



CAREC

Transport Sector Annual Progress Report

Reference Document

**Transport Sector Progress Report and Work Plan
(May 2025–June 2026)**

**23rd Transport Sector Coordinating Committee Meeting
8–9 June 2026**

I. EXECUTIVE SUMMARY

The Central Asia Regional Economic Cooperation (CAREC) Transport Strategy (CTS) 2030 Midterm Review (MTR)¹ was published in March 2026 after endorsement by the 22nd CAREC Transport Sector Coordinating Committee (TSCC) meeting in June 2025 and the 24th CAREC Ministerial Conference in November 2025, which were both held in the Kyrgyz Republic. The MTR concluded that the CTS 2030 remains relevant but needs to reflect the rapidly changing regional landscape and incorporate emerging and innovative technologies.

The MTR recommended that the overall effectiveness of the corridors can be enhanced by a combination of actions that will (i) strengthen cross-border transport and increase corridor efficiency; (ii) promote modal diversification together with integration of logistics systems and greater use of smart mobility systems; (iii) scale up digitalization and expand resilient, safe, and clean transport; and (iv) deepen institutional collaboration and planning systems.

To strengthen cross-border and corridor efficiency, the MTR recommended establishment of a regional financing facility for border crossing improvements. To support such facility, Asian Development Bank (ADB) approved a regional technical assistance (TA) project of \$1.25 million in April 2026.² The Border Upgrades for Integration, Logistics, and Development (BUILD) facility is being prepared for approval in July 2026. The facility will fund physical infrastructure, procedural improvements, and digitalization and promote joint border crossing points (BCPs). It builds on lessons from past and ongoing projects modernizing BCPs along CAREC corridors.

A high-level seminar on *Pan-Asian Corridors—Driving Resilient Connectivity and Economic Competitiveness* was organized on the sidelines of ADB's 59th Annual Meeting in May 2026 to discuss how regional corridors such as CAREC, Greater Mekong Subregion (GMS), and South Asia Subregional Economic Cooperation (SASEC) programs can evolve into Pan-Asian economic corridors, improving cross-border efficiency, policy harmonization, and multimodal transport systems.

As part of the MTR recommendations, new working groups were established under the TSCC—the first Road Working Group (WG) meeting was held in March 2026 at the CAREC Institute, and the first Smart Mobility Working Group (SMWG) was held on the sidelines of Asia and the Pacific Transport Forum 2026 in May 2026 at ADB Headquarters. Work plans for these working groups were adopted with the respective priority areas and actions. CAREC Railway Working Group held its 10th meeting in Mongolia in June 2026.

In railways, knowledge support continues to be provided to CAREC countries, particularly through pre-feasibility and other studies. The Uzbekistan Northwestern International Freight Corridor and Uzbekistan–Turkmenbashi Block Trains and Ferry Services prefeasibility studies have been completed, and following completion of the latter, the Turkmenistan Railway Agency has expressed interest in introducing block train services on a pilot basis.

In 2025, there were 10 CAREC transport projects were approved. These include two railway projects in Azerbaijan, one road project and one BCP upgrade project in the Kyrgyz Republic, three road projects and one rail project in Kazakhstan, a green corridor pilot in Tajikistan, and a road project under CAREC Corridor 2 in Uzbekistan.

¹ CAREC. 2026. [CAREC Transport Strategy 2030 Midterm Review](#).

² ADB. 2026. [Developing New Generation Border Crossing Points for CAREC Countries](#).

ADB indicatively programmed over 20 projects and programs across sectors for 2025–2029, with a financing envelope exceeding \$4 billion. In 2025, ADB mobilized nearly \$700 million for the operations in countries along CAREC Corridor 2. ADB's indicative pipeline reflects a strategic focus on developing CAREC Corridor 2 as an economic corridor, supporting multimodal connectivity, nodes, and associated value chains through the modernization, electrification, and digital transformation of railways; the upgrading and climate resilient modernization of key road links and bypasses; and targeted BCP and logistics improvements. These transport investments are complemented by multisector operations that advance green and resilient growth, sustainable urban mobility, skills and vocational education for the green economy, digital and advanced technology capacity, special economic zone infrastructure, and improved health and social service delivery.

The Corridor Performance Measurement and Monitoring (CPMM) has been expanded with the Cross-Border Trade and Transport Facilitation Index (CBTTFI) to help enhance improvements and address inefficiencies at BCPs. The index provides more thorough information on the operational, institutional, and regulatory bottlenecks at BCPs. Specifics on the CBTTFI are discussed in a report.³ Further, a transport model is being developed through collaboration with CAREC Institute as a tool to assess changes in transport movements and quantify economic benefits under various scenarios.

CAREC Transport has also been supporting initiatives to strengthen climate readiness among CAREC countries.⁴ This study uses an excel-based model to evaluate the effectiveness of road safety and climate change measures in reducing, respectively, the number of road casualties and emissions. In the same vein, CAREC countries can now also access the [ADB Green Roads Toolkit](#)—a compendium of green roads practices and interventions—which can help guide the development and management of green, sustainable roads across the CAREC road network.

A flagship report for 2026 on carbon pricing in the transport sector, titled *Exploring the Impact and Opportunities of Carbon Pricing in the Transport Sector in CAREC Countries*, is being prepared and planned for launch in June 2026. This study examines global and regional carbon pricing trends in the transport sector and identifies actionable carbon pricing opportunities across the CAREC region. Specifically, it examines international carbon pricing mechanisms and policies and their application in transport, evaluates member country readiness, and develops a pipeline of potential transport carbon pricing initiatives. The report also highlights how carbon pricing can generate revenue that governments can reinvest into sustainable transport.

ADB also approved TAs under the CAREC Climate and Sustainability Project Preparatory Fund (CSPPF) to support (i) preparation and implementation of BUILD facility; and (ii) climate-resilient ports, logistics, and shipping connectivity aligned to support rail and road connections. The waterborne transport TA will support updated assessments of port and shipping systems, identification of key bottlenecks and climate risks, and development of priority investment concepts to strengthen regional waterborne connectivity and multimodal integration.

To strengthen road safety, four sets of training sessions on road safety audits and International Road Assessment Program (iRAP) star ratings were held in Mongolia in September 2025. Fifteen webinars on road safety were conducted between March and December 2025. Relatedly, the

³ ADB. 2025. [Deepening Trade and Transport Facilitation Policy Analysis of Border Crossing Points: Expanding the CAREC Corridor Performance Measurement and Monitoring Framework](#).

⁴ Ramboll and Ritu Mishra. 2025. [Interactions between Climate and Road Safety Measures in the CAREC Region](#). ADB Sustainable Development Working Paper Series. No. 107. ADB.

ADB, Asia-Pacific Road Safety Observatory (APRSO), the Global Road Safety Partnership, and the Japan Fund for Prosperous and Resilient Asia and the Pacific also organized the *Asia-Pacific Regional Road Safety Conference 2025* at the ADB Headquarters in Manila, Philippines which addressed key issues surrounding road safety financing, including securing commitments for road safety funding in developing member countries.

II. KEY DEVELOPMENTS AND RESULTS

This report covers progress made by and in the CAREC countries in May 2025–June 2026 under the CTS 2030 and its MTR. It covers progress achieved in the implementation of events and knowledge products under the four CTS 2030 recommendation pillars.

**Table 1: Workshops, Training Programs, and Knowledge Products
—Ongoing and Completed
(May 2025–June 2026)**

Title of Publication / Event / Others	Timeframe
Strengthen Cross-Border and Corridor Efficiency	
58th ADB Annual Meeting Side Event: CAREC Session on Trans-Caspian Connectivity: Unlocking Transport and Energy Corridors	6 May 2025
59th ADB Annual Meeting Side Event: Pan-Asian Corridors—Driving Resilient Connectivity and Economic Competitiveness	5 May 2026
Border Upgrades for Integration, Logistics, and Development Facility	Q3 2026
Technical assistance on waterborne transport	
Corridor 2 Working Group	
CAREC Regional Improvement of Border Services (RIBS) Projects	
Promote Modal Diversification and Smart Mobility	
1st Smart Mobility Working Group Meeting	21 May 2026
E-logistics Scoping Studies	
Scale up Green, Resilient, Inclusive, and Digitalized Transport	
Green Roads Toolkit	
Road Safety Capacity Building Program Webinar Series 2: Innovations in Safe and Sustainable Transport: Road Safety as Part of Liveable and Resilient Cities	May–July 2025
Interactions between Climate and Road Safety Measures in the CAREC Region – ADB Sustainable Development Working Paper Series	June 2025
Training on Road Safety Audit and International Road Assessment Program (iRAP) star ratings in Mongolia	September 2025
Asia-Pacific Regional Road Safety Conference 2025 and the Asia-Pacific Road Safety Observatory (APRSO) Annual Meeting	9 September 2025
Road Safety Capacity Building Program Webinar Series 3: Strengthening and Diversifying Financing and Implementation for Road Safety	4 November–16 December 2025

ADB APRSO Vision Zero Academy Masterclass Series on the Safe System Approach to Road Safety: Road Safety Capacity Building Program Webinar Series Masterclass—The Safe System Approach: From Theory to Action	17 March–28 April 2026
Exploring the Impact and Opportunities of Carbon Pricing in the Transport Sector in the CAREC Region	Q3 2026
Transport sector digitalization	
Deepen Institutional Collaboration and Planning	
9th Railway Working Group Meeting	10–12 June 2025
22nd Transport Sector Coordinating Committee Meeting	16–17 June 2025
Deepening Trade and Transport Facilitation Policy Analysis of Border Crossing Points – Expanding the CAREC Corridor Performance Measurement and Monitoring Framework	July 2025
2023 CAREC Corridor Performance Measurement and Monitoring (CPMM) Annual Report	August 2025
CAREC Transport Strategy 2030 Midterm Review	September 2025
1st Road Working Group Meeting	11–12 March 2026
Memorandum of Understanding (MoU) Signing between ADB and the CAREC Institute	May 2026
CAREC Transport Model	January 2026–

*ADB placed on hold its assistance to Afghanistan effective 15 August 2021.

III. IMPLEMENTATION PROGRESS BY CTS 2030 MTR RECOMMENDATION PILLARS

A. Strengthen Cross-Border and Corridor Efficiency:

- **58th ADB Annual Meeting Side Event: CAREC Session on Trans-Caspian Connectivity: Unlocking Transport and Energy Corridors.** CAREC high-level officials, regional leaders, experts, and delegates from development partners convened at a high-level session hosted by the CAREC Program on the sidelines of ADB's 58th Annual Meeting in Milan, Italy in May 2025. Under the theme *Trans-Caspian Connectivity: Unlocking Transport and Energy Corridors*, the seminar highlighted the strategic importance of the Trans-Caspian trade route, particularly in advancing transport and clean energy connectivity among CAREC countries, Caspian states, and their neighbors.

CAREC Corridor 2, which coincides largely with the Trans-Caspian International Transport Route (i.e., Middle Corridor), has grown in importance as a viable alternative route connecting Europe and Central Asia amidst current geopolitical risks and other external shocks (e.g., pandemic, oil crisis). As it currently carries only a small fraction of CAREC's non-energy trade, opportunities abound for developing the Trans-Caspian route to its full potential. In turn, clean energy corridors will allow Central Asia to unlock its vast renewable energy potential and connect to Europe and beyond to meet their growing energy needs. This will also support the green energy transition both within the region and across the globe.

On the whole, the seminar underscored that there is significant scope for transforming the trans-Caspian region from a transit corridor into a vibrant economic hub; soft infrastructure, policy harmonization, and regional cooperation are deemed to be critical in this regard.

- **59th ADB Annual Meeting Side Event: Pan-Asian Corridors—Driving Resilient Connectivity and Economic Competitiveness.** Convened on the sidelines of the 59th ADB Annual Meeting in May 2026 in Samarkand, Uzbekistan, the seminar on *Pan-Asian Corridors—Driving Resilient Connectivity and Economic Competitiveness* discussed how regional corridors such as CAREC, GMS, and SASEC can develop into Pan-Asian economic corridors, thereby enhancing cross-border efficiency, policy alignment, and multimodal transport systems. Discussions also centered on the importance of harnessing private sector funding, and sovereign and nonsovereign operations to strengthen connectivity, partnerships, and regional integration.
- **Border Upgrades for Integration, Logistics, and Development (BUILD) Facility.** To strengthen cross-border and corridor efficiency, the MTR recommended establishment of a regional financing facility for border crossing improvements. To support such facility, ADB approved a regional TA of \$1.25 million in April 2026. The BUILD facility will support the development of joint BCPs and BCP improvements, including physical infrastructure, procedural improvements, and digitalization. It builds on lessons from past and ongoing projects modernizing BCPs along CAREC corridors.

Under the BUILD facility, multiple BCP projects can be bundled, thus allowing more harmonized processes and enhanced operational efficiency. As opposed to standalone BCP projects, this facility will expedite the processing of small-value BCP projects through simplified and more cost-efficient procedures. Individual project size is capped at \$50 million, within a total or cumulative financing limit of \$400 million. The BUILD facility is planned for approval in July 2026.

- **Technical assistance on waterborne transport.** ADB approved a TA project under the CAREC Climate and Sustainability Project Preparatory Fund to support climate-resilient ports, logistics, and shipping connectivity aligned to support rail and road connections across the CAREC region. The TA will support updated assessments of port and shipping systems, identification of key bottlenecks and climate risks, and development of priority investment concepts to strengthen regional waterborne connectivity and multimodal integration.
- **Corridor 2 Working Group.** A Corridor 2 Working Group will be established to provide advisory support and guide the planning and implementation of CAREC Corridor 2 initiatives, which will include projects on infrastructure upgrades and operational efficiency improvements, development of logistics hubs, among others. Members of the Working Group will consist of the CAREC Secretariat, CAREC Institute, development partners, and the private sector.⁵
- **Improvement of Border Services.** The CAREC Regional Improvement of Border Services (RIBS) Projects help strengthen BCP operations through the modernization of BCP infrastructure and facilities and capacity building support for border point operating agencies.

⁵ CAREC. 2025. [22nd CAREC Transport Sector Coordinating Committee Meeting Summary of Proceedings](#).

Several RIBS projects have been completed, and several others are ongoing. The construction and improvement of the Karamyk and Guliston BCPs have been successfully completed under the CAREC RIBS projects, as well as the establishment of National Single Window facilities in the Kyrgyz Republic and Tajikistan. In turn, ongoing RIBS initiatives include (i) the rehabilitation and provision of modern equipment in Sukhbaatar, Borshoo, Bichigt and Altanbulag BCPs in Mongolia, upgrading of the Customs Automated Information System and preparatory work for the establishment of a single window system; and (ii) improvement of the BCP infrastructure and facilities at Chaman and Wahga BCPs in Pakistan.⁶ These initiatives include capacity building support to help strengthen the skills and knowledge of border point operating agencies.

The Khavirga BCP development (Mongolia, border with the People's Republic of China [PRC]) and Erenhot and Mandula ports development (PRC, border with Mongolia) are also in progress, while the full modernization of the BCPs in Ak-Tilek, Karkyra, Kichi-Kapka (Kyrgyz Republic, border with Kazakhstan) will be supported under a new ABEC (Almaty–Bishkek Economic Corridor) RIBS project. A Small Expenditure Financing Facility (SEFF) has been set up to facilitate due diligence and support the ongoing development of detailed engineering design of facilities.

B. Promote Modal Diversification and Smart Mobility:

- **1st Smart Mobility Working Group Meeting.** The 22nd TSCC Meeting and the 24th CAREC Ministerial Conference endorsed the creation of the CAREC Smart Mobility Working Group (SMWG) to guide the development of smart mobility initiatives aimed at reducing traffic volumes and congestion in urban areas, promoting low-emission modes and vehicles, increasing safety, and optimizing freight transport.

In May 2026, the SMWG Group held its inaugural meeting on the sidelines of the Asia and the Pacific Transport Forum 2026 to discuss common challenges in developing smart mobility solutions, develop an action plan, identify smart mobility knowledge and capacity building requirements, and outline the future directions for the CAREC Smart Mobility Strategy.

- **E-logistics scoping studies.** Scoping assessments for e-logistics in Kazakhstan and the Kyrgyz Republic are in progress. Kazakhstan plans to develop the Kazakhstan Logistics Passport (KLP) as a centralized hub for transport data (operators, facilities, and assets), with accounting and analytics features to support stakeholder decision making. In turn, the Kyrgyz Republic will (i) develop and implement the National e-logistics Platform (NELS) platform as a core component of the National Single Window to support multimodal transportation, and (ii) ensure interoperability of the NELs with regional solutions (CAREC, TRACECA).

C. Scale up Green, Resilient, Inclusive, and Digitalized Transport:

- **Green Roads Toolkit.** To promote sustainable road infrastructure practices and integrate green design principles into transport planning and implementation, ADB has prepared the Green Roads Toolkit, which is a compendium of green roads practices and interventions. The toolkit has been introduced to CAREC countries to inform and guide

⁶ BCP Torkham has already been completed.

the planning, development, construction, and management of sustainable and eco-friendly roads across the CAREC road network.

- **Interactions between Climate and Road Safety Measures in the CAREC Region–ADB Sustainable Development Working Paper Series.** This paper examines the interactions between climate actions and road safety measures using an excel-based model. Specifically, the study provides estimates of the (i) climate impacts of road safety measures, (ii) road safety impacts of climate actions, and (iii) climate impacts of death and injury in road use in three representative CAREC countries (Georgia, the Kyrgyz Republic, and Mongolia). Projections on the number of casualties and emissions for 2030 were generated under two scenarios: (i) a baseline with current measures; and (ii) another with enhanced road safety and climate change measures.

The Regional Road Safety Strategy for CAREC Countries, 2017–2030 aims to halve fatalities on CAREC roads by 2030 against a 2010 baseline. Within this context, the study's trendline projections indicate that Georgia will exceed the 2030 fatality reduction target of 50%, while Mongolia and the Kyrgyz Republic are not likely to achieve this goal. On the whole, the findings suggest that policies supporting active mobility, electric vehicle (EV) adoption, sustainable urban planning, and climate-resilient infrastructure can help curb both road casualties and emissions. The report was published in June 2025 as part of the [ADB Sustainable Development Working Paper Series](#).

- **Training on Road Safety Audit (RSA) and International Road Assessment Program (iRAP) star ratings in Mongolia.** Four sets of training on road safety audit and iRAP star ratings were held in Mongolia in September 2025. A road safety audit investigates potential hazards or safety issues in a road project and suggests corrective or preventive measures to minimize the risk of crashes occurring on a new road project. More specifically, the sessions discussed the importance of road safety audits and their associated costs and benefits, as well as the key steps in performing RSAs and how to manage the RSA process. Road safety and traffic engineering practitioners participated in the training.
- **Asia-Pacific Regional Road Safety Conference 2025 and the Asia-Pacific Road Safety Observatory (APRSO) Annual Meeting.** Delegates from governments, civil society organizations, development partners, research institutions, and the private sector gathered at the Asia-Pacific Regional Road Safety Regional Conference and the APRSO Annual Meeting held at the ADB Headquarters in Manila, Philippines in September 2025.

The conference underscored how road safety action intersects with broader development goals such as public health, sustainable transport, and economic growth. Discussions addressed key issues surrounding road safety financing, including securing commitments for road safety funding in developing member countries, aligning funding modalities with broader national priorities (e.g., climate change, public health, and economic growth), and exploring opportunities for shared funding among road safety, finance, and health stakeholders. The conference was jointly organized by ADB, APRSO, Global Road Safety Partnership, and the Japan Fund for Prosperous and Resilient Asia and the Pacific.

- **Road Safety Capacity Building Program Webinar Series 2 and 3.** In partnership with ADB, the APRSO and CAREC jointly organized the Road Safety Capacity Building Program Webinar Series 2 (*Innovations in Safe and Sustainable Transport: Road Safety*

as *Part of Liveable and Resilient Cities*) and Series 3 (*Strengthening and Diversifying Financing and Implementation for Road Safety*) in 2025.

The second webinar series aimed to enhance understanding of how road safety is aligned to the broader sustainability and development agenda, including climate action, health, access to education and employment and urban resilience. In particular, the webinar series covered, among other topics, road safety and climate change, urban resilience and safe transportation, the role of speed for urban livelihoods and sustainability, and road safety as a key requirement to enabling access to education and employment. The second webinar series consisted of five sessions from May through July 2025.

In turn, the third series discussions focused on enhancing road safety financing through innovative funding strategies and mechanisms. More specifically, the sessions discussed a wide range of topics, including examples of government and blended funding models and mechanisms, approaches to attract road safety financing, pathways to multilateral development banks financing, private sector partnerships and stakeholder collaboration, and the development of financial metrics. The third webinar series consisted of four sessions from November through December 2025, with key stakeholders, including representatives from governments, nongovernment organizations, research institutions, and the private sector in attendance.

- **ADB APRSO Vision Zero Academy Masterclass Series on the Safe System Approach to Road Safety.** In partnership with the Vision Zero Academy, ADB and the APRSO organized the *Road Safety Capacity Building Program Webinar Series Masterclass—The Safe System Approach: From Theory to Action*. Comprising four (semimonthly) sessions held between March and April 2026, the webinars aimed to strengthen understanding of the Safe System approach to road safety and provide practical guidance in its implementation, with particular focus on the core tenets of Vision Zero.

In particular, the webinars explored the foundations of the Vision Zero philosophy, which is based on the principle that "no one would be killed or seriously injured within the road transport system."⁷ In addition to the origins and key principles of Vision Zero, the webinars also discussed the scientific foundations of the Safe System approach, and practical implementation of the Vision Zero and Safe System approach. Over 240 participants participated in the webinars, including representatives from governments, research institutions, the private sector, and other road safety practitioners.

- **Exploring the Impact and Opportunities of Carbon Pricing in the Transport Sector in CAREC Countries.** This study evaluates global and regional trends in carbon pricing within the transport sector and identifies potential carbon pricing opportunities across the CAREC region. It examines international experience and policy developments related to carbon pricing mechanisms and their application in transport, assesses the current status and readiness of CAREC countries, and develops a potential pipeline of carbon pricing-related transport initiatives for the region. The report highlights how carbon pricing mechanisms can generate additional revenue streams for governments, which may subsequently be reinvested in low-carbon mobility solutions and enhance the financial viability of sustainable transport measures. The report is currently being prepared and planned for launch at the TSCC in June 2026.

⁷ SAFER Vehicle and Traffic Safety Centre at Chalmers. [Events](#).

- **Transport sector digitalization.** Uzbekistan is currently developing its digitalization strategy and roadmap for the transport sector. The strategy seeks to promote an integrated approach to ensure synchronized progress across subsectors (i.e., urban mobility, roads and intelligent transport systems (ITS), railways, aviation, logistics and cross-border services), ensuring that digital platforms and tools are scalable and interoperable across domains and agencies.

D. Deepen Institutional Collaboration and Planning:

- **9th Railway Working Group Meeting (June 2025).** The CAREC Railway Working Group convened for its 9th meeting in Bishkek, Kyrgyz Republic on 10–12 June 2025 to take stock of ongoing initiatives and outline new activities for the upcoming workplan.

Progress updates on ongoing activities (study on port-rail connectivity in Pakistan and the proposed China–Kyrgyzstan–Uzbekistan [CKU] Railway project), as well as key findings from completed studies (Uzbekistan Northwestern International Freight Corridor and Uzbekistan–Turkmenbashi Block Trains and Ferry Services prefeasibility studies) were shared at the meeting.

To promote knowledge sharing, the meeting also included presentations on (i) international best practices for port-rail connectivity; (ii) key principles of rail terminal design, which presented the key requirements of rail terminal design for seamless cargo transfer; and (iii) approaches to investment viability assessments, which discussed approaches to freight traffic projections preparation, economic and financial cost-benefit estimation, and limitations of economic and financial evaluation.

Lastly, the Meeting identified potential new initiatives, including development of a guidance note on human resource management in railway organizations, development of railway code for Tajikistan, and new prefeasibility studies. Moreover, the Turkmenistan Railway Agency expressed interest in introducing block train services on a pilot basis. The next meeting of the railway working group will be held on 3–5 June 2026 in Ulaanbaatar, Mongolia.

- **22nd Transport Sector Coordinating Committee (TSCC) Meeting.** The CAREC TSCC convened its 22nd meeting in Bishkek, Kyrgyz Republic in June 2025 to discuss the preliminary findings of the CTS 2030 MTR, review progress of ongoing initiatives, and outline activities for the next work plan period.

Key agenda items included the proposal to create a regional financing facility—the BUILD facility—for BCP improvements and joint BCPs development, expand the geographical coverage of the CPMM tool to include East Asia–Central Asia, South Asia–Central Asia, Eurasian Continental, and Trans-Mongolia, and broaden the role of the CAREC Institute in transport planning. In railways, CAREC Transport has provided pre-feasibility and knowledge support to CAREC countries to help address challenges in the CAREC railway sector. Knowledge support and capacity building initiatives under the railways pillar will continue over the next workplan period.

Other ongoing activities (e.g., Carbon Pricing in Transport Study, Green Roads Toolkit, Green Maturity Assessment, etc.) were also confirmed to be proceeding on track. To strengthen the structure of the TSCC, the Meeting also agreed to create the Road Working

Group which shall oversee CAREC initiatives relating to road asset management, maintenance, resilient road design, and road safety outcomes, as well as the SMWG to promote intelligent transport systems, transport digitalization, and e-mobility in CAREC countries. The TSCC will hold its next meeting on 8–9 June 2026 in Ulaanbaatar, Mongolia.

- **Deepening Trade and Transport Facilitation Policy Analysis of Border Crossing Points–Expanding the CAREC Corridor Performance Measurement and Monitoring Framework.** The CPMM mechanism supports evidence-based investment and policy decisions surrounding CAREC corridor improvements and BCP modernization, which are core initiatives of the CAREC Program. Using time- and cost-based metrics, it is used to monitor, measure, and evaluate the performance of CAREC transport corridors and BCPs.

However, while the CPMM tool helps in identifying bottlenecks and in evaluating the overall effectiveness of CAREC corridors, it is not capable of identifying the underlying causes of gaps or inefficiencies at the BCP level. This study fills this gap by expanding the CPMM tool with the CBTTFI.

The CBTTFI provides more granular information on the operational, institutional, and regulatory bottlenecks at the BCP level, with focus on four areas: (i) customs procedures and formalities, (ii) customs coordination, (iii) transit cross-border support facilities, and (iv) transport regulations. Using structured survey data, the study identifies possible reasons for delays and higher costs at selected BCPs in Azerbaijan, Georgia, Pakistan, Turkmenistan, and Uzbekistan, along with actionable recommendations for customs modernization, enhanced risk management, infrastructure development, and harmonized transport standards. The report was published in July 2025 and is available on the [CAREC website](#).

- **2023 CAREC Corridor Performance Measurement and Monitoring (CPMM) Annual Report.** Using shipment data collected at BCPs, the CPMM tool measures transport and trade efficiency across six corridors by tracking five trade facilitation indicators, namely, border crossing time, border crossing cost, transport cost, and corridor speed (speed with delay [SWD] and speed without delay [SWOD]). This report reveals contrasting results. Rail transport showed improvements in both speeds and border-crossing times, but costs increased compared to the previous year. In road transport, however, costs declined and speeds improved, but border-crossing times worsened compared to the previous year. The 2023 CPMM Annual Report was published in August 2025 by the CAREC Institute, with support from the CAREC Program and ADB. The Report can be accessed on the [CAREC Institute website](#).
- **1st Road Working Group Meeting.** The 22nd TSCC Meeting and the 24th CAREC Ministerial Conference endorsed the creation of the CAREC Road Working Group to guide project implementation and provide advisory support in the CAREC road subsector, including road asset management, maintenance, resilient road design, and road safety outcomes. On 11–12 March 2026, it held its inaugural meeting in Urumqi, PRC, to discuss the Draft Initial Work Plan for the CAREC Road Working Group (2026–2028) and identify the knowledge and capacity building needs of the CAREC road sector.

The meeting also showcased ongoing initiatives, such as ADB’s Green Road Toolkit Initiative, CAREC Transport Modeling, and the BUILD initiative, as well as country

presentations. Delegates from CAREC countries, ADB and the CAREC Institute participated in the meeting. The Road WG will hold its next meeting in Q2 2027.

- **Memorandum of Understanding Signing between ADB and the CAREC Institute.** In May 2026, ADB and the CAREC Institute signed a Memorandum of Understanding to institutionalize and strengthen their partnership in advancing transport knowledge, research, and capacity building in the CAREC region. ADB and the CAREC Institute will support the development of knowledge exchange and training activities, studies and policy dialogues to foster cooperation and integration among CAREC countries and advance the overall CAREC Transport agenda.
- **CAREC Transport Model.** A transport model is being developed through collaboration with CAREC Institute as a tool to assess changes in transport movements and quantify economic benefits under various scenarios, which are driven by changes in economic and other variables, including GDP, population, transport cost, traffic count, etc. Preliminary findings using the CAREC Transport Model will be shared during the TSCC Meeting in June 2026.

E. Overall Transport:

- **CAREC Transport Strategy 2030 Midterm Review.** This document presents the findings and **recommendations** of the CTS 2030 MTR, which examined the Strategy's effectiveness and relevance in light of current trends and evolving requirements in CAREC countries.

The MTR indicated that the CTS 2030 remains relevant and has effectively delivered on its primary objectives of enhancing connectivity and sustainability. The MTR recommended that the overall effectiveness of the corridors can be enhanced by a combination of actions that will (i) strengthen cross-border transport and increase corridor efficiency; (ii) promote modal **diversification** together with integration of logistics systems and greater use of smart mobility systems; (iii) scale up digitalization and expand resilient, safe, and clean transport; and (iv) deepen institutional collaboration and planning systems.

Among other things, the MTR also recommended adding resilience as a third strategic objective (**alongside** connectivity and sustainability) to address climate, geopolitical, and other risks (e.g., pandemic, energy security risks, supply-chain failures, etc.), continuing support for knowledge product and capacity building initiatives, creating the SMWG and Road Working Group to strengthen the TSCC structure, expanding the role of the CAREC Institute in transport planning, scaling up green and digitalized transport, and promoting an economic corridor approach. Prioritizing BCP improvements to curb delays and high costs at border crossings is also deemed important, while developing alternative corridors could help strengthen resilience in the transport sector.

Recommendations for refining the strategy were based primarily on insights gathered from national authorities and other key stakeholders through extensive consultations, combined with changing priorities driven by global events and technological developments. This helped ensure that the Strategy remains current, relevant, and responsive to CAREC countries' priorities and needs. The MTR was also undertaken concurrently and in collaboration with the CAREC Integrated Trade Agenda (CITA) 2030 and the CAREC Digital Strategy 2030 MTRs to capture shared synergies between transport, trade, and

digitalization. The report was published in September 2025 and endorsed by the 24th CAREC Ministerial Conference in November 2025.

For 2025–2029, ADB indicatively programmed over 20 multisector projects and programs with a financing envelope exceeding \$4 billion. In 2025, ADB mobilized nearly \$700 million for the multisector operations in countries adjacent to CAREC Corridor 2. ADB's indicative pipeline reflects a strategic focus on developing a broader CAREC Corridor 2 economic belt, supporting multimodal connectivity, nodes, and associated value chains through the modernization, electrification, and digital transformation of railways; the upgrading and climate resilient modernization of key road links and bypasses; and targeted BCP and logistics improvements. These transport investments are complemented by multisector operations that advance green and resilient growth, sustainable urban mobility, skills and vocational education for the green economy, digital and advanced technology capacity, special economic zone infrastructure, and improved health and social service delivery.

Table 2: Planned Transport Sector Activities from June 2026 onwards

Pillar	Type (KP, Event)	Activities	Timeframe
Strengthen Cross-Border and Corridor Efficiency	Event	A workshop on regional experience and practices in improving cross-border transport and trade facilitation, followed by a study tour to a typical inland or maritime port in the PRC	Q4 2026
Promote Modal Diversification and Smart Mobility	KP	2027 CAREC Enhancing Climate Resilient Ports, Logistics, and Shipping Connectivity Report	August 2027
	Event	A workshop on assessment of climate risk and prioritized investment pipeline of port, logistics, and shipping projects aligned with CAREC strategies	May 2027
		2nd Smart Mobility Working Group Meeting	2027
Scale up Green, Resilient, Inclusive, and Digitalized Transport	KP	AI for Roads: Implementation Guide for Data-Driven Transport Management	Q2 2027
	Event	Webinar series on road safety	2 June–18 August, October–November 2026
		Regional training on use of AI in transport	Q2 2027
Deepen Institutional Collaboration and Planning	KP	2026 CAREC Transport Sector Progress Report	June 2026
		Joint ADB–CAREC Institute Knowledge Products	8–9 June 2026 and 2030
		Knowledge products and capacity-building activities	8–9 June 2026 (Announcement)–2030
	Event	23rd CAREC Transport Sector Coordinating Committee Meeting	8–9 June 2026
		10th Railway Working Group Meeting	3–5 June 2026
		2nd Road Working Group Meeting	2027

KP = knowledge product.