

**LITHUANIA'S STATEMENT FOR
UNECE AND OSCE CONSULTATIONS
2020-11-26**

Dear Colleagues, Ladies and Gentlemen,

On behalf of the Ministry of Transport and Communications of the Republic of Lithuania let me express my sincere appreciation and compliments to the co-hosts of the consultations – the United Nations Economic Commission for Europe (UNECE) and the Organization for Security and Co-operation in Europe (OSCE) – for the initiative in organizing a dialogue on the challenges for a more effective Euro-Asian inland transport connectivity.

Considering the challenging global environment, transport and connectivity have great potential to transform societies and economies, to contribute to the sustainable development of entire regions and to the future we want. Thus, every country on the Euro-Asian route is willing to put on the market-table a busy map of transport service products. The existing competition serves as an important driver in searching for innovative market solutions on the individual country level and creation of common products involving groups of countries.

However, to reiterate the messages brought by the previous speakers of the Consultations, we still face **challenges for creation of quality logistics chain** along the route, such as:

1. **the imbalanced cargo flows on inland connections leaving Europe to Asia**, in particular to China;
2. secondly, **national legislations and regulations along the route are still lagging global economy development and market needs** as there is a lack of cross-border harmonization and collaboration on facilitation standards and practices by the members of Euro-Asian corridor, and
3. thirdly, **the inland freight transport sector is still lagging behind in digitalization of exchanged data and automation of processes involved**, because around 99% of cross-border transport operations on the territory of the EU still involve paper-based documents at some stage of the operation.

The necessity to synchronize the infrastructure development with support of efficient and innovative intermodal transport services along international distribution chains and transport corridors **requires new instruments for cooperation** among governments, businesses and academia with **the priority given to the deepening of regional cooperation and integration processes**.

In terms of the transport sector of the Eastern Baltic Sea Region, its countries aim at both **providing an efficient, uninterrupted transportation and logistics chain in the Trans-European Transport Networks (TEN-T)**, and also at **ensuring the synergies with the China's Belt and Road initiative**. This synergy is crucial for further **systematic development** of intermodal terminals, seaports on the Euro-Asian transportation route, increasing air, rail and road transport capacity and the efficient use of existing infrastructure and supra structure.

Next year the EU and China are to launch a joint Study on the EU-China rail corridors to foster efficacy between the TEN-T and *Belt and Road* initiative. The growing volumes of the China's cargo transit through Lithuania are an opportunity for Lithuania to better employ the advantages of the country's transport and logistics sectors and to present the capacities of the Lithuanian Corridor for the rail freight in the Study.

Currently, **the cargo from Asia** (*China to be exact*) **reaches our country** by sea through Klaipeda sea port with further distribution by road or rail across Europe or by rail from Russia, Belarus and then transported through Lithuania to Kaliningrad and continued to Poland and Germany. While **the major advantages of Lithuania** in the context of the Euro-Asian rail freight transportation are being:

1. the synergy of wide and narrow railway tracks, that is the possibility to tranship the cargo arriving from China on 1520 mm gauge to 1435 mm European gauge in two track change terminals (serving up to 34 trains per day) for further cargo transportation to Central and Western Europe, as well as,
2. extremely fast border and customs procedures, as crossing the external EU border between Lithuania and Belarus taking only 30 minutes.

Located on the transportation corridor from Asia to the Northern, Eastern and Western Europe, Lithuania strives to secure a competitive role by creating a **high quality transport logistics chain** paying the **utmost attention to the development of such success factors as:**

- implementation of new innovative intermodal supply chain solutions and green transport technologies,
- development of land transport infrastructure links with other EU Member States and third countries, with our closest Eastern neighbour – Belarus,
- adaptation of TEN-T to the growing traffic intensity for land transportation via newly built European railway *Rail Baltica* and highway *Via Baltica* on the North Sea – Baltic Core Network Corridor,
- promoting sustainable transport by creating well balanced multimodality;
- fostering modern innovative solutions in logistics, as well as
- removing bottlenecks by fast-track border crossing.

Lithuania has a determined plan by 2026 to complete the international project of the European gauge ***Rail Baltica***, the strategic importance of which is not bound only to the Baltic States. As a new economic platform, this railway connection will contribute to the development of the whole North Sea-Baltic Corridor, connecting the Netherlands, Germany and Poland with the Baltics and Finland, interconnecting with the other main TEN-T corridors, such as Baltic – Adriatic and Rhine – Danube. *Rail Baltica* could also be used for the Asian freight transportation not only on the North-South vector, but also for the Euro-Asian connectivity via Kaunas and capital city Vilnius connection to / from Belarus.

We have done a good job in geographical promotion of the ***Viking train* product** creating a link from the Baltic Sea Region to Georgia and Azerbaijan, thus opening a gate to the Central Asia and connecting the Nordic countries to Euro-Asian transport corridors. At the same time, we put significant efforts to ensure harmonized technological approach to make it success through all the member-countries.

I am pleased to mention the initiatives endorsed by Lithuania in connection to coordinated **regional think tanks for roll-out of cross-border 5G infrastructure and digital freight transport information exchange**, the latter one has been launched in Vilnius this month, thus, encouraging co-operation on speeding up development of Digital Transport Corridors with a view to develop and implement a roadmap for the paperless transport and logistics services between the Baltic Sea Region and the Eastern Partnership countries, as the first step.

Dear Colleagues, we see many opportunities in developing joint initiatives along the Euro-Asian corridor, despite any pandemics, and I am assured that our active participation and joint efforts would lead to our common goal - mutual prosperity and beneficial cooperation of reliable partners – governments and businesses.

Thank you for your attention and I wish us all success in creating a strong and reliable partnership.