THE ECONOMIC POTENTIAL OF THE ANAKLIA DEEP SEA PORT

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Abstract. A crucial factor in Georgia's sustainable economic development and the improvement of its population's living standards is the development and operation of maritime transport and deep-sea ports. The construction of the Anaklia Deep Sea Port on the Black Sea coast represents one of the country's most ambitious infrastructure projects, aiming to transform Georgia into the primary logistics and trade hub of the South Caucasus. This project will have a significant economic impact on the entire region and is vital for Georgia's economic growth, as it strengthens the country's position along key international trade routes - particularly within the Middle Corridor of the New Silk Road, which connects the nations of Europe and Asia.

With its potential to handle large container vessels and facilitate increased trade flows, the port is expected to attract investment, create jobs across various sectors, including port logistics, construction, transportation, warehousing, and cruise tourism, and, most importantly, enhance Georgia's integration into the global economy.

Based on academic research, policy documents, and national economic development strategies, this paper examines the economic and geopolitical significance of the Anaklia Deep Sea Port project, identifies the main challenges of its construction process, and provides recommendations for strengthening Georgia's competitiveness as a maritime nation.

Keywords: Middle Corridor, Maritime Transport, Anaklia Deep Sea Port, Cruise Tourism.

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Introduction. Due to its historical and geopolitical location, Georgia has a unique opportunity to participate in the global economy actively, leveraging its diverse potential while safeguarding its national interests. In doing so, the country can both contribute to the development of international trade relations, as a hub connecting Europe and Asia, and simultaneously continue its economic growth and improve the well-being of its population. That can be achieved through Georgia's active involvement in the Middle Corridor of the Silk Road and the comprehensive development of its transportation network, one of the key components of which is maritime transport, particularly the construction and advancement of seaports. Against the backdrop of shifting global and regional economic power dynamics that are shaping a new reality, with increasing activity along the Middle Corridor (Trans-Caspian International Transport Route) and a decreasing dependence on Russian corridors, the Anaklia Port project has gained exceptional importance (Aguiar, 2025).

Until 2022, Central Asian countries and China were primarily connected to Europe through transport corridors passing through Russia. However, following the onset of Russia's military actions in Ukraine and the subsequent economic sanctions imposed by the West, these routes became obstructed. As a result, the necessity of activating the so-called "Middle Corridor" project became increasingly evident.

The Middle Corridor (Trans-Caspian International Transport Route) serves as one of the main trade links between China and Europe, passing through Georgia, Azerbaijan, and Kazakhstan. The network of rail, road, and maritime transport routes traversing Georgia provides a relatively shorter and more efficient trade corridor (Giguashvili et al., 2025). The Middle Corridor enhances Georgia's role in the New Silk Road, thereby opening new logistical opportunities for the country (Giguashvili & Sadagashvili, 2025).

The key elements of the Middle Corridor are seaports and the corresponding infrastructure. By leveraging its maritime potential, Georgia can play a more significant role in shaping regional dynamics and establishing new trade and diplomatic pathways (Civic IDEA, 2025). The Anaklia Port is recognized as one of the priority projects within the *Trans-European Transport Network (TEN-T)* action plan, underscoring its significance in transportation and economic development.

The purpose of the paper is to assess the economic potential of the Anaklia Deep Sea Port within the maritime route of the Silk Road's Middle Corridor and conduct a strategic analysis of its development.

The main objectives of the research are:

4. To study the economic, infrastructural, and geopolitical foundations of the Anaklia Port project;

5. To evaluate the potential economic effects of port construction — including employment generation, attraction of investments, and the growth of foreign trade and transit;

6. To identify the competitive advantages and risks of the Anaklia Port and develop recommendations for enhancing Georgia's competitiveness as a maritime nation.

Methodology. This scientific paper is based on the analysis of policy documents, national economic development strategies, statistical data, and relevant research studies.

Literature Review. In the context of Georgia's economic development, the Anaklia Deep Sea Port project plays a significant role, particularly in strengthening the transport and logistics sector and, more broadly, in enhancing the role of the Middle Corridor. According to forecasts by the Ministry of Economy and Sustainable Development, thousands of people will be employed not only in the port's construction but also in its operational phase. Current assessments estimate that the port's first phase will have a capacity of 600,000 containers (7,800,000 tons), with an indicative value of USD 600 million. The government also plans to establish a free industrial zone adjacent to the port and develop a logistics zone nearby for industrial production, which will generate additional jobs and attract investments (https://www.economy.ge).

"These are important state-owned territories envisioned for the development of logistics and industrial infrastructure, which makes this project highly significant from an economic standpoint. For us, the development of the Middle Corridor and the further strengthening of Georgia's connective function are of utmost importance. The Anaklia project will have a direct positive impact on the competitiveness of the Middle Corridor. It will be a crucial element for many international companies that expect the corridor to function fully. To achieve this, we need new, modern, competitive, and well-functioning public infrastructure, for which active work is underway" (Davitashvili, 2024).

Discussion / Results. One of the main priorities of the Georgian government is to fully utilize the country's transport and logistics potential. In this regard, the government aims to enhance the sector's competetiveness and to establish sustainable and efficient transport links. For Georgia, as a small economy, infrastructure projects that facilitate the economic capitalization of its geostrategic advantages are of vital importance.

Currently, Georgia has four seaports: Batumi (operated by a subsidiary of NC "KazMunayGas"), Poti (owned by APM Terminals, an independent business unit of the Danish Maersk Group), Supsa, and Kulevi (owned by SOCAR) (Civic IDEA, 2025).

Batumi Port: Located on the southeastern coast of the Black Sea, it plays a significant role in the export of oil and oil products. It also handles container and general cargo shipments and operates as a popular stop for cruise ships, contributing to the development of regional tourism (Maritime.ge).

Batumi Port

Source: Maritime.ge

Poti Port: One of the largest ports in Georgia, Poti serves as a significant logistics hub, facilitating the transportation of various types of cargo, including metals, oil, and grain. Located on the eastern coast of the Black Sea, it functions as the main gateway for trade between Georgia, Armenia, and Azerbaijan. Due to its ideal geographic location, the port has the potential to become a central hub for trade in Central Asia. It offers direct ferry connections with the Black Sea ports of Ukraine, Russia, and Bulgaria, is linked to the national railway network, and connects with all major cities in Georgia. The multipurpose terminal includes 15 berths - a total quay length of 2,900 meters, more than 20 gantry cranes, and 17 kilometers of railway tracks.

Poti Port

Source: Maritime.ge

Supsa Terminal: Located on Georgia's Black Sea coast in the Lanchkhuti district, the Supsa Terminal provides export capacity for the Western Route Export Pipeline (WREP), facilitating the transportation of crude oil to tankers via offshore loading facilities. In 2022, approximately 7 million barrels of crude oil, exported through the WREP, were received and loaded onto tankers at the Supsa Terminal. The crude oil is then shipped through the Bosporus Strait to global markets. The terminal represents a vital link in Georgia's economy.

Supsa Terminal

Source: Maritime.ge

Kulevi Terminal: The Kulevi Oil Terminal is an oil port located on the eastern coast of the Black Sea in Georgia, near the village of Kulevi in the Khobi district. The terminal officially opened on May 16, 2008. It has its own railway station capable of accommodating up to 180 oil tank cars. The terminal's annual processing capacity is 10 million tons of crude oil and refined petroleum products. SOCAR plans to increase the terminal's throughput capacity to 20 million tons per year, making Kulevi the largest oil terminal in the South Caucasus.

Kulevi Terminal

Source: Maritime.ge

In recent years, cargo traffic in Georgia has increased significantly, leading to congestion at the country's ports. Moreover, the depth of the existing ports is insufficient to accommodate Panamax or VLC vessels. Therefore, the construction of a new deep-water port — the Anaklia Port — has become necessary (Ministry of Economy, 2023).

Anaklia Deep Sea Port project

Source: Economic Outlook 2025

The Anaklia Port will enable Georgia to transform into a regional transit hub connecting Europe, Asia, and the Middle East. As a deep-water port, it will be capable of accommodating large-tonnage vessels, significantly reducing logistics costs and increasing the country's attractiveness as a transportation corridor. The project is expected to attract both public and private investments from various countries. Additionally, the Anaklia Port project envisions the creation of thousands of new jobs, which will have a positive impact on the local economy.

The idea of constructing the Anaklia Port has a long history. Initiated in 2014 through a call for proposals announced by the Government of Georgia, the project quickly attracted global attention. By 2015, the contest was narrowed down to two major contenders: the U.S.-backed Anaklia Development Consortium LLC and a consortium led by the Chinese state-owned Power Construction Corporation of China. The Anaklia Development Consortium, a collaboration between Georgia's TBC Holding and U.S.-based Conti International, ultimately won the bid in 2016 (Civic IDEA, 2025).

Since its inception, the Anaklia Deep Sea Port project has received extensive international support, highlighting both private business and state interests. However, attempts to implement the project have been continuously hampered by various factors, including political instability, a lack of political will, economic difficulties, and geopolitical challenges (Khutsiberidze, 2025).

In 2023, the Ministry of Economy and Sustainable Development of Georgia reannounced an international tender to find a private investor for the Anaklia Deep Sea Port project. Under the revised terms, 51% of the port's ownership was allocated to the state, while the selected partner would hold the remaining 49%. By May 2024, a China-Singapore consortium, led by the state-owned China Communications Construction Company (CCCC), was declared the preferred bidder (Civic IDEA, 2025).

The agreement covers the implementation of the port's first development phase, with an investment of USD 600 million (GÜNGÖR, 2024).

In Georgia's 2025 state budget, the construction of the Anaklia Deep Sea Port occupies a significant position among capital projects. The port will be equipped with modern technology and infrastructure. Alongside high-quality services, these factors will enhance the port's productivity, efficiency, and reliability. In 2025, GEL 150 million is planned to be spent from the budget on the construction of the Anaklia Port (Parliament of Georgia, 2024). For 2026, GEL 180 million is allocated in the state budget for construction works at the Anaklia Port (Tqeshelashvili, 2024).

The preparatory works for the design and construction of the marine infrastructure of the Anaklia Deep Sea Port are in the completion phase. Moreover, the basic design is completed, and the detailed design of the breakwater is currently in progress. The marine infrastructure works are scheduled for completion in 2027 (Economic Outlook 2025). According to the project plan, the first container ships are expected to enter the Anaklia Port in 2029. The investment value of the first phase is USD 600 million, which includes the construction of a terminal with an annual capacity of 600,000 containers (Tqeshelashvili, 2024).

Analysis of the Economic Potential of Anaklia Port:

The construction of the Anaklia Port serves several important economic objectives:

1. **Attracting investment and creating employment** – The project involves mobilizing both foreign and domestic investments, which will increase economic activity in western Georgia. In the initial phase, thousands of jobs are expected to be created, while during the operational phase, additional industrial and service sectors are anticipated to develop.

2. **Expansion of foreign trade** – The deep-water port's capacity and modern infrastructure will allow Georgia to accommodate larger vessels, reducing transportation costs and enhancing the country's competitiveness in the Black Sea market.

3. **Strengthening the transit corridor** – Anaklia serves as a key node of the Middle Corridor, connecting Asia to Europe through Georgia, Azerbaijan, Kazakhstan, and Turkey. This positions Georgia as a transit hub for Eurasian trade flows, potentially generating additional revenue from transit fees and logistics services.

4. **Promoting regional development** – The Anaklia project is also viewed as a catalyst for regional development. It is expected to support the growth of sectors including international trade, cargo turnover, transportation, construction materials, energy, tourism, light industry, agro-production, and more. The port will facilitate the export of Georgian products, such as wine, mineral water, nuts, and honey, to international markets. All of these factors will strengthen the country's economic stability.

The significance of the Anaklia Port extends beyond economic dimensions. It represents a strategic project directly linked to Georgia's foreign policy orientation and European integration. The development of the port is viewed as a pathway to deepening economic integration with the West and reducing Russia's economic influence in the South Caucasus.

The Anaklia Port will significantly enhance Georgia's geopolitical importance. The country will become a key node in the transport corridor connecting Europe and Asia, activating its role in international trade and strengthening its position on the global stage.

The development of the Anaklia Deep Sea Port represents a strategic opportunity for Georgia, not only in terms of transport and logistics but also from an energy perspective. The port will support the diversification of the country's energy transit routes, increase national energy security, and attract investments in the energy sector. Moreover, the Anaklia Port will facilitate Georgia's integration into the regional energy market, strengthening the country's position within international energy networks. The port will thus serve as a significant stimulus for economic growth and sustainable development (Pantskhava & Jishkariani, 2025).

Cruise tourism is one of the most important and rapidly growing economic sectors worldwide. Its role is also critical for Georgia, as it is currently developing actively and holds significant potential, further increasing national revenue, employment, and investment. Georgia has genuine opportunities to successfully integrate into the global cruise tourism market and maximize its benefits. Tourism, particularly cruise tourism, is a priority for the country.

The Anaklia Port offers unprecedented opportunities and will take cruise tourism to a new level of development. By accommodating large vessels, the Anaklia Deep Sea Port provides a unique opportunity for Georgia to integrate into international cruise routes. That will help attract more international tourists, particularly from Europe and Asia.

Conclusion and Recommendations. A thorough analysis indicates that the Anaklia Deep Sea Port possesses unprecedented potential, providing Georgia with the opportunity to actively participate in global trade by accommodating the largest vessels that cannot be handled by the country's other ports. The deep-water port is unprecedented both nationally and internationally in terms of its capacity, fully meeting the standards and capabilities of major international ports.

Considering that a free industrial zone is planned adjacent to the Anaklia Port, its significance as a source for increasing investments and generating additional revenue for the national budget becomes even more evident.

Although the Anaklia Port is primarily a logistics project, it directly impacts the development of tourism in Georgia. It opens new opportunities for successful integration into the global cruise tourism market and for maximizing its economic benefits. Ultimately, the main economic advantage of the Anaklia Port lies in its contribution to long-term economic sustainability.

For the Anaklia Port to become a valid economic engine for Georgia, the following measures are significant:

- **Strengthening the institutional framework** – Establish a stable and transparent institutional environment to increase investor confidence and ensure long-term cooperation.
- **Deepening international partnerships** – Promote multilateral collaboration with global financial institutions and private investors.
- **Integration into regional corridors** – Integrate the Anaklia Port into the Middle Corridor strategy in coordination with Azerbaijan, Kazakhstan, and Turkey.
- **Development of the logistics ecosystem** – Establish an industrial zone and free economic space around the port to strengthen regional business clusters and maximize financial benefits.
- **Integration of social and regional policies** – Ensure local community involvement and implement education and employment programs.
- **Environmental sustainability** – Strictly adhere to ecological standards and conduct environmental impact assessments at all project phases to enhance the long-term viability of the port.

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