
Economic and Social Commission for Asia and the Pacific
Working Group on Dry Ports

2nd meeting

Bangkok, 14 and 15 November 2017

Agenda item 9

Adoption of the report

Draft report

I. Deliberations

1. The secretariat introduced the notes by the secretariat under agenda items 4 (E/ESCAP/DP/WG(2)/1), 5 (E/ESCAP/DP/WG(2)/2), 6 (E/ESCAP/DP/WG(2)/3) and 7 (E/ESCAP/DP/WG(2)/4), which formed the basis for deliberations.

2. The Working Group received updates from delegations on ongoing or planned initiatives and policies related to the development and operation of dry ports of international importance in their countries.

3. The Working Group was informed that 17 member States had signed the Intergovernmental Agreement on Dry Ports and 13 had become parties to it. In addition:

(a) The representative of Bhutan informed the Working Group that the leadership for actions and policies relating to dry port development in Bhutan, including becoming a party to the Intergovernmental Agreement, had recently been assigned to the Ministry of Economic Affairs and that the process to become a party was ongoing;

(b) The representative of the Lao People's Democratic Republic informed the Working Group that a new national law on international treaties required the process to become a party to international treaties to be directed through the National Assembly and that the process relating to the Agreement was being actively pursued so as to allow the Government to propose amendments to the Agreement at future meetings of the Working Group;

(c) The representative of Malaysia informed the Working Group of the ongoing domestic consultations taking place among all related agencies and stakeholders, and indicated that Malaysia was expecting to become a party to the Agreement in the near future;

(d) The representative of Nepal informed the Working Group that the national process towards becoming a party to the Agreement was ongoing;

(e) The representative of Pakistan informed the Working Group that consultations were taking place with all stakeholders, and indicated that the Government of Pakistan was considering becoming a party to the Agreement in due course;

(f) The representative of Turkey informed the Working Group that the process for becoming a party to the Agreement was following its normal parliamentary course and indicated that it was expected that the Agreement would be approved in 2018, at which stage the procedure for depositing an instrument of ratification would be initiated;

(g) Other representatives provided further information to the Working Group on the various stages at which their respective Governments were in the process of becoming parties.

4. The Working Group noted that the presentations and statements made by the representatives who had taken part in the deliberations and provided copies to the secretariat would be made available on the web page of the Transport Division of the Economic and Social Commission for Asia and the Pacific (ESCAP) at www.unescap.org/our-work/transport.

II. Conclusions and recommendations

5. The Working Group encouraged 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 forwarding them to the Office of Legal Affairs.

6. The Working Group also noted that, in conformity with article 8 (3) of the Agreement, amendment proposals were required to be circulated by the secretariat to all the members of the Working Group at least 45 days before the Working Group meeting at which they were proposed for adoption. In that regard, the Working Group urged member States to communicate their amendment proposals to the secretariat as early as possible.

7. The Working Group considered the following amendment with respect to dry ports of international importance in the Russian Federation:

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

| <i>(a) Replace</i> | <i>With</i> |
|-------------------------------------------------------------------------|---------------------------------------------------------------------------|
| [Terminal Logistics Centre “Primorsky”, Ussuriysk, Primorsky Region] | Railway Port “Primorsky”, Ussuriysk, Primorsky Region |
| Terminal Logistics Centre “Baltiysky”, Leningrad Region | Railway Port “Baltiysky”, Shushary, Saint Petersburg, Leningrad Region |
| [Terminal Logistics Centre “Tamansky”, Krasnodar Region] | Railway Port “Tamansky”, Krasnodar Region |
| Terminal Logistics Centre “Doskino”, Nizhny Novgorod | Terminal Logistics Centre “Doskino”, Nizhny Novgorod Region |
| Terminal Logistics Centre “Kleshchiha”, Novosibirsk | Terminal Logistics Centre “Kleshchiha”, Novosibirsk ¹ |
| [Terminal Logistics Centre “Beliy Rast”, Moscow Region] | [Terminal Logistics Centre “Beliy Rast”, Moscow Region] ¹ |
| [Kaliningrad] | Terminal Logistics Centre “Kaliningrad” |

¹ The modification in the Russian text does not affect the translation in the English language.

(b) *Add*

Terminal Logistics Centre “Dry port”, Artyom

Multimodal Logistics Container Terminal ZAO “Pacific Intermodal Container”, Artyom

[Zabaykalsk]

8. The Working Group considered the following amendment with respect to dry ports of international importance in Thailand:

In annex I to the Agreement, under the entry for Thailand, *delete* the following from the list:

[Natha, Nong Khai]

9. The Working Group considered the following amendment with respect to dry ports of international importance in Turkmenistan:

In annex I to the Agreement, between the entries for Turkey and Viet Nam, *add* the following entry:

Turkmenistan

Akbugday Etrap

Sarakhs Autoyellari

[Ymamnazar Autoyellari]

Gypjak

Turkemenbashi

Mary

Turkmenabat

Dashoguz

Razyezd N 161

Talimarjan

Farap

Tahiatash

Serhetabat

Ymamnazar

Sarakhs

Ak-Yayla

Artyk

Serhetyaka

10. In conformity with article 8 (4) of the Agreement, and following the reconfirmation at the meeting by the Russian Federation and Thailand of their proposed amendments, the Working Group adopted those amendments and requested the secretariat to communicate them to the Secretary-General of the United Nations for circulation to all parties.

11. In the absence of a representative of Turkmenistan at the meeting, the Working Group requested the secretariat to invite the Government of Turkmenistan to reconfirm its proposed amendment in writing. The Working Group decided that the amendment would be deemed adopted as per article 8 (4) and that the secretariat would communicate it to the Secretary-General once written reconfirmation from Turkmenistan had been received by the secretariat.

12. The representatives of Bhutan, China, India, Indonesia, the Islamic Republic of Iran, Kazakhstan, the Lao People's Democratic Republic, Malaysia, Mongolia, Myanmar, Nepal, the Republic of Korea, the Russian Federation, Tajikistan, Turkey and Viet Nam informed the Working Group of projects that were being implemented or considered in their respective countries to further develop and operationalize dry ports.

13. The Working Group noted the recommendations of the Ministerial Conference on Transport held in Moscow in December 2016 that in the implementation of the Regional Action Programme for Sustainable Transport Connectivity in Asia and the Pacific, phase I (2017–2021), priority should be accorded, among others, to (a) comprehensive corridor plans and connections between national transport infrastructure development plans, and (b) harmonization of construction standards, technical norms of transport means, transport policies and regulations on the basis of the Intergovernmental Agreement on the Asian Highway Network, the Intergovernmental Agreement on the Trans-Asian Railway Network and the Intergovernmental Agreement on Dry Ports.

14. The Working Group noted that dry ports were a critical component in the development and operationalization of international intermodal transport and logistics corridors. It further noted that, where they had been successfully established, dry ports had increased logistics efficiency and enabled a modal shift from roads onto rail or inland waterways, thereby supporting policies aimed at reducing carbon emissions within the logistics chain.

15. The Working Group was informed that dry ports could provide valuable space for a range of value-adding logistics services, allowing some of them to support the development of large logistics parks or become the nucleus for special economic zones.

16. The Working Group further noted that well-managed dry ports, particularly those located at a significant distance from a seaport, helped reduce transportation costs and total transit time, a feature that was particularly important for the Asia-Pacific region, which had vast hinterland areas and 12 of the world's 30 landlocked countries.

17. The Working Group recognized that the development of dry ports necessitated investment in both hardware and software, and that the provision of infrastructure and equipment within dry ports needed to be accompanied by a series of policy measures, including (a) facilitation measures to ease customs clearance procedures, (b) the development of efficient electronic information and communications systems between entities operating within the dry ports, as well as with transport operators, (c) the use of the United Nations Code for Trade and Transport Locations to enable direct movements between dry ports, and (d) the use of existing railway consignment notes or other established international transport documents such as the bill of lading of the International Federation of Freight Forwarders Associations.

18. The Working Group recognized that large inland freight handling facilities were both land- and capital-intensive, and often required investments that were beyond the budgetary capabilities of many Governments, while presenting a level of risk that often discouraged private investors. In that regard, the Working Group noted that public-private partnerships presented a practical alternative for financing the development and operation of dry ports. However, major prerequisites for success would include the readiness of Governments to assume a major portion of the associated risks. Importantly, the success of such projects could be optimized if governed by a public-private

partnership implementation document defining the roles and responsibilities of both the public and the private sectors.

19. The Working Group underscored that handling goods required staff who were competent across a wide range of skills and that adequate attention, as well as resources, should be allocated for that purpose. In that respect, the Working Group also recognized that the issue required the active involvement of all stakeholders to (a) assess needs, (b) formulate and implement training programmes and (c) evaluate results.

20. The Working Group also highlighted that the responsibilities related to the planning and development of dry ports were frequently fragmented across government agencies. Taking that into account, the Working Group observed that successful development of dry ports had mostly taken place in countries where the coordination and planning of activities had been assigned to an inter-agency committee under the aegis and supervision of a single ministry, such as in India, the Islamic Republic of Iran and the Republic of Korea.

21. The representative of the Korea Transport Institute stressed the importance of sound legal and institutional arrangements in support of the development and operation of dry ports, and highlighted their crucial role in attracting private sector participation. He also invited members of the Working Group to participate in the research project that his institute was currently implementing in collaboration with the Eastern Asia Society for Transportation Studies on establishing an efficient legal and institutional framework for developing dry ports in developing countries of South-East Asia.

22. The representative of the Asian Institute of Transport Development emphasized that rapidly evolving technologies, globalization, digitalization and climate change were redefining the context underlying the development of international intermodal integrated logistics. The successful development of dry ports called for physical facilities and legal and institutional arrangements to be developed concurrently. The development of dry port and logistics facilities in India could be used as a best practice example, in particular with respect to public-private partnerships. He acknowledged the vital need for capacity-building and informed the Working Group of the 22 training courses that the Asian Institute of Transport Development had already organized for railway managers in the region with a focus on multimodal transport and sustainable development.

23. Representatives informed the Working Group of specific challenges that they were facing in their efforts towards the development and operation of dry ports in their respective countries. In that regard, the Working Group noted the requests from the representatives of Bhutan, Kazakhstan, Mongolia and Tajikistan for technical assistance and capacity-building, and called on the secretariat to play a coordinating role in engaging all available technical and financial resources to organize relevant training courses and share best practices. The Working Group also noted the offer by the Asian Institute of Transport Development to organize and conduct training courses on issues related to the development of dry ports.

24. In light of the deliberations that had taken place at the meeting, the Working Group welcomed the regional framework presented in document E/ESCAP/DP/WG(2)/4, and recommended that it should be submitted to the Commission at its seventy-fourth session, in 2018, for endorsement through a resolution.

III. Other matters

25. 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

26. The Working Group adopted the present report on 15 November 2017.

V. Organization of the meeting

A. Opening, duration and organization

27. The 2nd meeting of the Working Group on Dry Ports was held in Bangkok on 14 and 15 November 2017. The Director of the ESCAP Transport Division delivered an opening statement.

B. Attendance

28. The meeting was attended by representatives of the following member States: Azerbaijan; Bangladesh; Bhutan; China; India; Indonesia; Iran (Islamic Republic of); Kazakhstan; Lao People's Democratic Republic; Malaysia; Mongolia; Myanmar; Nepal; Pakistan; Republic of Korea; Russian Federation; Sri Lanka; Tajikistan; Thailand; Turkey; and Viet Nam.

29. Representatives of the Asian Institute of Transport Development, the Korea Maritime Institute and the Korea Transport Institute also attended the meeting.

C. Election of officers

30. The meeting elected the following officers:

Chair: Mr. Lokawisthara Patabendige Jeyampathy (Sri Lanka)
Vice-Chairs: Ms. Li Guanyu (China)
Mr. Bounta Onnavong (Lao People's Democratic Republic)
Rapporteur: Mr. Bulent Suloglu (Turkey)

D. Agenda

31. The meeting adopted the following agenda:

1. Opening of the meeting.
2. Election of officers.
3. Adoption of the agenda.
4. Status of implementation of the Intergovernmental Agreement on Dry Ports.
5. Consideration of proposals for amending the Intergovernmental Agreement on Dry Ports.

6. Policies and issues relating to the development of dry ports of international importance.
7. Consideration of regional framework for the planning, design, development and operation of dry ports of international importance.
8. Other matters.
9. Adoption of the report.

Annex**List of documents**

| <i>Symbol</i> | <i>Title</i> | <i>Agenda item</i> |
|-----------------------|-----------------------------------------------------------------------------------------------------------------|--------------------|
| <i>General series</i> | | |
| E/ESCAP/DP/WG(2)/1 | Status of implementation of the Intergovernmental Agreement on Dry Ports | 4 |
| E/ESCAP/DP/WG(2)/2 | Proposals for amending the Intergovernmental Agreement on Dry Ports | 5 |
| E/ESCAP/DP/WG(2)/3 | Policies and issues relating to the development of dry ports of international importance | 6 |
| E/ESCAP/DP/WG(2)/4 | Regional framework for the planning, design, development and operation of dry ports of international importance | 7 |
| <i>Limited series</i> | | |
| E/ESCAP/DP/WG(2)/L.1 | Annotated provisional agenda | 3 |
| E/ESCAP/DP/WG(2)/L.2 | Draft report | 9 |
