

# Facilitation of Regional Transit Trade in CAREC

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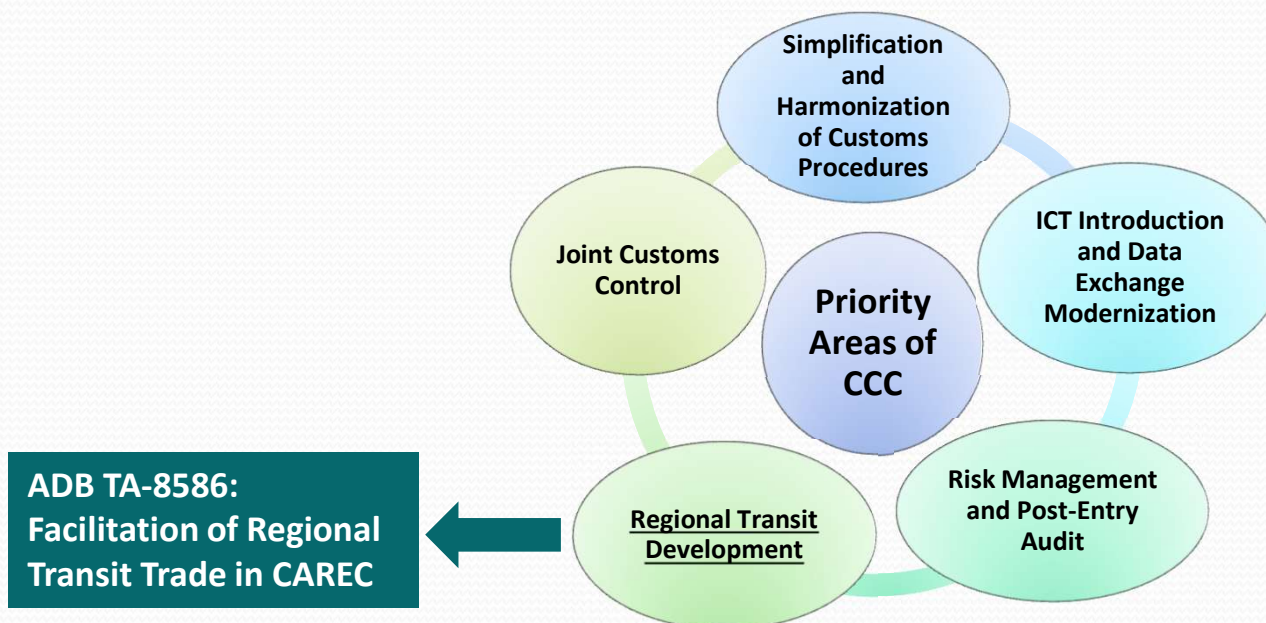


# TA Rationale and Strategic Framework

- CAREC 2020 Strategic Framework highlights:
  - **Trade Expansion:** to increase trade:
    - Through transport connectivity, the facilitation of cross-border movement of goods and people, trade openness and energy trade.
  - **Improved Competitiveness:**
    - Through transport connectivity, the development of economic corridors and energy sector cooperation.

# Technical Assistance Objectives

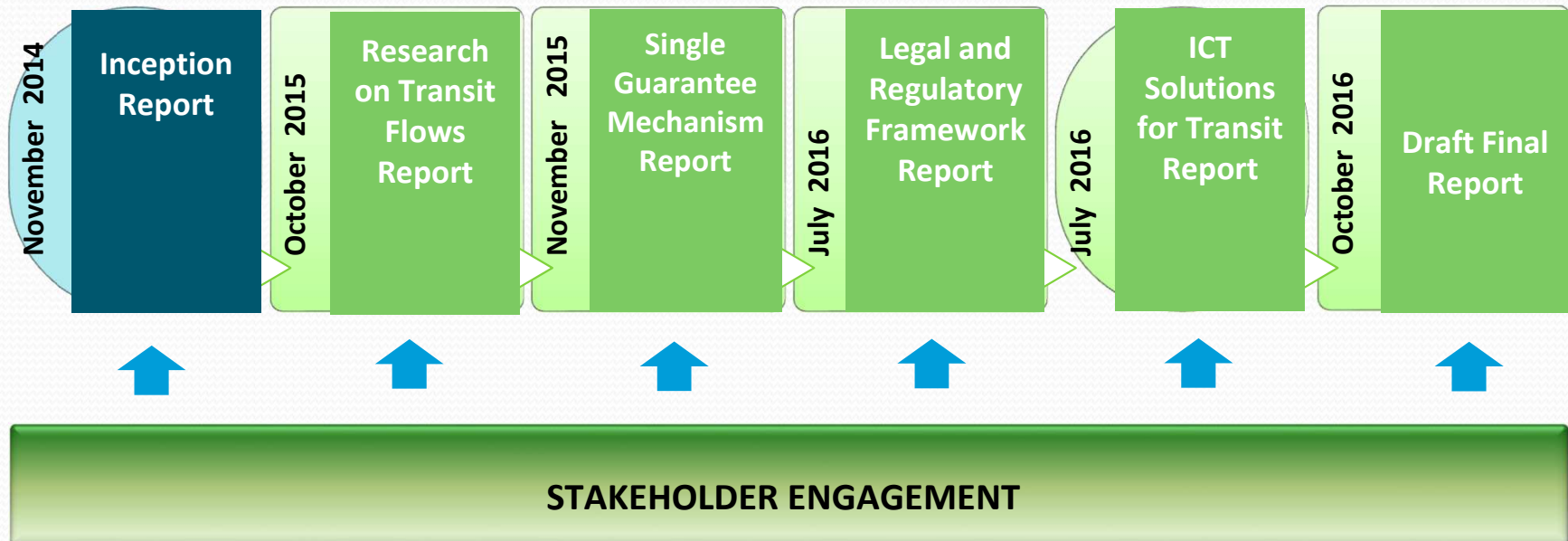
- To make recommendations to remove customs-related impediments to transit through the CAREC corridors.
- To develop a **Regional Transit Guarantee Mechanism** to promote intra-regional trade amongst CAREC countries.



# TA Objectives

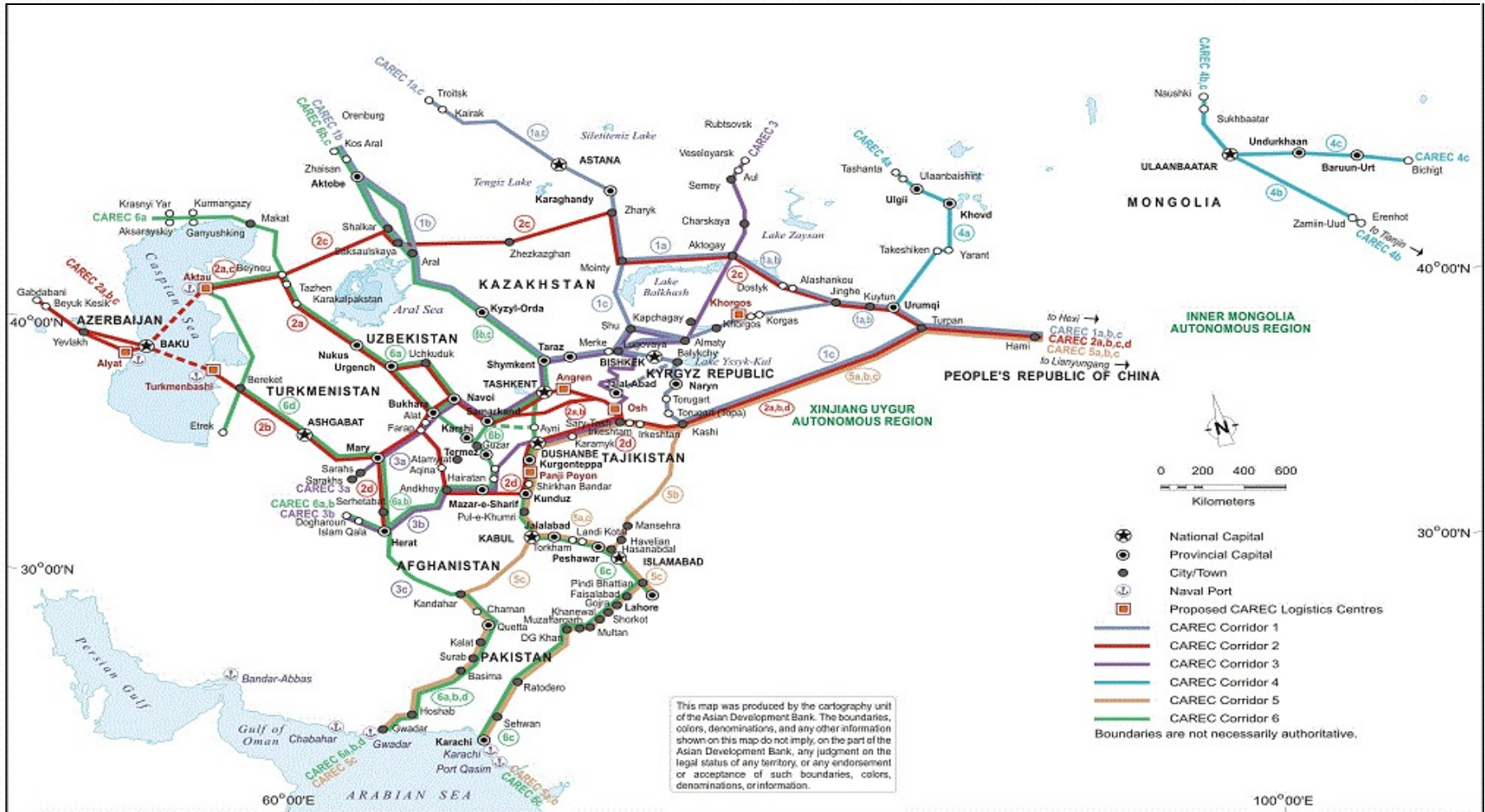
- Specific Objectives of the TA:
  - To identify the **major CAREC corridors** and their transit operation characteristics;
  - To identify **major impediments** within current transit systems;
  - To recommend solutions to develop a **regional guarantee system**;
  - To prepare the **legislative requirements** for a regional transit system;
  - To recommend an **ICT system** to support a regional transit regime; and
  - **To identify a suitable corridor to pilot test the recommended transit regime.**

# Summary of Deliverables and Program

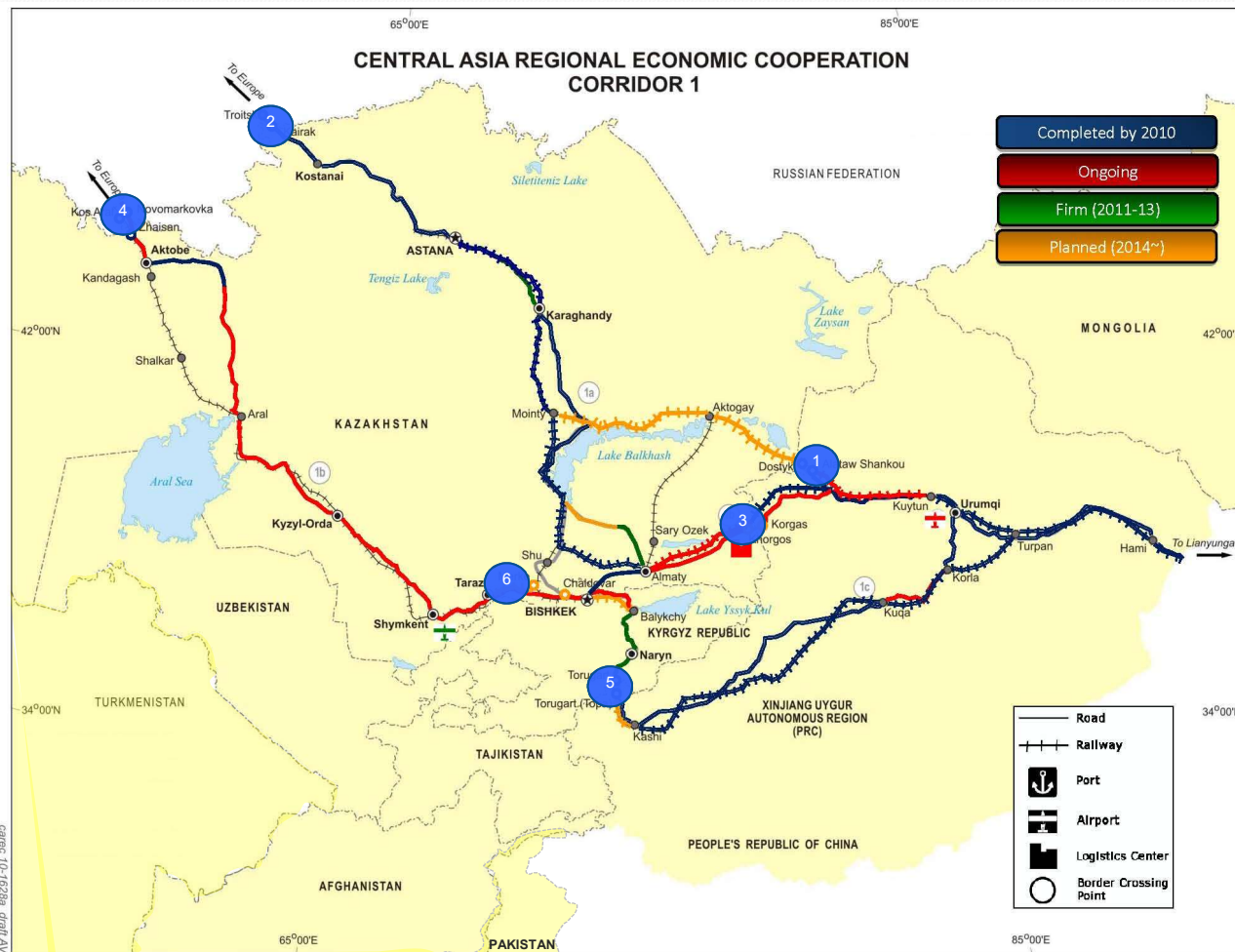


# Pilot Corridors

# 6 CAREC Corridors



# Corridor 1 BCPs



- 1 Alashankou (PRC) – Dostyk (KAZ)
- 2 Kairak (KAZ) – Troitsk (RUS)
- 3 Khorgos (PRC) – Khorgos (KAZ)
- 4 Zhaisan (KAZ) – Kos Aral (RUS)
- 5 Torugart (PRC) – Torugart (KGZ)
- 6 Merke (KAZ) – Chaldover (KGZ)



**Table 1: CAREC Corridor 1: Sub-Corridors**

CAREC 1a		CAREC 1b		CAREC 1c	
Country	Route	Country	Route	Country	Route
<b>RUS</b>	Troisk (Rail/Road) BCP	<b>RUS</b>	Kos Aral (Rail)	<b>RUS</b>	Troisk (Rail and Road) BCP
<b>KAZ</b>	Kairak (Rail/Road) BCP		Novomarkovka	<b>KAZ</b>	Kairak (Rail and Road) BCP
	Kostanai		Sagarchin (Road) BCP		Kostanai
	Astana	<b>KAZ</b>	Zhaisan (Rail and Road) BCP		Astana
	Karaganda		Aktobe		Karaganda
	Mointy		Kyzyl-Orda		Mointy
	Aktogay		Shymkent		Shu
	Dostyk (Rail and Road) BCP		Taraz		Merke (Rail) BCP
<b>PRC</b>	Ala Shankou (Rail and Road) BCP		Merke BCP	<b>KGZ</b>	Chaldovar (Rail) BCP
	Jinghe		Almaty		Bishkek
	Kuytun		Korgas (Road) BCP		Jalal-Abad (extension)
	Urumqi	<b>PRC</b>	Khorgos (Road) BCP		Kochkor (extension)
	Turpan		Jinghe		Balykchy
	Hami/Hexi		Kuytun		Naryn
			Urumqi		Torugart (Road) BCP
			Turpan	<b>PRC</b>	Torugart (Topa) Road BCP
			Hami/Hexi		Kashi
					Turpan
					Hami/Hexi

# Rationale for Selection

- Traffic Density
- Volume of Trade
- Economic Importance



# Traffic Density

# Road traffic density (AADT) for road transport along the CAREC Corridors





# Value of Trade

## Value of Intra-regional trade amongst CAREC countries (USD Thousand) 2014†

To / From	AFG	AZB	PRC	KAZ	KGZ	MON	PAK	TAJ	TKM	UZB
AFG		0	20277	0	0	0	198352	0	0	0
AZB	200,336		33,832	46,744	12,761	529	29	13,763	39,853	10,712
PRC	393,597	645,260		12,719,176	5,075,346	2,449,592	13,248,879	1,869,364	1,137,644	2,613,355
KAZ	333,539	220,026	9,815,017		670,671	62,768	505,36	5052	159,011	1,126,615
KGZ	12,281	4211	38,955	382453		4365	2455	50,535	5,052	159,011
MON	0	0	5,070,107	4,856	282		0	0	46	489
PAK	1,879,143	27,656	2,252,900	6,652	771	280		10,287	2,420	3,460
TAJ*	NA	188	47,691	72,081	3460	19	394		NA	NA
TKM*	NA	NA	9,516,158	121,245	1682	0	15780	NA		NA
UZB*	NA	23,512	1,597,121	1,017,978	97610	5415	685	NA	NA	

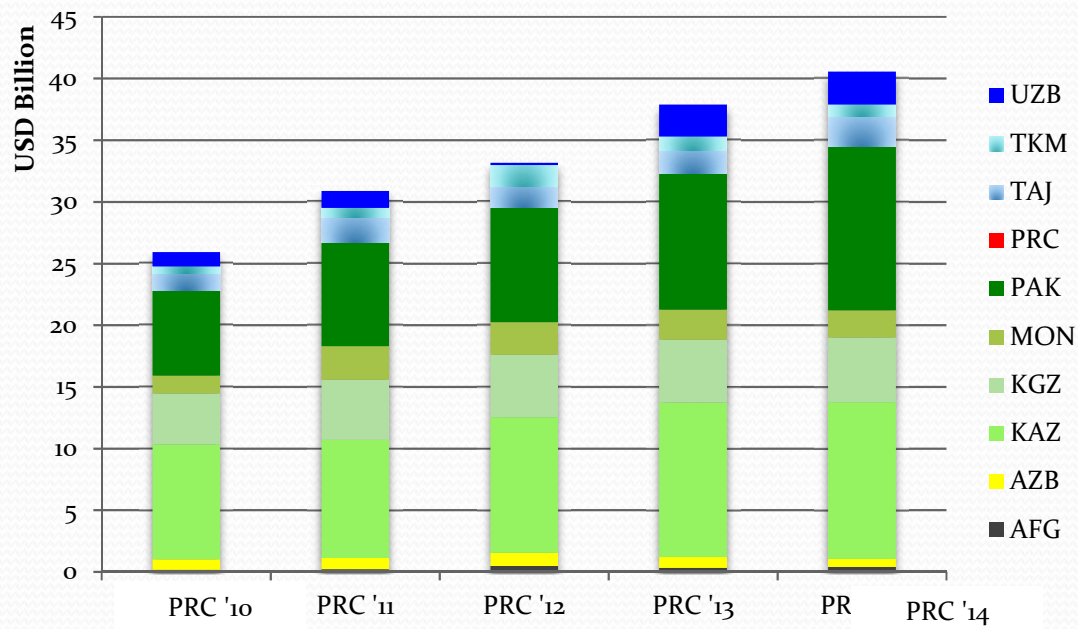
Source: ITC calculations based on UN COMTRADE statistics

NA=No data Available

\* = Partner provided (Mirror) data

† = No data available for Afghanistan and the Kyrgyz Republic, 2014. Therefore 2013 data is used. (In matrix only)

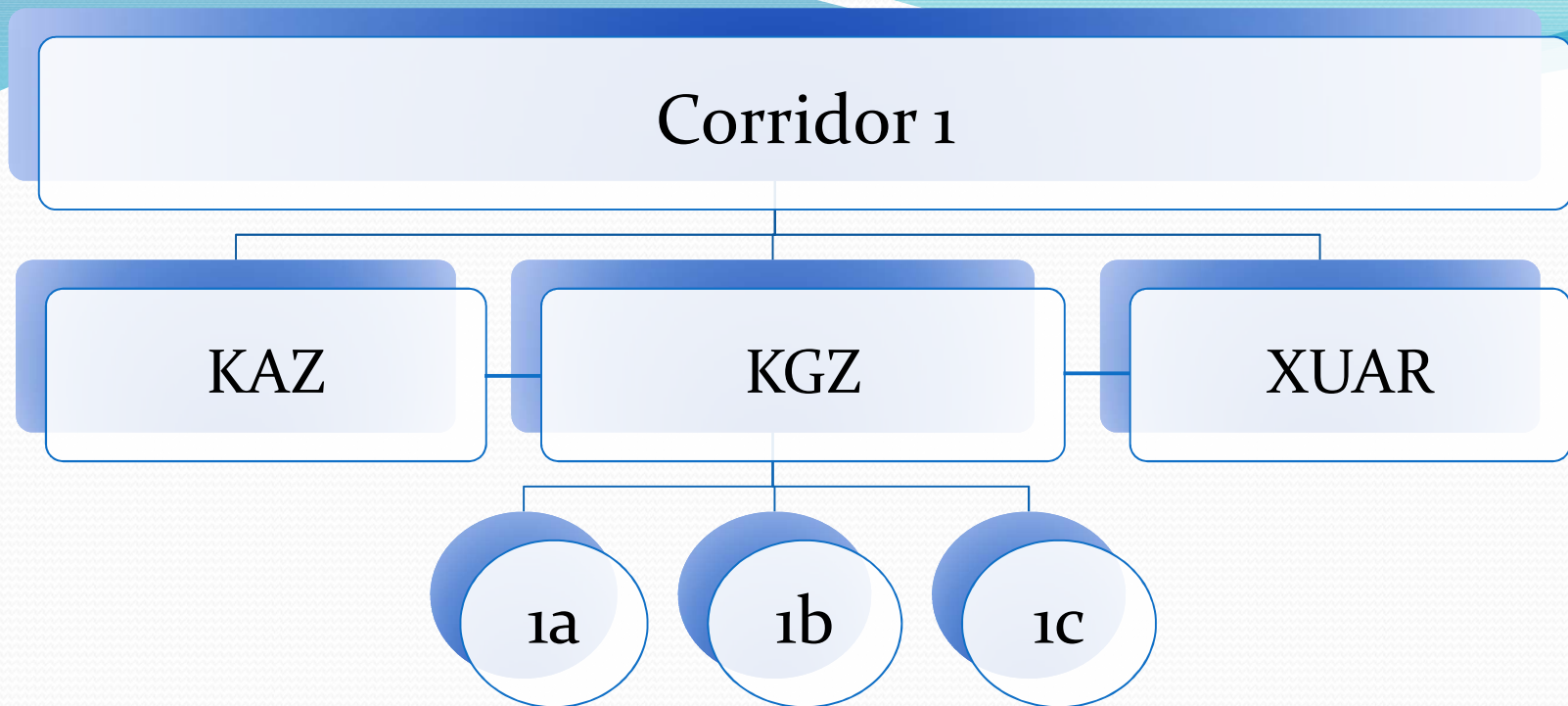
# Exports from the PRC to CAREC countries( 2010-2013) USD billion





# Economic Importance

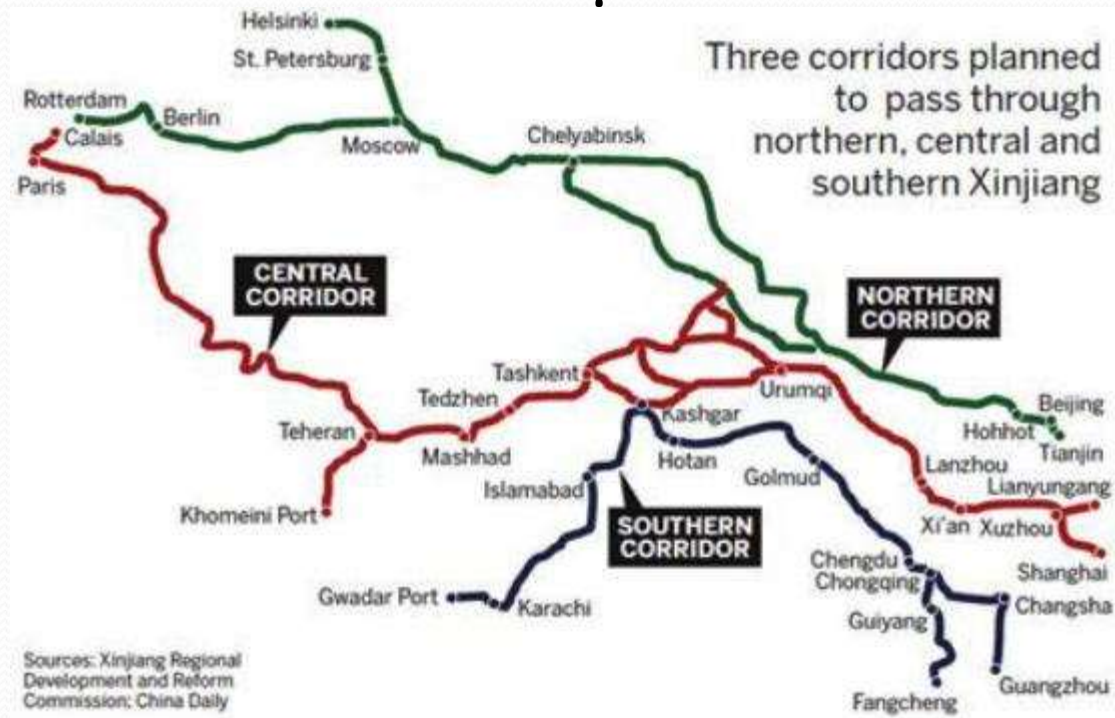




- Most strategic CAREC corridor connecting with KAZ and KGZ with XUAR (PRC)
- Trade between Kazakhstan and XUAR = \$22.81 bn in 2013.
- Accounted for 51% of total trade from XUAR (PRC)
- 1b and 1c pass through densely populated centers.

# The Future

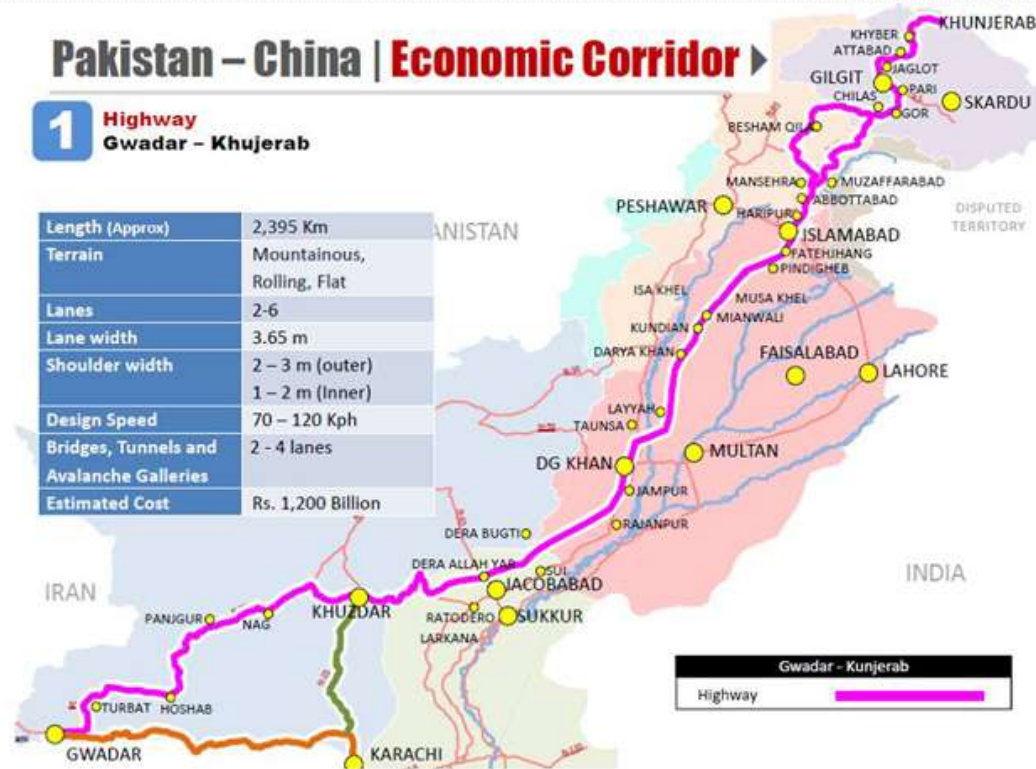
- One Belt, One Road
- China Pakistan Economic Corridor (CPEC)
- Silk Road



# Pakistan – China | Economic Corridor

## 1 Highway Gwadar – Khujerab

Length (Approx)	2,395 Km
Terrain	Mountainous, Rolling, Flat
Lanes	2-6
Lane width	3.65 m
Shoulder width	2 – 3 m (outer) 1 – 2 m (Inner)
Design Speed	70 – 120 Kph
Bridges, Tunnels and Avalanche Galleries	2 - 4 lanes
Estimated Cost	Rs. 1,200 Billion



# The PRC's Proposed New Silk Roads



Source: Xinhua News Agency

Thank You Very Much For Your  
Attention