



MIDTERM REVIEW OF CAREC TRANSPORT STRATEGY 2030: DRAFT RECOMMENDATIONS

FOR DISCUSSION

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Midterm Review of CAREC Transport Strategy 2030 Draft Recommendations

CAREC Transport Strategy 2030 (CTS) successfully delivered improvements in connectivity and sustainability in the transport sector and largely continues to be relevant. However, it needs to reflect rapidly changing regional landscape and incorporate emerging and innovative technologies. Transport corridors can unlock higher potential by transforming into economic corridors by enhancing mobilities and feeder access, integrating trade facilitation and digitalization measures, and supporting logistics, tourism, and other economic hubs along the corridors.

The midterm review exercise of the CTS was carried out jointly with the midterm review of CAREC Integrated Trade Agenda 2030 (CITA) and CAREC Digital Strategy 2030 to enhance integration of these relevant strategies.

1. Strengthen Cross-Border and Corridor Efficiency

To enhance regional trade and connectivity across CAREC:

- (i) Establish a dedicated financing facility for the improvement and digitalization of Border Crossing Points (BCPs) covering infrastructure and soft side (harmonized and digitalized permissions and inspections) at both sides of borders where possible;
- (ii) Expand corridor-based coordinated border management, harmonized digital customs systems, mutual recognition of inspection and certification procedures to more BCPs;
- (iii) Explicitly link the BCP improvements to faster customs clearance, reduced trade costs, and standardized data exchange (e.g., Single Window systems, paperless trade initiatives);
- (iv) Promote economic corridor approach to comprehensively address transport connectivity, accessibility, and mobility; remove bottlenecks; and enhance economic activities along corridors (e.g., multi-modal logistic centers, dry ports, economic free zones, tourism);
- (v) Enhance capacity and connectivity along key CAREC corridors, especially the Corridor 2,¹ through infrastructure upgrades, multimodal logistics hubs and dry ports, harmonized regulations, competition-enhancing reforms, and digital processes.
- (vi) Address critical capacity bottlenecks in Caspian Sea transport by expanding port capacity, modernizing fleets to increase efficiency, and addressing risks of ports operational performance and safe navigation due to reduced water levels; and
- (vii) Address future demand pressures and redundancy options for Black Sea ports by expanding port capacity and delivering efficient multimodal access.

2. Promote Modal Diversification, Integrated Multimodal Logistics Systems, and Urban Mobility

To diversify connectivity and enhance resilient and sustainable transport systems:

- (i) Support all modes of transport (road, railway, aviation, waterborne) while acknowledging that road transport remains dominant and essential and requiring continued upgrades;
- (ii) Strengthen intermodal connectivity, especially among ports, railways, and roads to boost efficiency and lower logistics costs;
- (iii) Encourage policy frameworks supporting modal shift to low-carbon transport options such as railway and waterborne transport with collaboration with energy and other sector activities;

¹ CAREC Corridor 2 mostly overlaps with so-called the Middle Corridor.

- (iv) Support investments and capacity enhancement in waterborne transport including Caspian Sea shipping and inland waterway systems;
- (v) Assist with logistics process harmonization and propose regional standards for multimodal documentation (e.g., digital waybills, multimodal freight manifests);
- (vi) Highlight the importance of unified corridor performance monitoring, tying logistics efficiency directly to trade competitiveness; and
- (vii) Promote intelligent transport systems, transport digitalization, e-mobility, and comprehensive public transport development to remove bottlenecks along the corridors through the newly created Urban Mobility Working Group.

3. Scale up Green, Resilient, Inclusive, and Digitalized Transport

To align with sustainability and climate goals of the CAREC countries:

- (i) Include resilience (infrastructure, institutions, and operations) as one of the strategic objectives of the CAREC Transport Strategy alongside connectivity and sustainability;
- (ii) Enhance further use of greener modes of transport such as railways and waterborne transport while supporting greening and electrification of other modes of transport (e.g., promotion of Green Roads Toolkit and Green Ports Toolkit) and creating low emission zones in urban areas to support the nationally determined contribution targets;
- (iii) Support harmonization of technical standards to ensure consistent road bearing capacity, safety compliance, climate resilience, and use of sustainable low-carbon materials across CAREC countries;
- (iv) Broaden road safety efforts by adopting the safe system approach and enhancing digital solutions—including safer vehicles, safer behavior, better post-crash care, and institutional road safety management;
- (v) Utilize the CAREC Climate and Sustainability Project Preparatory Fund and other resources for the preparation of digitally enabled, green, and resilient transport projects;
- (vi) Incorporate green trade corridors—e.g., promote sustainable logistics practices for international freight operators;
- (vii) Develop CAREC Corridor Digital Trade and Transit Platforms to integrate BCPs, logistics, and customs processes; and
- (viii) Integrate trade-related digital platforms (such as cargo tracking and e-customs) as part of transport projects.

4. Deepen Institutional Collaboration and Forward-Looking Planning

To ensure long-term and coordinated transport development:

- (i) Enhance CAREC Institute's planning and advisory functions by creating a dedicated transport and logistics center with functions on transport and economic corridor planning, policy advice, and capacity building scaling up the current functions of the CAREC Corridor Performance Measurement and Monitoring (CPMM);
- (ii) Expand monitoring mechanisms such as CPMM and encourage the use of time release surveys and key performance indicators at BCPs to assess delays and drive improvements;
- (iii) Revise institutional structures of the Transport Sector Coordinating Committee (TSCC) and its working groups to reflect emerging priorities and enable a more adaptive and inclusive approach to regional planning;
- (iv) Establish Urban Mobility Working Group and Road Working Group and continue regular activities of Railway Working Group under the TSCC to ensure and monitor the CTS MTR and other CAREC transport results to be achieved;

- (v) Strengthen the link between transport and trade facilitation bodies and enhance coordination with the relevant committees and working groups on the CITA and CAREC Digital Strategy by jointly organizing transport and trade working groups for synchronized policy and project planning;
- (vi) Involve the private sector (e.g., freight forwarders, logistics companies) to help drive both transport and trade facilitation activities and results;
- (vii) Prepare annual regional-focused transport sector profile and flagship thematic assessment reports focusing on aspects of CAREC countries' needs utilizing Asian Transport Observatory and CPMM in collaboration with CAREC Institute and other partners;
- (viii) Support the adoption of CAREC-wide Trade and Transport Facilitation Committees (TTFCs) at national and regional levels;
- (ix) Continue supporting capacity development and knowledge partnerships with the CAREC Institute and others; and
- (x) Reflect on strategic needs beyond 2030, including evolving trade patterns, climate risks, and technological disruption.