



Transport Sector Status Report

**Senior Officials' Meeting
on Central Asia Regional Economic Cooperation
10-11 April 2006
Urumqi, XUAR, People's Republic of China**

TRANSPORT SECTOR STATUS REPORT UPDATE
Endorsed by the
Fifth Transport Sector Coordinating Committee Meeting (TSCC) on
Central Asia Regional Economic Cooperation (CAREC), 15–16 March 2006,
Urumqi, Xinjiang Uygur Autonomous Region, People’s Republic of China

I. Introduction

1. During the Fourth Transport Sector Coordinating Committee (TSCC) Meeting held in Bishkek, Kyrgyz Republic on 12–13 October 2005, it was agreed that TSCC’s 2006 Work Program focuses on the following activities:

- (i) Endorsement of an action plan for harmonizing transport regulations and simplifying cross-border transport procedures (Phase 1), to be implemented during 2006–2008.
- (ii) Implementation of ADB’s technical assistance for Facilitation of Transport Cooperation among CAREC countries (Phase I), which includes pre-feasibility studies of improving selected regional transport corridors.
- (iii) Initiation of a study on improvements of transport sector funding and management.
- (iv) Initiation of a study on restructuring and modernizing the railway subsector.

II. Progress of Cooperation since the Fourth Ministerial Conference

A. Fifth Transport Sector Coordinating Meeting

2. The Fifth TSCC Meeting was convened in Urumqi, People’s Republic of China (PRC) on 15–16 March 2006 and was attended by delegations from CAREC countries and representatives of multilateral institutions (MIs) including the Asian Development Bank (ADB), United Nations Development Programme (UNDP), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), and the World Bank (WB). The Meeting was chaired by the Ministry of Communications (MOC), PRC and co-chaired by ADB (refer to Summary of Discussions in Appendix 1).

3. The participants welcome the delegation from the Islamic Republic of Afghanistan to attend the TSCC Meeting for the first time as a member of CAREC program. In accepting the invitation to TSCC, the Afghanistan delegation acknowledged the Central Asia Regional Transport Sector Road Map for 2005–2010, TSCC’s 2006 Work Program, and other documents endorsed at previous TSCC meetings.

4. The participants decided to submit to the Senior Officials’ Meeting the following results:

- (i) Updated MI assistance pipelines for regional transport projects for 2006–2007.
- (ii) ADB’s technical assistance proposal for regional road funding and management.
- (iii) A proposal to update the Central Asia Regional Transport Sector Road Map (2005–2010) by including the civil aviation subsector.

B. Infrastructure Investments

5. Progress has been made in improving the regional transport network since the Fourth Ministerial Conference. Major investments include (i) Afghanistan: ADB approved a \$55 million loan for improving the Qaisar–Bala Murghab road and is preparing a \$140 million

loan for improving the north-south corridor, to be finalized in 2006; (ii) Azerbaijan: ADB approved a \$52 million loan for improving the east-west highway (Yevlah-Ganja and Qazakh-Georgian border sections) in December 2005 and the World Bank approved a \$200 million loan for improving part of the southern road between Alat and the Iranian border in January 2006; (iii) Kyrgyz Republic: the Islamic Development Bank (IsDB) approved a \$9.2 million loan for improving the Taraz-Talas-Suusamyr road (Phase I); (iv) Mongolia: ADB is preparing an investment project for developing the western regional road to link the PRC and the Russian Federation; (v) PRC: ADB is preparing an investment project to upgrade the Korla-Kuqa road in Xinjiang; and (vi) Tajikistan: ADB approved a \$29.5 million loan for rehabilitating the Dushanbe-Kyrgyz border road (Phase II).

6. At the Fifth TSCC Meeting, the delegation of the Kyrgyz Republic requested MIs to consider financing the investment project to develop the railway line linking the PRC and Uzbekistan via the Kyrgyz Republic.

7. It is recognized that the MI's assistance program for investment projects need to be updated from time to time as appropriate.

C. Nonlending Activities

8. MIs continued to provide grant assistance to CAREC countries for regional cooperation. Major non-lending assistance include (i) Azerbaijan: ADB is helping the Government develop a transport sector development strategy; (ii) Kazakhstan: WB is providing technical assistance (TA) to prepare a transport sector strategy; (iii) Mongolia: the ADB-funded pre-feasibility study of the western regional road development was completed; ADB is helping the Government prepare a transport development strategy and the World Bank is preparing an infrastructure strategy; and (iv) Uzbekistan: ADB is helping the Government formulate a transport sector strategy. In addition, ADB is in the process of consultant recruitment under the TA for Facilitation of Transport Cooperation among CAREC countries (Phase I) and has initiated preparation of the TA for improving regional road transport funding and management. WB is financing a study to pilot transport corridor performance measurement in Central Asia.

9. It is recognized that MI's assistance program for non-lending projects need to be updated from time to time as appropriate.

D. Other Regional Cooperation Initiatives

10. **Central and South Asia Transport and Trade Forum:** ADB approved a TA grant of \$950,000 for Subregional Economic Cooperation in South and Central Asia (Phase II). The TA was implemented from January 2006.

11. **Shanghai Cooperation Organization (SCO):** A consultation meeting was held among the heads of the delegations from SCO countries in Beijing on 21-23 December 2005. The meeting resolved a number of issues and paved the way for future successful negotiations of the Agreement among SCO member states on facilitation of international road transport. The fourth Negotiating Meeting is tentatively scheduled for April 2006.

12. **Central Asia Cooperation Organization (CACO):** It was announced in late 2005 that CACO merged with the Eurasian Economic Community.

III. Next Steps and Monitoring of Results

13. In accordance with the Road Map Implementation Action Plan, the following activities will be undertaken by the Sixth TSCC Meeting scheduled for August 2006:

- (i) Update the Central Asia Regional Transport Sector Road Map by including the civil aviation subsector, and present the updated Road Map at the Sixth TSCC Meeting.
- (ii) Revise the action plan for harmonizing regional transport regulations and cross-border agreements (Phase 1), and present the revised draft action plan at the Sixth TSCC Meeting for review and approval.
- (iii) ADB will present the findings of the pre-feasibility study of improving selected regional road corridors at the Sixth TSCC Meeting.
- (iv) Update the list of MI's approved and planned regional investments and technical assistance projects for 2006–2007, and extend the list to cover 2008–2009.
- (v) Finalize and start implementing ADB's TA for regional road funding and management.
- (vi) Initiate the discussion of a study on restructuring and modernizing the railway subsector in CAREC countries.

SUMMARY OF DISCUSSION

Fifth Transport Sector Coordinating Committee Meeting on Central Asia Regional Economic Cooperation, 15–16 March 2006, Yin Du Hotel, Urumqi, Xinjiang Uygur Autonomous Region, People's Republic of China

I. INTRODUCTION

1. The Fifth Meeting of the Transport Sector Coordinating Committee (TSCC) of the Central Asia Regional Economic Cooperation (CAREC) Program was convened on 15–16 March 2006 in Urumqi, Xinjiang Uygur Autonomous Region (UAR), People's Republic of China (PRC). Delegations from all eight CAREC countries participated in the Meeting. The Islamic Republic of Afghanistan was welcomed to its first TSCC Meeting as a participant. Representatives of the multilateral institutions (MIs) including the Asian Development Bank (ADB), United Nations Development Programme (UNDP), United Nations Economic and Social Commission for Asia and the Pacific (UN ESCAP) and the World Bank (WB) also attended. The European Bank for Reconstruction and Development (EBRD) and the Islamic Development Bank (IsDB) provided inputs to the Meeting. The Meeting was chaired by the Ministry of Communications (MOC), PRC and co-chaired by ADB. The agenda of the Meeting and the list of delegates are provided in Appendix 1.

2. The TSCC reaffirmed their commitment to regional transport cooperation, and agreed to continue working together to achieve the goals and strategic priorities set in the Regional Transport Sector Road Map for 2005–2010. The Afghanistan delegation in accepting the invitation to the TSCC, acknowledged the Central Asia Regional Transport Sector Road Map for 2005–2010, TSCC's 2006 Work Program and other documents endorsed at previous TSCC meetings.

II. PROGRESS IN REGIONAL TRANSPORT COOPERATION

3. The TSCC reviewed the progress since the Fourth TSCC Meeting in Bishkek on 12–13 October 2005. Regional infrastructure investments and technical assistance projects approved, or in the program for 2005–2007 are listed in Appendix 2. The MI infrastructure investments for 2005–2007 amount to \$1678.0 million, and the MI technical assistance for 2005–2007 amount to \$13.5 million. It is recognized that the MI's assistance program needs to be updated from time to time, as appropriate.

4. The Kyrgyz delegation stated the importance of the PRC-Kyrgyz-Uzbekistan rail link project that would link the railways of PRC, Kyrgyz Republic, Uzbekistan, and Tajikistan and requested the MIs to consider inclusion of the full feasibility study in the regional investment program to be financed on a grant basis. In addition, the TSCC requested technical assistance in the area of public-private partnerships.

III. HARMONIZATION AND SIMPLIFICATION OF CROSS-BORDER TRANSPORT PROCEDURES, DOCUMENTS AND REGULATIONS (PHASE I)

5. ADB made a presentation on the proposed action plan for harmonizing regional transport regulations and cross-border agreements in the road and railway sub-sectors in CAREC countries. The TSCC supported the proposed action plan framework and provided constructive comments. The Secretariat was requested to incorporate the comments and to send the revised proposed action plan to the TSCC focal points for further review by 15 April 2006. The CAREC countries will provide comments, through TSCC focal points to the Secretariat by 15 June 2006. The revised draft of the proposed action plan will be submitted to the Sixth TSCC Meeting for consideration and approval.

IV. DEVELOPMENT AND MAINTENANCE OF REGIONAL TRANSPORT

6. The TSCC made country presentations on liberalization of the civil aviation sub-sector. The TSCC made comments on the WB report on the potential for liberalization of the civil aviation sub-sector. The WB made a note of the comments, and requested the TSCC focal points to submit any further comments after the Meeting. These comments will be incorporated into the final report and a proposed action plan prepared by the WB for the Sixth TSCC Meeting.

7. ADB made a presentation on the proposed regional technical assistance for regional road funding and management in CAREC countries. The TSCC members made comments and endorsed the technical assistance proposal for further processing.

8. The Central Asia Congress of Business Associations representative briefed the TSCC meeting on the WB financed Central Asia pilot transport corridor performance measurement study. The TSCC stated the importance of the objective of this study and the practical link to the proposed action plan for harmonizing regional transport regulations and cross-border agreements. The TSCC stated the need to expand the study, improve the methodology taking into consideration their comments and the need to involve the participation of relevant government agencies.

V. OTHER INITIATIVES FOR REGIONAL TRANSPORT COOPERATION

9. ADB presented to the TSCC Meeting on the ADB supported Greater Mekong Subregion transport sector strategy up to 2015. The PRC delegation suggested that TSCC consider developing a similar transport sector strategy under CAREC. UNDP recommended that human development aspects such as prevention of HIV/ AIDS, drug and human trafficking be considered during the development of the transport sector strategy.

10. UN ESCAP presented to the TSCC Meeting on the status of the negotiations on the agreement between the governments of the Shanghai Cooperation Organization member states on facilitation of international road transport. The TSCC expressed appreciation to UN ESCAP and ADB for supporting the negotiation process, and requested both institutions to continue facilitating the negotiations in the future.

11. The Mongolian delegation presented to the TSCC Meeting on the course of the negotiations of the transit traffic agreement between the governments of the PRC, Mongolia, and the Russian Federation. Mongolian delegation requested WB and ADB to provide support for the future negotiations on this agreement among the three countries.

VI. TRANSPORT SECTOR REPORT AND NEXT STEPS

12. The TSCC reviewed the draft transport sector report update and made comments. The TSCC made decision to submit the revised transport report update to the Senior Officials' Meeting (SOM) on 10-11 April 2006, demonstrating the following results:

- Updated MI assistance program for regional transport infrastructure investments and technical assistance for 2006–2007.
- ADB's technical assistance proposal for regional road funding and management.
- The proposal to update the Central Asia Regional Transport Sector Road Map (2005–2010) by including the civil aviation sub-sector.

13. The TSCC will undertake the following activities for presentation at the Sixth TSCC Meeting:

- Update the Central Asia Regional Transport Sector Road Map (2005–2010) by including the civil aviation sub sector, and present the updated Road Map at the Sixth TSCC Meeting.
- Revise the action plan for harmonizing regional transport regulations and cross-border agreements (Phase 1), and finalize the action plan at the Sixth TSCC Meeting.
- ADB will prepare and present the findings of the pre-feasibility study of improving selected regional road corridors for presentation at the Sixth TSCC Meeting.
- Update the MI assistance program for regional transport infrastructure investments and technical assistance for 2006–2007, and extend the program to cover 2008–2009.
- Finalize the technical assistance proposal, and subject to ADB management approval start implementing ADB's TA for regional road funding and management.
- Initiate discussion on study on restructuring and modernizing the railway sub-sector in CAREC countries.

VII. CONCLUDING REMARKS

14. The TSCC noted significant progress achieved in coordinating regional transport cooperation activities among the CAREC countries.

15. The TSCC expressed their appreciation to the People's Republic of China for agreeing to host the 5th TSCC Meeting and for the good arrangements extended by the ADB, MOC and the Xinjiang Communications Department.

16. It was agreed that the 6th TSCC Meeting would be held in August 2006 in Urumqi, Xinjiang UAR, PRC.

Appendix 1

**CENTRAL ASIA REGIONAL ECONOMIC COOPERATION PROGRAM
Fifth Transport Sector Coordinating Committee Meeting
15–16 March 2006, Yin Du Hotel, Urumqi,
Xinjiang Uygur Autonomous Region, People's Republic of China (PRC),**

Agenda

14 March 2006 (Tuesday)

- 1600–1700 Preparatory Meeting of the International Financial Institutions (Tianchi Hall, 3rd Floor)
- 1800–1930 Registration (Tianchi Hall, 3rd Floor)
- 2000–2200 **Welcome Cocktails** (Hosted by ADB, Tianshan Hall, Grand Tower, 2nd Floor)

15 March 2006 (Wednesday, Western Food Dining Hall, Ground Floor)

- 0800–0900 International Financial Institutions' meeting

15 March 2006 (Wednesday, Tarim Hall, Grand Tower, 3rd Floor)

- 1030–1145 Opening Session** (Chaired by the PRC and Co-chaired by ADB)
- 1030–1040 Welcome remarks – Mr. Zhenglin Feng, Vice Minister, Ministry of Communications (MOC), PRC
- 1040–1050 Opening remarks – Mr. N. Rayner, Director, Transport and Communications Division, East and Central Asia Department, ADB
- 1050–1100 Introduction and endorsement of meeting agenda – Mr. Guangling Li, Deputy Director General, International Department, MOC, PRC
- 1100–1140 Country opening statements in alphabetical order (AFG, AZE, KAZ, KGZ, MON, PRC, TAJ, UZE – 5 minutes each)
- 1140–1210 Photo Session and Coffee/Tea Break
- 1210–1310 Session One: Harmonizing Regional Transport Regulations and Cross-Border Agreements**
(Chaired by Mr. G. Li, MOC and Co-chaired by Mr. N. Rayner, ADB)
- 1210–1220 Presentation on the Draft Action Plan (Phase 1) (by Ms. N. Davis, Transport Specialist, ADB)
- 1220–1310 Open Discussion

1310–1545	Session Two: Development and Maintenance of Regional Transport Corridors (Chaired by Mr. G. Li, MOC and Co-chaired by Mr. N. Rayner, ADB)
1310–1410	Country Reports on Liberalization of the Civil Aviation Sub-Sector (by Mr. Graham Smith, Lead Transport Specialist, World Bank. AFG, AZE, KAZ, KGZ, MON, PRC, TAJ, UZE – 5 minutes each)
1410–1545	Lunch (Western Food Dining Hall, Ground Floor)
1545–1900	Session Two: Development and Maintenance of Regional Transport Corridors (cont.)
1545–1600	Presentation on ADB's Proposed Technical Assistance for Regional Road Funding and Management (by Ms. N. Davis, ADB)
1600–1645	Open Discussion
1645–1715	Coffee/Tea Break
1715–1725	Multilateral Institutions' Assistance Pipeline for Regional Transport Cooperation (by Ms. N. Davis, ADB)
1725–1800	Open Discussion
1800–1820	Presentation on the WB proposed Central Asia Pilot Transport Corridor Performance Measurement Study (by Mr. Temirbek Shabdanaliyev, Central Asia Congress of Business Associations)
1820–1900	Open Discussion
2000	Dinner (Hosted by the Ministry of Communications, PRC)
 16 March 2006 (Thursday Tarim Hall, Grand Tower, 3rd Floor)	
1030–1145	Session Three: Transport Sector Report (Chaired by Mr. G. Li, MOC and Co-chaired by Mr. N. Rayner, ADB)
1030–1045	Presentation on the Transport Sector Report (by Mr. Hong Wang, Principal Economist, ADB)
1045–1145	Open Discussion
1145–1400	Session Four: Other Initiatives for Regional Transport Cooperation (Chaired by Mr. G. Li, MOC and Co-chaired by Mr. N. Rayner, ADB)
1145–1215	Presentation on the Greater Mekong Subregion Transport Sector Strategy (by Ms. N. Davis, ADB)
1215–1230	Open Discussion
1230–1300	Coffee/Tea Break

1300–1315	Briefing on the Agreement between the Shanghai Cooperation Organization Member States on Facilitation of International Road Transport (by Mr. Yuwei Li, Economics Affairs Officer, UNESCAP)
1315–1330	Briefing on the Transit Traffic Agreement between the Governments of the People’s Republic of China, Mongolia, and the Russian Federation (by Mr. Javchig Sereeter, Head, Road Transport Division, Ministry of Road Transport and Tourism, Mongolia)
1330–1400	Other Businesses
1400–1600	Lunch (Western Food Dining Hall, Ground Floor)
1600–1700	Session Five: Summary of Discussions (Chaired by Mr. G. Li, MOC and Co-chaired by Mr. N. Rayner, ADB)
1600–1700	Review of Draft Summary of Discussions
1700–1730	Coffee/Tea Break
1730–1900	Closing Session (Chaired by Mr. G. Li, MOC and Co-chaired by Mr. N. Rayner, ADB)
1730–1745	Confirmation of the Summary of Discussion of the Meeting
1745–1830	Country closing statements in alphabetical order (AFG, AZE, KAZ, KGZ, MON, PRC, TAJ, UZE – 5 minutes each)
1830–1900	Closing remarks by multilateral institutions (UNDP, UNESCAP, World Bank, ADB – 5 minutes each)
1900	Closure of the Meeting

Appendix 1 cont.

CENTRAL ASIA REGIONAL ECONOMIC COOPERATION (CAREC) PROGRAM
Fifth Transport Sector Coordinating Committee (TSCC) Meeting
15–16 March 2006, Yin Du Hotel, Urumqi, Xinjiang UAR, People’s Republic of China (PRC)

List of Participants

A. PARTICIPATING COUNTRY DELEGATIONS	
Country	Delegate
AFGHANISTAN	1. Mr. Wali Mohammad Rasooli Deputy Minister Ministry of Public Works
	2. Mr. Khalil Ullah Abawi President of Laws and Air Transport Agreements Ministry of Transport
	3. Mr. Abdul Wassay Haqiqi Advisor to the Minister Ministry of Commerce
AZERBAIJAN	4. Mr. Mirqasim Mirsaleh oglu Abasov Head, Division of Investment Policy of Finance and Credit Department Ministry of Transport
	5. Mr. Shaig Suleyman oglu Alakbarov Inspector, Income Control Unit, Internal Auditing Division “ADDY” Department
	6. Mr. Azer Musa oglu Kazimov Chief Architect, “YolReklamServis” Ltd Company “YolNagliyyatServis” Department
KAZAKHSTAN, Republic of	7. Mr. Nurlanbek B. Omirbayev Deputy Chairman, Committee on Transport Infrastructure Development
	8. Mr. Gabit Tazhimuratov Head, Aviation Companies Activity Regulation, Airspace Use, Economy and Finance Division, Civil Aviation Committee, Ministry of Transport and Communications
	9. Mr. Kurmet T. Zhumakanov Head, Passenger Transportation Regulation and Cooperation with International Organizations in the Field of Railway Transport Division Railways Committee, Ministry of Transport and Communication
KYRGYZ Republic	10. Mr. Kubanychbek Mamaev Deputy Minister, Ministry of Transport and Communication
	11. Mr. T. K. Niazbekov Head, Foreign Economic Relations
	12. Ms. G. K. Shyrdakbaeva Chief Specialist, Regulatory and Foreign Relations Department of Civil Aviation

CENTRAL ASIA REGIONAL ECONOMIC COOPERATION (CAREC) PROGRAM
Fifth Transport Sector Coordinating Committee (TSCC) Meeting
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Country	Delegate
MONGOLIA	13. Mr. Sod Ochirbat Director, Road Policy and Coordination Department Ministry of Road Transport and Tourism
	14. Mr. Javchig Sereeter Head, Road Transport Division, Ministry of Road Transport and Tourism
	15. Ms. Dagva Ariuntuya Officer, Economic and Cooperation Department Ministry of Road Transport and Tourism
TAJIKISTAN	16. Mr. Shodimad Mirzoalimov Deputy Minister, Ministry of Transport
	17. Ms. Svetlana Eleeva Head, External Relations Department, Ministry of Transport
	18. Mr. Karim Muminov Head, Railway Department, Ministry of Transport
UZBEKISTAN	19. Mr. Ikram Shadiey Acting Head, Department for the Transport Support of Foreign Economic Relations, Ministry of Foreign Economic Relations, Trade and Investments
	20. Mr. Mirpulat Mirkhamidov Head, Marketing Department, JS Railway Company “Uzbekistan Temir Yullari”
	21. Mr. Abdurashid Tagirov Head, Transit and International Cooperation Department, Uzbek Association for Transport and Transport Communications
PEOPLE’S REPUBLIC OF CHINA	22. Mr. Zhenglin Feng Vice-Minister Ministry of Communications
	23. Mr. Guangling Li Deputy Director-General International Department Ministry of Communications
	24. Mr. Weimin Ren Division Director International Department Ministry of Communications
	25. Mr. Hanxiang Tao Secretary to Vice Minister
	26. Mr. Chunfeng Li Director-level Researcher Department of Highways Ministry of Communications

**CENTRAL ASIA REGIONAL ECONOMIC COOPERATION (CAREC) PROGRAM
Fifth Transport Sector Coordinating Committee (TSCC) Meeting
15–16 March 2006, Yin Du Hotel, Urumqi, Xinjiang UAR, People's Republic of China (PRC)**

Country	Delegate
PEOPLE'S REPUBLIC OF CHINA (cont.)	27. Ms. Yan Yan Project Officer International Department Ministry of Communications
	28. Ms. Nan Liang Deputy Division Director International Department General Administration of Civil Aviation of China
	29. Mr. Haiying Zeng Officer International Department General Administration of Civil Aviation of China
	30. Mr. Jianxin Luo Deputy Director-General Xinjiang Communications Department
	31. Mr. Shuiping Wang Deputy Director-General Xinjiang Communications Department
	32. Mr. Ai-er-ken Director Xinjiang Transport Administration Bureau Xinjiang Communications Department
	33. Mr. Zi-pu-ka-er Director General Administration Office Xinjiang Communications Department
	34. Mr. Xuehui Li Deputy Division Director Planning Division Xinjiang Communications Department
	35. Mr. Ming Jin Office of Foreign Affairs Xinjiang Transport Administration Bureau Xinjiang Communications Department

CENTRAL ASIA REGIONAL ECONOMIC COOPERATION (CAREC) PROGRAM
Fifth Transport Sector Coordinating Committee (TSCC) Meeting
15–16 March 2006, Yin Du Hotel, Urumqi, Xinjiang UAR, People’s Republic of China (PRC)

B. MULTILATERAL INSTITUTIONS	
Institution	Delegate
UNITED NATIONS DEVELOPMENT PROGRAMME	1. Ms. Yuriko Shoji UNDP Resident Representative/UN Resident Coordinator UNDP Kazakhstan, Almaty
UNITED NATIONS ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC	2. Mr. Yuwei Li Economics Affairs Officer
WORLD BANK	3. Mr. Graham Smith Lead Transport Specialist World Bank Office, Beijing
	4. Mr. Aslan Sarinzhopov World Bank Coordinator, Almaty
ASIAN DEVELOPMENT BANK	5. Mr. Nigel C. Rayner Director, Transport and Communications Division East and Central Asia Department
	6. Mr. Hong Wang Principal Project Economist, Transport and Communications Division, East and Central Asia Department
	7. Ms. Natasha Davis Transport Specialist (Reg. Coop), Transport and Communications Division, East and Central Asia Department
	8. Mr. Craig Steffensen Head, Central Asia Regional Economic Cooperation Unit, Operations Coordination Division, East and Central Asia Department
C. OTHER INSTITUTIONS	
CENTRAL ASIA CONGRESS OF BUSINESS ASSOCIATIONS	1. Mr. Temirbek M. Shabdanaliev
UNCTAD Emergency Customs Modernisation and Trade Facilitation	2. Mr. Jan Leonard Tomczyk
Ministry of Foreign Affairs Afghanistan	3. Ahmad Khalid Elmi

D. TSCC SECRETARIAT AND CAREC UNIT

Perfecto Canlas, Operations Officer
Transport and Communications Division, East and Central Asia Department, ADB

Mylene Buerano, Consultant,
Transport and Communications Division, East and Central Asia Department, ADB

Gao Yanjun, Consultant, Central Asia Regional Economic Cooperation Unit
ADB-PRC Resident Mission (PRCM)

Jianghong Shi
Officer/General Coordinator, Xinjiang Communications Department

Song Zhao
Officer, Xinjiang Communications Department

Nan Zhang
Officer, Xinjiang Communications Department

Ai-mai-er
Translator, Xinjiang Communications Department

Qin Wang
Translator, Xinjiang Communications Department

Aziz Aliev, Resource Person
Advisor to the KGZ National Focal Point

Manon Kasimbekov
Regional Cooperation Specialist, Central Asia Regional Economic Cooperation Unit
Tajikistan Resident Mission

Luvsanchultem Vanjildorj
Regional Cooperation Specialist, Central Asia Regional Economic Cooperation Unit
Mongolia Resident Mission

Appendix 2

**Multilateral Institutions' Assistance for Regional Cooperation in the Transport Sector
For Central Asia Regional Economic Cooperation Countries¹ (Draft Version)**

Table 1: Approved and Planned Program for Infrastructure Investments, 2005–2007

	Project Title	Country Involved	Lending Agency	Amount (US\$ million)
2005/2006 APPROVED				
1.	Qaisar-Bala Murghab Road (ADF Grant)	AFG	ADB	55.0
2.	North-South Corridor (Baku-Samur) Improvement (Samur-Russian border)	AZE	EBRD Czech EXIM	100.0 180.0
3.	Highway II Project (Alat-Masally; Baki-Shamakhi)	AZE	WB	200.0
4.	East-West Highway Improvement (Yevlah-Ganja and Qazah-Georgian border)	AZE	IsDB	10.4
			SFD	11.0
			ADB	52.0
5.	Reconstruction of the Taraz-Talas-Suusamyrd Road (phase I)	KGZ	IsDB	9.2
6.	Dushanbe-Kyrgyz Border Road Rehabilitation (phase II)	TAJ	ADB	29.5
7.	Shagon-Zigar Road Reconstruction (phase II)	TAJ	IsDB	9.5
8.	TSA Air Fleet Upgrade	TAJ	EBRD	4.9
	Subtotal Approved for 2005/2006			661.5
2006 PLANNED				
1.	North-South Corridor	AFG	ADB	140.0
2.	Southern Road Corridor Improvement (Masally-Astara)	AZE	ADB	100.0
3.	Locomotive and Track Renewal	AZE	EBRD	50.0
4.	Baku-Astara Road Reconstruction	AZE	IsDB	10.0
5.	Osh-Irkeshtam Road Rehabilitation (phase I)	KGZ	IsDB	10.5
6.	Osh-Batken-Isfana	KGZ	WB	20.0
7.	Shagon-Zigar Road (phase III)	TAJ	IsDB	10.0
8.	Rehabilitation of Railway Network (Termez-Galaba Bridge)	UZB	IsDB	9.0
	Subtotal Planned for 2006			349.5
2007 PLANNED				
1.	Rehabilitation of Regional Airports II	AFG	ADB	40.0
2.	Highway III	AZE	WB	150.0
3.	Rail Trade and Transport Facilitation	AZE	WB	100.0
4.	Secondary Roads Improvement	AZE	ADB	50.0
5.	Reconstruction of the Taraz-Talas-Suusamyrd Road (phase II)	KGZ	IsDB	10.0
6.	Regional Transport Corridors Road Maintenance and Safety	KGZ	ADB	20.0
7.	Western Regional Road Development	MON	ADB	32.0
8.	Urban Infrastructure in Ulaanbaatar (with Transport element)	MON	WB	20.0
9.	Xinjiang Regional Road Development	PRC	ADB	150.0
10.	Dushanbe-Kyrgyz Border Road Rehabilitation (phase III)	TAJ	ADB	20.0
11.	Regional Infrastructure (Roads)	UZB	ADB	25.0
12.	Regional Traffic Enhancement	Regional	ADB	50.0
	Subtotal Planned for 2007			667.0
	TOTAL (2005-2007)			1678.0

¹ Criteria for classification attached.

Table 2: Approved and Planned Program for Technical Assistance, 2005–2007

	Project Title	Country Involved	Donor Agency	Amount (US\$'000)
2005/2006 APPROVED				
1.	Preparing the Southern Road Corridor Improvement Project	AZE	ADB	700.0
2.	Transport Sector Development Strategy	AZE	ADB	350.0
3.	Transport Sector Strategy	KAZ	WB	450.0
4.	Pre-Feasibility Study of Western Regional Road Corridor Development	MON	ADB	150.0
5.	Infrastructure Strategy (with Transport element)	MON	WB	195.0
6.	Tajikistan Air Transport Study	TAJ	WB	125.0
7.	Transport Sector Strategy Study	UZB	ADB	400.0
8.	Facilitation of Transport Cooperation Among Member Countries of CAREC (phase I)	Regional	ADB	650.0
9.	Transport and Trade Facilitation Workshop	Regional	WB	110.0
10.	Central Asia Air Transport Liberalization Study	Regional	WB	50.0
	Subtotal Approved for 2005/2006			3180.0
2006 PLANNED				
1.	Preparing the Road Network II Project	AFG	ADB	2000.0
2.	Preparing the Secondary Roads Improvement Project	AZE	ADB	500.0
3.	Preparing the Regional Transport Corridors Road Maintenance and Safety Project	KGZ	ADB	500.0
4.	Feasibility Study on Issyk-Kul Ring Road Reconstruction	KGZ	IsDB	350.0
5.	Preparing the Western Regional Road Development Project	MON	ADB	650.0
6.	Preparing the Xinjiang Regional Road Development Project	PRC	ADB	600.0
7.	Preparing the Dushanbe-Kyrgyz Border Road Rehabilitation Project (phase III)	TAJ	ADB	500.0
8.	Feasibility Study on Kafanigan-Yavan Railway Line	TAJ	IsDB	250.0
9.	Preparing the Regional Infrastructure (Roads) Project	UZB	ADB	300.0
10.	Regional Road Funding and Management in Central Asia Regional Economic Cooperation (CAREC) Countries	Regional	ADB	600.0
11.	Preparing the Regional Traffic Enhancement Project	Regional	ADB	600.0
12.	Harmonization of Cross-Border Initiatives for Transport in Central Asia	Regional	ADB	850.0
13.	Transit Performance Measurement	Regional	WB	106.0
	Subtotal Planned for 2006			7806.0
2007 PLANNED				
1.	Preparing the Road Network III Project	AFG	ADB	1000.0
2.	Preparing the Yevlax-Balaken-Georgia Border Road	AZE	ADB	500.0
3.	Preparing the Bishkek-Torughart Road Rehabilitation Project	KGZ	ADB	600.0
4.	Regional Road Development Study (for 2006-2010 in the Northwestern Regions, including Xinjiang, PRC)	PRC	ADB	400.0
	Subtotal Planned for 2007			2500.0
	TOTAL (2005-2007)			13486.0

ADB=Asian Development Bank; ADF=Asian Development Fund; AFG=Islamic Republic of Afghanistan; AZE=Azerbaijan; CZECH EXIM=Czech Export-Import Bank; EBRD=European Bank for Reconstruction and Development; IsDB=Islamic Development Bank; KAZ=Kazakhstan; KGZ=Kyrgyz Republic; MON=Mongolia; PRC=People's Republic of China; SFD=Saudi Fund for Development; TAJ=Tajikistan; UZB=Uzbekistan; WB=World Bank

Appendix 2 cont.**CENTRAL ASIA REGIONAL ECONOMIC COOPERATION (CAREC) PROGRAM
CRITERIA FOR THE CLASSIFICATION OF INVESTMENT PROJECTS AND STUDIES AS
REGIONAL COOPERATION****(Endorsed Version)****4th TSCC Meeting, 12-13 October 2005, Bishkek, Kyrgyz Republic**

I. The transport sector comprises the following sub-sectors: roads, rail, civil aviation, water, pipelines, and urban transport. The investment projects and studies classified as regional cooperation involve at least one of the following:

- (i) The development or enhancement of policies, regulations, and agreements related to facilitating efficient movement of freight and passengers between more than one CAREC member countries.
- (ii) The preparation of feasibility studies or designs of transport corridors linking more than one CAREC member countries.
- (iii) The construction or improvement of transport infrastructure on the transport corridors linking more than one CAREC member countries.
- (iv) Projects aimed at facilitation of transport logistics centers and information systems for monitoring transit freights with regional implications.
- (v) National interventions in CAREC member countries (e.g. feeder roads to primary delineated transport corridors, sustainable road maintenance, human resources development) with regional implications.
- (vi) Projects aimed at construction or rehabilitation (upgrade of technical capacities) of mechanical engineering facilities (enterprises for manufacturing and repair of rolling stocks) with regional implications.

II. The investment projects and studies are classified as regional cooperation, if at least 30% of the following components are addressing regional issues:

- (i) the total cost of investment projects; or
- (ii) the total consulting inputs for studies.

III. The investment projects and studies under the CAREC program cover the following countries: Islamic Republic of Afghanistan, Azerbaijan, Kazakhstan, Kyrgyz Republic, Mongolia, People's Republic of China (Xinjiang Uygur Autonomous Region), Tajikistan, and Uzbekistan.