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Working Party on Transport Trends and Economics

Group of Experts on Benchmarking Transport Infrastructure Construction Costs

Fourth session

Geneva, 16 and 17 October 2017

Report of the Group of Experts on Benchmarking Transport Infrastructure Construction Costs on its fourth session

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I. Attendance

1. The Group of Experts (hereafter called the Group) on Benchmarking Transport Infrastructure Construction Costs held its fourth session on 16 and 17 October 2017. The session was chaired by Mr. A. Maciejewski (Poland-TEM Project).
2. Representatives of the following United Nations Economic Commission for Europe (UNECE) member States participated: Cyprus, Finland, Lithuania, Norway, Poland, Sweden and Turkey.
3. Representatives of the following United Nations specialized agencies attended the meeting: UNECE Trans-European Motorway (TEM) Project. Experts from the following non-governmental organizations participated: International Road Federation (IRF), Europlatforms EEIG.

II. Adoption of the agenda (agenda item 1)

Documentation: ECE/TRANS/WP.5/GE.4/7

4. The Group adopted the agenda.

III. Transport Infrastructure Construction costs: Presentations of good practices at national levels for evaluating and calculating them (agenda item 2)

5. The Group of Experts recalled that based on the Terms of Reference, the Group the Experts should focus their work on identifying models, methodologies, tools and good practices for evaluating, calculating and analysing inland transport infrastructure construction costs.
6. The representative of the Port of Gdynia (Poland), Mr. J. Koczara, presented the investments planned by the Port of Gdynia Authority for the years 2016-2022. He mentioned the:
 - (a) deepening of the approach and internal waters, rebuilding of the wharf and expansion of the turntable;
 - (b) expansion of rail access to the western part of the port;
 - (c) construction of a public ferry terminal;
 - (d) construction of port infrastructure for waste water collection;
 - (e) rail access to the port.
7. Furthermore, he mentioned the investments that are jointly planned by the port and business partners for the years 2020-2030 with subsidies from European Union funds and private investors. These investments include the construction of an external port, the development of the logistic valley as well as investments that provide road access.

IV. Transport Infrastructure Construction costs: Presentations of terminologies used (agenda item 3)

Documentation: ECE/TRANS/WP.5/GE.4/2017/1/Rev.1, ECE/TRANS/WP.5/GE.4/2017/3

8. The Group recalled that it had agreed that the secretariat and the members of the Group should collect and upload on the Group's electronic space existing terminologies prepared at the national and international level.

9. The Group considered document ECE/TRANS/WP.5/GE.4/2017/1/Rev.1 on terminologies used in the Economic Commission for Europe (ECE) region for construction costs of road infrastructure prepared by the road team of experts led by the Turkish road transport experts, Mrs. L. Unal and Mrs. F. Orhan. The Turkish delegates had already prepared an updated version of those terminologies which included many additions and some deletions. The number of the terminologies proposed was increased from 121 terminologies to 249. The Group requested the secretariat to prepare a second revision of document ECE/TRANS/WP.5/GE.4/2017/1 for the next session. However, the Group decided to approve this version of terminologies as amended. Experts should provide any additional comments on the second revision of the document to the secretariat up to ten days after the current session.

10. The Group also considered and approved document ECE/TRANS/WP.5/GE.4/2017/3 on terminologies used in the ECE region for construction costs of Intermodal terminals and nodes prepared by the intermodal terminals and nodes team of experts led by Europlatforms. These terminologies were prepared by Europlatforms secretariat however they were commented and approved by all member of the association meaning intermodal terminals located in Denmark, Finland, Germany, Greece, Hungary, Italy, Portugal, Spain and Turkey. The Group requested the secretariat, since document ECE/TRANS/WP.5/GE.4/2017/3 includes both terminologies and possible questions in order to perform the benchmarking study, to create two documents for the next session by separating the terminologies from the questionnaire. Furthermore, it was advised that the terminologies should be further developed. The Group thanked the General-Secretary of Europlatforms, Mr. M. Fco. Martínez Torres for the excellent work and the cooperation.

V. Transport Infrastructure Construction Costs: Overview of main concerns and considerations (agenda item 4)

11. The Group discussed the challenges of the organization of the Group's future sessions and the participation of specialized experts. The biggest challenge is that the Group's objectives refer to different transport modes (road, rail, inland waterways) including different nodes (ports, intermodal terminals). Therefore, different experts should be identified and invited either from the member States or from the international organizations / associations.

12. Following these discussions and the information provided by the secretariat and the Chair, the Group summarized the following actions of the organization of the Group's work.

(a) Road transport: leading country is Turkey; both draft terminology and benchmarking study questionnaire has been prepared and discussed during Group's sessions;

(b) Rail transport: the Chair and the secretariat have taken actions to involve the European Rail Infrastructure Managers (EIM) as the leader for this mode. So far a positive but not definitive reply has been received from their side. If there is no final decision from their side then the secretariat was requested to prepare if possible the draft list of terminologies and questionnaire on rail infrastructure in order to distribute it to all interested stakeholders including EIM for their comments and proposals;

(c) Inland waterways: The secretariat had done several presentations and had sent relevant emails to interested stakeholders including the ECE Working Party on Inland Waterways and the River Commissions. Their reaction was that the inland waterways

sections in the Ministries are rather very small ones and more often under the supervision of road transport sector. Furthermore, infrastructure works that are taking place in inland waterways sector are mainly focused on maintenance and they do not include new projects. The Group suggested to the secretariat to continue its efforts with the River Commissions hoping that one of them would accept to lead this mode and provide some basic information even only for maintenance works;

(d) Intermodal terminals / freight villages: leading organization is Europlatforms and has already prepared a draft list of terminologies and a questionnaire. As is mentioned in paragraph ten, two documents will be prepared for the next session of the Group: one for the list of terminologies and one for the benchmarking study questionnaire in order to be finalized and agreed during the session;

(e) Ports: the representative of the port of Gdynia announced during the session that the port is ready to take the lead for this team of experts and prepare for the next session a draft list of terminologies as well as a draft questionnaire for the benchmarking study. These drafts will be communicated to several other ports and port organizations such as the Baltic Ports Organization and the European Sea Ports Organization seeking their comments, proposals and amendments. These draft documents with the proposed changes by the different ports will be discussed and finalized during the next session of the Group.

VI. Discussions on the structure of the final report of the Group of Experts (agenda item 5)

Documentation: ECE/TRANS/WP.5/GE.4/2017/2/Rev.1

13. The Group considered document ECE/TRANS/WP.5/GE.4/2017/2/Rev.1, which includes the questionnaire for the road transport infrastructure benchmarking study prepared by road transport sub group led by Turkey. Also it welcomed the presentation of the delegation of Turkey who actually filled in the draft questionnaire and presented the results to the Group.

14. The Group appreciated the efforts of the Turkish delegation because this pilot use of the questionnaire provided to them a better view of what the results from this exercise would be and what they should probably add in order to increase the value that the collected data would bring to the users. The Group decided that an extra column should be added in the questionnaire with the title “length of regarded projects (km)”.

15. The Group also recalled that one of its main tasks is the “identification of models, methodologies, tools and good practices for evaluating, calculating and analysing inland transport infrastructure construction costs” and asked the views of the secretariat on how the Group should collect this information. The secretariat mentioned that the collection of this information is significant for Group’s report since it should be the first chapter of the final report and it should constitute a library with good practices and methodologies already implemented by Governments in order to evaluate the transport infrastructure construction costs. It also recalled that agenda item two on “presentations of good practices at national levels for evaluating and calculating transport infrastructure construction costs” actually serves this purpose.

16. The representative of IRF, Mr. C. Gonzalez suggested that this chapter one should also include guidelines with main principles for the Governments that they would like to prepare a new tool / methodology to evaluate and calculate those costs. He also suggested that IRF could prepare with the help of the experts such guidelines in order to be included in the final report of the Group. The Group welcomed this idea and urged the representative of IRF to prepare these draft guidelines in order to be discussed at the next sessions of the Group.

17. The Group also recalled that at its previous session had requested the secretariat to take the necessary action and distribute the questionnaire for road transport to UNECE member States as soon as possible thereafter with a deadline for replies of end of September 2017. The secretariat replied that this request was not accomplished yet because:

(a) The list of terminologies should be sent with the questionnaire but this list was not finalized and agreed upon by the Group yet;

(b) The questionnaire itself probably should be re-addressed - as it was the case in the end - after the input received from the Islamic Development Bank experts;

(c) The Group should decide if the questionnaire should be sent through official channels to the ministers of transport or directly by the secretariat to the heads of the relevant national road transport infrastructure authorities.

18. The Group decided that the finalized questionnaire and the agreed list of terminologies should be sent through official diplomatic channels to the respective ministers or deputy ministers of transport of UNECE member States.

19. The Group also recalled that at its previous session, it had decided to prepare an interim status report for distribution to member States at the end of the year. To this end, the Group agreed to review a first draft, outlining the main outcomes of the first year of the work as well as the challenges faced, at its session in October 2017. The secretariat was asked to prepare this document, which will be finalised after the next session, to include the outcomes of the discussions of the next session and the consideration of (a) the preliminary results of the road infrastructure questionnaire, (b) the first drafts by the intermodal terminals subgroup.

20. The Group was informed by the Chair and the secretariat that in the end it was not necessary to prepare such an informal document for this session of the Group because the Chair had already the chance to present a status report in September during the thirtieth session of the Working Party on Transport Trends and Economics (WP.5) (4-6 September 2017) which is the parent body of this Group of Experts. The secretariat suggested and the Group agreed that in order to create awareness on the Group's work and attract more governments, a formal document should be prepared for the next session of the Inland Transport Committee in February 2018.

VII. Other business (agenda item 6)

21. There were no other items.

VIII. Date and place of next meeting (agenda item 7)

22. The Group of Experts fourth session is tentatively scheduled to take place in Geneva on 30 and 31 January 2018.

IX. Adoption of main decisions (agenda item 8)

23. The Group adopted the list of main decisions of its fourth session and requested the secretariat and the Chair to prepare the full and complete report to be circulated to the members of the Group for comments on items other than those contained in the list of main decisions.