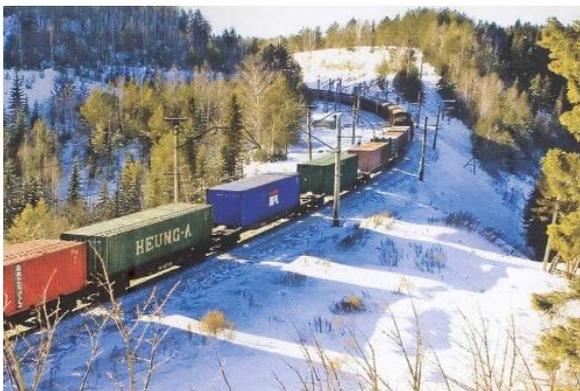


Part 1: Land Transport Connectivity Between Asia and Europe and the Role of Inter-Regional Transport Corridors
22 June 2022

**Sustainable transport connectivity between Asia and Europe:
progress and challenges**



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Context of the Forum and background document

- The Regional Action Programme for Sustainable Transport Development in Asia and the Pacific (2022–2026), adopted by the Fourth Ministerial Conference on Transport in December 2021, identified **maritime and interregional transport connectivity** as one of its seven priority working areas
- ESCAP organized this Forum to consider the matters of inter-regional land transport connectivity and maritime connectivity as two components of the that area of work
- Prepared a background paper on main prospects, priorities and challenges for land inter-regional transport and maritime transport as means of connection of the ESCAP region to global supply chains
- Full text available at: https://www.unescap.org/sites/default/d8files/event-documents/June22-23_Background_Paper-20June.pdf

Study report on inter-regional transport connectivity (completed in September 2020)

- Provides an overview of transport connectivity trends, existing challenge, current initiatives, planning and institutional arrangements, regulations, and standards
- Includes a section on the impact of the COVID-19 pandemic on transport connectivity between Asia and Europe
- Presented to the virtual Regional Meeting on Sustainable Transport Connectivity between Asia and Europe
- Publication can be accessed at:
<https://www.unescap.org/kp/2020/connecting-transport-infrastructure-networks-asia-and-europe-support-interregional>

Overview of transport connectivity between Asia and Europe

Global significance

- 70% of global population
- 55% of global trade
- 65% of global economy

Benefits of Transport Connectivity

- Economic growth
- Market expansion
- Jobs creation
- Competitiveness
- Trade



Euro-Asia Transport Connectivity Trends (pre-pandemic)

- Euro-Asian trade largely transported by sea, more than 95% of the volume and 70% of the value of cargo in 2018
- Air cargo between Asia and Europe was less than 2% by volume, but over 30% by value
- Railways carried 1% of volume and more than 2% of the value
- Rail freight transport between Asia and Europe grew by more than 500 percent between 2014 and 2016

“Traditional” and “New” Challenges

- **Fundamental or traditional challenges not fully resolved:**
 - Remaining infrastructure gaps and bottlenecks
 - Inconsistency of rules and regulations in Asia and Europe
 - Different technical standards and operating procedures
- **New factors:**
- **Impact of the Covid-19 pandemic (since 2020)**
- **Impact of the Ukraine crisis (2022)**



Impact of COVID-19 (1)

- Disruptions experienced during the COVID-19 pandemic are similar across Asia and Europe but the type of policy responses implemented, the timing and duration of their implementation varied by country and region
- COVID-19 recovery pathways should consider how the resilience and sustainability of transport connectivity infrastructure and systems could be further improved
 - **Categories of Policy Responses:**
 - *Infrastructure*
 - *Border crossing procedures*
 - *Transport modes*
 - *Transport crew*
 - *Cargo*
 - *Recovery measures*

Impact of COVID-19 (2)

- **Decrease in global economic activity will lead to less freight transport demand and in the case of COVID-19, a decrease in supply has also been observed**
- **Suspension of production and border closures have led to a decrease in supply**
- **COVID-19 reduced global freight activities**
- **There has been an increase in rail freight transport volumes during COVID-19 due to the unreliability of maritime freight services and the substantial reduction of flights and subsequent high cost of aviation between Europe and Asia**

Impact of the Ukraine crisis

- As the situation is evolving rapidly, solid analysis is yet to come
- Preliminary considerations expect that the disruption to supply chains and connectivity will come from various sources, including difficulties affecting land-based routes
- May further result in higher transport prices, more delays and disruptions across the Eurasian space and beyond
- Causing disruptions not only in the Asia-Europe rail logistics network but also in the maritime transport routes.
- A lot of uncertainties on range of issues related to the functioning of the regional supply chains.
- Overall freight rates would increase the production and other costs

ESCAP's priority activities related to inter-regional transport corridors

- Promotion of strengthening coordination arrangements for transport corridors (incl. inter-regional transport corridors connecting Asia and Europe)
- Identifying transport corridor success factors
- Collection of data on transport corridors based on standardized approach
- Provision of technical assistance to member states in establishment/management of transport corridors
- Raising awareness of the environmental aspects of transport corridor development and promotion of 'green' solutions

Recommendations

- Further strengthen transport cooperation between Asia and Europe through priority transport corridors at the service of people and respective economies
- Continue provision of support to inter-regional dialogue on land transport connectivity to facilitate exchange of relevant information and updates between ESCAP member States and countries from different regions
- Continue support to developing coordinating and management arrangements for transport corridors, including inter-regional transport corridors;
- Prioritize development of regulatory frameworks for transport corridors, including multimodal transport corridors
- Promote application of practical solutions that can help in increasing resilience of transport corridors and other transport linkages to external shocks *(by using, for example, seamless digital solutions; exploring the ways of simplification of regulations that could help in functioning of transport routes/corridors in case of external disruptions)*
- Promote planning of possibilities of using, where possible, multiple routes for goods transportation and promote multimodal transport solutions
- Explore and scale up the use of “green” technologies for land transport routes and corridors

Requests to the ESCAP secretariat

- **Continue provision of technical assistance to member States in implementation of initiatives on development of transport corridors**
- **Strengthen cooperation with implementation partners, including other regional commissions and agencies of the UN secretariat, relevant international and subregional organizations as well as transport and logistics industry professional associations on the matters of transport corridors and inter-regional connectivity**

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