

JOBS OUTCOMES STORY

THE ROAD TO BETTER JOBS

Boosting Transit Connectivity in Kazakhstan

AT A GLANCE

REGION/COUNTRY Europe & Central Asia | Kazakhstan

PROGRAM/PROJECT South-West Road Project (SWRP) and East-West Road Project (EWRP)

FUNDING \$3.193 billion IBRD



THE CHALLENGE

Kazakhstan holds a strategic position between China, Europe, and the Middle East, but has historically been underutilized as an economic and transit bridge because of poor connectivity across the country. This has not only hindered Kazakhstan's ability to leverage its geographical advantage, but also led to pronounced regional disparities. Lack of efficient transport links contributed to unequal access to employment, education, healthcare, and social and cultural opportunities. Transit costs were high in terms of time, finances, and vehicle wear and tear, which posed significant obstacles to international commerce and stymied local socioeconomic progress, particularly in the southern regions. These challenges disproportionately impacted women, who faced greater unemployment and suffered from high maternal mortality rates because they could not quickly reach medical care. These issues were compounded by persistent underinvestment and limited institutional capacity within the road sector, which further impeded the development of robust transportation infrastructure.

RESULTS



5.5 million residents along the Western Europe–Western China corridor in Kazakhstan have been connected through better road infrastructure since 2009.



Two road projects created **50,000+ construction jobs and 1,200 permanent road maintenance positions**, spurring regional development and curbing youth migration. The projects focused on training, new qualifications, and equitable conditions for women, becoming a catalyst for social mobility.



Retail trade in the project area surged by **50%**, and **wholesale trade increased by 640%** within three years of the roads' completion.



In surveys, **43% of beneficiaries said the project led to better job and income opportunities; 93% said it led to a higher quality of life.**



Between 2009 and 2020, **residents who feel optimistic about their future in the area rose from 20% to 83%** – primarily due to new jobs, better access to employment, and transformative improvements for businesses.

WBG APPROACH

The World Bank supported two modern road corridors in Kazakhstan, with a combined length of almost 2,000 kilometers. The South–West Road Project (SWRP) and East–West Road Project (EWRP) supported modernization of both the Western Europe–Western China and the Center–South transit corridors. The development of these routes is accelerating sustainable, equitable economic growth in Kazakhstan. The projects invested in new road infrastructure; they also provided technical assistance to improve maintenance and safety standards, and to boost the transport sector’s financial sustainability by introducing tolls. Additionally, the World Bank supported the establishment of two authorities to ensure that the new roads were sustainably managed: KazAvtoZhol, a national highway management company, and the National Center for Quality of Road Assets. KazAutoZhol models performance-based remuneration for state employees, promoting efficiency and accountability in public services management.

LESSONS LEARNED

Collaboration was critical to development of the 2,700-kilometer Western Europe–Western China Highway; these projects were able to achieve results due to their One World Bank Group approach and external partnerships. The World Bank’s projects were complemented by the International Finance Corporation’s structuring of the Big Almaty Ring Road 20-year concession; this 66-kilometer road is critical to the Western Europe–Western China Highway corridor, because it bypasses congestion around Almaty, Kazakhstan’s most populous city. The World Bank’s financing of 1,600 kilometers of road was also bolstered by contributions from the Asian Development Bank (480 km), the European Bank for Reconstruction and Development (100 km), the Islamic Development Bank (50 km), and the government of Kazakhstan (500 km) – demonstrating that the road to better jobs must be a shared path toward the future.

NEXT STEPS

The World Bank envisions further expansion of transport and social infrastructure to alleviate regional imbalances in Kazakhstan. The focus will be on developing multimodal transport and facilitating trade through improved logistics. The World Bank will continue to support effective governance and sustainability in the transport sector, as well as safety and climate resilience. These projects will also work to ensure that communities near major corridors benefit from spillover effects, including last-mile connections to populations in remote areas.

“

Before the project, I had no job. Now I am working as a cleaner for the contractor company based in our village. One of my sons got a job as a driver; the other is a security guard. It is great that the work is not far from our home.

— Anar Kassymbekova, Resident of Akzharma village, Kyzylorda region

”

