



## PAGE 3: B. ABOUT YOU

**Q1: Respondent details**

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**Q2: Country or Customs territory**

- MULTILATERAL OR REGIONAL DEVELOPMENT BANK

**Q3: Organization**

Other (please specify) Regional Development Bank

## PAGE 4: C. ABOUT YOUR CASE STORY

**Q4: Title of case story**

CAREC Transport and Trade Facilitation Strategy 2020

**Q5: Case story focus**

Trade Facilitation.

**Q6: Case story abstract**

The Central Asia Regional Economic Cooperation (CAREC) Transport and Trade Facilitation Strategy was refined to account for changes in the CAREC Program since 2008, particularly expanded membership and the new strategic framework (CAREC 2020). The refined strategy also reflects lessons learned during the initial phase of implementation, aiming to more efficiently and comprehensively achieve the goals of establishing competitive corridors; facilitating the movement of goods and people through these corridors; and providing sustainable, safe, and user-friendly transport and trade networks.

**Q7: Who provided funding?**

Other (please specify)  
Asian Development Bank and partners

**Q8: Project/Programme type**

Regional

**Q9: Your text case story**

The refined strategy will provide continuity in the development of corridor infrastructure, while shifting the focus toward improving the quality of logistics services and increasing the level of connectivity. For infrastructure, there is a new emphasis on rail for long-distance freight movements. For services, the refined strategy emphasizes the need for connectivity between the six CAREC corridors and major seaports which serve as gateways providing access to the global markets. The refined strategy also stresses the importance of extending and completing the six strategic multimodal corridors, which are strategically located, and are expected to handle the major share of future transport and trade growth in the region. Once fully funded, established, and operational, the CAREC corridors will deliver services that will be important for national and regional competitiveness, productivity, employment, mobility, and environmental sustainability.

The 108 projects (32 ongoing and 76 new) have an estimated total cost of \$38.8 billion. The majority of ongoing projects are road improvements. New investment in railways includes track construction and renewal, as well as double tracking, improvements in signalization, upgraded communications equipment, and electrification. Investments in logistics focus on connections between rail and road transport at intermodal rail yards, and the rail and maritime interface at seaports. These initiatives will be supported through technical assistance and capital investment. A total of 24 new technical assistance (TA) projects have been proposed in addition to 24 ongoing ones. About half of the new TA projects will target roads and railways, with initiatives focusing on road maintenance and safety to ensure the quality of the network. These new TA projects will also include operational support for the introduction of block train operations on designated rail corridors providing connections within the CAREC countries and between the CAREC region and its neighbors. Trade facilitation accounts for another 20% of the new TA projects, most of which are continuations of earlier efforts to facilitate the overland movement of goods and vehicles across borders.

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**Q10: Lessons learnt**

The stocktaking of the previous strategy identified the need for refinement of outputs, and a much more integrated approach to improving transport and logistics infrastructure and to promoting trade and transport facilitation. Similar to the original strategy, this includes capital investments in transport infrastructure facilities on corridors connecting CAREC countries and the provision of access to external gateways. In addition, the refined strategy also places greater emphasis on the harmonization of regulations, procedures, and standards for the cross border movement of goods and people, and a commitment to implementing more efficient border management.

One clear lesson is that implementing physical infrastructure projects is easier than implementing soft facilitation measures. In particular, measures aimed at reducing border crossing delays are complex and difficult to implement. The impact of delays is greatest for routes that cross multiple borders, since the delays are concatenated. A key challenge in the next phase will be to adopt a more integrated approach to transport and trade facilitation in order to achieve efficiency improvements that will complement the physical ones.

For trade facilitation interventions, it takes more time and continued efforts to transform outputs into outcomes, such as significant reductions in costs and transit times at BCPs and along corridors. Trade facilitation is multidimensional and complex, and presents challenges for institutional coordination. It needs consistent and persistent efforts involving policies, systems, and institutions by all concerned stakeholders. Improvements in the business environment and in governance are especially crucial in achieving trade facilitation outcomes.

Sustaining institutional changes requires a long-term commitment from the national governments of the CAREC countries. There is a need for countries to revitalize and strengthen their national joint transport and trade facilitation committees (NJC), which are critical for the effective coordination and implementation of CAREC transport and trade trade-facilitation initiatives at the national level.

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