

## China's Activities in the South Caucasus

Issue 3, 24.08.2020 – 20.09.2020

*The digest covers China's political, diplomatic, economic and other activities in the South Caucasus region and relations between China and the South Caucasus countries. It relies on a wide variety of sources, including the Chinese media. It is worth noting that the Chinese media is controlled by the Communist Party of China (according to the World Press Freedom [Index](#) China is nearly at the bottom of the list and ranks 177th out of 180 countries).*

24.08.2020 – 30.08.2020

### **Chinese Ambassador to Georgia: Chinese language is our connecting bridge, China and Georgia are one family**

Chinese Ambassador to Georgia, Li Yan discussed China-Georgia relations. [Sinomedia](#) shared a letter by Li Yan on August 28.

Ambassador wrote that for years graduates of Confucius Institute at Free University of Tbilisi have been working in political, business, education and other fields and said that they witness, participate and encourage China-Georgia friendly and mutually beneficial cooperation. She noted that among them are important figures - Georgian Ambassador to China, Archil Kalandia and Director of Confucius Institute at Free University of Tbilisi, Marine Jibladze.

Li Yan emphasized that in 2019 the memorandum of understanding was signed between Chinese embassy and Georgia's Ministry of Education, which "aims to encourage teaching of Chinese language". After this memorandum Chinese has been included in the national education curriculum. She also noted that in 2019 Chinese Social Sciences Academy's and Georgian Technical University's joint Research Institute of China Studies was established at Georgian Technical University and the status of another Confucius Institute was given to the Confucius class at Tbilisi Open University.

According to the Ambassador, in Georgia right now up to 1000 students at more than 20 universities and schools study Chinese. She said that every year China awards dozens of scholarships to study in China. "This gives them an incentive to engage in China-Georgia friendly cooperation," - Ambassador noted.

The Ambassador noted that in recent years China and Georgia have had fruitful results in terms of the Belt and Road cooperation.

"China is ready, together with the Georgian side, to actively support the development of Chinese language teaching in Georgia and to actively support the rapid increase in cooperation between the two

countries in the fields of economy, trade, education, culture and other fields,” - writes Chinese Ambassador.

### **China’s Ambassador to Georgia Li Yan joins the finals of a Chinese language contest**

On August 25, 2020, the finals of the 19th Chinese Bridge Language Proficiency Competition, [organized](#) by the Chinese embassy in Georgia and the Confucius Institute at the Free University of Tbilisi, was held online. Li Yan, the Ambassador to Georgia, delivered a [speech](#) online.

Ambassador Li spoke about the development of China-Georgia relations and, as she said, achievements of cooperation in various fields in recent years, positively evaluating the cooperation in the cultural fields between the two countries.

Ambassador Li thanked the Confucius Institute at Free University for organizing the competition, encouraging the contestants to strive to interpret the theme of the competition “[The land/All] under heaven [is] one family” (Tianxia yijia 天下一家),\* as well as to inherit and continue developing the friendship between China and Georgia.

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\* The word Ambassador used, “tianxia - 天下”, is different from “world” which is “shijie - 世界”. Tianxia means all under heaven which is an ancient Chinese Confucian concept of the whole known world where China is at the center. Some observers suggest that today the concept of tianxia, an old Sino-centric system, indicates China’s hegemonic and expansionist ambitions. The concept of tianxia was once for the part of Asia around China, but as nowadays the world has become globalized and the Communist China is getting more powerful, it is going global. Chinese thinker Bai Tongdong proposes classifying the world into a “New Tianxia” that would be composed of civilized and uncivilized states, where China is a civilized one and should have more say in how the world is run. According to a report by a US think tank CSIS, “in the accounts of several tianxia advocates, the central country (China) provides an example of successful and morally correct governance and then nations on the periphery voluntarily join the order and conform themselves to it owing to the benefits of connection with it”. One of the most prominent advocates of adapting tianxia ideas, the Chinese philosopher Zhao Tingyang has called this China’s whirlpool formula. He argues that the world cannot achieve tianxia unless the physical, psychological and political realms all coincide. In recent years, Xi Jinping has called the world to form “tianxia yijia” – the same term used as a theme of the referred Chinese language proficiency competition in Georgia.

## Armenian Ambassador to China takes a look at China's intelligent housing industry



Source: [www.inxpark.com](http://www.inxpark.com)

On August 18, Armenian Ambassador to China, Sergey Manassarian and the third secretary at the Armenian Embassy in China [visited](#) the Shanghai Cooperation Organization (SCO) Demonstration Zone.

During the visit, guests came to [Shaohaihui](#), which positions itself as “pioneer of China’s intelligent housing industry,” and inspected the whole industrial chain layout of intelligent residence built by the ecosphere model of Shaohaihui.

On August 25, the Chinese news outlet [wrote](#) that the construction of the Shanghai Cooperation Organization (SCO) Demonstration Zone is under full momentum and the exchanges and cooperation between the China’s housing industry firm Shaohaihui and the SCO countries have become increasingly close.

Shanghai Cooperation Organisation has [six](#) dialogue partners. Among them are both Armenia and Azerbaijan.

## Armenia’s national postal operator is planning to launch a subsidiary in China

Armenian Minister of High Tech Industry Hakob Arshakyan said that Armenia’s national postal operator HayPost is planning to launch a subsidiary in China, [Armenpress](#) reported on August 26.

He noted that HayPost is currently developing a new development strategy.

## The Confucius Institute in Azerbaijan holds an online event

The Confucius Institute at Azerbaijan Language University held an online event “Chinese Fan Art”, [Azertag](#) reported on August 25.

Rafiq Abbasov, the director of the Confucius Institute's Azerbaijan branch, introduced the history of making fans and the fans used during different dynasties in China.

*31.08.2020 – 6.09.2020*

### **Disinformation about Georgian laboratory in Chinese state media**

On September 2, an article was [published](#) in the Chinese state media outlet China Daily, where the author questioned the motive behind US intention to deploy a large number of overseas biological laboratories in neighbouring countries of China and Russia. It is noteworthy that China Daily is one of the dozen Chinese media outlets that has been [designated](#) as foreign mission by the US State Department.

The author, Shen Zhao writes that in the huge network of the American overseas laboratories, Georgia, Kazakhstan, South Korea and other places are key areas.

The author claims that the US “conducts research on pathogens with military purposes in laboratories located in these countries but it is reluctant to speak about it to the outside world, which makes people suspicious”.

China Daily's author also says that in May 2018, the Russian army “revealed” that American scientists working at the Lugar laboratory in Georgia were “testing local residents for poisonous chemicals in the name of treatment”.

The author also refers to Russia's Foreign Minister Sergey Lavrov's concerns about the US's “bio-militarization” activities around Russia, when he “strongly urged that these bio-lab activities be made public and transparent”.

It's not the first time when propaganda about US laboratories is spread in some of the biggest Chinese state media outlets. On April 29, 2020 news was published in [Xinhua](#), where deputy director of the Foreign Ministry Information Department of the People's Republic of China, Geng Shuang, “urged the United States to take the international community's concern on its bio-laboratories in former Soviet Union countries seriously and protect local peoples' health and security”.

According to Geng Shuang “The US has established a number of biological laboratories in former Soviet Union countries but has kept quiet about their functions, uses and safety factors”. He claimed that this has raised deep concern among local people and neighboring countries, and “some people strongly demand the closure of relevant laboratories”.

At that time, Xinxua wrote that “those laboratories are completely led by the US side, and ordered by the US Defense Ministry to study dangerous diseases targeted at specific groups of people or even conduct some research projects that are prohibited in the United States”.

Few days before this statement was made, Russia [spread](#) similar disinformation about the Lugar laboratory.

## **Armenia's MFA has no information about the establishment of Smart City**

Speaker of the Ministry of Foreign Affairs of Armenia Anna Naghdalyan said the ministry and its Chinese colleagues have no information about the Smart City Project.

As news.am [writes](#), media reported earlier that the head of Adkars Agency Sargis Ghevondyan announced the conclusion of an agreement on the establishment of a Smart City in Armenia along with the Chinese Academy of Technologies and the Organization for Development of Science and Technology in China in the course of 15 years on August 6 (the project was said to cost \$10-15,000,000).

Armenia's MFA learned about the project from the media. Naghdalyan said that "the implementation of a project with such a budget would probably be part of the talks of competent bodies, but there is no such thing".

## **Legal entities established by Chinese nationals in Georgia**

On August 31, a Georgian investigative journalism outlet Ifact.ge [published information](#) about legal entities established by Chinese nationals in Georgia. According to Ifact.ge, in Georgia there are 943 legal entities established with the participation of Chinese nationals. Of these entities, 899 are Ltd, 23 are non-profit and non-commercial legal entities and 21 - joint-stock companies.

As Ifact.ge reports, in official documents more than half of them do not have specified information about their activities.

Ifact.ge also published information about fields of activities by Chinese companies in Georgia. 550 are marked "any activity", 134 - trade, economic and commercial activity, 93 - services, 63 - construction and trade in construction materials, 22 - tourist services, 18 - consultation, intermediary, financial and investment activity, 10 - entrepreneurship, 6 - winemaking, 5 - agriculture, 5 - energy activities, 5 - educational activities, 5 - cargo shipping and transportation services, 4 - massage, 4 - utilization of natural resources and minerals, 4 - entertaining activities, 3 - food production and trade, 2 - beauty salon, 2 - logistics, 2 - medical services, 2 - oil industry, 1 - furniture production, 1 - another food production and trade, 1 - textile.

733 of the legal entities are in Tbilisi, 63 - in Imereti, 33 - in Adjara, 31 - Kvemo Kartli, 14 - Kakheti, 11 - Samegrelo, 10 - Samtskhe-Javakheti, 8 - Shida Kartli, 3 - Mtskheta-Mtianeti, 2 - Guria.

## **Chinese Alibaba and Azerbaijani side discuss establishment of logistics and relevant warehousing infrastructure in Azerbaijan**

The Ministry of Transport, Communications and High Technologies of Azerbaijan held online discussions on logistics, e-commerce and internet technologies with Alibaba Group, the Chinese multinational technology company, the ministry [said](#) on September 1.

Representatives of Alibaba Group met with the Minister of Transport, Communications and High Technologies Ramin Guluzade.

According to Azernews, the discussions were held on the establishment of logistics and relevant warehousing infrastructure in Azerbaijan, opportunities for cooperation in the data centre and "cloud" infrastructure, e-commerce and other areas. The sides also agreed to establish a working group on cooperation.

Addressing the event, Guluzade stressed the importance of establishing and developing cooperation with Alibaba Group.

Guluzade noted that since 2016, Azerbaijan's Postal Service "Azerpoçt" has been implementing a regional transit postal centre project to implement international e-commerce. According to Azernews, as part of the project, e-commerce products ordered by "Azerpoçt" from China have been received by Azerbaijan's Silk Way Airlines and imported to the country, processed as a mail and delivered to CIS (Commonwealth of Independent States) and other countries since 2016.

Representatives of the Azerbaijani Embassy in China, the Ministry of Transport, Communications and High Technologies, the Ministry of Foreign Affairs, Alibaba Group, Tmall Import and Export also attended the meeting.

### **Georgian envoy in China participates in World Tourism Conference in Beijing**



Source: [Embassy of Georgia to the People's Republic of China/Facebook](#)

On September 5, the envoy of the Georgian embassy in China David Pipinashvili attended the World Conference on Tourism Cooperation and Development in Beijing organized by the World Tourism Cities Federation (WTCCF).

China's Culture and Tourism Minister Hu Heping addressed the participants.

During the conference, David Pipinashvili participated in the thematic discussion "Tourism as a Catalyst for the Revitalization of the World Economy". He emphasized the role of tourism in the development of

the Georgian economy and investment opportunities in this area, as well as the problems caused by the Covid-19 pandemic.

According to the Georgian embassy in China, “after the presentation about Georgia's tourism potential, the conversation continued in a Q&A mode, which allowed the audience to learn more about the importance of Georgia as an important tourist, cultural, transport and logistics hub in the context of the Belt and Road Initiative”.

### **Azerbaijan’s products will be presented at Chinese international exhibition**

On September 3, Yusif Abdullayev, president of the Azerbaijan Export & Investment Promotion Foundation (AZPROMO), [said](#) that this year Azerbaijan products would be exhibited at international exhibitions in China and Russia.

Azerbaijani representatives are planning to participate in the Shanghai International Imported Products Exhibition and the Moscow Food and Beverage Exhibition.

### **Confucius Institute in Baku holds the award ceremony for the Chinese language competition**

On September 3, the award ceremony of the 19th Chinese Bridge Language Proficiency Competition for Students in Azerbaijan was [held](#). Luo Xiaozhi, director of the Confucius Institute from the Chinese side at the Baku State University attended the event and delivered a speech.

### **Confucius Institute in Azerbaijan holds an online event for children**

On August 31, Azertag [reported](#) that the Confucius Institute at Azerbaijan University of Languages organized the “Chinese fairytale world” online event for 2nd to 4th-grade primary school students from Sumgayit’s N42 school.

This is one of a series of activities for children with the theme “Hello, China!”

The teaching secretary from Confucius Institute Nigar Gojayev introduced Chinese fairy tales to children. Rafik Abbasov, the director of the Confucius Institute from the Azerbaijani side, pointed out that the purpose of introducing Chinese works is to let Azerbaijani children understand the importance of reading Chinese folk literature.

7.09.2020 – 13.09.2020

### New freight train route to Europe opens in east China



Source: [Chinanews](http://Chinanews.com)

On September 11, a new China-Europe freight train route linking the city of Jinhua in east China's Zhejiang Province to Baku, Azerbaijan, was launched.

The train was carrying 100 twenty-foot equivalent units (TEUs) of goods including electric tools, hardware tools and household items. According to the China Railway Shanghai Group, it was expected to arrive in Baku in 15 to 18 days, about two-thirds of the travel time previously needed by the land-and-sea transportation.

According to [China.org.cn](http://China.org.cn), Jinhua station operates 12 China-Europe freight train routes and a total of 210 China-Europe freight trains had departed from the station since the beginning of this year, carrying 17,286 TEUs.

### Georgia takes part in Beijing International Exhibition

From September 5 to September 9, Beijing hosted the 5th Colorful World Beijing International Culture Exhibition, organized by the Beijing Center for International Cultural Exchange and the Foreign Affairs Office of Beijing Municipal Government. The Embassy of Georgia in the People's Republic of China [took](#) an active part in the event.

A pavilion of the Embassy of Georgia was organized in the exhibition space, where Georgian wine and mineral water was presented. Georgian products were presented by the company "SATAVADO", which



has many years of experience working on the Chinese market. The head of the company Levan Tavadze made a presentation to the audience about Georgia, Georgian products and the promotion of its exports to China.

### **China ranks 19th in the list of Georgia's top investor countries for the second quarter of 2020**

According to the National Statistics Office of Georgia, in the second quarter of 2020 overall \$237.8 million worth of foreign direct investment entered Georgia, [bm.ge reported](#) on September 8.

In the list of Georgia's top investor countries for the second quarter of 2020, China ranks 19th with \$1.8 million - that is a 43% decrease compared to the same period last year. In the first half of 2020, investments from China to Georgia [fell](#) by 66% to a total of \$2.6 million.

### **Largest Chinese investor companies in Georgia**

According to the information [Bm.ge](#) requested from the National Statistics Office of Georgia, the largest Chinese investor companies in Georgia include the Hualing Group and its affiliate companies - the group manages a free economic zone in Georgia, development business, a commercial bank and an airline MyWay.



*Hualing Tbilisi Sea New City located in Tbilisi, Georgia, near the Tbilisi Sea reservoir. It is the largest project of Hualing Group in Georgia. Source: [HUALING GROUP](#)*

Largest Chinese investor companies in Georgia (as of the first quarter of 2020):

- GEORGIAN HUASHUN INTERNATIONAL INDUSTRIAL INVESTMENT GROUP Ltd (Hualing Group);
- Eastern Energy Corporation Ltd;
- Elegant Ltd;
- V.G.H. Georgia Investments Ltd;
- China Tianchen Engineering Corporation Branch in Georgia;
- Shunxiang Wood Processing Company Kutaisi FEZ Ltd;
- Green road Georgia Ltd;

- Rustavi Steel Corporation Company Ltd;
- Kako Ltd;
- Georgia General Service Company Ltd;

Bm.ge noted that according to Geostat methodology, companies are not sorted by the order of the volume of investments they made.

### **Confucius Institute in Azerbaijan celebrated Chinese Teacher's Day**

On September 9, the Confucius Institute at Azerbaijan University of Languages [held](#) an online traditional greeting card exhibition for students to celebrate Chinese Teachers' Day.

Rafiq Abbasov, the director of the Confucius Institute's Azerbaijan branch, pointed out that September 10, 1985, was the first Teacher's Day to be celebrated after the founding of the People's Republic of China, aiming to raise the prestige of teachers.

*14.09.2020 – 20.09.2020*

### **Speaker of Armenian Parliament holds farewell meeting with Chinese Ambassador**



Source: [Armenpress](#)

On September 15, Armenia's Speaker of Parliament Ararat Mirzoyan held a farewell meeting with Chinese Ambassador in Armenia Tian Erlong, where two sides expressed confidence that Armenia and China have a great development potential in their relations.

According to [Armenpress](#), Mirzoyan said that the development of relations with China is one of Armenia's priorities. The Speaker expressed regret over the fact that the bilateral contacts have declined

due to the coronavirus pandemic, but expressed hope that they will be restored completely after the pandemic is over. He once again thanked the Ambassador for the joint projects and for the humanitarian aid provided to Armenia during the pandemic.

Tian Erlong said he thought that his work in Armenia had been useful, expressing hope that the cancelled visit of the Armenian lawmakers to China would take place because China gives great importance to the parliamentary relations.

### **Shanghai-based renewable energy company plans to expand its business in Azerbaijan**

China's Universal Energy (UE) company is planning to expand its business in Azerbaijan, Menafn [reported](#) on September 17.

"By leveraging UE's advantages in Kazakhstan, including cost control, design optimization and flexible business model, UE plans to expand its business in Azerbaijan to further support the transition of energy structure, bringing green energy to power the local community" - the company noted.

According to Universal Energy, the company aims to become a leading market player in countries along the Belt and Road Initiative.

Menafn writes that Universal Energy is a Shanghai-based international company focusing on the renewable energy industry and specializing in investing, constructing and operating wind power and solar power projects across the world.

### **Chinese Ambassador to Georgia meets Deputy Foreign Minister of Georgia**



Source: [MFA Georgia](#)

On September 14, Georgian Deputy Foreign Minister Lasha Darsalia [held](#) a meeting with Chinese Ambassador to Georgia Li Yan.

The two sides discussed the issues of cooperation between Georgia and the People's Republic of China in various formats.

At the end of the meeting, the parties expressed hope for deepening cooperation at multilateral and bilateral levels.

### **Chinese Minister of Commerce visited Georgian pavilion at the exhibition in China**

In the first half of September, the Chinese Minister of Commerce Zhong Shan participated in an exhibition in Guangzhou, China, where the pavilions of the countries involved in the Belt and Road Initiative were presented. At the event, Georgian products were presented by the Georgian Belt and Road Business House in Guangzhou.

On September 18, the Embassy of Georgia to the People's Republic of China [reported](#) that Zhong Shan visited the Georgian pavilion and tasted Georgian products - wine and lemonade, which was widely covered in the Chinese media.

### **Azerbaijani entrepreneurs prepare to go to Shanghai for and import exhibition**

On September 17, the Azerbaijan Export and Investment Promotion Foundation (AZPROMO) [organized](#) a video conference for entrepreneurs who will go to Shanghai to participate in the 3rd China International Import Exhibition.

Representatives of more than 20 companies attended the meeting.

### **Confucius Institute in Azerbaijan holds another cultural event**

On the occasion of the Azerbaijan National Music Festival, to commemorate the 135th anniversary of the birth of famous Azerbaijan composer Uzeyir Hajibeyov, the Confucius Institute at Azerbaijan's University of Languages held an online seminar entitled "the Chinese story of the musical comedy "Arshin Mal Alan", Azertag [reported](#) on September 16.

Rafiq Abbasov, the director of the Confucius Institute's Azerbaijan branch, spoke of the exchange and cooperation between Azerbaijan and China in dramatic arts, saying that Uzeyir Hajibeyov's musical comedy "Arshin Mal Alan" is very popular in China.