
Economic and Social Commission for Asia and the Pacific

Working Group on Dry Ports

3rd meeting

Bangkok, 13 and 14 November 2019

Report of the Working Group on Dry Ports on its 3rd meeting

I. Deliberations

1. The secretariat introduced the notes by the secretariat under agenda items 2 (ESCAP/DP/WG/2019/L.1), 3 (ESCAP/DP/WG/2019/1), 4 (ESCAP/DP/WG/2019/2), 5 (ESCAP/DP/WG/2019/3) and (ESCAP/DP/WG/2019/INF/1/Rev.1), and 6 (ESCAP/DP/WG/2019/4), which formed the basis for the deliberations of the Working Group on Dry Ports.
2. The Working Group received updates from delegations on ongoing or planned initiatives and policies related to the development and operation of dry ports in their respective countries.
3. The Working Group noted the statements made by the representatives who had taken part in the deliberations and provided copies of those statements to the secretariat, which would make them available on the web page of the Transport Division at www.unescap.org/our-work/transport.

II. Conclusions and recommendations

4. The Working Group emphasized the importance of dry ports for promoting integrated intermodal transport systems in line with the objectives of the Regional Action Programme for Sustainable Transport Connectivity in Asia and the Pacific, phase I (2017–2021), and with the holistic development approach of the 2030 Agenda for Sustainable Development.
5. In that context, the Working Group underscored the role of the Intergovernmental Agreement on Dry Ports in enhancing the capacity of the States members of the Economic and Social Commission for Asia and the Pacific (ESCAP) to plan, design and implement their dry port initiatives, while ensuring coordination with the rest of the regional transport system and, notably, with the further development and operationalization of the Asian Highway and the Trans-Asian Railway networks.

6. As per established practice, the Working Group considered the current status of the Agreement, noting that there had been no changes to the number of parties to the Agreement since the 2nd meeting of the Working Group. It welcomed the news that the Government of the Lao People's Democratic Republic had deposited the instrument of ratification of the Agreement with the Secretary-General on 5 November 2019. In accordance with article 5, paragraph 2, of the Agreement, the Lao People's Democratic Republic would officially become a party to the Agreement 30 days following the date of the notification, on 6 December 2019.

7. The representatives of Azerbaijan, Nepal and Turkey informed the Working Group that their internal procedures for the ratification of the Agreement were nearing completion, and their accession to the Agreement could be expected shortly. The representative of Myanmar highlighted the high level of interest of the Government to the accession to the Agreement and provided information to the Working Group on the concrete steps made at the domestic level in that regard.

8. The Working Group encouraged other member States to speed up their internal processes to become parties to the Agreement. In that respect, the secretariat informed the Working Group that it stood ready to assist member States in completing the required model instruments of ratification, approval, acceptance or accession and to forward them to the Office of Legal Affairs.

9. The Working Group also noted that the amendments to annex I to the Agreement as proposed by the Governments of the Russian Federation and Thailand had entered into force as adopted at the previous meeting.

10. The representatives of Azerbaijan, China, Kazakhstan, the Lao People's Democratic Republic, Mongolia, Nepal, the Russian Federation, Thailand, Turkey and Viet Nam informed the Working Group about projects that were being implemented or considered in their countries to further develop and operationalize the dry ports of international importance.

11. The representative of Azerbaijan informed the Working Group about the priority areas for development with regard to the main priorities of the Government's policies to enhance the transit potential of the country and to develop intermodal transport facilities. The Working Group was informed of the latest developments in the operation of the Baku-Tbilisi-Kars transport corridor, the International North-South Transport Corridor, and the trans-Caspian and Lapis Lazuli international transport routes. The representative of Azerbaijan also highlighted the considerable progress in the development of the Baku International Sea Trade Port and in major dry port projects as well as the decision to establish a special economic zone interconnected with that port which could form an important intermodal transport hub.

12. The representative of China informed the Working Group of the creation of a national plan for the development of dry ports of international importance, according to which the dry ports in China were divided, based on functionality and geographical location, into three types: (a) dry ports along the border in inland areas; (b) dry ports located in central cities in provinces along the borders; and (c) dry ports located in the major inland cities. He also informed the Working Group about the solutions implemented with regard to allocating funding for dry port development projects and innovative solutions on the operation of dry ports, such as assigning the United Nations Code for Trade and Transport Locations numbers to dry ports in China and incorporating them into transport documents as points of origin and destination of transport operations. The potential of dry ports was still not fully realized, as cross-border inspections were still needed for international transport operations, and point-to-point direct transport could not be achieved yet. He

also spoke about the existing risks in traditional inland transport between seaports and dry ports.

13. The representative of Kazakhstan provided an overview of the development of the country's transit transport system, informed the Working Group that the Government of Kazakhstan assigned high priority to enhancing the country's transit potential, and provided a brief description of the dry ports which would be included in the list of dry ports in annex I to the Agreement as per the proposed amendment.

14. The representative of the Lao People's Democratic Republic informed the Working Group about national policies and regulations aimed at the development of the national transport system, such as its Vision 2030 strategy and the national transport strategic plan, with a special focus on the existing dry port projects. In light of the accession of the Lao People's Democratic Republic to the Agreement, the representative stated the intention of the Government to propose amendments to annex I to the Agreement, once such proposals became admissible.

15. The representative of Mongolia informed the Working Group of the high importance attached by his Government to the development of dry ports and to the efficient implementation of the Agreement and in that connection, requested the secretariat to consider organizing a national-level capacity-building activity in Mongolia.

16. The representative of Nepal provided the Working Group with detailed information on the priorities of the Government's transport policies, including the development of transport connectivity with its neighbours, China and India, and the related conceptual vision of further dry port development at the national level. The representative of Nepal also informed the Working Group about the innovative approach of managing dry port development and operation through the Nepal Intermodal Transport Development Board, an inter-agency government authority in charge of the construction and operation of dry ports and the coordination of intermodal transport in the country. The Working Group was also informed of the intention of the Government of Nepal, following its accession to the Agreement, to propose amendments to annex I to the Agreement, namely amending the status of Tatopani dry port from potential to existing, as well as adding Integrated Check Post (ICP) Birantnagar and ICP Birgunj to the list of existing dry ports and Chovar Inland Container Depot (ICD) Kathmandu to the list of potential dry ports. Finally, the representative of Nepal highlighted the pilot application of electronic cargo tracking between Nepal and India, applying the transport facilitation model developed by the secretariat. This pilot application showcased the reduction of the required transit time for the route significantly.

17. The representative of the Russian Federation informed the Working Group about the growing demand for efficient door-to-door intermodal transport operations in the world transport market and, in that respect, reconfirmed the relevance of the Commission's long-term vision of an international integrated intermodal transport system that could enhance regional transport connectivity and contribute to developing stronger interregional transport linkages between Asia and Europe. The Working Group was further informed about recent innovations in the Russian Federation aimed at introducing digital solutions for increasing the efficiency of transport and enhancing coordination between relevant government authorities, such as customs authorities, and the transport industry, based on the application of information technology. The representative of the Russian Federation further highlighted the need to improve the legal environment for multimodal transport operations through the development of unified multimodal transport documents and the formulation of new international legal frameworks for multimodal transport.

18. The representative of Thailand provided the Working Group with information on the Government's key strategic transport policies, such as the Transport Infrastructure Development Strategy 2015–2022 and the Transport Systems Development Strategy 2018–2037, and explained the envisaged role of dry ports in their implementation. The Working Group was further informed about the status of operation of Lad Krabang ICD, which was the country's functioning dry port under the Agreement, and the progress in the construction of the Chiang Khong intermodal facility as well as with regard to the national Dry Port Master Plan envisaging the establishment of a new dry port in Thailand.

19. The representative of Turkey informed the Working Group about the considerable progress made in establishing logistics centres in the country which would enable it to take advantage of its geographical position bridging Asia and Europe. Ten of twenty-one planned logistic centres were already in operation. The Working Group was further informed about recently adopted key national transport policy documents, in particular the 2023 Strategy, the Logistics Master Plan and the 11th Development Plan (2019–2023), in which the further development of dry ports in Turkey was identified as an area of high priority and the establishment of an integrated logistics network was specified.

20. The representative of Viet Nam informed the Working Group about the recent adoption of the national Dry Port Master Plan and of the continued progress in dry port development and operation in the country. Of eight dry ports nominated by Viet Nam to be included in annex I to the Agreement, four were already operational. The Government was focusing on increasing the efficiency of dry port operations and was planning to integrate dry ports into cross-border transport operations between Viet Nam and its neighbouring countries. The existing challenges, such as the low cost efficiency of dry ports due to short transport route distances and the lack of funding for the connections between roads and railways and dry ports, were also highlighted.

21. The representative of the joint stock company Russian Railways informed the Working Group on the pilot project on the application of information technology for simplifying procedures and increasing the efficiency of intermodal transport operations, utilizing the recommendations of the relevant study conducted earlier by the secretariat (the INTERTRAN project). The project was implemented in cooperation with maritime transport operators and included a pilot intermodal transport run from a seaport in Japan to a railway station in the Russian Federation, undertaken in September 2019, which demonstrated a four-day reduction of cargo handling time by reducing the time required for processing the necessary documents at the seaport and closing customs transit at the railway station.

22. The representative of the joint stock company United Transport and Logistics Company – Eurasian Rail Alliance informed the Working Group of the successful implementation of a pilot project between China and Germany in the framework of a multimodal service through the seaport of Baltiysk, with the application of a unified Uniform Rules Concerning the Contract of International Carriage of Goods by Rail/Agreement on International Goods Transport by Rail (CIM/SMGS) consignment note serving as a uniform multimodal transport document.

23. The Working Group expressed its support to the member States for their continuous efforts to further develop their dry ports in support of greater transport connectivity.

24. The Working Group was informed by the secretariat of its recent capacity development and technical assistance activities related to the implementation of the regional framework for the planning, design, development and operation of dry ports of international importance, which was

welcomed at the 2nd meeting of the Working Group, held in November 2017, and of the adoption of Commission resolution 74/2 on the promotion of the above-mentioned regional framework.

25. The Working Group recognized the continued need for capacity-building and technical assistance in promoting dry port development. It expressed its high appreciation for the work carried out by the secretariat as part of the follow-up activities to facilitate the implementation of the Agreement. This work involved the development of the regional framework for the planning, design, development and operation of dry ports of international importance and the series of capacity-building workshops for the countries of South-East Asia (Bangkok, 23 and 24 May 2018), North and Central Asia (Almaty, Kazakhstan, 31 May and 1 June 2018) and South Asia (New Delhi, 1 and 2 August 2018). The work also included the capacity-building project on strengthening the institutional framework for the development of dry ports in Cambodia, the Lao People's Democratic Republic, Thailand and Viet Nam, implemented in 2018 and 2019. The Working Group requested the secretariat to continue its support for the national and regional efforts in that regard.

26. The Working Group noted, at the same time, that such capacity development and technical assistance activities, due to their limited geographical scope, could not always encompass all the member States in need of assistance for dry port development, particularly in the subregion of South Asia. In that respect, the Working Group requested the secretariat to consider replicating successful activities, such as workshops based on the regional framework for the planning, design, development and operation of dry ports of international importance and the recent project on strengthening the institutional framework for the development of dry ports, for a group of countries of South-East Asia, as well as other subregions or areas, namely South Asia and the Caucasian countries.

27. The Working Group took note of the need to develop a more comprehensive approach to the development of dry ports as components of intermodal transport corridors, including transport corridors connecting Asia and Europe. Such an approach would pave the way for the implementation of the vision of an international integrated intermodal transport system as a key enabler of sustainable transport that was crucial for achieving the Sustainable Development Goals. The Working Group also emphasized the need to include dry port development in the broader context of the international intermodal transport and economic corridors, scaling up the catalytic role of dry ports in the shift to sustainable freight operations and in expanding the scope of the economic and social benefits of transport connectivity.

28. The Working Group also highlighted the high relevance of the application of modern information and communications technologies, digital solutions and innovative business models for increasing the attractiveness of intermodal and multimodal transport operations, as well as of developing a region-wide strategic vision of digital transport corridors.

29. Finally, the Working Group stressed the need to develop up-to-date legal frameworks for international multimodal transport operations that would be instrumental in the efficient operation of dry ports and intermodal transport corridors in the region and beyond.

30. In that respect, the Working Group requested the secretariat to further consider the following theme topics under the auspices of the Working Group on Dry Ports: (a) the interconnected development of intermodal transport corridors, including transport corridors connecting Asia and Europe, and dry ports located along such corridors; (b) the harmonization of international legal frameworks for intermodal and multimodal transport operations; and (c) the

application of information technologies and strategies for the establishment of digital transport corridors.

31. In connection with the above requests, the Working Group further requested the secretariat to inform the Working Group on Dry Ports at its next meeting, to be held in 2021, of its projects and activities related to those topics.

32. Finally, the Working Group considered and adopted the proposed amendments to annex I to the Agreement, pursuant to article 8.

Amendments to annex I

33. The Working Group considered the amendments to annex I to the Agreement proposed by the Governments of India, Kazakhstan and the Russian Federation. The texts of the proposed amendments are contained in annex II to the present report.

34. In conformity with article 8, paragraph 4, of the Agreement, and following the reconfirmation by the representatives of India, Kazakhstan and the Russian Federation of their proposed amendments, the Working Group adopted those amendments and requested the secretariat to communicate them to the Secretary-General for circulation to all parties.

35. The Working Group noted that, in accordance with article 8, paragraph 5, of the Agreement, the amendments adopted would be deemed accepted and enter into force for all parties after a period of 45 days following the date of the circular notification of the Secretary-General.

III. Other matters

36. The secretariat provided information on ongoing and planned analytical work and technical assistance projects of interest to the Working Group, taking into account the broad role of dry ports in progressing towards sustainable transport connectivity in the Asia-Pacific region.

37. The Working Group welcomed the efforts of the secretariat to move towards a sustainable freight transport sector in Asia and the Pacific and encouraged the secretariat to continue its work on enhancing the infrastructure and operational resilience of interdependent infrastructure networks in the region.

38. The Working Group was informed about the possible future of multimodal transport in Asia and the Pacific through the development of a new legal instrument which would include the following possible approaches: (a) the development of a new glossary on intermodal and multimodal operations; (b) the development of a single/harmonized document for multimodal operations; (c) the elimination of physical and non-physical barriers and obstacles; (d) the creation of cooperation mechanisms with the involvement of carriers, logistics operators and forwarders; and (e) the further development of digital instruments for multimodal operations.

39. The Working Group expressed its appreciation to the Government of the Russian Federation for its generous financial assistance to the meeting. It also expressed its gratitude to the secretariat for organizing and servicing the meeting.

IV. Adoption of the report of the Working Group on its 3rd meeting

40. The Working Group adopted the present report on 14 November 2019.

V. Organization

A. Opening, duration and organization of the meeting

41. The 3rd meeting of the Working Group on the Dry Ports was held in Bangkok on 13 and 14 November 2019. The Director of the Transport Division of ESCAP delivered an opening statement. Mr. Selim Dursun, Deputy Minister of Transport and Infrastructure, Turkey, also welcomed the participants of the Working Group during the opening session and highlighted the importance of the meeting.

B. Attendance

42. The meeting was attended by representatives of the following member States: Azerbaijan; Bangladesh; Cambodia; China; India; Iran (Islamic Republic of); Kazakhstan; Lao People's Democratic Republic; Mongolia; Myanmar; Nepal; Russian Federation; Thailand; Turkey; and Viet Nam.

43. The meeting was attended by representatives of the following organizations: Far Eastern Shipping Company; Freight Village RU; International Association of Logistics Business; Kerry Logistics Network Company Limited; Kerry Siam Seaport Limited; Resource Group Logistics Dry Port; Russian Railways; Savan Logistics Company Limited; and United Transport and Logistics Company – Eurasian Rail Alliance.

C. Election of officers

44. The meeting elected the following officers:

Chair:	Mr. Emil Ahmadov (Azerbaijan)
Vice-Chairs:	Mr. Sonephet Somekhit (Lao People's Democratic Republic)
	Mr. Navaraj Dhakal (Nepal)

D. Agenda

45. The meeting adopted the following agenda:

1. Election of officers.
2. Adoption of the agenda.
3. Status of the Intergovernmental Agreement on Dry Ports.
4. Policies and issues related to the operationalization of dry ports of international importance.
5. Development of intermodal transport corridors and multimodal transport operations in Asia and the Pacific.
6. Consideration of proposals for amending the Intergovernmental Agreement on Dry Ports.
7. Other matters.
8. Adoption of the report of the Working Group on its 3rd meeting.

Annex I

List of documents

<i>Symbol</i>	<i>Title</i>	<i>Agenda item</i>
<i>General series</i>		
ESCAP/DP/WG/2019/1	Status of the implementation of the Intergovernmental Agreement on Dry Ports	3
ESCAP/DP/WG/2019/2	Policies and issues related to the operationalization of dry ports of international importance	4
ESCAP/DP/WG/2019/3	Development of intermodal transport corridors and multimodal transport operations in Asia and the Pacific	5
ESCAP/DP/WG/2019/4	Proposals for amending the Intergovernmental Agreement on Dry Ports	6
ESCAP/DP/WG/2019/5	Report of the Working Group on Dry Ports on its 3rd meeting	
<i>Limited series</i>		
ESCAP/DP/WG/2019/L.1	Annotated provisional agenda	2
ESCAP/DP/WG/2019/L.2	Draft report	8
<i>Information series</i>		
ESCAP/DP/WG/2019/INF/1/Rev.1	Harmonization of legal frameworks for multimodal transport operations in Asia and the Pacific	5

Annex II

Proposals to amend annex I to the Intergovernmental Agreement on Dry Ports adopted by the 3rd meeting of the Working Group on Dry Ports

1. Amendment proposal from the Government of India

In annex I to the Agreement, under the entry for India *add* the following:

ICD, Sonapat, Haryana

CPL, Dadri, Uttar Pradesh

ICD, Sriperumbudur, Tamil Nadu

ICD, Patparganj

ICD, Umbergaon, Maharashtra

ICD, Thar, Ahmedabad

ICD, Sabarmati, Ahmedabad

2. Amendment proposal from the Government of Kazakhstan

In annex I to the Agreement, under the entry for Kazakhstan, *replace* the list of dry ports with the following:

Continental Logistics Transport and Logistics Centre, Nur-Sultan

Astyk Logistics, Nur-Sultan

KTZE-Khorgos Gateway Dry Port, Almaty Region

Continental Logistics Shymkent Transport and Logistics Centre, Shymkent

3. Amendment proposal from the Government of the Russian Federation

In annex I to the Agreement, under the entry for the Russian Federation, *add* the following:

Vorsino Transport and Logistics Centre, on the border between the Moscow and Kaluga Regions