

**Questionnaire for:**

**Assessment of strategic plans and policy  
measures on Investment and Maintenance in  
Transport Infrastructure**

**Country:**  
**Georgia**

## 1 - General information about Georgia

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**Area:** 69,700 sq.km

**Boarders:** Southeast - Azerbaijan, Southwest - Turkey, North - Russia, South - Armenia.

**Geography:** mountain ranges and hills comprise 80% of Georgian territory. The country is situated between 40 - 47 degrees E and 41 - 44 degrees N

**Population:** 4,469,200 (data 2011)

**Capital:** Tbilisi, population - 1,624,2 (data 2011)

**Other main cities:** Batumi, Kutaisi, Rustavi, Sokhumi, Gori, Poti, Zugdidi, Telavi

**Language:** The Georgian language is the state language of Georgia, though in the Autonomous Republic of Abkhazia, Abkhaz has co-official status.

**Ethnic groups:** (2002 census): Georgians - 83.8%, Azeris - 6.5%, Armenians - 5.7%, Russians - 1.5%

## 2. General overview of Transport sector

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Located at the crossroads of Europe and Central Asia, Georgia is a bridge connecting several important economic regions with a total of 827 mln people, including the EU (495 mln), CIS (243 mln), Turkey (73 million) and the Caucasus Region (16 mln). It is a key link in the shortest transit route between Western Europe and Central Asia for transportation of oil and gas as well as dry cargo. Georgia's oil and gas pipelines, Black Sea ports, well-developed railway system, together with its airports are playing an increasingly important role in linking east and West. At the same time, Georgia functions as the vertical North-South transportation link between Russia and Turkey and, via Armenia, to Iran.

As a major regional transport-transit hub, Georgia offers significant distribution opportunities through its newly renovated and expanded transportation infrastructure, which includes an extensive national highway system, newly expanded railway routes, 2 newly renovated international airports and seaports/terminals.

### Civil Aviation

Three International and one Domestic airport are operated in Georgia fully in compliance with International Civil Aviation Organization (ICAO) standards. Tbilisi International Airport and Batumi International Airport are operated by the private Turkish company - TAV Airports Holding Co.:

## Tbilisi International Airport

Tbilisi international airport started operations on 7 February 2007.

Location	22 km from city centre Tbilisi
Runway	3000 x 45 meters (with 7.5 m shoulders)
Surface	Concrete
Passenger terminal	24,000m <sup>2</sup>
Capacity	2,000 passengers per hour
Operating Hours	24 HOURS OPERATIONS
Boarding Bridges	3 Passenger Boarding Bridges
Apron	40,000m <sup>2</sup>
Parking	325 cars



## Batumi International Airport

Batumi International Airport started operations on 26 May 2007.

Runway	2500X45 meters (with 7.5 m shoulders)
Surface	Asphalt
Passenger terminal	3,420m <sup>2</sup>
Capacity	300 passengers per hour
Operating Hours	24 HOURS OPERATIONS
Apron	28,800m <sup>2</sup>

## Kutaisi (Kopitnari) International Airport

The reconstruction of Kutaisi Kopitnari Airport has been begun which is planned to be finished by the September of 2012. Kopitnari international airport will facilitate the attraction of low cost airlines in Georgian aviation market and operating air service to regional directions as well as to the Europe and Asia.





### **New Mestia Airport (Queen Tamar Airport)**

New Mestia Airport (Queen Tamar Airport) was officially opened in 2011, in order to support mountain regions of Georgia and facilitate tourism development.

Runway 1100X30 Concrete surface  
Apron 200X60

### **Georgian Railway LLC**

Georgian Railway is a 1,600-kilometer (km), broad-gauge railway well located on the western part of the land bridge connecting the Black and Caspian Seas. The mainline is double track, which means the network has high capacity, and the line is fully electrified. In addition, the railway enjoys the benefits of regional economic growth, concentrated in the development of energy resources.

Georgia's rail system transported over 20.1 mln tons of freight in 2011 with 62% consisting of transit traffic. The large majority of the railway's freight volume is transit cargo—primarily oil and oil products - moving from Azerbaijan, Kazakhstan and Turkmenistan to the Georgian Sea Port/terminal - Batumi Port and Kulevi Terminal. As many as 20 trains a day operate each way across GR's double-track mainline.

Major characteristics of GR's infrastructure are:

- The predominant track gauge is 1520 mm, and a small branch line is built to narrow gauge (912 mm).
- The design axle load is 23 tonnes on most lines (although the narrow gauge line and some branches were built to lower axle loading limits).
- The mainline was designed to accommodate speeds of up to 100 kilometers per hour (kph) for passenger trains and 80 kph for freight trains, though the geography rarely permits such speeds.
- The main lines rail standard is R65 (65 kilograms-per-meter, Russian design), and lower rail weights (mostly R50) are used in branches, shunting yards, and some station tracks.
- The minimum design horizontal curve is for a radius of 300 meters or more (about a 6 degree curve), although there are more than 30 curves (totaling 3.7 km) with a radius of 200 meters or less; two with radii of 180 and 190 meters on the main line.
- The electrical power system is an overhead simple centenary with a nominal working voltage of 3.3 kilovolts (kV) direct current (DC). The single narrow gauge line uses a nominal voltage of 1.5 kV DC.

Although in the past GR operated from the Azerbaijan border in the east to the Russian border in the west, the railway ceased operating into Abkhazia ever since the conflict in that region closed the borders. Currently, official GR operations end at the administrative border with the Abkhazian autonomy. When that conflict ends, it is likely GR will reopen the line and continue operations to the Russian border at Adler at the western end of Georgia.

#### **Cargo turnover on the Railway Border Crossing Points:**

- Gardabani – with Azerbaijan (**12.9 mln tons in 2010**)
- Sadakhlo – with Armenia (**1.7 mln tons in 2010**)
- Poti Sea Port (**5.3 mln tons in 2010**)
- Batumi Sea Port (**7.4 mln tons in 2010**)
- Kulevi Sea Terminal (**3.6 mln tons in 2010**)

*Note: Data include transit in both directions.*

#### **Road Transport**

The road network of Georgia is mainly composed of the East - West corridor and north-south supplemental connections from Russia to Turkey, reflecting the shape and topographic configurations of the country: Caucasian mountains in the north, high mountains along Turkish border and wide valley in between running from east to west. There are secondary roads and local roads, which connect major highways, supplement major highway network and serve for local traffic for residents in small towns and villages.

Total length of Georgia Road network is 20,229 km, including 1,474 km of international, 3,326 km of internal and 15,439 km of local roads.

Road Infrastructure improvement is one of the state priorities defined in the government's main policy documents – Basic Data and Directions (BDD) and Georgia without Poverty. In accordance with recent international, as well as local demand on road transport and increasing needs on high traffic safety currently there are several ongoing projects and some completed ones. On this aim there are negotiations with international financial institutions like: World Bank (WB); Japanese International Cooperation Agency (JICA); Asian Development Bank (ADB), to sign loan agreements for construction Highway on the Georgian Main International roads in the frame of "East-West Highway Improvement" projects. Also, there is ongoing rehabilitation project in the frame of Millennium Challenge Cooperation (MCC) grant. In accordance with the latest data, most part of Georgian International Roads is in good condition. Although there have been improvements in customs administration recently, delays and other customs related inefficiencies (e.g. physical inspection of cargo with limited application of risk based inspections) are impediments to increasing Georgia's transit competitiveness.

Nowadays road and railway transport are playing a great role in the existence of

economy. The role of railway transport is very important for the mass transportation of goods. On the other hand road transport is the best type of transport for transportation of passengers because of its reasonable costs. In some regions road transport is the only type of transport. It is the most useful type of transport. The remarkable fact is that the great number of transported goods and passengers is fulfilled by road transport than other types of transport.



### Priorities

- Collaboration of safety policy in road transport;
- Harmonization of national laws to the European legislation;
- Establishing legislative basis for the transportation between Europa and Asia;
- Support building road infrastructure and renewal of auto parks related to transportation;
- Improvement of monitoring mechanisms for the safety and level of service.

### Road Infrastructure (2011)

N	Road	Total length	Total	Including		Broken-stone and gravel road	ყამბორღვანი საფარი
				Cement concrete	Asphalt(ic)concrete		
				KM	KM		
1	International	1,495.00	1,467.00	56.0	1.411.0	28.0	
2	Internal	5,446.00	3,477.00	80.0	3.397.0	1.802.0	167.0
3	Total	6,941.00	4,944.00	136.0	4.808.0	1.830.0	167.0

- On 25 December of 2006, the agreement was assigned between Georgia and the republic Armenia about international transportation by road;
- On 6 March of 2007, the agreement was assigned between Georgia and the republic of Kazakhstan about international transportation by road;

- On 19 January of 2010, there was assigned between Georgia and the government of republic of Bulgaria about changes in the agreement about international transportation of goods and passengers by road;
- Georgia will soon become a party of COTIF. The issue of accession was initiated by the Ministry of Economy and Sustainable Development. The procedures for accession to the COTIF is at the last stage;
- On 19 May of 2011 Georgia accessed to the European Agreement Concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR). Accession to this convention ensures the foundation of concurrency, working conditions and safety of road traffic for road transport.
- Collaborated the draft projects for the future agreements to the different countries;

### Future plans (projects)

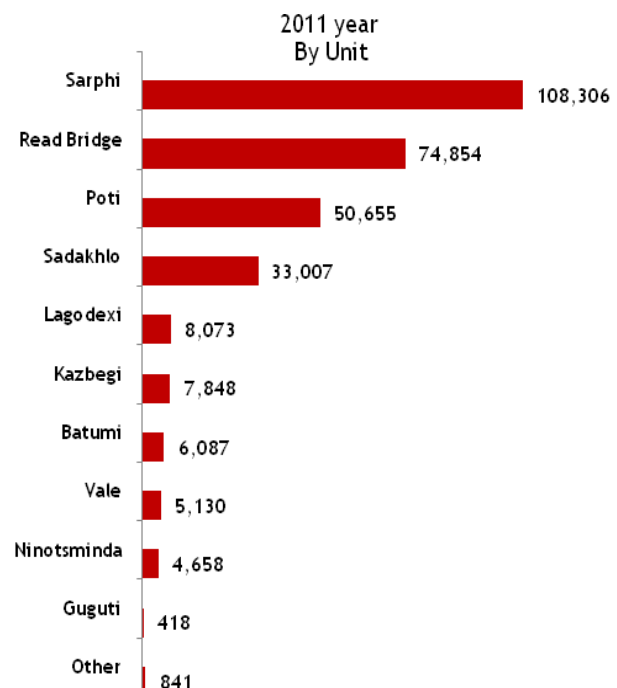
- Working for draft agreements about transportation of goods and passengers by road with different countries (Republic of Estonia, Republic of Portugal, republic of Tajikistan, Republic of Hungary, Islamic republic of Afghanistan, Islamic republic of Pakistan, Syrian Arabic Republic, Bosnia-Herzegovina);
- Holding joint international transport commissions with different countries.

### Border Crossing Points (Road and Rail)

#### Road Border Crossing Points:

- Red bridge – with Azerbaijan
- Lagodekhi – with Azerbaijan
- Samtatskaro – with Azerbaijan
- Mtkvari – with Azerbaijan
- Sadakhlo – with Armenia
- Ninotsminda – with Armenia
- Guguti – with Armenia
- Akhkerpi – with Armenia
- Sarphi – with Turkey
- Vale – with Turkey
- Kazbegi – with Russia
- Batumi Sea Port
- Poti Sea Port

*Note: Data include transit in both directions.*



## **Black Sea Ports of Georgia**

Maritime sector development is the major pre-condition for the country success. Merchant shipping due to its price gives competitive advantage to imported raw materials, exported goods and transit. The prospect of Georgian maritime sector is significantly determined by accession of Bulgaria and Romania to EU as well as by well-developed economic ties between EU countries and landlocked states (Armenia, Azerbaijan and Middle-Asian states). Active efforts of the government of Georgia are targeted to the development of effective and safe maritime transportation for the sake of regional and national trade.

### **Priorities:**

- Facilitation of competitiveness of Georgian maritime sector;
- Harmonization of legislation with international standards;
- Development of close cooperation with EU states in maritime transport;
- Strengthening flag-state control - conducting inspection of ships flying Georgian flag in accordance with international standards;
- Development of Seafarers' training and certification system;
- Improvement of Vessel Tracking System in seaport area;
- Raising effectiveness of maritime rescue coordination and marine pollution management.

### **Planned Activities:**

- Harmonization of Georgian Maritime legislation with international standards;
- Facilitation of fair competition in maritime transport;
- Implementation of higher safety standards in maritime transportation;
- Effective inspection of ships, flying the Georgian flag;
- Implementation of seafarer's employment policy;
- Raising qualification of seafarers.

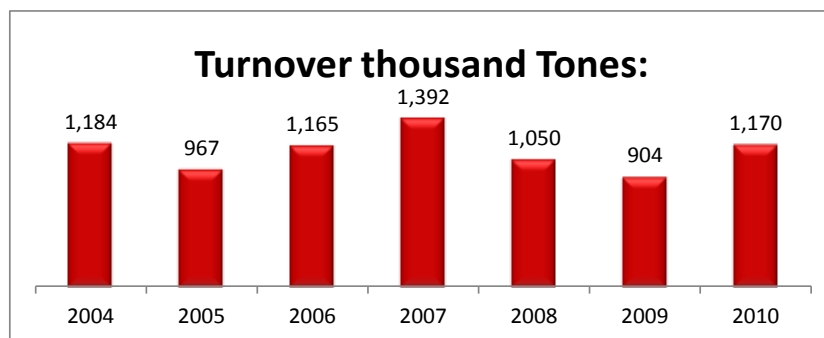


## Poti Sea Port



The Poti Sea Port is a major seaport and harbor off the eastern Black Sea coast at the mouth of the Rioni River in Poti, Georgia. APM Terminals Expands into Eastern Black Sea Port. APM Terminals Poti in Georgia is Europe's newest gateway to the Caucasus and Central Asia, projected to be among the pace-setters in economic development and trade growth.

Poti, Georgia – In line with APM Terminals investment strategy in high growth markets, the company has announced the acquisition of an 80% share in Poti Sea Port, which is located on Georgia's Black Sea coast. The shares have been bought from Ras Al Khaimah Investment Authority (RAKIA) of the United Arab Emirates. The Poti seaport is a cross point of the Trans-Caucasian Corridor/TRACECA, a multinational project which connects the Romanian port Constanța and Bulgarian port Varna with the landlocked countries of the Caspian region and Central Asia.



- Water area – 65.34 ha;
- Length of approach channel – 1.6 km;
- Length of breakwater – 1.8 km;
- Operating area – 30.0 ha;
- Total Capacity – 10 million ton;
- Total length of berth's – 2.9 km;
- Total length of railway - 17.0 km;
- Direct access to hinterland ways;
- 100 hectare of development area;
- General and Break bulk Cargoes;
- Conventional and Project Cargoes;
- Liquid Cargoes;
- RO-RO and FERRY Terminals;
- Container Terminals;
- Multi-Purpose Terminal;

Poti Sea Port		
Number of Berth	Type of Products	Capacity
Berths 1	Liquid Cargo	3 mln. tons
Berths 2	Rail ferry	1,5 mln. tons
Berths 3,4,5,6,8,9,10,11	General-bulk Cargo	8,5 mln. tons
Berths 7,14	Containers	300 000 TEU
Berths 12	Passenger	—
Berths 13	Ro-Ro Ferry	—
Berths 15 (under design)	Grain	—

### Ro-Ro and Ferry Terminal

Length – 183m

Depth – 12,5 m

Capacity – 6500 sq.m

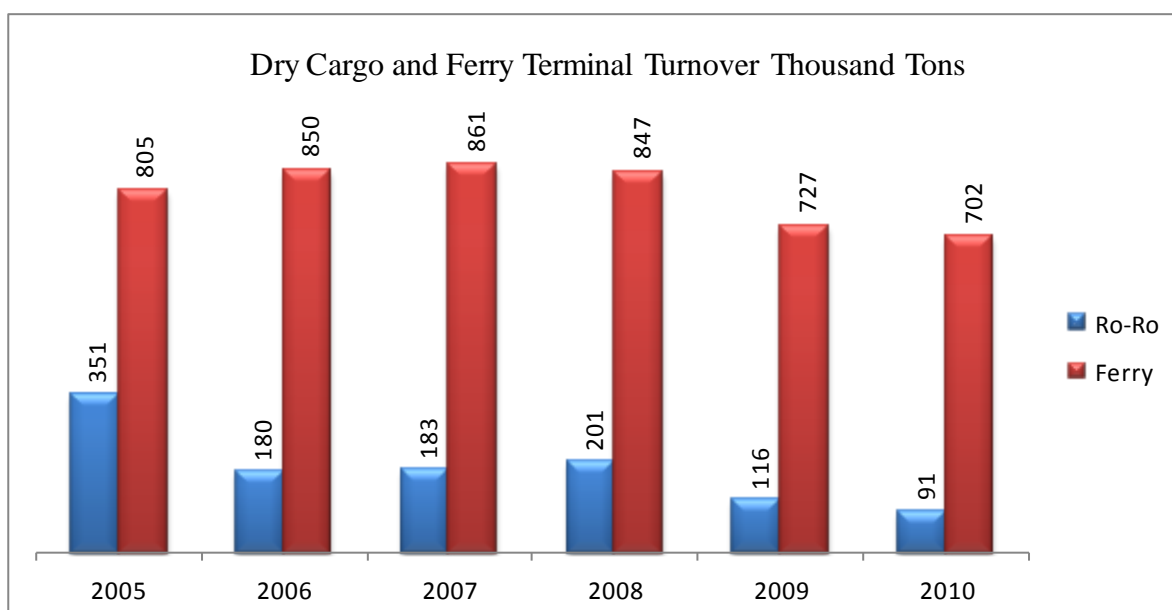
Poti – Ilichevs, Kerch (Ferry Line)

Poti – Kavkaz (Ferry Line)

Poti – Varna (Ro- Ro Line)

Poti – Burgasa (Ro-Ro Line)

Poti – Novorosiisk (Ro-Ro Line)



The Container and Multi-purpose Terminal



Berth Number 7

Length – 221

Depth – 8.2 m;

Capacity – 16300 sq/m;



Berth Number 14

Length – 253m-

Depth – 8.4

Capacity – 13200 sq/m

### **Batumi Sea Port Ltd**

Location: South-east of Black Sea

Area: 22.2 ha

Berth: 11

Capacity: 15 656 m<sup>2</sup>

Personnel: 861 member



In February 2008, "Batumi industrial holdings" Ltd., a subsidiary company of JSC "KazTransOil" acquired the right of long-term management of "Batumi Sea Port" which has for 133 years been the main logistic centre of Eurasian transport corridor. Highly qualified staff along with well-developed infrastructure, advantageous location and universality allows providing our customers with a wide range of high quality service in optimal timing. The port plays a vital role in the development of not only the regional economy but the economy of Georgia in general. Port's management has been

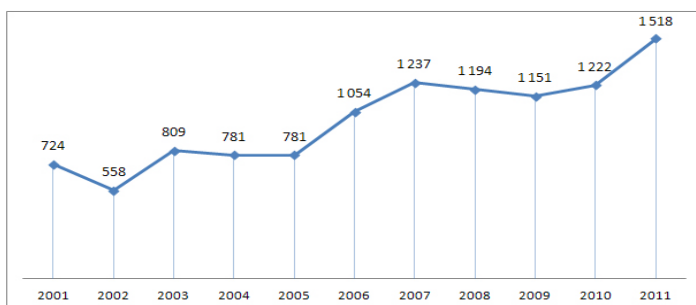
investing a lot into its development, replacement of fixed assets and introduction of modern standards of quality, safety and security management systems. We are open to cooperation and assure our customers that the services provided by BSP meet all the international standards.

Port of Batumi receives vessels and handles cargo 24hr. 365 days per year. In accordance with international quality standards ISO 9001-2008 and the international standard for environmental protection ISO 14001-2004 the Quality Management System of Bureau VERITAS was applied and certified to port.

<b>Batumi Sea Port</b>		
<b>Number of Berth</b>	<b>Type of Products</b>	<b>Capacity</b>
Berths 1,2,3	Oil Products	15 mln. tons
Berths 4,5	Containers and Rail Ferry	100 000 TEU
Berths 6,7,8,9	Dry Cargo	2,0 mln. Tons
Berths 10,11	Passenger	180 000

Mooring and loading operations at the port are twenty-four-hour. The port is equipped with the system of video surveillance that guarantees the security of the ships in the port and cargos.

Dry cargo terminal turnover 2001-2011 yy. (grand t.)



### **Container and the Railway Ferry Terminal**

Throughput efficiency of the container terminal is 100 000 TEU annually. The container terminal has open storing areas and possesses transshipment equipment, which specializes in operating with containers in direct and storage ways.

The ferry runs between Varna, Ilychevsk, Poti, and Batumi. The operation of the ferry is totally automated. The nominal throughput efficiency of the terminal is approximately 700 000 tones.



### Marine Passenger Terminal

The marine passenger terminal is situated in the center of the city, on the seaside boulevard. The throughput efficiency is about 180 000 passengers annually. The passenger berths No.10 and No.11 ensure handling passenger ships as well as small-capacity cargo and passenger ferries (Ro-Ro).

Berth	No. 10	No. 11
Length (m)	225.7	188.5
Depth (m)	12.2	8.25
Area (m <sup>2</sup> )	13.5	19.5
Ships' DWT	3 080	2 716

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Financial review of Batumi Sea Port (BSP) 2009-2011 yy. (GEL)

Year	2009	2010	2011
Revenue	40 220 000 GEL	42 079 000 GEL	49 772 501 GEL
Expenses	26 577 000 GEL	28 773 000 GEL	36 738 364 GEL
Profit before taxation	13 642 000 GEL	13 306 000 GEL	13 034 138 GEL

Compared with 2010, in 2011 BSP revenue grew by 18.3%. Active development of port infrastructure in 2011 resulted in an increase of expenses by 27.7%, compared with the last year.

## Supsa Sea Terminal

Location: Near Poti Sea Port  
Capacity: 1 mln. Barrel  
Length of Oil-pipeline: 830 km  
(in Georgia: 375 km)  
Turnover(goods per year): 60 mln. tons  
Turnover(ship per year):60 tons



Supsa Terminal has been in operation since January 1999 and the first tanker was loaded in April 1999.

Supsa Terminal provides storage capacity for crude oil transported via the Western Route Export Pipeline (WREP) before loading to oil tankers via offshore loading facilities. The crude is further shipped via tankers through the Bosphorus Straits to global markets.

The crude oil is fiscally metered, into the Crude Oil Storage Tanks, each of approximately 40,000 tonnes capacity. Also sited at Supsa is the central Control Room to control both crude receipt and export facilities.

The export loading system consists of three diesel driven loading pumps, which draw crude oil from the storage tanks and discharge to a fiscal export metering system.

The 5.6 km, 36 inch pipeline continues from the Terminal to offshore and ends at the subset Pipe Line End Manifold (PLEM).

Two 16-inch flexible hoses connect the PLEM to the Centenary Anchor Leg Mooring (CALM) buoy, and 20 inch floating hoses used, to transfer crude oil to the tankers.

Georgian Pipeline Company (GPC) operates the pipeline on behalf of Azerbaijan International Operating Company (AIOC) and its shareholders.



## Black Sea Terminal LLC

Location: Near Khobi  
Area: 96 ha.  
Capacity: 5 mln. tons  
Berth: 2



### Geographical Location

The terminal is situated in Khobi region, close to the populated area of the village Kulevi, and from the coastal area between rivers Tsiva and Khobistskali.

The terminal has the accumulative sandy roller to the southwest between the sea and the terminal border. To the northeast within the distance of 50 meters is the Tsiva river and on the opposite site on the right bank of the Tsiva river is the village Kulevi.

To the southwest between the sea and the terminal border it has accumulative sandy roller, to the northeast in a distance of 50 meters river Tsiva and to the opposite side on the right bank village Kulevi.

### Purpose

Kulevi Marine Terminal and Port is designated for transshipment and storage of oil and oil products with its further loading to vessels.

Functionally the terminal is The Terminal from the respect of it's

Functionality – transshipment point;

Transport measures –railway and marine;

Annual freight turnover – 1st Class Terminal;

Overall storage capacity – 1st Class Warehouse.



Overall storage capacity of Tank Park is 320 000 m<sup>3</sup> with the prospect of increase up to 380 000 m<sup>3</sup>. For loading operations there are two berths for receiving tankers with tonnage up to 100 000 tons. Loading performance is from 1000 to 8000 m<sup>3</sup>/h.

The Terminal has its own railway station, where 180 oil tank cars can be placed for discharging. The trestles make possible the simultaneous discharge of 168 oil tank cars.

The Terminal has a number of technological constructions and mechanisms, intended for the receiving, storage, and loading of oil and oil products to tankers, as well as auxiliary and industrial, domestic and administrative buildings which makes the exploitation of the Terminal very efficient.

The Terminal has a high-level automation and mechanization of industrial processes. The automatic management system for technological processes on the basis of electronic control facilities is also foreseen.



### Key Transportation Figures of Georgia

Transportation Mode	Cargo Transportation (Tons mln)			Cargo Transportation (Tons mln x km)		
	2010	2011	Growth, y-o-y (%)	2010	2011	Growth, y-o-y (%)
<b>Railway</b>	19.9	20.1	1%	6,227.5	6,054.8	-3%
<i><b>o/w Liquid cargo</b></i>	<i>11.5</i>	<i>10.5</i>	<i>-9%</i>			
<b>Road</b>	28.5	28.8	1%	619.7	628.4	1%
<b>Civil Aviation</b>	0.0154	0.0159	3%			
<b>Total</b>	<b>48.4</b>	<b>48.9</b>	<b>1%</b>	<b>6,847.2</b>	<b>6,683.2</b>	<b>-2%</b>

Transportation Mode	Passenger (mln)			Passenger (mln x km)		
	2010	2011	Growth, y-o-y (%)	2010	2011	Growth, y-o-y (%)
<b>Railway</b>	3.2	3.3	1%	654.4	641.4	-2%
<b>Road</b>	317.9	326.5	3%	5,884.6	6,049.4	3%
<b>Civil Aviation</b>	0.918	1.193	30%			
<b>Total</b>	<b>322.1</b>	<b>331.0</b>	<b>3%</b>	<b>6,539.0</b>	<b>6,690.8</b>	<b>2%</b>



### Key Handling Figures

Ports	Handled Cargo (Tons mln)			Handled Vessels		
	2010	2011	Growth, y-o-y (%)	2010	2011	Growth, y-o-y (%)
<b>Batumi Sea Port</b>	8.0	7.9	-1%	667	725	9%
<i>o/w Liquid cargo</i>	6.1	5.4	-13%			
<b>Poti Sea Port</b>	7.3	7.2	-2%	2,043	1,841	-10%
<i>o/w Dry cargo</i>	6.1	6.2	2%			
<b>Kulevi Sea Terminal</b>	3.4	3.3	-5%	134	122	-9%
<b>Supsa Sea Terminal</b>	4.0	3.8	-4%	54	48	-11%
<b>Total</b>	<b>22.7</b>	<b>22.1</b>	<b>-2%</b>	<b>2,898</b>	<b>2,736</b>	<b>-6%</b>

Ports	o/w Handled Ferries			Handled TEUs		
	2010	2011	Growth, y-o-y (%)	2010	2011	Growth, y-o-y (%)
<b>Batumi Sea Port</b>	73	100	37%	16,318	45,439	(+) 2,8-times
<b>Poti Sea Port</b>	232	169	-27%	209,797	254,022	21%
<b>Kulevi Sea Terminal</b>	–	–	–	–	–	–
<b>Supsa Sea Terminal</b>	–	–	–	–	–	–
<b>Total</b>	<b>305</b>	<b>269</b>	<b>-12%</b>	<b>226,115</b>	<b>299,461</b>	<b>32%</b>