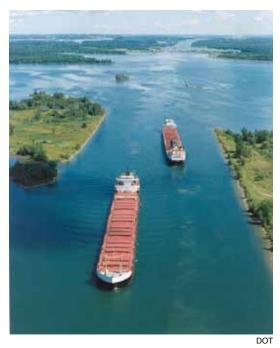
## The Eurasia Canal

## by Dean Andromidas

April 9—National economies that have no direct access to the sea, or access via river and canal waterways, are always at a serious disadvantage. A glance at the most productive region in Europe, the Paris-Berlin-Vienna "Productive Triangle," shows it to be integrated with a dense network of superhighways and railroads, but also with interconnecting river and canal networks that provide efficient and inexpensive transportation of bulk cargoes, including mineral ores, chemicals, and hydrocarbon products, as well as the less time-sensitive among containerized cargoes.

A glance at the map of Eurasia reveals that its vast. landlocked central region is its least developed. The geographical situation is similar to that of the North American continent, where the Great Lakes reach almost to the midpoint of the continent. These vast "inland seas" were first connected to the world's oceans by the Erie Canal. There followed the linking-up of all five Great Lakes with a system of canals and locks. Ultimately, the Saint Lawrence Seaway permitted 28,000ton, ocean-going ships to reach the Lake Superior



St. Lawrence Seaway.



Projected route of the Eurasia Canal.

port of Duluth, Minnesota, almost midway across the continent. This was a process of development that took more than 150 years to complete, but that process helped to industrialize both the United States and Canada.

The Mediterranean, the Black, and the Caspian seas similarly stretch halfway across Eurasia, bringing together three continents—Asia, Africa, and Europe. While the Mediterranean and the Black seas are connected through the Dardanelles and the Bosporus, the Caspian is connected to them only through the very low-capacity and inconvenient Volga-

Don Canal in the Russian Federation. The remedy is to cut a ship canal across Russian Caucasus through the Russian Federation's republics Kalmykia and Dagestan, the oblasts of Astrakhan and Volgograd, and the Rostov and Stavropol regions, along the Kuma-Manych Depression, thereby linking the Caspian with the Sea of Azov and on to the Black Sea. It was a mere 18,000 years ago that this depression served as a strait, the Manych Strait, connecting the two seas.

The Russian Czar's en-

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Lock No. 14, Volga-Don Canal.

gineers dreamt of building such a canal, and the engineers of the Soviet Union, under orders from Stalin, began construction of the Kuma-Manych Canal in 1932. Work stopped because of the outbreak of World War II. After the war, the project was downgraded to an irrigation canal, and then completely halted in 1989 by environmentalists in the government of Mikhail Gorbachov. While much of canal still exists, it is in very poor condition.

During his <u>annual national address in April 2007</u>, Russian President Vladimir Putin called for modernizing the Volga-Don and Volga-Baltic canals. He pro-

posed that the government "examine the establishment of an international consortium to build a second section of the Volga-Don Canal." This new transport artery would have a significant impact, improving shipping links between the Caspian and the Black seas.

"Not only would this give the Caspian Sea countries a route to the Black Sea and the Mediterranean, thus providing them with access to the world's oceans," said Putin, "it would also radically change their geopolitical situation by enabling them to become sea powers." This

proposal is called the Volga-Don 2 Canal.

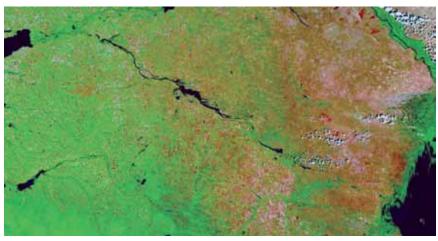
Speaking at a conference of foreign investors on June 15, 2007, the President of Kazakhstan, Nursultan Nazarbayev, proposed the construction of a Eurasia Canal through the Manych Depression, declaring, "We need different routes: naturally, these commodities-oil and gas-will follow the routes that will prove to be economically sound for us. The construction of a new 'Eurasia' shipway from the Caspian to the Black Sea can become a landmark project.... This canal would be a powerful outlet for the entire Central Asia seaward across Russia."1

The two presidents soon met on the subject, resulting in the commissioning of a feasibility study compar-

ing the two projects, which was carried out with financing provided by the Eurasian Development Bank. The study concluded that a ship canal through the Manych Depression was economically feasible, and would also benefit the development of the Russian Caucasus by providing employment and improving the region's agricultural potential.

In 2009, President Nazarbayev recruited the support of China for the project, and in August 2009, during an

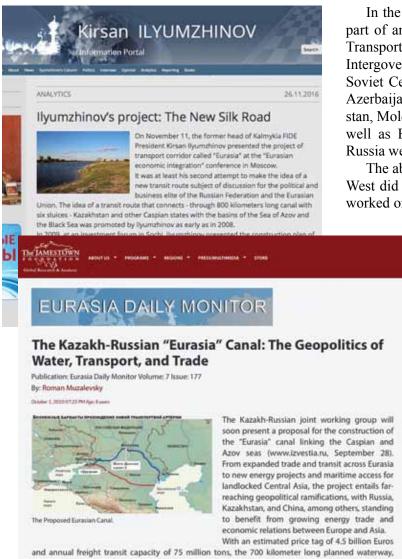
<sup>1.</sup> See <a href="https://jamestown.org/program/the-kazakh-russian-eurasia-canal-the-geopolitics-of-water-transport-and-trade/">https://jamestown.org/program/the-kazakh-russian-eurasia-canal-the-geopolitics-of-water-transport-and-trade/</a>



Satellite photo of the Kuma-Manych Depression and Manych River.

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official visit to China, the President of the Russian Republic of Kalmykia, Kirsan Ilyumzhinov, a political ally of President Putin, signed a letter of intent with Sinohydro, a Chinese hydropower, engineering, and construction company, to secure its participation in building the Eurasia Canal, which also resulted in a preliminary feasibility study.<sup>2</sup>

The 2008 financial crisis and the failure of the Russian government to come to a decision, led both the Volga-Don 2 project and the Eurasia Canal to be frozen, despite the keen interest of Kazakhstan.

2. See <a href="https://www.fide.com/component/content/article/1-fide-news/4098">https://www.fide.com/component/content/article/1-fide-news/4098</a>—working-visit-of-fide-president-kirsan-ilyumzhinov-to-beijing.html

In the meantime, in 2001, the European Union, as part of an effort to isolate Russia, had organized the Transport Corridor Europe Caucasus Asia (TRACECA) Intergovernmental Commission (IGC) of all the former Soviet Central Asian Republics and others, including Azerbaijan, Armenia, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Tajikistan, Ukraine, and Uzbekistan, as well as Bulgaria, Romania, and Turkey. China and Russia were not included.

The absence of Russia signaled that the EU and the West did not support the Eurasia Canal. Instead, they worked on developing a road and rail corridor through

mountainous Azerbaijan and Georgia. Since rail and roadways already existed, this approach entailed minimal investment, while failing to solve the basic problem that would be addressed by a new waterway.

## The Belt and Road Initiative Can Make the Difference

In 2013, Chinese President Xi Jinping launched what is now known as the Belt and Road Initiative (BRI), thereby opening new potential for the realization of a Eurasian canal project. In the Russian Federation, the former President of Kalmykia, Kirsan Ilyumzhinov, had embraced the BRI, and on November 11, 2016, he presented the project for a transport corridor called "Eurasia" at the Eurasian Economic Integration conference in Moscow, where the Eurasia Canal was featured. Moreover, the continuing strengthening of ties be-

tween Putin and Xi could induce Russia to take more action on the project.<sup>3</sup>

In 2017, a significant short study, "The Eurasia Canal as a Factor of Economic Prosperity for the Caspian Region," appeared in the Kazakh journal, *Geography, Environment, Sustainability*, written by Nuraly Bekturganov of Kazakhstan's Academy of Natural Sciences and Arasha V. Bolaev, adviser to the President of the Russian Academy of Sciences.

The two authors correctly assert that China's Belt and Road Initiative and its commitment to rapidly develop its western regions have dramatically shifted the

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<sup>3.</sup> See <a href="http://kirsan.today/en/analytics/item/1175-ilyumzhinov-s-project-the-new-silk-road.html">http://kirsan.today/en/analytics/item/1175-ilyumzhinov-s-project-the-new-silk-road.html</a>

situation. They add, "The Eurasia Canal construction project is consistent with the spirit of the One Belt One Road initiative, as the route 'western China-Kazakhstan-Caspian Sea-Eurasia Canal-the Black Sea' will be the shortest between China and the European Union."

The region of Central Asia that constitutes the "market" for a canal easily encompasses more than a billion people. The riparian countries alone include Kazakhstan, with 18 million; Uzbekistan, whose western border is a mere 200 km from the Caspian, with 32 million; Turkmenistan with 5.7 million; Iran with 80 million; Azerbai-

jan with 10 million; and of course Russia, in which a sizable part of its 165 million citizens live in this area. There is also Afghanistan with 35 million; Tajikistan with 9 million; and Kyrgyzstan with 6 million, which will also benefit from the canal.

The canal could also be part of a new trade route for Urumqi, the capital of China's westernmost Xinjiang region (population 24 million), which is almost equally distant from the eastern shore of the Caspian Sea and China's eastern sea coast

In effect, all cargo traffic destined to and from the Mediterranean, thus including Europe, Africa and even the east coast of the Americas, will benefit.

According to Bekturganov and Bolaev, freight transportation capacity will need to increase to 75 million tons per year over the next decade. The capacity of the Don-Volga Canal is currently less than 15 million tons, the vast majority of which is taken up by Russian cargoes. Ships larger than 5,000 tons cannot pass through it.

With estimated oil reserves of 24 to 26 billion tons, this region accounts for 6 to 10% of world reserves. It has an estimated 8.3 trillion cubic meters of gas reserves. The transport of hydrocarbons via such a canal would add to its existing exports of 25 to 50 million tons per year. While pipelines can transport oil and gas, refined products are best transported by ship.

Cargo from the region not associated with hydrocarbons is estimated at 20 to 25 million tons, the vast ma-



jority being currently transported by road and rail. Much of the region's exports are bulk cargoes, including 4.5 million tons of grain exports from Kazakhstan alone. This region is also rich in mineral resources, which are expensive to extract and transport, due to lack of water transport.

A Eurasia Canal will clearly lead to a dramatic increase in cargoes from China and other countries that would normally ship via China's east coast ports or by rail. A research study by Sinohydro found that by 2030, 24 to 30 million tons of Chinese cargoes that would otherwise be transported through Chinese ocean ports, would be diverted to the canal, and 43 to 51 million tons by 2050.

In terms of viability, compare the highly successful Rhine-Main-Danube canal, which carries 6 million tons per year, and the Saint Lawrence Seaway, which carries 40 to 50 million tons.

**Revolutionizing Navigation on the Caspian**The revolutionary potential of the Belt and Road Initiative in Central Asia demands a solution that will also revolutionize maritime transport. The largest ships now plying the waters of the Caspian, for example, the so called "river-sea" class vessels, are no larger than 10,000 to 13,000 deadweight tons, primarily because they are the largest ships able to navigate the Russian inland waterway network. By contrast, ships up to

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100,000 tons, the largest size that can traverse the Bosporus Strait and Dardanelles, operate in the Black Sea.

The initial canal proposals called for a canal with the limited parameters of the river-sea ships of the 10,000 to 13,000 ton class.

The author of the Sinohydro report and the Bekturganov-Bolaev team concur that a canal should be modeled after that of the Great Lakes and Saint Lawrence Seaway, which can accom-



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Handysize bulk carrier vessel COPAN in Bosporus waters.

modate ships as large as 20,000 to 26,000 tons, the socalled Seawaymax or Handysize class. This class of ship is far more cost-effective for carrying cargoes to transshipment ports on the Black Sea, especially to the Port of Constanta, Romania at the entrance of the Danube-Black Sea Canal, where cargoes can be transferred to barges and enter the European inland waterway network. They could also sail directly to the ports of the Mediterranean and beyond the Pillars of Hercules, to destinations anywhere on the Seven Seas.

The Eurasia Canal will require a two-way channel and locks to accommodate ships up to 226 m long, with a width of 24 m and a draft of 7.15 m. At a required length of 750 km, it will not be much longer than the 600 km Saint Lawrence Seaway, including the canals and locks connecting the five Great Lakes.

The topography of the Kuma-Manych Depression is almost ideal for canal construction, and will require far fewer locks than the Great Lakes and Saint Lawrence Seaway (15) and the 172 km Rhine-Main-Danube Canal (16).

The Caspian Sea is 27 m lower than the Black and Azov seas. The watershed between the Sea of Azov and the Caspian Sea has an elevation of 27 m on its western slope and 54 m on the east slope. This compares to the watershed between the Main and Danube rivers, which require lifting and lowering ships 176 m. The Eurasia Canal will require three shipping locks of low pressure on the western slope, and three of average pressure or six of low pressure on the eastern slope.

Until now, it has been proposed to use the remains of the old Manych Ship-Irrigation Canal, which includes the Manych River and a series of artificial lakes and reservoirs which would have to be connected and deepened.

There are also challenges to be overcome for water for the canal, requiring the erection of dams and the possibility of transferring water from the Volga River.

Bekturganov and Bolaev suggest building an entirely new construction parallel to the old structures. A cementlined canal will enable better management of water resources that could be integrated in a regional system of optimal management, to improve the ecosystem and benefit the industry, agriculture and fisheries sectors.

The cost of the Eurasia Canal has been estimated to be between \$4.5 and 17 billion, depending on the design parameters. This cost must be measured against the tremendous benefits accruing not only to the people of the vast region of Central Asia and China, but to those well beyond, as a new development corridor stretching from the Mediterranean and through the Black and Caspian seas is created.

Initially proposed in the 1890s, it wasn't until 1954 that the United States and Canada broke ground to jointly develop the Saint Lawrence Seaway. The 50-year delay was primarily due to opposition from vested interests, including railway companies and ocean port operators—not costs. It took very strong leadership by President Dwight D. Eisenhower to finally break through this blockage and get the project off the drawing-boards.

Similarly, vested interests are attempting to block the Eurasia Canal, the most serious of which are the European Union and other "Western" interests fixated on a policy of isolating Russia, and which see the BRI as a threat to their old imperial interests. Once this geopolitical opposition is overcome—and it will be overcome—a new path will be opened to integrate Eurasia.

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