

THE REGIONAL COOPERATION AND INTEGRATION (RCI) TECHNICAL ASSISTANCE PROGRAMS

STUDY FOR THE COMMERCIALIZATION OF THE REGIONAL RAILWAY CORRIDOR BETWEEN KAZAKHSTAN, TURKMENISTAN AND IRAN



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THE REGIONAL COOPERATION AND INTEGRATION (RCI) PROGRAM

THE CHALLENGE

THE CHALLENGE TO BE RESOLVED

The railway corridor between Kazakhstan, Turkmenistan and Iran KTI was constructed with a total cost of around US\$1.4 billion, of which the IsDB contributed US\$370 million. Therefore, examining the potential for commercialization railway transport is particularly important for landlocked developing countries because of the cost-effectiveness of railways in carrying bulky goods over long distances and in providing access to seaports.

THE SOLUTION

THE SOLUTION OFFERED BY THE ISDB THROUGH THE PROGRAM TO TACKLE THE CHALLENGE

In partnership with the Economic Cooperation Organization (ECO) and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), the IsDB is conducting a study on commercializing the KTI corridor. The study will produce a comprehensive report containing recommendations on trade flows and commodity analysis, a marketing plan for the railway corridor in KTI, and a suitable corridor management mechanism, along with its key features, such as the structure and functioning of the corridor management entity. The commercialization of the railway corridor study, while enhancing the return on investments made by the IsDB, will also promote rail as an environment-friendly and energy-efficient mode of transport.

MAIN ACTIVITIES AND SCOPE

The main activities include the following:

- Analyzing trade and transit flows across the KTI railway corridor
- Creating the marketing plan for the KTI railway corridor
- Producing the proposal for the appropriate corridor management mechanism to deal comprehensively with barriers
- Preparing the corridor implementation plan.

PARTNERS

OVERVIEW OF THE PARTNERS INVOLVED AND THEIR ROLE IN THE PROJECT



UNESCAP is one of the five regional commissions under the jurisdiction of the United Nations Economic and Social Council. It was established to increase economic activity in Asia and the Far East, as well as to foster economic relations in the region and with other areas of the world. UNESCAP is composed of 53 member states and 9 associate members, all coming mostly from the Asia and Pacific regions. Aside from countries in Asia and the Pacific, the commission's members include France, the Netherlands, the UK, and the US.



ECO is a Eurasian political and economic intergovernmental organization founded in 1984 in Tehran by the leaders of Iran, Pakistan, and Turkey. It provides a platform to discuss ways for improving development and promoting trade and investment opportunities. The ECO objective is to establish a single market for goods and services, much

like the EU. The ECO's Secretariat and cultural department are in Iran, its economic bureau is in Turkey, and its scientific bureau is in Pakistan. All its member countries are IsDB members.



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