

Priorities of Hard and Soft Infrastructure Improvement in North and Central Asia. The Case of North-South Transport Corridor

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June 7, 2023



A Leading Multilateral Development Bank in Eurasia



6 Eurasian countries
8 offices



17 Years

of stable growth and investment
in sustainable development

276

successful national
development
projects and
integration projects

\$7bn

EDB charter capital

\$4,6bn

current investment
portfolio

\$1,8bn

equity

The EDB invests in promoting better living standards for >200 million people living in Eurasian region

Eurasian Transport Network

Sinergy by connecting East – West and North – South transport corridors in Central Asia



9%

Growth in the length of the paved road network in 2000-2021.

2x

Reduction of road deaths in 2000-2021

200x

Growth in the number of container trains in China – Europe – China traffic over the past 10 years

660+34 thousands TEU

Transit traffic through Central Asia in 2022 along UTLC ERA and TITR

Transport Corridors:

- North Eurasian
- Central Eurasian
- TRACECA
- North-South

INSTC Routes:

- ⋯ Western Route
- ⋯ Trans-Caspian Route
- - - Eastern Route
- Russia-Georgia-Armenia Road Route

VPoA Priority 1: Fundamental transit policy issues

VPoA Priority 4: Regional Integration and Co-operation

INSTC - key element of the Eurasian Transport Network



The aim of the report is to propose steps to develop hard and soft infrastructure of the International North-South Transport Corridor (INSTC).

102

Infrastructure projects identified
(for a total amount 38.2 bn \$)

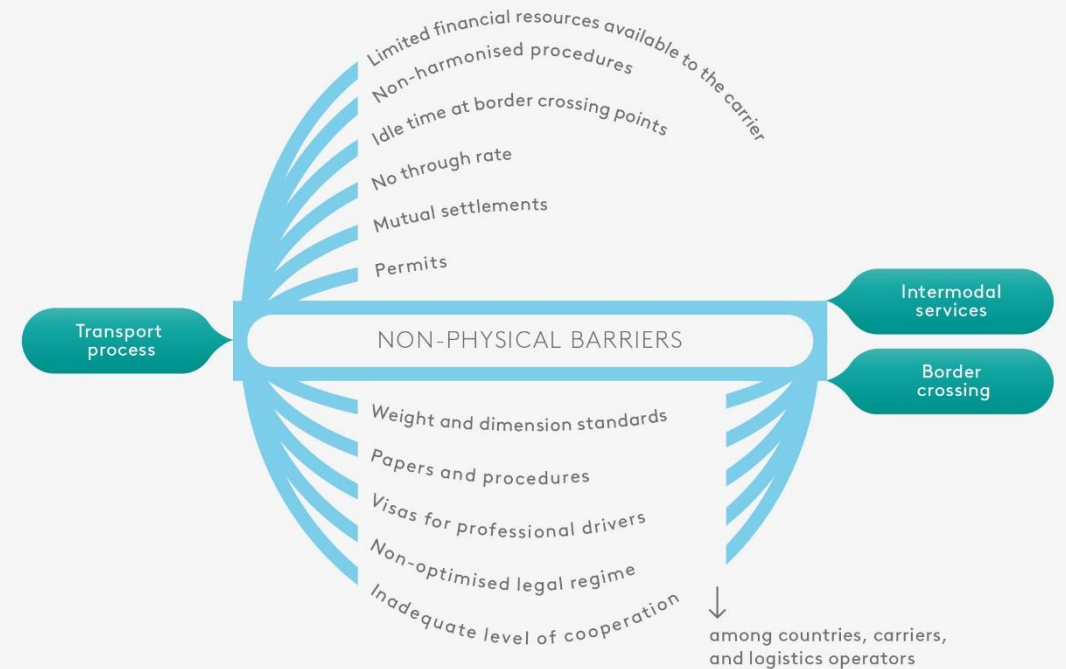
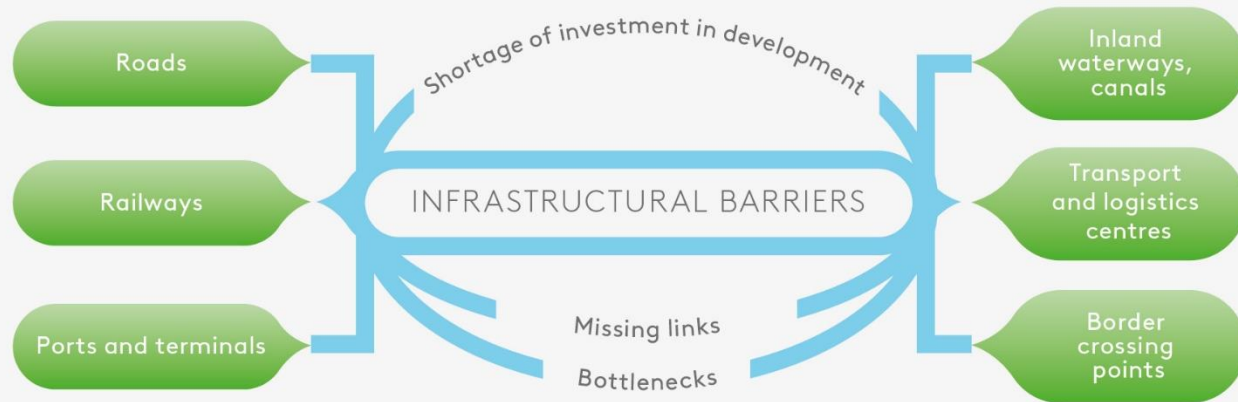
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barriers for elimination by soft
infrastructure improvement



VPoA Priority 1: Fundamental transit policy issues

Barriers in the field of hard and soft infrastructure



● Barriers to development ● Processes and services ● Infrastructure elements

VPoA Priority 2: Infrastructure development and maintenance

VPoA Priority 3: International trade and trade facilitation

INSTC Investment projects



Source: EDB

INSTC Development Investment Projects

- Group 1 (priority)
- Group 2
- Group 3
- INSTC
- North-South Road Route (Russia-Georgia-Armenia)
- Capitals
- ± Ports
- ✈ Airports
- Roads
- - - Railways

Republic of Azerbaijan

1. Modernisation of the Alat-Astara railway section 1
2. Modernisation of the Sumgait-Yalama railway section 1
3. Construction of the Horadiz-Aghbend railway section 2
4. Modernisation of the Astara RBCP 1
5. Modernisation of the Samur RBCP 1
6. Construction of a bulk cargo terminal at the new sea port of Baku (Alat) 3
7. Stage 3 of construction of the new sea port of Baku (Alat) 3
8. Construction of the Baku-Russian Border motorway sections 1
9. Construction of the Kajaran-Agarak road section to the Iranian border 1
10. Construction of the Gyumri-Bavra road section 1
11. Construction of the Karajan Tunnel 1
12. Construction of the Bargushat Tunnel in a section of the Sisian-Kajaran road 1
13. Construction of an Armenian section of the Yeraskh-Meghri-Horadiz railway 2

Georgia

14. Construction of the Kvsheti-Kobi road section 1

Islamic Republic of Iran

15. Construction of the missing Rasht-Astara railway section 1
16. Construction of the Qazvin-Qom railway section 2
17. Modernisation of the Qom-Bafa, Bafa-Kerman, Kerman-Zahedan railway sections 2
18. Construction and modernisation of the Zahedan-Birjand railway section 2
19. Construction of the Chabahar-Faraj-Bam railway section 2
20. Construction of the new port of Chabahar 2
21. Construction of the Tabriz-Marand-Bazargan motorway 2
22. Construction of the Bazargan-Port of Bandar-e Imam Khomeyni motorway 3
23. Modernisation of the Garmsar-Incheh Borun railway 1
24. Construction of the Sirjan-Bandar Abbas road 1
25. New Bulk Cargo Terminal at the port of Shahid Rajaei 2

Republic of Kazakhstan

26. Reconstruction of the Russian Border-Aktobe-Atyrau-Russian Border road 1
27. Reconstruction of the Aktau-Beyneu road 1
28. Modernisation of the Aktobe-Makat road 2
29. Modernisation of the Aktobe-Kandyagash road 2
30. Reconstruction of the Astana-Karaganda-Balkhash-Kapshagay road 3
31. Reconstruction of the Merki-Burylbaytal road 3
32. Reconstruction of the Uralsk-Atyrau road 2
33. Reconstruction of the Astana-Arkalyk-Kandyagash road 3
34. Reconstruction of the Turkistan-Kentau road 3
35. Construction of the Shalkar-Bozoy-Kamenogorsk road 3
36. Reconstruction of the Semey-Ust-Kamenogorsk road 3
37. Reconstruction of the Zhezagzhan-Arkalyk-Petropavlovsk road 3
38. Reconstruction of the Kyzylorda-Zhezagzhan-Karaganda road 3
39. Reconstruction of the Uralsk-Russian Border road (to Orenburg) 3

40. Modernisation of the Dostyk-Moynun railway section 3
41. Construction of the Darbaza-Maktaal railway line 3
42. Construction of a railway bypass of the Almaty Node 3
43. Construction of a shipbuilding yard in the vicinity of the port of Quryq 3
44. Construction of a universal terminal in the sea port of Quryq 2
45. Expansion of terminal capacity in the sea ports of Aktau and Quryq 2
46. Construction of two universal ferries 2
47. Construction of four feeder vessels (container ships) 2

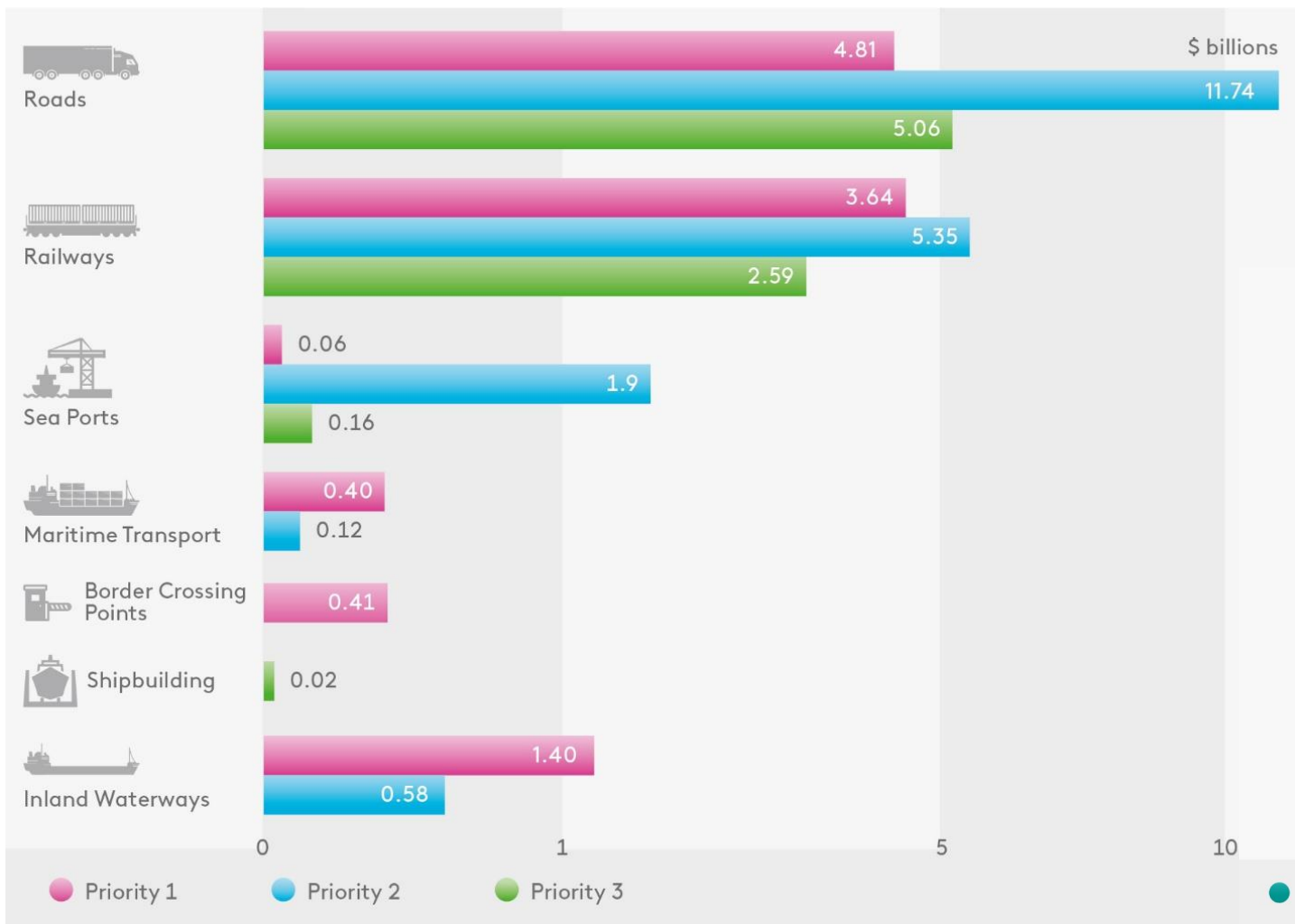
Russian Federation

48. Reconstruction of the bridge across the Volga on the M-10 motorway 3
49. Reconstruction of the Yarag-Kazmalyar IRBCP 1
50. Reconstruction of the Karaozek IRBCP 1
51. Reconstruction of the Verkhny Lars IRBCP (Stage 2) 1
52. Construction of logistics centers near the Verkhny Lars IRBCP 1
53. Construction of the Samur-II border stations and the Derbent RBCP 1
54. Electrification of the Rtsishevo-Kochetovka railway section 2
55. Construction of the western bypass of the Saratov Node 2
56. Development and modernisation of the Aksaraykaya-Saratov railway section 1
57. Reconstruction of the Trubnaya-Verkhny Baskunchak-Aksaraykaya section 1
58. Reconstruction of railway bridges across the Volga at the Aksaraykaya-Astrakhan section 1
59. Construction of logistics complex in the Olya port 1
60. Construction of a bridge across the Volga on the Saratov bypass road A298 3
61. Reconstruction of the Syzran-Volgograd road (R-228) at the section 291-325 km (Stages 3 and 4) 2
62. Reconstruction of the Syzran-Volgograd road (R-228) at the section 291-325 km (Stages 5 and 6) 2
63. Construction of the Samara-Pugachyov-Volgograd road (R-229) at the bypass around the city of Pugachyov 2
64. Reconstruction of the Saint Petersburg-Finland Border motorway (A-181) at the section 65-100 km 2
65. Reconstruction of the Saint Petersburg-Finland Border motorway (A-181) at the section 100-134 km 2
66. Reconstruction of the Saint Petersburg-Finland Border motorway (A-181) at the section 134-160 km 2
67. Reconstruction of the "Belarus" Motorway (M-1) at the section from the 45th to the 66th km 3
68. Reconstruction of the "Belarus" Motorway (M-1) at the section from the 66th to the 84th km 3
69. Construction of an interchange at the 59th kilometre of the "Belarus" Motorway (M-1) 3
70. Construction of an interchange at the 86th kilometre of the "Belarus" Motorway (M-1) 3
71. Construction of the Moscow-Saint Petersburg Motorway (M-11) at the section 149-208 km 2
72. Construction of the interchange leading to Pulkovo Airport on the M-11 Motorway 3
73. Elimination of bottlenecks along the main transport corridors of the Moscow Region (Stage 1) 2
74. Elimination of bottlenecks along the main transport corridors of the Moscow Region (Stage 2) 2
75. New express bypass around the city of Saint Petersburg (KAD-2), Stage 1 2
76. Reconstruction of the Ring Road around the city of Saint Petersburg at the section from the Gorskaya Station to the Priozorskoje Highway, Stage 3 2
77. Reconstruction of the Saint Petersburg-Murmansk-Norway Border road (R-21 "Kola"), approach to Murmansk at the section 14-19 km 3
78. Reconstruction of the Saint Petersburg-Murmansk-Norway Border road (R-21 "Kola"), interchange at the 19th kilometre 3
79. Reconstruction of the Saint Petersburg-Murmansk-Norway Border road (R-21 "Kola"), approach to Murmansk at the section 51-68 km 3
80. Construction of a crossover at the 672 km of the Moscow-Saint Petersburg Motorway (M-10) 2
81. Construction of the bypass around the city of Volgograd on the R-22 road "Caspian", Stage 1 2
82. Construction, Stage 2 2
83. Construction of the bypass around the city of Astrakhan on the road R-22 "Caspian" 2
84. Reconstruction of the road bridge across the Fars River (approach to the city of Maykop) 1
85. Construction of the bypass road around the city of Gudermes (R-217 road "Caucasus") 1
86. Construction of the bypass road around the city of Vladikavkaz (R-217 road "Caucasus") 1
87. Construction of the western bypass road around the city of Grozny (R-215 road) 2
88. Construction of the northern bypass road around the city of Makhachkala (R-217 road) 1
89. Construction of the bypass road around the city of Derbent (R-217 road "Caucasus") 1
90. Construction of the bypass road around the city of Khasavyurt (R-217 road "Caucasus") 1
91. Reconstruction of the road approach to the Kazan Airport (R-239 road) 3
92. Reconstruction of the Kazan-Orenburg-Kazakhstan Border road (R-239) at the section 20-43 km 3
93. Construction of universal combined river-sea navigation bulk carriers/container ships of the Volga-Don Max class 1
94. Construction of the new sea port of Lagan at the Caspian Sea (Republic of Kalmykia) 2
95. Construction of the Ismerdolina-Portovaya Street (Novorossiysk) express motorway 2
96. Comprehensive reconstruction of the Moscow Canal infrastructure 1
97. Construction of a low-head hydrosystem in Nizhny Novgorod 1
98. Construction of the Bagaevsky hydrosystem on the river of Don 2
99. Support of normative maintenance of inland waterways and navigational hydraulic facilities 1

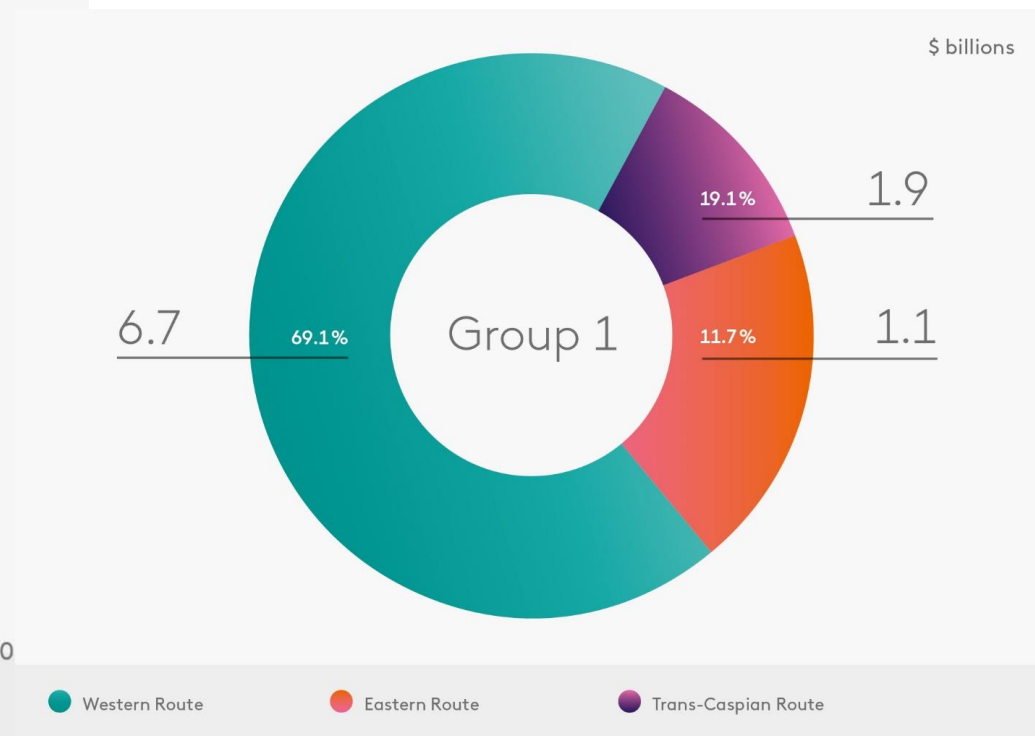
Turkmenistan

100. Construction of the Turkmenbashi-Garabogaz-Kazakhstan Border road and a new bridge across the Garabogazki Bay 1
101. Modernisation and upgrade of the Ak-Yayla/Incheh Borun railway border crossing point at the border between Turkmenistan and Iran 1
102. Electrification and modernisation of the Turkmenabat-Mary railway 2

Investment projects – challenges and opportunities



Western INSTC Route getting **69%** of total investments to priority projects (Group 1)



Public financing - **67** out of **102** projects

Bankable projects in the focus of attention of MDBs and private sector

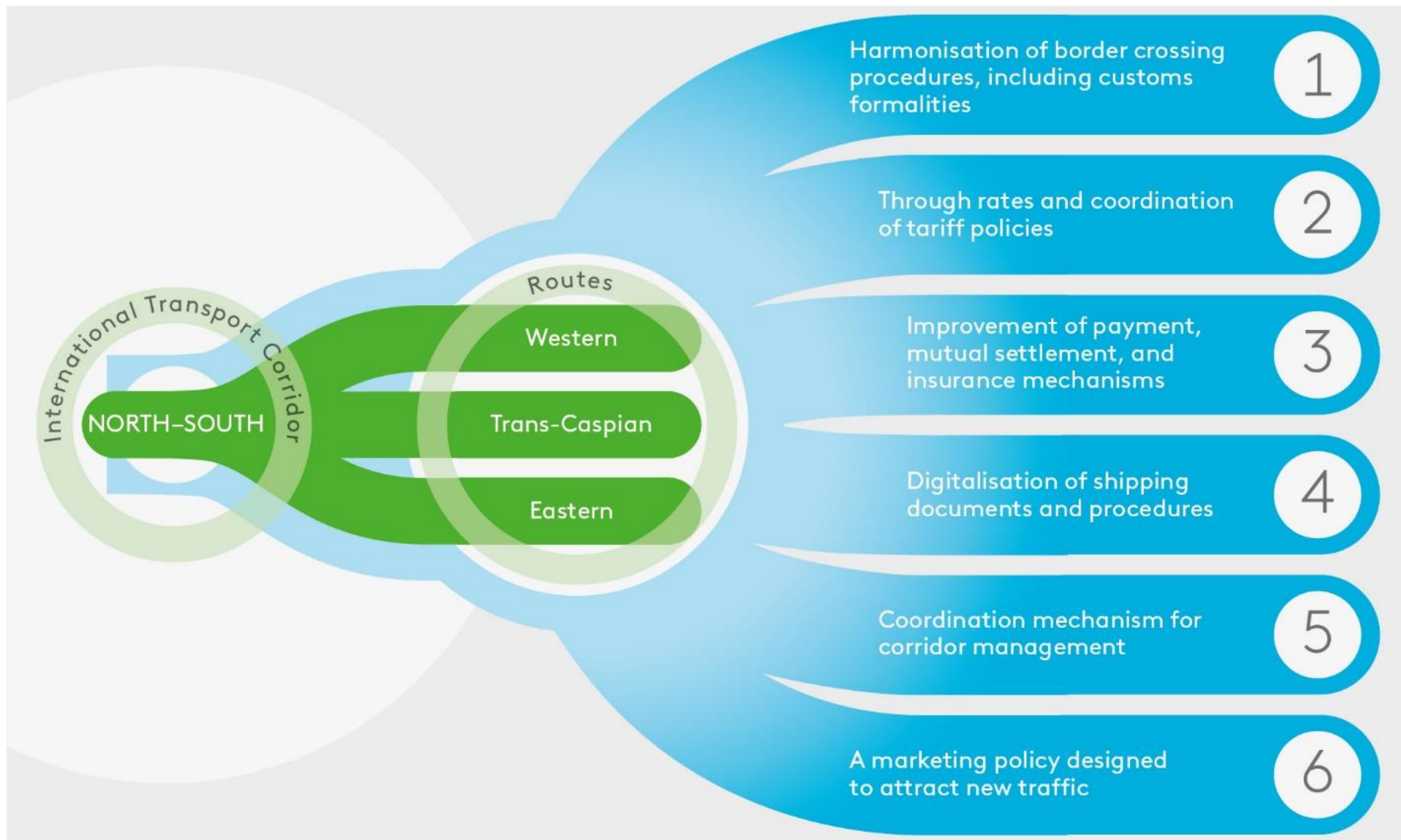
Bankable projects:

- Toll roads,
- Roadside ancillary infrastructure, incl. logistical centers and BCPs,
- Transport fleet modernization,
- Digital infrastructure



could be implemented as public-private partnerships

Soft infrastructure improvement



Cross-Border PPPs: New EDB Study

1. Cross-border PPPs: Definition, Criteria, Areas of Implementation
2. International Best Practices: 5 Cases in the sectors of Road, Rail, Pipeline Transport and Energy
3. Cross-border PPPs in the EAEU and Central Asia: Prospects, Risks, Opportunities
4. Guidelines for Cross-Border PPPs

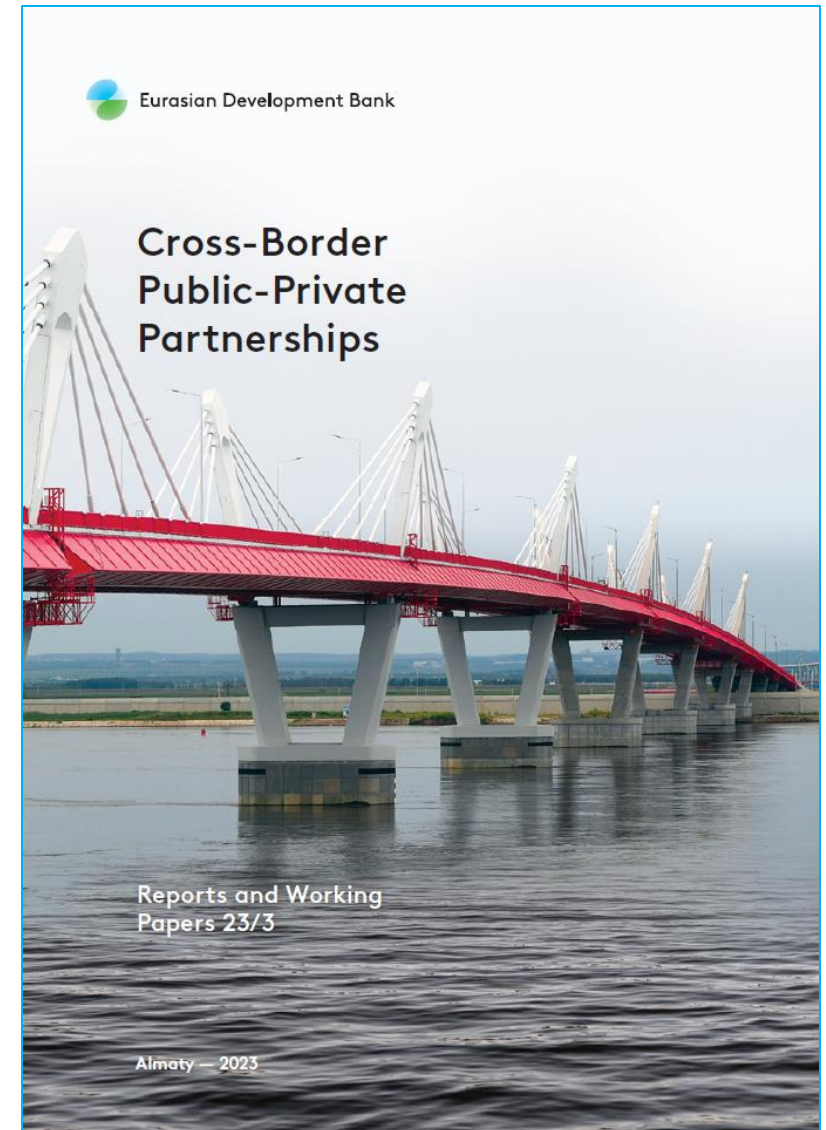
will be published on June 8, 2023

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Research at the EDB website



Thank you for your attention!



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