Middle Corridor Transit Cargo Flows: Georgia

Overview

Research

Issue 1 | 2026

Contents

Introduction & Methodology

1 Background & Purpose

- **Georgia's strategic location between Europe and Asia makes it a key link in the Middle Corridor.**
- The Middle Corridor, also known as the Trans-Caspian International Transport Route, has emerged as a key alternative for Eurasian trade, with growing trade volumes, investment, and political attention.
- This shift accelerated after Russia's 2022 invasion of Ukraine, which disrupted the Northern Corridor.
- The analysis of transit cargo flows illustrates how trade patterns are shifting along the corridor and highlights Georgia's role within it.
- Realizing the Middle Corridor's potential depends on continued infrastructure investment and development in Georgia and across the route.

2 Definitions & Classification

- **Total transit cargo flows:** transit cargo moving through Georgia across all route pairs (East–West, North–West, South–West, North–South, North–East & South–East), classified by the border crossing points and ports.
- **Middle Corridor flows:** transit cargo moving through Georgia between EU/Turkey and Azerbaijan/Central Asia/China, classified by declared country of origin and destination.

Transit corridors by direction (via BCPs):

- **East–West:** Azerbaijan ↔ Turkey / Black Sea ports
- **North–West:** Russia ↔ Turkey / Black Sea ports
- **South–West:** Armenia ↔ Turkey / Black Sea ports
- **North–South:** Russia ↔ Armenia
- **Other:** North–East & South–East (limited volumes)

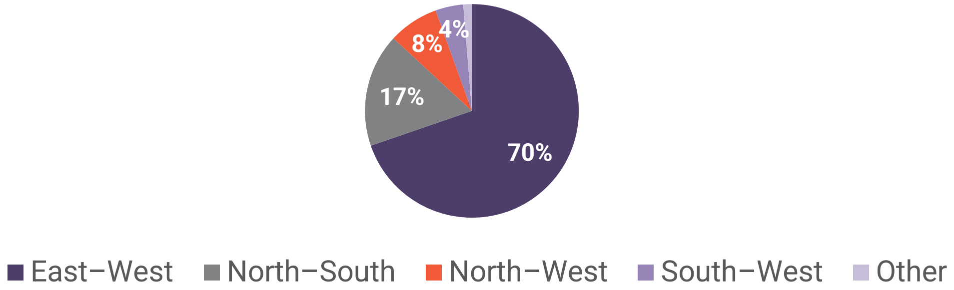
3 Methodology & Data

- **Source:** Revenue Service of Georgia.
- **Transit cargo flows** refer to movements entering and exiting Georgia via border crossing points (BCPs) and ports. Intermediate customs locations, including customs clearance zones, were excluded to avoid potential double counting.
- **Route pairs** are undirected. Each captures transit in both directions between the two endpoints.
- **The data** cover goods declared under customs regime 80, which applies to transit operations. Other regimes, notably re-export, inward and outward processing, and temporary admission, are not included.
- **Coverage**: 2018–2025, by transport mode (road, rail) and route pair.
- **The broader economic impact of the Middle Corridor remains the subject of continued PMCG research, to be expanded in future publications.**

Total Transit Cargo Flows

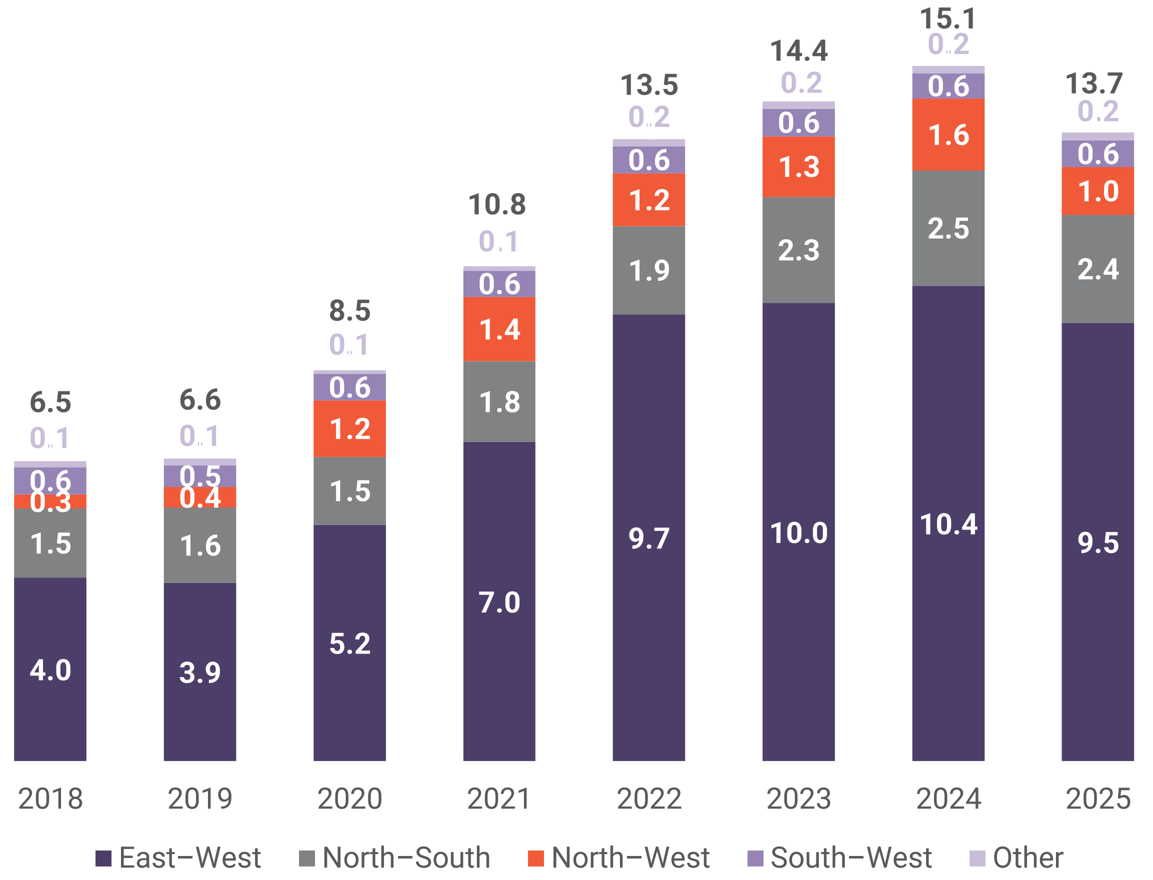
- **From 2018 to 2025, transit cargo flows* through Georgia more than doubled, representing a 109% increase in volumes. Cargo flows reached their peak in 2024, amounting to 15.1 million tonnes.**
- In 2025, volumes amounted to 13.7 million tonnes, representing a 9.5% year-on-year (YoY) decline.
- The decline in 2025 was primarily driven by the **East–West** corridor, where cargo flows decreased by 7.8% YoY, while remaining the dominant transit route with a 69.7% share of total transit cargo.
- In 2025, **North–West** cargo flows also decreased by 33.5% YoY to 1.0 million tonnes, the lowest level since 2019.
- In contrast, the **South–West** corridor remained relatively stable across 2018–2025, while **North–South** grew steadily over the period before declining slightly in 2025.

Total Cargo Flows in 2025 (%)



Major Transit Corridors Through Georgia

via Border Crossing Points (BCPs)
(Million Tonnes)



*Transit cargo flows refer to movements entering and exiting Georgia through border crossing points and ports.

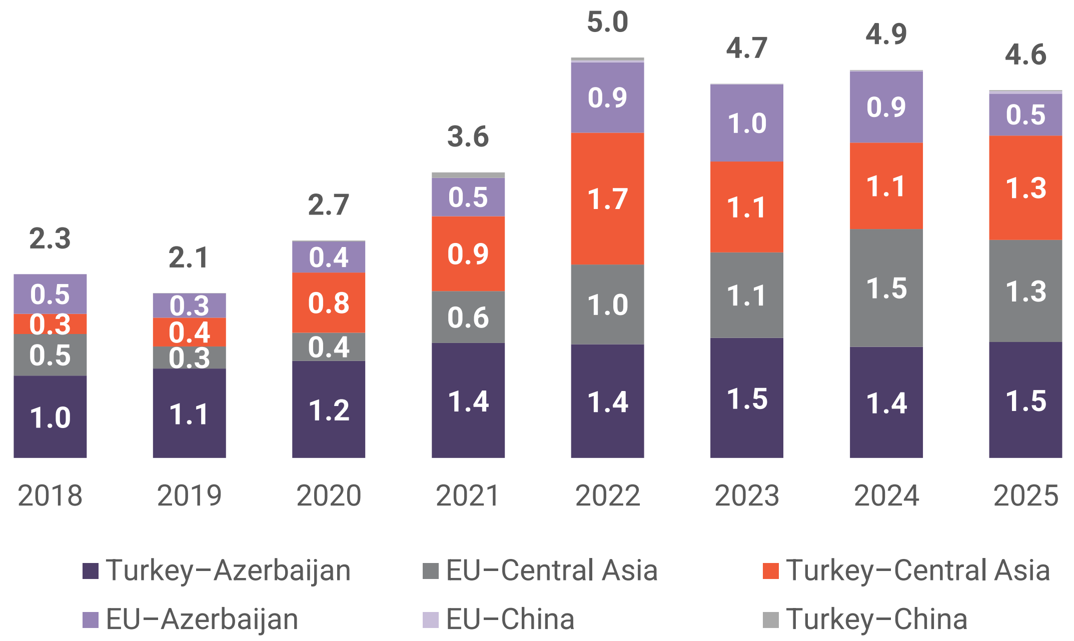
Source: Revenue Service of Georgia, PMC RC

Middle Corridor Flows

- **Transit cargo flows along the Middle Corridor* through Georgia doubled between 2018 and 2025, reaching 4.6 million tonnes. The highest volume was recorded in 2022, at 5.0 million tonnes.**
- Cargo volumes declined by 5.2% YoY in 2025, driven primarily by the **EU–Azerbaijan** and **EU–Central Asia** routes, where volumes decreased by 41.2% and 13.2%, respectively. Declining cargo flows through Georgia likely reflect a partial reallocation of trade across Eurasian corridors, although the available data cannot determine the extent of such rerouting.
- By contrast, in 2025, cargo flows on the **Turkey–Central Asia** and **Turkey–Azerbaijan** routes increased by 20.7% and 4.1% YoY, respectively.

Middle Corridor Cargo Flows by Route

(Million Tonnes)



Middle Corridor Route Matrix

(Thousand Tonnes)

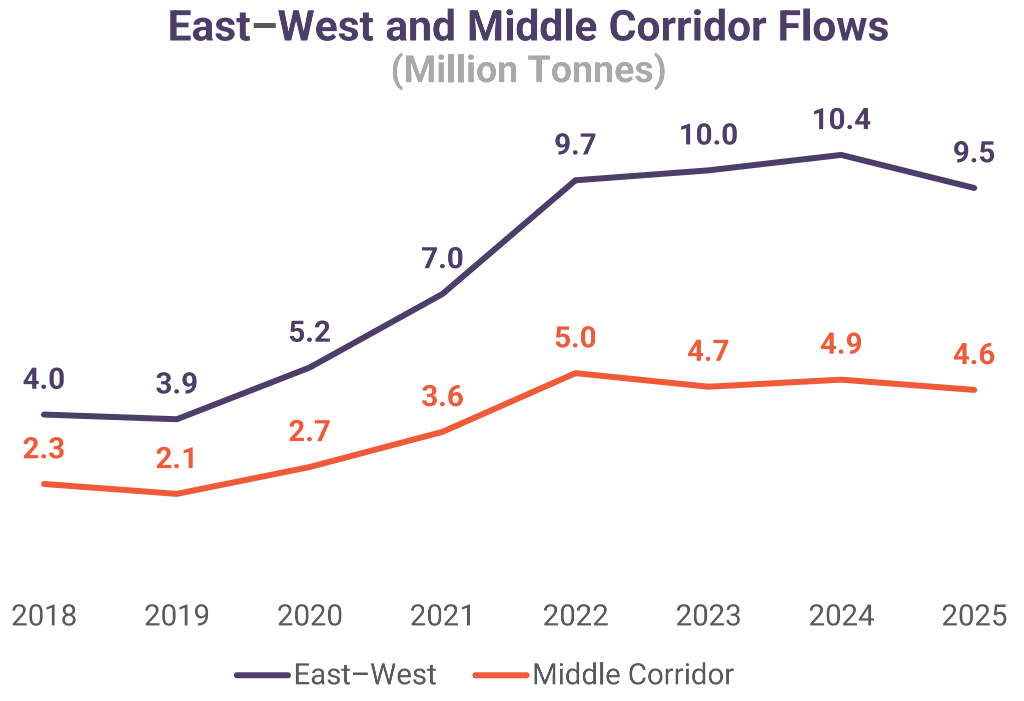
	2018	2019	2020	2021	2022	2023	2024	2025	YoY Growth
Turkey–Azerbaijan	1,042	1,130	1,226	1,450	1,434	1,516	1,404	**1,462**	↑+4.1%
EU–Central Asia	520	276	353	648	999	1,067	1,472	**1,278**	↓-13.2%
Turkey–Central Asia	252	361	752	940	1,651	1,139	1,083	**1,307**	↑+20.7%
EU–Azerbaijan	496	306	390	481	880	963	890	**524**	↓-41.2%
EU–China	-	-	0	-	24	4	10	**30**	↑+193.1%
Turkey–China	-	0	11	67	34	5	7	**12**	↑+81.9%
Total	2,311	2,073	2,732	3,586	5,022	4,694	4,866	**4,613**	↓-5.2%
YoY Growth	-	↓-10.3%	↑+31.8%	↑+31.3%	↑+40%	↓-6.5%	↑+3.7%	↓-5.2%	

**Middle Corridor flows include transit cargo moving between EU/Turkey and Azerbaijan, Central Asia, or China, through Georgia.*

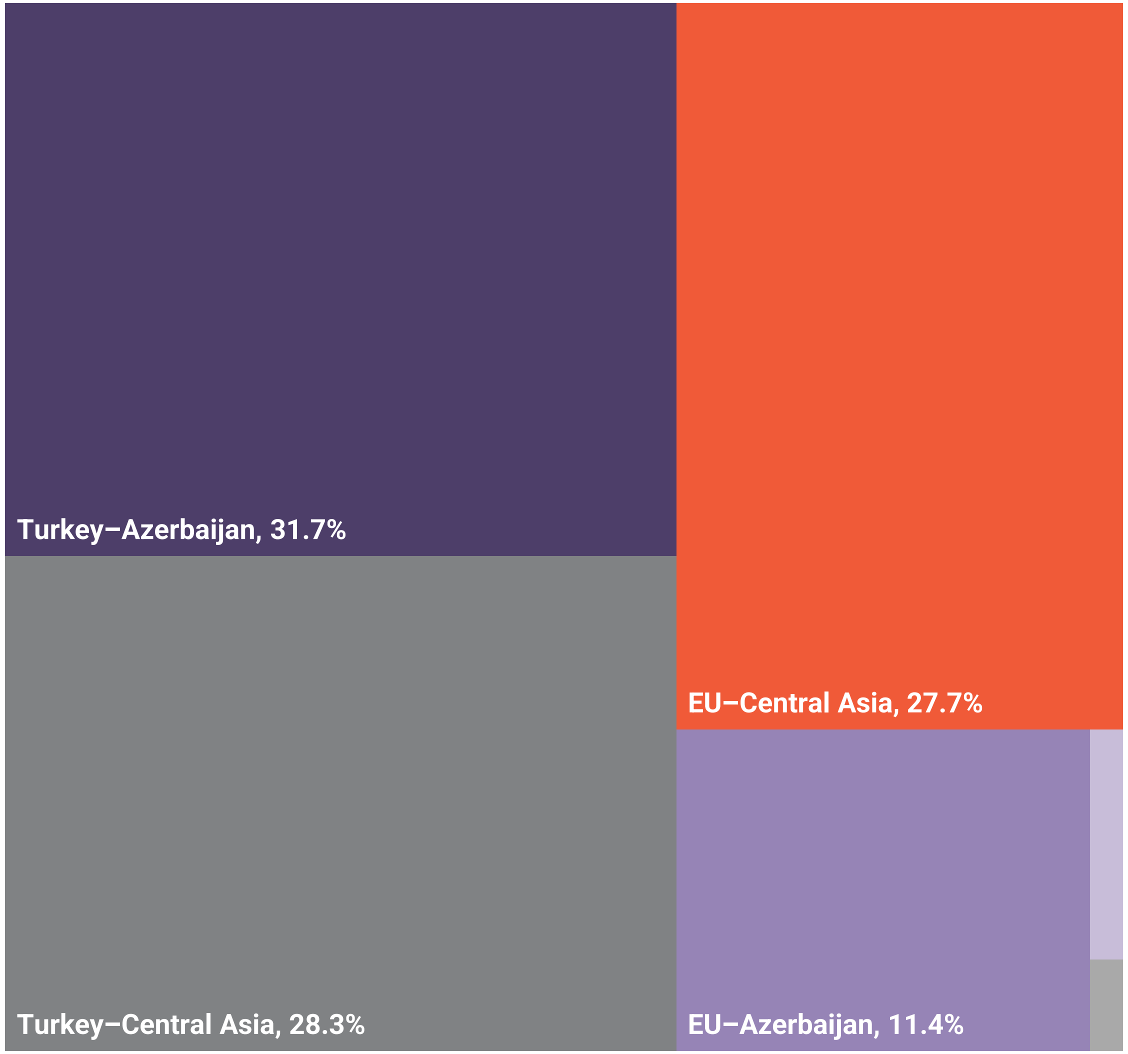
East–West and Middle Corridor Flows

- **East–West corridor** flows more than doubled from 4.0 million tonnes in 2018 to 9.5 million tonnes in 2025. Volumes were highest in 2024, at 10.4 million tonnes.

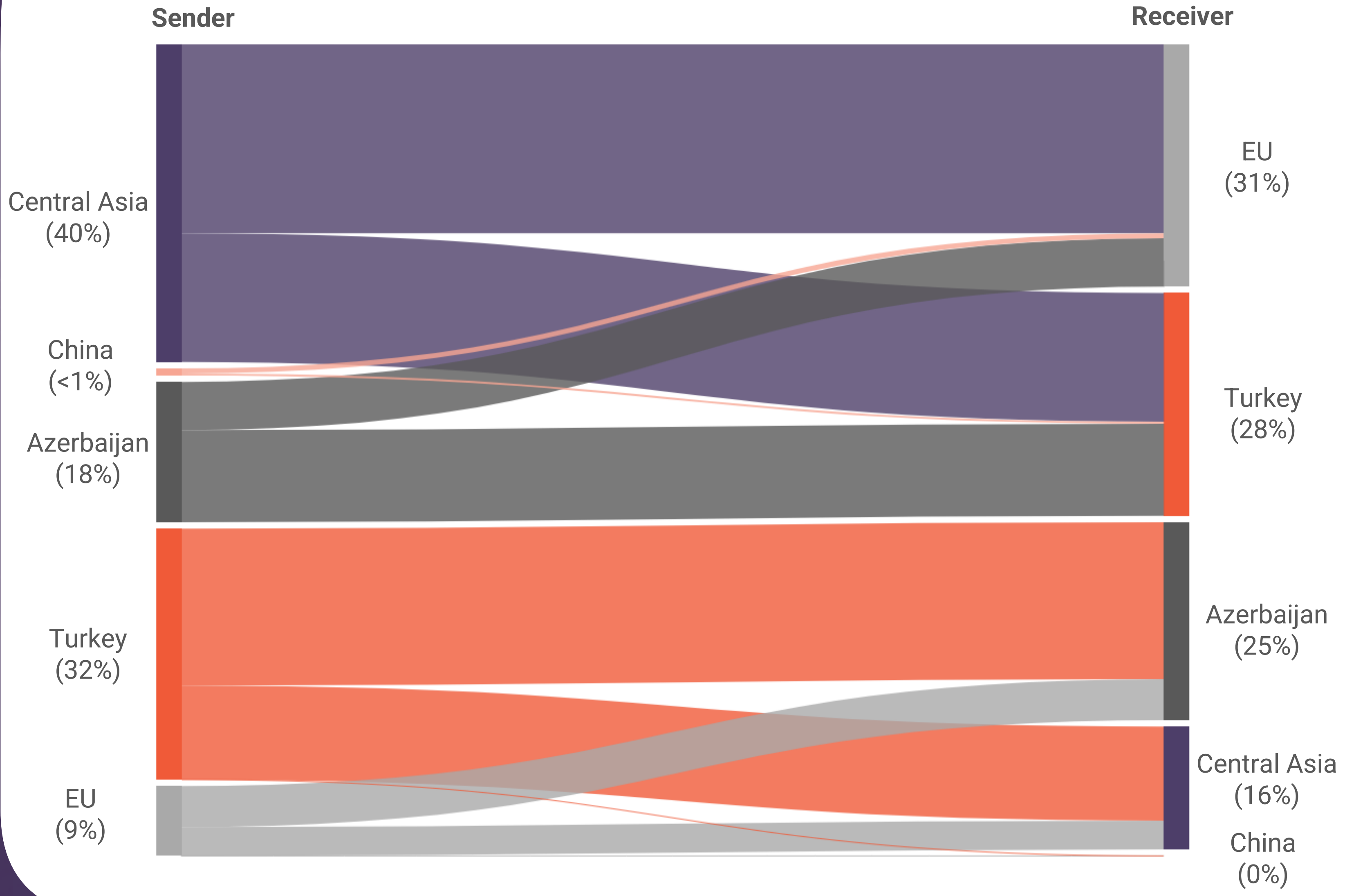
- **Middle Corridor** flows followed a similar trajectory but at a smaller scale, rising from 2.3 to 4.6 million tonnes over the same period and remaining roughly half the volume of the East–West corridor. The absolute gap widened through 2024, then narrowed slightly in 2025.



Middle Corridor Flows in 2025 (%)



Middle Corridor Flows in 2025



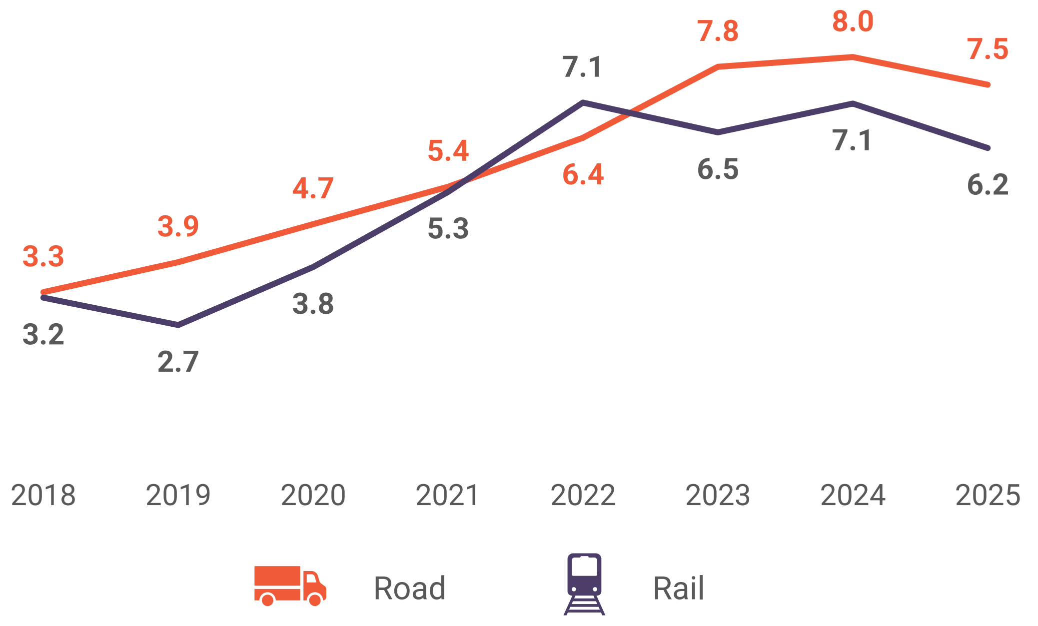
- **Overall, cargo flows remained primarily east-to-west,** reflecting the corridor's growing importance in connecting Central Asia and the South Caucasus with Turkey and the European Union.
- In 2025, Central Asia accounted for 40% of **originating cargo**, followed by Turkey (32%) and Azerbaijan (18%). In contrast, China represented only a negligible share of identifiable transit volumes.
- On the **receiving side**, the European Union had the highest share of cargo in 2025, at 31%, followed by Turkey (28%) and Azerbaijan (25%).
- **The distribution of origins and destinations suggests that Middle Corridor transit in 2025 was driven mainly by regional and intra-corridor trade rather than by long-distance China–Europe flows.**

Source: Revenue Service of Georgia, PMC RC

Transit Cargo Flows by Transport Type

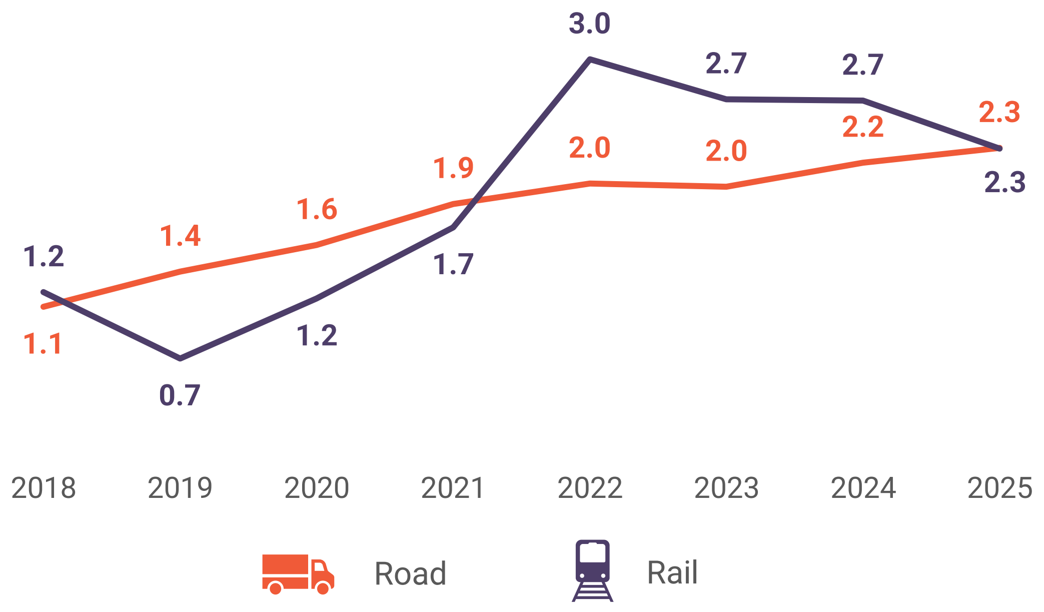
- Road remained the dominant mode of total transit cargo during most of 2018–2025, accounting for 54.6% of total volumes in 2025, compared with 45.4% for rail.
- In 2025, total road transit decreased by 6.9% YoY, while rail transit declined more sharply, by 12.5%. Over the 2018–2025 period, however, road transit grew by 124.7%, whereas rail transit increased by 93.2%.

Total Transit Cargo by Transport Type
(Million Tonnes)



- Within selected Middle Corridor flows, road transit increased by 5.1% YoY in 2025, while rail transit decreased by 13.7%. From 2018 to 2025, road transit increased by 110%, while rail transit grew by 90.2%.
- Road and rail volumes within selected Middle Corridor flows were nearly equal in 2025, although rail accounted for a larger share in recent years.

Middle Corridor Transit Cargo by Transport Type
(Million Tonnes)



Source: Revenue Service of Georgia, PMC RC

Recent Infrastructure Developments in Georgia

As rail and port infrastructure continue to play a critical role in corridor performance, ongoing investments aimed at reducing bottlenecks and expanding capacity remain particularly important.

- **Georgian Railway Modernization Project:** Completed in December 2025, the project increased the estimated annual capacity of Georgia's main railway line from 27 million to 48 million tonnes (International Railway Journal, 2026).

- **TC-GATE Project:** In June 2026, Georgia signed a $372 million World Bank loan agreement to finance railway rolling stock, power infrastructure, selected road upgrades, and institutional improvements along Georgia's section of the Middle Corridor (World Bank, 2026).

- **Poti New Seaport – Phase II:** Construction of a new berth began in 2026 as part of a $40 million expansion backed by U.S. support through the International Development Finance Corporation (DFC), with Pace International as the operating partner. This expansion is expected to increase the port's annual throughput capacity to 3 million tonnes (DFWatch, 2026).

- **Anaklia Deep Sea Port:** Preparatory marine infrastructure works advanced in 2026, including construction of the planned 1,380-meter breakwater and dredging of the seabed to a depth of 17.5 meters (Dredging Today, 2026).

Major Investments in the Middle Corridor

- **Azerbaijan — Port of Baku (Alat) Expansion:** Second-phase works are raising the Caspian port's annual capacity from 15 million to 25 million tonnes and up to 500,000 TEU (Jamestown Foundation, 2026b).

- **Kazakhstan — Wabtec–KTZ Locomotive Order:** In September 2025, Kazakhstan Temir Zholy signed a $4.2 billion agreement with Wabtec for 300 Evolution Series locomotives to renew the rolling stock along the corridor (Wabtec Corporation, 2025).

- **China–Kyrgyzstan–Uzbekistan (CKU) Railway:** In December 2025, the joint venture financing the CKU railway signed a $4.7 billion loan agreement, with China providing roughly $2.3 billion. The 523-kilometer line is projected to carry up to 15 million tonnes annually once completed around 2028–2030 (Jamestown Foundation, 2026a).

- **Turkey — Istanbul North Rail Crossing (INRAIL):** In 2026, the AIIB signed the first phase of a $1.5 billion loan for a 127-kilometer electrified rail line crossing the Bosphorus, closing what has been described as the Middle Corridor's last major freight bottleneck between Asia and Europe (Asian Infrastructure Investment Bank, 2026).

- **U.S. Regional Connectivity Investment**: In July 2026, the U.S. doubled funding for the TRIPP+ Enterprise Fund from $201 million to $402 million, supporting new transport links through the South Caucasus that complement the wider Trans-Caspian Corridor (Caucasus Watch, 2026).

Disclaimer

Email: research@pmcginternational.com
Website: pmcresearch.org; pmcg-i.com

References

- **Asian Infrastructure Investment Bank. (2026).** *AIIB approves up to USD 1.5 billion financing for Istanbul North Rail Crossing Project in Türkiye.*
- **Caucasus Watch. (2026).** *U.S. doubles funding for TRIPP+ Enterprise Fund to USD 402 million*.
- **DFWatch. (2026).** *US backing strengthens Poti port's Middle Corridor role.*
- **Dredging Today. (2026).** *Jan De Nul begins Anaklia dredging project.*
- **International Railway Journal. (2026).** *Georgia reopens upgraded main line.*
- **Jamestown Foundation. (2026a).** *China–Kyrgyzstan–Uzbekistan railway financing loan signed*.
- **Jamestown Foundation. (2026b).** *Middle Corridor makes progress toward operational reality*.
- **Wabtec Corporation. (2025).** *Kazakhstan awards Wabtec a $4.2 billion locomotive order.*
- **World Bank. (2026).** *Georgia boosts role in Trans-Caspian Transport Corridor with World Bank Group support.*