Meeting on Best Practices in Corridor Development and Management for the Benefit of LLDCs and Transit Countries
Ulaanbataar, Mongolia 29-30 October 2019

Session 1. Corridors as key for LLDCs’ trade and access to global markets

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Economic Affairs Officer
Transport Division
Background:
ESCAP initiatives to enhance regional connectivity

Infrastructure:
- Asian Highway
- Trans-Asian Railway
- Dry Ports

Transport facilitation:
- Inherently challenging
- Involves numerous countries, government agencies and local authorities
- Different institutional environment
- Implementation capacities
Trans-Asian Railway Network
Trans-Asian Railway Network: overview

- Intergovernmental Agreement on the Trans-Asian Railway Network
- 117,500 km of rail routes
- 28 countries
- Promotes the development of the Trans-Asian Railway network as part of its overall goal to see the development of an international, integrated, intermodal transport and logistics system for the region, along with the Asian Highway, dry ports and facilitation measures.
- 17 articles and 2 annexes on routes and guiding principles relating to technical characteristics, e.g. railway gauge, standards for container terminals etc.
- Working Group Meeting once every 2 years
Asian Highway Network: focus in the subregion

- Intergovernmental Agreement on the Asian Highway Network
- 141,000 km of roads
- 32 countries
- Promotes the development of the Trans-Asian Railway network as part of its overall goal to see the development of an international, integrated, intermodal transport and logistics system for the region, along with the Asian Highway, dry ports and facilitation measures.
- 19 articles and 3 annexes on routes, technical characteristics of road class requirements and signages.
- Working Group Meeting once every 2 years
Challenges on inland connectivity along ESCAP Transport Corridors
ESCAP Eurasian Transport Corridors

- Intercontinental & multimodal routes
- On the Asian Highway and Trans-Asian Railway networks
- 23 countries
- 48 inland border crossing points; 36 seaports
Railway: different gauges

**CENTRAL CORRIDOR**

**SOUTHERN CORRIDOR**

**Gauge width, mm**
- 1000
- 1000/1435
- 1000/1676
- 1435
- 1435/1520
- 1520
- 1676

**Railway lines**
- **Under construction**
- **In operation**
- **Ferry**
Railway: infrastructure quality

NORTHERN CORRIDOR

CENTRAL CORRIDOR

Number of tracks
Lines in operation
- double
- single
- ferry

Lines under construction
- double
- single

Electrified
- no
- on-going
- yes

UNIVERSAL
Economic and Social Commission for Asia and the Pacific
Road: infrastructure quality

Classes of the roads in accordance with Asian Highway classification
- Primary, Class I, mix of Primary and I
- Class II or mix of Classes I and II
- Class III or mix of Class III with Class I, II or both
- Below III
- Mix of sections below Class III with sections of Class I, II, III
Transport and transit Rights

- Bilateral agreement
- Multilateral agreement (ECMT, EU, EEC, Intergovernmental Agreement on International Road Transport along the Asian Highway Network etc.)

<table>
<thead>
<tr>
<th>Road transport permits and traffic rights (cross border road freight transport)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Fully liberalized (no permits)</td>
</tr>
<tr>
<td>• Partially liberalized under certain conditions (permits, quota, etc.)</td>
</tr>
<tr>
<td>o Multiple trip valid for one year</td>
</tr>
<tr>
<td>o Single trip valid for one trip</td>
</tr>
<tr>
<td>o No Quota</td>
</tr>
<tr>
<td>o Quota</td>
</tr>
<tr>
<td>o Permit issued to transport operator</td>
</tr>
<tr>
<td>o Permit issued to vehicle</td>
</tr>
<tr>
<td>o No designated routes</td>
</tr>
<tr>
<td>o Designated routes</td>
</tr>
<tr>
<td>• No traffic rights (loading/unloading at the border)</td>
</tr>
</tbody>
</table>
Road traffic rights exchange and permits along the northern corridor by border crossing posts:

- Permit-free bilateral road transport possible, no restrictions on routes or border-crossing posts
- Road transport permit required, with or without restrictions on routes and border-crossing posts

Northern Corridor: road

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Road: traffic rights

- Permit-free bilateral road transport possible, no restrictions on routes or border-crossing posts
- Road transport permit required, with or without restrictions on routes and border-crossing posts
- No traffic rights, transshipment at border, arrangements for entrance at the other side’s border facility may exist
**Road: traffic rights**

**SOUTHERN CORRIDOR**

Road traffic rights exchange and permits along the southern corridor by border crossing posts:

- Permit-free bilateral road transport possible, no restrictions on routes or border-crossing posts
- Road transport permit required, with or without restrictions on routes and border-crossing posts
- No traffic rights, transshipment at border, arrangements for entrance at the other side’s border facility may exist
Challenges to seamless connectivity

- Infrastructure quality

- Traffic rights:
  - No traffic rights, transshipment at border areas
  - Permit system (quotas, designated route, permit validity i.e. single trip or multiple, issue to vehicles or service providers etc.)
  - Transit is subjected to special permits if possible at all
  - Cabotage is usually forbidden

- Mismatch and disbalance in transport regulations for bilateral/international road transport
  - Designation of routes and extent of access granted
  - Weight and dimension standards
  - Requirements towards driving license
  - Requirements for the third party liability insurance
  - Customs requirements for temporary importation of vehicles and cargos

- Border-crossing operational gaps
  - Not harmonized transit trade procedures
  - Lack of inter-agency cooperation
  - Low adoption of advance risk-management technologies
  - Delays due to queuing
  - Lengthy inspections
  - Manual processing of the documents
  - Working hours not synchronized between the 2 sides
Different documentations requirements at border crossing points

<table>
<thead>
<tr>
<th>Russian Federation</th>
<th>Mongolia</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Vehicle registration certificate</td>
<td>• Vehicle registration certificate</td>
</tr>
<tr>
<td>• Third-party motor vehicle insurance certificate or Green Card</td>
<td>• Vehicle inspection certificate</td>
</tr>
<tr>
<td>• Cross-border transport permit</td>
<td>• Cross-border transport permit</td>
</tr>
<tr>
<td>• Valid driving license</td>
<td>• Vehicle insurance certificate</td>
</tr>
<tr>
<td>• National vehicle registration plate and distinguishing sign</td>
<td>• National vehicle registration plate and distinguishing sign.</td>
</tr>
<tr>
<td></td>
<td>• Transport operator registration certificate</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>China</th>
<th>Russian Federation</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Vehicle registration certificate</td>
<td>• Vehicle registration certificate</td>
</tr>
<tr>
<td>• Vehicle inspection certificate</td>
<td>• Vehicle inspection certificate</td>
</tr>
<tr>
<td>• Cross-border transport permit</td>
<td>• Vehicle insurance certificate</td>
</tr>
<tr>
<td>• Third-party liability vehicle insurance certificate</td>
<td>• Cross-border transport permit</td>
</tr>
<tr>
<td>• Valid driving license</td>
<td>• Valid driving license</td>
</tr>
<tr>
<td>• National vehicle registration plate and distinguishing sign</td>
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</tr>
</tbody>
</table>

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<th>Mongolia</th>
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<td>• Vehicle registration certificate</td>
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<td>• Cross-border transport permit</td>
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## Different documentations requirements at border crossing points

<table>
<thead>
<tr>
<th>Russian Federation</th>
<th>Mongolia</th>
</tr>
</thead>
<tbody>
<tr>
<td>• CMR consignment note</td>
<td>• CMR consignment note</td>
</tr>
<tr>
<td>• Commercial invoice</td>
<td>• Commercial invoice</td>
</tr>
<tr>
<td>• Packing list</td>
<td>• Packing list</td>
</tr>
<tr>
<td>• Veterinary certificate, phytosanitary</td>
<td>• Bill of lading</td>
</tr>
<tr>
<td>certificate</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>China</strong></td>
<td><strong>Russian Federation</strong></td>
</tr>
<tr>
<td>• Customs declaration form for importing</td>
<td>• CMR consignment note</td>
</tr>
<tr>
<td>goods</td>
<td>• Commercial invoice</td>
</tr>
<tr>
<td>• Trading contract</td>
<td>• Packing list</td>
</tr>
<tr>
<td>• Consignment note</td>
<td>• Veterinary certificate</td>
</tr>
<tr>
<td>• Authorization and entrustment agreement</td>
<td>• Phytosanitary certificate</td>
</tr>
<tr>
<td>for customs clearance</td>
<td></td>
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<tr>
<td></td>
<td></td>
</tr>
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<tr>
<td>• Trading contract</td>
<td>• Packing list</td>
</tr>
<tr>
<td>• Consignment note</td>
<td>• Certificate of origin</td>
</tr>
<tr>
<td>• Authorization and entrustment agreement</td>
<td>• Commercial contract</td>
</tr>
<tr>
<td>for customs clearance</td>
<td></td>
</tr>
</tbody>
</table>
Weights and dimensions

Road traffic rights exchange and permits along the Northern Corridor by border crossing posts:
- Permit-free bilateral road transport possible, no restrictions on routes or border-crossing posts
- Road transport permit required, with or without restrictions on routes and border-crossing posts

<table>
<thead>
<tr>
<th></th>
<th>Maximum Width, mm</th>
<th>Maximum Height, mm</th>
<th>Maximum Length, mm</th>
<th>Maximum Gross Weight, tonnes</th>
<th>Maximum Axle Load, tonnes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rigid truck</td>
<td>Articulated Vehicle/Road Train</td>
<td>Rigid Truck</td>
<td>Articulated Vehicle/Road Train</td>
<td>Group Axles</td>
</tr>
<tr>
<td>China</td>
<td>2,550</td>
<td>4,000</td>
<td>12,000</td>
<td>20,000</td>
<td>31.00</td>
</tr>
<tr>
<td>Mongolia</td>
<td>2,500</td>
<td>4,000</td>
<td>12,000</td>
<td>18,750</td>
<td>44.00</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>2,550ii</td>
<td>4,000</td>
<td>12,000</td>
<td>20,000</td>
<td>35.00</td>
</tr>
<tr>
<td>EU</td>
<td>2,550</td>
<td>4,000</td>
<td>12,000</td>
<td>18,750</td>
<td>32.00</td>
</tr>
</tbody>
</table>

Source: National standards as indicated in the footnotes to the Annex I.

Notes:
- i – for tridem axle
- ii – 2,600 mm for truck with isothermal or refrigerator body
- iii – for powered axle
- N.A. – data are not available.
- the limit is not set by the standard.
## International road operations

### Operational issues: differences in emissions standards

<table>
<thead>
<tr>
<th>Country</th>
<th>Emission standard</th>
<th>Equivalent to EURO standards</th>
</tr>
</thead>
<tbody>
<tr>
<td>Republic of Korea</td>
<td>National and Euro VI</td>
<td>EURO VI</td>
</tr>
<tr>
<td>Democratic People’s Republic of Korea</td>
<td>..N/A</td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>CHINA 5</td>
<td>EURO V</td>
</tr>
<tr>
<td>Mongolia</td>
<td>..N/A</td>
<td></td>
</tr>
<tr>
<td>Kazakhstan</td>
<td>EAEU Technical Regulations TP TC 018/2011</td>
<td>EURO V</td>
</tr>
<tr>
<td>Russian Federation</td>
<td>EAEU Technical Regulations TP TC 018/2011</td>
<td>EURO V</td>
</tr>
<tr>
<td>EU</td>
<td>Euro 6 and Euro VI</td>
<td>EURO VI</td>
</tr>
</tbody>
</table>
# Dry-ports and Sea-ports

<table>
<thead>
<tr>
<th>Country</th>
<th>Seaport</th>
<th>Turnover (million tons)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>China</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Dalian</td>
<td>423</td>
</tr>
<tr>
<td></td>
<td>Yingkou</td>
<td>331</td>
</tr>
<tr>
<td></td>
<td>Tianjin</td>
<td>540</td>
</tr>
<tr>
<td></td>
<td>Lianyungang</td>
<td>196</td>
</tr>
<tr>
<td><strong>Democratic People’s Republic of Korea</strong></td>
<td>Nampo</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td>Chongjin</td>
<td>8</td>
</tr>
<tr>
<td></td>
<td>Hungnam</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Rajin</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>Sonbong</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Wonsan</td>
<td>2</td>
</tr>
<tr>
<td><strong>Republic of Korea</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Busan</td>
<td>292</td>
</tr>
<tr>
<td></td>
<td>Gwangyang</td>
<td>211</td>
</tr>
<tr>
<td></td>
<td>Incheon</td>
<td>97</td>
</tr>
<tr>
<td></td>
<td>Pyeongtae-Dangjin</td>
<td>92</td>
</tr>
<tr>
<td></td>
<td>Pohang</td>
<td>91</td>
</tr>
<tr>
<td></td>
<td>Ulsan</td>
<td>71</td>
</tr>
<tr>
<td><strong>Russian Federation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Vladivostok</td>
<td>15</td>
</tr>
<tr>
<td></td>
<td>Nahodka</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>Vostochny</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td>St. Petersburg</td>
<td>61</td>
</tr>
</tbody>
</table>
Sea-Land connectivity
Republic of Korea – Mongolia

**ROK**
- *Incheon Port*
  - Vessel
  - 2-3 days

**CHINA**
- *Tianjin Port*
  - Rail or truck
  - 3-4 days

- *Erlian*
  - Rail
  - 1 day

**MONGOLIA**
- *Zamyn-uud*
  - Rail
  - 1.5-2 days

- *Ulaanbaatar*

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**Border control procedures**

- **ROK**
  - Export clearance at port or inland

- **CHINA**
  - **Border control procedures**
    - Submission of documentation and transit customs clearance at port
    - Application for railway wagons or trucks
    - Issuance of railway or TMR consignment note
    - Dwell time: 4-5 days

- **MONGOLIA**
  - **Border control procedures**
  - Submission of documentation and final transit customs clearance at border
  - Despatch of wagons to Zamyn-uud
  - Dwell time: 1 day

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**TOTAL TRANSIT TIME:** 12-17 days

Source: Adapted from Presentation by SJ Logistics, Seoul, 14 April 2016
• TRANSPORT CORRIDORS MANAGEMENT
• TRANSPORT FACILITATION FRAMEWORKS, TOOLS AND MODELS
International Corridor Management

Components of a Transport Corridor:

- infrastructure links, minimum standards for infrastructure, minimum standards for rehabilitation and maintenance of infrastructure
- border crossing points, laws and regulations, Customs, inspections
- information, monitoring, etc.

- Sub-regional Agreements

- Bilateral Agreements

- International Corridor Management models, e.g. Transport Corridor Observatory; Transport Corridor Coordination Committee; or Transport Corridor Authority
Management of Transport Corridors

- Planning and financing of investments of transport infrastructure
- Studies
- Exchange of Information
- Technical standards and interoperability
- Border crossing and Customs cooperation
- Framework for participation of economic and social partners
- Ministerial Meetings
- Steering Committee
- Implementation
ESCAP Transport Division:
Initiatives to enhance regional connectivity

Regional Frameworks
- Regional Strategic Framework for the Facilitation of International Road Transport
- Regional Cooperation Framework for Facilitation of International Railway Transport

Eight mutually complementary models/tools
- Time/Cost-Distance Methodology
- Secure Cross-border Transport Model
- Model on Integrated Controls at Border Crossings
- Efficient Cross-border Transport Model
- Standard Model for Logistics Information System
- Model Bilateral Agreement on International Road Transport
- Model Subregional Agreement on Transport Facilitation
- Model Multilateral Permits for International Road Transport
Regional Cooperation Framework for the Facilitation of International Railway Transport

Identifies 4 fundamental issues for facilitation of international railway transport

1. Standards for railway infrastructure, facilities and equipment
2. Break of gauge
3. Different legal regimes for railway transport contracts
4. Coordination of regulatory controls and inspections at border-interchange stations

Identifies 11 priority areas for cooperation among member countries to facilitate railway transport in the region

1. participation in international railway organizations (OSJD, OTIF)
2. formulation of subregional and bilateral agreements on the facilitation of railway transport
3. cooperation to standardize cross-border railway operations
4. use of advance passenger/cargo information system(s)
5. arrangements for the exchange of wagons
6. use of new technologies in train operations as well as in container tracking
7. developing human resources for cross-border railway operations (visas, training, conditions of service)
8. establishment of logistics centers/dry ports and maintenance hubs at or near border interchange stations, particularly along railway freight corridors
9. simplification of the intermodal interface of railways with maritime, air and road transport
10. promotion of the corridor approach in the facilitation of international railway transport
11. work towards paperless railway freight transport
Regional Strategic Framework for the Facilitation of International Road Transport

Common fundamental issues
1. road transport permits & traffic rights
2. visas for professional drivers & crew
3. temporary importation of road vehicles
4. insurance of vehicles
5. vehicle weights & dimensions
6. vehicle registration & inspection certificates

Common approaches for key modalities for facilitation
1. building an effective legal regime
2. wider application of new technologies
3. development of professional training
4. establishment/strengthening of national coordination mechanisms
5. promotion of joint control at border crossings
6. promotion of economic zones at border crossings, dry ports and logistics centres
7. further application of facilitation tools
Thank you

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