



## Review of the transport situation and emerging trends in the ECE region



**Seventy-first session  
Inland Transport Committee  
Geneva, 24 February 2009**

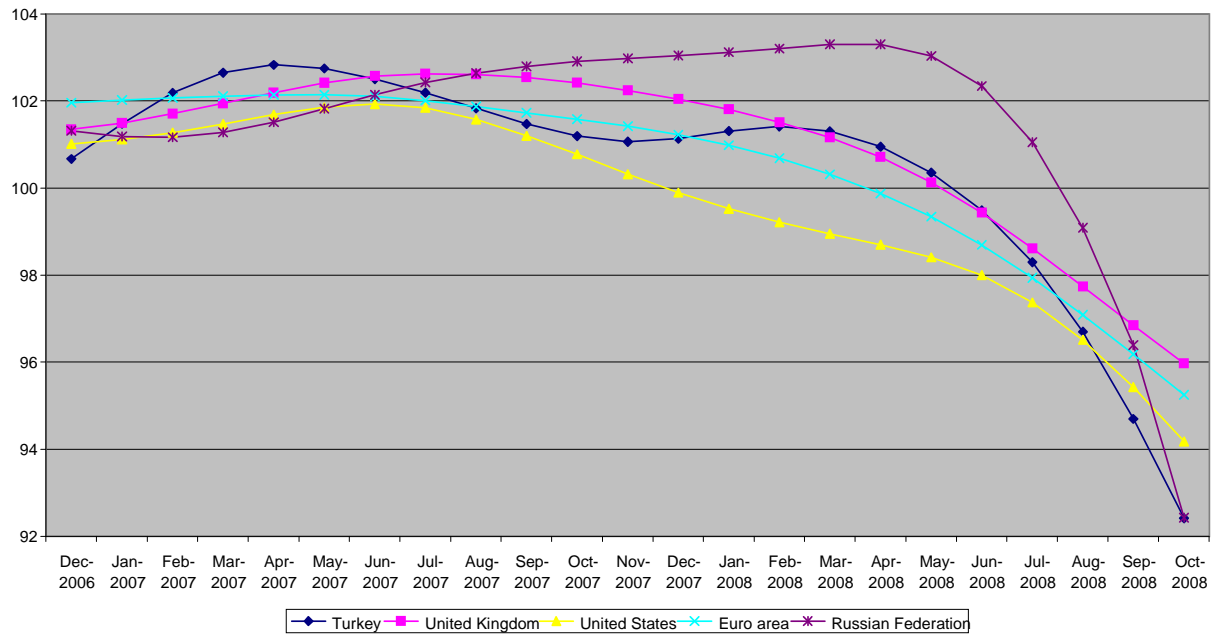
**Presentation by the secretariat  
Transport Division, UNECE**

# The context

- First global financial crisis in almost 80 years
- Credit crunch → recession in all major ECE economies
- Reversal in transport trends in H2/2008
- Collapse in oil prices since July 2008

# Leading indicators

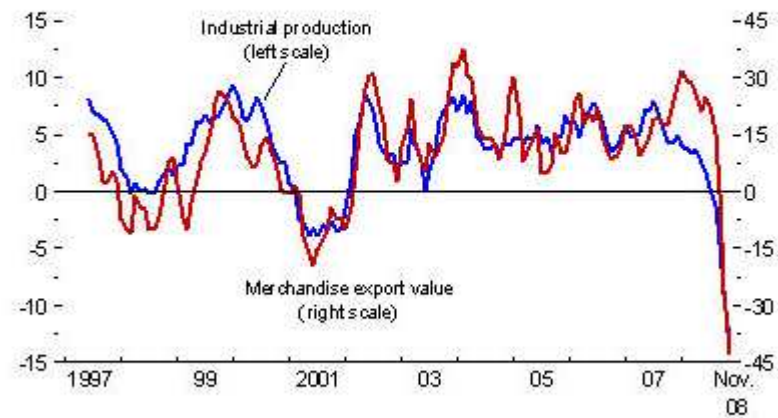
Figure 1. Composite leading indicators  
December 2006 - October 2008



# Industrial production and merchandise trade

**Figure 2. Growth in Global Industrial Production and Merchandise Trade**

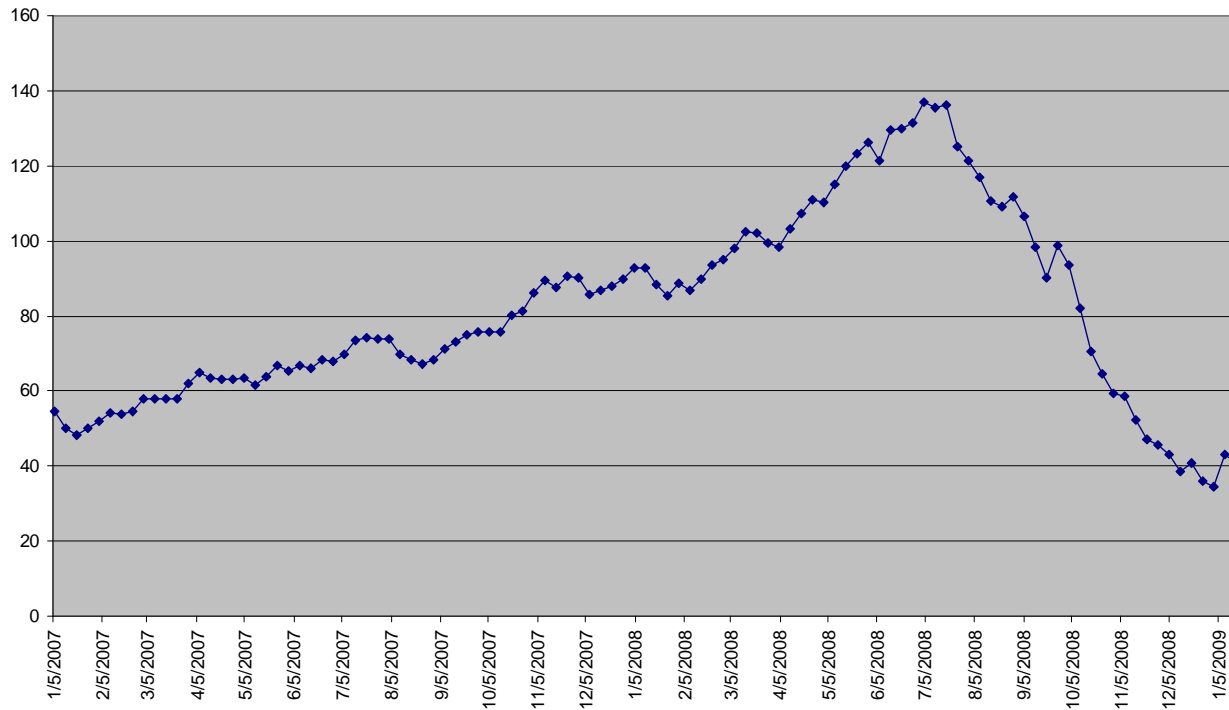
*(Annualized three-month percent change)*



Sources: Haver Analytics; and IMF staff estimates.

# Oil price fluctuations

Figure 3. Imported oil prices  
\$ per barrel



# UNECE questionnaire

- Questionnaire on transport situation in 2008
- Distributed to UNECE governments in October
- Responses from 10 countries (BE, CH, DE, HU, HR, IE, LT, NO, RO, UK) received
- Posted at <http://unece.org/trans/welcome.html>

# National transport trends

- Declining freight & passenger traffic volumes since Q3/2008 or Q4/2008
- All transport modes affected
- Underlying factors: economic slowdown & high fuel prices (H1/2008)
- Bottlenecks on highly frequented rail & road corridors

# Policy responses

- Fiscal stimulus & monetary easing in response to economic downturn in UNECE countries with solid financial positions
- Increased public investment in transport infrastructure projects planned in advanced and resource-rich economies
- Responses to high fuel prices range from no intervention to targeted relief for road operators (with long time lags)
- Road tolls used in some countries to reduce congestion
- Difficult situation in countries with fragile public finances despite increased assistance from IFIs



## Outlook for 2009

- GDP & investment ↓ in all ECE subregions
- Transport activity & vehicle production ↓
- Transport infrastructure investment ↑ in some but not all ECE economies
- Partial globalization reversals possible