



## **Ministerial Transport Conference of Landlocked Developing Countries**

**Theme: *Ashgabat Process: Financing for Better Connectivity***

**15 – 16 August 2022, National Tourist Zone Avaza, Turkmenistan**

### **Session 3. Promotion of corridors, regional connectivity and integrated multimodal transport systems**

**16 August 2022 (9:00 am – 11:00 am)**

#### **Background note**

Transport is a key enabler of sustainable development. Effective, efficient, multimodal transport systems are becoming increasingly important for increasing connectivity, allowing access to markets and enabling countries to benefit from global trade. Transport connectivity is a key issue for the LLDCs who lack direct access to the sea.

Amongst the key objectives of the Vienna Programme of Action for the LLDCs 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, strengthen regional integration, simplify and harmonize rules and regulations and promote increased participation of LLDCs in global trade. To achieve these objectives, the development of effective, efficient, multimodal transport systems in LLDCs and transit countries, in particular corridors, is essential. Close cooperation of LLDCs and transit countries in their respective regions on transport is a necessity in this regard, with a view to reduce transport costs and enhance LLDCs' competitiveness and integration in regional and global value chains.

Multimodal international transit transport corridors can be described as designated routes along which corridor partners need to coordinate transport and logistics infrastructure and services, across all modes of transport that combine economic, social and environmental advantages of different modes of transport. Corridors facilitate trade and transport flows between major centres of economic activity, including production, transshipment or consumption, through infrastructure investments and development of commercial services for moving freight. The facilities and services that compose a multimodal transit transport corridor include not only roads, railways, waterways but typically also seaports, dry ports, border posts and intermodal facilities. The success

of a corridor depends not only on the provision of physical infrastructure, but also the corridor management that oversees the operationalization and performance of the corridor.

Although limited to a certain geographical area, corridors tend to be inclusive and offer approaches which allow for the development of a good physical infrastructure and harmonized and simple procedures along a transit corridor between several countries, including all stakeholders, public and private. Utilizing the corridor approach for the integration and coordination of different transport modes is well-established principle in developing trade and furthering region's integration, in particular for landlocked countries. While a transport corridor requires connected physical infrastructure, an economic corridor goes beyond that by promoting regional economic integration between economic agents along a defined geography.

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. Some of the corridors that have a multilateral agreement in place include the Northern Corridor Transit Agreement and Central Corridor while others are operating under a memorandum of understanding. The Walvis Bay Corridors are overseen by the Walvis Bay Corridor Group, a unique public-private partnership of governments, transport regulators and transport operators.

Experiences in Asia show that the concept of international intermodal transport corridors is now well accepted across the region. Some major initiatives include the Euro-Asian Transport Links (EATL), Central Asian Regional Economic Cooperation (CAREC) corridors, Transport Corridor Europe-Caucasus-Asia (TRACECA) corridors, the International North-South Transport Corridor (INSTC), and Greater Mekong Subregion (GMS) economic corridors. The Presidents of the Mongolia, Russian Federation and China signed in 2016 a Program of Trilateral Economic Corridor linking the three countries, which includes over 30 projects. Other similar agreements to establish corridors have also been signed in this context. One of the more recent inclusive frameworks is the Belt and Road initiative that seeks to promote economic integration through greater regional connectivity within Asia and with Europe.

Active corridors in Latin America include the Ciudad del Este (Paraguay) – Ponta Grossa (Brazil) and the Santa Cruz (Bolivia) – Arica (Chile) corridors, as well as the inland waterways of the Paraná-Paraguay Rivers. Major planned corridor projects in the region include the Bi-oceanic railway corridor that will connect Bolivia, Brazil and Peru and the Bi-oceanic Road corridor connecting Atlantic and Pacific seaports through Argentina, Brazil, Chile and Paraguay.

Promoting corridors is especially important for the LLDCs as they advance both the physical and soft infrastructure that facilitates smooth flow of transit and trade thereby contributing to increased trade potential of LLDCs and regional development. The COVID-19 pandemic presented challenges to corridors including delays to cross border procedures; diversion of resources from corridor infrastructure development; and to efficient logistical arrangements. However, corridors will be instrumental for sustainable recovery from COVID-19 pandemic as they present opportunities to advance trade facilitation such as enhancing digitalization of processes; improving inter-agency coordination; improving transparency; improving information-sharing across borders and expanding and upgrading transit infrastructure.

In light of the above background, it is important to review and share experiences on the corridors serving the LLDCs, identify the key achievements, best practices, challenges and suggest recommendations to further strengthen the role of corridors in improving the connectivity of LLDCs and achieve impactful reduction in the trade costs of LLDCs and sustainable recovery from COVID-19 pandemic.

**Objective:** This session will share experiences and best practices in developing multimodal transport systems, completing missing links connecting LLDCs within regional networks and developing and operationalizing all aspects of corridors in order to enhance access and stimulate economic development. Participants will discuss progress, challenges, opportunities and identify recommendations. The session will also consider the negative impact of the pandemic in cross-border traffic and discuss ways to address challenges in future potential crisis scenarios.

**Possible questions for discussion:**

- *What are some best practices and lessons learned from the development and management of transit transport corridors in different (sub-)regions?*
- *What are the main challenges in development and operationalization of multi-modal corridors and bringing all modes of transport together?*
- *How can we scale up corridor development?*
- *Based on your experience, what are some concrete examples of the benefits of promoting integrated multi-modal transport systems?*
- *What initiatives can be promoted to overcome the negative impact of the COVID-19 pandemic in transit through corridors and prepare for future crisis?*