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### ECONOMIC COMMISSION FOR EUROPE

### INLAND TRANSPORT COMMITTEE

Working Party on Rail Transport (Fifty-fifth session, 16-18 October 2001, agenda item 11 (a) and 11(b))

## DEVELOPMENT OF A EUROPEAN CONVENTIONAL AND HIGH-SPEED RAILWAY NETWORK

### Addendum 2

Transmitted by the Organization for the Co-operation of Railways (OSZhD)

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### Work by OSZhD on the establishment of the Eurasian conventional and high-speed rail <u>networks</u>

In accordance with a decision by the OSZhD Ministerial Meeting at its twenty-fifth session (Tashkent, 1997), between 1998 and 2000 the OSZhD Second Commission worked on the development of a harmonized OSZhD rail transport policy.

While so doing it discussed the development of transport systems in the OSZhD member countries under the planned-economy system and drew up recommendations for improving the competitiveness of the railways under market-economy conditions.

Its findings were considered by the OSZhD Ministerial Meeting at its twenty-ninth session (Baku, 5-8 June 2001).

To maintain foreign-trade links between the OSZhD member countries and strengthen the position of the railways on international transport markets, gradually integrating rail systems into the world-wide transport system, it will be necessary:

- To devise a new working strategy for OSZhD, taking as the starting point the creation of a common transport space and proposals for a harmonized OSZhD rail transport policy;
- To concentrate, in international cooperative efforts, on solving problems on individual rail transport routes/corridors and at particular crossing points.

Almost all the OSZhD member countries' railways are currently in the process of restructuring. Most of these railways are State-owned, and the States have laid down priorities for the restructuring. Do the States' choices and the needs of the railways always coincide?

The replies received from the railways reflect the most important problems to be addressed during restructuring:

- Feeble support from the State (too little of the State budget is allocated to the railways);
- Tariff policy and price levels are set by the State;
- Losses on passenger operations are covered by freight operations (the State compensates, on average, for up to 25 per cent of the loss).

The reasons why the OSZhD railways are now encountering serious difficulties are substantially different from the problems existing in Western Europe.

European Union directives can be applied as rail transport policy is formulated in OSZhD countries but they have to be adapted to local political and economic circumstances or the countries themselves have to develop new principles.

The principal OSZhD rail routes were adopted in 1996 on the basis of research into freight traffic between Europe and Asia.

Under the heading of "Development of a harmonized OSZhD rail transport policy" the *Main OSZhD Rail Corridor Chart* is being revised, taking into account the Pan-European corridors and Trans-Asian rail routes drawn up by ESCAP. It has not yet been possible, however, to complete this task. OSZhD member countries have put forward fresh proposals for links to be included in the chart. Work on updating annexes I (lines of importance) and II (terminals) of the Agreement on Organizational and Operational Aspects of Combined Transport Services between Europe and Asia is in progress.

Freight traffic volume on OSZhD rail routes has been analyzed. The most heavily used portions are segments of the routes running through Russia, China, Kazakhstan and Ukraine, which carry bulk freight from the areas where it is mined and manufactured to consumer centres and sea ports.

Bottlenecks on the OSZhD routes need to be identified by analyzing forecast traffic and the technical facilities currently available, and ways of getting rid of them must be devised. This could serve as the basis of a strategy for the development of the OSZhD rail corridors.

As regards passenger transport, the OSZhD First Commission worked between 1996 and 2000 on proposals for the establishment of express and high-speed rail links between Europe and Asia. The matters discussed included the topology of the network of such links, the principles on which traffic should be organized, timetabling and the choice of rolling stock.

Following on from this, the topic "Development and coordination of a programme of efforts by OSZhD member countries to introduce express and high-speed traffic between Europe and Asia (2001-2005)" has been added to the work plan. The development of such a programme is one stage in the drive to overcome the problems of extending the Western European network of express and high-speed railways into Eastern Europe and Asia.

The principal goals, tasks and activities associated with the introduction of express and high-speed traffic are laid down in national programmes.

Especial efficiency is gained if this problem is tackled not only through national programmes but also through international cooperative efforts and joint projects by transport departments and the railways themselves. For this, action on the economic, technical and technological aspects of introducing express and high-speed passenger traffic, and on the schedules for completion of national projects, needs to be harmonized and coordinated among countries.