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## Economic and Social Commission for Asia and the Pacific

### Sixty-seventh session

Bangkok, 19-25 May 2011

Item 3 (c) of the provisional agenda

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

## Report of the Committee on Transport on its second session

### *Summary*

The Committee on Transport held its second session in Bangkok from 1 to 3 November 2010. The Committee reviewed major issues and challenges in transport related to promoting regional connectivity, namely transport policy, infrastructure, facilitation and logistics, and discussed measures needed to address those issues. The Committee reiterated the importance of the Busan Declaration on Transport Development in Asia and the Pacific and its Regional Action Programme, phase I (2007-2011), as a vital long-term strategy for the development of an international integrated intermodal transport and logistics system, and generally endorsed the thematic areas and actions at the regional and national levels for planning future activities under phase II (2012-2016) of the Regional Action Programme.

The Committee requested the secretariat to proceed with the development of a draft intergovernmental agreement on dry ports, for consideration by further subregional and regional meetings. It also requested the secretariat to proceed with the preparations for the ministerial conference on transport to be held in November 2011.

The present report includes matters calling for action by the Commission or to be brought to its attention. The Commission may wish to provide guidance on those matters.

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

### **A. Recommendations**

1. The Committee generally endorsed the thematic areas and actions at the regional and national levels for promoting regional transport connectivity, for possible inclusion in the draft regional action programme for transport development in Asia and the Pacific, phase II (2012-2016) of the Busan Declaration on Transport Development in Asia and the Pacific, as identified by the secretariat in documents E/ESCAP/CTR(2)/2 and Corr.1.

2. The Committee reaffirmed the importance of policy guidance at the ministerial level, including through the Forum of Asian Ministers of Transport. It considered the Forum to be a successful establishment of a

network of high-level transport officials and experts in the Asia-Pacific region.

3. The Committee recognized the importance of the Busan Declaration and its Regional Action Programme, phase I (2007-2011), as a vital long-term strategy for the development of an international integrated intermodal transport and logistics system, based on the two major building blocks - the Asian Highway and Trans-Asian Railway networks.

4. The Committee requested the secretariat to proceed with the development of a draft intergovernmental agreement on dry ports, for consideration by further subregional and regional meetings, based on the structure contained in document E/ESCAP/CTR(2)/3, taking into account suggestions and comments made by delegations during the current session as well as the Regional Expert Group Meeting on the Development of Dry Ports along the Asian Highway and Trans-Asian Railway Networks, held in conjunction with the current session.

5. The Committee requested the secretariat to pay greater attention to transport facilitation issues and to assist in identifying and eliminating the existing non-physical barriers in international transport.

6. The Committee noted that development of logistics infrastructure, optimization of logistics operations and enhancement of the quality of logistics service would contribute to facilitation and increased traffic through international transport corridors.

7. The Committee noted the importance of public-private partnerships (PPPs) in the transport sector and recognized that capacity-building was needed to promote PPPs.

8. The Committee recognized the importance of sustainable transport development, and requested the secretariat to continue its work in that area.

9. The Committee noted the importance of the Decade of Action for Road Safety, 2011-2020, proclaimed by the General Assembly in its resolution 64/255 of 2 March 2010 on improving global road safety, and stressed the need to plan activities to improve the road safety situation in member countries.

10. The Committee noted that the development of transport infrastructure and services, especially in rural areas, played a critical role in the economic and social development of a country, thereby contributing to the achievement of the Millennium Development Goals.

11. The Committee emphasized that the promotion of inter-island shipping was of utmost importance for facilitating economic growth, reducing poverty and preventing isolation, in archipelagic and island developing countries or communities.

12. The Committee encouraged the secretariat to seek further cooperation with other regional and subregional organizations, in particular to promote inter-subregional cooperation in connecting subregional transport networks.

13. The Committee requested the secretariat to proceed with preparations for the ministerial conference on transport as contained in document E/ESCAP/CTR(2)/4.

14. The Committee requested the secretariat to prepare the draft programme of work, 2012-2013, based on the activities contained in documents E/ESCAP/CTR(2)/2 and Corr.1, and the deliberations under items 4 and 5 of the agenda.

## **II. Proceedings**

### **A. Review of the implementation of the Busan Declaration on Transport Development in Asia and the Pacific and the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011)**

15. The Committee had before it the document entitled “Review of the implementation of the Busan Declaration on Transport Development in Asia and the Pacific and the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011)” (E/ESCAP/CTR(2)/1 and Corr. 1). The document was accompanied by an information paper (E/ESCAP/CTR(2)/INF/4) containing a summary of the current status of activities implemented under the Regional Action Programme.

16. The Committee reviewed the implementation of the Busan Declaration and its Regional Action Programme and expressed satisfaction with the progress made in the implementation of the Regional Action Programme since the first session of the Forum of Asian Ministers of Transport, held in December 2009, particularly with respect to the priorities contained in the Bangkok Declaration on Transport Development in Asia, which was adopted at the Forum (see E/ESCAP/66/11, chap. IV).

17. The Committee recognized the importance of the Busan Declaration and its Regional Action Programme, as a vital long-term strategy for the development of an international integrated intermodal transport and logistics system, based on the two major building blocks—the Asian Highway and Trans-Asian Railway networks.

18. The Committee reaffirmed the importance of policy guidance at the ministerial level, including through the Forum of Asian Ministers of Transport. It considered the Forum to be a successful establishment of a network of high-level transport officials and experts in the Asia-Pacific region.

19. The Committee noted that the Asian Highway and Trans-Asian Railway networks were now serving as the basis for the development of intra- and interregional transport linkages. In that respect, it noted the level of accession by member countries to the Intergovernmental Agreement on the Asian Highway Network and the Intergovernmental Agreement on the Trans-Asian Railway Network.

20. Delegations highlighted wide-ranging actions and initiatives being taken at the national and regional levels in working towards the implementation of the Busan Declaration and its Regional Action Programme. The remaining part of this section incorporates many of these actions and initiatives.

21. The Committee noted the progress being made to upgrade the Asian Highway in member countries. Some of the notable developments were: (a) installation of the Asian Highway route signs in Japan and Thailand; (b) reconstruction of AH5: Baku-Alat-Kazak-Red Bridge, and AH8: Baku-Guba-Samur and Alat-Astara in Azerbaijan; (c) upgrading of Asian Highway routes in China (more than 90 per cent of the Asian Highway routes were of Class II standards and above); (d) improvement of Chita-Khabarovsk section of AH30 in the Russian Federation; (e) improvement of AH1: Tehran-Mashhad-Dogharun and Trabiz-Bazargam, upgrading of AH8: Gazvin-Rasht, and Khoramabad-Pole-Zale, AH72: Esfahan-Shiraz-Busher, and AH75: Mashhad-Birjand, to primary and Class I standards in the Islamic Republic of Iran; (f) upgrading or planning to upgrade about 9,300 km of the Asian Highway routes to four-lane standard in India; (g) upgrading of most of the Asian Highway routes to two lanes, ongoing upgrading of important road sections such as Dhaka-Chittagong highway corridor to four lanes, and the planned construction of the Padma Multipurpose Bridge which was expected to be completed by 2013 in Bangladesh; (h) construction of AH3, AH4 and AH32 and a further plan to upgrade AH3 to Class I standards in Mongolia; (i) improving road connectivity to the north, east and north-west parts in Sri Lanka; (j) upgrading highways as dual carriageways and a further plan to construct new motorways in Turkey; (k) progress in the construction of two bridges along the AH3 in Chiang Kong-Houayxay, and along the AH15 in Thakhek-Nakhon Phanom between the Lao People's Democratic Republic and Thailand; (l) expansion of high speed toll roads along the Asian Highway in Java in Indonesia; (m) planned reconstruction of AH82: Yerevan-Ashtarak section in Armenia; and (n) reconstruction of AH82 from the Islamic Republic of Iran to the Armenian and Georgian border.

22. The Committee noted that the seminar to commemorate the fiftieth anniversary of the Asian Highway was organized in Tokyo on 18 and 19 February 2010, in collaboration with the Ministry of Land, Infrastructure, Transport and Tourism of Japan.

23. The Committee noted that development priorities were now increasingly focused on international transport corridors, as part of national transport development master plans. The Government of Mongolia had approved the expansion of its rail network through the construction of 1,040 km of new routes, especially to support the exploitation of mining resources in the south of the country for export to other countries. Meanwhile, in the Russian Federation, international corridors were priority projects in the Government's programme for the development of the transport sector up to the year 2030. In particular, the Russian Railways Corporation was enhancing the role of railways for transit between Asia and Europe by upgrading transport capacity along the Trans-Siberian mainline through planned investment estimated at \$2.3 billion to complete the double-tracking and upgrading of bridges and tunnels. Upgrading infrastructure along the main trunk line was designed to serve the Transib-7 project aiming to cover the distance between ports of the Far East and the western part of the Russian Federation in seven days. Overall, an estimated potential of 450,000 twenty-foot equivalent unit per year could be carried between Asia and Europe. Another important route which linked Europe with Western China was being developed. The Marmaray project in Turkey was also a flagship infrastructure project which, when completed, would allow through movement between Asia and Europe via a tunnel under the Istanbul Strait.

24. The Committee noted a number of multilateral agreements to oversee the implementation of specific corridor projects. Thus, the Governments of Azerbaijan, the Islamic Republic of Iran and the Russian Federation were collaborating on the development of the North-South corridor linking the Baltic Sea to the Persian Gulf; and the Governments of Azerbaijan, Georgia and Turkey were working together on the Kars-Tbilisi-Baku project. Similarly, in an effort to boost the development of rail linkages in South Asia, India was promoting the implementation of a regional rail agreement with countries that were members of the South Asian Association for Regional Cooperation (SAARC).

25. The Committee noted that a number of Governments recognized that financing projects in, or coordinating project planning with, neighbouring countries could also bring domestic benefits. It noted the examples of Azerbaijan financing railway development in Georgia and of a similar initiative taken by India in Bangladesh. A collaborative approach was being taken between India and Sri Lanka to improve cross-border connectivity and, on a wider scale, between China and Turkey over the planning of a high-speed rail corridor. The Government of Pakistan had built a road linking Torkham to Jalalabad in Afghanistan and was now in the process of constructing additional carriageways.

26. The Committee recognized that collaboration was now being taken a step further to promote the operationalization of existing infrastructure. It noted the planning of a demonstration run of a container block-train between India, Nepal and Pakistan, and acknowledged the recent operation of block-trains of coal from Mongolia to ports in the far-eastern region of the Russian Federation. The Committee also took note of the Silk Road Truck Caravan between Istanbul-Tehran-Islamabad, organized by the Economic Cooperation Organization and International Road Transport Union.

27. The Committee also received information on progress relating to the construction of missing rail links in the Trans-Asian Railway network. Work was being undertaken in India to build a railway line between Jiribam and Imphal as a first step towards the construction of the missing link to Myanmar. Meanwhile, in the Lao People's Democratic Republic, following the inauguration of a short cross-border link with Thailand, in March 2009, the feasibility study for a 420-km section from Vientiane to Boten, Luangnamtha Province, on the border with China would be completed in December 2010. In Bangladesh, in order to establish an important missing link, the projects on building the Chittagong-Cox's Bazaar-Gundam and Dhaka-Mawar were reported to be at a matured stage. In Myanmar, a feasibility study on the section between Lashio and Muse (on the border with China) was completed in September 2010. Meanwhile, in the Islamic Republic of Iran, construction of the missing railway link between Kerman-Zahedan and Pakistan border (Mirjaveh) was completed.

28. The representative of the Asian Institute of Transport Development (AITD) apprised the Committee of the establishment of the Asian Railway Association, an initiative which included railway organizations from both South and South-East Asia. The Committee also noted with appreciation the valuable role of the AITD in arranging training courses for railway personnel from South and South-East Asia to assist in the development of the Trans-Asian Railway network. AITD also offered to provide a forum for training in public-private partnerships.

29. The Committee emphasized the importance of transport access and connectivity for regional economic development and noted the pivotal role that dry ports could play in developing an international integrated intermodal transport and logistics network for the region, including the landlocked countries.

30. The Committee noted that Kazakhstan was developing as an interregional transit hub through the development of dry ports at Almaty and Aktobe as well as along various transport corridors, including Euro-Asian transport links and Western China-Western Europe corridor.

31. The Committee noted the planned development of Dhirashram dry port in Bangladesh and the development of a dry port in Sri Lanka with rail connectivity to Colombo Port. The Committee further noted the challenges of selecting appropriate financing models for the construction and operation of dry ports.

32. The Committee stressed the importance of transport facilitation in removing non-physical barriers for efficient international transport and corridor development as well as the promotion of economic development and people-to-people connectivity.

33. The Committee noted the recent measures taken by member countries for meeting various challenges in transport facilitation, including: (a) approval, in principle, of the establishment of thirteen integrated border check posts by the Government of India; (b) incorporation of facilitation issues into the recommendations of the Mekong-Japan International Conference on the East-West Economic Corridor and the Southern Economic Corridor; (c) amendments to a bilateral agreement on transport between China and Mongolia; (d) entry into force of the Customs Code of the Customs Union of the Russian Federation, Kazakhstan and Belarus, thereby forming a common Customs territory; (e) expansion of the constellation of the Global Navigation Satellite System (GLONASS), which allowed it to perform global positioning operations; (f) agreement on the joint management of Customs controls at the border crossings between Georgia and Turkey; (g) actions towards a computer-based automated border gate system in Turkey; and (h) active participation in formulating and implementing bilateral and subregional agreements on transport facilitation by Viet Nam.

34. The Committee noted the progress made in a number of member countries in: (a) the opening of cross-border and transit traffic through bilateral and multilateral agreements; (b) participation in international conventions; (c) adoption of comprehensive measures; (d) establishment and/or strengthening of national coordination; (e) improvement of border crossing facilities; (f) construction of common control areas at border crossings for single stop inspections.

35. The Committee expressed appreciation to the secretariat for its assistance to the member States of the Shanghai Cooperation Organization (SCO) in the formulation of the Agreement between the Governments of the Shanghai Cooperation Organization Member States on Facilitation of International Road Transport.

36. The Committee noted that, increasingly, logistics centres were being developed in the region. In that regard, it also noted that Azerbaijan, at the First TRACECA Investment Forum, held in Brussels on 12 October 2010,

proposed the project on the construction of an international logistics centre of the TRACECA member States, within the New Baku Sea Trade Port Complex, for financial assistance of the European Union. In China, around 475 logistics zones had been established. In the Islamic Republic of Iran, the first logistics centre in the Bandar Abbas Arya Terminal (BACT) had attracted investment of \$50 million from the private sector. In the Lao People's Democratic Republic, feasibility studies of logistics parks along AH11, AH12 and AH16 were being undertaken.

37. The Committee also noted the increased institutional support to logistics development. China had established a regular inter-agency meeting mechanism for coordination of logistics and published a series of guidelines on logistics. The Lao People's Democratic Republic would complete its national logistics master plan in December 2010, and a national multimodal transport law was being developed. The Russian Federation informed the Committee of the establishment of the Joint Stock Company (JSC) "Logistics" with an aim to increase the attractiveness of rail transport by means of developing high-quality logistics services.

38. The Committee was informed of the ongoing cooperation in the area of transport logistics between China, Japan and the Republic of Korea through the Ministerial Conferences on Transport and Logistics in North-East Asia since 2006.

39. The Committee noted with appreciation that the Republic of Korea, in cooperation with the secretariat, had been promoting the development of logistics facilities in South-East Asia through feasibility studies.

40. The Committee acknowledged that financing was a major issue for the development of transport infrastructure. It noted that member countries were increasingly turning to PPPs to finance infrastructure development. In the Russian Federation, an estimated \$430 billion would be invested in developing transport infrastructure up to the year 2015, more than half of which would come from non-budgetary sources. Similar efforts were being pursued in other countries. For example, in Mongolia, where the Government had approved the role of PPPs, \$4 billion and \$2 billion were sanctioned through relevant PPP initiatives to finance the future development of highways and railways, respectively. In Indonesia, projects funded under PPPs had been driving highway development in Java. However, it also noted that in some countries, the financing of projects through PPPs had become more difficult after the recent financial crisis. In Bangladesh, the Dhaka-Chittagong elevated expressway was enlisted for construction under PPP arrangements. The conceptual design study had already been completed by the international consultant.

41. In addition to PPPs, countries were mapping out their development programmes in closer collaboration with international financial institutions such as the Asian Development Bank (ADB), the European Bank for Reconstruction and Development, and the World Bank, or within technical assistance initiatives such as TRACECA, through the European Union, within which international logistics centres would be developed in Azerbaijan as well as in other countries, and a border bridge would be constructed between the Islamic Republic of Iran and Turkmenistan.

42. In Bangladesh, subregional road and railway facilitation projects had been undertaken with the assistance of ADB. The feasibility and design study under the above projects could facilitate regional integration, while



the private sector could be encouraged to participate in the construction of those projects under PPP arrangements.

43. A number of delegations informed the Committee of measures and initiatives undertaken to promote sustainable transport development at the national and subregional levels, including: (a) the adoption of the Hanoi Initiative on an ASEAN-Japan Action Plan on Environment Improvement in the Transport Sector for 2010-2014; (b) promotion of green transport and clean environmental and technological research and applications; (c) establishment of energy consumption and emission reduction indicators and regulations; and (d) increased usage of public transport, by constructing bus rapid transit (BRT) and mass rapid transit (MRT) lines in Dhaka under the Strategic Transport Plan (STP) - 2008 and the National Land Transport Policy (NLTP) -2004, in Bangladesh.

44. The representative of the International Union of Railways (UIC) apprised the Committee of a sustainable transport development initiative undertaken with Indian Railways in the building of an online energy consumption database, which would enable monitoring of railway energy consumption in India.

45. The Committee noted the outcome of the Regional Expert Group Meeting on the Implementation of the Decade of Action for Road Safety, 2011-2020, held in Bangkok in September 2010, including in particular, the adoption of the regional road safety goals and targets. It also noted that the secretariat would continue assisting countries, on request, in the development of their national road safety goals and targets in line with the Decade of Action.

46. The Committee noted that good roads and better connectivity ensured better health services to the people, while improved road design would lead to better safety and health. In that respect, it noted the work of the World Health Organization (WHO) in the area of road safety and reiterated its offer to collaborate with member countries and the ESCAP secretariat to implement regional and national activities in the area of road safety, as outlined in paragraphs 103 and 104 of document E/ESCAP/CTR(2)/2. WHO also requested the consideration of developing trauma care centres along the Asian Highway network that would provide health facilities to road accident victims.

47. The Committee noted that the development of transport infrastructure and services, especially in rural areas, played a critical role in the economic and social development of a country, thereby contributing to the achievement of the Millennium Development Goals. In that regard, the Committee noted the development of rural roads in China, which would reach about 3.45 million km by 2010, connecting most of the villages in China.

## **B. Issues and challenges in transport related to promoting regional connectivity: transport policy, infrastructure, facilitation and logistics**

48. The Committee had before it the document entitled “Issues and challenges in transport related to promoting regional connectivity: transport policy, infrastructure, facilitation and logistics” (E/ESCAP/CTR(2)/2 and Corr.1).

49. The Committee generally endorsed the thematic areas and actions at the regional and national levels for promoting regional transport connectivity, for possible inclusion in the draft regional action programme for Transport Development in Asia and the Pacific, phase II (2012-2016), as identified by the secretariat in documents E/ESCAP/CTR(2)/2 and Corr.1. It agreed to the following text changes: paragraph 94(d)(i) upgrading substandard sections of the Asian Highway; and paragraph 100 (a) Establishment of road maintenance funds where appropriate.

50. The Committee agreed that the Bangkok Declaration on Transport Development in Asia should form the basis for the further work of the secretariat to be included in the draft regional action programme.

51. The Committee emphasized that the secretariat's work on implementation of the Asian Land Transport Infrastructure Development (ALTID) project, the Euro-Asian Transport Linkages project implemented jointly by the Economic Commission for Europe (ECE) and ESCAP, the establishment of a multimodal logistics network in Asia and the Pacific, and sustainable transport development, should be continued and further prioritized in the draft regional action programme.

52. The Committee requested the secretariat to continue promoting investment in the development and improvement of the priority sections of the Asian Highway and Trans-Asian Railway networks, including undertaking prefeasibility studies.

53. Recognizing the convening power of the secretariat, the Committee requested the secretariat to assist countries in increasing the attractiveness of transport services, in particular along the Northern Corridor of the Trans-Asian Railway network.

54. The Committee recognized that physical connectivity alone could not guarantee a seamless movement of goods and people between countries and that inefficient and lengthy cross-border procedures had become a serious challenge.

55. The Committee noted particular difficulties in cross-border and transit transport in member countries, namely: (a) forced trans-loading at border crossings; (b) limited number of transport permits; (c) constraints of border-crossing facilities; (d) incompatible regulations for operations of single-window clearances and single-stop inspections; (e) absence of information and communications technology (ICT) services; and (f) limited implementation of the existing agreements.

56. The Committee requested the secretariat to pay greater attention to transport facilitation issues and to assist in identifying and eliminating the existing non-physical barriers in international transport.

57. The Committee also requested the secretariat to continue its assistance in formulating and implementing subregional agreements on transport facilitation.

58. The Committee recognized the important role of inter-agency coordination in transport facilitation. In that context, the Committee recommended that member countries establish and/or strengthen national coordination through either national transport facilitation committees or

national trade and transport facilitation committees according to their respective conditions.

59. The Committee noted that developing logistics infrastructure, optimizing logistics operations and enhancing the quality of logistics services would contribute to facilitation and increased traffic through international transport corridors.

60. The Committee noted with appreciation the willingness of Japan to share its experience in implementing a comprehensive programme of logistics policies.

61. The Committee was informed of the importance that Indonesia had given to the concept of holistic sustainable development in setting transport policy objectives that would, overall, ensure the development of economically efficient, environmentally friendly, socially acceptable and spatially equitable transport systems.

62. The Committee noted the harmful and costly impacts of frequent flooding and cyclones on transport and communications infrastructure.

63. The Committee recognized the importance of sustainable transport development, and among other issues, the efficiency of the transport sector, and requested the secretariat to continue its work in the area of sustainable transport development. The Committee welcomed the offer of Japan to share and exchange information and experiences relating to the development of sustainable transport, for example, in promoting the increased usage of public transport, the development and wider use of low-emission vehicles, and cleaner urban transport systems.

64. The Committee noted the importance of PPPs in the transport sector and recognized that capacity-building was needed to promote PPPs. It provided its general support for the inclusion of PPP issues in the draft regional action programme, phase II.

65. The Committee also noted with appreciation information on the modernization of border-crossing facilities using PPPs in Turkey and the offer of the delegation of Turkey to share experience with other member countries in that regard.

66. The Committee noted the importance of the Decade of Action for Road Safety, 2011-2020, proclaimed by the General Assembly in its resolution 64/255 of 2 March 2010 on improving global road safety, and stressed the need to plan activities to improve the road safety situation in member countries. In that regard, the Committee noted that one of the effective ways to improve road safety was to improve substandard sections of major highways and to separate highway lanes with a median.

67. The Committee expressed support for the inclusion of “inter-island shipping” in the draft regional action programme, phase II. It noted that the Pacific island developing countries and archipelagic countries faced specific challenges, such as unstable services, low demand and long distances between islands. The Committee emphasized that promotion of inter-island shipping was of utmost importance for facilitating economic growth, reducing poverty and preventing isolation in archipelagic and island developing countries or communities.

68. The delegation of Indonesia proposed the development of an inter-island network which would complement the Asian Highway and Trans-Asian Railway networks. Such a network would also give island communities access to larger market centres as well as provide mobility and connectivity to neighbouring countries. In that regard, some lessons of the benefits from developing shipping services could be drawn from a recent ADB report on the Philippines which assessed the economic impact of Ro-Ro policy in the Philippines. The Committee also noted that the Association of Southeast Asian Nations (ASEAN) had adopted the Ro-Ro system, initiated and advocated by the Philippines in its Master Plan on ASEAN connectivity.

69. The representative from the International Maritime Organization (IMO) informed the Committee that, through the Integrated Technical Cooperation Programme, IMO had undertaken capacity-building activities in the Asia-Pacific region at both the international and national levels, in the areas of drafting maritime legislation, implementation and enforcement by flag and port States of IMO conventions and instruments relating to maritime safety, and environmental protection and facilitation of maritime traffic. IMO also planned to deliver seminars on capacity-building, including on amendments to the International Convention on Standards of Training, Certification and Watchkeeping for Seafarers (STCW).

70. Noting the potential for synergies between technical assistance programmes, the Committee encouraged the secretariat to seek further cooperation with other regional and subregional organizations, in particular to promote inter-subregional cooperation in connecting subregional transport networks.

71. The Committee expressed particular support for the inclusion of “connecting subregional transport networks” in the draft regional action programme, phase II.

### **C. Proposed structure of an intergovernmental agreement on dry ports**

72. The Committee had before it the document entitled “Proposed structure of an intergovernmental agreement on dry ports” (E/ESCAP/CTR(2)/3).

73. The Committee stressed the importance of the development of an intergovernmental agreement on dry ports to establish a reliable international integrated intermodal transport and logistics system for Asia and the Pacific. In that regard, the Committee noted the willingness of member countries to work together with the secretariat in developing the agreement.

74. The Committee requested the secretariat to proceed with the development of a draft intergovernmental agreement on dry ports, for consideration by further subregional and regional meetings, based on the structure contained in document E/ESCAP/CTR(2)/3, taking into account suggestions and comments made by delegations during both the current Committee session and the Regional Expert Group Meeting on the Development of Dry Ports along the Asian Highway and Trans-Asian Railway Networks, held in conjunction with the current session.

#### **D. Preparations for the Ministerial Conference on Transport, November 2011**

75. The Committee had before it the document entitled “Preparations for the Ministerial Conference on Transport, November 2011” (E/ESCAP/CTR(2)/4).

76. The Committee requested the secretariat to proceed with preparations for the ministerial conference on transport as contained in document E/ESCAP/CTR(2)/4.

#### **E. Consideration of future programme focus**

77. The Committee requested the secretariat to prepare the draft programme of work, 2012-2013, based on the activities contained in documents E/ESCAP/CTR(2)/2 and Corr.1, and the deliberations under items 4 and 5 of the agenda.

#### **F. Consideration of draft resolutions for submission to the Commission at its sixty-seventh session**

78. No draft resolutions were submitted.

#### **G. Other matters**

79. No other matters were raised.

#### **H. Adoption of the report**

80. The Committee adopted the present report on 3 November 2010 for submission to the Commission at its sixty-seventh session for endorsement.

### **III. Organization**

#### **A. Opening, duration and organization of the session**

81. The second session of the Committee on Transport was held at the United Nations Conference Centre in Bangkok from 1 to 3 November 2010. It was declared open by Mr. Suphoth Sublom, Permanent Secretary, Ministry of Transport of Thailand. The Executive Secretary of ESCAP delivered a statement.

82. The Executive Secretary of ESCAP welcomed all the delegations to the session, and expressed appreciation to the Permanent Secretary of Transport for attending the opening session. She stated that transport formed the backbone of economic growth and the elimination of poverty. Improved transport meant increased export competitiveness, reduced costs of imports, and the increasing economic and social integration of the region.

83. The Asian Highway and Trans-Asian Railway networks were helping access inland areas and landlocked countries in a web of prosperity. The major step forward was to integrate the two networks through the development of dry ports, thereby moving closer to the realization of a regional intermodal transport network. In that respect, the current session afforded the Committee an opportunity to consider the structure of an intergovernmental agreement on dry ports, the draft of which would be

developed for further negotiation by member States. As an initial step, a regional expert group meeting on the development of dry ports along the Asian Highway and Trans-Asian Railway networks was being convened in conjunction with the current session.

84. The Executive Secretary was encouraged by the high level of inter-agency cooperation, which included an ongoing ADB technical assistance project “Promoting regional infrastructure development” which, among other things, would be undertaking prefeasibility studies of sections of the Asian Highway and Trans-Asian Railway. She was also encouraged by the joint actions being taken by countries to realize a vision of connectivity for the benefit of all. In that respect, she expressed satisfaction that ESCAP was able to contribute towards the development of the Master Plan on ASEAN Connectivity, which had recently been adopted at the 17<sup>th</sup> ASEAN Summit, held in Hanoi on 28 October 2010.

85. The Executive Secretary highlighted other areas that required priority attention, including transport facilitation, transport logistics, promoting public-private partnerships in transport development, mitigating the environmental impact of transport, reducing the level of road traffic accidents and fatalities, and the critical role of transport connectivity in the achievement of the Millennium Development Goals. She also emphasized how specific policies to promote inter-island shipping for the Pacific island countries needed to be revisited to accelerate their implementation and development.

86. In conclusion, the Executive Secretary informed the Committee that the recommendations emanating from the present session would guide the secretariat in the preparatory process leading up to the ministerial conference on transport, to be held in 2011, as well as in programming activities that would ensure that the region remained on the path of inclusive and sustainable economic and social development.

87. In his opening statement, the Permanent Secretary of Transport welcomed those attending the session. He highlighted the commitment of Thailand to support and facilitate the establishment of its transport network to provide enhanced connectivity within the country and with other countries of the region, with increased attention accorded to the integration of transport modes.

88. Thailand recognized the initiatives taken by the ESCAP secretariat to facilitate intra- and interregional movement of goods and people through the Asian Highway and Trans-Asian Railway networks, as well as in promoting the sharing of knowledge and experience, training and capacity-building in the transport sector. Thailand recognized the catalytic role that the Asian Highway and Trans-Asian Railway networks played in the coordinated construction and upgrading of international roads and railways, as well as the importance of integration of those networks through the development of dry ports.

89. In closing, the Permanent Secretary reaffirmed Thailand’s commitment to work together with other countries of the region, the ESCAP secretariat and other organizations in promoting connectivity of transport networks and optimizing existing transport corridors for the economic prosperity and social progress within the Asia-Pacific region. He extended his best wishes for a fruitful session and declared open the second session of the Committee on Transport.

## B. Attendance

90. The session was attended by representatives of the following members: Armenia; Azerbaijan; Bangladesh; Bhutan; Cambodia; China; India; Indonesia; Iran (Islamic Republic of); Japan; Kazakhstan; Kyrgyzstan, Lao People's Democratic Republic; Malaysia; Mongolia; Myanmar; Nepal; Pakistan; Philippines; Republic of Korea; Russian Federation; Singapore; Sri Lanka; Tajikistan; Thailand; Turkey; Uzbekistan; and Viet Nam.

91. Representatives of the following States Members of the United Nations attended the session in accordance with paragraph 9 of the terms of reference of the Commission: Belgium and Switzerland.

92. Representatives of the following specialized agencies were present: International Maritime Organization and World Health Organization.

93. The following intergovernmental organizations, non-governmental organizations and other organizations were represented: Asian Development Bank; Asian Institute of Transport Development; Asian Institute of Technology; GIF Research Foundation Japan; International Union of Railways; Japan International Transport Institute; Japan Transport Cooperation Association; Korea Maritime Institute; and Korea Transport Institute.

## C. Election of officers

94. The Committee elected the following officers:

Chair:	Mr. Erdem Direkler (Turkey)
Vice-Chair:	Mr. Temir Niiazbekov (Kyrgyzstan) Mr. T.L. Gunaruwan (Sri Lanka) Mr. Nguyen Van Thach (Viet Nam)
Rapporteur:	Mr. Onon Rentsendorj (Mongolia)

## D. Agenda

95. The Committee adopted the following agenda:

1. Opening of the session.
2. Election of officers.
3. Adoption of the agenda.
4. Review of the implementation of the Busan Declaration on Transport Development in Asia and the Pacific and the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011).
5. Issues and challenges in transport related to promoting regional connectivity: transport policy, infrastructure, facilitation and logistics.
6. Proposed structure of an intergovernmental agreement on dry ports.

7. Preparations for the Ministerial Conference on Transport, November 2011.
8. Consideration of future programme focus.
9. Consideration of possible draft resolutions and decisions for submission to the Commission at its sixty-seventh session.
10. Other matters.
11. Adoption of the report.

**E. Side event**

96. The Regional Expert Group Meeting on the Development of Dry Ports along the Asian Highway and Trans-Asian Railway Networks was convened in conjunction with the session, from 1 to 3 November 2010.



## Annex

### List of documents

Symbol	Title	Agenda item
E/ESCAP/CTR(2)/L.1	Annotated provisional agenda	3
E/ESCAP/CTR(2)/L.2	Draft report of the Committee on Transport at its second session	
E/ESCAP/CTR(2)/1 and Corr.1	Review of the implementation of the Busan Declaration on Transport Development in Asia and the Pacific and the Regional Action Programme for Transport Development in Asia and the Pacific, phase I (2007-2011)	4
E/ESCAP/CTR(2)/2 and Corr.1 (Chinese and English only)	Issues and challenges in transport related to promoting regional connectivity: transport policy, infrastructure, facilitation and logistics	5
E/ESCAP/CTR(2)/3	Proposed structure of an intergovernmental agreement on dry ports	6
E/ESCAP/CTR(2)/4	Preparations for the Ministerial Conference on Transport, November 2011	7
E/ESCAP/CTR(2)/5	Report of the Committee on Transport on its second session	
E/ESCAP/CTR(2)/INF/1 (English only)	Information for participants	
E/ESCAP/CTR(2)/INF/2/Rev.1 (English only)	List of participants	
E/ESCAP/CTR(2)/INF/3	Joint tentative programme	
E/ESCAP/CTR(2)/INF/4 (English only)	Current status of activities implemented under the Regional Action Programme for Transport Development in Asia and the Pacific, 2007-2011	4