



**Economic and Social
Council**

Distr.
GENERAL

TRANS/WP.5/2000/9
10 July 2000

Original: ENGLISH

**ECONOMIC COMMISSION FOR EUROPE
INLAND TRANSPORT COMMITTEE**

Working Party on Transport Trends and Economics
(Thirteenth session, 18-20 September 2000,
agenda item 7)

EURO-ASIAN TRANSPORT LINKS

Draft Strategic Paper: Review of Activities in Progress and Follow-up Proposals

Note by the secretariat

The informal meeting on Euro-Asian transport links, held in Geneva on 16 May 2000, agreed upon a draft programme of work to be submitted to the Working Party (TRANS/WP.5/2000/8). According to that schedule, the secretariat should also produce a strategic paper including also a revision of short-term activities in progress, existing gaps and further information and data needs (to be eventually requested from Governments). The draft ESCAP/ECE joint programme of work is also reproduced as an annex to the document.

The Working Party is invited to discuss on the basis of this document, in order to produce a final version that can subsequently be submitted to the Inland Transport Committee for approval.

1. BACKGROUND

A large number of international conferences have addressed the development of Euro-Asian transport links in the last years. Not surprisingly, in all of them the improvement of Euro-Asian links is seen as a key lever to economic development strategies. In this connection, one may note inter alia:

- New Delhi Declaration on Infrastructure Development in Asia and the Pacific, adopted at the Ministerial Conference on Infrastructure held in October 1996. Through the adoption of the Declaration, the Conference also launched the New Delhi Action Plan on Infrastructure Development in Asia and the Pacific and further approved the operational set of 64 projects for phase I (1997-2001) of the Regional Action Programme for implementation of the New Delhi Action Plan, including the ALTID project.

- At the Tashkent Declaration (26 March 1998), the Central Asian Republics expressed their intention to adopt the UN Special Programme for the Economies of Central Asia (SPECA). The development of transport infrastructure and simplification of procedures for the movement of goods, services and people across borders is one of the 4 areas of co-operation.
- The ECO Transit Transport Framework Agreement was signed in Tashkent on 9 May 1998. Its objectives include: to facilitate the movement of passengers and goods and ensure their safety, in transit and through the respective territories of the Contracting Parties. The Agreement was drafted with the assistance of UNCTAD.
- The International Euro-Asian conference on Transport (12-13 May 1998, St. Petersburg) identified the main Euro-Asian routes, and recommended to use as a basis the extension of the international UN/ECE transport infrastructure networks to the Caucasus and the Central Asian Regions as well as the routes identified in the UN/ESCAP's ALTID project. The need to improve operational efficiency (border crossing facilitation, logistics, etc.) was stressed. It also requested ECE and ESCAP to continue their efforts in standardizing transport statistics and harmonizing statistic questionnaires.
- The II International Conference Transeurasia-98 (Almaty, 19-20 May 1998) invited the UN ESCAP, ECE, EC, ECO, and OSZhD to jointly consider issues of linking Pan-European Transport Corridors with the Northern, Central and Southern Corridors of the Trans-Asian Railway. It also recommended that States situated along these corridors introduce compatible systems of tracking wagon/freight movement, giving high priority to upgrading traffic control along transport routes. International organizations (ECE, ESCAP, OSZhD, ECO, EC) were also requested to develop a common approach in code naming of the transcontinental corridors.
- The Declaration of the International Conference on the Restoration of the Historic Silk Route (Baku, 7-8 September, 1998) (Baku Declaration) stated the progress made in the development of the TRACECA route since its launching in 1993 and welcomed the signing of the Basic Agreement .
- The ECMT Council of Ministers, at its 1999 session in Warsaw, approved the report *Transport between Europe and Asia with Special Focus on Rail* (CEMT/CM(99)10). The report stresses the development potential of Trans-Asian land routes and encourages multilateral co-ordination (such as the establishment of memoranda of understanding and joint working parties).
- The II International Conference Trans-Eurasia 2000 (Astana, 14-15 June 2000) calls upon international organizations, including ECE and ESCAP, to link the Pan-European Transport Corridors with the Trans-Asian main railway lines, to consider the classification and development of a common terminology for transcontinental corridors as well as to carry out detailed investigations of land transport corridors between Central Asia and Europe with a view to identifying physical and non-physical barriers for international shipment of containers and to define measures to eliminate such barriers.
- The Second International Euro-Asian Conference on Transport in St. Petersburg (12-13 September 2000) is expected to give further political and technical support to the development of transport links between Asia and Europe.

2. EURO-ASIAN CORRIDORS

The following Euro-Asian corridors have been identified for consideration:

1. Linking PETrC 2, 3 and 9 to China, the Korean Peninsula and Japan through the Russian Federation and Kazakhstan/Mongolia.
2. Linking PETrC 4 with South Asia through Turkey and Iran.
3. Linking PETrC 4 with China through Iran and Central Asia.
4. Linking PETrC 4, 7, 8, 9 with Central Asia through the TRACECA route.
5. Linking PETrC 9 with the Persian Gulf through the Russian Federation and Central Asia.

3. EURO-ASIAN TRANSPORT LINKS: CLARIFYING THE CONCEPT

It seems clear that in these proposals both, long-term and short term objectives are mixed together while justifying the strategic importance of improving the existing Euro-Asian links. Long term objectives consider the need to better integrate Eastern Russia, Central Asia and the Caucasus with Europe (thus stressing the concept of *corridor*):

- The economic development of the states in Central Asia and the Caucasus: the Euro-Asian links would thus serve as development corridors to integrate these regions in the world economy.
- The development of a coherent European transport system that should be extended towards the East of the Russian Federation, and the Caucasus and Central Asian Republics.

Short-term operational objectives rather focus on current problems and opportunities (thus stressing the concept of *link*):

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

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

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

4. SHORT-TERM ACTIVITIES IN PROGRESS

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

The joint programme developed by ECE and ESCAP (see annex) is focusing on these short-term and medium-term measures. It envisages:

- The development of bilateral and multilateral transit facilitation agreements, including the simplification of border-crossing procedures.
- The development of transport laws and policies based on common principles and standards.
- The updating of existing institutional and regulatory frameworks, including the reform of railway undertakings.
- The development of commercially-oriented door-to-door railway transport services (UIC is also very active in this field).
- Infrastructure improvements, including the reconstruction of key sections, the development of maintenance programmes, construction/improvement of combined transport facilities, etc;
- Limiting crime in international transport.

Co-operation has already begun among the countries involved in the Trans-Asian North Route (TAR-N), identified as EA-1 in TRANS/WP.5/2000/8. A working group met in Almaty (Kazakhstan) on 23-25 September 1999. The meeting was attended by representatives from the ministries of transport and railway administrations from Belarus, China, Germany, Kazakhstan, Poland, the Russian Federation¹. China is expected to host the second meeting of the working group in the second half of this year. This initiative focuses on setting-up viable, competitive train services for containers along the route.

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

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

¹ ESCAP and the Integrated Committee of States signatories of the agreement of 29 March 1996 (Belarus, Kazakhstan, Kyrgystan, Russian Federation and Tajikistan) where also present.

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

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

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

The ECE secretariat, in consultation with the above-mentioned organizations, should prepare a database structure based on already existing information. Important gaps (probably focused on road) should be filled by addressing the governments and NGOs, if possible in the context of already-existing data collection efforts such as the road census.

5. FILLING SHORT-TERM GAPS

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

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

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

6. THE WAY AHEAD

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

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

- The multimodal aspect of the corridors should be put in practice. This means that the road sector should become fully involved, and the legal framework be revised in a consistent manner. For this, the appropriate focal points at the national level should be identified, and memoranda of understanding (in the way already made for the Pan-European Transport Corridors) be developed.
 - Major steps should be done to move from “rail links” to “development corridors”, at both the national and international level. It would be necessary firstly to fully involve the road sector, and secondly to establish the appropriate interactions with economic development and regional authorities, and other relevant actors from both the public and the private sector. This should be primarily done at the national level, and be initiated by the respective Ministries of Transport
-

Annex
**ESCAP/ECE DRAFT JOINT PROGRAMME OF WORK ON DEVELOPMENT OF
ASIA-EUROPE LAND TRANSPORT LINKS**

1. IDENTIFICATION OF ASIA-EUROPE LAND TRANSPORT CORRIDORS

An important initial task is apparently the identification and agreement by the ESCAP and ECE secretariats on major land transport corridors linking Asia and Europe.

The following corridors are proposed for consideration:

1. Western Europe - Russian Federation to the Korean Peninsula directly or through either Kazakhstan and China, or Mongolia and China;
2. Europe - Turkey - Islamic Republic of Iran - South Asia - Southeast Asia/Southern China;
3. Europe - Turkey - Islamic Republic of Iran - Central Asia - China;
4. Transport Corridor TRACECA (Europe - across Black Sea - Caucasus - across Caspian Sea - Central Asia);
5. Northern Europe - Russian Federation - Central Asia - Persian Gulf.

2. TRANSPORT MODES INVOLVED

Since the Asia-Europe land transport corridors constitute an integral part of interregional and global integrated transport system, the corridors should eventually provide a basis for efficient multimodal transport (MMT) and global sourcing. Given the distances involved and limited resources available, however, it is suggested that main focus of the programme initially could be on:

1. Railway routes in the above-mentioned corridors linking Europe with major ports in Asia.

Related tasks: identification of and agreement (particularly by countries concerned) on rail routes including the ports in Asia as well as original/destination points in Europe using international rail network in Europe and Trans-Asian Railway network in Asia (Annex 1), also identification and agreement on meeting Asia/Europe stations along each route. Develop/adopt route numbering system. Publish a map.

2. Road routes/network to be considered:

Related tasks: road links to be identified and agreed upon (particularly by countries concerned), with European E network and Asian Highway network in Asia providing necessary basis; also meeting Asia/Europe cities along each route to be identified and agreed upon. Develop/adopt route numbering system. Publish a map.

3. PROGRAMME PROFILE

In line with the above approach the related main tasks appear to be as follows:

1. Asia-Europe railway routes - for each route:
 - (a) Setting up main development goals in terms of cost/tariffs, transit time and level of services provided to be competitive with related sea routes using respective data (current as well as target ones) of a related sea route as benchmarks;
 - (b) Route (including port(s)) inventory and establishing database, which should also include necessary (for assessing competitiveness) data/information of the related sea routes.
 - (c) Traffic forecast (all types of freight plus passengers) with particular reference to container traffic and its regular updating.
 - (d) Detail corridor/route study to identify major physical and non-physical barriers as well as possible remedy measures.
 - (e) Demonstration runs of a container block-train along the route to demonstrate the ability to be competitive and identify bottlenecks.
 - (f) Analysis of the results achieved and drawing up a programme for further actions including introduction/development of combined transport).
2. Road routes:
 - (a) Identification and agreement on the routes.
 - (b) Establishment of the network databases.
 - (c) Traffic forecast along major routes.
 - (d) Detail corridor study along the routes to identify physical and non-physical barriers as well as remedy measures.
 - (e) Facilitation of land transport at border crossings through jointing by countries (if it is not yet done) and implementation of related international conventions.
 - (f) Analysis of results achieved and map out further actions.

In addition, the programme should include:

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

8. Co-ordination of work with all international organizations concerned (CIS, EC, ECE, ECO, ESCAP, IRF, IRU, OSZhD, UIC, UNDP, etc).
9. Advertising - information to the customer.

4. IMPLEMENTATION MECHANISM

Such a mechanism could include:

1. ESCAP-ECE task force (TF, with participation of EC).
2. Focal points (F.P. preferable at a level of a Deputy Prime Minister) in countries involved.
3. Special Working Groups (WG) for operationalization of Asia-Europe routes, established for each route (countries concerned: EC, ECE, ESCAP, IRU, OSZhD, UIC,). Terms of reference should include: development of joint policy with regard to operation of the route; monitoring and implementation of the policy, monitoring of the development of main competitive routes; development of joint projects.

5. RESOURCE MOBILIZATION

It goes without saying that resource mobilization is crucial for the success of the programme.

The preliminary thoughts on the subject are as follows:

1. Biannual programme of work should be a basis.
2. Programme should be developed for first two years keeping in view resources available (ECE, ESCAP, EU, etc).
3. In addition to TRACECA, possibility of including corridor (1) and (5) into EU TACIS programme should be considered.
4. EC TRACECA programme could/should be more action-oriented for the corridor development. A joint EU/ESCAP/ECE review of the programmes for the purpose is suggested, subject to approval by EU.
5. ESCAP and ECE should consider what related projects/activities could be implemented within their respective programmes of work and priorities.
6. A very important component of the programme (to keep it going) is meetings (TP, FP, WG, etc.). Funding sources have to be found for this.
7. Co-sharing of funding is also important and first of all what obligations with regard to resources mobilization could be taken by the governments concerned.

6. PROGRAMME OF WORK, 2000-2001

It appears that a programme of work could be launched with activities, which require no external resources as follows:

1. Nomination of focal points in countries concerned.
 2. Identification and agreement on (by countries concerned, EC, ECE, ESCAP, OSZhD, UIC) rail Asia-Europe routes including Asia/Europe meeting stations and related ports. Routes in Annex I to be used as a basis.
 3. Same for road links with routes in Annex II to be used as a basis.
 4. Inventory of related projects (completed, on-going, planned) by international organizations/banks involved.
 5. Preparation of related rail and road route maps.
 6. Establishing of Special Working Groups (for each Asia-Europe rail route) for operationalizations of the route.
 7. Presentation of the routes, etc (conferences, media).
 8. Meeting to consider progress made and draft work programme for 2001-2002.
-

