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Working Party on Transport Trends and Economics

REPORT OF THE WORKING PARTY ON TRANSPORT TRENDS  
AND ECONOMICS ON ITS ELEVENTH SESSION  
(21-23 September 1998)

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Please note that the distribution of documentation for the Working Party on Transport Trends and Economics (WP.5) is no longer "restricted". Accordingly, the secretariat has adopted a new numbering system whereby all working documents other than Reports and Agendas will be numbered as follows: TRANS/WP.5/year/serial number. Reports, Agendas, resolutions and major publications will retain their previous numbering system (i.e., TRANS/WP.5/24).



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## REPORT

### ATTENDANCE

1. The Working Party on Transport Trends and Economics held its eleventh session from 21 to 23 September 1998. Mr. W. Dörries (Germany) and Mr. V. Arsenov (Russian Federation) were Chairman and Vice-Chairman, respectively, of the session. Representatives of the following ECE member States participated: Belarus; Czech Republic; Germany; Greece; Italy; Lithuania; Netherlands; Poland; Portugal; Russian Federation; Spain; and Ukraine. The Commission of the European Community (CEC) was also represented. The following intergovernmental organizations were represented: Danube Commission (DC); European Conference of Ministers of Transport (ECMT); and Organization for Co-operation between Railways (OSZhD). The following non-governmental organization was represented: International Union of Railways (UIC).

### ADOPTION OF THE AGENDA

2. The provisional agenda (TRANS/WP.5/23) was adopted.

### ACTIVITIES OF ECE BODIES OF INTEREST TO THE WORKING PARTY

(a) Economic Commission for Europe

Documentation: E/1998/38-E/ECE/1365.

3. The Working Party was informed about the results of the fifty-third session of the Economic Commission for Europe (21-23 April 1998), particularly regarding the implementation of the reform and the guidelines for prioritization of the work of the PSBs (E/1998/38-E/ECE/1365).

(b) Inland Transport Committee

Documentation: ECE/TRANS/125 and Add.1.

4. The Working Party learned about the activities considered at the sixtieth session of the Inland Transport Committee to the extent that they are related to the area of work of interest to the Working Party.

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Note: Text underlined indicates a decision taken during the session.

5. In respect of the reform process, the Working Party was informed that, during its sixtieth session (12-16 January 1998), the Committee considered inter alia a number of aspects related to the implication of the reform process for the transport sector in ECE. It decided that the Working Party on Transport Trends and Economics should remain permanent and that its programme of work would be more centred on issues related to the follow-up to the Third Pan-European Transport Conference (Helsinki, 23-25 June 1997) (ECE/TRANS/125, para. 9).

6. The Committee also took the view that the Working Party should, in future, increasingly focus its activities on aspects of transport infrastructure and, in particular, on those related to the Pan-European Transport Corridors and Pan-European Transport Areas, including also the Euro-Asian links. Special emphasis should also be put on questions of development of harmonized methodologies for appropriate transport and infrastructure planning as well as on the impact of the application of ECE Agreements and Conventions on the above-mentioned transport infrastructure connections.

7. In addition, the Committee felt that the concerns of countries in transition and of Mediterranean transport should also be duly reflected in the activities of the Working Party (ECE/TRANS/125, paras. 42-43).

(c) ECE Working Parties

Documentation: TRANS/SC.1/361 and Corr.1; TRANS/SC.2/188; TRANS/SC.3/143; TRANS/WP.24/79; TRANS/WP.6/133.

8. The Working Party was informed of a number of activities related to transport trends and economics carried out by other Working Parties such as the Working Party on Road Transport, the Working Party on Rail Transport, the Working Party on Inland Water Transport, the Working Party on Combined Transport and the Working Party on Transport Statistics.

FOLLOW-UP TO THE REGIONAL CONFERENCE ON TRANSPORT AND THE ENVIRONMENT

Documentation: ECE/RCTE/CONF./2/FINAL; ECE/RCTE/CONF./3/FINAL; JMTE/1998/2.

9. The Working Party was informed about the results of the Regional Conference on Transport and the Environment (Vienna, 12-14 November 1997) on the basis of the Vienna Declaration (ECE/RCTE/CONF./2/FINAL) and the Programme of Joint Action (ECE/RCTE/CONF./3/FINAL).

10. In this connection, it learned that the Declaration addressed a number of areas outlining the interrelationship between transport and the environment.

11. Regarding the Programme of Joint Action and follow-up to the Regional Conference, the Inland Transport Committee decided at its sixtieth session to review the progress achieved in the follow-up at its next session. In this context, it requested its subsidiary bodies to include an item on follow-up in their respective agendas and to consider how they could contribute to the objectives of the Conference (ECE/TRANS/125, para. 22).

12. In line with this request and after consultation with the Chairman, the secretariat had identified at the international level elements I (c) and III (c) of the Joint Programme of Action (ECE/RCTE/CONF./3/FINAL) as relevant for follow-up that might be undertaken by the Working Party. This information together with that from other intergovernmental bodies within and outside the UN system on possible follow-up in the framework of the Programme of Joint Action had been compiled by the secretariat in document JMTE/1998/2 (English only) for consideration by the Joint Meeting on Transport and Environment (Geneva, 7 July 1998). The report of the Joint Meeting will be contained in document JMTE/1998/4.

13. After having discussed a number of aspects concerning a possible contribution it could make, the Working Party agreed on the following items at the international level in the Programme of Joint Action (ECE/RCTE/CONF./3/FINAL), which have an interrelationship with its programme of work: I (c), (d), (g), (h); III (e); IV (c), (f). It pointed out that, if other bodies intended to take up these work areas, the members of the Working Party would like to be associated with this work and be informed of the findings arrived at. Regarding item III (c), the Working Party felt that it could be dealt with in detail by an informal ad hoc meeting to be convened under its auspices. The Working Party noted that these items would be considered together with the proposals of other bodies at a meeting of all international organizations involved in the follow-up process to the Conference to be held before the end of 1998.

#### DEVELOPMENTS REGARDING TRANSPORT POLICIES

- (a) Progress made in the implementation of the Pan-European Transport Corridors and the Pan-European Transport Areas

Documentation: TRANS/WP.5/1998/1.

14. The Working Party noted that the Committee, at its sixtieth session, had asked the EC to submit to the forthcoming session of the Working Party (WP.5) a report on the progress made in the implementation of the Pan-European Transport Corridors (ECE/TRANS/125, para. 47).

15. In connection with the work on transport corridors the Working Party, at its tenth session, had also asked the EC to make information available on the Mediterranean area as well as other Pan-European Transport Areas (TRANS/WP.5/22, paras. 50, 51 and 79).

16. In accordance with both requests, the EC has prepared a report indicating the status of the Pan-European Transport Corridors and Transport Areas (TRANS/WP.5/1998/1).

17. The Working Party noted that, although the report covers the total extent of the ten Pan-European Corridors of Helsinki, the precise technical data given in it focus on the Helsinki Corridors' concept in the ten acceding countries, subject to the TINA process (Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia and Slovenia). The concept of the Pan-European Transport Areas (PETrAS) was also included in the report.

18. The Helsinki Corridors in the ten TINA countries comprise 12,770 km of railway lines and 11,145 km of roads (i.e. about 24,000 km of long distance links); the multimodal nature of the Corridors is complemented with 33 airports, 9 sea ports and 49 river ports as nodes.

19. Based on projects already under way or ready for implementation, and possible investments identified by the proposing countries, cost estimates were made, which lead for the period up to 2015 to a total investment volume in the infrastructure (i.e. rehabilitation, reconstruction, upgrading, new construction) of 90,000 MECU for the Helsinki Corridors in the TINA countries including also additional links.

20. Referring to document TRANS/WP.5/1998/1, annex, the Working Party noted that, for corridors 8 and 10, Memoranda of Understanding (MoU) were in the process of being established.

21. The representatives of the Czech Republic and the Russian Federation informed the Working Party on work under way in their respective countries to integrate the corridor concepts in their countries' transport policies.

22. Similar to the work done for corridors 2 and 9 (branch b) (see also paras. 40-46), the Working Party asked the Governments of Ukraine and the Republic of Moldova to provide the following information for corridors 3 and 5 in the NIS: (i) the selection of regulatory measures in accordance with the transport situation in the NIS, (ii) the collection of transport-related information on the physical characteristics of road and rail infrastructures as well as (iii) volumes of passenger and goods traffic by link.

23. In order to assess projects on corridors 3 and 5, the Working Party asked that the informal ad hoc joint meeting of the ECE and EC be convened in order to proceed in a similar way in the identification of projects as was done for corridors 2 and 9 (branch b)(see also paras. 40-46).

24. The Working Party learned from the representative of the EC that, at the moment, there was no coherent forecast of traffic in the TINA region. The need for detailed future traffic forecasts during the TINA process had led his institution to launch a specific study for traffic forecasts on the TINA network, which is expected to be concluded during the early part of 1999 and which would be made available to the ECE.

25. In view of the special importance of the corridors for traffic in countries in transition, the Working Party took the view that traffic flows on these axes should be facilitated on a priority basis. Bearing this in mind, it agreed to consider, at its next session, in more detail, questions related to automatic gauge change systems in rail transport. It asked the representative of the EC to provide a copy of the report, set up within the TACIS programme, to the secretariat which would circulate a synthesis of it for consideration by the Working Party.

26. In order to learn more about the possibilities of improving transport infrastructure, taking also into account financial constraints in the construction phase, the Working Party asked the secretariat to provide documentation indicating a set of transitional geometric standards of infrastructure which have been developed within the TEM and TER projects.

27. Underlining the importance of the cost issue for the implementation of transport infrastructure, the representative of the EC undertook to make available to the secretariat a report on unit cost analysis for TINA countries showing cost differences in case the construction of a new infrastructure or the upgrading of an existing one is envisaged.

28. The Working Party appreciated very much the wealth of information contained in the document and asked the EC to prepare also for its next session a report showing the progress made in the implementation of the Pan-European Transport Corridors and Pan-European Transport Areas.

(b) Exchange of views on developments in European transport resulting from integration processes

Documentation: TRANS/WP.5/1998/2.

29. In order to continue the discussion of aspects of competition in transport, the representative of the EC, at the tenth session of the Working Party, undertook to provide further information related to the practical

screening and implementation of various competition issues emphasizing, in particular, the situation in transition countries (TRANS/WP.5/22, para. 20).

30. In outlining the European Union's experience on competition issues, the representative of the EC pointed out that the development of competition law and the establishment of national administrative authorities provide the basis for cooperation between member countries and the Commission. Such cooperation may be more widely exploited today than in the past, leaving it to the national authorities to enforce their own or Community legislation to transport operator activities.

31. In respect of cooperation between the Union and the Central and Eastern European Countries (CEEC), the pertinent implementing rules are included in the Europe Agreements, which foresee a mechanism to notify the competent competition authorities in the EU and the countries of the cases under investigation. In the search for acceptable solutions, each authority is asked to take account of the other's observations.

32. In reply to a request of the Working Party, the representative of Poland agreed to prepare an analysis of transport problems encountered in the application, inter alia, of principles of market economy in the inland transport sector of countries related to Pan-European Transport Corridor No.2 (Belarus, Germany, Poland, Russian Federation). The analysis will be prepared on the basis of information to be provided by the above-mentioned four countries.

33. The representative of Italy indicated that he agreed, in principal, to undertake a similar analysis which also addresses infrastructural and regulatory problems in countries related to Pan-European Transport Corridor No. 5 (Bosnia and Herzegovina, Croatia, Hungary, Italy, Slovenia, Ukraine). The analysis will be based on pertinent information to be provided by the countries concerned.

34. In order to accept this task, the representative of Italy pointed out that the competent authorities of his Government would have to agree with the request. Therefore, he asked the secretariat to contact his Government with a view to clarifying this question.

35. In this context, the Working Party also recognized that such analysis might, in future, be undertaken on the Danube for Pan-European Transport Corridor No. 7.

36. Moreover, the Working Party asked the secretariat to circulate among acceding countries to the EU a copy of the report of the European Community Competition Policy 1997 (Report on competition policy No. XXVII). It asked the acceding countries to the EU to comment on this report regarding the inland transport sector and inform the secretariat accordingly.

(c) Monitoring of progress towards market economy in the transport sector of countries in transition

Documentation: TRANS/WP.5/1998/3 and Add.1.

37. At its tenth session, the Working Party agreed to monitor the progress towards market economy in the transport sector of transition countries on the basis of a list of relevant indicators as determined by the Working Party (TRANS/WP.5/22, para. 29).

38. Based on the information provided, the Working Party recognized that the privatization process in transition countries had made considerable progress since the transformation to market economy started in transition countries. In analyzing the developments to be observed in countries, the Working Party noted that, among the inland transport modes, road transport had been substantially privatized which was also reflected in the overall transport performance and in the share of that sector in GDP. In view of the nature of road transport, the number of private operators by far outweighs the corresponding number in the inland water and rail sectors. While there are tens of thousands of enterprises in the road sector, in rail and inland water the amount is limited to two-digit figures. This, however, does not necessarily imply that the transformation process is insufficient as the percentage share of private operators in those modes may nevertheless be rather substantial. A characteristic of the transition process may be seen in the fact that the number of mixed state/private ownerships may be fairly high. In line with the privatization process, a great number of legal provisions have been adopted. Such provisions may also take into account international standards and the EU Directives in order to facilitate the country's integration into international trade and transport.

39. The Working Party agreed to request from those countries which have not yet sent in information regarding the transport-related indicators monitoring the progress of transition countries to market economy to do so and to provide in this connection data as of 1997 for the items contained in Annex 1 of TRANS/WP.5/22.

EVALUATION PROCESS FOR INLAND TRANSPORT INFRASTRUCTURE PROJECTS

(a) Appraisal of projects in Pan-European Transport Corridors Nos. 2 and 9 (b) in the New Independent States (NIS)

Documentation: TRANS/WP.5/1998/4.

40. The Inland Transport Committee and the Working Party on Transport Trends and Economics (WP.5), at their sixtieth and tenth sessions, respectively, considered a number of questions reflecting the technical and legal monitoring of the ECE in connection with the implementation of the Pan-European Transport

Corridors in the New Independent States (NIS). In this context, it was felt that, similar to the work done for the TINA project (Transport Infrastructure Needs Assessment) of the European Commission (EC), investigations might be undertaken on the Pan-European Transport Corridors outside the TINA region, i.e. Belarus, Republic of Moldova, Russian Federation and Ukraine. The activities to be undertaken should comprise (i) the selection of regulatory measures in accordance with the transport situation in the NIS, (ii) the collection of transport-related information on the physical characteristics of road and rail infrastructures as well as (iii) volumes of passenger and goods traffic by link. The Working Party (WP.5) had felt that this work might be taken up by an ad hoc joint meeting of the EC and ECE, which should be of an informal nature (ECE/TRANS/125, para. 44; TRANS/WP.5/22, paras. 33 and 43).

41. Furthermore, it was esteemed that the ad hoc meeting might consider existing evaluation methodologies and identify the most appropriate method for project assessment taking into account the availability of relevant data for the establishment of project priorities in a multimodal corridor. On the basis of the assessment method selected, the ad hoc meeting would start analysing and identifying projects on the sections of the following Pan-European Transport Corridors: No. 2 Polish/Belarus border-Minsk-Moscow; No. 9 (branch b) Minsk-Kaunas-Klaipeda/Kaliningrad (TRANS/WP.5/22, paras. 40-41; ECE/TRANS/125, para. 45).

42. On the invitation of the Government of Lithuania, an informal ad hoc joint meeting of the ECE and the EC was convened in Vilnius (29-30 April 1998) to start with the analysis and appraisal of transport projects on the above-mentioned transport corridors.

43. The Working Party thanked the Government of Lithuania for having hosted the informal ad hoc Joint Meeting and expressed its appreciation for the support it had extended to the work of the secretariat.

44. When discussing the report on the Vilnius Meeting, the Working Party noted that, while for the TINA countries valuable information on the transport regulatory framework was contained in document TRANS/WP.5/R.82, so far only Belarus had provided details on regulatory measures in the transport sector. In order to have a complete picture of that important aspect of transport, it asked the Governments of the Republic of Moldova, the Russian Federation and Ukraine to make pertinent information available to the secretariat to be taken into account in further work on the transport corridors. Similarly, the Working Party asked those Governments which had not yet provided information on the physical characteristics of road and rail infrastructures, on passenger and goods traffic by infrastructure link as well as comments on the TINA evaluation methodology to do so as soon as possible to ensure the continuation of the analyses on corridors 2 and 9 (branch b).

45. Furthermore, the Working Party asked the secretariat to reconvene the informal ad hoc Joint Meeting with a view to identifying individual projects on corridors 2 and 9 (branch b) bearing in mind inter alia its recommendations on the definition of transport infrastructure capacities (TRANS/WP.5/R.60) and a commonly agreed evaluation methodology - based on the TINA experience - for the NIS.

46. In this connection, the representative of the EC informed the Working Party that a definitive version of the evaluation methodology had been established for the transport projects in the TINA countries in which the comments of International Financial Institutions had also been included. This version, which was entitled "Main Technical Criteria to be Considered During the Projects Assessment in the TINA process", will be made available to the secretariat shortly.

(b) Effects of regulatory measures on the needs for transport infrastructure in the New Independent States (NIS)

47. At its tenth session, the Working Party agreed to undertake the necessary preparatory work on the item under consideration if assistance through the TACIS programme or other sources was ensured (TRANS/WP.5/22, para. 33). In this connection, the representative of the EC pointed out that TACIS was a demand-driven technical assistance programme, implying that the initial request for support had to come from countries (TRANS/WP.5/22, paras. 33 and 34).

48. The representatives of Belarus and the Russian Federation underscored their interest in getting support from the TACIS programme in order to analyze the effects of regulatory measures on the needs for transport infrastructure. In reply to their request, the German Government and the EC will provide them with the terms of reference which had been established for undertaking a similar analysis of the regulatory field in the Phare countries in 1996.

(c) Transport Infrastructure Needs Assessment (TINA) Project

Documentation: TRANS/WP.5/1998/5.

49. During its tenth session, the Working Party was acquainted with the activities of the TINA project (see also TRANS/WP.5/22, annex 2). Noting that the interim report of the TINA process addressed a number of evaluation aspects of transport projects, the Working Party asked its Chairman to make it available to its forthcoming session (TRANS/WP.5/22, para. 45).

50. The representative of the EC introduced the report (TRANS/WP.5/1998/5) and elaborated on a number of detailed technical and economic questions which had been dealt with in the analyses. In doing so he explained the methodology pursued in the transport infrastructure needs assessment in the TINA countries

and pointed out that a similar procedure was followed in the investigations undertaken jointly by ECE and the EC as far as Pan-European Transport Corridors in the NIS are concerned.

51. The Working Party was also informed that the continuation of transport infrastructures from the TINA region in the Baltic countries and Poland to Belarus and the Russian Federation had been ensured through special bilateral arrangements. It was felt that, similarly, additional links might be foreseen from the TINA region to Ukraine and the Republic of Moldova. Due to the absence of both countries during the discussion, this question could not be pursued further.

52. As the question of the relationship between transport activities and economic growth was one of the central issues addressed in the context of investment in the infrastructure, the Working Party pointed out that this item should be considered at one of its future sessions.

53. The representative of the EC informed the Working Party that the final report on the TINA project would be ready in June 1999 and that a copy would be made available subsequently to the secretariat.

#### EURO-ASIAN TRANSPORT LINKS

Documentation: TRANS/WP.5/1998/6; informal paper by the secretariat.

54. The Working Party and the Inland Transport Committee at their tenth and sixtieth sessions, respectively, discussed inter alia the question of Euro-Asian transport links (TRANS/WP.5/22, paras. 60-63; ECE/TRANS/125, paras. 48-50). In order to continue discussion of this item, the Committee decided that the findings of the International Euro-Asian Conference on Transport (St. Petersburg, 12-13 May 1998) should be reported to the next session of the Working Party (WP.5) and be taken as an input in the investigations foreseen in follow-up work (ECE/TRANS/125, para. 48).

55. At the same session, the Committee also felt that, subsequent to the eleventh session of WP.5, a joint ad hoc meeting of the EC and ECE as proposed by the Working Party (TRANS/WP.5/22, para. 63) should continue to examine transport questions related to Euro-Asian links, taking into account, inter alia, the results of the St. Petersburg Conference (ECE/TRANS/125, para. 49).

56. In connection with this agenda item, the Working Party also noted that the G-24 Transport Working Group at its last session (Brussels, 2-3 December 1997), had agreed that the UN-ECE should take overall responsibility for the monitoring of progress in the follow-up of the Helsinki Conference related to the Euro-Asian links (item (4) in the Chairman's Executive Summary of the Meeting).

57. The representative of the Russian Federation informed the Working Party of the results of the St. Petersburg Euro-Asian Conference on Transport and referred more particularly to the Declaration which had been adopted during the Conference. In this connection, he referred inter alia to the crucial role of transport in the promotion of economic and social development of countries in Europe and Asia and underlined the important function of ECE and ESCAP in the development of Euro-Asian transport links. He emphasized that such development of coherent and efficient links, required the approximation of national legislation and regulations in conformity with international transport agreements and conventions, including also those set up by ECE and ESCAP. Bearing in mind the activities carried out and the decision taken, so far, to set up efficient Euro-Asian links the Conference agreed on a recommendation to develop an integrated Euro-Asian transport system, which also calls on ECE and ESCAP to contribute to Euro-Asian transport in a well coordinated manner.

58. In order to identify more detailed objectives for the development of efficient Euro-Asian transport links, the Working Party decided to establish an informal ad hoc joint meeting which should comprise representatives from ECE, EC, ESCAP and the Russian Federation, as well as its Chairman, to consider a work plan for the development of Euro-Asian transport links.

59. The representative of the EC pointed out that he was not in a position to indicate whether he would be a member of the informal meeting or not.

60. In order to have a sound basis for the work to be undertaken by the joint meeting, the Working Party asked the ECE secretariat to prepare in cooperation with the ESCAP secretariat a note identifying the problems encountered on Euro-Asian transport connections bearing in mind the extension of international road, rail and combined transport networks (AGR, AGC and AGTC) to ECE member countries in central Asia and the Caucasus. The note will also contain information currently available on the subject. In view of the investigations which have been carried out on this particular topic elsewhere, the Working Party asked Governments and international organizations (in particular the EC, ESCAP and OSZhd) to make a copy of the technical and economic studies on Euro-Asian links available to the secretariat so that their findings could be taken into account in the work of the joint meeting.

#### ASSISTANCE TO COUNTRIES IN TRANSITION

Documentation: TRANS/WP.5/1998/7.

61. On the basis of the above documentation, the Working Party was informed about the seminar on "railway safety and speed increases" organized by France (Paris, 22-24 September 1998), the South-east European Cooperative Initiative (SECI), the Special Programme for the Economies of Central Asia (SPECA), the International Euro-Asian Conference on Transport, the International Transport

Conference "Transeurasia-98", the developments in the TEM and TER projects and the activities of the Regional Advisers, as well as the UN/ECE Trust Fund for Assistance to Countries in Transition (TFACT).

62. Furthermore, the Working Party was informed that France and Germany envisaged to hold in the second half of 1999 the workshop "exchange of experiences on the programming of infrastructures and the dissemination of methods of programming in central and eastern European countries" as referred to in the list of activities for assistance to countries in transition (ECE/TRANS/125/Add.1, Appendix I, 02.1, (o), (iii)).

63. The Working Party also invited especially countries in transition which are not yet Contracting Parties to transport-related ECE Agreements and Conventions to accede to them as soon as possible as part of their integration into a harmonized European transport system (TRANS/WP.5/22, para. 54).

64. Finally, the Working Party discussed possibilities for providing financial support for activities directed toward assisting countries in transition and made reference to the UN/ECE Trust Fund for Assistance to Countries in Transition (TFACT). The Working Party noted that, for the time being, no funds were available for the transport sector in TFACT. In accordance with Commission decision B (51), the Working Party invited Governments and relevant international organizations and institutions to contribute to the Fund and to inform the secretariat as to the type of assistance which would be forthcoming.

#### COHERENT EUROPEAN SYSTEM OF INTERNATIONAL TRANSPORT INFRASTRUCTURES

Documentation: TRANS/WP.5/1998/8.

65. In accordance with earlier decisions of the Working Party and the Inland Transport Committee, the Working Party considered, at its tenth session, the question of a possible approach to setting up a coherent European system of international transport infrastructure on the basis of a document prepared by the secretariat (TRANS/WP.5/22, paras. 64-66).

66. Following a request of the Working Party, the secretariat has prepared a note on an updated version of document TRANS/WP.5/1997/8, showing the modifications in the AGR, AGC and the AGTC transport networks as well as the developments in the TEM and TER projects (TRANS/WP.5/1998/8).

67. The Working Party took note of the above-mentioned document and requested to be informed also at its next session of changes in the transport infrastructure.

68. In connection with this agenda item the Working Party (WP.5) also noted the interrelationship between the work of WP.5 and that of other subsidiary bodies of the Committee, in particular in the infrastructure field.

#### DEVELOPMENT OF A EUROPEAN TRANSPORT DATABASE SYSTEM

Documentation: TRANS/WP.5/1998/9.

69. At its tenth session, the Working Party learned about the development of the TEM and TER databases, and the activities undertaken by the Working Party on Transport Statistics (WP.6) on the design and implementation of a European Transport Database System (TDS) (TRANS/WP.5/22, paras. 67-69).

70. The Working Party took note of the work carried out in the establishment of a European transport database system. It was decided that the secretariat would prepare an informal note for the next session of the Working Party giving information on the contents of the TEM and TER databases along with a comparison of similar data being collected by other international organizations in order to avoid duplication of work.

71. The Working Party asked to be informed also of the progress made in the establishment of these databases at its forthcoming session.

#### QUESTIONS RELATED TO TRANSPORT IN THE MEDITERRANEAN

72. During their tenth and sixtieth sessions, the Working Party and the Inland Transport Committee, respectively, considered questions related to transport in the Mediterranean (TRANS/WP.5/22, paras. 71-79; ECE/TRANS/125, paras. 53-59).

(a) Europe/Africa permanent link through the Strait of Gibraltar

Documentation: E/1997/51.

73. The Working Party and the Committee were informed, at their tenth and sixtieth sessions respectively, that in accordance with Resolution 1995/48 of the Economic and Social Council the two Regional Commissions, ECE and Economic Commission For Africa (ECA) had submitted to ECOSOC in July 1997, and as a follow-up, an evaluation report on the studies related to the project for the period 1995-1996 (E/1997/51). In accordance with ECOSOC Resolution 1997/48, the two Regional Commissions would be preparing a similar evaluation report for 1999.

74. The Working Party took note of the work carried out for the evaluation of the work done regarding the Permanent Link through the Strait of Gibraltar and requested to be informed of the progress made at its forthcoming session.

(b) Mediterranean Transport Study Centres and Transport Training Centre

Documentation: TRANS/WP.5/1998/11.

75. The Director of CETMO presented the recent activities of the Centre (TRANS/WP.5/1998/11).

76. He underlined the work of the GTMO (Group of Transport Minister of Western Mediterranean) and especially the results of the Inframed study (on transport infrastructure in the area), the definition of a multimodal network for the area and the organization of a Seminar on Transport Infrastructure Financing in the Mediterranean (Barcelona, 29-30 October 1998) with the participation of the European Commission, EIB, World Bank and all countries of the region.

77. He also underlined the existing close cooperation with the European Commission on its transport programme and strategy for the Euromediterranean partnership.

78. In accordance with a request of the Working Party the Director of CETMO agreed to report to the next session of WP.5 on the results of the work taken up by CETMO and to prepare a progress report on the activities to be carried out on the Pan-European Transport Area concerning the Mediterranean.

DRAFT PROGRAMME OF WORK FOR 1999-2003

Documentation: TRANS/WP.5/1998/10.

79. In considering the draft programme of work, the Working Party took into account further guidelines for the presentation of activities of the Inland Transport Committee's programme of work adopted at the sixtieth session of the Committee (12-16 January 1998) (ECE/TRANS/125, paras. 138-145) as well as the decision taken by the Commission, at its fifty-third session (21-23 April 1998), regarding "Common Guidelines for Prioritization of the Work of the PSBs" (E/1998/38-E/ECE/1365, para. 29).

80. Referring to its discussion on follow-up to the Regional Conference on Transport and Environment (see also paras. 12-13), the Working Party decided that the pertinent item of the Programme of Joint Action (ECE/RCTE/CONF./3/FINAL) should be included in its programme of work.

81. It adopted its programme of work as annexed to this report.

ELECTION OF OFFICERS FOR THE SESSIONS OF THE WORKING PARTY IN 1999 AND 2000

82. Mr. W. Dörries (Germany) and Mr. V. Arsenov (Russian Federation) were elected Chairman and Vice-Chairman respectively, for the sessions of the Working Party in 1999 and 2000.

OTHER BUSINESS

(a) Date of the next session

83. The Working Party noted that its twelfth session was tentatively scheduled to be held from 6 to 8 September 1999.

(b) Documentation

84. The Working Party deplored the fact that documentation for the present session had not arrived sufficiently in time in capitals in order to allow a proper preparation for the meeting. It asked the secretariat to undertake the necessary steps to remedy the situation.

ADOPTION OF THE REPORT

85. The Working Party agreed that the report on its eleventh session should be established by the Chairman and the Vice-Chairman with the assistance of the secretariat for submission to the Inland Transport Committee.

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Annex

DRAFT PROGRAMME OF WORK FOR 1999-2003

**PROGRAMME ACTIVITY 02.1: TRANSPORT TRENDS AND ECONOMICS**

Review of general trends with regard to transport development and transport policy and analysis of specific transport economic issues Priority: 1

Description: Review and exchange of information on general trends in the development of transport and of specific transport economic issues including transport development in the Mediterranean Region.

Work to be undertaken: The Committee and the Working Party on Transport Trends and Economics (WP.5) will consider and carry out the following activities:

**CONTINUING ACTIVITIES**

- (a) Study of economic aspects of transport and annual review of transport developments taking into account (i) the integration process going on within the ECE region, and (ii) the reform processes under way in transition countries by monitoring current changes in transport in order to identify, promote and spread positive examples for transport development. (Continuing); **Output expected: Annual report on transport development** Priority: 2
- (b) Periodical review of new important policy developments relating to inland transport in UN/ECE member countries in order to make the medium and long-term evolution of transport more transparent. The Working Party WP.5 will examine all decisions, general and specific, recently taken in member countries likely to have implications in the organization of transport. (Continuing); **Output expected: Reports on developments in inland transport of member countries (every five years); Report on competition in the transport sector (1999)** Priority: 2
- [(c) Review of major European lines of traffic on which general traffic and transit traffic are the most important to contribute to the bases of transport planning. (Continuing)]

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Note: Changes or additions to the text adopted by the Inland Transport Committee at its sixtieth session (ECE/TRANS/125/Add.1) are shown in bold character while the texts proposed for deletion have been placed in square brackets.

- (c)[(d)] Consideration of the main European traffic lines in order to ensure accessibility of peripheral regions. (Continuing); **Output expected: Report on transport development in Pan-European Transport Areas (1999)** **Priority: 1**
- (d)[(e)] Consideration of the extension of the Pan-European transport corridors outside the EU and the countries associated with the EU. (Continuing); **Output expected: Report identifying and assessing important projects on Pan-European transport corridors Nos. 2, 3, 5 and 9(b) (1999/2000); Report on progress made in the implementation of the Pan-European Transport Corridors (1999); Report on Transport Infrastructure Needs Assessment (TINA) project (1999); Report on problems concerning the application, inter alia, of principles of market economy in the inland transport sector (1999).** **Priority: 1**
- (e)[(f)] Study of the interrelationship of the UN/ECE agreements (AGR, AGC, AGTC) and projects (TEM, TER) with the Pan-European transport network planning procedure, including Euro-Asian links, with a view to: **Priority: 1**
- [identifying existing bottlenecks and missing links;]
- indicating the major international transport routes to be considered for improvement and modernization, establishing priorities and a timetable **taking into account those parts of the networks where there are bottlenecks and missing links;**
- assessing the cost of this infrastructure plan and making suggestions for financing it. (Continuing); **Output expected: Annual report on coherent European system of international transport infrastructure, Report on Euro-Asian transport links (1999); Report on bottlenecks in the Trans-European Railway (TER) network (1999)**
- (f)[(i)] Collection of data concerning investments in transport infrastructures and study of the effects upon such infrastructures of developments in modal split taking into account, in particular, external costs in order to highlight the interaction between infrastructure and modal development. (Continuing) **Priority: 1**
- (g)[(1)] Transport 2000 in central and eastern Europe. Consideration of specific subjects related to the transport situation in central and eastern Europe in order to improve transport in transition countries. (Continuing); **Output expected: Annual report on development of data bank system in countries in transition** **Priority: 3**
- (h)[(o)] Activities for assistance to countries in transition regarding

institutional adaptation of government administration and of transport enterprises to market economy. 1/ (Continuing); **Output: Annual report on assistance to countries in transition; Report on progress made towards market economy in the transport sector of transition countries (1999).**

**Priority: 1**

[(p)] [Provision of assistance to countries with transition economies through the UN/ECE Trust Fund for Assistance to Countries in Transition (TFACT). (Continuing)]

[(k)] [Assistance to the countries in central and eastern Europe to establish a data bank system to provide the bases for transport planning. (Continuing)] (a)

(i)[(q)] Strengthening of cooperation with the Mediterranean Study and Training Centres, the results of which will be submitted to the Committee, to enable all ECE countries to benefit from the activities carried out **including the organization of workshops.** (Continuing); **Output expected: Annual report on activities of the Study and Training Centres**

**Priority: 2**

(j)[(r)] Promotion of international transport agreements to permit, in particular, Mediterranean countries to adhere to them. (Continuing)

**Priority: 3**

[(s)] [Establishment of a short list of workshops with a view to promoting cooperation in the Mediterranean area. (Continuing)]

(k)[(t)] Information on the studies on the Europe/Africa Permanent Link through the Strait of Gibraltar. (Continuing); **Output expected: Annual report on progress made in the analysis of Europe/Africa Permanent Link through the Strait of Gibraltar**

**Priority: 3**

#### ACTIVITIES OF A LIMITED DURATION

[(g)] [Study of alternative itineraries and modal complementary elements for infrastructure programming (elaboration of scenarios). (1998)]

[(h)] [Collection of data for preparing traffic density charts and showing traffic flows country by country. (1998)]

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(a) A detailed list of activities is reproduced in Appendix I.

[(j)] [Study of problems of accessibility and links with peripheral countries with a view to analysing the relationship between regionalism and

transport policies. (1998)]

[(m)] [Establishment of indicators for the transport sector permitting to monitor the progress in transition countries to market economy. (1998)]

(1)[(n)] Consider the impact of regulatory measures in transport with the objective to identify the need for transport infrastructure and to study particular aspects in the New Independent States (NIS). [(1998)]; **Output expected: Report on regulatory measures in transport in NIS (2000)**

**Priority: 1**

(m) **As follow-up to the Conference on Transport and the Environment: Development and implementation of programmes to establish attractive networks taking into account such aspects as intermodality, interoperability and environmentally sound vehicles.1/**

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1/ In addition to the above item, the Working Party wishes to be associated with activities on transport and environment concerning, in particular, development of methodologies for setting up databases, implementation of scientific programmes, assistance to countries in transition, development of environmental guidelines, external costs, analysis of questions related to the protection of sensitive areas (see also items I (c), (d), (g), (h); III (e); IV (c), (f) in the Programme of Joint Action (ECE/RCTE/CONF./3/FINAL)).

APPENDIX I TO THE PROGRAMME OF WORK

LIST OF ACTIVITIES FOR ASSISTANCE TO COUNTRIES IN TRANSITION

PROGRAMME ACTIVITY 02.1: TRANSPORT TRENDS AND ECONOMICS

...

02.1.1 Review of general trends with regard to transport development and transport policy and analysis of specific transport economic issues

Priority: 1

...

- (h)[(o)] Activities for assistance to countries in transition regarding institutional adaptation of government administration and of transport enterprises to market economy.
- (i) Strategic planning of transport development.
  - (ii) Instruments of transport infrastructure planning.
  - (iii) Exchange of experiences on the programming of infrastructures and the dissemination of methods of programming in central and eastern European countries. (France, Germany, [1998] (1999))
  - (iv) Improvements in statistics and statistical techniques in transport for countries in transition.
  - (v) Drafting and expert assessment of new mode specific transport legislation including environment and safety (short-term expert studies and workshops).
  - (vi) State regulation and control in market economy - the role of the Ministry of Transport (workshops). (Russian Federation)
  - (vii) International transport facilitation for road, rail and inland water transport (i.e. TIR, customs facilitation, border crossing operations) (seminar/workshop).
  - (viii) Privatization of the transport sector (road and rail) and solution to problems in the post-privatization period including commercial management training. (Russian Federation)
  - (ix) Road funds and road user charges (studies/workshops).
  - (x) Pricing and costing of national and international railway operations.
  - (xi) Possibilities and techniques to finance railway investment in

countries in transition.

- (xii) Improvements in railway management through separation of rail infrastructure from rail operations.
  - (xiii) Requirements for the improvement of railways' competitiveness. (Poland)
  - (xiv) Administrative and technical difficulties encountered at border crossing in international rail traffic.
  - (xv) International cooperation between railway companies to introduce competitive international rail transport.
  - (xvi) Problems concerning the organization of a unified inland navigation market in Europe. (Austria)
  - (xvii) Modernization of inland waterways' infrastructure and improvement of port operations as a way of integrating countries in transition into the all-European inland navigation market. (Romania)
  - (xviii) Multimodal transport. (Russian Federation)
  - (xix) Transport and the environment. (Russian Federation)
  - (xx) Transport of dangerous goods and perishable foodstuffs by mode (seminar/workshop).
  - (xxi) Incorporation of new sources of data on traffic and international trade flows including those from CETIR (EBRD) into the TEM and TER projects with a view to sustaining the data collection efforts through these projects.
  - (xxii) Strengthen transport management training within the TEM and TER projects and expand the list of participants to such training to new ECE member States (pending approval by the respective project bodies).
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