

# Railway Development in Central Asia.

## The review of the Soviet period up to the present

**Transport Sector Coordinating Committee Meeting**

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### The history of Central Asian Railways

- The Soviet Era (1922 - 1991)
- The disintegration of the Soviet Union and transitional period
- The membership of the CA countries in CSZT and OSJD
- Shadows of the past and their projection in the present

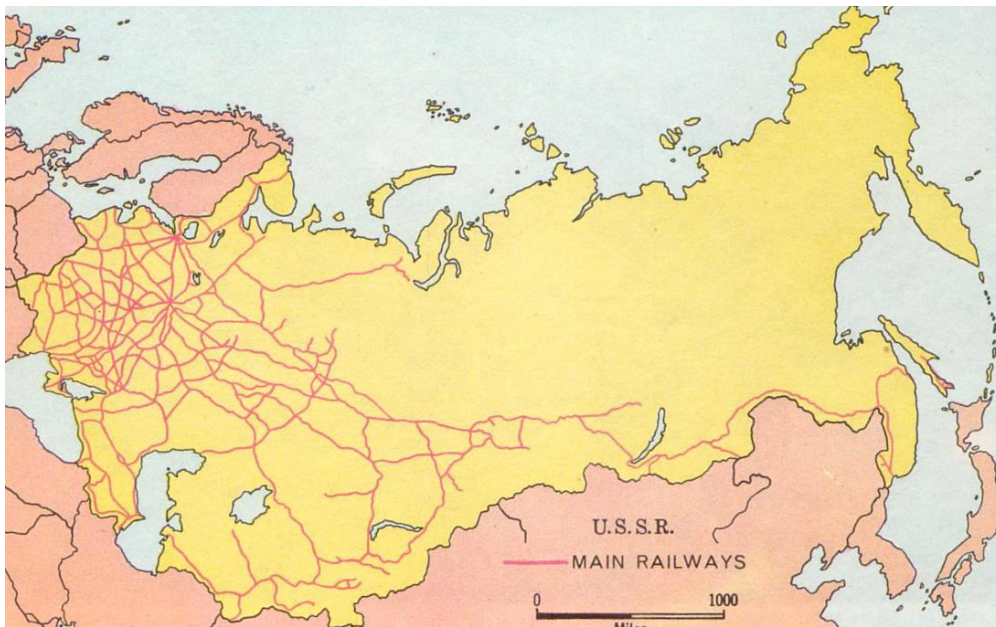


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# The Soviet Era (1922 - 1991)

The Soviet Railways were the state owned national railway system of the Soviet Union, the largest unified railways in the world and the backbone of the USSR economy.



The Soviet model of governance of the railway industry has both **positive** and **negative** features:

- + high level of operational performance
- + huge amount of goods and passengers traffic
- poor quality of transport services
- chronic lack of rolling stock
- systematic failure to provide customers with the necessary number of wagons
- growing shortage of infrastructure capacity



# The Soviet Era (1922 - 1991)

- The total length of the USSR railway network by 1989 was more than 146,000 km. It took the 2<sup>nd</sup> place after the US railways;
- By 1988 the Soviet Railways reached the highest level of traffic volume (4,166 mln. tons of cargo and 4,396 mln. passengers);
- The Soviet Kazakh Railways formed in 1958 had the total length of over 11,000 km;
- The other republics of Central Asia and partially the south of Kazakhstan belonged to the Middle Asian Railways with the total length of 6199 km.



# The disintegration of the Soviet Union and transitional period

## Specific features of the period

- In the 90s most of the republics due to high political risks in the transport sector established internal railway networks.
- CA railways did not perform an international transit function.
- Central Asian countries have inherited from the Soviet Union a large number of railway sectors on the territories of their neighbors.
- But instead of the cooperation the countries began to construct new bypass railway lines. The effectiveness of this approach is questionable.
- A new global trend of the XXI century is the creation of the network of international transit corridors.



# The membership of the CA countries in CSZT and OSJD



CAREC railways are influenced by the OSJD (headquartered in Warsaw) and CSZT (headquartered in Moscow), which unite ex-Soviet railways / railroads with 1520 mm (Russian) gauge.

## **The important CSZT features for CAREC railways systems**

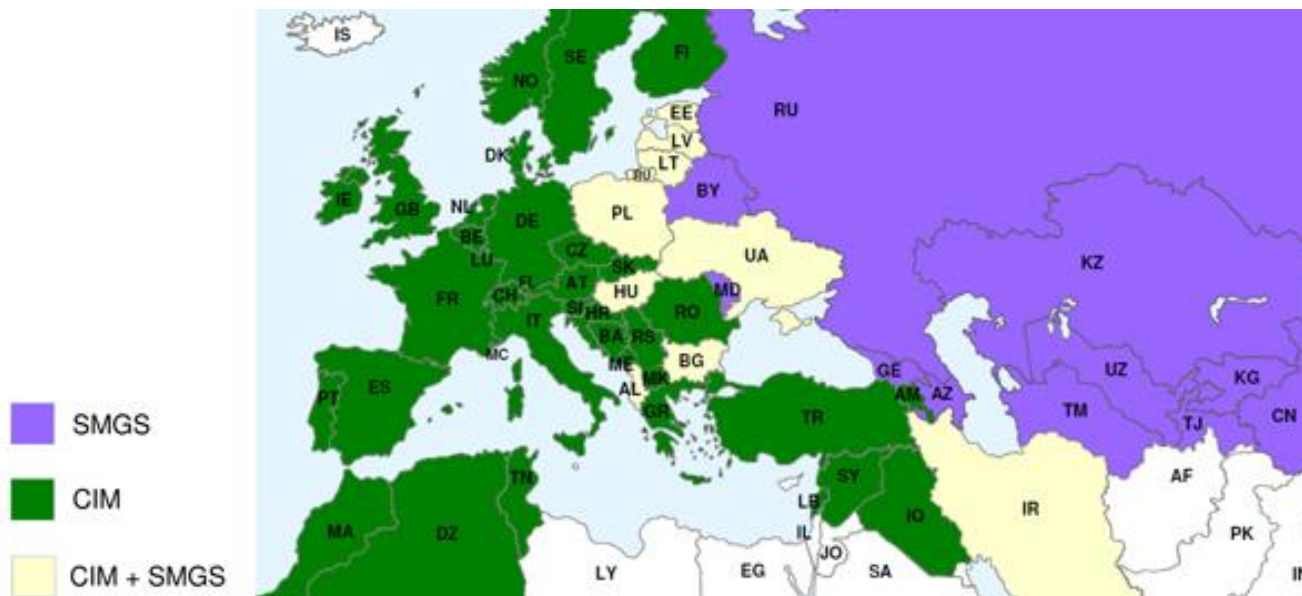
- Establishing CSZT is dictated by the objective necessity in the new geopolitical conditions of strong economic ties between the post-Soviet countries;
- Coordinating contract conditions and tariff in CSZT;
- Wagon tracking system controlled by Moscow;
- Providing the technological unity of the railway network and infrastructure;
- Preparing the framework for regulation of international goods and passengers traffic;
- The working language of the majority of documents is Russian.

# The membership of the CA countries in CSZT and OSJD



## The important OSJD features for CAREC railways systems

- 9 out of 10 CAREC countries (except Pakistan) are OSJD members;
- The review of financial and settlement issues aimed at reducing mutual debts of railways within the countries-members of the OSJD;
- The cooperation with the corresponding international organizations;
- Promoting the use of a unified consignment note CIM / SMGS.



# Shadows of the past and their projection in the present

- The former Soviet railways were not quite consistent in their reforms. Private companies haven't got any available market opportunities in the railway sphere even nowadays.
- The reforms in the ex-Soviet Union countries lost its focus, while the governments concentrated their attention mainly on growing international traffic.
- Taking into account the factors of Eurasian integration is also very important, as the dominant of Russian railway model directly affects the railways of the ex-Soviet republics.



# Shadows of the past and their projection in the present

- The primary challenge is to create transnational railways within the CAREC countries with cargo and passengers movement without any obstacles.
- The infrastructure in the CAREC countries can be controlled by their governments, but rolling stock and other elements of the transportation process should be owned by private international or transnational companies.





**THANK YOU FOR YOUR ATTENTION!**

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