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ECONOMIC COMMISSION FOR EUROPE

INLAND TRANSPORT COMMITTEE

(Seventy-first session, 24-26 February 2009,
agenda item 7)

ASSISTANCE TO COUNTRIES WITH ECONOMIES IN TRANSITION

Activities undertaken in 2008

Note by the Secretariat

INTRODUCTION

1. The Committee will have before it document TRANS/WP.5/2008/5 containing a summary of operational activities aimed at assisting institutional adaptation of Government Administration and transport enterprises to market economy, undertaken during the period July 2007 to June 2008. This informal document is a revised and updated report of these activities for the period January to December 2008, particularly related to the Special Programme of Economies of Central Asia (SPECA), the Black Sea Economic Cooperation Organization (BSEC), the Organization for Security and Cooperation in Europe (OSCE), the Transport Corridor Europe - Caucasus - Asia (TRACECA), advisory workshops and missions.

I. UNECE-UNESCAP JOINT PROJECT ON DEVELOPING EURO-ASIAN TRANSPORT LINKS (EATL)

2. During the seventieth session on the Inland Transport Committee (ITC) a Meeting of Ministers of Transport of countries in the Euro-Asian region was organized. The Meeting was attended by Ministers of Transport and high-level officials from Afghanistan, Armenia, Azerbaijan, Belarus, Bulgaria, China, Georgia, Greece, Iran, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Romania, Russian Federation, Turkey, Ukraine, Uzbekistan, UNESCAP, UN-OHRLS, the European Commission, OSCE, BSEC, ITF, IRU and UIC. On this occasion a Joint Statement was signed in support of the second Phase of the project (2008-2011) and endorsing the identified Euro-Asian routes and their priority development.

3. EATL work continued in 2008 through the activities of WP.5 and its subsidiary ad hoc Group of Experts on EATL. The Government of Russia has provided extra-budgetary funding to support among others Phase II of EATL project. EATL Phase II aims at assisting participating countries to develop efficient, safe and secure Euro-Asian land and land-cum-sea transport links and to foster co-operation in the field of transport to facilitate international trade and tourism. EATL II builds upon the successfully implemented 2003-2007 project. The project's ownership – by participating countries – will be ensured through the Expert Group consisting of designated national focal points from countries involved. In addition to the 18 countries involved during 2003-2007, Mongolia has also expressed interest in participating. The project will continue

involving stakeholders from the private sector, NGOs and academia. At its first meeting in Geneva on 8 September 2008, the Group of Experts on EATL discussed its programme of work, objectives, tasks and deliverables. The Group is planning to meet again in Shanghai, in the first half of 2009, upon the invitation of the Government of China.

4. Four areas of work have been identified:

(a) Appropriate mechanism for co-ordination and monitoring of the development of the Euro-Asian transport links established to enhance co-operation in the field of transport in the Euro-Asian region;

(b) Better co-ordinated planning and gradual development of efficient, safe and secure land and land-cum-sea Euro-Asian transport links, and closely evaluated and prioritized infrastructure projects along main Euro-Asian transport routes;

(c) Strengthened national capacities to deal with international transit, including border crossing along the Euro-Asian transport routes, and internationally harmonized national transport legislation developed on the basis of UN conventions and agreements;

(d) Further developed and updated Geographic Information System (GIS) database.

5. The successful implementation of the project would contribute to sustainable economic development of participating countries by enabling them to reap benefits of trade. This could help reduce poverty, especially in the landlocked low-income economies of the Caucasus and Central Asia.

II. TRANS-EUROPEAN NORTH-SOUTH MOTORWAY (TEM) AND TRANS-EUROPEAN RAILWAY (TER) PROJECTS

A. TEM and TER Master Plan

6. The UNECE, as the Executing Agency of the TEM and TER Projects, continued to provide technical and administrative backstopping to the Projects. The TEM and TER Projects work in the reporting period focused on monitoring the implementation of the Master Plan and its revision

7. **The revision of the TEM and TER Master Plan** in 2008–2009 is among the main future targets of the projects. This work will extend the geographical coverage of the Master Plan to 25 ECE member countries, including four new countries, namely Albania, Armenia, Azerbaijan and Montenegro. Moreover, the revision will embrace new challenges, such as intermodality, funding, operational performance, motorways of the sea, connections to Freight Villages and Logistics Centres. In addition, the TEM Master Plan component will include the additional task to study the funding solutions for road infrastructure priority projects, which will be elaborated with a CHF 20,000 co-funding already provided by the International Road Transport Union (IRU). The Terms of Reference (ToR) for the TEM and TER Master Plan Revision have been endorsed by the Projects' Steering Committees. The Master Plan Revision Coordination Group, consisting of the Project Managers, UNECE representatives and external consultants, met in Prague, Czech Republic, on 21 April 2008 to finalize the preparatory work.

8. The first joint meeting of the two TEM and TER Expert Groups on Revision of the Master Plan took place on 2-3 September 2008 in Hallstatt, Austria. Representatives of Albania, Austria,

Azerbaijan, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, the Former Yugoslav Republic of Macedonia, Georgia, Hungary, Lithuania, Montenegro, Poland, Romania, Russian Federation, Serbia, Slovakia, Slovenia, Turkey and Ukraine participated in the meeting. The work is ongoing and is expected to be finalized by the end of 2009.

9. The elaboration of this work is heavily based on country contributions through designated national coordinators and the focal points. The coordination responsibility is with the TEM and TER Project Managers, assisted by external consultants. International organizations involved in planning and development of the European transport infrastructure have been invited to cooperate and contribute to the work. UNECE staff is also supporting this work.

B. Other activities under the TEM and TER Projects

10. Parallel to the Master Plans work, the development of the TEM and TER Projects was successfully pursued during the reporting period. The Projects continued their long-standing activities in assisting transfer of know-how and sharing best practices among their members in various fields of interest by organising workshops and training activities.

11. The Steering Committees of both the projects, recognizing the importance of the Euro-Asian links for all TEM and TER member countries, expressed their support for the involvement of the TEM and TER in future activities.

12. TER Project Steering Committee held a meeting back to back with the Working Group on Rail Transport (SC.1), in Geneva, in November 2008 and both groups benefited from each other through a lively half day session devoted to security and railways transport.

13. TEM Project organized a specific workshop on TEM Master Plan Revision, focussed on forecasting and new projects, in Budapest, in November 2008 and held the 50th session of its Steering Committee, in Geneva, in December 2008.

C. TEM and TER Project Management issues

14. TEM Project is experiencing operational difficulties with regard to the assignment of international project personnel, at the Project Central Office in Warsaw. The term of the TEM Project Manager has expired and until today none of the TEM governments offered to delegate a new Project Manager. At present a transitional arrangement is in place that must be remedied as soon as possible.

15. TER Project has been further strengthened by the designation of a Deputy Project Manager that would focus on trade facilitation issues, while the Project Manager will continue to coordinate the Master Plan revision.

III. ACTIVITIES UNDER REGIONAL AND SUB-REGIONAL PROGRAMMES

A. Special Programme for the Economies of Central Asia (SPECA)

16. The UNECE secretariat, together with UNESCAP, continued supporting the SPECA Transport Infrastructure and Border Crossing Facilitation Project Working Group (PWG-TBC), established in 1998 within the framework of the SPECA Tashkent Declaration. It contributed to the preparation of work programmes and action plans, the organization of meetings and workshops, to drafting proposals and documents for the Group, to capacity building, to

knowledge and experience sharing between European and Central Asian countries, and to promoting transport cooperation among SPECA countries, as well as between them and other UNECE member countries.

17. At its **13th session held in Almaty, Kazakhstan, 12 - 13 March 2008, the SPECA PWG-TBC** project discussed transport infrastructure and facilitation issues in relation to the implementation of the Almaty Programme of Action. These include country reports on transit transport, regional and interregional transport activities, bilateral consultations on border crossing and implementation of the guidelines to improve efficiency of the SPECA PWG – TBC were. The Group also reviewed the development of priority transport databases (rail routes, road routes, border crossing points, intermodal transport) for the SPECA region, as well as of the SPECA guide on road wayside facilities. More information on discussions, reports and respective documents from SPECA WG-TBC work can be obtained through the ECE Website under the SPECA heading (<http://www.unece.org/trans/main/speca/speca.html>).

18. Under the chairmanship of Mr. A. Yakovenko, Deputy Minister of Foreign Affairs of the Russian Federation, Mr. Belka and Mrs. Heyzer, ES of UNECE and UNESCAP respectively, opened the 2008 SPECA Economic Forum , “Investment Partnerships for Stronger Economic Cooperation and Integration in Central Asia”, held on 20 October 2008 in Moscow. The Forum was attended by high-level representatives, including Deputy Ministers and Ambassadors, from six SPECA countries (Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan) as well as by representatives of non SPECA countries (India, Germany, Russian Federation). Representatives from EC, EurAsEC, UNDP, UNCTAD, OECD, WB, ADB, SCO, IRF and TRACECA, also attended the Forum. The Forum was divided in three sessions and was followed by the annual session of the SPECA Governing Council

19. UNECE Transport Division representative, speaking on behalf of both UNECE and UNESCAP under the title investing in transport infrastructure, provided information on the main UNECE and UNESCAP transport infrastructure agreements and initiatives, including the UNECE AGR, AGC, AGN, AGTC and the TEM and TER Master Plan, as well as the UNESCAP AH and TAR. He also referred to the UNECE-UNESCAP joint work in the framework of SPECA Working Group on Transport and Border Crossing Facilitation (SPECA WG-TBC) and highlighted the main results and follow up work of the EATL Project.

B. Other Regional and Sub-Regional initiatives

20. The activities of the Transport Division were concentrated on providing advisory services to strengthen the capacity of countries with economies in transition to implement UNECE legal instruments on transport, facilitate international transport in the UNECE region and promote inter-country cooperation towards the development of pan-European transport networks and Euro-Asian transport links

21. The Transport Division contributed, inter alia, through active participation and submission of papers, to a number of international activities and fora, towards the development of European Transport infrastructure, as well as of Euro-Asian Transport Links and the accession and implementation of UN transport legal instruments in transport, including the following: UIC Expert Group on International Railway Corridors (Paris, France, 13-14 March), BSEC Meeting for the Ministers of Transport of the BSEC Member States (Odessa, Ukraine, 9-10 April 2008), Regional Preparatory Meeting on Euro – Asian landlocked and transit developing countries for the mid-term review of the Almaty Program of Action (Bangkok, Thailand, 22-23 April 2008),

Joint OSCE Economic and Environmental and Security Committee (Vienna, Austria, 15 April 2008), GUAM-transit conference (Baku, 29-30 April 2008) focusing on legal harmonisation, elimination of trade and transport barriers and infrastructure development, 31st World IRU Congress, (Istanbul, Turkey, 15-16 May 2008), International Transport Forum (Leipzig, Germany, 28-30 May 2008), Seminar on International Transport Facilitation Conventions in China (Beijing, China, 17-18 June), 3rd European Road Congress (Brussels, Belgium, 25 June 2008) and OSZHD Ministerial Conference (Kiev, Ukraine, 11-12 June).

22. In addition, the secretariat attended the International Conference of Road Transport Haulage between Asia and Europe and the Official start-up Ceremony of the New Euro-Asian Land Transport Initiative (NELTI) – held in Tashkent, from 16 to 17 September 2008, with a view of further promoting the work of the UNECE on development of Euro-Asian transport links. This Conference raised a high level of support from the Government and road sector stakeholders at national and international levels. It was well attended by the representatives of international organizations (ESCAP, Asian Development Bank, Islamic Development Bank) Government representatives (Azerbaijan, Georgia, Uzbekistan, Ukraine), Customs officials (Uzbekistan), representatives of Associations of road carriers (Azerbaijan, Belarus, Georgia, Iran, Kazakhstan, Russian Federation, Turkey, Uzbekistan), universities (Tashkent Road Transport University), research institutions (NEA – Netherlands) and a large number of representatives of individual road transport operators.

23. On 24-25 September 2008, the secretariat attended the seventh International forum “TransEurasia-2008 in Astana, Kazakhstan. The Forum, being organized every second year, was devoted to transport and transit issues pertaining to Eurasian continents. In particular, it aimed at strengthening co-operation among the countries of Europe and Asia and coordination of their transport policies. On this occasion Kazakhstan officials presented their comprehensive and ambitious transport infrastructure development plan, which seems to be already in the implementation phase. Targeting the revitalization of the Silk Road by creating a transcontinental motorway corridor Western Europe – Western China, 8,445 km long, of which 2,787 km Kazakhstan (2,552 km to be constructed/renovated), is the shortest way from China to Europe with the minimum number of participating states and boundaries. This impressive project includes development of five international combined transport/logistic centres along the route, satellite navigation and toll systems. The total cost of the project is estimated to be \$6.7 billion (public-private partnerships are to play a large role).

V. COOPERATION WITH OTHER ORGANIZATIONS

A. Organization for Security and Cooperation in Europe (OSCE)

24. Cooperation with the **Organization for Security and Cooperation in Europe (OSCE)** is promoted in accordance with the memorandum of understanding (MoU) between UNECE-OSCE, signed in 2004. OSCE-UNECE cooperation continues in the area of transport facilitation and capacity building, as well as through the reviews of the implementation of OSCE transport commitments, promotion of more effective implementation of the “Harmonization Convention”, contributions to the mid-term review of the Almaty Programme of Action and the organization of various joint capacity building initiatives in the area of transport. Due to the active and constructive engagement of ITC in the last two years, the Office of the Coordinator for Economic and Environmental Activities of OSCE has selected transport to be one of its priority areas for the year 2008. During the sixteenth OSCE Economic and Environmental Forum, 19-21 May 2008, Prague, UNECE contribution in the framework of the review of the implementation

of OSCE commitments in the economic and environmental dimension in the field of transport focused on dangerous goods.

25. The joint UNECE-OSCE project aiming to develop a handbook of best border-crossing practices will also provide an important development tool for landlocked developing countries, helping them to reach MDGs faster.

B. Black Sea Economic Cooperation Organization (BSEC)

26. The UNECE Secretariat attended the **Meeting of BSEC Ministers of Transport and the BSEC Transport Working Group**, organized by the Ukrainian Government in Odessa, Ukraine (8- 10 April 2008), under the chairmanship of Mr. Iosyp VINSKIY, Minister of Transport and Communications, Ukraine. The meeting endorsed a **joint Declaration** on transport cooperation in the BSEC region in which, inter alia, BSEC Transport Ministers, acknowledged the importance of the UNECE activities on developing internationally harmonised transport norms and standards and agreed to intensify joint efforts to ensure of the related UNECE transport conventions. The Joint declaration stressed the necessity to strengthening cooperation with UNECE, EC and other international organizations on the development of the Euro-Asian transport linkages passing through the BSEC region.

27. In the framework of the work undertaken on hinterland connections of seaports, pragmatic cooperation was set up with BSEC with the draft of a questionnaire requiring the assistance of BSEC and their own questionnaire relating to the same topic.

C. Economic Cooperation Organization (ECO)

28. A UNECE team travelled to Tehran on 12-15 December 2008 upon the invitation of the Iran's Customs Agency. The primary purpose of the visit was to provide capacity building training in the area of the International Convention on the Harmonization of Frontier Controls of Goods (HC) on 14-15 December. On 12-13 December, the UNECE team participated in ECO's Railway and Road Committees of Transport Transit Coordination Council (TTCC) meetings. UNECE representatives made a number of presentations promoting the UNECE and its international legal instruments. In addition, the team participated in a UNECE-ECO bilateral meeting to discuss a number of mutually relevant issues.

29. The ECO Railway and Road Committees expressed their appreciations to UNECE representatives for presentations on activities of SC.1, SC.2, WP.1, WP.24, SC.1 and Phase II of the EATL Project while welcoming the invitation to participate in the work of UNECE Working Parties. The Committees also encouraged ECO member states to participate in the EATL Phase II project and asked UNECE to help the ECO secretariat to develop the GIS database of rail and road routes in the sub region. The representative of Pakistan agreed to provide the information necessary to extend the EATL routes to Karachi.

30. Cooperation between the two organizations in developing the Almaty-Tehran-Istanbul rail route is among the future targeted ECO-UNECE cooperation activities, in which ESCAP, UIC, OSJD and OTIF involvement is also expected. The development of this route, which crosses Turkey, Iran and three Central Asian countries, being part of the identified EATL rail routes, may be also regarded as a contribution to the EATL Phase II project development.

31. Moreover, ECO offered to host a future regional capacity workshop under EATL project, in Tehran in the second quarter of 2009 and is planning to follow the EATL Expert group work and attend its next meeting to be held in Shanghai, on June 2009, hosted by the Chinese Government.

32. UNECE secretariat and ECO are considering ways for strengthening cooperation that may lead to a revision of ECE-ECO Memorandum of Understanding, signed in 2003 or even changing it with a new one.

D. Cooperation with Transport Corridor Europe Caucasus Asia (TRACECA)

33. Cooperation with TRACECA is strengthened in the fields of promotion of implementation of UNECE legal instruments, development of transport infrastructure projects and transport facilitation. TRACECA among the organizations that are actively involved with the development of EATL project and attended the EATL Ministerial Conference, in February 2008 as well as the first meeting of the EATL Group of Experts, in Geneva, on September 2008.

34. In December 2008, the UNECE Deputy Executive Secretary visited Baku in Azerbaijan to celebrate the 15th anniversary of TRACECA and the 10th anniversary of the Basic Multilateral Agreement on TRACECA and to further promote the work of the UNECE for the Region, in particular on development of Euro-Asian transport links, TEM & TER projects and statistical work.

35. Upon closure of the Conference a Memorandum of Understanding was signed between PS IGC TRACECA and UNECE to strengthen cooperation between both organisations.

E. Cooperation with United Nations Development Programme (UNDP)

36. The secretariat participated in a seminar organized by UNDP in Sarajevo from 6-10 October in order to provide guidance to an inter-ministerial group of competent authorities in charge of preparing the national law of Bosnia and Herzegovina concerning the carriage of dangerous goods by all modes of transport.

VI. UNDA PROJECTS

37. During 2008 the secretariat focused on promoting the project “Improving Global Road Safety: Setting regional and national road traffic casualty reduction targets”, identifying appropriate contacts in the member countries, gathering information on the status of road safety and accomplishing the procedures for the selection of consultants. At this stage of the project, therefore, the impact is mainly qualitative in terms of awareness raised about the project, motivation and willingness to participate in the project from the countries and from resource organizations/persons. The objective of the project and its expected accomplishments have been presented in:

- Dushanbe (Tajikistan), 23-24 October 2007, at the “Conference on prospects for the development of trans-Asian and Eurasian transit transportation through Central Asia until the year 2015”
- Almaty (Kazakhstan), 12-13 March 2008 at the 13th SPECA WG-TBC

- Sankt Petersburg (Russian Federation), 17 September 2008, at the Second International Congress “Road Safety for the Safety of Life”
- Tehran (Islamic Republic of Iran), 13 December 2008, at the meeting of the Economic Cooperation Organization’s Road Committee of Transport Transit Coordination Council (TTCC)

38. Information about the project can be found at <http://www.unece.org/trans/roadsafe/unda.html>.

39. Ensuring the sustainability of the project is a significant concern for the secretariat mainly because road safety seems to be just another priority (lacking funding) on the political agenda, especially in low- and middle-income countries, which are the most affected and implicitly in need of improvement in their road safety condition. Another reason of concern is that there are still countries where road safety is not conceived like a multidisciplinary problem, which can only be solved through a complex approach; as a consequence, without synergies the solutions are partial and less efficient, especially on medium and long term.

40. The secretariat explored different possibilities of funding additional activities during the project and beyond. The confirmed results are:

- Participation of Global Road Safety Partnership (GRSP) as resource in the project and especially in the seminar to take place in Minsk (Belarus) in the week 11-15 May 2009.
- Global Transport Knowledge Partnership (gTKP) which is an innovative partnership of global organisations, local policy-makers, experts and interested users working to make effective use of international transport knowledge, will finance work on a report which will be in fact a set of guidelines on setting targets, to be used where ever there is a need to build capacity in this area. The report will be presented as a joint work of the five regional commissions.

41. In the framework of the project, the Hellenic Chambers Transport Association proposed to host a UNECE south-eastern European Conference on Road Safety at Halkida, Evoia, Greece, on 25-26 June, 2009. This Conference will provide an opportunity for experts from UNECE member States of south-eastern Europe to discuss measures for improving road safety and sharing best practices. Moreover, through the expected participation of high-level international and Greek experts and representatives of major stakeholders, the Conference will contribute in further raising awareness and the political profile of traffic-related deaths and injuries and contribute in overall efforts in reducing the death penalty in road accidents. Evoia CCI and the Hellenic Association will therefore raise funds in support of the organisation of the Conference and the full coverage of related costs.

42. For the assessment of CO2 emissions, UNECE, in cooperation with the other Regional Commissions, has submitted a funding request to the United Nations Development Account (UNDA) for a technical assistance project. This project aims at developing a standard methodology for evaluating the CO2 footprint of land transport with a view to raising awareness among Governments and other stakeholders and providing a scientific basis for sustainable transport policies. Member states are invited to support the UNECE funding request to UNDA and consider the potential further co-funding of the project.

VII. FUND-RAISING FOR TECHNICAL ASSISTANCE AND OTHER PROJECTS IN TRANSPORT

43. The Government of the Russian Federation has decided to contribute during the period 2008-2010 in voluntary funding in support to UNECE's technical cooperation activities. The major geographical focus of the projects/activities agreed upon to be financed are on the CIS countries with an emphasis on Central Asian countries, and their duration should be 2 to 3 years.

44. There are two projects funded by Russia that are being implemented by the Transport Division. These projects are as follows:

- (a) Development of Europe-Asian transport links (EATL Phase II], where the Russian Federation is contributing on an indicative annual funding of US dollars 60,000, for three years; and
- (b) Feasibility study and Development of a pilot project for electronic pre-arrival notification for TIR transports arriving in the Russian Federation, where the Russian Federation is also contributing on an indicative annual funding of US dollars 60,000, for three years.

45. The Government of Greece and the Greek Chambers of Commerce and Industry provided voluntary funding in support of the organization of the UNECE Conference on Hinterland Connections of Seaports, held in Piraeus, in September 2008 and which was kindly hosted by the Ministry of Mercantile Marine, The Aegean and Island Policy of Greece.

46. The Government of Italy has kindly agreed to support the development of a roadmap about the role of UNECE in support to the use of ITS solutions. The Government of Germany has decided to sponsor the post of Associate Expert in Intelligent Transport Systems.

47. The AETR Trust Fund was created in July 2005 with the aim of supporting the organization of a seminar on the implementation of the digital tachograph in the Russian Federation. As the implementation of the digital tachograph by the non-EU Contracting Parties to the AETR is intensely prepared by all the stakeholders, the secretariat is open and ready to collect and consolidate needs and demands from the non-EU countries concerned and, subsequently, organize a donors' conference aiming to secure resources for the AETR Trust Fund in order to continue financing activities related to the implementation of the digital tachograph by the non-EU Contracting Parties to the AETR. In order to collect such needs of assistance or project proposals, the secretariat has send a letter to the Permanent Missions in Geneva of the non-EU Contracting Parties to the AETR (12 November 2008). As of today, only one country has communicated its estimation of needs in terms of technical Assistance and funding.

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