



Regional: Support to Improve Cross-Border Railway Services between Armenia and Georgia

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| Project Name | Support to Improve Cross-Border Railway Services between Armenia and Georgia |
| Project Number | 55329-001 |
| Country | RegionalArmeniaGeorgia |
| Project Status | Active |
| Project Type / Modality of Assistance | Technical Assistance |
| Source of Funding / Amount | TA 6861-REG: Support to Improve Cross-Border Railway Services between Armenia and Georgia Technical Assistance Special Fund US\$ 225,000.00 |
| Strategic Agendas | Inclusive economic growth Regional integration |
| Drivers of Change | Governance and capacity development Knowledge solutions Private sector development |
| Sector / Subsector | Transport - Rail transport (non-urban) |
| Gender Equity and Mainstreaming | No gender elements |
| Description | This SSTA will assess the economic potential of the Tbilisi-Yerevan rail corridor and identify viable investment interventions. It will conduct analyses on (i) rail freight and passenger demand assessment, including competition from other modes of transportation; (ii) pricing of current freight and passenger services; (iii) infrastructure investment needs to enable competitive rail services; (iv) required rolling stock investment; (v) connectivity options and obstacles on the Armenian and Georgian railway networks; and (vi) required organizational capacity building, in particular in terms of business development and marketing. |
| Project Rationale and Linkage to Country/Regional Strategy | Railways have the potential to transform a country from being landlocked into being land-linked and facilitate increased regional cooperation and integration. Armenia's railway sector is significantly contributing to maintaining the competitiveness of the country, with a significant modal share of approximately 27%. The country's railway sector involves many stakeholders, the main one being the South Caucasus Railway (SCR) in Armenia and Georgian Railway (GR) in Georgia. Besides SCR and GR, these include the mining industry, the freight forwarding and logistics sector, the tourism sector, and municipalities served by the rail passenger services. The Yerevan-Tbilisi corridor is a vital economic axis. The combined population of the two capitals is 2.2 million, and the corridor is the main entry gate for land-traveling tourists. The distance from Yerevan to Tbilisi on the existing railway is 370 km which is within the ideal competitive distance-range for passenger train services. Current technical performance of the Armenian railway is low the average operating speed is 30 km/hour except for an express service between Yerevan and Gyumri that averages 70 km/hour. Travel time between Yerevan and Tbilisi in Georgia is currently 5-6 hours by road and around 10 hours by rail. |
| Impact | Efficient, modern, demand-driven and affordable railway transport developed. |
| Project Outcome | |
| Description of Outcome | Prefeasibility study including a list of priority investments and organizational requirements to improve performance of freight and passenger transport on the rail corridor between Tbilisi and Yerevan completed |
| Progress Toward Outcome | |
| Implementation Progress | |
| Description of Project Outputs | Passenger and freight potential on the Tbilisi-Yerevan rail corridor assessed. Investment needs for infrastructure, auxiliary systems, rolling stock and safeguards impacts assessed. Economic viability of investment options assessed. |
| Status of Implementation Progress (Outputs, Activities, and Issues) | |
| Geographical Location | Armenia - Nation-wide, Yerevan; Georgia - Nation-wide, Tbilisi |
| Summary of Environmental and Social Aspects | |
| Environmental Aspects | |
| Involuntary Resettlement | |
| Indigenous Peoples | |
| Stakeholder Communication, Participation, and Consultation | |
| During Project Design | |
| During Project Implementation | |
| Responsible ADB Officer | Herz, Thomas |
| Responsible ADB Department | Central and West Asia Department |
| Responsible ADB Division | Transport and Communications Division, CWRD |

Executing Agencies

Asian Development Bank
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Mandaluyong City 1550, Philippines
Ministry of Economy (MOE)
5 M. Mkrtychyan Street, Yerevan 0010, Republic of Armenia
Ministry of Economy and Sustainable Development of Georgia
2 Sanapiro Str., Tbilisi, 0105

| Timetable | |
|---------------------|-------------|
| Concept Clearance | - |
| Fact Finding | - |
| MRM | - |
| Approval | 08 Dec 2021 |
| Last Review Mission | - |
| Last PDS Update | 09 Dec 2021 |

TA 6861-REG

| Financing Plan/TA Utilization | | | | | | Cumulative Disbursements | | |
|-------------------------------|-------------|-------------|---------------|-----------------|--------|--------------------------|------|--------|
| ADB | Cofinancing | Counterpart | | | | Total | Date | Amount |
| | | Gov | Beneficiaries | Project Sponsor | Others | | | |
| 225,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 225,000.00 | - | 0.00 |

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| Project Page | https://www.adb.org/projects/55329-001/main |
| Request for Information | http://www.adb.org/forms/request-information-form?subject=55329-001 |
| Date Generated | 10 December 2021 |

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