



# FIRST REGIONAL WORKSHOP OF THE EATL PHASE II: FACILITATION OF EURO- ASIAN TRANSPORT IN THE ECO REGION

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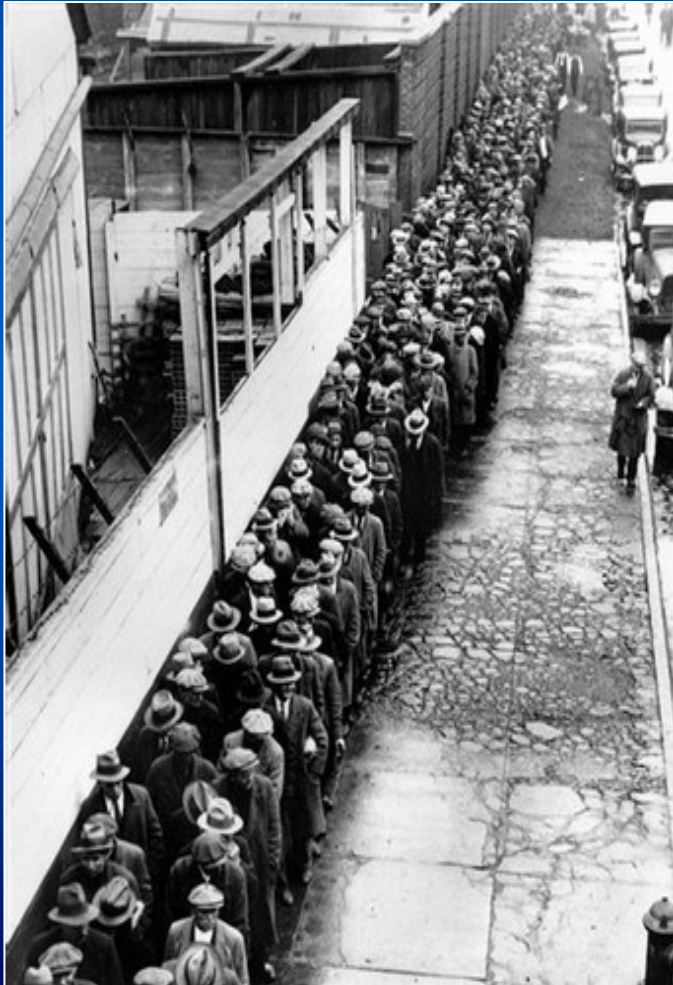


*International*  
*Road Transport*  
*Union*



# History is repeating itself

**Unemployment queue 1929**



**Unemployment queue 2009**



## Falling rates, a squeeze on credit and escalating costs

- Rates are down by up to 40% in the first quarter of 2009.
- Financial institutions are closing credit lines to road transport companies.
- Compared to 2008 costs are expected to rise by 3-4% in 2009, largely driven by new road user charges.
- Unstable oil prices could exacerbate the situation.





# Impact of the Financial & Economic Crisis on Road Transport

Jobs and businesses in road transport facing the axe

- New vehicle registrations down by 39% in February.
- Bankruptcies in the sector have doubled.
- Globally there has been an average 5% decrease in employment.
- 140,000 jobs already lost only in European road freight transport.





# Governments aid banks, yet road transport more vital to trade!



**In today's globalised economy professional road transport is a vital production tool, interconnecting every business to all world markets.**





# The World





# IRU

## Center?





Center?





# Barriers to Road Transport Impede Development

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- Each day of delay = reduces trade by at least 1%
- Each day of delay = 85 km of distancing from trade partners
- Poor trade facilitation affects the composition of trade
  - prevents countries to export time-sensitive goods
  - a day's delay reduces a country's relative exports of time-sensitive goods on average by 7 %

Source: Economic and Policy Research Institute, TEPAV, Turkey, 2007



# Transport and Development

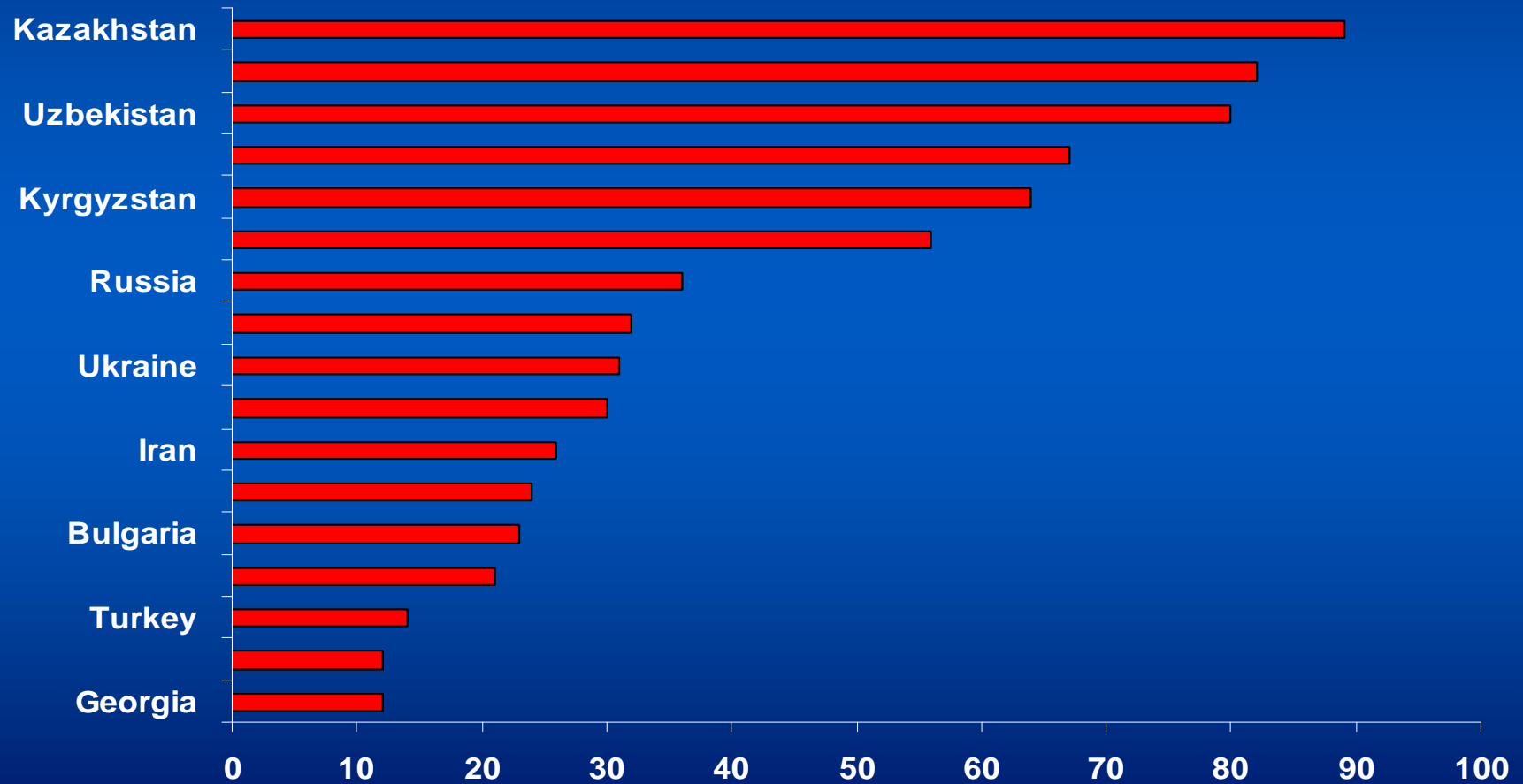
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- Physical distance to major markets:
  - Higher transport costs
  - Longer travel times
- Predictability: key factor in transport
  - Changes in production processes
  - Just-in-time production
    - Reduced stocks: cost saving
- Border waiting times
  - UN legal instruments and multilateral agreements
- Trade barriers encourage red tape and illegal trade



# Unnecessary export time caused by bureaucratic procedures

Days per container, 2008

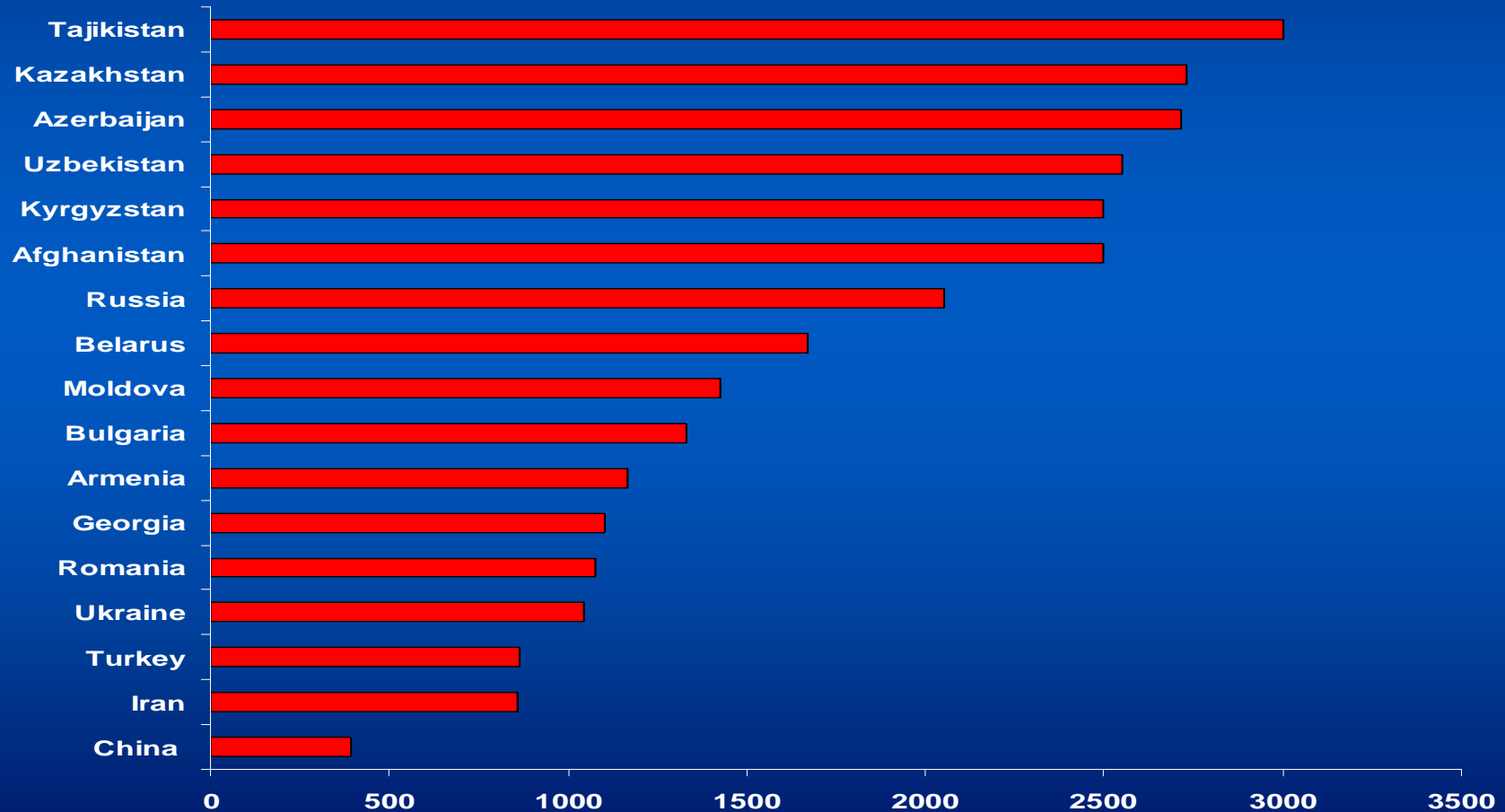


Source: UNECE 2009



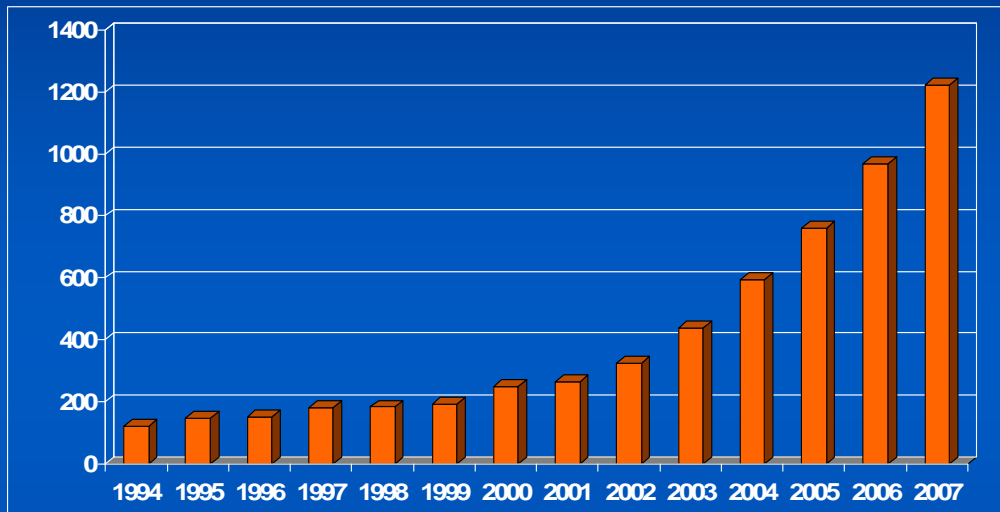
# Unnecessary export costs caused by bureaucratic procedures

US\$ per container, 2008



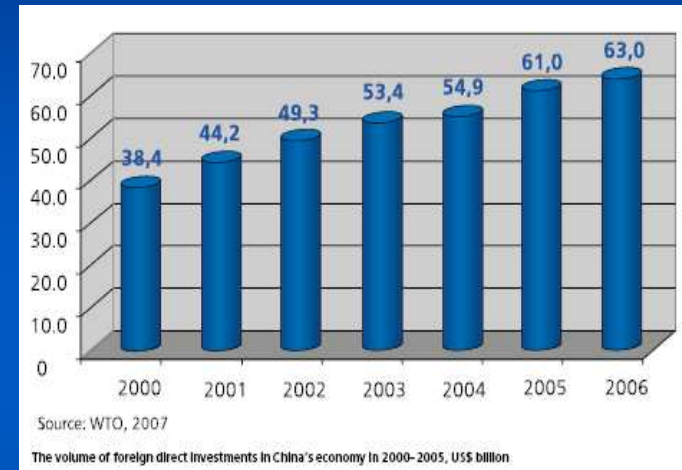
Source: UNECE 2009

Volume of Chinese exports of goods in 1994-2007, USD, bln.



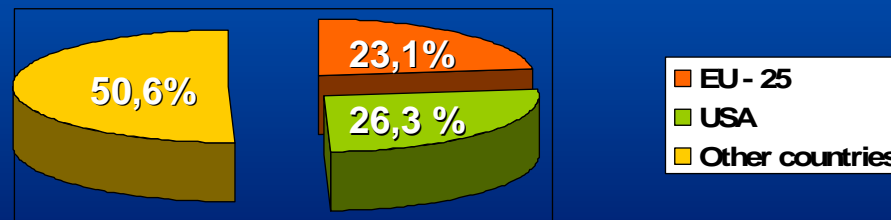
Source: WTO, 2008

Volume of FDI in China in 2000-2006



Source: WTO, 2007

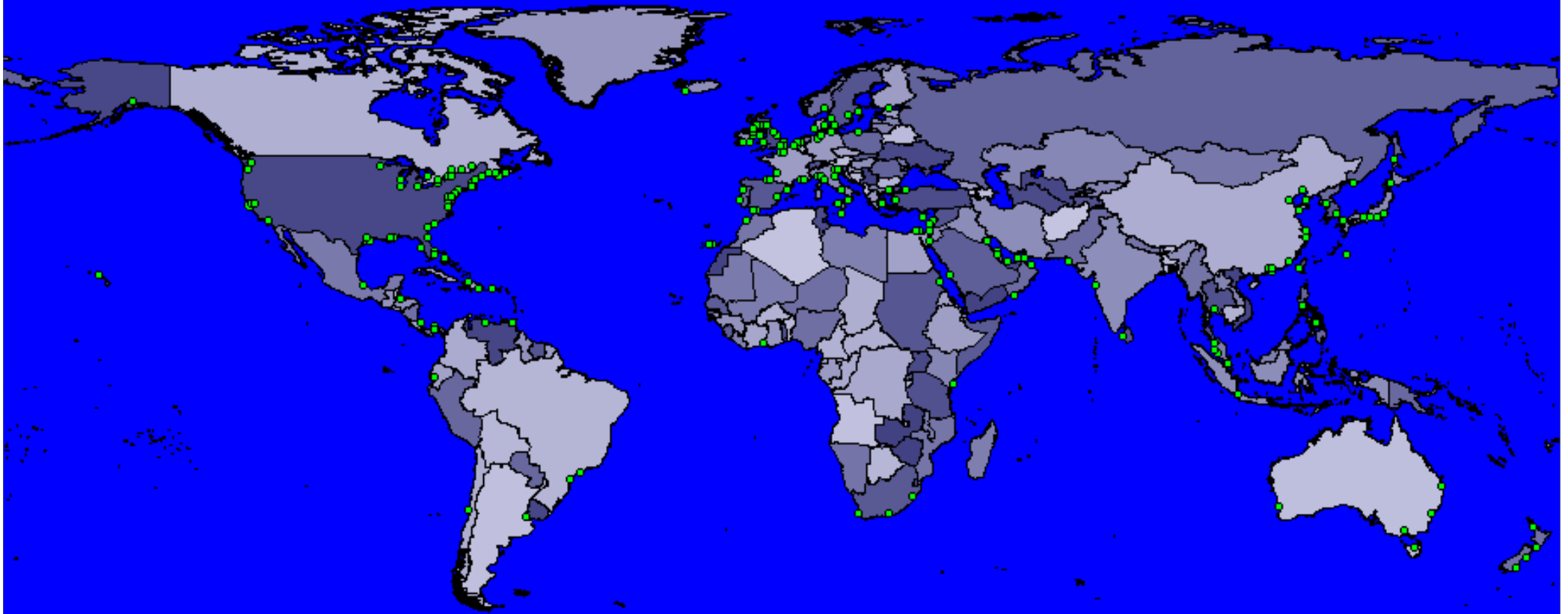
USA and EU share in Chinese exports, %



Source: WTO, 2007

# Evolution of sea containers in ports

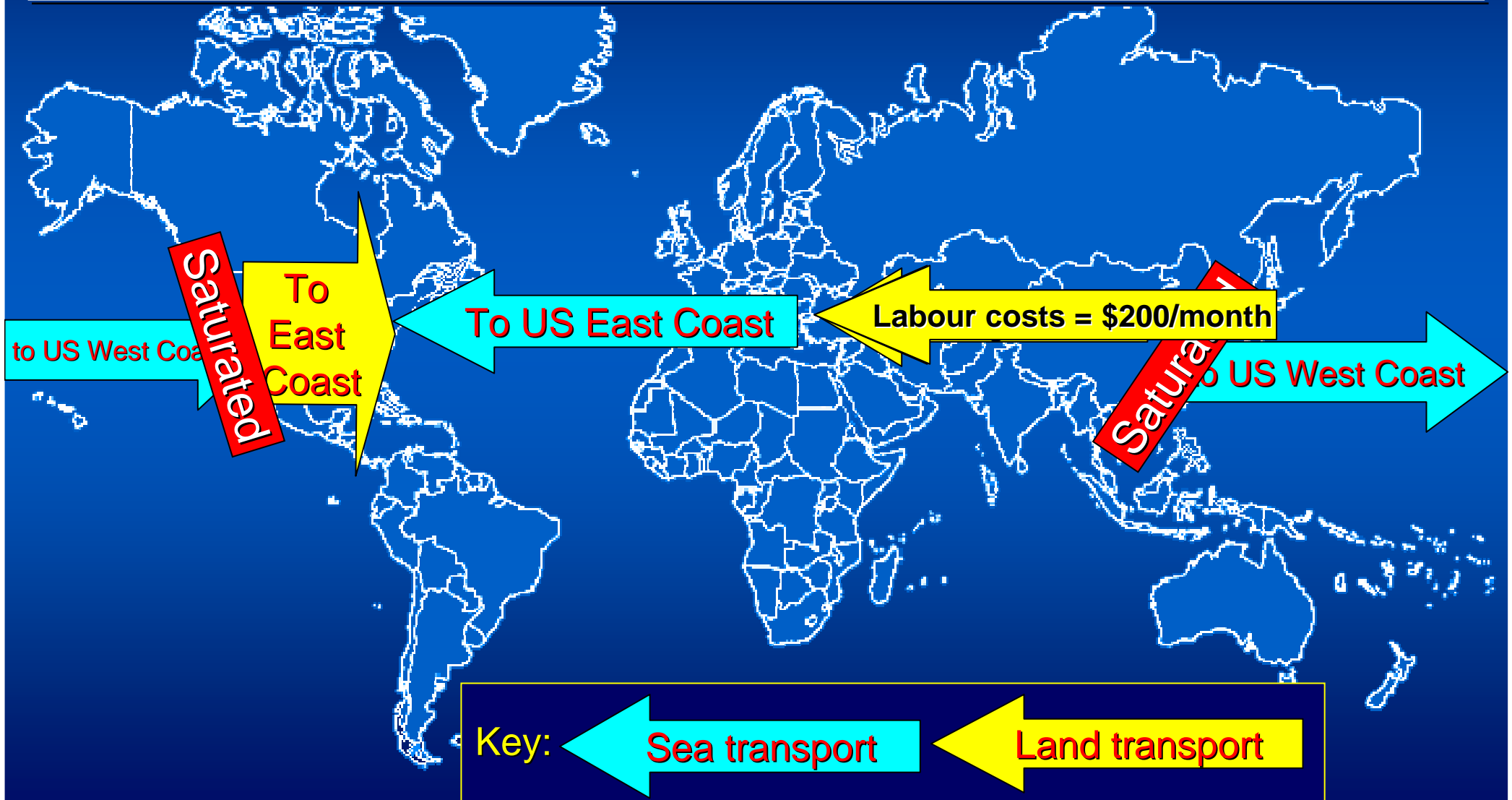
Globale Container Overslag  
1971







# Interconnecting all the businesses along the reopened Silk Road

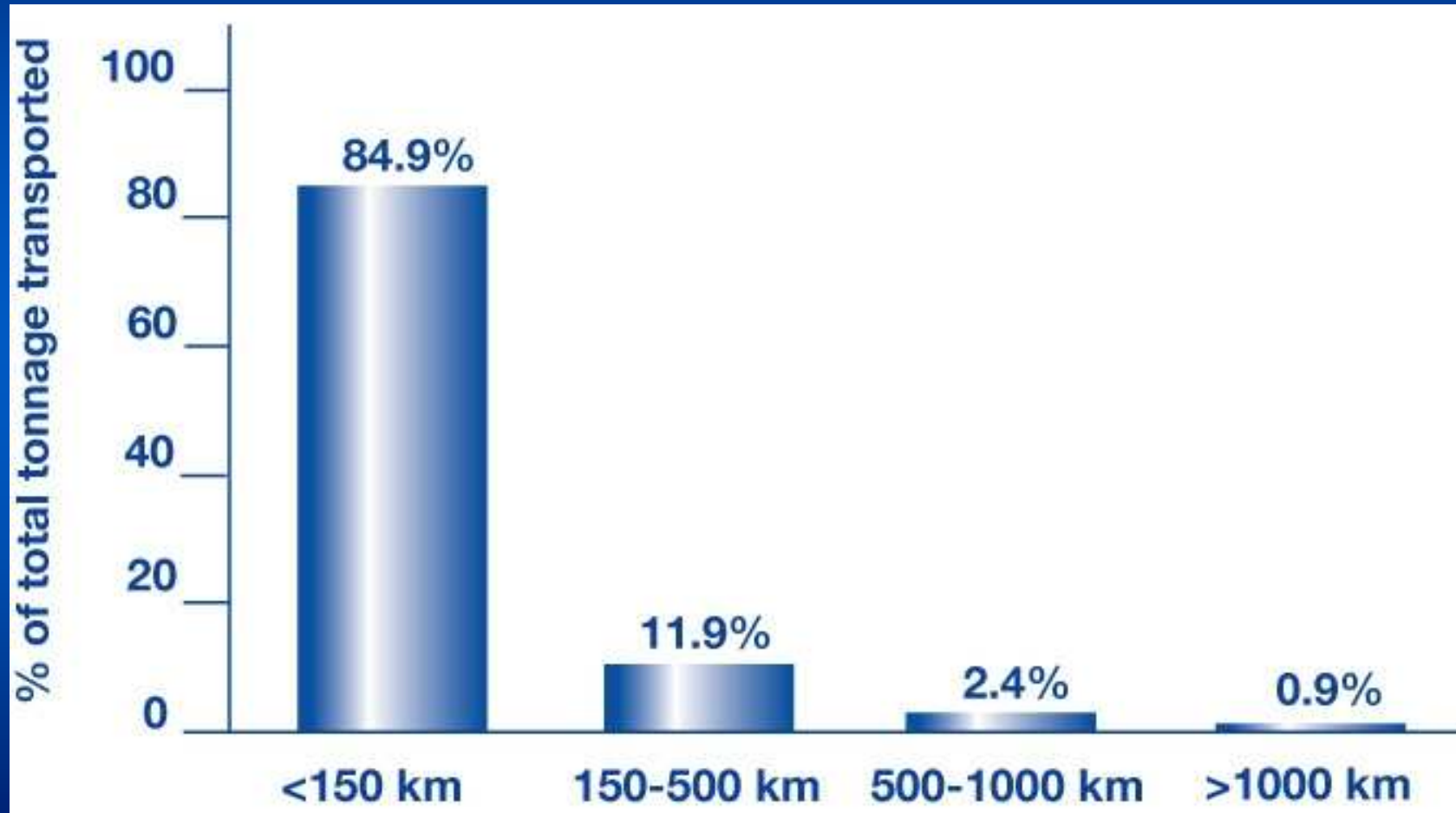


# It worked for Marco Polo



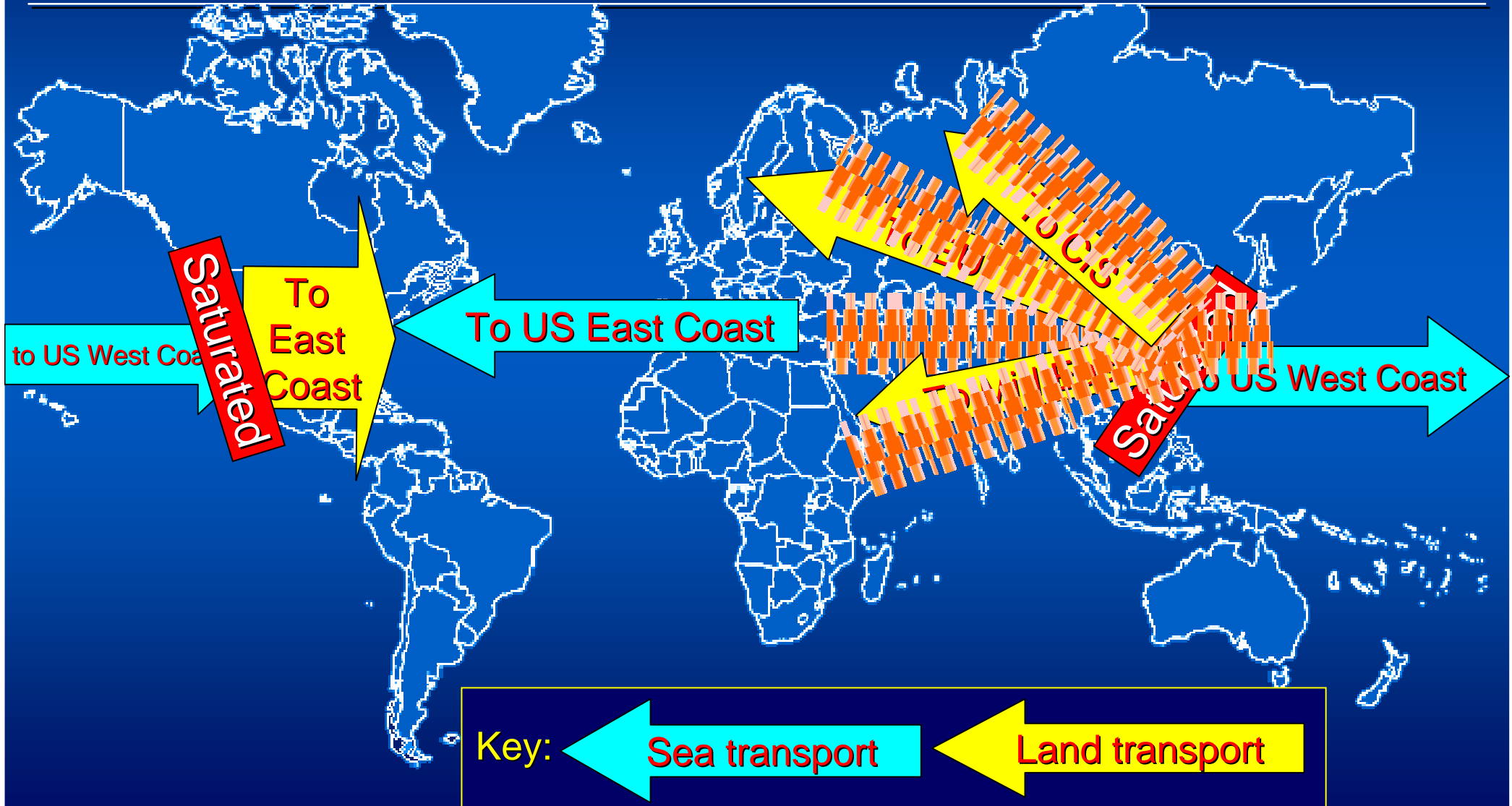


# Road transport tonnage distances in modern economies





# Interconnecting all the businesses along the reopened Silk Road





# China prepares to use historic Silk Road after 700 years again...



Are you ready for the re-opened Silk Road?



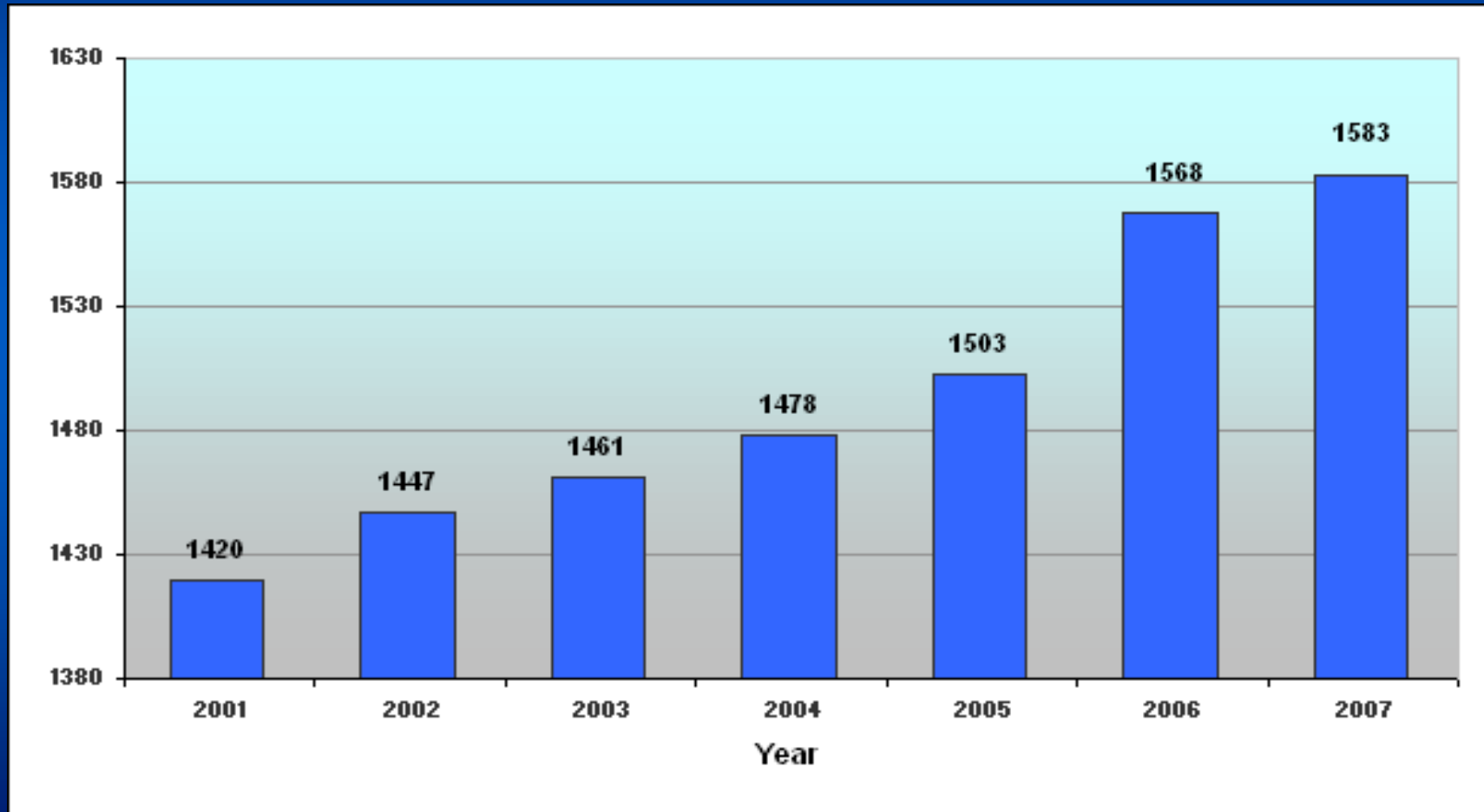
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# **UN CONVENTIONS:**

## **Key to facilitation in the world**



# Contracting Parties to 56 UN Conventions – status at 6 June 2007



# Contracting Parties in the Region as of 14 April 2008





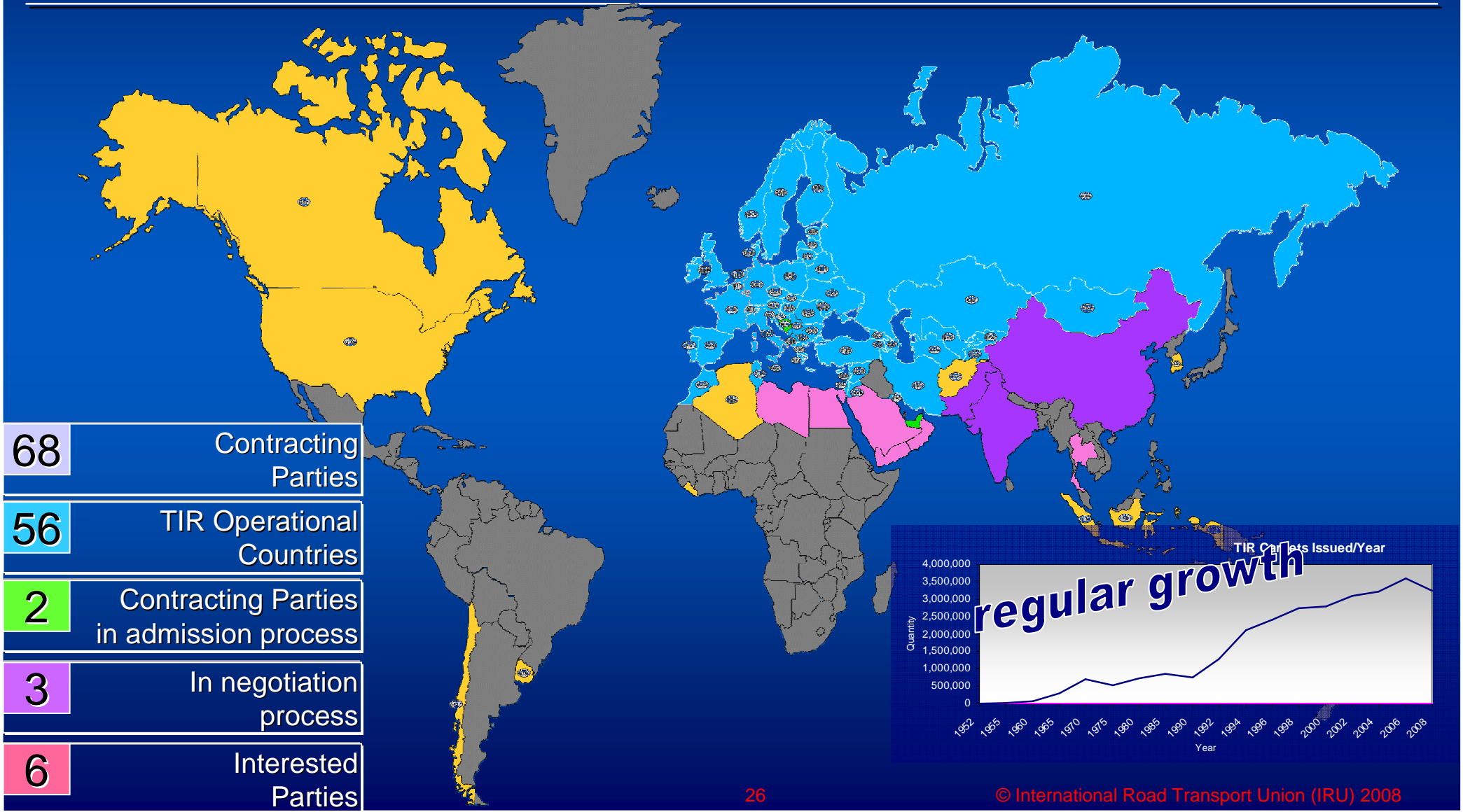


# Contracting Parties in the Region as of 14 April 2008





# Geographical scope of the TIR Convention



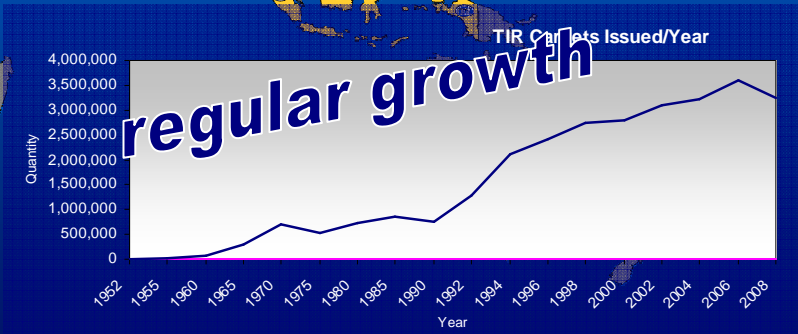
68 Contracting Parties

56 TIR Operational Countries

2 Contracting Parties in admission process

3 In negotiation process

6 Interested Parties



# The World



**IRU**

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*Working together  
for a better future*

**IRU**

*since 1948*