



22nd Transport Sector Coordinating Committee Meeting

16–17 June 2025 • Bishkek, Kyrgyz Republic

22-е заседание Координационного
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BUILD – Borders Upgrades for Integration, Logistics, and Development (CAREC)

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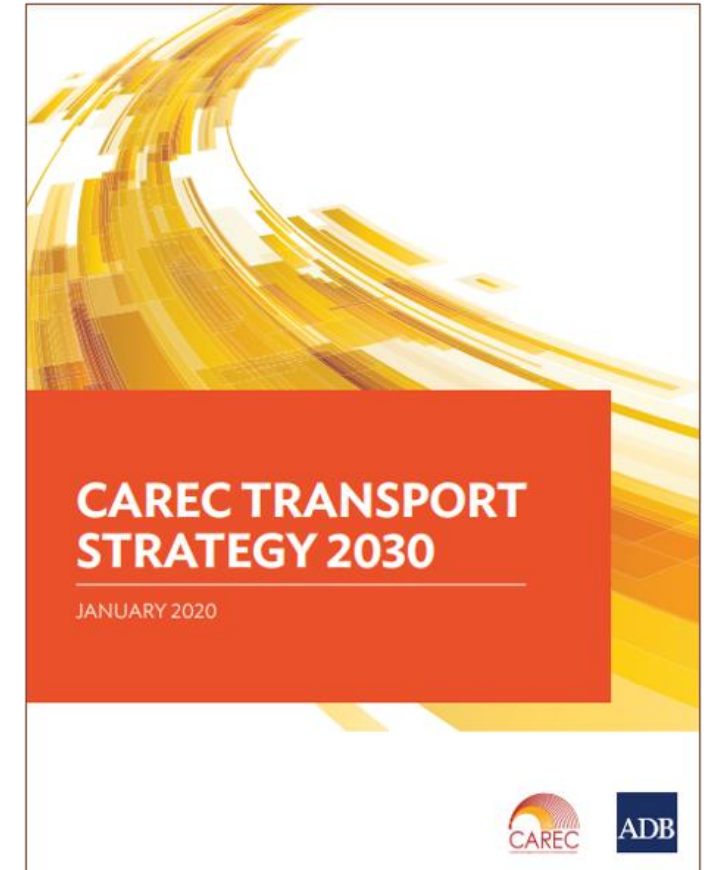
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Background

Preliminary recommendations of the Mid-term review of the **CAREC Transport Strategy**:

- i. Establish financing facility for border crossing point (BCP) improvements and promote joint BCPs.
- ii. Expanding corridor-based coordinated approach to more BCPs.
- iii. Explicitly linking the BCP improvements to faster customs clearance and standardized procedures.
- iv. Promoting an economic corridor approach.



Key Issues (1/2)

Border Crossing Points remain bottlenecks at various locations of the CAREC network due to both national and regional issues (In 2022 the average border clearing times: 9.9 hours by road, 40.6 hours by rail).

National	Regional
Institutional coordination issues among agencies	Intergovernmental coordination issues
Outdated infrastructure and equipment	Lack of joint facilities
	Permanent or temporary closures of BCPs
Inefficient and duplicative customs immigration, security, sanitary, and phytosanitary control procedures	

Sources: CAREC Transport Strategy 2030; CAREC Corridor Performance Measurement and Monitoring, Annual Report 2022; IED 2025 Annual Evaluation Review

Key Issues 2/2

These issues highlight the need for stronger policy dialogue, consensus building, and coordinated efforts to improve border crossing points and regional connectivity in the CAREC region.

Success stories:

- ADB financed Yallama BCP (UZB) reduced the average customs processing time from 11.4 hours to 4.4 hours (2020->2021).
- In Mongolia, ADB-supported upgrades at Altanbulag and Sukhbataar BCPs contributed to drop of average border-crossing cost by 40%.

However, improvement of each individual BCP separately is operationally inefficient considering their relatively lengthy project processing time, remote locations, and the need to study and prepare similar documentation to each project.

Suggested Approach

- ADB aims to improve the efficiency of preparing and implementing new BCP projects in CAREC region.
- The approach is based ADB's long experience on supporting BCP improvements and on following principles:
 1. **Regional:** Explores options to prepare several BCP projects under one regional facility.
 2. **Programmatic:** Ensures consistent improvements across multiple BCPs, and provides opportunities to harmonize regulations, exchange experiences, and attract cofinancing in a coordinated manner.
 3. **Consultative:** Prepares prioritized, time-bound timeline and selection criteria for the candidate projects through a comprehensive consultation round, including relevant authorities and private sector.

Opportunities / Value Addition (1/2)

- Transport agencies will be key counterparts in executing the BCP projects.
- The facility will include a blend of financing:

1. Technical assistance

- Developing national cross-border connectivity master plans, which can be synchronized with plans of neighboring countries
- Facilitating bilateral talks and coordination for the joint project scoping
- BCP project preparation support

2. Asian Development Fund (ADF) Grants

- Project readiness activities, including detailed engineering designs
- ADF Regional Cooperation and Integration (RCI) financing pool is available for Group B countries

Opportunities / Value Addition (2/2)

3. Concessional Loan (COL)

- Can be provided as thematic financing, i.e. through a proposed BCP facility, rather than by country.
- Otherwise, if not under facility, the BCP is competing with other projects under the country COL allocation.

The proposed BCP Facility

- Indicative total amount of \$300-\$400 million
- Individual project size ~\$30-50 million
- The project team is inviting suggestions for candidate projects from the CAREC TSCC.

Cross-border Transport and Logistics

- International, regional, and bilateral cross-border transport facilitation agreements
- Transit guarantee systems (TIR and alternatives)
- Border crossing facilities, ports, logistics centers and industrial zones – improvement of facilities, technologies and procedures
- Digitalization, Single Window for trade
- Multimodal operations and documentation
- Corridor monitoring (CPMM, etc.)



Types of Border Crossing Points (BCP)

Pass-through BCPs

- Mutually recognized vehicle standards, transport documents, driving licenses, etc.
- No transshipment between trucks
- Relatively light border crossing infrastructure and equipment



Terminal BCPs

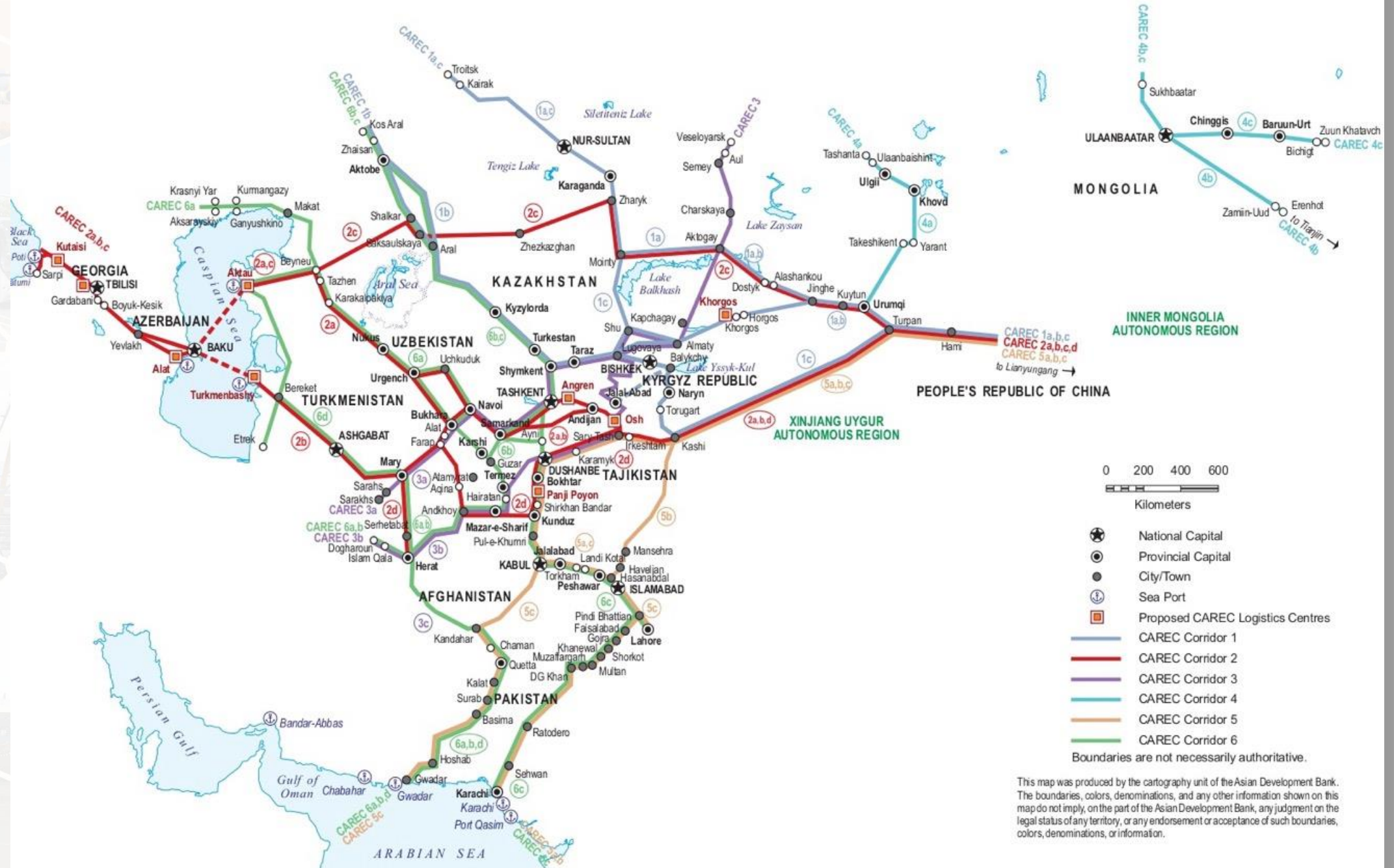
- Low harmonization of transport equipment, regulation and documentation
- Trucks and drivers are normally not allowed to cross the border
- Goods are transshipped at the border terminals
- BCP infrastructure is extensive and expensive



Milestones and Timeline (2025)

- Q1-Q2: Country consultations and internal consultations
- 21 May: Side event at ITF 2025 Summit in Leipzig, Germany
- **16–17 June**: Presentation of the draft concept at the CAREC Transport Sector Coordinating Committee Meeting in Bishkek, Kyrgyzstan
- 18–19 June: Seek guidance from the CAREC Senior Officials Meeting (SOM)
- Q4 2025: Presentation in the CAREC Ministerial Conference

SIX CENTRAL ASIA REGIONAL ECONOMIC COOPERATION TRANSPORT CORRIDORS



0 200 400 600
Kilometers

- National Capital
- Provincial Capital
- City/Town
- Sea Port
- Proposed CAREC Logistics Centres
- CAREC Corridor 1
- CAREC Corridor 2
- CAREC Corridor 3
- CAREC Corridor 4
- CAREC Corridor 5
- CAREC Corridor 6

Boundaries are not necessarily authoritative.

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Thank You!

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