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Working Party on Intermodal Transport and Logistics

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FUTURE WORK AND OPERATION OF THE WORKING PARTY

Conclusions of a virtual group of experts

Note by the secretariat

I. MANDATE

1. The Working Party on Intermodal Transport and Logistics, at its fifty-first session in March 2009, decided to ask a virtual group of experts to prepare a guide or road map on the future work and operation of the Working Party. This road map should be considered by the Working Party at its forthcoming session in October 2009 together with its new programme of work for 2010-2014 (ECE/TRANS/WP.24/123, paragraph 5). In accordance with this request, the secretariat has prepared the present document summarizing the conclusions of the virtual group of experts.

II. EARLIER CONSIDERATIONS ON THE PROGRAMME OF WORK

2. At its fiftieth session in October 2008, the Working Party had already reflected on its role and work undertaken since its creation in September 1979 based on a note prepared by the secretariat entitled "Looking back and peering forward" (ECE/TRANS/WP.24/2008/6). At the same session, the Working Party reviewed its main achievements and activities during the past

nearly 30 years and felt that a number of new activities might need to taken up as part of its 5-year work programme in 2009 (ECE/TRANS/WP.24/121, paragraphs 7-10). These proposals have been reviewed by the virtual group of experts and incorporated into the draft programme of work (2010-2014) for consideration by the Working Party at its present session under agenda item 13 (ECE/TRANS/WP.24/2009/7).

3. At its fifty-first session in March 2009, the Working Party had approved a study on the design and management of freight and intermodal transport that also identified a number of new activities in the field of transport chains and logistics to be included into its future programme of work (ECE/TRANS/WP.24/123, paragraphs 25-35 and annex). These proposals have also been reviewed by the virtual group of experts and incorporated into the draft programme of work (2010-2014) for consideration by the Working Party at its present session under agenda item 13 (ECE/TRANS/WP.24/2009/7).

III. PRESENT WORK AND OPERATION OF THE WORKING PARTY

A. Scope and areas of work

- 4. Since 1951, the Working Party is only pan-European inter-governmental organ addressing technical and policy issues in the field of intermodal transport and logistics. It brings together experts from the United Nations Economic Commission for Europe (UNECE) Governments, the European Commission, non-governmental organizations, industry representatives and academia. It provides an international platform for Government and industry experts to be informed of the latest developments in intermodal transport since 2004 also of logistics, to exchange information and good practices, to administer legal instruments and to issue reports, opinions and guidance on specific issues.
- 5. The activities of the Working Party cover fields such as:
 - (a) Pan-European networks and service standards for intermodal transport (AGTC Agreement and its Protocol on Inland Waterways);
 - (b) Interregional Euro-Asian transport links;
 - (c) Efficient intermodal loading units;
 - (d) Liability provisions for intermodal transport;
 - (e) Service quality of railways in intermodal transport;
 - (f) Transport chains and logistics;
 - (g) Intermodal transport terms and terminology.

B. Organization of work

6. Since 1993, the Working Party meets twice a year in March and in October. Its sessions usually consist of five main work segments:

Table 1. Present work segments of the Working Party sessions

Work segments	Description
Information	Activities of Governments, intergovernmental organizations (IGOs), non-governmental organizations (NGOs) and academia (Who is doing what in intermodal transport and logistics?)

Work segments	Description
New developments and	Trends, performance, regulations and technologies in intermodal
best practices	transport
Substantive	Specific elements of the programme of work ¹
Legal	Administration of the AGTC Agreement and its Protocol on Inland Waterways
Administrative	Programme of work, election of officers, setting up of expert groups, meeting dates, etc.).

- 7. To prepare the substantive documentation on specific subjects, the Working Party, since 2007, has established virtual groups of experts, moderated by the UNECE secretariat. These groups undertake work via e-mail in English and/or French. Face-to-face meetings are not anticipated.
- 8. Virtual expert groups have been established in the following fields: Modern transport chains and logistics (2007-2008); Impact of the financial and economic crisis on intermodal transport (2009); and Future work and operation of the Working Party (2009). Usually three to five participants contribute to the work of these groups.

C. Participation at sessions of the Working Party

9. Out of fifty six UNECE member States, between eleven to eighteen country delegations attend regularly the sessions of the Working Party, the large majority (eight to twelve) from EU member States (for details see table below). Three to eight experts come from non-EU member States, mainly from Belarus and the Russian Federation. Among non-EU member States in South-Eastern Europe, only experts from Serbia and Turkey attend regularly. Caucasus countries are represented only very sporadically by members of their Permanent Missions in Geneva. UNECE member countries from Central Asia did not participated between 2005 and 2009.

Table 2. Participation at sessions of the Working Party (2005-2009) (number of delegations)

Participation	2005		2006		2007		2008		2009	
	Spring	Autumn								
Total countries	14	14	18	14	18	13	15	13	11	*
EU countries	9	10	12	10	10	9	11	9	8	
Non-EU countries	5	4	6	4	8	4	4	4	3	
DG TREN	1	1	1	1	1	1	1	1	1	
IGOs,	2	3	1	0	1	1	2	0	2	
NGOs industries, academia	3	10	9	6	9	14	9	7	11	:

^{*} Data will be available at the present session

¹ For details of the programme of work for 2008-2012 see document ECE/TRANS/WP.24/117, annex.

10. Representatives of European Commission (DG TREN) attended all sessions of the Working Party. The United Nations Conference on Trade and Development (UNCTAD) and the Intergovernmental Organization for the International Carriage of Rail (OTIF) participated regularly. Between six to fourteen NGOs and industry groups attend the sessions of the Working Party. Participation peaked in autumn 2007 when the impact of "mega-trucks" on intermodal transport was discussed.

IV. FUTURE WORK AND OPERATION OF THE WORKING PARTY

11. The activities of the Working Parties are mandated by its programme of work that is reviewed and approved by the UNECE Inland Transport Committee (ITC) every two years. In addition, the Working Party is acting as Administrative Committee of the AGTC Agreement and its Protocol on Inland Waterways.

A. Future scope and role

- 12. The Working Party is an inter-governmental organ of the United Nations that serves its fifty six member States. Secretariat services and conference facilities in English, French and Russian are provided by the UNECE, one of the five Regional Commissions of the United Nations. Its overall objective is to promote intermodal transport as an integral part of sustainable transport policies and to support the maximum utilization of equipment, infrastructure and terminals used for such transport.
- 13. The Working Party provides a forum for Government and industry experts at the pan-European level to exchange information on the latest trends and developments in the intermodal transport, supply chains and distribution systems as well as on best practices in national and subregional (EU) intermodal transport policies. The Working Party considers technical, legal and policy aspects of intermodal transport and logistics for the preparation of policy advice and negotiates and administers two multilateral legal instruments. Through its access to other subsidiary organs within UNECE and other United Nations bodies, it draws on the expertise available in other regions of the world as well as in other fields of transport and related areas, such as security, environment, trade and statistics.
- 14. Intermodal transport as well as supply chains and distribution systems are primarily a business activity, even in cases where Governments fully own transport companies, such as rail undertakings or logistic service providers. The expertise of the transport and freight forwarding industries is of paramount importance for the design and implementation of Government policies in this field. These policies must ensure that intermodal transport services and logistics are carried out in line with national transport objectives and respect other economic, social, environmental and spatial policies and regulations set and enforced by public authorities. The exchange of information with the private sector is also of importance for Governments in the fields of transport infrastructure, research, education and raising of awareness. A wide representation of industry experts in the Working Party is thus a key asset for the value-added it can provide.

² For more details on the role of Governments in intermodal transport policy and logistics, see document ECE/TRANS/WP.24/2008/4.

- 15. The Working Party also acts as a link between the member countries of the EU and other UNECE member States where often different technical, regulatory and institutional environments prevail that need to be taken into account to arrive at efficient intermodal transport systems at pan-European or global levels. This is of particular relevance for intermodal transport services.
- 16. The Working Party has the following features that characterize its role:
 - (a) Pan-European concept;
 - (b) Forum for Government and industry experts;
 - (c) Organ for multilateral legal instruments;
 - (d) Interdisciplinary and interregional work;
 - (e) Secretariat and conference facilities (English, French and Russian).
- 17. To effectively play its role and to provide a visible value-added, the Working Party, under the supervision of the ITC, must be actively supported and shaped by a large number of experts from UNECE member States. Also the substantive work undertaken by its virtual expert groups requires more than a handful of experts. Similarly, sessions attended by representatives of one or two sub-regional country groups will not allow the Working Party to fully play its pan-European role. The UNECE secretariat, given its limited financial and personnel resources, is not able to undertake extensive research and substantive studies to support the activities of the Working Party. The role of the secretariat is rather to organize and facilitate discussions, to administer legal instruments and to provide secretariat support in the preparation and during the sessions of the Working Party.

B. Different countries, different needs

18. Due to the heterogeneous economic, political and institutional landscape of the UNECE region, one of the basic requirements of the Working Party to be effective and provide a value added lies in its capability to address the different needs of its "clients", UNECE member Governments as well as NGOs and industry groups.

1. United Nations Economic Commission for Europe's member Governments

(a) European Union and neighbouring countries

- 19. In many Western European countries, intermodal transport, particularly road-rail transport, plays an important role for long-distance transport above 500 km. This is due to attractive transport offers by railways and intermodal transport operators, but also to the high degree and volume of unitized cargoes produced, transported and arriving in containers at maritime ports from overseas. In addition, the often-saturated road networks, particularly along North-South transport corridors traversing the environmentally sensitive and densely populated Alpine regions, have induced Governments to support intermodal transport solutions whereby road transport is confined to the initial and final legs.
- 20. Most of these countries are members of the EU and technical, policy and increasingly legal work in intermodal transport is conceived, undertaken, coordinated, regulated, and financially supported by the European Commission. In addition, "Brussels" undertakes or finances most research activities in this area. This holds also true for the so-called "EU

candidate" countries in South-Eastern Europe as well as for Switzerland, Norway and Turkey, which increasingly align or harmonize their intermodal transport policies with those of the EU. For all of these countries, the "centre of gravity" for intermodal transport lies in Brussels.

21. It is in the interest of these countries that the Working Party further strengthens its role as a platform for the exchange of information and best practices among policy makers and industry representatives. The continued participation of representatives of the European Commission is of importance in this respect. The Working Party however could also play an important role for these countries to consider intermodal transport opportunities to and from other parts of the UNECE region, such as the Caucasus, Central and Far-East Asia or the Middle East.

(b) Eastern European countries

- 22. For Eastern European countries, intermodal transport and logistics will become ever more important in the years to come. This is due to internal reasons and the growing importance of liberalized railways and logistics service providers in these countries. Also international road transport to and from the European Union, the major trading partner of these countries, will increasingly be confronted with rising costs as well as with technical and social regulations and restrictions as a result of environmental, safety and health concerns and due to the saturated road networks. This will require a review of traditional uni-modal transport policy solutions
- 23. Information on the latest trends and developments in intermodal transport and logistics may thus be of particular value for these countries in the design and implementation of their national and international land transport policies. The application of the AGTC Agreement and its infrastructure and performance benchmarks may help these countries in increasing the efficiency of intermodal transport services and in developing regular container train services between Western European markets and Central and Far-East Asia. The Working Party and its experts could certainly be of assistance in this endeavour.

(c) Central Asia and Caucasus countries

- 24. In Central Asia and the Caucasus, intermodal transport is at present of no or little importance and maritime container transport is carried out nearly exclusively by the national railway undertakings in these countries. Intermodal transport operators as such do not exist. However, with the continuing trend towards globalization and the development of its industries, intermodal transport services involving road-rail transhipment operations will increasingly be required to facilitate international transport and trade in this region and with neighbouring countries. National transport policies will need to address this in the near future
- 25. For these countries, information on the latest trends and developments in intermodal transport and logistics as well as the expertise available in the Working Party may be of particular value. In addition, the possibilities to use Russian in its deliberations should be an asset for these countries and should facilitate the exchange of information in the Working Party. Furthermore, accession to and implementation of the AGTC Agreement may be of assistance in the promotion of intermodal transport in and with the region and in the procurement of assistance from international finance institutions for construction of the required infrastructures.

(d) Canada and the United States of America

- 26. Canada and the United States of America have developed different rail and intermodal transport solutions than European countries. Railway rolling stock and infrastructure are owned and operated by the private sector with little regulatory and policy involvement of Governments. However, transport policy and regulatory experiences in the promotion of intermodal transport in Europe may be of interest to Canada and the USA, while technical solutions applied in North-America, such as double-stack container trains, may be of interest in Europe for certain high-volume transport corridors.
- 27. Thus, while the interest of these countries in specific intermodal transport policy solutions at the pan-European level may be limited, the exchange of information on trends and new technical and policy developments may be of interest for Europe and North America.

2. Non-governmental organizations and industry groups

- 28. The activities of the Working Party are supported by a relatively large number of non-governmental organizations and industry groups. These "clients" are interested in opportunities to meet with policy makers as well as with technical and legal experts from Ministries of Transport to exchange information on the latest technical and policy developments in intermodal transport, particularly in the European Union.
- 29. Due to the pan-European scope of the Working Party, industry experts could also acquaint themselves with transport policy issues and projects planned and undertaken in Eastern Europe, Caucasus and Central Asia (EECCA), including intermodal transport potentials to and from the Middle East and Asia. The inter-active nature of the discussions in the Working Party allows industry experts to participate on an equal footing with Government delegates and to contribute substantively to the debates and its conclusions.

C. Key areas of future work

- 30. In order to address these different needs and to comply with its mandate, scope and role, the future activities of the Working Party should focus on issues that either constitute a common denominator among these needs and interests or provide an acceptable balance between them.
- 31. In view of its limited resources, the Working Party should concentrate its activities on a few substantive work elements only. Activities related to the AGTC Agreement and its Protocol on Inland Waterways should be strengthened. Finally, the exchange of information on new developments and best practices among Government and industry experts should be extended and more clearly structured.

1. Intermodal transport

32. In the field of intermodal transport, the following main work elements should be addressed by the Working Party:

Substantive segment

(a) Monitoring of bottlenecks in intermodal transport services at the pan-European level;

- (b) Monitoring and analysis of national policy measures to promote intermodal transport;
- (c) Peer reviews on intermodal transport (Governments and industry);
- (d) Rail transport between Europe and Asia: Consequences for Europe intermodal transport;
- (e) New concepts, design, weight and dimensions of intermodal loading units;
- (f) Optimal terminal, transhipment and logistical procedures;
- (g) Reconciliation and harmonization of liability regimes for intermodal transport in a pan-European context.

Legal segment

- (a) Administration of the AGTC Agreement and its Protocol on Inland Waterways;
- (b) Extension of the AGTC network and monitoring of its development;
- (c) Monitoring of AGTC standards and parameters;
- (d) Review of infrastructure standards and performance parameters;
- (e) Review of terminal and transhipment procedures;
- (f) Review of logistical requirements to improve port hinterland transport;
- (g) Raising environmental, energy, safety and security standards.

2. Logistics and supply chains

- 33. This programme element had been transferred to the UNECE Working Party in 2006 upon termination of the former ECMT Working Group of Intermodal Transport and Logistics.
- 34. There seems to be consensus that the predicted increase in European traffic and transport, in spite of the present downturn, will only be possible if better logistics and supply chain management systems, making intelligent use the capacities of all transport modes, allow freight to move more rationally than in the past. This is a challenge for the private sector, but also for policy makers that need to fully understand the requirements of modern supply and logistics chains to ensure that transport policies address the appropriate elements and public financing is used effectively.
- 35. However, at present only a few UNECE Governments and the European Commission consider this field as important for public policy action³ and, as a consequence, only very few Government experts at Ministries of Transport, the main clients of the Working Party, deal with these issues.
- 36. In 2008, the Working Party finalized a detailed analysis of modern transport chains and logistics and prepared a report on logistics, supply chains and intermodal transport (ECE/TRANS/WP.24/2008/4). With the insertion of some logistics activities related to intermodal transport into its new programme of work, further work in this field could be suspended, unless new issues arise. The secretariat should monitor new developments in this field.

³ The 2008 report of the Working Party identified specific transport policies, transport infrastructure, research, education and awareness as fields were Government action was needed (ECE/TRANS/WP.24/2008/4).

D. Re-organization of work

1. Schedule and timing of meetings

- 37. The holding of regular sessions of the Working Party is important to keep the momentum of activities and to maintain its network of experts. The good conference facilities available at the Palais des Nations in Geneva facilitate this work considerably. It is also felt that only face-to-face meetings could generate the necessary constructive, comprehensive and personal exchange of information as well as the timely conclusion of substantive work. The very modest experiences made by the Working Party with its virtual expert groups during the past 3 years seem to confirm this view (see paragraphs 7 and 8).
- 38. The present schedule of the Working Party with two meetings per year, each having three to four half-day sessions, could be maintained. It would allow the Working Party to react quickly to newly emerging trends and developments and maintain continuity in its work. Shorter and, possibly, more frequent sessions of the Working Party that could address only a few items of its programme of work, is not considered to be helpful in keeping its pan-European character. It may also further reduce attendance of experts from EECCCA countries given the long distances involved for their coming to Geneva.
- 39. It must be recognized, however, that other UNECE Working Parties, such as the Working Party on Rail Transport (SC.2) or the Working Party on Transport Trends and Economics (WP.5) operate effectively with only an annual meeting, but are supported by ad hoc expert groups. Thus, as a possible alternative (as already done until 1989), the Working Party could hold only one session per year, supported by one or several ad hoc expert groups dealing with specific subjects to be determined by the Working Party.
- 40. Such ad hoc expert groups could be held in Geneva, but would operate without simultaneous interpretation. They could also be convened by interested countries or organizations outside Geneva to facilitate the participation of country experts. In principle, virtual expert groups would then no longer be required.
- 41. In order to reduce mission costs and reap synergies with other inter-governmental organs within UNECE, the meetings of the Working Party could also be aligned with and held back-to-back with other Working Parties of the ITC that deal with issues of interest to the Working Party. Potential candidates are the Working Parties on Inland Water Transport (SC.3), Rail Transport (SC.2), Transport Trends and Economics (WP.5) and Customs Questions affecting Transport (WP.30). Back-to-back solutions would require consultation and coordination with these Working Parties and, possibly, an alignment of the relevant agendas. Furthermore, such an approach would require delegations to prolong their missions in Geneva to one full week.
- 42. On purely logistical grounds, back-to-back meetings could be arranged easily with SC.3 and SC.2 as follows:

2010	SC.3 WP.24	18-20 October 2010 21-22 October 2010
2011	SC.2 WP.24	First two days in October/November 2011 Second two days in October/November 2011

- 43. A preliminary evaluation of participating experts in the Working Parties concerned seems to indicate however that only very few country and industry experts participate in two or more of these Working Parties. Thus, the savings in mission costs to be achieved through such a solution seem to be marginal.
- 44. Whether synergies in work can be gained by closer cooperation between these Working Parties needs to be analysed in more detail. Possibly, cooperation and coordination among staff of the secretariat could provide similar advantages.

2. Structure of the sessions

45. In order to better address and balance the divergent interests of Government and industry representatives during the sessions of the Working Party, its deliberations could be restructured starting with those work segments that are of interest to all participants. Sessions could be concluded with activities relating to the administration of the AGTC Agreement and its Protocol as well as to mandatory issues of an administrative nature that are of particular interest mainly to Contracting Parties and UNECE Governments (see table below).

Work segments	Length of deliberations (hours)
New developments and best practices	2 - 3
Substantive	4 - 6
Information	1 - 2
Legal	1 - 2
Administrative	1

Table 3. Proposed work segments of the Working Party

46. The timing of the work segments should be indicated in the provisional agenda so as to allow delegations to better plan their attendance at the session.

3. Introduction of themes

- 47. In order to better focus its considerations, the Working Party could determine one or two specific themes to be considered at each meeting under the work segment: New developments and best practices. The themes could be determined by the Working Party at the end of the previous session based on a permanently updated list.
- 48. The discussions under each theme could be prepared and moderated by a lead country or organization, in cooperation with the secretariat and the Chair. The theme could be introduced by one or two short presentations or statements, followed by a moderated discussion and ended with some conclusions drawn. Flexibility should be shown to address newly emerging issues and developments.
- 49. A first list of possible themes is given for consideration by the Working Party:
 - (a) Opportunities and challenges for intermodal transport by inland waterways;
 - (b) Responses by Governments and industry to counter the economic crisis;
 - (c) Land transport strategies of maritime ports: Intermodal transport and dry ports;
 - (d) Land use planning and intermodal transport: The role of terminals;
 - (e) Others (to be identified by the Working Party).

E. Increased participation of experts from Eastern Europe, Caucasus and Central Asia countries at sessions of the Working Party

- 50. One of the key features of UNECE Working Parties are their pan-European concept and scope. Unfortunately, only a small number of experts from EECCA countries attend at present the sessions of the Working Party and even fewer contribute actively to its work.
- 51. As mentioned above (paragraphs 22-25) the main reason lies certainly in the low level and present importance of intermodal transport in these countries. At the institutional level, another reason may lie in the modal structure of Ministries of Transport in EECCA countries that do not yet have horizontal work mechanisms addressing road, rail and inland water transport policies in an integrated and intermodal way. Active participation of these countries in the Working Party may also hampered by the repeated change of personnel in Ministries of Transport in these countries that is also reflected in the frequently changing composition of their delegations in the Working Party. This is in stark contrast to many Western European experts who often attend sessions of the Working Party for several years and are thus very familiar with the subjects and procedures of its considerations. Finally, the relatively high mission costs, due to the long distances to be travelled to and from Geneva, might be another important reason to explain the low rate of participation of EECCA countries.
- 52. The restructuring of its programme of work and the focus on a few specific and concrete issues of general importance may be better in line with the interests of EECCA countries could provide an incentive for larger participation at future sessions of the Working Party. Another measure, as already mention above (paragraph 40), could be the holding of sub-regional ad hoc expert group meetings in EECCA countries to discuss issues of particular concern to these countries. EECCA countries could host and chair such meetings. The conclusions and any proposed follow-up actions could be considered at the annual session of the Working Party in Geneva.
- 53. Alternatively, from time to time, sessions of the Working Party could be convened in EECCA countries, such as the forty-second session that was hosted by the Government of the Ukraine in September 2004 at Kiev. Host countries would, however, need to provide for the additional resources required for secretariat and conference services.
- 54. Furthermore, assistance could be provided to facilitate the participation of experts from EECCA countries at sessions of the Working Party in Geneva. The required funds would need to be provided by donor countries and/or organizations.

IV. PROPOSALS FOR ACTION AND DECISIONS

55. The Working Party may wish to review the present document that sets out a road map to safeguard the role of the UNECE Working Party as a unique pan-European forum where Governments and industry experts jointly consider technical, legal and policy solutions to promote intermodal transport and logistics as an integral part of sustainable transport. The Working Party may wish to consider and approve in particular the measures proposed in this document with a view to raising the value-added and the efficiency of its activities for all UNECE member countries.

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