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ASSISTANCE TO COUNTRIES WITH ECONOMIES IN TRANSITION

(Annual Report on Operational Activities for the Year 2002)

I. ACTIVITIES IN SPECIFIC COUNTRIES AND/OR GROUPS OF COUNTRIES

(a) The Trans-European North-South Motorway (TEM) and the Trans-European Railway (TER) Projects

Background information

The UNECE TEM and TER Projects are sub-regional cooperation frameworks established in 1977 and 1990 - respectively - by the Governments of the Central, Eastern and South Eastern European Countries under the aegis of UNECE for the development of coherent road, rail and combined transport infrastructure networks in the region and the facilitation of international traffic in Europe. 16 countries are now members of TER ^{1/} and 13 countries are members of TEM ^{2/}.

The Projects are self-sustainable, supported by direct contributions from member countries to a Trust Fund established under UNECE for each Project. The members also contribute in kind by hosting the Project Central Offices ^{3/}, covering costs of the Project personnel, hosting events, offering the services of national experts, etc. They have so far been instrumental in the development and upgrading of international road and rail links in the participating countries. They have also contributed to the interoperability of the European transport systems, elaborated studies, created continuously updated TEM and TER Data Banks, published a large number of technical documents, guidelines, recommendations

^{1/} **TER member countries:** Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Georgia, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russian Federation, Slovakia, Slovenia and Turkey. In addition: Belarus, Latvia, Republic of Moldova, the F.Y.R. of Macedonia, Ukraine and recently the Federal Republic of Yugoslavia, are participating in the activities of the Project as observer countries.

^{2/} **TEM member countries:** Austria, Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Georgia, Hungary, Italy, Lithuania, Poland, Romania, Slovakia and Turkey. Sweden, Ukraine and recently the Federal Republic of Yugoslavia, are observers.

^{3/} TEM Project Central Office (PCO) is in Warsaw at premises offered by the Government of Poland. TER PCO is in Budapest at premises offered by the Government of Hungary.

and are working for the harmonization of management, maintenance and operational procedures of motorways and railways in the region and their integration in the Pan-European context.

The UNECE, as the Executing Agency of the Projects, is offering technical and administrative backstopping to the Projects. The Regional Adviser, as part of his effort, under the overall guidance of the Director of the UNECE Transport Division, provided strategic guidance as well as technical and administrative assistance to the TEM and TER Projects and their member countries through the organization and holding of meetings, preparation of documents, contacts with other Governments and institutions to work with or support the Projects and reported on the Projects' developments to the UNECE bodies.

Activities on strategy issues

The support of the implementation of a new short-term strategy plan aiming at the further integration of the TEM and TER Projects in the new European transport context is among the first priorities of the UNECE Transport Division for the years 2002-2003. The TEM and TER Steering Committees approved this new strategy, initiated by the UNECE Transport Division after a thorough survey and review of the Projects, in close cooperation with the member countries and the Project Central Offices, in the year 2001.

The main directions foreseen in the strategy consist of: (a) review of priority infrastructure needs, elaboration of an updated inventory of these needs and of a realistic plan for implementation; (b) integration of TEM and TER into the Pan-European transport; (c) cooperation of TEM and TER with other fora and related initiatives aiming at the creation of the necessary synergy; and (d) increase TEM and TER Project visibility.

The first actions foreseen in the respective plans have already started. The following paragraphs present the most important part of the work already completed and those activities still under way:

Activities aiming at the review of priority infrastructure needs, elaboration of an updated inventory of these needs and of a realistic plan for implementation (TEM and TER Projects Master Plan)

Based on the priorities set by the new strategy of the Projects and the emerging needs of the TEM and TER region, the Terms of Reference (TOR) for the TEM and TER Master Plan, including estimates on the financial resources needed for its implementation, were prepared and were eventually approved by the Projects Steering Committees. An official request containing the objectives, plan of actions, deliverables and cost involved, was addressed to DG REGIO-ISPA and DG TREN for cooperation and co-finance of the work, together with the TEM and TER projects and their member countries.

At the request of the Steering Committees, pending the reply from EC, alternative solutions for financial support in the implementation of the Master Plan were explored. Discussions started and are ongoing with IRU^{4/}, UIC^{5/}, ASECAP^{6/}, the World Bank and other related organizations and institutions

^{4/} International Road Union

^{5/} International Union of Railways

^{6/} Association Européenne des Concessionnaires d' Autoroutes et d' Ouvrage à Péage

and positive results are expected. The relevant preparation is well advanced and both Projects are ready to start the elaboration of the Master Plan by January 2003.

Activities aiming at the integration of TEM and TER into the Pan-European transport context

The necessity for the TEM and TER Projects' further integration into the new Pan-European context which emerged during the end of the '90s, was one of the main conclusions of the respective Assessment of the Projects and was among the key elements of the action plan suggested in the new strategy.

The existing cooperation between the UNECE Transport Division and EC DG TREN was further strengthened and extended. A dialogue with the EC DG TREN and the DG REGIO-ISPA, that was based in offering the TEM and TER Projects' experience and inter-country set-up for supporting and supplementing the efforts of the EC in the development of the priority transport infrastructure needs in CEE countries, started from the year 2001 and was continued during 2002. A concrete proposal was submitted by UNECE to the EC that was followed by technical discussions between the two sides. This endeavour brought tangible results, i.e. the invitation from EC to UNECE and the TEM and TER Projects to contribute in some aspects of the monitoring of the implementation process of the Pan-European Transport Corridors and Areas (see below activities under Pan-European Transport Corridors).

Activities for strengthening the cooperation of TEM and TER with other fora and related initiatives aiming at the creation of the necessary synergy

Following discussions among the UNECE Transport Division, TER Project and the UIC, which started in the year 2001, a Memorandum of Understanding (MoU) for the cooperation of UNECE and UIC in the framework of the TER Project, was signed on 8 February 2002. This MoU established a formal framework of cooperation between UNECE TER Project and UIC, becoming the starting point for a long and fruitful cooperation between the two organizations for the benefit of the railways, the European transport systems and the countries concerned. Since then, several events have been co-organized and serious discussions for cooperation in the field of Data collection and GIS mapping activities, as well as other fields of mutual interest, have been conducted.

Following a similar path, the cooperation between the TEM and TER Projects with other related organizations - IRU, UIRR^{7/}, ASECAP, Eurochambres^{8/}, Europlatforms^{9/}, etc. - was promoted. A Draft MoU for the cooperation between TEM and IRU is under preparation and will be signed shortly. It is expected that the same process will also be followed in the case of ASECAP. Moreover, Europlatforms, UIRR and the TER Project co-organized an interesting workshop on combined transport and related infrastructure that was held in Munich – Germany in July 2002.

Eurochambres and Europlatforms have already agreed to cooperate with UNECE TEM and TER in the joint implementation of a new project aiming at an integrated promotion of the Freight Villages

^{7/} Union Internationale des sociétés de transport combiné Rail-Route

^{8/} Association of European Chambers of Commerce and Industry

^{9/} European Network of Transport/ Logistic Centres

concept in the CEE. The project proposal and its TOR have already been prepared and are currently being discussed with EC DG TREN and DG REGIO – ISPA.

Activities aiming at increasing the TEM and TER Projects visibility

During the year 2002, the TEM and TER website, hosted under the UNECE Transport Division Website, has been continuously updated and upgraded. New documents, maps, activity reports and European Commission important documents were added on the Websites, thus facilitating the member countries and TEM and TER Websites' visitors to get better information on the Projects activities and important European transport developments.

A list of specialized European transport press and magazines that was elaborated in the year 2001 and used for the transmission of official Press Releases published by the UNECE for the TEM and TER Project's news, was completed.

Receptions for the celebration of the 25th TEM Project's anniversary and the commencement of the assignment of the new TEM Project Manager were organized by the Slovak Missions in Warsaw (11th February 2002) and Geneva (4th June 2002). A new Brochure of the TEM Project is ready to be published in January 2003 and efforts are being made for the preparation of a similar brochure of TER Projects to be published in the year 2003. Several Press Releases on the TEM and TER Projects' activities and news, were published as UNECE Press Releases and others are about to be published shortly.

Activities aiming at the technical and administrative backstopping of the Projects

The Transport Division, during the year 2002, continued to provide technical and administrative assistance to the TEM and TER Projects and their member countries.

In the year 2002, the TEM and TER Projects focused their work on the further development, restructure and modernization of their Databases and Geographical Information System (GIS) mapping activities. The new TEMSTAT GIS map of the TEM Project was published in May 2002 and new TER Network GIS maps are under preparation. The Databases of both Projects are under full development and profound consideration, targeting towards a full implementation of the processing and presentation of the data and maps in the GIS environment.

The TEM Project elaborated the revision of TEM STANDARDS AND RECOMMENDED PRACTICE incorporating up-to-date requirements of motorway users, latest experience, research and development achievements in the field of motorway design, construction and operation, as well as newly required safety measures in motorways tunnels. A full text of the TEM Standards and Recommended Practice, dated February 2002, is included on the TEM website and soon the publication, as well as a relevant Press Release, will be ready for distribution.

Having as a permanent objective the accession of new member countries in the Projects, the Transport Division explored any given opportunity for discussing with other Central Eastern and South Eastern European countries their possible accession into the Projects. Among them, with the Russian

Federation (for TEM); Ukraine (TEM/TER); Greece (for TEM); Slovenia (for TEM); FR Yugoslavia (TEM/TER); FYR of Macedonia (TEM/TER). As a result of this effort, several countries are seriously considering their adherence, whilst FR Yugoslavia, after an official request addressed to the UNECE Executive Secretary, was accepted to the TEM and TER Projects as observer members, in February 2002.

Having realized the need for strengthening the human resources of the TEM and TER Project Central Offices (PCOs) by recruiting experienced Project personnel provided by the countries, the Transport Division proposed and obtained the approval of the Projects' Steering Committees to increase the PCOs' staff as follows: TEM Project: Instead of one person, the Project Manager, plus the auxiliary staff provided by the Polish Government that was the case in the past; since 1 January 2002 one Deputy Project Manager is added to the TEM PCO staff and shortly an additional person is to be recruited as Assistant Project Manager responsible for the Database and the GIS activities; TER Project: From two persons, the Project Manager and an Assistant, plus the auxiliary personnel provided by the Hungarian Government, since 1 January 2002, one Deputy Project Manager is added to the TER PCO and by the end of the year an additional person is to be recruited as second Assistant Project Manager responsible for the TER Master Plan.

TEM/TER related events (meetings, workshops, seminars) organized / scheduled during the year 2002:

- Celebration of the 25th Anniversary of TEM Project, in Warsaw – Poland, 12 February 2002 and Geneva- Switzerland, 4 June 2002;
- Meeting of the group of former TEM Project Managers, Warsaw – Poland, 28 February 2002;
- TER/WORLD BANK Workshop on Railway Reforms in the CEEC, in Helsinki – Finland and Warsaw - Poland, 5-8 March 2002;
- TEMSTAT Data Collection and Mapping Meeting, Budapest – Hungary, 8-9 April 2002.
- 2nd Meeting of TEM and WERD Representatives, Bratislava – Slovakia, 29-30 April 2002;
- TEM/HEEP Area Annual Meeting, Trieste – Italy, 6-8 May 2002;
- TEM Permanent Table on development and Coordination of motorway Construction and operation in the southwestern Region, Trieste – Italy, 9-10 May 2002;
- Session of TER WP1 on infrastructure development and technical operation, Brioni-Croatia, 15-16 May 2002;
- Meeting of Directors responsible for roads in the TEM Member Countries, Geneva -Switzerland, 3-4 June 2002;
- TEM 37th session of the Steering Committee, Geneva – Switzerland, 5-7 June 2002;
- TER 16th session of the Steering Committee and 7th session of TER WP.2 on economic, operational and technical issues, Istanbul - Turkey, 17-21 June 2002;

- TER/UIRR/COMBIVERKEHR Seminar on the promotion of Freight Villages and the Combined transport, Munich – Germany, 17-19 July 2002;
- TER/FIF/UIC Seminar on modern rolling stock and railway equipment, Strasbourg / France, 18-20 September 2002;
- TER Seminar on facilitation of border crossings procedures and measures taken in this respect by the TER countries, Venice – Italy, 14-16 October 2002;
- TEM Seminar on Motorway Stage Construction, Prague – Czech republic, 7-8 November 2002;
- TER / UIC Seminar on EU Transport Towards Pan-European Integration and Implementation of Railway Reform in the EU and CEE Countries, Paris – France, 14-15 November 2002;
- TEM 38th session of the Steering Committee, Warsaw – Poland, 20-22 November 2002;
- TEM Permanent Table on development and Coordination of motorway Construction and operation in the southwestern Region, Trieste – Italy, 2-3 December 2002 (Scheduled);
- TER 17th Steering Committee, Bratislava – Slovakia, 11-13 December 2002 (Scheduled).

(b) Pan-European Transport Corridors and Areas

From early January of the year 2002, the Transport Division conducted systematically all preliminary negotiations and technical discussions with EC DG TREN for the promotion of the cooperation of UNECE and the EC in the framework of the Pan-European Corridors implementation process.

At the invitation of the Director of the EC DG TREN, the Director of Transport Division and the Regional Adviser took part in the 4th Meeting of the Pan-European Transport Corridors and Areas Coordination Group (Brussels, 19 April, 2002).

During the meeting and the preceding discussions between the UNECE and the EC, the perspectives of an improved collaboration between UNECE and the European Commission and of a more active involvement of UNECE in the process of monitoring the development of the Pan-European Transport Corridors were discussed. From the discussions, it became evident that there is a need for the introduction of a rather uniform and standardized system of data collection and presentation on traffic flows, actual situation of the Corridors, new projects planned or implemented, etc.

To this end, it was specifically agreed that UNECE, with the support of the TEM and TER Projects, would provide a draft proposal to create a standardized and uniform system of data collection and presentation for the status of each Corridor. Once the proposal is agreed and finalized, UNECE is expected to undertake, in collaboration with the Commission, the monitoring of the process and to assist some Corridors upon their request. The proposal was prepared by the Transport Division in cooperation with the TEM and TER Projects and was submitted to the EC DG TREN in October 2002.

Furthermore, at the invitation of the Chairpersons of the respective Steering Committees of Corridors X, VII, IV, the Transport Division Regional Advisers or Professional Staff had an active

participation in the Annual sessions of the respective Corridors Steering Committees, in Grevena – Greece, on 24-28 April 2002 for the Corridor X, in Odessa – Ukraine, 14 June 2002 for Corridor VII and in Sofia – Bulgaria, 21-22 May 2002 for Corridor IV. At the invitation of the Ukrainian Transport Minister, the Regional Advisor had an active participation at the Pan-European Corridor V Ministerial Conference, in Kiev - Ukraine, 22-23 October 2002.

At the invitation of the UIC, the Regional Adviser had an active participation at the UIC Seminar of the Pan-European Corridors held in Paris, 13-14 June 2002, where the Moderators of the UIC Railway Working Groups on Pan-European Corridors presented their work and discussed existing problems and perspectives in the implementation process.

Following the active involvement and useful contribution in the implementation of the work programme of the Black Sea Pan-European Transport Area (BS-PETrA) in the previous years, UNECE Transport Division continued supporting this activity. At the request of the BS-PETrA Steering Committee (Bucharest, 2-3 April 2001), it has drafted and submitted a report *Comparative analysis of the Action Plans/Programmes of the Black Sea PETrA and BSEC* (15 May 2001). The report was tabled and adopted at the subsequent BS-PETrA Steering Committee (Bucharest, 27 February 2002).

(c) Euro-Asian Transport links

The Transport Division, at the request of the Transport Ministry of the Russian Federation, established a direct contact and cooperation with the responsible persons from the Russian side for the preparation of the 3rd Euro-Asian Transport Conference to be held in St. Petersburg, in September 2003.

Following the approval by the UNECE ITC of the joint ECE/ESCAP Strategic Vision on the Development of Euro-Asian Transport Links, the UNECE Transport Division promotes in cooperation with ESCAP all preparatory actions for the implementation of this plan.

(d) Blue Corridor Project

At its sixty-fourth session in February 2002, the ITC noted that the Working Party on Gas had agreed to set up a Task Force to consider the feasibility of the project and agreed that a specialist from the transport area should also be involved in this activity. The Transport Division made all necessary arrangements that the representatives of the transport sector be involved in the preparatory work of this project and had an active participation in the work of the first Meeting of the Task Force on the Blue Corridor Project held in Warsaw – Poland, 27-28 June 2002, in which 25 participants from 15 countries^{10/} together with several related non-governmental organizations^{11/}, attended.

As a result of this first meeting, two pilot Corridors were selected for consideration, that of Moscow – Berlin and Berlin – Rome and the following important steps were suggested for the assessment of the feasibility of the project: Identification of the vehicle population, identification of potential NGVs, identification of travel patterns of vehicles, evaluation of fuelling requirements, fuel

^{10/} Belarus, Bulgaria, Czech Republic, Finland, Hungary, Italy, Norway, Poland, Republic of Moldova, Romania, Russian Federation, Turkey and United Kingdom

^{11/} Clean Air Foundation, European Natural Gas Vehicle Association, Vernasky Ecological Foundation

quantities, times of day of refuelling, potential growth patterns. The second meeting of the Task Force is scheduled for the end of the year 2002 in Amsterdam – Netherlands.

(e) **Workshop on Practical Application of the Chart Display and Information System for Inland Navigation (Inland ECDIS)**

The Committee may wish to note that a Workshop on Practical Application of the Chart Display and Information System for Inland Navigation (Inland ECDIS) was organized by the Ministry of Transport of the Russian Federation in collaboration with the secretariat of UNECE on board a passenger vessel travelling from St. Petersburg to Moscow, from 7 to 13 September 2002. The Workshop served to promote the use by all UNECE member countries concerned of one and the same standard for electronic chart display and information systems throughout the E waterway network, and the findings, as set out in the Minutes of the Workshop (TRANS/SC.3/2003/1), have been fully endorsed by the Working Party SC.3 (TRANS/SC.3/158).

II. COOPERATION WITH SUB-REGIONAL ORGANIZATIONS

Black Sea Economic Cooperation Organization (BSEC)

BSEC was established in 1992 by 12 countries ^{12/} with the aim of developing the Black Sea region into a zone of peace, stability and prosperity. Economic cooperation is adopted as the main route to it.

A UNECE Regional Adviser on Transport, as the UNECE focal point on BSEC, has promoted the accession to UNECE legal instruments by BSEC member states on a number of occasions. He has held a number of meetings with the Management of BSEC on ECE/BSEC cooperation, and co-chaired Meetings and assisted in drafting documents including the *ECE-BSEC Cooperation Agreement*, that was approved by the BSEC Council of Ministers (Moscow, May 2001) and was subsequently signed by the UNECE Executive Secretary and the BSEC General Secretary in Istanbul (July 2001).

At the Second International Black Sea Transport Conference (Kyiv, Ukraine, 5-6 March 2002), the Regional Adviser contributed to the finalization of the *Ministerial MoU on the Facilitation of Road Transport of Goods in the BSEC Region* as well as the formulation of the *Conference Declaration* and advised on the coordination of transport activities in the Black Sea region among various organizations and initiatives (BSEC, EC - Traceca, PETrAs and PETrCs -UNECE and SECI).

III. ACTIVITIES UNDER REGIONAL AND SUB REGIONAL PROGRAMMES

(a) **Interregional cooperation**

In pursuance of a decision taken at the Meeting of the Executive Secretaries of the five Regional Commissions in September 1999, for the submission of a joint proposal on **Capacity Building in Developing Interregional Land and Land-cum-Sea Transport Linkages** followed by the Meetings of the Directors responsible for Transport of the five Regional Commissions in Cairo in 1999 and Beirut in

2001, the Director of UNECE Transport Division and the Regional Adviser participated in the 3rd such Meeting held in Bangkok, Thailand, on 13-15 March 2002.

During this meeting, the Directors of the five UN Regional Commissions reviewed the project elements in order to better address the development needs of Euro-Asian transport linkages and agreed upon the final action plans and revised budget for the implementation of the project. The Regional Adviser thereafter prepared all official documents and analytical budget of UNECE activities in close cooperation with the other regional Commissions (ESCAP, ESCWA and ECA) in order to enable ESCWA, which was designated as the coordinator of the Project, to prepare the necessary documentation for final approval by the UN Headquarters in New York.

The objective of the project is to assist Member States of the five UN Regional Commissions in strengthening their national capacities for developing land and land-cum-sea transport linkages and to promote interregional cooperation to facilitate interregional trade and tourism. The project was approved by the General Assembly in December 2001. Among the project activities are envisaged: Elaboration of studies; preparation of country reports; organization of workshops; provision of advisory services; establishment of a website. The project will be implemented in a period of five years, starting from September 2002. The beneficiary countries of the ECE/ESCAP joint project are: Armenia, Azerbaijan, Belarus, Bulgaria, Georgia, Iran, Kazakhstan, Kyrgyzstan, Republic of Moldova, Romania, Russian Federation, Tajikistan, Turkmenistan, Turkey, Ukraine, Uzbekistan.

(b) Southeast European Cooperative Initiative (SECI) and other initiatives in Southeast Europe

SECI is an initiative to encourage cooperation among its member States ^{12/} and to facilitate their integration into European structures. The UNECE Transport Division staff have assumed a principal role in a number of SECI initiatives including the following:

(i) SECI Project Group on Border Crossing Facilitation

The work of this Group resulted in a *Memorandum of Understanding*, which was signed by the Ministers of Transport of the SECI participating States in Athens on 28 April 1999 and which had been drafted initially by the UNECE secretariat. The MoU establishes specific and concrete measures to be implemented by the end of the year 2002 with a view to facilitating international road transport of goods in the region. It foresees, in particular, progressive liberalization and sustainability of international road transport and, as a short-term measure, the establishment of a quota-free regime for "green" and "greener and safer" lorries. It also provides, *inter alia*, for the application of an international vehicle weight certificate which will do away with repetitive weighing procedures at the borders.

In accordance with the provisions of the MoU, a Regional Road Transport Committee (RRTC) has been established to ensure adequate coordination and monitoring of the implementation and prepare

^{12/} Albania, Armenia, Azerbaijan, Bulgaria, Georgia, Greece, Republic of Moldova, Romania, Russian Federation, Turkey and Ukraine

^{13/} Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Greece, Hungary, Republic of Moldova, Romania, Slovenia, The former Yugoslav Republic of Macedonia and Turkey

eventually the elaboration of a multilateral framework agreement on road transport. The UNECE Transport Division provides all relevant secretariat services for the Committee, including preparation of agendas, reports and most documentation and administers, using the UNECE server, the mandated Regional Road Transport Information system for the participating countries.

Progress highlights include: *E-Road sections* in the SECI region have been identified on which lorries in international transport are allowed *without requiring payment of charges for excess weight and dimensions*; an *international vehicle weight certificate (IVWC)* has been finalized; a *Joint Statement* on the implementation of a quota-free regime for “green” and “greener and safe” lorries has been adopted and is being implemented; and work is focusing on quick and unbureaucratic delivery of the *visa for professional drivers*.

As of 18 September 2001, all SECI participating States, including Yugoslavia, are members of the Committee as they have signed the MoU. RRTC representatives reviewed progress made in the implementation of the provisions of the MoU. The Committee noted that the International Goods Road Vehicle Weight Certificate is expected to be formally adopted in May 2002 and to enter into force in the second half of 2002. Based on a document prepared by the UNECE secretariat in cooperation with the Ministry of Transport of Turkey, the Committee initiated work with regard to the preparation of a draft Multilateral Framework Agreement on road transport (including transport of passengers) as provided for in the MoU. The Group of Experts on Charging Policies examined issues of harmonization of road transport charging policies in the light of the provisions of the MoU and the respective Joint Statement, and in accordance with the “*acquis communautaire*” and ECMT recommendations. The Group developed a matrix table to be filled in by the participating experts following the session in order to obtain a complete picture on the compatibility of the existing road transport charges with the requirements of the MoU and the “*acquis communautaire*”.

(ii) SECI Project Group IV on Transport Infrastructure Development along Main International Routes, chaired by Bulgaria

The UNECE Transport Division provides secretariat services for this Group, which is hosted by Bulgaria, and it has been instrumental in the development of this initiative. During the period 1999-2000 the Group has formulated lists of investment projects (*Lists "A" and "B" of Priority Transport Projects*) and submitted them to the Stability Pact for its follow-up. The Group has also offered to cooperate with the Stability Pact in its implementation of the transport projects. Presently, the Group is addressing the reduction of border stopping time of shuttle trains as follows “Ad hoc Working Group on the reduction of border stopping time of shuttle trains”.

The ad hoc Working Group developed a list of proposals with a view to improving the organization of shuttle train movements and to increasing the volume of passengers and goods transported in international rail traffic. It has focused, *inter alia*, on (i) data to be transmitted in advance of the train arrivals at the border stations, (ii) the technical equipment to be used for the transmission of data between border stations of neighbouring countries (iii) the establishment of three bilateral committees of Police, Customs and Railways on each of the border stations for addressing and resolving border issues, (iv) joint controls of veterinary and phyto-sanitary authorities, (v) establishment of a web

site to provide forwarders with information on required documents, (vi) the development of new bilateral border crossing agreements, (vii) the streamlining of border crossing procedures, (viii) the reduction of documentation, (ix) the quality check of wagons, (x) the improvement of timetables, (xi) the optimization of locomotive depot reserves, (xii) the establishment of performance indicators for assessing border procedures.

The Working Group reviewed numerous border procedures related to several transport axis. At its 10th meeting (2-4 July 2002), the Working Group held a hearing of forwarding companies which are involved in international rail transport and (i) outlined in this connection the difficulties forwarders are facing, (ii) identified the responsibilities of the customers, the railways and the forwarding companies, and (iii) agreed on a list of recommendations addressed to Ministries of Transport and railways of SECI countries to enhance the quality of international rail transport. In addition, the Group examined a number of items concerning the organization of a demonstration run of a block train on the itinerary Sopron-Bucharest-Sofia-Thessaloniki/Istanbul.

The UNECE secretariat provides the necessary secretariat services and has assisted the *ad hoc* Group in the formulation and implementation of its initiatives.

A new *Project Working Group on Transport on the Danube* was established during the meeting with Yugoslavia being the host country. The UNECE secretariat contributed to all meetings of the Group (Belgrade; July and November 2001 and April 2002) as well as to the *SECI Agenda Committee* which briefed its members on the SECI transport activities and commented on future actions and strategies. (Sarajevo, 25 May 2001; Geneva, 10 December 2001).

(c) Special Programme For The Economies Of Central Asia (SPECA)

Kazakhstan is the lead State for the *SPECA Project Working Group on the Development of Transport Infrastructure and Border Crossing Facilitation Project*. The sixth meeting of the Group was held in Almaty, Kazakhstan (April 2001). The meetings included representatives of Kazakhstan, Kyrgyzstan, Tajikistan, UNECE, ESCAP, the office of the UN resident representative, and a number of IFIs and international organizations. Uzbekistan and Turkmenistan have not as yet participated in any of the SPECA Transport meetings.

The meetings with the assistance of the UNECE and ESCAP secretariats decided, *inter alia*, (i) to complete the list of priority investment projects for the region and (ii) to agree on the draft document *SPECA MoU on the facilitation of international road transport in the region*. An informal paper of the latter MoU, drafted by the UNECE secretariat, was submitted to the Group and discussed at its sixth meeting. Due to the critical developments in the region connected with the war in Afghanistan, the 7th meeting of the Group, originally scheduled to be held in October 2001, has been postponed. The new date for the meeting is fixed for 25-27 November 2002.

(d) Other

The UNECE secretariat contributed, *inter alia*, through seminars and submission of papers to a number of international activities and fora, towards the development of Euro-Asian Transport Links and

the accession and implementation of UN transport legal instruments in transport, including the following: *ECMT World Bank Seminar on Transport Policies in the Three South-Caucasus States*, (Tbilisi - Georgia, 18-19 April 2002); *International Conference on Eurasian Transit - Perspectives of the III Millennium* (Astana - Kazakhstan; 6-7 June 2002); *International Conference on The Black Sea Area Transport Network Formation* (Odessa - Ukraine; 13-15 June 2002); *UNDP/ESCAP Workshop On Transport And Transit "Silk Road A Way For Integration"* (Astana - Kazakhstan; 6-7 June 2002).

IV. FUND RAISING RELATING TO OPERATIONAL ACTIVITIES FOR TRANSPORT

The Trust Fund for Assistance to Countries in Transition (TFACT) has failed to raise funds for operational activities since its budget was depleted in 1996. The UNECE secretariat, considering the importance of the task and the particular need for extra budgetary support to such activities, as well as the existing experience within the UN, suggests that in the future a new approach based on specific projects be applied for the TFACT.

Subject to the approval of the ITC, the UNECE secretariat intends to work out and present a specific process and format to be followed in future for fund raising relating to operational activities, with which the UNECE member countries and in particular those with economies in transition, will be requested to make specific proposals on events (organization of work shops, seminars, training courses etc.) as well as on projects, they are seeking to launch in their countries or their sub-region, and for which they need financial support.

Upon first screening of the proposed projects and in close cooperation with the countries concerned, the UNECE secretariat will coordinate the efforts to explore co-funding possibilities, by circulating relevant information to possible donor countries, the IFIs and other International or European organizations/bodies and by organizing special Meeting(s) for their presentation, in which both potential donors and the countries concerned, will be invited to attend.

V. PROBLEM AREAS

(a) TEM and TER Projects' problems

The attainment of TEM and TER Projects' objectives is challenged basically due to the weak financial position of most TEM and TER member countries who, by a great majority, are countries with economies in transition. Therefore, most of them cannot proceed with the necessary transport infrastructure investments that would accelerate the attainment of the projects' objectives and would eliminate the existing transport infrastructure gaps.

Furthermore, since UNECE is not in a position to co-fund the projects' monitoring system for the elaboration of necessary feasibility studies, technical and economic research and pilot project implementations, thus leaving the Project Central Offices with limited financial resources coming only from the fixed annual contributions of their members to the Trust Funds, the projects are facing great difficulties in offering their members the further technical assistance they need.

In addition, non-membership of the TEM and TER Projects in some countries creates difficulties in the assurance of the TEM and TER Networks' continuity and concerted regional transport action planning.

The possibility of connecting the projects' plans with EU programmes that may finance activities of common interest, was successfully used in the past and is currently being further promoted by the UNECE Transport Division in cooperation with EC DG TREN and DG REGIO-ISPA. Furthermore, the expected accession to the EU of several TEM and TER member countries will result in a progressive release of EU Cohesion and Structural Funds of significant importance to these countries, assisting them to accelerate the implementation of their priority transport infrastructure plans foreseen by the TEM and TER Projects.

(b) Inadequate Funding

Accession and implementation of UNECE legal instruments in transport by countries with economies in transition is a major function of the work of the Regional Advisers on Transport. Accession to legal instruments requires direct and frequent contacts with countries in transition in order to advise the countries concerned on priority instruments. Such contacts require financing for missions to countries in transition. Lack of funding can result in reduced missions/activities with detrimental effects for accession to legal instruments. The UNECE should ensure that such funding continues to be adequate.

Implementation of legal instruments requires focused attention on institutional capacity building (training through workshops and seminars) in the countries concerned. In the past, funding for such activities was made available through TFACT. However, TFACT at present is depleted of funds, thus compromising the capacity of UNECE to offer such services. The joint project on Capacity Building in Developing Interregional Land and Land-cum-Sea Transport Linkages that is to be implemented in the period 2003 – 2006 and its major component, the ECE/ESCAP joint Euro/Asian Transport Linkages plan, may give some solutions in the field of assisting in capacity building, by workshops' organization and provision of advisory services; preparation of country reports, at least for the project beneficiary countries: Armenia, Azerbaijan, Belarus, Bulgaria, Georgia, Iran, Kazakhstan, Kyrgyzstan, Republic of Moldova, Romania, Russian Federation, Tajikistan, Turkmenistan, Turkey, Ukraine, Uzbekistan.

In addition, the new approach for the TFACT proposed by the UNECE secretariat based on specific projects, may assist in finding the necessary financial support for co-funding specific events and projects, proposed for implementation in the UNECE member countries with economies in transition.

(c) Deficiencies in human resources in Government institutions

An essential ingredient to effective policy development, implementation and delivery of Government policies is the presence of well-trained and motivated staff. However, there are indications that a number of Governments of countries with economies in transition do not adequately promote the *sustainability of human resources* in their respective institutions, thus compromising their effectiveness.

In a number of countries *high staff turnover* in Government institutions results in lack of continuity and is counterproductive to capacity building efforts. This may seriously compromise the

ability of Governments to effectively implement policies and may result in adverse effects for economic development, international trade and integration into the world economies and markets.

Further, effective development and delivery of Government policies and services require well-motivated and dedicated staff. However, lack of *job stability and security*, as well as lack of adequate remuneration, may often lead to job dissatisfaction, inattention and disinterest on the part of staff in serving effectively their respective institutions and their peoples.

Another problem can be a situation whereby Government staff, having received training or participated in Conferences and meetings, fail to transfer the information, knowledge and expertise gained to other officials with functions in the areas concerned. *Lack of adequate transfer of knowledge and follow-up* can be detrimental to the effective implementation of national objectives and policies.

Concerted efforts are required by Governments to address the effective implementation of human resource policies by their respective institutions in order to ensure sustainable economic development.
