
ADB APPROVED A \$2 MILLION GRANT TO SUPPORT DEVELOPMENT OF RAILWAYS IN CAREC COUNTRIES

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The Asian Development Bank (ADB) approved a \$2 million regional technical assistance grant to support the development of railways in Central Asia Regional Economic Cooperation (CAREC) countries on Jan 25, Tazabek reports citing the ADB.

Railways have an important role to play in helping CAREC countries move from landlocked to land-linked, said ADB Senior Transport Specialist Mr. Jurgen Sluiter. Rail should be the mode of choice for trade in the region and yet railways struggle to compete against road transport. This grant will support the study and development of a regional rail system that is quick, efficient, accessible for customers, and easy to use throughout the region.

An increasing amount of freight traffic is carried by roads, costing CAREC economies more in the form of traffic congestion, road crashes, and road asset deterioration. Development of railways requires ways to prioritize investments, structure financing, and improve institutions. A regional railway system will enhance access to regional and international markets and help increase economic growth and social welfare.

The technical assistance will enable research on the railway transport market and develop a regional rail traffic model. It will also help identify and prepare priority bankable investment projects and train staff of railway agencies on how to prepare bankable projects. The technical assistance project will also strengthen knowledge in common areas such as financial restructuring, corporatization, marketing, asset management, interoperability, and railway safety.

CAREC countries are increasing their emphasis on railways for regional connectivity and have adopted the CAREC railway strategy up to 2030 to guide long-term development of railways.

The CAREC partnership comprises Afghanistan, Azerbaijan, the Peoples Republic of China, Georgia, Kazakhstan, the Kyrgyz Republic, Mongolia, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan—and six multilateral institutions. ADB has served as the CAREC Secretariat since 2001.

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