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Item 4 of the provisional agenda

Trans-European Railway (TER) Project**TER Project: Report of activities implemented in 2009-2010**

Transmitted by the United Nations Trans-European Railway Project Central Office (PCO)*

I. Objectives of the TER Project

1. The Trans-European Railway (TER) Project is a specific platform for cooperation of participating countries in the field of railway transport. The Project supports and enhances the introduction of new methodologies increase the efficiency of international railway and combined transport and strengthen synergies with the Pan-European agreements on railway infrastructure. At the intergovernmental level, the TER Project constitutes the only regional platform at the international level, dealing with the topics of common interest for railway transport and assists in achieving higher standards of railway networks in the participating countries.

2. Seventeen countries of Central, Eastern and South-Eastern Europe and the Caucasus (Armenia, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Georgia, Greece, Hungary, Italy, Lithuania, Poland, Romania, Russian Federation, Slovakia, Slovenia, Turkey) participate in the Project. United Nations Economic Commission for Europe (UNECE) is Executing Agency.

3. The railway network of the TER Project covers approximately 24,000 km and forms the backbone of the Pan-European rail corridors in the ECE region. It is a valuable contribution to the strategic transport plans in Europe and for the extension of the Trans-European network (TEN-T) of the European Union (EU) to its neighboring countries and regions.

* The UNECE Transport Division has submitted the present document after the official documentation deadline.

4. The TER Cooperation Trust Fund Agreement, established in 1990 by UNECE, made the Project self-sustained, financed by direct contributions from its member countries. This ensured the implementation of its main objectives, namely:

(a) To ensure the coordinated upgrading of infrastructure of the TER network to the European Agreement on Main International Railway Lines (AGC) and the European Agreement on Important International Combined Transport Lines and Related Installations (AGTC) standards;

(b) To contribute to the modernization of rolling stock;

(c) To help participating governments improve rail efficiency and adapt railway organization to market oriented management;

(d) To develop a database on the railway and combined transport system in the region;

(e) To coordinate the improvement of operational parameters and improve the situation at border crossings with a view to eliminating bottlenecks in international rail transport;

(f) To develop cooperation among member countries in the preparation of technical studies;

(g) To promote cooperation among member countries in the field of combined transport;

(h) To promote training activities for experts of member countries.

5. To achieve these objectives, in the last two decades, the Project organized a number of meetings of decision-makers, TER National Coordinators, railway operators and experts with the aim to facilitate the exchange of experiences and best practices. The TER Project also works closely together with the Organization for Security and Co-operation in Europe (OSCE), the International Union of Railways (UIC) and the Organization of the Black Sea Economic Cooperation (BSEC).

II. Development of the management and operation of the Project

6. On 27 July 2009, the Executive Secretary of UNECE signed the TER host-country agreement with the Slovak Minister of Transport, Post and Communications. The signing of this Agreement secured stable and long-term functioning of the TER Project Central Office in Bratislava (Slovakia). It came at a very convenient moment, since the Trans-European Motorway (TEM) and Trans European Railway (TER) Master Plan Revision process has been underway. Signing of the Agreement not only facilitates the completion of the revision process, but also ensures efficient continuation of other activities and tasks of the TER Project. Moreover, it provides the framework which regulates the operational status and obligations of both signatories regarding the functioning of the PCO as well as its staff, kindly hosted by Slovakia until 31 December 2011.

7. Another important event for the TER Project and especially for its smooth co-operation with the TEM Project, as well as for the successful completion of the Master Plan revision was the appointment of Mr. Helmut Meelich as TEM Project Manager for the period until 31 December 2011. This solution, proposed by Ms. Doris Bures, Minister of Transport, Innovations and Technology of Austria, was endorsed by the TEM Project Steering Committee and approved by the UNECE Executive Secretary. It resolved the difficult situation which emerged in 2009 when the assignment of the previous TEM Project Manager ended. The experiences gained so far with this new arrangement show that

Mr. Meelich's TER activities are not negatively affected by his new task. In fact, this new arrangement actually contributed to closer co-operation between the TEM and TER Projects and led to budgetary savings due to the organization of joint activities and meetings of working groups and representatives of both projects.

III. The TER and TEM Master Plan

8. The Master Plan, prepared in 2004 and 2005 and published in 2006, outlined an investment plan which, if implemented, would contribute to economic growth of the countries concerned and to improving the well-being of their populations. Furthermore, the Plan has the potential to enhance integration and harmonization of rail transport in Europe and beyond. The Plan sets out the priority infrastructure needs for 21 Central, Eastern and South-Eastern European countries. It identifies the road and rail backbone networks in those countries and presents a realistic investment strategy to gradually develop them. As many as 491 projects with an estimated total cost of EUR 102 billion have been evaluated and prioritized.

9. The TEM and TER Master Plan achieved its goal to present a consistent and realistic short, medium and long-term investment strategy for the road, rail and combined transport backbone networks in the wider TEM and TER region. With the preparation of the Master Plan, the TEM and TER Projects offered a substantial contribution to the extension of the TEN-T network, the implementation of Pan-European transport corridors, the promotion of intermodal transport operations and stronger complementarities of transport modes to increase the efficiency of rail transport infrastructure.

10. It is evident that the TEM and TER process has been successful, but that further work in some areas was necessary and technical assistance has been needed in order to monitor the progress of implementation.

11. The UNECE Inland Transport Committee at its seventieth, seventy-first and seventy-second sessions reiterated its support to the TER activities and invited both Steering Committees of the TEM and TER Projects, in close cooperation with concerned Governments, to start the TEM and TER Master Plan Revision with the aim to complete this process in 2010.

12. The Working Party on Rail Transport (SC.2) asked to be kept informed of new developments and this report complies with that decision.

IV. Revision of the TER and TEM Master Plan

13. Since the preparation of the TEM and TER Master Plan, new developments have taken place. These may be summarized as follows:

- (a) Completion of the work of the EU High-Level Group and the extension of the TEN-T to neighboring countries and regions;
- (b) Approval of the accession of Armenia and Slovenia to the TEM and TER Projects;
- (c) Separation of Serbia and Montenegro into two independent states;
- (d) Accession of Bulgaria and Romania to the EU;
- (e) Need for the inclusion of all South-Eastern European and Caucasus countries in the Master Plan (Albania, Armenia, Azerbaijan, Montenegro and Serbia);

(f) Proposals for new priorities, projects and links by the TEM and TER member countries during the 2007–2009 follow-up work;

(g) Completion of the first phase of the UNECE-UNESCAP Euro-Asian linkages project and adoption of priority routes and projects;

(h) New data received from several countries (Hungary, Poland, Russian Federation, Serbia);

(i) Increased interest of countries in intermodal transport, including logistics centres, combined transport terminals, seaports and maritime hinterland connections with RO-RO, RO-PAX and RO-LA.

14. The following 25 countries are involved in the revision of TEM and TER Master Plan: Albania, Armenia, Austria, Azerbaijan, Belarus, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Georgia, Greece, Hungary, Italy, Lithuania, Republic of Moldova, Montenegro, Poland, Romania, Russian Federation, Serbia, Slovakia, Slovenia, The former Yugoslav Republic of Macedonia, Turkey and Ukraine.

16. Based on inputs from participating countries, the TEM and TER PCOs, in close collaboration with UNECE and external consultants, prepared the Terms of Reference (TOR) for the Revision of the Master Plan, which were further discussed and approved by the Steering Committees of TEM and TER Projects.

17. In accordance with these TOR, the current Revision of the Master Plan will review the latest developments in the TEM and TER projects, and in particular:

(a) Update data related to traffic flows for TEM and TER networks;

(b) Check the conformity of new projects and regulations with the TEM and TER backbone networks and review the original TEM and TER networks;

(c) Review border crossing issues;

(d) Improve data collection procedures;

(e) Update information about TEM and TER funding;

(f) Identify interrelationships of the TEM and TER Master Plan backbone networks with intermodal points and links; and

(g) Draw up conclusions and recommendations.

18. Work on the revision of the Master Plan continues and is carried out by the TEM and TER PCOs with the support of international consultants from participating countries. The intermediate results are discussed at the meetings of the TER and TEM Expert Groups and are supervised by the joint Master Plan Coordination Group. The last meeting was held in April 2010 in Innsbruck (Austria).

19. Revision of the TEM and TER Master Plan is well advanced and the first draft of the final report will be submitted for discussion to the next sessions of the TEM and TER Steering Committees, which will take place on 15 and 16 November 2010 in Baden (Austria). Thereafter it will be submitted to the UNECE Inland Transport Committee in March 2011.

V. TER activities carried out in the reporting period

20. On 8 and 9 September 2009, the TEM and TER Project Manager attended the twenty-second session of UNECE Working Party on Transport Trends and Economics (WP.5) in Geneva. From 23 to 26 September 2009, he visited the Polish Ministry of

Transport, General Directorate of Polish Railways and the General Directorate of Public Roads and Motorways and discussed with their representatives the possibilities for further development of combined transport and coordination of investments in the rail and road sector. The Polish authorities confirmed that it would further support the activities of both TEM and TER Projects and expressed interest for closer cooperation between the TER and TEM Projects.

21. From 28 September to 2 October 2009, the Project Manager took part in the meeting of the Security Task Force in Geneva aimed at developing new security training programmes. From 2 to 5 November 2009, he discussed with the relevant Polish authorities in Warsaw the possibility of extending the standard gauge railway line from the Polish border to Grodno (Belarus) to establish a standard gauge railway line to Lithuania.

22. From 11 to 13 November 2009, he took part in the third Euro-Asian Transport Linkages (EATL) Expert Group Meeting and Regional Workshop on Developing Euro-Asian Transport Links, which offered the opportunity to TER countries to become involved, for the first time as a group, in EATL and BSEC activities. From 18 to 20 November 2009, the Project Manager attended the sixty-third session of the SC.2 and presented a report on the TER Project activities. He offered to organize the next Working Party meeting in 2010 jointly with the TER Project and OSCE in Vienna. On this occasion, he discussed the details of the organization with the UNECE secretariat.

23. From 30 November to 2 December 2009, the Project Manager chaired the third Joint Meeting of the TEM and TER Master Plan Revision Expert Groups in Vienna which reviewed progress in the revision process and considered the next steps to be taken. On 3 December 2009, he attended the twenty-seventh session of TER Steering Committee of the TER Project in Vienna, which approved the programme of work and the budget of the project for the year 2010.

24. From 7 to 10 January 2010, the Project Manager took part in a meeting held in St. Anton (Austria), which dealt with the safety and security aspects of the combined rail-road Arlberg tunnel system. From 13 to 15 January 2010, he met the chief executive officials of the Polish Railways and the Ministry of Transport in Warsaw and discussed possibilities and the future alignment of the high-speed railway network in Poland with that of Germany and the Czech Republic. Another meeting on this subject was held on 17 and 19 February 2010 in Warsaw, at which the Project Manager discussed with the Polish representatives alternative routes of the high speed line Warsaw–Prague in the section Wrocław–Liberec/Usti nad Orlici.

25. On behalf of the Project Manager, Mr. Pospisil, the TER Project consultant, took part in the Inland Transport Security Discussion Forum held in Geneva on 28 and 29 January 2010. The forum dealt with Globally Integrated Security Environment (GISE), freight security standards, trucking security requirements, incident reporting, intelligent transport systems and services and intra-EU supply chain security toolbox/standard. Mr. Pospisil also attended the first preparatory Conference of the eighteenth OSCE Economic and Environmental Forum (Vienna, 1–2 February 2010), which aimed at good governance at border crossings, improvements in the security of land transport and facilitation of international transport by road and rail in the OSCE region.

26. At the seventy-second session of the Inland Transport Committee (Geneva, 23–25 February 2010), the Project Manager presented a report on activities of the TEM and TER Projects, including revision of their Master Plan. On 15 and 16 March 2010, he attended the second preparatory conference of the eighteenth OSCE Economic and Environmental Forum (Belarus) which dealt with the facilitation of international transport by road and rail in the OSCE region. He made a presentation that focused on the elimination of missing

links on Euro-Asian transport corridors and on the revitalization of the railway lines “Grodno Bialystok–Vilnius”, Sochi–Sukhumi–Tbilisi and Kars–Gyümri.

27. From 14 to 24 April 2010, the Project Manager took part in a series of sessions of the TEM and TER Steering Committees, the TEM and TER Master Plan Revision Expert Groups as well as the Coordination Group, held in Innsbruck (Austria). At the session of the Steering Committee, the Innsbruck Initiative for Safe, Secure, Prosperous and Environmentally Friendly Transport was approved. The initiative focuses on the development of transport infrastructure which promotes safety, environment and security, including clean and efficient public transport, intermodal connections and infrastructure for environmentally friendly transport. The initiative also encourages policies and measures conducive to secure and safe transport through proper design of transport infrastructure, supports interoperability between transport modes, intermodal connections and combined transport systems, and promotes wide introduction and development of intelligent transport systems.

28. From 19 to 21 May 2010, the Project Manager took part in a meeting in Warsaw and made a presentation on the results of the second preparatory conference held in Minsk for the eighteenth OSCE Economic and Environmental Forum. He took part in the final part of the eighteenth OSCE Economic and Environmental Forum (23–26 May 2010, Prague). He also used this opportunity to establish additional contacts with representatives of the Economic Cooperation Organization (ECO). On 20 and 21 June 2010 he attended a meeting with representatives of the Czech Ministry of Transport in Prague and informed them about the results of his discussions with Polish officials on the high speed line Wrocław–Prague as well as about the possibilities for extension of this connection to Vienna via Brno.

29. From 23 to 26 June 2010, the Project Manager participated at the sixth World Congress on Railway Security organized by UIC and Turkish Railways in Istanbul, which examined the benefits of strategic rail security issues from international benchmarking, exchange of best practices and institutional partnerships. The congress highlighted the strategic importance of maintaining a high-level of security which takes into account the impact on railway operations, quality of service, company results and image of rail transport, and underlined that railway companies have to invest more energy, time and resources in security issues – alongside its traditional activities – to avoid that citizens, customers and staff face disruption of services, threats or even danger in the course of their daily business.

30. From 30 June to 2 July 2010, the Project Manager chaired a meeting in Vienna, organized as a follow-up to the Innsbruck meeting of April 2010. The meeting focused on the Black Sea region, namely on Turkish and Georgian railway investments in the light of the revision of the TEM and TER Master Plan. Using this opportunity, the Project Manager also discussed, with the UNECE and OSCE representatives, preparations for the Joint OSCE and UNECE TEM/TER meeting to be held in Vienna on 17 November 2010.

VI. Present and future challenges for the TER Project

31. Major present and future challenges for the TER Project can be summarized as follows:

- (a) Extension of the TER Project to observer countries (Belarus, Republic of Moldova, The former Yugoslav Republic of Macedonia, Ukraine);
- (b) Extension of the TER Project to the countries participating in the revision of its Master Plan, i.e. Albania and Montenegro;

- (c) Full integration of new member countries (Armenia, Azerbaijan and Serbia);
- (d) Finalization of the revision of the TER und TEM Master Plan;
- (e) Financing the development of rail transport infrastructure;
- (f) Focus on rail security issues.

VII. Conclusions

32. All activities carried out during the reporting period are in line with the programme of work as well as with the short-term strategy of the TER Project as adopted by the TER Steering Committee sessions in 2007 and in 2009 in Vienna.

33. The TER Project offers the advantage of bringing together representatives of Ministries of Transport and railway companies from the member countries.

34. In the reporting period, the TER Project strengthened co-operation with major international organizations dealing with transport issues and established new, closer relations with the ECO.

35. At the governmental level, TER is the only forum in the region addressing the key rail transport issues pertaining to a more rapid integration and at higher standards of the rail network of the TER member countries into the Western European network. It also stimulates better harmonization of the legislation of Central and Eastern European countries with Western European standards in order to ensure higher quality of service along major corridors and higher profitability of the railway sector in post-transition economies.

36. The TER Project is a useful tool for implementing the AGC and AGTC minimum infrastructure and performance standards in the region, thus improving railway and combined transport services. The realization of the comprehensive programme of work with concrete outputs has led to a permanent increase in TER membership.

37. The revision of the TER and TEM Master Plan, carried out in close cooperation with the UNECE Transport Division, began successfully in the reporting period and is expected to be completed with the final report in November 2010. Upon its examination and approval by the TER Steering Committee and endorsement by the UNECE Inland Transport Committee in March 2011, the report will be made available, in electronic and paper form, in spring 2011.