



## 5 INVESTMENTS IN TRANSPORT AND LOGISTICS SECTOR IN AZERBAIJAN

The Country has been involved in 44 different TACIS technical assistance projects in the following field of Institutional, legal and administrative reform, Private sector and economic development, Development of infrastructure networks, Changes in society, infrastructure networks, Environment and Rural economy.

European Commission investments for Azerbaijan in the framework of the TRACECA Program supported such projects as:

- Rehabilitation of the Caucasian Railways (1995-1996)
- Rehabilitation and construction of the Synyg Korpi/Red Bridge, which links roads network of Georgia and Azerbaijan (1997-1998)
- Container Services Baku - Turkmenbashi (1998-1999)
- Cargo and Container Handling Equipment for the Cotton Export Logistics Centre Near Bukhara (Uzbekistan), and for the Seaports of Baku (Azerbaijan), Turkmenbashi (Turkmenistan), Poti (Georgia) and Ilychevsk (Ukraine) (1998-2000)
- Rail Tank Wagon Cleaning Boilers in Baku (1999)
- Optical Cable System for Communication and Signalling for Railways of Azerbaijan and Georgia (2000-2002)
- Navigational aid equipment (2003)
- Oil tank wagons for Azerbaijan Railways (2002-2003).

Other investments in transport and logistics sector in Azerbaijan were possible thanks to the funding of IFIs such as the European Bank for Reconstruction and Development (EBRD), the World Bank (WB), the Asian Development bank (ADB) or the Islamic Development Bank (IsDB):

**Table 3: IFI Supported Projects in Azerbaijan**

Title of project	Year of approval	Sub-sector	Total project cost	IFI funding
Roads Reconstruction and Upgrading Project	2011	Road	900 M USD	750 M USD (EBRD)
Third Highway Project	2010	Road	356.2 M USD	241.6 M USD (WB)
Road Network Development Program, Project 2	2008	Road	55.4 M USD	55.4 M USD (ADB)
Rail Trade and Transport Facilitation Project	2008	Rail	795 M USD	450 M USD (WB)
Road Network Development Program, Project 1	2007	Road	249 M USD	200 M USD (ADB)
Second Highway Project ( + two additional financings)	2006	Road	1028.1 M USD	675 M USD (WB)
East-West Highway Improvement	2005	Road	93.2 M USD	52 M USD (ADB), 10.4 M USD (IsDB), 11 M USD



Logistics Processes and Motorways of the Sea II

Project				(Saudi Fund)
Baku to Samur	2005	Road	110 M USD	100 M USD (EBRD)
Silk Road Project	2004	Road	46.6 M USD	41 M USD, (EBRD)
Highway Project	2001	Road	48 M USD	40 M USD (WB), 1.5 M USD (EU-TACIS)
Trans-Caucasian Rail link	1998	Rail	36.1 M USD	20.2 M USD (EBRD), 8 M USD (EU-TACIS)
Baku Port Development	1997	Maritime	20 M EUR	16.2 M EUR (EBRD)

