

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

26th Session 25 November 2021 Virtual mode

Enhancing transport operational connectivity along international transport routes in SPECA region

(Item 5.3 of the Agenda)

Note by ESCAP/UNECE

- 1. The strategic importance of Central Asia makes it a unique region, and this is highlighted by its connective potential as a transport hub between two continents. The region also faces unique challenges, where all the SPECA countries are landlocked with divergent economic development.
- 2. In order to improve the efficiency of international transport routes and corridors, not only transport infrastructure but also issues related to operational connectivity need to be addressed. The existence of non-physical barriers negatively affects the efficiency of international road and rail transport and increases logistics costs. Going forward, effective regional transport will require political commitment and institutionalization of the integration processes, including removal of non-physical barriers to transport and ensuring harmonization of regulations and norms along with standardizing technical and operational requirements and cross-border procedures. UN transport-related legal instruments offers these indispensable intergovernmental cooperation tools for efficient transport connectivity.

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3. ESCAP supports the efficient and smooth movement of goods, passengers and vehicles by road and railways across the region through its work on enhancing operational transport in Asia and the Pacific. 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. While the Agreements define infrastructure parameters and not operational, i.e. transport facilitations norms and practices, the Working Groups also discuss the operational issues so operational standards are developed as regional best practices or voluntary guidelines and are not always anchored in the infrastructure agreements.

- 4. The ESCAP Committee on Transport convened for its sixth session in a hybrid format on 12 and 13 November 2020 and supported further enhancement of the operational connectivity through harmonization of technical standards, as appropriate, improvement of legal frameworks, accelerated digitization and electronic data exchange, and other relevant measures, and the continuation of the exchange of best practices that provide for growth of regional connectivity. The committee also reaffirmed the importance of continuing to consider issues related to Euro-Asian transport connectivity, including multimodal transport as well as solutions in the field of logistics.
- 5. Accordingly, the secretariat actively works on supporting countries in the operationalization of transport connectivity on the Asian Highway and Trans-Asian Railways networks as well as Dry Ports.
- The Working Group on the Asian Highway on its 9th meeting 1 held on 16 and 17 June 2021 reaffirmed the importance of transport facilitation and seamless international road transport operations along the network, which could be achieved by easing relevant cross-border and transit transport measures in network member States. In that connection, the Working Group expressed support for the implementation of the Intergovernmental Agreement on International Road Transport along the Asian Highway Network, signed by the Governments of China, Mongolia and the Russian Federation, and requested the secretariat to continue providing capacity-building assistance in that area. The Working Group also emphasized the benefits of the use of new technologies, digitalization and smart transport solutions in the transport and logistics sector to ensure the faster, more efficient, and safer movement of goods and services along the supply chain networks.
- The Working Group of Dry Ports at its fourth meeting² held on 02-03 June 2021 underscored the increasing need for continued efforts to enhance the efficiency of transport corridors involving dry ports, as well as improved interconnection along intermodal transport corridors by applying digital technologies, could provide a solid basis for the development and efficient operation of such corridors. The Working Group

¹ https://www.unescap.org/events/2021/ninth-meeting-working-group-asian-highway

² https://www.unescap.org/events/2021/4th-meeting-working-group-dry-ports

also agreed that the development of international transport corridors and multimodal transport operations in Asia and the Pacific, including the harmonization of related legal frameworks, should be considered on a permanent basis, with the involvement of all relevant stakeholders and therefore requested the secretariat to explore the possibility of formulating a new annex to the Agreement on multimodal transport operations.

- When it comes to the international railway transport, the growth of traffic in international freight transport along the corridors of the Trans-Asian Railway network in the recent years and even, during COVID-19 Pandemic, underscored the great benefits of international rail transport, including a higher resilience to pandemics and other disruptions. To further strengthen international railway transport there is imminent need to reduce inordinate border crossing delays through harmonized electronic exchange of information among railways. In addition, developing and implementing smart railway solutions and deepening digitalization in the railways across the region, including SPECA countries, are of great importance.
- In this connection, the Working Group on Trans-Asian Railway network at its seventh meeting³ held on 20-21 May 2021 supported the initiative to develop a regional strategy/framework to deepen digitalization among the railways of the region, given the heightened importance of the digitalization in times of pandemic and the emerging opportunities for many railways of the region in that area. It also recognized that international railway transport could play a central role in enhancing the sustainability of transport, particularly by expanding the capacity of existing freight train routes and creating new routes between Asia and Europe. The Working Group welcomed the finalization of the memorandum of understanding among Kazakhstan, Turkmenistan and the Islamic Republic of Iran on the implementation of the railway corridor Kazakhstan-Turkmenistan-Islamic Republic of Iran.
- 6. The use of information and communications technology and digitalization have gained a great momentum due to the pandemic. The urgency of adopting new technology, especially contactless solutions, was further strengthened by the COVID-19 pandemic, as physical checks and paper-based procedures at border-crossing points and control terminals became associated with the risk of spreading COVID-19.

³ https://www.unescap.org/events/2021/seventh-meeting-working-group-trans-asian-railway-network

- 7. In this context, ESCAP Transport Division organized a Capacity Building Webinar on Smart Road and Rail Solutions for Transport Connectivity in the COVID-19 context⁴, which discussed "smart" transport solutions deployed faced with the COVID-19 pandemic in different regions of the world. The event reviewed the existing best practices, with the potential to enhance smart connectivity along the Asian Highway Network and the Trans-Asian Railway Network. It concluded by discussing the collaborative actions at the regional level that are necessary to support this process in Asia and the Pacific. This workshop was organized as part of the activities of the UN-wide UNDA project "Transport and trade connectivity in the age of pandemics: Contactless, seamless and collaborative UN solutions".
- 8. In addition, the use of highly fully automated vehicles as part of smart transport systems are becoming increasingly important. They can significantly reduce the economic, social and environmental costs of passenger and freight transport, while enhancing its overall quality and resilience. At the same time, their implementation in Asia and the Pacific is lagging behind due to various factors. ESCAP prepared a study "Facilitating the Deployment of Highly and Fully Automated Vehicles in Road Traffic Along the Asian Highway Network". The study evaluates existing technologies for highly and automated road freight vehicles, assesses the infrastructure requirement for the operationalization of such vehicles, as well as proposes policy recommendations for their development and implementation. A part of the project, a study report on Kazakhstan has been prepared. ESCAP organized two expert group meetings under the project on 4 August⁵ and 11 November⁶ 2021 to discuss the findings of the study.
- 9. The current trends in the development of transport systems point to emerging opportunities for multimodal transport to become a key driver of sustainable development. The existing legal frameworks, however, still consist of diverse legal instruments and do not reflect recent developments. Based on the discussion and recommendation of the Working Group on Dry Ports at its 3rd Meeting in November 2019, ESCAP has developed a background paper proposing several options on how to approach the harmonization of the legal framework for multimodal transport which was discussed at the first Virtual Expert Group Meeting on 26-27 August 2020. Following recommendations from experts, the secretariat prepared a comparative analysis of the advantages, disadvantages and specificities of different options, presented and discussed it at the Second Virtual Expert Meeting on Legal Frameworks for Multimodal

4 https://www.unescap.org/events/capacity-building-webinar-smart-road-and-rail-solutions-transport-connectivity-covid-19

https://www.unescap.org/events/2021/virtual-expert-group-meeting-facilitating-deployment-highly-and-fully-automated

https://www.unescap.org/events/2021/2nd-virtual-expert-group-meeting-facilitating-deployment-highly-and-fully-automated

Transport Operations in Asia and the Pacific on 30-31 March 2021⁷. The expert meeting reviewed and recommended the identification of major direction of collaborative efforts for harmonizing the legal environment for multimodal transport operations in the Asia-Pacific Region.

- 10. Transport connectivity within and between regions, especially between Asia and Europe, is one of the important themes for SPECA countries given their convenient location on transit routes between these two regions. In line with its objective to strengthen the intra- and inter-regional transport connectivity, ESCAP has undertaken few activities.
 - The secretariat is working on a study project on Strengthening Capacity for Operationalizing Sustainable Transport Connectivity Along the China-Central Asia-West Asia Economic (CCWA) Corridor, which includes China, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Tajikistan, Turkey, Turkmenistan and Uzbekistan. The enhancement of transport linkages along the Corridor will allow for efficient operation of a seamless transport connectivity network. Such network will enhance trade exchanges and socio-economic development of all involved countries. The Expert Group Meeting on Strengthening Capacity for Operationalizing Sustainable Transport Connectivity Along the China-Central Asia-West Asia Economic (CCWA) Corridor⁸ on 23 June 2021to present study findings of the project and to discuss way forward for the improvement of connectivity along the CCWA Corridor.
 - Under the project on "Connecting transport infrastructure networks in Asia and Europe in support of interregional sustainable transport connectivity", ESCAP has prepared an updated study report on progress in enhancing transport connectivity between Asia and Europe reflecting the latest trends in inter-regional transport connectivity, including the impact of COVID-19 pandemic. ESCAP's Committee on Transport at its 6th session held in November 2020 reaffirmed the importance of inter-regional dialogue on sustainable transport connectivity and requested the secretariat to explore, the possibility of including additional stakeholders from government, the private sector and academia as well as from other regions in the discussions on Euro-Asian connectivity. In line with this decision, the secretariat organized a Forum on Sustainable Transport Connectivity Between Asia and Europe⁹ from 05 to 06 October 2021to discuss and identify priority

<u>7 https://www.unescap.org/events/2021/second-virtual-expert-meeting-legal-frameworks-multimodal-transport-operations-asia-and</u>

⁸ https://www.unescap.org/events/2021/virtual-expert-group-meeting-strengthening-capacity-operationalizingsustainable

https://www.unescap.org/events/2021/forum-sustainable-transport-connectivity-between-asia-and-europe#

areas of concerted actions at inter-regional level in the coming years. The outcome if the discussions and main recommendations of this Forum will be reported to the attention of the Fourth Ministerial Conference on Transport in December 2021.

11. Another challenge faced due the pandemic crisis in 2020 is related to the gaps in the existing legal instruments regulating cross-border freight transport. Most of ESCAP member States had to urgently issue ad-hoc policies and domestic regulations in attempts to prevent or limit the spread of COVID-19, often in breach of the rules for international transportation established under international legal instruments. ESCAP analysed the availability of clauses related to crisis response and mutual assistance in emergency situations in the current bilateral and multilateral agreements on international road and rail transport in Asia and the Pacific. The findings were presented, and related next steps discussed at the Capacity Building Webinar on Road and Rail Transport Agreements in the Context of the COVID-19 Crisis Response 10, held on 27 to 28 January 2021.

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- 12. Taking the international legal framework as a starting point, it should be mentioned that among the vast array of available United Nations transport legal instruments, several are aimed at the simplification and harmonization of procedures at border-crossings, and some are most prominent, broadly used in the SPECA region. For example, the International Convention on the Harmonization of Frontier Controls of Goods¹¹, generally known as the "Harmonization Convention" forms one of the most broadly accepted legal foundations of coordinated border management. There are 58 Contracting Parties¹² to it, including all SPECA countries except Afghanistan.
- 13. The Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention), of 1975, sets up the procedure that permits the international carriage of goods by road vehicles or containers from one customs office of departure to a customs office of arrival, through as many countries as necessary, without intermediate check of the goods carried and without the deposit of a financial guarantee at each border. The Convention now has 77 Contracting Parties.

https://www.unescap.org/events/2021/capacity-building-webinar-road-and-rail-transport-agreements-context-covid-19-crisis#

¹¹ Detailed information on Harmonization Convention, TIR Convention, eTIR project and other customs transit facilitation measures are available on. http://www.unece.org/trans/main/itc/itc_doc_2019.html. Please refer to document ECE/TRANS/2019/17.

¹² https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&mtdsg_no=XI-A-17&chapter=11&clang=_en

- 14. A significant milestone was achieved when, in February 2020, TIR contracting parties approved the legal basis for eTIR in the form of a new Annex 11 to the TIR Convention. The new Annex, which entered into force on 25 May 2021, brought new impetus to the digitalization of the TIR procedure. Convinced that computerization and digitalization of transport documents brings with it considerable time, cost and efficiency gains, TIR Contracting Parties, out of which many are LLDC or transit developing countries, have started to implement project on connection of national system to the eTIR International. The eTIR International System was recognised as the UN tool/convention that protects people from the pandemic while facilitating and simplifying borders crossing procedures by the UN system and Governments. Furthermore, after UNECE initial call to implement eTIR (7 April 2020), 17 countries plus the European Commission (28 Member States) have so far responded positively to connect their National Systems to the eTIR International System. Capacity development workshops and initial meetings have already been conducted with many SPECA countries:
 - Workshop co-organized with the Economic Cooperation Organization (ECO) Secretariat on the implementation of the eTIR international system in the ECO region (14 April 2021)
 - Workshop organized by the Secretariat of the Cooperation Council of Turkic Speaking States (Turkic Council) on the eTIR international system (15 June 2021)
 - Policy dialogue with Turkmen national stakeholders on the aim and benefits of acceding eTIR International system, how to efficiently implement agreement and initial steps to join the system (19 February and 05 March 2021)
 - Capacity development meeting to interconnect the Uzbek Customs system with the eTIR
 International System (29 March 2021)
 - Capacity development meeting to interconnect the Tajik Customs system with the eTIR International System (21 May 2021)
 - Capacity development meeting to interconnect the Kyrgyz Customs system with the eTIR International System (2 and 21 June 2021)
- 15. A RPTC-financed field project "Interconnection of Customs Information System of Azerbaijan with the eTIR International System" (November December 2020) provided Azerbaijan with a tool to connect their national customs systems with eTIR International and share all relevant information to support border crossing facilitation.

Sustainable transport connectivity and implementation of transport related SDGs in selected landlocked and transit/bridging countries project

- 16. A UNDA funded project entitled "Sustainable transport connectivity and implementation of transport related SDGs in selected landlocked and transit/bridging countries" has been launched in autumn 2018. The project aims at developing a set of Sustainable Inland Transport Connectivity Indicators (SITCIN)¹³ and will be implemented from September 2018 December 2020. It involves the following pilot countries: Georgia, Kazakhstan, Serbia, Paraguay and Jordan. The main objective of the project, which is led by the UNECE Sustainable Transport Division and implemented with the support of ECLAC and ESCWA, will be to provide a tool for LLDCs/ transit developing countries to measure their degree of connectivity: both domestically & bilaterally/sub-regionally as well as in terms of soft & hard infrastructure.
- 17. During 2021 national connectivity report for Kazakhstan was prepared and discussed during policy dialogue workshop. National representatives strengthened capacity on an instrument (a measurable set of criteria) for governments enabling them to evaluate/assess: the extent to which they implement the relevant United Nations transport-related legal instruments, agreements, and conventions; and the degree to which their inland transport system is interoperable with the systems within their respective region.

Strengthening the capacity of Central Asian countries to develop sustainable urban mobility policy on car sharing and carpooling initiatives sharing

- 18. The objective of the project is to strengthen the capacity of Central Asian countries to develop a sustainable urban mobility policy on car sharing and car-pooling initiatives. In the project's first phase, a study which (i) provided a brief history of the emergence and development of shared mobility services, which contribute to a more efficient use of available resources and to achieve a number of UN sustainable development goals, (ii) considered car sharing and carpooling in countries from Western Europe, Asia, and North America and tries to assess the possible development of similar services in Kazakhstan, Kyrgyzstan and Tajikistan and (iii) offered guidelines and recommendations taking into account the best practices that may facilitate the transition in Central Asia to modern forms of sustainable urban mobility was prepared in October 2020.
- 19. On 8 October 2021 a workshop dedicated to urban mobility, car sharing and car-pooling in Central Asia with representatives from Azerbaijan, Kazakhstan, Kyrgyzstan and Tajikistan

¹³https://www.unece.org/trans/main/wp5/special_project_development_of_sustainable_inland_transport_connectivity indicators.html

was held. The workshop strengthened capacities of national representatives on the good practices and lessons learned from urban mobility, car sharing and car-pooling initiatives.

The Working Group may wish to:

- Take note the outcomes and recommendations of the Sixth session of the Committee on Transport 12 and 13 November 2020;
- Encourage SPECA countries to take further actions to improve operational connectivity along the Asian Highways, Trans-Asian Railways networks and Dry Ports by identifying and eliminating non-physical barriers to land transport, and supporting further implementation of an intergovernmental agreement operationalizing Asian Highway routes;
- Promote the use of digitalization, smart transport solutions and electronic exchange of
 information for international freight by land transport, including through considering an
 appropriate arrangement on electronic exchange of information between railways as
 well as the outcomes of the project on facilitating the deployment of highly and fully
 automated vehicles in road traffic along the Asian Highway Network;
- Take note and encourage countries to use the studies developed by the ESCAP Secretariat to foster international land transport in Asia and the Pacific, including related to crisis response and mutual assistance in emergency situations in the current bilateral and multilateral agreements on international road and rail transport with due regards to the results of the ESCAP's work in this area;
- Encourage SPECA countries for strengthening regional cooperation on multimodal transport corridors and development of legal frameworks for multimodal transport operations.
- Encourage intra-and-inter-regional cooperation in transport connectivity with due regards to ESCAP activities on the operationalizing sustainable transport connectivity along the China-Central Asia-West Asia Economic (CCWA) corridor and connecting transport infrastructure networks in Asia and Europe in support of interregional sustainable transport connectivity.
- Support and encourage SPECA countries to actively participate in border crossing facilitation activities, particularly by engaging actively in connection with the eTIR International system
- Invite SPECA countries to think about introducing new technologies in the implementation of the UN transport legal instruments by joining those electronically processed (Additional Protocol to CMR (e-CMR))

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 Take note on progress of the project Sustainable transport connectivity and implementation of transport related SDGs in selected landlocked and transit/bridging countries and invite SPECA countries to use SITCIN indicators for assessment of national transport system.