

Project Working Group on Transport and Border Crossing (PWG-TBC)

17<sup>th</sup> Session 25-26 April 2012 Almaty, Kazakhstan

# Transport infrastructure projects, activities and initiatives at national and international level

(Item 4.1 of the Agenda)

Note by UNESCAP

#### UNESCAP regional transport activities with focus on SPECA countries

1. The Asian Land Transport Infrastructure Development project, endorsed by 48<sup>th</sup> UNESCAP session in 1992, has three pillars: the Asian Highway (AH), Trans-Asian Railway, and facilitation of land transport projects. The Asian Highway (AH) and Trans- Asian Railway (TAR) networks play a pivotal role in fostering the coordinated development of regional road and rail networks. The status of signatories concerning accession, signature, ratification and/ or approval of the two agreements by SPECA countries has remained the same since 2009 (Annex1 and Annex 2).

#### The Asian Highway (AH)

2. At the 4<sup>th</sup> Meeting of the Working Group<sup>1</sup> on the Asian Highway in 2011, the delegations of Azerbaijan and Kazakhstan provided updates the Asian Highway development programmes and projects in their countries.

3. Between 2010 and 2011, funding allocations from national budgets as well as bilateral and international financial assistance including from Asian Development Bank (ADB) and the World Bank have been used towards the development and upgrading of various sections of the Asian Highway network in Afghanistan, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

<sup>&</sup>lt;sup>1</sup>4<sup>th</sup> Meeting of the Working Group on the Asian Highway was hold on 27-28 September 2011 in Bangkok, which was attended by 4 SPECA countries (Afghanistan, Azerbaijan, Kazakhstan and Kyrgyzstan).

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In this respect, ADB implemented a project, entitled "Promoting regional infrastructure development" under Technical Assistance (TA)-7757, with an overall budget of \$2.175 million, covering the period July 2010-December 2011. The project involved undertaking pre-feasibility studies focusing on sections of the Asian Highway and Trans-Asian Railway, prioritizing investment and updating project pipelines, developing a framework to facilitate linkages between trade and transport, and establishing a regional project development facility.

4. Although notable progress has been made in the development and upgrading of the Asian Highway in conformity with the Intergovernmental Agreement's classification and design standards, there are still over 3,000 km of Asian Highway routes that need to be upgraded (Annex1).

5. The UNESCAP secretariat is implementing a project on promotion of investment in the Asian Highway network. The project involves prefeasibility studies of selected AH sections and capacity building workshops on road project investment studies in four countries including Kyrgyzstan.

#### **Trans-Asian Railway**

6. 2011 saw the completion of the 75-km line from Hairatan, at the border between Uzbekistan and Afghanistan, to Mazar-e-Sharif. The line, which was built with a 1,520-mm track gauge and cost US\$ 170 million, represents the initial phase of a larger cross-country rail network comprising future connections with the railways of the Islamic Republic of Iran, Pakistan, Tajikistan and Turkmenistan. The project is part of the Transport Strategy and Action Plan agreed under the Central Asia Regional Economic Cooperation (CAREC) Program driven by the Asian Development Bank. Freight services began running along the line in August 2011.

7. On 14-17 June 2011 in Busan, UNESCAP organized a regional seminar<sup>2</sup> that gathered shippers and managers of railway organizations offering transport services along the concerned Trans-Asian Railway (TAR) routes. The objective of the seminar was to allow railway managers to get a better understanding of shippers' requirements for services. Holding the regional seminar reinforced the reach of the event and exposed meeting participants to some of the latest developments in the rail and logistics industry.

8. Co-organized by UNESCAP and the International Union of Railways (UIC), the seminar was attended by delegations of 22 member countries as well as representatives from

<sup>&</sup>lt;sup>2</sup> The regional seminar was organized in conjunction with the Railway and Logistics Fair, a biennial event that puts together railway organizations, railway industry and logistics providers. The seminar was attended by 5 SPECA countries (Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan).

international organizations, freight forwarding companies, transport institutes and research institutes. Interventions focused on rail infrastructure, international rail services, forecast of inter and intra-regional containerized traffic, development and operation of inland container depots, shippers' commercial requirements and new trends in railway technology. Prominent speakers provided insightful presentations on all these subjects and generated a high level of interaction amongst participants.

#### **Dry ports**

9. Development of dry ports is particularly relevant and useful to facilitate international trade and transport in SPECA countries because dry ports can not only play an equivalent role as sea ports in landlocked SPECA countries but also effectively promote economic development in the surrounding areas and generate employment.

10. The first session of the Forum of Asian Ministers of Transport, held in Bangkok, on 14-18 December 2009 adopted the Bangkok Declaration on Transport development in the Asia. The Bangkok declaration stressed the importance of dry ports in integrating modes of transports, reducing border crossing and transit delays, facilitating the use of energy- efficient and lower emission means of transport, and creating new opportunities for the growth and establishment of development clusters and requested the UNESCAP secretariat to assist regional members and associate members in their efforts to provide connectivity and integration of the Asian Highway network and the Trans-Asian Railway network and other transport modes by working towards the development of an intergovernmental agreement on dry ports. Subsequently, the Declaration was endorsed by the Commission in its resolution 66/4 of 19 May 2010 and the second session of the Committee on Transport held in Bangkok on 1-3 November 2010.

11. The working draft of an agreement is developed based on the outcome of the Regional Expert Group Meeting (EGM) on the Development of Dry Ports along the Asian Highway and Trans-Asian Railway Network and the second session of the Committee on Transport held in Bangkok during 1-3 November 2010.

12. In December 2011, the UNESCAP secretariat organized a Subregional meeting<sup>3</sup> on the Development of Intergovernmental Agreement on Dry Ports for Central and North-East Asia in Dushanbe, Tajikistan. The meeting extensively discussed the working draft of the agreement

<sup>&</sup>lt;sup>3</sup> The subregional meeting was attended by 5 SPECA countries (Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, and Tajikistan).

and made proposals to its refinement. UNESCAP is in the process of consolidating and compiling comments and issues raised during the subregional meetings for further refinement of the working draft. Annex III provides an updated list of dry port of international importance existing in SPECA countries. The list will be the basis for the coordinated plan of the development of important nodes in an international integrated intermodal transport and logistics system.

13. All SPECA countries belong to the most remote countries in the world where distance between these countries and the closest seaport ranges from 700 km in Armenia to 3750 km in Kazakhstan. It is anticipated that the agreement will promote the development of dry ports in hinterland areas including the 12 landlocked developing countries in Asia including, in particular, these landlocked countries in the SPECA region to overcome the challenge in conducting international trade due to their geographic locations and to promote intra-regional trade within the SPECA region as well as interregional trade.

#### The Project Working Group may wish to

- Encourage those SPECA countries that have yet done so to take measures towards acceptance, approval or ratification of the Intergovernmental Agreement son the Trans-Asian Railway Network and the Asian Highway;
- Invite SPECA countries to be actively involved in consultation meetings and other efforts towards developing an Intergovernmental Agreement on Dry Ports.

Annex I

### Asian Highway Network in SPECA countries and Neighbor countries

Country	Primary	Class I	Class II	Class III	Below III	Other	Total	Status	Signed on	Entry into force
	km	km	km	km	km	km				10100
Afghanistan	0	10	2,519	0	1,718	0	4,247	2008	2004	2006
Azerbaijan	0	280	1,185	0	0	0	1,465	2010	2004	2005
Kazakhstan	0	557	5,431	6,393	475	102	12,958	2010	2004	2008
Kyrgyzstan	0	60	995	331	309	0	1,695	2010	2004	2006
Tajikistan	0	42	1,077	0	901	0	2,020	2010	2004	2006
Turkmenistan	0	60	0	2,120	24	0	2,204	2008		
Uzbekistan	0	1,195	1,101	670	0	0	2,966	2008	2004	2005
Armenia	0	147	766	13	40	0	966	2008	2004	2005
China <sup>(a)</sup>	14,859	2,076	6,280	3,460	32	0	26,707	2008	2004	2005
Georgia	0	52	1,049	0	0	0	1,101	2008	2004	2006
Islamic Republic of	4 4 9 9	0 700	0.400					0040	0004	0040
Iran Iran	1,160	3,788	6,186	0	0	0	11,134	2010	2004	2010
Mongolia	0	8	1,363	152	2,798	0	4,321	2010	2004	2005
Pakistan	357	1,116	254	2,475	1,138	0	5,340	2010	2004	2006
Russian Federation	0	2,524	13,618	440	812	0	17,394	2010	2004	2005
Total (SPECA countriess)	0	2,204	12,308	9,514	3,427	102	27,555			
Total (SPECA with Neighbors)	16,376	11,915	41,824	16,054	8,247	102	94,518			
Total (All AH members)	20,915	22,213	53,925	33,837	10,979	936	142,805			
Ratio (SPECA countries)	0%	8%	45%	35%	12%	0%	100%			
Ratio (SPECA with Neighbors)	17%	13%	44%	17%	9%	0%	100%			
Ratio (All AH members)	15%	16%	38%	24%	8%	1%	100%			

(a)China includes 15,400 km of potential Asian Highway routes.

	Compos	Network	Status	TAR		
Country	Gauges	Route Length		Signed on	Ratification*	
	mm	km				
Afghanistan			2007			
Azerbaijan	1,520	2,100	2007	2006		
Kazakhstan	1,520	14,205	2007	2006		
Kyrgyzstan	1,520	417	2007			
Tajikistan	1,520	616	2007	2006	2008(AA)	
Turkmenistan	1,520	3,081	2007			
Uzbekistan	1,520	4,230	2007	2006	2009	
Armenia	1,520	845	2007	2006		
China	1435/1000	77,966	2007	2006	2009(AA)	
Georgia	1,520	1,513	2007	2007	2009(AA)	
Islamic Republic of Iran	1435/1676	8,596	2007	2006	2009	
Mongolia	1,520	1,810	2007	2006	2008	
Pakistan	1676/1000	7,791	2007	2008	2009	
<b>Russian Federation</b>	1520/1067	86,660	2007	2006	2008(A)	
Total (SPECA countries)		24,649				
Total (SPECA with Neighbors)		209,830				
Total (All AH members)		313,143				

## **Railway Network in SPECA countries with Neighbor countries**

\*Date of Ratification, Acceptance (A)m Approval (AA), Accession (a)

Annex III

### Updated list of dry ports of international importance in SPECA countries

By 20 February 2012

Kondoz, Shir Khan Bandar				
Islam Qala, Herat				
Turghundi, Herat				
Haqueena, Mimana				
[Baku City Goods Station, Khyrdalan Station]				
[Keshla Station, Baku]				
[Freight Terminal, Astara Station]				
[High Tech Logistics, Almaty Oblys]				
[Korgas International Border Cooperation Centre, Almaty Oblys]				
Osh, Osh				
Tursunzade				
Dushanbe				

Kurgen-Tyube

Vakhdat

Khujand