

**ACTION PLAN
FOR 2010-2012**

**On implementation of the Strategy
of the Intergovernmental Commission TRACECA
for development of the international transport corridor
“Europe-the Caucasus-Asia” (TRACECA)
for the period up to 2015 года.**

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Introduction

In 2006, in Sofia (Bulgaria) during the Fifth Annual Meeting of the Intergovernmental Commission TRACECA the member states of the “Basic Multilateral Agreement on International Transport for Development of the Europe-the Caucasus-Asia Corridor” (MLA) adopted the Strategy of the Intergovernmental Commission (IGC) TRACECA for development of the international transport corridor “Europe-the Caucasus-Asia” (TRACECA Strategy) aimed at achievement of the following priority objectives:

- Creation of a sound multi-modal transport chain;
- Provision of safe, secure and sustainable transport;
- Gradual integration of the corridor into the Trans-European Transport Networks (TENs);
- Attraction of various sources of financing, ensuring that sustainable and sufficient funds will be available to successfully initiate and complete the investments that are required in regional transport infrastructure;
- Exploiting the full potential of air transport and boosting air passenger traffic;
- Strengthening and modernizing the institutional dimensions of the transport system.

Having adopted the TRACECA Strategy, the Parties to the Basic Multilateral Agreement made a decision to work out the actions directed to the fulfillment of the pillars and objectives of the TRACECA Strategy stated in a number of Action Plans for the periods of 2008-2009, 2010-2012 and 2013-2015.

The first Action Plan for 2008-2009 in the framework of implementation of the TRACECA Strategy was developed by the Permanent Secretariat of the IGC TRACECA together with the Parties to the Basic Multilateral Agreement and the European Commission, and adopted at the Sixth Annual Meeting of the IGC TRACECA (13 December, 2007, Astana, the Republic of Kazakhstan).

In accordance with the recommendations of the Meeting of the Permanent Representatives of the PS IGC TRACECA (28 April, 2008, Odessa, Ukraine) with the view to successfully carry out the tasks set by the Action Plan there was elaborated the Monitoring Methodology in respect of Realization of the Action Plan which served the basis for the Permanent Secretariat to collect the data on the realization of the Action Plan for 2008-2009 and to draw up the information report for the Seventh Meeting of the IGC TRACECA (16 June, 2009, Issyk-Kul, the Kyrgyz Republic), which was adopted by the MLA Parties pursuant to the decision 2.3 of the Final Resolutions.

The present Action Plan for 2010-2012 for implementation of the TRACECA Strategy for development of the international transport corridor “Europe-the Caucasus-Asia” for the period up to 2015 was elaborated by the Permanent Secretariat IGC TRACECA in compliance with the following documents and issues:

- “Strategy of the IGC TRACECA for development of the international transport corridor “Europe-the Caucasus-Asia” for the period up to 2015” (Strategy);
- Decisions of the Seventh Annual Meeting of the Intergovernmental Commission TRACECA (16 June, 2009, Issyk-Kul, the Kyrgyz Republic);
- Concept for designing Action Plans with reference to the Strategy;
- Analysis of the existing and future problems in the field of transport in the TRACECA region;

- Issues included in the Terms of Reference (ToR) of the TRACECA projects to be implemented during 2010-2012;
- Priorities of the European Neighbourhood Policy;
- Report of the High Level Group chaired by Loyola de Palacio "Transport Networks for Peace and Development" (November, 2005).

General Principles

The Action Plan for 2010-2012 is aimed at further implementation of the TRACECA Strategy for the period up to 2015 and is fully based on the provisions of the Strategy in accordance with the Concept for designing Action Plans for the implementation of the Strategy of the IGC TRACECA.

According to the MLA the following 6 basic principles determine the long-term objectives of step-by-step policy implementation:

- Development of economic relations, trade and transport communication in the regions of Europe, the Black Sea, the Caucasus, the Caspian Sea and Asia;
- Facilitation of access to the international market of road, air and railway transport, and also commercial maritime navigation;
- Facilitation of international transport of goods and passengers and international transport of hydrocarbons;
- Ensuring traffic safety, security of goods and environmental protection;
- Harmonization of transport policy and also the legal framework in the field of transport;
- Creation of equal conditions of competition between different types of transport.

The aims and objectives stated in the present Action Plan are aimed at further improvement of multi-modal transport systems and creation of the conditions favouring transit transport as a factor of successful development of trade-economic relations between the TRACECA member-states, involvement of the developing countries both the TRACECA participants and other countries in active participation within the system of international trade relying on the TRACECA routes and their developing transport system.

In accordance with the recommendations set forth in the information report on the Action Plan for 2008-2009 adopted at the Seventh Annual Meeting of the IGC TRACECA (16 June, 2009, Isysk-Kul, the Kyrgyz Republic) the present Action Plan for 2010-2012 repeatedly includes those actions that were not realized to the full measure.

At the same time the basic principle of the current Action Plan realization is the efficient coordination between the PS IGC TRACECA and the European Commission regarding the development of the South-Eastern Axis.

Rationale

One of the main objectives of the TRACECA Programme within the framework of the Basic Multilateral Agreement on International Transport for Development of the Europe-the Caucasus-Asia Corridor and the TRACECA Strategy up to 2015 is the increase of competitiveness and attractiveness along the whole length of the TRACECA corridor, especially along the sea routes of the Caspian and Black Seas being the significant connecting links in an uninterrupted transport of freight and ensuring direct communication between Europe and Asia.

It is an open secret that notwithstanding the achieved progress of the IGC TRACECA for the last years the existing potential of the TRACECA region has not been used to the full measure. The issues of the Parties activities coordination in elaboration of the transport policy,

mutually advantageous tariffs within the routes, costs and quality, technical problems of carriage, streamlining of border-crossing procedures and so on remain open for the realization and mutual solution.

At this stage of the implementation of the TRACECA Strategy there is a need in further development of integrated network of logistic hubs, creation of attractive conditions for multi-modal and transit transport. This will allow diversifying international transport routes in the context of strict competitiveness and finally lead to creation and operation of the TRACECA effective transit transport system. It is necessary to focus on the implementation by the MLA Parties of the previous IGC decisions.

The development of international transport corridor and consequently of transit transport are accompanied by increasing the requirements to the quality of transport services. Hence, the TRACECA countries should continue consistent and coordinated policy of transport infrastructure development (**Action 1**), investments attraction to the region, including the investments on a concession basis, gradual introduction of Public Private Partnership methods (PPP) (**Action 13**).

In compliance with the Decisions of the Anniversary Conference of the Ministries of Transport of TRACECA member-states (4 December 2008, Baku, Azerbaijan) special attention should be drawn to the issue of the South-Eastern Axis development for the extension of the Trans-European Transport Networks towards the neighbouring EU countries and the Central Asian countries, at the same time the TRACECA institutions should contribute to the fulfillment of the tasks of the South-Eastern Axis building.

Road Transport

Road traffic safety still remains the main problem in the TRACECA countries. In order to improve the situation in this respect the MLA member-states have to continue the policy of joining the European conventions/agreements on security and sustainability of international road traffic recommended by the UN ECE, strengthening of road transport training capacities, security standards of motor transport applying strict measures of transport efficiency (**Action 5**).

It is necessary that a single regional system of civil liability of drivers for the third entities be introduced. (Green map).

At the same time it is necessary to continue carrying out the actions to lower the accident rate in road transport through application of the European standards in land transport security including control of drivers' actual hours and rest periods (Customs Convention on International Transport of Goods under cover of TIR Carnets) and AETR. It is also important to bring standardization and certification of motor vehicles to conformity with the European standards.

Special attention is to be given to the coordination between the TRACECA countries, the PS and the EC Technical Assistance projects (**Action 10**):

- *Land Transport Safety and Security;*
- *Strengthening of Transport Training Capacities in NIS Countries.*

Sea Transport

Sea transport is a significant component of multi-modal transport chain in the TRACECA region.

Currently the activity aimed at increasing competitiveness and attractiveness along the whole length of the corridor, particularly on the sea-based routes of the Caspian and Black Seas

is of crucial importance for smooth and uninterrupted flows of freight ensuring direct maritime links between Europe and Asia.

The launched activity on improving maritime safety including the on-going EC Technical Assistance Projects would also need to be looked at. It is necessary to work on step-by-step accession to the IMO Conventions concerning maritime safety, environmental protection, state port control system improvement (ISPS). Taking into account the increased volumes of transported oil and oil products in tankers and the risks of their shipping, special attention should be given to the environmental security, since the risk of shipwreck as yet existing in the Black and Caspian Seas may be detrimental to the already vulnerable ecological balance in the region (**Action 2**).

These actions require elaboration of specific frameworks and relevant cooperation mechanisms between the interested authorities in their activity against sea pollution. In this context the MLA Parties are recommended to study the advanced experience of the European Union countries on this issue and to elaborate a joint plan of actions to be implemented in the Black and Caspian Seas' regions.

Increase of container transport volumes in the Black Sea, of oil and oil products in the Caspian Sea basins requires that the TRACECA member-states adhere to the consistent and coordinated policy of development of their transport infrastructure, increase their ports' capacities, which will allow satisfying the increasing needs in transport services. In this connection it is imperative to study and to implement new Projects designed for upgrade of the existing specialized pick and place transfer complexes (SPPT) and development of new modern high-tech specialized SPPT including complexes for new types of cargo.

It is necessary to continue transposition of main components of the European legal norms regulating maritime safety and environmental protection into the national legislations of the participating countries.

Cooperation of the TRACECA countries with the EC Technical Assistance projects would also be needed (**Action 10**):

- *Motorways of the Sea for the Black Sea/Caspian Sea;*
- *Strengthening of Transport Training Capacities in NIS Countries;*
- *Development of Common Security Management System and Cooperation in the area of Maritime Safety and Ship Pollution Prevention in the Black Sea/Caspian Sea.*

Air Transport

It is important that the legal regulations in the field of air transport in the TRACECA member- states be brought to conformity with the European/International standards (ICAO, JAA).

This especially refers to the aviation safety standards and means strengthening of control mechanisms for airplanes' technical condition, development of airports, aircraft fleet renovation (**Action 3**).

The EC Technical Assistance projects in this field are the following:

- *TRACECA Civil Aviation Safety and Security;;*
- *Training of Operational Air Transport Control Staff of South Ring States.*

Railway Transport

Railway transport is of strategic significance for the TRACECA countries and the role of regional/international railway transport annually increases. In this respect it is necessary that railway security improvement measures be realized.

Railway security is closely related to ensuring safety of goods, passengers' life and health protection, the environmental safety.

Ensuring railway security includes the activities of the railway authorities, government structures and local authorities, enterprises, institutions and citizens aimed at uninterrupted operation of railways and avoidance of emergency situations in railway transit as well as management of possible emergencies' consequences.

With the view to satisfy the security requirements it is recommended that TRACECA should accede to International Conventions in the field of railway transport, in particular to the "Rules for International Railway Carriage of Dangerous Goods" (RID). Compliance with the requirements of conventions/agreements will promote coordination between the TRACECA railway networks which in its turn will have a positive effect on sustainability of railway carriage (**Action 4**).

The EC Technical Assistance projects in this field:

- *Land Transport Safety and Security*

Human Resources

It is also necessary to continue the activity for reinforcement of human resources as in the context of continual progress of transport technologies, methods of transport market management, the need in well-qualified and competent staff potential increased sharply.

It is well-known that transport is a key factor in the development of the countries' economies and is intended for promotion of production processes development, raising the living standards of the population therefore it is necessary to focus on ensuring more reliable, efficient and safe transport links as well on creating the relevant conditions for reinforcement of human resources (**Action 11**).

The EC Technical Assistance projects in this field include the following:

- *Strengthening of Transport Training Capacities in NIS Countries;*
- *Training of Operational Air Transport Control Staff of South Ring States*

Simplification of Border-Crossing Procedures

With a view to streamline the border-crossing procedures in international traffic the TRACECA Parties should continue their activities on accession to the European Conventions and Agreements referred to in the TRACECA Strategy.

In order to realize the principle "single window/one stop", to improve the system of state control of border-crossing, to increase the TRACECA road routes capacities and to bring the check-points infrastructure to conformity with international standards, the TRACECA Parties are recommended that they should continue the activities on installation and development of single check-points, providing the construction of a single complex of buildings and constructions for the control authorities to be located there, equipping of the check-points with modern X-ray facilities, special laboratory and measurement facilities, container scanning systems, etc., the availability of two-three traffic strips for vehicles in both directions (**Action 8**).

The MLA Parties should concentrate on the implementation of the “Concept of Development of Road Traffic along the Transport Corridor Europe-the Caucasus-Asia, Increase of Competitiveness and Attractiveness of TRACECA Road Routes”.

The EC Technical Assistance projects in this field are the following:

- TA “*Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries*”.

Public Private Partnership

Currently projects financing became one of the sharpest problems of infrastructure development. It is extremely difficult to find financing both at banks and in the open market, especially if it is a matter of high-cost transport long-term cycle projects.

One of the possible solutions is the application of the Public Private Partnership mechanisms (**Action 13**) that will allow sharing a business risk between private and public economy sectors, create an additional basis for business development in the region. This action should be concentrated on the implementation of the decisions of the Sixth Meeting of the IGC TRACECA.

In this field the EC Technical Assistance project is the following:

- TA “*Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries*”.

Increase of competitiveness (harmonization of tariff policy)

With a view to increase the competitiveness of the TRACECA corridor being the multi-modal system of land and sea-based routes, contribute to the TRACECA corridor attractiveness, promote further liberalization of foreign trade and creation of favourable conditions for international transport and transit traffic as a factor of successful development of trade relations in the TRACECA region it is necessary to apply coordination and concerted approach of the TRACECA countries towards tariff regulation issues.

At this stage it is necessary to regularly coordinate single competitive tariffs, taking into account the Recommendations of the PS IGC TRACECA adopted during the Seventh Annual Meeting of the IGC TRACECA (16 June, 2009, Issyk-Kul, the Kyrgyz Republic) (**Action 12**).

In this field the EC Technical Assistance project is the following:

- TA “*Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries*”.

Implementation and Monitoring

The actions foreseen by this Action Plan for 2010-2012 are implemented by interested state transport administrations of the TRACECA partner countries. Based on the Monitoring Methodology in respect of Action Plans Realization by the end of each year the MLA Parties submit to the Permanent Secretariat IGC TRACECA the progress Report on the Action Plan Realization. The Permanent representatives of the PS IGC TRACECA exercise coordination with state transport administrations of the TRACECA countries.

Based on the reports of the Permanent representatives, in accordance with the Monitoring Methodology in respect of Action Plans Realization, the PS IGC TRACECA submits

an annual Progress report on the Action Plan realization. The next Action Plan to cover the years 2013-2015 will be prepared and adopted in 2012. It will be based on the findings and recommendations of the progress Reports on the Action Plans for 2008-2012.

Technical Assistance needed for the implementation by the TRACECA countries of the actions foreseen in this Action Plan will be provided through the Permanent Secretariat, as well as in the framework of the on-going Technical Assistance Projects (AT) to the extent possible. This Action Plan recommends that technical assistance be increased.

Appendix: Summary of Actions in the framework of the Action Plan for 2010-2012 for Implementation of the Strategy of the IGC TRACECA

№	Action	Short description	Reference to the Strategy	Related EC Technical Assistance Projects
1	Elaborate five-year infrastructure master plans	Elaboration of national investment strategies regarding transport sector based on an adequate methodology for infrastructure planning and prioritization based on the identification of the “bottlenecks” and the use of traffic forecasts	Pillar (1), chapters 8.1 to 8.3 Pillar (4), chapters 4.1 to 4.4 Pillar (2), chapter 7.4 Pillar (5), chapters 5.1, 5.2, 5.4	TA International Logistic Centers for the Central Asian countries; TA International Logistic Centers for the Caucasian Countries and NIS Western Countries; TA Motorways of the Sea for the Black Sea and the Caspian Sea; TA Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries.
2	Improve maritime safety	Accession to the Conventions and implementation of safety / security requirements and standards deriving from IMO/ILO and ISPS Improvement of port state controls and establishment of vessel traffic management systems (VTMS)	Pillar (2), chapter 7.1	TA Development of Common Security Management System and Cooperation in the area of Maritime Safety and Ship Pollution Prevention in the Black Sea/Caspian Sea; TA Motorways of the Sea for the Black Sea and the Caspian Sea; TA Strengthening of Transport Training Capacities in NIS Countries.
3	Improve civil aviation safety	Introduce regulations of ICAO, EC/EASA and JAA, accession and implementation of their requirements and standards.	Pillar (2), chapter 7.2	TA TRACECA Civil Aviation Safety and Security. TA Strengthening of Transport Training Capacities in NIS Countries
4	Improve railway transport safety	Accession and implementation of the “Rules for International Railway Carriage of Dangerous Goods” (RID)	Pillar (7), chapter 7.3	TA Land Transport Safety and Security
5	Improve road transport safety	Accession and implementation of the requirements and standards deriving from the European conventions/agreements in the field of road transport.	Pillar (7), chapter 7.3 Pillar (5), chapter 5.3	TA Land Transport Safety and Security TA Strengthening of Transport Training Capacities in NIS Countries
6	Align national transport policy plans to Strategy	Regulatory reform in the field of transport consistent with the TRACECA Strategy	Pillar (3), chapter 3.1 Pillar (5), chapters 5.1 5.2, 5.4 Pillar (6), chapter 6.3	TA Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries
7	Transport database	Collect transport data and compile statistics to input into a standardized transport database to prepare traffic forecasts	Pillar (4), chapters 4.1 to 4.4	TA Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries
8	Improve border-crossing procedures	Joining and implementing the requirements and standards of the International Conventions recommended by the UN ECE (ADR Conventions and	Pillar (5), chapter 5.5	TA Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries

		SAD application).		
9	Extension of Common Aviation Area	Making bilateral and horizontal agreements in air transport, as appropriate.	Pillar (6), chapter 6.2	TA Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries
10	Improvement of the PS Technical Expertise	Improving technical expertise and enhancing institutional capacity of the Permanent Secretariat to allow the provision of additional TA to the MLA Parties		
11	Reinforcement of Human Resources	Creating and improving conditions for transport staff training and their capacity building	Pillar (3), chapter 3.2	TA Strengthening of Transport Training Capacities in NIS Countries TA Training of Operational Air Transport Control Staff of South Ring States
12	Increasing Competitiveness (harmonization of tariff policy)	Introduction of single competitive tariffs in transit traffic along the TRACECA transport corridor	Pillar (5), chapter 5.3, 5.4	TA Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries
13	Public Private Partnership Development (PPP)	Introduction and adoption of regulatory documents for PPP introduction, creation of TRACECA BAC and TRACECA Investment Fund, identification of PPP transport projects.	Pillar (8), chapter 8.3	TA Transport Dialogue and Networks Interoperability between the EU and its Neighbouring Countries and the Central Asian Countries