

On the causes of the “transit crisis” in Georgian-Armenian relations ARVAK Center comment, July 24, 2025¹

Abstract

The commentary analyzes the causes and consequences of the “transit crisis” that has arisen in Georgian-Armenian relations since mid-2025. The document focuses on the obstacles imposed by Georgian customs services on the export of Armenian products (cognac, wine) to Russia and Belarus, as well as on the import of Russian liquefied gas to the Republic of Armenia. These obstacles have significant socio-economic consequences for Yerevan. Two main versions of Tbilisi's motives are considered: the circulating version of pressure from Moscow with the aim of destabilizing the government of N. Pashinyan and, more likely, Georgia's fears regarding the opening of the so-called “Zangezur corridor” and the subsequent loss of its status as a key transit beneficiary of the South Caucasus. The reaction of the Georgian opposition and its interpretation of the events are analyzed. It is concluded that Tbilisi's actions may imply pressure on Yerevan in the context of negotiations on regional communications and pursue the goal of influencing the domestic political crisis in Armenia in order to prevent the conclusion of a “peace treaty” on terms unfavorable for Georgia.

Keywords: Georgian-Armenian relations, transit crisis, “Zangezur corridor”, geopolitical interests, South Caucasus, economic pressure, Georgia's foreign policy, Armenia, Russia, Turkey, Azerbaijan, regional security.

1. Escalation of transit barriers & socio-economic consequences for Armenia

Since mid-2025, the Republic of Armenia has faced increasing challenges in the area of transit of import and export goods through Georgian territory. In April of this year, Georgian customs services began initiated a systematic effort to impede the transportation of Armenian cognac and wines destined for the Russian and Belarusian markets². Following this, in July, Tbilisi began to complicate the procedures for allowing tankers with Russian liquefied gas into the RA. This decision immediately affected the price of this particular type of fuel within the Armenian market³.

Although the range of goods affected by the actions of the Georgian authorities may seem limited, their specific nature is of critical importance to the Armenian economy. The export of cognac and wine is a significant source of foreign exchange earnings for the republic, and the entire sphere of alcoholic beverage production provides employment for thousands of citizens, including farmers. In turn, liquefied gas makes up a significant share of the Armenian fuel market, and the growth of its prices negatively affects the cost of services in the field of freight and passenger transportation.

It is expected that such actions by the Georgian side will result in social tension in Armenia, which, in turn, will affect the already difficult domestic political situation in the republic. In this context, it is noteworthy that the community of Armenian alcoholic beverage

¹ The original (in Rus.) was posted on our website on 23.07.2025.

² “The Georgian side is preventing the transit of Armenian wine and cognac”. AMnews (in Rus.), 04.06.2025, <https://www.amnews.am/language/ru/economy-ru-287> (download date: 20.07.2025).

³ “Trucks with liquefied gas for Armenia cannot pass the checkpoint in Georgia”. NEWS.am (in Rus.), 11.07.2025, <https://news.am/rus/news/893807.html> (download date: 20.07.2025).

producers, consumers of liquefied gas and the public in general are expressing their dissatisfaction not so much with the behavior of the Georgian side itself, but with the government of the Republic of Armenia and relevant agencies, which failed to establish an effective dialogue with Tbilisi and reach a consensus to resolve the problem. Consequently, if Tbilisi, as many experts argue, was motivated by certain political motives, when it created technical difficulties for Armenian transit, then it should be noted that this goal is being achieved to a certain extent. The Armenian public, as well as opposition circles, perceive the events as yet another failure of the current government, which, in their opinion, does not actually enjoy authority in Tbilisi, and, therefore, the only reliable land route providing communication between Armenia and Russia and Europe may also be under threat of total blocking in the future.

2. Georgia's political motives: discussions in the expert community

Georgia's political motivations seem obvious, since Tbilisi is actually violating intergovernmental agreements and international acts regulating trade and economic relations between nations, as even many Georgian experts point out. Only strategic goals can force Tbilisi to ignore the agreed and well-established mechanisms for passing Armenian cargo flows without any argumentation or explanation.

A considerable number of Georgian politicians and experts, particularly those speaking from the opposition positions, associate these actions with the interests of Moscow. According to this opinion, it was the Russian Federation that obtained the consent of the Georgian authorities to participate in the economic pressure on Armenia. It is assumed that Moscow, in an effort to support the pro-Russian forces in the opposition in Armenia, used Tbilisi to create economic problems for the government of N. Pashinyan⁴. At the same time, there are Georgian analysts who do not support the point of view about the “*Russian trace*”, but they also agree that the authorities in Tbilisi have resorted to illegal methods to obstruct Armenian transit⁵.

Consequently, the issue is being politicized not only in Armenia, but also in Georgia, where the opposition has begun to criticize the “Georgian Dream” party for the “*unfriendly steps*” of the government towards neighboring Armenia. This is particularly salient given that Armenia has already been experiencing a crisis of isolation and a lack of reliable transport links with the outside world for decades. The most harshly expressed opinion in this context was former Georgian President Salome Zourabishvili, who stated that “*Blocking the Armenian cargo violates the spirit of centuries-old Georgian-Armenian friendship*”⁶. Salome Zourabishvili and her supporters have expressed concerns that the Georgian government has entered a secret pact with Moscow, thereby exerting economic pressure on Armenia, which has definitively aligned itself with the West. This, they claim, contradicts the

⁴ “Russia is using Georgia against Armenia”. JAMnews (in Rus.), 17.07.2025, <https://bit.ly/3GP3ELI> (download date: 20.07.2025).

⁵ “Armenian cognac stuck at customs in Georgia. What's the reason?” DW (in Rus), 21.07.2025, <https://www.dw.com/ru/armanskij-konak-zastral-na-tamozne-v-gruzii-v-cem-pricina/a-72620274> (download date: 20.07.2025).

⁶ “Salome Zourabishvili: Blocking Armenian cargo violates the spirit of centuries-old friendship”. NEWS.am (in Rus.), 16.07.2025, <https://news.am/rus/news/894674.html> (download date: 20.07.2025).

interests of the ruling “Georgian Dream” party, which itself has made demarches against the European Union and the United States. Consequently, it’s disadvantageous for the “Georgian Dream” to have a neighboring republic where the influence of the neoliberal West would only intensify, potentially leading to a new wave of anti-government protests in Georgia and a resurgence of pro-Western “*democratic forces*”. In the view of the Georgian opposition, Moscow skillfully exploits the fears of the “Georgian Dream”, led by Bidzina Ivanishvili, and uses Tbilisi to indirectly pressure Nikol Pashinyan’s essentially anti-Russian government.

While the “*Russian trace*” hypothesis possesses a certain degree of logical coherence, it’s crucial to acknowledge the tendency of Georgia’s radical opposition to attribute virtually all of the republic’s foreign policy challenges and governmental actions to Moscow’s alleged machinations. In this context, the Georgian-Armenian “*transit crisis*” is not an anomaly; exception; it was, in fact, predictable that the Georgian opposition would attempt to frame it within a narrative of a “*secret geopolitical alliance between Georgia and Russia, aimed against the democratization of post-Soviet republics under Western auspices*”. Therefore, one should approach the subjective assessments of Georgian opposition figures with caution and broaden the scope of inquiry into the motivations driving the Georgian authorities.

3. “Zangezur corridor” as a key factor in Georgian politics

A more detailed analysis of the prevailing circumstances reveals that a particular interpretation, which has been disregarded in the expert discourse, is relevant. The actual demarche of the Georgian authorities against the Armenian transit coincided temporally with the culmination of closed negotiations between Washington, Ankara, Baku and Yerevan regarding the future status and mechanisms of the so-called “*Zangezur corridor*”.

A remark by the U.S. Ambassador to Turkey, Tom Barrack, about the U.S.’s readiness to take on outsourcing through the services of a private American company for the “*Zangezur corridor*”⁷, Nikol Pashinyan’s admission at a press conference on July 16, 2025 concerning the potential application of this model in Syunik, was also referenced⁸. Additionally, a number of statements by Ilham Aliyev at the meeting on July 19, 2025 were included. The participants of the “*III Shushi Global Media Forum*” have indicated a potential consensus on unblocking the “*Meghri zone*”. This consensus may have been reached the lack of an alternative to unblocking communications leading to Nakhijevan on Baku’s terms⁹.

For Tbilisi, this is a significant signal about the upcoming global reshaping of transport, logistics and energy communications in the region, which until now have mainly passed and still pass through Georgian territory. Georgia is the main beneficiary of transit traffic and global trade through the South Caucasus along the North-South and East-West axes. Fiscal fees from transit traffic and other forms of financial receipts from this economic sphere provide a significant part of the republic’s budget revenues. In recent years, there has been a

⁷ “US offers to oversee disputed Armenia–Azerbaijan corridor”. Middle East Eye, 14.07.2025, pulse.ly/eji8i6h7xd (download date: 21.07.2025).

⁸ “All the important questions from the press conference of the Prime Minister of Armenia”. JAMnews (in Rus.), 16.07.2025, <https://bit.ly/44YqecR> (download date: 21.07.2025).

⁹ “Ilham Aliyev: Zangezur corridor will unite many countries”. Report.az (in Rus.), 19.07.2025, <https://report.az/ru/vneshnyaya-politika/ilham-aliev-zangezur-obedinit-mnogie-strany/> (download date: 21.07.2025).

steady increase in the volume of road transportation, which, against the backdrop of the war in Ukraine and the destabilization of the situation in the Middle East, reached record levels during the 2022–2023^{10,11} period. The railway and sea transportation sectors lagged slightly behind the growth dynamics of automobile transit, but with the testing of the new railway transportation system and the final modernization of the port infrastructure on the Black Sea and, above all, with the completion of the construction of the Anaklia pier and terminals, Tbilisi could count on a jump in revenues from these segments of logistics services.

In 2024, the growth trends in transit revenues continued, but it was then that signs of concern about the possible opening of the “*Zangezur corridor*” on the basis of peace agreements or through the use of force by Baku and Ankara¹². Moreover, for Tbilisi it is not important whether this “*corridor*” will operate within the framework of preserving the sovereignty and territorial integrity of the RA or will become an outcome of the occupation by Azerbaijan and Turkey. Already in 2024, the Georgian politicians and experts closely monitored the dynamics of the negotiations between Yerevan and Baku regarding the “*peace treaty*”, one of the main points of which is considered to be the definition of the status of the communication “*corridor*” to Nakhijevan through the Armenian Syunik, which Baku consistently demands from Yerevan. Tbilisi understood that the opening of such a “*corridor*” in one format or another will damage Georgia’s economic interests. The only disagreement among Georgian experts and politicians was whether Tbilisi would have to cede only part of the transit cargo flow along the East-West axis, or “*Zangezur corridor*” will still take over the main transportation in the region, which could potentially lead to a collapse of the Georgian economy.

Among the “pessimists” who believe that the Armenian-Azerbaijani truce and compromise on the “*corridor*” will irrevocably push Georgia out of the economic development track and weaken its political role in the region, was the imprisoned former President Mikheil Saakashvili. Back in 2024, in an interview for the *Mtavari Arkhi* Georgian TV channel, he stated that the “*Zangezur corridor*” will turn Georgia into “*an amputated organ in the South Caucasus that no one else will need*”. M. Saakashvili predicted that an agreement between Yerevan and Baku would be reached one way or another, and Georgia should consider the prospect of an impending political and economic catastrophe. Although it should also be noted that a year earlier, in the context of limiting Russian influence in the region, the Georgian ex-president called for the opening of communications in the Armenian Syunik.

Notably, on July 27, 2025, Mikheil Saakashvili once again addressed the vulnerability and compromised security of Georgia, appealing to the authorities in Tbilisi via his social media page. This time, the ex-president did not explicitly mention the “*Zangezur corridor*”,

¹⁰ “Georgia’s Transit Revenue Sets New Record”. JNEWS (in Rus.), 26.07.2025, <https://jnews.ge/94573/> (download date: 21.07.2025).

¹¹ “Georgia’s budget has become ‘tighter’ due to transit”. LOGIRUS (in Rus.), 22.08.2023, https://logirus.ru/news/transport/byudzheth_gruzii_stal_plotnee_ot_tranzita.html?sphrase_id=17992465 (download date: 21.07.2025).

¹² G. Elibekyan (Tbilisi), M. Hovsepyan (Yerevan), “Regional Communication Routes: How Georgia’s Transit Role Is Changing in Light of New Realities”. JAMnews, 09.10.2024, <https://bit.ly/458aUKS> (download date: 21.07.2025).

but he warned that Turkey and Armenia had already signed a “*peace treaty*” and were opening their borders. In Saakashvili’s view, Ankara, Yerevan, and Baku had definitively prepared the groundwork to expel Russia from the region and establish good-neighborly relations, which would leave Georgia “*out of the game*”¹³. It should be assumed that the Georgian ex-president, among other things, had in mind the fact that the partnership between Turkey, Armenia and Azerbaijan, which is actually developing based on the anti-Russian vector, presupposes the establishment of unhindered logistics between these countries, which is fraught with political and economic marginalization in the South Caucasus for Tbilisi. M. Saakashvili did not specify what he meant by speaking about the time that has come “*to act*”, however, one cannot help but notice that his call echoes the steps taken by official Tbilisi to create obstacles for Armenian transit.

4. Prospects of the “transit crisis” & Tbilisi’s strategy

It appears that the Georgian authorities meticulously observed the progression of Armenian-Turkish and Armenian-Azerbaijani negotiations, which were covertly moderated by the United States. By mid-spring of this year, they likely acquired intelligence indicating the fruition of certain agreements between the parties. Consequently, driven by apprehension of an impending reorientation of regional political and economic interests concerning transport and energy communications, they initiated efforts to exert influence over political processes in Armenia.

Tbilisi does not have a wide range of instruments to put pressure on Yerevan, but the only available method – the policy of blocking transit – is an extremely significant measure, especially given the volatile situation in and around Iran. The Georgian authorities are also benefiting from Moscow’s position, as the establishment of partnership relations between Yerevan and Ankara and Baku and the opening of Syunik communications under the *de facto* control of the U.S. and the West in general creates a security threat to Russian geostrategic interests.

Tbilisi is also monitoring the tense domestic political situation in the Republic of Armenia, where the opposition believes that the “*Zangezur corridor*” will operate outside the framework of the Armenian sovereignty, and, therefore, the opening of the corridor poses an existential threat to the security of the Republic of Armenia and its existence as a whole. The Armenian opposition and a significant part of the public are against the initiative to open Syunik communications in the format that has already been widely reported in international media. An escalation of confrontation between the opposition and the government is expected in Armenia by autumn, and a new trigger, in addition to the broadly emphasized “*Church case*”, will become the problem of the so-called “*Zangezur corridor*”. Perhaps Tbilisi, not without reason, believes that the creation of transit barriers for Armenia will fuel social discontent in Armenian society, which in turn will aggravate the political crisis in the country, weaken the position of the current government and undermine its plans to conclude a “*peace treaty*” with Azerbaijan in its current version.

¹³ “Turkey and Armenia signed a peace treaty, Saakashvili learned”. EurAsia Daily (in Rus.), 27.06.2025, <https://eadaily.com/ru/news/2025/06/27/turciya-i-armeniya-podpisali-mirnyy-dogovor-uznal-zaklyuchennyy-saakashvili> (download date: 21.07.2025).

Based on the aforementioned interpretation of Tbilisi's behavior, it is reasonable to expect that despite the current relative easing of the “*transit crisis*” in Georgian-Armenian relations, Yerevan may face new obstacles at the Georgian border in the foreseeable future. These future impediments might not be limited to alcohol products and liquefied natural gas. The range of transit goods subject to obstruction could expand, aiming to create further challenges for the Armenian economy and fuel broader public discontent with the government.

Tbilisi is clearly positioning itself to pursue its own geopolitical and economic interests in the South Caucasus, acting within the scope of its capabilities.