



## **CAREC TRANSPORT SECTOR PROGRESS REPORT AND WORK PLAN**

APRIL 2024 – MAY 2025

### **FOR REFERENCE**

Senior Officials Meeting  
Central Asia Regional Economic Cooperation Program  
18-19 June 2025, Issyk-Kul, Kyrgyz Republic

## I. Executive Summary

The [CAREC Transport Strategy 2030](#) (CTS 2030)<sup>1</sup>, which was adopted in 2019, is being reviewed based on the Midterm Review (MTR) of CAREC Strategy 2030, which was endorsed by the 2024 Ministerial Conference. The MTR will examine the progress made in implementing the strategy since its adoption in 2019. The ongoing review will also fine-tune the strategy based on identified areas for improvement, and will incorporate innovative technologies and ADB's new priorities, including resilience, safety, asset management, digitalization, railway and logistics, multimodal transport, and smart mobility (urban transport systems and rural transport services). The MTR of CTS 2030 will also be presented at the CAREC Senior Officials' Meeting (SOM) on 18 June 2025.

Over the current work plan period, CAREC Transport has also completed the sixth and seventh installments to the CAREC Road Safety Engineering (RSE) Manual series (i.e., [RSE Manual: Identifying, Investigating, and Treating Blackspots](#)<sup>2</sup> and [RSE Manual: Why and How to Manage Speed](#)<sup>3</sup>, respectively). Both manuals, along with the recently completed [CAREC Road Crash Investigation Manual](#)<sup>4</sup> are envisioned to promote a culture of road safety among CAREC countries and encourage them to embrace the Safe System Approach. Moreover, CAREC Transport conducted a 3-day training course on *Road Crash Data Review and Reporting: Improvement to Crash Data Management* for CAREC countries, and also partnered with the APRSO in organizing the *Road Safety Capacity Building Program Webinar Series*.

CAREC Transport is also spearheading the development of the study on *Interactions Between Climate and Road Safety Measures in the CAREC Region*, the *Carbon Market Study for the CAREC Transport Sector* and the *CAREC Vehicle Baseline Study* to support CAREC countries' decarbonization efforts and help them achieve their climate commitments under the Paris Agreement. These studies, which are all in progress and scheduled for completion within 2025, aim to explore ways to incentivize investments in green technologies and to help guide CAREC countries in integrating a climate perspective to their sustainable and resilient transport agenda.

With regard to institutional and policy reforms, CAREC Transport has initiated the development of draft regulations for Road Safety Audits for Mongolia along with a report on the organizational restructuring of Mongolia's Ministry of Roads and Transport (MRT). Both initiatives are envisioned to help promote transparency and the efficient delivery of road projects and road safety audits in Mongolia.

To build more resilient trading, logistics, and transport systems over the longer term, CAREC Transport is also supporting initiatives to review and examine the potential for developing CAREC Corridor 2 (i.e., Middle Corridor) as a safer alternative to routes affected by geopolitical rifts, along with the resource requirements for supporting investments in hard infrastructure and improvements in the Corridor's operational efficiency.

To support railway connectivity across the CAREC region, CAREC Transport is also providing knowledge and advisory support to CAREC countries under Technical Assistance (TA) 9641-REG: Railway Sector Development in Central Asia Regional Economic Cooperation Countries.<sup>5</sup> Activities under TA 9641 include management and advisory support to Kyrgyzstan and Tajikistan railways, prefeasibility studies on (i) Uzbekistan-Turkmenbashi Block Trains and Ferry Services, (ii) Uzbekistan Northwestern International Freight Corridor, and (iii) Port-rail connectivity study for

<sup>1</sup> ADB. 2020. CAREC Transport Strategy 2030. Manila.

<sup>2</sup> ADB. 2024. CAREC Road Safety Engineering Manual 6 Identifying, Investigating, and Treating Blackspots. Manila.

<sup>3</sup> ADB. 2024. CAREC Road Safety Engineering Manual 7 Why and How to Manage Speed. Manila.

<sup>4</sup> ADB. 2025. CAREC Road Crash Investigation Manual. Manila.

<sup>5</sup> ADB. 2018. Railway Sector Development in Central Asia Regional Economic Cooperation Countries. Manila.

<https://www.adb.org/projects/52137-001/main>

Pakistan, as well as the Study on rolling stock financing options in the CAREC region. Members of the Railway Working Group (RWG) comprising of delegates from CAREC countries convened for its eighth meeting in May 2024 and will reconvene in June 2025 for its ninth meeting to learn on the progress made towards implementation of TA activities and identify priorities for the next work plan period.

To facilitate the fast and seamless movement of goods across borders, CAREC Transport is also supporting improvements in cross-border infrastructure and strengthening capacities of border point operating agencies through various projects and TA activities. Along these lines, the full modernization of the Torkham, Chaman Border Crossing Point (BCP) (Pakistan, border with Afghanistan) and the Ak-Tilek, Karkyra, Kichi-Kapka BCPs (Kyrgyz Republic, border with Kazakhstan) are being supported under CAREC Regional Improvement of Border Services (RIBS) Projects. Similar initiatives include the ongoing Khavirga BCP (Mongolia, border with PRC) and Erenhot and Mandula ports development (PRC, border with Mongolia), the planned full modernization of the BCPs in Ak-Tilek, Karkyra, Kichi-Kapka (Kyrgyz Republic, border with Kazakhstan), as well as the proposed upgrading of the Bulgan and Tsagaannuur BCPs (border with PRC and Russia).

Under the aviation sub-pillar, CAREC Transport has supported the development of the [Air Cargo Report](#)<sup>6</sup>, which examines the air cargo market across the CAREC region and provides an in-depth analysis of the constraints and opportunities for further market growth. The report also highlights the importance of greater private sector participation in the air cargo market, especially in the context of infrastructure development.

## II. Key Developments and Results

This report covers progress made by CAREC member countries in April 2024–May 2025 under the CTS 2030. It covers progress achieved in the implementation of events and knowledge products under the five sector pillars. CTS 2030 uses several performance indicators to inform countries about their progress in key transport pillars (Table 1). Activities conducted during the period are summarized in Table 2.

**Table 1: Outcome Level Indicators for CAREC Transport Sector**

Pillar	Title	Outcomes	Indicators (Sources or Reports)
1	<b>Cross-Border Transport and Logistics Facilitation</b>	Efficiency improvements in border crossing points (BCPs), customs clearance, immigration procedures and cross-border logistics.	<ul style="list-style-type: none"> <li>• Average speed by corridors, speed with delay (SWD)</li> <li>• Time and cost to clear a border crossing point, by corridor, country and BCP</li> <li>• Logistics Perception Index (LPI)</li> </ul>
2	<b>Roads and Road Asset Management</b>	Improvement on the CAREC Road Asset Management maturity model*	<ul style="list-style-type: none"> <li>• 2019 (provisional): All countries at level 1 except Pakistan at level 3, for National Highway network (CAREC Transport Sector Progress Report)</li> </ul>

<sup>6</sup> ADB. 2024. CAREC Air Cargo Report. Manila.

			<ul style="list-style-type: none"> <li>• Average speed of traffic without delay (SWOD), by corridors (CAREC CPMM)</li> <li>• Perception of highway quality improved (World Economic Forum Global Competitiveness Index) for selected countries</li> </ul>
3	<b>Road Safety</b>	Reduction in the number of road crash fatalities on CAREC international road corridors	<ul style="list-style-type: none"> <li>• By 2030: 50% reduction from 2010 figure (82,000 fatalities).</li> </ul>
4	<b>Railways</b>	Improved service level and operation efficiency of railways	<ul style="list-style-type: none"> <li>• CPMM average commercial speed, by CAREC corridor, SWD and SWOD</li> <li>• Perception of railway quality improved (World Economic Forum Global Competitiveness Index for railways) for selected countries</li> </ul>
5	<b>Aviation</b>	Creation of a more open aviation market that catalyzes enhanced exchange and trade outcomes	<ul style="list-style-type: none"> <li>• Number of CAREC country pairs achieving unrestricted third- and fourth-freedom rights</li> <li>• Number of CAREC countries adopting paperless e-freight systems for aviation</li> <li>• Number of countries with e-visa systems</li> </ul>

\* RAMS maturity model (Phase 1 – RAMS at construction; Phase 2 – RAMS provides full inventory assessment, albeit it can be at the fixed time, not regularly updated, not used in full for decision making and financial planning; Phase 3 – continuous (periodic) monitoring of the road asset inventory, good cost models, cost/management accounting and planning, decisions and financial planning based on all well-known factors and clear performance targets).

CAREC = Central Asia Regional Economic Cooperation, CPMM = Corridor Performance Measurement and Monitoring.

Source: CTS 2030.

**Table 2. Workshops, Training Programs, and Knowledge Products Completed (April 2024 – May 2025)**

<b>Title of Publication / Event</b>	<b>Timeframe</b>
<b>Overall Transport</b>	
21 <sup>st</sup> Transport Sector Coordinating Committee Meeting	22-23 April 2024
Country consultation workshops for midterm review of CAREC Transport Strategy 2030 together with CAREC Integrated Trade Agenda 2030 and CAREC Digital Strategy 2030	February–June 2025

Title of Publication / Event	Timeframe
Side event on midterm review of CAREC Transport Strategy 2030 at the 2025 Summit of International Transport Forum	21 May 2025
<b>Road Safety</b>	
CAREC Road Safety Manual 6: Identifying, Investigating, and Treating Blackspots	June 2024
CAREC Road Safety Manual 7: Why and How to Manage Speed	August 2024
CAREC Road Crash Investigation Manual	March 2025
CAREC Road Crash Country Reports (Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Mongolia, Pakistan, Tajikistan, Uzbekistan)	March 2025
Two sets of trainings on Essential Knowledge on Road Safety for Mongolia	10 – 13 and 14 – 17 March 2025
Road Crash Data Review and Reporting – Training on Improvement to Crash Data Management	25-27 June 2024
APRSO Annual Meeting and Study Tour (Kyrgyz Republic, Mongolia, Uzbekistan)	7-11 October 2024
APRSO & CAREC Road Safety Capacity Building Program – Webinar Series	March-May 2025
<b>Railways</b>	
8 <sup>th</sup> Railway Working Group Meeting	22-24 May 2024

\*ADB placed on hold its assistance to Afghanistan effective 15 August 2021.

### III. Implementation Progress by CTS Pillars

#### (i) Overall Transport.

- Workshop on Transport Innovations to Advance PRC’s Resilient Mobility and Regional Connectivity.** In March 2025, ADB and the Ministry of Transport of the People’s Republic of China co-hosted a workshop on “Transport Innovations to Advance PRC’s Resilient Mobility and Regional Connectivity” in Beijing. The event supported consultations for the MTR of the CTS 2030. Discussions focused on enhancing transport resilience, advancing smart and digital mobility, and strengthening regional integration. The workshop brought together stakeholders from the PRC and ADB to identify policy, institutional, technological, and financing priorities to support the adoption of resilient and smart transport solutions, and to inform the strategic direction of regional cooperation under CAREC.
- Corridor 2 Study Conference.** In April 2025, key stakeholders of CAREC Corridor 2, including representatives from Azerbaijan, Georgia, Kazakhstan, the Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan, development partners (EU and EBRD), and the private sector, discussed challenges and opportunities in corridor development in Baku, Azerbaijan. ADB facilitated the discussion by highlighting the need for a coordinated and

corridor-wide approach, underscoring the importance of developing multimodal transport logistics centers, modernizing border-crossing points with digital solutions, and upgrading port, railway, and road infrastructure to foster competitiveness and improve capacity of CAREC Corridor 2 to meet growing cargo volume.

The event provided insights into (i) strengthening the alignment of the abovementioned countries' national policies and strategies on transport corridor and logistic systems development with the CAREC Corridor 2 Development Strategy, and (ii) programming and scaling up operations along CAREC Corridor 2 based on national priorities and needs for investments. Ongoing studies on the CAREC Corridor 2 Development Strategy and the MTR of CTS 2030 were also presented during the event.

- **Midterm Review of CAREC Transport Strategy Side Event at the International Transport Forum Summit 2025.** CAREC Transport hosted a meeting with CAREC Transport Ministers and other delegates from CAREC member countries, development partners, and key stakeholders on the sidelines of the International Transport Forum Summit 2025 on May 21, 2025 in Leipzig, Germany. The meeting was organized to present the initial findings of the ongoing MTR of CTS 2030, gather feedback on the preliminary MTR results, and obtain stakeholder inputs on key MTR issues, including priority actions and targets for the second half of CTS 2030 implementation, as well as overall recommendations in the core areas of roads and road asset management, railways, cross-border transport and logistics, road safety, and aviation.
- **Country consultation workshops on CTS 2030 MTR, CAREC Integrated Trade Agenda 2030, and the CAREC Digital Strategy 2030.** The CAREC Program is organizing a series of country consultation workshops between February and June 2025 to support the ongoing MTR of the CAREC CTS 2030, along with the CAREC Integrated Trade Agenda 2030 and the CAREC Digital Strategy 2030. The consultation workshops will bring together a diverse group of stakeholders, including representatives from government transportation agencies, members of the private sector, and other transport sector practitioners. The workshops seek to gather stakeholder insights on the CTS 2030 implementation progress, gaps and challenges, as well as emerging issues, to help guide the strategic approach and priorities in the second half of the CTS 2030 implementation. The main findings and results of the consultation workshops will be incorporated in the CTS 2030 MTR Report, which will be presented at the TSCC on 16 June 2025 and at the SOM on 18 June 2025.

## (ii) Cross-Border Transport and Logistics Facilitation

This pillar facilitates greater economic cooperation and connectivity among CAREC countries by reducing impediments to cross-border transport. It focuses specifically on improving cross-border infrastructure, streamlining the implementation and enforcement of transport agreements and conventions. Progress in these areas for 2024-2025 includes:

- **Improvement of Border Services.** Under the CAREC RIBS Projects, CAREC Transport is supporting the full modernization of the Torkham, Chaman BCP (Pakistan, border with Afghanistan) and the Ak-Tilek, Karkyra, Kichi-Kapka BCPs (Kyrgyz Republic, border with Kazakhstan). These projects, which aim to help improve BCP infrastructure and facilities and enhance knowledge and skills of border point operating agencies, are expected to be

completed in mid-2025 and in 2026, respectively. The development of the Erenhot and Mandala ports (PRC, border with Mongolia) is also ongoing under the Inner Mongolia Regional Cooperation and Integration Investment Program, while the full modernization and expansion of the Khavirga BCP (Mongolia, border with PRC) will be supported under the Border Efficiency for Sustainable Trade (BEST) Project. The Bulgan and Tsagaannuur BCPs (border with PRC and Russia) are also proposed to be upgraded under the BEST Project.

Meanwhile, the full modernization of the BCPs in Ak-Tilek, Karkyra, Kichi-Kapka (Kyrgyz Republic, border with Kazakhstan) is also planned under a new ABEC (Almaty–Bishkek Economic Corridor) RIBS project. Detailed engineering design of facilities and due diligence are ongoing under a Small Expenditure Financing Facility (SEFF).

### **(iii) Roads and Road Asset Management**

This pillar supports the adoption of preventive knowledge-based road maintenance to minimize road maintenance costs while also maintaining good road network quality, with the aim of extending road asset life and increasing traffic safety. Activities in 2024-2025 under this pillar include:

### **(iv) Road Safety**

This pillar helps ensure that CAREC road corridors continue to support safe and efficient movement of people and goods with high reliability and connectivity. Key achievements in these areas for 2024-2025 include:

- **CAREC Road Safety Manual 6: Identifying, Investigating, and Treating Blackspots.** Sixth in the series of CAREC's Road Safety Engineering Manuals, this manual introduces the concept of blackspots, which are road sites characterized by high concentration of accidents or crashes. The manual aims to raise awareness on how proper investigation and treatment of blackspots can help reduce the likelihood of a road crash and the severity of crash outcomes. It details the key stages in the blackspot process, including blackspot identification, site investigation, and implementation and monitoring of cost-effective interventions. It espouses adherence to Safe Systems principles and instituting transport systems that take account of human factors in the design and management of road infrastructure (e.g., human errors and physical human vulnerabilities). Published in June 2024, the manual includes blackspot case studies to provide practical examples of the blackspot process.
- **CAREC Road Safety Manual 7: Why and How to Manage Speed.** Unsafe driving speeds not only compromise the safety of road users but also impose economic burdens on CAREC countries. Excessive speeds increase the likelihood of road crashes and such crashes cost CAREC countries over 2.3% of GDP on average annually. Within this context, this Manual underlines the importance of speed management as a cost-effective response to CAREC countries' road safety concerns.

Comprising seven modules, the Manual provides a brief overview of the road safety situation in CAREC countries and the role of speed under the Safe System approach. It highlights the importance of general deterrence, interventions, and effective speed enforcement to influence road-user behavior, as well as modal shift and city planning to curb the motivation to speed. The manual also provides guidance on the selection of speed management interventions and steps for implementation, underscoring that the best interventions for each CAREC country

depend on the specific nature of their respective speeding problems. Published in August 2024, the manual is the seventh in the series of the CAREC Road Safety Engineering Manuals.

- **CAREC Road Crash Investigation Manual.** Collecting accurate crash data is a crucial first step to understanding what causes road crashes and how to avert them. Reliable and comprehensive crash data aid in the formulation of accurate diagnosis and evidence-informed measures and policy decisions relating to road safety. Along these lines, this manual discusses the importance of establishing sound mechanisms for crash data collection, management, analysis, and monitoring, as well as the common challenges and procedures for these. It also underscores the need to develop clear, concise, and reliable reports to allow effective communication of findings and informed decision-making amongst road safety practitioners and key stakeholders. The CAREC Road Crash Investigation Manual was completed and published in March 2025.
- **CAREC Road Crash Country Reports (Azerbaijan, Georgia, Kazakhstan, Kyrgyz Republic, Mongolia, Pakistan, Tajikistan, Uzbekistan).** Accurate and reliable road crash data are integral to a clear understanding of a country's road safety requirements and the development of sound, relevant, and evidence-based measures and policies. Against this background, individual Road Crash Country Reports were prepared for selected CAREC countries to review their respective crash data management systems, assess the effectiveness of crash data collection tools and techniques currently deployed at the national level, and propose recommendations for improvement. A standard collision classification system for the CAREC region was also developed based on systems used in best practice countries which also considered CAREC-specific conditions for a contextualized approach. The reports, which were completed and published in March 2025, are available on the [Road safety CAREC webpage](#).
- **Road Crash Data Review and Reporting - Training on Improvement to Crash Data Management.** In partnership with the Asia-Pacific Road Observatory, the CAREC Program organized a 3-day training course on *Road Crash Data Review and Reporting: Improvement to Crash Data Management* for CAREC countries in June 2024. The workshop included presentations on the Safe System Approach to crash data collection and analysis, road infrastructure design, speed management, and road user safety. Among other things, the workshop showcased best practices in road data sharing, outlined the benefits of adopting a data-driven approach, and underscored how better data leads to better and informed decisions on road safety. The workshop also included a presentation on the current crash data management practices in CAREC countries, including areas for improvement as well as opportunities for a coordinated approach to road safety. Representatives from the Ministry of Internal Affairs, Traffic Police Departments, Ministry of Transportation, the private sector, and other road agencies participated in the training.
- **APRSO Annual Meeting and Study Tour (Kyrgyz Republic, Mongolia, Uzbekistan).** With support from the Japan International Cooperation Agency (JICA) and the International Association of Traffic and Safety Sciences (IATSS), the Asia Pacific Road Safety Observatory (APRSO) and ADB co-hosted the 2024 APRSO Annual Meeting and Study Tour in October 2024 in Tokyo, Japan. The two-day event, which focused on safe and sustainable urban transport, included capacity-building sessions and workshops, as well as technical

presentations covering a range of topics, including safe and sustainable transport, urban road safety challenges, and road safety management in Japan, among others.

Over 100 participants from governments, development partners, research institutions, civil society, and the private sector joined the two-day event, which was held in a hybrid format. In turn, the full-week study tour that was organized for APRSO member countries featured lectures from Japanese and international experts. Study tour participants also visited areas in Tokyo and Utsunomiya that have benefitted from road safety interventions. Delegates from the Kyrgyz Republic, Mongolia, and Uzbekistan attended the 2024 APRSO Annual Meeting and Study Tour.

- **APRSO & CAREC Road Safety Capacity Building Program Webinar Series.** In collaboration with the APRSO, the CAREC Program organized a Road Safety Capacity Building Webinar Series which sought to build and strengthen capacity in the application of a Safe System approach to road safety interventions in CAREC countries. The webinars were a platform for showcasing international best practices in road safety as well as examples of interventions that can be replicated and scaled in CAREC countries. Envisioned to foster discussion and learning, the webinars brought experts and practitioners together to explore various tools and approaches to road safety. The webinar series consisted of five sessions which ran from March through May 2025. The second series of this webinar is ongoing from May to September 2025 and the third series will run from September to November 2025. Participants include road safety practitioners, members of civil society and international organizations, research institutions, and the private sector.
- **Training on Essential Knowledge on Road Safety for Mongolia.** Two sets of trainings were organized in Mongolia which focused on the principles of road safety management, need and analysis of data and development to provide solutions to real identified road safety issues experienced on particular road sections. This provided the participants an understanding of factors influencing road safety (including the interaction between road user behavior, infrastructure, and vehicles) and how to develop a thinking process that searches for road safety improvement and cost-effective crash reduction solutions. Around 50 participants attended these two trainings.

#### (v) Railways

Guided by the CAREC Railway Strategy (Unlocking the Potential of Railways: A Railway Strategy for CAREC, 2017–2030), this pillar supports the long-term development of the railway sector in CAREC countries to facilitate cross-border trade and promote economic development in the region. A dedicated railway sector TA has been launched in 2019 to provide practical support through prefeasibility studies, knowledge sharing and management support.

- **8<sup>th</sup> Railway Working Group Meeting. May 2024.** The CAREC Railway Working Group convened for its eighth meeting in Baku, Azerbaijan on 22-24 May 2024. The Meeting reported on the progress made towards implementation of TA activities, reviewed the status of projects approved at the 7th RWG Meeting, and identified new activities to be rolled out under the next work plan period. The main findings of the rail corridor development study and the rolling stock financing study were presented during the Meeting, which also featured workshop sessions on (i) modern accounting standards and (ii) Enterprise Resource Planning (ERP) systems in

railway organizations, among others. The next meeting of the RWG will be held on 10–12 June 2025 in Bishkek, Kyrgyz Republic.

- **Activities under TA 9641: Railway Sector Development in Central Asia Regional Economic Cooperation Countries**
  - **Management support to Kyrgyzstan and Tajikistan railways.** Over the current work plan period, CAREC Transport has provided management and advisory support to the Kyrgyz Republic and Tajikistan in identifying options for reform, commercialization, and investment in the railway sector, with a view to improving the operational and financial performance of railway operators in the Kyrgyz Republic and Tajikistan.
  - **Study on rolling stock financing options in the CAREC region.** CAREC Transport has supported the development of the Study on rolling stock financing options in the CAREC region, which explores the options and limitations for new forms of rolling stock financing with private sector participation, including private financing through leasing schemes. The study discusses the financial, regulatory, and technical prerequisites for private sector investment in rolling stocks, as well as the related fiscal responsibilities of the public sector.
  - **Pre-feasibility studies.** As part of its pre-feasibility study assistance to CAREC member countries, CAREC Transport has supported the development of the following project preparatory studies:
    - a. **Uzbekistan-Turkmenbashi Block Trains and Ferry Services Prefeasibility Study.** This study examines the feasibility of establishing container block trains services between the Tashkent and Turkmenbashi Ports. The study outlines the main obstacles to introducing such services, as well as the key principles and primary requirements for cost-efficient container block trains services.
    - b. **Uzbekistan Northwestern International Freight Corridor Prefeasibility study.** This study examines the potential for establishing long-distance cross-border railway services connecting to Kazakhstan's Caspian Sea ports, including the challenges in introducing such services, as well as ways to address and overcome such challenges and possible next steps.
    - c. **Port-rail connectivity study Pakistan Prefeasibility study.** This study explores the potential for Pakistan Railways to attract high freight volumes to and from sea ports, as well as the constraints and factors that are currently limiting this role. In addition to the types of investments available, the study also discusses the respective roles of Pakistan Railways and the private sector, as well as the operational improvements that are needed for Pakistan Railways to realize this opportunity.

#### **(vi) Aviation**

The 2018 CAREC Aviation scoping study, which served as a reference document for establishing the aviation pillar under CTS 2030, outlines key issues and priorities for the aviation sector in CAREC member countries. This pillar emphasizes the importance of establishing more direct, cost-efficient, and safe aviation links among CAREC member countries for a more open regional aviation market in the CAREC region.

- **Air Cargo Report.** Published in 2024, the Air Cargo Report examines the air cargo market across the CAREC region and identifies the constraints and opportunities for further market growth. The study notes the profound differences in the growth patterns and characteristics of the air cargo industry across CAREC countries, particularly with respect to market access and infrastructure constraints. Accordingly, the report outlines country-specific findings and recommendations. Among other things, the study also finds that the majority of the region's main cargo hubs (10 out of 14) are either currently capacity-constrained or will face constraints in the near future. Along these lines, the report underscores the importance of greater private sector participation (e.g., public-private partnership, joint venture arrangements), particularly in the context of infrastructure development.

#### IV. Challenges and Key Issues

The midterm review of the CAREC Strategy 2030 was endorsed by the Ministerial Conference held in Astana in November 2024 and one of its recommendations was to undertake a review of the various sectoral strategies to ensure that they are fully aligned with the regional strategy. In line with this, a midterm review of CTS 2030 is currently being conducted and it is intended that it will be presented for endorsement by the CAREC Ministers meeting currently scheduled to be held in Bishkek in November 2025. The MTR is still ongoing and therefore the proposals are subject to possible change.

The MTR indicates that the major thrusts of CTS 2030 remain valid and the primary transport challenges of the region remain similar but the thrust in various areas needs to take account of global events, geopolitical incidents, and adjustments attributable to changing development priorities. In this respect the five pillars of the strategic framework consisting of (i) roads and road asset management (ii) road safety (iii) cross border transport and logistics (iv) railways, and (v) aviation cover the primary transport modes and priority needs of the region.

With respect to the strategic objectives, the MTR suggests that resilience be added to the two existing objectives comprising connectivity and sustainability. Global and regional experience demonstrates the disruptions to transport infrastructure and services attributable to force majeure events such as the effects of changing climate and increased disaster risks, geopolitical events, and energy security. The vulnerabilities of the transport sector are periodically exposed to a series of potential impacts and both mitigation and adaptation measures are needed in times of crisis. The strategy also needs to better align with the CAREC strategies for trade and digital technologies as the three strategies together have several complementary interdependencies. A primary reason for investing in transport is to facilitate trade and foster competitiveness and both transport and trade activities benefit from utilizing digital technologies. The MTR recommends greater benefits can be obtained by synchronizing activities of the strategies.

The draft recommendations for enhancing CTS 2030 can be summarized under four themes, namely:

- 1) Strengthening Cross Border and Corridor Efficiency particularly the need for improving the hard and soft infrastructure of border crossing points; enhancing corridor capacity especially Corridor 2 and addressing issues with Trans Caspian movements;
- 2) Promoting Modal Diversification, Integrated Logistics Systems and Smart Mobility by promoting improved intermodal transport and measures to lower logistics costs; encouraging the shift to low-carbon transport, and promoting intelligent transport systems, use of digitalization, e-mobility, and public transport systems.

- 3) Scaling up Digitalization and Resilient, Safe and Green Transport by enhancing the use of greener modes of transport, strengthening road safety actions through multisectoral programs that are adequately funded, and utilizing digital solutions across all transport operations;
- 4) Deepening Institutional Collaboration and Forward-Looking Planning through developing a region-focused transport model to evaluate and measure impacts of CAREC corridors, improve the CPMM tool, strengthen TSCC and its working groups, continue with capacity building, training and knowledge products and reflect on the strategic needs beyond 2030.

Details relevant to each of these themes will be elaborated in the forthcoming MTR report. The MTR is also suggesting that the CAREC Institute take on an increasing role in the development of the region's transport sector through undertaking important technical studies and assessments that would contribute towards achieving the strategy. This has partially commenced through its leadership role for the [Corridor Performance Management and Monitoring](#) system and needs to be expanded to cover additional priority activities.

## V. Work Program for Coming Year

The CAREC program will offer technical assistance to CAREC countries in the remaining period of 2025 onward through knowledge products and workshops on the five pillars: roads and road asset management, road safety, railways, cross-border facilitation, and aviation.

### (i) Overall Transport

- **CTS 2030 Midterm Review.** The CTS 2030 is scheduled for review this year. Adopted in 2019, the CTS 2030 supports the CAREC mission to promote sustainable development by connecting people, policies, and projects through regional cooperation. Its priorities are defined based on the five strategic pillars of roads and road asset management, railways, cross-border transport and logistics, road safety, and aviation.

The MTR aims to examine the progress made in implementing the Strategy. Based on emerging trends, challenges, and opportunities in the transport sector, the ongoing review will improve and fine-tune the Strategy to ensure that it remains relevant, effective, and aligned with the requirements of CAREC countries. The Strategy will also be updated to incorporate innovative technologies and ADB's new priorities, including climate change (decarbonization and resilience), safety, asset management, and digitalization, rail and logistics, multimodal transport, and smart mobility (urban transport systems and rural transport services). The review process will involve extensive consultations with key partners and stakeholders to help inform the review, gather diverse perspectives, and validate its findings. The MTR Report will be presented at the CAREC Senior Officials' Meeting in June 2025 and endorsed by the ministers at the 24th CAREC Ministerial Conference tentatively scheduled for November 2025.

### (ii) Cross-Border Transport and Logistics Facilitation

- **Regional financing facility for border crossing points.** As a part of the CTS MTR recommendations, the concept of the facility will be presented at the 24th CAREC Ministerial Conference. Target is to commence the first projects through the facility in 2026.

### (iii) Roads and Road Asset Management

- **Green Roads Toolkit.** The Green Roads Toolkit is intended for wide use and application across the CAREC region. As part of this effort, a strong emphasis will be placed on capacity building and knowledge sharing to ensure that stakeholders are well-equipped to apply the toolkit effectively. This includes workshops, training sessions, and guidance materials aimed at promoting sustainable road infrastructure practices and integrating green design principles into transport planning and implementation. Further, this will be integrated in the transport projects in the CAREC region to enhance sustainability and resilience of transport projects.

### (iv) Road Safety

- **Interactions Between Climate and Road Safety Measures in the CAREC Region.** Promoting road safety ranks high among CAREC Transport's priorities, but combatting climate change is an equally important and urgent concern. In fact, all CAREC Countries are signatories to the Paris Agreement on climate change. CAREC Transport thus supports initiatives to help CAREC countries achieve their climate commitments under the Paris Agreement. In view of this, CAREC Transport is preparing a study to examine the interactions between climate actions and road safety measures in the CAREC region. This study will develop an excel-based model to calculate the climate impacts of road safety action in CAREC countries, while also looking into the road safety impacts of climate action in parallel. The results of the study are envisioned to help guide CAREC countries in integrating a climate perspective to their road safety agenda and in developing climate-aware road safety measures and policies. The report is under preparation and will be available in Q2 2025.
- **Road Safety Audit Regulations for Mongolia.** Road Safety Audits (RSAs) are a proactive approach to addressing road safety issues. It involves taking corrective or preventive measures before a road incident occurs, whereas a reactive approach, such as blackspot investigations, involves post hoc remedial measures instead. Conducted by a team of independent experts, RSAs can be carried out at various stages (e.g., planning, design, road construction) to assess road safety performance, identify potential safety issues, and recommend improvements.<sup>7</sup> While regulations for conducting RSAs can vary significantly by country depending on local conditions, there is also merit in incorporating best practices for a more balanced approach. As part of its support in building capacities in road safety principles in CAREC countries, CAREC Transport is providing technical support in developing draft regulations for Road Safety Audits for Mongolia based both on best practices and local contexts. The draft regulations are expected to be completed by Q3 2025.
- **Organizational Change Proposal for Mongolia (Report).** Mongolia has prepared a draft regulation that would create a Road Infrastructure Safety Management Unit at its Ministry of Roads and Transport (MRT). The proposed Unit is tasked to oversee road infrastructure safety management and will be operating under the MRT's Department of Road Transport Policy Coordination – the Department that is also responsible for awarding road projects that would be subject to Road Safety Audit (RSA).

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<sup>7</sup> Paredes, Rob. 2023. [Road Safety Audit: What, Why, and How?](#). Safety Culture.

In line with international best practice, the conflicting responsibilities of overseeing road safety audits and awarding of road projects should be assigned to separate departments or offices to avoid potential conflicts of interest and ensure the integrity of the RSA system. Within this context, CAREC Transport is developing a Report that outlines an organizational restructuring of the MRT that cultivates transparency, systems integrity, and efficient delivery of road projects and road safety audits. The Report is ongoing and is expected to be completed by Q3 2025.

- **CAREC Vehicle Baseline Study.** The transport sector is the second largest source of global GHG emissions<sup>8</sup> and road vehicles are responsible for most of these transport emissions (estimated at 70%).<sup>9</sup> Switching to cleaner and more fuel-efficient road vehicles can thus play an important role in a country's decarbonization efforts. Along these lines, a Vehicle Baseline Study for CAREC is being developed to establish a reference point for evaluating CAREC's vehicle sector performance based on specific metrics (e.g., fuel economy rating, fuel efficiency, fuel consumption, vehicle emissions levels). The vehicle baseline data can be used to assess the current state of the vehicle sector based on selected performance indicators (e.g., fuel economy), identify possible interventions to improve performance, track changes in performance, and measure the effectiveness of interventions based on selected metrics. The results and findings of the study are envisioned to guide policy as well as incentives to boost the switch to cleaner, low-carbon vehicles in CAREC countries. The study is ongoing and scheduled for completion in Q4 2025.
- **Trainings on road safety audit and iRAP star ratings in Mongolia.** Two sets of trainings for road engineers in road safety audit and iRAP assessment as well as road network safety rating assessment are planned to be conducted in Q3 2025 in Mongolia. The training candidates will be potential practitioners in the field of road safety and traffic engineering programmes in Mongolia. At least 80% of participants in the training are expected to achieve road safety audit accreditation and 20% are expected to achieve iRAP Activity accreditation.

#### (v) Emerging Areas

- **Carbon Market Study for Transport Sector for CAREC Region.** The transport sector is one of the biggest sources of global carbon emissions yet is also one of the sectors most exposed to the adverse effects of climate change. Climate change not only causes damage to transport infrastructure but also poses safety risks to commuters. For these reasons, CAREC Transport provides knowledge support to promote decarbonization efforts across the CAREC region. Along these lines, it is currently preparing the Carbon Market Study for CAREC which aims to explore the potential for CAREC countries participation in carbon trading. It will examine the various elements of carbon markets, including market designs (e.g., compliance market, voluntary market), financial instruments, regulatory and oversight mechanisms, among others. More importantly, the study will explore the potential of carbon markets in incentivizing investments in green technologies and low-carbon transition among CAREC countries. The study is planned for completion in Q4 2025.


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<sup>8</sup> Center for Climate and Energy Solutions. [Global Emissions](#).

<sup>9</sup> IPCC. [IPCC Sixth Assessment Report Working Group III: Mitigation of Climate Change](#).

- **Workshop on Carbon Market Study for Transport Sector.** CAREC Transport will organize a workshop to present the results and findings of the forthcoming Carbon Market Study for CAREC. The workshop will introduce the concept of carbon trading and will include technical sessions to discuss the various elements of carbon markets (e.g., market designs, financial instruments, regulatory and oversight mechanisms) as well as opportunities, challenges, current trends, and best practices in carbon markets. Road safety practitioners and representatives from the government, civil society, research institutions, and the private sector will be invited to participate in the workshop. The workshop is tentatively scheduled to be held in Q4 2025.

**(vi) Railways**

- **9<sup>th</sup> Railway Working Group Meeting. June 2025.** The CAREC Railway Working Group will hold its ninth meeting on 10–12 June 2025 in Bishkek, Kyrgyz Republic. The Meeting will report on the progress made in various TA activities agreed at earlier meetings and identify new projects or activities for knowledge support under the next work plan period. The Meeting will also include opportunities for knowledge sharing through workshop sessions and site visits.
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### Appendix 1: Outcome indicators by pillar

<b>Transport and Logistics Facilitation:</b> Efficiency improvements in BCPs, customs clearance, immigration procedures and cross-border logistics.				
<b>Overall average speed with delay (SWD) Overall, by corridor (km/hr)</b>	<b>Corridor</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
	Overall	20.1	21.6	1.5
	1	19.2	22.4	3.1
	2	19.9	21.9	2.0
	3	24.7	37.1	12.4
	4	22.4	21.8	(0.6)
	5	12.5	10.7	(1.8)
	6	21.6	21.2	(0.4)
<b>Time taken to clear a border crossing point, by corridor \ (hour)</b>	<b>Corridor</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
	Overall	21.9	16.3	(5.5)
	1	42.1	32.5	(9.7)
	2	43.1	16.6	(26.6)
	3	3.1	2.9	(0.2)
	4	11.4	6.8	(4.6)
	5	18.0	22.9	4.9
	6	9.6	9.6	0.0
<b>Overall cost incurred to clear a border crossing point, by corridor (\$)</b>	<b>Corridor</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
	Overall	216	154	(62)
	1	643	334	(309)
	2	117	119	2
	3	74	75	1
	4	62	35	(27)
	5	226	229	3
	6	108	104	(4)
<b>Logistics Perception Index (LPI)</b>	<b>Country</b>	<b>2018</b>	<b>2023</b>	<b>Change</b>
	Afghanistan*	1.95 [160]	1.9 [139]	(0.05)
	Azerbaijan	-	-	
	PRC	3.61 [26]	3.7 [19]	0.09
	Georgia	2.44 [119]	2.7 [79]	0.26
	Kazakhstan	2.81 [71]	2.7 [79]	(0.11)
	Kyrgyz Republic	2.55 [108]	2.3 [123]	(0/25)
	Mongolia	2.37 [130]	2.5 [97]	0.13
	Pakistan	2.42 [122]	-	-
	Tajikistan	2.34 [134]	2.5 [97]	0.16
	Turkmenistan	2.41 [126]	-	-
	Uzbekistan	2.58 [99]	2.6 [88]	0.02
<b>Roads and Road Asset Management:</b> Improvement on the CAREC Road Asset Management maturity model*				

<b>Average speed of road traffic without delay (SWOD) (km/hr)</b>	<b>Corridor</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
	Overall	42.0	43.7	1.8
	1	64.4	62.0	(2.4)
	2	48.3	42.0	(6.3)
	3	39.6	55.0	15.4
	4	52.9	57.8	4.9
	5	25.6	24.4	(1.2)
	6	36.9	38.7	1.8
<b>Perception of highway quality improved (World Economic Forum Global Competitiveness Index)</b>	<b>Country</b>	<b>2018</b>	<b>2019</b>	<b>Change</b>
	Afghanistan*	-	-	-
	Azerbaijan	4.78 [34]	5.16 [27]	0.38
	PRC	4.58 [42]	4.58 [45]	0.00
	Georgia	3.79 [80]	3.79 [81]	0.00
	Kazakhstan	3.23 [106]	3.59 [93]	0.36
	Kyrgyz Republic	2.81 [118]	3.05 [113]	0.24
	Mongolia	3.14 [110]	3.08 [112]	(0.06)
	Pakistan	3.94 [69]	4.04 [67]	0.09
	Tajikistan	4.53 [44]	4.49 [50]	(0.04)
	Turkmenistan	-	-	-
Uzbekistan	-	-	-	
<b>Road safety: Reduction in the number of road crash fatalities on CAREC international road corridors</b>				
<b>Reported road traffic fatalities</b>	<b>Country</b>	<b>2016</b>	<b>2021</b>	<b>Change</b>
	Afghanistan	1,565	738	(827)
	Azerbaijan	759	706	(53)
	PRC	58,022 (2015)	62,218	4,196
	Georgia	581	449	(132)
	Kazakhstan	2,625	2,270	(355)
	Kyrgyz Republic	812	869	57
	Mongolia	484	383	(101)
	Pakistan	4,448 (2015)	5,816	1,368
	Tajikistan	427	395	(32)
	Turkmenistan	543	-	-
	Uzbekistan	2,496	2,197	(299)
<b>WHO-estimated road traffic fatalities</b>	<b>Country</b>	<b>2016</b>	<b>2021</b>	<b>Change</b>
	Afghanistan	5,230	9,684	4,454
	Azerbaijan	845	1,769	924
	PRC	256,180	248,099	(8,081)
	Georgia	599	476	(123)
	Kazakhstan	3,158	2,340	(818)

	Kyrgyz Republic	916	869	(47)
	Mongolia	499	414	(85)
	Pakistan	27,582	27,568	(14)
	Tajikistan	1,577	1,352	(225)
	Turkmenistan	823	-	-
	Uzbekistan	3,617	3,155	(462)
<b>WHO-estimated rate per 100,000 population**</b>	<b>Country</b>	<b>2016</b>	<b>2021</b>	<b>Change</b>
	Afghanistan	15.1	24.1	9.0
	Azerbaijan	8.7	17.2	8.5
	PRC	18.2	17.4	(0.8)
	Georgia	15.3	12.7	(2.6)
	Kazakhstan	17.6	12.2	(5.4)
	Kyrgyz Republic	15.4	13.3	(2.1)
	Mongolia	16.5	12.4	(4.1)
	Pakistan	14.3	11.9	(2.4)
	Tajikistan	18.1	13.9	(4.2)
	Turkmenistan	14.5	9.3	(5.2)
	Uzbekistan	11.5	9.3	(2.2)
<b>Railways: Improved service level and operation efficiency of railways</b>				
<b>CPMM average commercial speed, SWD (km/hr)</b>	<b>Corridor</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
	Overall	11.9	12.4	0.5
	1	13.1	15.2	2.1
	2	5.3	6.1	0.8
	3	14.5	18.7	4.3
	4	6.9	7.0	0.0
	5	-	-	-
	6	13.3	13.1	(0.3)
<b>CPMM average commercial speed, SWOD (km/hr)</b>	<b>Corridor</b>	<b>2022</b>	<b>2023</b>	<b>Change</b>
	Overall	53.9	45.7	(8.2)
	1	62.2	69.5	7.3
	2	78.7	79.7	1.0
	3	17.1	21.4	4.3
	4	16.0	10.5	(5.5)
	5	-	-	-
	6	24.7	24.8	0.1
<b>Perception of railway quality improved (World Economic Forum Global Competitiveness Index for railways)</b>	<b>Country</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>Change</b>
	Afghanistan*	-	-	-
	Azerbaijan	4.15 [29]	4.69 [20]	+0.54
	PRC	5.07 [14]	4.80 [17]	(0.27)
	Georgia	3.85 [38]	3.84 [39]	(0.02)
	Kazakhstan	4.26 [26]	4.14 [32]	(0.12)
	Kyrgyz Republic	2.37 [81]	2.45 [76]	+0.08

	Mongolia	2.73 [69]	2.80 [69]	+0.07
	Pakistan	3.08 [53]	3.33 [52]	+0.26
	Tajikistan	3.74 [41]	3.74 [41]	0.00
	Turkmenistan	-	-	-
	Uzbekistan	-	-	-

\* ADB placed on hold its assistance to Afghanistan effective 15 August 2021. \*\*

\*\* Refers to road traffic fatalities per 100,000 population

BCP = border crossing point; CPMM = Corridor Performance Measurement and Monitoring; SWD = speed with delay; SWOD = speed without delay

Data sources:

CPMM Database for: Overall average speed with delay (SWD) by corridor; Time taken to clear a border crossing point; Cost incurred to clear a border crossing point; Average speed of road traffic without delay (SWOD); CPMM average commercial speed, rail (SWD); CPMM average commercial speed, rail (SWOD).

WHO Global status report on road safety (2018 and 2023) for: Reported road traffic fatalities; WHO-estimated road traffic fatalities; WHO-estimated road traffic fatalities rate per 100,000 population.

World Bank (Logistics Perception Index); World Economic Forum Global Competitiveness Report (Perception of highway quality improved, Perception of railway quality improved)

**Appendix 2: Transport Sector Activities from Q2 2025 onwards**

<b>Pillar</b>	<b>Type (KP, Event)</b>	<b>Activities</b>	<b>Timeframe</b>
Overall Transport	Event	Side event on Midterm Review of CAREC Transport Strategy 2030 at the 2025 Summit of International Transport Forum	21 May 2025
		22nd CAREC Transport Sector Coordinating Committee (TSCC) Meeting	16–17 June 2025
	KPs	CAREC Transport Strategy 2030 Midterm Review	Q4 2025 (endorsement by ministers) Q1 2026 (publication)
		2025 CAREC Transport Sector Progress Report	June 2025
Road Safety	KPs	Interactions Between Climate and Road Safety Measures in the CAREC Region	Q3 2025
		Road Safety Audit Regulations for Mongolia	Q3 2025
		Organizational Change Proposal for Mongolia (Report)	Q3 2025
		Carbon Market Study for CAREC	Q4 2025
		CAREC Vehicle Baseline Study	Q4 2025
	Event	Workshop on Carbon Market Study	Q4 2025
Railways	Event	9 <sup>th</sup> Railway Working Group Meeting	10-12 June 2025