OVERVIEW OF TRANSPORTATION SECTOR IN GEORGIA 2024

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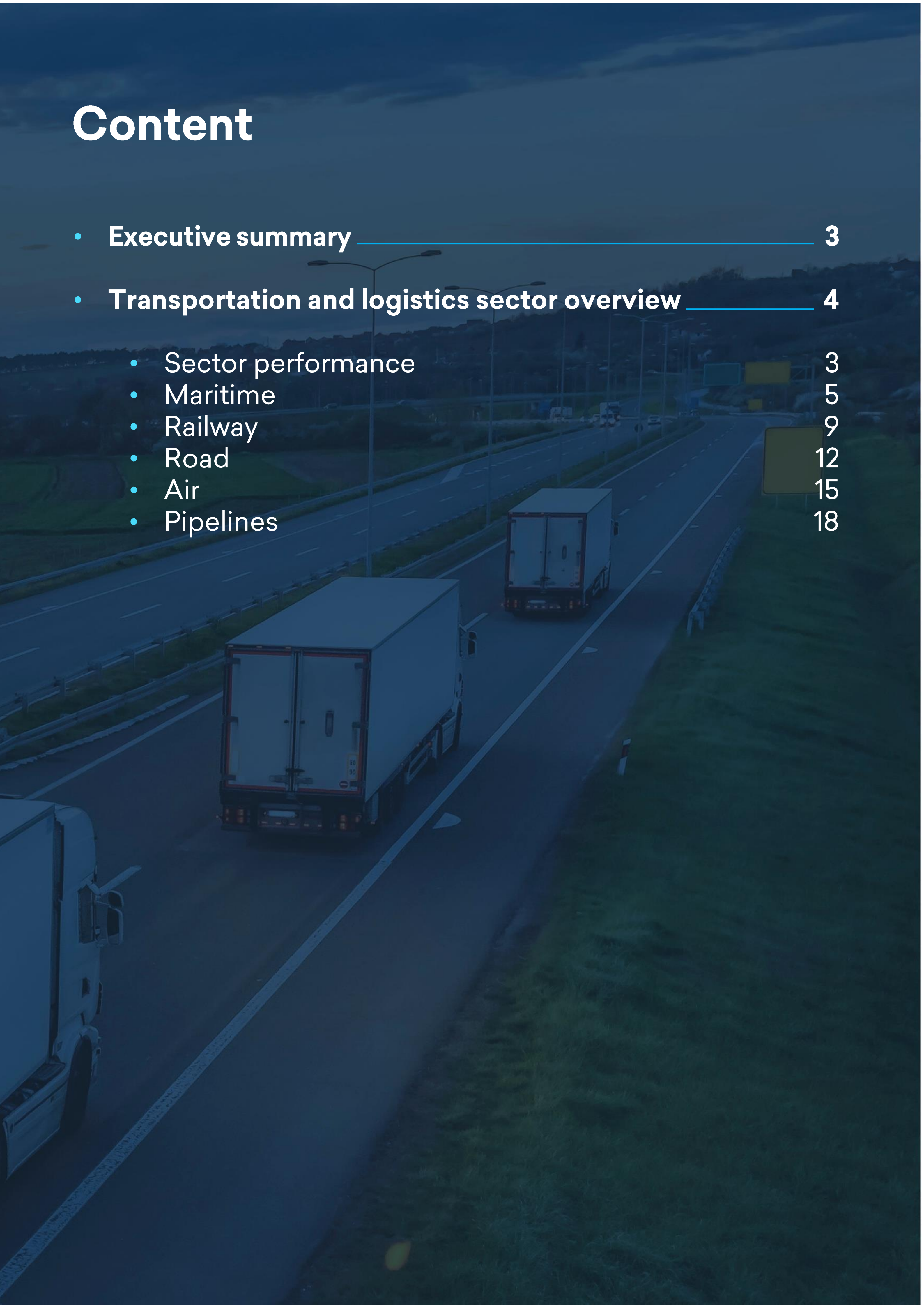
Content



Executive summary

Georgia's transportation and storage sector has maintained steady growth in recent years, supported by the country's strategic role along the Middle Corridor—a trade route between Europe and Asia that has gained importance amid geopolitical shifts and global supply chain disruptions.

In 2024, sector output reached 9.7 billion GEL, 14% higher than in 2023, contributing approximately 6.6% to Georgia's total economic output. Around 31 million tons of cargo were transported to, from, and through Georgia (excluding local transportation), representing a 5% year-on-year increase. Imported cargo volumes rose by 8%, exports by 10%, while transit cargo recorded a more modest 3% growth. Transit continued to dominate, accounting for 55% of total cargo traffic, followed by imports at 37% and exports at 8%.

In 2024, the total volume of freight handled by Georgia's ports and terminals reached 15.6 million tons, representing a 6% increase compared to 2023. General cargo accounted for the largest share at 46%, followed by liquid bulk at 34% and dry bulk at 21%.

Railway cargo volumes reached 13.7 million tons in 2024, reflecting a slight 1% annual increase. Dry cargo, comprising 61% of total rail volumes, declined by 4% year-on-year, while liquid cargo grew by 10% to 5.3 million tons. The railway utilization factor rose by 1 pp to 51%.

Continuing the historic tendency, road cargo remained a major part of the total cargo transportation in Georgia. Road cargo growth maintained momentum in 2024: despite the high base set in 2023, volumes excluding local transportation increased by 4% year-on-year, reaching a new record of 14.8 million tons.

The air cargo sector, following years of contraction due to livestock export restrictions and the pandemic, continued its recovery. In 2024, air cargo volumes surged by 34% year-on-year, reaching 26.2 thousand tons, supported by shifts in global logistics patterns and growing demand for fast delivery services.

Georgia's strategic pipeline network includes four major routes: the Western Route Export Pipeline (WREP), the Baku-Tbilisi-Ceyhan (BTC) pipeline, the South Caucasus Pipeline (SCP), and the North–South Main Gas Pipeline (NSMP). WREP operations, suspended in 2022 due to Black Sea tanker shortages and briefly resumed in early 2023, remained halted through 2024.

In 2024, the BTC pipeline transported a total of 29.5 million tons of crude oil, reflecting a slight 2% decline compared to 2023. In 2024, SCP transmitted 22.8 bcm of natural gas—up 7% from 2023—reaching 95% of its utilization capacity. Meanwhile, 2.3 bcm was transmitted through the North–South Main Gas Pipeline (NSMP), reflecting a 3% year-on-year decrease.

Transportation and logistics sector overview

Georgia's transportation and storage sector has experienced steady growth in recent years, driven by the country's strategic position along the Middle Corridor—a trade route between Europe and Asia that has gained importance as an alternative to traditional routes amid geopolitical shifts and global supply chain disruptions.

In 2024, the sector's output reached 9.7 billion GEL, 14% higher than in 2023, and contributed approximately 6.6% to Georgia's total economic output.

In 2024, around 31 million tons of cargo were transported to, from, and through Georgia (excluding cargo with domestic origin and destination points) —a 5% year-on-year increase. Meanwhile, imported cargo volumes increased by 8%, exports rose by 10%, and transit cargo recorded a more modest growth of 3%.

Transit made up 55% of total cargo traffic, followed by imports at 37% and exports at 8%.

Figure 1. Transportation and storage sector output (bn GEL), its share in total output of economy and YoY change

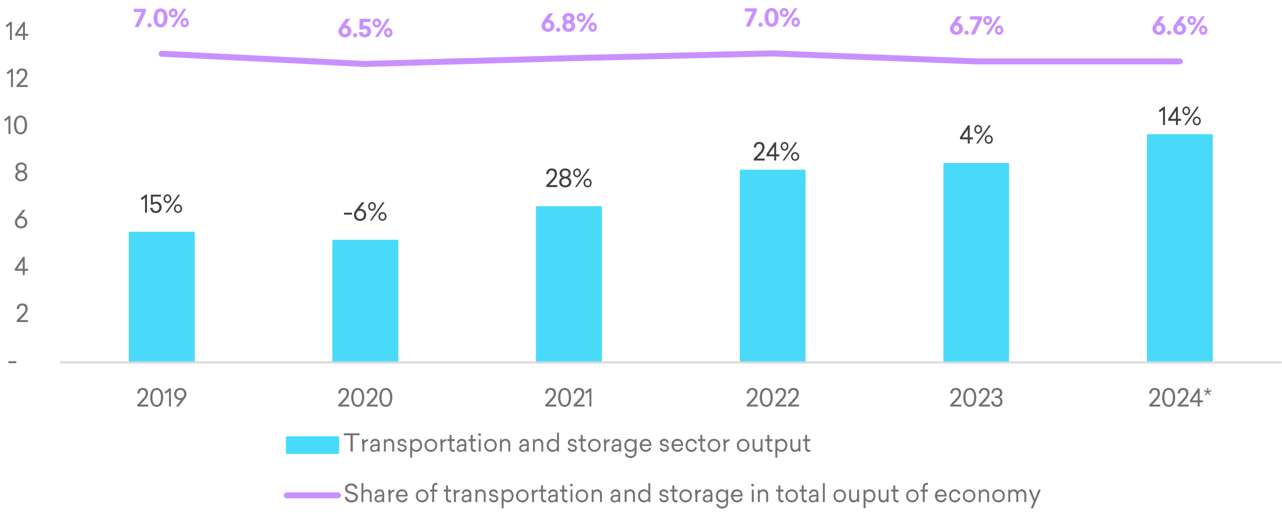
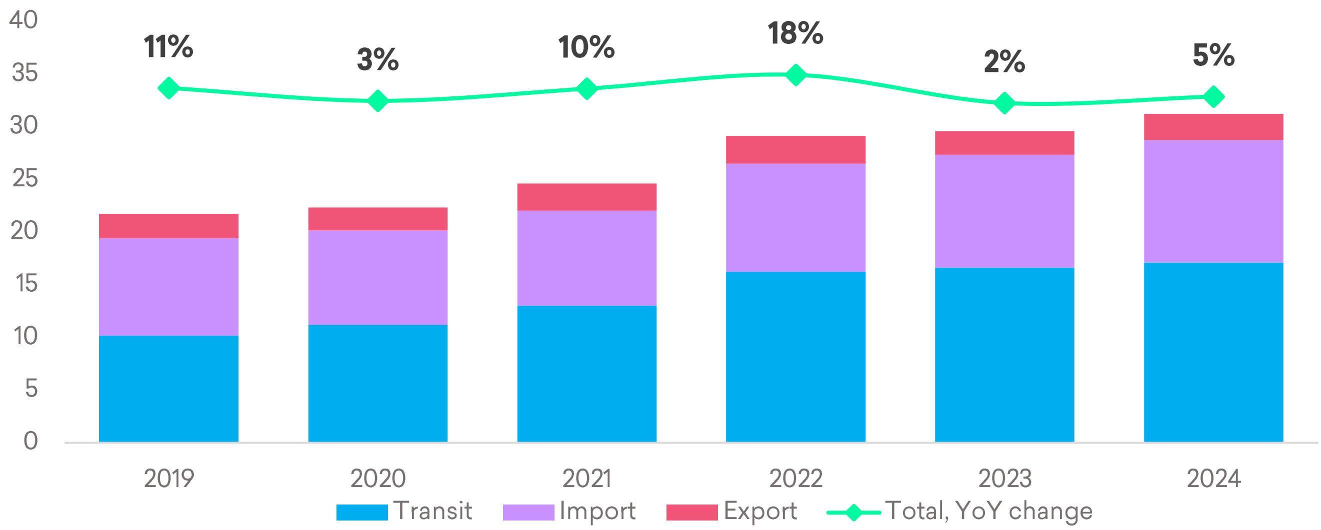


Figure 2. Transported cargo excluding local transportation (million tons)



Source: Geostat, RS, GR, TBC Capital

Transportation

Maritime

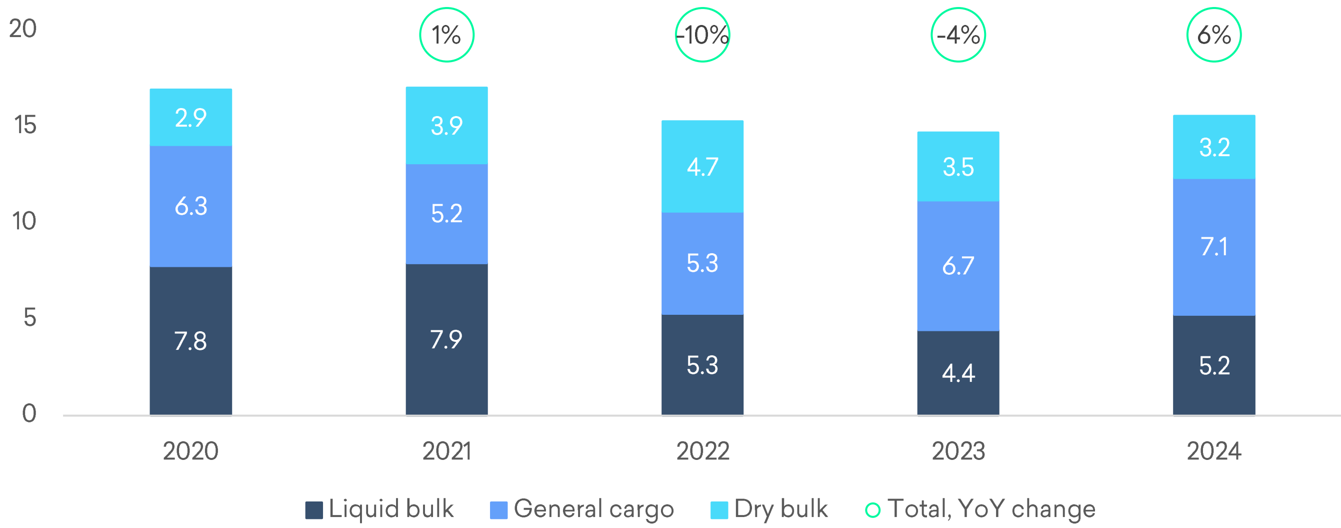
Ports and marine terminals remain important infrastructure assets for cargo transportation in Georgia. Currently, four main ports and terminals are operational: the Port of Poti, the Port of Batumi, Kulevi Oil Terminal, and Supsa Terminal.

In 2024, the total volume of freight handled by Georgia's ports and terminals reached 15.6 million tons, representing a 6% increase compared to 2023. General cargo accounted for the largest share at 46%, followed by liquid bulk at 34% and dry bulk at 21%.

General cargo volumes totaled 7.1 million tons in 2024, marking a 5.6% increase year-on-year. Liquid bulk throughput also posted strong growth, reaching 5.2 million tons—an 18% increase compared to the previous year.

In contrast, dry bulk volumes declined to 3.2 million tons, reflecting a 9% decrease from 2023 levels.

Figure 3. Volume of carried freight in ports and terminals of Georgia by type (million tons) and YoY growth



Source: Geostat

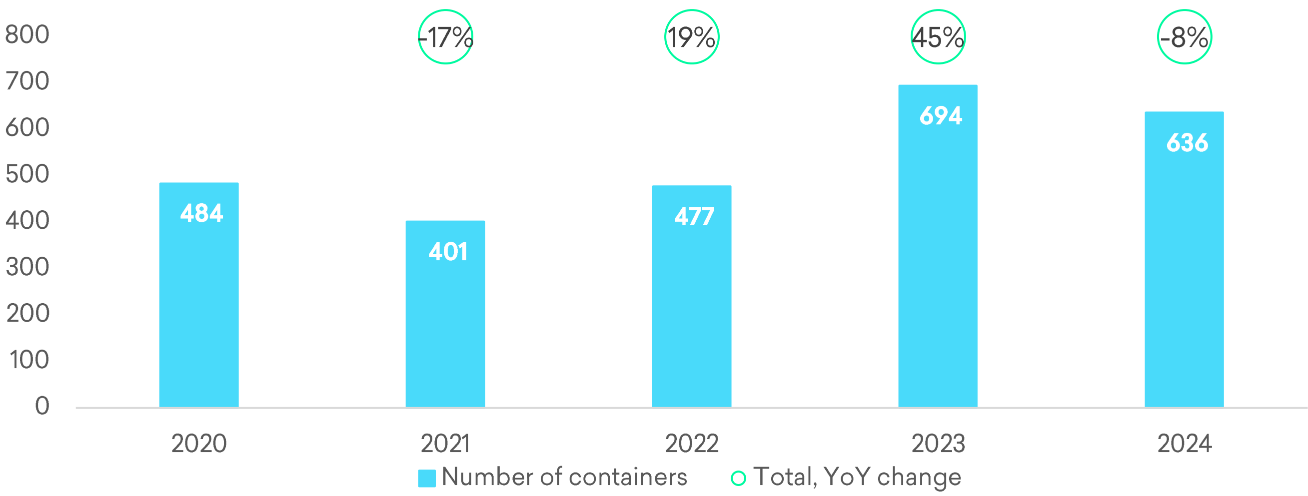
Transportation

Maritime

In 2024, Georgian ports and terminals handled a total of 636 thousand TEUs, reflecting a significant 8% decrease compared to 2023. This decline can be attributed to the disruptions in supply chains and increased freight tariffs on containers caused by the Red Sea crisis. The crisis has impacted global trade routes, leading to delays and elevated costs. The Red Sea crisis forced vessels to reroute around the Cape of Good Hope, increasing transit times and operational expenses. At the same time, strong demand growth, especially on transpacific routes, and ongoing port congestion have further strained supply chains, driving up freight rates.

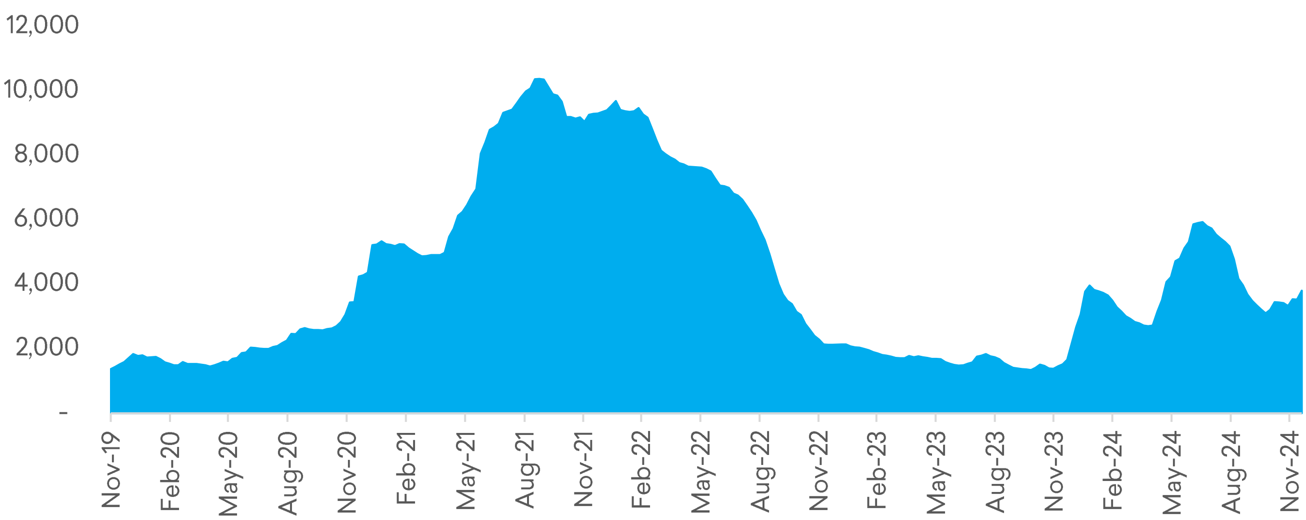
Poti port is the largest operating port in Georgia, responsible for over 85% of Georgia's annual container traffic. The total annual capacity of Poti Port is calculated to be 13 million tons and 650,000 TEUs. Meanwhile, the overall annual capacity of Batumi Sea Port is estimated to be 18 million tons and 200,000 TEUs.

Figure 4. Number of containers in Georgian ports and terminals ('000 TEUs) and YoY growth (%)



Source: Geostat

Figure 5. World Container Index (USD/40ft Container)



Source: Drewry

Transportation

Maritime

In 2024, the total number of ships handled by Georgian ports and terminals increased by 4%, reaching 1,683 vessels compared to 2023.

General cargo ships accounted for the largest share at 39%, followed by liquid bulk vessels at 30% and container ships at 22%. The number of container ships decreased by 14%, reflecting the decline in container volumes handled at Georgian ports and terminals.

The most number of ships entered in Georgian ports and terminals were registered in Turkey (18%), followed by Panama (16%).

Figure 6. Number of ships entered in Georgian ports and terminals by type and YoY change (%)

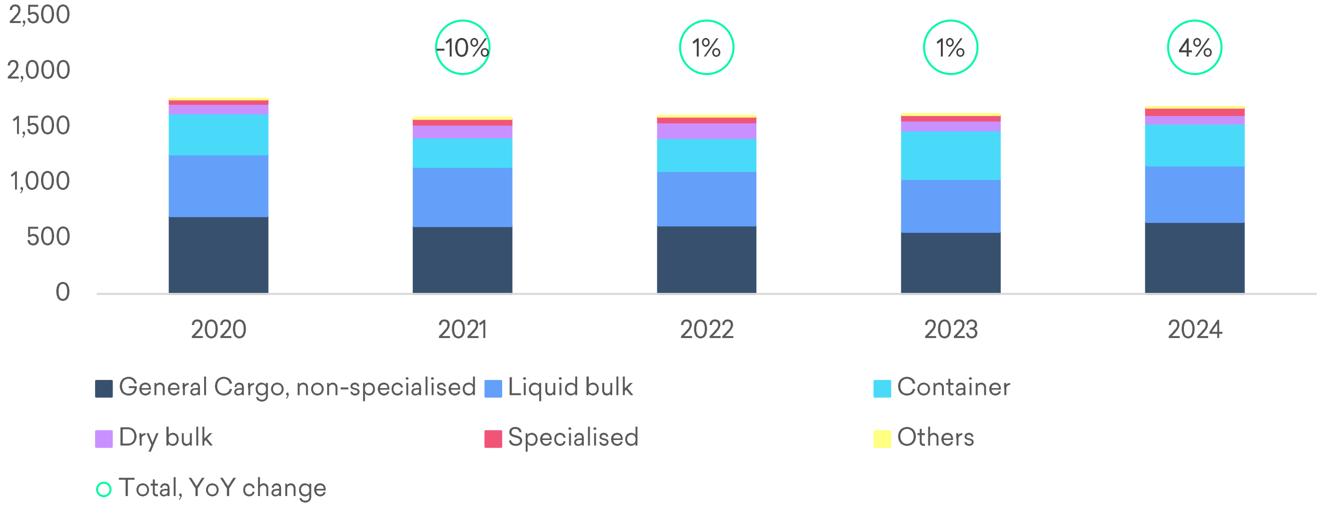
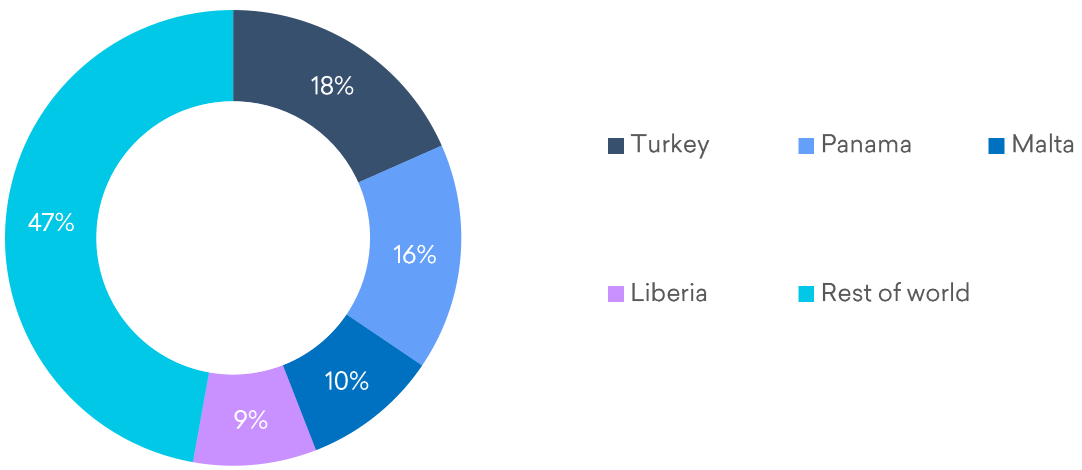


Figure 7. Number of ships entered in Georgian ports and terminals by country of registration



Source: Geostat

Transportation

Maritime

In 2024, total exports by sea from Georgia reached 1,025.6 thousand tons, reflecting a 4.5% increase compared to 981.6 thousand tons in 2023. Growth was driven by notable increases in ferro-alloys (+80%), precious metal ores (increased almost 3 times), petroleum and petroleum oils (+98%), and iron or steel tubes and pipes (increased almost 4 times). Exports of chemical products and binders, plywood, laminated wood, and other clays also saw significant gains. Conversely, exports of fertilizers and copper ores declined by 10% and 80%, respectively.

The volume of imported products by maritime transport amounted to 2,721 ths tons in 2024, reflecting a significant 51% YoY increase. This growth was largely driven by a significant rise in petroleum and petroleum oil imports, which more than doubled year-on-year, and a dramatic surge in cement imports, which expanded over 40 times compared to the previous year. Notable increases were also recorded in the imports of manganese ores, wheat and meslin, flat-rolled products of non-alloy steel, other slag and ash, and fresh and frozen poultry.

Figure 8. Top export products by maritime transport ('000 tons) and YoY growth (%)

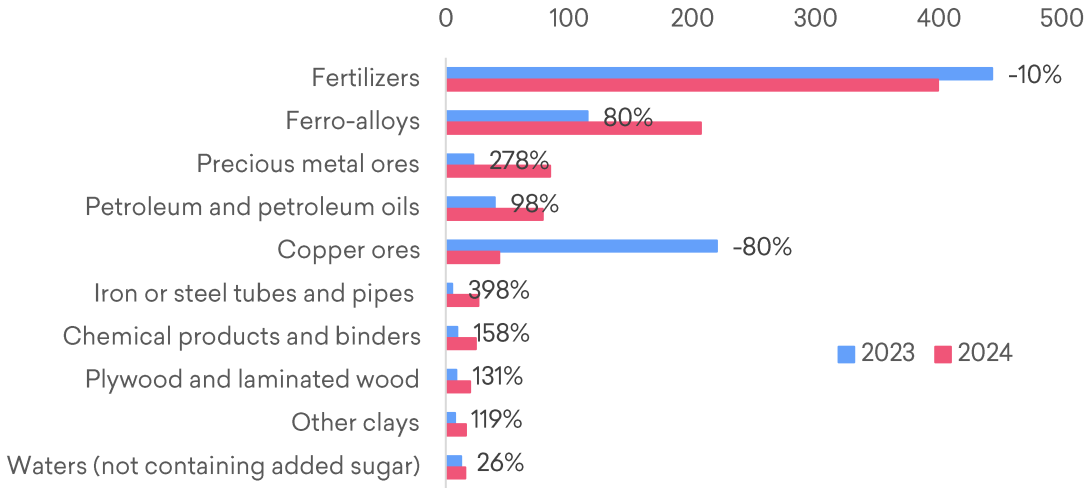
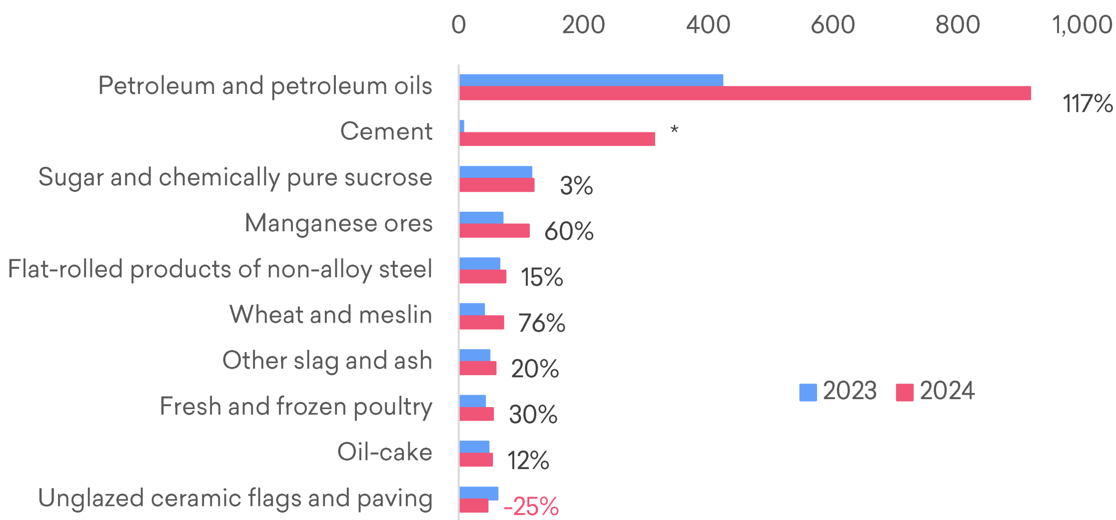


Figure 9. Top import products by maritime transport ('000 tons) and YoY growth (%)



Note: An asterisk (*) indicates categories where the volume increased more than fourfold compared to the previous year.
Source: Geostat

Transportation

Railway

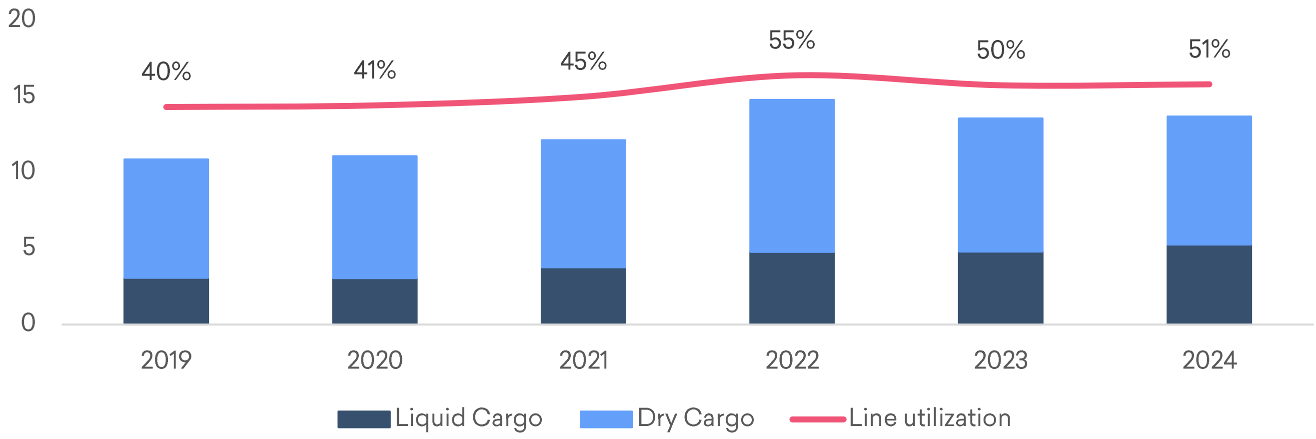
The primary railway operator in Georgia, Georgian Railway JSC (GR), continues to manage the country's core rail cargo transportation. GR operates a network covering 1,408 km, including 293 km of double-track lines, 100 freight stations, 42 tunnels, and 1,348 bridges.

In 2024, GR transported a total of 13.7 million tons of cargo, reflecting a slight 1% increase compared to 2023. Dry cargo, which accounted for 61% of total volumes, reached 8.4 million tons, marking a -4% year-on-year decline. In contrast, liquid cargo volumes increased by 10%, totaling 5.3 million tons. The railway utilization factor stood at 51% in 2024, up by 1pp from the previous year.

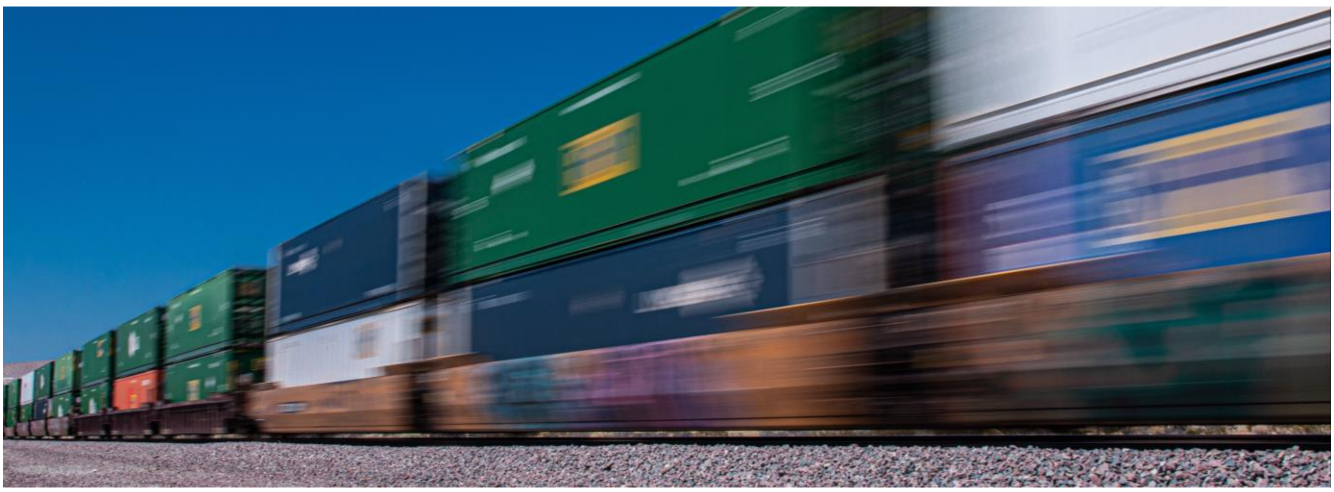
Rolling stock limitations remain a key constraint on volume growth, a situation further impacted by the ongoing war, as maintenance and repairs were previously held in Russia, Belarus, and Ukraine. GR's current maximum rolling stock capacity is approximately 16 million tons.

The estimated maximum capacity of the GR network stands at around 27 million tons annually, and this figure is expected to increase to 48 million tons upon the completion of modernization project in upcoming years.

Figure 10. Railway cargo (million tons) and YoY growth, railway line utilization levels



Source: GR, TBC Capital



Transportation

Railway

Transit cargo remained the key driver of Georgian Railway's (GR) performance in 2024. Transit shipments accounted for 59% of the total cargo transported, with volumes reaching 8.1 million tons—a 5.2% increase compared to 2023. Growth in transit helped partially offset declines in other segments: export cargo volumes fell by 8% and domestic cargo by 13%, while import volumes remained unchanged year-on-year.

Meanwhile, container transportation declined, with GR handling 92.9 thousand TEUs in 2024, reflecting a 5% decrease from 2023. The overall cargo structure remains transit-dominated, reinforcing GR's strategic importance as a regional transit corridor.

Figure 11. Railway cargo by direction ('000 TEU) and YoY growth (%)

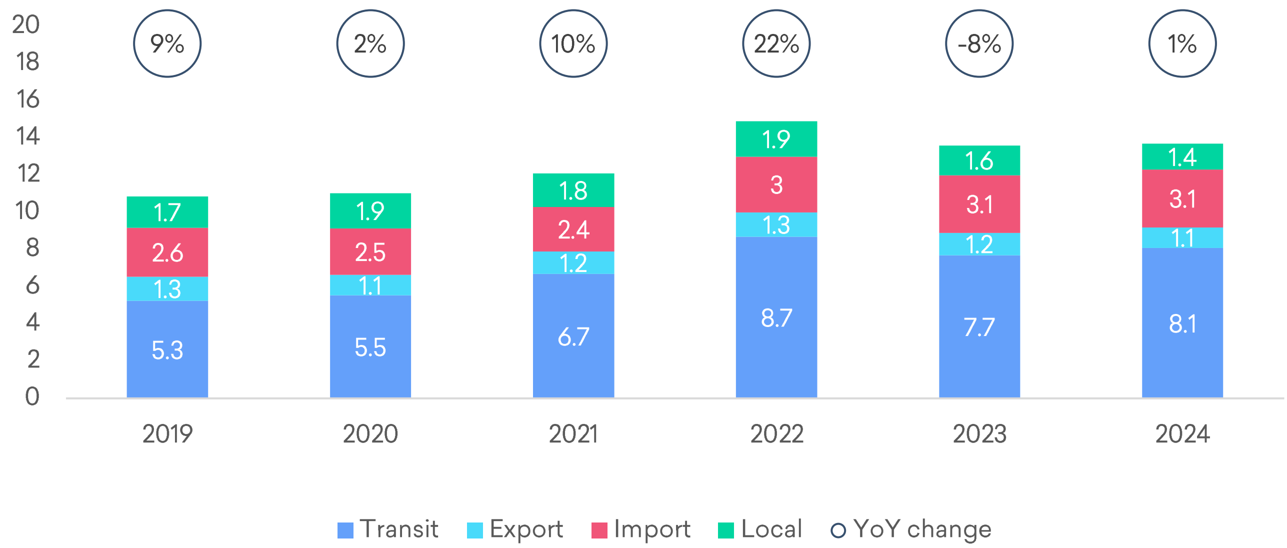
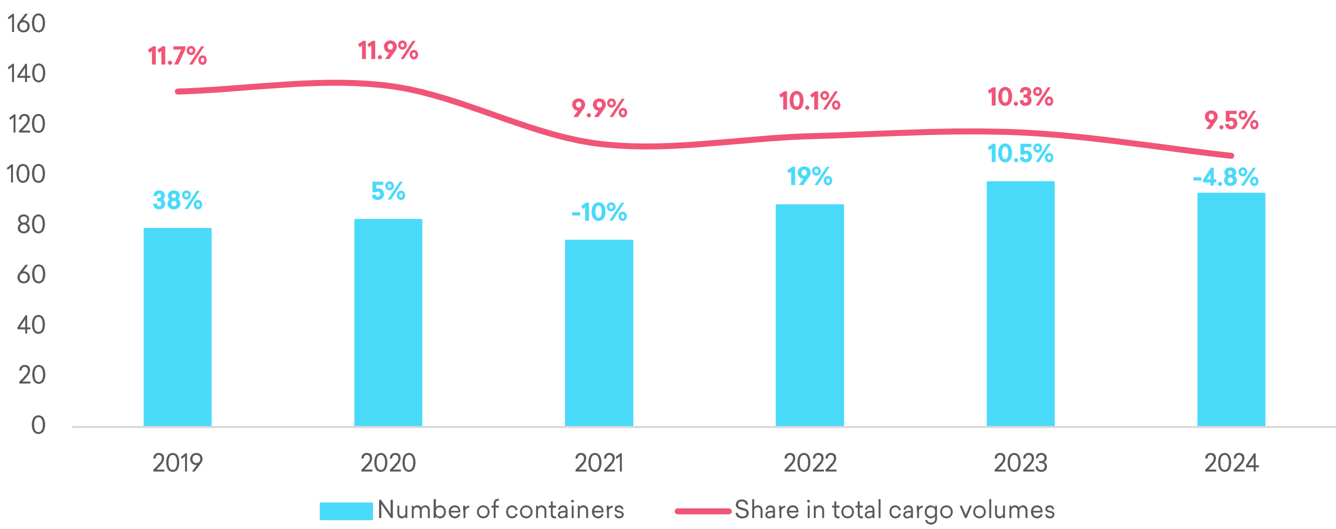


Figure 12. Number of containers ('000 TEU), YoY growth and the share in total cargo volumes



Source: GR, TBC Capital

Transportation

Railway

In 2024, oil products accounted for the largest share of railway cargo in Georgia at 38%, followed by chemicals at 13% and ores at 11%. Significant decreases were recorded in the transportation of ores, which fell by 14.6% year-on-year, and construction materials, which declined by 11.7%. Meanwhile, the volumes of transported oil and chemical products increased by 9.6% and 9.3%, respectively.

In terms of country of origin, railway cargo in Georgia in 2024 showed a diverse distribution, with Kazakhstan holding the largest share at 18%, followed closely by Azerbaijan at 17%, Russia at 14%, and Turkmenistan at 10%.

Figure 13. Railway cargo by product (million tons) and YoY growth (%)

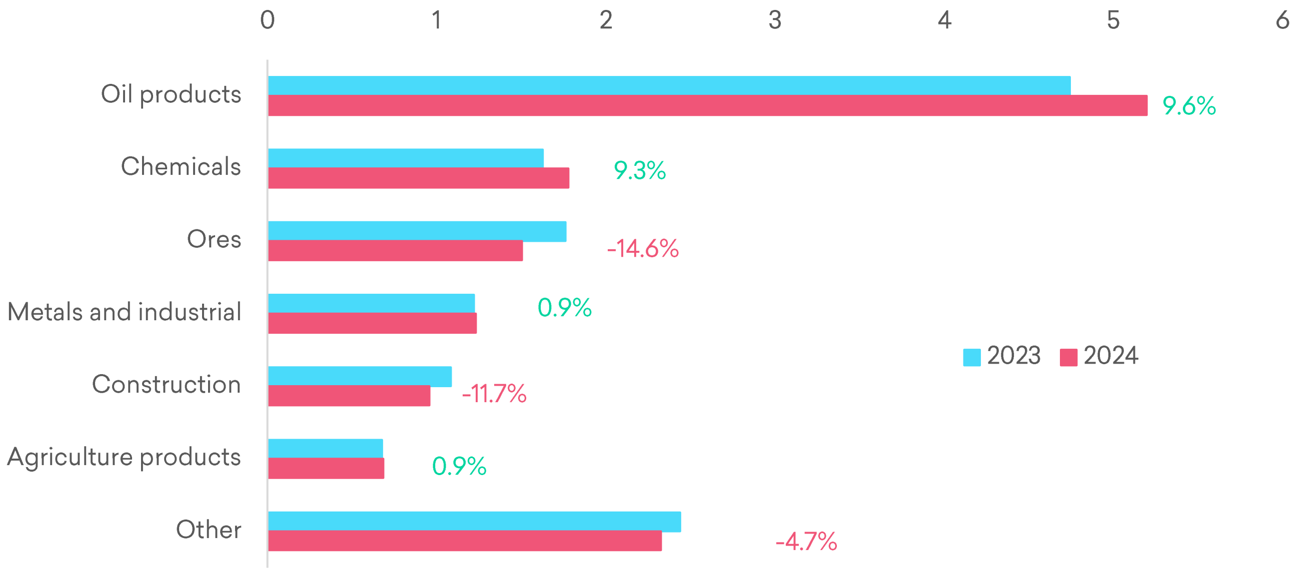
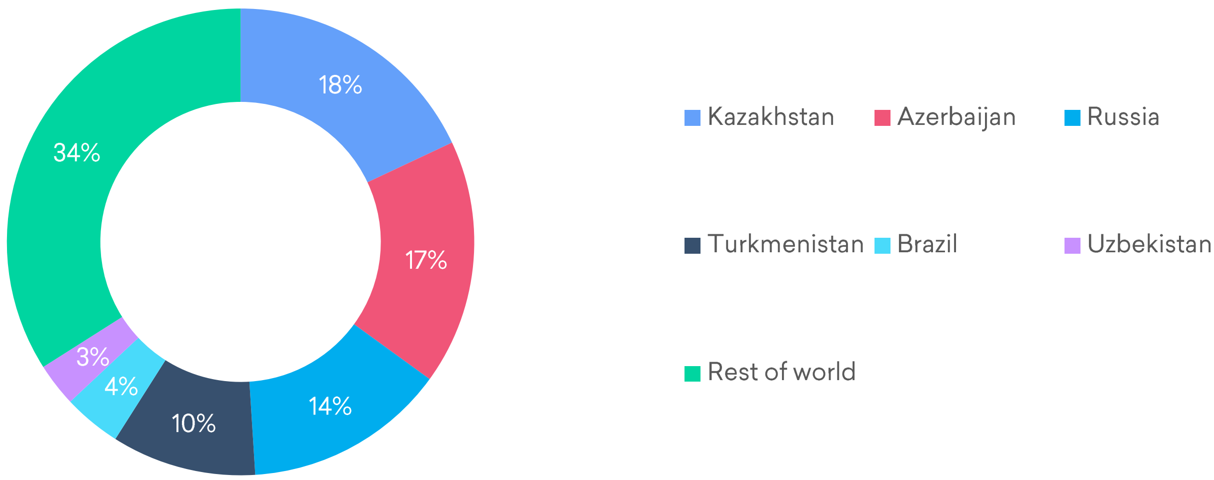


Figure 14. Railway cargo by country of origin, 2024



Source: GR; TBC Capital

Transportation

Road

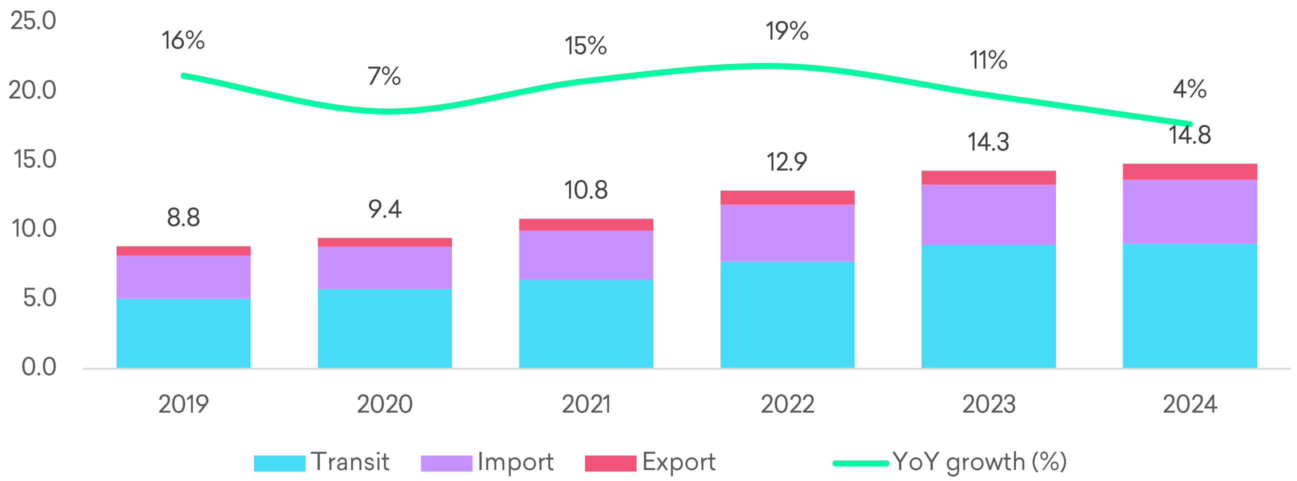
Continuing the historic tendency, road cargo remained a major part of the total cargo transportation in Georgia. Road cargo growth maintained momentum in 2024: despite the high base set in 2023, volumes excluding local shipments increased by 4% year-on-year, reaching a new record of 14.8 million tons.

Export cargo led the growth, increasing by 16%, though it remained a relatively small segment at 1.1 million tons. Import cargo rose by 6%, while transit cargo volumes posted a slight 1% year-on-year increase.

The results highlight the resilience of road cargo transportation in maintaining steady growth across all cargo segments.

A significant share of Georgia's road transit involves routes connecting Russia, Armenia, Turkey, and Azerbaijan. In 2024, 19% of total road transit was along the Russia–Armenia corridor, while 9% each was attributed to the Turkey–Azerbaijan and Russia–Turkey corridors.

Figure 15. Road cargo by direction (million tons) and YoY growth (%)



Source: Geostat, Revenue Service, TBC Capital

Transportation

Road

In 2024, total exports via motor transport reached 1.1 million tons, reflecting a significant 16% increase compared to 2023. The most exported commodity was sweetened beverages (waters with added sugar), totaling 129.6 thousand tons—an annual increase of 10%. This was followed by unsweetened waters (without added sugar), which reached 113.1 thousand tons, marking a notable 55% year-on-year growth.

During the same period, total imports via motor transport reached 4.6 million tons, marking a 6% year-on-year increase. Cement remained the most imported commodity by weight at 619 thousand tons, despite a slight 3% decrease from 2023. Other major import categories included wheat and meslin at 194 thousand tons (+38%), bars and rods of iron or non-alloy steel at 174 thousand tons (+38%), and gypsum, anhydrite, and plasters at 170 thousand tons (+36%).

Figure 16. Top export products by road transport ('000 tons) and annual change (%), 2024

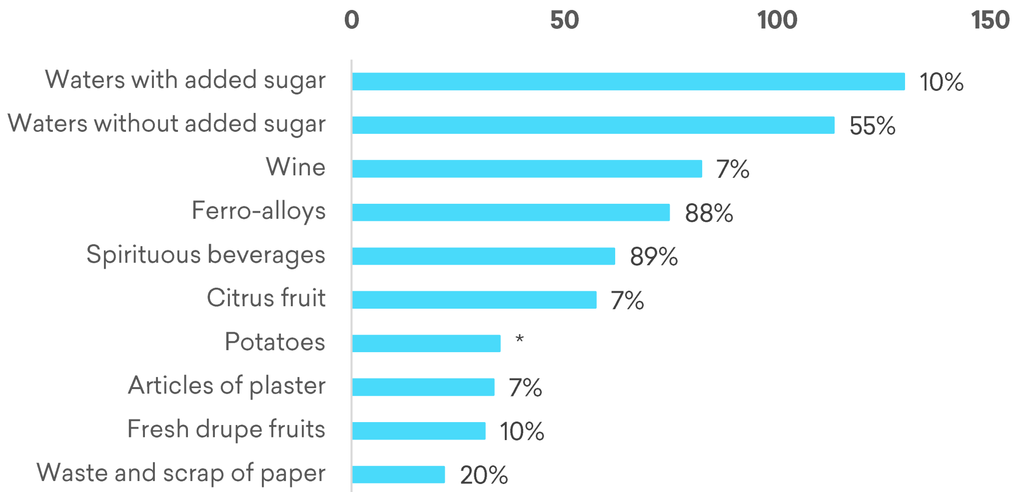
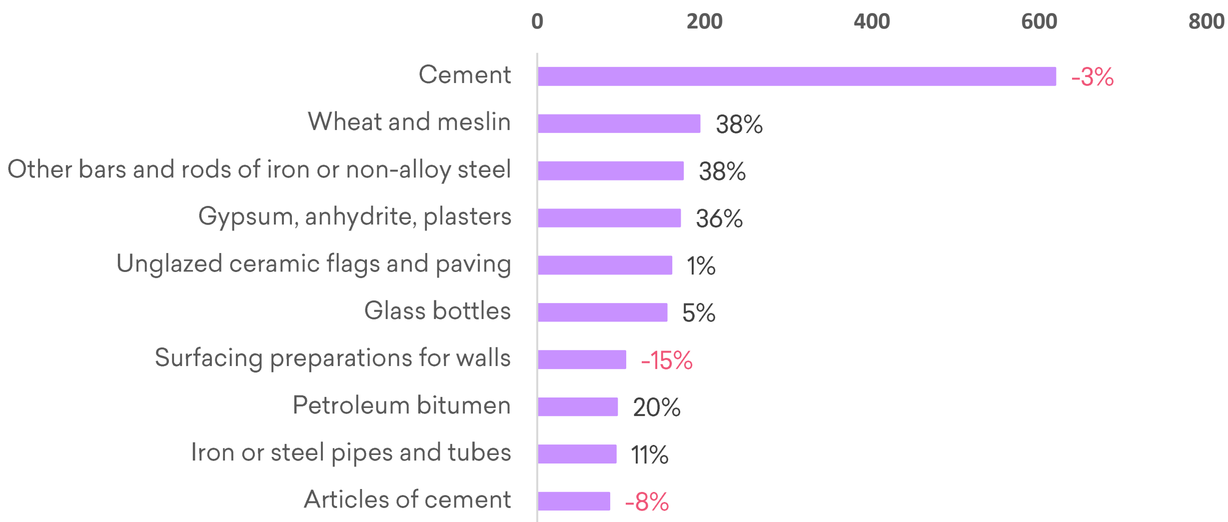


Figure 17. Top import products by road transport ('000 tons) and annual change (%),2024



Note: Due to the accounting unit, motor cars are not included in imports and exports.
Note: An asterisk (*) indicates categories where the volume increased more than fourfold compared to the previous year.
Source: Geostat, TBC Capital

Transportation

Road

In 2024, a total of 875,688 trucks entered Georgia through its borders, reflecting a 3% increase compared to the previous year. As in prior years, the Sarpi border crossing recorded the highest volume, with 241,160 truck entries—up 7% from 2023. It was followed by the Kazbegi crossing with 200,554 entries and Tsiteli Khidi with 141,518 entries, marking annual increases of 7% and 3%, respectively.

In 2024, a total of 869,723 trucks exited Georgia, marking a 2% increase compared to the previous year. The Sarpi checkpoint recorded the highest number of outbound trucks, totaling 175,428—up 3% year-on-year. The Kazbegi checkpoint followed with 169,986 departures, reflecting a 15% increase, while Tsiteli Khidi saw 154,865 trucks exit the country, representing a 6% decline from 2023.

Figure 18. Number of trucks by border checkpoint (Entry) in 2024 and annual change (%)

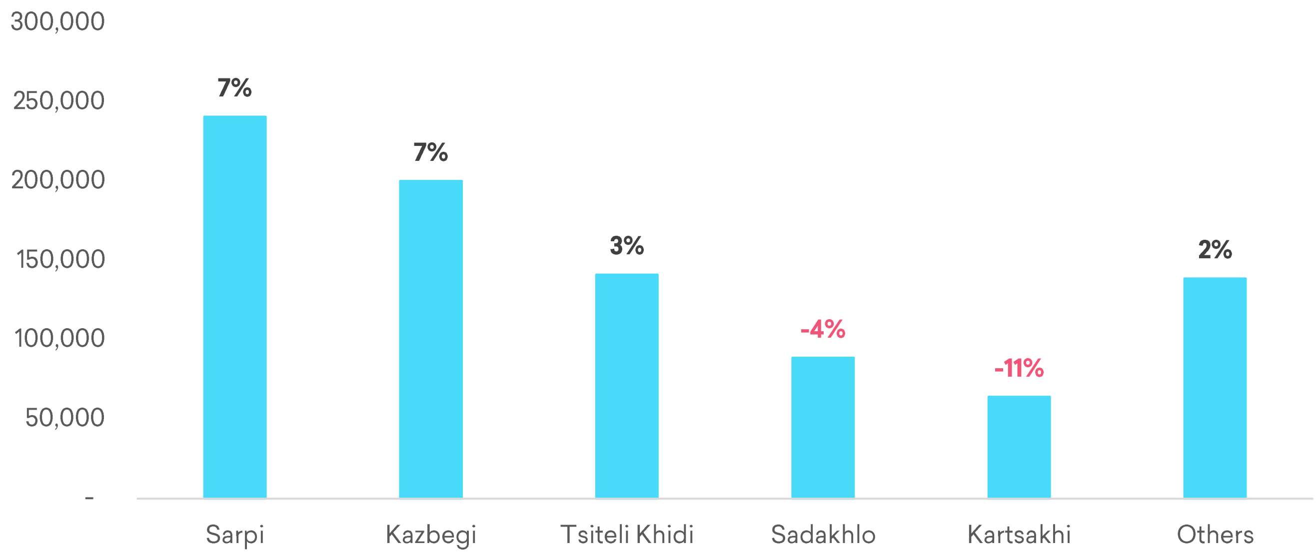
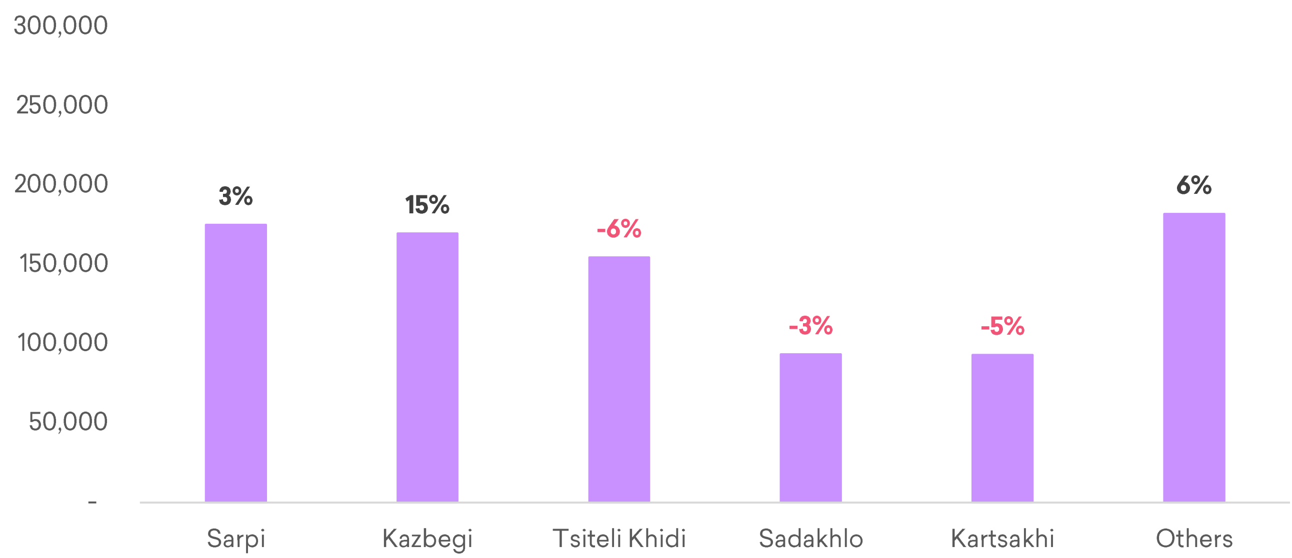


Figure 19. Number of trucks by border checkpoint (Exit) in 2024 and annual change (%)



Source: MIA

Transportation

Air

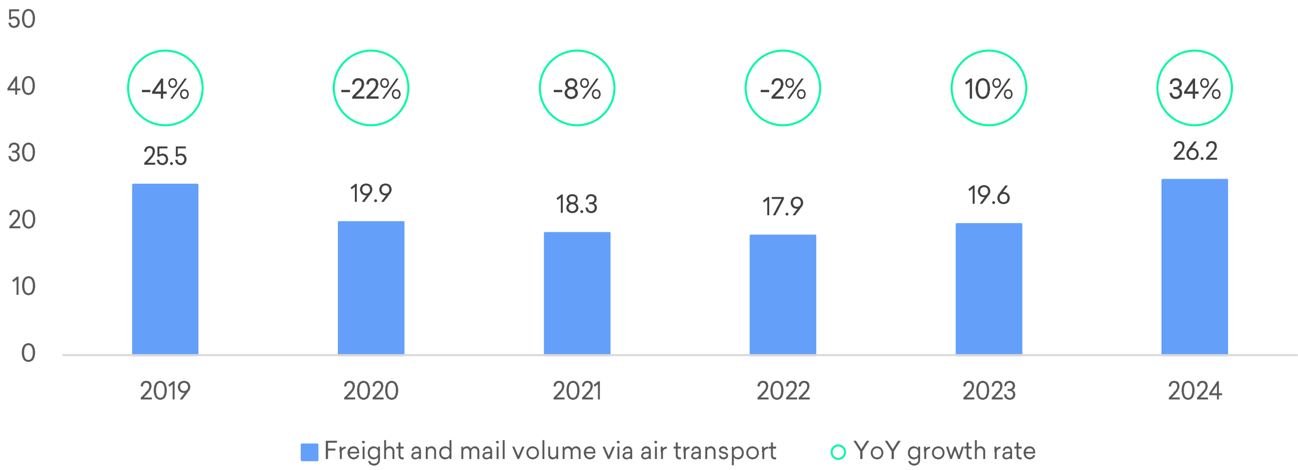
Georgia's air freight infrastructure remains concentrated around three terminals in Tbilisi—Tbilisi Cargo Service LTD, Lasare LTD, and Georgian Post LTD—supported by a broader airport network that includes three international airports (Tbilisi, Kutaisi, and Batumi) and four domestic airports (Telavi, Natakhtari, Ambrolauri, and Mestia). Currently, only three airlines operate regular cargo flights, serving five destinations, including neighboring Azerbaijan and Turkey.

Following several years of contraction driven by livestock export restrictions and the pandemic, the air cargo sector began to recover in 2023.

This positive trend accelerated in 2024, with total air cargo volumes reaching 26.2 thousand tons—a 34% increase compared to 2023.

The surge in 2024 was supported by multiple factors.The Red Sea crisis disrupted traditional maritime shipping routes, prompting a shift to air transport for time-sensitive cargo. Additionally, growing e-commerce activity, rising transit flows to Armenia, and an increase in cargo shipments originating from China contributed to the strong performance of the sector.

Figure 20. Freight and mail volume via air transport ('000 tons) and annual change (%)



Source: Geostat

Transportation

Air

In 2024, total exports via air transport reached 1,285 tons, marking a 7% increase compared to 2023. Live bovine animals were the leading export product by volume, totaling 326 tons, all of which were destined for Iraq. Following the lifting of previous restrictions, livestock exports have regained importance and now lead in volume within Georgia's air cargo sector.

Notable growth was also recorded in other key export categories, with shipments of fresh fruits increasing by 58% and beauty or make-up preparations rising by 32% compared to the previous year.

In 2024, total imports via air transport reached 7,947 tons, reflecting a 3% increase compared to 2023. Cut flowers suitable for ornamental purposes was the top imported product by volume, recording a significant 46% year-on-year growth. Imports of automatic data processing machines and units also surged, with volumes increasing more than threefold compared to 2023.

Figure 21. Top export products by air transport and annual change (%), 2024

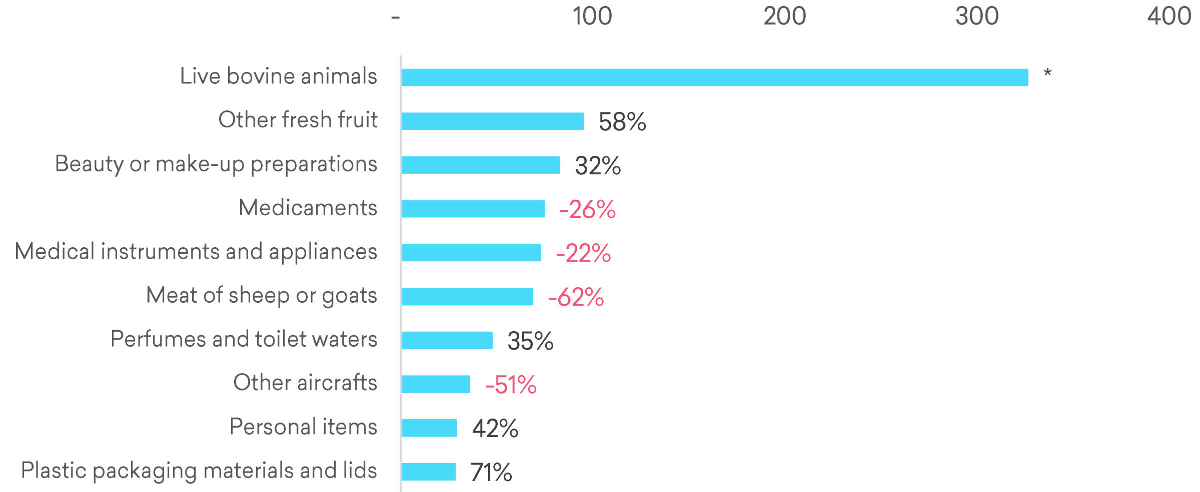
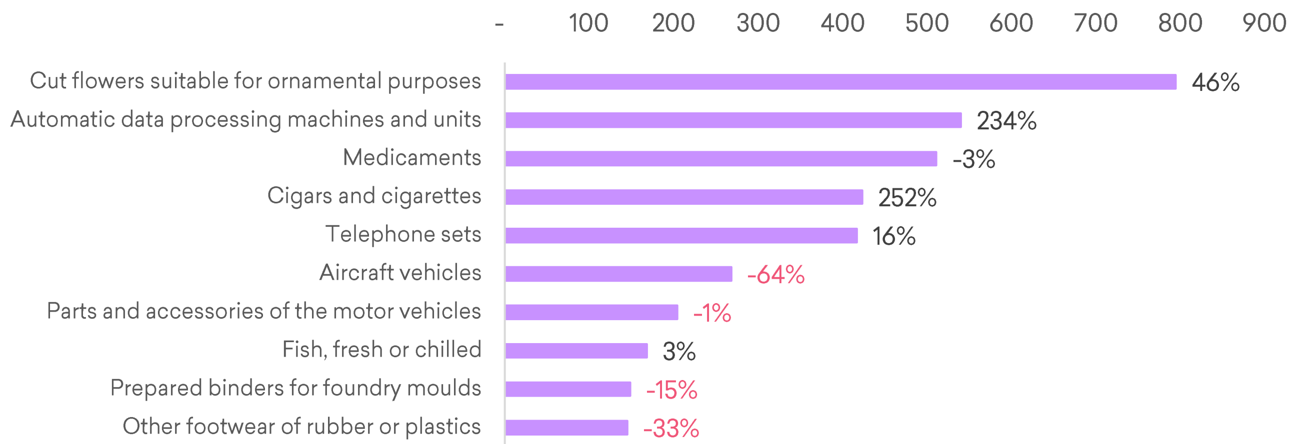


Figure 22. Top import products by air transport (tons) and annual change (%), 2024



Note: An asterisk (*) indicates categories where the volume increased more than fourfold compared to the previous year.
Source: Geostat, TBC Capital

Transportation

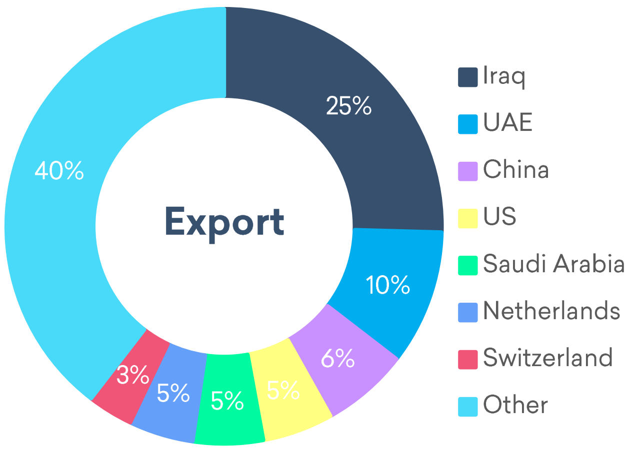
Air

n 2024, Iraq, the UAE, and China were the top three destinations for Georgian exports via air transport, accounting for 25%, 10%, and 6% of total air export volumes, respectively.

On the import side, the leading countries for air cargo traffic were China, the UAE, and Hong Kong SAR, with respective shares of 18%, 16%, and 9%.

In 2024, cargo flight activity rebounded significantly, with a total of 2.2 thousand cargo flights completed—double the number recorded in 2023. The sharp increase in flight frequency reflects the surge in air cargo volumes, driven by disruptions in maritime shipping routes, growing e-commerce activity, and increased transit flows through Georgia.

Figure 23. Air cargo traffic (tons) by country, 2024



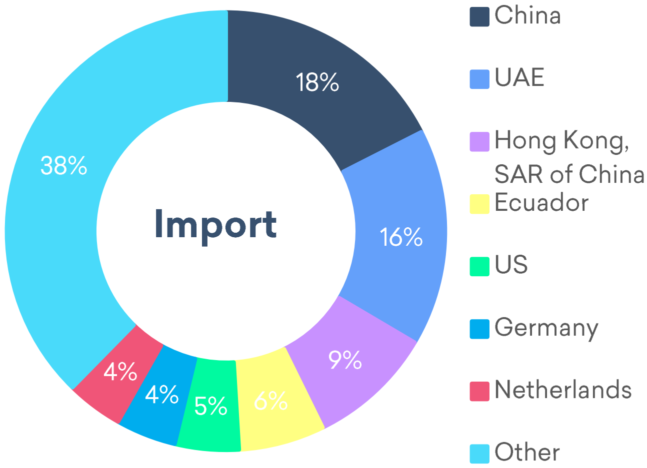
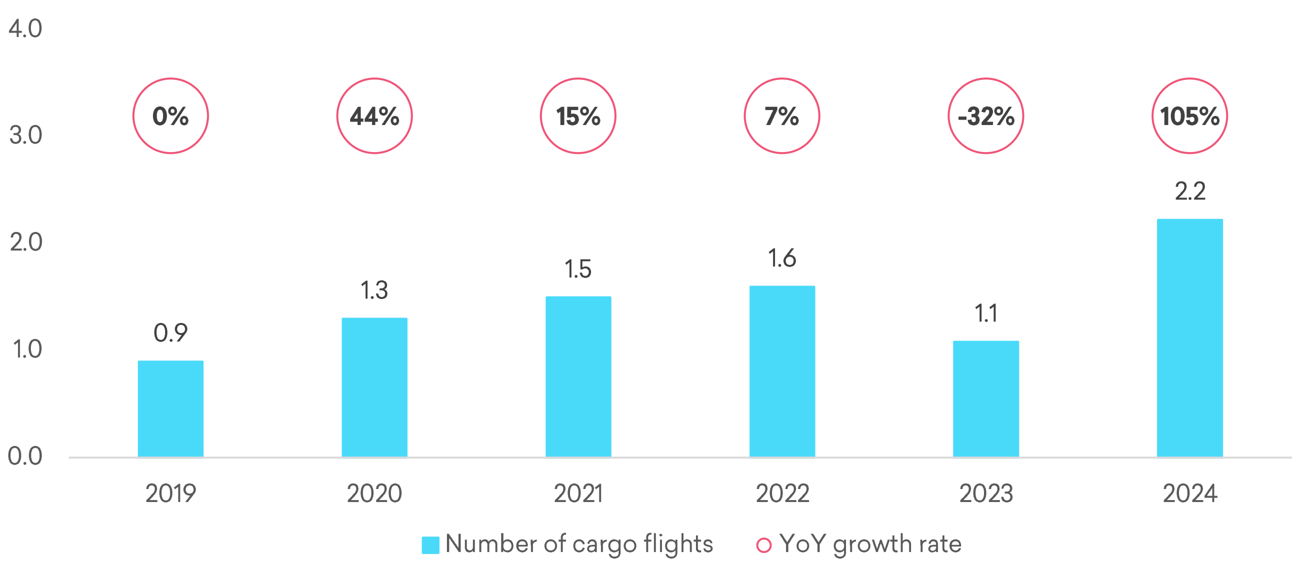


Figure 24. Number of cargo flights, '000



Source: Geostat

Transportation

Pipelines

Caspian region to European markets. Four international pipelines currently operate across Georgian territory: the Western Route Export Pipeline (WREP), the Baku–Tbilisi–Ceyhan (BTC) pipeline, the South Caucasus Pipeline (SCP), and the North–South Main Gas Pipeline (NSMP). The sector is primarily led by the Georgian Oil and Gas Corporation (GOGC), the UK-based BP, and Azerbaijan's state-owned SOCAR.

The WREP, fully operational since 1999, was Georgia's first international pipeline. Spanning 830 km—approximately half of which lies within Georgia—the WREP transports crude oil from Azerbaijan's Chirag field in the Caspian Sea to the Supsa Terminal on the Black Sea coast. The pipeline has a daily throughput capacity of 150,000 barrels.

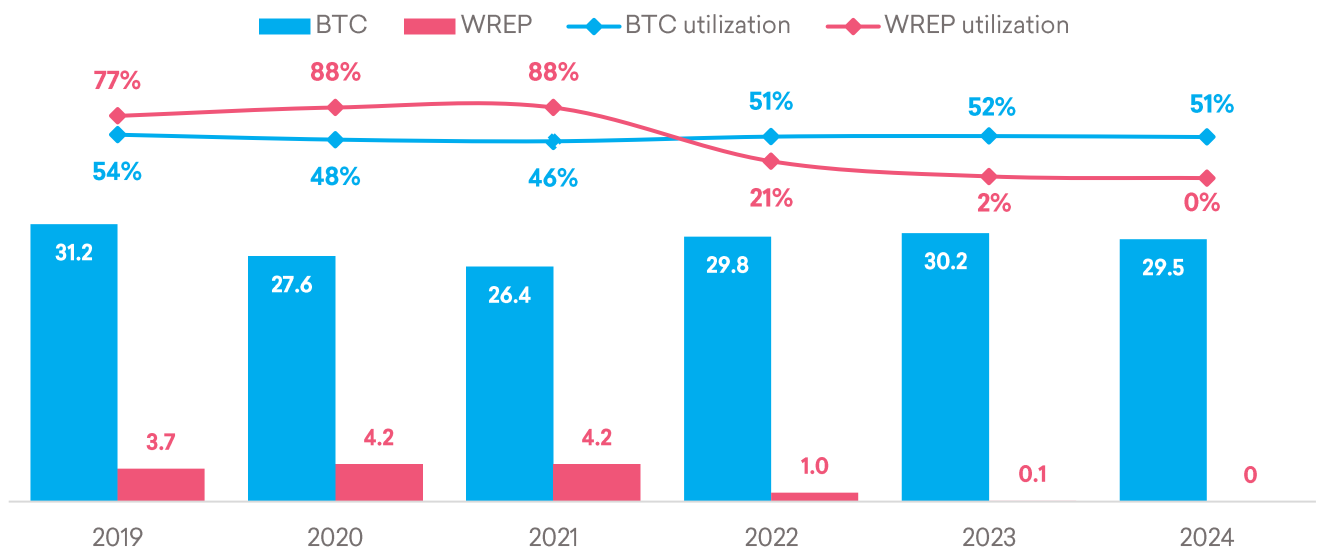
In April 2022, BP, the pipeline's operator, suspended WREP operations due to the unavailability of tankers in the Black Sea following Russia's full-scale invasion of Ukraine.

Operations briefly resumed in February 2023 after the temporary closure of Turkey's Ceyhan terminal due to an earthquake but were subsequently halted again. As of 2024, WREP remains inactive.

The BTC pipeline, operational since 2006, stretches 1,768 km from the Caspian Sea to the Mediterranean, running through Azerbaijan, Georgia, and Turkey. While the majority of the crude oil transported originates from Azerbaijan's Azeri-Chirag-Gunashli (ACG) field, the pipeline also carries volumes from Turkmenistan and Kazakhstan. Roughly 14% of the pipeline (249 km) lies in Georgia, which also hosts two of the pipeline's eight pump stations. In 2009, BP upgraded the pipeline's capacity to 440 million barrels (58 million tons) annually, in response to rising production from ACG.

In 2024, the BTC pipeline transported a total of 29.5 million tons of crude oil, reflecting a slight 2% decline compared to 2023.

Figure 25. Oil volumes (million tons) transported by pipelines and utilization rates



Source: GOGC, TBC Capital

Transportation

Pipelines

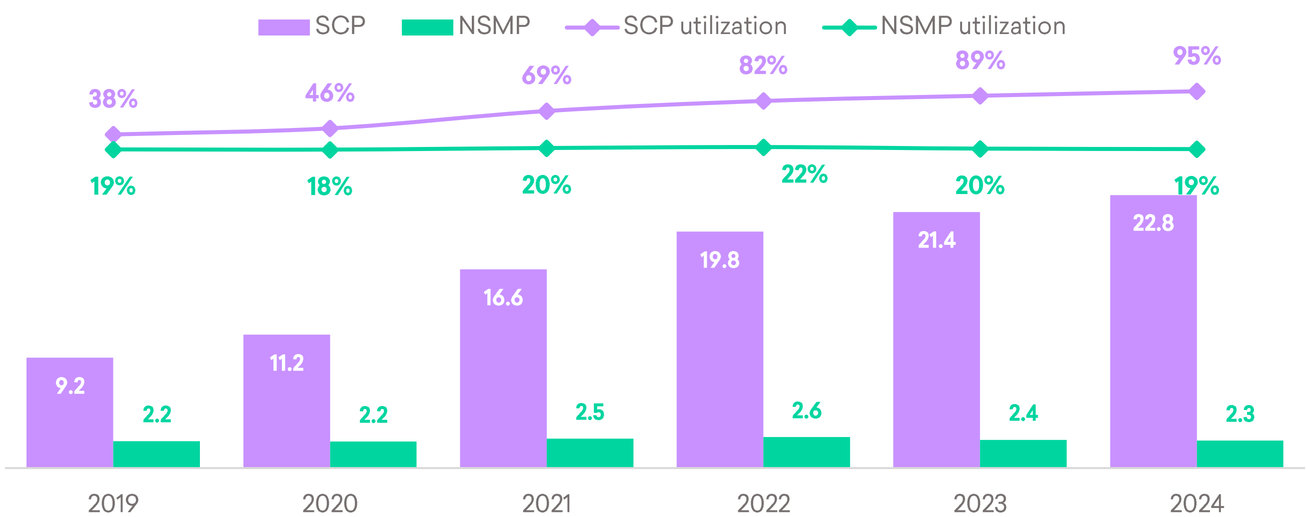
The South Caucasus Pipeline (SCP) delivers natural gas from Azerbaijan's Shah Deniz field to markets in Azerbaijan, Georgia, and Turkey, running parallel to the BTC pipeline. Of its 692 km total length, 249 km pass through Georgia. Following the SCP Expansion Project (SCPX), annual capacity rose from 7.4 bcm to approximately 24 bcm.The pipeline connects with the Trans Anatolian Pipeline (TANAP) at Turkey's eastern border and further links to the Trans Adriatic Pipeline (TAP), forming part of the Southern Gas Corridor (SGC) that supplies gas to Europe.

In response to the Russia–Ukraine war, the EU and Azerbaijan agreed to double gas flows through the SGC to 20 bcm annually by 2027. As a transit country, Georgia benefits by receiving 5% of transmitted volumes at preferential rates.

In 2024, SCP transmitted 22.8 bcm of natural gas—up 7% from 2023—reaching 95% of its utilization capacity.

Meanwhile, 2.3 bcm was transmitted through the North–South Main Gas Pipeline (NSMP), reflecting a 3% year-on-year decrease.

Figure 26. Natural gas (bn m3) transported by pipelines and utilization level (%)



Source: GOGC, TBC Capital

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