



DRAFT CONCEPT NOTE

Best practices in corridor development and management for the benefit of LLDCs and transit countries

Ulaanbaatar, Mongolia

29-30 October 2019

Context

The Vienna Programme of Action for the Landlocked Developing Countries (VPoA) adopted by the international community in 2014 offers a holistic approach to addressing the special needs and challenges of Landlocked Developing Countries (LLDCs) in its priority areas including; Fundamental Transit Policy Issues; Infrastructure Development and Maintenance; International Trade and Trade Facilitation; Regional Integration and Cooperation, Structural Economic Transformation, and Means of Implementation.

Effective, efficient and sustainable transport systems are becoming increasingly important for increasing connectivity, allowing access to markets and enabling countries to benefit from global trade. Transport is a key enabler of sustainable development. Transport is not a standalone Sustainable Development Goal (SDG), but plays a vital role in achieving all SDGs, and there are many Goals with direct connections to transport, including through specific transport-related targets. The fact that transport related targets or indicators are included in eight out of the seventeen proposed SDGs (namely Goals 2, 3, 6, 7, 9, 11, 12, 13) illustrates the cross-cutting role that transport has in sustainable development.

Transit transport is a key issue in particular for the LLDCs. Due to the lack of direct access to the sea, LLDCs are marginalized from major transportation and services networks and depend entirely on transit routes across their neighbouring country territories for transportation of their exports and their imports. Amongst the key objectives of the Vienna Programme of Action is to ensure efficient access to and from the sea for the LLDCs, reduce the high trade and transport costs, develop adequate transit transport infrastructure networks, simplify and harmonize rules and regulations and promote increased participation of LLDCs in global trade. To achieve these objectives for the LLDCs, transit, transport, infrastructure and trade issues need to be considered together.

A multimodal international transit transport corridor is a coordinated bundle of transport and logistics infrastructure and services, across all modes of transport that combines economic, social and environmental advantages of different modes of transport and facilitates trade and transport flows between major centres of economic activity, including production, transshipment or consumption. The facilities and services that compose a multimodal transit transport corridor

include not only roads, railways, waterways but can also include pipelines, border posts, dry ports, seaports, and intermodal facilities. In order to be effective and efficient, transit transport corridors need not only to have good and well-maintained transport infrastructure, they also require smooth implementation of agreed legal frameworks, transit rules and policies and transport and trade facilitation measures.

Promoting and establishing efficient transit transport systems, including corridors, is especially important for the LLDCs as they offer the means to link them to international markets, regional and global value chains and increasing exports. Establishing well-functioning and efficiently governed transit routes will also contribute to reduction in time spent at borders and the costs of transport, increasing the reliability and predictability of transport. Regulatory and other constraints to trade facilitation that many LLDCs face obtain a practical relevance in terms of the corridor level, enabling the design of appropriate interventions. The effective establishment and management of transit corridors will also support the implementation of the VPoA, including through building of hard and soft infrastructure, harmonization of rules and procedures along the corridor and enhancing regional integration, amongst other things.

The operation and management of a corridor is typically coordinated by a regional corridor coordination body/authority, constituted by the concerned governments and other public and/or private sectors. Legal agreement on the operationalization and institutional aspects of a corridor may need to be developed and signed by the concerned parties. Effective rules and regulations, as well as supporting policies need to be developed to encourage the use of the different modes along the corridor. Hence, well-coordinated bilateral and regional cooperation and collaboration between LLDCs and transit developing countries is crucial.

The corridor approach is increasingly being utilized by LLDCs and their transit neighbours. In Africa, the establishment of transit transport corridors and corridor management bodies has been ongoing for some time. The Northern Corridor was one of the first corridors where the concerned countries negotiated a multilateral agreement, the Northern Corridor Transit Agreement, which led to the establishment of the Northern Corridor Transit Transport Coordination Authority that governs the corridor. Similar arrangements exist for the Central Corridor or Maputo Development Corridor for example. The Walvis Bay Corridors are overseen by the Walvis Bay Corridor Group, a unique public-private partnership of governments, transport regulators and transport operators.

In Asia, the institutionalization and management of transit transport corridors counts among rather recent issues. At the time same time, the Intergovernmental Agreements on the Asian Highway Network, the Trans-Asian Railway Network and the Dry Ports usher in greater prospects for the development of efficient international intermodal corridors in the region. Existing corridor infrastructure in Asia involving LLDCs includes for example the Central Asia Regional Economic Cooperation (CAREC) corridors, Transport Corridor Europe-Caucasus-Asia (TRACECA) corridors, the corridors in the Greater Mekong Subregion, SAARC Corridors, the Euro-Asian Transport Links routes (EATL), the International North-South Transport Corridor (INSTC), and the Asian highway and Trans-Asian railway networks, to name a few.

Efforts are also ongoing by some countries to establish new corridors. The Chinese Belt and Road Initiative is a major initiative that seeks to promote greater regional connectivity within Asia and with Europe and includes the land-based Silk Road Economic Belt and the Maritime Silk Road. The six east-west and north-south trans-regional economic corridors of the initiative include many of the LLDCs in the region. In June 2016, the Presidents of the Mongolia, Russian Federation and China signed a Program of Trilateral Economic Corridor linking the three countries, which includes over 30 projects. Since then, the three countries signed Intergovernmental Agreement on

International Road Transport along the Asian Highway Network in December 2016. Other agreements have also been signed in this context, such as “Intergovernmental Agreement between the Governments of Mongolia and the Russian Federation on Terms for Rail Freight Transit Transportation”, “Agreement on Access to and from the Sea and Transit Transport through China’s Territory by Mongolia” as well as the “Intergovernmental Cooperation Agreement between Mongolia and China on Railway Transit Transportation”. The Ashgabat Agreement to establish international transport and transit corridor between Central Asia and the Persian Gulf by countries of India, Iran, Kazakhstan, Oman, Afghanistan, Turkmenistan and Uzbekistan, which was instituted in 2011 came into force in April 2016.

Given these recent advances, the development of effective mechanisms for institutional management of corridors, ensuring that corridors are operational and enhancing the capacity of the LLDCs and transit countries to develop and manage corridors is therefore a timely endeavour.

It is in this context that UN-OHRLLS and the Government of Mongolia, in collaboration with the International Think Tank for Landlocked Developing Countries and other partners will organize this meeting to facilitate sharing of experiences on effective transit transport corridor development, functioning and management for the benefit of LLDCs and transit countries.

The meeting will serve as a pre-conference event to the midterm review of the Vienna Programme of Action to be held in early December 2019 pursuant UN GA Resolution 73/243 and will provide an important input therein.

Objectives of the meeting

- Review the state of institutional arrangements of existing transit transport corridors
- Share knowledge, successful models and best practices amongst LLDCs and transit countries for effective multimodal corridor development, functioning and management
- Facilitate dialogue and experience sharing on corridor management amongst LLDCs and transit countries from different regions
- Identify recommendations to facilitate the development, functioning and effective management of corridors

Expected outcomes

- Enhanced knowledge amongst LLDCs and transit countries on effective corridor development, functioning and management through sharing of experiences and lessons learned
- Development of a set of policy recommendations for LLDCs and transit countries in Euro-Asia and beyond for successful multimodal corridor development, functioning and management, in particular corridor institutional and management arrangements
- The report and recommendations of the meeting will provide an input into the midterm review of the Vienna Programme of Action to be held in early December 2019

Participation

The meeting will bring together senior officials from LLDCs and transit developing countries; representatives of corridor management organizations; UN and international, regional, and sub-regional organizations; private sector representatives; experts or practitioners on the ground who can share experiences and best practices.

Date, venue and format of the meeting

The meeting will take place on 29-30 October 2019 and will be hosted by the Government of Mongolia. A host country agreement will be developed to specify the details of the organizational aspects and responsibilities.

The meeting will take place over the period of two days. It will consist of an opening session, number of focused thematic sessions and a closing session.

The Meeting will be conducted in English, Spanish, French and Russian (tbc).

Organizers

The meeting will be organized by UN-OHRLLS and the Government of Mongolia, in collaboration with the International Think Tank for Landlocked Developing Countries and other relevant organizations.