



Central Asia Regional Economic Cooperation Program

FOURTH MEETING OF THE RAILWAY WORKING GROUP

**22-23 April 2019
Tashkent, Uzbekistan**

Chaired and hosted by the Government of Uzbekistan
Venue: Radisson Blu Hotel, Tashkent, Uzbekistan

Draft current as of 2 April 2019 and subject to further revision

Background

Currently about 25,000 kilometers of main railway corridors connect the Central Asian Regional Economic Cooperation (CAREC) countries. However, the existing rail network and railway services do not necessarily match the changing trade patterns they are meant to serve. Railways have the potential to transform the region from being land-locked into being land-linked and to connect it better with its rapidly growing neighbors.

In light of the above, *Unlocking the Potential of Railways: A Railway Strategy for CAREC, 2017–2030* (the Strategy) has been developed by CAREC member countries to serve as a guiding document for the sound, long-term development of CAREC railways. The Strategy is intended to equip the region's railways to better capture evolving trade flows and contribute to regional economic development. The Strategy was endorsed at the 15th CAREC Ministerial Conference in Islamabad in October 2016.

The Strategy was formulated by the Railway Working Group (RWG), which was set up by the decision of the 14th Transport Sector Coordinating Committee (TSCC) in Ulaanbaatar in April 2015. The RWG consists of representatives of railway agencies from CAREC member countries, supported by expert organizations such as the Organization for Cooperation of Railways (OSJD) and International Union Railways (UIC), as well as CAREC development partners. The RWG has met three times—in Tokyo in November 2015, in Bangkok in April 2016, and in Tbilisi in May 2017.

CAREC member countries are now working to implement the Strategy. At the 17th TSCC meeting in Istanbul, Turkey in April 2018, CAREC member countries sought further assistance to accelerate implementation. Based on this request, ADB has now mobilized a new technical assistance (TA) project with the generous financial support of the People's Republic of China Poverty Reduction and Regional Cooperation Fund (PRCF), and the United Kingdom Fund for Asia Regional Trade and Connectivity (ARTCF).

Objectives of the Fourth Meeting of the RWG

The CAREC strategic vision for rail transport is **to be a mode of choice for trade: quick, efficient, accessible for customers, and easy to use throughout the region by 2030**. The main objective of the fourth meeting of the RWG is to agree on practical measures for implementation of the Strategy in the first three years of its implementation. In particular, the RWG meeting will review the proposed approach to the new TA project and agree on how it may be optimized for the effective implementation of the Strategy in the following key areas:

- Sector assessments, to identify the key strengths and opportunities for further improvement of the railway subsector in each CAREC member country;
- Development of a subregional rail traffic model to allow for a data-driven approach to railway corridor development;
- Project preparation, to be guided by sound principles and to be supported by the TA;
- Capacity development, knowledge products and events, aligned with CAREC member country needs.

Day 1 (22 April)

0830	Registration
0900-0910	<p>Welcome remarks</p> <p>Mr. Akmal Kamalov, Deputy Chairman of the Board, JSC "Uzbekiston Temir Yullari" (UTY) and Mr. Sardorbek Akhmedov, Head of the Department of International Cooperation and Foreign Economic Relations</p> <p>Ms. Cindy Malvicini, Country Director, Uzbekistan Resident Mission, Asian Development Bank (ADB)</p>
0910-0915	<p>Introduction to objectives and agenda of the RWG</p> <p>Mr. Ko Sakamoto, Senior Transport Specialist, ADB</p>
0915-1015	<p>Session 1: Recalling the vision and priorities of the CAREC Railway Strategy</p> <p>Mr. Jurgen Sluijter, Senior Transport Specialist, ADB</p> <p>Case study: Revitalization of rail freight services In the seventies and eighties, rail freight transport faced a fierce competition from the road sector. Railways often were left with traditional bulk cargo. Up to date, the road transport sector has a very strong competitive position, providing efficient, cost-effective and customer-oriented logistic and transportation services. But more importantly, what are the opportunities to attract and develop new markets in rail freight and how to ignite the crucial development of containerization?</p> <p>Udo Sauerbrey, Consultant (Railway Commercialization and Reform Expert) Followed by feedback from RWG members</p>
1015-1045	<p>Session 2: Introduction of the CAREC Railway Sector Development Technical Assistance 2019-2021 <i>Presentation of foreseen TA activities, outputs and outcomes</i></p> <p>Mr. Tyrrell Duncan, Consultant (former Technical Advisor Transport, ADB)</p>
1045-1115	Coffee break and group photo
1115-1200	<p>Session 2 (continued) <i>Feedback from RWG members, which may include (i) country expectations for the outputs and outcomes of the TA, and (ii) observations on approach</i></p>

- 1200-1215 Wrap-up for the morning session
- Mr. Tyrrell Duncan, Consultant (former Technical Advisor Transport, ADB)
- 1215-1330 Lunch
- 1330-1430 **Session 3: Country rail subsector assessments**
An interactive session to introduce the concept of rail subsector assessments
- Mr. Ko Sakamoto, Senior Transport Specialist, ADB
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- 1430-1515 **Case study: Enhancing cross-border movement of railway transport**
- The United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) will present on its work to facilitate international railway transport, particularly, the framework on enhancing efficiency of railway border crossings that was developed jointly with OSJD. It encourages, apart from others, promotion of electronic exchange of information among railways and control authorities and recommends harmonization of customs transit formalities for international railway transport. Participants will consider how such cross-border issues can be considered as part of the country rail subsector assessments.*
- Mr. Sandeep Raj Jain, Economic Affairs Officer, and Mr. Bekhzod Rakhmatov, Associate Economic Affairs Officer,
- Followed by feedback from RWG members
- 1515-1545 Tea break
- 1545-1645 **Session 4: Railway project preparation facility**
The role, scope and approach to selecting and preparing investment prefeasibility studies through Railway Project Preparation Facility, and its potential over the medium terms as a tool to assist Member Countries to fast-track priority railway investment projects
- Mr. Jurgen Sluijter, Senior Transport Specialist, ADB
- Followed by feedback from RWG members, including observations on how to make the facility most useful to Member Countries*
- 1645-1700 Wrap-up for day 1
- Mr. Jurgen Sluijter, Senior Transport Specialist, ADB
 Representative of O'zbekiston Temir Yo'llari (UTY)
- 1800- Dinner

Day 2 (23 April)

0900-0910

Introduction to Day 2 of the RWG meeting

Representative of O'zbekiston Temir Yo'llari (UTY)
Mr. Ko Sakamoto, Senior Transport Specialist, ADB

0910-1000

Session 5: CAREC rail transport model development

Mr. Jurgen Sluijter, Senior Transport Specialist, ADB

Presentation: What does the market want from the railways?

This will highlight why it is important for railways to understand market demand as a basis for investments and reforms. The presentation will offer Market requirements for using railways based on case study examples will be given. What opportunities does the railway sector have and how to identify those? What do (potential) clients actually expect from the railways? What do freight forwarders, shippers and their client want?

Andy Sze, Consultant (Railway Market and Logistics Expert)

1000-1030

Coffee break

1030-1200

Session 5 (continued): CAREC rail transport model development

The role and intended outputs of the model, the approach to modelling, and data to be made available by Member Countries, together with presentation of case example of the railway transport model developed by the Greater Mekong Subregion

Mr. Len Johnstone, Consultant (Traffic Modelling Expert)
Mr. Tyrrell Duncan, Consultant (former Technical Advisor Transport, ADB)

Followed by feedback from RWG members

1200-1210

Wrap-up for the morning session

Mr. Ko Sakamoto, Senior Transport Specialist, ADB



1210-1330

Lunch

1330-1430

Session 6: Capacity development and knowledge support

The role, scope and approach to TA activities for capacity development, knowledge products and knowledge events, and their contribution toward the TA output to assist Member Countries in developing agency-specific actions and measures for railway commercialization and reform.

Mr. Jurgen Sluijter, Senior Transport Specialist, ADB
Udo Sauerbrey, Consultant (Railway Commercialization and Reform Expert)

Followed by feedback from RWG members



1430-1500	<p>Case study: Revitalization of regional rail passenger services <i>Case examples of how a thorough process of rationalization, strategic investments, coordination of public transport services, and cooperation with municipalities and provinces led to turnaround of outmoded local passenger rail services that were making heavily losses</i></p> <p>Udo Sauerbrey, Consultant (Railway Commercialization and Reform Expert)</p>
1500-1530	<p>Coffee Break</p>
1530-1700	<p>Session 7: CAREC Railway TA Planning <i>Implementation arrangements and action plan for TA activities</i></p> <p>Mr. Tyrrell Duncan, Consultant (former Technical Advisor Transport, ADB)</p> <p><i>Feedback from RWG members, which may include (i) observations on action plan and tentative schedule of RWG meetings during TA implementation, and (ii) arrangements for TA consultants to work with Member Countries e.g. obtaining county-level information needed for transport model and rail sector assessments</i></p>
1700-1720	<p>Wrap up <i>The main discussions and decisions of the RWG meeting, including next steps in TA implementation.</i></p> <p>Mr. Ko Sakamoto, Senior Transport Specialist, ADB Mr. Tyrrell Duncan, Consultant (former Technical Advisor Transport, ADB)</p>
1710-1730	<p>Closing remarks Mr. Dong Soo Pyo, Director, CWTC Mr. Akmal Kamalov, Deputy Chairman of the Board, JSC "Uzbekiston Temir Yullari" (UTY) and Mr. Sardorbek Akhmedov, Head of the Department of International Cooperation and Foreign Economic Relations</p>
<p>Followup meetings (23 April breakouts and during field visit on 24 April)</p>	<p>Short meetings to be scheduled between representatives of each Member Country and ADB staff and TA team members <i>These meetings will be important for preparing for TA implementation at country level, notably to (i) discuss availability of models and data needed for CAREC traffic model development, and identify options for data collection with support from national consultants; (ii) discuss information needed for country sector assessments, and identify options for data collection with support from national consultants; and (iii) discuss the status of capacity development, and reform and commercialization actions; country interest in other possible measures; and options to assist countries to develop further measures with support from the TA.</i></p>