

18-20 April 2018 | Istanbul, Turkey

17-е заседание Координационного комитета по транспортному сектору (ККТС)

18-20 апреля 2018 года | Стамбул, Турция

CAREC Corridor Implementation Progress, Planned Actions, and Support Needs

Ministry of Transport and Roads Kyrgyz Republic

CAREC Transport Corridors in the Kyrgyz Republic





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Out of 6 (six) transport corridors identified by CAREC as priority and competitive corridors in the region, 4 (four) traverse the territory of the Kyrgyz Republic:

- 1) CAREC 1 Europe East Asia (along Bishkek-Naryn-Torugart road);
- 2) CAREC 2 Mediterranian East Asia (along Osh-Satytash-Irkeshtam road);
- 3) CAREC 3 Russian Federation Middle East and South Asia (along Osh-Satytash-Karamyk road);
- 4) CAREC 5: East Asia Middle East and South Asia (along Irkeshtam-Satytash-Karamyk road).





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Corridor 1: Europe - East Asia (PRC-**Torugart-Bishkek**-Chu-Astana-RF).

The total length of Bishkek-Naryn-Torugart road via Kuvaky pass is 479 km. At present this corridor is **fully completed** and ensures safe and smooth transport operations.

Corridor 2: Mediterranean - East Asia (PRC-**Irkeshtam-Osh-**Andijan-Tashkent-Samarkand-Bukhara-Caspian ports).

The total length of Osh-Satytash-Irkeshtam road is 258 km. This corridor was fully completed in **2012** and ensures safe and smooth transport operations.

Corridor 3: Russian Federation - Middle East and South Asia (RF-Semei-Almaty-Bishkek-Osh-Satytash-Karamyk-Tajikistan-Afghanistan-Iran-Persian Gulf ports).

The total length of Bishkek-Osh-Satytash-Karamyk road is 981 km (Bishkek-Osh 655 km, Osh-Satytash 190 km and Satytash-Karamyk 136 km). At present this corridor is practically fully completed and ensures safe and smooth transport operations.

Corridor 5: East Asia - Middle East and South Asia (PRC-Irkeshtam-Satytash-Karamyk-Tajikistan-Afghanistan-Pakistan).

The total length of Irkeshtam-Satytash-Karamyk road is 204 km (Irkeshtam-Satytash 68 km and Satytash-Karamyk 136 km). **This corridor was fully completed in 2012** and ensures safe and smooth transport operations.



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Linking Corridors CAREC 1 and 3

North-South Alternative Road Construction Project, Phase 1

- The first section: Kyzyl-Zhyldyz village Aral village (km 183-195)
- The second section: Kazarman village Jalal-Abad town (km 291-433)

The project cost is US\$400 million

Financing sources: Eximbank of China, China Export-Import Bank, loan of US\$400 million

- Implementation period as of the current status is 2014-2019.
- The total target length of the project is 150.9 km, including construction of a new 3.7-km tunnel.
- There is no road safety component under this project, but engineering road works are to be implemented (installation of road signs, curb stones, parapets, road marking, etc.).
- Actually completed (km) (linear) in 2015 8 km; in 2016 30 km; in 2017 42 km
- Planned to be completed (km) (linear) in 2018 25 km; in 2019 45.9 km





Linking Corridors CAREC 1 and 3

North-South Alternative Road Construction Project, Phase 2, Aral village – Kazarman village (km 195-291).

- Project status: on-going.
- Project cost: U\$\$298 million.
- Financing source: Export-Import Bank of China, a loan of Источник US\$298 million.
- Implementation period: 2016-2021
- Targeted length: 99 km, including construction of a new tunnel of 700 m.
- There is no road safety component under this project, but engineering road works are to be implemented (installation of road signs, curb stones, parapets, road marking, etc.)
- Implementation period: 2016 0 km; 2017 5 km; 2018 12 km; 2019 40 km; 2020 40 km; 2021 4 km.







Additional financing to Link Corridors CAREC 1 and 3

- Section Balykchy town 43 km (km 0-43); Kochkor village Epkin village (km 64-89), continuation of the North-South Alternative Road Construction Project, Phase 3.
- Project status: planned
- Project cost: US\$87 million
- Financing sources: Asian Development Bank loan US\$64.5 million and grant US\$8.5 million, Government of the KR US\$14 million.
- Implementation period: 2019-2022.
- Total targeted length: 68 km.
- A road safety component is to be envisaged under the project, as well as installations of road signed, curb stones, parapets, road makings, etc.
- Actually completed: 2016-17-18-19 0 km.
- Planned to be completed: in 2020 25 km; 2021 30 km; 2022 13 km.



Project's benefits

• The proposed project will link the southern oblasts of the Kyrgyz Republic – Osh, Batken, Jalal-Abad – with the northern Naryn, Issyk-Kul, Chu and Talas oblasts, and further link them with regional corridors. The project will: (i) reduce the cost of passenger and freight transport operations between the southern and northern regions by ensuring direct access; (ii) provide a shorter route between Kazakhstan and Tajikistan, (iii) stimulate regional trade.





CAREC 3 Corridor Improvement Project (Bishkek-Osh Road), Phase 4

Project status: on-going

Project cost: US\$120.8 million

• Financing sources: ADB – loan US\$65 million and loan US\$35 million. Share of the KR Government – US\$20.8 million.

Project implementation period: 2015-2021.

• Total targeted length: 45.1 km.

- The project will implement the Road Safety Component. This campaign includes development of information materials (booklets, banners videos, conducting an information campaign by engaging a consultant or a company with relevant experience). It also envisages road engineering works (repairs with extension of 4 existing underground walkways and construction of 6 new underground walkways, installation of road signs, arrangement of traffic lights at 26 intersections, road markings, parapets, etc.)
- Implementation will start in 2018; expected progress: 2018 6 km; 2019 20 km; 2020 19.1 km.



CAREC 3 Corridor Improvement Project

- Bishkek-Osh Road, Phase 4 (Madaniyat Jalal-Abad) section, km 507-574.
- Project status: on-going.
- Project cost: US\$72 million.
- Financing source: Eurasian Development Bank loan US\$60 million, KR Government US\$12 million.
- Implementation period: 2015-2020.
- Total targeted length: 67 km.
- There is no road safety component under this project. Engineering road works are envisaged to be implemented (installation of road signs, curb stones, parapets, road marking, etc.)
- Planned implementation progress: 2016-17-18 0 km, 2019 30 km and 2020 22 km.

Bishkek-Osh, Phase 4





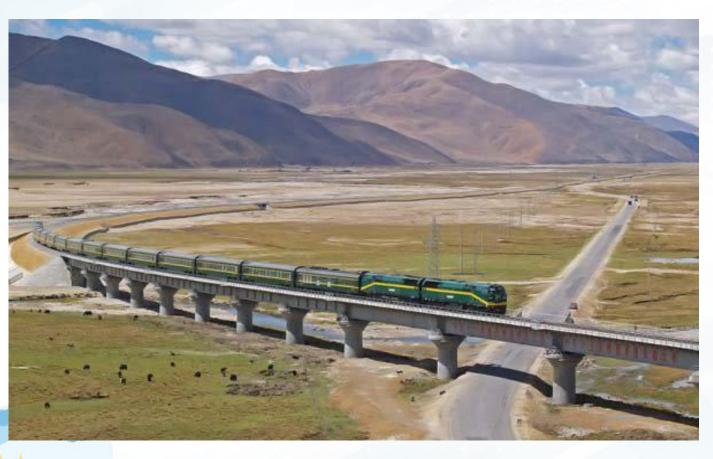
Bishkek-Osh, Phase 4





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Lugovaya-Alamedin (Bishkek) Railway Section Electrification -161 km

- Status: planned new construction. Estimated cost: US\$250 million
- In 1992 the feasibility study on electrification of Lugovaya-Rybachie (Balykchi) railway section was developed. In 2008 the All-China Corporation for Import and Export of Machinery and Equipment examined the feasibility for Lugovaya station Alamedin station (Bishkek) section. Currently the work is underway to finalize and update the FS, including new estimates on the amount of required investment, project profitability and the payback period.
- The project envisages:
- Construction of a unified power system, a power substation and auxiliary equipment.
- Rehabilitation of tracks
- Procurement of freight and passenger electric locomotives.
- **Expected outcomes:** Electrification of the railway section from Lugovaya station to Alamedin station of the Norther Railway will result in savings of fuel for the amount of US\$ annually by switching to electrical power.

It will improve operating characteristics of the line, increase the operating speed by 25-30% as compared to single-track diesel engines, increase the throughout capacity, ensure an environmentally friendly transport solution.



Chaldovar-Balykchy Railway Rehabilitation

- Status: planned. Estimated cost: US\$65 million; FS US\$600,000.
- Targeted length: 324 km. From Lugovaya to Balykchy (265 km Chaldovar-Balykchy + 59 km in the territory of the Republic of Kazakhstan)
- The railway is a vital artery linking the capital city and densely populated Chui oblast with adjacent areas.
- Supply of coal to power stations and the heating station of Bishkek.
- Transportation of oil and lubricants, oil products consumed in the country.
- Project goal:
- Modernization of railway tracks;
- Increasing the line capacity both in terms of the number of locomotives and the volume of freight;
- Increasing the average train speed;
- Reducing operating costs;
- Enhancing the overall efficiency of railways operations.



Procurement of equipment for car repair facilities

- Estimated cost: US\$18 million
- A significant part of the existing fleet of freight and passenger cars is morally and technically obsolete. The average car age is about 80% of the established lifetime.
- Expected outputs of the project:
- Extending the lifetime of freight and passenger cars;
- Addressing the problem of wear-and-tear of freight and passenger car fleet of the SE NC "KTZH".
- Reducing the cost of capital repairs of freight and passenger cars by engaging local personnel and carrying out in-house repairs/capital repairs;
- Ensuring safe transport operations, including passenger and freight operations;
- Positive experience to enhance skills of local workers and job generation.



Osh International Airport is a part of OJSC "Manas International Airport"

General information

Open Joint Sock Company "Manas International Airport"

Location

Kyrgyz Republic, Bishkek city

Property form

1. State Property Management Fund of the KR: 79.05 %

2. Social Fund of the KR: 8.46 %

3. Other: 12.48 %

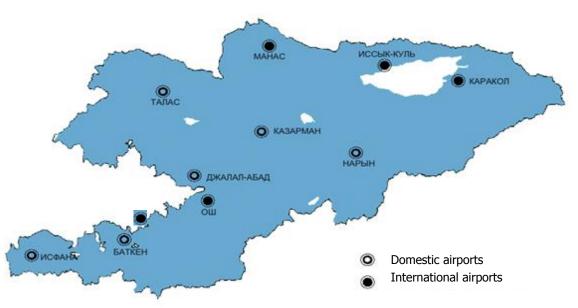




OJSC "Manas International Airport" General Information

As of today the OJSC "Manas International Airport" (herinafter – OJSC "MAM") consists of 11 operating airports.

5 of them have the status of international airports: "Manas". "Osh", "Issyk-Kul", "Karakol", "Batken", remaining six airports are regional airports to operate along local air routes (LAR): "Jalal-Abad", "Isfana", "Kerben", "Kazarman", "Naryn", "Talas".





Project "Expansion of the Osh International Airport Terminal

Due to high population density in southern regions of the country, as well as a stable increase of passenger flows from Kyrgyzstan to neighboring countries, such as Russia, Kazakhstan, China, the existing Osh international airport is in need of reconstruction.



Expansion of the Air Terminal of the Osh International Airport in 2017

- The purpose of the project: Increase the capacity of the air terminal of the Osh international airport and improve the quality of passenger services.
- Approximate cost is about US\$700 thousand.
- Construction and installation works to expand the air terminal of the Osh international airport began in August 2017.
- Before the construction, the arrival area was 660 m2, after the completion of construction works, the area of the arrival hall totaled 1,900 m2.
- Under this project five immigration control booths have been installed in the arrival hall for the prompt and high-quality servicing of passengers of international flights.
- To speed up the process of luggage collection by passengers in the baggage claiming area, additional equipment for the baggage claim system has been installed. Also, under the National Program of Digital Transformation of the Kyrgyz Republic, 2 sets of the Electronic Gate system (e-gate) equipment have been installed in the new arrival hall of the Osh airport

Perspective directions of cooperation with the Kyrgyz Republic in the field of air transport





National Priority Actions, planned for 2018-2020 and beyond 2020

Central Asia Road Links Program (Phase 1)

- The Central Asia Road Links Program (CARs) is a regional multi-stage program of cooperation initiated by the states of Central Asia. The goal of the program is to improve transport links between neighboring countries in Central Asia, as well as to improve road operation and maintenance methods.
- At present, the Ministry of Foreign Affairs of the Kyrgyz Republic has started the implementation of the first phase of this program (CARs-1), which provides for the rehabilitation of cross-border links between Osh and Batken oblasts of the Kyrgyz Republic and Sughd region of the Republic of Tajikistan. In particular, this program will rehabilitate about 56 km along Osh-Batken-Isfana road corridor and within Batken region. These are the sections: Isfana-Kairagach / BCP Madaniyat (36 km); Batken-Tortkul (14 km), and Batken-Kyzyl-Bel / BCP Guliston (6 km).



Other National Priority Actions planned for 2018-2020 and beyond 2020

Central Asia Road Links Program (Phase 2)

- The second phase of this program envisages potential participation of the Republic of Tajikistan and the Republic of Kazakhstan in the program to improve transport links between Issyk-Kul oblast (the Kyrgyz Republic) and the bordering Almaty oblast (the Republic of Kazakhstan).
- The implementation of CARs-1 will take more than five years. The total amount of investments will be US\$45 million, of which US\$36.8 million will be provided in the form of a soft loan and US\$8.2 million as a grant. The Kyrgyz Republic's own contribution to implement this program will amount to US\$9 million.



Central Asia Road Links Program (Phase 3)

- The goal of the Central Asia Road Links Program is to improve transport links between neighboring countries in Central Asia. The third phase of the program (CARs-3) will go beyond the initial objectives and, in addition to improving transport links with the Republic of Kazakstan, will also include increasing the competitiveness of key sectors of regional importance.
- CARs-3 is the first multi-sectoral project of the Ministry. The application of this innovative approach is pre-conditioned by the desire to achieve a wider impact on economic growth and generation of jobs in the region.
- The expected implementation period of CARs-3 is from 2018 to 2022. In the case the section of Tyup-Kegen road to the border with the Republic of Kazakhstan is rehabilitated, this will reduce the travel time from Kara-Kol to Almaty by almost 2 times from 660 km along Almaty-Bishkek-Cholpon-Ata road to 383 km along Almaty-Tup-BCP Karkyra-Karakol.
- It will also rehabilitate about 30 km of access roads to tourist sites, in particular, to the mountaineering base in Karkyra gorge, from where tourists clime to Han-Tenrgy and Victory mountain peaks, to the Karakol National Park, as well as to the Karakol airport.



Other National Priority Actions planned for 2018-2020 and beyond 2020

- Central Asia Road Links Program, Phase One
- In 2017 a draft National Strategy to control the axle load for 2018-2028 was developed. The objective of the Axel Load Control Strategy is to describe the possible option and necessary actions to implement effective axle load monitoring in Kyrgyzstan in order to preserve road assets and ensure safe and reliable international and national freight traffic. The project was submitted for public discussion on November 17, 2017.





CAREC Transport Vision for 2030

- The construction of the well-known and long-discussed railway project China-Kyrgyzstan-Uzbekistan: this road can also be considered as part of the plan to restore the Silk Road. To study and develop options for construction of alternative railways.
- The expediency of trade development through Kyrgyzstan, from a logical point of view, the connection of the Eurasian links through Kyrgyzstan. In this regard, Kyrgyzstan can become a hub connecting Eurasia and the PRC.
- Development of multimodal transport. The road corridor Central Asia Indian Ocean runs along Almaty

 Bishkek Naryn Kashgar Karakorum highway Islamabad Karachi. It involves both rail and road
 transport and opens the Central Asian region to ports of the Indian Ocean. The maximum elimination of
 "non-physical barriers" at the border and through the territory of transit countries, harmonization of the
 maximum admissible parameters of vehicles.
- Road corridor China-Kyrgyzstan-Uzbekistan. To intensify the work of this corridor, the ceremony of opening a pilot international truck run along the route "Tashkent-Andijan-Osh-Irkeshtam-Kashgar" was held on October 30, 2017 in Tashkent.
- Taking into account that the priority needs for infrastructure investment are still huge and will only continue growing, and this will require not only financial resources, technologies, know-how, but also the exchange of experience among countries, therefore training and internships of specialists remain very relevant in the field of transport.



Conclusions

 Summarizing the statement, it should be mentioned, that the implementation of all above mentioned investment projects has a strategic importance for development of the republic as a whole, as well as for establishment of reliable, competitive economic corridors in Central Asian region along the Great Silk Road to promote regional integration.



