



## Economic and Social Council

Distr.: General  
1 December 2016

Original: English

---

### Commission for Social Development

#### Fifty-fifth session

1-10 February 2017

**Follow-up to the World Summit for Social Development and  
the twenty-fourth special session of the General Assembly:  
priority theme: strategies for the eradication of poverty to  
achieve sustainable development for all**

### **Statement submitted by Baltic Sea Forum, a non-governmental organization in consultative status with the Economic and Social Council\***

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

---

\* The present statement is issued without formal editing.



## Statement

### **Sustainable transport as a strategy for the eradication of poverty under the motto “Leaving no-one behind”**

The Baltic Sea Forum has been working on sustainable transport options for many years and has a broad volume of experience in nearly all areas of transport and traffic. This experience can be shared as best practice to support developing countries to connect with developed countries to reduce or even eradicate poverty.

By pursuing a strategy of close partnership, assistance with economic development, sustainable transport programmes, the reduction of poverty, fostering democracy, and respecting human rights; the containment of global threats can be transformed into development aid to establish peace, security, sustainable development and stability.

In order to reach these goals, the indispensable pre-condition is to leave no-one behind. This means to develop working infrastructure in so-called hinterland-countries especially landlocked developing countries (LLDCs) and connect them with developed countries.

The Baltic Sea Forum’s focus would propose the revival and expansion of existing structures with new logistical approaches, mainly rail and waterways like short sea shipping and inland waterways. Most international transport involves a combination of sea transport with road, rail or inland waterway transport. With road transport being the least environmentally desirable mode of transport, the aim is to minimize its share in the transport chain and to maximize transport on rail or inland waterways and short-sea vessels which can lead to macroeconomic benefits.

#### Macro-economic effects of inland navigation

International division of work is the basis for welfare and economic growth, in well developed countries, developing countries and emerging economies. Recent studies show that low wage countries cooperating with high wage countries develop better and faster than those countries that are not part of international trade and production processes.

Increasing international division of work comes along with increasing international transport. Container traffic growth rates are up to four times higher than GDP growth rates. International transport in most cases is a combination of sea transport by ship and — ideally — inland waterway transport to the hinterland. However, a short road leg is normally required for the “last mile”.

To develop LLDC’s inland waterway transport is cheaper than road or rail transport for long distances because of economies of scale. For example container shipping benefits from economies of scale in inland transportation. The rationale of inland shipping companies to have larger ships becomes obvious when the benefits, in terms of lower costs per unit (TEU<sup>1</sup>), increase with the capacity of ships.

---

<sup>1</sup> ENHANCING FREIGHT MOBILITY AND LOGISTICS IN THE BSR BY STRENGTHENING INLAND WATERWAY AND RIVER SEA TRANSPORT AND PROMOTING NEW INTERNATIONAL SHIPPING SERVICES (LIFE TIME 03/2016 – 02/2019), WWW.PROJECT-EMMA.EU.

Compared to road and rail, One Twenty-foot Equivalent Unit (TEU). The lower transport costs per twenty-foot equivalent unit (TEU) result in much higher competitiveness and less costs for transportation.

Industries along inland waterways thus have a competitive advantage compared to those located away from waterways by making use of cheaper transport solutions. The effect can even strengthen the comparative advantage. More transport opportunities therefore contribute to economic development, job creation and income in the regions. Recent studies in Europe prove that inland ports are motors for growth. Approximately 40,000 jobs depend on the three major inland ports in Germany — Neuss, Dusseldorf and Krefeld.

The study on inland navigation at the river Elbe in 2015 demonstrated, that even on rivers with challenging navigational conditions, inland waterway transport has positive effects on the labour market with results finding the river provides 16,000 direct and indirect jobs. Better maintenance or upgrading the river's navigation class might result in even higher effects.

Inland shipping supports economic development from two perspectives:

- It helps to integrate less developed regions into international trade relations and improves the regions competitiveness by offering the industry attractive transport conditions.
- Consequently strengthening inland shipping in less developed countries contributes to economic development and elimination of poverty.

The ongoing European INTERREG Baltic Sea Region Programme project EMMA4 of which the Baltic Sea Forum is a partner, aims to enhance inland navigation in the Baltic Sea Region and is an interesting project to follow. It supports the development of inland navigation within transition countries such as Poland, Lithuania as well as other countries including Sweden, Finland and North-Germany.

Sweden's decision to implement a set of rules and regulations of the EU Directive 2006/87/EC into Swedish legislation, provides new opportunities to integrate inland navigation in Swedish transport networks. The administrative and business processes ongoing might be a model for other countries to mimic as soon as it is finalized.

To improve transport conditions, competitiveness of industries and social welfare Poland is investigating hinterland transports such as inland navigation from its sea ports Gdynia and Gdansk via Vistula River in the area of Bydgoszcz City

The discussion of SDG 1 — Eradication of poverty can include the benefits of the transport industry. The industry can contribute to job creation and professional education could lead to a result of new concepts as well as economic development, which together realize a wealthier life. Most importantly to leave no one behind LLDC's require attention.