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**Review of issues pertinent to the subsidiary structure
of the Commission, including the work of the ESCAP
regional institutions: Transport**

**Report of the Ministerial Conference on Transport on its
second session***Summary*

The second session of the Ministerial Conference on Transport was held in Bangkok. It consisted of two segments: the senior officials segment (12-14 March 2012); and the ministerial segment (15-16 March 2012). The Conference was attended by 187 representatives, including 20 ministerial-level officials from 33 members of the Commission and 1 non-member, as well as representatives of United Nations and other international organizations, non-governmental organizations, and private sector associations from Asia and the Pacific. The Conference reviewed and deliberated on the emerging issues in transport and adopted the Ministerial Declaration on Transport Development in Asia and the Pacific, which contained two annexes: the Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016), and the Regional Strategic Framework for the Facilitation of International Road Transport.

The Commission may wish to review and endorse the Ministerial Declaration and its two annexes, and provide guidance on their implementation.

* The late submission of the present document is due to the fact that the Ministerial Conference was held after the deadline for submission of pre-session documents to conference services.

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I. Matters calling for action by the Commission or brought to its attention

Ministerial Declaration on Transport Development in Asia and the Pacific

We, the Ministers of transport and representatives of the members and associate members of the Economic and Social Commission for Asia and the Pacific attending the Ministerial Conference on Transport, held in Bangkok from 12 to 16 March 2012,

Recognizing the crucial importance of efficient, reliable and safe transport infrastructure and services to regional integration and the sustainable and inclusive economic and social development of countries in the ESCAP region,

Recalling Commission resolution 63/9 of 23 May 2007 on the implementation of the Busan Declaration on Transport Development in Asia and the Pacific¹ and the Regional Action Programme for Transport Development

¹ E/ESCAP/63/13, chap. V.

in Asia and the Pacific, phase I (2007-2011), and Commission resolution 66/4 of 19 May 2010 on the implementation of the Bangkok Declaration on Transport Development in Asia,

Recalling also the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries,² the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States,³ and the Programme of Action for the Least Developed Countries for the Decade 2011-2020 (the Istanbul Programme of Action),⁴

Recognizing the need for long-term commitment and continuity in addressing critical issues in the transport sector to support sustained economic growth, improve the living standards of our peoples and further increase the competitiveness of economies of the region,

Encouraged by the successful regional cooperation that led to the entry into force of the Intergovernmental Agreement on the Asian Highway Network⁵ and the Intergovernmental Agreement on the Trans-Asian Railway Network,⁶ and progress in the formulation of an intergovernmental agreement on dry ports,

Recognizing that growth in intraregional trade can be further supported if regional transport corridors are expanded and bottlenecks removed,

Reaffirming our commitment to the implementation of the Busan Declaration on Transport Development in Asia and the Pacific, and the Bangkok Declaration on Transport Development in Asia,

1. *Adopt* the Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016),⁷

2. *Adopt* the Regional Strategic Framework for the Facilitation of International Road Transport,⁸

3. *Request* the Executive Secretary to continue to accord priority to the implementation of the Busan Declaration on Transport Development in Asia and the Pacific¹ and the Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016), especially to assist

² *Report of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, Almaty, Kazakhstan, 28 and 29 August 2003 (A/CONF.202/3), annex I.*

³ *Report of the International Meeting to Review the Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, Port Louis, Mauritius, 10-14 January 2005 (United Nations publication, Sales No. E.05.II.A.4 and corrigendum), chap. I, resolution 1, annex II.*

⁴ *Report of the Fourth United Nations Conference on the Least Developed Countries, Istanbul, Turkey, 9-13 May 2011 (A/CONF.219/7) (United Nations publication, Sales No. 11.II.A.1), chap. II.*

⁵ United Nations, *Treaty Series*, vol. 2323, No. 41607.

⁶ United Nations, *Treaty Series*, vol. 2596, No. 46171.

⁷ Annex I.

⁸ Annex II.

regional members and associate members in their efforts to realize the vision of a sustainable international integrated intermodal transport and logistics system,

4. *Also request* the Executive Secretary:

(a) To ensure effective coordination with other United Nations and multilateral agencies as well as subregional organizations;

(b) To collaborate effectively with international and regional financing institutions, multilateral and bilateral donors and private sector investors and international organizations to mobilize further financial and technical support for the wider development and operationalization of the Trans-Asian Railway and the Asian Highway;

(c) To convene a ministerial conference on transport in 2016 to assess and evaluate the implementation of the Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016), and to consider a future programme of work.

Annex I

Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016)

Now more than ever, the region's development is reliant on its transport system. Whether to carry manufactured and agricultural products to international markets, food to rural and urban communities, workers to their jobs, the young to schools or the sick to hospitals, transport is essential. While development patterns across the region vary, countries that have been able to improve transport capacities and efficiency have been the most successful. For the future, improved transport connections to fast growing regional markets will further stimulate economic and social development.

The overarching goal of the Busan Declaration on Transport Development in Asia and the Pacific,^a and its Regional Action Programme^b is to foster regional transport cooperation and economic integration in support of inclusive and sustainable development. The Regional Action Programme, phase II (2012-2016), will provide continuity and build on the substantial progress that has been achieved over the past five years.

In each of the substantive areas, capacity-building and exchanges of experience will be a central theme in continuing to work towards the creation of a sustainable international integrated intermodal transport and logistics system as the long-term vision for the development of the region's transport system and to meet the challenges of globalization.

In the implementation of the Regional Action Programme, phase II (2012-2016), the ESCAP secretariat will continue to work closely with key United Nations agencies, intergovernmental organizations, subregional organizations, non-governmental organizations, and other collaborating institutions.

1. Policy guidance at the ministerial level

Given the rapid pace of change in the region, there is a need for timely policy direction at the ministerial level to maintain and accelerate progress in moving towards the realization of an international integrated intermodal transport and logistics system in the region. The Forum of Asian Ministers of Transport at its first session, held in Bangkok from 14 to 18 December 2009, provided substantive guidance and direction^c that was subsequently welcomed by the Commission in its resolution 66/4 of 19 May 2010 on the implementation of the Bangkok Declaration on Transport Development in Asia.

Immediate objective: to promote regional cooperation and policy leadership at the ministerial level for the advancement of transport as a key to regional development.

^a E/ESCAP/63/13, chap. V.

^b Commission resolution 63/9, annex.

^c See E/ESCAP/66/11.

Outputs:

1. A meeting of the Forum of Asian Ministers of Transport at the midpoint of the implementation of the Regional Action Programme, phase II (2012-2016);
2. Ministerial consideration and direction to transport policies in the region.

Indicators of achievement:

1. High level participation in the meeting of the Forum of Asian Ministers of Transport.
2. Documented decisions by transport ministers leading to a greater degree of coordination and consistency between countries on issues of mutual interest.

2. Transport infrastructure development

While the intergovernmental agreements on the Asian Highway and Trans-Asian Railway networks provide the foundation for regional connectivity, the quality and capacity of this infrastructure across the region is uneven, and some links are still missing. In most countries, intermodal transport is limited due to a lack of capacity in dry ports.

Immediate objective: to promote regional and interregional connectivity and cooperation through the further development and upgrading of the Asian Highway and Trans-Asian Railway networks as well as Euro-Asian transport linkages and dry ports.

Outputs:

1. Meetings of the working groups on the Asian Highway and Trans-Asian Railway;
2. Intergovernmental agreement on dry ports;
3. Studies, meetings and capacity-building on integrated transport development, upgrading and maintenance (asset management) of the Asian Highway, Trans-Asian Railway, dry ports of international importance and seaports;
4. Studies on international intermodal transport corridors serving inter- and intraregional trade;
5. Updated information and data measuring progress in the development of regionally important transport infrastructure and operations;
6. Activities within the joint UNESCAP-UNECE project on the development of Euro-Asian transport links.

Indicators of achievement:

1. Adopted amendments to the Intergovernmental Agreements on the Asian Highway Network and Intergovernmental Agreement on the Trans-Asian Railway Network.

2. Member States negotiate and sign an intergovernmental agreement on dry ports.

3. Measures taken by member States to upgrade and expand the Asian Highway and Trans-Asian Railway networks and internationally recognized dry ports in their countries.

4. Measures taken by member States to incorporate study recommendations for regional and interregional intermodal transport corridors.

3. Transport facilitation

Despite efforts to eliminate non-physical barriers in transport, progress has been slow due to the complexity of this challenge. This can be seen most clearly in international land transport, which still faces substantial difficulties across the region. To help resolve this problem, a number of subregional agreements on cross-border/transit transport have been negotiated and signed, but few have been fully or effectively implemented. In many countries of the region, international transport by road is restricted by the number of transport permits issued and is only allowed near borders or along a limited number of routes. While progress has been made, lengthy delays at border crossings are common. Similarly, with regard to railways, simplifying and harmonizing documents and procedures and expanding intercountry services remain major outstanding challenges. All of these restrictions raise costs and create delays in international land transport.

Immediate objective: to promote efficient and smooth movement of goods, passengers and vehicles by road and rail across the region, including at border crossings.

Outputs:

1. Establishment of a regional network of legal and technical experts on transport facilitation and the development of an action plan for the implementation of the regional strategic framework for the facilitation of international road transport;

2. Workshops/studies on regional and subregional cooperation under the regional strategic framework for facilitation of international road transport;

3. A study to identify the issues surrounding regional cooperation for the facilitation of international railway transport;

4. Assistance in acceding to and implementing international transport facilitation conventions and agreements, including those recommended in ESCAP resolution 48/11 of 23 April 1992 on road and rail transport modes in relation to facilitation measures, and in formulating and implementing subregional agreements related to the facilitation of international transport by road and/or rail;

5. Advisory services/workshops on the establishment or strengthening of national facilitation coordination mechanisms and on joint controls at borders to facilitate international road and/or rail transport;

6. Studies/workshops on the application of information and communications technology and other new technologies as well as the time/cost-distance toolkit to facilitate international road and/or rail transport.

Indicators of achievement:

1. A regional network of legal and technical experts on transport facilitation established.
2. Measures taken by member States and regional and subregional organizations/institutions to implement the regional strategic framework for the facilitation of international road transport.
3. Measures taken by member States to accede to and implement international facilitation conventions, in particular those recommended by the Commission in its resolution 48/11, and steps suggested to be taken for signing, ratifying and/or implementing subregional agreements.
4. National facilitation coordination mechanisms established or strengthened, and measures towards joint controls taken, by the member States.
5. Measures taken by member States to apply new technologies and time/cost-distance methodology to improve efficiency of international transport processes.

4. Transport logistics

In many countries of the region, the logistics industries are still at a nascent stage and therefore face challenges associated with high costs and poor performance. To develop an efficient logistics system, all relevant issues need to be addressed comprehensively. In this respect, an enabling environment, including a policy and regulatory framework, needs to be put in place. Transport logistics policy is a very important component of overall logistics policy, and its development can act as an entry point and contribute to wider logistics policy goals. Other measures for enhancing the professionalism and competence of logistics service providers include the establishment of minimum standards and codes of conduct at the national level, the sharing of knowledge and experiences at the regional level, and the establishment of sustainable training and capacity-building programmes at the national, subregional and regional levels.

Immediate objective: to assist countries in developing transport logistics policies and in enhancing the professionalism and competence of logistics service providers.

Outputs:

1. Guidelines for the development of transport logistics policies;
2. Guidelines for the establishment of minimum standards and codes of conduct for logistics service providers;
3. Regional meetings of freight forwarders, multimodal transport operators and logistics service providers and their national associations;
4. Technical assistance and support to the industry and to governments for a sustainable training programme.

Indicators of achievement:

1. Measures taken by member States to incorporate guidelines for transport logistics policies into national logistics policies.
2. Measures taken by member States to incorporate guidelines for logistics service providers into national legislation and/or industry regulations.
3. Experience and knowledge shared among freight forwarders, multimodal transport operators and logistics service providers.
4. Sustainable training programmes on freight forwarding, multimodal transport and logistics established by countries.

5. Finance and private sector participation

There is massive demand for investment in the transport sector in terms of infrastructure and services as well as maintenance. Most countries are constrained by limited budgets, however. Some countries in the region have been successful in establishing innovative mechanisms for finance and investment, including public-private partnerships (PPP) and other revenue-generating approaches that have created new and expanded financing opportunities, but the application of partnership processes is hampered by numerous constraints, including a lack of skills and experience in the areas of PPP project development, implementation, contract management and the streamlining of administrative processes.

Immediate objective: to promote regional cooperation between the public and private sectors for financing and maintaining infrastructure.

Outputs:

1. Studies on investment in Asian Highway and Trans-Asian Railway sections and in intermodal linkages, including dry ports, river ports and seaports;
2. Investment forums to promote partnerships and the sharing of experiences in financing the Asian Highway, Trans-Asian Railway, internationally recognized dry ports, river ports and seaports;
3. Assessment and promotion of policy options and initiatives for the financing of road maintenance;
4. Support for regional cooperation and networking among PPP units/programmes;
5. Assistance to member countries and institutions through the sharing of good practices and the delivery of PPP capacity development programmes;
6. Technical assistance in assessing PPP readiness.

Indicators of achievement:

1. Measures taken by member States to increase investment in transport and logistics infrastructure, including through public-private partnerships, in line with the secretariat's proposals and policy advice.

2. Measures taken by member States to incorporate recommendations for the maintenance of road transport.

3. Recorded exchanges of information and reports of meetings.

6. Sustainable transport development

The transport sector is the third largest energy user in the region. Transport is also one of the fastest growing sectors in the region. Expectations are that energy costs will continue to rise, thus increasing pressure on all sectors to seek greater efficiency, and that the levels of harmful emissions will continue to increase unless appropriate measures are taken. In the transport sector, substantial gains can be made through modal shifts and improved organizational efficiency.^d

Immediate objective: to increase awareness and understanding of alternative freight transport policy options that can reduce energy consumption and emissions.

Outputs:

1. Proposals to encourage, through appropriate mechanisms, a modal shift from road to rail and water transport, and the use of the Asian Highway, Trans-Asian Railway and dry ports for the intermodal distribution of goods and carriage of people;

2. Regional meetings to share experiences in the adoption of energy-efficient and more environmentally friendly freight transport logistics systems;

3. Inclusion of sustainable transport-related issues in the *Review of Developments in Transport in Asia and the Pacific*, the *Transport and Communications Bulletin for Asia and the Pacific* and ad hoc regional transport policy studies;

4. Capacity-building to increase awareness and promote environmentally sustainable transport development.

Indicators of achievement:

1. Measures taken by member States to promote modal shift policies in line with the secretariat's proposals and policy advice.

2. Measures taken by member States to consider sustainable transport issues when designing transport policies and projects.

7. Road safety

Road accidents cause human tragedies every minute of every day. In the Asia Pacific region, 700,000 lives or approximately half of the global road fatalities occur each year. The issue of road safety has received greater prominence in recent times with the Ministerial Declaration on Improving Road Safety in Asia and the Pacific (November 2006)^e and the United

^d Technology improvements related to motive power and energy sources will be dealt with under parallel programmes implemented by the Environment and Sustainable Development Division of ESCAP and other partners.

^e E/ESCAP/63/13, chap. IV.

Nations General Assembly resolution 64/255 (2 March 2010). Despite these global initiatives, road safety in many countries of the region is still not receiving priority in national planning or policies.

Immediate objective: to assist countries in the region in meeting their commitments under the Decade of Action for Road Safety (2011-2020).^f

Outputs:

1. Meetings and technical assistance to aid countries in building road safety management capacity in line with the Decade of Action for Road Safety, including data collection and monitoring progress;
2. Meetings to advocate high-level commitment to road safety interventions and to exchange best practices in improving road safety;
3. Advisory services and technical support to national road safety campaigns and related awareness creation activities;
4. A web-based road safety network.

Indicators of achievement:

1. Measures taken by member States to implement policies and programmes on road safety in line with the goals of the Decade of Action for Road Safety.
2. Measures taken by member States to improve road safety data and information collection systems.
3. Documented best practices in improving road safety, shared through meetings and a web-based road safety network.

8. Transport and the Millennium Development Goals

While the Millennium Development Goals do not include specific references to transport, it is now widely accepted that transport infrastructure and services play a critical role in addressing the Goals. Many countries in the region suffer large spatial inequalities with regards to income, wealth and opportunity. This is due to a lack of all-weather roads to villages, infrequent or unreliable transport services to outlying areas and islands, poor access to deeper hinterlands and weak rural-urban connectivity. Poor maintenance of infrastructure, particularly roads, reduces their asset value and increases vehicle operating costs, transit times and safety risk for users. There is tremendous potential to enhance the contribution of transport interventions to efforts to achieve the Millennium Development Goals. To realize this potential, Governments must integrate poverty reduction and Goal-related policy objectives into their transport programmes and projects during the early stages of formulation and programming.

Immediate objective: to encourage the inclusion of Millennium Development Goals considerations in the planning and implementation of regional transport interventions.

^f See General Assembly resolution 64/255, para. 2.

Outputs:

1. Studies and workshops on mainstreaming Millennium Development Goals considerations into transport planning and policies as appropriate, in particular, in infrastructure development, farm-to-market logistics, food security and road safety;
2. The exchange of experiences between member countries regarding the development of transport infrastructure and services to provide rural communities with physical access and connect them to national and regional trunk road systems;
3. Preparatory activities in support of the 10-year review of the implementation of the Almaty Programme of Action in 2013.

Indicators of achievement:

1. Measures taken by member States to mainstream Millennium Development Goals into transport programmes and policies, with particular focus on relevant areas of the Regional Action Programme.
2. Adoption of recommendations from the regional input document at the global meeting on the 10-year review of the implementation of the Almaty Programme of Action.

9. Inter-island shipping

The provision of efficient, reliable and affordable shipping services to, from, between and within island and archipelagic developing countries presents a number of unique constraints and challenges. These include long voyage distances, imbalanced cargo flows and low unit values of exports as well as challenges in matching ship size, service speed, port capacity, safety and comfort with low and often irregular traffic volumes. In some cases, these challenges lead to unprofitable routes or “cherry-picking” of the most lucrative or profitable shipments, leaving the less attractive shipments to others. This results in a “vicious downward spiral” as the regularity, reliability and affordability of services deteriorates. These challenges can arise domestically, subregionally and internationally.

Immediate objective: to assist in identifying possible approaches to enhancing the regularity, reliability and affordability of the shipping services of archipelagic and island developing countries.

Outputs:

1. Studies, capacity-building activities and policy recommendations on effective strategies for securing regular, reliable and affordable inter-island shipping services for the consideration of archipelagic and island developing countries;
2. Advisory services and technical support to member countries, upon request, regarding the implementation of policy measures to support inter-island shipping.

Indicators of achievement:

1. Measures taken by member States to incorporate recommendations on inter-island shipping in line with the secretariat's proposals and policy advice.

10. Connecting subregional transport networks

Across the Asia-Pacific region, intergovernmental organizations and programmes have been active in promoting physical and institutional connectivity within their own subregions. The conclusion of the associated agreements and the implementation of initiatives have led to the establishment of differing legal and operating regimes for the inter-subregional movement of goods, vehicles and passengers. These differences can act as physical and non-physical barriers to smooth and efficient transport between subregions.

Immediate objective: to identify physical and non-physical constraints to inter-subregional connectivity and to provide a platform for building closer collaboration among subregional entities in the development of transport.

Outputs:

1. Draft documents outlining potential issues that need to be addressed in order to improve physical and institutional connectivity between subregions;
2. Meetings of ESCAP member countries, subregional organizations and subregional programmes (back-to-back with relevant legislative meetings) to consider collaborative actions that support inter-subregional connectivity;
3. Technical assistance and support in the implementation of inter-subregional connectivity initiatives for the development of transport.

Indicators of achievement:

1. Measures taken by member States on improving subregional connectivity in line with the secretariat's proposals and policy advice.
2. Inclusion of proposals and issues raised by the secretariat in the agendas of meetings of member countries and subregional organisations/programmes.

Annex II

Regional Strategic Framework for the Facilitation of International Road Transport

The objective of the regional strategic framework is to help regional member countries and their development partners increase the effectiveness of facilitation programmes and projects and accelerate the development of international road transport through long-term targets.

The framework provides general direction for member countries and their development partners when formulating facilitation policy, agreements, programmes and projects as well as related measures. It also helps promote common approaches to addressing facilitation issues with a view to reducing the complexity of the present system.

The framework also helps bring together national, bilateral, subregional and regional efforts in a more coordinated way to accelerate the process of transport facilitation.

Recognizing the prerequisite nature of some of the non-physical barriers that prevent international road transport, it is proposed that the regional strategic framework initially focus on the fundamental elements of international road transport and the key modalities for facilitation.^a

I. Fundamental elements of international road transport

A. Road transport permits and traffic rights

1. Description of the issue

Across Asia, international movement by road is largely confined to border areas and a limited number of roads. Most transport permits are issued for only a single trip along a designated route by a specified individual vehicle. Another constraint to international road transport is the restriction of transit operations. As a result, goods carried by road often have to be transhipped at border areas or loading points along a designated route. This adds needless costs and delays to the transport process.

2. Target

Wider application of multiple-entry transport permits issued to a carrier for any compliant vehicle in its fleet. Such permits, valid for one year, could be used on multiple routes or road networks for both interstate and transit transport operations. In addition, multilateral transport permits should be promoted for wider application in parallel with bilateral transport permits.

3. Process

When member countries formulate or renew their bilateral and multilateral agreements on international road transport or hold consultations on the implementation of the agreements, they may consider adopting transport permits valid for multiple entries with one year validity and/or on

^a If a country has more liberalized and simplified arrangements for some of the listed areas, it may focus on other recommended areas.

multiple routes or road networks and allow their competent authorities to issue the permits to their carriers instead of particular vehicles.

B. Visas for professional drivers and crews of road vehicles

1. Description of the issue

Unlike seafarers and aircrews, professional road vehicle drivers do not benefit from streamlined global arrangements for the issuance of visas or temporary entry to undertake international transport operations. Visa issuance for professional road vehicle drivers is largely subject to bilateral agreements on visas. In recent years, some countries have tried to address the issue through subregional arrangements. International organizations have also made an effort to help facilitate visa issuance for professional road vehicle drivers. In spite of this, there is still no specific visa category for vehicle drivers in many countries and in most countries in the region they are considered either visitors or foreign labourers for the purpose of visa issuance.

Professional road vehicle drivers have to go through complicated and difficult procedures to apply for visas and are generally granted only a single-entry visa each time. In some countries, drivers are required to apply for visas in person at embassies or consulates in major cities and wait a week or more to either obtain a visa or to learn that their application has been rejected.

As a result, visa difficulties continue to cause delays in the delivery of goods and sometimes require the changing of vehicles or at least drivers at border crossings.

2. Target

As a minimum target, regional member countries may pursue multiple-entry visas valid for one year for professional drivers and crews of road vehicles. Countries may also agree to a uniform set of documents and basic procedures.

3. Process

In order to achieve this target, the competent national authorities for international road transport can act as intermediaries to facilitate the issuance of visas by embassies or consulates. The competent national authority in one country may, as appropriate, prepare a list of professional drivers and exchange it with their counterpart in another country for onward transmission to ministries of foreign affairs, embassies or consulates. Alternatively, the competent national authorities may provide certifying letters along with guarantees from carriers when drivers apply for visas.

The transport authorities need to consult with ministries of foreign affairs when they negotiate subregional facilitation agreements that include clauses for visa arrangements. If necessary, they should request relevant authorities to negotiate bilateral/subregional visa arrangements for professional drivers.

C. Temporary importation of road vehicles

1. Description of the issue

In most countries where vehicles are permitted to cross borders, it is common to use a guarantee of some sort (such as a bond, a cash deposit through a local agent or the payment of a one-time charge upon each entry) to satisfy the requirements of the Customs authorities. Only a few countries in the region do not impose such requirements.

There exist a few international conventions relating to temporary admissions to which most countries in the region have not acceded.

The use of unified subregional agreements and a subregional guarantee system is not the most convenient solution for carriers, but it does help avoid cash or bond deposits or charges at each border and for travel through several countries. However, charges for the use of the documents and guarantees issued under this system can be a major concern. If such charges are higher than the one-time charge of a fixed amount at border crossings, the guarantee system loses its advantages.

2. Target

As a minimum regional standard, the application of international conventions on temporary importation should be encouraged.

3. Process

The countries that have not acceded to the international conventions on temporary importation^b should take steps to gradually promote the same. These conventions have identical commitments with respect to the temporary importation of vehicles. The countries that are already contracting parties may take action to ensure that practical arrangements for full implementation are put in place.

D. Insurance of vehicles

1. Description of the issue

Insurance is commonly required to be purchased at each border crossing throughout the region, which causes delays and obliges drivers to obtain individual receipts for cash payments. Although subregional insurance schemes have been planned for many years, much remains to be done before such schemes can become operational.

2. Target

Third-party insurance should be used as a regional minimum standard for vehicles undertaking international road transport through the use of either the Green Card system^c or a similar subregional system.

^b The Customs Convention on the Temporary Importation of Commercial Road Vehicles and/or the WCO Convention on Temporary Admission (Istanbul Convention).

^c See, for example, ECE/TRANS/SC.1/2009/6.

3. Process

It is desirable for member countries to join the Green Card system. Countries in subregions that have road transport links with Europe may adopt the Green Card system for easy access to Europe. Countries in other subregions may develop subregional motor vehicle third-party insurance schemes compatible with the Green Card system while maintaining the long-term goal of acceding to the Green Card system. For countries that are not participating in any subregional insurance scheme, bilateral or trilateral arrangements based on the Green Card system may be considered.

E. Vehicle weights and dimensions

1. Description of the issue

For many regional member countries, damage to roads and bridges caused by overweight vehicles is a serious problem which can be compounded by overloaded foreign vehicles. The problem exists partly because different countries have different technical standards on permissible weights and dimensions, and partly because some carriers desire to turn a higher profit through fewer runs with heavier loads.

At the same time, repeated weighing and inspections at border crossings and inland weight stations for international vehicles impede transport efficiency. Carriers have requested that weighing procedures be simplified and that the number of weighings and inspections within countries reduced.

There is no international or regional standard on weights or dimensions of vehicles permitted to travel on roads. Member countries have been trying to harmonize or unify standards at the subregional level. Bilateral agreements on international road transport normally require carriers to observe the domestic standards of host countries, which are mostly different from the countries where the carriers are registered.

2. Target

For healthy and sustainable development of international road transport in the region, it would be helpful if permissible weights and dimensions of vehicles, including axle loads, became unified at the bilateral, trilateral, quadrilateral and subregional levels.

3. Process

A practical approach could be to unify such standards through bilateral and multilateral, including trilateral, quadrilateral and subregional arrangements.

Member countries may also consider negotiating a control system for overloaded vehicles through bilateral and multilateral agreements. The control system may include fines together with warning notices and suspension of transport permits.

F. Vehicle registration and inspection certificates

1. Description of the issue

Currently, ESCAP member countries use bilateral or multilateral agreements to mutually recognize vehicle registration and inspection certificates. However, the use of characters of national languages in registration certificates and number plates is still common. This causes difficulties when border crossing officials attempt to clear vehicles for entry. It also causes difficulties for traffic police and will cause further difficulties when electronic clearance systems are introduced.

For mutual recognition of vehicle registration certificates, standardized distinguishing signs of the State of registration, detailed requirements of technical conditions and periodic inspections of vehicles as well as the standardized registration number plates or marks of vehicles need to be used. The registration number plates or marks should be composed of either Arabic numerals or Arabic numerals and capital Latin characters, as defined in the Convention on Road Traffic [1968].

2. Target

Adoption of the standards on vehicle registration certificates, number plates or marks, and country distinguishing signs, as contained in the Convention on Road Traffic [1968], should be encouraged.

3. Process

Countries that have not yet become contracting parties to the Convention on Road Traffic [1968] need to take measures to accede to it.

Countries that would find it difficult to accede to the Convention in the short term may consider adopting the standards contained in the Convention, as well as exploring the possibility of using other mechanisms that are consistent with that convention and avoiding the use of different standards in any bilateral and multilateral agreements into which they may enter.

II. Key modalities for facilitating international road transport

Valuable experience has been gained in the region, and a wealth of knowledge exists at the national, subregional and regional levels with respect to successful and less successful approaches to both the formulation and subsequent implementation of transport agreements. To provide a focus for collaborative efforts, cooperation and exchange of experiences among member countries, the key modalities described below are suggested.

A. Building an effective legal regime

International conventions, subregional and bilateral agreements have a vital role to play.

1. Establishment of a regional network of legal experts on transport facilitation

Promoting and implementing international facilitation conventions, formulating and implementing subregional agreements, concluding bilateral

agreements and harmonizing documentation and procedures all rely on national, subregional and international legal experts. A regional network of national and subregional negotiators and legal experts from governments, transport associations and academic institutions could therefore play a vital role by providing advice and promoting the harmonization and coordination of different legal instruments on transport facilitation.

Through the network, member countries and subregional organizations/ institutions would be able to do the following:

- Exchange information
- Coordinate with each other
- Pinpoint areas of legal conflict between different subregional agreements and their implications
- Suggest solutions to legal conflicts where a country is party to two or more agreements
- Suggest ways to connect countries located in different subregions that are party to different agreements the existence of which impedes
- Share experiences

The network might also help promote international facilitation conventions and the formulation and implementation of subregional facilitation agreements and assist in the development and improvement of bilateral agreements on international road transport. It would become a network of core professionals on legal issues surrounding road transport facilitation in the region, providing legal support for formulation and implementation of agreements.

The network may exchange information through electronic communication, seminars, training, expert meetings, group studies and individual studies. The ESCAP secretariat may provide secretarial support to the network and financial support for some years. In the long run, the network would operate independently with the secretarial support of ESCAP and undertake studies as requested by governmental agencies, ESCAP and other organizations/institutions.

2. Accession to selected international facilitation conventions

Commission resolution 48/11 provides countries in the region with a common and harmonized set of standards in the field of international land transport facilitation through an initial set of conventions^d to which countries in the ESCAP region could accede.

A study undertaken by the secretariat in 2006, as requested by the Commission, concluded with the proposal that three further international

^d Convention on Road Traffic, 1968; Convention on Road Signs and Signals, 1968; Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention), 1975; Customs Convention on the Temporary Importation of Commercial Road Vehicles, 1956; Customs Convention on Containers, 1972; International Convention on the Harmonization of Frontier Controls of Goods, 1982; and Convention on the Contract for the International Carriage of Goods by Road (CMR), 1956.

legal instruments were added to complement those recommended in resolution 48/11:

(a) The Protocol to the Convention on the Contract for the International Carriage of Goods by Road, 1978;

(b) The revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures, 1999;

(c) The Convention on Temporary Admission (Istanbul Convention), 1990.

Together, the 10 international legal instruments can provide a consistent framework for simplification and harmonization of regional facilitation initiatives in line with international standards.

Member countries that have not acceded to the core conventions, as amended, need to consider doing so. If acceding involves a prolonged process due to internal procedures, then member countries should consider adopting the standards set in the conventions at the level of national legislation as a transitional measure.

Effective implementation of the international conventions is as equally important as accession to the conventions. Member countries need to review the obligations of the international conventions together with their existing legislation and practices, and to adjust, as appropriate, their legislation, documentation and procedures relating to international road transport.

3. Subregional agreements

The key intention behind subregional agreements on international road transport facilitation is to open up subregional traffic, harmonize and simplify formalities and procedures and establish common standards while maintaining consistency with international conventions. Effective implementation of subregional agreements has become an important but challenging task for most regional member countries.

The implementation of subregional agreements involves many ministries and authorities. It also requires amendments to domestic legislation, existing formalities and procedures, and the functions of some agencies and authorities. Strong political support from member countries is needed in order to implement such agreements. Financial and technical support from international organizations and institutions is also needed. Regional advocacy needs to be enhanced to help draw the attention of national Governments and the international community to this important issue.

4. Bilateral agreements

In view of difficulties in the management and implementation of numerous bilateral agreements on international road transport faced by many countries in the region, a regional strategy may be taken to apply international conventions and subregional agreements wherever possible and using bilateral agreements to cover the areas which cannot be realized through international conventions and subregional agreements. The development of a model guideline with a recommended standard structure for bilateral agreements on international road transport could assist member

countries in better formulating and implementing numerous bilateral agreements while at the same time working towards greater harmonization.

B. Wider applications of new technologies

The application of new technologies, including information and communications technology applications can significantly enhance road transport facilitation. Building modern border crossings and international road transport equipped with new technologies and electronic declaration systems should be further promoted. The use of new technologies to facilitate border-crossing controls for international road transport is still relatively new within the region. Before such technologies can be fully utilized, legislation needs to be amended and existing formalities and procedures need to be simplified. Regional experience with innovative and integrated applications of new technologies to clearances and inspections for international road transport can be promoted through the exchange of experience, which may lead to greater levels of harmonization in the region.

C. Development of professional training for international road transport

As the part of the regional strategic framework, professional training of all stakeholders, including policymakers, managers and drivers for international road transport needs to be developed to ensure that they are competent to fulfil their tasks in international operations. Over the mid- to long term, it is desirable to establish national training institutions for national policymakers, managers and drivers undertaking international road transport. However, in South Asia and South-East Asia, subregional training institutions focusing on courses on subregional operations would be more helpful and effective in the short term and help overcome some of the financial and capacity constraints. In Central Asia and West Asia, which have stronger links to Europe, training for subregional operations may be undertaken in parallel with courses for interregional operations.

The ESCAP secretariat could provide assistance, defining the main subjects to be included in the curricula of training institutions, in order to promote the setting of common standards in professional training.

D. Establishment/strengthening of national facilitation coordination mechanisms

A comprehensive and integrated approach, with the involvement of relevant government ministries/agencies and the private sector, is required to address transport facilitation challenges effectively. Such collaboration is crucial to the formulation and implementation of various facilitation measures. Some countries in the ESCAP region have in place coordination mechanisms that could fulfil all of the tasks required and should be further strengthened to ensure that they are fully effective. In addition, mechanisms should be developed to promote the exchange of experiences.

E. Promotion of joint control at border crossings

Joint control at border crossings at the bilateral level, including single window clearance, single stop inspection, joint customs control, establishing priority clearance for certain kinds of goods (for example, perishable goods) on a reciprocal basis and reduction of control agencies at border crossings

should be promoted in line with international standards. However, the complexity of joint controls and differences from border crossing to border crossing in the implementation of joint controls needs to be fully recognized and specific comprehensive and detailed studies and designs for each border crossing need to be undertaken before implementing joint control. In this regard, the sharing of experiences among member countries can help in ensuring optimum design in terms of infrastructure and operations.

F. Promotion of economic zones at border crossings, dry ports and logistics centres

Recent developments in free economic zones and joint free economic zones at border crossings, as well as dry ports and logistics centres, have provided new opportunities for authorities and road transport operators to overcome many difficulties in international road transport. The potential benefits in terms of facilitating international road transport and logistics need to be exploited.

G. Further application of facilitation tools

Facilitation tools, such as the time/cost-distance methodology, can help identify impediments to international transport as well as possible remedies. They should be further expanded and promoted with the support of transport ministries and other authorities as well as transport operators. The use of facilitation tools can help refine projects and measure the benefits derived.

II. Proceedings of the Conference

A. **Policy debate on issues pertaining to transport development in Asia and the Pacific, and the implementation of the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011), of the Busan Declaration on Transport Development in Asia and the Pacific, and the Bangkok Declaration on Transport Development in Asia, including the report of the senior officials** (Agenda item 7)

1. The Conference had before it documents E/ESCAP/MCT.2/12 and E/ESCAP/MCT.2/L.3.

2. The Conference expressed full support for the elaboration and formulation of visions from each of the 10 areas in the draft regional action programme, phase II (2012-2016), and expressed support for the convening of the Forum of Asian Ministers of Transport at the mid-point of the programme, phase II.

3. The Conference reaffirmed the vision of an international integrated intermodal transport and logistics system for the region and expressed its conviction that such a system would play a central role in enhancing the movement of people, goods and services across the region and in improving the quality of life of the people. In that respect, the Conference noted with satisfaction that many countries had prioritized the development of the Asian Highway and Trans-Asian Railway networks in their territory and were progressively developing and upgrading the networks to improve domestic and regional connectivity. However, there was a need for further development and upgrading of the two networks, including construction of the missing links along the Trans-Asian Railway network.

4. The Conference supported the view that the Asian Highway and Trans-Asian Railway networks, along with the development of dry ports and the provision of intermodal connections for maritime transport and seaports, would be instrumental in promoting intra- and interregional connectivity, thereby fostering trade and the movement of people. In that respect, it expressed satisfaction that many countries had prioritized the development of dry ports. The Conference was appreciative of the progress made towards developing an intergovernmental agreement on dry ports and looked forward to its finalization at an intergovernmental meeting in 2012.

5. The Conference recognized the existence of a large number of non-physical barriers to smooth and efficient cross-border transport in the region, in particular in land transport, and stressed the importance of regional cooperation to eliminate those barriers. The Conference requested that high priority be accorded to transport facilitation in the implementation of the Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016).

6. The Conference highlighted a number of measures aimed at removing non-physical barriers: (a) accession to international conventions relating to transport facilitation; (b) formulation and implementation of bilateral and subregional agreements; (c) establishment of integrated check posts, joint border controls, single window and single stop, and joint free trade zones at borders; (d) amendment of domestic legislation, harmonization of rules and

regulations, and simplification of documentation and procedures; (e) preparation of strategic customs documents and adoption of new technologies.

7. The Conference recognized the difficulties in the implementation of subregional agreements relating to transport facilitation and emphasized the need to develop or amend domestic legislation relating to cross-border transport, capacity-building, coordination and financial support.

8. The Conference noted with satisfaction the conclusion of the negotiation of the draft agreement between the Governments of the Shanghai Cooperation Organization Member States on facilitation of international road transport and the expected signing of the agreement in Beijing in June 2012 during the Summit of the Shanghai Cooperation Organization.

9. The Conference noted the efforts exerted by several member countries to improve the efficiency of transport logistics by promoting intermodal transport, establishing intercountry logistics information networks, entering into intercountry multimodal transport agreements, and utilizing satellite container tracking systems.

10. The Conference expressed support for the efforts of the secretariat to promote private sector participation in transport development in the region. It expressed its wish that such efforts continue and that they focus, in particular, on the need to explore innovative methods of financing and to continue promoting and supporting the implementation of public-private partnerships (PPPs). The Conference welcomed the proposal of the Islamic Republic of Iran to host the Ministerial Conference on Public-Private Partnerships for Infrastructure Development in November 2012.

11. The Conference was informed of many successful PPP projects associated with the development of transport infrastructure which contributed to Asian connectivity in sea, road and rail networks. It emphasized the important role of the secretariat in identifying and providing advice on the experiences of PPPs.

12. The Conference noted that there was a need for investments in transport infrastructure and services to be more sustainable. It stressed the importance of the economic and social sustainability of transport systems in addition to environmental sustainability.

13. The Conference noted that climate change threatened the sustainability of the transport infrastructure of many countries and that low-carbon strategies needed to be implemented, with energy efficiency being an important consideration. In that respect, various modal shift initiatives were being taken by member States, including: (a) more use of inland and coastal waterways, (b) expansion of public transport networks, (c) facilitation of non-motorized transport, (d) additions to and electrification of the rail network as an alternative to road, (e) vehicle demand management, (f) improved engineering with intelligent transport system technology, (g) mitigation policies including vehicle emissions reduction policies, biofuel use, and fuel-efficient ships and shipping strategies.

14. The Conference emphasized the significant role of efficient, accessible and integrated urban public transport systems in reducing transport emissions and stressed the need to improve the service, quality and availability of such systems.

15. The Conference noted the unique challenges faced by archipelagic and small island developing countries in developing sustainable transport systems that would provide efficient, reliable and affordable shipping services at the domestic, subregional and international levels. It noted that they were vulnerable to climate change and various types of natural disasters and needed to consider appropriate mitigation and adaptation strategies.

16. The Conference stressed the importance of continuing to address road safety through the introduction of national road safety strategies, and the implementation and evaluation of action plans and programmes. In that regard, it noted with satisfaction the national road safety action plans and initiatives that had been announced by many Governments of member States during 2011, which had also been the launch year for the United Nations Decade of Action for Road Safety, 2011-2020.⁹ In addition, the Conference requested the continuing support of the secretariat and international agencies active in road safety in addressing the Decade goal of stabilizing and reducing the forecast level of road traffic fatalities. In addition, the delegation of the Russian Federation informed the Conference of, and requested the support of member States for, a draft resolution on road safety to be submitted to the General Assembly at its sixty-sixth session.

17. The Conference recognized that sustainable transport development was an important prerequisite for achieving the Millennium Development Goals, as well developed transport networks connected people to health, education, markets and economic and social opportunities. In that regard, member States were developing, improving and maintaining rural roads to provide better farm-to-market access roads and had seen substantial economic improvement and poverty reduction as a result.

18. The Conference noted that items 1 to 6 of the agenda had been allocated to the senior officials, whose conclusions and recommendations were contained in their report (E/ESCAP/MCT.2/12). The Conference endorsed the findings and recommendations of the senior officials.

19. In their statements during the policy debate segment of the Conference, ministers and representatives provided details of their infrastructure problems and objectives, development experiences and policy initiatives.

20. *Armenia* continued to focus on improving its transport infrastructure, including construction of the new road and rail links along the North-South Transport Corridor, rehabilitation of major international road links in the northern direction, reconstruction and rehabilitation of rural roads, as well as the plan to build a dry port near the international airport.

21. *Bangladesh* recognized the importance of substantially upgrading its transport infrastructure and developing regional connectivity. Intra- and intercountry connectivity as well as the development of the Asian Highway and Trans-Asian Railway networks were important policy considerations in the surface transport strategy of Bangladesh. A 20-year road master plan had been approved in 2009. The Government planned to upgrade the entire Asian Highway network in the country to four-lane standards and had embarked on a programme for establishing regional rail connectivity that included Trans-Asian Railway routes and establishment and development of inland container depots.

⁹ See General Assembly resolution 64/255 on improving global road safety.

22. *Bhutan*, as a landlocked country, stressed that it placed great importance on developing international and regional transport connectivity as part of its pursuit of gross national happiness, the essence of the country's development philosophy. In December 2011, it had launched domestic air transport service for the first time in its aviation history and expressed its desire for railway links. Over 8,000 km of the road transport network, including the Asian Highway roads (AH48), had been constructed in recent decades. Great attention was also being paid to road safety measures, and many of the activities under the Decade of Action for Road Safety had been either initiated or planned for implementation over the succeeding 10 years.

23. *Cambodia* was continuing to rehabilitate, improve and upgrade its transport infrastructure in parallel with efforts for transport facilitation and road safety. Projects included a new cable-stayed bridge crossing the Mekong River at Neak Loeung, the railway line from Sisophon to Poipet as part of the Singapore-Kunming Railway Link (SKRL), the new Phnom Penh Container Terminal and the development of other inland container depots and special economic zones.

24. *China* accorded high priority to further developing transport infrastructure, upgrading the capability of transport management, enhancing public transport systems and services and improving transport safety. While increasing its investment in its own transport infrastructure in border areas and opening more routes and border crossings, China had provided neighbouring countries with assistance in developing transport infrastructure and worked closely with other countries under various cooperation frameworks.

25. The *Democratic People's Republic of Korea* supported regional transport initiatives and expressed its readiness to accede to both the Intergovernmental Agreement on the Asian Highway Network¹⁰ and the Intergovernmental Agreement on the Trans-Asian Railway Network.¹¹ It was actively engaged in technical cooperation with ESCAP and in bilateral cooperation with other countries to improve and rehabilitate its transport infrastructure and expected that such cooperation would continue. Development of the Pyongyang-Sinuiju high-speed railway, modernization of railways, improvement of Wonsan-Hamhung highway, construction of Pyongyang-Sinuiju and Hamhung-Rajin highways and installation of standard road signs were some of the ongoing and planned activities.

26. *Fiji* stressed the multiple challenges that it faced, which took the form of geographical isolation, natural disasters, inadequate infrastructure, trade imbalances and lack of attractiveness in the implementation of PPPs for infrastructure development. It had successfully implemented a shipping franchise scheme to compensate private shipowners for servicing less economical routes and secured the supply of goods to a large number of maritime communities. Fiji was working with Kiribati and Tuvalu to reduce transport costs and enhance subregional transport network connectivity through the realization of a Pacific Hub concept.

¹⁰ United Nations, *Treaty Series*, vol. 2323, No. 41607.

¹¹ United Nations, *Treaty Series*, vol. 2596, No. 46171.

27. *India* had embarked on its National Highway Development Programme to develop 7,300 km of national highways every year and other programmes to develop 15,600 km of highways in the remote areas to promote inclusive development, which would be financed through multiple sources. To enhance road safety, it focused on engineering, enforcement, education and emergency care. It was constructing dedicated railway freight corridors in the north-eastern and north-western areas. It operated regular train services with Bangladesh, Nepal and Pakistan and was exploring connectivity with other neighbouring countries.

28. *Indonesia* emphasized that its intermodal transport system facilitated the movement of goods and people within and across its approximately 17,000 islands and was accordingly at the core of its national economy, growth and development. In recent years, the country had made substantial progress in expanding its network of roads and railways, developing ports, dry ports, and airport infrastructure, improving its logistics system, and campaigning on road safety as well as sustainable transport development.

29. *The Islamic Republic of Iran*, in addition to emphasizing the connection of subregional transport networks, had acceded to more than 60 international transport conventions in all modes and 10 regional multilateral agreements, including the intergovernmental agreements on the Asian Highway and Trans-Asian Railway networks, had concluded bilateral transport agreements in all modes with 120 countries and had taken effective measures to improve transport connectivity with its neighbours. In association with other neighbouring countries, it had established international transit corridors, including the North-South and East-West transport corridors. In addition, it had implemented or was in the process of implementing several important railway projects, including some missing links along the Trans-Asian Railway network in its territory. Implementation of those projects had greatly improved the access of Central Asian landlocked countries to the sea.

30. *Japan* expressed thanks for the support and encouragement it had received in response to the earthquake and tsunami which had struck its north-eastern region in March 2011. It stressed that society was increasingly demanding transport systems which provided safety, environmental benefits and convenience, and, in that regard, emphasized the need to enhance the quality of transport. It had enacted measures to promote and incorporate universal design into its public transport systems in order to make train stations, buses and taxis accessible for all sections of society, including wheelchair users and the elderly. It expressed a willingness to share its experiences in improving the quality of transport with other countries in the region.

31. *Kazakhstan*, with the purpose of increasing its transit transport potential, placed great importance on the development of an integrated transport system, including all modes of transport and logistics infrastructure, with particular emphasis on the construction of new railway lines and roads within the framework of international and regional transport links. In that respect, it had recently completed new rail links between Zhetigen-Karges and Uzen – border with Turkmenistan. Furthermore, it continued to implement a mega-project in the “Western Europe – Western China” transport corridor and was developing a large joint special economic zone with China at Khorgos.

32. *The Lao People’s Democratic Republic* stressed the need to balance efforts aimed at developing physical infrastructure as the “hardware” and

those aimed at addressing non-physical barriers as the “software” on the basis of its experience with subregional cooperation under the frameworks of the Association of Southeast Asian Nations and the Greater Mekong Subregion.

33. *Malaysia* had implemented a government transformation programme which included the improvement of urban public transport as one of six National Key Result Areas to be addressed. It had significantly improved and expanded its domestic and international rail networks and made efforts to enhance the use of green technology in its transport systems. It had also undertaken educational initiatives and would be introducing an automated enforcement system to improve road safety.

34. *Maldives* underlined its policy of developing various modes of transport to provide an efficient, sustainable and safe transport system in the country. It planned to establish a transport network to link with the seaports of other countries in South Asia in order to facilitate trade, which, in turn, would lead to new opportunities for investment and tourism among the countries involved.

35. *Mongolia* was implementing a number of important transport projects under the State Policy on Railway Transport and the New Development Programme. It accorded high priority to the development of its national railway network for connectivity with North-East and South-East Asia, with supporting inland container depots in Sukhbaatar, Ulaanbaatar and Zamyn-Uud.

36. *Myanmar* had upgraded 1,696 km of the Asian Highway to Class III with its own resources and the participation of the private sector. It was constructing 1,845 km of new railway lines and developing international deep sea ports at Dawei and Kyaukpyu. It had recently opened the Nay Pyi Taw International Airport, which was equipped with adequate passenger terminal facilities. In September 2011, it had introduced a de-registration programme to scrap old motor vehicles with a view to improving the efficiency of transport and reducing its environmental impact.

37. *Nepal* was planning to maintain, extend and upgrade its transport network to provide a safe, reliable and sustainable transport system for its people. Work was continuing on the preservation of road assets and the development of an urban mass transport system, flyovers and bypasses in Kathmandu, alongside the upgrading and expansion of the railway network. To facilitate more efficient freight systems, inland container depots with integrated check posts were being planned and implemented. A national road safety action plan had recently been finalized with the objective of reducing the number of road crashes and stemming the rise in deaths and injuries caused by the growing number of vehicles.

38. *Pakistan* had launched its National Trade Corridor Improvement Programme (NTCIP) to revamp existing transport infrastructure, trade logistics and services, and to improve regional connectivity, focusing in particular on links with China, Afghanistan and the Central Asian republics, the Islamic Republic of Iran, Turkey and others. Great attention was also being given to PPPs, and the Government had awarded a contract to an international company to construct a motorway on a segment of AH4 on a build-operate-transfer (BOT) basis.

39. *Papua New Guinea* had developed national strategies and plans on transport according to the overarching long-term national development master plan from 2010 to 2030. It had embarked on a number of programmes,

including upgrading of major airports with a total cost of \$400 million and extending the Port of Lae with an investment of \$400 million. It also had plans to rehabilitate the Highlands Highway and a port in the area of the Gulf of Papua to further open up the resource-rich Gulf basin and the highlands.

40. The *Philippines* had formulated in 2010 a strategy for developing and mainstreaming environmentally sustainable transport. The aim of the strategy was to reduce the growth rate of energy consumption and emissions and to develop a market for environmentally sustainable goods and services. As the country consisted of more than 7,100 islands, it had integrated the maritime and land transport sectors in 2003 through its Road RORO (Roll On, Roll Off) Terminal System (RRTS).

41. The *Republic of Korea* expressed its intention to increase investment and subsidies to move freight from road to rail and better utilize coastal shipping and inland waterways. Urban policy envisioned the expansion of cycleways and greater road space efficiency gained with enhanced intelligent transportation system technology. Expansion of the railway network would contribute to the goal of 83 per cent of the population having access to the rail network by 2020. In addition, it suggested strengthening the application of intelligent transport systems and interregional cooperation on land transport facilitation, and preparing for increased disaster resilience in the region.

42. The *Russian Federation* had made a number of major achievements in the development of its transport system, including: (a) completion of the construction of Chita-Khabarovsk road, which provided a seamless transport connection between the eastern and western borders; (b) progress in the implementation of the project for the rehabilitation of the trans-Korean railway; (c) reduction of transit time on the Trans-Siberian Railway to seven days (Transib 7 days) by 2015; and (d) the use of satellite tracking systems with the Global Orbital Navigation Satellite System (GLONASS) and GLONASS with the Global Positioning System (GPS).

43. With the aim of improving connectivity, *Sri Lanka* had actively participated in the preparation of the draft agreements on railway and motor traffic in the region of the South Asian Association for Regional Cooperation. The construction of the Hambanthota seaport had been completed. A 280-km railway line in the northern region and a new international airport in the southern region were under construction. It also completed a feasibility study on establishing inland container depots close to the port of Colombo. Sri Lanka had formulated a ten-year plan to improve road safety in connection with the Decade of Action for Road Safety.

44. *Tajikistan* had adopted a Government programme on transport system development and the measures for its implementation. Within the framework of that programme and for the purpose of the country's integration into the regional and global transport systems, the country was improving transport infrastructure, in particular the transport corridors of the Asian Highway Network on its territory, by constructing new and rehabilitating existing roads. It was undertaking feasibility studies to connect its railway network with the networks of neighbouring countries and to expand access to seaports. In view of the country's mountainous terrain, attention was focused on road safety on the basis of a number of special measures, such as the construction of tunnels and the deployment of automatic traffic management systems.

45. *Thailand* had invested in a rail transport system to reduce its logistics costs by increasing the proportion of rail transport from 2 per cent to 10 per cent over a period of 10 years. That would be achieved through the development of a logistics hub and spoke system and the integration of rail and road networks. Its Railway Development Master Plan 2010-2025 envisioned three key phases: (a) restructuring; (b) improvement; and (c) enhancing the efficiency of the existing railway network. Thailand had also introduced a policy to develop a high-speed train network.

46. *Turkey* had invested about \$60 billion in the preceding nine years to develop and modernize its transport infrastructure. Many projects, particularly in the road and airport sectors, had been implemented through PPPs. Turkey was implementing a number of railway projects, including an Ankara-centred high-speed train network. Alongside physical integration and improvement, it had also taken steps towards the elimination of non-physical barriers at border crossings.

47. *Viet Nam* had upgraded the AH1 from the northern border, with China, to the south-western border, with Cambodia, to the class III standard, and was constructing the Hai Phong–Ha Noi–Lao Cai–Kunming Expressway, which was expected to be completed in 2014. Viet Nam was preparing a feasibility study on a missing link on the Singapore–Kunming rail link in cooperation with Cambodia. In addition, it had undertaken many road-safety-related initiatives, among which were the launching of the Decade of Action for Road Safety, the strengthening of its National Traffic Safety Committee and the designation of its Deputy Prime Minister as Chairman, and had approved a national road traffic safety strategy to cover the period up to 2020, with a vision extending to 2030.

48. The representative of the *United Nations Conference on Trade and Development (UNCTAD)* expressed his organization's desire to strengthen its working relationship with ESCAP and other regional commissions on inclusive and sustainable transport delivery. Their areas of focus would include advisory services on customs automation, ports development, trade facilitation and training. Current strategic priorities included more efficient use of energy, sustainable freight transport and development of PPPs.

49. The representative of the *Asian Institute of Transport Development (AITD)* pointed out the advantage of combining road and rail networks with other networks, such as pipelines and fibre-optic cables. He also apprised the Conference of the work of AITD in supporting regional economic cooperation, human resources development and poverty alleviation, including capacity-building through training courses in various disciplines conducted for railway officials in the region.

50. The representative of the *International Road Transport Union (IRU)* pointed out the significant impact of road transport on the efficiency of global economy. He referred to the result of the New Eurasian Land Transport Initiative (NELTI), which showed that a significant percentage of cost and time were spent at border crossings. He urged ESCAP to continue its work in reducing delays at borders and to use intraregional merchandise trade as an indicator of efficiency in road transport facilitation.

51. The representative of the *International Union of Railways (UIC)* stressed the need of the region to develop sufficient rail infrastructure to cope with substantial growth in container traffic. He indicated that the region also needed to develop expertise in PPPs to overcome the challenge of the

budgetary constraints being faced. He informed the Conference of various rail projects undertaken by UIC, including a joint project with the Asian Development Bank in Greater Mekong Subregion countries.

52. The representative of the *Organization for Cooperation between Railways (OSJD)* informed the Conference that OSJD was endeavouring to promote the unification of railway transport laws. It had successfully assisted in the organization of container trains operating from China to Germany and would also be involved in organizing demonstration container trains from Urumqi, China, to Berlin, Germany, in 2012.

B. Other matters

(Agenda item 8)

53. The Conference expressed its appreciation to the secretariat for organizing the following side events: (a) a road safety exhibition; and (b) an exhibition on the Regional Action Programme for Transport Development in Asia and the Pacific, phase II (2012-2016).

54. No other matter was discussed.

C. Adoption of the ministerial declaration on transport development in Asia and the Pacific, including a regional action programme for transport development in Asia and the Pacific, phase II (2012-2016)

(Agenda item 9)

55. The Conference had before it the draft ministerial declaration on transport development in Asia and the Pacific, including a regional action programme for transport development in Asia and the Pacific, phase II (2012-2016) and the revised draft regional strategic framework for the facilitation of international road transport as annexes (see E/ESCAP/MCT.2/L.3).

56. The Conference held the view that the draft declaration provided a clear framework for promoting cooperation and integration in transport for inclusive and sustainable development in the region. It noted that the Declaration could give a fresh impetus to the development of the transport sector if members and associate members, subregional organizations and the secretariat of ESCAP joined together to promote collaboration and action.

57. The Conference adopted by acclamation the Ministerial Declaration on Transport Development in Asia and the Pacific, including the Regional Action Programme on Transport Development in Asia and the Pacific, phase II (2012-2016) and the Regional Strategic Framework for the Facilitation of International Road Transport (see E/ESCAP/MCT.2/13).

D. Adoption of the report of the Conference

(Agenda item 10)

58. The report of the Ministerial Conference on Transport at its second session was adopted unanimously on 16 March 2012.

III. Organization of the Conference

A. Opening, duration and organization

59. The second session of the Ministerial Conference on Transport was held at the United Nations Conference Centre in Bangkok from 12 to 16 March

2012. The Conference comprised two segments: the senior officials segment (12-14 March 2012); and the ministerial segment (15-16 March 2012).

60. Mr. Chadchart Sittipunt, Deputy Minister, Ministry of Transport, Government of Thailand, declared open the Conference. The Executive Secretary of ESCAP read out the message of the Secretary-General of the United Nations and delivered her welcoming statement.

61. In his message, the Secretary-General emphasized the ever growing role of the transport sector in achieving the Millennium Development Goals and enhancing opportunities. While underscoring the importance of access, he observed that significant progress had been achieved to improve physical and institutional connectivity between the subregions through the Asian Highway and Trans-Asian Railway networks.

62. The Secretary-General noted that the next level of achievement involved the development of dry ports. In addition, he called on member countries to improve road safety and work together in partnership for the people of Asia and the Pacific.

63. The Executive Secretary noted that the gathering stated the importance and value of the regional approach to increasing regional connectivity and economic integration. Both the Busan Declaration of 2006 and the Bangkok Declaration of 2009 had articulated the vision of an international integrated intermodal transport and logistics system. The premise of that vision had been continued investment in the Asian Highway and Trans-Asian Railway networks, the development of transportation systems that reached out to the rural and isolated communities, and transport facilitation.

64. The Executive Secretary informed the Conference that the draft intergovernmental agreement on dry ports had been prepared and reviewed at the regional and subregional levels. The expectation was that the adoption of the agreement would take place later in the year and that it would be opened for signature at the sixty-ninth session of the Commission, in 2013.

65. The Executive Secretary emphasized the critical role of transport in poverty reduction as well as inclusive and sustainable development. Although none of the Millennium Development Goals involved the issue of transport directly, it was one of the most important enablers for achievement of the Goals.

66. The Executive Secretary assured member countries of the readiness of ESCAP to work with them in realizing the vision of an international integrated intermodal transport and logistics system. Recent natural disasters had reminded everyone that resilience was crucial in transport infrastructure planning.

67. The Deputy Minister of Transport of Thailand extended a warm welcome to participants in the Conference. He pinpointed a range of activities undertaken by his Government to develop its transport infrastructure, including the intention of Thailand to become a regional hub for business, trade and investment and to contribute to sustainable development with continuing public transport projects.

68. The Deputy Minister expressed appreciation for a wide range of activities implemented by the ESCAP secretariat to assist member countries

in realizing regional and interregional connectivity through the Asian Highway and Trans-Asian Railway networks and through transport facilitation. He reaffirmed the full support and cooperation of Thailand with all countries in the region, the ESCAP secretariat and the development partners to realize the shared vision of an international integrated intermodal transport and logistics system.

69. In closing, the Deputy Minister expressed his wish for a successful Conference.

B. Attendance

70. The session was attended by representatives of the following members and associate members of ESCAP: Armenia; Bangladesh; Bhutan; Cambodia; China; Democratic People's Republic of Korea; Fiji; Georgia; India; Indonesia; Iran (Islamic Republic of); Japan; Kazakhstan; Kyrgyzstan; Lao People's Democratic Republic; Malaysia; Maldives; Micronesia (Federated States of); Mongolia; Myanmar; Nepal; Pakistan; Papua New Guinea; Philippines; Republic of Korea; Russian Federation; Sri Lanka; Tajikistan; Thailand; Turkey; United States of America; Uzbekistan; and Viet Nam.

71. Representatives of South Africa attended.

72. Representatives of the following United Nations bodies and specialized agencies attended: International Maritime Organization; United Nations Conference on Trade and Development; United Nations Development Programme Tumen Secretariat; Universal Postal Union; World Bank; and World Health Organization.

73. Representatives of the following intergovernmental organizations, non-governmental organizations and other organizations were present: Asian Development Bank; Asian Institute of Transport Development; Organization for Cooperation between Railways; Conference on Interaction and Confidence-building Measures in Asia; Global Infrastructure Fund Research Foundation Japan; Global Road Safety Partnership; Institute of Road Traffic Education; International Air Transport Association; International Federation of Freight Forwarders Associations; International Road Transport Union; International Union of Railways; Korea Expressway Corporation; Korea Railroad Research Institute; Korea Research Institute for Human Settlements; Korea Transport Institute; Mekong River Commission; and Thai International Freight Forwarders Association.

C. Election of officers

74. The Conference elected Lyonpo Nandalal Rai (Bhutan) Chair.

75. Following past practice, the Conference decided to elect the following heads of delegation vice-chairs:

Mr. Tauch Chankosal (Cambodia)
 Mr. Weng Mengyong (China)
 Mr. Pak Jong-Song (Democratic People's Republic of Korea)
 Mr. Timoci L. Natuva (Fiji)
 Mr. Bambang Susantono (Indonesia)
 Mr. Ali Nikzad (Islamic Republic of Iran)
 Mr. Kazuo Inaba (Japan)
 Mr. Sommad Pholsena (Lao People's Democratic Republic)

Datuk Abdul Rahim Bakri (Malaysia)
Mr. Ahmed Shamheed (Maldives)
Mr. Tugs Purevdorj (Mongolia)
Mr. Thant Shin (Myanmar)
Mr. Francis Awesa (Papua New Guinea)
Mr. Joo Sung-Ho (Republic of Korea)
Mr. Santha Kumara Ananda Welgama (Sri Lanka)
Mr. Chadchart Sittipunt (Thailand)
Mr. Nguyen Hong Truong (Viet Nam)

76. Mr. Hong Sinara (Cambodia) was elected Rapporteur.

D. Agenda

77. The Conference adopted the following agenda:

Senior officials segment

1. Opening of the session:
 - (a) Opening addresses;
 - (b) Election of officers;
 - (c) Adoption of the agenda.
2. Assessment and evaluation of the implementation of the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011), of the Busan Declaration on Transport Development in Asia and the Pacific and of the Bangkok Declaration on Transport Development in Asia.
3. Emerging issues in transport:
 - (a) A vision of the development of the transport sector in the Asian and Pacific region;
 - (b) Transport infrastructure;
 - (c) Transport facilitation;
 - (d) Transport logistics;
 - (e) Finance and private sector participation;
 - (f) Sustainable transport development;
 - (g) Road safety;
 - (h) Transport and the Millennium Development Goals;
 - (i) Inter-island shipping;
 - (j) Connecting subregional transport networks.
4. Draft ministerial declaration on transport development in Asia and the Pacific, including a regional action programme for transport development in Asia and the Pacific, phase II (2012-2016).
5. Other matters.
6. Adoption of the report of the senior officials.

Ministerial segment

7. Policy debate on issues pertaining to transport development in Asia and the Pacific and the implementation of the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011), of the Busan Declaration on Transport Development in Asia and the Pacific, and the Bangkok Declaration on Transport Development in Asia, including the report of the senior officials.
8. Other matters.
9. Adoption of the ministerial declaration on transport development in Asia and the Pacific, including a regional action programme for transport development in Asia and the Pacific, phase II (2012-2016).
10. Adoption of the report of the Conference.
11. Closing of the Conference.

Annex

List of documents

Document symbol	Title	Agenda item
<i>General series</i>		
E/ESCAP/MCT.2/1 and Corr.1	Assessment and evaluation of the implementation of the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011), of the Busan Declaration on Transport Development in Asia and the Pacific and of the Bangkok Declaration on Transport Development in Asia	2
E/ESCAP/MCT.2/2 and Corr.1	A vision of the development of the transport sector in the Asian and Pacific region	3 (a)
E/ESCAP/MCT.2/3 and Corr.1	Transport infrastructure	3 (b)
E/ESCAP/MCT.2/4 and Corr.1	Transport facilitation	3 (c)
E/ESCAP/MCT.2/5 and Corr.1	Transport logistics	3 (d)
E/ESCAP/MCT.2/6	Finance and private sector participation	3 (e)
E/ESCAP/MCT.2/7	Sustainable transport development	3 (f)
E/ESCAP/MCT.2/8	Road safety	3 (g)
E/ESCAP/MCT.2/9	Transport and the Millennium Development Goals	3 (h)
E/ESCAP/MCT.2/10	Inter-island shipping	3 (i)
E/ESCAP/MCT.2/11	Connecting subregional transport networks	3 (j)
E/ESCAP/MCT.2/12	Report of the senior officials	7
<i>Limited series</i>		
E/ESCAP/MCT.2/L.1 and Corr.1	Annotated provisional agenda	1
E/ESCAP/MCT.2/L.2	Draft report of the Conference	10
E/ESCAP/MCT.2/L.3	Draft ministerial declaration on transport development in Asia and the Pacific	9
<i>Conference room paper series</i>		
E/ESCAP/MCT.2/CRP.1	Draft report of the senior officials	6
E/ESCAP/MCT.2/CRP.2	Draft ministerial declaration on transport development in Asia and the Pacific	4
<i>Working paper series</i>		
E/ESCAP/MCT.2/WP.1 and Corr.1	Draft ministerial declaration on transport development in Asia and the Pacific	4
E/ESCAP/MCT.2/WP.2	Draft regional action programme for transport development in Asia and the Pacific, phase II (2012-2016)	4

Document symbol	Title	Agenda item
<i>Information series</i>		
E/ESCAP/MCT.2/INF/1/Rev.1 and Corr.1 and 2	Information for participants	
E/ESCAP/MCT.2/INF/2	List of participants	
E/ESCAP/MCT.2/INF/3	Tentative programme	
E/ESCAP/MCT.2/INF/4	Activities implemented under the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011)	2
E/ESCAP/MCT.2/INF/5 and Corr.1	Selected policy issues in inter-island shipping	3 (i)