Ministerial Conference on Transport
Third session, Moscow, 5-9 December 2016
Side Event : Policy Dialogue on Strengthening South Asia Central Asia Connectivity
Georgievsky Hall II, 1400-1530 hrs, 7 December 2016

Strengthening South Asia – Central Asia connectivity

Background Note

Summary

The countries of the South Asian and Central Asian (SA-CA) region have largely been relying on rising demand for their products in the advanced economies to support their growth over the past two decades. However, now they face an altered economic environment in the aftermath of global financial crisis of 2008-09 with subdued growth of world trade. Region’s economies are increasingly looking for alternate engines of growth to sustain the dynamism of their own economies. Significant complementarities exist within and between the sub regions as the patterns of development over the years have diverged between countries. Hence, regional economic integration offers a possible pathway to enable the region to harness the economies of specialization and economies of scale by integrating regional production networks and sustaining their dynamism.

The present document is based on a study being carried out by ESCAP on strengthening South-Asia Central Asia connectivity. It includes a review of the International Transport Networks and initiatives linking the two regions and a discussion on the current status of the Transport Network and the key challenges faced by the same. The document tries to build up a case for developing an Integrated Trunk Corridor – Feeder Route Network Model to connect the two regions based on Trans Asian Railway Routes and Asian Highway Network. The Forum may wish to discuss and provide guidance on (a) identifying potential opportunities and challenges of current South and Central Asia transport connectivity, (b) viability of land based transport corridors vis-à-vis traditional maritime routes, (c) Institutional and facilitation arrangements needed for seamless connectivity.

Contents

I. Introduction ..................................................................................................................2
II. Transport Network Options in the region ..............................................................3
III. Status of International Linkages ..............................................................................4
IV. Transport Trunk Corridor Feeder Network Route ................................................6
V. Key Issues in Facilitation of International Transport .........................................9
VI. Conclusion and Issues for consideration .............................................................11

1 This document is issued without editing and is meant to serve as a background paper to facilitate the dialogue.
I. Introduction

1. The countries of the South Asian and Central Asian (SA-CA) region have largely been relying on rising demand for their products in the advanced economies to support their growth over the past two decades. However, now they face an altered economic environment in the aftermath of global financial crisis of 2008-09 with the subdued growth of world trade and the region’s economies are increasingly looking for alternate engines of growth to maintain the dynamism of their own economy. Significant complementarities exist across the region and sub-regions as the patterns of development over the years have diverged between countries hence, regional economic integration offers a possible pathway to enable the region to harness the economies of specialization and economies of scale by integrating regional production networks.

2. The geographically contiguous sub regions of SA-CA comprise a number of landlocked and least developed countries, natural resources rich countries and some of the fastest growing economies with highly complementary economic structures. However, the potential of mutual trade remains very low as compared to that with other economies, due to poorly developed transportation links, which contribute to high transportation and transaction costs making intra-regional trade relatively less competitive.

3. The basic premise of an efficient global market is the smooth flow of goods, services, technology and people across border, in other words connectivity. One aspect of connectivity is the physical connectivity in between countries to facilitate movement, i.e existence of proper roads, shipping and rail linkages. For international trade however, equally important are the institutional and procedural aspects of connectivity related to rules and policy frameworks that regulate and govern cross border movements.

4. The quality of connectivity is essentially a function of route and origin-destination pair it caters to. So, the quality of connectivity in between Europe and China would be substantially different from the quality of connectivity in between South and South West Asia. The route and mode choices of shippers are best captured by three dimensions of Cost, Transit time and Reliability. Land routes following a shorter distance of movement as in the case of connecting the countries of South Asia is certainly a clear winner in terms of cost and transit times if operational challenges are overcome. Reliability however, is an outcome of certainty which is further defined in international scenario by the extent of transport facilitation that exists in that region.

5. Connectivity within and between SA-CA region remains inadequate because of poor infrastructure conditions, missing links and a lack of transit agreements and transport facilitation measures. ESCAPs recent analysis has shown that the countries of the region could reap greater network externalities by integrating the sub regional transport corridors. In 2014 the total export from Central Asian Countries to South Asian region was a mere 3% of their total exports\(^1\), whereas that of South Asia to Central Asia was less than 1\(^{\text{ii}}\). Enhanced connectivity between the two regions could strengthen economic integration, resulting in more optimal resource allocation and trade prospects.
6. Essentially then, the region stands to benefit highly in terms of trade and growth in economies if the trade routes are defined in an integrated manner to physically connect the Origin – Destination pairs in a cost and time efficient manner. If the route offers reliability in terms of transport facilitation then it has the potential to become the preferred choice of route by the shippers. This study discusses specifically the route choices available with the shippers and that can potentially be developed to achieve higher regional integration. It would try to establish a Transport corridor solution which would combine the benefits of a hub and spoke arrangement internationally and discuss Transport Facilitation Challenges and its possible solution.

II. Transport Network Options in the Region

7. The countries of South, South West and Central Asia have made significant efforts in strengthening transport connectivity in the region by improving both transport infrastructure and facilitation. Despite significant progress made the region still has a long way to go in realizing seamless regional connectivity in infrastructure and operational facilitation.

8. Currently maritime shipping is the only dominant mode of transportation available for trade between SA-CA regions. Maritime shipping offers many advantages to shippers in terms of economies of scale which translates into lower costs of transportation and thus competitive pricing. It also is free from many other transport related issues like cross border problems, delays, lack of infrastructure etc. However SA-CA region is unable to gain from these possible advantages due to the presence of vast continental hinterlands as that of India and also due to landlocked nature of countries like Nepal, Bhutan, Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Turkmenistan, Uzbekistan and Tajikistan. The huge distances to be crossed on land and transit through Ocean bordering countries make trade very expensive and hence not viable.

9. In recent times Rail Transport is emerging as a viable alternative to maritime shipping. This is even more so in areas where land connectivity offers shorter distances and the countries are either landlocked or have huge hinterlands. In some segments of Asia-Europe connections it now constitutes a credible option which is gaining favor among major international shippers, in particular for movement in between China and Europe. Realizing the importance of rail transport, in South Asia India and Bangladesh have agreed for construction of Agartala - Akhaura rail link which is expected to give a faster and more economical transport link to North Eastern States of India. Studies conducted under the International North south Transport Corridor link (INSTC) from Mumbai (India) to Baku (Azerbaijan) has shown a 30% reduction in cost and 40% reduction in time as compared to the traditional maritime transport link. Rail operation is not only time efficient but can also be cost efficient depending upon the origin and destination points, in particular when the final destination is far from seaports. A study by ESCAP reveals that the Southern corridor of TAR may be advantageous to serve trade within that part of the corridor bounded on the west by the eastern part of Turkey and on the east by Bangladesh and North Eastern India.
10. Road Transport plays a very important role in the international trade particularly in these two regions. This transport mode is not very competitive on longer distances but plays a critical role for last mile connectivity. As rail transportation within the region is not developed road transportation plays a critical role in facilitating trade especially with land locked countries in SA-CA region. It is pertinent that any strategy aimed at strengthening connectivity in between SA-CA region takes into account the efficiency of road transport in providing last mile haulage. The Asian Highway Network provides for a unique network of Highways which can serve bilateral transport needs in between countries and may also be utilized for defining routes of movement in specific corridors.

III. Status of International Transport Linkages

11. International rail transportation is facilitated under two International railway organization namely OSJD (Organization for Cooperation for Railways) and OTIF(Intergovernmental Organisation for International Carriage by Rail). From the SA-CA region Azerbaijan, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan are members of OSJD. OSJD Commission on Transport Policy and Development Strategy in 2009 formalized 13 railway corridors among their member countries. These corridors were developed from the existing (a) European transport corridors (b) TRACECA corridors (c) Trans Asian Railway Network (d) OSJD networks

Under this framework train runs are being facilitated on the following routes in the SA-CA region.

i. Islamic Republic of Iran and Azerbaijan via Astara (border),
ii. Islamic Republic of Iran –Turkmenistan via Sarrakhs (border)
iii. Kazakhstan – Uzbekistan via Sary Agach- Keles
iv. Kazakhstan Kyrgyzstan via Lugoyava – Bishkek
v. Kyrgyzstan – Uzbekistan via Karasu
vi. Tajikistan – Uzbekistan via Istikol – Kudukly
vii. Turkmenistan – Uzbekistan via Kelif – Khodzhaydavlet

Armenia, Georgia, Islamic Republic of Iran, Pakistan, Russian Federation, and Turkey are members of OTIF. The rail services between OTIF members are currently very limited due to closing of several borders for international rail services and limited infrastructure. However, there are both freight and passenger services between Armenia and Georgia, between Islamic Republic of Iran and Pakistan and Islamic Republic of Iran and Turkey.

12. Baku – Tbilisi – Kars Railway Project is a regional project that aims to link Baku in Azerbaijan with Kars in eastern Turkey through Tbilisi in Georgia. Once completed this route will offer alternative transport route for landlocked countries in Caucasus subregion and provide direct access of Azerbaijan and Georgia to sea ports in Turkey located along the Mediterranean Sea.

13. Railway connections between Asia and Europe run through the Russian Federation and Turkey. There are several railway connection, most notably the Trans-Siberian
railway from Moscow to Vladivostok and Trans Asia – Europe Line connecting Turkey and China via Islamic Republic of Iran and Central Asian Countries.

14. Economic Cooperation Organization (ECO) under its ECO Transit Transport Framework Agreement (ECOTTFA) runs container trains on the following routes
   i. Istanbul Almaty route
   ii. Bandar Abbas Almaty route
   iii. Islamabad – Tehran – Istanbul route

Apart from this it is also helping construction of Railway between
   i. Kazakhstan, Turkmenistan and Islamic Republic of Iran (Uzen – Barakat – Gorgan).
   ii. Qazvin – Rasht – Astara (Islamic Republic of Iran) – Astara (Azerbaijan) railway project
   iii. Railway connecting China and Europe via Kyrgyzstan – Tajikistan – Afghanistan – Islamic Republic of Iran – Turkey

15. South Asian Association for Regional Cooperation (SAARC) has identified five rail corridors (SAARC 2006). The ones most relevant for South Asia Central Asia Connectivity is the Rail Corridor 1 which connects Dhaka (Bangladesh) to Delhi (India) and Lahore (Pakistan). This corresponds to TAR southern corridor. SAARC Regional Railway Agreement and Motor Vehicle Agreement are under consideration. Once formulated this would facilitate transit transport in the region.

16. BIMSTEC: The BIMSTEC Transport Infrastructure and Logistics Study (ADB 2008) forms the core of transport planning in the BIMSTEC area and was endorsed by the BIMSTEC ministers in 2009. The BIMSTEC program has identified four rail corridors, some of which overlap with the TAR routes.

17. In South Asia there is limited freight connection in between India and Pakistan. Continuous freight movement takes place between Kolkata (India) to Birgunj (Nepal) and in between India and Bangladesh. Containerized cargo is moved only in between India and Nepal. India is building a new rail link with Bangladesh between Agartala and Akhaura. The proposed railway link has a potential to enhance connectivity of North Eastern States of India with main land via Bangladesh and also to connect it with the port of Chittagong (Bangladesh). Construction is also in progress in connecting North Eastern States of India with Myanmar through the Jiribam – Imphal – Moreh – Tamu – Mandalay link. This would provide the much needed connectivity of South Asia with South East Asia and forms a part of India’s “Act East Policy”. The India – Myanmar – Thailand Trilateral Agreement is working on developing a transport transit agreement connecting the three countries. The Kaladan Multimodal Project under an agreement between Myanmar and India also aims at connecting India with Sittwe Port in Myanmar.

18. The Long/Medium term Master Plan on Railway network of China will provide two links between north East Asia and South Asia through Nepal and Pakistan. The Plan of Afghanistan National Railway Network indicates two rail links in between South Asia and Central Asia through Afghanistan. The Afghanistan government is planning a ring railway network which when completed would connect it to Iran, Uzbekistan,
Tajikistan, Pakistan and Turkmenistan. It would also provide interconnectivity in between these countries.

19. Construction of some sections in all the above mentioned plans has started. Once these initiatives or plans are fully implemented, a complete inter connected railway network will be formed to link most countries of the region. As mentioned earlier these regional and bilateral/multilateral initiatives have to be aggregated under a Transport Trunk Corridor –Feeder Network Model to reap maximum benefits from the infrastructure investments.

IV. Transport Trunk Corridor – Feeder Network Route

20. Seamless Regional connectivity in between South Asia and Central Asia with extended connectivity to South West Asia and South East Asia requires a comprehensive coordinated approach. Extended connectivity corridors have the potential to transform the regions transport corridors into economic corridors and can form the basis of Trunk corridors. While feeder networks give strength to the trunk corridors increasing the volume of goods and services flow, extended corridors will empower strategic localities along the corridor to attract local investments into productive sectors and stimulate agglomeration. This will have spillover effects on other economic activities, strengthening the agglomeration process. Therefore shores of the trunk corridors can potentially host economic hubs, serving industrial parks, special economic zones, clusters of small and medium scale industries, and stimulate formation of regional value chains. Through carefully framed and administered industrial policies, host governments can utilize the transport corridor to form economic corridors, which in turn may be termed as development corridors as benefits of industry and trade led economic growth percolate to social development.

21. The current trade within the countries of SA-CA region is very low. The transport connectivity corridor connecting the two region may catalyze the unlocking of the trade potential however, to justify investments in developing the corridor it needs to serve economic partners having high volumes of trade. Two such conglomerates with high trade potential is Europe on one side and East and South East Asia on the other. Any transport corridor which would connect these two Origin Destination points with South Asia and Central Asia would ensure viability of the network operation.

22. The Trans Asian Railway Agreement and the Asian highway network agreement signed by the member countries attempts to integrate Asia on key aspects providing

i. Capital to capital links (for international traffic)

ii. Connections to main industrial and agricultural centers as well as growth triangles or zones (links to important origin and destination points)

iii. Connections to major sea port and river ports (integration of land and water transport networks)

iv. Connection to major inland container terminals and depots (integration of rail and road network)

These connections provide for an identifiable development of Trunk Transport Corridor of International significance which would be substantiated by routes of sub regional or national significance.
23. The TAR network shows that the existing railway lines of international significance generally connects the member countries of TAR from South Asia to South West Asia to Central Asia to North, North East, East Asia. The missing link is only in between South Asia and South East Asia. Theoretically passengers and goods can be transported throughout the land linked subregions at present except some parts of South East Asia. However, in practice international Rail transport on this network only takes place partially due to economic reasons and institutional barriers.

24. In view of the above ESCAP suggests development of a Southern corridor over Trans Asian Rail Network as a trunk transport corridor and till the missing links of South East Asia is developed the DKD(Delhi - Kolkata – Dhaka) route may be operationalized in continuation of the already running ITI route. This would consolidate the overlapping transport route framework of ECO, BIMSTEC, SCO, SASEC, BBIN, ASEAN and the region will benefit from a collective transport development approach. The Trunk Corridor – Feeder Route Network Model would serve as a Master plan Approach to regional connectivity which would be a guiding document for countries and their development partners. Through the Master plan and its phased implementation process, duplication of efforts can be avoided, at the same time, confidence on cross-border trade and transport can be gradually increased with implementation of easy-to-difficult measures to enhance transport connectivity along the corridor.

25. **SA-CA Link Trunk Transport Corridor (ITI-DKD corridor)**: A part of the southern corridor of TAR namely the ITI –DKD (Istanbul – Tehran – Islamabad – Delhi – Kolkata – Dhaka route) from Dhaka(Bangladesh) through Gede – Darshana (India-Bangladesh Border) to Kolkata, Delhi, Attari-Wagah(India - Pakistan Border), Lahore, Islamabad, Quetta Taftan, Mirjaveh(Pakistan –Islamic Republic of Iran border), Zahedaan, Tehran, Razi-Kapikoy(Islamic Republic of Iran-Turkey border) right upto Kapikule through Ankara and Istanbul. The above mentioned route as defined by the TAR Southern Corridor assumes significance as this route connects South Asia to Europe through South West Asia. This has branch routes connecting Central Asia, Caucasian countries, Caspian Sea Economies and Black Sea Economies. The feeder routes through sea ports of Bandar Abbas, Proposed route from Port of Chabahar, Bandar – E - Emam – Khomeini, and possible connection to Iraq through Basrah adds to the economies of running a train and makes network interconnections viable. The feeder routes to this corridor would be:
   a. Extension routes for national connections to ports and industrial centers
   b. Branch routes for sub regional connections which include border crossings

26. This corridor assumes significance as the TAR network allows the corridor to be connected to the national ports and industrial centers hence offers the potential to be developed into a vibrant economic corridor. This route has southward extensions which connect to Chittagong port (Bangladesh), Mumbai, Chennai, Tuticorin(connection to Sri Lanka via ferry link) in India, Karachi port (Pakistan), Gwadar port (proposed connection under CPEC link), Chabahar port (proposed connection by India to Afghanistan), Bandar Abbas port (INSTC connection with India, Central Asia and Russia).
27. The ITI –DKD corridor integrates the hub and spoke model or the transport trunk cum feeder network model effectively. In south Asia India can act as the hub for land locked countries of Bhutan and Nepal connecting them with the central trunk route at Kolkata which can also aggregate goods from either Inland waterway connection or through existing Rail/Road connections through Gede/Darshana(border) or Benapole/Petrapole(border) with Bangladesh. From Kolkata the route would have the flexibility to move on an all rail route via Delhi onwards to Pakistan through Wagah – Attari border and thereon to Afghanistan and Islamic Republic of Iran to connect to Central Asian region or to move along the Kolkata Mumbai Rail Route to the western Sea ports of India.

28. Western ports of India can onwards be connected to Persian Gulf Ports of Bandar Abbas and Chabahar of Islamic Republic of Iran and Gwadar and Karachi ports of Pakistan. The Bandar Abbas and Chabahar port act as a connectivity port of India with Central Asia, Russian Federation and Afghanistan and is a part of the INSTC and India’s endeavor to connect Afghanistan through Chabahar port.

29. In South West Asia Islamic Republic of Iran can act as a hub to consolidate movements of goods to Central Asian countries, Turkey, Russian Federation and Caucasian countries. With its ports in Caspian Sea and Persian Gulf connected by rail to the trunk ITI-DKD corridor it is strategically placed to connect with Turkey and onwards to Europe by Rail and can act as a conduit for South Asian trade with Europe and Central Asia.

30. Afghanistan can act as another hub in the link of SA-CA route. The rail route of ITI-DKD corridor connects to Afghanistan via two border crossings. Once the ring railway network of Afghanistan is operational it would have the advantage of offering the shortest route connection of South Asia with Central Asian countries. This route is however dependent on Pakistan agreeing for giving transit rights to India over its land routes.

31. The ITI-DKD corridor with its branch of INSTC route has the advantage of having very few or no missing links. Some sections need upgradation and capacity enhancement works to facilitate movement. ESCAP in its study would aim to analyze the route further and bring out missing links in this Corridor and priority infrastructure investment plan. This essentially would be a multimodal connectivity route and hence would facilitate containerized cargo movement.

32. The Trunk Corridor – Feeder Route Model (ITI-DKD route) with the potential of connectivity with other contiguous regions, policy advocacy plus preparation of master plan approach was endorsed by a series of Policy Dialogue on Strengthening Transport Connectivity among South and South-West Asian Countries organized by ESCAP in Dhaka, Bangladesh, (June 2013), in Lahore, Pakistan (December 2013), New Delhi, India (November 2014), and Tehran, Islamic Republic of Iran (December 2015).
Key Issues in Facilitation of International Transport and the way forward

33. The proposed ITI-DKD corridor with feeder routes connecting South, South West, and Central Asian countries is based on existing infrastructure available in the region. As mentioned earlier, availability of infrastructure is an essential but not sufficient condition for facilitating international trade transport. The geographic nature of the countries of this region makes it pertinent for the governments to facilitate containerized traffic which is amenable to movement on Rail/Road and Sea routes. A few key issues that need to be addressed to facilitate transport are participation in international railway organization, tackling of difficulties with break of gauge, harmonization of documents, simplification of procedures for crossing borders, and standardization of technical requirements.

34. Some of the basic issues like different operational rules and tariff structures can be addressed through participation in international railway organizations. Two international railway organizations namely OSJD and OTIF play a key role in coordination and organization of international rail traffic among countries of Asia and Europe. It is perceived that with increasing regional integration as well as environmental awareness the demand for transportation by Railway is set to increase, however, operational systems cannot be established in a short time hence countries need to gradually harmonize technical standards, transport documents, operating rules, tariff structures and rules for wagon interchange. When the countries consider participation in the activities of the international railway organizations a number of key factors may need to be considered, such as demand for transport, membership of neighboring countries and future potential for operations on a large network.

35. While participation in International conventions is desirable for promoting rail transport the role of bilateral and regional agreements in furthering international rail transport is equally important. One of the key issues that is being faced by countries is that the contents and issues covered in the bilateral agreements vary widely. To ensure consistency of issues covered a model bilateral/ subregional agreement covering essential requirements to facilitate railway transport can be developed by ESCAP and shared with member countries on basis of which they can plan, develop and implement such agreements to support railway transport in the region.

36. The biggest infrastructure hurdle beside missing links faced in international rail transport is the break of gauge. This region has four different type of gauge namely 1676 mm (South Asia), 1520 mm (Central Asia), 1435 mm (Iran and Turkey) and 1000 mm (some parts of Bangladesh). However, there are sufficient technological advances made in transshipment methods to reduce the delay caused due to this. It is also seen that transshipment or break of gauge happens at the border crossing points where other activities take substantially larger time. ESCAP’s Efficient Cross Border Transport Models sum up some good practices in organizing efficient transshipment at border crossings with break of gauge. Based on the concept of the Models countries may streamline their formalities and procedures for crossing borders.

37. Different Legal regimes for railway transport Contracts form another key issue. Unlike air or maritime transport, there is no single intergovernmental organization for railway transport. OTIF and OSJD have developed different set of legal documents for railway transport. The two main consignment notes are SMGS for OSJD and
CIM for OTIF. Railway transport among countries with same legal arrangement do not cause as much challenge as when railway transport is in between countries with different legal regimes. Currently alignment of the two consignment notes as a common CIM/SMGS note has been done and introduced. The countries may consider gradually aligning their consignment notes with the common consignment note to improve the current documents and avoid future challenges.

38. Due to stringent technical specifications for railway operations such as gauge, axle load, rolling stock and related rules of operation, these essential features of railway transport are not amenable to flexibility. This calls for a very high degree of collaboration and cooperation between countries for efficient cross border transport. Developing Railway systems in line with international standards is the best way for cross border operations. In this direction countries can gain immensely by involvement in the activities of international organizations working to develop international railway transport.

39. Normally the trains have to undergo Customs controls including inspection, security checks, immigration clearance and sanitary inspection at the border crossings. These operations can substantially delay the movement of the train and therefore there is a need for cooperation among the agencies at the interchange stations including railways on the required inspections and controls for smooth cross border operations of the train. ESCAP Model on Integrated Controls at Border Crossings may help countries reduce control time with streamlined information flow and combined use of new technologies while enhancing effectiveness of control measures.

40. Facilitation of International railway transport should not be seen and cannot be successful in isolation to other modes of transport. Increasingly railway transport will get integrated with other modes of transport and therefore there will be requirement to simplify and further streamline intermodal interfaces that happens at the gateway ports. This is of special importance to landlocked countries, as experience suggests that substantial time is consumed in completing the formalities at ports for trains to start their journey. International Rail Transport Committee (CIT) plays an important role in issues of multimodal transportation. It has established Multimodality Committee with an aim to simplify transfer from one transport mode to another in the logistics chain in terms of both administrative and legal procedures.

41. Necessary institutions may be required to be set up to operationalize the identified corridor. Since railway transport has stringent operational and technical requirement, more collaboration is required among the countries for successful cross border operations of the trains and in this direction corridor approach can bring all stakeholders together to facilitate transport. This will increase the reliability of railway freight operations which is a major determinant for the choice of mode of transport by shippers. Demonstration runs along the corridors can help identify major non-physical barriers and accordingly action plans can be made to address bottlenecks. UIC’s Global team of experts for development of international transport corridors has developed concept for the development of international transport corridors. This document was adopted by UIC General Assembly in December 2014. The document can serve as a guide for member countries for development and operation of Railway corridors.
VI. Conclusion and Issues for Consideration

42. Promoting improvements to land transport connections necessitates a comprehensive, cooperative approach: financing their implementation must follow defining the route interconnections. Furthermore, good physical connectivity is of little value if it is not accompanied by transport facilitation measures to boost trade and economic growth. The identification of routes naturally raises questions as to the quality and condition of these routes, and their effectiveness for international trade. The Dialogue is designed to facilitate a discussion, among the participants of the Ministerial Conference on Transport, on key challenges in strengthening transport connectivity within and between South Asian and Central Asian Countries.

43. The key issues to be focused on include
   i. The current status of SA-CA transport connectivity
   ii. Identifying potential opportunities and challenges
   iii. Viability of land-based transport corridors vis-a-vis traditional maritime routes
   iv. Institutional and facilitation arrangements needed for seamless connectivity

44. The Forum may wish to provide ESCAP with guidance on the issues to be included in the study and on future activities on the strengthening of connectivity between South Asia and Central Asia to meet the priority needs of the member countries in their efforts towards the realization of the vision of an international integrated transport network system.

---

\[i\] Data from the Trade Map of International Trade Center Website.
\[ii\] ITC Trade Map website data
\[iii\] FFFAI and Ministry of Commerce, GOI study on INSTC route
\[iv\] Development of the Trans Asian Railway – TAR in southern corridor of Asia Europe Routes ESCAP 1980