Agenda item 4.1 – Euro-Asian Transport Links

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Astana, 1-2 November 2017

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EATL Objectives

- The Euro-Asian Transport Links (EATL) project aims to make the overland transport between the two continents efficient, fast, safe and competitive.

- Designated National Focal Points (NFP) in the participating countries were to identify main EATL road and rail routes for priority development, regional cooperation and coordination.

- EATL Expert Group is the cooperation platform for the coordinated development of coherent Euro-Asian inland transport links.
# EATL route comparison

<table>
<thead>
<tr>
<th>Scenarios</th>
<th>Route</th>
<th>Rail</th>
<th>Maritime</th>
<th>Best Transport Means</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Cost ($)</td>
<td>Time (hrs)</td>
<td>Cost ($)</td>
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<tr>
<td>Scenario 1:</td>
<td>Khabarovsk (Russian Fed.) to Potsdam (Germany)</td>
<td>6 967.00</td>
<td>341</td>
<td>6 533</td>
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<td>EATL Route 1</td>
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<td>Scenario 2:</td>
<td>Hangzhou (China) to Keluga (Russian Fed.)</td>
<td>4 714.65</td>
<td>277</td>
<td>6 786</td>
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<td>EATL Route 2</td>
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<td>Scenario 3:</td>
<td>Tashkent (Uzbekistan) to Varna (Bulgaria)</td>
<td>5 946.00</td>
<td>165</td>
<td>7 550</td>
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<td>EATL Route 3</td>
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<td>Scenario 4:</td>
<td>Almaty (Kazakhstan) to Istanbul (Turkey)</td>
<td>5 881.00</td>
<td>250</td>
<td>4 970</td>
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<td>EATL Route 4</td>
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<td>Scenario 5:</td>
<td>Morvariad (Iran) to Pushkin (Russian Fed.)</td>
<td>6 390.50</td>
<td>256</td>
<td>3 310</td>
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<td>EATL Route 5</td>
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<td>Scenario 6:</td>
<td>Ussuriysk (Russian Fed.) to Kyiv (Ukraine)</td>
<td>5 857.00</td>
<td>289</td>
<td>6 290</td>
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<td>EATL Route 6</td>
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<td>Scenario 7:</td>
<td>Shanghai (China) to Warsaw (Poland)</td>
<td>8 937.00</td>
<td>446</td>
<td>6 300</td>
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<td>EATL Route 7</td>
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<td>Scenario 8:</td>
<td>Krasnodar (Russian Fed.) to Kaliningrad (Russia)</td>
<td>1 595.00</td>
<td>70</td>
<td>5 050</td>
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<td>EATL Route 8</td>
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<td>Case Study / Car</td>
<td>Yessoul (France) to Koluga (Russian Fed.)</td>
<td>2 107.00</td>
<td>101</td>
<td>6 300</td>
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<tr>
<td>Manufacturer</td>
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EATL Phase II findings

- The project provided clear evidence that the overland rail transport is not a myth or some distant future, but a viable reality.

- Competitive Euro-Asian rail transport, and its combination with that of maritime and road transport is feasible.

- Firms increasingly use the rail option in Euro-Asian trade.

- **BUT**: Non-physical obstacles to transport along the EATL routes remain.
Goal of the Phase III

Identify measures to enhance the operational capacity of the inland transport links between Europe and Asia.
Report of the phase III

I. Euro-Asian trade routes and freight flows;
II. Initiatives, project and studies along EATL routes;
III. Main obstacles hampering the development of Euro-Asian Transport Links;
IV. Euro-Asian Transport Links; Looking into the future; and
V. Conclusions and recommendations.
Findings

Economic growth and growth of international trade is not driving the increase in freight flows as before
Findings

Markets created new opportunities (e.g. e-commerce) that can drive freight flows on inland routes between Europe and Asia.
Findings

**Railway transport** is developing on EATL routes – importance of block trains

But

There is a need to make railways more competitive i.e.:

- remove existing infrastructural gaps, and

more importantly

- **To adjust to the requirements of modern supply chains**
Findings

Road transport does not operate on long distance

Development and implementation of a mechanism for long distance road transport was necessary - Role of International Agreement under Shanghai Cooperation Organization

Implementation of same standards (axle road, weight and dimensions) and availability of standard-compliant infrastructure

Road transport role? local/regional to complement long-distance rail?
Findings

Continuous progress and development has been made (numerous projects)

However

More progress and development is necessary!

Where? ➔ Address non physical barriers

Bottlenecks: border crossings (delays mainly to process inefficiencies), availability of permits, visa procedures, legal regimes, poor service, little flexibility for routing, uncompetitive and changing tariffs
Way forward

EATL have their strengths and there are opportunities for further development at the same time.
EATL have their weaknesses and there are threats.

What to do?

- Build on strengths,
- Address weaknesses,
- Seize opportunities, and
- Minimize threats.
Way forward

Remember: Each EATL route is as good as its weakest point

COOPERATION!
COORDINATION!

What to do?
• Build on strengths,
• Address weaknesses,
• Seize opportunities, and
• Minimize threats

Inefficient crossing - long delays

Efficient crossing

Inflexible routing - delay

Missing link - delay

Integrated supply chain management
Intermodality
Flexible routing
Role of nodes
Regular service
Way forward

COOPERATION!
COORDINATION!

What to do?
• Build on strengths,
• Address weaknesses,
• Seize opportunities, and
• Minimize threats

Cooperate and coordinate to: harmonize transport policies, facilitate procedures and standards along routes, continue to improve infrastructure

Integrated supply chain management
Intermodality
Flexible routing
Role of nodes
Regular service
Conclusions

Focus on:

(i) transport policy making in general,
(ii) institutional reforms and trade facilitation, and
(iii) infrastructure improvements
SAFE, CLEAN, SECURE AND EFFICIENT MOBILITY FOR PEOPLE AND FREIGHT

- Inclusive International Legal Architecture
- Effective Public Administration
- International Cooperation
- Innovative Financing
- New Technologies
- Social Responsibility

Objectives
- Seamless R/C
- Facilitated international transport
- Reduced GHG emissions
- Reduced air / noise pollution
- Increased F.T. Mobility Choices
- Zero traffic fatalities and injuries
- Efficient transport services
- Enjoyable walking and cycling

The future WE WANT!