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ECONOMIC COMMISSION FOR EUROPE

INLAND TRANSPORT COMMITTEE

Working Party on Transport Trends and Economics

Twentieth session
Geneva, 13-14 September 2007
Item 2 (a) of the provisional agenda

STEERING COMMITTEE MEETING
Corridor II

Moscow, 13 June 2007

Steering Committee Meeting – Moscow – 2007



Meeting – Report

General Information

The meeting took place June 13th 2007 at the premises of the Embassy of the Federal Republic of Germany in Moscow (Russian Federation). The meeting place had been chosen by the secretariat due to lack of action of the confirmed host, the Ministry of Transport of the Russian Federation in the years 2006 and 2007. The necessity arose from the urgency to deal with specific signs of erosion of the compliance of the Memorandum of Understanding and thorough lack of multilateral project and performance coordination of the Pan European member states of the PEC II. Thus, the agenda and invitation were published by e-mail only to the member states with the minimum time of 6 weeks prior the envisaged meeting date. Due to these circumstances the participants of the meeting were 2 member states represented by the responsible SC-members, 2 member states by representatives of their embassies in Moscow and the EC was not represented at all. The invited observer “Latvia” was represented by the Transport Attaché of the embassy in Moscow. (See below – List of Participants)

The Agenda of the meeting – without a timeframe to permit for a maximum of information exchange – (See below – Agenda) concentrated on the subject of future interest in the objectives of the PEC II and on the objective to seek and find solutions for the revitalisation of the original PEC II in the context of the Euro-Asian Transport Connections.

The unfortunate problem during the meeting was the fact that participants of the meeting were not able to understand or speak English language, which, according to the MoU is the agreed conference language of the PEC II. On short notice, the Embassy was unable to provide simultaneous or consecutive translation. The presentations, which were made available to the secretariat, are made available as electronic attachments to this report.

Meeting Progress

After the welcome address of Mr. Wassermann of the German Embassy, the chairman of the SC, Mr. J. Papajewski briefly summarised the purpose of the meeting and received agreement on the report on the 10th SCM in 2005.

Mr. Maslov of the Ministry of Transport of the Russian Federation summarised the initiatives of Mintrans in the context of a subprogram to enhance economic export development and related infrastructure and substructure projects. The Infra- und Substructure Projects are concentrated in the Moscow region and city and include Road-, Rail, Aviation- and Logistic-Projects. In addition the country-wide conception of logistic strategies targeting the time horizon of 2020 are in progress. This includes combined transport, specifically in maritime transport. (Electronic Annex – RUS 2007)

Mr. Khvalko, Representative of the Belarusian Railways, provided a major part of his intended presentation, which was not verbally presented, due to language problems. (Electronic Annex – BY 2007). The presentation contains information on the intended development of railways from Brest via Minsk to Krasnoje. The project aim is to increase the average speed permitting a travel time for cargo trains of 2 hrs and 33 minutes and passenger trains of 1 hr and 48 minutes, to improve the safety standards, to diminish the ecologic impact on the nearby territories, and to improve the adaptation ability of the Belarusian Railways matching EU and CIS Railway networks.

Secretariat of the Pan-European Transport Corridor II

August 4, 2007

Mr. Kuglov, Representative of the PKP (Polish Railways) at the Embassy of the Polish Republic in Moscow provided a well focused report on Road and Rail projects (Electronic Annex – PL 2007). The report reflects the intense infrastructure investment policy and rapid project execution of the Polish republic in the context of PEC II.

Mrs. Büsching, Representative of the Federal Ministry of Transport, Building and Urban Affairs of the Federal Republic of Germany provided information of final activities on the short section of the PEC II with reference to the Rail- and Road-Infrastructure. (Electronic Annex – D 2007)

The EU / EC did not participate in the meeting and attached document (Electronic Annex – EC – 2007) reflects the general position of the EC (DG-TREN) on the subject.

Mr. Starke, Secretary of the PEC II – Steering Committee, provided a summary of his two route experience trips on the northern diversion (2006 and 2007) and the major reasons for the operators to choose routes avoiding the territory of the Belarus Republic. (Electronic Annex – PEC 2006 and PEC 2007). The selected detours by the different operators, including of Russian origin, are based on infrastructure, which has not been prepared to carry the heavy load of transport volumes relevant for PEC II or Euro-Asian trade exchange. In addition to the physical infrastructure inability of the detour routes the administrative barriers, which still exist at the EU-Russian border, are creators of enormous traffic jams and border waiting times. Self-explanatory is that such transport obstructions with increased transport time, including the risk insurance premiums, are representing an economic penalty on Russian Export and Import pricing based on transportation by road.

With the present inability of the transport operators to use the original PEC II route, the secretariat suggested that the automatic prolongation of the MoU (Electronic Annex – MoU) every 5 years should be terminated by 2010, unless the situation has been brought back to the original spirit of the MoU and the PEC II is reaching normal and increasing operations.

The President of the Belarus Republic has been made aware of the presently insufficient situation and according to information of the Embassy of the Belarus Republic in Berlin (Electronic Annex – BY reaction), the government is seeking solutions to regain operational traffic on the original PEC II - routing.

Mrs. Larisa Ivulgina, Transport Attaché of the Embassy of the Latvian Republic in Moscow, provided her statement in writing (Electronic Annex – LV 2007) verbally confirming the situation report of the secretariat.

Discussion and solutions

The brief discussion confirmed the necessity to declare a moratorium on the MoU's automatic five-annually prolongation, of which the next will be in January 2010. Within the remaining time, a new legal or administrative basis should be found to revive the originally intended operations and to improve cooperation and coordination between the PEC II member states. In the same time, the organisational and financial demand of the PEC II must be brought to a workable level with obligation to all PEC II – member states. It was suggested that the member states will suggest administrative, operational, technical and legal standards as cornerstones for improvement of the future envisaged PEC II or Euro-Asian Transport Corridor (EATC) agreement.

In the context of the termination of the German chairmanship of the Steering Committee at the end of 2007 the Russian Delegation declared their willingness to accept the chairmanship only after 2 years, if change will be necessary. The Polish Delegation explained their willingness to accept the chairmanship of the SC by the 1st January 2008 for two years. It was decided accordingly by the SCM delegations.

Conclusion and termination of the meeting

Mr. Papajewski, the operating chairman of the SC, drew a brief conclusion of the meeting and the PEC II – member delegations expressed their gratitude and confirmation of good work in difficult times to the chairman and the secretariat. The SC thanked the Embassy of the Federal Republic in Moscow for the organisation and the provision of conference space. The meeting was terminated after 3 hours of work.

List of Participants

**Steering Committee Meeting of the Pan European Transport
Corridor No. II**
13th June 2007
In the Russian Federation
Moscow

PARTICIPANTS

Christian Wassermann, German Embassy
Elena Kuschnirenko, Met of the RF.
Nikolai Ladomirskiy, Ministry of Transport of the RF
Mikhail Maslov, Ministry of Transport RF
Saeed Kugler, FUP's Representative Office in Moscow.
Василий Хвелько - Департамент внешне-
дипломатических отношений
Федерального агентства по
делам транспорта
Larisa Stolgina - Ministry of transport of Latvia,
Latvian Embassy
Karlheinz Büsching - Federal Ministry of Transport
Building and Urban Affairs, Berlin
Jürgen Papajewski - "
Han. Jore Stako - Secretary of PEC II
Michael Petrosjan, German Embassy



Draft AGENDA “Improving the Corridor II”


11th Steering Committee Meeting Pan European Corridor II

13 June 2007 – 13:00 local time

In the Russian Federation - Moscow
Embassy of the Federal Republic of Germany – Mosfilmoskaya Ul. 56
Tel.: +7 495 9379500; verk-1@mosk.auswaertiges-amt.de

13th June 2007 (13:00 to 18:00)

#	Subject	Speaker / Document
1	Opening of the meeting Welcome address	Embassy
2	Approval of agenda of 11 th SCM	Chairman  - Decision
3	Approval of 10 th SCM 2005 report	Chairman  - Decision
4	The corridor II as part of the northern axis and the EATC - short overview; necessary decisions; objectives and tasks	Chairman / Secretary Indicative Programme (IP)
5	Progress Report Russian Federation	Speaker RF
6	Progress Report Belarus	Speaker BY
7	Progress Report Poland	Speaker PL
8	Progress Report Germany	Speaker D
9	Report European Commission; Summary of the Corridors and Areas Coordinators Group Meetings and High Level Working Group.	Speaker EC
10	Discussion of the legal basis for the corridor – non compliance with the MoU. ¹	Chairman
11	Discussion on IP / horizontal issues	Chairman / Secretary
12	Observer statements – on obstructed traffic.	Chairman / Observer
13	Joint declaration with reference to the status of the PEC II	Chairman
14	Decisions	Chairman
15	Conclusion of the meeting	Chairman
16	End of the meeting	

 - Conference Room Documents

Please indicate requests for changes and additional points of discussion to:

starke.consultant@freenet.de

¹ Remarks

Administrative, organizational and financial decisions will have to be taken during the session of the Steering Committee in 2007 in the light of the spirit of the Memorandum of Understanding of the PEC II and the envisaged development and improvement.