



Summary of Proceedings

Tenth Meeting of the CAREC Railway Working Group 3-5 June 2026, Ulaanbaatar, Mongolia

Introduction

1. At the 15th CAREC Ministerial Conference in Islamabad in October 2016, the CAREC member countries endorsed the CAREC Railway Strategy, titled “*Unlocking the Potential of Railways: A Railway Strategy for CAREC 2017–2030*” (the Strategy). The Strategy was developed to serve as a guiding document for the long-term development of CAREC railways. The CAREC strategic vision for railway transport is “*to be a mode of choice for trade: quick, efficient, accessible for customers, and easy to use throughout the region by 2030*”.
2. The Strategy was formulated by the Railway Working Group (RWG), which was set up by the decision of the 14th Transport Sector Coordinating Committee (TSCC) in Ulaanbaatar in April 2015. The RWG consists of representatives of railway agencies from CAREC member countries, supported by expert organizations such as the Organization for Cooperation of Railways (OSJD) and International Union Railways (UIC), as well as CAREC development partners.
3. CAREC countries are now working to implement the Strategy, for which ADB mobilized a technical assistance (TA) project. TA activities commenced in May 2019 and aim to provide support through knowledge sharing, prefeasibility studies and other initiatives.

Meeting Objectives

4. The tenth meeting of the RWG (the Meeting) was held in Ulaanbaatar, Mongolia on 3-5 June 2026 to report on progress achieved in TA implementation, to share knowledge and experience, and to agree on next steps. The Meeting was attended by representatives from CAREC countries and was supported by ADB. The Meeting agenda and list of participants are in Appendices 1 and 2.

Opening remarks

5. On behalf of Mongolia, CAREC chair for 2026, the meeting was opened by Director General of the Railway Policy Coordination Department of the Ministry of Roads and Transport who welcomed the participants and provided updates on key developments in the Mongolian rail sector.

Introduction

6. An overview was presented of the key developments emerging over the past five years that have impacted the rail freight sector in Central and West Asia, highlighting strategic changes and remaining challenges for railway organizations to build and maintain a sustainable position in international freight transportation, serving the economies of CAREC countries.

Session 1: Port-Rail Interoperability in the CAREC region

7. RWG participants were informed of recent developments affecting rail/port connectivity at various ports in the CAREC region. This included discussion of the steps needed for increasing intermodal capacity and efficiency, together with main challenges involved.

Session 2: Strategic Railway Planning in Mongolia

8. This session presented the results of the TA study on the second North–South Railway Khushig Valley–Nomgon–Khangii and an overview of Mongolia’s railway sector strategy.

CAREC BUILD Facility

9. The Working Group was informed about the recently launched ADB initiative on Border Upgrades for Integration, Logistics and Development (BUILD) Facility for border crossing point (BCP) improvements in the CAREC region. This is intended to help CAREC countries address infrastructure and soft-side needs, promote joint BCPs and to strengthen capacity within the countries. ADB has allocated \$400 million to finance a series of individual BCP projects, and made available TA funding (\$1.25 million) to support BUILD project preparation and implementation. Participants were invited to consider suggestions for (pilot) projects to be proposed under the regular ADB country programming procedure.

Session 3: Human Resource Management (HRM) in Railway Organizations (1)

10. This first session on HRM launched the CAREC publication *Human Resource Management - Guide for Railway Companies* with an introduction of key principles and practices in HR management in railway organizations.

Session 4: Practical Examples of Railway Digitalization

11. With digitalization becoming a key element in the development of international freight traffic, this session presented the core functions in railway operations that benefit from digitalization, leading to enhanced overall efficiency and cost-effectiveness of railway operations.

Session 5: Promoting electronic information exchange between railways and among railways and control agencies (online)

12. The representative of United Nations Economic and Social Commission for Asia and the Pacific (UN-ESCAP) provided a presentation on initiatives to increase the efficiency of international rail transportation through digitalization. UN-ESCAP’s Strategy 2030 on Accelerating Rail Digital Transformation in Asia-Pacific sets six objectives: (i) provide coherence and momentum to rail digitalization initiatives, (ii) foster an ecosystem to harness the full potential of rail digitalization, (iii) augment the operational performance, capacity, reliability, safety, and security of rail assets, (iv) enhance customer experience including ease of doing business, (v) create synergies through partnerships to digitalize rail, and (vi) ensure high level political support for rail digitalization. To ensure the safety of digital rail systems, a regional framework on strengthening rail cybersecurity in Asia-Pacific was envisaged.

Session 6: Cross Border Rail Developments in CAREC region - Interactive session

13. In this session, RWG participants shared views on recent developments in cross border rail freight operations, and initiatives and suggestions to improve the efficiency and hence reduce the time/cost implications of international rail services. These included: (i) a series of measures underway in Kazakhstan to increase Middle Corridor capacity to accommodate rapid growth in traffic, (ii) ongoing work by Kazakhstan to prepare a possible Trans Afghan Railway project; (iii) plans for Tajikistan to build a 51 km link from the existing railway to the Afghanistan border; (iv) ongoing and proposed investments by Mongolia in developing the north–south corridor and building three east-west corridors; (v) progress in construction of the China–Kyrgyz Republic–Uzbekistan (CKU) Railway; (vi) planned investments by Turkmenistan to increase railway capacity and train speeds ahead of expected transit traffic increases when the CKU Railway becomes operational and support north–south trade flows to and from Afghanistan; (vii) recent expansion of the capacity of the Baku–Tbilisi–Kars (BTK), (viii) development by Azerbaijan of the TRIPP corridor to provide a new route to Turkiye and expansion of the Port of Alat; and (ix) expansion of capacity of Georgian Railway, and procurement of new rolling stock.

Session 7: Rail-Port Interoperability in the CAREC region - Global developments

14. This presentation examined how recent global and regional disruptions are reshaping trade flows and maritime and inland waterborne transport with a focus on competitiveness, route diversion, and the strategic importance of rail–port interoperability in the CAREC region.

Session 8: Human Resource Management in Railway Organizations (2) - Skills Development & HR Restructuring

15. This session presented approaches to adjust the organization staff to mid- and long-term changes with consequent capacity and training needs, as well as socially responsible instruments for staff restructuring. Further, it was highlighted that the publication *Human Resource Management – Guide for Railway Companies* contains a series of templates, forms, and examples for immediate and practical use by HR staff.

Session 9: TA planning and identification of new TA activities

16. In this interactive session RWG participants provided suggestions for prefeasibility studies and knowledge support to be provided through the TA. RWG participants expressed support for developing proposals for several possible prefeasibility studies: (i) CKU Railway Extension Project, (ii) development of new rail links in Mongolia connecting with CAREC corridors. The TA team will follow up by writing to the countries concerned to outline the proposed scope for the CKU Railway Extension Project study and seek their support. Mongolia and the PRC will review which link in Mongolia might be considered for study, and inform ADB. Participants also expressed support for preparing a knowledge product on attracting leading international logistics companies to raise the standard of logistics services. The TA team will write to the countries concerned (potentially Kyrgyz Republic, Tajikistan and Turkmenistan) to proposed the scope of this study and seek their support.

Site visits

17. On 5 June, RWG participants visited three locations along the Khushig Valley-Bagakhangai Railway Line. The technical site visits were followed by a visit to the Tsonjin Boldog site ('Chinggis Khan equestrian statue'), generously organized and hosted by the Ministry of

Transport and Roads, Mongolian Railway (MTZ), Ulaanbaatar Railway (UBTZ) and Mongolian Trans Line (MTL).

Conclusion and Appreciation

18. Participants expressed satisfaction with the meeting program, thanked the Mongolian hosts for organizing the site visits, and endorsed the TA planning for 2026 and beyond. Participants thanked all who contributed to the program and expressed appreciation for the efforts of the CAREC Secretariat for organizing the event.

19. The next RWG meeting is tentatively planned for May 2027.