



Summary Proceedings 12th CAREC Transport Sector Coordination Committee Meeting

5–7 June 2013, Astana, Kazakhstan

Introduction

1. The 12th Meeting of the CAREC Transport Sector Coordination Committee (TSCC) (the Meeting) was held on 5–7 June 2013, Astana, Kazakhstan. Delegations from all ten CAREC member countries¹ and representatives of the Asian Development Bank (ADB) European Bank for Reconstruction and Development, Intergovernmental Commission Transport Corridor Europe-Caucasus-Asia, Islamic Development Bank, Japan International Cooperation Agency, Shanghai Cooperation Organization, and the World Bank participated in the meeting. Ministry of Transport and Communications of Kazakhstan and ADB co-chaired the Meeting. The Meeting agenda and list of the participants are in Appendices 1 and 2

Session 1: CAREC Transport and Trade Facilitation: Progress Reports

2. The TSCC Secretariat presented the Transport Sector Progress Report on implementation of the Transport and Trade Facilitation Strategy and Action Plan from 30 November 2012 to 31 March 2013. The participants were generally satisfied with the progress since the 2012 Wuhan Senior Officials Meeting on physical investments that have contributed to improvement of roads along the six CAREC corridors. The Meeting confirmed that the target of completing improvement of 75% of the total length of roads had been achieved, representing about 80% of the total CAREC road corridor improved.

3. The TSCC Secretariat presented the progress on trade facilitation. The participants stressed the need to make greater efforts on trade facilitation-related development and nonphysical ‘soft’ parts of the program in order to expedite the cross-border movement of goods and peoples in CAREC member countries.

4. Key issues highlighted by the participants include:

- Accelerating construction of remaining sections of CAREC corridors in each facilitation country;
- More funds and attention given to railways, road maintenance and trade related infrastructure;
- Encouraging private sector participation in CAREC corridor infrastructure construction, operation, and maintenance;
- Extending CAREC corridors to Pakistan and Turkmenistan through Afghanistan;
- Enhancing trade facilitation measures to increase efficiency of CAREC corridors, including in particular simplifying and harmonizing of cross-border procedures to ease the transnational movement of goods and people along CAREC corridors; and
- Accelerating ratification of Cross-Border Transport Agreement between the Kyrgyz Republic and Tajikistan, and accession of Afghanistan.

¹ Afghanistan, Azerbaijan, the People’s Republic of China, Kazakhstan, the Kyrgyz Republic, Mongolia, Pakistan, Tajikistan, Turkmenistan, and Uzbekistan.

5. The Kyrgyz Republic and Mongolia requested to consider the possibility to include new proposed corridors into the CAREC program.

Session 2: Stock-Take of the Implementation of the CAREC Transport and Trade Facilitation Strategy and Action Plan

6. The consultant presented the overview of the draft stock-take progress and outcomes of midterm review of the CAREC Transport and Trade Facilitation Strategy (the Strategy) and Implementation Action Plan (the Action Plan). With regards to the lessons learnt and issues of the implementation of the Strategy and Action Plan, the participants highlighted the following:

- There was general satisfaction with the progress of linear physical investment projects, but more attention to non-linear project (ports, logistics centers, and cross-border infrastructures and related facilities) is required;
- It's important to monitor the outcomes of projects after their physical completion, and as such, CAREC countries need to develop a design and monitoring framework (DMF), establish key baselines, collect, and analyze critical transport and trade facilitation data;
- More efforts need to be made to address soft aspects of the transport and trade facilitation;
- There is a need for diversification into other modes of transport, including railway, ports, and transport logistics development;
- CAREC countries have a need to study technical standards towards better definition and alignment of those standards (such as axle load, truck dimensions, and tracking devices, etc.);
- Adequate budget allocation, objective planning and efficient implementation in road maintenance are essential to ensure the sustainability of road corridors;
- Institutional aspects of transport and trade facilitation (including inter-agency coordination, capacity building, etc.) warrants more attention; and
- Role of private sector needs further enhancing, and PPP opportunities in various forms needs to be further explored.

7. Each CAREC member countries presented its CAREC experience in the transport sector and areas of trade facilitation, highlighting the advantages, benefits, and outcomes. These presentations will be uploaded onto the CAREC website.

Session 3: Formulation of the Refined Transport and Trade Facilitation Strategy

8. The TSCC Secretariat presented the proposed outline of the refined Strategy. Two subgroup brainstorming discussions were simultaneously conducted to review, analyze, and provide recommendations on the proposed outline. The session was concluded by a plenary discussion to integrate all the inputs from the subgroup discussions. The Meeting agreed to extend Transport and Trade Facilitation Strategy to 2020, which aligns with CAREC 2020.

9. The Meeting also agreed to develop design and monitoring framework for the refined Strategy with properly identified indicators and baselines.

10. Delegates agreed that 2+X principle² and bottom-up approach will continue to be adopted for initiatives such as CBTA. For issues with regional importance, such as standardization need to be carefully handled and as the first step, research support from CAREC Institute may be sought.

² The "2+X" principle allows a subset of CAREC countries to implement regional projects or initiatives agreed by all members.

11. The delegates agreed that there is a need to set up and strengthen the institutional capacity development for implementing the refined Strategy. Delegates shared the need to attract development partners for institutional development support and capacity building..

12. Regarding the timeline for further processing of midterm review, delegates requested the secretariat to extend the deadline for the country review of refined Strategy until 5 September and indicated that refined Strategy should be reasonable in size and length, with an executive summary of key changes.

13. The next TSCC Meeting is scheduled for 18–19 September 2013 in Bangkok, Thailand.

Session 4: Knowledge Sharing on Innovative Transport Operations and Management

14. ADB made presentation on Implementation of Sustainable Transport Initiatives. ADB is now mainstreaming sustainable transport initiatives with targets set for 2020. Concrete examples of sustainable transport projects were presented. CAREC member countries are encouraged to learn from these good examples. Successful Implementation of Railway Project in Afghanistan was also presented.

15. The representative from the Intergovernmental Commission Transport Corridor Europe-Caucasus-Asia (TRACECA) presented the background of how the organization developed and its geographic coverage as well as its initiatives on corridor development in the future. Lessons from Latin America were described and it was highlighted that continuous intergovernmental cooperation was required. The Latin America experience also suggested the importance of having reliable data in the stock take analysis. The TRACECA representative proposed to sign a Memorandum of Understanding between the TRACECA and CAREC.

16. The Speaker of Shanghai Cooperation Organization (SCO) introduced key objectives of the SCO to the Meeting participants. He noted that the SCO had a solid contractual and legal framework on political, economic and humanitarian spheres. He informed of the work on drafting an intergovernmental Agreement among the SCO member states on establishment of favorable conditions for international road transport and Annexes to it, as well as modernization of transport infrastructure and development of transit potential of the SCO member states.

17. The World Bank presented its support to the CAREC program and highlighted new approaches to transport strategies, ideas for road investment and maintenance, rail development, trade and transport facilitation, and telecommunications connectivity.

18. The participants highlighted the importance of sustainable transport approach in the context of CAREC program, especially in the areas of regional railways, cross-border transport, road assets management, road safety, and urban transport. The participants are looking forward to receiving technical and advisory services, capacity building, and knowledge sharing opportunities in these new areas. It was also noted that the need to establish some form of institutional arrangements for transport knowledge sharing, such as through the CAREC Secretariat or CAREC Institute.

Closing Session

19. The Meeting participants expressed their appreciation to the Ministry of Transport and Communications of the Kazakhstan for hosting the 12th CAREC TSCC Meeting. The Meeting participants also expressed appreciation to ADB and the TSCC Secretariat for providing logistical and administrative support.