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INLAND TRANSPORT COMMITTEE

Working Party on Transport Trends and Economics

**REPORT OF THE WORKING PARTY ON TRANSPORT TRENDS
AND ECONOMICS ON ITS TWENTY-FIRST SESSION
Geneva, 9-10 September 2008**

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I. ATTENDANCE

1. The Working Party on Transport Trends and Economics held its twenty-first session from 9 to 10 September 2008. The session was held under the chairmanship of Mr. R. Kellermann (Germany) and Mr. V. Arsenov (Russian Federation) as vice-chairman. Representatives of the following UNECE member States participated: Armenia, Belarus, Belgium, Finland, Germany, Greece, Lithuania, Poland, Portugal, Republic of Moldova, Romania, Russian Federation, Spain, Switzerland, the former Yugoslav Republic of Macedonia, Turkey, Uzbekistan and United Kingdom. The representative of China also attended under Article 11 of the Terms of Reference of the United Nations Economic Commission for Europe. The European Commission (EC) was present. Representatives of the following intergovernmental organizations also took part in the session: Organization for Cooperation of Railways (OSJD), Community of European Railways (CER), Transport Corridor Europe Caucasus Asia (TRACECA). The following non-governmental organizations were represented: International Road Federation (IRF), International Road Transport Union (IRU) and Black and Azov Seas Ports Association (BASPA) as well as representatives of United Nations Economic Commission for Europe (UNECE) Trans-European North-South Motorway (TEM) and Trans-European Railway (TER) Projects.

II. ADOPTION OF THE AGENDA (Agenda item 1)

2. The provisional agenda (ECE/TRANS/WP.5/43) was adopted.

III. MONITORING OF DEVELOPMENTS RELEVANT FOR THE PAN-EUROPEAN TRANSPORT CORRIDORS AND AREAS (Agenda item 2)

A. The European Commission briefing on the progress made in the implementation of Pan-European Transport Corridors

Documentation: ECE/TRANS/WP.5/2008/1 – Communication from the European Commission concerning the progress of exploratory talks regarding cooperation in the field of transport with neighbouring countries

3. A representative of the European Commission (EC) reported on recent developments pertaining to Pan-European Transport Corridors and responded to a number of questions. The Working Party expressed its appreciation for the report and decided to invite the EC to provide an update on its activities related to Pan-European Corridors at its twenty-second session in 2009.

- B. Relationship between UNECE infrastructural Agreements (AGR, AGC, AGTC, AGN) and the UNECE Projects (TEM and TER), with Pan-European transport infrastructure network planning procedures

Documentation: ECE/TRANS/WP.5/2008/2 - Biennial report on a coherent European system of international transport infrastructure; Informal documents Nos.1-3 - Developments in selected Pan-European Transport Corridors, TEM and TER projects

4. The Working Party appreciated the information provided by secretariats of Pan-European Transport Corridors IV, VI and X, and reiterated its invitation to chairpersons of all Corridors to provide an update on developments along Pan-European Transport Corridors at its twenty-second session in 2009.

5. The Working Party appreciated the update on the implementation and ongoing revision of the TEM and TER Projects' Master Plan in 2008 and invited TEM and TER Projects to continue their work on further implementation as well as to provide an update on the relevant developments at its twenty-second session in 2009.

6. The Working Party took note of the biennial report on a coherent European system of international infrastructure and invited the secretariat to submit the next biennial report at its twenty-third session in 2010.

7. The Working Party was informed about statistical activities of the UNECE Transport Division, including the 2005 E-road and E-rail traffic censuses and preparatory work for the 2010 censuses. The Working Party urged those countries that have not yet submitted coordinates of their national focal points for transport statistics to the secretariat to do so without delay.

- C. Infrastructure bottlenecks and missing links

Documentation: Informal document No. 5 - Infrastructure bottlenecks and missing links

8. The Working Party endorsed the report presented by Professor Alan Pearman as a successful update and review of document TRANS/WP.5/R.60 and asked the secretariat to ensure its publication. It also appreciated the initiative of the informal group on infrastructure bottlenecks and missing links to explore the possibility of applying the methodology elaborated in the report to the data provided on a voluntary basis by a few UNECE countries while considering inter alia new developments and issues such as global warming. The Working Party welcomed a meeting of the informal group with the European Commission planned to take place in the final quarter of 2008 during which an exchange of information and ideas related to ongoing projects and horizontal measures would take place.

IV. DEVELOPMENT OF EURO-ASIAN TRANSPORT LINKS (Agenda item 3)

- A. Results of the Ministerial Meeting on Euro-Asian transport links

9. The Working Party was informed about results of the Ministerial Meeting on Euro-Asian transport that took place in Geneva on 19 February 2008. The Working Party emphasized its

support for the Joint Statement on Future Development of Euro-Asian Transport Links adopted at the Ministerial Meeting and signed by 18 countries from the UNECE and UNESCAP regions.

B. Group of Experts on Euro-Asian transport links

Documentation: ECE/TRANS/WP.5/GE.2/1 – Annotated provisional agenda for the first session

10. During the first session of the Group of Experts on Euro-Asian Transport Links (EATL GE), several international organizations including the International Union of Railways (UIC), TRACECA, Organization of the Black Sea Economic Cooperation (BSEC), OSJD, IRU, Organization for Security and Cooperation in Europe (OSCE) and TEM/TER secretariats provided information concerning their own transport-related activities in the Euro-Asian region. Given clear synergies (and in order to avoid duplication) between the existing international initiatives and the work of the EATL EG, the importance of cooperation and coordination of all interested stakeholders was stressed. The Expert Group was informed about and invited to a planned Euro-Asian Transport Links meeting in Shanghai, China in early 2009. The meeting will be hosted by the Government of China and coorganized with the UNECE Transport Division.

11. At its first session, on 8 September 2008, the Expert Group discussed its programme of work, objectives, tasks and deliverables. While the main objectives and orientation of the programme were found to be satisfactory, the participants believed that the programme needed to be more detailed. Members of the Expert Group have been requested to send written comments to the UNECE secretariat. The work plan will be revised to take into account expert comments and subsequently submitted for further consideration at the next meeting of the Expert Group. The Working Party took note of the report presented by the Chair of the Group of Experts on Euro-Asian transport links and asked to be informed about the progress in the work of the Group at the next WP.5 session in September 2009.

C. Organization of demonstration trains

Documentation: Informal document No. 12 – Development of container transport by rail

12. The Working Party took note of the recommendations on the organization of demonstration trains on Euro-Asian transport links that have been published in electronic form by the Working Party on Rail Transport. The Working Party appreciated the information provided by Russian Railways (RZD) about the national rail transport programme and the development of container traffic and asked the secretariat to arrange for the translation of two background documents submitted by RZD.

V. TRANSPORT IN THE MEDITERRANEAN REGION (Agenda item 4)

A. Mediterranean Transport Study Centres and Transport Training Centre

Documentation: ECE/TRANS/WP.5/2008/3 – Transport in the Mediterranean region; Informal document No. 6 - Mediterranean Transport

13. The Working Party was informed by Mr. Saki Aciman, Director General of the Centre for Transportation Studies for the Western Mediterranean (CETMO), about transport trends and challenges in the Mediterranean region and related CETMO activities. The Working Party expressed its appreciation to the CETMO secretariat for its comprehensive report and requested an update on CETMO activities for its next session in 2009.

B. Transport developments in the Mediterranean Region

14. The Working Party appreciated the presentation by the European Commission on its activities pertaining to the development of the Euro-Mediterranean transport network and asked to be briefed about further developments at its next session in 2009.

VI. ACTIVITIES RELATED TO SEAPORTS (Agenda item 5)

A. Report on the progress of the Expert Group on Hinterland Connections of Seaports

Documentation: ECE/EX/2008/L.5, ECE/TRANS/WP.5/GE.1/3 – Report of the Group of Experts on Hinterland Connections of Seaports on its first session; Informal document No. 4 – Progress report of the Expert Group

15. The Chair of the Expert Group presented the report on its activities, including the development and distribution of a questionnaire aiming to identify problematic areas in the connectivity of seaports with inland transport modes. The Working Party appreciated the progress report provided and appealed to competent authorities to respond to the questionnaire. It decided to recommend to the Inland Transport Committee to extend, at its seventy-first session in February 2009, the mandate of the Group by one year in order to enable it to develop its final report and requested its presentation for the consideration of the Working Party at its twenty-second session in 2009.

B. The UNECE Conference in Piraeus on the Role of Seaports

16. The Working Party expressed its appreciation to the Group of Experts on Hinterland Connections of Seaports for organizing the UNECE Conference in Piraeus and to the Greek Government for hosting it.

VII. EMERGING TRANSPORT TRENDS IN THE ECE REGION (Agenda item 6)

A. Review of the transport situation in the ECE region

Documentation: ECE/TRANS/WP.5/2008/4 - Review of the transport situation in the ECE region

17. The Working Party took note of the annual review of the transport situation in the ECE region prepared by the secretariat in collaboration with member countries.

B. The Belgian experience

Documentation: Informal document No. 7 – Transport situation in Belgium, 2007

18. Mrs. Godelieve Vermoere, Expert on Transport Mobility at the Belgian Federal Ministry of Transport and Mobility, made a presentation entitled “Transport Trends in Europe: The Experience of Belgium”. The Working Party expressed its appreciation to the Belgian authorities for an excellent presentation on the country’s adjustment to structural change in transport & logistics and encouraged member States to consider preparing similar presentations once a year on a rotating basis.

C. Internalization of external costs of transport

Documentation: Informal documents Nos. 8 and 9 – Internalization of external costs; A modern economic approach to internalize external costs

19. The Working Party expressed its appreciation to the IRU and Prof. Dieter Schmidtchen for two interesting presentations on the socially optimal internalization of externalities and asked the secretariat to arrange for other presentations on this topic at its next session in 2009.

D. Supply chain challenges for transport

Documentation: Informal documents Nos. 10 and 11 – Activities on fuel efficiency and the UNECE project on global warming and transport; Supply chain challenges for transport

20. The Working Party took note of presentations of the secretariat on fuel efficiency and global warming and supply chain challenges for transport. The Working Party noted the increasingly important link between the economic globalization and swift changes and developments in transport logistics and supply chain management. This relationship has an increasing impact on overall competitiveness of countries. Noting that commonly accepted methodology is currently unavailable, the Working Party endorsed the proposal of the secretariat to launch an externally-financed project aiming to develop such methodology that would provide an evaluation tool for the assessment of supply chain challenges in the transport sector. It further recommended to the Inland Transport Committee to adopt this proposal at its seventy-first session in February 2009. Following a discussion of various options to assess the impact of high

fuel prices on transport, the Working Party asked the secretariat to contact delegates with a request to nominate members of a small informal group that would address this issue.

VIII. ACTIVITIES OF UNECE BODIES OF INTEREST TO THE WORKING PARTY (Agenda item 7)

A. Inland Transport Committee and its subsidiary bodies

Documentation: ECE/TRANS/200 – Report of the seventieth session

21. The Working Party took note of the Committee's decisions related to its work areas and asked the secretariat to be informed about such decisions at its twenty-second session in 2009.

B. The Pan-European Programme on Transport, Health and Environment

22. The Working Party expressed its full support for the Programme's activities aiming to improve sustainability of transport and the Third High Level Meeting on Transport, Environment and Health.

IX. ASSISTANCE REGARDING INSTITUTIONAL ADAPTATION OF GOVERNMENT ADMINISTRATION AND OF TRANSPORT ENTERPRISES TO MARKET ECONOMY (Agenda item 8)

Documentation: ECE/TRANS/WP.5/2008/5 – Technical assistance activities

23. The Working Party reiterated its support for technical assistance activities of the secretariat and invited Governments, relevant international organizations and potential donors to consider funding the implementation of such activities of the secretariat, including through voluntary contributions to the UNECE Trust Fund for Assistance to Countries in Transition (TFACT).

X. ELECTION OF OFFICERS FOR THE SESSIONS OF THE WORKING PARTY IN 2009 AND 2010 (Agenda item 9)

24. The Working Party elected Mr. Erdem Direkler as its Chairman and Mr. Dimitrios Tsamboulas as its Vice-Chairman for its sessions in 2009 and 2010.

XI. BIENNIAL EVALUATION 2008-2009 (Agenda item 10)

Documentation: ECE/TRANS/WP.5/2008/6 – Biennial evaluation 2008-2009

25. The Working Party took note of the secretariat's evaluation questionnaire and requested that a similar questionnaire be prepared for the delegates participating in its twenty-second session in 2009.

26. All respondents to the questionnaire agreed that the twenty-first session was well organized while 80% of respondents indicated that the session met their expectations. Although 80% of respondents indicated that there was enough time for presentations during the session,

only 56% felt that there was enough time for discussions. While all respondents considered session documents to be relevant, 30% felt that they were too general while 10% indicated that they were too technical. The duration of the session should be kept as is according to 70% of respondents while 20% indicated their preference for a longer session and 10% for a shorter one. According to 50% of respondents, the agenda of the session should be reduced to fewer items; however, 30% of respondents indicated that the agenda should include more items while 20% would prefer to leave it unchanged.

XII. OTHER BUSINESS (Agenda item 11)

27. The Working Party expressed its appreciation to Mr. Ralph Kellermann for his chairmanship and Mr. Viacheslav Arsenov for his vice-chairmanship over the period 2007-2008. The Working Party also expressed its appreciation to Mrs. Bernadette Healy for providing it with secretarial support services over a number of years. It also thanked the secretariat for a good organization of the twenty-first session. The Working Party also encouraged the delegates and secretariat to use modern techniques of presentation at subsequent sessions. The Working Party's twenty-second session is tentatively scheduled for 8-9 September 2008.

XIII. ADOPTION OF THE REPORT (Agenda item 12)

28. The report of the twenty-first session, including the decisions, was established by the Chairman and the Vice-Chairman with the assistance of the secretariat, for submission to the Inland Transport Committee.
