

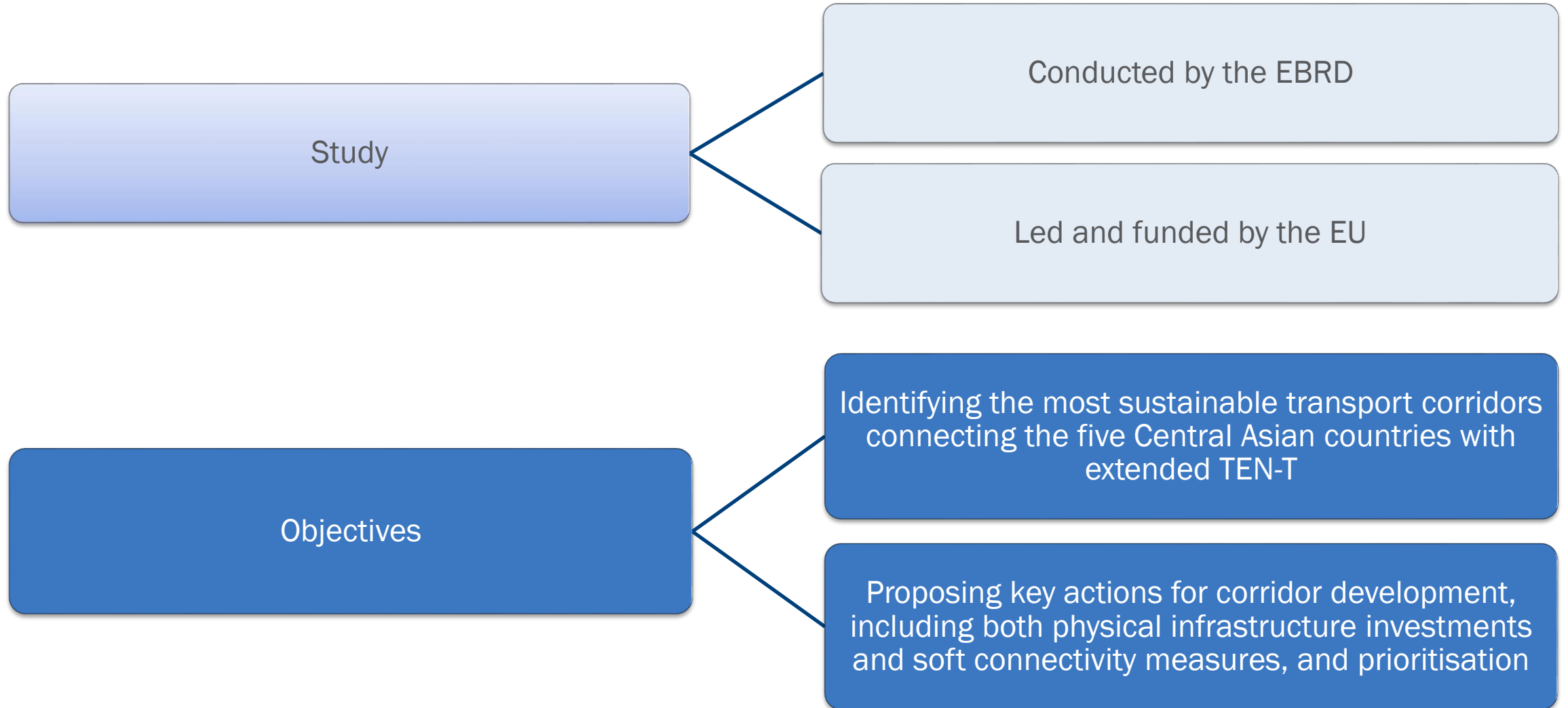
# Sustainable Transport Connections between Europe and Central Asia

Almaty, 19 May 2023  
EU-Central Asia Economic Forum



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# The Study on Sustainable Transport Connections between Europe and Central Asia



# Three Central Asian routes traverse towards Europe via the Caspian Sea...



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- Populated Places
- 🚢 Main Ports
- 🔴 Specialized Economic Zones (SEZs)
- Border Crossings

**Rail Freight Transfer Station**

Mode Shift

- 🚆 Rail / Rail
- 🚚 Rail / Road

**Road Network (OSM)**

Class

- Primary and Limited Access Highways

**Active Rail Network (OSM)**

Gauge

- Standard (1435mm)
- Russian (1520mm)

**Central Asia Middle Corridor**

Modality

- Rail Transport - Russian Gauge
- Rail Transport - Standard Gauge
- Road Transport
- Sea Transport



...and these routes have many advantages



Central Asian network can play a more prominent role in Eurasian connectivity



Strategic location



Direct access to main economic and production regions in Central Asia



Direct access to Asia

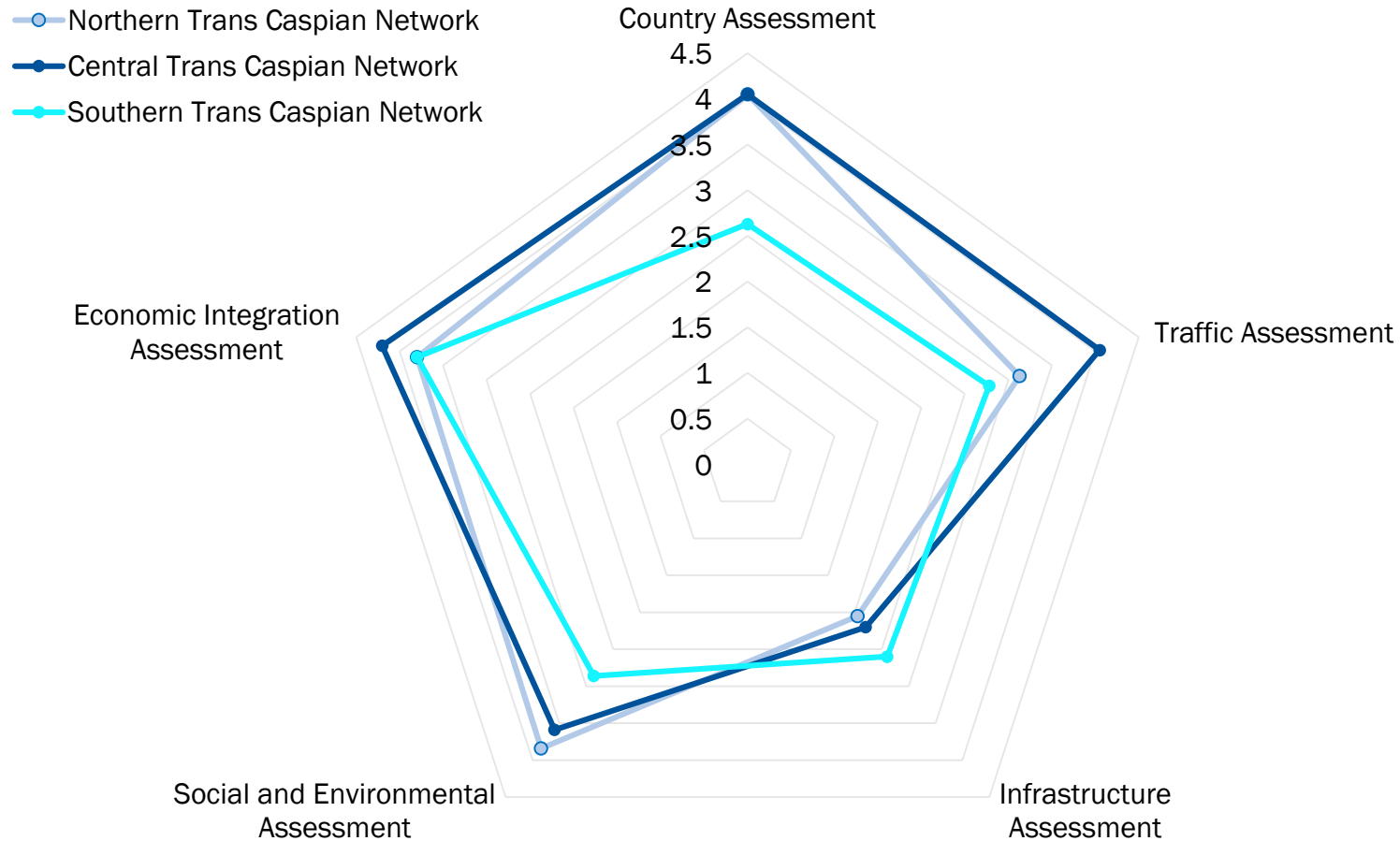


Stable and viable alternative

Based on sustainability considerations, Central alternative performs best vis-à-vis other regional alternatives...



### Sustainability Performance of Central Asian Networks

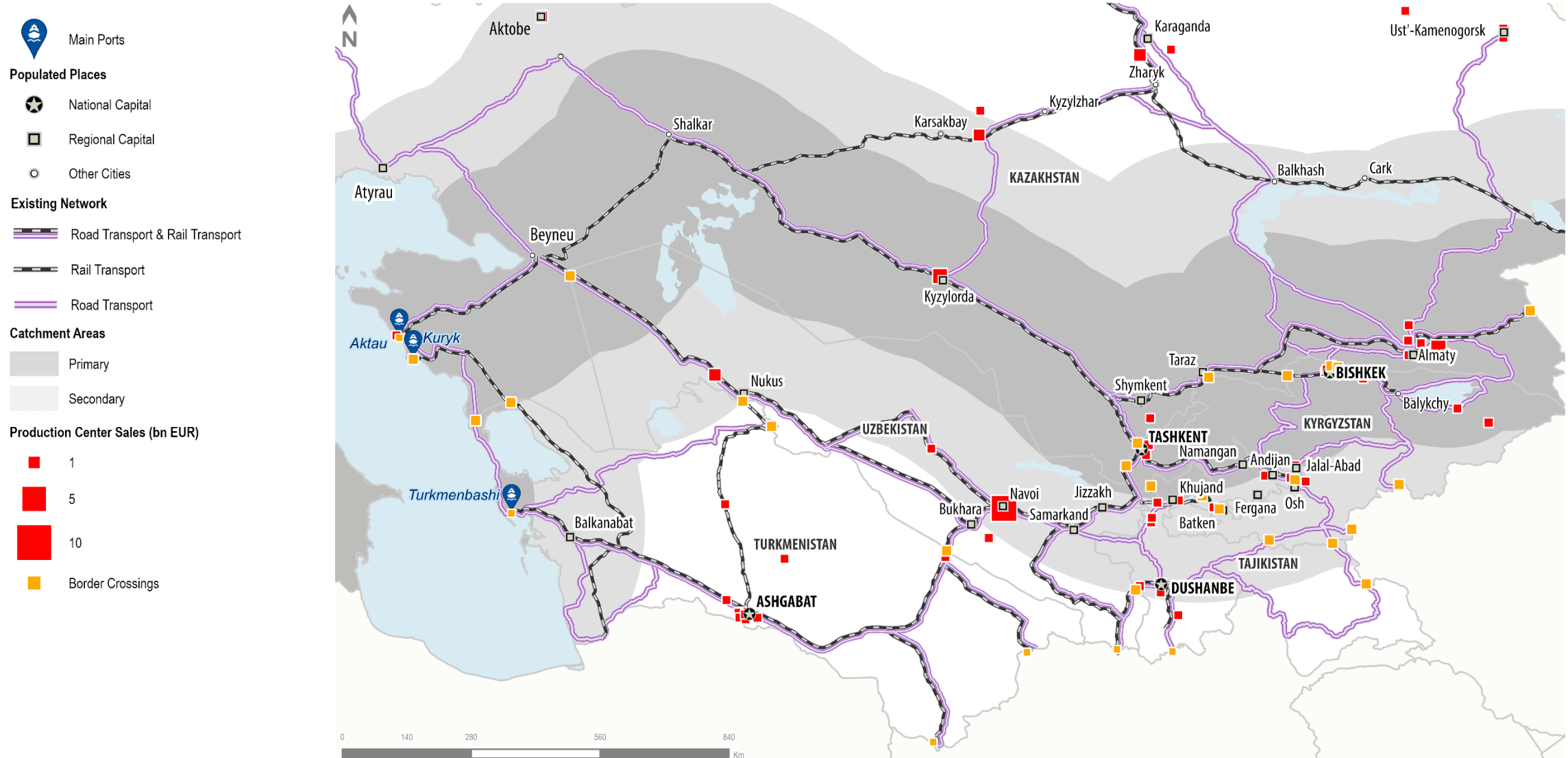




# ...and has the most potential for further development



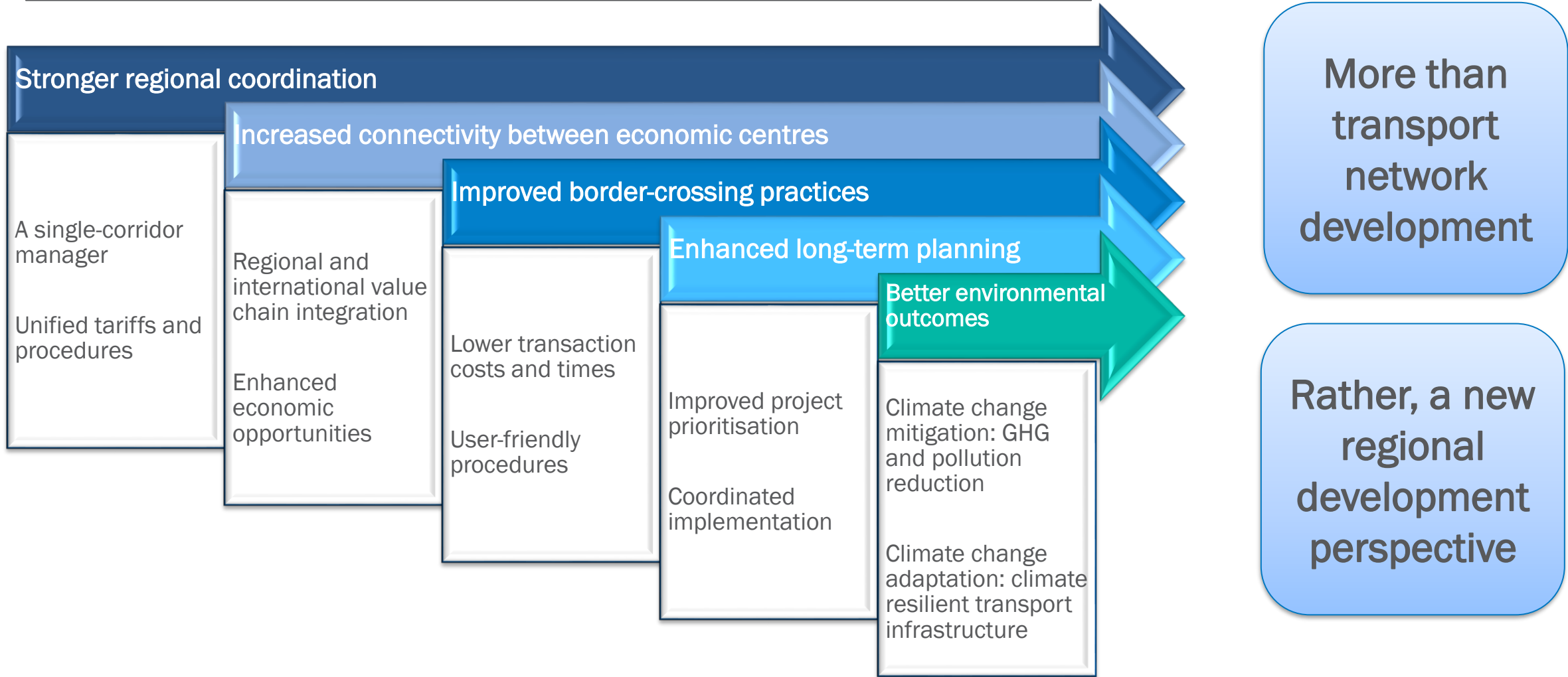
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# If coordination improves and joint actions materialise, Central Asia would benefit as a region



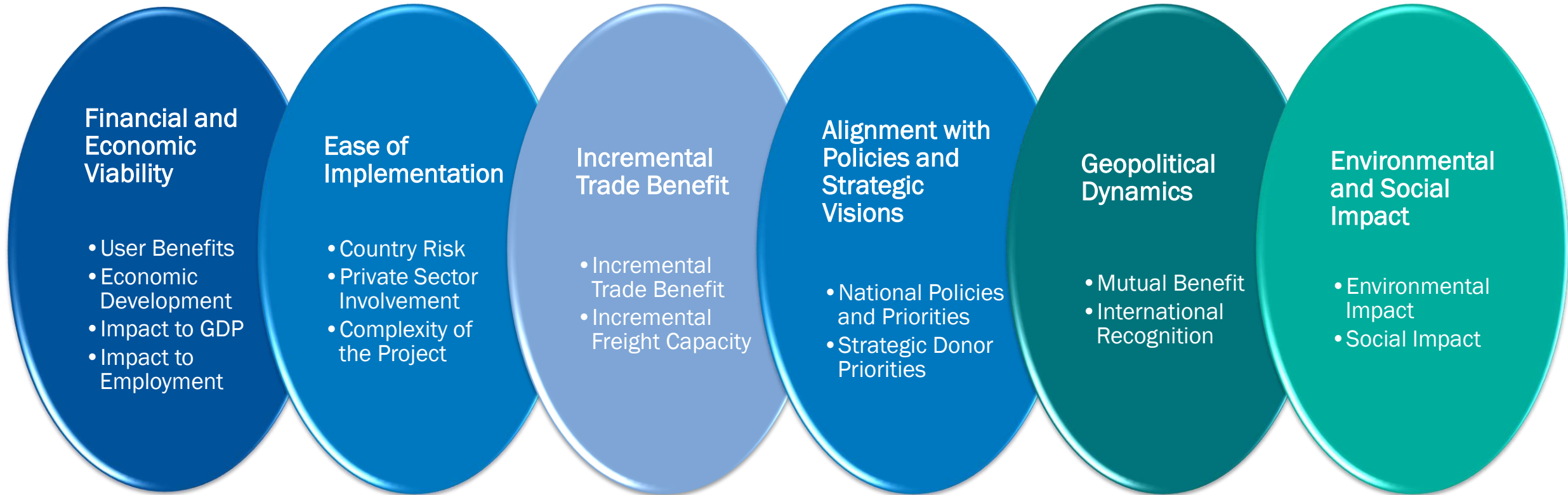
## Expected Benefits of Developing the Central Trans-Caspian Network



# Sustainability remains at the core of action identification and prioritisation



## Multi-Criteria Assessment Approach to Action Prioritisation

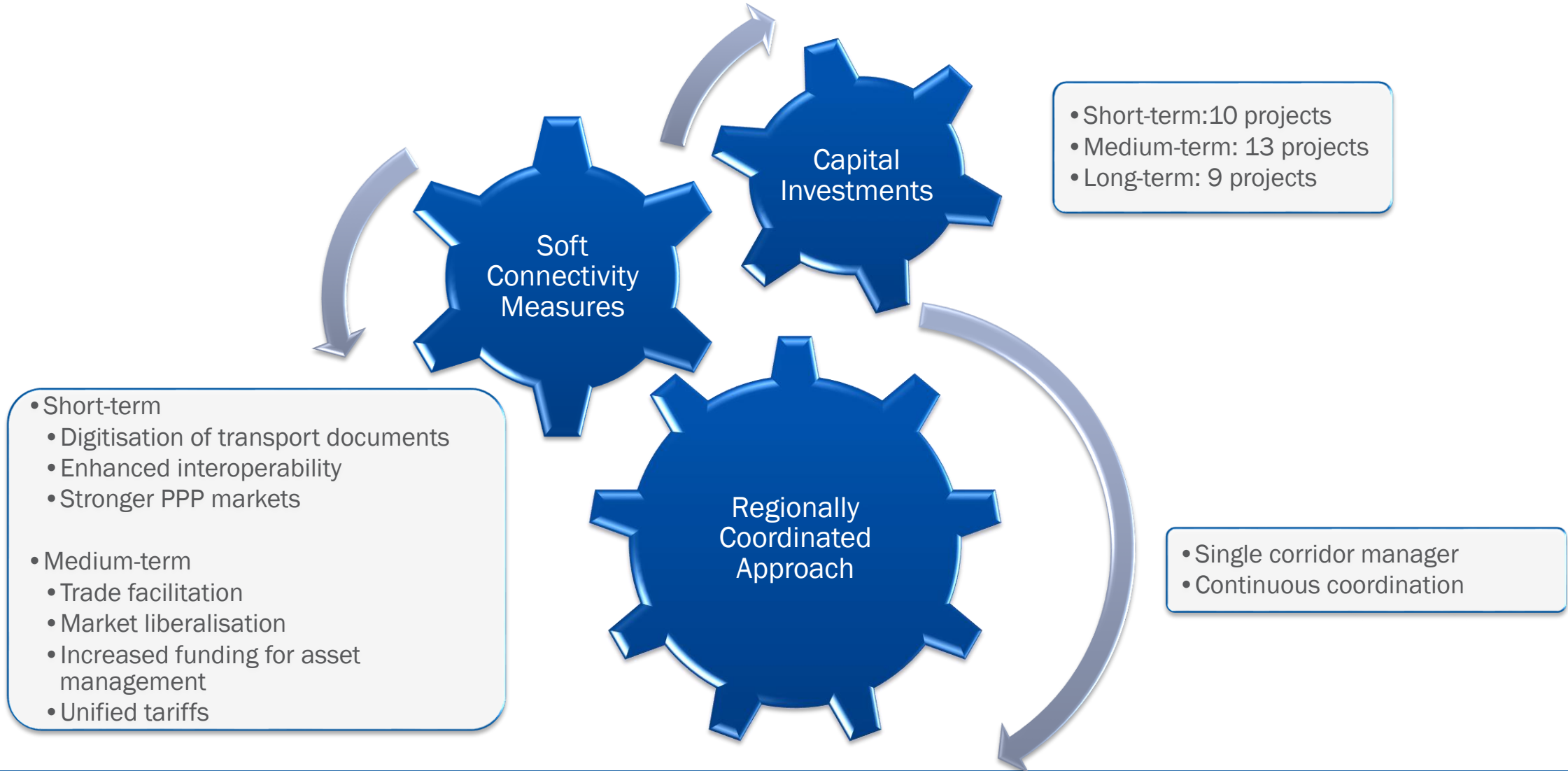




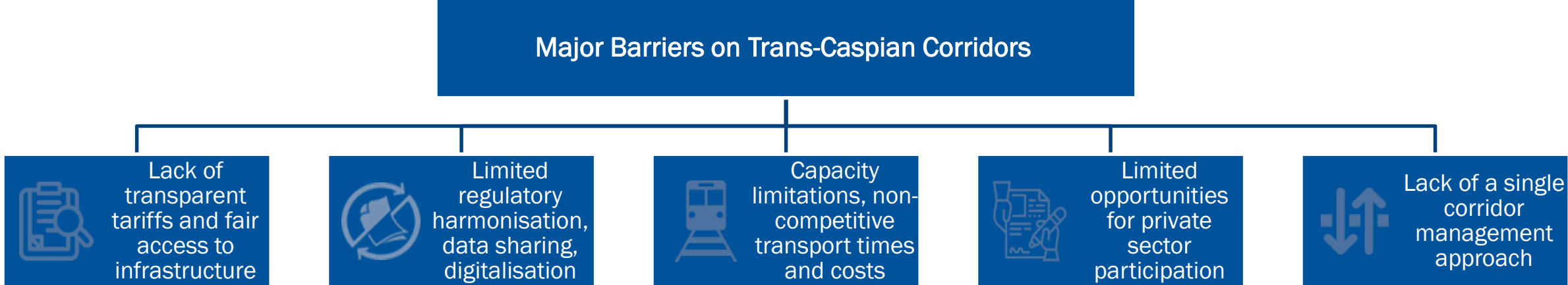
# Soft connectivity measures and investments of EUR18.5 billion would support development of the network



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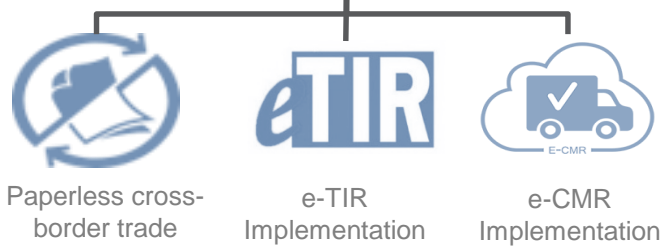
# Low-cost and high-benefit soft connectivity measures would bring significant efficiency to operations



# Some soft connectivity measures can be implemented in a relatively short time...



## 1 Digitisation of transport documents



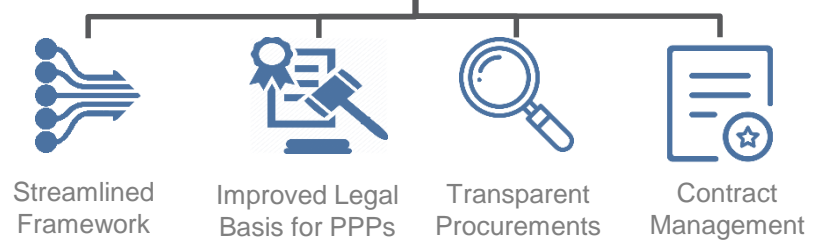
● KGZ	● UZB	
● KAZ, TAJ, UZB	● KAZ, KGZ, TAJ	● KGZ, TAJ, TKM, UZB
● TKM	● TKM	● KAZ

## 2 Increased Interoperability



● KAZ, TAJ, UZB	● UZB	
	● KAZ, KGZ, TAJ, TKM	● TAJ
● KGZ, TKM		● KAZ, KGZ, TKM, UZB

## 3 Enhanced PPP Environment



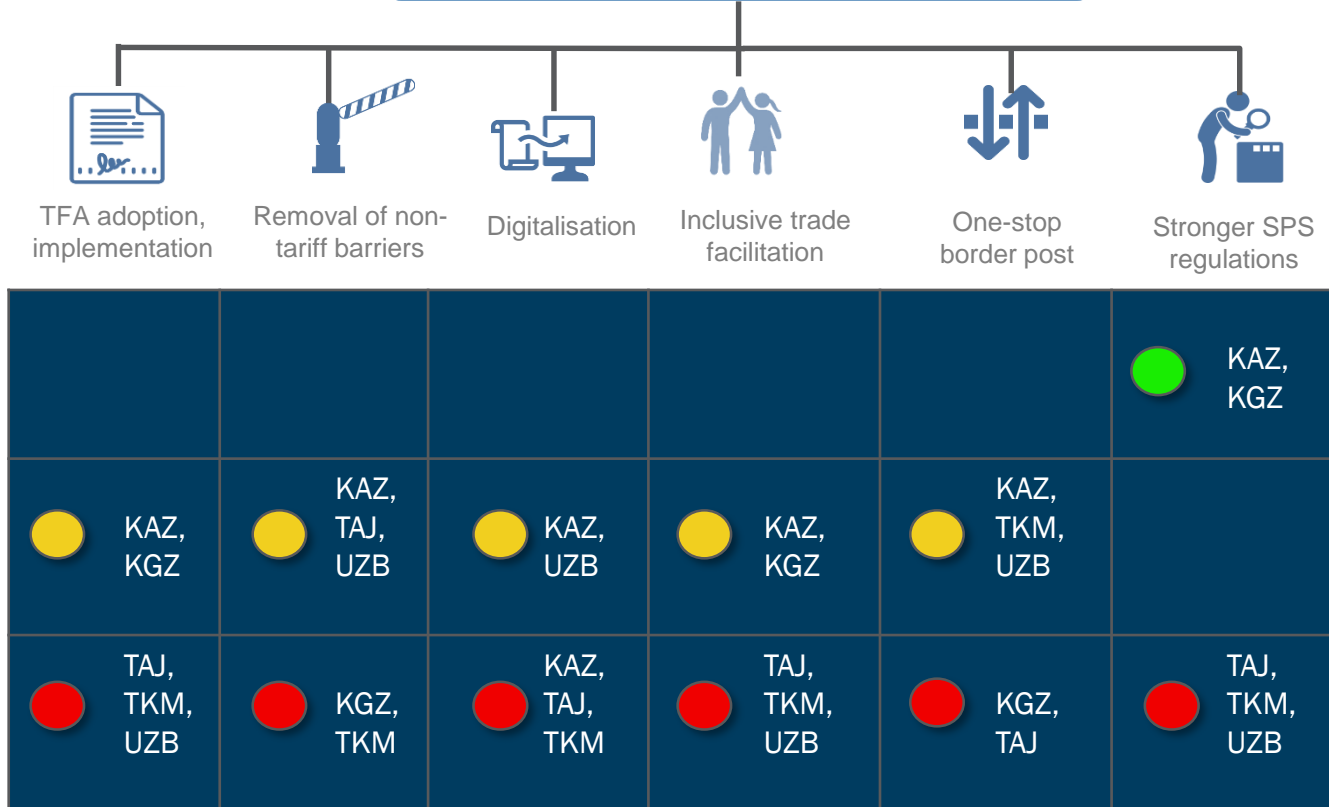
	● KAZ, UZB		● KAZ, UZB
● KAZ, KGZ, TAJ, UZB	● KGZ, TAJ	● KAZ, TAJ, UZB	● KGZ, TAJ
● TKM	● TKM	● KGZ, TKM	● TKM

● Advanced progress      ● Moderate progress      ● Limited progress

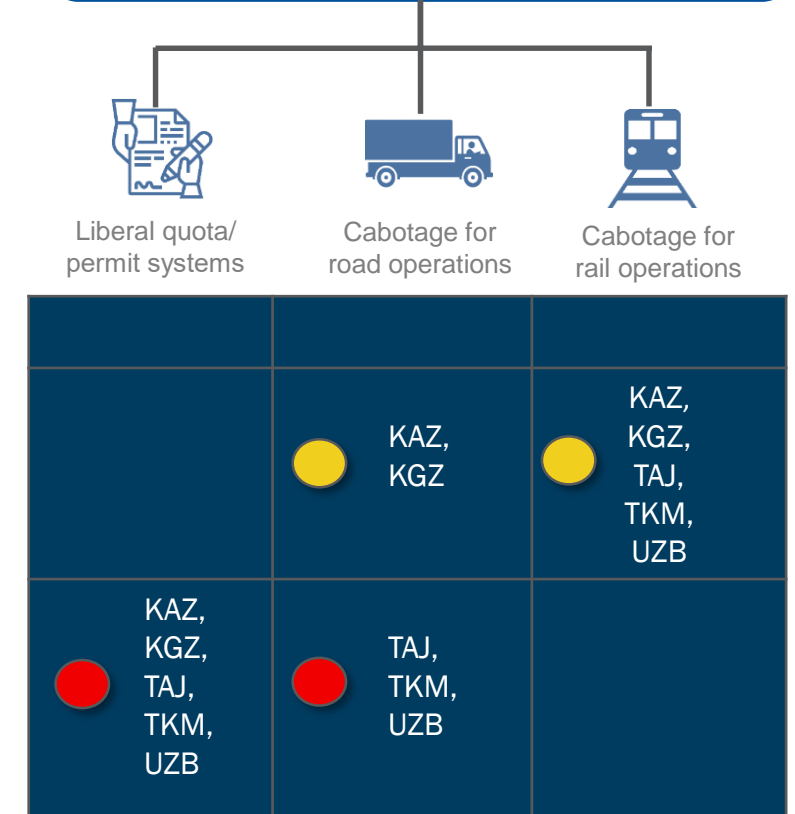
...while soft measures in medium term can increase investment opportunities for private sector...



### 4 Trade Facilitation



### 5 Market Liberalisation

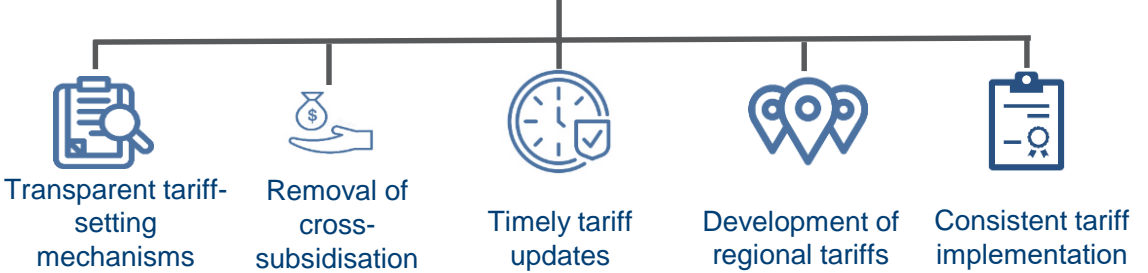


● Advanced progress   
 ● Moderate progress   
 ● Limited progress

# ...and contribute to development of transport sector with lower pressure on national budgets



## 6 Improvements to Tariff Setting Mechanism



Transparent tariff-setting mechanisms	Removal of cross-subsidisation	Timely tariff updates	Development of regional tariffs	Consistent tariff implementation
			● KAZ, KGZ	
● KAZ				
● KGZ, TKM, UZB, TAJ	● KAZ, KGZ, TAJ, UZB, TKM	● KAZ, KGZ, TAJ, TKM, UZB	● TAJ, TKM, UZB	● KAZ, KGZ, TAJ, TKM, UZB

## 7 Increased Funding



Improved asset management

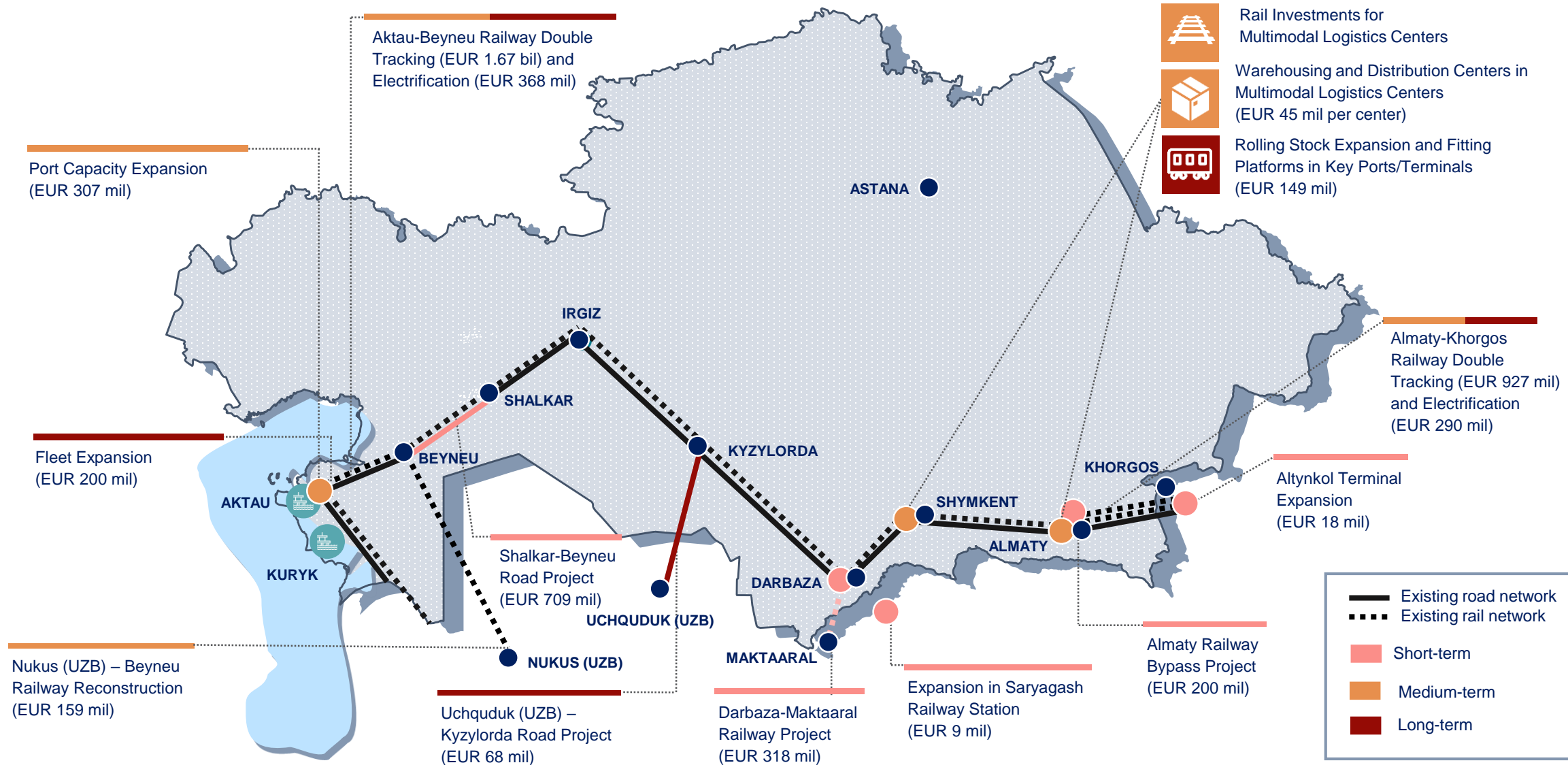
● KAZ, KGZ, TAJ, TKM, UZB

● Advanced progress   ● Moderate progress   ● Limited progress

# Identified priority investment needs: Kazakhstan



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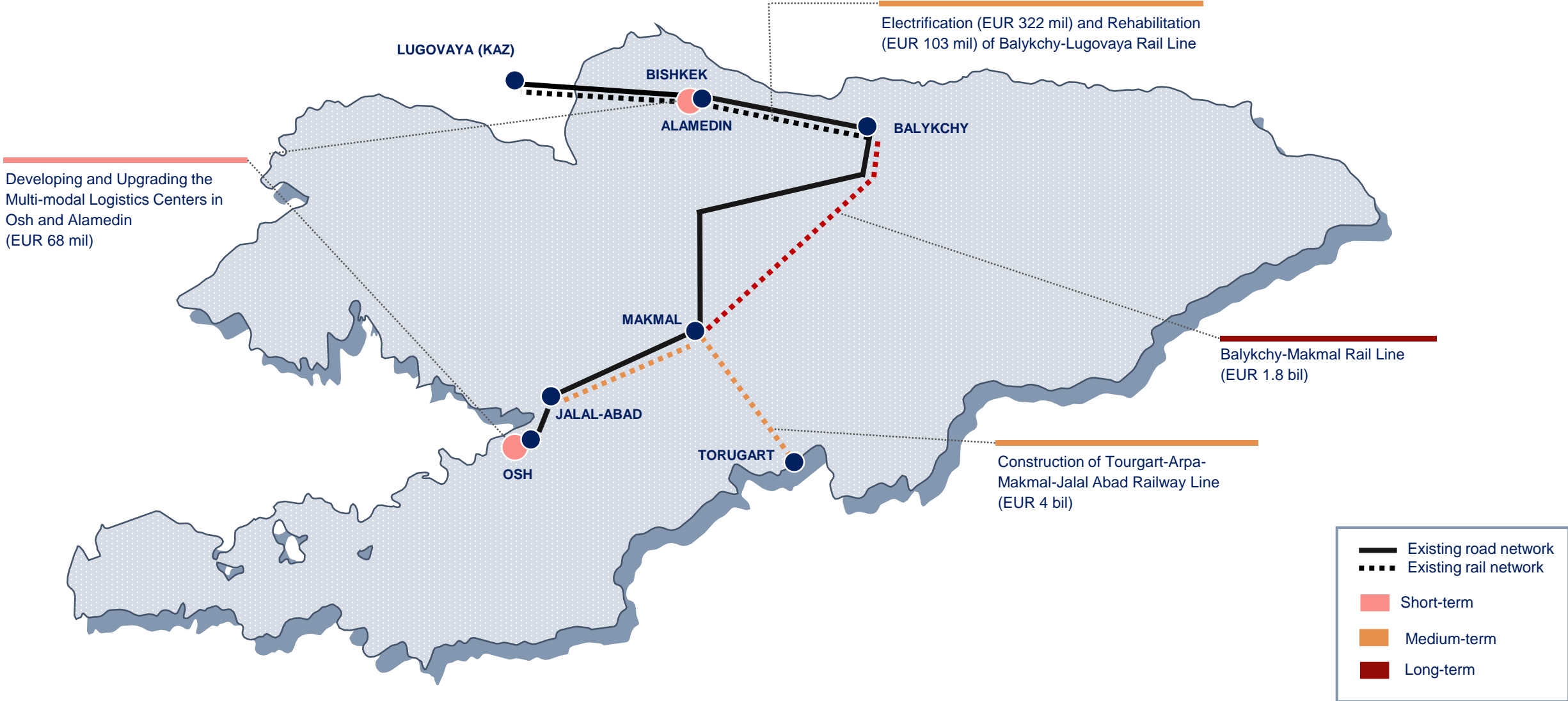




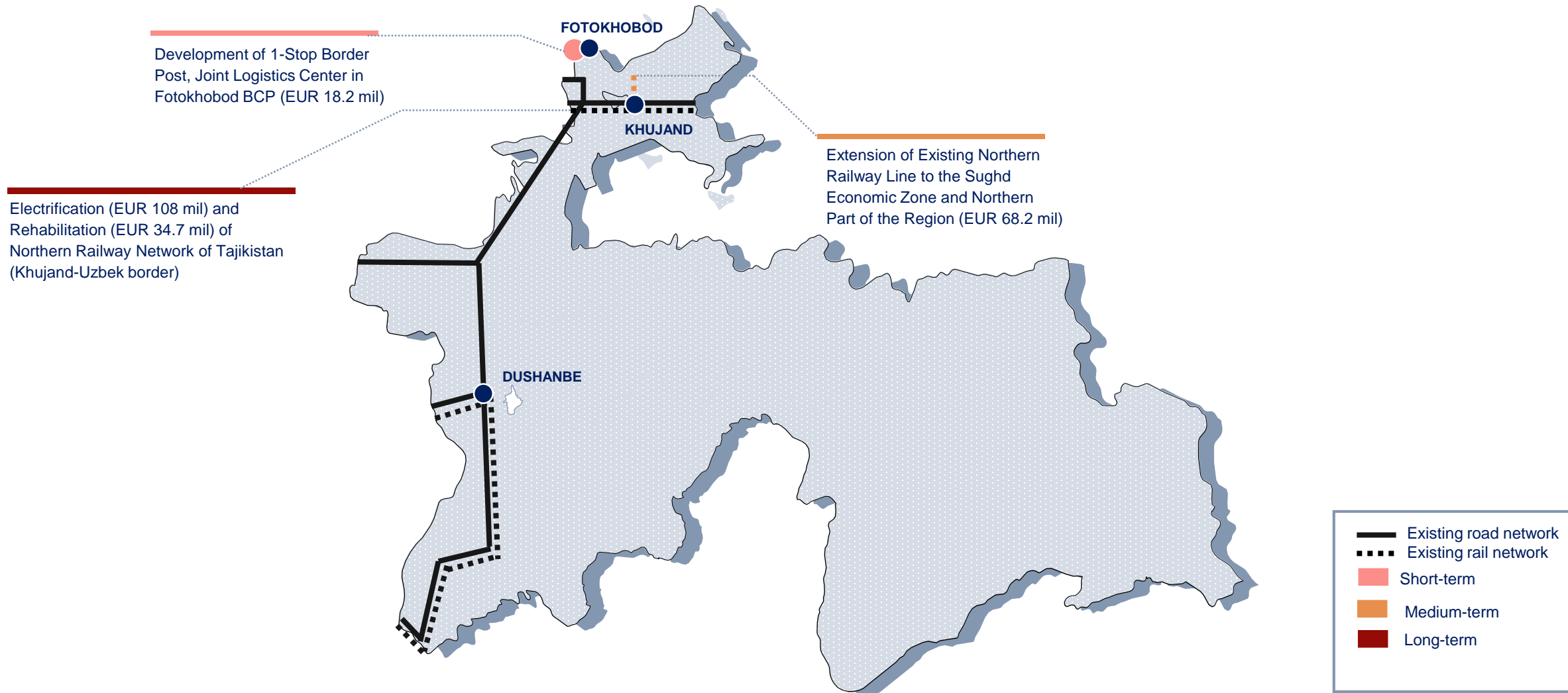
# Identified priority investment needs: Kyrgyzstan



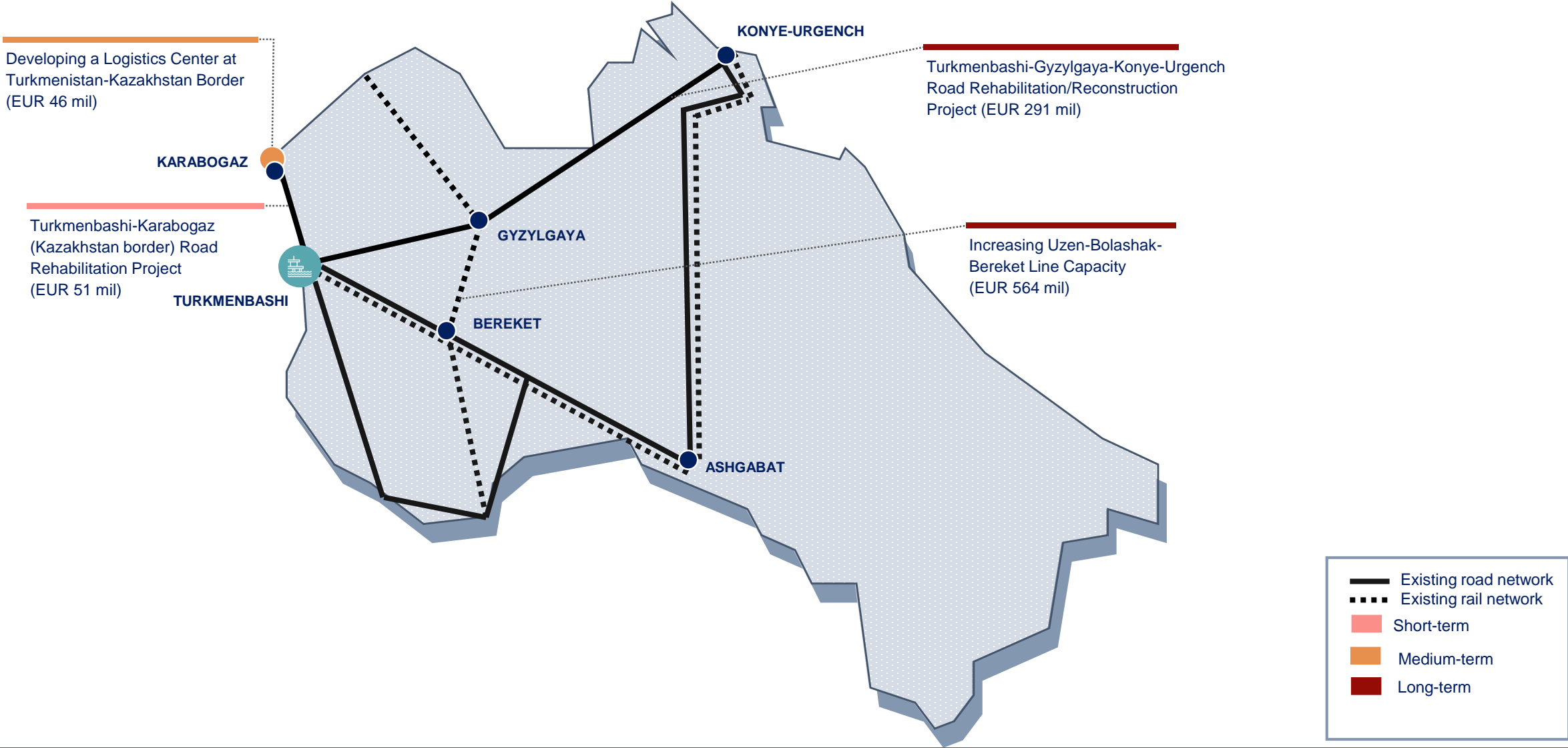
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# Identified priority investment needs: Tajikistan



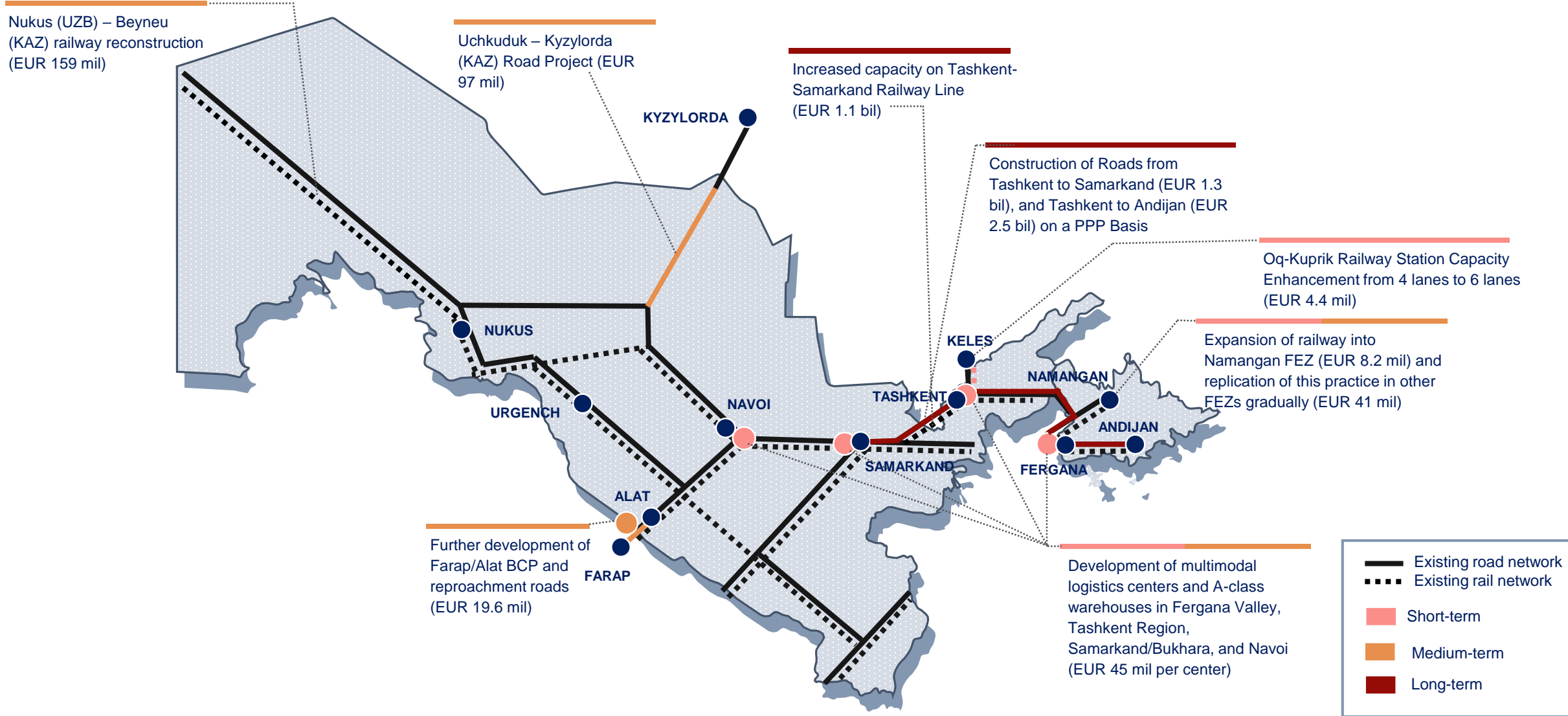
# Identified priority investment needs: Turkmenistan



# Identified priority investment needs: Uzbekistan



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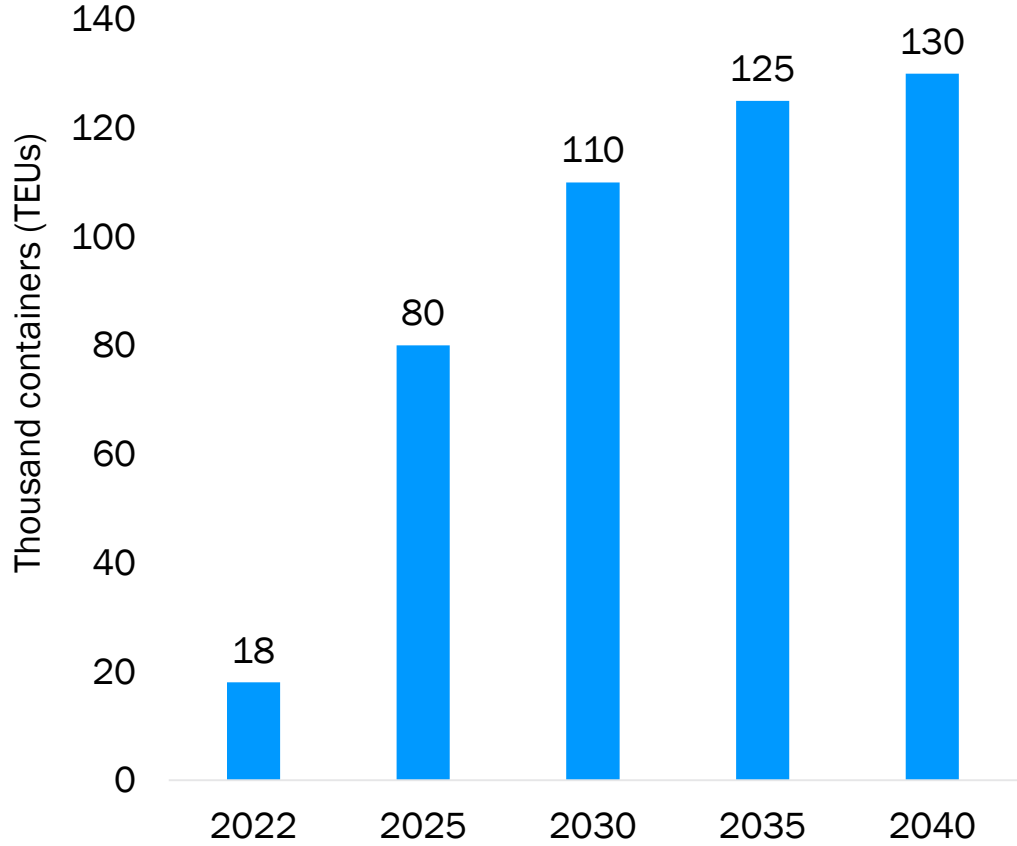


# If investments and improvements materialise, transit cargo volume can increase by almost 7-fold

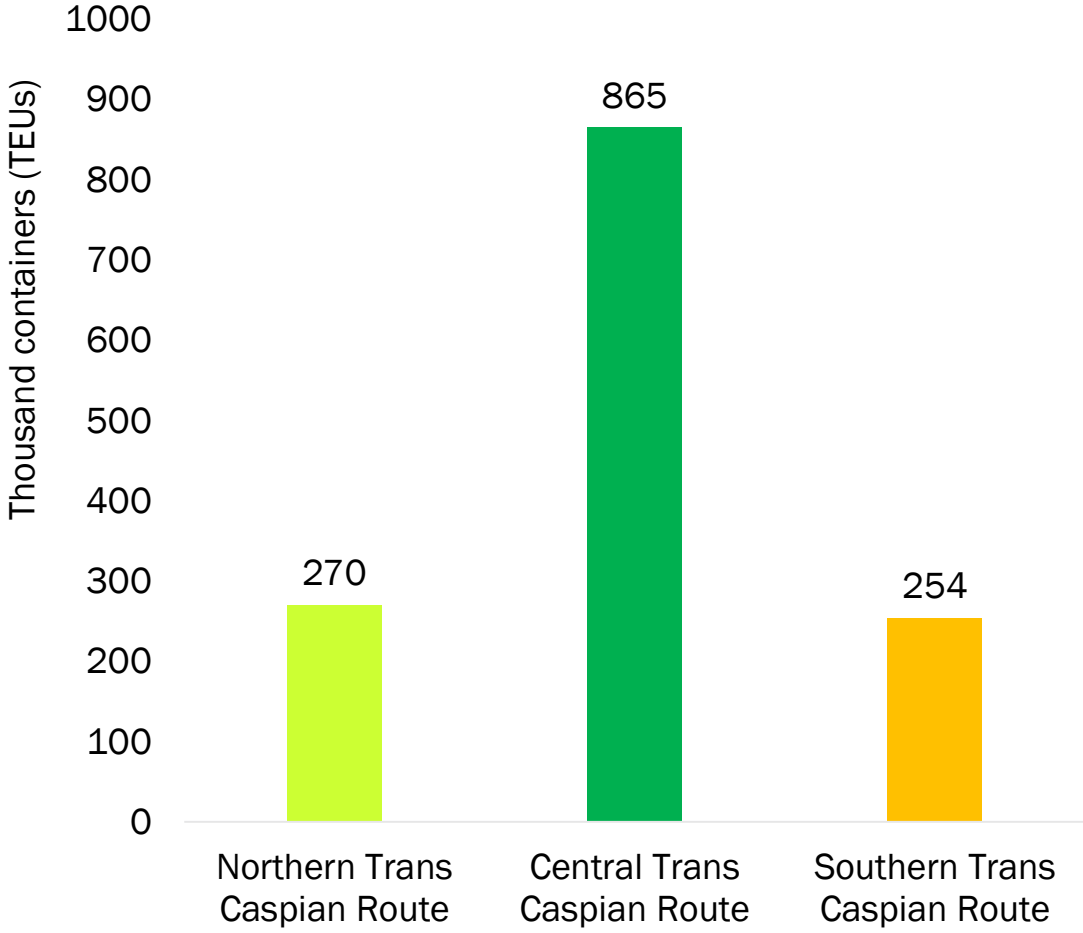


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Container Traffic Estimates on the Central Trans-Caspian Network (2022-2040, business-as-usual scenario)



Container Traffic Estimates on Trans-Caspian Routes (2040, unconstrained scenario)



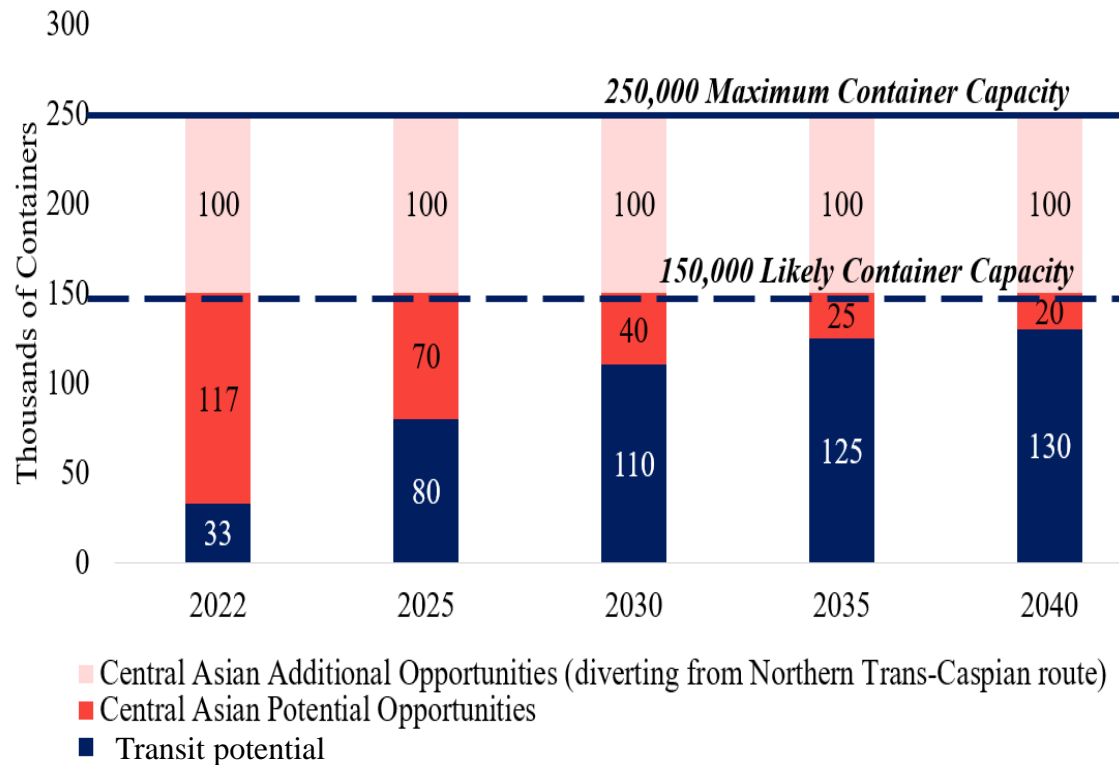
\*Total container traffic in Middle Corridor through KAZ in 2022 is approximately 33 thousand TEUs. 18 thousand TEUs is through southern KAZ (CTCN), and 15 thousand TEUs is through northern KAZ.

# Enhanced connectivity can also support higher cargo origination and transportation within Central Asia

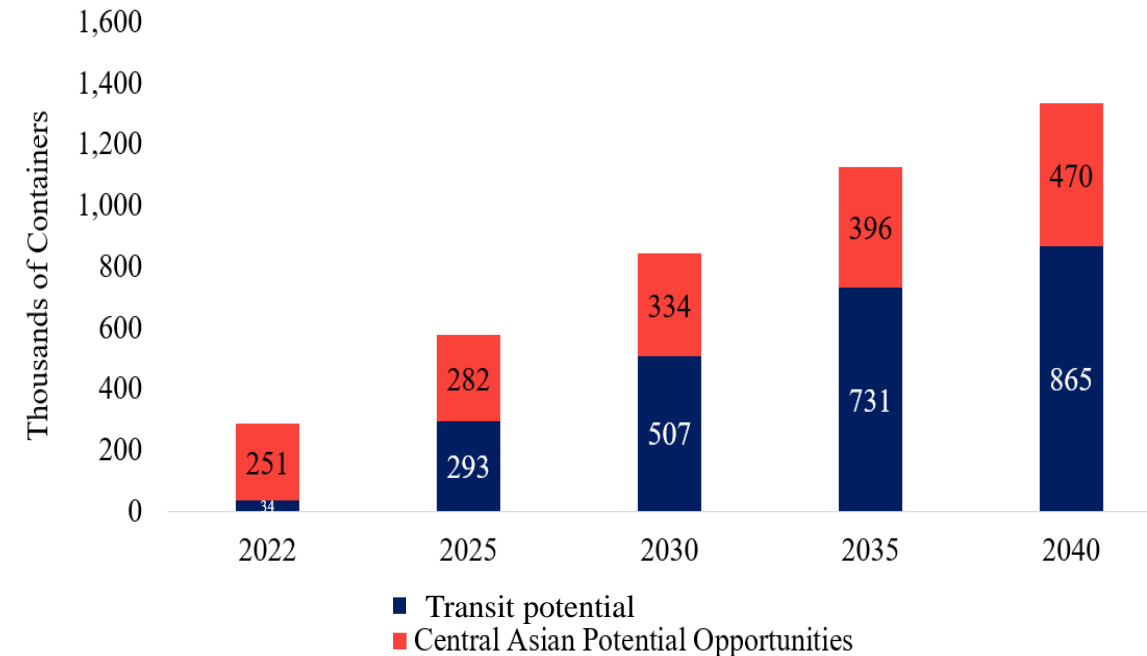


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### Regional Traffic Estimates on the Central Trans-Caspian Network (constrained scenario)



### Regional Traffic Estimates on the Central Trans-Caspian Network (unconstrained scenario)





# Sustainable Transport Connections between Europe and Central Asia



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