

United Nations

**ECE**/TRANS/2017/R.1



## **Economic and Social Council**

Distr.: Restricted  
24 January 2017

Original: English

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### **Economic Commission for Europe**

#### **Inland Transport Committee**

##### **Seventy-ninth session**

Geneva, 21-24 February 2017

Item 3 of the provisional agenda

**Meeting for government delegates only with the participation  
of the Chairs and Vice-Chairs of the Committee's subsidiary bodies  
and of Administrative Committees**

### **United Nations Economic Commission for Europe Inland Transport Committee Strategy**

#### **Note by the secretariat\***

The Inland Transport Committee (ITC) of the United Nations Commission for Europe was established in 1947. At its February 2016 meeting, the Bureau of the Committee decided to convene the seventh meeting of the Chairs of the Committee's subsidiary bodies on the occasion of the seventy-ninth session of the Committee, which coincides with the seventieth anniversary of the Committee.

The meeting of the Chairs is dedicated to enhancing the role of the Inland Transport Committee in a fast-changing global environment. For this purpose:

- a detailed background report on the strategy together with survey, and results of the consultations with major stakeholders in English only will be submitted to the ITC for discussion;
- an advanced version of the Executive Summary of the Report prepared to facilitate the ITC discussion (in English French and Russian) and subsequently incorporated into the background Report (attached here);
- and, a short document summarizing and operationalising the strategy, with clear and straightforward objectives based on government's discussion and agreement.

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\* The present report was submitted after the deadline in order to reflect recent developments.

## **Advance draft of the Executive Summary**

### **I. We are at a Turning Point**

#### **A. Policy Agenda Call for the Transformation of Transport**

1. A critical worldwide situation in economic, social and environmental development of the world warrants global agreements among governments and all other stakeholders, especially the private sector to arrest the negative trends and bring world development onto a sustainable path. The transport sector is part of the problems and also part of the solutions.

##### **Significant Changes in Transport Performance are warranted for Sustainable Development:**

(a) Development challenges in transport are substantial as demonstrated by the following figures:

- Globally 1 billion people do not have access to all-weather roads;
- more than 1,2 million people die and 50 million are injured every year in road crashes;
- 1 billion people live in countries that have not acceded to any of the United Nations Road Safety Conventions, and thus the basic regulatory framework to improve road safety is either missing or not aligned with international best practice;
- 23 per cent of energy-related greenhouse gases come from transport;
- household expenditure on personal mobility ranges between 4 to 40 per cent and shows a lack of equity within and across countries;
- an increasing number of hours per year are lost by citizens around the world for commuting to work (e.g. American drivers lose an average of 42 hours a year in traffic jams and traffic delays cost the typical commuter 960 United States dollars a year).

(b) Costs, time and reliability of transport are key factors which determine economic competitiveness. Transport delays can be expensive for businesses, for countries, for exporters and importers and for final consumers. One extra day in transport can reduce exports by at least 1 per cent, and can also impede export diversification (World Bank, WTO). The significant and practically continuous decline in transport unit costs combined with increasing reliability from the time beginning with steamships and accelerated by containerization, vastly contributed to trade growth and globalization. However, can this trend be maintained? What will be the economic impact if transport unit costs start to increase significantly from the internalisation of their external costs and not counter-weighted by new measures of efficiency? Where are efficiency gains in global supply chains hidden thus far and how can international cooperation unleash them?

2. The year 2015 marked a turning point in human development: global agreements were attained in sustainable development<sup>1</sup>, climate change mitigation<sup>2</sup>, on financial support for development<sup>3</sup>, and the New Urban Agenda<sup>4</sup> adopted in 2016 are strong, global policies for transforming the path of development. All of these include commitments for the transport sector in terms of concrete the targets of the United Nations Sustainable Development Goal, greenhouse gas (GHG) emission reduction, climate change adaptation and urban mobility objectives. They also imply an ethical commitment to continuously strive to improve sustainability. The implementation phase has started. The voluntary reporting on Sustainable Development Goals by governments started in July 2016. Finalisation of the Sustainable Development Goals indicators and monitoring is underway with the United Nations Statistical Commission. Many international organizations started to assess their role in how best to support and contribute to these global agendas.

3. The main sustainable development issues for transport have been articulated in a number of milestone publications.<sup>5</sup>

## B. New Technologies and the Fourth Industrial Revolution

4. Certain technological innovations are emblematic of different phases of development, e.g. the first industrial revolution is identified with the steamship and the development of railways. Since then, different transport modes have created different economic opportunities, including easier access to markets, cutting the distance to markets, allowing certain commodities to be transported even on long distances, such as perishable foodstuff, and economies of scale. Railways played a crucial role in the building of nations in the nineteenth century in Europe; roads and cars contributed to the democratization of mobility, i.e. to equity. In addition, road transport offered convenience on the last mile, facilitated transport without reloading and in freight transport contributed to a new wave in reducing transport costs to trade. By the end of the twentieth century, it was the relative

<sup>1</sup> the 2030 Sustainable Development Agenda and the sustainable development goals:

<https://sustainabledevelopment.un.org/content/documents/21252030%20Agenda%20for%20Sustainable%20Development%20web.pdf>

<sup>2</sup> The Climate Action Agenda:

[http://unfccc.int/files/essential\\_background/convention/application/pdf/english\\_paris\\_agreement.pdf](http://unfccc.int/files/essential_background/convention/application/pdf/english_paris_agreement.pdf)

<sup>3</sup> Finance for Development:

[www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA\\_Outcome.pdf](http://www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf)

[www.un.org/ga/search/view\\_doc.asp?symbol=A/RES/70/192&Lang=E](http://www.un.org/ga/search/view_doc.asp?symbol=A/RES/70/192&Lang=E)

<sup>4</sup> New Urban Agenda:

Adopted draft:

<https://www2.habitat3.org/bitcache/99d99fbd0824de50214e99f864459d8081a9be00?vid=591155&di sposition=inline&op=view>

GA resolution: <http://unhabitat.org/wp-content/uploads/2014/07/Resolution-adopted-by-the-General-Assembly-ARES67216.pdf>

<sup>5</sup> Among them are the UNECE paper on Transport for Sustainable Development in the ECE region of 2011

([http://www.unece.org/fileadmin/DAM/trans/publications/Transport\\_for\\_sustainable\\_development\\_in\\_the\\_ECE\\_region.pdf](http://www.unece.org/fileadmin/DAM/trans/publications/Transport_for_sustainable_development_in_the_ECE_region.pdf)), the joint ECA-ECE-ECLAC-ESCWA-IRU-UIC paper on Transport for

Sustainable Development: The case of Inland Transport

([www.unece.org/fileadmin/DAM/trans/publications/Transport\\_for\\_Sustainable\\_Development\\_UNECE\\_2015.pdf](http://www.unece.org/fileadmin/DAM/trans/publications/Transport_for_Sustainable_Development_UNECE_2015.pdf)), the United Nations Secretary General's High-Level Advisory Panel report on

Mobilizing Transport for Development

<https://sustainabledevelopment.un.org/content/documents/2375Mobilizing%20Sustainable%20Transport.pdf>) and also numerous technical papers prepared for the Open Working Group on Sustainable

Development Goals by the Technical Working Group on Transport coordinated by United Nations

Department of Economic and Social Affairs.

convergence of inland transport modes and the importance of seamless intermodal transport that emerged as key characteristics. Entering the twenty-first century, a growing share of software and Information Technologies components characterises the transport sector.

5. Digitalization is by far the main transformer of transportation. It is present in all modes, but it has been embraced at different speed. Perhaps the biggest impact of digital technologies that can already be experienced is the new role of passengers and clients, i.e. a client culture is massively evolving in transport. The fast progress in automation not only improves the performance of vehicles, but it creates the space for fundamentally new solutions, such as *autonomous vehicles*, *driverless trains*, etc. Intelligent Transport Systems technologies can revolutionize road pricing which in turn requires policymakers and regulators to reconsider past practices in infrastructure development, management, Public Private Partnership relations, and above all the position of transport in the public expenditure and revenue systems. Becoming smart and intelligent however, is not that easy. Furthermore, infrastructure planning is under change, moving away more and more from resource-based infrastructure planning to international integration focused infrastructure planning. As a recent development, efficiency of network development is challenged by new priorities - especially the one for resilience of the network to be able to handle climate change adaptation. The super-fast spread of digitalization warrants closer policy cooperation between transport and telecommunication.

6. Electric vehicles and alternative fuels are often referred to as the *green transport revolution*. The early electric vehicles of the nineteenth century were crowded out by the invention of the combustion engine. The policy push has brought back the call for new vehicles and fuel technologies in order to move away from combustion engine powered vehicles and reduce local and GHG emissions. The growing market share of electric vehicles at the same time is calling for closer policy cooperation between transport and energy.

7. New technologies have also led to data revolution; the benefits of this development are still to be reaped.

8. The scale and scope of technological changes involve the transformation of entire systems<sup>6</sup>, thus the transport sector as a system is expected to undergo major changes and also to be impacted by fundamental changes in other sectors of the economy. It still remains to be seen how much these changes will be driven by technological changes and the fast innovators who usually enjoy a technological monopoly or also by policymakers and regulators. It is also a concern how countries at different level of development can have access to the new technologies and benefit from the efficiency gains, increased safety and environmental performance they are expected to bring.

### **C. New Business Models in Transport**

9. The transport sector used to be – and still is in many parts of the world – heavily regulated. Access to transport markets was strictly controlled and regulated. In the past 70 years, liberal market conditions have gained pace in several countries and regions. As a result, global service providers emerged and restructured the international transport and logistics markets. Perhaps the most obvious changes happened in civil aviation, but overall the “national carrier” status has been challenged in all modes. Regional economic integrations, especially the European Union offered values for regional status and facilitated that traditionally national operators become multinational both in ownership and

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<sup>6</sup> The Fourth Industrial Revolution, Klaus Schwab, [wef.ch/4IRbook](http://wef.ch/4IRbook)

in service provision. At the same time, transport reforms, and especially reforming transport State-owned enterprises, such as railways have been going on at a relatively slow pace.

10. One of the important impacts of technological innovations and especially of the use of Information and Communication Technologies by transport and logistics operators has been a shift of focus from assets to processes and the development of a knowledge-based approach by management. These changes may have been the most obvious in third-party logistics operators (3PLs), as well as on 4PLs and 5PLs. But changes have been very much visible in public transport as well, especially in passenger information systems and in smart ticketing. Furthermore, customs and border agencies have introduced Information Technology (IT) based innovative services that made crossing borders nearly seamless or at least accelerated.

11. In this process, reducing transaction costs has become crucial. The role of national and international regulators has been and still remains essential to create an environment in which red tapes are cut, the use of IT becomes widespread, including data protection and the acceptance of electronic signature, and where conditions for doing business are conducive.

12. Despite the progress in deregulation, de-monopolisation, and in the facilitation and digitalization of business transactions, the processes and reforms have not yet been completed when new business models and businesses — often referred to as disruptive businesses — started to emerge and gain market shares at a fast speed. One could say that new businesses came from “thin air”, as they were not handicapped by crippling past debts, expensive assets, not-compensated public obligations: neither were they nor did they consider themselves to be covered by strict regulations. They have brought a fundamentally new approach, that is “mobility as a service” which is intelligent, i.e. fully benefiting from what mobile phones and other IT and telecommunication services already offered. Ride sharing and car sharing created a fundamentally new challenge both for the incumbents and for the policymakers and regulators.

#### **D. No Escape from a Change**

13. All these developments show that there are push and pull effects for the transformation of transport and mobility. Government considerations and agreements pull the transport sector along other sectors of the economy to contribute to sustainable economic, social and environmental development. New technologies and businesses push for new solutions. At a global level, a number of initiatives endeavour to forge cooperation among international stakeholders, offer a common vision for sustainable transport and create platforms to promote implementation. The most recent development is the World Bank initiative for a consultation forum among the international organizations and multilateral banks on how best to support the implementation of the “global agreements” and the Sustainable Development Goals. It is a question also for the Inland Transport Committee to consider its role, capacity and competence how to support the global process and the governments in implementing the Sustainable Development Goals, the Climate Action Plans and the New Urban Agenda.

## **II. Time for the Strategic Review of the Inland Transport Committee**

14. The seventieth anniversary of the Committee naturally calls for taking stock of the past and looking into the future. This momentum is further accentuated by the new era described above. After the first successful 70 years, what do the future 70 years hold for the

Committee or at least what changes in its priorities and ways of work are warranted? What role do governments wish it to play in supporting the implementation of the global commitments, especially of the Sustainable Development Goals and the climate change agenda in the period up to 2030? At its session in 2016, the Committee decided to take a strategic assessment and develop its strategy for the period till 2030. The strategy will be on the agenda for the restricted session of the Committee in 2017.

15. During the review of the history of ITC, it became obvious that the activities and the role of the Committee cannot be assessed in isolation. Through the work of the Committee's twenty Working Parties, supported by more than forty expert and informal groups, whose primary activity is to administer and further develop international transport agreements and conventions, and through the twelve Treaty bodies (Administrative Committees) working closely with the Working Parties of the Committee, the Committee has become the custodian of 58 United Nations Transport Conventions. Annual sessions of the Inland Transport Committee are the crown moments when the results of its work are presented to member States. Therefore, it is important to take a holistic view and consider the Committee and its activities together with the UNECE Sustainable Transport Division, i.e. the UNECE Transport Subprogramme and its secretariat. The secretariat also services other intergovernmental bodies, such as the ECOSOC Committee of Experts on the Transport of Dangerous Goods and on the Globally Harmonized System of Classification and Labelling of Chemicals, as well as the treaty bodies, i.e. the Administrative Committees of 12 United Nations Conventions and the TIR Executive Board. In cooperation with ESCAP, it supports the United Nations Special Programme for the Economies of Central Asia and annually alternates with ESCAP as the secretariat to the SPECA Project Working Group on Transport and Border Crossing. In addition, in cooperation with the UNECE Environment Division and WHO Europe, it services the Transport, Health and Environment Pan-European Programme (THE PEP). It ensures the management and oversight of the Trans-European North-South Motorway and the Trans-European Railway projects. Finally, since 2015 it hosts the secretariat of the United Nations Secretary-General's Special Envoy for Road Safety. All these different bodies work in symbiosis which is facilitated by the services ensured by the common secretariat. Furthermore, the internal and external environment of the Committee has changed significantly over the past 70 years and it is expected to continue to develop dynamically.

16. Thus, the activities and development of external stakeholders must also be taken into account to identify opportunities for synergies and avoid unnecessary duplication of work. It also needs to be born in mind that the Sustainable Transport Division as part of the United Nations Secretariat, also has to fulfil other responsibilities stemming from the United Nations global and regional objectives and mandates, e.g. thanks to close collaboration, the Office of the High Representative for Land-locked and Least Developed Countries requests contributions to almost all relevant global initiatives and activities. Furthermore, all important transport-related United Nations meetings, events and reports call for contribution or even intensive consultation with the secretariat, e.g. the reports of the Secretary-General and GA resolutions on transport and related areas, the HABITAT III conference, the Global Sustainable Transport Conference in Turkmenistan, the Global Conferences on Road Safety in Moscow and in Brazil, the twenty-first meeting of the Conference of the Parties to the United Nations Framework Convention on Climate Change in Paris, etc. Fulfilling these commitments is also important because of opportunities to contribute to global policy thinking and also to raise awareness of the work of the intergovernmental committees, i.e. the Committee.

17. The process for drafting the strategy included:

- a review of the past 70 years of ITC in consideration of the external transport environment by reviewing transport policy developments;

- an overview of other international organizations and institutions as key transport stakeholders and partners and in addressing the major development issues related to transport;
- a snapshot of the present ITC, its activities, the secretariat and the other intergovernmental bodies it services;
- a survey and a number of bilateral consultations to capture the views of key stakeholders.

18. The results are incorporated in the full paper and described in details in its attachment.

## **A. The past Seventy Years of the Committee in the Context of Changing Transport Policy**

19. European countries started to regulate international inland transport as early as in the nineteenth century, e.g. Rhine Octroi Convention of 1804, the Convention for International Carriage by Rail, 1893. With the emergence of motor vehicles and the growth of road transport, the regulatory activities further expanded and were mandated to the League of Nations. The Communications and Transit Organization was established in 1921. World War II however, disrupted international transport relations. Towards its end, the European Central Inland Transport Organization (ECITO) was established to restore international transport and support the reconstruction of Europe.

20. Following the establishment of the European Economic Commission at the United Nations, in July 1947, the Inland Transport Committee of UNECE was formally established. It took over the roles of ECITO and one of its objectives was to stimulate international cooperation and promote agreements on long term inland transport policy in Europe.

21. Between 1948 and 1959, global transport and communication was addressed by the Transport and Communication Commission of ECOSOC. When it was terminated, its functions were assumed partly by ECOSOC and partly by the regional economic commissions. By then, the ITC had already contributed to negotiations in a number of legal instruments and had provided the institutional platform for national and NGO experts, thus, it was ready to support global legal instruments. Hence, the heavy involvement of ITC in developing the regulatory framework for transport, and its practices of servicing both global and regional conventions on transport and the international movement of goods and people.

22. Since its foundation in 1947, the mission, work priorities and activities of ITC have evolved in unison with specific challenges of the times and the needs of its member Governments. From its inception, the overarching task of the Committee was to systematically address all the elements which contribute to the facilitation and security of the international transport of goods and people, but over the years it has specialized in inland modes of transport, transport of dangerous goods and other sensitive cargo, and in vehicle regulations.

23. In essence, the main outcome of the work of ITC is a set of constantly renewed and updated international agreements, conventions and other international legal instruments, as well as recommendations on a large number of inland transport issues. Today, ITC services 58 United Nations Conventions with 1,725 Contracting Parties. Several of these are global either from the very start or due to their growing use beyond the ECE region. In addition to negotiating the amendments to existing legal instruments, ITC has been active in facilitating new legal instruments. At present, three new conventions are under consideration. Over time, as the implementation of the United Nations Conventions

serviced by the Committee increased, certain instruments — vehicle regulations, transport of dangerous goods — were directly transposed into European Union legislation and implemented for international and domestic transport in the European Union, in the Russian Federation and other countries. This led to a higher level of harmonization of the transport legislation at the international level as well as to savings both in the European Union and for national governments who ceased to develop their own regulations.

24. In addition to normative activities, the ITC programme of work includes the development of methodologies, guidelines and definitions on transport planning, data collection and the collection of Transport Statistics. The ground-breaking activities at the start were replaced by systemic work on transport statistics. To avoid duplication, the statistical working party of Eurostat, OECD/ECMT — now OECD/ITF — and that of the Committee (WP.6) joined forces and established an inter-secretariat consultation process, and merged the data collection process with a common questionnaire.

25. Furthermore, as part of the United Nations, the secretariat has been responsible for policy dialogue and technical assistance supported by analytical activities with a priority to promotion of regional and subregional cooperation, as well as to provide capacity-building in support of accession to and implementation of legal instruments. Rather recently a tool to support decision-making on CO<sub>2</sub> reduction in inland transport has been developed in the framework of a United Nations Development Account (UNDA) project. It is called For Future Inland Transport Systems (ForFITS) and it is increasingly used in supporting the formation of decarbonisation policies at national and city levels. A similar model is under development for supporting road safety policies, Safe Future Inland Transport Systems (SafeFITS).

26. The most emblematic results of the Committee and its Working Parties are included in the ITC history line that will be presented during the ITC 2017 annual session.

27. In the past 70 years, the ITC programme of work has been dynamically evolving in response to emerging demands. At the same time, it has remained a centre for inland transport, and it has managed to contribute more to its concrete results than it would have been possible through individual contributions of its Working Parties and Groups of Experts. The intra-Committee and cross sectoral coordination activities ensured high level of synergy and results that facilitated progress by its Working Parties in several areas, and especially in promoting multi-modal thinking, Intelligent Transport Systems and other Information and Communication Technologies.

## **B. Evaluations and ECE reforms**

28. The work of the Committee is subjected to frequent regular as well as ad hoc assessments and evaluations. Two of the most recent and comprehensive evaluations of UNECE with an impact on transport were the 2005 Reform of ECE and the 2013 Review of the ECE Reform.

### **The 2005 Reform of ECE<sup>7</sup>**

29. It called for:

- *strengthening activities in the fields of border crossing and trade facilitation in cooperation with the Committee on Trade.* As a follow-up, a road map was

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<sup>7</sup> Document E-ECE-1434-Rev.1

developed between the two subprogrammes, and the ITC Policy segment in 2009 was jointly organized on trade and transport facilitation.

- *strengthening support to THE PEP in cooperation with the UNECE Committee on Environmental Policy, in consultation with WHO Europe, and including sustainable financing and staffing for the clearing house.* Past years of THE PEP could be considered as the period of revitalization. The High-level meetings in Amsterdam and Paris set the strategic guidance. In preparation for the next High-level meeting that will take place in Vienna in 2019, and in addition to the ongoing projects, such as the annual symposium for policy dialogue, the “stafette” workshops on sustainable urban mobility with strategic review of mobility challenges and opportunities in the city hosting the workshop, a Pan-European master plan on cycling routes is in progress. The clearing house has also been recently renewed.
- *increased priority to environmental aspects of transport.* Beyond the new regulations aimed, for example, at improving the environmental performance of vehicles, several policy papers were prepared, a global UNDA project on climate change mitigation was carried out in cooperation with the other regional commissions, and the ForFITS support tool was developed and has since been used in policy dialogue.
- *a road map or strategy on ways and means of monitoring and strengthening the implementation of the key legal instruments on transport under the purview of ITC.* At its sixty-ninth session in February 2007, ITC endorsed the secretariat’s proposal to monitor the implementation of three legal transport instruments: the Convention on Road Traffic, 1968; the Convention on Road Signs and Signals, 1968; and the European Agreement concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR).<sup>8</sup> ITC also concluded that it would be highly desirable and necessary that the Sustainable Transport Division is provided with the capacity and the mandate to monitor the implementation of its legal instruments. The scarcity of resources and tools has very often been the reason for a lack of full and effective monitoring. Another factor that had to be taken in to account is the actual character of many legal instruments, which do not have the relevant provisions that would mandate the secretariat to undertake the monitoring exercise in regular and comprehensive fashion.
- *strengthening activities in support to Euro-Asian Transport Links.* The EATL project is now in its third phase that will be completed in 2017.
- *strengthening the TIR Convention and improving transparency of management.* The Working Party on Customs Questions affecting Transport (WP.30) discussed, and the TIR Administrative Committee (AC.2) adopted a package of amendment proposals to improve good governance and financial transparency of the TIR Convention. In particular, a new Annex 9, Part III deals with the authorization of an international organization. Furthermore, efforts to computerize the TIR Convention (eTIR Project) were pursued: (a) creation of a network of eTIR Customs Focal Points, leading to the adoption, in 2014, of the eTIR Reference Model (a complete description of the TIR Procedure Computerization Project) and (b) the establishment of a group of legal experts in 2015 to prepare legal provisions to implement eTIR. Under the aegis of the UNDA Project "Strengthening the capacities of developing

<sup>8</sup> Report to the UNECE Executive Committee on the Implementation of the Priorities of the UNECE Reform for strengthening some activities of the Committee, Review of implementation of the monitoring mechanisms and practices in place and recommended action, Informal Document No. 17 (Seventy-first session of the ITC, 24-26 February 2009).

countries and countries with economies in transition to facilitate legitimate border crossing, regional cooperation and integration”, a first platform to securely exchange C2C data was established in in 2016. The platform is currently used by Georgia and Turkey for a pilot project to exchange TIR data between both customs administrations. Another eTIR pilot project was launched in 2015 in collaboration with IRU. In another pilot project, selected Turkish and Iranian transport operators, Customs administrations and the national associations tested the computerized TIR procedure and praised its efficiency. Similar projects and platforms were established by all other United Nations regional commissions.

### **The 2013 Review of the Reform of ECE<sup>9</sup>**

30. The 2013 Review of the Reform of ECE concluded that the Transport Subprogramme:

- “...is a unique United Nations centre providing a comprehensive regional and global platform for consideration of all aspects of inland transport development and cooperation. Transport subprogramme, the Inland Transport Committee (ITC) and its related subsidiary bodies work within current mandates in an efficient way, producing concrete results in a regular and on-going way that have clear value added for the region and beyond.”
- “On the basis of the above: (a) The subprogramme and its subsidiary bodies should continue implementing existing mandates under the overall guidance of ITC and EXCOM. It shall strengthen its focus on the areas of harmonization of vehicle regulations, road safety, transport of dangerous goods, border-crossing facilitation including the TIR Convention, unified railway law, implementation of the European Agreement Concerning the Work of Crews of Vehicles Engaged in International Road Transport (AETR), intelligent transport systems. It will further explore synergies among these areas of work with an overarching goal of promoting sustainable transport, which is safe, clean and competitive.”

## **C. A Snapshot of the Committee, the secretariat and other Intergovernmental Bodies**

31. What may be the most important feature of ITC and the other intergovernmental bodies serviced by the UNECE Sustainable Transport Division is that they have produced tangible results over the decades with a daily impact on people and businesses.

32. Deeply specialized in inland transport, ITC offers an integrated approach for seamless connectivity. Its holistic, multimodal technical capacity can support the sustainable development goals. The focus of ITC grew from international inland transport to all inland transport, i.e. urban mobility which is of growing policy attention as the urbanization grows at an unprecedented speed. Thanks to its increasingly strong analytical activities it can act as a bridge between technocrats and politicians, and it can be the link between technical knowledge and policy choices.

33. ITC is a regional body in UNECE, though responsible for both regional and global activities as transport itself has local, regional and global importance and impacts, specifically, WP.29, WP.1, WP.30, and particularly WP.15 and the ECOSOC Committee of Experts on TDG and GHS. Asian countries are involved in SPECA and EATL. Finally, the road safety activities involve WP.29, WP.15, WP.6, SC.1 and the secretariat of the United

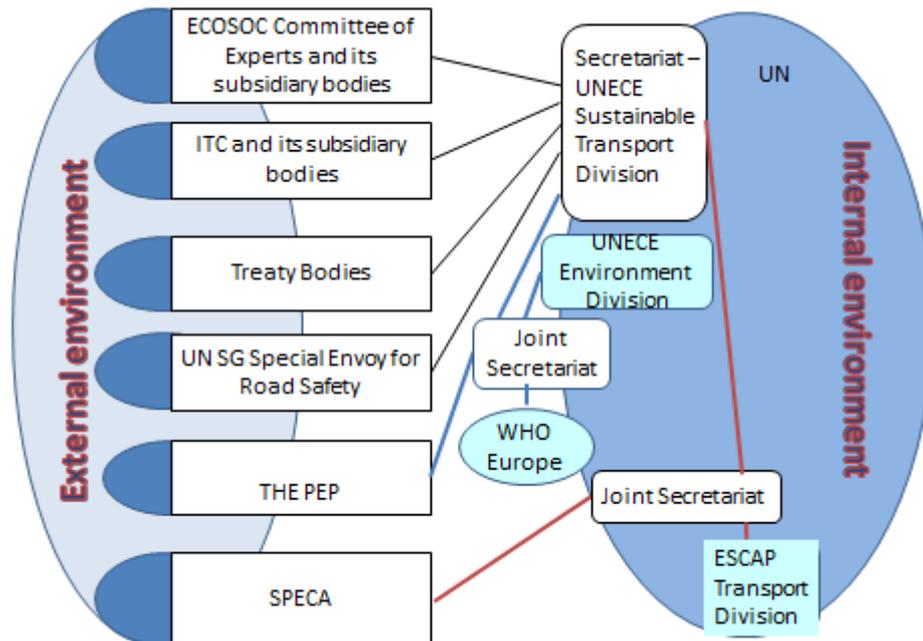
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<sup>9</sup> Decision A (65)

Nations Secretary-General's Special Envoy for Road Safety. Thus, the regulatory and policy activities of the Committee have a truly global dimension and could act as the global centre for inland transport. This institutional symbiosis is demonstrated in figure 1.

Figure 1

**Functional connections with intergovernmental bodies serviced by the UNECE Sustainable Transport Division**



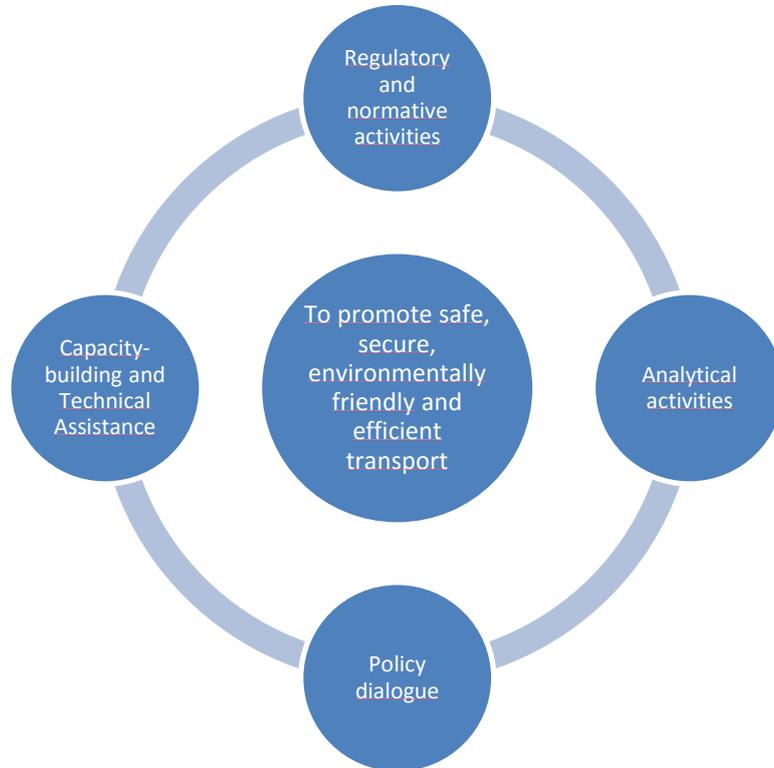
34. It is worth noting that the ITC is engaged in technical aspects of inland transport, as well as in policy formulation several platforms and ITC products, e.g. through THE PEP that brings a special multisectoral approach, through the priorities of the SPECA programme in Central Asia that ensures the link between sectoral and multisectoral cooperation, through participation in the Environment Performance Reviews lead by the UNECE Environment Division, the Road Safety Performance Reviews that started a UNDA project and are continued and scaled up with the support of the Secretary-General's Special Envoy for Road Safety, through National Transport and Strategy reviews (e.g. Belarus, Tajikistan), as well as through the WP.5 biannual thematic paper on transport trends and economics and other analytical papers related to conventions and Working Party activities.

35. ITC has traditionally promoted infrastructure connectivity and development (TEM, TER, EATL) and border crossing facilitation (TIR, Harmonization Convention).

36. ITC is also a gateway of best practice information sharing in inland transport and especially in inland transport policies and regulations.

37. The mandate and the different types of activities are illustrated in figure 2. The mission or mandate as it is written in the strategic framework is in the middle and the types of activities are in the planets around it.

Figure 2  
**The mission/mandate and the types of activities in its support**



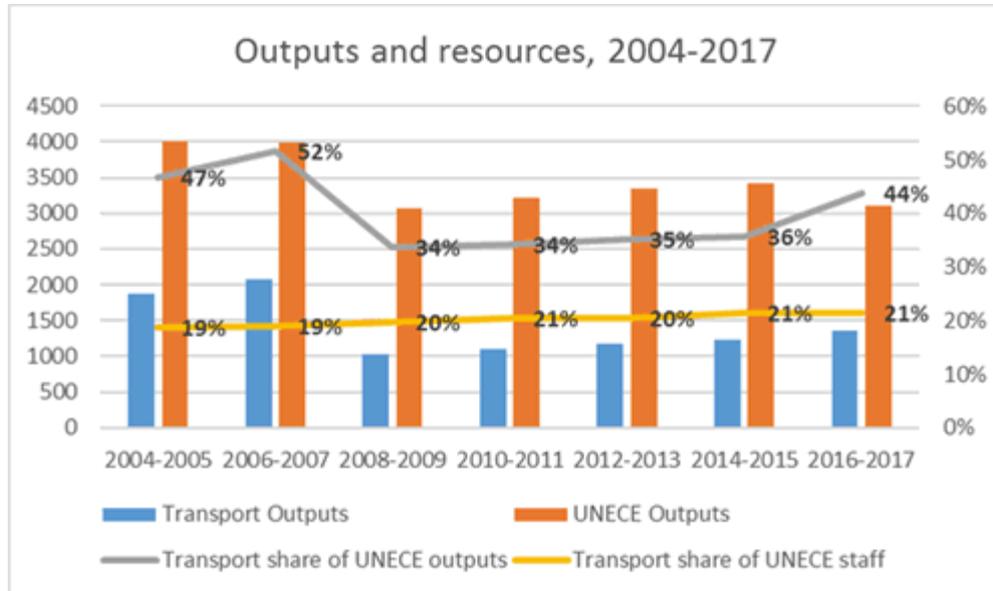
#### **D. Resources and Outputs**

38. Over years the UNECE Sustainable Transport Division gained and lost staff posts. Today the Division has fifty regular and extrabudgetary staff. Similar the entire UNECE budget resources are practically exhausted by staff costs and little remains for other essential activities such as capacity-building, consultancy or for travel.

39. Efficiency, therefore, is a key to stay fit to deliver.

40. To assess the performance of the Sustainable Transport Division, it is important to use indicators combining resources and outputs. Figure 3 looks at resources and outputs since 2004 and shows clearly that the workload is disproportional to the available resources. In 2016-2017, for example, the Division is forecasted to deliver 44 per cent of ECE outputs with 21 per cent of total resources.

Figure 3  
Outputs and resources 2004-2017



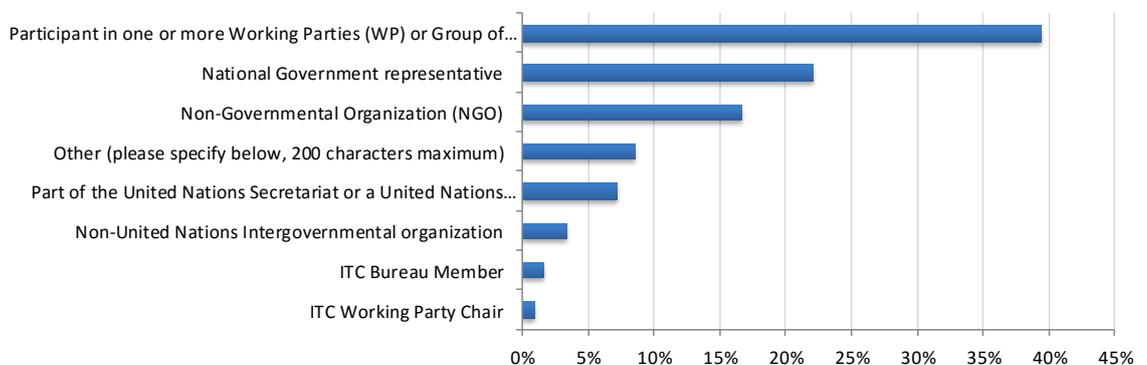
41. Being stretched also leaves no room to undertake new assignments unless they are covered by extrabudgetary resources or existing tasks are terminated.

## E. Stakeholders' view on the Committee

42. As part of the analysis undertaken for the ITC strategy, a stakeholder consultation process was launched in a survey and in bilateral consultations with governments and international organizations.

43. The survey was prepared in the official languages of UNECE and in Spanish. The survey is composed of 21 open, semi-open and closed questions. It was important to ensure that all three types of questions were included in the survey to allow for statistical analysis of important areas, but also for stakeholders to provide more detailed comments where necessary. A total of 246 completed answers were received from around the world: the vast majority of responses were in English but a good number came in French, Russian and Spanish (figure 4).

Figure 4  
Breakdown of Responses



44. The responses were supportive of the activities of ITC, highlighted strengths and identified areas for more work. More than 70 per cent of respondents stated that ITC is “very important” as an international forum for developing inland transport legal instruments. Almost 90 per cent of respondents strongly agreed or agreed that the transport conventions are important to their country or organization. Being the centre of United Nations Transport Conventions was seen as the comparative advantage of ITC, while resource constraints were the comparative disadvantage. When asked to identify those areas where ITC will need to focus more in future, stakeholders highlighted vehicle regulations, road safety and intermodal transport. At the same time none of the ongoing activities were considered unnecessary, on the contrary there was a general wish to strengthen them all.

45. This was further confirmed in bilateral consultations with a distinct bias for priorities of the specific country or organization.

### **III. Assessments and Recommendations for the Inland Transport Committee**

46. The following questions from review are recommended for discussion at the restricted session of the Committee in 2017, based on responses from the stakeholders’ consultations:

- What ways to go, which priorities to follow, how to stay and even increase dynamism?
- What changes in the conventions will be warranted by 2030 and beyond?
- How to further address the pressure between the regional status and the global role and relevance?
- Are any changes warranted in the governance structure?

47. Starting with its most noted role as a centre of United Nations transport agreements, the recommended vision 2030 for ITC is that it contributes, with full support, to the achievement of the sustainable development targets relevant to its work. Four recommended objectives are:

- Increased global regulatory governance - United Nations transport conventions under its purview are (a) universally accepted and implemented and (b) keep pace with technological developments;
- Inland transport statistical methodology keeps pace with demand and data collection for UNECE work is modernized;
- Increased attention is given to targets on (a) improved traffic safety, (b) reduced local and GHG emissions - benefiting especially from the breakthrough made possible by ForFITS and SafeFITS support to policy choices, and on (c) improved efficiency and connectivity (infrastructure projects and the TIR Convention);
- ITC contributes to global monitoring of progress towards sustainable transport as much as feasible.

48. Taking into account the outcome of the review, we believe that the following concrete and detailed recommendations are in line with the above outlined vision and objectives.

## **A. Regulatory Governance for Inland Transport to be significantly strengthened by 2030**

49. Our vision is a globally harmonized regulatory system for inland transport that is the foundation for sustainable transport and mobility. Global accession to inland transport agreements, just like in air or maritime transport, is one of preconditions and the first step towards achieving globally sustainable inland transport. As explained above, the activities of ITC – which are mostly regulatory – are relevant for 14 out of the 17 Sustainable Development Goals. However, 24 per cent of the United Nations Member States have not acceded to one single inland transport legal instrument administered by the Committee. Furthermore, 32 per cent of the countries have not acceded to any of the road safety conventions and this means that one billion people live in countries that have no integration with the United Nations road safety regulatory framework. It should be noted that some countries which have ratified road safety agreements, have not transposed or implemented the provisions into national legislation, and this at the moment when numbers of people killed worldwide in road traffic crashes is not declining. If consistently and systematically monitored, it can be demonstrated that improved inland transport regulatory governance brings, for example, improved road safety and facilitated border crossing. This can be achieved, and relatively quickly and easily, by accession to and implementation of United Nations Transport Conventions. However, national and global regulatory governance cannot be improved or achieved through the “business as usual” approach. With increased efforts and targeted capacity-building to promote accession to United Nations Transport Conventions, annually 10 to 15 new accessions on average took place in the past years. In order to achieve wider global coverage and thus improve regulatory governance which underpins sustainable transport, it would be necessary to ensure that all countries accede to at least to one of the six key road safety conventions; to facilitate conditions for border crossing in international transport by scaling up the use of the TIR system; and target countries whose accession would have the highest returns in terms of reaching sustainable transport development 2030 targets. Assuming that the governments agree, a road map will have to be developed for achieving this ambitious objective with high gains.

## **B. Support Digitalization of Inland Transport**

50. This task would focus on: (i) increased level of automation and autonomous vehicles: it is imperative that the relevant Working Parties (like the ad hoc expert group within the WP.1) accelerate their activities and already now assess how much and what type of international regulations could be conducive to future technological developments. As a more visionary approach, it is the moment to outline how transport and mobility will look like in 2030 and beyond and what type of conventions, regulations will be demanded; (ii) scaling up the use of Intelligent transport systems across inland transport and in an internationally harmonized way: it is beyond doubt that well selected ITS technologies can play a pivotal role in making progress towards achieving the transport-related sustainable development goals, improving system efficiency, safety and, environment performance. Therefore, based on the UNECE strategy and road map on ITS it is warranted to consider if the current structure of the Committee and its Working Parties is sufficiently developed and equipped to support ITS development; also, closer cooperation with ITU bodies seem to be necessary; (iii) launch eTIR with full application: it is high time that eTIR is launched as paperless customs transit procedures because it could significantly enhance speed, efficiency, cut red-tape and improve governance. After the long theoretical preparation that has been carried out in details, and after the pilot runs in the past couple of years, on the current “last mile” it is essential to arrive at the eTIR in the shortest possible time.

### **C. Regulatory Support to going Electric**

51. The shift towards low-emission mobility has already started and the pace is accelerating. Policy strategy considers the electrification of transport as a key milestone towards lower transport emissions. The recent European Strategy for Low-Emission Mobility<sup>10</sup> includes e.g. fast deployment of electricity as a source of transport energy and the movement towards zero-emission vehicles such as full electric cars and fuel cell vehicles. In line with policy developments, current vehicle legislation needs to be updated to include harmonized requirements for the performance of new powertrain technologies. The World Forum for the Harmonization of Vehicle Regulations (WP.29) has already updated United Nations Regulations to address the safety and environmental aspects of electric vehicles and their parts. Nevertheless, the work is still ongoing and must be a top priority in the legislative agenda as the policy dialogue intensifies leading up to the deployment of electrified vehicles into the market.

### **D. Support to develop new Legal Instruments on demand (URL, international rail passenger, OMNIBUS, etc.)**

### **E. Ensure a reasonably quick Lead Time of Technology Innovations reflected in Vehicle Regulations**

52. Keeping the vehicle regulatory framework in pace with the technological development in the automotive sector is a constant challenge for the World Forum for Harmonization of Vehicle Regulations. The continuous work of amending vehicle regulations and establishing new ones provides access for new automotive technologies to a global market. The International Whole Vehicle Type Approval will pave the way for a 'world vehicle' with the same high safety standards anywhere and reduce the administrative burden for all countries of sale. The introduction of automated/autonomous driving technology needs to be accompanied by a time-adapted regulatory framework and new cooperation with the telecommunication sector related to connectivity.

### **F. Enhance Support to Periodic Technical Inspection of Vehicles**

53. The high level of safety and environmental protection of new vehicles needs to be maintained throughout a life-time of 16 years or more. This is of special importance for electronically controlled safety and environment related components taking into account the short life-circle of electronic products and their related software especially for the increasing elements towards vehicle automation. This will lead to a paradigm shift in vehicle inspection.

### **G. Seamless Connectivity and Intermodal Solutions**

54. One, single mode of transport, can rarely provide the journey solution for both freight and passenger movements. Increased importance needs to be given to actions which facilitate connectivity for passengers and efficient intermodal transport solutions for freight. This is particularly important in the changing technological and policy environment for the transport sector.

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<sup>10</sup> [http://europa.eu/rapid/press-release\\_MEMO-16-2497\\_en.htm](http://europa.eu/rapid/press-release_MEMO-16-2497_en.htm)

## **H. Keep Better Track of Results**

55. Results-based management is gaining pace in the United Nations and the sustainable development goals have become even more important to be able to track and present results in a simple, but persuasive way. Tracking of results of the Committee could also reflect results in the inland transport markets. Benefiting from the expertise in data collection and transport statistics in WP.6, this Working Party could take the lead and develop the draft framework.

## **I. Increase Visibility of the Results**

56. This task is closely related to the above, but it goes beyond it. The ITC survey has shown that increased visibility for the Committee, its activities and results would be appreciated by governments and other stakeholders. In light of resource constraints, innovative approaches will need to be developed as this activity cannot be in any ways taking away resources from delivering results.

## **J. More structured way to Address Certain Thematic Topics**

57. It is especially important in ITS work, urban transport, and further development of Euro-Asian Transport Linkages.

## **K. Benefiting from Digitalization in Support to Conventions**

58. Moving ahead with digitalization is essential not only for governments and businesses, but also for the United Nations and the United Nations Conventions. Therefore, it is important to proceed with the setting up of the United Nations DETA, database for vehicle type approvals. A transition solution is urgently needed, while a long term solution also needs to be found. Set up of a United Nations dangerous goods transport database connected to the ADR agreement is under preparation and it will be important to learn from the DETA process in addressing its financial feasibility. In the coming years, major progress is expected in the use of Geographical Information Systems with a particular attention to the cooperation with the Islamic Development Bank. This could hopefully trigger a new wave in presenting the infrastructure agreements and projects (TEM, TER, and EATL).

## **L. Revitalizing Transport Statistics Work and participation in support to Global Monitoring of the Progress of Implementation of the Sustainable Development Goals - WP.6**

59. This is an area of work with growing significance. Scaling up the use of the Committee's achievement in harmonized transport statistics is now an opportunity.

## **M. SafeFITS and the Road Safety Performance Reviews will be Major Break-Through in Boosting National and Local Governments' Capacity in improving Road Safety**

60. As the development phase of SafeFITS and the first UNDA-funded road safety performance reviews are completed, a road map will be warranted for scaling up their use.

It will be especially important to “market” the UNECE combined methodology by presenting their benefits.

#### **N. Scaled Up Use and further Development of ForFITS**

61. All feedbacks underline the need to improve the user interface of ForFITS as soon as possible. To further scale up its use, it is important to continue the cooperation with the UNECE Environment Division on the Environmental Performance reviews, but also consider and initiate other partnerships, organize several capacity-building workshops and finally add another module that covers local pollutants.

#### **O. Knowledge Contribution by ITC in Transport Infrastructure Investments**

62. In the coming decades, billions of dollars will be invested in transport infrastructure. The transfer of the knowledge, experience and information of the Committee on infrastructure investments accumulated in the past 70 years could be valuable for the other regions. It needs to be explored how best to do it.

#### **P. Scaling up Results, especially in Terms of Support to New Accessions and Implementation of the United Nations Conventions under ITC purview**

63. This would warrant rethinking of staff time - today a considerable amount of staff time is allocated to convention-related meetings, administration of legal instruments and communication. Some time is also devoted to technical assistance and capacity-building which is additionally limited by scarce resources. To achieve the above objectives and implement ongoing and new tasks, a shift to policy, analytical and capacity-building activities in required areas needs to be considered. Working Parties which are reservoir of knowledge and experience need to be more effectively involved in supporting accession to and implementation of Conventions and other legal instruments under their purview. A piecemeal approach is not effective, therefore it is necessary that each Working Party review this question and assess how the Conventions under their purview, especially in light of new technologies and digitalization, will have to look by 2030 and beyond. The ITC strategy should be based on this analysis. Working Parties will express their expectation for the right balance of regulatory, policy, analytical and capacity-building activities in their specific areas, and consider further efficiency improvements, selectivity, prioritization and cross-sectoral collaboration in managing their tasks.

64. As the above are mostly ongoing tasks, their timely execution will depend on the availability of resources. From this perspective the following scenarios are proposed for consideration for the years till 2030:

(a) *Regular Budget and availability of extrabudgetary resources remain more or less at the same level as they are now, although with fluctuations:* this case would be business as usual where the current strategic framework and programmes continue, while prioritisation within Working Parties would need to be considered based on the share of regulatory - analytical - capacity-building and policy dialogue. This scenario would imply that the ITC leaves certain gap as it won't be able to support the development of sustainable inland transport in a significant way.

(b) *Regular budget does not change, while extrabudgetary resources significantly increase:* in this case, an attractive programme of work would need to be developed as otherwise the risk would be that priorities — first of all on a project level — are determined by donor's interests and expectations.

(c) *Regular budget is on the decline and no significant extrabudgetary resources will be available:* potential consequences could be that key functions are transferred to those bodies (existing or to be set up) that could play a major role in supporting the implementation of sustainable development goals.

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