

 Early Warning System

ADB-58143-001

Railway Sector Development Program-Additional Financing



Quick Facts

Countries	Azerbaijan
Specific Location	Sumgait, Yalama
Financial Institutions	Asian Development Bank (ADB)
Status	Proposed
Bank Risk Rating	B
Borrower	Government of Azerbaijan
Sectors	Infrastructure, Transport
Investment Type(s)	Loan
Investment Amount (USD)	\$ 131.50 million
Loan Amount (USD)	\$ 131.50 million



Project Description

As stated by the ADB, the project will provide additional financing to complete the rehabilitation of 166 kilometers of double track rail line from Sumgait to Yalama, including civil structures and level crossings.

Under ADB's Railway Sector Development Program (RSDP), the Azerbaijan Railways Closed Joint Stock Company (ADY) implemented a comprehensive sector reform program through the policy-based loan component (\$250 million). The project loan component (\$150 million) finances the rehabilitation of approximately 166 kilometers (km) of double track rail line between Sumgait and Yalama, a section of CAREC designated rail corridor 6. The civil works contracts for the detailed design and construction were awarded on 5 December 2019 (two lots).

As of 1 February 2024, construction progress is 71% for Lot 1 and 57% for Lot 2. The current contractual project completion date is 31 December 2024. Project implementation experienced delays due to these causes: (i) the pandemic increased the mobilization time of staff and delayed commencement of the design works; (ii) changes to the exact scope of works following completion of the detailed design increased program timescales; and (iii) the delay in the delivery of new rails caused by the pandemic forced the Contractor to adopt an alternative methodology for track construction and to search for other suppliers. The expected output of the project remains unchanged.

On 9 April 2024, the government requested ADB for additional financing to complete the remaining civil works in the rail line rehabilitation.



Early Warning System Project Analysis

The ADB categorized the project risks as follows:

- Environment - B;**
- Involuntary Resettlement - B;**
- Indigenous Peoples - C.**



Investment Description

- Asian Development Bank (ADB)



Private Actors Description

Azerbaijan Railways CJSC is the national railways operator in Azerbaijan.



Private Actor 1	Private Actor 1 Role	Private Actor 1 Sector	Relation	Private Actor 2	Private Actor 2 Role	Private Actor 2 Sector
-	-	-	-	Azerbaijan Railways CSJC (ADY)	Contractor	Transport



Contact Information

ADB Team Leader:

Jurgen Sluijter - Senior transport specialist for Central and West Asia

No contacts provided at the time of disclosure.

ACCESS TO INFORMATION

You can submit an information request for project information at: <https://www.adb.org/forms/request-information-form>

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ACCOUNTABILITY MECHANISM OF ADB

The Accountability Mechanism is an independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by an Asian Development Bank-financed project. If you submit a complaint to the Accountability Mechanism, they may investigate to assess whether the Asian Development Bank is following its own policies and procedures for preventing harm to people or the environment. You can learn more about the Accountability Mechanism and how to file a complaint at: <http://www.adb.org/site/accountability-mechanism/main>.



Bank Documents

- [Project Disclosure PDF](#)



Other Related Projects

- ADB-48386-004 Railway Sector Development Program
- ADB-48386-001 Railway Sector Development Program