



Ministry of Economy and Sustainable Development of Georgia

Georgia's Contribution to Regional Connectivity

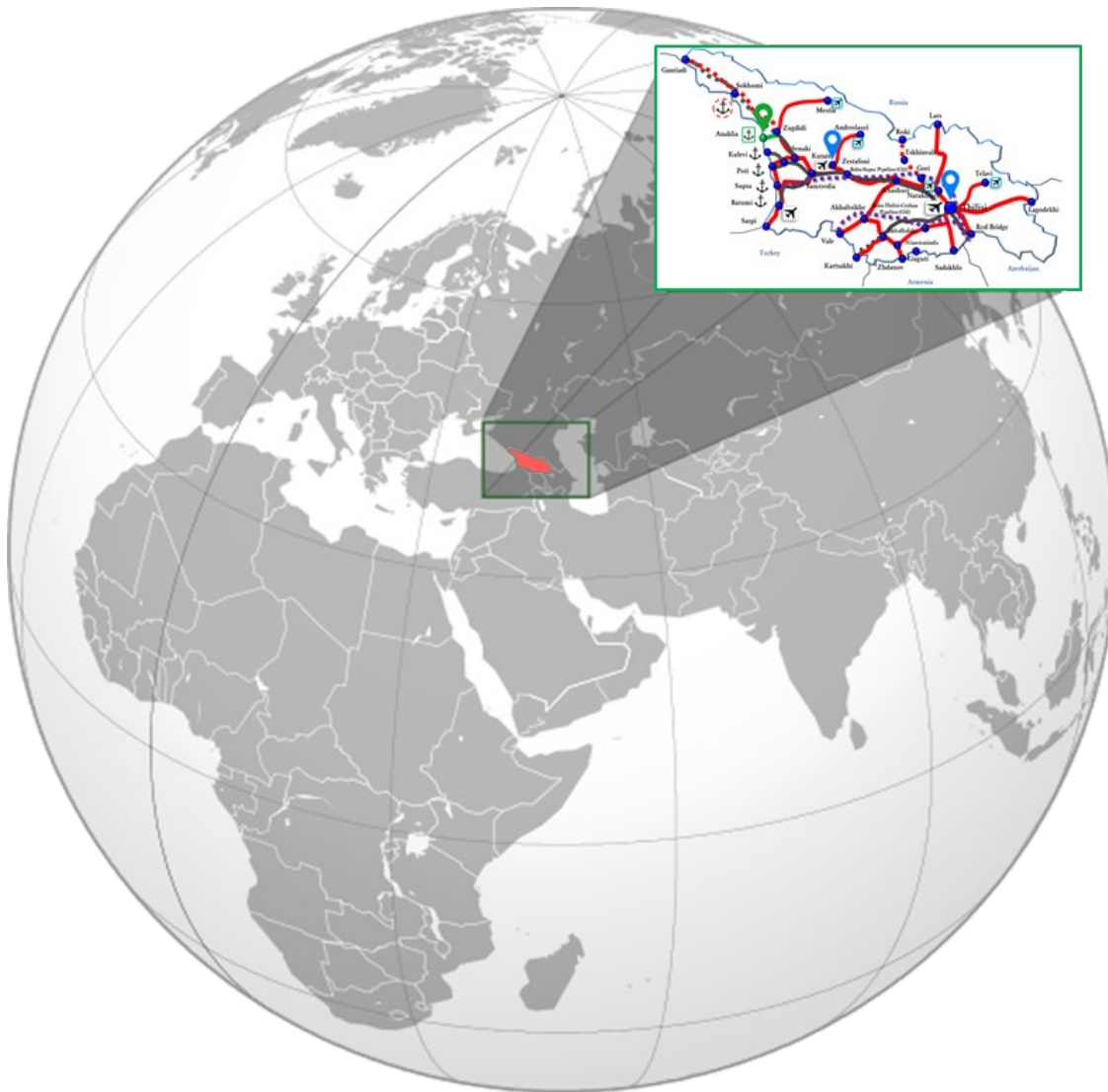
**SPECA Workshop on Connectivity and Inland
Transport Competitiveness**

**27 November 2018
Astana, Kazakhstan**



Country Profile and Economic Snapshot

Georgia – Asia’s Gateway to Europe



Georgia - Growing Economy

Area (sq.km)	69.700
Population of Georgia (thousand persons) By January 1, 2018	3729.6
Capital - Tbilisi Population (thousand persons)	1158.7
Gross Domestic Product Real Growth Rate (%) By 2017	4.8
Gross Domestic Product Per Capita (US Dollar) By 2017	4046.8
Inflation (%) Annual (October, 2018)	2.3
Unemployment Rate (%) By 2017	13.9

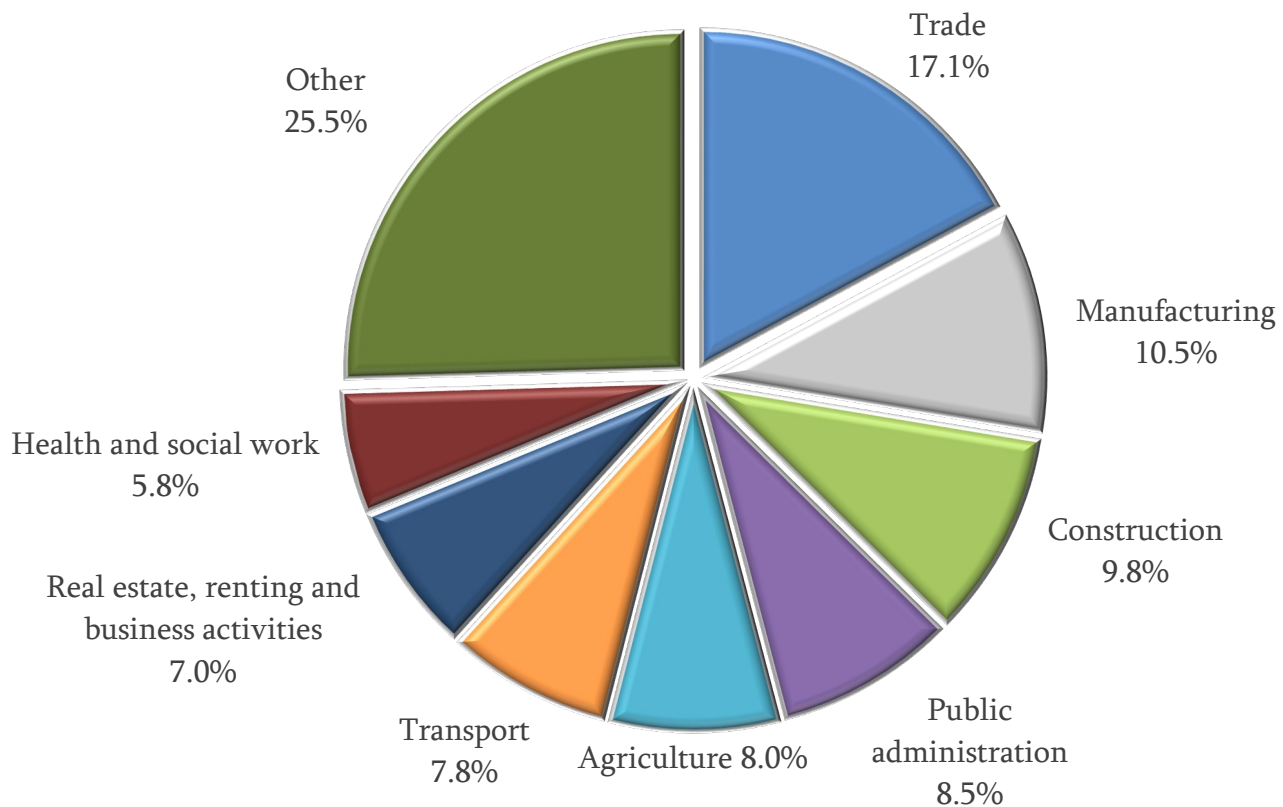
Source: www.geostat.ge



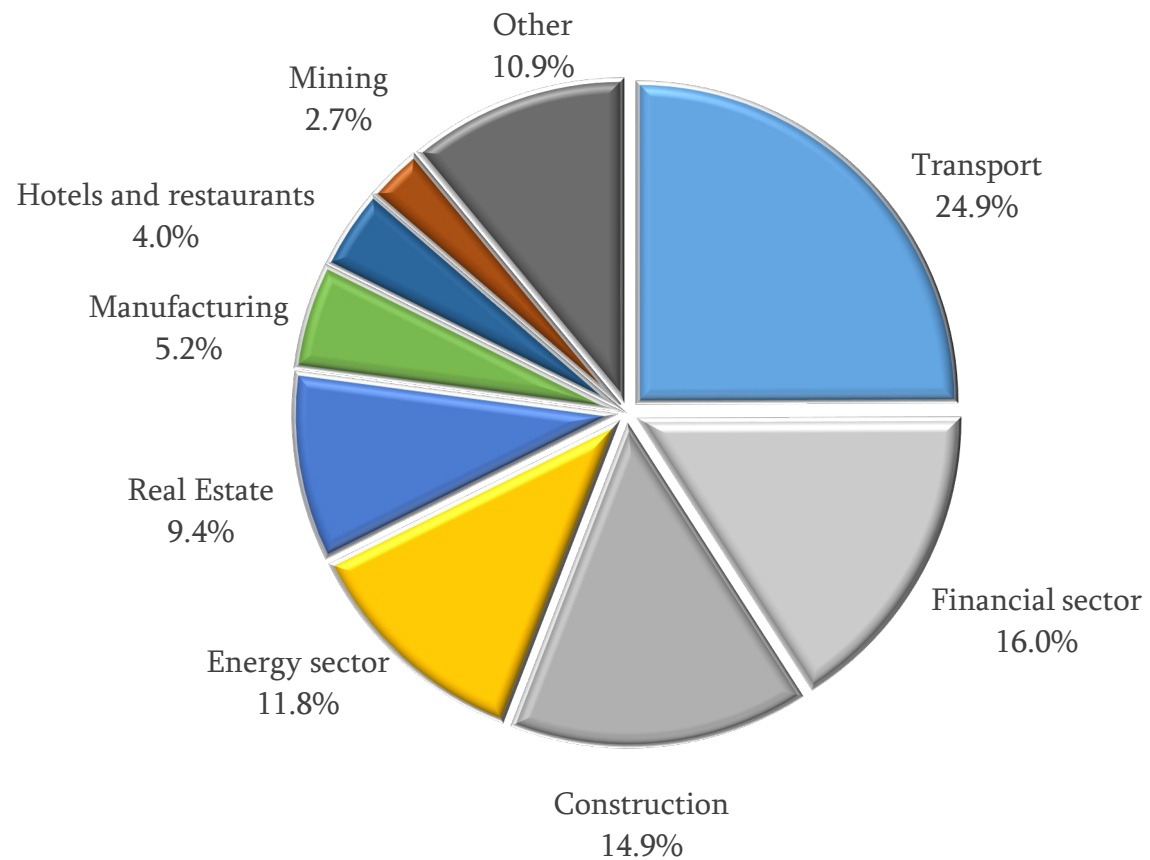
Economic Overview

GDP & FDI (%)

Gross Domestic Product (at current prices) - 2017



Foreign Direct Investments by Economic Sectors - 2017





Transport Network of Georgia

Poti Sea Port (APM Terminals)

- Port has 15 berths
- Depth: 8-11m
- Annual Capacity: 4 mln tons of dry cargo, 1 mln tons of oil products, 1.0 mln. Ferry cargo, 500 000 TEU

Batumi Sea Port (BIH)

- Port has 11 berths
- Depth: 9-12m
- Annual Capacity: 15 mln tons of oil products, 2 mln tons of dry cargo, 0.7 mln. Ferry cargo, 100 000 TEU, 180 000 passengers

Kulevi Sea Terminal (Socar)

- Port has 2 berths
- Depth: 17.10 m and 13.60 m
- Annual Capacity: 6 mln tons of oil products

Supsa Sea Terminal (BP)

- Annual Capacity: 8 mln tons of oil

Baku–Tbilisi–Ceyhan (BTC) pipeline (BP 30.1 %)

- Total Length: 1768 km
- Annual Capacity: 60 mln tons

Tbilisi International Airport (TAV)

- Capacity: 3 000 passengers per hour

Kutaisi International Airport (UAG)

- Capacity: 800 passengers per hour

Batumi International Airport (TAV)

- Capacity: 600 passengers per hour

Ambrolauri Domestic Airport (UAG)

- Capacity: 100 passengers per hour

Mestia Domestic Airport (UAG)

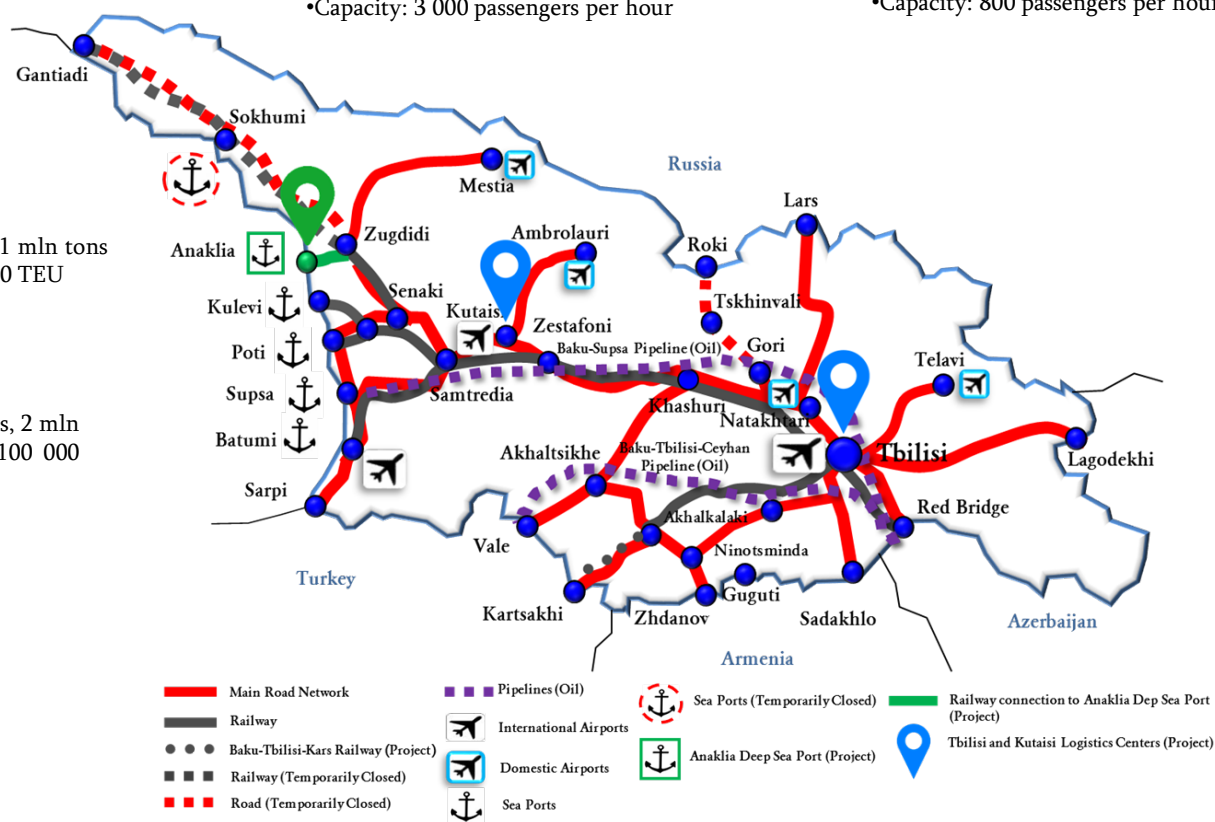
- Capacity: 50 passengers per hour

Natakhtari Domestic Airport (UAG)

- Capacity: 50 passengers per hour

Telavi Domestic Airport (UAG)

- Flight training



Baku-Supsa Pipeline (BP)

- Total Length: 830 km, Diameter - 530 mm
- Annual Capacity: 8 mln tons

Georgian Railway

- Total Length: 1,342 km
- Annual Capacity: 28 mln tons

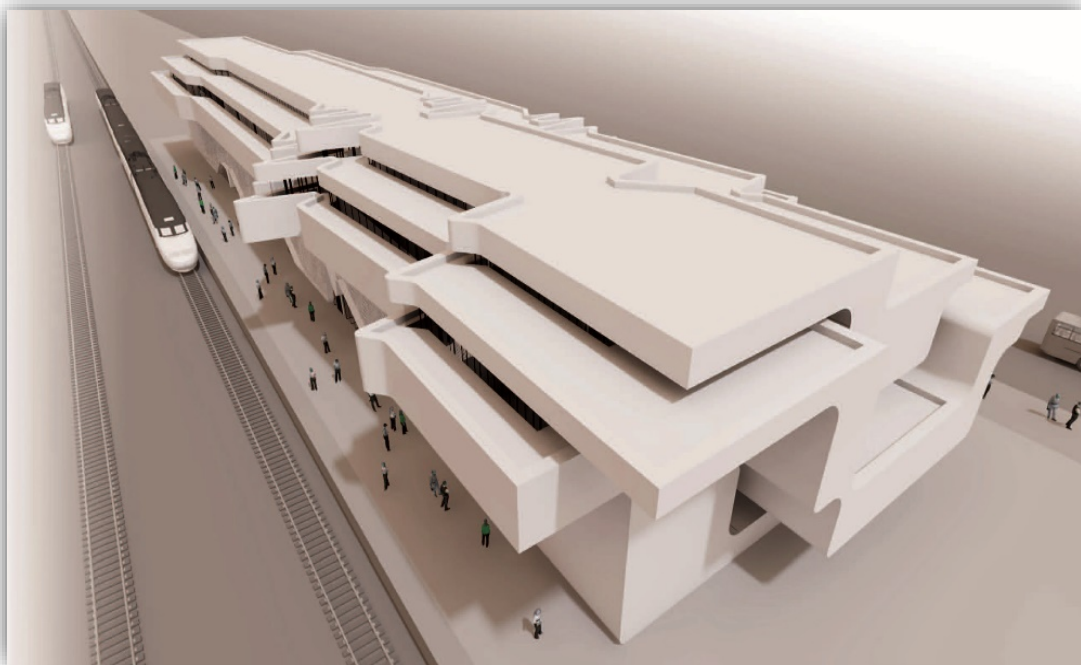
Road

- Total Length: 20 thousand km
- Capacity: min. 8-10 thousand motor vehicles per day
max. 50 thousand motor vehicles per day (highway)



Large-Scale Infrastructure Projects

Baku – Tbilisi – Kars New Railway Connection Line



- Rehabilitation, reconstruction and construction of the 180 km-long railway line
- Capacity: 5 - 15 mln tons, 1 mln passengers
- Major construction works on the Georgian territory have been completed

Anaklia Deep Sea Port



- Anaklia Port will be constructed in 9 phases
- Capacity of the I phase: 8 mln tons / Last phase: 100 mln tons
- The construction works started in December 2017
- Total project cost: USD 2.5 billion; Cost of the first phase: USD 586 mln.



Large-Scale Infrastructure Projects

Railway Modernization



- Increase in throughput capacity – initially 48mln tons; After installing central automatic blocking system – 100mln tons
- Speed increase from 60 to 80km/h for freight
- Project completion year – 2019

E60-E70 Highway Construction



- Capacity of the Highway will be 30-50 thousand vehicles per day
- In total, the project envisages the construction of 574km Highway by 2021-2022



Large-Scale Infrastructure Projects

East-West Highway Network Construction – 574km



Large-Scale Infrastructure Projects

Donors and Partners – Road Infrastructure Development



WB – World Bank



EU – European Union



Kuwait Fund



EIB – European
Investment Bank



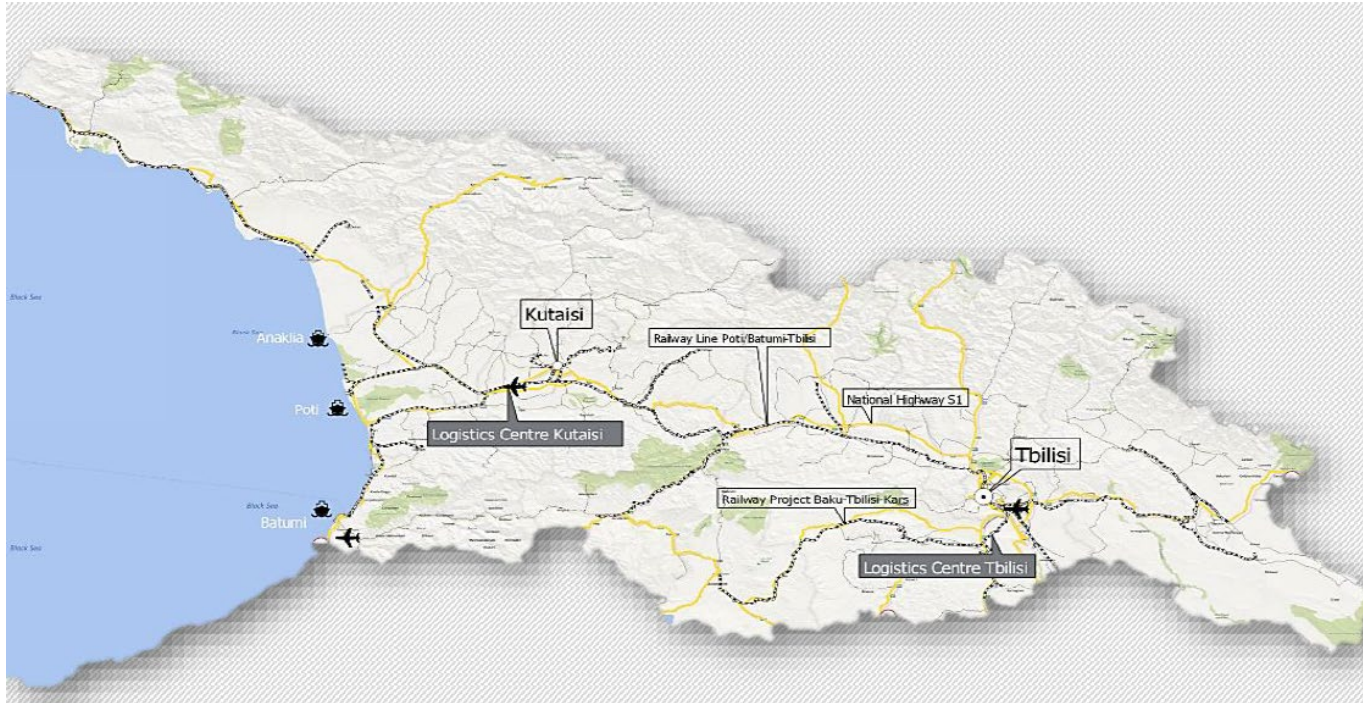
ADB – Asian
Development Bank



JICA – Japan
International
Cooperation Agency



AIIB – Asian
Infrastructure
Investment Bank



Kutaisi Logistics Centre

- First capable Logistics Hub for West Georgia
- Excellent location adjacent to Kutaisi International Airport
- Optional further implementation of a Rail-Road Container Terminal (about 2.5 ha)

Tbilisi Logistics Centre

- First capable Logistics Hub for East Georgia as well as South Caucasus Region
- Direct access to Baku-Tbilisi-Kars railway line
- Area size: about 52.7 ha
- Overall investment: USD 80.3 million
- Start of operation in 2022
- Development of the Rail-Road Container Terminal (7.9 ha)

- Area size: about 46.1 ha
- Overall investment: USD 72.5 million
- Start of operation in 2022



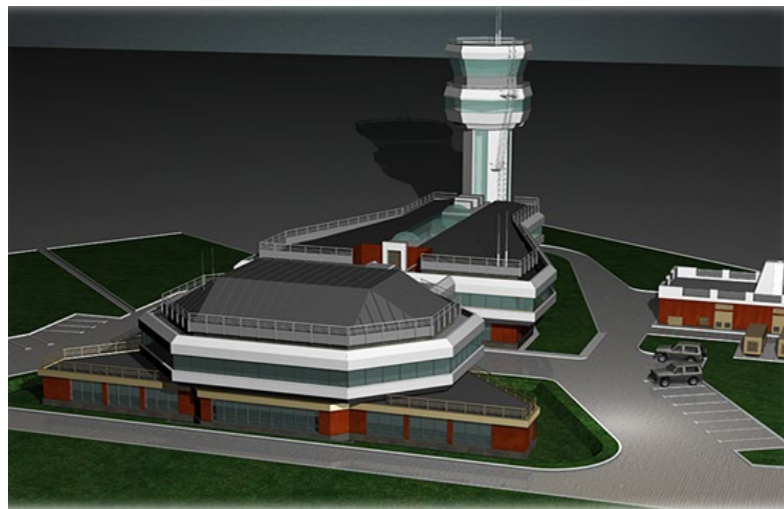
Large-Scale Infrastructure Projects

Expansion of Tbilisi International Airport



- New terminal of Tbilisi International Airport was opened in September 2017
- Terminal covers an area of 12000 sq. m. and is equipped with the latest technology
- The overall capacity has been increased to 4 mln passengers per year

Construction of Air Traffic Control Centre in Tbilisi



- Automated Air Traffic Control System (SELEX) was upgraded
- Design Document of the Automated Management System was prepared by Spanish company, Indra Systemas, S.A.
- New air traffic control (ATC) centre was opened in Tbilisi in May 2018

Expansion of Kutaisi International Airport



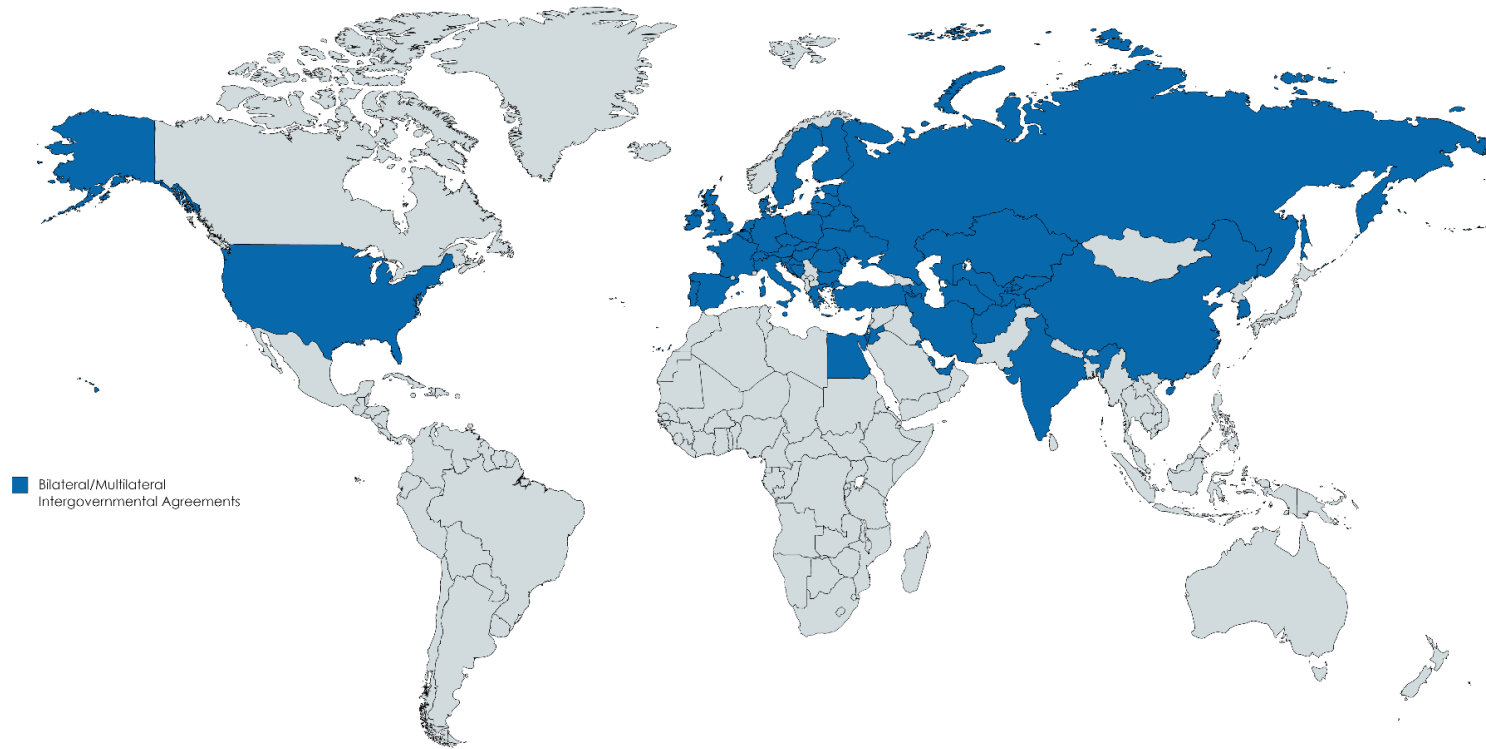
- The project envisages the expansion of terminal building as well as apron and car park
- It will be completed in the beginning of 2019
- The Project is implemented by the United Airports of Georgia

National Policy Approaches to the Transport Sector Development

- ❑ Approximation of Georgia's national legislation with EU aquis is underway
- ❑ National Road Safety Strategy was adopted in 2016
- ❑ Logistics Strategy and its Action Plan are being elaborated



Transport Connections



Civil Aviation

- Bilateral air services agreements signed with 36 countries
- Common Aviation Area Agreement signed with EU and its member states
- Air services agreements planned with 13 countries
- 91 international flight destinations from Georgian Airports

Maritime Transport

- Bilateral intergovernmental agreements signed with 16 countries
- Planned with 4 countries

Road Transport

- Bilateral intergovernmental agreements signed with 30 countries
- Planned with 3 countries including China

Railway

- Bilateral intergovernmental agreements signed with neighbor countries + Ukraine, Moldova, Uzbekistan, Kazakhstan, Turkmenistan, Kyrgyzstan

Transport Corridor Agreements

- TRACECA Basic Agreement
- Lapis Lazuli Route Agreement
- Persian Gulf - Black Sea (Planned)



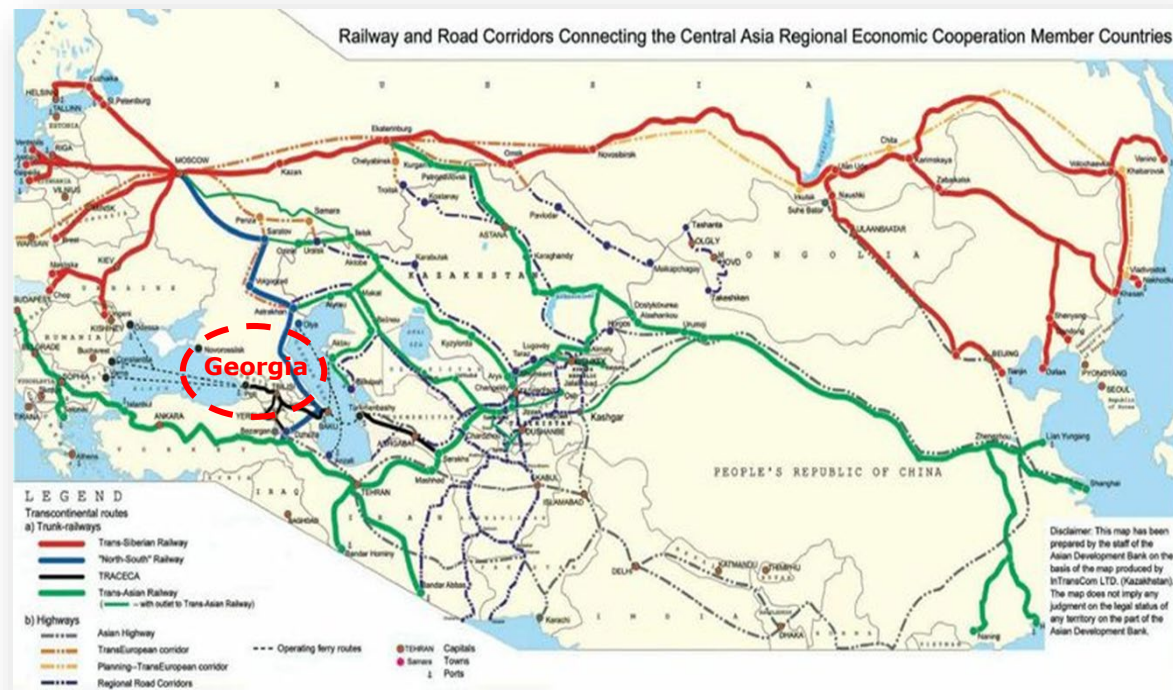
Development of New Transit Routes and Corridors



Georgia is a member since 1993



Georgia is a member since 2016





Trans-Caspian International Transport Route (“Middle Corridor”)

- ❑ Significantly reduced transportation time compared to sea shipments
- ❑ Agreed tariff along the Middle Corridor
- ❑ Access to markets through Georgian ports:
 - **Turkey**
 - **Greece**
 - **Bulgaria** - Macedonia, Montenegro, Croatia, Bosnia and Herzegovina, Serbia, Slovenia
 - **Romania** - Hungary, Slovakia, Austria, Czech Rep., Germany
 - **Ukraine** - Moldova, Poland





Transit and Transport Cooperation (Lapis Lazuli Route Agreement)

Participating countries:

Afghanistan, Turkmenistan, Azerbaijan
Georgia, Turkey

- Initiated by the Government of Afghanistan
- Signed on November 15, 2017
- The Agreement envisages:
 - ✓ facilitation of passenger and freight transportation along the Lapis Lazuli route
 - ✓ simplification of administrative arrangements and procedures
 - ✓ provision of infrastructure facilities for transit





Room for improvements

- Development of sound and reliable transport infrastructure in the region
- Improvement of logistics processes and services
- Use of modern technologies in supply chain management
- Streamlining and simplifying customs procedures
- Enhancement of intermodality and interoperability of transport systems

Thank you for your attention

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