

 Early Warning System

ADB-58519-001

Sustainable Rail Transport in Kazakhstan



Quick Facts

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|--------------------------------|--|
| Countries | Kazakhstan |
| Financial Institutions | Asian Development Bank (ADB) |
| Status | Approved |
| Bank Risk Rating | U |
| Voting Date | 2024-12-02 |
| Borrower | Government of Kazakhstan, Kazakhstan Temir Zholy |
| Sectors | Law and Government, Technical Cooperation, Transport |
| Investment Type(s) | Advisory Services |
| Investment Amount (USD) | \$ 0.23 million |



Project Description

As stated by the ADB, the proposed TA aims to help Kazakhstan Temir Zholy to adopt its internal corporate standards aligned with the international best practices. Specifically, this includes:

"Financial Modeling and Reporting: The TA will support the preparation of comprehensive financial projections in line with ADB's standards, such as cash flow, profit/loss, and balance sheet analyses, and assess key financial ratios, ensuring transparency and compliance with international financial standards.

"Safeguards Component: Advising on the integration of social and environmental safeguards into project due diligence and implementation to ensure that potential projects align with IFI requirements. This will enable KTZ to adopt international best practices in safeguards management, including the development and enhancement of its Environmental and Social Management System (ESMS).

Successful implementation of the TA will pave the way for ADB's engagement in the rail sector of Kazakhstan by financing potential projects developed by KTZ, such as the Darbaza-Maktaaral railway and other potential projects.

The requested small-scale TA amount of \$225,000 is appropriate given the low-value nature of the planned activities, which primarily involve conducting an environmental and social safeguards audit of KTZ's current environmental and social management system (ESMS). Additionally, the TA focuses on financial modeling and exploring new project opportunities in the rail logistics cargo sub-sector, including analysis of KTZ's investment program for potential sovereign and non-sovereign financing opportunities and supporting the development of the CAREC Corridor 2 which largely coincides with the Middle Corridor Initiative.



Investment Description

- Asian Development Bank (ADB)



Private Actors Description

JSC Kazakhstan Temir Zholy is the national railway company of Kazakhstan.



| Private Actor 1 | Private Actor 1 Role | Private Actor 1 Sector | Relation | Private Actor 2 | Private Actor 2 Role | Private Actor 2 Sector |
|-----------------|----------------------|------------------------|----------|---|----------------------|------------------------|
| - | - | - | - | JSC National Company Kazakhstan Temir Zholy | Client | Transport |



Contact Information

ADB Team Leader:

Asem Chakenova - Senior Project Officer in Kazakhstan Resident Mission

No contacts provided at the time of disclosure.

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