Economic Commission for Europe
Inland Transport Committee

Working Party on Transport Trends and Economics
Group of Experts on Benchmarking Transport Infrastructure Construction Costs

Sixth session
Geneva, 1 and 2 May 2018

Report of the Group of Experts on Benchmarking Transport Infrastructure Construction Costs on its sixth session

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I. Attendance

1. The Group of Experts (hereafter called the Group) on Benchmarking Transport Infrastructure Construction Costs held its sixth session on 1 and 2 May 2018. The session was chaired by Mr. A. Maciejewski (Poland- Trans-European Motorway (TEM) Project).

2. Representatives of the following United Nations Economic Commission for Europe (ECE) member States participated: Cyprus, Lithuania, Poland, and Turkey.

3. Representatives of the following United Nations specialized agencies attended the meeting: TEM Project. Expert from the following non-governmental organization participated: Red Logistica de Andalucia Europlatforms.

II. Adoption of the agenda (agenda item 1)

Documentation: ECE/TRANS/WP.5/GE.4/11

4. The Group adopted the agenda.

III. Transport Infrastructure Construction costs: Presentations of good practices at national levels for evaluating and calculating them (agenda item 2)

Documentation: Informal document No. 1

5. The Group of Experts recalled that based on the Terms of Reference, the Group should focus its work on identifying models, methodologies, tools and good practices for evaluating, calculating and analysing inland transport infrastructure construction costs.

6. The Group recalled that during its previous session, it had decided that chapter two of its final report should include all methodologies and good practices already presented by the experts as well as additional information that might be provided by the ECE member States. Furthermore, the Chair and the secretariat kindly requested the experts to provide a two-page summary of their presentations for incorporation into the chapter. An informal document (Informal document No. 1) should be prepared, summarizing these inputs. As follow-up to this request the secretariat reported that so far, there were no case studies received by the member States. The Chair and the secretariat kindly requested the countries to respond to this request and provide this information since such approach would bring additional value to the final report of the Group.

7. Furthermore, the secretariat provided some information on the proposal made by International Road Federation (IRF) on including in chapter two guidelines with main principles for the governments on preparing a new tool / methodology to evaluate and calculate those costs. The Group was informed that IRF would not be able to provide such a contribution at no cost, therefore, it was decided that at least for this stage the preparation of such guidelines should be postponed. A decision should be taken by the Group at the next sessions.
IV. Transport Infrastructure Construction costs: Presentations of terminologies used (agenda item 3)

*Documentation:* Informal document No. 2, Informal document No. 3.

8. The Group reviewed the informal document 2 which includes the list of terminologies and the questionnaire on railways construction costs. It was prepared and presented by the representative of PKP Polish Railway Lines (PKP PLK), Mrs. M. Kopczynska. The Group provided amendments to the questionnaire with the objective to make it clearer for the receivers. It was also agreed that all terminologies used in the questionnaire should be included in the list of terminologies provided. The Group thanked the representative of PKP PLK for the excellent work. It requested the distribution of the documents to major stakeholders such as the International Union of Railways (UIC) in order to ensure their completeness and then their submission as formal documents at the next session of the group.

9. The Group also reviewed the informal document 3 which includes the list of terminologies and the questionnaire on ports construction costs and it was prepared and presented by the representative of the Port of Gdynia (Poland), Mr. J. Koczara. The Group reviewed the documents and provided amendments mainly for the questionnaire to ensure that the real construction costs are requested and not indicators of efficiency of the ports. The Group thanked the representative of the Port of Gdynia for the excellent work. It requested the distribution of the documents to major ports by the experts of the Group to ensure their completeness and when finalized their submission as formal documents at the next session of the Group.

10. The Group recalled that at its previous sessions, it had reviewed and finalized the terminologies used for construction costs of intermodal terminals and nodes as well as the relevant questionnaire prepared by the intermodal terminals and nodes team of experts led by Europlatforms. It was also informed that both documents were sent to International Union for Road - Rail Combined Transport (UIRR) for comments and inputs. So far there were no comments received by UIRR.

11. The Group also recalled that the fifty-third session of the Working Party on the Standardization of Technical and Safety Requirements in Inland Navigation will take place in Geneva from 27 to 29 June 2018. The Chair and the secretariat will attend the session of the Working Party. They will present the work of the Group and document ECE/TRANS/WP.5/GE.4/2018/3 which includes the list of terminologies on inland waterways construction costs.

12. The Group decided that the four questionnaires (railways, inland waterways, ports and intermodal terminals) including the relevant terminologies should be sent together to the ministers of transport of the ECE member States. This should take place only when all questionnaires have been reviewed by main stakeholders and therefore finalized.

V. Transport Infrastructure Construction Costs: Overview of main concerns and considerations (agenda item 4)

13. The Group summarized the following actions while discussing the challenges on the organization of the Group’s future sessions and the participation of specialized experts:

(a) Road transport: leading country is Turkey; both draft terminology and benchmarking study questionnaire have been prepared, discussed and agreed during Group’s sessions. Both the questionnaire and the list of terminologies have already been
sent through diplomatic channels to all ECE member States and the first replies have already received;

(b) Rail transport: leading organization is the PKP PLK (Poland) in close cooperation with UIC. Both the draft questionnaire and the list of terminologies for railways construction costs are ready and the final drafts will be submitted as formal documents for the Group’s session in June;

(c) Inland waterways: the leading body will be the Working Party on the Standardization of Technical and Safety Requirements in Inland Navigation. The draft list of terminologies has been prepared by the secretariat and it will be reviewed by the Working Party during its session in June;

(d) Intermodal terminals / freight villages: leading organization is Europlatforms; both the draft list of terminologies and the questionnaire have been prepared and discussed during the sessions of the Group. Both documents have been sent to UIRR to be reviewed and amended accordingly;

(e) Ports: the port of Gdynia is the leading port authority. The draft list of terminologies and the questionnaire have been prepared. It was agreed that experts of the Group will make sure that both draft documents will be distributed to major ports of their countries for their review and consideration. When ready they will be submitted as formal documents for the next session of the Group in June.

VI. Discussions on the structure of the final report of the Group of Experts (agenda item 5)

14. The Group recalled that its mandate finishes this year (June 2018) and its final report should be submitted for approval at the session of the Working Party on Transport Trends and Economics (WP.5) in September 2018. The Group noted that its final report will not be delivered this year since the data collection and analysis process just started or have not started yet for some modes. Therefore, an extension of the mandate of the Group should be requested during the WP.5 session in September. However, it agreed that a draft report should be prepared for the session of WP.5 in September which should include the draft chapter two with case studies / good practices implemented in different countries as well as chapter three with terminologies agreed for each transport mode and node. Furthermore, if it is possible, a draft chapter four should be prepared which will include replies received from the road construction costs questionnaire.

15. The Group also discussed the data collection and presentation. The secretariat presented the first replies received. So, far, seven countries had replied to the questionnaire. The Group provided some comments on those replies and agreed that some clarifications should be provided. For instance, the requested period is not for 2016 but for the last decade, etc. Furthermore, it noted that data presentation should make clear that the main objective is not to compare the countries on their constructions costs but rather to plot real data / direct costs collected. The secretariat suggested and the Group agreed that an illustration with maps would be probably the most appropriate way in order to present this data. The Group welcomed the presentation made by the representative of Turkey, Mr. M. Arman on how the collected data should be presented and appreciated Turkey delegation willingness to help on data analysis. The Group agreed that when appropriate and when the quality of data permits a country by country analysis should be provided in addition to the general one. The conclusions or any calculations should be drawn and agreed by the countries. The study will provide only the actual data without interpretation.
VII. Other business (agenda item 6)

16. There were no other items.

VIII. Date and place of next meeting (agenda item 7)

17. The Group of Experts seventh session is tentatively scheduled to take place in Geneva on 28 June 2018. The initial schedule was for two days (28 and 29) but the Group decided that one day is needed for that session.

IX. Adoption of main decisions (agenda item 8)

18. The Group adopted the list of main decisions of its sixth session and requested the secretariat and the Chair to prepare the full and complete report to be circulated to the members of the Group for comments on items other than those contained in the list of main decisions.