Tbilisi in Georgia is situated on the ancient Silk Road and is rapidly developing as an important hub for logistics and commerce in the Caucasus region. Supporting the region’s growth are the country’s good relations with neighbouring Armenia, Azerbaijan and Turkey, and its membership of the United Nations, the Council of Europe, the World Trade Organization and the Organization of the Black Sea Economic Cooperation.

The country, which was once part of the Soviet Union, hopes to join NATO but this and the construction of the oil pipeline that runs between Baku and Ceyhan via Tbilisi have strained its long-standing relationship with Russia. Yet despite a series of changes in its top levels of government, the Caucasian state seems to have mastered the art of diplomacy and is enjoying relative stability in a region notorious for sudden, and sometimes dramatic, political upheavals.

Despite being a relatively small country, Georgia boasts a climate ranging from Alpine in the Greater and Lesser Caucasus ranges, to subtropical along its Black Sea coast. The country’s attractions include the seaside resort of Batumi, cultural delights and a vibrant nightlife in the capital, and skiing in the mountains of Svaneti province.

TAV Airports purchased a 66% stake in Tbilisi International Airport (TBS) on October 31, 2005 in a deal that included the rights to manage the facility until 2027. It was the firm’s first venture outside its home country and resulted in a new passenger terminal being opened 18 months later. TAV provides in-terminal and airside services including ground handling, customs and warehousing, retail and food and beverage outlets.

Georgia is ideally positioned to attract long-distance air traffic due to it lying at a crossroads between Europe, the Middle East, Asia and Russia. Luigi Vallero met TAV Georgia General Manager Mete Erkal for an update on the capital’s airport.

In the Spotlight: Tbilisi

Taking the Midnight Plane to Georgia

Having paid a visit to Georgia in January 2011, Airports of the World dropped into TBS again in July 2015, during the Routes Silk Road event. This provided an opportunity to meet Mete Erkal, General Manager TAV Georgia, and obtain an update on the progress being made at the nation’s busiest airport.

Tbilisi’s new terminal opened in 2007. (Author photo)

Luigi Vallero

30 airports of the world

www.airportsworld.com
How was business last year and how are things developing now?

ME: We handled 575,707 passengers in 2014, an increase of 124% over the past five years. In excess of 1.7 million are expected this year. In 2011 19 airlines were serving the airport and we expect this to increase to 30 by the end of the year.

Georgia is a relatively small country with a limited population. Can you continue to grow at similar rates over the next decade?

ME: The catchment area is getting larger thanks to its geographic location. Travellers from neighbouring countries are increasingly using Tbilisi due to the range of destinations and lower ticket prices offered by the airlines serving our airport. In addition, all of us in TAV Georgia are working hard to develop TBS into a transit point for traffic between Europe and Central Asia.

How does your traffic vary across the year, and is it mostly inbound or outbound?

ME: The market is relatively constant across the year, although 60% of the passengers use the airport in the summer season. Outgoing traffic is slightly ahead of incoming.

You mentioned Georgia’s location on the ancient Silk Road trading routes, and developing Tbilisi as a major transit point between Europe and Central Asia and the Far East. How do you see that market developing?

ME: We are expecting to generate increasing transit traffic due to competitive pricing and the high-quality services we offer. Over the past four years Kazakhstan’s flag carrier Air Astana has launched flights, and is now proposing flying a year-round schedule to Almaty in addition to a recently launched seasonal service to Astana. China Southern Airlines, flying to Ürümqi, is paving the way from Asia and additional opportunities are expected to be opened up soon.

What are your main markets, and what destinations do you expect to come online over the next few years?

ME: For a number of years Istanbul Atatürk (IST) has been our best route, in part thanks to the transit opportunities there. At present Turkish Airlines flies as many as four daily trips, mostly transferring passengers into its global network. AtlasGlobal has also been very successful on the same route, and Pegasus is serving the major market with daily trips to Sabiha Gökçen (SAW). Moscow became our fastest-growing destination.

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Passenger Statistics

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<th>Year</th>
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<th>Change</th>
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<tbody>
<tr>
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<td>547,150</td>
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<tr>
<td>2006</td>
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Airport Statistics

ICAO code: UGTB
IATA code: TBS
Location: 41°40.09’N 044°57.17’E
Elevation: 1,624ft (495m)
Runways: 13R/31L 9,843 x 150ft (3,000 x 45m)
13L/31R 8,202 x 150ft (2,500 x 45m)
Frequencies:
Website: www.tbilisiairport.com
in 2014, thanks to Aeroflot-Russian Airlines providing a new daily service to their hub at Sheremetyevo (SVO). This added to the nine weekly 57 Airlines services we already had to Domodedovo (DME), and a daily AirEuropa Georgian Airways flight to Vnukovo (VDN). We are expecting further increases in traffic if the Moscow market over the coming years. The Gulf countries have also proven popular since Qatar Airways launched a daily A320 trip to Doha (which also calls at nearby Baku) in 2012. We added flydubai from Dubai and Air Arabia to Sharjah last year. In October this year Etihad Airways will introduce a link to its hub at Abu Dhabi. We also expect additional destinations in Central Asia to come online over the next year, and are hopeful that a direct link to London will be established.

The passenger terminal is fairly new, having opened in 2007. Do you foresee the need to extend it over the next few years, and if so what are you planning?

ME: Subject to the expected increases in passenger numbers, our major infrastructure modification plan will be implemented gradually between now and 2027. This will include a centralised security area, additional check-in desks, extensions to the baggage carousels, additional baggage belts, additional check-in desks, extensions to the baggage carousels, additional baggage belts, a remote arrivals area, self-service check-in and upgrades to the baggage carousels. We will also construct a new arrivals building on the domestic departure gates and airbridges, and we plan to extend the existing terminal.

We plan to open the new arrivals building to coincide with achieving a throughput of 1.8m, which we expect will happen in 2019. The current terminal will then be dedicated to departures and will be extended west; the work will include an additional airbridge and 18 check-in desks. We are targeting March 2016 for a long-awaited runway rehabilitation project, which will mean the airport will be closed for 10 hours during daytime. We are busiest at night, handling approximately 70% of our traffic between 2400hrs and 0500hrs, so the work will not have too much impact.

Air freight is important to the economy of the region. Is TAV trying to attract additional cargo airlines, and do you hope to turn the airport into a major cargo hub in the coming years?

ME: Part of TAV Georgia’s role is to market TBS to cargo airlines. Airport fees, ground service, warehousing and fuel - provided by external companies - are the most important elements in attracting the business. Over the past five years the number of cargo airlines using our facilities has increased substantially. We now have regular CargoLux flights serving Luxembourg, Baku, Kuala Lumpur and Singapore, Etihad Cargo to Abu Dhabi, Amsterdam and Sharjah; Qatar Airways Cargo flies to Delhi from Malpensa; Silk Way serves Baku, and in addition to its passenger services Turkish Airlines Cargo runs dedicated freighters from Istanbul Atatürk. Consolidator Cargoway uses TBS as a regional hub, offering transit connections from Amsterdam to Aktau, Aktobe, Ashgabat, Astana, Balkanabat, Baku, Kyzylorda, Mary, Oral, Shymkent, Turkmenbaşy, and Yerevan.

What about inbound tourism? Is TAV working with the local tourist authority and AirZena to promote inbound traffic?

ME: We are always looking to co-operate with local partners to help promote the Georgian market and promote incoming tourism as well as outgoing travel. Over the past few years, an increasing number of services to leisure destinations have been opened, including Turkish Airlines serving Antalya and Air Cairo flights to Hurghada and Sharm el-Sheikh. With management working on a coherent strategy to ensure the airport infrastructure develops in line with traffic increases, and with positive projections for the next five years, it seems likely that Tbilisi will continue to prosper over the next few years.

The author would like to thank the TAO Georgia management team for their support in preparing this feature.