Caspian-Black Sea transit corridor

Vienna, April 2015
Corridor map

Symbols:
- Ports
- Oil terminals
- Railways
- Sea routes
Main participants of railway corridor

Azerbaijan State Caspian Shipping Company (Azerbaijan)

- DWT 448,073 tons;
- 43 tankers / 7 rail ferries;
- 6,500,000 tons of oil and oil products handled during the year.

Georgian Railway

- 396 km from Azerbaijan border to the port of Batumi

Kazmormasttransflot (Kazakhstan)

- DWT over 300,000 tons;
- 8 tankers;
- 5,500,000 tons of oil and oil products handled during the year.

Azerbaijan Railway

- 502 km from Baku to the Georgian border
# Oil terminals in Georgia and Azerbaijan

<table>
<thead>
<tr>
<th>Terminals</th>
<th>Azerbaijan</th>
<th>Georgia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baku</td>
<td>100,000</td>
<td>118,000</td>
</tr>
<tr>
<td>Sangachali</td>
<td>320,000</td>
<td>570,000</td>
</tr>
<tr>
<td>Dubendi</td>
<td>340,000</td>
<td></td>
</tr>
<tr>
<td>Garadach</td>
<td>240,000 ext.to 640,000</td>
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<tr>
<td>Kulevi</td>
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<th>Total volume m³</th>
<th>Baku</th>
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<th>Dubendi</th>
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<tr>
<th>Annual transshipment RTC MLN MTA</th>
<th>Baku</th>
<th>Sangachali</th>
<th>Dubendi</th>
<th>Garadach</th>
<th>Poti</th>
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<th>Kulevi</th>
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<tbody>
<tr>
<td>5</td>
<td>8.5</td>
<td>10</td>
<td>15-30-45</td>
<td>2.4</td>
<td>14.5</td>
<td>10-15</td>
<td></td>
</tr>
</tbody>
</table>

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Ports of Georgia

**Kulevi oil terminal**
- Depth: 14.0

**Poti**
- Containers: 4.5
- Dry cargo: 5.6
- Liquid cargo: 2.0

**Supsa oil terminal**
- Depth: 6.3

**Batumi**
- Containers: 1.0
- Dry cargo: 2.0
- Liquid cargo: 14.0

**New deep-water port**
- Depth: 20
- Containers: 100
Transportation of dry cargo to Central Asia

Freight turnover from Uzbekistan

Increase compared to the previous year

Meat and meat products: 20%
Mineral water: 24%
Ferrous metals: 80%
Building materials: 113%

Transit
Export
Import

2012 2013 2014
0 20'000 40'000 60'000 80'000 100'000 120'000
New cargoes in the corridor

Based on the current situation on the world oil market, attraction of oil and petrochemical products from Central Asia toward the corridor is becoming a strategic goal.

In 2014 first stream of Azerbaijan methanol was attracted;

This year new cargoes of benzoyl and p-xylene from Kazakhstan are expected;

New cargo flow of Sulphur from Turkmenistan;

New cargo flow of Karbamid from Uzbekistan.
Competitiveness of the Trans-Caspian transit corridor

<table>
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<tr>
<th>Route</th>
<th>Km</th>
<th>Time</th>
</tr>
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<tr>
<td>1. Afghanistan (Kabul) - Turkmenistan - Kazakhstan - Azerbaijan - Georgia (Poti)</td>
<td>2,300</td>
<td>12</td>
</tr>
<tr>
<td>2. Afghanistan (Kabul) - Uzbekistan - Kazakhstan - Azerbaijan - Georgia (Poti)</td>
<td>3,340</td>
<td>16</td>
</tr>
<tr>
<td>3. Afghanistan (Kabul) - Pakistan (Karachi port)</td>
<td>5,160</td>
<td>19</td>
</tr>
<tr>
<td>4. Afghanistan (Kabul) - Uzbekistan - Kazakhstan - Russia - Latvia (Riga)</td>
<td>5,083</td>
<td>18</td>
</tr>
<tr>
<td>5. Afghanistan (Kabul) - Tajikistan - Uzbekistan - Kazakhstan - Russia - Latvia (Riga)</td>
<td>4,060</td>
<td>22</td>
</tr>
<tr>
<td>6. Afghanistan (Kabul) - Tajikistan - Uzbekistan - Kazakhstan - Azerbaijan - Georgia (Poti)</td>
<td>1,500</td>
<td>24</td>
</tr>
<tr>
<td>7. Afghanistan (Kabul) - Pakistan (Karachi port) Auto and railway transport</td>
<td>1,682</td>
<td>25</td>
</tr>
</tbody>
</table>

Source: USAID - „Comparative analysis of alternative transport routes for Afghan transit trade”
New corridor from the Caspian Sea to Europe via Turkey is expected to be completed by the end of 2015;

Cost of the project USD 775m;

This new corridor will transport both goods and passengers between Central Asia and Europe;

The goal of the project is to improve trade and economic relations among three countries;

The first test train from Akhalkalaki to Kars was successfully launched on January 28, 2015.
Development of deep-sea port

Georgian government plans to develop the infrastructure of new deep sea port. Port should be focused on containers and bulk/mixed cargoes, with the possibility of their placement on the fifth-generation vessels such as Panamax.

The project is considered as strategically important for Georgia and has full support from the state.

12 companies have participated in the announced competition on the construction of Anaklia port, from which one candidate will be selected and contract will be signed in September 2015.
Eurasian corridor

Ongoing and completed projects

- Construction of the railway Baku-Tbilisi-Kars (2015);
- Construction of a new deep-water port on the Black Sea (2017);
- Four new ferries on the Black Sea;
- Construction of the terminal in Vale;
- 2nd phase works in port of Alat - Azerbaijan;
- Creation of tariff policy association on the basis of the committee between the railways of Georgia, Azerbaijan and Kazakhstan (2013);
- Modernization of Azerbaijan railway - infrastructure and rolling stock;
- 10 new ferries and tankers in the Caspian Sea;
- Modernization of Turkmenbashi port;
- Construction of two new railway lines in Kazakhstan, shortening route to Europe by 1,200 km (East Kazakhstan - Aktau port);
- Modernization of Aktau port (operator DB World);
- Development of terminal infrastructure in Horgos (border of China and Kazakhstan).
Block Train China - Kazakhstan - Turkey

The parties have agreed to take all measures in 2015 on the organization of container service from China - Kazakhstan - Turkey. The new route reduces transit time to approximately 9 days in comparison with 45 days via the sea route.

Uniform tariff across the Trans-Caspian international transport route 8,000 US.
Thank you!