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To: All OSCE Delegations
Partners for Co-operation
Mediterranean Partners for Co-operation

Subject: UNECE Report on Transport – 14th OSCE Economic Forum.

Attached herewith is the document consisting of the **Review of the implementation of OSCE transport related commitments with a particular focus on international legal instruments**: A UNECE report for presentation at the Fourteenth OSCE Economic Forum, Prague, from 22 to 24 May 2006.



UNITED NATIONS
ECONOMIC COMMISSION FOR EUROPE

**Review of the implementation of OSCE commitments
in the economic and environmental dimension**

TRANSPORT

Fourteenth OSCE Economic Forum
22-24 May 2006
Prague, Czech Republic

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Acknowledgments

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The following designations are used in this review:

EU-15 (European Union-15): Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands, Portugal, Spain, Sweden, United Kingdom

EU-10 (European Union-10): Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovakia, Slovenia

SEE (South-East Europe): Albania, Bosnia-Herzegovina, Bulgaria, Croatia, Romania, Serbia and Montenegro, The FYR of Macedonia, Turkey

EECCA (Eastern Europe, Caucasus, Central Asia): Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Republic of Moldova, Russia, Tajikistan, Turkmenistan, Ukraine, Uzbekistan

OE (Other Europe): Andorra, Iceland, Israel, Liechtenstein, Monaco, Norway, San Marino, Switzerland

NA (North America): Canada, United States

Foreword

In December 2004, at the Organization for Security and Co-operation in Europe (OSCE) Ministerial Council meeting in Sofia, the Executive Secretary of the United Nations Economic Commission for Europe (UNECE) and the Secretary General of the OSCE signed a memorandum of understanding. The memorandum has consolidated and deepened co-operation between the two organizations, particularly in the context of responsibilities related to the annual OSCE Economic Forum where the UNECE is to periodically review various OSCE commitments.

What are OSCE commitments?

The Charter for European Security (Istanbul OSCE Summit 1999) stipulates that the Charter of the United Nations, the Helsinki Final Act, the Charter of Paris and all other OSCE documents to which participating States have agreed represent their common commitments

- These documents establish clear standards for participating States' treatment of each other and of all individuals within their territories
- The Charter for European Security notes that all OSCE commitments, without exception, apply equally to each participating State
- Their implementation in good faith is essential for relations between States, between governments and their peoples, as well as between the organizations of which they are members
- Participating States are accountable to their citizens and responsible to each other for the implementation of their OSCE commitments
- Commitments are regarded as common achievements and therefore are considered to be matters of immediate and legitimate concern to all participating States

In 2005, the Government of Belgium – the OSCE's Chair-in-Office for 2006 – after consultations with other OSCE participating States proposed that the theme of the OSCE's Economic and Environmental Dimension be transport. Consequently, the OSCE Permanent Council, in its Decision No. 684, has declared that: "The Economic Forum will review the implementation of commitments in the economic and environmental dimension. **The review ... will address transport-related commitments with a particular focus on international legal instruments, with a view to seeing how the OSCE could promote their wider acceptance and implementation**".

The most recent and comprehensive OSCE commitment in the area of transport can be found in the OSCE Strategy Document for the Economic and Environmental Dimension of 2003. It declares that:

“We (participating States) encourage the development of transport networks in the OSCE region, which are efficient and integrated, free of avoidable safety and security risks and sensitive to the environment. In this regard, we will give a high priority to the uninterrupted operation of the existing transport corridors and to construction of new ones, where this can be economically justified”

Transport touches upon various aspects of economic exchange and regional co-operation. Infrastructure, good governance, international trade, foreign investment, environment, energy, safety and security all relate to transport (and vice versa). That is why domestic transport sectors and cross border transport relations could be used as a yardstick to assess the overall progress in meeting OSCE commitments.

This paper is not a comprehensive review of transport issues across all UNECE member states. It purposely focuses on some selected issues and regions/countries that relate to the above-noted transport commitment of the OSCE participating States.

The paper discusses transport (road, railway and inland water) infrastructure challenges in Europe with special focus on Eastern and South-Eastern Europe as well as on Euro-Asian links; it presents some key issues concerning border-crossing problems; underlines the importance of transport norms and regulations being internationally harmonized in order not to create additional barriers to trade; provides road safety performance indicators across the UNECE region; and, finally, it notes some important environmental aspects of road transport. It also provides highlights of the UNECE work in those areas, which, if fully implemented by the OSCE participating States, could contribute to improving the transport situation in the region.

Annex 1 provides a list of the main UNECE transport conventions. The OSCE is encouraged to promote them by increasing political visibility of these important international legal instruments. Annexes 2-4 contain detailed descriptions of UNECE project proposals for consideration and possible support by the OSCE participating States.

Conclusions

The transport sector plays an increasingly important role in the today's world. It is indispensable for the proper functioning of economies and mobility of populations. The sector, however, faces numerous challenges.

Infrastructure:

Road and rail networks are not adequate, coherent and integrated. Capacity and quality of road infrastructure, in many UNECE members, is deficient. The rail sector is not fully inter-operable, even within the EU countries. Inland water transport in many countries is in decline.

The UNECE infrastructure agreements, the TEM and TER projects and the Euro-Asian transport links project provide ready to use tools to address these challenges.

Border crossing:

Crossing times – by truck or train – are often too long. The main barriers to expeditious border crossings are complex control and procedures, inadequate infrastructure and low skilled personnel.

The UNECE border crossing facilitation conventions and, in particular, the TIR Convention and “The International Convention on the Harmonization of Frontier Controls of Goods”, provide the adequate basis to begin to rectify this unsatisfactory and costly situation.

Harmonization of transport regulations:

Divergences in transport and traffic regulations do represent significant barriers to trade. It is, therefore, crucial for transport and traffic regulations to be duly harmonized internationally on the basis of the relevant UNECE transport conventions.

Road safety:

There are still too many road traffic deaths and injuries in the UNECE region. Many EU-10, SEE and EECCA countries are not improving their road safety records.

The UNECE transport safety conventions and agreements provide a solid basis for lowering the number of road accidents and fatalities. Effective implementation by contracting parties will result in improved road safety performance.

Impact on health and the environment:

The transport sector is a main source of air pollution, particularly in urban areas. Noise caused by road and rail transport is a source of nuisance and health hazards.

Introduction of cleaner vehicles and fuels as well as less noisy engines has reduced air pollution and noise in many UNECE countries. More progress is needed, however, in many others. The UNECE World Forum for Harmonization of Vehicle Regulations (WP.29) has been very effective in minimizing the harmful environmental and health effects of new road vehicles. Health and environmental concerns need to be integrated in transport policy and decision-making.

Recommendations

- Transport is about connecting people and moving goods. For the UNECE, “connecting nations” – for decades - has taken the form of creating international conventions, agreements, norms and standards, in the area of transport
- These UNECE international legal instruments have been successfully used to connect economies with world markets; to lower the cost of international transport and trade; to ease border crossing; to ensure greater safety of equipment and people; and to reduce the impact of transport on the environment.
- These international instruments were elaborated by UNECE Member States and have been successfully implemented in many – **but not all** – of them. They have also been ratified by many non-UNECE Member States.

The OSCE may wish to encourage accession to and effective implementation of UNECE’s transport conventions (Annex 1). This may be realized by developing a draft Ministerial decision at the Economic Forum in Prague in May 2006 to be agreed upon at the OSCE Ministerial Council meeting in Brussels in December 2006

- The responsibility for implementation of UNECE’s conventions on transport lies with the national governments. The UNECE has encouraged countries to adopt these instruments. Effective implementation is, however, sometimes lacking

The OSCE may wish to help UNECE strengthen the implementation of UNECE transport conventions by supporting a pilot project assessing the implementation of the “UNECE Harmonization Convention” and to play a key role in organizing a (series of) capacity building workshop(s) concerning this convention in 2006 and 2007 (see Annex 4)

- In Europe, transport networks are far from being adequate, coherent and integrated, particularly at the pan-European level or Euro-Asian level.

The OSCE may wish to support the ongoing UNECE work on the Euro-Asian transport links project and the implementation of the TEM and TER Master Plan (see Annexes 2 and 3)

- The UNECE with its well-established expertise stands ready to assist governments in ensuring that transport continues to contribute to prosperity and sustainable development in the OSCE participating States

1. Transport, international trade and economic growth

An efficient, well functioning transport system plays a vital role in national economies – it is the key element of production, distribution and international trade. It is basically a means to an end, but transport is also an important economic sector on its own accounting for a large share of GDP and employment. While the service sector has gained in importance in many countries, the future supply and distribution of goods will likely remain significant. Even some newly developed techniques – such as internet-based retailing – appear to rely extensively on transport. All of this will ensure that many people's jobs, wages and profits will continue to depend on efficient transport networks. Despite its positive contribution to economic activity, transport comes with social costs: it affects adversely health and it damages the environment.

Between 1950 and 2003, the volume of global exports increased 25 times while the world's GDP went up seven fold. In this context, international trade is a major force driving the world economy forward. International trade or more specifically openness to trade has been found to be a significant factor that explains the differences in economic growth across countries. Open or trading countries grow faster than those with closed borders and cumbersome customs procedures. Inefficient transport increases transaction costs and therefore it is an obstacle to trade. The higher the costs of transport, the lower the volumes traded.

While high transport costs do impede international trade, low transport costs have historically been shown to increase it. Before 1914, major improvements in transport infrastructure such as the construction of railways and canals as well as technological improvements (replacing sailboats with steamships) contributed to an explosion of trade across the world and robust economic growth while accommodating large global movements of people. In the last 50 years or so, international transport costs have also played a role. The recent increases in the world's global trade have been estimated to be mostly due to higher incomes, tariff reductions and lower transport costs.

While incomes may continue to grow, potentially driving international trade higher, on average, trade policy barriers such as tariffs and NTBs are currently fairly low and further reductions can be expected to play a diminishing role in determining the flow of goods across borders. As a result, transport costs – as influenced by the quality of transport infrastructure and the effectiveness of supporting institutions – will become increasingly important. This implies a potentially much larger (than in the last 50 years) role for transport in enhancing economic growth. Working on lowering transport costs by improving the related institutional framework and transport policies rather than on lowering tariffs may thus result in relatively greater benefits.

Transport costs are determined by a wide array of factors. Location is an important determinant of transport costs. Location – by definition - determines the distance from major markets. Efficient transport networks have the potential of reducing the economic importance of that distance. Physical infrastructure, while necessary to overcome the distance to markets, must be however complemented by proper institutions as well as an appropriate regulatory framework, efficient border crossing procedures, secure transit and vigorous competition in order to make it fully productive.

This transport regulatory framework, which establishes safety and security standards, must be internationally harmonized to avoid additional technical barriers to trade. In this regard, the UNECE has developed and made available a number of international legal instruments, which have been elaborated with the participation of Member States (Annex 1). Implementation, however, is the responsibility of contracting parties and, in many countries it needs to be strengthened. Similarly, an appropriate institutional framework is required to encourage investment in physical infrastructure. As infrastructure is immobile and long-lived, requiring large financial outlays, better than “average” investment climate is needed in order to sway investors.¹

In addition, geographical features such as landlocked locations impose additional costs on some economies. These are believed to be about 50 per cent higher than in the countries with sea access. The level of development – which often determines the state of transport infrastructure - is also important. Transport costs are estimated to be on average 70 per cent higher in developing countries. These higher costs are directly linked to inadequate physical transport infrastructure. Empirically, even small improvements to infrastructure lead to higher trade.

The length of time it takes to move goods from one location to another also imposes costs. These additional costs further impede international trade transactions and lead to lower economic growth. For example, studies have shown that doubling the shipping time decreases the volume of trade by about a third. It is also important to focus on loading/unloading time and administrative procedures. It has been estimated that if customs clearance is extended from 5 to 7 days, the volume of trade goes down by 40 per cent. In general, border-crossing facilitation has the potential to produce large benefits and it does not require costly investment. In this regard, the UNECE has promoted a number of conventions, including the TIR Convention and the International Convention on the Harmonization of Frontier Controls of Goods (Annex 1). However, the effective implementation of these and other customs-facilitating conventions must be co-ordinated multilaterally as benefits accrue to all trading partners. Thus, the importance of working towards closer regional co-operation should remain a priority.

Transport infrastructure and its supporting regulatory framework affect economic performance. First, they may assist or impede international trade. Inefficient transport extends the actual shipping time or time spent at border crossings, making some exchanges unprofitable. This lowers economic growth. Second, the efficiency of transport services affects the volume and composition of trade (e.g. cheap air transport has created a market for fresh fish or cut flowers). This also has an effect on economic growth. Finally, transport is also capable of changing the way production is organized. Today, sub-components may be very efficiently produced or assembled in different countries/continents.

¹ In many emerging market economies, however, there is shortage of domestic capital that is available for domestic investment, especially if inept policies encourage capital flight. As these shortages must be made up by foreign capital, the availability of infrastructure and transport services may be a factor in investment decisions. According to the World Bank, 10-15 per cent of investors consider the availability of transport to be a crucial factor.

Ideally, the relative prices of different transport modes should reflect their full economic and social costs (including infrastructure costs and environmental and health externalities). In reality, this goal has traditionally met methodological and other obstacles. The UNECE contributes to solving this problem in the framework of THE PEP program, along with the World Health Organization, to achieve more sustainable transport patterns by means of integrating environmental and health concerns into transport policies more closely.

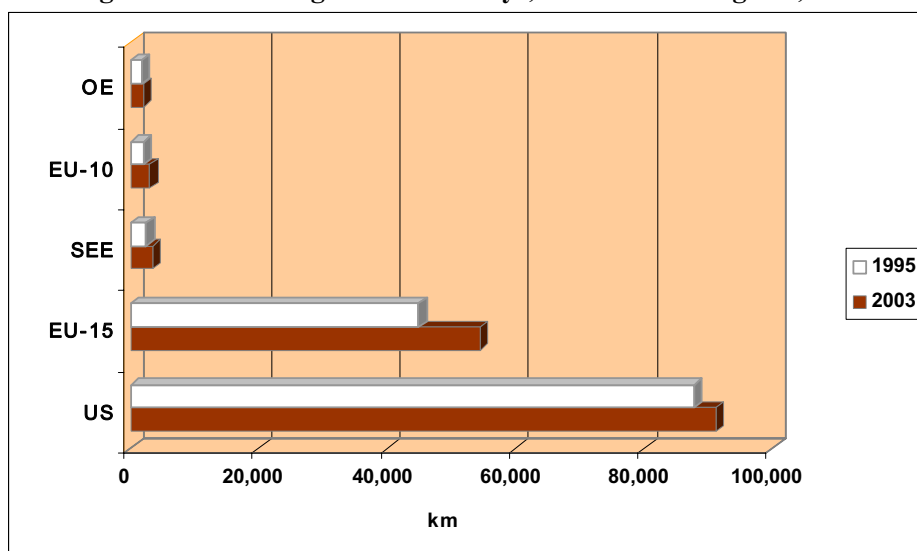
2. Transport networks: infrastructure development issues

Transport infrastructure challenges

As noted above, the national economies cannot create adequate wealth and employment without efficient transport networks. Well-functioning transport networks are therefore essential for economic growth and welfare of citizens. They ensure smooth production and distribution of goods, everyday mobility of populations and allow citizens to perform the needed economic and social activities. However, in Europe, transport networks are far from being adequate, coherent and integrated, particularly at the pan-European level or Euro-Asian level.

Central, East and South-East European countries as well as those in the Caucasus and Central Asia, in spite of progress made in recent years, still experience the consequences of decades of neglect and under-investment in the area of transport infrastructure. In terms of capacity and quality, they significantly lag behind the road networks in Western Europe or North America.

Figure 2.1: The length of motorways, UNECE sub-regions, 1995-2003



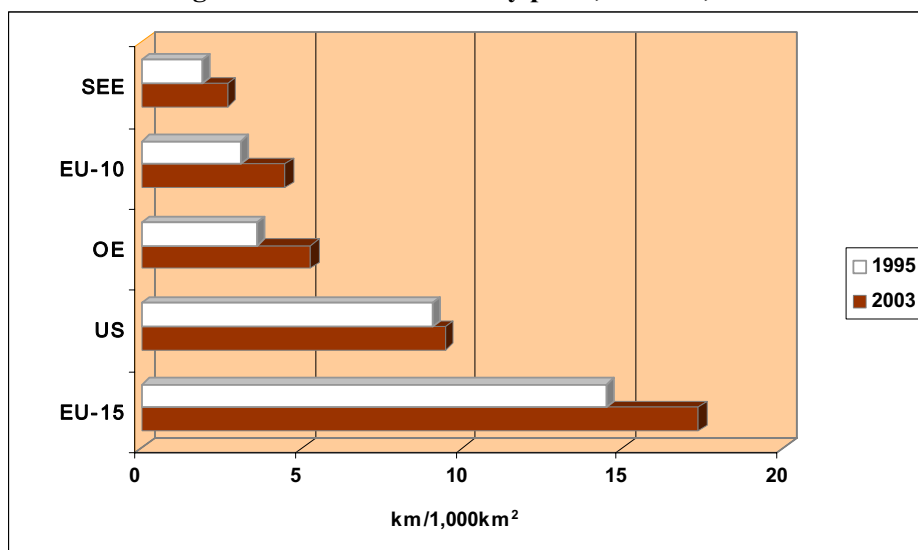
Source: UNECE Transport Division.

Between 1995 and 2003, the greatest progress in building additional road infrastructure took place in the EU-15 countries where about 10,000 km of new motorways were built (Figure 2.1). That was more than the overall length of motorways elsewhere in Europe in 2003. The overall length of motorways increased by over 20 per cent - France, Germany and Spain accounted for over one-half of this increase. In the EU-10 and SEE, the length of motorways went up by roughly 40 per

cent during the same period. In the United States, the length of highways increased by 4 per cent. Data for EECCA countries are largely unavailable.

In 2003, there were, on average, about 17 km of motorways per 1,000 square kilometres in the EU-15. In the EU-10, this statistic was about four times lower and, in South-Eastern Europe, almost seven times lower (Figure 2.2). In the EECCA countries, the number of kilometres of motorways per 1,000 square kilometres is believed to be over one hundred times less than in the EU-15. In the United States, there were over 9 km of highways per 1,000 square kilometres.

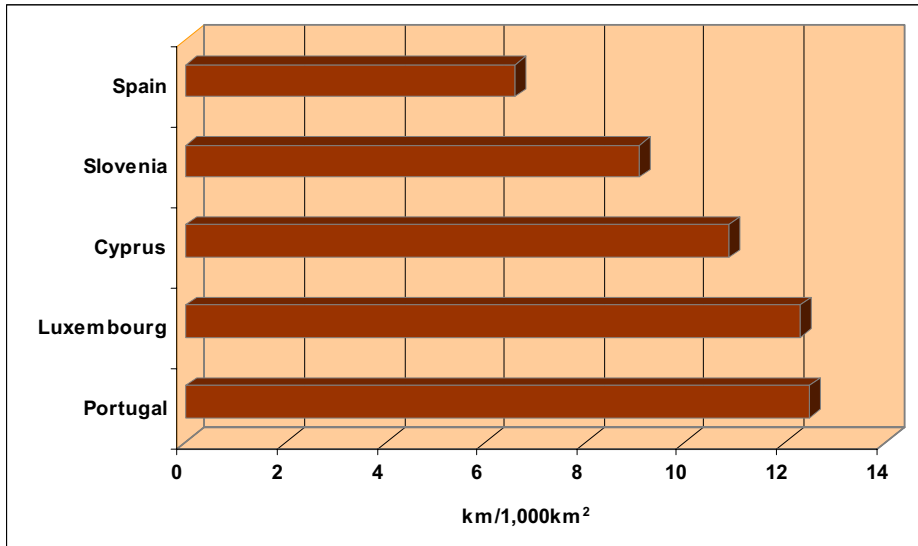
Figure 2.2: Km of motorway per 1,000 km², 1995-2003



Source: UNECE Transport Division.

The greatest increases in the length of motorways per country area, between 1995 and 2003, took place in Portugal, Luxembourg, Cyprus, Slovenia and Spain (Figure 2.3).

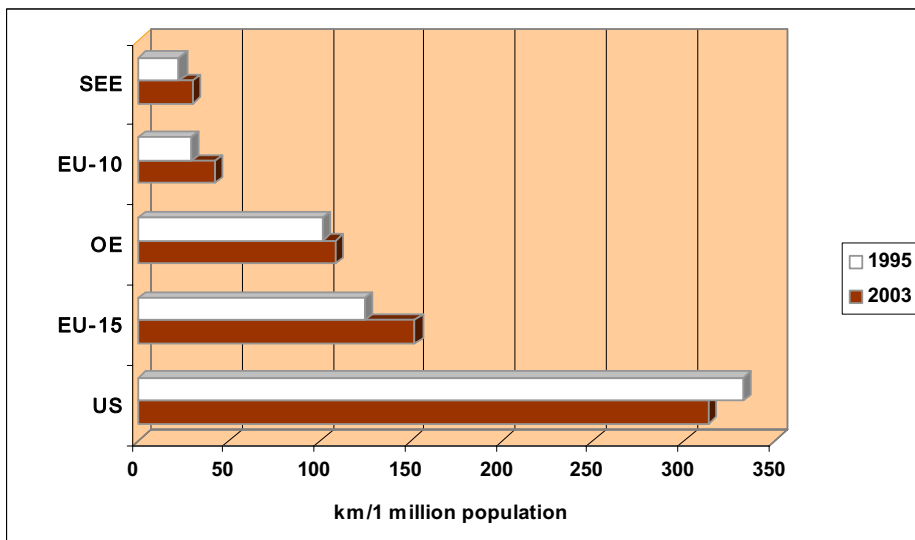
Figure 2.3: Change in km of motorway per 1,000 km², best performers, 1995-2003



Source: UNECE Transport Division

The length of roads per population points to a similar ranking (except the United States which now ranks first). In 2003, in the EU-15 there were 152 km of motorways per million population. This number was over 40 km, or almost four times lower in the EU-10; and five times lower in South Eastern Europe. The EECCA countries' data cannot be compared, but are likely to be still lower. In the United States, there were 314 km of highways per million of residents. Between 1995 and 2003, in all sub-regions growth in the length of motorways have outstripped population growth, except in the United States (Figure 2.4).

Figure 2.4: Km of motorway per million population, 1995-2003

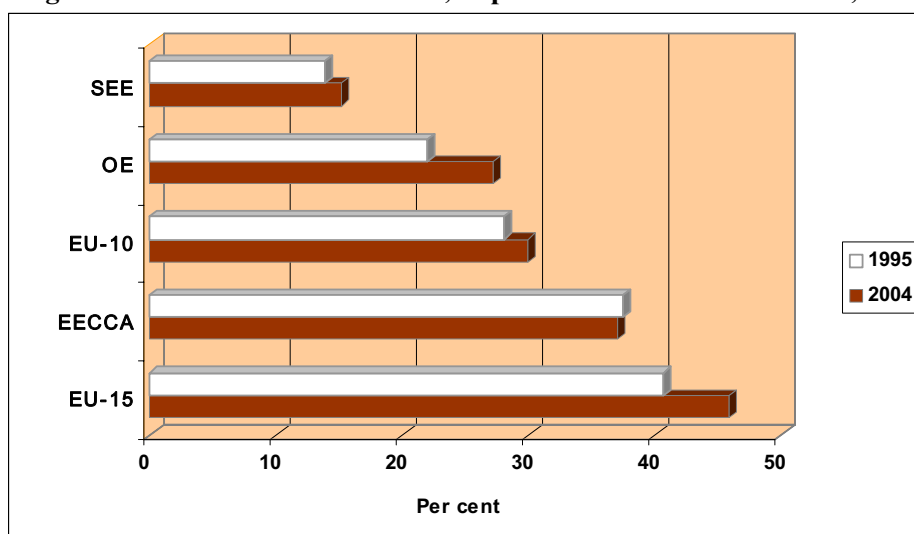


Source: UNECE Transport Division.

The quality of existing roads in non-EU-15 European countries is also much lower. In these countries transport infrastructure provides insufficient capacity to meet the expected increase in demand and is in dire need of upgrading, rehabilitation and maintenance. For example, in some EU-10 countries, only a small fraction of the road network is suitable for the 11.5 kN axle load which is a typical norm for EU-15.

Similar to difficulties in the area of road networks, many UNECE sub-regions also face challenges in the railways sector. First, the rail sector is not fully inter-operable (even within the EU-15) as track gauges, electric traction voltages, platform lengths at stations and other technical standards often differ from one country to another. This causes unnecessary delays, as complex and lengthy technical operations at borders are required. Second, in the EU-10 countries and in non-EU countries, rail networks, while dense, have lower capacity and provide lower transport quality than in the EU-15. In 2004, the share of double-track rail lines in the total length of the rail network was much lower in the EU-10, in South Eastern Europe, and to a lesser extent in the EECCA (Figure 2.5). Between 1995 and 2004, the shares of double-track rail lines increased throughout the UNECE region, except in the EECCA area where, it appears, the length of these lines was reduced by about two per cent (perhaps due to rationalization).

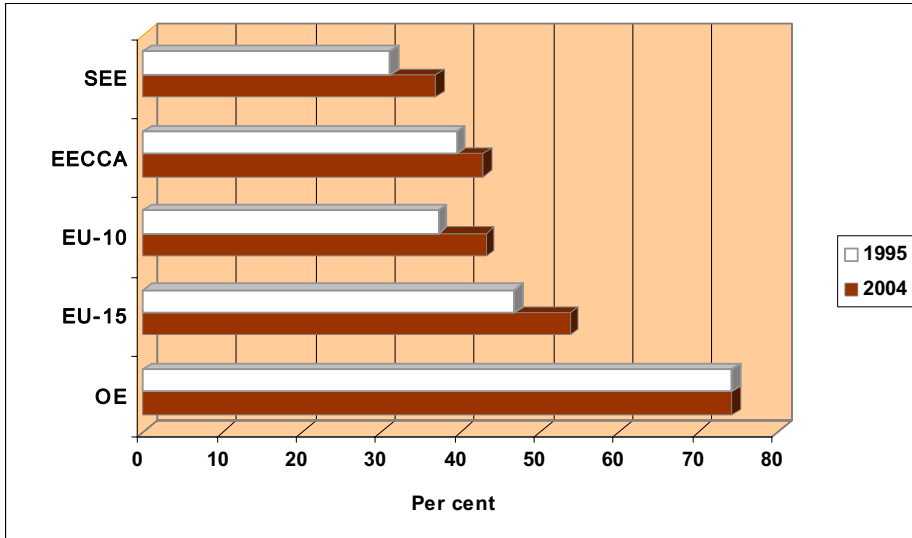
Figure 2.5: Double-track rail lines, in per cent of total rail network, 1995-2004



Source: International Union of Railways (UIC).

The share of non-electrified lines is also higher in the EU-10 members and in non-EU countries than in the EU-15 and the OE (Figure 2.6). As a result of these and the above-noted factors, rail transport in Europe, particularly international rail transport, is complex, takes long time and is often unreliable. Therefore, railways are commonly uncompetitive with road transport. This is particularly the case in cargo movements between the EU-15 and OE countries and the other countries and within the latter group of countries. Between 1995 and 2004, electrification of railways proceeded in all UNECE sub-regions except in “other European” countries where the length (and the share) of electrified lines stayed at the same, albeit high level.

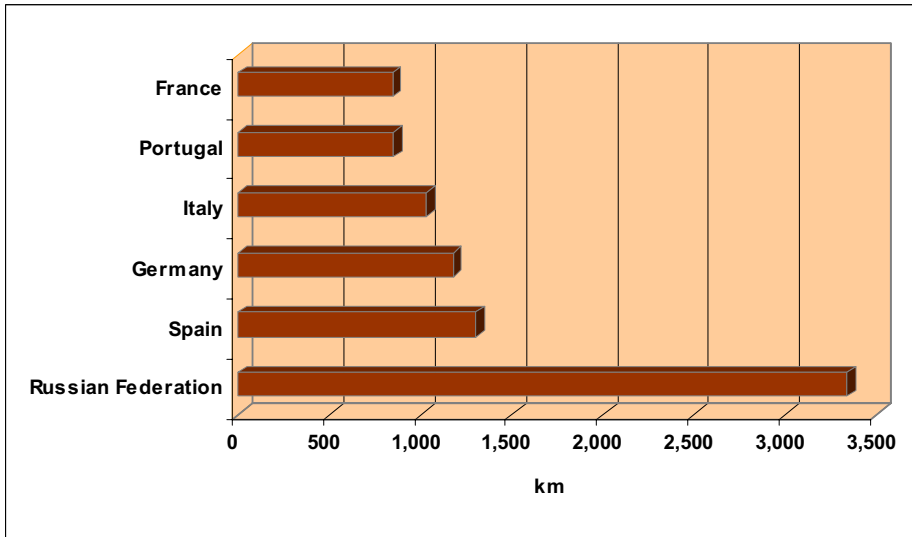
Figure 2.6: Electrified rail lines, in per cent of total rail network, 1995-2004



Source: International Union of Railways (UIC).

The greatest increases in the length of electrified rail lines between 1995 and 2004, took place in Russia, Spain, Germany, Italy, Portugal and France (Figure 2.7). In relative terms, between 1995 and 2004, Portugal more than doubled the length of electrified rail lines, Spain increased it by 20 per cent while Russia by 9 per cent.

Figure 2.7: Change in electrified rail lines, in kilometres, 1995-2004, best performers



Source: International Union of Railways (UIC).

Traditionally, inland water transport has had a strong position in the long-distance bulk transport in Europe. However, in spite of its advantages in terms of safety, air pollution and energy efficiency, as compared with other modes of transport, inland navigation has not been able to benefit from the significant increases in transport volumes that have taken place in Europe. Although inland shipping carries about one

billion tons of goods a year in the UNECE region, its share of the overall goods transport is quite low. Within the EU, inland shipping accounts for about 6 per cent of the total tonnage of goods carried. In Central and Eastern Europe, this figure is still lower, while, at the same time, inland water transport capacity is largely unutilized: today, it is estimated that only 10 per cent of the capacity of the Danube is utilized. That is why the development of inland water transport in recent times cannot be considered satisfactory.

This situation is largely the result of a more dynamic expansion of road transport. The lack of appropriate infrastructure and existence of different rules, regulations and practices in inland navigation throughout the continent have also contributed. To remedy the situation, there is a need to improve inland water infrastructure and to establish a harmonized regulatory framework. This approach would allow the action of market forces and competition to develop efficient pan-European inland navigation services.

The UNECE has developed a number of instruments that, if fully implemented, would create the conditions for the development of inland navigation throughout the continent. These instruments include the AGN Agreement, which sets up the E waterway network and the uniform requirements for its development and Harmonized Europe-wide Technical Requirements for Inland Navigation Vessels to achieve a Europe-wide reciprocal recognition of ships' certificates.

Addressing infrastructure challenges: the role of UNECE

Addressing transport infrastructure challenges requires the design and implementation of coherent internationally agreed networks and internationally harmonized infrastructure standards.

The UNECE has long-standing expertise and experience in the development of pan-European transport networks. It has developed four main agreements, the AGR, AGC, AGN and AGTC, aimed at creating coherent networks for road, rail, inland water and combined transport, respectively. These infrastructure agreements are the only Pan-European governmental basis for the long-term development of coherent international networks for various modes of inland transport. As such, they were taken as a basis for the determination of the Pan-European transport corridors at the Pan-European Transport Conferences in Crete and Helsinki.

Financing constraints

The transport network problems are caused and aggravated by the *lack of sufficient funds* to address them effectively. Infrastructure requires very large financial outlays. These outlays for infrastructure investment are planned, financed and disbursed within national budgets. As such they compete with other budgetary items such as education, health, housing or security and are, of course, subject to the overall macroeconomic constraints e.g., deficits or public debt. The share of GDP devoted to transport infrastructure networks is, therefore, limited.

It is estimated that in order to remove gradually the gap in transport networks that developed between the EU-15 and other countries (East European), the latter would need to devote at least 2 to 2.5 per cent of GDP to transport infrastructure networks for many years.

Alternative sources of financing such as dedicated funds, collected from users in the forms of tolls and taxes may be considered. However, transport users' willingness to pay is also limited. Public-private partnerships to finance transport infrastructure networks is a promising source of financing, but many legal, financial and institutional barriers would need to be overcome in order to encourage private sector's participation more fully.

In addition to the above-noted technical and regulatory infrastructure work, the UNECE has promoted the development of corridors and networks in Eastern and South-Eastern Europe, the Caucasus and Central Asia.

The UNECE TEM and TER Projects: the Master Plan

These comprehensive projects are examples of international co-operation under the auspices of the UNECE. The UNECE has promoted mutual work of Central, East and South-East European countries in the framework of the UNECE Trans-European North-South Motorway (TEM) and the Trans-European Railway (TER) projects. The projects' objective is to facilitate the co-ordinated development of international road, rail and combined transport networks in Central, East and South-East European countries. The legal basis of each project is a UN Trust Fund Co-operation Agreement signed by the participating countries. Both the TEM and TER Projects are financed mainly through voluntary cash and in-kind contributions from participating countries.

TEM and TER have been instrumental in the development of international road and rail links in the participating countries. They have contributed to the inter-operability of the European transport systems; created continuously updated databases; and published technical documents, guidelines and recommendations. The projects also aim at harmonizing management, maintenance and operational procedures of motorways and railways in the region and their integration in the Pan-European context.

More recently, the TEM and TER Master Plan has identified the backbone road and rail networks in 21 Central, East and South-East European countries. They also elaborated a realistic investment strategy to gradually develop those networks. Two

expert groups, one for road and one for rail, with the support of external consultants and contributions from transport organizations consolidated and processed plans and priority needs of many countries. As many as 491 projects (319 for roads and 172 for rail) with an aggregate estimated cost of €102 billion, of which, €49.5 billion for roads and €52.5 billion for rail, have been evaluated and prioritized. The next steps are the implementation of the TEM and TER Master Plan and its monitoring, including collection of additional data as appropriate; evaluation and prioritization of additional projects; regular updates of the identified Backbone Networks and of the relevant data; elaboration of annual progress reports on the implementation of the identified priority projects; the review of the strategy by 2008; and the presentation of projects to international financial institutions for possible implementation funding.

TEM/TER: UNECE project proposal

While the TEM and TER projects have achieved many tangible results, more work remains to be done. Supporting the coordinated implementation of TEM and TER Master Plan, in particular, will require close international co-operation and active participation of national experts.

However, in the past, there has been a noticeable lack of participation by delegates from East, South-East European and Caucasian countries in the activities of TEM and TER. Their absence was detrimental to the coordinated development of transport infrastructure in the region. To help remedy this situation, the UNECE is proposing to undertake a pilot project aimed at facilitating the implementation of the TEM and TER Master Plan through funding the attendance of East, South-East European and Caucasian countries in the relevant work of TEM and TER Projects. Ensuring financial resources for the implementation of this project over the period 2007-2008 is essential. The description and rationale for this project proposal are provided in Annex 2 in more detail.

Development of Euro-Asian transport links

This is another example of UNECE contribution to the development of corridors and networks through international co-operation. Already in 1995, soon after countries in Central Asia and the Caucasus became UNECE Member States, the UNECE Inland Transport Committee decided to include the international transport networks of these countries in the E transport networks. The extension of the E road and of the E rail networks was completed in 2000 and 2001 respectively. The extension of the E combined transport network is under way.

The UNECE views the development of efficient, well-functioning Euro-Asian inland transport links not just as an alternative or a complement to maritime transport, but also as a means of promoting the economic development and integration of the countries in the Euro-Asian region. In this context, the UNECE, jointly with UNESCAP, invited 18 governments from the Euro-Asian region to participate. This project, funded by the UN Development Account, aims at strengthening the national capacities to develop Europe-Asia transport links and to promote regional co-operation to facilitate trade and tourism.

To date, government representatives from participating countries have agreed on the main road, rail and inland water transport routes linking Europe to Asia. They have

also identified main transshipment points and agreed to analyze the main physical and non-physical obstacles along the selected routes, including border crossings. Furthermore, they have agreed on a methodology for the evaluation and prioritization of projects along the selected routes. On the basis of this methodology, the evaluation and prioritization of projects is under way.

Development of Euro-Asian transport links: UNECE/UNESCAP project proposal

The objective of the project is to assist UNECE and UNESCAP members to develop efficient, safe, sustainable and secure land and land-cum-sea Euro-Asian transport links and foster cooperation in the field of transport to facilitate interregional trade and tourism between Europe and Asia.

While the project has achieved tangible results, much more work is required. As the project is an UN Development Account project, it may not be extended when it comes to an end in December 2006. The UNECE, UNESCAP and the participating countries believe that the project should continue for at least another four years. If no extra-budgetary funds are raised, the project will lapse and, with it, its useful results. Ensuring financial resources over the period 2007-2010 for the continuation of the Project after 2006 is essential. The description and rationale for this project proposal are provided in Annex 3 in more detail.

3. Border crossing issues

Border crossing obstacles

The amount of time it takes to move goods across borders affects the overall transport time and hence it determines both the cost of transport services and of the goods being shipped. That is why the frontiers are an important factor in determining the relative competitiveness of transport modes, of national economies and, ultimately of the economy of a whole region. According to the World Economic Forum, the costs related to border crossings amount to some \$85 billion per year worldwide.

In Europe, recent major structural changes have created new conditions for those wishing to cross borders. For example, many new borders have been created due to the break-up of the Soviet Union and Yugoslavia. The EU enlargement and extending the Schengen Agreement were additional two major institutional changes that have and will continue to effect significant impacts. In addition to these major events, security factors related to smuggling, terrorism, illegal trade and immigration are increasingly playing a key role in determining the efficiency of border and transit procedures.

Border crossing conditions vary significantly across the UNECE region.

Average border waiting times in hours, trucks, 1998 – 2004

- up to 72 hours at the border between Turkey and Iraq
- 12 - 72 hours at Latvia's borders with Russia and Belarus
- 10 - 72 hours at the border between Poland and Ukraine
- 12 - 48 hours at the border between Poland and Belarus
- 20 - 48 hours at the border between Finland and Russia
- up to 48 hours at the border between Bulgaria and Turkey
- over 24 hours at the border between Ukraine and Belarus
- 10 to 20 hours at the border between Estonia and Russia
- up to 15 hours at the border between Hungary and Romania
- over 10 hours at the border between Belarus and Russia
- up to 10 hours at the borders of Georgia
- up to 9 hours at the borders of Azerbaijan
- up to 8 hours at the border between Bulgaria and Romania
- 6 to 7 hours at the borders of Armenia

Source: Data on monitoring of waiting times at borders, International Road Transport Union (IRU).

Crossing times are very long at the EECCA external borders, where in extreme cases they can take up to 2-3 days for road or rail transport. The situation is also unsatisfactory in the SEE, where the recent emergence of several new states has resulted in the rapid introduction of customs and police controls carried out by inexperienced staff at generally ill-equipped sites. While EU enlargement should ultimately reduce the scale of the still considerable problems in Central Europe, the relocation of the EU's external borders and, in time, the Schengen area may result in stricter controls at these borders and hence a significant increase in waiting times. Overall, the main difficulties are concentrated in the east of the European continent and chiefly concern border crossings between the enlarged EU and the Russian Federation, Ukraine and Belarus.²

² Based upon *Report of the European Conference of Ministers of Transport*, Document CEMT/CM(2004)23.

**Total maximum waiting times for international goods trains at border crossings
in hours**

- up to 60 hours between Poland and Belarus
- up to 23 hours between Poland and Ukraine
- 7 hours between Bulgaria and Turkey
- up to 7 hours between Ukraine and Russia
- 7 hours between Greece and FYR of Macedonia
- 6 hours between Greece and Bulgaria,
- 6 hours between Poland and the Czech Republic
- 2 to 6 hours at Germany's borders with Poland and the Czech Republic
- 5.5 hours between Italy and Slovenia
- 5.5 hours between Hungary and Croatia
- up to 5 hours between Armenia and Georgia
- 4 hours at Serbia & Montenegro's borders with Hungary and FYR of Macedonia
- 4 hours between Poland and Lithuania
- 3.5 hours between the Czech Republic and Slovakia
- 3 hours between Romania and Bulgaria
- 3 hours between Hungary and Romania
- 3 hours between Austria and Hungary
- 2.5 hours between Austria and the Czech Republic

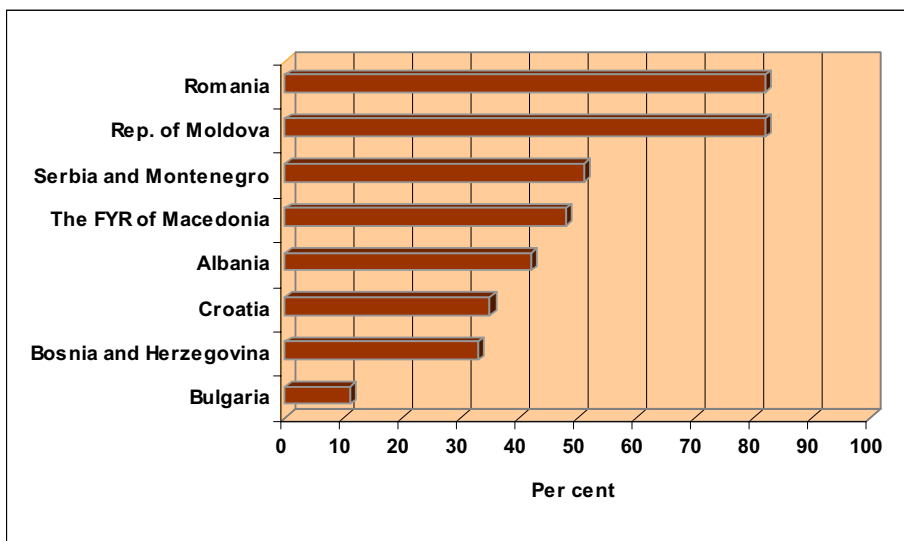
Source: ABC Project, "Action Plan for Border Crossings", International Union of Railways, 2003.

In general, the main obstacles at border crossings are:³

- Control procedures, which are without a doubt the main barrier to free-flowing traffic. They are often complex and sometimes changed without prior notice. There is lack of cooperation between control agencies and, all too often, the lack of joint controls. There are also cumbersome procedures for technical controls on the railways
- Inadequate infrastructure such as insufficient systems for communicating and transmitting data between all players at border crossings, and especially between different countries' control agencies and rail operators. Railway equipment (and personnel) are not interoperable, meaning that in almost all cases locomotives and crews have to be changed at borders
- Low-skilled, unmotivated personnel, which sometimes features questionable ethical conduct; corruption and smuggling (Figure 3.1)

³ As identified in the *Report of the European Conference of Ministers of Transport*, Document CEMT/CM(2004)23.

Figure 3.1: Frequency of bribes, in per cent of all trucks crossing borders, selected countries



Source: The World Bank, as cited by P. Gounev, *Transportation, Smuggling and Organized Crime*, presentation at the Second Preparatory Conference to the Fourteenth OSCE Economic Forum, Baku, 16-17 March 2006.

Facilitating border crossing: the UNECE conventions

The UNECE Conventions in the area of border crossing facilitation are aimed at simplification and harmonization of procedures at border crossings, be it customs or other required inspections, with a view to the facilitation and development of international transport. The so-called TIR Convention and the International Convention on the Harmonization of Frontier Controls of Goods are good examples of the UNECE's work in this area.

UNECE border crossing conventions

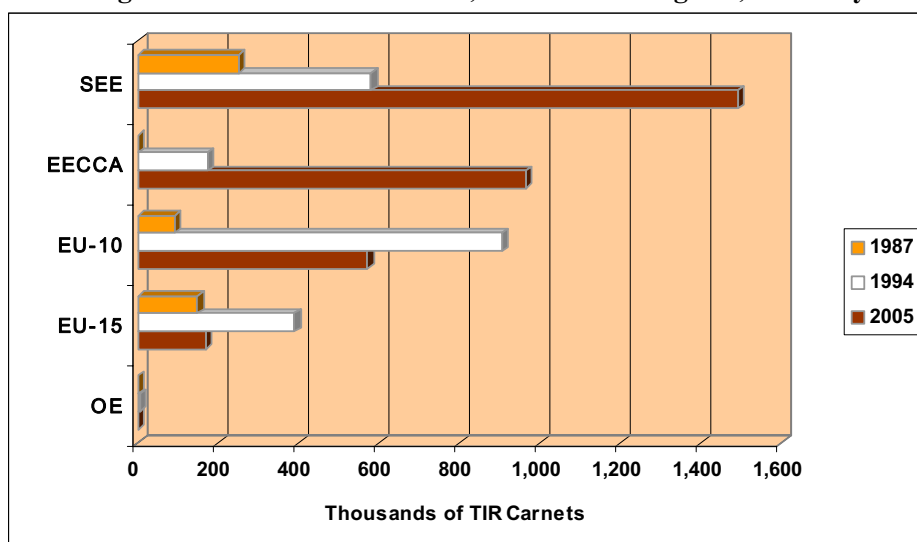
The Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention) permits the international carriage of goods by road from one customs office of departure in one country to a customs office of arrival in another country, through as many countries as necessary, without any intermediate frontier check of the goods carried. This, of course, requires a number of precautionary measures, such as customs control and secure sealing or prescriptions for the design of the load compartment or the container, in order to avoid smuggling. To cover duties and taxes at risk throughout the journey, an international guaranteeing chain has been established under the Convention. Under the Convention the International Road Transport Union (IRU) has been authorized distribute the international Customs transit and guarantee document, the so-called TIR Carnets and to manage the international guarantee system. The overall supervision of the TIR Convention and its application in all Contracting States falls within the responsibility of the TIR Administrative Committee, an inter-governmental organ comprising all Contracting Parties and its TIR Executive Board (TIRExB), comprising 9 elected members from the Contracting Parties. While the TIR Convention was drawn up originally for European transport only, this system has gradually been extended to other areas in the world, including Central Asia, the Middle East, North Africa and Latin America. The TIR system may also be applied to goods carried in containers,

provided that at least a portion of the journey is undertaken by road. Sixty-five States and the European Community are Contracting Parties to the TIR Convention. More than 40,000 operators are authorized to use the TIR system and more than 3 millions TIR transports are carried out per year.

The International Convention on the Harmonization of Frontier Controls of Goods aims at a reduction in the requirements for completing formalities, reduction in the number and duration of all types of controls, be it for health reasons (medico-sanitary, veterinary, phytosanitary), for reasons of compliance with technical standards or for quality inspections in general, and applies to all goods being imported, exported or in transit. Forty-eight States and the European Community are Contracting Parties to this Convention.

The TIR Convention has contributed significantly to facilitation of international transport and trade in the UNECE region, particularly between EU and non-EU countries as well as among non-EU countries. This is demonstrated in Figure 3.2, indicating the increasing number of TIR Carnets issued in the SEE and EECCA sub-regions since 1987. The existence within the EU of a different transit system has limited the use of TIR carnets.

Figure 3.2: TIR carnets issued, UNECE sub-regions, various years



Source: International Road Transport Union (IRU).

Border crossing facilitation is also an element of trade facilitation. Trade facilitation is virtually anything that reduces the impact import, export and customs procedures have on the movement of goods in international trade. Steadily growing volumes of trade and the fall in tariff levels to an all-time low have created a strong interest in trade facilitation. Moreover, businesses suffer financial losses through delays at borders, complicated or unnecessary requirements and lack of automation of government-mandated trade procedures. According to the European Commission, the cost of trade procedures may reach up to 15 per cent of the value of traded goods.

OSCE commitments – border crossing facilitation

The participating States will endeavour to achieve or maintain international and domestic policies aimed at expanding the free flow of trade, capital and investment.

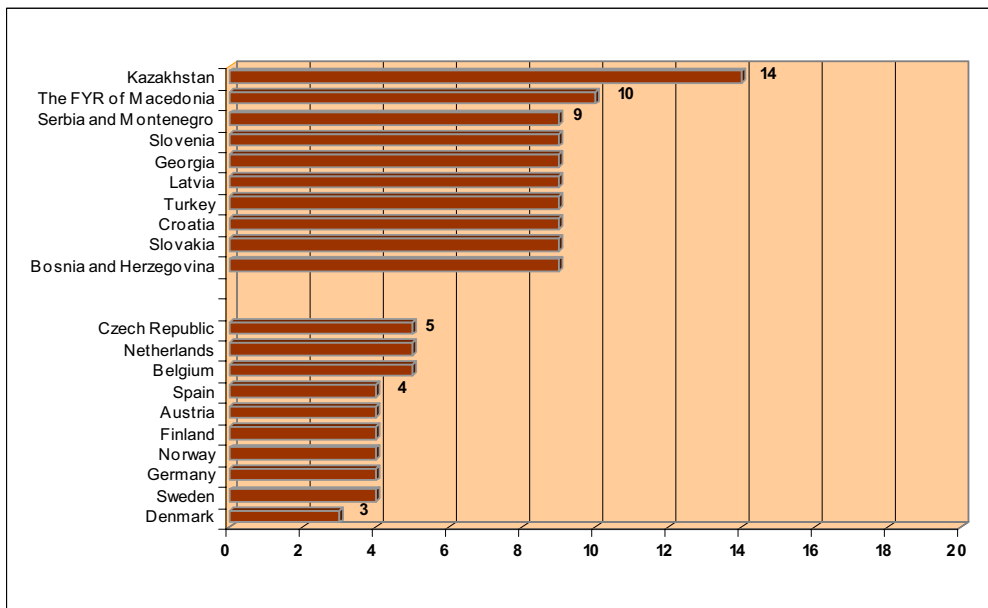
The participating States stress that expeditious process/treatment of goods and persons at international borders stimulates international trade and they will therefore make their borders more open for that purpose (Document of the Bonn Conference on Economic Co-operation in Europe 1990).

International trade and investment are vital factors for accelerating economic growth and promoting economic development. The establishment in the OSCE region of open and integrated markets functioning on the basis of compatible or harmonized rules and further liberalization could bring significant economic and other benefits to all the OSCE participating States (The OSCE Strategy Document for the Economic and Environmental Dimension, Maastricht 2003).

Figures 3.3 and 3.4 provide data on the number of documents required for export/imports of a standardized cargo of goods.⁴ The data – from the World Bank – can be used as a rough proxy for “trade or customs” facilitation performance comparisons across countries. The greatest number of documents is demanded in some EECCA and SEE countries. The ten top countries requiring the fewest number of documents are EU members and Norway (between 3 and 5). Some EU-10 members (Latvia, Slovakia and Slovenia) however require twice as many documents as some other EU members (Figure 3.3).

⁴ The traded product travels in a dry-cargo, 20-foot, full container load. All documents and signatures required for clearance of the goods across the border are recorded. For importing goods, procedures range from the vessel’s arrival at the port of entry to the cargo’s delivery at the factory warehouse. For exporting goods, procedures range from the packing of the goods at the factory to their departure from the port of exit. See www.doingbusiness.org.

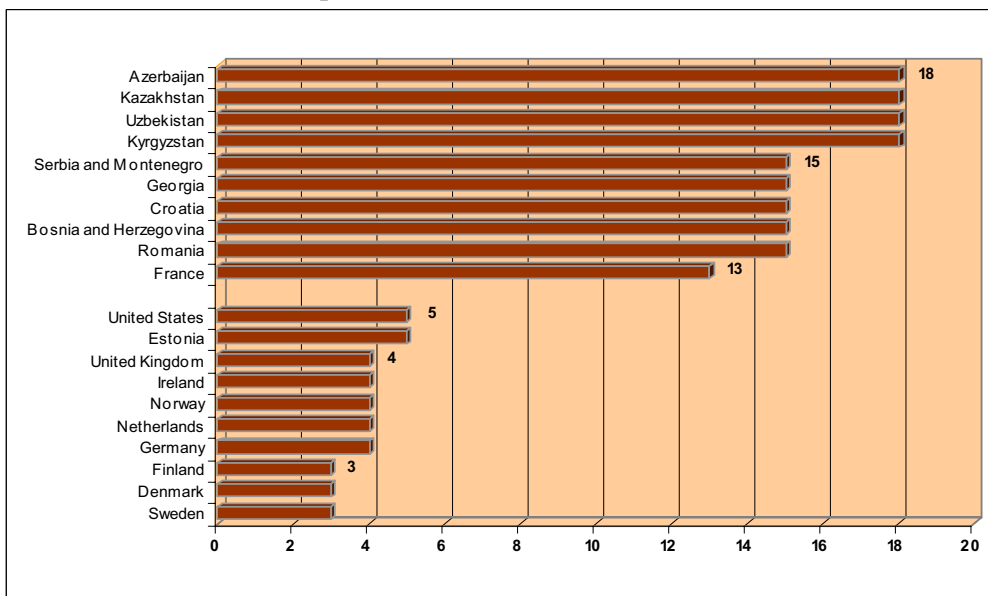
Figure 3.3: Number of documents required for exports, top/bottom ten UNECE countries



Source: www.doingbusiness.org.

Data on the number of documents required for imports shows a similar pattern – EU members, Norway and the United States demand the fewest number of documents while the EECCA and SEE countries as well as France and Romania the greatest (Figure 3.4).

Figure 3.4: Number of documents required for imports, top/bottom ten UNECE countries



Source: www.doingbusiness.org.

The length of time needed to export or import goods reflects, in part, the number of documents (and signatures – not shown) needed to proceed with an international transaction. Exporting a container load takes between 5-9 days in many EU members, Norway and the United States while it takes about one month in countries such as Greece, Republic of Moldova, Armenia and Croatia. A similar pattern holds for the number of days required to import (see www.doingbusiness.org for more details).

4. Harmonization of transport regulations, norms and standards

The movement of people and goods across borders is not only about infrastructure and border procedures. It also involves a variety of non-physical obstacles such as transport and traffic rules, road signs and signals and human habits – all of which may be considerably different between countries. These divergences in transport regulations represent significant barriers to trade. It is, therefore, crucial for transport and traffic regulations and traffic signs and signals to be harmonized internationally.

The Vienna Conventions on Road Traffic and on Road Signs and Signals, and the European Agreements supplementing them, provide the legal framework and technical rules for the development of a consistent and harmonized system of European road transport and traffic regulations. They contain requirements that vehicles and drivers must comply with when they travel abroad and establish the reciprocal recognition by all Contracting Parties of the documents issued on the basis of those requirements. They also contain a harmonized set of about 200 signs and signals. These legal instruments are the basis of national highway codes in many countries around the world. These harmonized traffic rules and regulations have facilitated international road traffic in Europe and contributed to improving road safety. The implementation of these legal instruments, in countries that have not yet done so, would greatly contribute to integrating them into the European road transport system.

With globalization of trade and services, drivers of heavy vehicles are increasingly involved in transport operations outside their own country, where social legislation may not be internationally harmonized. This may lead to different working conditions, including driving and rest periods and often to excessive working hours. As a result, distortions in the market place and serious road accidents may occur. In order to avoid them, it is necessary to ensure that regulations concerning driving and rest periods are harmonized, effectively implemented and enforced.

The UNECE 1970 European Agreement concerning the Work of Crew of Vehicles Engaged in International Road Transport (AETR) governs the conditions of work of crews in international road transport in accordance with the principles set up by the International Labour Organization. In particular, it regulates the driving and rest periods of professional drivers as well as the devices (tachograph) that keep track of such periods. The AETR has recently been amended in order to introduce the use of digital tachographs, in line with the relevant EU legislation.

In the area of transport, governments have the responsibility to protect human life and health, property and the environment on their territories. In doing so, they have to apply special measures, usually under the form of standards and regulations, to the goods carried and to the vehicle used. This is particularly the case for dangerous

goods, which are of high economic importance and are carried in large quantities across borders. These goods may represent serious threats to the population and the environment in countries of origin, transit and destination. National regulations concerning transport of dangerous goods should not be different from one country to another, as this would inevitably constitute a technical barrier to international trade. To avoid this outcome, it is necessary to implement a uniform and harmonized system of standards and regulations that offers a high-level of safety, security and environmental protection acceptable to all countries.

The UNECE European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR), aims at ensuring the highest possible level of safety in the transport of dangerous goods at an economically viable cost. It identifies the substances to be considered dangerous goods and those that can be admitted in international transport as well as those that cannot. For the former, the ADR establishes the conditions under which they must be carried. These include the classification of substances according to their specific type of danger (explosives, flammable liquids, flammable gases, corrosive substances), packing, labelling, and marking conditions, as well as standardized documentation and special requirements for container tanks. The ADR also contains requirements for transport operations, driver training as well as vehicle construction and approval. Security provisions have recently been introduced in order to minimize the risk of theft or misuse of dangerous goods, especially those that have the potential to be used in a terrorist incident and which may, as a result, produce serious consequences such as mass casualties or mass destruction.

This is also the case for perishable foodstuffs, which must meet the quality and hygiene standards applicable in the country of consumption. The UNECE Agreement on the International Carriage of Perishable Foodstuff and on the Special Equipment to be used for such Carriage (ATP) establishes uniform prescriptions for the preservation of the quality of the perishable foodstuffs during their international transport. It defines uniform norms and standards for the special transport equipment required as well as for the checking of insulation.

5. Road safety

Recent trends in road safety

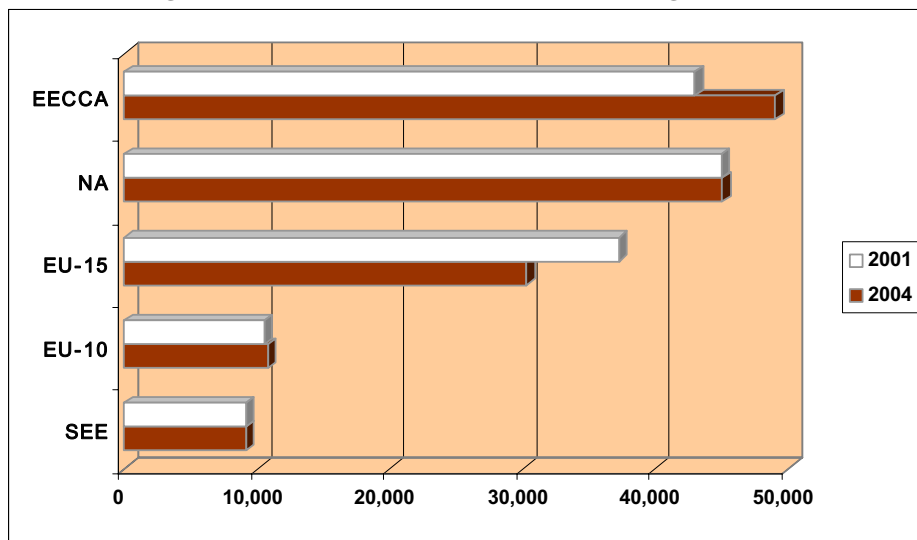
In the UNECE region, about 150,000 people died in road accidents in 2004, of which roughly one-third in each sub-region (i.e., EU-25, North America and the EECCA). While there was no general improvement in recent years (the overall number of road fatalities stayed roughly the same between 2001 and 2004), sub-regionally and at a country level, road safety performance varied.

The costs of road accidents

Road traffic accidents, and the large numbers of deaths and injuries they bring along, cause a tremendous human suffering and represent a major new social problem. In addition, the economic cost of road crashes is very high. While estimates vary for the various countries and regions, the total costs of road accidents are typically assumed to be about 2 per cent of GDP in the developed countries.

Figure 5.1 shows the number of persons killed in road accidents and indicates that over the period 2001-2004 road fatalities remained practically unchanged in North America, the EU-10 and SEE sub-regions and fell in the EU-15. However, this figure also shows that the number of people killed on roads increased noticeably in the EECCA.

Figure 5.1: Road fatalities, UNECE sub-regions, 2001-2004



Source: UNECE Transport Division, Eurostat.

Table 1 provides a summary of changes in road death rates by country and by UNECE sub-region between 2001 and 2004. At a country level, FYR Macedonia, Azerbaijan, Kazakhstan and Kyrgyzstan had the worst records. In relative terms, when road fatalities are measured on a per capita or per passenger car basis, a number of EU-10, SEE and EECCA countries did not improve their road safety performance.

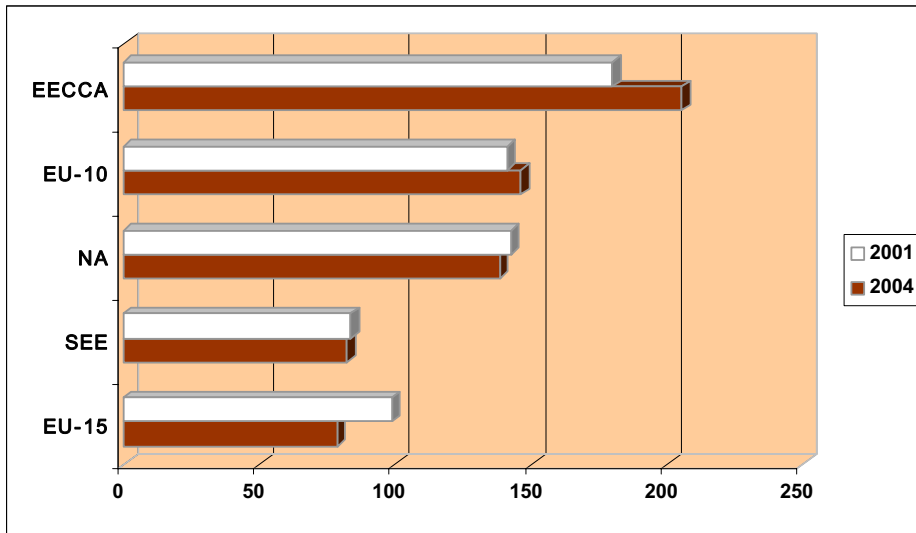
Table 1: Road fatalities, car ownership and population, 2001-2004
(Percentage change)

	Road fatalities	Passenger cars	Population	Fatalities per capita	Fatalities per passenger car
North America	0	3	3	-3	-3
Canada	-12	5	3	-15	-17
United States	1	3	3	-2	-2
EU-15	-19	4	2	-21	-22
Austria	-8	-2	1	-9	-7
Belgium	-22	3	2	-23	-24
Denmark	-14	2	1	-15	-16
Finland	-13	9	1	-14	-20
France	-32	4	2	-34	-35
Germany	-16	1	0	-16	-17
Greece	-11	18	1	-12	-25
Ireland	-9	13	7	-15	-19
Italy	-16	7	2	-32	-34
Luxembourg	-30	29	10	-36	-46
Netherlands	-26	4	2	-28	-29
Portugal	-23	12	2	-24	-31
Spain	-14	8	6	-19	-20
Sweden	-18	2	1	-19	-20
United Kingdom	-7	8	5	-11	-13
EU-10	3	31	-1	4	-21
Cyprus	19	20	12	7	0
Czech Republic	4	8	0	4	-4
Estonia	-15	16	-1	-14	-26
Hungary	5	14	-1	5	-8
Latvia	0	17	-3	2	-15
Lithuania	7	16	-1	8	-8
Malta	-19	8	2	-20	-25
Poland	3	14	-1	4	-9
Slovakia	-2	-7	0	-2	6
Slovenia	-1	3	0	-2	-4
SEE	0	12	1	-2	-11
Albania	6	42	2	4	-25
Bosnia and Herzegovina	-1	N/A	N/A	N/A	N/A
Bulgaria	-7	17	-2	-5	-20
Croatia	-6	13	0	-6	-17
Romania	-2	0	-3	2	-2
The FYR of Macedonia	45	-6	0	45	54
Turkey	1	19	3	-2	-15
EECCA	14	12	0	14	2
Armenia	9	N/A	-20	37	N/A
Azerbaijan	45	18	2	42	23
Belarus	6	16	-2	8	-9
Georgia	14	4	-6	21	9
Kazakhstan	41	14	2	39	24
Kyrgyzstan	27	3	3	23	23
Republic of Moldova	-4	9	0	-3	12
Russian Federation	12	14	1	11	-2
Tajikistan	5	N/A	6	-2	N/A
Ukraine	16	1	-4	21	15

Source: UNECE, Eurostat, CIS Statistical Committee.

Figure 5.2 shows road fatalities per one million residents in 2001 and 2004 in five UNECE sub-regions. It indicates that, while this rate declined in North America, the EU-15 and SEE sub-regions, it increased in the EU-10 and, more noticeably, in the EECCA.

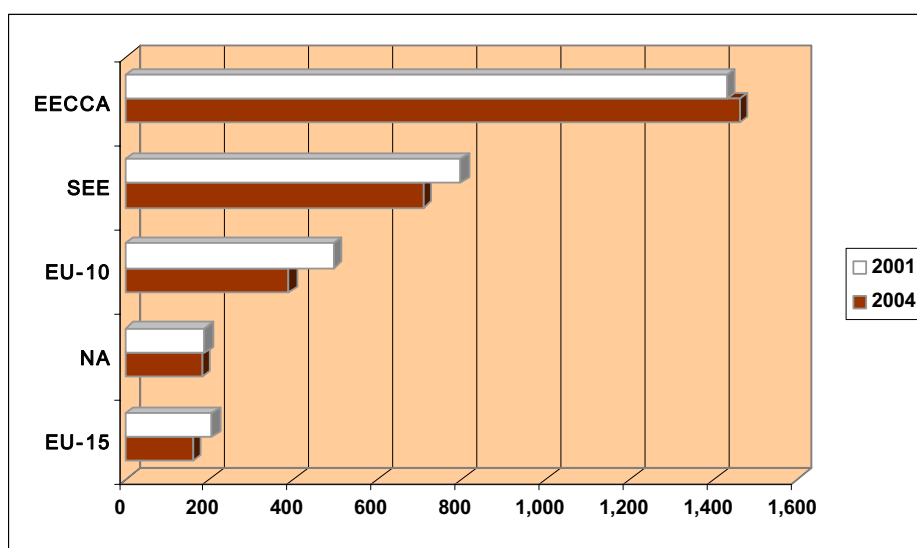
Figure 5.2: Road fatalities per million population, UNECE sub-regions, 2001-2004



Source: UNECE Transport Division, Eurostat, CIS Statistical Committee.

Figure 5.3 provides data on road fatalities relative to the number of passenger cars. It shows significant improvements in all UNECE sub-regions except in the EECCA. The fatality rate per million cars in the EU-15 region is slightly below that of North America while the EU-10 and SEE countries seem to be converging to similar levels. In the SEE and, more noticeably, in the EECCA this indicator remains at a comparatively high level.

Figure 5.3: Road fatalities per million passenger cars, UNECE sub-regions, 2001-2004

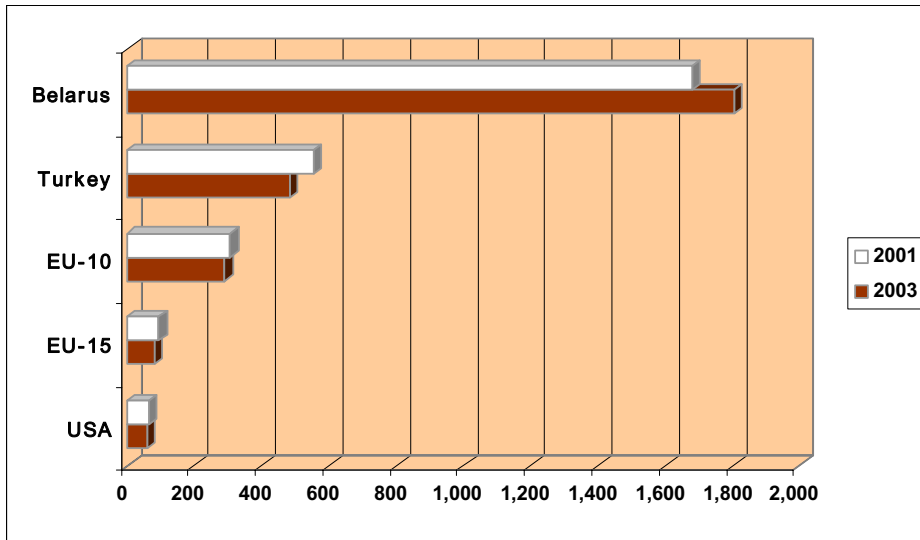


Source: UNECE Transport Division, Eurostat, CIS Statistical Committee.

The fatality rate per pkm is possibly the best road-safety performance indicator, but there is not yet a common methodology to estimate the number of pkm. In addition, it cannot be calculated for the EECCA and SEE regions due to lack of data. Figure 5.4 shows the road fatality rate per 100 million car passenger-kilometres (pkm) between 2001-2003. The performance improved in the EU-10 countries as well as in the EU-15, which almost converged to the still superior United States performance level. Despite considerable progress since the mid-1990s, fatalities per pkm in the EU-10 remain well above the levels observed in Western countries, and are almost 5-times higher than in the United States.

A complete time series on passenger-kilometres is available for Belarus while a broadly comparable series can be estimated for Turkey on the basis of the data reported for selected years. Figure 5.4 shows that the safety performance improves noticeably in Turkey while remaining still considerably weaker than in the EU-10. In contrast, the situation has worsened in Belarus where the rate of fatalities per pkm is already six-times higher than in the EU-10 and almost 30-times higher than in the United States.

Figure 5.4: Road fatalities per 100 million pkm, 2001-2003



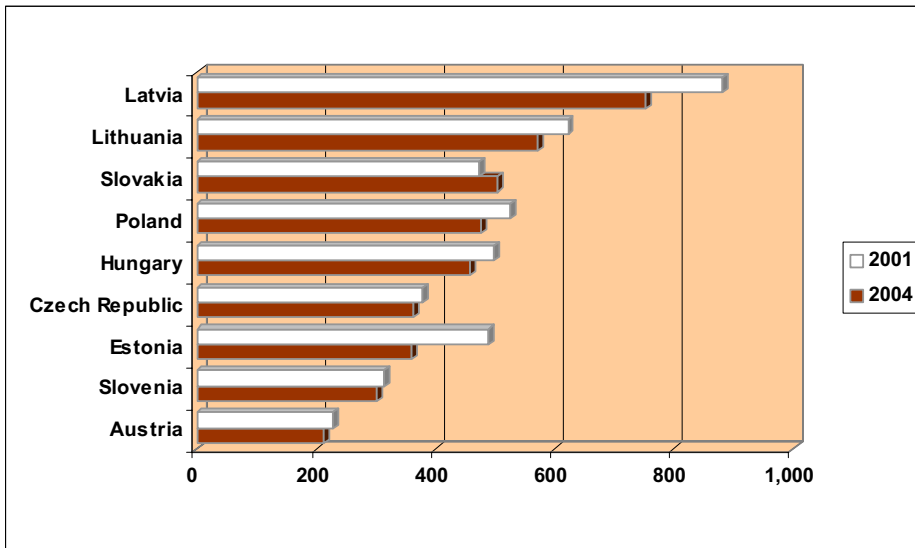
Source: UNECE Transport Division, Eurostat, CIS Statistical Committee.

The above-noted statistical data imply that road-safety performance varies significantly across major UNECE sub-regions. More specifically, there is still a considerable road-safety gap between the EECCA and SEE countries and the rest of the UNECE region. Some countries/sub-regions, however, are catching up with the best performers. The underlying factors that account for the diminishing divide probably include:

- Regulatory and institutional evolution (a number of transition countries adopted the Vienna Conventions on Road Traffic and on Road Signs and Signals as well as the European Agreements supplementing them, created high-level road safety councils and started to implement national safety programs over the last decade) and,
- some improvements in road infrastructure (road projects financed by international financial institutions usually have a strong safety component) and in vehicle fleets

The next three figures contrast the development of road-safety performance over the 2001-2004 period in the EU-10, SEE and EECCA states with that in countries with a somewhat similar institutional history or geographical vicinity. Figure 5.5 compares the safety improvements in central European and Baltic states of the EU-10, measured by road fatalities per million passenger cars, with the progress in Austria that, to some extent, shares historical and institutional experience with some of EU-10 countries. Although the performance differential narrows over time, Austria continues to lead.

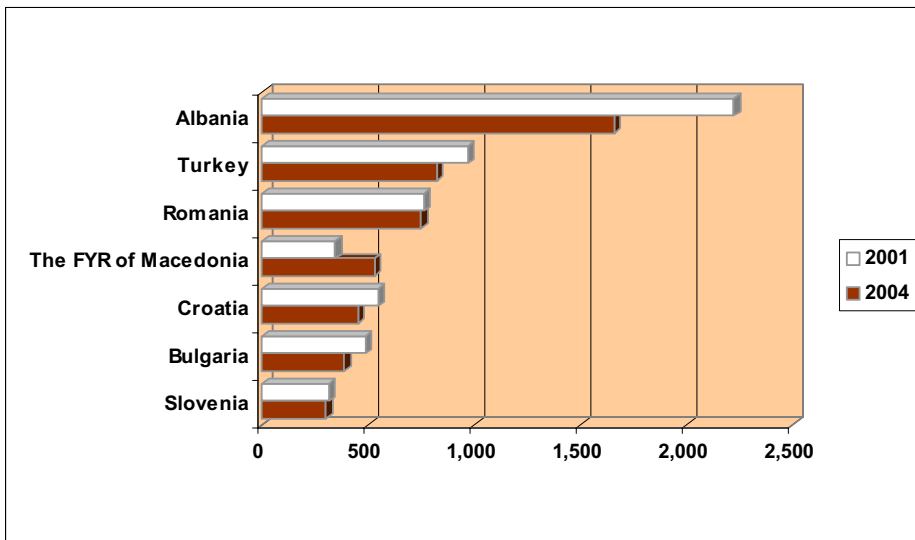
Figure 5.5: Road fatalities per million passenger cars, selected EU member states, 2001-2004



Source: UNECE Transport Division, Eurostat, CIS Statistical Committee.

Figure 5.6 compares changes in this safety indicator in six SEE countries with Slovenia, an EU member state that shared institutional characteristics with some SEE countries until the early 1990s. Although the fatality rate declines everywhere but the FYR of Macedonia where it rises, Slovenia outperforms.

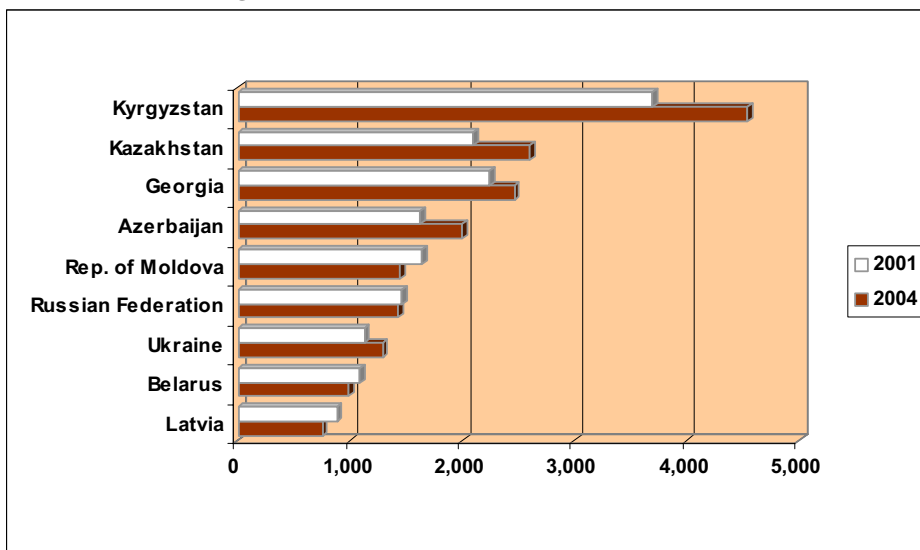
Figure 5.6: Road fatalities per million passenger cars, six SEE countries and Slovenia, 2001-2004



Source: UNECE Transport Division, Eurostat, CIS Statistical Committee.

Figure 5.7 highlights road-safety developments in eight countries of the EECCA region. While the performance measured by the rate of fatalities per million cars improves in some of these countries between 2001 and 2004, five of them (Azerbaijan, Georgia, Kazakhstan, Kyrgyzstan and Ukraine) experience deterioration. Figure 5.7 also provides this indicator for Latvia, a country that had similar state institutions to EECCA countries until 15 years ago. Although Latvia's road-safety performance resembled that of European EECCA states in the 1990s, it clearly leads in road safety by 2004.

Chart 5.7: Road fatalities per million passenger cars, eight EECCA countries and Latvia, 2001-2004



Source: UNECE Transport Division, Eurostat, CIS Statistical Committee.

The above statistical trends (Figures 5.5-5.7) imply that the quality of the regulatory and institutional environment and of transport infrastructure probably account for major differences in road safety between the high-income UNECE countries and those in the EU-10, SEE, and EECCA. While the majority of EU-10 and SEE countries appear to be converging towards the superior safety standards prevailing in North America and Western Europe, road safety in countries of the EECCA region is yet to be firmly set in the right direction.⁵

Improving road safety in Europe: the role of UNECE

Clearly, there are still too many deaths on roads in the UNECE region. To help remedy this highly undesirable situation, a systems approach to roads safety is recommended, i.e. one which considers the road user, the vehicle and the road itself. In each of these areas it is crucial to put in place legislation that addresses all possible risk factors in order to prevent accidents and to diminish the consequences of accidents when they happen.

The UNECE has elaborated and kept up to date agreements and conventions addressing major issues and risk factors in each of those three areas.

⁵ See for example *Road Safety Performance, National Peer Review: Russian Federation*, ECMT, 2006.

Studies have shown that human error is the main cause of up to 95 per cent of road crashes and therefore attention to driver behaviour has the biggest potential to save lives and reduce injuries due to road crashes.

Among the factors which increase the risk of human error or which worsen the impact of crashes are speeding, drinking and driving, and non-use of helmets, safety belts and child restraints.

- High speeds not only reduce a driver's reaction time but also make the consequences of crashes more severe. Road users such as pedestrians and cyclists are particularly vulnerable in crashes with speeding vehicles. Studies have shown that an increase in vehicle speed in urban areas from 30 to 50 km per hour increases the risk of pedestrian death in a collision by up to a factor of eight.⁶
- Drinking and driving is still a major cause of deaths and injuries in the UNECE region. All countries have blood alcohol concentration limits between 0 and 0.10 g/l. However, it is effective enforcement that holds the key to reducing drinking and driving. Drivers are less likely to drive under the influence of alcohol if they believe they run a real risk of being stopped and tested.
- To date, there are few effective means of testing at the roadside whether drivers have taken medicinal or recreational drugs such as cannabis and cocaine and it is difficult to assess to what extent drugs are a contributing factor to road crashes. Fatigue is increasingly recognised as a cause of road crashes and drivers need to be more aware of the symptoms.
- The use of safety belts or child restraints by all occupants of vehicles, both in the front and the rear, greatly reduces both the risk of death and injury and the severity of the injuries. The use of safety belts by the driver and front seat passengers lowers the risk of injuries and death by between 40 and 60 per cent.⁷ It is equally important that rear seatbelts are also used since unrestrained occupants of backseats may injure those in the front seats when they are thrown forward in the case of a collision. The use of child restraints, adapted to the age and weight of the child, leads to similar reductions in deaths and injuries.
- Riders of motorcycles, scooters and mopeds are required to wear protective helmets to reduce the danger of head injuries. Some states in the United States do not have obligatory helmet legislation and helmet use has declined.
- While at the wheel, a driver needs to give constant attention to the road. Holding a mobile phone may prevent him from driving correctly and reduce his level of concentration. For this reason, legislation in many countries

⁶ As cited in World Health Organization, *World report on road traffic injury prevention*, WHO, Geneva, 2004.

⁷ As cited in World Health Organization, *World report on road traffic injury prevention: summary*, WHO, Geneva, 2004.

prohibits and punishes the use of hand-held phones, but allows the use of a hands-free mobile phone kit.

In the area of rules that drivers must respect, the Vienna Conventions on Road Traffic and on Road signs and Signals, of 1968, as well as in the European Agreements supplementing them, contain the basic norms and should be the basis of national legislation in UNECE countries.

Road safety: UNECE conventions

The Vienna Conventions on Road Traffic and on Road Signs and Signals contain the basic rules that road users must respect and are the international legal framework for the improvement of road safety in Europe and in many other countries throughout the world. The European Agreements supplementing these Conventions impose even stricter safety standards.

These legal instruments have recently been amended in order to prohibit the use of handheld mobile phones while driving; to lower the maximum permissible alcohol limit in the blood; to tighten the conditions for the issuing of driving permits; and to recognize the validity of an international driving permit only if it presented with a valid national driving permit.

However, legislation alone has proved insufficient to improve drivers' behavior. Effective implementation of the legislation, better training, information campaigns and education are other indispensable tools.

Road safety campaigns

In addition to its legal instruments dealing with road safety, the UNECE has also organized road safety weeks in Europe in 1990, 1995, 2000 and 2004. In October 2005, the UN General Assembly welcomed the proposal made by UNECE to hold the First UN Global Road Safety Week in 2007 targeted at young road users including young drivers. The Global Road Safety Week, which will be held from 23 to 29 April 2007, will serve as a platform for global and regional, but mainly national and local, activities to raise awareness about road safety issues.

Another element of a systems approach to road safety is the vehicle.

To reduce the risk of the vehicle being the cause of crashes, it is essential that vehicles are designed and constructed in accordance with the best available safety standards. In the framework of the 1958 Agreement, the UNECE World Forum for Harmonization of Vehicle Regulations has so far adopted 123 Vehicle Regulations. They are constantly updated and have improved significantly the active and passive safety of motor vehicles.

The UNECE World Forum for Harmonization of Vehicle Regulations (WP.29)

Improving road safety and minimizing the harmful health and environmental impact of new road vehicles have been the objectives of the UNECE World Forum for Harmonization of Vehicle Regulations (WP.29). The worldwide participation of governments, car manufacturers and road users guarantees balanced decisions and

effective implementation of an extended legal framework, contained in three Agreements (of 1958, 1997 and 1998). These Agreements cover all aspects of construction of new vehicles and of vehicles in use.

The 1958 Agreement⁸ and the 1998 Global Agreement⁹, establish the conditions according to which vehicles must be manufactured. The 1997 Agreement establishes the conditions that vehicles must comply with to continue to be in service.

The ultimate goal of the 1958 and 1998 Agreements is to continuously improve road safety, decrease environmental pollution and consumption of energy and improve anti-theft performance of vehicles and related components and equipment through uniform regulations accepted and applied worldwide. Altogether 123 UNECE Regulations have been developed and annexed to the 1958 Agreement. They constitute a comprehensive set of prescriptions ensuring that all new vehicles comply with the highest safety and environmental requirements before their first registration. The 1958 Agreement has now 46 Contracting Parties including almost all the European countries, the European Community, Japan, Australia, South Africa, New Zealand, the Republic of Korea, Malaysia and Thailand, but does not include the United States and Canada. In order to develop truly global regulations, the 1998 Agreement was developed. This Agreement has currently 26 Contracting Parties and includes, in addition to several European countries, the United States, Canada, the European Union, China, the Republic of Korea, South Africa, Malaysia and India. So far, two global technical regulations have been adopted under the 1998 Agreement and work is progressing on a further 15 priority areas.

The 1997 Agreement defines uniform conditions for Periodical Technical Inspections of vehicles in use.¹⁰ The Agreement has 9 Contracting Parties and 19 Signatories. The implementation of this Agreement could reduce the harmful impact of old vehicles on safety and the environment, as roughly 32 per cent of the European passenger cars in use is 5 to 10 years old and 39 per cent is older than 10 years.

- The area of vehicle design and construction is constantly undergoing improvement and innovation. Recent safety innovations introduced into the UNECE regulations or under discussion include adaptive cruise control, which activates brakes to keep distance from the preceding vehicle, collision warning and avoidance, electronic stability control, safe overtaking, drowsiness warning, vision enhancement, and repair warning systems.¹¹
- Vehicles are also being designed so that the impact of the vehicle is less severe on a pedestrian in the case of a crash; car bumpers and bonnets are more

⁸ Agreement concerning the adoption of uniform technical prescriptions for wheeled vehicles, equipment and parts which can be fitted and/or be used on wheeled vehicles and the conditions for reciprocal recognition of approvals granted on the basis of these prescriptions (E/ECE/324-E/ECE/TRANS/505/Rev.2).

⁹ Concerning the establishing of global technical regulations for wheeled vehicles, equipment and parts which can be fitted and/or be used on wheeled vehicles (ECE/TRANS/132 and Corr.1).

¹⁰ Agreement concerning the adoption of uniform conditions for periodic technical inspections of wheeled vehicles and the reciprocal recognition of such inspections of 1997 (ECE/RCTE/CONF./4).

¹¹ The impact of technological progress on safety is difficult to assess. Nevertheless, in the “man-vehicle-infrastructure nexus” of road traffic, without a doubt, the vehicle has progressed the most.

“forgiving”. In addition, vehicles are designed to offer increased frontal and side impact protection to occupants. Air bags also offer increased occupant protection.

- It is also important to verify the continued roadworthiness of vehicles by regular technical inspections, which should be conducted by approved independent centers every one to two years.

The third element of the systems approach to road safety is the road itself including road signs and signals and road markings.

- When planning new roads, a road safety assessment of the project should be carried out to avoid any potential road safety problems. Similarly, on existing roads, road safety audits will highlight sections that are dangerous or which are collision black spots and corrective measures can then be taken. Regular maintenance is required to ensure that roads do not present a direct threat to road users.
- It is important that road networks are classified according to their primary road functions, e.g. motorways, expressways, rural roads, residential access roads, and that appropriate speed limits are assigned for each category of road. To the extent possible, road design and engineering should help drivers to follow speed limits and not present them with situations where they question the validity of the speed limit posted. Measures should also be taken to separate road users, which travel at very different speeds, for example pedestrians, cyclists and cars.

UNECE infrastructure standards

Infrastructure safety requirements for roads are contained in the European Agreement on Main International Traffic Arteries (AGR), which lays down the design standards and parameters of E roads. The AGR has recently been amended to improve infrastructure conditions in tunnels, and work is under way on uniform conditions for road safety inspections and audits.

The Vienna Convention on Road Signs and Signals and the European Agreement supplementing it contain requirements for road signs and signals. Recent amendments to the Vienna Convention on Road Signs and Signals and the European Agreement, which entered into force on 28 March 2006, include measures to increase the visibility and legibility of road signs and road markings, and new signs to increase safety in tunnels.

- An essential part of the road infrastructure is the road signs, road markings and traffic lights, which guide road users and inform them of what to expect on the road. It is important that these signs are well positioned and convey their message rapidly. This is achieved through the use of signs of particular colours and shapes and wherever possible symbols rather than words. Where there is a high volume of cross-border traffic, it is important that different countries use the same road signs and signals.

Certain components of the road infrastructure also have specific needs. In tunnels, the number of accidents is generally lower than in the open, in part because the road is not exposed to adverse weather conditions such as snow, ice, wind and rain. However, due to the fact that tunnels are enclosed spaces, fires create poor visibility and the spread of smoke and toxic gases, the rapid development of high temperatures and a reduction in the level of oxygen. The extent of harm to road users in the event of a fire caused by an accident in a tunnel is therefore far greater than is the case on open roads. Tunnels, particularly long tunnels, should meet special requirements such as adequate facilities for road users to escape or be rescued by emergency crews as well as ventilation systems.

In the wake of fires in the Mont Blanc and Tauern tunnels in 1999, UNECE set up a Multidisciplinary Group of Experts on Safety in Tunnels to draw up recommendations for tunnels over 1000 metres in length. Completed in 2001, the recommendations address the principal factors, which influence accidents in tunnels. Measures include, for example, driver information campaigns on correct behaviour in tunnels, roadside checks of heavy goods vehicles for overheating and other defects, periodic testing for drivers of heavy goods vehicles, buses and coaches, the appointment of safety officers for tunnels, the equipment of tunnel fire-fighting crews with heat searching cameras, and the lowering of the quantity of fuel carried by heavy goods vehicles. The European Commission has used the UNECE recommendations as a basis for its Directive on the subject.

The “Vision Zero” Program

In 1997, Sweden adopted the “Vision Zero” Program, which aims to reduce deaths from crashes to zero by the year 2020. Among the measures proposed for the road infrastructure is the separation of different categories of road user. Roadside guardrails are recommended on motorways and other roads with steep and dangerous sides and centre guardrails prevent head on collisions on rural roads. Fixed obstacles on the roadside such as trees or rigid posts are removed since they may prove fatal for someone driving off the road. Guardrails with steel cables are preferable to conventional types since they catch the vehicle rather than deflecting it back into the road.

6. Sensitivity to health and the environment

Efficient transport systems are essential for economic growth and mobility, but they simultaneously pose challenges to sustainable development. Transport – in addition to benefits - generates various detrimental health and environmental externalities. The overall objective for a sustainable transport policy is therefore to strike a balance between the economic and social benefits of transport and its negative impacts on the environment.

The costs of transport pollution

Globally, local air pollution contributes to the premature death of hundreds of thousand of people each year, imposing an economic cost of roughly 2 per cent of GDP. The most damaging air pollutants are lead and small-suspended particulate matter. Transport typically causes about a quarter of this impact, mainly from vehicles. Moreover, motorized transport contributes about a third of total emissions of the carbon-based gases, which are believed to contribute to global warming. Due to the world's high growth in transport demand, transport is the only sector from which the emissions of CO₂ gases are still expected to increase.

Addressing the environmental issues posed by the growth of transport requires profound rethinking of transport management. It also requires a strong political commitment to invest in a new range of policies and interventions capable of addressing simultaneously the various challenges posed to health and to the environment. In particular, this necessitates developing a better understanding of the complexities between transport and its effects on health and the environment.

Air pollution

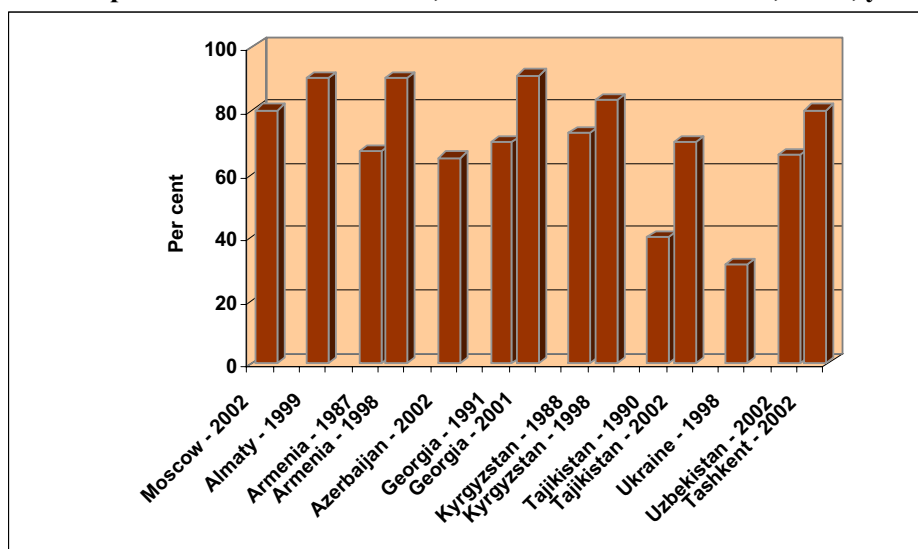
The transport sector is one of the main sources of air pollution, particularly in urban areas. Motor vehicles are one of the major sources of a number of air pollutants. The key emissions from the transport sector are carbon monoxide (CO), nitrogen oxides (NO_x), hydrocarbons (also called volatile organic compounds), sulphur dioxide (SO₂), lead (Pb), particulate matter (PM) and air toxics (organic compounds and metals).

Over time, the introduction of cleaner vehicles and fuels has proved to be effective in reducing air pollution from transport, in particular in Western Europe and North America. Gradual phase-out of leaded petrol was completed in the EU in 2002 and should become and/or remain a top priority in all EECCA countries. Sulphur content of road fuels will have been reduced to almost zero in the EU by 2009. As a result of regulations coupled with new technologies, emissions of NO_x, HC, CO and PM10 from the newest generation of road vehicles will be five times less of those from 1980 vehicles.

While significant progress in reducing air pollution has been made, in particular in Western Europe and North America, many problematic areas remain. In the EECCA countries, for example, the emission of many air pollutants has decreased from stationary sources in recent years, but not from transport. Air pollution levels remain very high, especially in urban areas and in large cities. This is a direct consequence of motor vehicle transport emissions, whose share of total pollution is rapidly increasing and which have become responsible for almost all the air pollutants emitted in some

areas (Figure 6.1). The increase in the number of vehicles, especially private ones, leads to systematic increase in suspended PM, volatile organic compounds (VOC), CO, NO₂ and lead. These particular problems are posed by a very old and slowly changing vehicle stock, slow phasing out of leaded petrol and often ineffective vehicle and fuel maintenance controls.

Figure 6.1: Transport-related air pollution emissions, in per cent of total emissions, various EECCA countries, cities, years



Source: Document ECE/AC.21/2005/5, United Nations Economic Commission for Europe.

CO₂ emissions

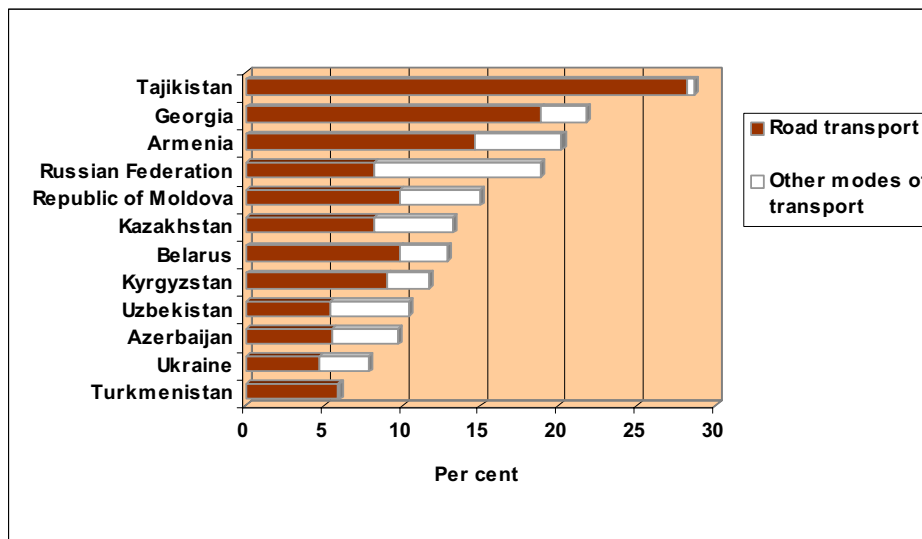
The largest and probably most cost-effective CO₂ abatement opportunities in the transport sector will likely come from initiatives to reduce energy intensity - through improving the efficiency of new vehicles and their components and improving load factors.¹² For example, vehicle manufacturers from Europe, Japan and Korea have made a commitment to reduce CO₂ emissions that will contribute more than 15 per cent to the total emissions savings required under the Kyoto Protocol in the EU, according to the EC estimates. This commitment is to bring into the market individual car models with CO₂ emissions of 120 g/km since 2000. In the longer term, policies promoting alternative fuels could also make a difference. Few countries, if any, seem to have exploited all the opportunities available in this area.

Energy consumption, and especially the consumption of nonrenewable resources by transport, is a major policy concern since it directly affects emissions of greenhouse gases. In the EECCA countries, for example, the transport sector accounts on average for 17 per cent of total energy use, ranging from 29 per cent in Tajikistan to 6 per cent in Turkmenistan (Figure 6.2). This is still less than the 30 per cent in Western Europe (EU-15 countries as well as Andorra, Iceland, Liechtenstein, Monaco, Norway, San Marino and Switzerland). In all EECCA countries, road transport accounts for most of the energy used by the transport sector. The increase in demand for road and air

¹² *Review of CO₂ Abatement Policies for the Transport Sector*, ECMT, 2006.

transport will result in higher total energy use in the coming years, leading to higher emissions of greenhouse gases.

Figure 6.2: Energy used in transport, in per cent of total energy used, EECCA countries, 2000



Source: Document ECE/AC.21/2005/5, United Nations Economic Commission for Europe

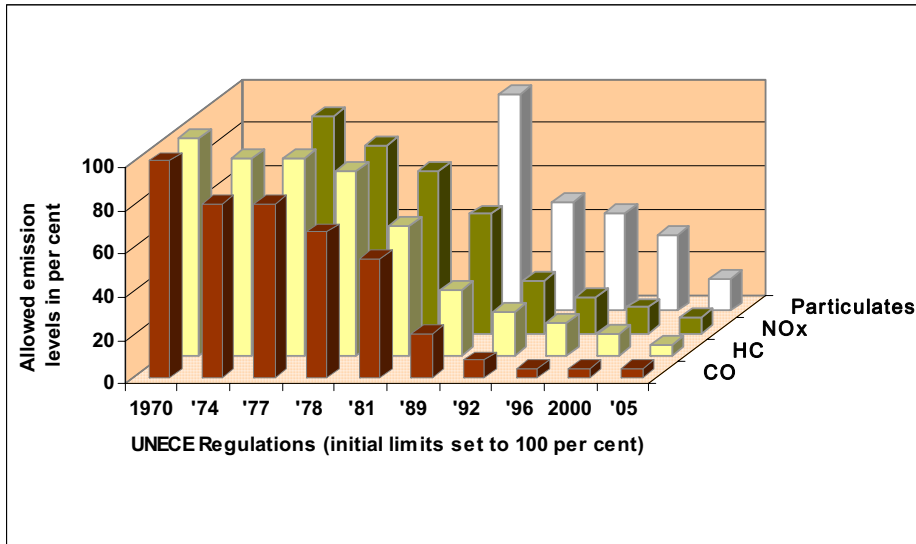
Noise

Noise caused by road, rail and air transport is a serious source of nuisance and health hazards. Noise nuisance causes sleep disturbances and cardiovascular and psychological effects, resulting in tiredness and thus reducing the working and studying performance. At sufficiently high levels, it can impair hearing. Noise pollution can be avoided provided that appropriate measures are taken. Such measures could include phasing out of noisier means of transport and their replacement with less noisy ones, installing noise barriers along highways and near/in human settlements, improving the noise insulation of buildings and integrating special architectural features to reduce the impact from road transport noise.

Abating vehicles' pollution and noise: UNECE Regulations

Policy measures to mitigate air pollution must be developed and implemented at many government levels. Clearly, to combat air pollution, local or individual solutions alone cannot produce the desired effects. In this context, the UNECE World Forum for Harmonization of Vehicle Regulations plays a key role. UNECE Regulations annexed to the 1958 Agreement and their successive amendments have delivered spectacular results by reducing vehicle emission limits drastically in the last 35 years. Figures 6.3 and 6.4 show the significant abatements of emission limits from new passenger cars and heavy-duty vehicles, respectively, brought about by UNECE vehicle regulations over the past 35 years. Similar abatements of emission levels have been introduced in North America.

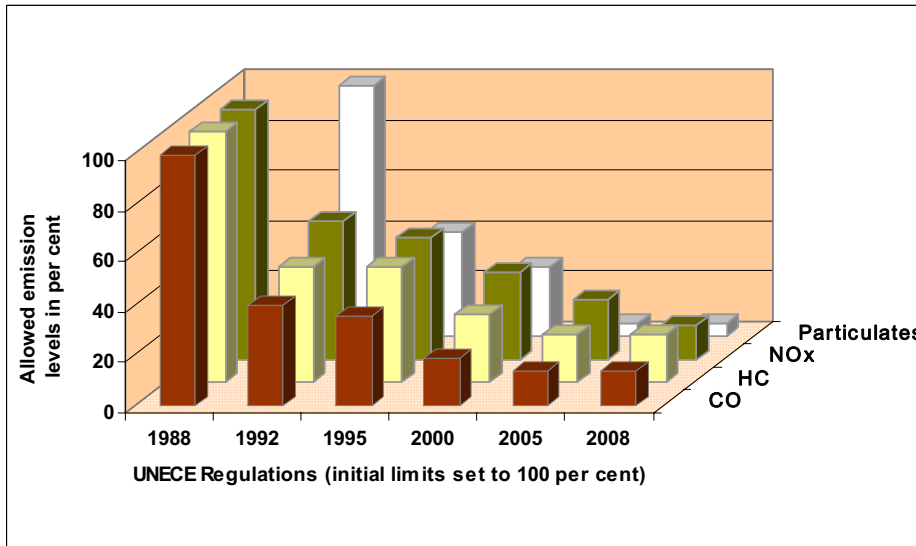
Figure 6.3: Emission limits for new passenger cars (M₁) and UNECE regulations, 1970-2005, Europe



Source: United Nations Economic Commission for Europe.

The World Forum for Harmonization of Vehicle Regulations (WP.29) has already regulated the safe use of alternative energy sources such as liquefied petroleum gases and compressed natural gas, and is paving the ground for the future use of hydrogen and fuel cells vehicles as well as vehicles using bio-fuels.

Figure 6.4: Emission limits for new trucks and UNECE regulations, 1988-2008, Europe

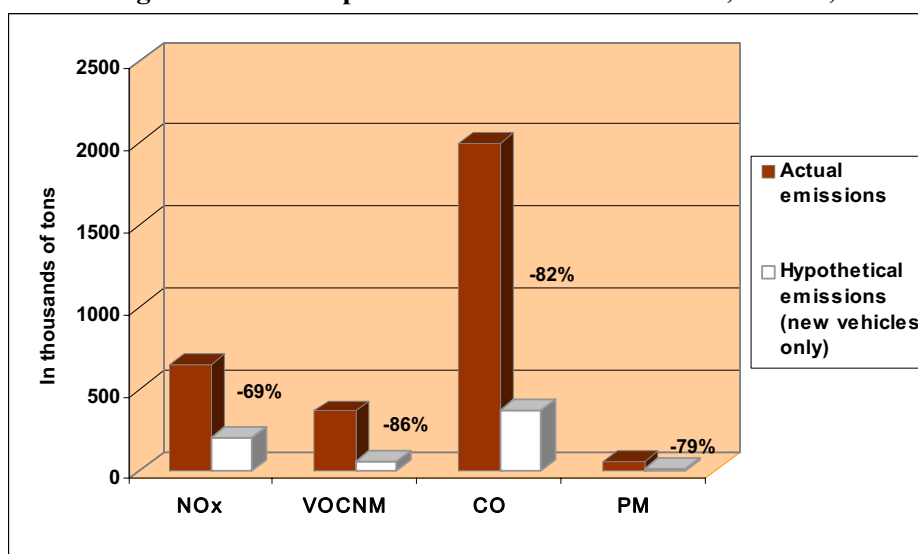


Source: United Nations Economic Commission for Europe.

A similar abatement on the vehicle's noise limits has been introduced in the regulations adopted by the UNECE World Forum. The last innovation has been the introduction of limits for tyre rolling noise. The World Forum is now working to reduce, even more, the noise level caused by the engine.

The removal of old vehicles also plays an important role in reducing emission levels. If all vehicles on roads were in conformity with the latest emission limits (the 2005 EURO 4 norm), emissions would decrease by up to 90 per cent. Figure 6.5 shows an example of hypothetical emission reductions in France.

Figure 6.5: The importance of old cars' emissions, France, 2002



Source: Data provided by the Comité des Constructeurs Français d'Automobile, 2005.

Integration of health and environmental aspects into transport policies: THE PEP

The integration of transport, health and environment aims to ensure that health and environment are appropriately taken into account in transport policy and decision-making. This goes beyond a simple co-ordination. It involves joint work to create synergies between policies, to share goals for their formulation and to assume responsibility for their implementation. It applies horizontally across different sectors and vertically across different levels of government.

At the UNECE Regional Conference on Transport and the Environment (1997), Ministers decided to work towards integration of environment and transport policies at the local, national and international level. At the 1999 London Conference on Environment and Health, they emphasized the need to involve also health authorities in decision-making on transport, land-use and infrastructure policies. In 2002, the Second High-Level Meeting on Transport, Environment and Health decided to merge all of these processes into the Transport, Health and Environment Pan-European Programme (THE PEP). THE PEP is an international policy framework that

promotes inter-sectoral cooperation and dialogue through concrete actions and projects.

The integration of environment and health aspects into transport policy is a priority area in THE PEP policy framework. It aims at:

- development, implementation and monitoring of national strategies or action plans
- definition and adoption of environmental and health targets
- dissemination of information, good practices and capacity building
- development of institutional mechanisms
- development and implementation of administrative, regulatory and financial instruments in the EECCA countries to stimulate and enforce the production and use of vehicles and fuels with improved environmental and safety performance

www.thepep.org

Annex 1: Main international UNECE Transport conventions

This annex contains a list of the main UNECE conventions on transport. These conventions have been selected by the UNECE secretariat in view of their relevance for improving transport infrastructure, facilitating border crossing, harmonizing transport rules and regulations, improving transport safety and minimizing the negative impacts of transport on health and the environment in the OSCE participating States.

The priorities associated with them are merely an indicative ranking reflecting a combination of criteria such as the importance to accede to and implement the conventions, their impact on transport and the economy, cost/benefit ratios of their implementation and the number of countries concerned.

A. Transport Infrastructure Agreements

1. *The European Agreement on Main International Traffic Arteries (AGR)*, of 1975, provides the international legal and technical framework for the development of a coherent international road network in the UNECE region. The AGR defines the E road network, consisting of the arteries channelling major international road traffic flows in Europe, and the infrastructure parameters to which those arteries should conform. The AGR underwent a major revision in the early 90's following the fall of the Iron Curtain. It has also been recently revised to include the international roads of the countries in the Caucasus and Central Asia. States that become Contracting Parties to the AGR commit themselves to its implementation, including the construction or upgrading of the E-roads in their territories, within their national investment programmes, although they are given complete latitude as to the timing for the completion of construction works. Contracting Parties as of 1 May 2006: 33 States. **(Priority 1, contingent on financing)**

2. *The European Agreement on Main International Railway Lines (AGC)*, of 1985, similarly provides the legal and technical framework for the development of a coherent international rail network in the region. The AGC identifies the rail lines of major international importance, the E rail network, and defines the infrastructure parameters to which they should conform. The AGC is also revised whenever necessary to take account of political and transport changes in Europe. It has undergone a major revision in recent years in order to also include the international rail networks of the Caucasus and Central Asian countries. In becoming Contracting Parties to the AGC, European States commit themselves to its implementation, including the construction or the upgrading of the E-rail lines in their territories, within the framework of their national programmes but without any time constraints. Contracting Parties, as of 1 May 2006: 24 States. **(Priority 1, contingent on financing)**

3. *The European Agreement on Important International Combined Transport Lines and Related Installations (AGTC)*, of 1991, provides the technical and legal framework for the development of efficient international combined road/rail transport in Europe. Combined road/rail transport comprises the transport of containers, swap bodies and entire trucks on railway wagons to and from especially equipped terminals. The AGTC determines all important European railway lines

used for international combined transport, identifies all terminals, border crossing points, ferry links and other installations important for international combined transport services. It also establishes internationally acceptable infrastructure standards for those lines and related combined transport installations, and prescribes internationally acceptable performance parameters of trains and combined transport installations and equipment. European States who become Contracting Parties to the AGTC, commit themselves to its implementation in their territories within the framework of their national programmes but without any time constraints. Contracting Parties as of 1 May 2006: 26 States. **(Priority 1, contingent on financing)**

4. *The European Agreement on Main Inland Waterways of International Importance (AGN)*, of 1996, establishes the internationally agreed European network of inland waterways and ports as well as the uniform infrastructure and operational parameters to which they should conform. The geographical scope of the E waterways network, consisting of navigable rivers, canals and coastal routes extends from the Atlantic to the Ural, connecting 37 countries and reaching beyond the European region. By acceding to the AGN, Governments commit themselves to the development and construction of their inland waterways and ports of international importance in accordance with the uniform conditions agreed upon and within their investment programmes. Contracting Parties as of 1 May 2006: 13 States. **(Priority 1, contingent on financing)**

B. Main Road Traffic and Road Safety Conventions

5. *The Convention on Road Traffic*, done in Vienna in 1968, aims at facilitating international road traffic and at increasing road safety through the adoption of uniform road traffic rules. The Convention sets up commonly agreed rules on all factors influencing international road traffic and its safety, including the driver and the vehicle, with which Contracting Parties must comply and ensure compliance. The Convention establishes that, in general, and without affecting the right of a Contracting Party to make the admission of vehicles in their territory subject to any applicable national law, Contracting Parties shall be bound to admit to their territories in international traffic motor vehicles and drivers that fulfil the conditions laid down in the Convention and to recognize vehicle registration certificates issued by other Contracting Parties. In addition, the Convention details the basic conditions for the admission of vehicles and drivers in international traffic. The Convention has recently been amended to prohibit the use of hand-held mobile phones while driving and better control driving permits. The benefits of this Convention for countries are obvious. International trade is increasingly carried by road. This Convention is crucial for facilitating international road traffic, therefore international transport and trade as well as tourism. In addition, the Convention rules provide for a high level of road safety. Contracting Parties as of 1 May 2006: 63 States. **(Priority 1)**

6. *The Convention on Road Signs and Signals*, done in Vienna in 1968, sets up a set of commonly agreed road signs and signals. It classifies road signs in three categories: danger warning, regulatory and informative, and provides for each of them definitions and physical appearance, including dimensions, shapes and colours, graphic symbols and norms for ensuring their visibility and legibility. The Convention also prescribes common norms for traffic light signals and signals for

pedestrians. Moreover, the Convention prescribes uniform conditions for road markings, signs for road works and signals and gates for level crossings. Amendments, including new provisions regarding the legibility of signs, priority at roundabouts and new signs to improve safety in tunnels, were adopted in 2003. Contracting Parties as of 1 May 2006: 52 States. **(Priority 1)**

7. *The European Agreement supplementing the 1968 Convention on Road Traffic, of 1971*, sets up stricter provisions than the Convention in order to further enhance road safety on European roads. Contracting Parties as of 1 May 2006: 30 States. **(Priority 1)**

8. *The European Agreement supplementing the 1968 Convention on Road Signs and Signals, of 1971*, similarly establishes stricter rules for signs and signals for use on European roads to increase safety. Contracting Parties as of 1 May 2006: 28 States. **(Priority 1)**

9. *Protocol on Road Markings, Additional to the European Agreements supplementing the 1968 Convention on Road Signs and Signals, of 1973*, sets up the rules according to which marking should be placed on the roads to better organize road traffic and prevent road accidents. Contracting Parties as of 1 May 2006: 23 States. **(Priority 1)**

C. Agreements on Regulations for the Construction of Vehicles

10. *The Agreement concerning the Adoption of Uniform Technical Prescriptions for Wheeled Vehicles, Equipment and Parts which can be fitted and/or be used on Wheeled Vehicles and the Conditions for Reciprocal Recognition of Approvals granted on the Basis of these Prescriptions, of 1958*, provides the legal framework for the development of the safety and emissions regulations according to which motor vehicles must be manufactured in Europe and in many other parts of the world. Altogether more than 120 such regulations have been developed. These regulations and the successive amendments they have undergone have considerably increased vehicle safety and drastically reduced vehicle emissions. Contracting Parties as of 1 May 2006: 45 States and the European Community. **(Priority 2)**

11. *The Agreement concerning the Establishing of Global Technical Regulations for Wheeled Vehicles, Equipment and Parts which can be fitted and/or be used on Wheeled Vehicles, of 1998*, provides the legal framework for the development of global technical regulations for vehicles. Two global technical regulations have already been adopted. Contracting Parties as of 1 May 2006: 26 States and the European Community. **(Priority 2)**

12. *The Agreement concerning the Adoption of Uniform Conditions for Periodical Technical Inspections of Wheeled Vehicles and the Reciprocal Recognition of such Inspections, of 1997*, provides the legal framework for ensuring that the high level of safety and of protection of the environment of new vehicles be kept for vehicles in use during their lifetime by defining uniform conditions for Periodical Technical Inspections of these vehicles. Until now a Rule on uniform provisions for periodical technical inspections of wheeled vehicles with regard to the protection of the

environment has been developed. Contracting Parties as of 1 May 2006: 9 States.
(Priority 2)

D. Other Road Transport Conventions

13. *The European Agreement concerning the Work of Crews of Vehicles engaged in International Road Transport (AETR)*, done on 1 July 1970, aims at preventing drivers and crews of commercial vehicles of more than 3.5 tonnes, or transporting more than 9 people, engaged in international road transport, from driving excessive hours, as this increases the risk of serious road accidents and may create disparities in the working conditions of this category of workers and in the competition conditions of their companies. To this end, the AETR regulates the driving and rest periods of those professional drivers. The Agreement also defines the on board control device, the so-called tachograph, that is used to control those periods, and sets up the general provisions as well as all technical requirements for the construction, testing, installation and inspection of the device. Additionally, the AETR also sets up requirements for the checking of driving hours by the competent authorities of Contracting Parties. The AETR is now being amended to introduce the digital tachograph, which, contrary to the mechanical tachographs, will be tamper proof and cannot be manipulated. By regulating the driving and rest periods of drivers of heavy commercial vehicles engaged in international transport, the AETR creates a level playing field in the road haulage industry and helps prevent road accidents caused by fatigue. These accidents may be all the more serious as vehicles involved are heavy goods vehicles or carry a large number of passengers. Contracting Parties as of 1 May 2006: 44 States. **(Priority 1)**

14. *The Convention on the Contract for the International Carriage of Goods By Road (CMR)*, done in Geneva on 19 May 1956, facilitates international road transport by providing a common transport contract, including a common consignment note and harmonized liability limits. The CMR fixes the conditions governing the contract for the international carriage of goods by road between the carrier and the forwarder and sets the conditions of liability of the carrier in case of total or partial loss of goods. The CMR belongs to private law and have no direct implications for the Government. However, in order for transport operators to implement the Convention, it must be included in their national legislation. A new Protocol to the CMR is being considered in order to introduce the use of an electronic consignment note. The CMR helps to maintain fair competition between carriers and limits the costs of international road transport, including insurance costs. Contracting Parties as of 1 May 2006: 47 States. **(Priority 1)**

15. *The Protocol to the Convention on the Contract for the International Carriage of Goods by Road of 1978*, modifies the provisions concerning the liability of the carrier for compensation in respect of loss of goods, set out in article 23 of the Convention. To date, 30 States, Contracting Parties to the CMR, have become Parties to the 1978 Protocol. Contracting Parties as of 1 May 2006: 32 States.
(Priority 1)

E. Border-Crossing Facilitation Conventions

16. The *Convention concerning Customs Facilities for Touring, of 1954*, facilitates the development of international touring by providing temporary admission, free of import duties and import taxes, of the personal effects imported by a tourist, provided they are for the personal use of the tourist, that they are carried on the person of or in the luggage accompanying the tourist, that there is no reason to fear abuse, and that these personal effects will be re-exported by the tourist on leaving the country. Contracting Parties as of 1 May 2006: 77 States. **(Priority 2)**

17. *The Additional Protocol to the Convention concerning Customs Facilities for Touring, relating to the Importation of Tourist Publicity Documents and Materials, of 4 June 1954*, establishes the special conditions for the admission of such documents and materials. Contracting Parties as of 1 May 2006: 77 States. **(Priority 2)**

18. *The Customs Convention on the Temporary Importation of Private Road Vehicles, of 1954*, facilitates the temporary admission into a country Contracting Party to the Convention of private road vehicles registered in another country, also Contracting Party to the Convention, without payment of import duties and taxes for the vehicles. The Convention defines the concept of private road vehicle and establishes the principle of temporary importation of such vehicles under the cover of the international "Carnet de passage en douane" (CPD). These Carnets guarantee payment of import duties and taxes of the vehicles to national competent authorities if the vehicle that has been temporarily admitted is not re-exported. The "Carnets de passage en douane" are issued by authorized organizations or associations, which guarantee the payment. The Convention describes in detail the functioning of the temporary importation procedures and the documents to be used as well as claims procedures to be applied when exportation of vehicles has not been done within the time limits prescribed. The Convention is open to all UN Members. It introduces a uniform procedure and provides for an internationally recognized document, which replace national procedures and documents, often different from one country to another. The procedure also avoids the operation of national guarantee systems, as all taxes and duties are covered. In addition, it ensures accurate filling-in by competent authorities and associations or private vehicle drivers. As a result, the Convention helps minimize procedures and delays at border crossings. Contracting Parties as of 1 May 2006: 76 States and the European Community. **(Priority 1)**

19. *The Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention), of 1975*, sets up the procedure that permits the international carriage of goods by road vehicles or containers from one Customs office of departure to a Customs office of arrival, through as many countries as necessary, without intermediate check of the goods carried and without the deposit of a financial guarantee at each border. The procedure includes the use of secure vehicles or containers that have to be approved by authorities according to standards prescribed in the Convention in order for them to be used for TIR operations. It also includes an international guarantee chain, set up under the Convention, to cover duties and taxes at risk throughout the journey and whereby in each Party a duly authorized association provides a guarantee towards national competent authorities.

In addition, each vehicle must carry an international Customs document, the TIR Carnet, which certifies the contents of the cargo as checked at the Customs Office of departure and which is also a guarantee document. The Customs authorities at intermediate borders recognize the TIR Carnets, trust the information contained therein and do not undertake checks unless deemed appropriate for any reason. Finally, the procedure foresees a controlled access to the TIR system and the exclusion from the system of operators that misuse it for illegal purposes. An Administrative Committee, composed of all Parties to the TIR Convention, administers the Convention, which is open to all members of the United Nations. Through efficient control procedures and an international guarantee system, the TIR Convention of 1975 permits to avoid physical inspections of goods in transit as well as payment of taxes and duties for the goods en route. It also permits to avoid a national guarantee system and national Customs document and control systems. All this results in minimum procedures and delays at borders and in lower transport costs, which in turn results in lower export and import costs. Contracting Parties as of 1 May 2006: 64 States and the European Community. **(Priority 1)**

20. *The Customs Convention on the Temporary Importation of Commercial Road Vehicles*, of 1956, facilitates the temporary admission into a country Party to the Convention of commercial road vehicles registered in another country also Party to the Convention without payment of import duties and taxes for the vehicle. The Convention sets up the principle of temporary importation of such vehicles under cover of the international document "Carnet de passage en douane" (CPD). These Carnets guarantee payment of import duties and taxes of the vehicles to national competent authorities if the vehicle that has been temporarily admitted is not re-exported. The CPDs are issued by authorized organizations or associations, which guarantee the payment. The Convention describes the functioning of the temporary importation procedures and the documents to be used as well as claims procedures to be applied when the exportation of vehicles has not been done within the time limits prescribed. The Convention introduces a standardized procedure and provides for an internationally recognized document, which replace national procedures and documents, often different from one country to another. The procedure also avoids the operation of national guarantee systems, as all taxes and duties are covered. In addition, it ensures accurate filling-in by competent authorities and transport operators. As a result, the Convention helps minimize procedures and delays at border crossings. The Convention is open to all UN Members. Contracting Parties as of 1 May 2006: 38 States and the European Community. **(Priority 1)**

21. *The International Convention to Facilitate the Crossing of Frontiers for Passengers and Baggage carried by Rail*, of 1952, facilitates the crossing of borders for passengers carried by rail by providing procedures for control of the entry and exit of passengers and their baggage by competent authorities of two adjoining countries linked by a railway line carrying a considerable volume of passengers crossing the frontier. Contracting Parties at 1 May 2006: 10 States. **(Priority 3)**

22. *The International Convention to Facilitate the Crossing of Frontiers for Goods Carried by Rail*, of 1952, facilitates the crossing of frontiers by goods carried by rail by providing procedures and conditions for harmonizing and ensuring a high level of efficiency in the controls of goods carried by rail at borders between two adjoining

countries on a railway line carrying a considerable volume of goods. Contracting Parties as of 1 May 2006: 11 States. **(Priority 3)**

23. *The Customs Convention on Containers, of 1972*, facilitates the temporary use of containers in international transport by deferring payment of taxes and duties for the temporary use in a Contracting Party of containers registered in another Contracting Party. Contracting Parties as of 1 May 2006: 30 States. **(Priority 2)**

24. *The International Convention on the Harmonization of Frontier Controls of Goods*, of 1982, aims at facilitating border crossing in international transport of goods through harmonization and reduction of the requirements for completing formalities and the number and duration of border controls. The Convention establishes the procedures for carrying out efficiently all types of controls that may be necessary at borders, including Customs controls, medico-sanitary inspections, veterinary inspections, phytosanitary inspections, controls of compliance with technical standards and quality controls. Procedures largely call for national cooperation and coordination of the various services among them, as well as for international cooperation between the respective border services of the adjacent countries. The Convention foresees measures that include joint controls of goods and documents through the provision of shared facilities, same opening hours and same types of services at the same border. These procedures apply to all goods being imported, exported or in transit and to all modes of transport. An Administrative Committee manages the Convention, which is foreseen for global application. The Convention provides for a reduction in the number and duration of all types of controls and best practices for efficient controls of goods at border crossings. It aims at promoting the one-stop-shop principle for border controls. As a result, the Convention reduces border delays, which results in lower transport costs and, therefore, in lower export and import costs. Contracting Parties as of 1 May 2006: 44 States and the European Community. **(Priority 1)**

25. *The Convention on Customs Treatment of Pool Containers Used in International Transport, of 1994*, aims at the duty- and tax-free admission of containers belonging to a Pool by simplifying the regime set up by the Customs Convention on Containers, of 1972. Contracting Parties as of 1 May 2006: 14 States. **(Priority 2)**

F. Transport of Dangerous Goods

26. *The European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR)*, of 1957, aims at ensuring the highest possible level of safety in the transport of dangerous goods at an economically acceptable cost. It identifies the substances that are considered as dangerous goods and that can be admitted in international transport as well as those that cannot be admitted. For the former, the ADR establishes the conditions under which they can be carried. These include the classification of substances according to their specific type of danger (explosives, flammable liquids, flammable gases, corrosive substances, etc.), packing conditions, labelling, marking, placarding, documentation and special requirements for tanks. The ADR also contains requirements on transport operations, driver training as well as vehicle construction and approval. Security provisions have recently been included. The Annexes to the ADR are usually amended every two years. While obliging Contracting Parties to accept vehicles coming from other Parties if they

comply with the ADR, the Agreement preserves the right of Contracting Parties to prohibit, for reasons other than safety during carriage, the entry of dangerous goods into their territory. Contracting Parties also retain the right to arrange less stringent conditions of international transport on their territories, by special bilateral or multilateral agreements. The ADR is open for accession to all UN member States. Accession to the ADR has no financial implications for countries. However, for exporting countries, it imposes administrative structures for testing and approval of packagings, tanks and vehicles, for driver and dangerous goods safety adviser training and for issuing the corresponding certificates. The ADR provides for a high level of safety and security during international carriage of dangerous goods. It also facilitates transport and trade of such goods resulting from mutual recognition of packaging, tank, vehicle and driver training certificates. Being harmonized with the UN Model Regulations that serve as a basis for all modes of transport and most national regulations at worldwide level also facilitates compliance, enforcement and control. Annexes A and B may be, and actually are, used for also regulating domestic traffic in EU countries. Contracting Parties as of 1 May 2006: 40 States. **(Priority 1)**

27. *The Protocol amending article 1(a), article 14 (1) and article 14(3)(b) of ADR, of 1993, simplifies the procedures for amending the annexes to the ADR, and harmonizes the definition of the term "vehicle" with the definition used in various EC directives. Contracting Parties as of 1 May 2006: 28 States. **(Priority 1)***

28. *The European Agreement concerning the International Carriage of Dangerous Goods by Inland Waterway (ADN), of 2000, aims at ensuring a high level of safety in such carriage at an economically acceptable cost. Based on the same principles as the ADR, it includes provisions that must be respected by all components of inland water transport, including vessels and crew. Contracting States as of 1 May 2006: 5 States. **(Priority 2)***

G. Transport of Perishable Foodstuffs

29. The Agreement on the International Carriage of Perishable Foodstuff and on the Special Equipment to be used for such Carriage (ATP), of 1970, establishes uniform prescriptions for the preservation of the quality of the perishable foodstuffs during their international transport. It defines uniform norms and standards for the special transport equipment required as well as for the checking of insulation and sets up uniform distinguishing marks to be affixed to the special equipment. Also uniform equipment and temperature conditions for deep- frozen and frozen foodstuffs are specified. Contracting Parties as of 1 May 2006: 40 States. **(Priority 1)**

Annex 2

Project proposal 1



UNITED NATIONS
ECONOMIC COMMISSION FOR EUROPE
TRANSPORT DIVISION

Project Title: Facilitation of implementation of the TEM and TER Master Plan

Objective: The objective of the project is to facilitate the implementation of the Trans-European Motorway (TEM) and the Trans-European Railway (TER) Projects' Master Plan through funding the participation of some UNECE Member States to the work of the TEM and TER Projects.

Background: The TEM and TER Projects are sub-regional intergovernmental co-operation frameworks established in 1977 and 1990, respectively, under UN Trust Funds by the Governments of Central, Eastern and South-Eastern European countries without precedent in the history of European transport. They are working for the development of modern systems of motorways, railways and combined transport infrastructure in the region and are committed to assisting European integration and economic development through the facilitation of road and railway traffic in Europe. The activities of the Projects are supported by the contributions of participating countries. The UNECE, as the Executing Agency of the Projects, is providing technical and administrative backstopping to them.

TEM and TER have been instrumental in the development of international road and rail links in the participating countries. They have also contributed to the interoperability of the European transport systems, elaborated studies, created continuously updated databases, published a large number of technical documents, guidelines, recommendations and are working for the harmonization of management, maintenance and operational procedures of motorways and railways in the region and their integration in the Pan-European context.

More recently, the TEM and TER Master Plan has identified the backbone road and rail networks in 21 Central, Eastern and South-Eastern European countries and elaborated a realistic investment strategy to gradually develop those networks. Two expert groups, one for road and one for rail, with the support of external consultants and contributions from transport related organizations consolidated and processed transport plans and priority needs of the respective countries. In the framework of the Master Plan, as many as 491 projects with an aggregate estimated

cost of EUR 102 billion, have been evaluated and prioritized. The next steps are the monitoring of the implementation of the TEM and TER Master Plan, including collection of additional data; regular update of the identified Backbone Networks; elaboration of annual progress reports on the implementation of the identified priority projects; the review of the strategy by 2008; and the presentation of projects to IFIs with a view to supporting possible funding for their implementation. The Master Plan is a unique framework for intergovernmental cooperation in the coordinated development of coherent international transport infrastructure networks in Central, Eastern and South Eastern European countries, and in their integration into the pan-European networks. The EU High Level Group chaired by Ms. de Palacio has explicitly acknowledged the TEM and TER Master Plan.

Monitoring of the implementation of TEM and TER Master Plan, in particular, would require close cooperation with the concerned countries and active participation of their experts in the activities of these projects. However, in the past years, there has been a lack of participation of delegates from some Eastern, South- Eastern European and Caucasus countries in the activities of TEM and TER. This absence was detrimental to the development of coordinated transport infrastructures in these countries with those that are full members and active participants to the TEM and TER work. In addition, non-participation of delegates from those countries in future may become a serious obstacle in the implementation of the TEM and TER Master Plan. To help remedy this situation, ECE proposes a pilot Project aimed at facilitating the implementation of the TEM and TER Master Plan through funding the attendance Eastern, South Eastern European and Caucasus countries to the work of TEM and TER Projects.

Expected Accomplishments:

The implementation of the project will result in:

- (a) Fostering cooperation in the field of transport among the countries concerned to facilitate the development of Pan-European transport networks;
- (b) Development of modern systems of motorways, railways and combined transport infrastructure in the region and are committed to assisting European integration and economic development through the facilitation of road and railway traffic in Europe.
- (c) Monitoring of the implementation of TEM and TER Master Plan in close cooperation with the concerned countries and active participation of their experts.

Indicators of Achievement

The indicators for this project are:

- (a) The number of experts from the concerned countries whose participation in the TEM and TER activities was facilitated
- (b) The number of countries actively participating in the project, and of those acceding to the respective TEM and TER Trust Fund Agreements;
- (c) The level of satisfaction of the concerned countries.

Duration

This project will be carried over a period of two years from 2007-2008.

Proposed Activities

The proposed main activities include the facilitation of participation of one expert per country, from nine Eastern, South Eastern European and Caucasus countries to eight TEM and TER Projects' meetings as follows:

(a) Meetings

- Two TEM Steering Committee meetings;
- Two TEM meetings linked to the implementation of the TEM Master Plan follow-up work;
- Two TER Steering Committee meetings;
- Two TER meetings linked to the implementation of the TER Master Plan follow-up work;

(b) Beneficiary countries

Armenia, Azerbaijan, Belarus, Bosnia and Herzegovina, FYR of Macedonia, Georgia, Republic of Moldova, Serbia and Montenegro and Ukraine

Resource Requirements (in United States Dollars)

Covering Travel cost (ticket and daily subsistence) for nine country experts per meeting, to 8 meetings (four TEM and four TER) organized by the TEM and TER Projects during the period 2007-2008	110,000
Programme support cost 13% (rounded)	15,000
Total	125,000

Annex 3

Project proposal 2

UNECE
Economic Commission for
Europe



UNESCAP
Economic and Social Commission
for Asia and the Pacific

Project Title: Joint UNECE-UNESCAP Project on developing Euro-Asian transport links - Phase II.

Objective: The objective of the project is to assist Member States of the United Nations Economic Commission for Europe (UNECE) and United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) to develop efficient, safe, sustainable and secure Euro-Asian land and land-cum-sea transport links and foster cooperation in the field of transport to facilitate interregional trade and tourism between Europe and Asia.

Background: Globalization and liberalization of national economies is leading to a sharp increase in trade and transport between Asia and Europe. Most of the traffic has so far been following maritime routes. However, the development of efficient Euro-Asian inland transport routes would provide credible alternatives, as well as the opportunity for participation in the globalization process with improved market access for the concerned landlocked countries and areas that lie along the routes and, at the same time, be a major, strategic tool for the development and integration of countries in the Euro-Asian region. Countries along the Euro-Asian transport routes are often constrained by inadequate transport infrastructure, transport legislation that differs from one country to another and cumbersome and time-consuming border procedures. To address these constraints, the UNECE and UNESCAP, jointly invited the Governments of 18 countries in the Euro-Asian region, to participate in a Project, funded by the UN Development Account over the period 2002-2006, aimed at strengthening their national capacities for developing Europe-Asia transport links and promote cooperation in the field of transport to facilitate interregional trade and tourism. These countries are: Afghanistan, Armenia, Azerbaijan, Belarus, Bulgaria, China, Georgia, Iran, Kazakhstan, Kyrgyzstan, Republic of Moldova, Romania, Russian Federation, Tajikistan, Turkmenistan, Turkey, Ukraine and Uzbekistan.

So far, the project has achieved tangible results. These include, the identification of the main Euro-Asian road, rail, inland water transport routes and transshipment points; an initial analysis of the main physical and non-physical obstacles along the selected routes; evaluation and prioritization of infrastructure projects on the basis of an agreed methodology; collection and processing of a large volume of technical and operational data using Geographic Information System (GIS); creation of a GIS

database and relevant GIS maps; organization of a number advisory workshops and interregional meetings dealing with transport infrastructure and facilitation issues; and the elaboration of an in house study. These achievements are considered as a solid basis for continued cooperation for the development of Euro-Asian transport linkages among the countries involved and more countries, from both Europe and Asia that will be willing to participate in future. However, the project will come to an end in December 2006 and with it its useful results and the momentum created, whilst much cooperation is still needed and for long time.

At its 68th session, held in Geneva, 7-9 February 2006, the UNECE Inland Transport Committee, following the recommendation of the Working Party on Transport Trends and Economics, requested the UNECE secretariat to prepare jointly with UNESCAP a proposal for the continuation of the project in a new phase beyond 2006, to make every effort in order to raise funds from potential donors for its implementation, and to apply the most appropriate framework in order to ensure that the Expert Group established under the UNECE-UNESCAP joint project on Euro-Asian transport linkages, becomes functional as a permanent mechanism ensuring continued monitoring of relevant activities. At its 11th session, held in Almaty, 29-30 March 2006, the SPECA Working Group of Transport and Border Crossing Facilitation expressed similar requests. A number of international fora have recognized the importance of the continuation of the UNECE-UNESCAP work on developing Euro-Asian transport links, including the Council of Ministers of ECMT, in their meeting in Moscow, 24-25 May 2005, and the First Meeting of the EU-Black Sea-Caspian Basin Expert Working Group on Transport Infrastructure, held in Kiev, 13-14 December 2005.

In view of the above, the UNECE and UNESCAP propose the present project, the implementation of which would ensure the establishment of a coordination and monitoring mechanism for the development of the Euro-Asian transport links.

Expected Accomplishments:

The implementation of the project will result in:

- (d) Enhanced cooperation in the field of transport among the countries concerned to facilitate the development of trade and tourism between Europe and Asia;
- (e) Coordinated planning and gradual development of efficient, safe, sustainable and secure land and land-cum-sea Euro-Asian transport links;
- (f) Evaluated and prioritized infrastructure projects along main Euro-Asian transport routes;
- (g) Strengthened capacities of national officials dealing with international transit transport, including border-crossing formalities along the Euro-Asian transport routes;
- (h) Improved transport performance along main Euro-Asian transport routes through a reduction of border crossing delays and transport costs and increased reliability of international transport operations along these routes;

- (i) National transport legislation in these countries, which is further harmonized and based on UNECE and UNESCAP conventions and agreements on transport.

Indicators of Achievement

The indicators for this project are:

- (d) Number of km of new construction or rehabilitation/upgrading of existing transport infrastructure along the main Euro-Asian transport routes in line with the required international standards and technical specifications;
- (e) Annual national investment in transport infrastructure and facilitation along the main Euro-Asian transport routes;
- (f) Number of infrastructure projects assessed and prioritized;
- (g) Improved transport operations along the main Euro-Asian transport routes, as measured by a reduction in transport costs and waiting times at the major border crossing points;
- (h) Number of countries actively participating in the project, and of those acceding to and implementing the respective international agreements and conventions in the field of transport;
- (i) Level of satisfaction of the concerned countries and major stakeholders.

Duration

This project will be carried over a period of four years from 2007-2010.

Proposed Activities

The proposed main activities include:

- (a) Setting up the appropriate mechanisms for ensuring coordination and monitoring of the development of the Euro-Asian transport links as well as active involvement and cooperation of the countries and other bodies concerned:
 - i. Establishment of a functional mechanism ensuring continued monitoring of relevant activities, based on the Expert Group established under the UNECE-UNESCAP joint project on Euro-Asian transport links, in close cooperation with other international or regional organizations and bodies concerned;
 - ii. Establishment of appropriate and/or strengthening existing national and sub-regional bodies, including national transport facilitation committees, concerned with coordinating and monitoring implementation of policies and activities related to the development of transport infrastructure and transport facilitation along the main Euro-Asian transport routes, with participation of government officials and representatives from private sector, as appropriate;
 - iii. Convening of interregional and sub-regional meetings, as appropriate, to enhance ownership of the project by stakeholders,

ensuring necessary cooperation, monitoring developments, raising awareness, and discussing modalities and managements issues;

- (b) Further assessment and prioritization of transport infrastructure projects along the main Euro-Asian transport links:
 - i. Reviewing and updating priority projects of transport infrastructure identified in the previous project phase using the same methodology, and based on country contributions;
 - ii Presentation of a list of priority projects for gradual implementation by the countries involved up to 2020, indicating whether relevant funding is secured or not;
- (c) Further development and regular updating of the Geographic Information System (GIS) database established during the previous project phase with a view to assist better coordination and monitoring of the development of the Euro-Asian transport links and reporting:
 - i. Reviewing, updating and extending the existing GIS database for covering all necessary elements, as appropriate, based on country contribution and other sources, including from international or regional organizations and bodies concerned;
 - ii. Publication of an interim progress report, by the end of the 2nd year and of a final report by the end of the 4th year, presenting the achievements in all issues addressed by the project, according to available data, as well as additional information to be provided by country contributions through uniform Questionnaires;
 - iii. Development of an Internet application for the presentation of relevant data considered most appropriate by the participating countries, in a user-friendly way by applying GIS technology.
- (d) Promotion harmonization of transport legislation and administrative procedures for the development of international transport operation along the main Euro-Asian transport routes:
 - i. Promoting harmonized national strategies, legislation and integrated policies for transit transport cooperation on the basis of the international conventions and agreements in the field of transport, including those developed by UNECE and those listed in UNESCAP resolution 48/11;
 - ii. Introducing simplified and accelerated customs and border crossing procedures for trustworthy transport operators and trading companies;
 - iii. Promoting harmonized charging policies for international road transport of goods, based on cost-relatedness, non-discrimination and transparency.
- (e) Strengthening the capacities of national officials dealing with border crossing formalities and procedures:
 - i. Organizing national workshops to enhance the competence and efficiency of relevant stakeholders including those located at the

- borders of the main Euro-Asian transport routes, focusing on implementation of major international conventions and agreements in the field of transport in the concerned countries;
 - ii. Promoting best practices and transfer of know-how among the countries concerned and between them and other sub-regions along the main Euro-Asian transport routes;
 - iii. Providing advisory services to the concerned countries.
- (f) Improving the performance of border crossing operations along the Euro-Asian transport links:
- i. Facilitation and simplification of customs procedures through the promotion of joint border posts and best practices, including automated customs systems, and implementation of TIR Agreement;
 - ii. Introduction of reporting mechanisms for transit transport indicators in cooperation with the National Focal Points, customs and transport operators;
 - iii. Elaboration and introduction of national and sub regional systems for regular assessment of the status and monitoring of progress in the major border crossing along the Euro-Asian transport routes in cooperation with customs and stakeholders.
- (j) Preparing recommendations for further actions based on lessons learned.
- (k) Disseminating widely relevant information:

Resource Requirements (in United States Dollars)

1. Organization of interregional, sub-regional and national Expert Group Meetings, seminars and workshops. (In support of activities ((a),(b), (c), (d), (e), (f), and (g)):	255,000
i. 4 Interregional (18 experts/each and organization costs);	
ii. 2 sub-regional (2 experts/each-9 countries/each and organization costs);	
iii. 5 national (organization costs).	
2. Expert assistance in setting up the necessary mechanisms for ensuring cooperation of stakeholders other bodies concerned and collection of information. (In support of activity (a), (b), (c) and (f))	20,000
3. Support from external consultants for further assessment and updating of prioritization of transport infrastructure projects along the main Euro-Asian transport links. (In support of activities (a), (b), (c) and (g))	35,000
4. Support from external consultants for preparing software programs for collecting, processing, preparing progress reports, disseminating information, developing GIS database, and participating in interregional and subregional meetings, (In support of activities ((a), (b), (c), (f), (g) and (h)).	55,000
5. Support from external consultants in strengthening the	55,000

capacities of national officials on border crossings, sharing best practices, transferring know-how, introducing and setting border crossing reporting and monitoring mechanisms, preparing recommendations and participating in interregional, subregional and national meetings, as appropriate. (In support of activities (a), (d), (e), (f) and (g)).	
6. Travel of staff to attend meetings and capacity-building workshops, evaluate and report progress of work, coordinate activities, provide advisory services and share experiences. (In support of all activities).	95,000
7. Acquisition of computer equipment. (In support of activities (b), (c) and (f)).	15,000
8. Programme support cost (13%), general operating expenses, supplies, miscellaneous.	80,000
Total	610,000

Annex 4

Project Proposal 3



UNITED NATIONS
ECONOMIC COMMISSION FOR EUROPE
TRANSPORT DIVISION

Project: Strengthening the implementation of UNECE transport conventions

Objective: Through the application of the provisions of the UNECE “Harmonization” Convention to improve and optimize integrated border management procedures nationally and between neighbouring countries with a view of minimizing waiting times at borders.

Background: Accession to UNECE Transport Agreements and Conventions, while necessary, is not sufficient. Effective implementation is key. Some Contracting Parties, however, do not have the resources, capacity or awareness to implement them effectively.

The UNECE Transport Division has neither the authority nor the resources to enforce such implementation. It can only promote and encourage it. To do so, the UNECE Transport Division could initially undertake surveys on how Conventions are implemented by Contracting Parties. On the basis of the difficulties encountered, the UNECE could then organize, upon their request and with the support of the OSCE, sub-regional and/or national training workshops and other capacity building activities.

In view of the large number of Conventions, the UNECE Transport Division has decided to select one convention as a pilot project. After considering the main UNECE Transport Conventions, the International Convention on the Harmonization of Frontier Controls of Goods, of 1982, appears to be the most suitable.

This Convention has been chosen for the following reasons:

- Border crossing procedures and controls are considered to be an area where much progress is needed
- Several international organizations, e.g. EU High Level Group, ECMT and BSEC, have called for implementation of this Convention
- Implementation of this Convention does not require large financial investments, but mainly administrative and organizational measures
- It can bring substantial benefits in terms of savings in travel time and travel costs
- Replies are not time consuming; and can be analyzed with a certain ease; conclusions could also be drawn without difficulty
- Certain countries may have very little experience with the facilitation measures provided in the Convention.

To launch the process, the UNECE Transport Division has prepared a questionnaire on the facilitation measures foreseen in the Convention. Countries have been invited to reply to this questionnaire on a voluntary basis. The UNECE Transport Division will analyze the replies and prepare a short report on the findings.

Expected Accomplishments:

- Fostering of improved national cooperation in areas of border control and management aiming at providing more efficient controls and reducing necessary resources
- Developing harmonized cross-border cooperation procedures for joint controls for neighbouring countries resulting in enhanced controls procedures and mutual recognition of controls with a view to avoid repetitive practices
- Overall improvements in business practices and efficiency gains

Indicators of Achievements:

- Reduction in waiting times at borders

Proposed activities:

Based on the results of the questionnaire, it is proposed to organize, in countries that have requested them, training or capacity building workshops aimed at addressing the technical problems encountered in the implementation of the Convention.

The OSCE could provide the necessary organizational and financial support for these capacity building activities. Such support, together with the OSCE field presence, could give rise to useful synergies and lead to tangible results.

Depending on the number of requests, it is proposed to plan two 2-day capacity building workshops (2 x 3 countries) with 10 experts per country and 4 experts from UNECE, OSCE as well as countries experienced in implementing integrated border management programs.

Resource Requirements (in United States Dollars)

Organization and travel costs (venue, ticket and daily subsistence) for expert trainers for two capacity building workshops planned for second half of 2006	2 X 25,000
Program support cost 13% (rounded)	6,500
Total	56,500