

Working Group on Sustainable Transport, Transit and Connectivity (WG-STTC)

26th Session 25 November 2021 Virtual mode

Transport infrastructure projects, activities and initiatives at national and international level in SPECA countries

(Item 5.1 of the Agenda)

Note by ESCAP/UNECE

ESCAP

- 1. ESCAP has played a major role in supporting its member States in their efforts to include an international dimension in the planning of their transport infrastructure. This joint effort has led to the successful definition and formalization of the Asian Highway and Trans-Asian Railway Networks, as well as the identification of a set of dry ports of international importance to facilitate the operationalization of the two networks and their integration with other modes.
- 2. At its seventy-fifth session, held in Bangkok in May 2019, the Commission recognized that the Intergovernmental Agreements on the Asian Highway Network, the Trans-Asian Railway Network and Dry Ports were major building blocks for the realization of an international integrated intermodal transport and logistics system in the region.
- 3. In the context of the 2030 Development Agenda, these Intergovernmental Agreements continue to be important frameworks assisting member countries in improving intercountry and interregional transport links, as well as by increasing inclusiveness of the regional and global transport networks by addressing the special transport challenges faced by landlocked and transit developing countries in line with the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024.
- 4. Currently, all SPECA countries are parties to the Intergovernmental Agreement on Asian Highway Network. However, some SPECA countries are not parties to the intergovernmental agreements on Trans-Asian Railway Network and Dry Ports (Table 1) and are encouraged to take measures to become parties to respective Agreements.

Table 1. Status of parties to ESCAP's Intergovernmental Agreements in SPECA member countries*

1			
	Intergovernmental	Intergovernmental	Intergovernmental
	Agreement on Asian	Agreement on Trans-	Agreement on Dry
	Highway Network	Asian Railway	Ports
		Network	
Afghanistan	party		party
Azerbaijan	party	signatory	party
Kazakhstan	party	signatory	party
Kyrgyzstan	party		
Tajikistan	party	party	party
Turkmenistan	party	party	party
Uzbekistan	party	party	

^{*} *Note: an empty box indicates that the country is neither a signatory, nor a party.*

- 5. Becoming a party to the Intergovernmental Agreement on Trans-Asian Railway Network would support efforts of SPECA countries in further developing and operationalizing the network with significant consequences for the transport connectivity at national and regional levels. In the meantime, recognizing the important role of the agreement plays is fostering regional connectivity, the number of parties to the Agreement continues to rise. In September 2020 Myanmar acceded to the Agreement as 21st contracting party.
- 6. Acceding to the Intergovernmental Agreement on Dry Ports, SPECA countries will gain multiple advantages. Dry ports are key to the efficiency of international transport corridors, acting as points of convergence, where multiple interactions between transport modes, operators and service providers can be synchronized. These facilities also offer benefits to a broad spectrum of stakeholders, such as local or national authorities, who can use them to implement a range of economic, social and environmental policies.
- 7. It is important to note that the development of the Asian Highway and Trans-Asian Railway networks, as well as dry ports has been incorporated into national plans or strategies in a number of countries, and their routes have supported the definition of several multilateral transport initiatives such as the Central Asia Regional Economic Cooperation programme of the Asian Development Bank and two important agreements, namely the "Agreement between the Governments of Member States of the Shanghai Cooperation Organization on Creating Favourable Conditions for International Road Transport" signed in Dushanbe in September 2014 and the Intergovernmental Agreement on International Road Transport along the Asian Highway Network² signed by the Governments of China, Mongolia and the Russian Federation in Moscow in December 2016.

¹ Kazakhstan, Kyrgyzstan Tajikistan and Uzbekistan are members of the Shanghai Cooperation Organization.

 $^{^2\} https://www.unescap.org/sites/default/files/Intergovernmental-Agreement-on-International-Road-Transport-along-the-Asian-Highway-Network-English-language.pdf$

Sustainable Road Transport

The Asian Highway Network

- 8. The Intergovernmental Agreement on Asian Highway Network³ has been the basis of ESCAP secretariat's work to promote and facilitate the development and upgrading of the international highway network in the region, notably through eight Working Group sessions in which SPECA member States and other states have actively participated.
- 9. The ninth Meeting of the Working Group on the Asian Highway convened on 16-17 June 2021. The Working Group's session served to take stock of the progress, advance discussions on the persistent and emerging issues related to development and operationalization of the Asian Highway network. Recognizing the adverse impact of COVID-19 pandemic, the Working Group agreed to leverage the use of new technologies, through digitalization and automation as way forward to build back stronger in post pandemic times and more resilience to future crisis. Furthermore, the Working Group emphasized the importance of decarbonization to minimize environmental impact and highlighted the needs for improving social inclusiveness in the road transport sector, including taking measures to tackle road safety issues and gender mainstreaming. As such, the Working Group encouraged member countries to develop and implement policies and initiatives to achieve long-term seamless and sustainable transport connectivity in Asia and the Pacific. The Working Group also discussed the status of the Intergovernmental Agreement on the Asian Highway Network, welcoming amendments proposal on routes, including a new route to the Agreement, which will further expand the Asian Highway network and improve connectivity.
- 10. Annex II bis to the Intergovernmental Agreement on the Asian Highway Network, entitled "Asian Highway Design Standards for Road Safety" was adopted at the 7th meeting of the Working Group held on 13 to 15 December 2017 in Bangkok, Thailand. According to article 8, paragraph 5, of the Agreement, it shall enter into force 12 months after they have been accepted by two thirds of the parties. Based on the current number of parties, the number of acceptances required is 20. The number of acceptances required for the entry into force of the new annex II bis has not yet been reached. SPECA countries are encouraged to accept the annex, if they haven't yet done so.⁴ The Transport Division of ESCAP stands ready to assist member States in this process by receiving said instruments and liaising with the Office of Legal Affairs.

³ United Nations, *Treaty Series*, vol. 2323, No. 41607.

⁴ Parties to the Agreement wishing to accept the amendment should contact the Treaty Section of the Office of Legal Affairs at United Nations Headquarters to make the necessary arrangements.

- 11. While the network continues to expand, the quality of Asian Highway routes remains a concern. According to the ESCAP Asian Highway Database,⁵ while most of the network consists of Class II roads (38 per cent), followed by Primary and Class I roads (35 per cent), in some countries in Central Asia over 50 per cent of Asian Highway routes are reported to be class III or below. These substandard conditions adversely affect the road transport operations along these segments leading to increased costs, road accidents, emissions, noise pollution and congestion. Hence, SPECA countries are encouraged to continuously improve their road infrastructure quality.
- 12. The COVID-19 pandemic revealed a strong need for efforts strengthened towards realizing the potential of information and communications technology for efficient cross-border and transit transport along the Asian Highway Network. Promotion of the use of technology and intelligent transport systems to move towards smart Asian highways, reducing road crashes, traffic congestion, resilience and negative environmental externalities in the Asia-Pacific region is also of great importance.

Sustainable Railway Transport

- 13. There is strong recognition that rail has an important role to play in the national and international movements of goods and people. Railways are a cornerstone of the transition to sustainable freight in Asia and the Pacific and the COVID-19 pandemic increased the need for more efficient electronic exchange of data and information among railways. Finally, the 2030 Development Agenda is inviting governments of the region to give environmentally sustainable transport, including rail new prominence into their transport development plans.
- 14. To enhance the competitiveness of railway transport, it is imperative to address railway infrastructure challenges. The network still has approximately 12,400 km of missing links posing a clear challenge to connectivity over the network. In the member countries in which these lines fall, efforts have been under way to construct the missing links, but there are massive gaps between actual and required investments. Rough estimates suggest that \$75 billion is required to complete missing links along the network, indicating that this going to be a long-term task for railways in the region.
- 15. In addition to missing links, the network has to contend with a break-of-gauge challenge. The future development of rail transport in SPECA member countries needs to address the gauge break and reach a better match between new infrastructure and important trade patterns involving key partners, namely China and the Islamic Republic of Iran which operate on networks of a 1,435-

⁵ ESCAP, Asian Highway Database, 2019 preliminary update.

mm gauge configuration. These countries are important for transit to essential international maritime ports offering access to markets in other regions of the world.

The Trans-Asian Railway Network (TAR)

- 16. The seventh Meeting of the Working Group on the Trans-Asian Railway convened virtually on 20-21 May 2021. The Working Group welcomed Myanmar as 21st party to the agreement and updated the list of the Trans-Asian Railways routes in Myanmar, Tajikistan and Turkey. The Working Group's session also served to take stock of the progress, advance discussions on the persistent and emerging issues related to development and operationalization of Trans-Asian Railway Network as well as integrated transport networks in Asia and the Pacific. In these discussions, countries highlighted that railway demonstrated its high resilience to the pandemic and that they represent a corner stone of the transition to sustainable freight in Asia and the Pacific.
- 17. The Working Group also highlighted the need to promote the harmonization of various initiatives on the electronic exchange of information and data for the seamless flow of information among the railway companies and control agencies, heightened during the COVID-19 pandemic. This would help border agencies and railway companies to complete operational and regulatory requirements at the border crossings expeditiously and could enormously enhance the efficiency of processes at the border crossings. At its 6th meeting, the Working Group requested the secretariat to take further steps in facilitating expert discussions and consultations among interested member countries with the goal of identifying good practices, performance indicators and possible multilateral arrangements, including an annex or protocol to the Agreement, in that area.
- 18. At its seventh meeting, the Working Group agreed to work on a new annex on the general principles on electronic information exchange/data interchange among railways and between railways and control agencies along the Trans-Asian Railway network to the intergovernmental agreement on Trans-Asian Railway network.

Development of dry ports to facilitate intermodal transport

19. ESCAP member States continue to experience challenges and issues in the development and operation of dry ports. This is caused by a range of factors, from infrastructural insufficiencies (setting up dry ports at proper locations, availability of transport linkages properly connecting dry ports to other locations, compliance with technical standards, etc.) to institutional matters (insufficient policy guidance, lack of harmonization of rules and procedures across different agencies, financing and operation of dry port development), as well as lack of deployment of

modern technological solutions for dry ports. The development and operation of dry ports, especially dry ports of international importance, can be more efficiently addressed if considered holistically alongside and as an integral part of matters relating to international intermodal transport corridors

Dry Ports

- 20. The Intergovernmental Agreement on Dry Ports, which entered into force in April 2016, is a fundamental pillar for the dry port development in Asia and the Pacific. It provides a uniform definition of a dry port of international importance, identifies the network of existing and potential dry ports in Asia and the Pacific and proposes guiding principles for their development and operation. As of 12 September 2021, 269 dry ports, including 181 existing and 88 potential dry ports, are listed in the Agreement.
- 21. ESCAP secretariat has developed a Regional Framework for the Development, Design, Planning and Operation of Dry Ports of International Importance as a regional guideline to assist in the development of the network of dry ports. The Regional Framework aims to assist ESCAP member states and associate members in their efforts to realize the vision of a sustainable integrated intermodal transport and logistics system.
- 22. The fourth Meeting of the Working Group on Dry Ports was convened on 2-3 June 2021. Since its previous meeting, the number of Parties to the Intergovernmental Agreement on Dry Ports increased to 16, as Azerbaijan and Myanmar joined it. The Working Group adopted amendments to the list of dry ports in Myanmar and the Russian Federation. The meeting also served to advance discussions on of the policies and issues relating to dry ports of international importance, including practical measures for establishment of a regional network of dry ports, as envisaged by the Agreement, the impact of the COVID-19 pandemic on their operation and measures required for the post-pandemic recovery, such as wider application of digital technologies and solutions. The Working Group also considered the matters of integration of the region's dry ports into international intermodal transport corridors and measures to increase efficiency of multimodal transport operations, including harmonization of related legal frameworks. Finally, the Working Group touched upon the approaches to gradual shift to sustainable freight transport in the region

Next regional Action programme on Sustainable Transport Connectivity (2022-2026)

23. ESCAP is organizing its 4th Ministerial Conference on Transport on 14-17 December 2021. It is expected that the Ministerial Conference will adopt the new Ministerial Declaration and Regional Action Programme for Sustainable Transport Development in Asia and the Pacific (2022-2026), which will provide a substantive basis for ESCAP's work towards the long-term vision for the development of the region's sustainable, resilient and seamless transport connectivity. The three Working Groups established under the Intergovernmental Agreements will continue to be an important component of this work by providing platforms for member countries to coordinate actions, exchange best practices and benchmark progress in the development of transport infrastructure and cross-border operational connectivity.

UNECE

Euro-Asian Transport Links

- 24. In the field of transport infrastructure, UNECE is currently responsible for the development of several transport infrastructure Master Plans, including the Trans-European North-South Motorways (TEM) and Trans-European Railway (TER) masterplans⁶; the Pan-European Cycling Infrastructure Master Plan⁷ (in cooperation with THE PEP) and the Euro-Asian Transport Linkages (Phases I, II and III)⁸.
- 25. The Euro-Asian Transport Links Project (EATL) is the most relevant in the context of the Vienna Programme of Action (VPoA) as it is a long-term endeavour and gathers many Landlocked Developing Countries (LLDCs) and transit countries in Europe and Asia⁹.
- 26. The Euro-Asian Transport Links (EATL) Phase III report launched at the ECE Inland Transport Committee (ITC) at its eighty-first session in February 2019 identifies cargo for which the EATL inland routes could compete with maritime and air routes between Europe and Asia.
- 27. What the previous EATL analysis suggested is that while the Euro-Asian corridors are practically operational, they would benefit from further operationalization efforts to make them truly competitive for the inter-continental transport of high-value and time sensitive cargo. In order to be effective and efficient EATL transit transport corridors need not only to have good and well-

⁶ Website: http://www.unece.org/transport/areas-of-work/ter/about-us/tem-and-ter-master-plan.html

⁷ Website: https://www.unece.org/trans/main/wp5/special project pan european cycling infrastructure master plan.html

⁸ Website: http://www.unece.org/trans/main/eatl.html

⁹ Phase III was supported by 38 countries: Afghanistan, Armenia, Azerbaijan, Belarus, Belgium, Bosnia and Herzegovina, Bulgaria, China, Croatia, Cyprus, Finland, France, Georgia, Germany, Greece, Iran (Islamic Republic of), Italy, Kazakhstan, Kyrgyzstan, Latvia, Lithuania, Luxembourg, Malta, Mongolia, Pakistan, Poland, Portugal, Republic of Moldova, Romania, Russian Federation, Serbia, Spain, Tajikistan, Republic of North Macedonia, Turkey, Turkmenistan, Ukraine and Uzbekistan.

maintained transport infrastructure, but they also require smooth implementation of agreed legal frameworks, transit rules and policies and transport and trade facilitation measures. Furthermore, coordination is needed in order to design and implement integrated services along specific corridors such as block trains. What is needed now, more than anything else at this stage is corridor-based action, including through the development of corridor specific work plans and operational targets, the attraction of specific cargo types and volumes, regionally agreed key performance indicators, pooling of rolling stock, railway wagons, containerised transport units etc. Therefore, it was proposed to establish the Corridor Management Groups (CMGs) with an objective to set up corridor interoperability priorities and monitor their implementation under the overall oversight by WP.5. CMGs should also set operational targets and monitor them, as well as propose corrective action.

28. In the framework of the Working Party on Transport Trends and Economics (WP.5), the Governments of Azerbaijan, Georgia, Kazakhstan, Turkey, and Ukraine expressed their interest to contribute towards the development of a corridor management mechanism on EATL route 3 (Trans-Caspian corridor). This proposal was then repeated at the eighty-third session of the Inland Transport Committee in February 2021. The five Governments with the support of UNECE will work on the establishment of a Corridor Operationalization Performance Review Mechanism and a Corridor Operationalization Management Mechanism. A progress report will be provided by five Governments at WP.5 session in September 2022.

International Transport Infrastructure Observatory

- 29. The observatory is being developed in the framework of an XB project, which has as beneficiary countries Economic Cooperation Organization (ECO) members in Central Asia and the South Caucasus (almost all of which are SPECA countries). The project has received full funding by the Islamic Development Bank.
- 30. In the framework of the project, benchmarking data and practices from the following 10 ECO member States have been compiled: Afghanistan, Azerbaijan, Islamic Republic of Iran, Kyrgyzstan, Kazakhstan, Pakistan, Tajikistan, Turkmenistan, Turkey and Uzbekistan, all of which are also participating in the UNECE Euro-Asian Transport Links initiative. In the framework of the project, data has been collected on transport infrastructure construction costs covering road, rail, inland waterways and ports as well as intermodal terminals sectors.
- 31. The observatory is being devised as an online platform in a Geographic Information System (GIS) environment where (a) General public should find the illustration of transport infrastructure

data, (b) Governments find all the relevant data to prepare, benchmark and present their transport infrastructure projects and (c) International Financial Institutions (IFIs) can consider, analyse and compare projects from a regional/international perspective and identify projects they wish to finance and (d) RCO users which will have, tailored to their specific needs, an overview of all functionalities available to them including access to statistics, charts and tables. Test operational phase will be launched in November 2021.

The Thematic Working Group may wish to:

- Encourage those SPECA countries that have not yet done so to take measures towards
 ratification, acceptance, approval of or accession to the Intergovernmental Agreement on the
 Trans-Asian Railway Network and Intergovernmental Agreement on Dry Ports and to actively
 participate in the secretariat's activities related to these agreements.
- Encourage SPECA countries to put efforts in improving the quality of road infrastructure as well as to give priority to the construction of missing railway links in cooperation with development partners to ensure sustainable development.
- Encourage SPECA countries to use the regional framework for the planning, design, development and operation of dry ports of international importance and to enhance intermodal/multimodal transportation with the involvement of dry ports.
- Encourage SPECA Governments to actively participate in discussions how to operationalize EATL corridors and in establishing and activities of the Corridor Management Groups (CMGs).
- Request SPECA countries to engage actively in the transport infrastructure construction costs data collection efforts taking place in the framework of the ongoing establishment of a webbased International Transport Infrastructure Observatory.

Annex I

Asian Highway Network in SPECA States

	Primary	Class I	Class II	Class III	Below III	Total	Status	AH Agre	ement
SPECA Country	Length in		Olass II	Olass III	Delow III	Total	Year	Signed in	Entry into force
Afghanistan	0	10	2,549	0	1,461	4,020	2015	2004	2006
Azerbaijan	0	843	606	0	0	1,449	2019	2004	2005
Kazakhstan	0	557	5,407	6,389	475	12,828	2010	2004	2008
Kyrgyzstan	0	0	303	1,324	136	1,763	2013	2004	2006
Tajikistan	0	20	978	0	914	1,912	2015	2004	2006
Turkmenistan	0	60	0	2,120	24	2,204	2008		2016
Uzbekistan	0	1,195	1,101	670	0	2,966	2008	2004	2005
Total	0	2685	10944	10,503	3,010	27,142			
Percentage (SPECA States only)	0%	9.89%	40.32%	38.70%	11.09%				
Corresponding percentage in 2004	0%	1%	14%	55%	29%				
Latest percentage for the entire AH network (2019)	11.75%	23.4%	38.2%	19.79%	6.86%				

Trans-Asian Railway Network in SPECA countries

	TAR Network		TAR Agreement		
SPECA Country	Gauges	Route Length			
	(mm)	(km)	Signed in	Became Party in*	
Afghanistan			-		
Azerbaijan	1,520	1,261	2006		
Kazakhstan	1,520	9,548	2006		
Kyrgyzstan	1,520	280	-		
Tajikistan	1,520	527	2006	2008(AA)	
Turkmenistan	1,520	1,741	-	2016 (a)	
Uzbekistan	1,520	3,484	2006	2009	
Total	16,841				
*Date of Ratification, Acceptance (A), Approval (AA), Accession (a)					

Intergovernmental Agreement on Dry Ports in SPECA countries

SPECA Country	Signed in	Became Party in*
Afghanistan	-	2016(a)
Azerbaijan	-	2020(a)
Kazakhstan		2016(a)
Kyrgyzstan	-	
Tajikistan	2013	2015(AA)
Turkmenistan	-	2016(a)
Uzbekistan	-	
*Date of Ratification, Accep	tance (A), Approval (AA), Acces	ssion (a)