



SEVENTH MEETING OF THE RAILWAY WORKING GROUP

22–23 May 2023

Tbilisi, Georgia

Venue: Marriott Courtyard Hotel

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 was endorsed at the 15th CAREC Ministerial Conference in Islamabad in October 2016.

CAREC member countries are now working to implement the Strategy, for which ADB has mobilized a 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). TA activities commenced in May 2019, focusing on transport modeling and rail sector assessments, followed by a series of additional TA activities, such as a traffic study for the rail corridor between the People's Republic of China, Kyrgyz Republic and Uzbekistan; and the provision advisory support for preparation of railway commercialization, reform and investment programs in Kyrgyz Republic and Tajikistan. In 2020–2021, work on these activities was deferred due to the Covid-19 pandemic but resumed in 2022. At its 6th meeting on 17 and 18 October 2023 in Almaty, Kazakhstan, the RWG agreed to add to the TA workplan pre-feasibility study assistance for assistance for (i) Uzbekistan–Turkmenbashi Block Trains and Ferry Services, and (ii) the Uzbekistan Northwestern International Freight Corridor, as well as knowledge and capacity development support focused on (i) establishing and operating a railway sales and marketing function, and (ii) to define the scope for a rolling stock needs and financing study.

Objectives of the Seventh RWG Meeting

The main objectives of the seventh meeting of the RWG are to report on progress achieved in TA implementation, agree on next steps, and share knowledge and experience on railway commercialization, reform and investment:

- Update the RWG on ongoing and planned TA activities
- Share experiences and lessons on selected topics
- Discuss actions for rail freight corridor development
- Agree on next steps in TA implementation

Day 1 (22 May)

0830-0900	Registration
0900-09010	Opening remarks Mr. David Peradze, CEO Georgian Railway (GR)
0910-0920	Introduction to objectives and agenda of the RWG meeting Mr. Jurgen Sluijter, Senior Transport Specialist, ADB
0920-1000	Session 1: Update on TA activities and work plan Progress with approved prefeasibility studies and knowledge support activities and update on the 2023 work plan. Mr. Tyrrell Duncan, Railway Specialist (TA Team Leader)
1000-1030	Coffee break and group photo
1030-1200	Session 2: Beyond corridors – Enabling successful corridor development How to develop a corridor for sustainable rail freight services between Europe and Asia? This session highlights key requirements when building up sustainable rail corridors and explains how investments and performance impact economics and transport quality. Mr. Sebastian Sperker, Head of Service Design, Rail Cargo Group Austria
1200-1315	Lunch
1315-1500	Workshop 1: Infrastructure maintenance management The infrastructure is the core asset for railways. Maintaining it properly requires budget, machines, skills and planning. This session presents the requirements for a modern infrastructure maintenance and the options to improve the processes. This session is linked to Workshop 2 on 23 May. Mr. Udo Sauerbrey, Railway Sector Specialist (TA Core Team)
1500-1530	Tea break
1530-1630	Session 3: Marketing and sales in railway freight organization How can railway organizations become an effective and efficient partner in rail freight transport? Discussion of the current marketing and sales function in CAREC railways, and consideration of options for providing related TA advisory support. Moderators: Mr. Tyrrell Duncan, Railway Specialist (TA Team Leader) Mr. Sebastian Sperker, Rail Cargo Group Austria

1630-1700

Remarks from development partners

1700-1715

Wrap-up Day 1

Mr. Jurgen Sluijter, Senior Transport Specialist, ADB

1830-2100

Reception at the Patio, Marriott Tbilisi

Day 2 (23 May)

0830-0900	Registration
0900-0910	Introduction to Day 2 of the RWG meeting Mr. Jurgen Sluijter, Senior Transport Specialist, ADB
0910-1010	Session 4: Rolling stock financing Approaches and impediments for rolling stock financing. What are the conditions for private sector investment and leasing of locomotives and wagons? What (fiscal) responsibilities does the public sector have? What commercial, operational, and financial assurances need to be in place to ensure optimum utilization of the fleet? How can financial risks be reduced to attract private sector financing? Would a regional leasing scheme be an option to respond to the need for CAREC railways to renew rolling stock? Mr. Christian Kuhn, Member Supervisory Board CARGOUNIT
1010-1040	Coffee break
1040-1200	Session 5. Implementing a Strategy. Lessons learned from Azerbaijan Railways Azerbaijan Railways (ADY) started drafting a strategy in 2000. In 2023, after implementing a comprehensive reform program, it has revisited its strategic thinking, focusing on four targets to be embedded in a strategy for the next decade, including an ambitious investment plan. Lessons learned and recommendations from ADY. Azad Huseynov, Director Transformation Unit ADY
1200-1330	Lunch
1330-1430	Workshop 2: Rail Asset Management Introduction of the International Asset Management Standards (IAMS) and the Railway Asset Management Framework developed by the UIC. Further, the workshop will elaborate on the implementation of Strategic Asset Management Planning (SAMP) and Asset Investment Decision Making on the basis of examples from Austria and Spain. Mr. Ramin Nurulla, Railway Sector Specialist
1430-1530	Session 6: Selection of TA prefeasibility and knowledge support Review of approved, earmarked and proposed prefeasibility and knowledge projects for support through the TA. Mr. Tyrrell Duncan, Consultant (TA Team Leader)
1530-1600	Coffee Break
1600-1615	Final remarks from development partners

1615-1655

Wrap-up (Summary of Proceedings)

Mr. Jurgen Sluifjter, Senior Transport Specialist, ADB

1655-1700

Closing remarks