

ECONOMIC COMMISSION FOR EUROPE

INLAND TRANSPORT COMMITTEE

(Sixty-eighth session, 7-9 February 2006,
Agenda item 8)

ASSISTANCE TO COUNTRIES WITH ECONOMIES IN TRANSITION

OPERATIONAL ACTIVITIES

January 2005 – December 2005

Note by the secretariat

Introduction

The Committee will have before it document TRANS/WP.5/2005/13 containing a summary of operational activities aimed at assisting institutional adaptation of Government Administration and transport enterprises to market economy, undertaken during the period July 2004 to June 2005. This informal document is a revised and updated report of these activities for the period January to December 2005.

I. FACILITATION OF PARTICIPATION OF CENTRAL ASIAN AND CAUCASUS COUNTRIES IN MEETINGS OF THE ITC AND SELECTED SUBSIDIARY BODIES

In the past years, there has been a lack of participation of delegates from the Central Asian and Caucasus countries in the work of the Inland Transport Committee (ITC), due to budgetary constraints in those countries. This absence was detrimental to the harmonization process of their transport legislation as well as to the integration of their transport systems with those of other UNECE member countries, and had a negative impact on Euro-Asian transport connections.

To help remedy this situation, the secretariat prepared a proposal for a pilot Project aimed at facilitating the attendance of Central Asian and Caucasus countries to the meetings of ITC and selected subsidiary bodies for one year. At its 65th session, 18-20 February 2003, the UNECE ITC approved this Project and encouraged the member countries to make voluntary contributions for its implementation. The secretariat proposed this Project to the EC for co-financing for a pilot period of one year. The EC accepted to co-finance this Project and in August 2004 the relevant contract was signed, thus enabling its implementation from September 2004 to June 2005. With the signature of two addendums to this contact, in August and November 2005, respectively, the implementation period of this Project was prolonged up to April 2006.

Beneficiary countries include: Armenia, Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan. Financing covers travel and per diem for the specific duration of the meetings under the project for one person for a return trip to Geneva.

Up to now, the following ten events have been successfully convened with the participation of 52 experts from most of the countries concerned.

- 17th and 18th sessions of (WP.5), September 2004 and 2005.
- 45th and 46th sessions of (WP.1), September 2004 and March 2005.
- 98th and 99th sessions of (SC.1), October 2004 and 2005.
- 58th session of the (SC.2), October 2004.
- 67th session of the ITC, February 2005.
- 56th session of the WP.6, June 2005.
- 110th session of the WP.30, June 2005.

One more event is foreseen for the completion of the Project, this is the 68th session of the ITC, 7-9 February 2006.

Furthermore, based on the positive evaluation of the beneficiary countries from the implementation of this Project, the secretariat envisages requesting the EC to consider co-financing this Project for one additional year.

II. UN DEVELOPMENT ACCOUNT PROJECT ON CAPACITY BUILDING FOR DEVELOPING INTERREGIONAL TRANSPORT LINKAGES

On the proposal of the five United Nations Regional Commissions, the General Assembly approved the United Nations Development Account project on Capacity Building for the development of Interregional Transport Linkages. In implementing this Project, the UNECE and UNESCAP are focusing mainly on Euro-Asian transport Links, including through SPECA countries.

The beneficiary countries of the UNECE/UNESCAP joint Project are: Afghanistan, Armenia, Azerbaijan, Belarus, Bulgaria, China, Georgia, Iran, Kazakhstan, Kyrgyzstan, Republic of Moldova, Romania, Russian Federation, Tajikistan, Turkmenistan, Turkey, Ukraine and Uzbekistan. The objective of the Project is to assist member States of the five UN Regional Commissions in strengthening their national capacities for developing land and land-cum-sea transport linkages and to promote interregional cooperation to facilitate interregional trade and tourism. The completion of the Project is expected by 2006.

In 2003, the Executive Secretaries of UNECE and UNESCAP signed a joint letter to the 18 beneficiary UNECE and UNESCAP member countries, inviting them to participate in the Project and to nominate a Focal Point. The World Bank (WB), EBRD and Asian Development Bank (ADP) were requested to support the implementation of the Project and nominate their focal points. The designated national Focal Points prepared country reports based on a uniform questionnaire.

In two Expert Group Meetings on Developing Euro-Asian Transport Linkages jointly organized by UNESCAP and UNECE, in 2004, in Almaty (Kazakhstan) and Odessa (Ukraine), Government representatives from those countries agreed on the main road and rail transport routes connecting Europe and Asia to be considered for priority development. They also agreed on the need for the identification of main transshipment points, for the identification and analysis of border crossing obstacles along these routes and for the evaluation and prioritization of infrastructure projects along the selected routes. In addition, they agreed to cooperate on the completion of a Geographic Information System (GIS) database concerning routes and projects.

The Turkish Government hosted the Third Expert Group Meeting on Developing Euro-Asian Transport Linkages in Istanbul, 27-29 June 2005. The Meeting was opened by Mr. Muammer Türker, Deputy-Undersecretary, Ministry of Transport of Turkey and was attended by National Focal Points and Experts from 18 countries in the Euro-Asian region. Representatives

form the UNESCWA, EC DG TREN, ECMT, IGC TRACECA, IsDB, IRU, BSEC-URTA, and Europlatforms as well as the private sector, also attended the Meeting. The National Focal Points from the participating countries (i) finalized the itineraries of the main road, rail and inland water transport routes connecting Europe and Asia, (ii) identified the main transshipment points along these routes and (iii) agreed on a methodology for the evaluation and prioritization of projects along the selected routes. The Meeting welcomed the proposal of the UNECE WP.5 Informal Meeting, held on 15 April 2005, that the Expert Group Meeting on Euro-Asian Transport Linkages Project acts as a permanent mechanism for ensuring efficient coordination and monitoring of activities related to Euro-Asian transport links, asked the UNECE-UNESCAP secretariats to prepare a joint proposal for the continuation of the project beyond 2006 and appealed to the international financial institutions and donors to consider co-funding its implementation. Activities of the next phase, in 2006, include: The organization of two subregional EGMs, one for Central Asia and Caspian Sea, and one for Eastern, southeastern Europe and Black Sea, to deal with infrastructure and facilitation issues. The completion of an in house study on developing Euro Asian Transport Links and the organization of a 4th EGM, to evaluate progress and identify follow up actions, are among the activities to be implemented in 2006.

More information on the Euro-Asian Linkages Project, including reports, background documents and presentations can be obtained by visiting the UNECE Transport Division Website in the dedicated page on the “Euro-Asian Transport Links”.

Also, as part of the UNDA Capacity Building project, the UNECE, together with UNESCAP and UNESCWA, is implementing another project component focusing on developing interregional transport linkages connecting UNECE and UNESCAP to the UNESCWA region. Each Regional Commission has identified countries, which collectively make up the central part of the UNESCWA, UNECE and UNESCAP project component. For the respective commissions, these countries are: Iraq, Syria, Jordan, Saudi Arabia, Kuwait, United Arab Emirates, Palestine (OPT) and Egypt (from UNESCWA); Islamic Republic of Iran and Pakistan (from UNESCAP); and Turkey (from UNECE). A First Expert Group Meeting on Developing Interregional Transport Linkages connecting UNECE and UNESCAP to the UNESCWA region was jointly organized by UNESCWA, UNECE and UNESCAP in Amman, Jordan, 30 May – 1 June 2005. Government representatives from 9 countries that attended the Meeting agreed on the most important road, rail and sea/road/rail transport routes linking ECE and ESCAP to ESCWA region. The Meeting also agreed on the joint UNESCWA-UNECE-UNESCAP activities to be undertaken under the project in close cooperation with the countries concerned, including the elaboration of a number of studies, identification of investment projects and non-physical obstacles along the selected routes and measure to remove them. Two more Expert Group meetings will be convened under the project in 2006, as well as a number of national seminars and workshops.

The UNECE Transport Division is also contributing in the implementation of another project component in cooperation with UNECA and UNESCWA. Each Regional Commission has identified countries, which collectively make up the central part of the UNECA, UNECE and UNESCWA project component. For the respective commissions, these countries are: France, Greece, Italy, Spain and Turkey (from ECE region) and Algeria, Botswana, Côte d’Ivoire, Djibouti, Egypt, Ghana, Iraq, Jordan, Kenya, Kuwait, Mozambique, Palestine (OPT), Saudi Arabia, South Africa, Syria, Tanzania, Togo, United Arab Emirates and Yemen (from ECA and ESCWA regions). A First Expert Meeting on Developing Interregional Transport Linkages

connecting UNECE and UNESCWA to the UNECA was jointly organized by UNECA, UNECE and UNESCWA in Rabat, Morocco, 8 – 10 December 2005. Government representatives from 17 countries that attended the Meeting agreed on the main road, rail and road/rail/sea routes connecting Europe and Middle East with Africa and identified the main Mediterranean and African ports of international importance. The meeting also addressed physical and non-physical obstacles to the development of international trade and tourism, as well as to social and territorial cohesion, economic development and sustainability. Activities in 2006 will include: technical assessment of identified transport routes; border crossing issues; and a visit of African port's experts to a Mediterranean port.

III. TRANS-EUROPEAN NORTH-SOUTH MOTORWAY (TEM) AND TRANS-EUROPEAN RAILWAY (TER) PROJECTS

The UNECE, as the Executing Agency of the TEM and TER Projects, continued through the Regional Adviser, to provide technical and administrative backstopping to the Projects, including for the elaboration of the TEM and TER Master Plans.

(a) TEM and TER Master Plans

The TEM and TER Projects have undertaken the elaboration of their Master Plan, including the identification of the backbone networks for road and rail transport in 21 Central, Eastern and South-Eastern European countries as well as a realistic investment strategy to gradually develop these networks. The elaboration of the TEM and TER Master Plan constitutes the most important activity for the future development of the Projects as well as for the road and rail transport infrastructure in Central and Eastern Europe and its interoperability. The work was completed in March 2005 and the endorsement of its Final Report by the Projects' Steering Committees was concluded in June 2005.

As many as 491 projects (319 TEM and 172 TER) with an aggregate estimated cost of EUR 102.10 billion were evaluated and prioritized under the Master Plan exercise, of which, EUR 49.55 billion for TEM and EUR 52.55 billion for TER. These results have taken duly into account alternative scenarios of growth, methodological aspects and assumptions, bottlenecks and missing links as well as problems posed at funding of transport infrastructure and border crossings.

The elaboration of the TEM and TER Projects' Master Plan has been a huge and complex task for the Projects. In 2002, based on the priorities set by the new strategy of the Projects and the emerging needs of the TEM and TER region, the Terms of Reference (TOR) for the TEM and TER Master Plan were prepared and eventually approved by the Projects' Steering Committees. The Inland Transport Committee, at its sixty-fifth session in February 2003, requested the UNECE member countries to provide voluntary contributions for co-financing the Master Plan's work. Following the positive response of the International Road Transport Union (IRU), who agreed to support the TEM Master Plan work with CHF 100,000, an Agreement for the allocation and use of IRU's contribution, was signed between IRU and the UNECE in September 2003. The work started in September 2003. Two independent consultants were recruited to ensure the necessary technical and scientific backing of the work, together with GIS Experts who helped the Projects in processing a large number of data and preparing GIS maps.

Two groups were created for the needs of the Master Plans, namely the *Master Plan Coordination Group*, constituted to supervise and coordinate the work, and the *Master Plan*

Expert Groups, for consolidating substantive information on transport plans and priority needs of the countries concerned, as well as liaising with the respective Governments and the UNECE, and TEM and TER PCOs. The Master Plan Coordination Group, consisting of the TEM and TER Projects' Personnel and the UNECE Regional Adviser on Transport, as well as of the external consultants, has met four times: First, in Budapest on 16 September 2003; second, in Warsaw on 15 December 2003; third, in Geneva on 9 June 2004; and fourth, in Budapest on 15 November 2004. The meetings focused on the organizational aspects of the work, on the Projects' methodology, data needs and deliverables. The TEM Master Plan Expert Group, as well as the TER Master Plan Expert Group, consisting of different National Coordinators and designated Experts from the countries involved for each one of the Projects, met two and three times, respectively: The first meeting on the TEM Master Plan was held in Bratislava, Slovakia, on 9 February 2004, and the second in Budapest, Hungary on 24 September 2004. The first meeting of the TER Master Plan Expert Group was held in Budapest, Hungary, in 10-11 February 2004, the second also in Budapest, Hungary on 23 September 2004 and the third in Vienna, Austria, in 19 April 2005.

The TEM and TER Master Plan will provide a substantial contribution to the development of coherent road, rail and combined transport infrastructure networks in the TEM and TER region and the facilitation of international transport and traffic in Europe, as well as to the integration of countries in the UNECE region. It will also provide an important input to the EC High Level Group No. 2 and to the Euro-Asian Transport Links development process. Implementation of the TEM and TER Master Plan would be among the most important tasks of the TEM and TER Projects in future.

At the invitation of the EC DG TREN the secretariat presented the results of the Master Plan at the 7th plenary meeting of the High Level Group on the extension on the major trans-European transport axes to the neighbouring countries and regions on 25 October 2005. Under the Chairmanship of Mrs Loyola de Palacio, former vice-president of the EC, High-level representatives of 45 countries and the IFIs attended the meeting.

The Final Report of the TEM and TER Master Plan including maps, conclusions and recommendations, is being published and will be made available to all interested parties soon, free of charge. The Final Report is posted on the UNECE website, whilst an advance copy of the report will be made available to the participants of the ITC 68th session.

(b) Other activities under the TEM and TER Projects

Parallel to the Master Plans work, the development of the TEM and TER Projects was successfully continued during the reporting period.

Following a positive evaluation of the progress made by the TEM Project during the Project Cycle 2001- 2004 by its member countries, at its forty-first session in Antalya, Turkey, 31 May–2 June 2004, the TEM Steering Committee, agreed with the prolongation of TEM Project in a new phase 2005–2008. A similar procedure has been followed also in the case of the TER Project. At its twenty-first session in Prague, Czech Republic, 14-16 November 2005, the TER Steering Committee, agreed with the prolongation of TER Project in a new phase 2006-2010.

Upon receipt of official notifications from the Governments of Armenia and Azerbaijan earlier this year, in which the two countries expressed their desire to join the TEM and TER

Projects, and the successful completion of the necessary procedures, Armenia and Azerbaijan were accepted to become Contracting Parties to the TEM and TER Trust Fund Cooperation Agreements. On 9 December 2005, Ambassador Zohrab Mnatsakanian, Permanent Representative of Armenia to the United Nations in Geneva, signed the TEM and TER Trust Fund Cooperation Agreements. Signing of the Agreements by Azerbaijan is expected to follow soon. The accession of Armenia and Azerbaijan to TEM and TER will bring the total number of countries participating in these Projects to 15 and 18, respectively.

Following the signing of Memoranda of Understanding (MoU), for cooperation between UNECE - UIC in the framework of the TER Project, UNECE-IRU and UNECE-ASECAP¹ in the framework of TEM, several actions and events have been co-organized and discussions, for cooperation in the field of data collection and GIS mapping activities, as well as other fields of mutual interest, have been conducted. Following a similar path, the cooperation between the TEM and TER Projects with other related organizations UIRR², Eurochambres³, Europlatforms⁴, etc. was promoted.

Negotiations with CEI have been concluded at the highest level to ensure closer cooperation between CEI and the TEM and TER Projects. Already, three events on railway transport border-crossing facilitation, were successfully co-organized and co-financed jointly by CEI-TER during the sixth, seventh and eighth CEI Summit Economic Forum in 2003, 2004 and 2005, respectively.

The Projects continued in the years 2004-2005 their long-standing activities in assisting transfer of know-how and sharing best practices among their members in various fields of interest. The TEM and TER meetings and events are listed in Annex 1 of the present document.

IV. ACTIVITIES UNDER REGIONAL AND SUB-REGIONAL PROGRAMMES

(a) Southeast European Cooperative Initiative (SECI)

In the framework of the SECI Regional Road Transport Committee (RRTC), so far, its Group of Experts on Combined Transport have considered ways and means of promoting efficient combined transport services in the SECI region in line with the relevant provisions of the SECI MoU on the Facilitation of International Road Transport of Goods in the SECI Region (Athens, 1999). The Group adopted a Declaration on the Development of Combined Transport in the SECI Region (http://www.unece.org/trans/old_new_tir/seci/intro.htm)."

In the context of the SECI activities on rail transport, the Ad hoc Working Group on the Reduction of Border Stopping Times of Shuttle Trains, continued to make progress on the improvement of bilateral agreements regarding rail transport operations between SECI countries, in particular, at border crossing stations in order to reduce overall transport time of passenger and goods trains. So far, agreement was reached on (i) a monitoring system of rail traffic at border stations, and (ii) the definition of a "block train". Furthermore, work started on a draft model for an intergovernmental agreement, which will serve as a basis for international rail transport between SECI countries, and on performance indicators for border crossing procedures. The Ad hoc Working Group also contributed substantively to the organization of a

¹ Association Européenne des Concessionnaires d'Autoroutes et d'Ouvrages à Péage.

² Union International des sociétés de transport combiné Rail-Route.

³ Association of European Chambers of Commerce and Industry.

⁴ European Network of Transport/Logistic Centres.

demonstration run of a block train between Istanbul and Cologne which took place on 9 May 2004. In addition, the Working Group proposed a great number of investment possibilities which would improve rail transport in the SECI countries concerned and which could be retained for the Trade and Transport Facilitation Programme in South-eastern Europe TTFSE II rail project.

The High-Level Meeting of Regional Road Transport Committee of SECI (RRTC), established in accordance with Article 12 of the MoU on Facilitation of International Road Transport of Goods in the SECI Region (signed on 28 April 1999 in Athens), held in Sofia and Velinkgrad from 10 to 12 December 2004. The Meeting examined issues of common interest in international road transport, including liberalization of road transport and establishment of free market access; rationalization and gradual convergence of national charging policies for international road transport of goods; introduction of an international goods road vehicle weight certificate; development of transport infrastructure; and facilitation of visa procedures for professional drivers.

(b) Special Programme for the Economies of Central Asia (SPECA)

SPECA countries, due to lack of territorial access to the sea, the extreme distance from the seaports, remoteness and isolation from world markets, are highly dependent on foreign countries' transit policies and availability of transit facilities and services, existing transport infrastructure within their own countries, as well as that of their neighbours (very often inadequate on both sides).

In view of the particular development needs of the region, the SPECA Transport *Infrastructure and Border Crossing Facilitation Project* (PWG-TBC) was established in 1998 within the framework of the SPECA Tashkent Declaration, as an instrument of development and implementation of the UN Special Programme for the Economies of Central Asia in the priority area of "Development of transport infrastructure and simplification of procedures for the transfer of goods, services and labour resources through national borders".

Members of the PWG-TBC, at this initial stage, were: the Republic of Kazakhstan, Kyrgyz Republic, Republic of Tajikistan, Turkmenistan, Republic of Uzbekistan, the United Nations Economic Commission for Europe (UNECE), the United Nations Economic and Social Commission of Asia and the Pacific (UNESCAP) and the UN Office in Kazakhstan. In 2002, Azerbaijan also became a member of SPECA. The lead country in this priority area of transport is Kazakhstan.

The UNECE Transport Division, together with UNESCAP support the activities of the Group. It contributed to the preparation of the Work Programmes, Action Plans, in organization of meetings, conferences, workshops, in drafting proposals and important documents for the Group, in offering expertise and know-how, in sharing experiences between European and Central Asian countries, in promoting transport cooperation among SPECA countries, as well as between them and other country members of the UNECE region.

The 10th session of SPECA PWG-TBC was held in Issyk-Kul, Kyrgyzstan, 24 March 2005. The Government of Kyrgyzstan hosted the meeting and provided all necessary facilities. The session was attended by delegations from Kazakhstan, under Mr. Talgat Abylgazin, Vice-Minister of Transport and Communications, from Kyrgyzstan, under Mr. Azhikeev Aizat, Vice-Minister of Transport and Communications and from Uzbekistan.

Representatives of EURASEC, IGC TRACECA, IsDB as well as the private sector, also attended the session. The Regional Adviser on Transport represented UNECE. The session reviewed the most important transit transport issues of the Central Asian and Caucasus region, with reference to the Action Programme for Transit Transport Cooperation for SPECA countries and the Almaty Programme of Action. Concrete tasks to be targeted by the Group in the period 2005-2006 were identified and agreed among participating countries. Furthermore, the session agreed to focus its future work in the following priority areas: Establishment/strengthening of national trade and transport facilitation committees; accession to and implementation of important international conventions and agreements in the field of transport; monitoring of international freight transportation at border crossing points; improvement of road transport communication with China through bilateral and multilateral agreements/conventions, and monitoring of border crossing problems. The 11th session of SPECA PWG-TBC will be held in Almaty, Kazakhstan, in March 2006.

More information on discussions, reports and respective documents from SPECA WG-TBC work can be obtained through UNECE Website under the SPECA heading.

(c) Other Regional and Sub-Regional initiatives

Organised by the UNECE Transport Division, and kindly hosted by the Ministry of Transport and Communications of Greece, a **First Workshop on the UNECE legal instruments in the field of transport and on related infrastructure and border crossing developments in the Southeast Europe** was held on 19 and 20 December 2005, in Thessaloniki, Greece. Designated experts from Albania, Bosnia and Herzegovina, Croatia, Greece, The former Yugoslav Republic of Macedonia, Serbia and Montenegro, Thessaloniki Port Authority and the Corridor X Secretariat attended the Workshop. The UNECE financed the travel and per diem for 13 participants from the five beneficiary member States. The aim of this workshop was to assist southeastern European UNECE member countries to further integrate their transport systems with those of other UNECE members and promote inter-country and sub-regional cooperation. The workshop has allowed the participants to get a deeper insight into the major transport legislation developed under the auspices of the UNECE and valuable information on the latest developments on transport infrastructure and border crossing in the Southeast Europe. The designated National Focal Points of the participating countries reviewed the status of accession to and implementation of the UNECE Agreements and Conventions and reported on the main transport infrastructure and border crossing developments and plans in their countries. More information on the workshop, including reports, background documents and presentations can be obtained by visiting the UNECE Transport Division Website in the dedicated page on Round-Tables/Seminars/Workshops.

The UNECE secretariat contributed, inter alia, through seminars and submission of papers, to a number of international activities and fora, towards the development of European Transport infrastructure, as well as of Euro-Asian Transport Links and the accession and implementation of UN transport legal instruments in transport, including the following: Third International Conference on Road Transport of IRU “Integration in the CIS Road Transport: Present and Future”, Moscow, Russian Federation, 3 March 2005; Fourth Interparliamentary Meeting on Road Transport, Moscow, Russian Federation, 4 March 2005; UN-OHRLLS High-level Meeting on the Role of International, Regional, and Sub-regional Organizations for the implementation of the Almaty Programme of Action, Almaty, Kazakhstan, 29-31 March 2005; Parliamentary Conference on the Wider Black Sea Region in the New European Architecture,

Athens, Greece, 8 April 2005; thirteenth Meeting of the OSCE Economic Forum, Prague, Czech Republic, 23-27 May 2005; forty-ninth (special) Meeting of the Economic and Environmental Sub-Committee of the Permanent Council of the OSCE on the presentation of the central theme of the 14th OSCE Economic Forum and its preparatory process, Vienna, Austria, 7 October 2005; 7th plenary Meeting of the High Level Group on the extension of the major trans-European transport axes to the neighbouring countries and regions, Brussels, Belgium, 12 October 2005; the EU Training Seminar on international road haulage in the Euro-Mediterranean region, Istanbul, Turkey, 12 December 2005; and the first Meeting of the EU-Black Sea-Caspian Basin Expert Working Group on transport infrastructure, Kiev, Ukraine, 13 December 2005.

V. COOPERATION WITH SUBREGIONAL ORGANIZATIONS

Black Sea Economic Cooperation Organization (BSEC)

BSEC was established in 1992 by 11 countries⁵ with the aim of developing the Black Sea region into a zone of peace, stability and prosperity. Economic cooperation is adopted as the main route to meet this end. The UNECE Transport Division's contribution consists of promoting the accession to UNECE legal instruments of BSEC Member States, the organization and holding of meetings, assistance in drafting documents, including the *ECE-BSEC Cooperation Agreement* that was signed by the UNECE Executive Secretary and the BSEC General Secretary in Istanbul-Turkey (July 2001), the *Ministerial MoU on the Facilitation of Road Transport of Goods in the BSEC Region*, as well as other documents on BSEC events and offered advice on the coordination of transport activities in the Black Sea region among various organizations and initiatives (BSEC, TRACECA, PETrAs and PETrCs -UNECE and SECI).

Upon the request of the Greek Ministry of Transport and Communications, the secretariat contributed to the preparation of the BSEC Working Group on Transport and the Meeting of the Ministers of Transport of the BSEC Member States, organized by the Greek Government in Thessaloniki, Greece, 26 -28 January 2005, under its chairmanship-in-Office of the BSEC. The Meeting was attended by 8 Ministers and 3 Vice Ministers of Transport from BSEC Member States, the Vice Minister for Foreign Affairs of Greece and a great number of high Officials from BSEC Member States, the EU, the BSTDB and representatives of the private sector, under the chairmanship of Mr. Michalis Liapis, Minister of Transport of Greece. The Director of the UNECE Transport Division and the Regional Adviser attended the Meeting. In their joint Declaration on the connections of the Black Sea Transport Networks with the trans-European Network within the framework of the Euro-Asian Transport Links, the Ministers of BSEC Member States acknowledged the importance of the UNECE work, in particular the results of TEM and TER Master Plans and the UNECE-UNESCAP joint Project on Euro-Asian Transport linkages.

During the BSEC Working Group on Transport, the secretariat presented the progress of the UNECE-UNESCAP Project on developing Euro-Asian transport linkages, introduced the major UNECE Agreements in the field of transport and invited the Group to a closer cooperation with UNECE for the implementation of specific goals. The Group accepted to follow thoroughly

⁵ Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Republic of Moldova, Romania, Russian Federation, Turkey and Ukraine. Upon the resolution of the Tenth Council of Ministers of Foreign Affairs and the ratification of the BSEC Charter by its Parliament, Serbia and Montenegro became a full-fledged Member of the BSEC Organization as of 16 April 2004.

the work of the UNECE-UNESCAP Project on Euro-Asian transport linkages, agreed to cooperate with UNECE in the collection of data on the Black Sea Ports, as proposed by the UNECE, and invited those member States, which are not yet Contracting Parties to the UNECE Agreements, to undertake the necessary national legal procedures for accession.

VI. FUND-RAISING FOR OPERATIONAL ACTIVITIES IN TRANSPORT

Funding for financing advisory missions, workshops and seminars in the countries concerned, was made available in the past through TFACT. However, TFACT has failed to raise funds for operational activities since its budget was depleted in 1996, thus compromising the capacity of the secretariat to offer such services. The repeated requests during the ITC annual sessions for voluntary contributions to TFACT by member countries did not bring results.

Considering the importance of the task, the particular need for extra budgetary support to such activities and the existing experience, the ITC at its sixty-fifth session, 18-20 February 2003, approved a new approach for the TFACT based on specific projects, encouraged the member countries to make voluntary contributions to the TFACT and requested member countries with economies in transition to make project proposals for co-funding through TFACT.

At the UNECE level, the secretariat has launched a coordinated fund-raising approach based on specific projects. Under this approach, projects initiated by the UNECE secretariat, and/or member countries concerned, are presented in a coordinated manner to possible donor countries, the IFIs and other international or European organizations/bodies.

VI. PROBLEM AREAS

(a) Insufficient Funding

Supporting accession and implementation of UNECE legal instruments in transport by countries with economies in transition is a major function of the Regional Advisers on Transport. Accession to legal instruments requires direct and frequent contacts with countries in transition in order to advise the countries concerned on priority instruments and on implications of accession to those instruments. Such contacts require financing for missions to countries in transition. Lack of funding results in reduced missions/activities with detrimental effects for accession to legal instruments.

Implementation of legal instruments also requires institutional capacity building (training through workshops, seminars and advisory missions) in the countries concerned. The new approach of fund-raising based on specific projects may assist in finding the necessary financial support for co-funding specific events and projects, proposed for implementation in the UNECE member countries with economies in transition.

(b) Continuing deficiencies in human resources in Government institutions

An essential ingredient to effective policy development, implementation and delivery of Government policies is the presence of well-trained and motivated staff. However, there are indications that a number of Governments of countries with economies in transition do not adequately promote the *sustainability of human resources* in their respective institutions, thus compromising their effectiveness.

In a number of countries, *high staff turnover* in Government institutions results in lack of continuity and is counterproductive to capacity building efforts. This may seriously compromise the ability of Governments to effectively implement policies and may result in adverse effects for economic development, international trade and integration into the world economies and markets.

Further, effective development and delivery of Government policies and services require well-motivated and dedicated staff. However, lack of *job stability and security*, as well as lack of adequate remuneration, may often lead to job dissatisfaction, and to find better job opportunities in the private sector.

Another problem can be a situation whereby Government staff, having received training or participated in Conferences and meetings, fail to transfer the information, knowledge and expertise gained to other officials with functions in the areas concerned. *Lack of adequate transfer of knowledge and follow-up* can be detrimental to the effective implementation of national objectives and policies.

Concerted efforts are required by Governments to address the effective implementation of human resources policies by their respective institutions in order to ensure sustainable economic development.

Annex 1

TEM/TER meetings, workshops, seminars organized during the reporting period

- TEM Meeting on the TEMSTAT Data Collection and Mapping, Prague, Czech Republic, 7-8 March 2005;
- TER Master Plan Expert Group Meeting, Vienna, Austria, 19 April 2005;
- Twentieth session of the TER Steering Committee, Vienna, Austria, 20 –22 April 2005;
- TEM/HEEP Area Annual Meeting, Palanga, Lithuania, 25-27 April 2005;
- The Forty-third session of the TEM Steering Committee, 13 June – 15 June 2005, Vienna, Austria;
- TER Workshop on Modern Railway Technology and Rolling Stock, St. Gallen, Switzerland, 15 to 17 June 2005;
- Tenth session of TER Working Party on Infrastructure Developments and Technical Operations (WP1) 24-27 October 2005, Warsaw, Poland;
- UNECE TER-CEI Meeting on establishment of a common Task Force for facilitation of border crossing procedures took place in Warsaw, Poland, 27-28 October 2005;
- TEM Seminar on Motorway Financing, Budapest, Hungary, 3 – 4 November 2005;
- Twenty-first session of the TER Steering Committee, Prague, Czech Republic, 14 – 16 November 2005;
- First TEM Master Plan Follow-up Meeting, Bratislava, Slovakia, 23-24 November, 2005;
- The Forty-fourth session of the TEM Steering Committee, 5 – 7 December 2005, Geneva, Switzerland.