
Project Working Group on Transport and Border Crossing (PWG-TBC)

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**Review of transport projects, activities and initiatives in line with the Almaty Programme of Action
and the Busan Declaration on Transport Development in Asia and the Pacific**
(Item 4 of the agenda)

Note by CIT / NIITK / UNECE / UNESCAP

Accession and implementation of international conventions recommended by SPECA PWG-TBC

1. Harmonization of the legal regimes relating to international transport continues to be a prerequisite to ensuring the smooth movement of goods through national borders and for optimizing the overall efficiency of international transport. The accession of all SPECA countries to the international conventions listed in the protocol of the PWG's 2nd session remains an integral component of efforts to facilitate smooth, efficient and optimal transport to, in, and through the subregion.

2. While some of the SPECA countries have made efforts to accede to the legal instruments (Annex 1), no other concrete steps towards further accessions have recently been recorded except Kazakhstan's recent progress with regards to the domestic legal implementation of both the Road Traffic and Road Signs and Signals conventions. Accession combined with proper implementation, observance, and enforcement measures can provide the imperative framework for successful subregional and regional transport facilitation.

3. The report of the 14th session of the SPECA PWG-TBC notes the fact that, with the help of the European Commission, certification centres duly equipped for the control of the transportation of perishable goods have been opened in several SPECA countries. SPECA countries should consider that an efficient accession to and implementation of the Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be Used for such Carriage (ATP) may provide additional benefits and utility from these existing certification centres that could further increase transport potential for perishable goods in the subregion.

4. The new Annex 8 to the "Harmonization" Convention has been in force since 20 May 2008. In line with these new provisions it would be most beneficial for the whole SPECA region if Tajikistan and Turkmenistan would ratify this Convention. SPECA countries could further improve territorial continuity and transport facilitation within the subregion and beyond by taking measures towards achieving the complete implementation of that Convention.

5. There are several conventions under the framework of the World Customs Organization (WCO) that are capable of contributing to facilitation of international transport. Two SPECA States have so far undertaken accessions to some WCO treaties in the field of transport. Tajikistan has acceded to the Istanbul Convention in 1997 and Azerbaijan has acceded to the Revised Kyoto Convention in 2006.

6. The Project Working Group may wish to consider the following recommendations to improve the accession and implementation of the key transport-related international legal instruments in the SPECA region:

6.1. Reiterate the invitation addressed to SPECA countries to intensify their efforts to accede to all conventions as soon as possible while reaffirming the importance of the international legal instruments listed in the protocol of PWG's 2nd session, in particular the ATP;

6.2. Request that member states identify any outstanding issues related to accession of the remaining states to the conventions and discuss possible solutions to achieve universal ratification of the conventions amongst all SPECA countries;

6.3. Identify further assistance needed from UNECE and UNESCAP secretariats in assessing the implications of acceding to and implementing the transport-related international legal instruments.

Establishment and operation of national coordinating mechanisms for transport facilitation

1. Cross border and transit transport are impeded not only by poor physical infrastructure but also various non-physical barriers, such as complicated, lengthy and frequently changed procedures and documentation, different requirements between countries, duplicated inspections, high charges, and the need for transshipment at border control points. The non-physical barriers create high costs and delays for cross-border movement of people and goods. Not all these impediments can be addressed through the simple modification of documentation and procedures. Some require adjustments to policies and legal regimes.

2. The removal of physical and non-physical barriers in international trade and transport requires the involvement of many government agencies. Customs clearance of consignments, performed by Customs officers at the border, constitutes only one process which must be completed in order to allow the passage of goods and vehicles across borders. Others can include: inspections of driver passports and visas by the border police and/or immigration officials; inspections of vehicles and drivers licenses by transport and/or police officials in order to ensure compliance with national transport regulations; and agricultural, veterinary and public health inspections carried out by officials of the relevant government agencies to ensure compliance with national quarantine and public health regulations. On the other side, it is the business sector to go through the whole process of procedures and bring people, goods and vehicles to cross borders.

3. Efficient and effective coordination and cooperation among all the relevant agencies through proper inter-agency coordination institutions are crucial for facilitation of international trade and transport. Cooperation from business sector is also required to formulate and implement facilitation measures.
4. In 2007 the UNESCAP secretariat published a study on national coordination mechanisms for trade and transport facilitation in the UNESCAP region. Over the last few years UNESCAP and UNECE have stressed the importance of facilitation mechanisms in several SPECA countries through national workshops on trade and transport facilitation. In 2009, UNESCAP in cooperation the Asian Development Bank promoted the initiatives in some SPECA countries under the Central Asia Regional Economic Cooperation programme. The UNESCAP secretariat is preparing the detailed guidelines that countries can use in setting up appropriate facilitation mechanisms, taking into account special circumstances in each country.
5. SPECA countries may wish to report their current status or progress towards establishing/strengthening national coordination mechanisms for trade and transport facilitation, and suggest possible further actions required.

Identification, isolation and elimination of major bottlenecks along international transport routes

1. The UNESCAP Time/Cost-Distance methodology has been widely used as a tool to identify major bottlenecks and monitor the performance of transport routes and corridors. It helps capture and analyze costs and times spent in each segment and stop in transport process and enables policy makers and operators to identify inefficient areas and effectiveness of policy measures and improvement projects.
2. The UNESCAP Time/Cost-Distance methodology was substantially revised in 2007 to increase the ease of use. Besides the development of a user manual and the translation of the material into the Arabic, French and Russian languages, the data entry template has been improved and a number of additional analytical functions were added. The revision enables the decision-maker to immediately review the above mentioned analyses.
3. The Research Institute of Transport and Communications (NIITK) in Almaty has recognized the methodology as a main tool to be used for studies under the projects "Identification and Analysis of Routes in the TRACECA Transport Corridor" and "Routes from the SPECA Countries to the Port of Bandar Abbas (Islamic Republic of Iran)".
4. In 2009, eight countries participating in the Central Asia Regional Economic Cooperation programme (CAREC) supported by ADB, including six SPECA countries, established corridors performance measurement and monitoring system with the Time/Cost-Distance methodology. Collected

data and analysis were reported to the CAREC ministerial conference. Bottlenecks along the corridors¹. were also identified for improvement.

5. The World Bank and the United States Agency for International Cooperation (USAID) have been supporting the application of the methodology in South and Central Asia since 2006 with involvement of Afghanistan, Kazakhstan, Kyrgyzstan, Pakistan and Tajikistan². In 2009, some of the routes were newly included and data of some routes were updated and analyzed in comparison with that from the application in 2008.

6. Inland transport infrastructure in Europe has been provided mainly by governments at prices that are usually set well below the long-run marginal cost. Therefore, an administrative process is needed to identify bottlenecks and potential investment. The UNECE 2009 report³ on bottlenecks and missing links provides an updated ITC (Inland Transport Committee) methodology for the identification of bottlenecks for further analysis that would consider a range of options to remove such bottlenecks, including investment, infrastructure pricing, regulation of access, and so on.

7. While recognising that network policy development through identification of missing links and bottlenecks cannot be a substitute for rigorous, model-based transport planning, it does have a role to play, provided it is carefully implemented, for example, ensuring that common forecasting assumptions are made between countries and across modes. The UNECE study proposes a way forward developed from this perspective that envisages separate analyses for the different modes, building on and developing identified best practice procedures.

8. Participating countries may wish to indicate additional transport routes to be possibly used for application of the ITC and Time/Cost-Distance methodologies and suggest ways to use the findings from the application of the methodologies for consideration of facilitation measures.

Operationalization of SPECA road and rail networks and intermodal transport corridors

¹ 1. The six corridors are:

Corridor 1: Europe–East Asia (Kazakhstan, Xinjiang Uygur Autonomous Region of China and Kyrgyzstan);

Corridor 2: Mediterranean–East Asia (Azerbaijan, Xinjiang Uygur Autonomous Region of China, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan);

Corridor 3: Russian Federation–Middle East and South Asia (Afghanistan, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan);

Corridor 4: Russian Federation–East Asia (Mongolia, Inner Mongolia Autonomous Region and Xinjiang Uygur Autonomous Region of China);

Corridor 5: East Asia–Middle East and South Asia- (Afghanistan, Xinjiang Uygur Autonomous Region of China, Kyrgyzstan and Tajikistan); and

Corridor 6: Europe–Middle East and South Asia (Afghanistan, Kazakhstan, Tajikistan and Uzbekistan).

² 1. Major routes in the SPECA countries covered by the project include: Konysbaev - Syrym; Korgas - Kordai - Konysbaev; Kordai - Kayrak; Ak-Jol - Kyzyl-Bel; Fotehobod - Gulliston; Bratstvo - Dushanbe; Nijnii Pyandj-Dushanbe; and Torghundi-Herat.

³ UNECE (2009), *A Methodological Basis for the Definition of Common Criteria regarding the Identification of Bottlenecks, Missing Links and Quality of Service in Infrastructure Networks*, United Nations, New York and Geneva. The English version of the report is available at <http://unece.org/trans/doc/2009/wp5/ECE-TRANS-205e.pdf>. The Russian version is available at <http://unece.org/trans/doc/2009/wp5/ECE-TRANS-205r.pdf>.

1. The SPECA road and rail networks have been adopted by SPECA Project Working Group on Transport and Border Crossing at its 11th session held in March 2006 in Almaty, Kazakhstan.
2. The networks have been formulated on the basis of road and rail networks and corridors defined by UNESCAP (Intergovernmental Agreements on the Asian Highway and Trans-Asian Railway Networks), UNECE (within the framework of the European Agreement on Main International Traffic Arteries (AGR), of 1975, the European Agreement on Main International Railway Lines (AGC), of 1985 and the European Agreement on Important International Combined Transport Lines and Related Installations (AGTC), of 1991), Economic Cooperation Organization, CIS (Commonwealth of Independent States), TRACECA (Transport Corridor Europe Caucasus Asia), and OSJD (Organization for Railways Cooperation).
3. Considerable progress has been achieved with regard to the upgrade and development of the road and rail network infrastructure in the SPECA region. The need for integration of transport modes and operationalization of intermodal network also continues to be increasing. In this respect, SPECA countries have pioneered in organization of container block trains, benefiting from the flexibility and speed of intermodal transportation.
4. With only one container block train launched in 2001, the number of container block trains operating to, from, through and within Central Asian countries exceeded 1000 in the years of 2007 and 2008, although it dropped to 687 in 2009 with a rapid reduction in the volumes of container traffic from China and the South-East Asian countries, and subsequent decrease in the number of returned empty containers caused by the global financial crisis.
5. The number of routes serviced by the container block trains reached 22 in 2008 (more than doubled compared to 2006), although it dropped to 19 in 2009. The popularity of container block train services can be explained by increased efficiency of intermodal transport through optimized use of the existing infrastructure.
6. Intermodal transport corridors can offer a framework within which the efficiency of transport can be enhanced through the improvement in the infrastructure and facilitation measures along a particular route / set of routes. To assist member countries in operationalising their transport network, UNESCAP, under its project on “Operationalization of international intermodal transport corridors in North-East and Central Asia” works towards the establishment of cooperative mechanisms along selected intermodal transport corridors. A policy-level expert group meeting held in Tashkent on 4 - 5 March 2009 selected three intermodal transport corridors⁴ for each of which corridor-based cooperative arrangement for cooperation among member countries to operationalize the transport corridors would be developed.

⁴ Corridor 1 Busan/Incheon – Tianjin – Beijing – Erenhot – Zamyun Uud – Ulaanbaatar – Darkhan – Sukhbaatar – Ulan Ude – Irkutsk – Novosibirsk – Petropavlovsk – Yekaterinburg
Corridor 2 Kaesong/Incheon/Busan – Lianyungang – Zhengzhou – Xi’an – Lanzhou – Turpan – Urumqi – Alashankou – Dostyk – Aktogai – Ushtobe – Almaty (– Bishkek) – Tashkent (– Dushanbe) –

7. An expert group meeting held in Bishkek in November 2009 discussed the draft memorandum of understanding (MOU) as well as terms of reference (TOR) of steering committees. The MOU and TOR will further be refined and finalized in close cooperation with concerned countries at a meeting to be organized in the first half of 2010. A demonstration run of transport operation is planned to be organized along the corridors to monitor the corridor's performance and promote its operationalization.
8. The SPECA countries may wish to:
 - 8.1. Welcome the progress achieved with regard to the organization of container block train services in the SPECA region.
 - 8.2. Consider participating in the corridor-based cooperative arrangement for operationalization of international intermodal transport corridors.
 - 8.3. Actively participate in the planning and organization of demonstration runs of transport operation along the selected corridors.

Development of a common CIM/SMGS consignment note

1. CIM and SMGS are the two major legal rail transport facilitation systems in Eurasia. Being traditionally used in the countries of Western Europe, North Africa and the Middle East, CIM are the Uniform Rules concerning the Contract of International Carriage of Goods by Rail, defined in the Appendix B to the intergovernmental Convention concerning International Carriage by Rail (COTIF), administered by the Intergovernmental Organisation for International Carriage by Rail (OTIF).
2. The SMGS system, regulated by the Convention concerning International Goods Traffic by Rail (SMGS), sets out provisions for international cargo transport in the CIS countries, Eastern Europe, China, Cuba, DPRK, IR of Iran, Mongolia and Vietnam, and is administered by the Organization for Cooperation between Railways (OSJD).
3. Recognizing the importance of railway transportation in providing connectivity between Europe and Asia, OSJD, through its Permanent Commission for Transport Law (Commission II), and OTIF, through the International Rail Transport Committee (CIT), a body established to promote uniform application and practical implementation of COTIF, have been working towards the enhanced CIM/SMGS legal operability.
4. In February 2003 OSJD and OTIF signed a document named "Common position", which set a foundation for cooperation between the organizations in the area of harmonization of legal rail facilitation systems. The major joint activity in the area is the 3-phase project on CIM/SMGS legal operability. Phase

I of the project focuses on the development of the Common CIM/SMGS consignment note; Phase II includes the development of legal instruments for CIM/SMGS traffic, and Phase III aims at the creation of Unified rail transport law. Detailed information on the project is contained as Annex 2 to the present document.

5. Under the Phase I of the project, the CIM/SMGS Consignment note and the accompanying CIM/SMGS Consignment Note Manual and Annex 22 of the SMGS for international freight traffic by rail became available for widespread use by customers and carriers on 1 September 2006, and the use of Chinese in the CIM/SMGS manual is planned with effect from 1 January 2010. Starting from April 2007, work on the creation of the electronic CIM/SMGS consignment note has been going on, and functional and legal specifications have been prepared, and the preparation of the technical specifications in on the way. A CIM/SMGS Wagon list and a CIM/SMGS Container list were also developed to allow further simplification of international freight traffic by rail.

6. The use of the CIM/SMGS consignment note is becoming increasingly more important for transcontinental movements between Europe and SPECA countries. As of now, the Kyrgyz Republic is fully ready to apply the CIM/SMGS Consignment note. In addition, trial movements to and from Kazakhstan as well as to and from Uzbekistan are being planned. To complete the network, ferry services in the Caspian and rail routes in the Caucasus are being increasingly taken into account.

7. During the Phase II of the project, the following legal instruments for CIM/SMGS traffic have been developed: Guide to the Liability Clauses in the CIM and SMGS, Standard CIM/SMGS Formal Report, CIM/SMGS claims handling procedure rule, and Rules for the out-payment of compensation following claims.

8. The third phase of the project includes the creation of standard rules for unified rail transport law on contractual base. The CIM and SMGS would thus remain in place but for yet to be defined transcontinental traffic an alternative contractual regime in the form of Special Terms and Conditions would be created as a legal synthesis of the CIM and SMGS. This concept is based on the assumption that only a small core part of the current CIM and current SMGS would be required for such traffic.

9. SPECA countries may wish to note the progress achieved in the development of the common CIM/SMGS consignment note, which is in line with the UNECE's and UNESCAP's activities in promoting facilitation of railway transportation along the Trans-Asian Railway Network and the Main International Railway Lines in Europe, as well as strengthening Euro-Asian Transport linkages.

Progress report on the development of the SPECA PWG-TBC transport databases

1. The importance of the development and maintenance of four SPECA transport databases (on road and rail routes of international importance, border-crossing and intermodal transport infrastructure) has been continuously recognized by the Project Working Group on Transport and Border Crossing. At its

14th session, the Project Working Group reviewed the progress achieved in developing the databases for the SPECA region and maintained its request to the SPECA countries to provide the information for the databases to NIITK on a regular basis.

2. Since the 14th session of PWG-TBC, the Research Institute on Transport and Communications has been maintaining the databases and updating them with information received from various sources. The databases will be made available to the participants of the 15th session of the Project Working Group on request.

3. The missing information on the SPECA Transport Databases may be sent to the Ministry of Transport and Communications of RK (Ms. Zarina Kaliaskarova, Department of Transport Policy and International Cooperation, MTC RK, tel.: +7 (7172) 24 20 97, fax: +7 (7172) 24 17 63, e-mail zarina@mtc.gov.kz) and/or presented at the 15th session of the Group.

4. The Project Working Group may wish to:

4.1. Request the SPECA countries to update / amend, if necessary, the information contained in the four SPECA priority databases;

4.2. Request UNECE and UNESCAP to keep providing data and information related to the Euro-Asian transport links, Asian Highway, Trans-Asian Railway and other projects for updating of the SPECA transport databases;

Establishment and strengthening of public-private partnerships in the SPECA region

1. Traditionally, in many countries (including SPECA States) transport infrastructure projects have been financed from the government budget. However, with constrained budgetary resources and a rising demand for infrastructure, the need for cooperation between the public and private sectors in securing financial resources, innovation, and technical expertise, has been increasingly considered, resulting in the emergence of a public private partnerships (PPP) modality.

2. The importance of PPP has been recognized by the Asia-Pacific Ministerial Conference on Public-Private Partnerships (PPP) for Infrastructure Development, supported by UNESCAP and hosted by the Ministry of Planning and Budget of the Republic of Korea in Seoul on 2-5 October 2007, which adopted its Seoul Declaration on Public-Private Partnerships for Infrastructure Development in Asia and the Pacific. UNESCAP at its sixty-fourth session in April 2008 adopted the resolution 64/4 on Implementation of the Seoul Declaration.

3. Further activities on PPP were undertaken within the framework of a UN Development Account (UNDA) project entitled “Public-Private Alliance Programme for Capacity Building in Infrastructure Development and Provision of Basic Services” jointly implemented by UNECA, UNECE and UNESCAP. Since the inception of the project in 2006, high level of awareness at the decision making

level has been raised in the region through the convening of intergovernmental forums and expert group meetings; capacity-building activities have been undertaken through organization of training workshops and online training courses. Study tours were also organized to assist public officials in gaining insights in developing PPP projects and first-hand knowledge in good practices. An Internet-based network has been established to facilitate exchange of information among the PPP units in governments and professionals in the region. A webpage on PPPs has been created at <http://www.unescap.org/ttdw/ppp/index.html>, where the resource and training materials developed by UNESCAP and information on PPP activities have been made available. The site has received a great numbers of visits since its creation.

4. Of particular interest, UNESCAP has developed “A Guidebook on Public-Private Partnership in Infrastructure”, which describes the overall process and activities usually involved in PPP project development, implementation and management. UNESCAP also offers free certificate courses on PPP for infrastructure development, which are delivered online and tailored to provide knowledge on general, financial and contractual/legal aspects of PPPs.

5. As part of the UNDA project activities, UNECE has also been working to develop a Training Toolkit on “How to do PPPs” and organized two sessions of the teams of specialists on PPP in Geneva in February 2008 and December 2009.

6. The Second Asia-Pacific Ministerial Conference on Public Private Partnerships (PPP) for Infrastructure Development 2010 is being organized by the Government of Indonesia with the support from UNESCAP in Jakarta on 16-17 April 2010. An expert group meeting of UNESCAP will be organized on 14 April 2010 back to back with the Ministerial Conference.

7. SPECA member states may wish to:

8.1. Note the potential benefits of PPP modalities and share their experience in PPP

8.2. Take advantage of the training materials prepared by UNECE and UNESCAP

8.3. Actively participate in the Asia-Pacific Ministerial Conference on Public Private Partnerships (PPP) for Infrastructure Development 2010

Road safety issues and policy interventions in SPECA region

1. The UNDA project *Improving Global Road Safety: setting regional and national road traffic casualty reduction targets* was implemented by United Nations Regional Commissions as a continuation of efforts to implement the recommendations made in the United Nations General Assembly Resolution A/RES/60/5, that was reaffirmed in Resolution A/RES/62/244 stating the importance of addressing global road safety issues and the need for further strengthening of international cooperation and knowledge sharing taking into account the needs of developing countries. The UNDA project has been instrumental

in raising road safety awareness and encouraging countries to set and achieve road safety targets in all the United Nations regions

2. Under the project, a series of road safety seminars were organized in each of the United Nations Regional Commission areas to provide and share information on target setting and on good practices and policy interventions that have been successfully employed in countries with good road safety records. These seminars were the starting point for a development process that will be needed for low and middle income countries to make progress in reducing road traffic casualties. All SPECA member countries were invited to the regional seminars organized by UNECE and UNESCAP.

3. Road safety targets already exist at regional level:

- UNECE region: European Union (EU) and European Conference of Ministers of Transport (ECMT) have set targets to reduce fatalities by 50% by 2010 and 2012 respectively.
- UNESCAP region: Ministerial Declaration on Improving Road Safety in Asia and the Pacific includes an overall goal to save 600,000 lives and prevent a commensurate number of serious injuries over the period 2007 to 2015.

4. In UNECE, the focus was on best practice including the recommendations of the OECD “Towards Zero” report, and the experience of successful countries. It has been recommended that the seminars be followed up with advisory missions to assist with assessment of road safety problems and development of targets. This is an important recommendation that emphasises the action that is needed to ensure that the UNDA project will have real impact.

5. In the UNESCAP region, a set of regional road safety goals and targets to be achieved by 2015 as well as indicators to monitor the progress. Advisory missions were undertaken to four countries including Kyrgyzstan to provide assistance in setting national road safety goals, targets and indicators.

6. The UNDA project has been both timely and effective in setting the need for road safety targets firmly on the global road safety policy agenda and in the context of preparation for the First Global Ministerial Conference on Road Safety held in Moscow in November 2009. General Assembly passed its resolution on improving global road safety, proclaiming the period 2011-2020 as the Decade of Action for Road Safety with a goal to stabilize and then reduce the forecast level of road traffic fatalities around the world by increasing activities conducted at the national, regional and global levels.

7. The Project Working Group may wish to encourage SPECA countries to set national road safety targets and work towards their achievement.

UNECE regional transport activities with focus on SPECA countries

1. Following midterm review in 2008 of Almaty Program of Action (APA), the United Nations General Assembly adopted the Declaration on the midterm review of the APA, which generated a new

sense of urgency for the entire international community to focus on the specific challenges faced by both the landlocked and transit developing countries in establishing efficient transit transport systems.

2. UNECE, in cooperation with OHRLLS, therefore hosted an Inter-agency Consultative Meeting on APA implementation on 2 March 2009 in Geneva, aimed at assessing the outcome of the midterm review and at mapping the contributions by the United Nations system and other relevant organizations towards the accelerated implementation of the APA goals. Twelve areas of work, including the ones presented below, have been identified for the purpose of the meeting.

3. In line with the 2004 memorandum of understanding, the cooperation with the Organization for Security and Co-operation in Europe (OSCE) in the field of transport continues in the area of international transport and border crossing facilitation as well as through reviews of the implementation of OSCE commitments, promotion of accession to and more effective implementation of UNECE legal instruments. Under a recent UNECE-OSCE initiative, the “Handbook of Best Practices at Borders” is being prepared and will contain a chapter describing different border crossing performance measurement techniques, including an assessment of their suitability and effectiveness.

4. The eighteenth OSCE Economic and Environmental Forum, planned to take place in May 2010 under the theme of “Promoting good governance at border crossings, improving the security of land transportation and facilitating international transport by road and rail in the OSCE region”, will offer an excellent opportunity for continuing and strengthening the UNECE-OSCE cooperation.

5. The secretariat participated in a workshop organized by the Economic Cooperation Organization (ECO) and Islamic Development Bank on Multimodal Transport (Ankara, 25-26 March 2009). The contribution of UNECE included presentations on intermodal transport developments in Europe during the past 10 years; the role of governments in developing logistics, interoperability and intermodal transport; and sharing of information on intermodality concepts, border crossing issues, incl. COTIF, SMGS and other issues.

6. The secretariat also organized the “First Regional Workshop of Euro-Asian Transport Links Phase II: Facilitation of Euro-Asian Transport in the ECO Region” in Tehran on 27 -29 April 2009, with emphasis placed on border crossing challenges/facilitation and the development of new rail routes such as the Istanbul-Tehran-Almaty (with extension to China), and a more effective implementation of the TIR Convention. About 50 workshop participants represented nine ECO governments and various international organizations.

7. The secretariat took part in the cooperation Forum of the Central Asia Regional Economic Cooperation (CAREC), held on 26-27 May 2009, and attended the eighth CAREC Ministerial Conference held on 15-16 October 2009, which provided an opportunity to exchange experiences and information on ongoing SPECA and CAREC projects, and to seek support for ongoing UNECE and SPECA projects in Central Asia and Mongolia.

8. On 25 March 2009, the secretariat made a presentation on UNECE efforts in Developing Eurasian Transport Linkages at the IRU-organized New Land Transport Initiative (NELTI) Conference on Revitalization of the Silk Road - A New Window of Opportunity for Road Transport in the Time of Global Economic Crisis, which concluded with the adoption of Ministerial Declaration.
9. The secretariat also provided advisory services into two workshops organized by the IRU and the United States of America Chamber of Commerce on the development of Road Transportation Routes from Europe to Afghanistan via the South Caucasus held in Tbilisi and Dushanbe on 17-18 July 2009 and 19 October 2009 respectively, and presented the UNECE Contribution to the Development of Europe-Asia Transport Linkages.
10. UNECE secretariat also participated in October 2009 in a Conference co organized by USAID and the Ministry of Transport and Communications of Tajikistan on the role and importance of UNECE Conventions for the development of Tajikistan Transport Sector. This Conference aimed at raising awareness of Tajik officials on the country's benefits in adhering to the UNECE international instruments for the facilitation of international transport.
11. Finally, attention should be drawn on the recently published UNECE report on hinterland connections of seaports (in particular the integration of hinterland connections into strategic transport development plans and adoption of good border-crossing practices) with a view to improving connectivity of landlocked developing economies in the Caucasus, Central Asia and South-Eastern Europe through dissemination and implementation of its recommendations.
12. The Project Working Group may wish to encourage SPECA member States to actively participate in the EATL Phase II project.

UNESCAP regional transport activities with focus on SPECA countries

1. Much progress has been achieved in the development of regional transport networks, including the Asian Highway and Trans-Asian Railway Networks. According to the Highway databases for 2006 and 2008, about 1,597 kilometres of the Asian Highway in SPECA countries have been upgraded from class III or below the minimum standard to higher class I or II standards during 2007 and 2008. As of February 2010, 26 countries including 6 SPECA countries are Parties to the Intergovernmental Agreement on the Asian Highway Network. The third meeting of the Working Group on the Asian Highway, held in Bangkok on 4 September 2009, adopted amendments to Annex I of the Agreement, including the one proposed by Kazakhstan, to include the Aktobe – Zhaisan road section as a branch of route AH61.
2. The Intergovernmental Agreement on the Trans-Asian Railway Network entered into force on 11 June 2009. As of February 2010, the Agreement has been signed by 22 member States, of which 14 countries including 2 SPECA countries have become its Parties. The first meeting of the Working Group

on the Trans-Asian Railway Network took place on 15-16 December 2009 in Bangkok. The UNESCAP secretariat recently undertook a study on “Priority investment needs for the development of the Trans-Asian Railway network”, which estimated an investment requirement of about US\$24 billion to put in place 8,200 kilometers of missing links on the Trans-Asian Railway network, including around US\$4.5 billion for 1,196 kilometers of missing links in SPECA countries.

3. Building on the progress, the UNESCAP region is moving towards the realization of the long-term vision of an international integrated intermodal transport and logistics system, as contained in the Busan Declaration adopted by the Ministerial Conference on Transport, held in Republic of Korea, from 6 to 11 November 2006. The first session of the Forum of Asian Ministers of Transport held in Bangkok on 14-18 December 2009, adopted the Bangkok Declaration on Transport Development in Asia, which requested the Secretariat to continue to accord priority to the implementation of the Busan Declaration.

4. Together with the Asian Highway and Trans-Asian Railway, dry ports are additional vital elements of the vision. In this regard, the Bangkok Declaration requested the Secretariat to work towards the development of an intergovernmental agreement on dry ports

5. With an increasing recognition of the role of facilitation of the international transport in the vision, UNESCAP has assisted several member countries to establish a sustainable capacity-building programme and conducted training-of-trainer workshops in eight countries (including Kazakhstan); each country has in turn conducted its own foundation course in multimodal transport and logistics with UNESCAP training material and guidance, which has led to the empowerment of the industry and to the development of a pool of qualified and committed trainers.

6. ESCAP, in cooperation with the Shanghai Cooperation Organization (SCO) and the Asian Development Bank, has been providing technical and financial assistance for the SCO member States, four of which are SPECA members, to formulate an agreement on facilitation of international road transport. Following adoption of the main agreement in June 2008, UNESCAP undertook a study on the operational annexes to the agreement and prepared draft contents of the annexes in September 2009. The secretariat will continue its assistance in the negotiation of the annexes.

7. In the area of sustainable transport, UNESCAP jointly with ADB organized a workshop on transport and environment, in Bangkok on 25 September 2009. Sustainable transport-related issues have been given consideration in the Review of Developments in Transport in Asia and the Pacific, the Transport and Communications Bulletin for Asia and the Pacific and ad hoc regional transport policy studies

8. The Project Working Group may wish to

8.1. Encourage those SPECA member States that have yet done so to take measures towards acceptance, approval or ratification of the Intergovernmental Agreement on the Trans-Asian Railway Network.

8.2. Encourage SPECA member States to actively participate in theUNESCAP's activities related to the implementation of the Busan Declaration and the Bangkok Declaration.

**Accession Status to the UNECE International Agreements and Conventions Listed in the Protocol
of the second Session of the PWG-TBC
by 29 January 2010**

№	Agreements and Conventions	AFG	AZE	KAZ	KGZ	TJK	TKM	UZB
<i>Conventions Recommended by UNESCAP Resolution 48/11</i>								
1	Convention on Road Traffic (1968)		X (2002)	X (1994)	X (2006)	X (1994)	X (1993)	X (1995)
2	Convention on Road Signs and Signals (1968)			X (1994)	X (2006)	X (1994)	X (1993)	X (1995)
3	Convention on the Contract for the International Carriage of Goods by Road (CMR, 1956)		X (2006)	X (1995)	X (1998)	X (1996)	X (1996)	X (1995)
4	Customs Convention on the Temporary Importation of Commercial Road Vehicles (1956)	X (1977)	X (2000)		X (1998)			X (1999)
5	Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention) (1975)	X (1982)	X (1996)	X (1995)	X (1998)	X (1996)	X (1996)	X (1995)
6	International Convention on the Harmonization of Frontier Controls of Goods (1982)		X (2000)	X (2005)	X (1998)			X (1996)
7	Customs Convention on Containers (1972)		X (2005)	X (2005)	X (2007)			X (1996)
<i>Additional Agreements and Conventions:</i>								
8	European Agreement on Main International traffic arteries (AGR) (1975)		X (1996)	X (1995)				
9	European Agreement on Main International Railway Lines (AGC) (1985)							
10	European Agreement on Important International Combined Transport Lines and Related Installations (AGTC) (1991)			X (2002)				
11	European Agreement supplementing the Convention on Road Traffic opened for signature at Vienna on 8 November 1968 (1971)							
12	European Agreement supplementing the Convention on Road Signs and Signals (1971)							
13	European Agreement concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR) (1970)		X (1996)	X (1995)			X (1996)	X (1998)
14	Customs Convention on the Temporary Importation of Private Road Vehicles (1954)							
15	European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) (1957)		X (2000)	X (2001)				
16	Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be used for such Carriage (ATP) (1970)		X (2000)	X (1995)				X (1999)

- Notes: 1. X - Final signature, ratification, accession (48 in 2009, 44 in 2006);
2. AFG – Afghanistan; AZE – Azerbaijan; KAZ – Kazakhstan; KGZ – Kyrgyzstan;
TJK - Tajikistan; TKM – Turkmenistan; and UZB – Uzbekistan.

LEGAL INTEROPERABILITY CIM/SMGS: THE RAILWAY AHEAD

Dr. Erik Evtimov
Senior Legal Adviser
Project Coordinator CIM/SMGS
International Rail Transport Committee

Phase 1: Common CIM/SMGS consignment note

The CIM/SMGS Consignment note and the accompanying CIM/SMGS Consignment Note Manual and Annex 22 of the SMGS for international freight traffic by rail became available for widespread use by customers and carriers on 1 September 2006.

The CIM/SMGS Consignment note is recognised as a customs transit document by DG TAXUD for the European Union and EFTA member states and by the customs authorities of Russia, Belarus and the Ukraine. It can also be used by customers for documentary credit operations.

Electronic CIM/SMGS consignment note

After evaluation of the results of Stage 1 (advance electronic notification of consignment note data), work on the creation of the actual electronic CIM/SMGS consignment note has been going on since April 2007. The CIM/SMGS Group of Experts prepared the functional specification, the Legal Group CIM/SMGS the legal specification of the electronic CIM/SMGS consignment note.

After the final revision of the functional and legal specifications at the beginning of March 2009 they were issued as recommendations by the CIT and OSJD in English, French, German and Russian. RAILDATA and the OSJD are now preparing the technical specifications (data catalogue and message catalogue) with the assistance of the CIT General Secretariat. They will be issued as recommendations at the beginning of 2010. The implementation of Stage 1 itself (electronic consignment data in advance) is planned for 2010.

CIM/SMGS wagon and container lists

The CIM/SMGS Group of Experts developed a CIM/SMGS Wagon list and a CIM/SMGS Container list to allow further simplification of international freight traffic by rail. The CIM/SMGS Wagon list will be used for block trains and groups of wagons carrying conventional traffic and containers which are consigned using a CIM/SMGS consignment note. Because there are not (yet) any relevant instructions for Container lists in the SMGS area, the use of a CIM/SMGS container list requires an agreement between the customer and the carrier/railway. A precondition for this is that, unless otherwise agreed, the consignment consists entirely of goods of the same type.

Practical implementation of the common CIM/SMGS Consignment note in the various railway corridors

More than 50 traffic axes are successfully served by the Common CIM/SMGS consignment note in fifth Trans-European Railway Corridors.

For example over five hundred block trains have been run from Mladá Boleslav in the Czech Republic and Vel'ká Ida in the Slovak Republic to Kaluga 1 (south of Moscow) and back since November 2008. The transit time for the movements from, for example, Mladá Boleslav has been significantly reduced and is now only four days (compared with twelve days originally).

Since the beginning of 2009, a further increase in CIM/SMGS traffic of over 40 000 twenty-foot containers has been noted in the West-East direction. In the East-West direction, approximately 20 000 twenty-foot containers were consigned using the CIM/SMGS consignment note. In the first half of 2009, some 13 000 CIM/SMGS consignment notes were used for West-East traffic, in the opposite direction the figure was some 11 000.

Wagonload traffic is running regularly without significant problems from Grosuplje (Slovenia) to L'viv in the Ukraine. This movement has been organised by SŽ together with UZ and MÁV Cargo. UZ is currently negotiating movements with customers along the northern axis of Corridor V between the Ukraine and Austria.

Major flows for Renault between Romania (Ciulesti) and the Russian Federation (Moscow Paveletzkaya) in transit via the Ukraine started on 24 February 2009. Further flows organised by the Geodis Group for Renault from Kiev Liski to Ciulesti are planned.

Implementation of the common CIM/SMGS consignment note has benefited greatly from RZD's extension of its geographical scope to destinations right up to the Urals. Already nine of the seventeen subsidiaries of RZD are ready for implementation. In addition, SNCF Fret has declared that it will use the CIM/SMGS consignment note for movements to and from Russia.

Transcontinental axes between Europe and Asia/Kazakhstan/China

The use of the CIM/SMGS consignment note is becoming increasingly more important for transcontinental movements between Europe and the Central Asian Republics. Since now days the Kyrgyz Republic is the only country from Central Asia which is fully ready to apply the CIM/SMGS Consignment note. In addition, trial movements to and from Kazakhstan as well as to and from Uzbekistan are in planning. To complete the network, ferry services in the Caspian and rail routes in the Caucasus are being increasingly taken into account.

To further the use of the common CIM/SMGS consignment note for transcontinental traffic between Europe and Asia/China, the use of Chinese in the CIM/SMGS manual is planned with effect from 1 January 2010. Subsequently, suitable traffic axes over which trial movements can be organised and run will be defined.

Trial movements to Mongolia are planned. RZD, in conjunction with the Ulan Bator Railway (UBZhd), will give special permission for the use of the CIM/SMGS consignment note on the TransSib and on other sections in Mongolia for this traffic.

Phase 2: Legal instruments for CIM/SMGS traffic

Guide to the Liability Clauses in the CIM and SMGS

This document was published in mid-March 2007 jointly with the OSJD and is available to all interested parties. It acts as a legal source for further work in the project and is also a valuable tool for the on-going revision of the SMGS.

Standard CIM/SMGS Formal Report

The CIM/SMGS Legal Group drew up in 2008 the design for the Standard CIM/SMGS Formal Report and the instructions for its use basing them on the existing CIM and SMGS formal reports. The advantage of this document is mutual recognition and use both in the CIM and in the SMGS areas.

CIM/SMGS claims handling procedure rules

Based on the practical difficulties in handling claims for loss and damage during transit, the absence of a relevant legal basis in either the CIM Uniform Rules or the SMGS and taking account of the fact that the CIM and SMGS have similar provisions for the relationship between the carriers, the CIM/SMGS Legal Group are developed in 2009 an CIM/SMGS claims handling procedure rules for the handling of compensation and on its allocation to the various CIM/SMGS carriers. This rules are implemented in the Agreement concerning the Relationships between Carriers in respect of International Freight Traffic by Rail (AIM, Chapter 3) and the SMGS Staff Instructions (SI for Article 29 SMGS) respectively.

The CIM/SMGS claims handling procedure rules after be submitted to OSJD Committee's Commission II for transport law for their approval came into effect since 1 January 2010.

Rules for the out-payment of compensation following claims

On behalf of the project, the Legal Group CIM/SMGS developed the rules for paying out compensation approved as a result of the claims handling procedure rules. After the CIT and the OSJD Commission II for transport law have also agreed, these provisions came into effect also since 1 January 2010 and at the same time as the whole body of rules for CIM/SMGS claims handling.

These standardised rules for CIM/SMGS claims handling will ensure that claims for compensation are handled rapidly and transparently.

Phase 3: Creation of Unified Rail Transport Law

The third phase of the project includes the creation of standard rules for unified rail transport law on contractual base. The first thoughts are of developing a simple legal regime based on the existing CIM and SMGS rules for particular traffics (block trains of containers, for example) on defined traffic axes (along the Trans-Siberian and Corridor II between China/Kazakhstan and West European).

The CIM and SMGS would thus remain in place but for yet to be defined transcontinental traffic an alternative contractual regime in the form of Special Terms and Conditions would be created as a legal synthesis of the CIM and SMGS. This concept is based on the assumption that only a small core part of the current CIM and current SMGS would be required for such traffics.