UNITED NATIONS



Distr. GENERAL

TRANS/WP.5/2001/14 21 November 2001

Original: ENGLISH

### **ECONOMIC COMMISSION FOR EUROPE**

INLAND TRANSPORT COMMITTEE

Working Party on Transport Trends and Economics

#### **EURO-ASIAN TRANSPORT LINKS**

# Common ECE/ESCAP Strategic Vision for Euro-Asian Transport Links

At its fourteenth session (17-19 September 2001) the ECE Working Party on Transport Trends and Economics adopted the Common ECE/ESCAP Strategic Vision for Euro-Asian Transport Links as reproduced in this document.

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#### COMMON ECE/ESCAP STRATEGIC VISION FOR EURO-ASIAN TRANSPORT LINKS

As requested by the Working Party on Transport Trends and Economics (WP.5), the secretariat with the ESCAP secretariat have merged the UN/ECE strategic paper (TRANS/WP.5/2000/9) with the joint ECE/ESCAP programme of work (Basis for a joint UN/ECE and UN/ESCAP programme on the development of Euro-Asian land transport links submited to the 2<sup>nd</sup> international Euro-Asian conference on transport held in St.Petersburg on 12-13 September 2000) so that we have a common ECE/ESCAP strategic vision.

### 1. Background

The fundamental importance of an integrated and well functioning Euro-Asia land transport system which would facilitate international and bilateral trade and tourism and which would promote economic development of countries in the regions concerned has been clearly recognised. In fact, it was the cornerstone of the 1<sup>st</sup> International Euro-Asian Conference on Transport (St. Petersburg, 12-13 May 1998), which in recognition of the priority to be assigned to this issue recommended inter alia in its Declaration that:

"The UN/ECE and the "UN/ESCAP, with the support of Governments concerned... should... consider the elaboration of a joint program on the development of transport links between Europe and Asia."

Other international fora have also called for a joint UN/ECE-UN/ESCAP action to address the effective development of Euro-Asian transport links, i.e., the ECMT Council of Ministers (session in Warsaw, 1998) and the international Conference "TRANSEURASIA-98" (Almaty, May 1998).

In accordance with the aforementioned declaration, this paper intends to provide a strategic vision on the effective development of Euro-Asian land transport links, through a special joint UN/ECE-UN/ESCAP programme based on the work done thus far by UN/ECE and UN/ESCAP in co-operation with a number of states and international organisations.

Despite considerable difficulties faced thus far, UN/ECE and UN/ESCAP in co-operation with relevant States and other international organizations concerned are determined to proceed ahead with the assignment entrusted to them.

#### 2. Objectives

# 2.1 Long term objectives

Long-term objectives consider the need to better integrate Eastern Russia, Central Asia and the Caucasus with Europe (thus stressing the concept of *corridors*) such as:

- The economic development of the states in Central Asia and the Caucasus: the Euro-Asian links would thus serve as development corridors to integrate these regions in the world economy.

- The development of a coherent European transport system that should be extended towards the East of the Russian Federation, and the Caucasus and Central Asian Republics.

### 2.2 Short term objectives

Short-term operational objectives rather focus on current problems and opportunities (thus stressing the concept of *links*) and include such elements as:

- The improvement of accessibility of the Central Asian landlocked States.
- The facilitation of international transport (transit in particular) in those regions (including both, legal regulations and infrastructure).
- The development of competitive routes of inland transport services for Far East-Western Europe traffic, as an alternative to existing maritime routes, mainly focused on the development of container transport by rail.

# 2.3 The complementarity of short and long term objectives

Both approaches are in fact complementary, but it should be emphasized that, as stated by the ECMT Ministers "agro-industrial, urban and infrastructure development along Eurasian corridors will be a central focus for the economic policy of the countries of Central Asia and their neighbours over the coming 30 years". The Euro-Asian corridors are thus, primarily, a part of an ambitious economic development strategy.

The transport sector has an essential contribution to make to this economic development strategy by developing effective complementary transport services along the Euro-Asian corridors. To achieve this, co-ordination among the countries concerned and international organizations has to be defined and formalized through memoranda of understanding, the establishment of working parties and the harmonization of legal procedures, technical standards and the time-tabling of investments.

#### 3. Euro-Asian corridors

After a number of UN/ECE and UN/ESCAP activities and sessions among the various interested parties, and in particular the informal meeting on Euro-Asian Transport Links (Geneva, 16 May 2000) with participants from Germany, Russian Federation, EU, the UN/ECE and UN/ESCAP secretariats and UIC, major Euro-Asian land transport corridors have been identified. These Corridors constitute the basis upon which the work on the development of eventually integrated Euro-Asian land transport and multimodal networks will follow with significant ramifications for trade and economic development of countries concerned.

The following Euro-Asian Land Transport corridors (E-ATC) have been identified on the basis of the Declaration adopted by the Second International Euro-Asian Conference on Transport (St. Petersburg, 12-13 September 2000) bearing in mind their connections with the Pan-European Transport Corridors (PETrC):

#### 1. Transsiberian

Europe (PETrC 2, 3 and 9) – Russian Federation – Japan, with three branches from the Russian federation to:

Kazakhstan – China, Korean Peninsula, and Mongolia – China;

# 2. TRACECA

Eastern Europe (PETRc 4,7,8,9) – across Black Sea – Caucasus – across Caspian Sea – Central Asia;

#### 3. Southern

South-eastern Europe (PETrC 4) – Turkey – Islamic Republic of Iran with two branches to:

Central Asia – China, and South Asia – South-East Asia/Southern China;

#### 4. North-South

North Europe (PETrC 9) – Russian Federation, with three branches:

Caucasus – Persian Gulf, and Central Asia – Persian Gulf, Across the Caspian Sea – Islamic Republic of Iran – Persian Gulf.

#### 4. Related main tasks

The Euro-Asian land transport Corridors constitute an integral part of interregional and global integrated transport systems; hence the identified Corridors should provide the basis for efficient, effective, safe and environmental friendly multimodal transport (MMT) and global sourcing. In order to provide a sound step-by-step approach to the development of the corridors it is proposed that initially main emphasis is put on the identification of modal routes within each Corridor and the undertaking of related activities and tasks.

The following activities are proposed in the initial stages:

- 1. Identification of railway routes in each Corridor linking Europe with major ports in Asia.
  - (a) Identification of and agreement on rail routes (particularly by countries concerned), including the ports in Asia, based primarily on the AGC international rail network and the Trans-Asian Railway network;
  - (b) Production of maps.

#### 2. Identification of Road routes

- (a) Identification of and agreement on road routes (particularly by countries concerned), based primarily on the AGR road network and the Asian Highway network;
- (b) Production of maps.

### 4.1 Asia-Europe railway routes

For each route:

- (a) Setting up main development goals in terms of cost/tariffs, transit time and level of services provided to be competitive with related sea routes using respective data (current as well as target ones) of a related sea route as benchmarks;
- (b) Route (including port(s)) inventory and establishing database, which should also include necessary (for assessing competitiveness) data/information of the related sea routes.
- (c) Traffic forecast (all types of freight plus passengers) with particular reference to container traffic and its regular updating.
- (d) Detail corridor/route study to identify major physical and non-physical barriers as well as possible remedy measures.
- (e) Demonstration runs of a container block-train along the route to demonstrate the ability to be competitive and identify bottlenecks.
- (f) Analysis of the results achieved and drawing up of a programme for further actions including introduction/development of combined transport).

### 4.2 Asia-Europe road routes:

- (a) Identification of and agreement on the routes.
- (b) Establishment of the network databases.
- (c) Traffic forecast along major routes.
- (d) Detailed corridor study along the routes to identify physical and non-physical barriers as well as remedy measures.
- (e) Facilitation of land transport at border crossings through the establishment of working groups of countries concerned (if it is not yet done) and implementation of related international conventions.
- (f) Analysis of results achieved and formulation of a work programme for further actions, including the development of multimodal transport.

# 4.3 Supplementary items

In addition, the programme should include:

- 1. Setting up of national transport facilitation committees:
- (a) Setting up of such a committee in each country to deal with facilitation of transport at border crossings and ports.
- (b) Adoption and implementation of work plans of the committees.
- 2. Establishment (and updating) of a special database on the projects completed, on-going and planned for the Asia-Europe routes by all organizations concerned.
- 3. Establishment of Working Groups.
- 4. Participation of the private sector and banks/funding agencies.
- 5. Organization of international conferences/meetings.
- 6. Co-ordination of work with all international organizations concerned (CIS, EC,

UN/ECE, ECO, UN/ESCAP, IRF, IRU, OSZhD, UIC, UNDP, etc).

7. Promotion of the project including advertising and marketing.

### 4.4 Short-term and medium-term measures

Short-term measures can play a critical role to strengthen co-operation among Governments and international organizations, while giving immediate benefits by improving accessibility and transport efficiency in some countries and attracting transit traffic. The clearest example is the potential of railways to offer competitive Far East-Europe services that could attract some of the existing maritime traffic. The potential revenues from these services will obviously encourage Governments to reform legal frameworks and railways to develop more efficient, commercially oriented structures.

The joint programme developed by UN/ECE and UN/ESCAP is focusing on these short-term and medium-term measures. It envisages:

- The development of bilateral and multilateral transit facilitation agreements, including the simplification of border-crossing procedures.
- The development of transport laws and policies based on common principles and standards.
- The updating of existing institutional and regulatory frameworks, including the reform of railway undertakings.
- The development of commercially-oriented door-to-door railway transport services (UIC is also very active in this field).

- Infrastructure improvements, including the reconstruction of key sections, the development of maintenance programmes, construction/improvement of combined transport facilities, etc:
- Limiting crime in international transport.

# 5. Revision of short-term activities in progress

### 5.1 Cooperation

Co-operation has already begun among the countries involved in the Trans-Asian North Route (TAR-N), identified as EA-1 in chapter 3 above. A working group met in Almaty (Kazakhstan) on 23-25 September 1999. The meeting was attended by representatives from the ministries of transport and railway administrations from Belarus, China, Germany, Kazakhstan, Poland, the Russian Federation<sup>1</sup>. This initiative focuses on setting-up viable, competitive train services for containers along the route.

### 5.2 Identification of railway corridors

OSZhD has identified railway corridors linking the Pan-European system with Asia (focusing on combined transport services). **Data collection and analysis of technical parameters, goods flows, and commercial potential is currently being carried out with regard to all of them** The OSZhD Committee could be called upon to carry out the analysis of Euro-Asian rail transport corridors and to formulate proposals for their development and the enhancement of their competitiveness. Additional data is being gathered by UIC for its corridor development project, and by UN/ESCAP studies in the context of the ALTID project.

### 5.3 Identification of multimodal corridors

The identification of multimodal corridors is now possible, as the extension of the AGC and AGR networks is well advanced, thus offering the basis for a full multimodal vision of the Euro-Asian corridors.

**Information has also been collected on the traffic potential of the corridors**. This information mainly focused on long-distance traffic, so that it should be supplemented by information on bilateral and national traffic. The organizations currently involved in the rail projects should be encouraged to fill this gap.

<sup>&</sup>lt;sup>1</sup> UN/ESCAP and the Integrated Committee of States signatories of the agreement of 29 March 1996 (Belarus, Kazakhstan, Kyrgystan, Russian Federation and Tajikistan) were also present.

#### 6. Further information and data needs

Major existing information gaps concern current transport policies in the countries concerned, and knowledge of potential impacts of the Euro-Asian transport links at the national, regional and local level.

Accordingly, countries could be requested to provide information on their:

- Major economic and regional development strategies along the corridors (including major economic nodes, environmental constraints, etc).
- National transport plans and policies, focused on the reform of the regulatory policies, accession to international agreements on transport facilitation and investment projects for the corridors.
- National transport statistics.

There seems to be little need for any further data gathering effort in the rail sector. However, it must be said that the accessibility of the information is sometimes uncertain, and its compatibility is not clear, as it is collected for specific projects, without any reference to standards. Accordingly, it would be most convenient to develop some database standards in order to consolidate existing information under a common format and to simplify data collection efforts in the future. This activity could be based on the experience of the TINA project.

More effort may be necessary for roads. Data was gathered by the European Commission for its 1998 *Comparative Study of Surface Transport Routes between Europe and Asia*. Data collection efforts could benefit from the current development of the AGR 2000 Road Census by the UN/ECE. Furthermore, *there is an obvious need to include the road sector* in the whole concept, *via* non-governmental organizations such as the International Road Union (IRU), the International Road Federation (IRF) or the Association of Road Congresses (PIARC).

### 7. Existing gaps

The development of the "corridor approach" makes it necessary to expand the current effort focused on rail services in a double sense:

# 7.1 Political and technical support

Rail-focused initiatives such as UIC's and OSZhD's corridors should be given full political and technical support, as a means to foster multilateral co-operation and to prove that Euro-Asian links are feasible and have a positive impact in the region. The ESCAP/ECE joint programme of work also focuses on this.

### 7.2 Involvement of the road sector

The multimodal aspect of the corridors should be put in practice. This means that the road sector should become fully involved, and the legal framework be revised in a consistent manner. For this, the appropriate focal points at the national level should be identified, and memoranda of understanding (in the way already made for the Pan-European Transport Corridors) be developed.

# 7.3 Set up of "development corridors"

Major steps should be done to move from "rail links" to "development corridors", at both the national and international level. It would be necessary firstly to fully involve the road sector, and secondly to establish the appropriate interactions with economic development and regional authorities, and other relevant actors from both the public and the private sector. This should be primarily done at the national level, and be initiated by the respective Ministries of Transport.

### 8. Implementation mechanism

It is proposed that a mechanism for the implementation of the work programme include:

- 1. An UN/ECE-UN/ESCAP task force (TF, with participation of EU) to be established;
- 2. Focal points (FP preferable at a level of a Minister) to be appointed by each State concerned;
- 3. A Special Working Group (WG) to be established for each Euro-Asian Land Transport Corridor (EATC) in order to address the establishment and development of modal routes and networks. The experience of the Pan European Transport Corridors and TINA processes have to be taken into consideration. Each WG should include representatives of the States concerned, EU, UN/ECE, UN/ESCAP, IRU, IRF, OSShD, UIC and IFIs. Terms of reference of the WGs should include the establishment of modal routes and networks, development of a joint policy for each Corridor and relevant major routes, monitoring and implementation of the policy, monitoring of the development of main competitive routes and the development of joint projects.

#### 9. Resource mobilization

Appropriate resource mobilization is crucial for the success of the programme; preliminary suggestions are as follows:

- 1. Biannual work programme to be established.
- 2. Programme to be developed for the first two years based on resources available in current budgets and plans of the organizations concerned (UN/ECE, UN/ESCAP, EU, etc).
- 3. In addition to the TRACECA Corridor, the possibility of including E-ATC corridors *1* and *5* into the EU TACIS programme be considered.
- 4. UN/ECE and UN/ESCAP to consider which related projects/activities could be implemented within their current priorities and work programmes.
- 5. Identification of resources available by each government concerned for the implementation of the programme.

# 10. Short-term Work Programme (2 years)

It is proposed that the short-term work programme below be developed. It would consist of activities which would demand modest, if any, additional financing and which can be made available through the existing budgets of States and international organizations concerned.

- 1. Nomination of focal points by the States concerned.
- 2. Establishment of Working Groups for each Euro-Asia Corridor.
- 3. Identification of and agreement on Euro-Asia rail routes and networks by the States concerned, EU, UN/ECE, UN/ESCAP, OSShD, UIC; etc.
- 4. Identification of and agreement on Euro-Asia road routes and networks by the States concerned, EU, UN/ECE, UN/ESCAP, IRU, etc.
- 5. Inventory of relevant projects (completed, on-going and/or planned) by international organizations and IFIs.
- 6. Preparation of rail and road route maps.
- 7. Dissemination of information to the public on the Euro-Asian Corridors through the mass media.
- 8. Meeting/conference to review progress and draft work programme for the next two-year period and to address resource mobilization.