



Transport Trunk Corridor and Feeder Network Model – Developing a Master Plan

Strengthening Railway Transport Connectivity in South and South West Asia

New Delhi

15-16 March 2017

Saroj Ayush



South and South-West Asia Office

The Criticality of Connectivity for Southern and Central Asia

- **Changed external context and increasing criticality of regional economic integration**
- **Despite geographical contiguity, least integrated region**
 - **Untapped intra-regional trade potential in Southern and Central Asia, is estimated at more than 50 per cent of potential**
- **Southern and Central Asian subregion has also lagged behind in terms of poverty reduction**
 - **Southern and Central Asia together accounts for 36 percent of world's extreme poverty**
- **Poor transport connectivity and facilitation prevents the subregion from exploiting benefits of geographical contiguity, scale economies, potential for regional production networks**
- **Prevents from benefiting from leveraging the strategic geographic location**

Challenges to Connectivity

- **Transport infrastructure gap is huge for Southern and Central Asian countries**
 - Investments up to US\$ 2.5 trillion may be required to cover the overall infrastructure gap in South Asia alone
 - Require increase in spending up to about 9% points of GDP annually until 2020
- **Transport infrastructure development scattered across disconnected subregional projects in the Southern and Central Asia**
 - ECO, SAARC, BIMSTEC and ASEAN corridors are proceeded in isolation
- **Poorly developed soft connectivity and facilitation**
 - Lack of region-wide transit and transport agreements
- **High trade costs are significantly higher for intra-regional trade than for overall trade of Southern and Central Asian countries**
 - Intra-regional trade costs in South Asia is markedly higher at about 114% compared to that of South East Asia at 76% and East Asia at 51%
 - Intra-regional trade costs in Central Asia is prohibitively high at 121%
- **Hinders formation of regional value chains**

Transport Network Options in the region

- **Dependence on maritime transport**
 - Efficient and dominant mode of transport
 - Single mode choice loads its inefficiency on to trade
 - Huge hinterlands necessitates land transport adding to handling storage and movement costs
 - Landlocked countries depend on huge land transit routes to ports
- **Road transport**
 - Very vital role for small distances and last mile connectivity
 - Important for bilateral and small regional groupings trade
 - Not a viable option for long distances high volume trade
- **Rail Transport**
 - Viable alternative to maritime shipping specially for landlocked and huge hinterland countries

Multilateral and Subregional Corridor Development

- **ECO**

- Facilitated by ECO Transit Transport Framework Agreement signed in 1998 and the ECO Transit Trade Agreement signed in 1995
- Multimodal; both transport and trade facilitation coverage

- **SAARC**

- SAARC Regional Multimodal Transport Study adopted in 2006
- Multimodal routes identified (10 road corridors and 6 rail corridors); Limited trade facilitation coverage

- **BIMSTEC**

- BIMSTEC Transport Infrastructure and Logistics Study (BTILS) adopted in 2007

- **ASEAN**

- Master Plan on ASEAN Connectivity adopted in 2010
- Multimodal, comprehensive coverage including all dimensions of connectivity and trade facilitation measures

Multilateral and Subregional Corridor Development

- **International North–South Transport Corridor (INSTC)**
 - 11 Member States
- **BCIM Corridor**
 - Cross-border transport project under Bangladesh-China- India- Myanmar Forum for Regional Cooperation
- **SASEC Corridors – South Asia Subregional Economic Cooperation**
 - Covers 6 Countries - Bangladesh, Bhutan, India, the Maldives, Nepal, and Sri Lanka
 - Facilitated by Trade and Transport Facilitation Monitoring Mechanism
 - Multimodal; broad coverage
- **BBIN Cooperation**
 - BBIN Motor Vehicles Agreement provides transit across Bangladesh, Bhutan, India and Nepal
- **India-Myanmar-Thailand Trilateral Highway (IMT-GT)**
 - Trilateral Motor Vehicle Agreement expected to be signed in 2016

Benefits of Broadening Connectivity

- **Promote development of regional production networks**
 - Wider connectivity networks enhance sourcing options for upstream firms and chances of market participation for downstream firms in the value chain
 - Efficiency of regional sourcing of inputs will increase proportionately with reach of regional transport networks to as many downstream production units as possible
- **Maximize network externalities**
- **Strategic location of Southern and Central Asian subregion offers immense possibilities of inter-regional connectivity with EU and ASEAN**
 - Besides facilitating intraregional trade can make Southern Asia a hub of East-West trade
- **Major boost for least developed and landlocked countries in Central Asia and South Asia like Afghanistan, Bhutan, Nepal, Kazakhstan, Uzbekistan, Turkmenistan, Ajerbaijan and Tajikistan**
- **Easier to mobilize resources for infrastructure and institutional development in a broader regional framework**
 - Synergies between overlapping corridor development programmes
 - Avoid duplication of investments

Contours of the Trunk Transport Corridor –Feeder Route Master Plan

- **Integration of subregional corridors into regional corridors by harmonizing both hard (physical) and soft (policy) infrastructure**
- **Asian Highway (AH) and Trans-Asian Railway (TAR) route networks at the Asia-Pacific level can guide the integration of transport corridors**
- **Collaboration between subregional organizations for coordination of subregional transport development projects**
- **Follow a building block approach as a part of an agreed Connectivity Master Plan**
- **Easier to mobilize resources for regional projects and helps prioritise infrastructure**

预览已结束，完整报告链接和二维码如下：

https://www.yunbaogao.cn/report/index/report?reportId=5_1480

