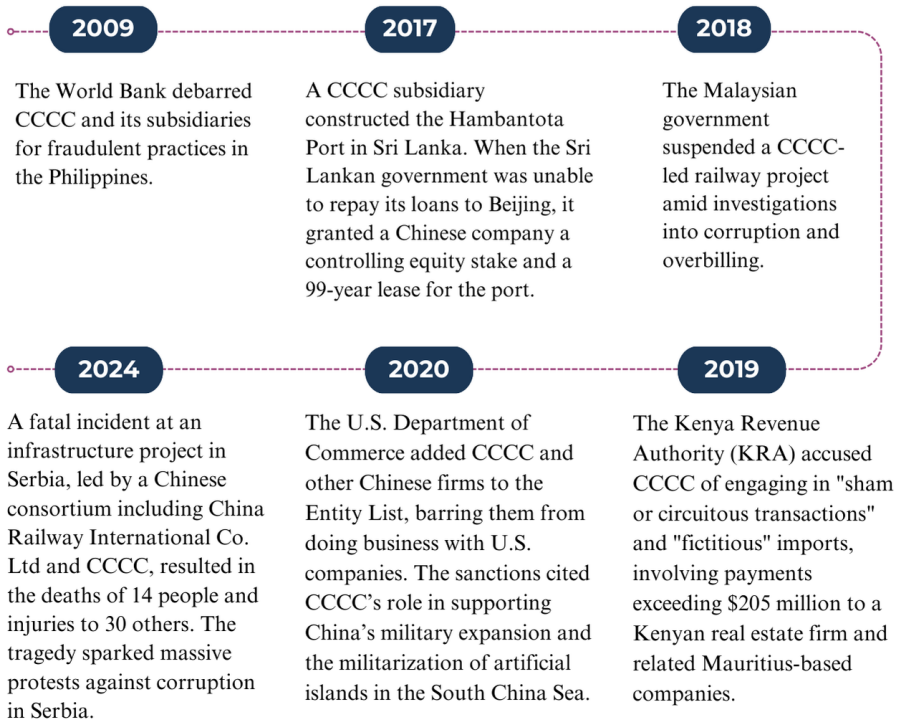
“ *I expressed the hope that Georgia will complete the implementation of the project. Its implementation will strengthen Georgia's ties with free economies and will not allow Georgia to be under the economic influence of Russia or China. These imaginary friends are not driven by good intentions.* ”

Mike Pompeo, US Secretary of State

Despite U.S. backing, the Georgian government’s reluctance to involve Western—particularly American—companies in the project became increasingly evident. To discourage the Western partners of the project the government opened a criminal investigation, based on alleged financial wrongdoings committed 15 years ago, against the key Georgian partners, Mamuka Khazaradze and Badri Japaridze. In 2019, the project’s largest investor, U.S.-based Conti Group, [withdrew](#). Later, in 2020, the Georgian government formally [terminated](#) its contract with the Anaklia Development Consortium, citing the Consortium’s failure to meet financial obligations.

In 2023, Georgia’s Ministry of Economy and Sustainable Development [re-announced](#) an international tender seeking a private investor for the Anaklia Deep Sea Port project. The revised terms allocated 51% of the port’s ownership to the state, with the selected partner holding the remaining 49%. By May 2024, a Sino-Singaporean consortium led by the PRC state-owned enterprise – China Communications Construction Company (CCCC) was [declared](#) the preferred bidder, with officials indicating that the consortium’s official confirmation was imminent.

CCCC, the potential investor at the Anaklia port project is sanctioned by multiple countries:



“

*China used CCCC and its subsidiaries
as weapons to impose an expansionist agenda.*

”

Mike Pompeo, U.S. Secretary of State

Against the backdrop of the Georgian Dream’s increasingly anti-Western foreign policy, the Anaklia Deep Sea Port is frequently cited as a flagship project within the Georgia-China Strategic Partnership. The agreement between the Georgian Dream and the Sino-Singaporean Consortium has not yet been formalized. Consequently, the selection process for a private investor remains opaque, with government officials making unfulfilled promises to Georgian society regarding the port’s development. Most recently, on January 20, 2025 the Minister of Economy and Sustainable Development, Levan Davitashvili, [announced](#) that April would mark the deadline for concluding negotiations with the Sino-Singaporean consortium.

Consequently, the Georgian Dream government, while ostensibly appeasing Russia by ousting Western companies from the Anaklia project and delaying its operational launch by at least a decade, strategically provided the Kremlin with a critical window to bolster its economic and security foothold in the region. Simultaneously, this shift catered to the rising global influence of China, positioning it as a more dominant force than Russia in the area. This maneuvering, however, comes at a significant cost: the sacrifice of Georgia’s strategic interests and those of the democratic international community, undermining the broader geopolitical balance and Georgia’s own democratic aspirations.

Poti Sea Port and Chinese Interests


Chinese interest in the Black Sea region and Georgian ports significantly predates the Anaklia Deep Sea Port project, highlighting a strategic focus on this pivotal area. While not directly involved in Port operations, CEFC China Energy, a Chinese company with a controversial [record](#) of criminal allegations, has established a substantial presence. With the facilitation of [Ivane Chkhartishvili](#), a Georgian businessman with close ties to Bidzina Ivanishvili, CEFC became a prominent stakeholder in the Poti Free Industrial Zone (Poti FIZ). This involvement underscores the growing influence and strategic intentions of Chinese enterprises in Georgia’s economic infrastructure, reflecting broader geopolitical shifts in the region.


The Poti Free Industrial Zone strategically encompasses the Black Sea port city of Poti, which stands as Georgia’s largest and most versatile port. The port acts as a key juncture within the Caucasian transport corridor. This corridor [facilitates](#) vital links between the Romanian port of Constanta and the Bulgarian port of Varna, extending connectivity to the Caspian region and Central Asia. This strategic layout enhances Geor-


gia's economic and logistical integration into wider regional and international trade networks, underscoring its importance in transcontinental commerce.


The Poti port [handles](#) containerized, liquid, dry, and bulk cargo and ferry traffic. It [has](#) 15 berths that accommodate all cargo operations, with a total berth length of 2,900 meters. Its annual handling capacity includes 210, 000 TEUs of containerized cargo and 7,292,000 tons of conventional cargo.


The Chinese company CEFC's involvement in the Poti FIZ went through several stages, ultimately leading to a company linked to Bidzina Ivanishvili managing CEFC's shares:

 **2017 Investment Agreement:** The Georgian government formalized an investment [agreement](#) with CEFC's Georgian subsidiary, CEFC Ltd., transferring 75% ownership of Poti FIZ to the Chinese company. As part of the privatization terms, CEFC Ltd. was required to invest \$150 million in the development of the zone. Upon fulfilling these conditions, CEFC Ltd. would gain unconditional management rights over Poti FIZ until 2019.

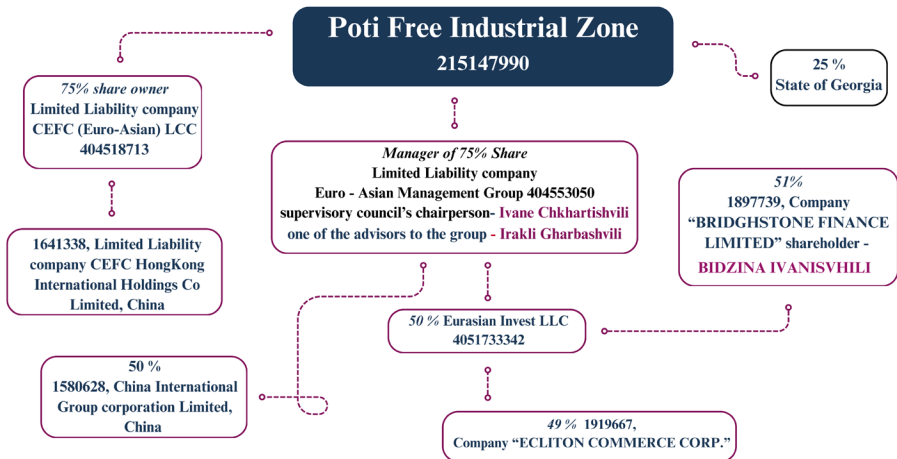
 **2018 Asset Management Agreement:** CEFC Ltd. then entered into an asset management [agreement](#) with Eurasian Management Group Ltd., appointing it as the administrator of the 75% stake in Poti FIZ. This group is closely linked to Bidzina Ivanishvili, with Jianjun Zang and Rati Ghvamberia as directors, and Ivane Chkhar-tishvili as Chairman of the Supervisory Board. Former Georgian Prime Minister Irakli Gharibashvili also [served](#) as an advisor to the group.

 **Ownership and Influence:** Eurasian Management Group Ltd. is [co-owned](#) by China International Group Corporation Limited and Eurasian Invest LLC, each holding a 50% stake. The latter is controlled by UK-based entities Brightstone Finance Limited (51%) and Ecliton Commerce Corporation (49%). The "[Pandora Papers](#)" leak in 2021 revealed that Brightstone Finance Ltd. is owned by Bidzina Ivanishvili, highlighting his vested interest in Poti FIZ.

 **Corruption Allegations and Bankruptcy:** During the privatization process, CEFC Ltd.'s parent company, CEFC China Energy, faced serious corruption allegations. In 2017, a key executive, Patrick Ho, was [arrested](#) in New York on charges related to operating a criminal network and bribery [attempts](#) in Chad, Uganda, and efforts to bypass sanctions on Iran. These scandals culminated in 2020 when a Shanghai court [declared](#) CEFC China Energy and its subsidiaries, including its Georgia-based entity, bankrupt.

 **Judicial Maneuvering and Control Shift:** As a result of the parent company's bankruptcy, CEFC Ltd. failed to fulfill its investment obligations as outlined in the

agreement. Rather than annulling the contract and reclaiming the state’s stake, [Eurasian Management Group](#), the manager of CEFC’s shares, leveraged the judicial system to secure full control. In 2020, Eurasian Management Group, in which Bidzina Ivanishvili holds ownership stakes through Brightstone Finance Limited, was granted decision-making authority over CEFC Ltd.’s holdings without requiring the company’s written consent.



Despite the bankruptcy of CEFC China Energy, it *remains*, at least formally, the majority stakeholder (75%) of the Poti FIZ. [Eurasian Management Group](#) manages its shares. Given that CEFC China Energy is now defunct, the Georgian government possesses the authority to reclaim 75% of the shares through the right of property seizure. However, to preempt this action, the Tbilisi City Court recently issued an order - at the request of Eurasian Management Group - *freezing* CEFC Ltd.’s ownership rights, thereby preventing the sale of its stake to another entity.

As illustrated by the Poti FIZ case, engagements with Chinese companies often entangle intricate schemes involving the leadership of the Georgian ruling party. These dealings frequently exhibit a notable lack of due diligence and transparency, raising concerns, especially in strategic undertakings such as the Poti Free Industrial Zone and the Anaklia Deep Sea Port. Both projects hold immense economic significance not just for Georgia but for the broader Black Sea and Caspian Sea regions, underscoring the need for heightened oversight and clear governance to ensure their success and integrity. This chapter highlights the complex dynamics at play in Georgia’s strategic economic sectors, where international ambitions and local governance intersect with profound implications for regional stability and development.

Civic IDEA actively oversees Chinese influence operations in Georgia and across the broader Black Sea and Central Asia regions. Comprehensive reports are available on our website at www.civicidea.ge. We are always ready to provide further information and the latest updates.