



# 23rd Transport Sector Coordinating Committee Meeting

8-9 June 2026 | Ulaanbaatar, Mongolia

## 23-е заседание Координационного комитета по транспортному сектору

8-9 июня 2026 года | Улан-Батор, Монголия



# Rail Freight Development in Central and West Asia

## Key trends and Challenges

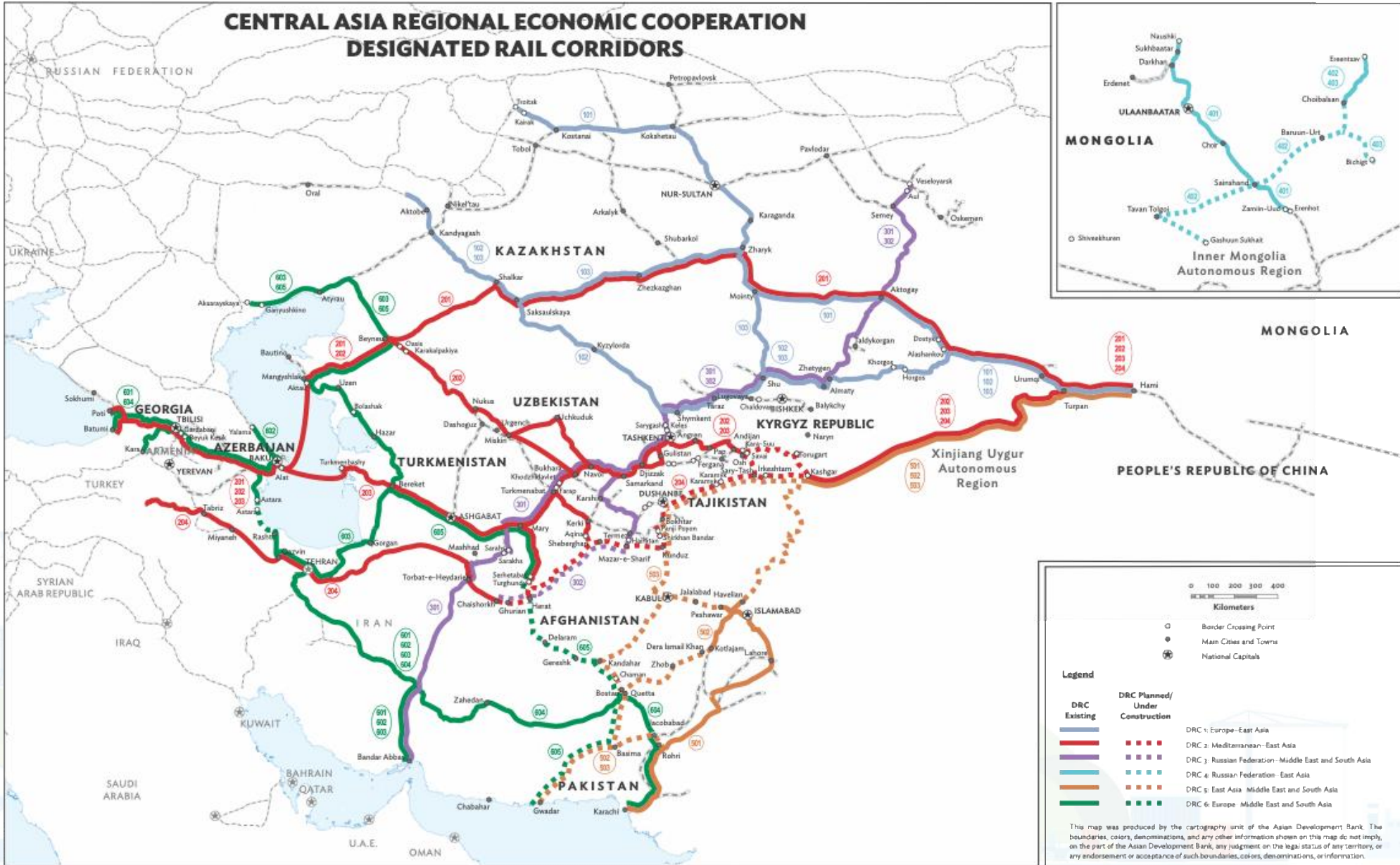
**Jurgen Sluiter**

Principal Transport Specialist

SD1-TRA



# CENTRAL ASIA REGIONAL ECONOMIC COOPERATION DESIGNATED RAIL CORRIDORS



Source: CAREC Secretariat

# Sector developments

Massive infrastructure investment

Strong growth in rail freight volumes

Global logistics disruptions reshape routes (Ukraine, Suez/Red Sea, Iran)

Shift to multi-corridor system

Intermodal services

Scheduled freight services increasing reliability and competitiveness

Major improvement transit times

Diversified cargo mix with more balanced flows

# Eurasian Rail Corridors

Connecting Asia to Europe and Beyond

**NORTHERN CORRIDOR**  
China – Kazakhstan – Russia – Europe  
(via Trans-Siberian Route)

**MIDDLE CORRIDOR**  
China – Kazakhstan – Caspian Sea –  
Caucasus – Türkiye – Europe

**SOUTH CORRIDOR (NORTH-SOUTH)**  
Russia – Azerbaijan – Iran –  
Persian Gulf – India



# Strategic change for CWA

## Shift from transit region to integrated hub

- Development of industrial zones along corridors
- Increased domestic rail freight demand
- Growth in regional trade

## Multimodal logistics chains

- Rail + Caspian shipping
- Container/block train services (scheduled services)
- Digitalization and customs coordination

# Institutional context

- Government support for investment and hub development
- Improved institutional and regional coordination (tariffs, customs)
- Focus on digitalization, standardization and service reliability



INFRASTRUCTURE  
DEVELOPMENT



# Conclusions

Rail has become resilient in global supply chains

Fast-growing freight markets

Modernization and integration of networks

CWA as core extension of PRC's rail system, but no longer just a transit zone

Local value creation along corridors

Shift from a single dominant route (via Russia) to multi-corridor system

Rail moves to reliable, service-based product

More balanced flows

# Bottlenecks and structural challenges

Capacity constraints in rail infrastructure

Capacity limits at borders and ports

Competition with sea freight

Political dependence major players (PRC, Russia)

Break-of-gauge (PRC, ex-Soviet networks, Europe)

Fragmented regulation and digitalization



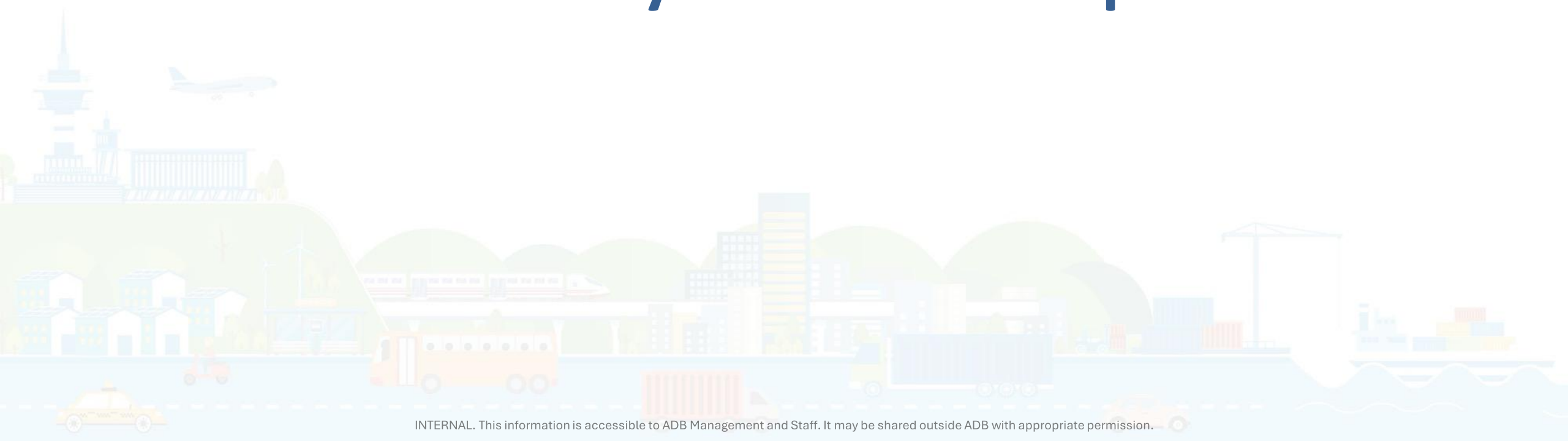


# Comparison of Corridors

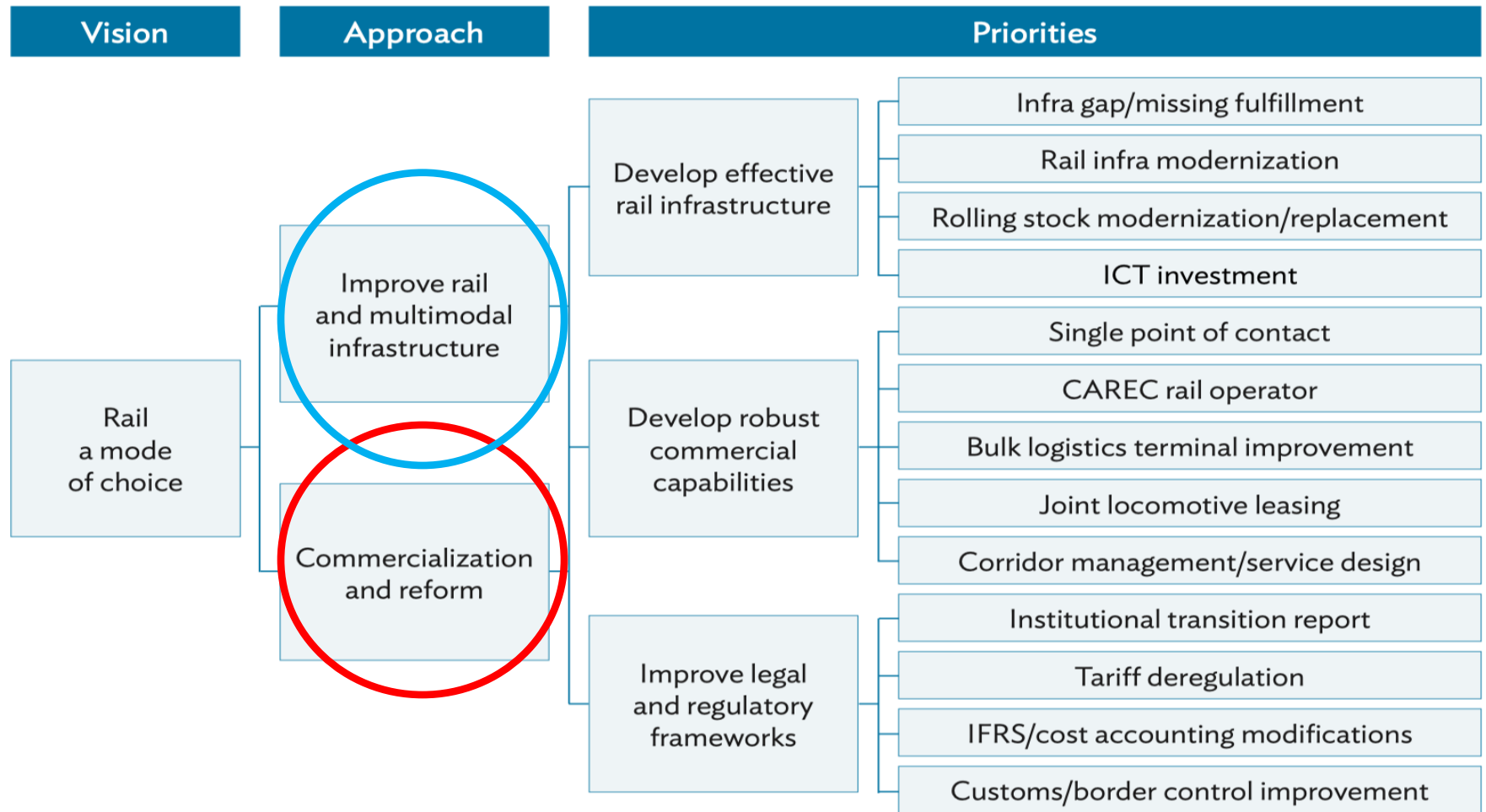
	<b>Northern Corridor</b>	<b>Middle Corridor</b>	<b>North–South Corridor</b>
<b>Main axis</b>	China–Europe	China–Europe (via Caucasus)	Russia–India/Gulf
<b>Transit time</b>	★ Fastest (14–18 days)	Medium (19–25 days)	Medium (20–30 days)
<b>Reliability</b>	⚠ <b>Political risk</b>	<b>Improving</b>	Variable
<b>Capacity</b>	★ <b>High</b>	<b>Growing</b>	<b>Limited</b>
<b>Modal changes</b>	Minimal	Rail + sea	Rail + sea
<b>Growth trend</b>	↘ <b>Stagnating</b>	📈 <b>Rapid growth</b>	📈 <b>Emerging</b>
<b>Key driver</b>	<b>Efficiency</b>	Geopolitics + diversification	Sanctions + South trade (new markets)

# Technical Assistance

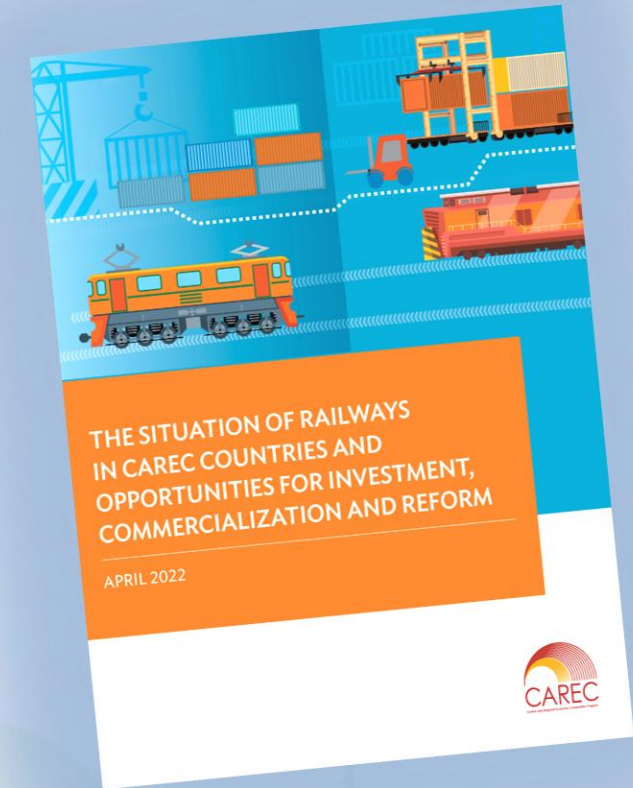
# CAREC Railway Sector Development



# CAREC Railway Strategy 2030



# ***THE SITUATION OF RAILWAYS IN CAREC COUNTRIES; OPPORTUNITIES FOR INVESTMENT, COMMERCIALIZATION AND REFORM***



Download report (in EN and RU) from [www.carecprogram.org](http://www.carecprogram.org) (publications -> transport)



# Achievements

- Rail sector assessment reports & traffic model
- 10 CAREC Railway Working Group meetings
- Management support to KGZ and TAJ railways
- PRC-KGZ-UZB rail corridor traffic study
- Study on rolling stock financing options in CAREC region
- Pre-feasibility studies:
  - Uzbekistan–Turkmenbashi Block Trains and Ferry Services
  - Uzbekistan Northwestern International Freight Corridor
- Port-rail connectivity study Pakistan
- Study on 2nd Mongolia North–South Railway

# 10th CAREC Railway Working Group (3-5 June)

## *Sessions*

- Port-Rail interoperability in the CAREC region
- Human Resource Management in railway companies (publication)
- Presentation PFS study on second North–South Railway Mongolia
- Practical examples of railway digitalization
- Identification and planning of new TA activities

## *Visit to Khushigyn Valley-Bagakhangai Railway Line*

Thank you!

