



FORGING LINKS, DRIVING IMPACTS

CAREC and KAZAKHSTAN



WHAT IS THE CAREC PROGRAM?

The Central Asia Regional Economic Cooperation (CAREC) Program brings together 11 countries^a and multiple development partners to accelerate economic growth and reduce poverty. It is guided by the overarching vision of Good Neighbors, Good Partners, and Good Prospects. The Asian Development Bank (ADB) serves as the CAREC Secretariat.

For more than 2 decades, the program has been a unique platform helping develop and implement regional projects, support policy reforms, and pilot multisector initiatives critical to sustainable economic growth.

From 2001 to 2024, CAREC mobilized \$52.5^b billion in investments with a focus on establishing multimodal transport networks, increasing energy trade and security, facilitating the safer movement of people and goods, and developing economic corridors.

CAREC 2030 Strategy is the long-term strategic framework for the program, anchored in a mission to connect people, policies, and projects for shared and sustainable development. Through practical, action-oriented projects and a collaborative approach, the program fosters inclusive economic growth and yields tangible economic benefits for its member countries and their people.

^a ADB placed its regular assistance to Afghanistan on hold effective 15 August 2021 and has been supporting the Afghan people through a special financing arrangement with the United Nations since 2022.

^b “\$” refers to United States dollars.



CAREC AND KAZAKHSTAN

Kazakhstan—a founding member of the CAREC Program—embraces cooperation with its neighbors to promote economic development and prosperity.

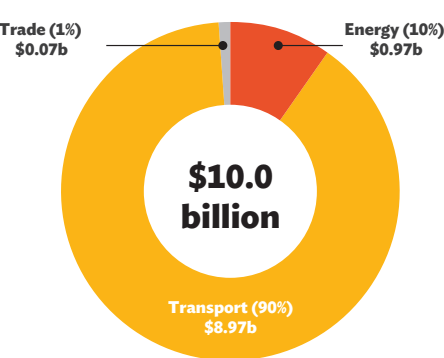
Since 1997, Kazakhstan has worked with other CAREC member countries to overcome barriers to growth and connectivity, and to place the region at the heart of Eurasia's trade and commerce as global markets increasingly integrate.

In 2000, the program began to rebuild the road between the commercial city of Almaty and the Kyrgyz Republic capital of Bishkek. The route became an integral part of CAREC Corridor 1, one of the six CAREC corridors that form the modern version of the Silk Road. These corridors traverse the People's Republic of China to the Caucasus, and farther west to Europe, and from north Kazakhstan to the ports of Pakistan.

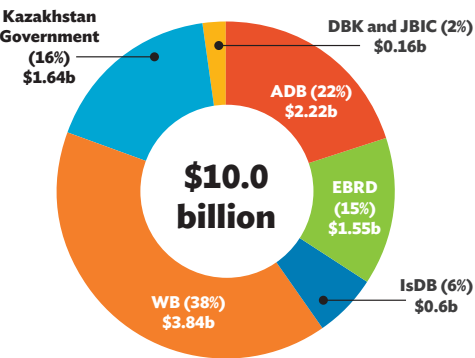


CUMULATIVE INVESTMENTS

As of December 2024, more than \$10.0 billion has been invested in 32 CAREC-related projects in Kazakhstan. About \$9.0 billion (90%) is in transport, covering 23 projects, 11 of which were financed or cofinanced by ADB.



Investment by Sector



Investment by Funding Source

ADB = Asian Development Bank, b = billion, DBK = Deutsche Bank, EBRD = European Bank for Reconstruction and Development, IsDB = Islamic Development Bank, JBIC = Japan Bank for International Cooperation, WB = World Bank.
Note: Investment by funding source includes cofinancing.







CAREC CORRIDOR 2 (MANGYSTAU OBLAST SECTIONS) INVESTMENT PROGRAM

This \$800 million program, financed by ADB, enhanced transport connectivity and efficiency along CAREC Corridor 2—also known as the Middle Corridor—by investing in highways that connect the Caucasus and Mediterranean to East Asia. The program focuses on Mangystau Oblast, a key oil and mineral production region in Kazakhstan, and its capital—Aktau—a regional transit hub.

In 2021, the program completed reconstruction of 453 kilometers (km) of road sections aligned with international standards, covering 200 km of Manasha–Shetpe, 169.7 km of Shetpe–Aktau, 73 km of Zhetybay–Zhanaozen, and 9.8 km in Zhanaozen. The program boosted trade potential and economic activities and promoted socioeconomic development.

Improving connectivity and efficiency

- Increased traffic volume by 40% on Manasha–Shetpe, 132% on Shetpe–Aktau, 140% on Shetpe–Zhetybay, and 650% on Aktau–Zhetybay.
- Improved average vehicle speed from 49 to 83 km per hour, reducing travel time from 12 to 4 hours between Beineu and Aktau.
- Reduced vehicle operating costs from \$0.56 to \$0.46 per vehicle-km.

Source: Independent Evaluation Department. 2022. [Validation Report: CAREC Corridor 2 \(Mangystau Oblast Section\) Investment Program in Kazakhstan](#). ADB; and ADB. 2021. [Completion Report: CAREC Corridor 2 \(Mangystau Oblast Section\) Investment Program in Kazakhstan](#).

What **direct beneficiaries** say



A road that before took 5 hours can now take just 2 hours. All road safety signs have been installed.

– Karasai Tailakov, driver

As soon as this road was built, our business began to prosper.

– Gulnur Saktaganova, entrepreneur





CAREC CORRIDOR 3 (SHYMKENT-TASHKENT SECTION) ROAD IMPROVEMENT PROJECT

This project aimed to boost regional cooperation and trade by upgrading the 37 km Shymkent–Tashkent Road section of CAREC Corridor 3, a key transport artery in Turkistan oblast. These roads link Shymkent with densely populated districts along the Uzbekistan border and with the capital city, Tashkent.

In 2016–2021, the project rehabilitated a four-lane road section, funded by \$125 million from ADB and \$196.5 million from the European Bank for Reconstruction and Development.

Enhancing road efficiency

- Increased average vehicle speed along the road section from 60.00 to 80.57 km per hour in 2011–2016.
- Increased average daily traffic by 116% in 2011–2016.

Increasing opportunities for regional economic cooperation and trade

- Increased trade between Turkistan oblast and Uzbekistan along CAREC Corridor 3 from \$150 million in 2012 to \$714 million in 2017.
- Reduced bus travel time between Shymkent and Tashkent to 3.5 hours in 2017 from 4.4 hours in 2012.

Sources: Independent Evaluation Department. 2019. [Validation Report: CAREC Corridor 3 \(Shymkent–Tashkent Section\) Road Improvement Project in Kazakhstan](#). ADB; and ADB. 2018. [Completion Report: CAREC Corridor 3 \(Shymkent–Tashkent Section\) Road Improvement Project in Kazakhstan](#).

CAREC TRANSPORT CORRIDOR 1 (ZHAMBYL OBLAST SECTION) INVESTMENT PROGRAM

This project helped boost international trade and regional cooperation in Kazakhstan's southern and western regions, part of CAREC Corridor 1 that links Europe to East Asia.

A total of 427.6 km of highway sections were built, alongside the development of an intelligent transport system, under a \$1.1 billion program cofinanced by ADB, the Islamic Development Bank, and the Japan International Cooperation Agency. Intelligent transport systems use data processing and communications to improve the safety and efficiency of surface transport operation and maintenance.

The project upgraded several highways, including 125 km of the Kulan–Taraz and Blagoveschenka–Korday routes; 135.9 km of the Kulan–Blagoveschenka and Taraz–Zhambyl oblast border sections; 117.7 km of the Otar–Blagoveschenka route, the Kazakh–Kyrgyz border at Karasu, and the Kulan Bypass; and 49 km of the Blagoveschenka–Aspara road. The project upgraded a primary artery improving connectivity between the major urban centers of Almaty and Shymkent.

Reducing time and cost of travel

- Reduced travel time between Almaty and Shymkent from 12 hours in 2007 to 8 hours in 2015.
- Improved capacity for increased daily traffic from 4,575 vehicles (baseline) to 8,560 in 2019, after project completion.
- Resulted in 25% vehicle operating cost savings per km for heavy trucks.

Source: Independent Evaluation Department. 2020. *Performance Evaluation Report: CAREC Transport Corridor 1 (Zhambyl Oblast Section) [Western Europe–Western People's Republic of China International Transit Corridor] Investment Program and Taraz Bypass Project in Kazakhstan*. ADB.



ALMATY-BISHKEK ECONOMIC CORRIDOR

The Almaty–Bishkek Economic Corridor (ABEC) aims to unify the two city regions of Kazakhstan and the Kyrgyz Republic into a single economic space, fostering the rapid exchange of ideas and the seamless movement of goods and people.

Since 2014, the two governments have been working closely together with ADB's support on a pilot spatial economic corridor development under the CAREC Program.

In ABEC's 10th year of implementation, several initiatives are gaining momentum and realizing tangible benefits:

- The modernization of priority border-crossing points is increasing traffic and trade between both countries.
- The ABEC tourism master plan supported the design of investment projects connecting Almaty, Kazakhstan with Lake Issyk-Kul, Kyrgyz Republic.
- Cooperation in health laboratories is helping prevent future pandemics.
- In support of the Clean Air Action Plans for Almaty and Bishkek, air quality monitoring sensors were installed in Bishkek in 2021 and in Almaty in 2022, enabling officials to effectively measure the impact of air quality improvement initiatives around both cities and to raise awareness.

Source: ABEC. [What is Almaty-Bishkek Economic Corridor?](#)



CAREC CORRIDORS 1,2, AND 6 (KYZYLORDA-ZHEZKAZGAN) RECONSTRUCTION PROJECT

ADB approved a sovereign-guaranteed local currency loan of up to \$291.49 million equivalent to finance the reconstruction of a 208 km road highway section between Kyzylorda and Zhezkazgan in Ulytau province. The project will build a high-standard, climate-resilient two-lane road, reducing travel time on the route from 4 to 2 hours. The project will strengthen the institutional capacity of KazAvtoZhol National Joint Stock Company (KazAvtoZhol) in road safety, procurement, contract management, and environmental management. The reconstruction will improve connectivity between CAREC Corridors 1, 2, and 6, which are strategic trade routes with neighboring countries.

Sources: ADB. [Kazakhstan: Central Asia Regional Economic Cooperation Corridors 1, 2, and 6 Connector Road \(Kyzylorda–Zhezkazgan\) Reconstruction Project](#); and ADB. 2024. [ADB Loan to Help Improve Connectivity, Road Safety in Kazakhstan](#). News release. 29 October.



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