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Report of the Group of Experts on Euro-Asian Transport Links on its thirteenth session

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I. Attendance

1. The Group of Experts on Euro-Asia Transport Links (EATL) held its thirteenth session on 9–10 June 2015 in Dushanbe, Tajikistan. Representatives of the following member States of the United Nations Economic Commission for Europe participated: Azerbaijan, Kazakhstan, Republic of Moldova, Russian Federation, Tajikistan and Turkey; representatives of the Islamic Republic of Iran also attended.
2. The following intergovernmental organizations were represented: Organization for Security and Cooperation in Europe (OSCE), Organization for Cooperation of Railways (OSJD) and Turkic Council.
3. The following non-governmental organization was represented: International Road Transport Union (IRU).
4. At the invitation of the secretariat, the South Caucasus Railway (CJSC–SCR) also attended the meeting.

II. Adoption of the agenda (agenda item 1)

Documentation: ECE/TRANS/WP.5/GE.2/25

5. The meeting of the EATL Group of Experts was jointly organized with the OSCE and the Ministry of Transport of the Republic of Tajikistan.
6. The Group of Experts **adopted** the agenda.
7. As both the Chair and Deputy-Chair of the EATL Group of Experts were unable to participate in the meeting, the EATL Group of Experts **elected** for its thirteenth session Ms. F. Yokubzoda (Tajikistan) as Chair, and Mr. N. Mindra (Republic of Moldova) as the Deputy-Chair for this meeting.

III. Identification of cargo flows on the Euro-Asian transport links (agenda item 2)

Documentation: Informal document No. 1

8. The Group of Experts recalled that, based on its work plan, it should identify cargo flows (quantities and types) that could be transported along the nine Euro-Asian rail and road transport links. Such analysis would be conducted by inviting representatives from main European and Asian ports as well as from producers, traders and freight forwarders.
9. To this extent, OSCE engaged a consultant who prepared the document with as objective to identify cargo flows along the Euro-Asian corridors and ports of interest. Mr. R. Janssens (OSCE) presented a summary of some of the key elements of the draft document entitled “Euro Asian Transport Links: Transport flows and non-physical barriers”. The document contains a qualitative analysis of logistics and transport networks, basic economic data about EATL routes and countries as well as bilateral trade data and transport flow and modal split data. It also considers factors such as costs and time (including road and rail tariffs, and average travel speed), composition of trade flows (in terms of commodity types) as well as non-physical barriers encountered by rail and road transport operators on these routes. Ineffective border crossing regulations and procedures were identified as a main bottleneck causing delays, increasing costs and creating conditions for unofficial payments. The Group of Experts **thanked** the OSCE for

commissioning the drafting of this working document, and **decided** to review a new update of the document at its next session.

10. The OSCE invited Mr. M. Bekmagambetov (Kazakhstan) to speak about the EATL-related issues from the Central-Asian perspective. His presentation emphasised the transport and trade potential of Central-Asia within the EATL region. Countries in the region are landlocked and have a vital interest in a smooth and efficient transport at competitive prices. The commodity structure in transport per country was presented. EATL-related priorities include an improvement in administrative procedures (simplification); standardisation; transparency of laws, regulations and information; and encouragement of a free movement of goods. The Group of Experts **thanked** Mr. Bekmagambetov for a comprehensive presentation and **decided** to invite him to prepare a document based on his presentation and subsequent discussion. This document should focus on current problems and proposals on how to overcome them. As such, it would serve as a platform to policymakers to decide on actions that could improve the situation.

11. Mr. J. Jamili (Islamic Republic of Iran) in reply to Mr. Bekmagambetov (Kazakhstan) regarding certain problems due to international sanctions on the Islamic Republic of Iran informed the Group that sanctions have not been affecting Iranian overland transportation.

12. The Group of Experts **thanked** the Hellenic Institute of Transportation “Network of European-Asian Rail Research Capacities” (Informal document No. 5) for submitting this document. It **invited** the Institute to contribute an updated and expanded document which would be considered for inclusion in the Phase III report.

13. The secretariat informed the Group of Experts about the offer by the Government of the Russian Federation to contribute a substantial analytical and policy-related document as a contribution to the Phase III report. Mr. A. Zaboev (Russian Federation) also informed the Group about the interest of the IRU to contribute to the Phase III report. The Group of Experts **welcomed** these offers.

IV. Facilitating the coordination of integrated time schedules and tariffs on the Euro-Asian transport links (agenda item 3)

14. The experts recalled that under this agenda item, they should develop integrated time schedules and tariffs for rail services – cargo trains – along the EATL routes. The experts agreed that it would be a demanding and complex task, and should be prepared and completed in cooperation with different partners. Such an approach would minimize efforts and time, would avoid any duplication of work and would ensure the involvement of all initiatives in the region and, therefore, ensure project success.

15. The OSJD representative, Mrs. Z. Aspayeva, pointed out that this meeting is a clear proof that it is required to develop and further improve international freight traffic in the Eurasian area. This is impossible to implement without the coordinated efforts of all railways which take part in the process to provide reliable transport links between Europe and Asia, and without the activity of international organizations and specific bodies that can create conditions for such cooperation.

16. Geographically, the scope of OSJD comprises the railways of 28 countries from Europe and Asia and includes 280,000 km of railway lines in the territory of these countries.

17. OSJD is a multilevel organization represented by Ministries of Transport and General Directors of railway undertakings and infrastructure managers, and it makes a

significant contribution not only to the development of international freight traffic, but it also secures the interaction at the intergovernmental level and the level of economic entities, which is a passport to success in the development of railway sector and economies of OSJD member countries. OSJD observers and affiliated enterprises make, along with OSJD member countries, their notable contribution to the development of international cooperation.

18. The OSJD activity, namely: development and improvement of international railway transport between Europe and Asia, including combined traffic; shaping of coordinated transport policy in the field of international railway transport, elaboration of activity strategy for railway transport and activity strategy for the OSJD; improvement of international transport law, administration of the Agreement on international passenger transport (SMPS), Agreement on international freight transport (SMGS); improvement of international railway tariffs and other legal documents related to international railway transport; cooperation to tackle issues on economic, information, scientific-technical and ecological aspects of railway transport.

19. The OSJD representative has informed the Group of Experts that as of today, a firm legal basis has been formed within the OSJD for the execution of seamless and effective international railway traffic, taking into account the interests of all the participants in the transport process. On a daily basis, the freight stations of OSJD railways issue over 4 million SMGS consignment notes for international freight traffic.

20. The goods originating in China and the countries of South-East Asia can create a promising market for the organization of international railway traffic on 13 transport corridors of the OSJD.

21. Mrs. Aspaveva also stressed the organization of container block trains from China to Europe and on the benefits related to the use of the common CIM/SMGS consignment note. At present the OSJD railways handle and operate, on a regular basis, 231 container trains, including piggy-back transport.

22. It has been underlined that OSJD carries out its activity with a desire to expand cooperation and partnership relations in the field of railway transport to improve its competitive ability and, therefore, expressing its readiness to cooperate with all the countries concerned, railway undertakings and international organizations to implement container freight traffic between Europe – Asia – Europe.

23. Mrs. Aspaveva also presented Informal document No. 3 “List of Container Trains and Combined Transport on the Railways of OSJD Member Countries”. The Group **thanked** the OSJD for the document and its presentation and **asked** OSJD to submit a document on trains operating with regular itineraries between Europe and Asia, their routes and frequency of operation, as well as other pertinent information (current problems and proposals to overcome them) which would be considered for inclusion on the Phase III report.

24. In addition, the Group of Experts **invited** the OSJD to present and include in the above-mentioned document the issue of facilitation of rail transport including software applications for the calculation of rail freight. The OSJD experience with the applications by pertinent software companies in this and similar respects would be welcome at the next meeting. The Group of Experts **appreciated** offer of assistance by the OSJD.

25. The representative of South Caucasus Railway CJSC, Mr. A. Gabrielyan, briefed the Group about recent developments in the South Caucasus rail system.

V. Identification of needs and requirements by producers, shippers, traders and freight forwarders in transport and trade on the EATL routes (agenda item 4)

26. The Group noted that for making Euro-Asian transport links operational the needs of stakeholders that control cargo such as producers, traders and freight forwarders should be taken into account, but also that the obstacles they are facing while transporting along the EATL corridors should be eliminated. Therefore, representatives from these groups should be invited to present their requirements and needs.

27. The Group of Experts would welcome an updated version presented by Plaske at twelfth session (Informal document No. 2) "Comparative analysis of the duration and expenses of railway and maritime transport between Europe and Asia on selected Euro-Asian routes". This would be considered in the future as a possible input in the Phase III report. The Group **decided** to invite and welcome a revised version of this document at its fourteenth meeting.

VI. Information from participants on recent developments in transport infrastructure priority projects on the EATL routes (agenda item 5)

28. Mr. S. Kadirov (Tajikistan), informed the Group of Experts about the importance of Tajikistan for Euro-Asian transport. In addition, transport assists Tajikistan and the countries in the region in economic development. A development of national and regional network is the priority. The country is welcoming the involvement of international financial institutions, China, Japan and the United States of America in the rehabilitation of the existing and development of the new infrastructure. There is a difference in the region on the calculation of transport-related tariffs. The development of a common regional methodology for the calculation of transport and transit tariffs would be welcome. The Government of Tajikistan intends to ask UNECE Transport Division (regional advisor) for assistance in the attraction of foreign direct investment in infrastructure.

29. Mr. N. Mindra (Republic of Moldova), briefed the Group of Experts about the most recent infrastructure-related developments in his country.

30. Mr. T. Abbasov (Azerbaijan), informed the Group of Experts about the recent developments in transport infrastructure in his country. It included, in particular, railways modernization in the direction of Baku-Georgian border, upgrade of roads on East-West transport corridor, as well as developments in the project New International Sea Port in Alyat. The ferry terminal in the new port has an important role to play in the overland link between China and Europe. The impact on the environment is also taken into account in the development of infrastructure in Azerbaijan.

31. Mr. A. Mazhitov (Turkic Council), briefed the Group about the importance of transport that is accorded in his organization. The Council's activities include cooperation in the simplification of customs administration, procedures and tariffs, as well as in infrastructure.

32. Mr. J. Jamili (Islamic Republic of Iran), after presenting the importance of Asia-Europe linkage based on the volume of international trade, informed the Group on the latest status of his country in the regional and international transport corridors as well as on the 50 international transport agreements with other states, showing the importance of transportation in his country. He also briefed the Group about the recent infrastructure oriented developments in his own country, saying that, according to a report received from

transport sectors of the United Nations, nearly 40 per cent of the Silk Road transport time is wasted at the frontiers from improper procedures and lack of border guards or mechanized systems in customs administration, poor usage of intelligent transport systems, single window, and multiple official formalities at borders complicate crossings and increase costs. Developing infrastructure and harmonization of procedures at borders is important as a significant period of transport-related time is linked with border crossing.

33. Mr. K. Akimenko (the Russian Federation), informed the Group about the activities of his country and especially the Trans-Siberian rail corridor. Public-private partnership is high on the agenda in order to enhance transport between Japan, China and Europe over the Russian Federation. A rail link with the Korean peninsula is also on the agenda. The Government also supports modernisation of rail linkages between western China and Europe.

34. Mr. S. Sohibnazarov (Tajikistan), spoke about the importance of the development of transport infrastructure in central Asia.

VII. Geographical Information System (agenda item 6)

Documentation: ECE/TRANS/WP.5/GE.2/2014/1

35. The Group **recalled** the previous meetings and noted a lack of progress in the Geographical Information System (GIS), principally due to a lack of financial resources. None the less, the Group would explore ways to continue with this important tool. Commercial enterprises willing to be involved in GIS would be welcome.

36. Mrs. Z. Aspáyeva (OSJD) and Mr. J. Jamili (Islamic Republic of Iran), offered to provide a technical and other support to the GIS activities. The Group **welcomed** these offers.

37. The Group **decided** to keep this item on the agenda for its next session.

VIII. Other business (agenda item 7)

38. The Group of Experts **noted** that its mandate would expire at the end of 2015. The Group also remarked that it had a slow start and a lack of resources to fulfil its mandate. The Group **also noted** that there is an acceleration of activities, especially an inflow of documents since the beginning of 2015 which may be considered as inputs in the Phase III report. More documents are expected in the near future. With this in mind, the Group decided to request the WP.5 session in September 2015 to extend the mandate of the EATL Group of Experts for one more year.

39. The Group of Experts **decided** that the principal item on its Work Programme during this additional year (if accorded) would be the finalisation of the Phase III report based on inputs from OSCE, the Russian Federation, Hellenic Institute of Transport, OSJD and other possible contributions. In addition, if the resources arrive, the GIS would be updated.

40. The Group of Experts again **noted** with interest the Vienna Programme of Action (VPoA) (2014) for Landlocked Developing Countries. The duration of this programme is ten years. Transport and border-crossing linkages are at the heart of VPoA and there is an obligation to introduce those matters in the activities of the Group. The Group **concluded** that all EATL activities are directly linked with the general agenda of VPoA.

IX. Date of next meeting (agenda item 8)

41. Mr. A. Mazhitov (Turkic Council), invited on behalf of his organization, the Group of Experts to hold its fourteenth meeting in Istanbul, Turkey. The Group **accepted** this invitation provided that WP.5 extends the mandate of the EATL Group of Experts.

42. The Group of Experts **requested** the secretariat to inform the Group about the mandate-extension decision by the WP.5 which will have its annual session on 7–9 September 2015 in Geneva.

43. In the expectation of the extension of the mandate by WP.5, the Group of Experts **noted** the following dates for its session in the future:

- (a) Fourteenth session, 20–21 October 2015 – Istanbul;
- (b) Fifteenth session, 2–3 February 2016 – Geneva;
- (c) Sixteenth session, 24–25 May 2016 – Geneva.

X. Summary of decisions (agenda item 9)

44. In accordance with the established practice, the Group of Experts **adopted** a list of decisions and asked the secretariat to prepare a report on the outcome of the session.
