



USAID's TRADE CENTRAL ASIA ACTIVITY

TRANS-CASPIAN CORRIDOR DEVELOPMENT

October 19, 2022

What was accomplished so far:

In May 2022, USAID Trade Central Asia (TCA) conducted a study tour along the Trans-Caspian Corridor with the follow-on rapid assessment of the corridor's capacity:

- 43 participants from all 5 CA countries
 - High level officials from Customs & Transport ministries
 - Private sector reps., esp truckers
- 8 days
- Kazakhstan (Aktau), Azerbaijan (Baku), Georgia (Tbilisi & Batumi)

The tour was both for the benefit of the participants and also for data collection and ground-truthing by TCA.

Findings and Conclusions

Ports Capacity

| Seaports | Capacity |
|----------|----------|
| Aktau | 17.7 |
| Kuryk | 6 |
| Baku | 15 |
| Poti | 15 |
| Batumi | 18 |

Capacity: million tons per year

Key Insights

1. The middle corridor has seaports that are under-utilized prior to the conflict in Ukraine.
2. Black seaports has higher capacity than Caspian seaports.
3. However, traffic diversion may result in freight to the Caspian region.
4. Vessel fleet and seaports may not be able to cope without additional resources.

Recommendations

Short Term: within 90 days
 Medium Term: 90 days to 1 year
 Long Term: 1 year to 3 years

| Challenges / Actions | Time-frame | Countries | Mode | Stakeholders |
|---|------------|-----------|-------|-----------------------|
| Vessel fleet capacity a) Redeploy existing vessels b) Procure new vessels - Baku Ship Yard - Europe, Turkey, China | ST LT | AZE, KAZ | Water | ASCO, Kazmortransflot |
| Port capacity a) Increase the use of heavy cranes b) Automate information flow | LT LT | AZE, KAZ | Water | Port Authorities |

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| Transit across Turkmenistan a) Plan a port tour b) Simplify border-crossing c) Relax transit regime d) Participation in TITR (Trans-Caspian International Transport Route) | ST LT LT LT | TKM | Water | Turkmenistan Ministry of Industry and Communications Turkmenbashi Port Authority Railways Agency of Turkmenistan |
| Fare Structure a) Form a road transport association modelled after TITR for Caspian b) Publish an online portal to report on fares and schedules c) Formulate a 'through fare' | ST ST MT | AZE, GEO, KAZ | Road, Rail, Water | KazAto, ABADA, GIRCA, IRU, TRACECA The new association TITR, the new association |
| Electronic Data Interchange (EDI) a) Support Global Transit Document b) Support solution by Crimson Logic/PSA c) Commission a study on the implementation of a Trans-Caspian port community system (TC-PCS) | ST LT ST | AZE, GEO, KAZ | Water | IBM, Maersk/TradeLens ADB PSA/Crimson Logic Port Authorities TITR |

Next Steps

A follow-up project is commissioned for August to December 2022 with the following objectives:

- ✓ Study the food and agricultural commodities trade through Kazakhstan and the Caspian seaports
- ✓ Development of Aktau region into a maritime logistics hub, and increasing the attractiveness of the Aktau Special Economic Zone

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