



# Midterm Review of CAREC Transport Strategy 2030 and Green/Resilient Transport

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4th CAREC Working Group on Climate Change Meeting

9 April 2025

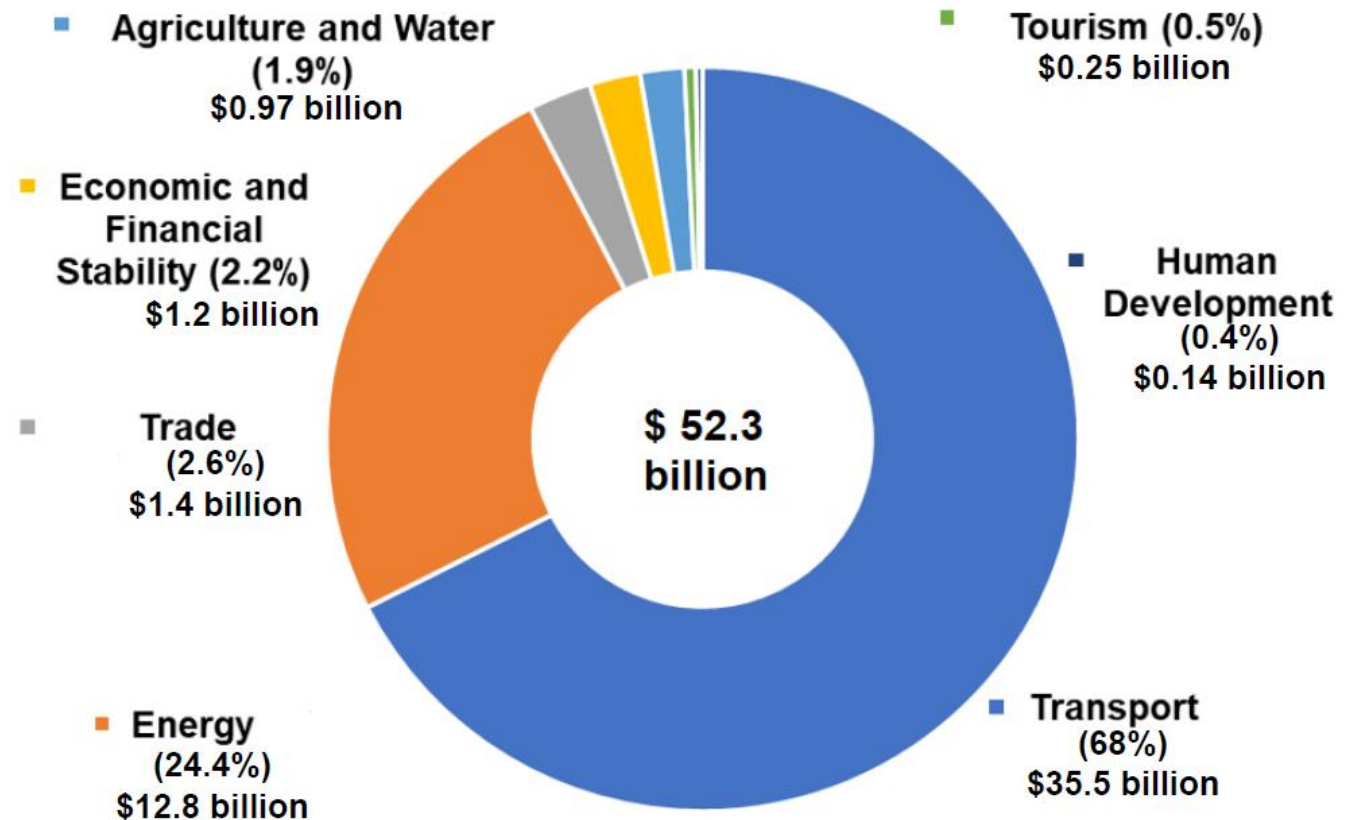


# CAREC Investment Portfolio

(as of December 2024)

## CAREC Investment by Sectors

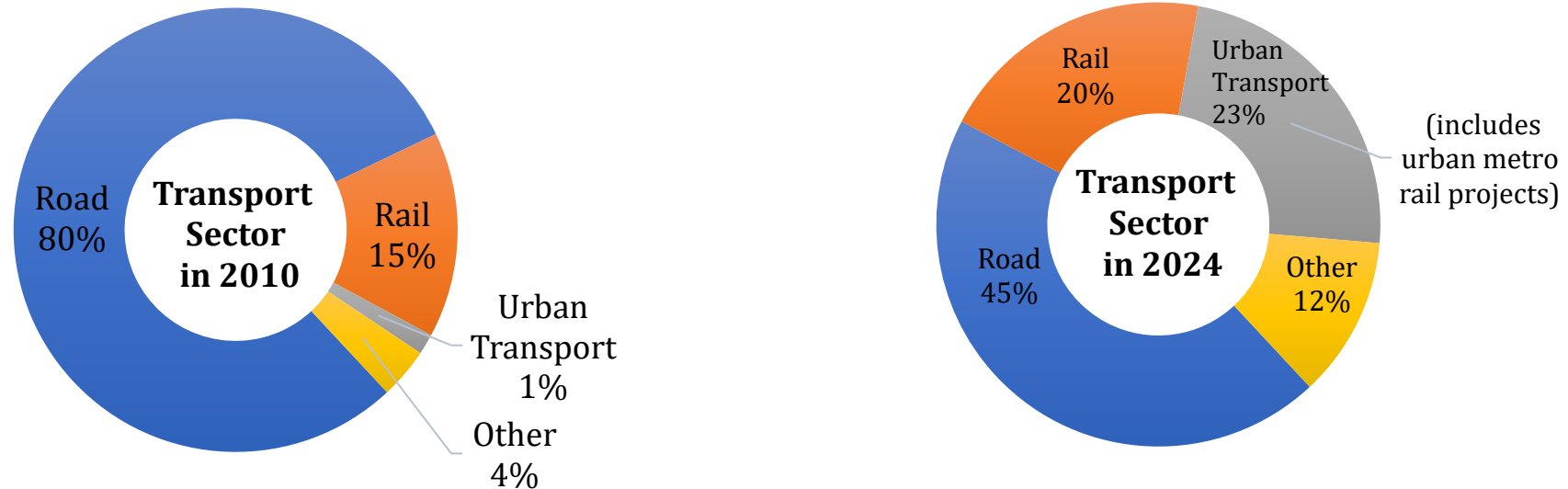
- Since 2001, \$52.3 billion worth of CAREC-related investments have been made covering more than 270 regional projects.
- Of this, more than \$18.4 billion has been financed by ADB, around \$24.0 billion by other development partners, and \$10.0 billion by CAREC countries.



\*The CAREC portfolio (investment projects) database is undergoing review and verification in consultation with development partners and CAREC sector focals in ADB.

# Climate Financing (Transport, Sovereign, Asia/Pacific)

Transport climate finance of \$5 billion in 2020 **more than doubled to \$13.6 billion** by 2024 and is projected to reach \$25 billion by 2030, supported by **significant subsector assistance shift**



## Developing projects in innovative areas to enhance TRA climate impact

- mass transit
- maritime decarbonization
- urban e-mobility
- greening railways
- system electrification
- new fuels (hydrogen, sustainable aviation fuel)

# Special Initiatives and Knowledge Activities

## Special Initiatives

- **Maritime Decarbonization Initiative:** Supporting policy, capacity, and project development.
- **Asian Transport Outlook:** Platform enabling data-driven investment and policy decision-making.
- **Green Roads Toolkit:** Practices informing the entire lifecycle of sustainable and eco-friendly roads.

## Knowledge

- Asia and the Pacific Transport Forum 2024: *Clean Transport for All*
- *Advancing Transport Leadership* Program
- Training Programs in Urban Transport Planning, Urban Mobility, Railway Asset Management
- Contribution to drafting the UN Decade of Sustainable Transport
- ADB Annual Meeting Seminar on Maritime Decarbonization



# CAREC Transport Strategy (CTS) 2030

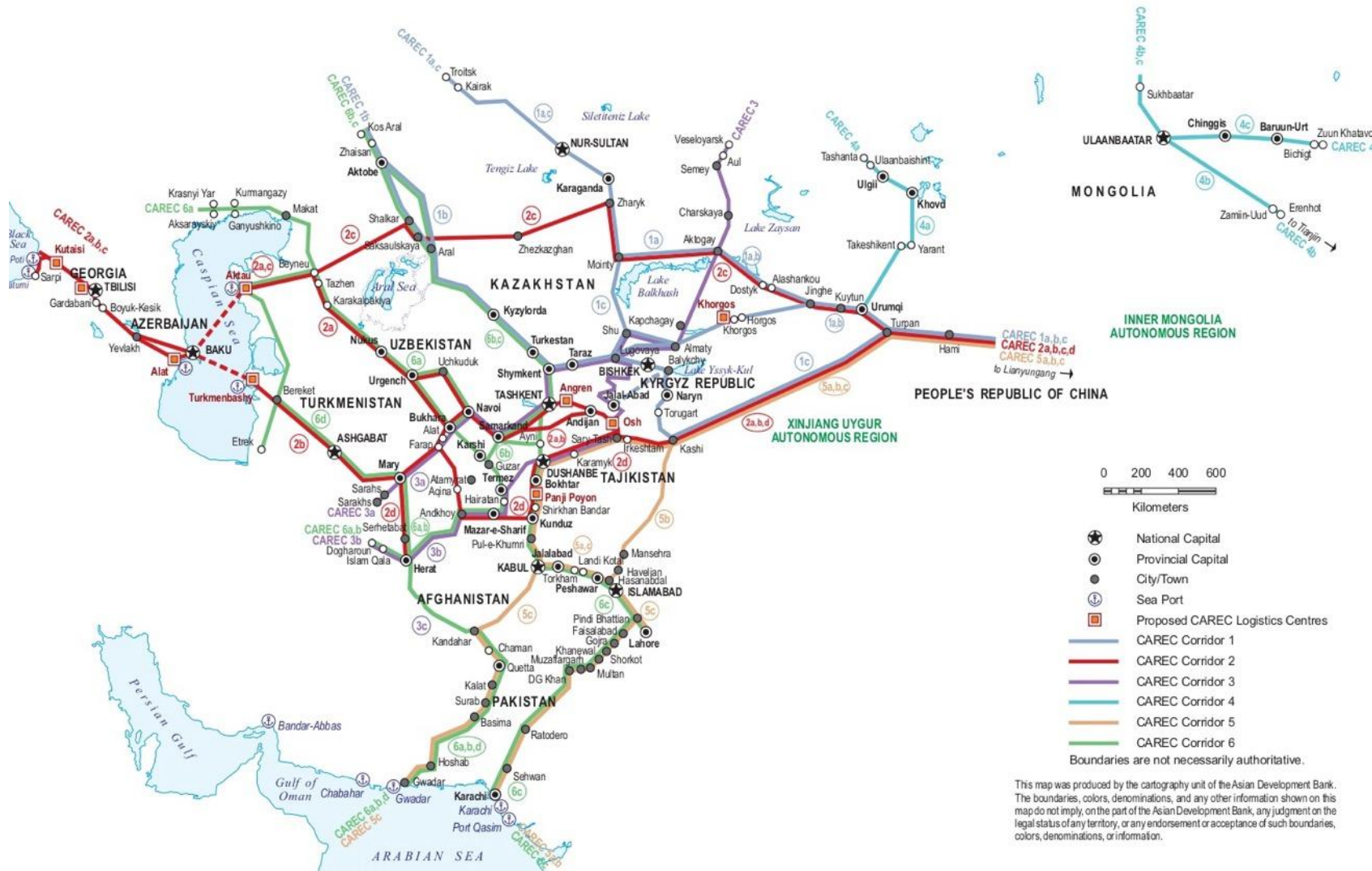
1. Aligned with CAREC mission to  
“establish a regional cooperation platform to connect people, policies and projects for shared and sustainable development”
2. Provides a Strategic Framework based on:  
**two objectives** of (i) Connectivity and (ii) Sustainability; and  
**five pillars** of
  - i. Roads and Road Asset Management;
  - ii. Road Safety;
  - iii. Railways;
  - iv. Cross Border and Logistics; and
  - v. Aviation.





# CAREC Transport Corridors

## SIX CENTRAL ASIA REGIONAL ECONOMIC COOPERATION TRANSPORT CORRIDORS





- CAREC Corridor 1: Europe–East Asia
- CAREC Corridor 2: Europe–Mediterranean–East Asia
- CAREC Corridor 3: Russian Federation–Middle East and South Asia
- CAREC Corridor 4: Russian Federation–East Asia
- CAREC Corridor 5: East Asia–Middle East and South Asia
- CAREC Corridor 6: Europe–Middle East and South Asia

# CTS 2030: Midterm Review Approach

1. Aligned with MTR of CAREC 2030
2. Incorporation of emerging issues and ADB's new priorities
  - Climate change, digital technology
  - Geographic dynamics
  - Utilization of Asian Transport Outlook
  - ADB's NOM and SG-TRA priorities
3. Focus on high-level strategic directions
  - Review of Railway Strategy and Road Safety Strategy
  - CAREC Program Results Framework progress assessment
4. Collaboration with MTR of CITA 2030 and CAREC Digital Strategy
  - Study on Corridor 2 (Middle Corridor) development
5. Enhanced ownership of the member countries
  - Thorough and comprehensive consultation with CAREC member countries and private sector
  - Collaboration with CAREC Institute
  - Consultation with development partners

# Relevant CAREC Strategies and their MTR

Related CAREC Sector/Theme	MTR Focus	Transport-related
<p>CAREC Integrated Trade Agenda 2030</p> 	<ul style="list-style-type: none"> <li>• Mainstreaming Climate Change Vision in CAREC trade work</li> <li>• Policy reforms supporting CAREC's access to global market and improve investment climate supported by PBLs/sector programs</li> <li>• Enhancing private sector engagement</li> <li>• Economic diversification and regional integration</li> <li>• Cross-sectoral linkages of trade</li> </ul>	<ul style="list-style-type: none"> <li>• Trade facilitation, including transit arrangements (CATS/ICE)</li> <li>• NSW/paperless trade</li> <li>• Smart borders</li> <li>• Decongestion and decarbonization at BCPs/ports</li> <li>• Results framework/ indicators (CPMM)</li> </ul>
<p>CAREC Digital Strategy 2030</p> 	<ul style="list-style-type: none"> <li>• Initial focus on post pandemic recovery</li> <li>• Need to accelerate development of digital economy and expand digital connectivity</li> <li>• How digitalization and use of ICT can pursue and support other sector-priorities (e.g., low carbon digital solutions)</li> <li>• Big data, use of AI, digital and startup ecosystems</li> </ul>	<ul style="list-style-type: none"> <li>• e-vehicles, automated or autonomous transport</li> <li>• digital connectivity along transport corridors</li> <li>• Use of innovative technologies or solutions</li> </ul>



# CTS MTR: Milestones and Timeline

Date	Activities
<b>11–14 February</b>	Mongolia country consultation (completed)
<b>5-7 March</b>	Discussions with the CAREC National Focal Points (completed)
<b>11-13 March</b>	Kazakhstan country consultation (completed)
<b>17-20 March</b>	PRC country consultation (completed)
<b>31 Mar- 2 Apr</b>	Georgia country consultation (virtual)
<b>4-8 April</b>	Azerbaijan country consultation (ongoing)
<b>10-11 April</b>	Kyrgyzstan country consultation
<b>21-24 April</b>	Uzbekistan country consultation
<b>28-29 April</b>	Tajikistan country consultation
<b>May</b>	Turkmenistan country consultation (virtual)
<b>26-28 May</b>	Pakistan country consultation

- Q1-Q2 2025: Country consultation (ongoing)
- 21–23 May 2025: ITF 2025 Summit in Leipzig, Germany
  - Side event on CTS MTR on 21 May
- 16–17 June 2025: Presentation of the draft MTR at the TSCC Meeting in Bishkek, Kyrgyzstan
- 18–19 June 2025: Endorsement in the CAREC Senior Officials Meeting (SOM)
- Q3 2025: Endorsement in the CAREC Ministerial Conference
- Q4 2025: Final publication

# Proposed BCP Facility

- Border crossing points (BCPs) remain bottlenecks at various locations of the CAREC transport network
- Improvement of each individual BCP separately is operationally inefficient considering their relatively small size, remote locations, and the need to study and produce similar documentation to each project
- ADB is in process to conceptualize a new regional, programmatic, and consultative approach
  - Q1-Q2 2025: Country consultations
  - June 2025: Presentation of the overall concept at the TSCC meeting
  - Sep 2025: Presentation in the CAREC Ministerial Conference
  - 2026: Processing and approving of the facility. First projects can commence.

# CAREC Transport Projects

# MONGOLIA:

## Border Efficiency for Sustainable Trade

Total Amount: \$100 million

ADF Grant: \$5 million

ADB Loan: \$ 45 million (COL); \$50 million (OCR)

Approval: December 2023

Commitment: December 2023

### Project Description:

Upgrading border facilities to incorporate climate adaptation measures, smart border technology and equipment and National Single Window systems to enhance trade facilitation systems.

The project will also improve regional health security by strengthening the surveillance, early detection, and response to animal and human infectious diseases, as well as biological contagion threats associated with agricultural products through introduction of a One Health coordination mechanisms and facilities at the borders.





# TURKMENISTAN:

## Proposed TransTurkmenistan Railway Modernization Project (Phase 1)

Total Amount: \$423 million

ADB Loan: \$349 million (OCR)

Planned Approval: Oct 2025 (tentative)

Planned Commitment: Nov 2025 (tentative)

### Project Description:

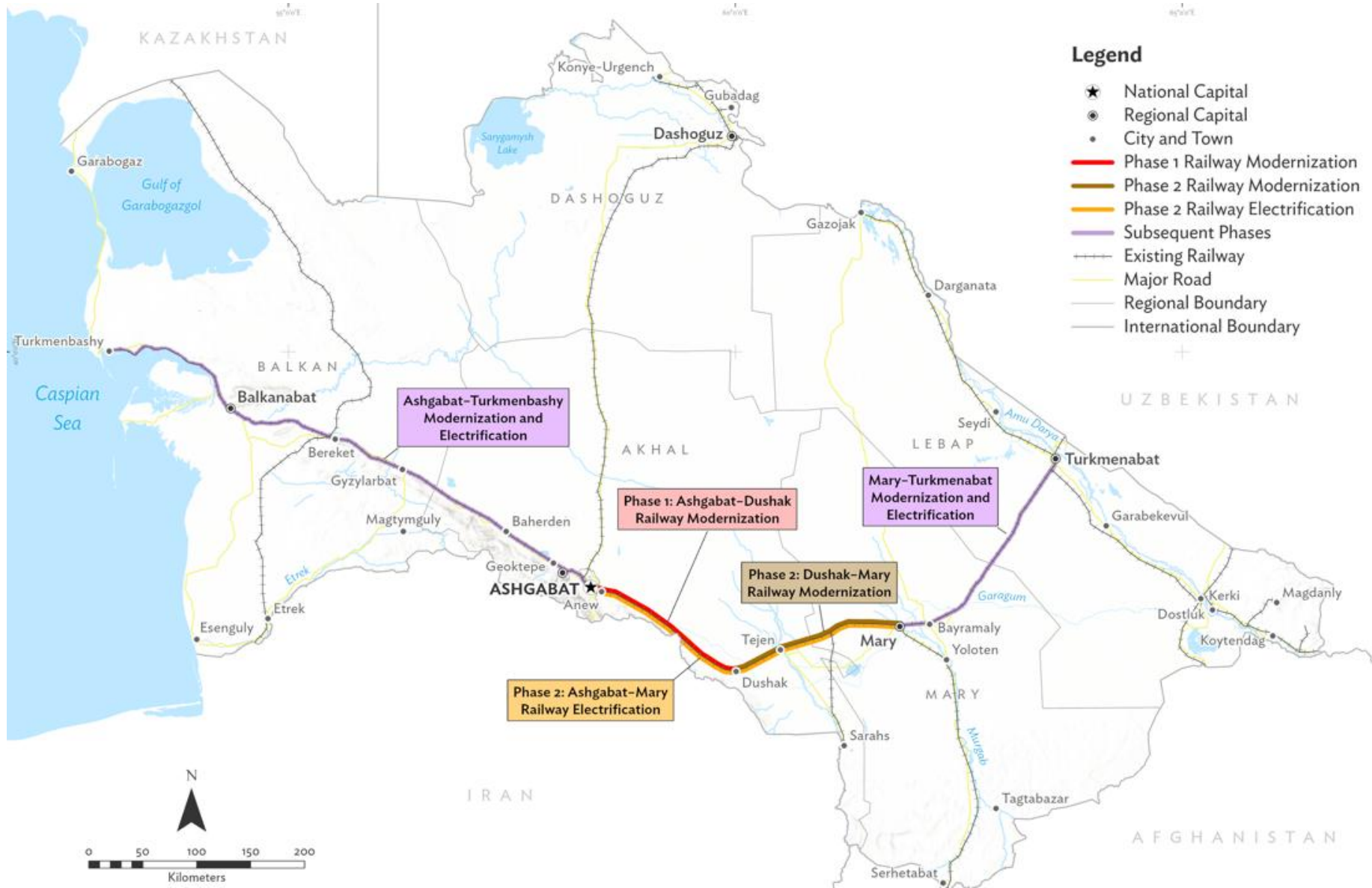
- Modernize the 1,147-km railway line between Turkmenabat, Mary, Ashgabat, and Turkmenbashi in stages/phases
- Phase 1, to be committed in 2025, focusing on modernizing the 171-km section between Ashgabat and Dushak (with double tracking provided as necessary to meet the demand), and assisting in scaling up the operational and institutional capacity of Turkmenistan Railways Agency





# TURKMENISTAN: Proposed TransTurkmenistan Railway Modernization Project

Location



# GEORGIA: Proposed Batumi-Sarpi Project

Total Amount: \$350 million

ADB Loan: \$300 million (OCR)

Planned Approval: Sept 2025 (tentative)

Planned Commitment: Dec 2025 (tentative)

## Project description:

- Part of the CAREC Corridor 2, and traverses Georgia from the Red Bridge border crossing with Azerbaijan to the Sarpi border with the Republic of Türkiye.
- Constitutes the westernmost section of the CAREC Corridor 2 and the southernmost section of Georgia's East–West Highway (E70).
- Aims to complete the final 12-kilometer segment of this vital corridor, extending from the terminus of the Batumi Bypass to the Sarpi border crossing.
- Scope includes the construction of a 12 km two-lane highway (with a 1.5-kilometer bridge over river Chorokhi, and a 7.5-kilometer tunnel).
- Upon completion, the project will significantly enhance regional connectivity, streamline cross-border trade, and improve transport efficiency along one of Georgia's most important international transit routes.

# GEORGIA: Proposed Batumi-Sarpi Project

Location

