



Economic Corridors as a Way to Promote Regional Integration

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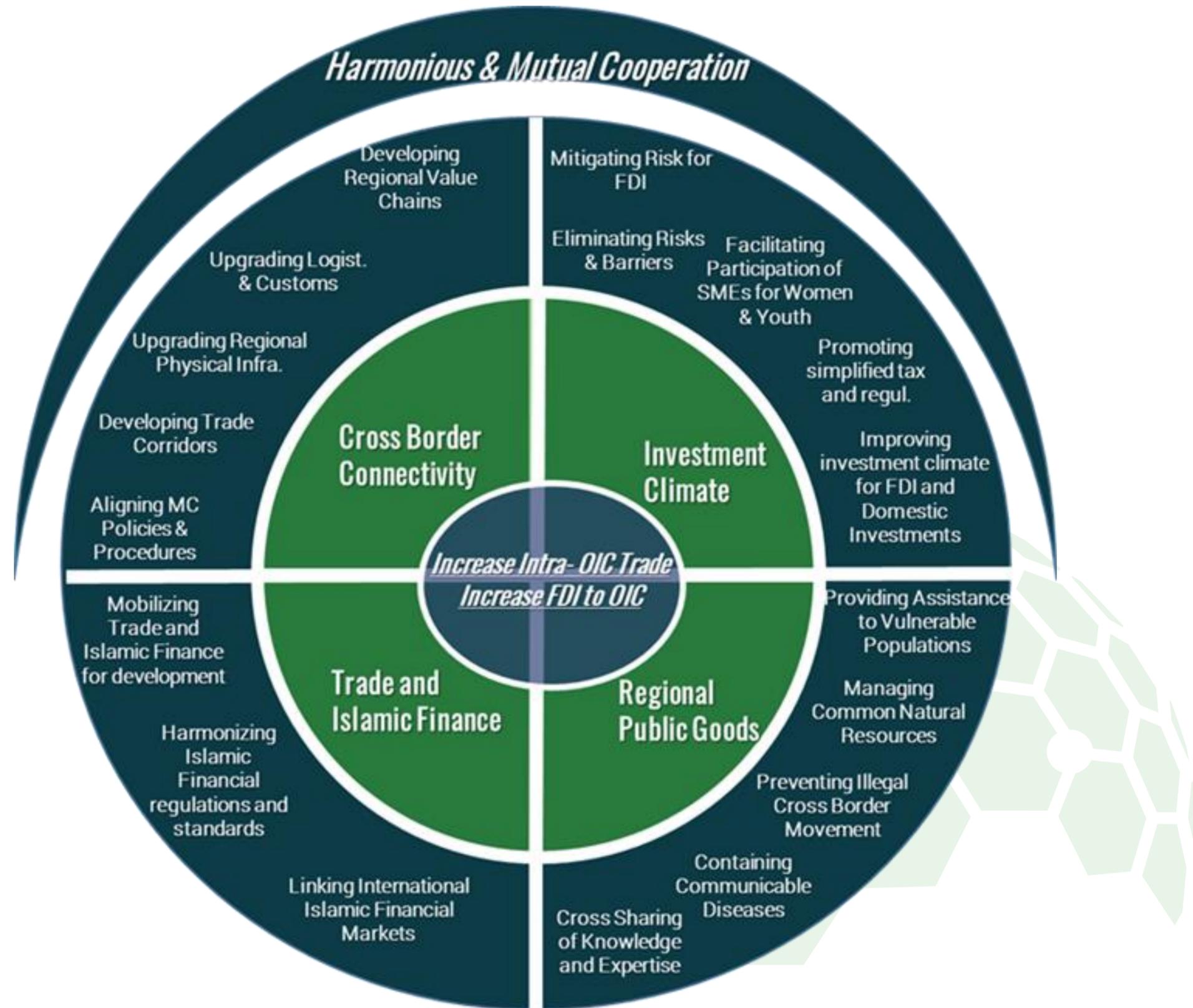
Lessons Learned

Areas of Collaboration

Economic Corridors and Development

- Economic corridors are an important feature of the process of economic development and structural transformation.
- Economic corridors are a way to stimulate trade, foster market integration, and providing new opportunities to land-locked countries to integrate global market.
- Recognizing the fundamental role they play in fostering regional integration and development, IsDB is supporting the development of economic corridors in member countries
- In line with the principles of the Bank's Regional Integration Strategy, IsDB's approach to regional connectivity encompasses "Soft" cross-border infrastructure that includes improved coordination between customs and streamlined border procedures, and "Hard" cross-border infrastructure that includes improved physical connectivity (cross-border transportation links, ICT connectivity, connectivity for energy transmission)

IsDB RCI Strategy



IsDB Economic Corridor Development Approach

- **Economic corridor approach:** regional transport not only as a means of transporting goods and services or as a gateway for land-locked countries, but as engines of socioeconomic development.
- The process of economic development entails rising incomes, changing economic, social and demographic structures, and institutional change, but it also results in an evolving spatial economy, including rapid urbanization and emerging economic agglomerations.
- By promoting industry and social facilities in conjunction with transport infrastructure, economic corridors help to develop rural and border areas, increase incomes, and generate job opportunities.

From Trade Corridor to Economic Corridor

This stage includes:

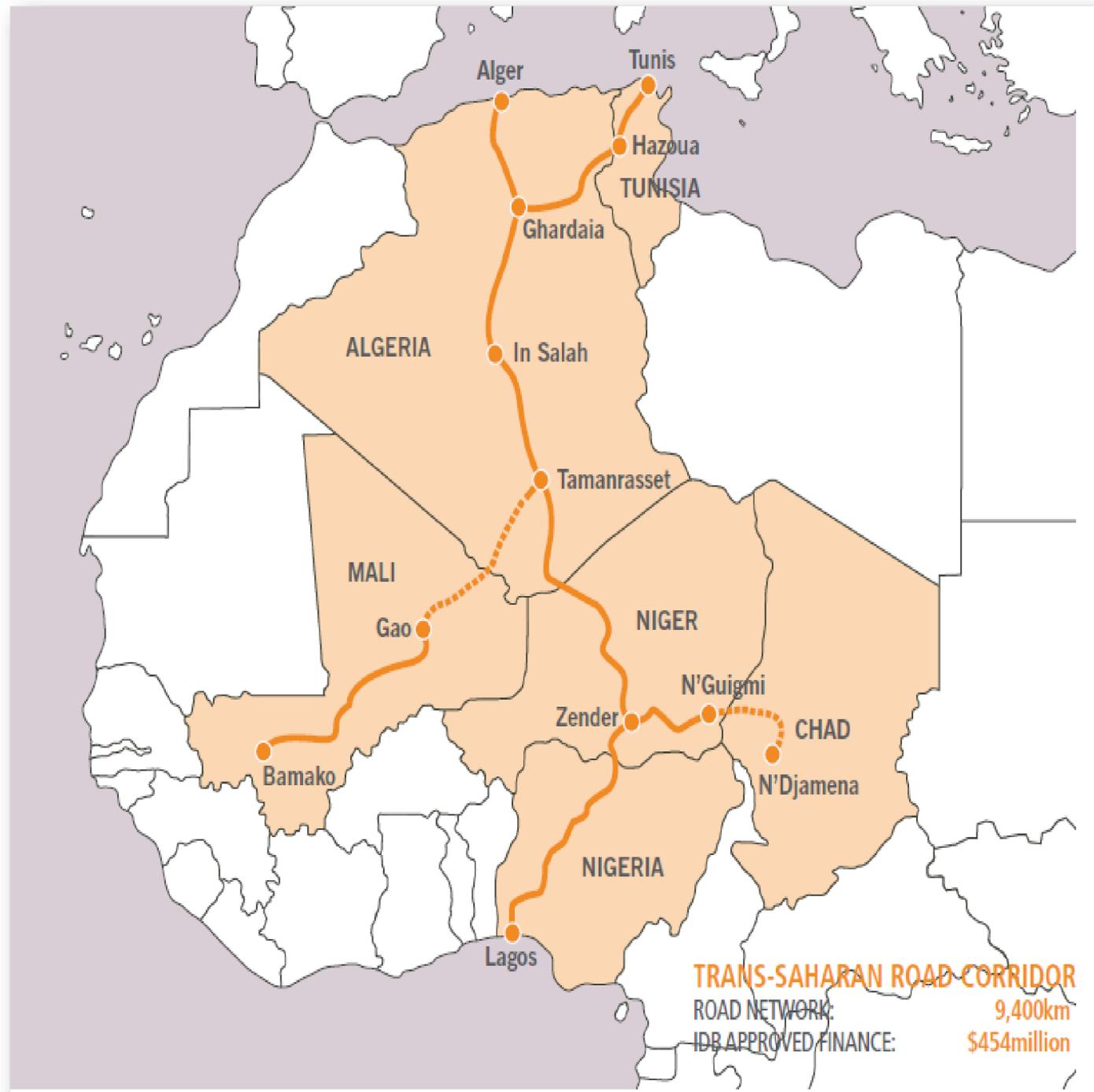
- Promoting investments in areas such as agroindustry and manufacturing, natural resource-based enterprises, small-scale industries, trade (including roadside shops), tourism (hotels), schooling, and health facilities, all located near the corridor.
- Promoting of innovative trade products and investment forums close to the corridor;
- Promoting new market business opportunities in key industries;
- Establishing special economic zones where appropriate;
- Advertising investment policies rules and regulations;
- Offering micro-financing;
- Introducing special measures to improve efficiency in the procedures;
- Addressing infrastructure deficiencies, such as inadequate water and power.



Some Ongoing IsDB Initiatives

- Trans-Saharan Road (in collaboration with UNCTAD and CLRT)
- Kazakhstan-Turkmenistan-Iran Railway Corridor (in collaboration with UNESCAP and ECO)
- Rosso Economic Corridor (in collaboration with AfDB)
- Chad-Sudan Transit Trade, Transport, and Regional Integration through Enhanced Port Connectivity, Dry Port/Logistics Hubs, and PPPs development (in collaboration with UNCTAD and ICDDT)
- Central Asia Connectivity Mapping Study (in collaboration with AIIB and MCDF)
- Training Workshops on TIR/eTIR and CMR/eCMR (in collaboration with UNECE)
- Trans-Maghreb Corridor Enhancement Project: Unlocking Logistics and Trade in the Western Mediterranean (CETMO)
- The Trans Maghreb Multimodal Corridor Action Plan (in collaboration with CETMO)
- Establishment of Common Gateways among Economic Cooperation Organization (ECO) Member Countries
- Establishment of a Cross-Border Economic Zone on the Tajikistan-Uzbekistan Border

The Trans-Saharan Corridor



- The Trans Saharan Road Corridor (TSR) is one of the 9 main Trans-African Highways corridors being developed in Africa and is also one of the oldest transnational road corridors and one of the most complete.
- The TSR Corridor links Algeria, Chad, Mali, Niger, Nigeria, and Tunisia (three-port countries and three landlocked ones). The 4,500 km long North-South backbone (main road) of the corridor connects the ports of Algiers and Lagos through Algeria, Niger, and Nigeria. An additional 4,600 km of linked highways (feeders) to Tunisia, Mali, Niamey (in Niger) and Chad are considered an integral part of the Trans-Saharan Road Corridor. The Tunisia branch connects to the ports of Tunis and Gabès.

The Transformation of the TSR into an Economic Corridor

- Infrastructure improvement: completion of missing links, standards, asset management and sustainable maintenance policies
- Road safety measures
- Ratification of relevant conventions, memberships
- Adequate legal, regulatory, and institutional framework for the facilitation of transport and transit-on the corridor
- Improving and modernizing border crossings and their management and performance
- Improving customs transit performance, harmonization, use of ICT, risk management, exchange of information.
- Improving road freight transport and trucking services
- Improving logistics services and networks, logistics centers/platforms, dry ports
- Improving ports (gateways) efficiency and operations and maritime transport services
- Improving land access to ports to assure seamless connectivity to hinterlands
- Capacity-building, including in logistics profession
- Proper corridor management scheme
- Mechanisms for monitoring and evaluation of corridor performance and impact.



Lessons Learned

- The hard and soft improvements needed to make the corridor operational are complex, multi-sector, multi-dimension, and multi-country (at national and regional levels).
- The improvement of the corridor involves several government levels and agencies as well as private.
- Transition from a transport corridor to an economic corridor takes time and requires human competencies, financial resources, careful strategies and planning, investments in infrastructure and equipment, policies, sector reforms and strategies, international conventions implementation, execution of bilateral and multilateral agreements and treaties.
- The success of economic corridors as a strategy for development and regional integration depends on:
 - ✓ strong political will
 - ✓ institutional framework for planning and coordinating various projects
 - ✓ industrial and human development strategies
 - ✓ resource mobilization strategy
 - ✓ communication strategy
 - ✓ participation from the private sector
 - ✓ strong partnerships



Areas of Collaboration between Development Partners



RESEARCH



CAPACITY BUILDING



COORDINATION



ADVOCACY



RESOURCE MOBILIZATION





Thank You

