

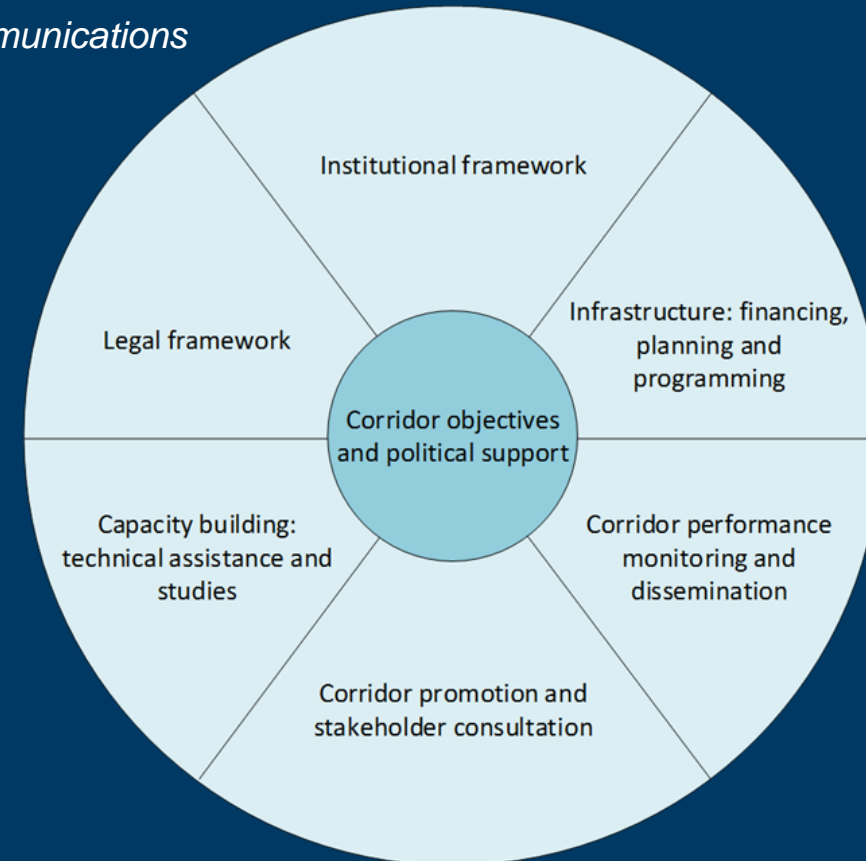
Governance of Transport Corridors – Status OIC MS and lessons learned from case studies



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Contents

1. Status corridor governance in OIC member countries
2. Lessons learned from case studies
3. Conclusions
4. Recommendations



Status corridor governance in OIC member countries - prc



National focus: desk research and survey

Corridor focus: seven (7) OIC corridors assessed:

1. Maputo Corridor Logistics Initiative (MCLI)
2. Northern Corridor Transit and Transport Coordination Authority (NCTT-CA)
3. Abidjan-Lagos Corridor Organisation (ALCO)
4. Jordan Transit Corridor- UN-ESCWA M40
5. UN-ESCAP Central Corridor
6. ASEAN Maritime Corridors
7. TRACECA

National focus: desk research and survey

Political priority



- In many of the reviewed countries, international transport corridors are **high on the political agenda**. This is reflected by survey results:
 - Most respondents (67%) indicate that their **national transport policies address international transport corridors**.
 - Policy priority is also reflected by the fact that 87% indicated that **corridor development is high (25%) or very high (62%) priority**.



National focus: desk research and survey

Objectives of transport corridor



| Objectives | Fully address | Partially address |
|--|---------------|-------------------|
| Facilitate trade, the growth of economic activities and the competitiveness of the country or region | 75 | 25 |
| Lower transportation costs | 62 | 38 |
| Shorten transport and transit times | 75 | 25 |
| Increase reliability of transport services | 62 | 38 |
| Increase safety and security of transport | 50 | 50 |
| Contribute to achieving political goals, such as job creation and/or regional development | 50 | 50 |
| Contribute to achieving political goals, such as creating a channel for political dialogue between nations | 50 | 50 |
| Facilitate access to social services, such as welfare or healthcare by increasing the mobility of people | 50 | 50 |
| Contribute to food security | 62 | 25 |

National focus: desk research and survey

Legal and institutional framework-1

- The majority of the respondents (62%) indicate that their country is **party to a legal arrangement** related to an international transport corridor.
- The vast majority of countries have **bilateral and multilateral agreements** with neighboring countries.
- A **variety of organizations** are involved in managing the transport corridors, i.e. Ministry of Transport, infrastructure managers, other ministries (Trade). Trend: **Transport (and Trade) Facilitation Committees.**



National focus: desk research and survey

Legal and institutional framework-2



A substantial share of respondents indicates the presence of a **leading, dedicated body for managing the transport corridors**. In those cases these leading bodies are responsible for the following tasks:

- **Planning and programming of infrastructure: 33%**
- Initiating and supporting **legislative and regulatory reform: 67%**
- Harmonizing **technical standards and interoperability: 67%**
- Aligning **border crossings and operational procedures: 33%**
- Monitoring **corridor performance: 100%**
- **Communicating results** and exchanging information: 67%
- **Consultation with stakeholders** and promoting corridor use: 100%
- **Building capacity** through technical assistance and studies: 100%

National focus: desk research and survey

Monitoring performance and dissemination



Transport corridor performance monitoring is done on a structural basis in most cases, i.e. in 71% of the respondents of the survey. The following data is being monitored:

- **Freight flows:** 100%
- **Time of transportation and waiting times:** 100%
- **Transport costs:** 100%
- **Reliability performance:** 50%
- **Safety performance:** 100%



National focus: desk research and survey

Promotion and stakeholder consultation



Stakeholder are actively involved in the management of the transport corridors. The following stakeholders are involved (source: survey):

- **Ministries/policy makers:** 100%
- **Shipping companies:** 57%
- **Transport operators:** 86%
- **Customs authorities:** 100%
- **Port authorities:** 100%
- **Road authorities:** 100%
- **Rail infrastructure providers:** 71%
- **Inland navigation authorities:** 57%
- **Development partners:** 57%

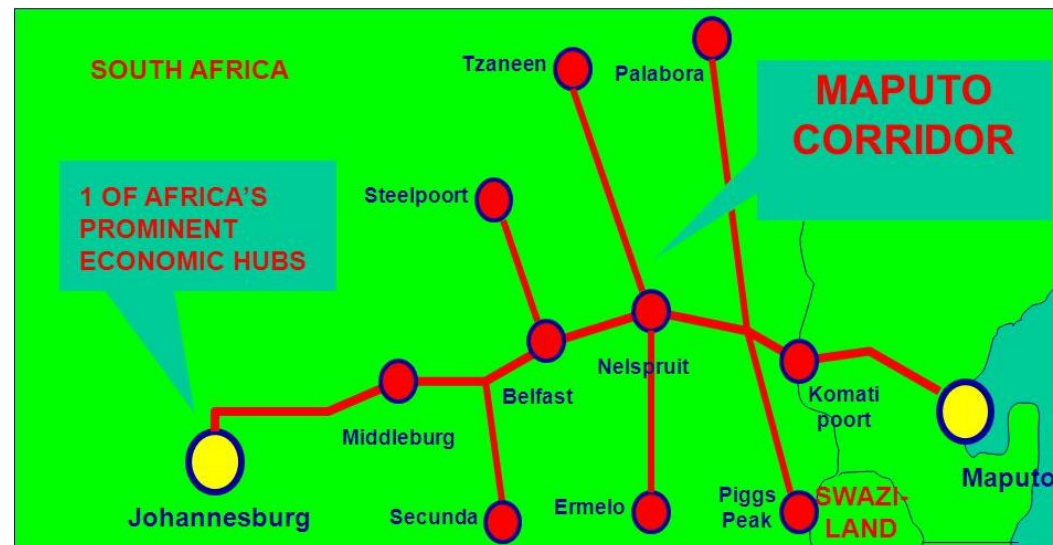


Maputo Corridor Logistics Initiative

Intro and facts



- **Mozambique, Swaziland and South Africa.**
- Established in in **2004** by predominantly **private parties**: MPDC (Maputo Port Development Company), MIPS (Mozambique International Port Services), TCM (Coal Terminal Matola), TRAC (Trans-Africa Concessions), MMC (Manganese Metal Company), TSB (sugar), TAL (Trans Africa Logistics). Later, the public bodies joined.



Maputo Corridor Logistics Initiative

Lessons learned



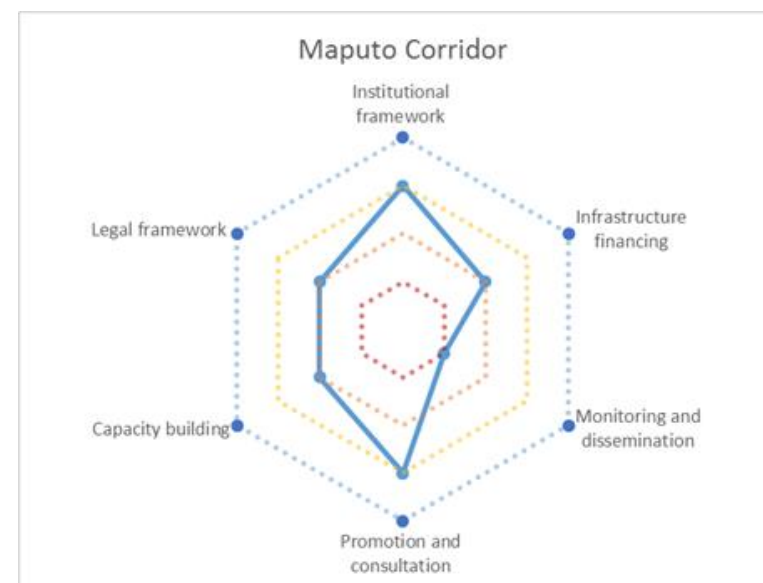
- The MCLI is based on a **collaboration between public and private partners**; with infrastructure investors, service providers and users included, all focused on the promotion and further development of the Maputo Corridor;
- The MCLI provides a strong example where a number of **corridor founders**, which were predominantly representatives from the private sector, have created a successful initiative towards developing a transport corridor, with obvious **broader socio-economic impact**, and is based on **strong international collaboration**, including Mozambique, Swaziland and South Africa.
- MCLI is **funded through annual contributions** of its members.

Maputo Corridor Logistics Initiative

Status corridor governance



| Governance domains | Information | Coordination | Cooperation | Integration |
|---|-------------|--------------|-------------|-------------|
| Corridor objectives and political support | | | ✓ | |
| Legal framework | | ✓ | | |
| Institutional framework | | | ✓ | |
| Infrastructure: financing, planning and programming | | ✓ | | |
| Corridor performance monitoring and dissemination | ✓ | | | |
| Corridor promotion and stakeholder consultation | | | ✓ | |
| Capacity building: technical assistance and studies | | ✓ | | |

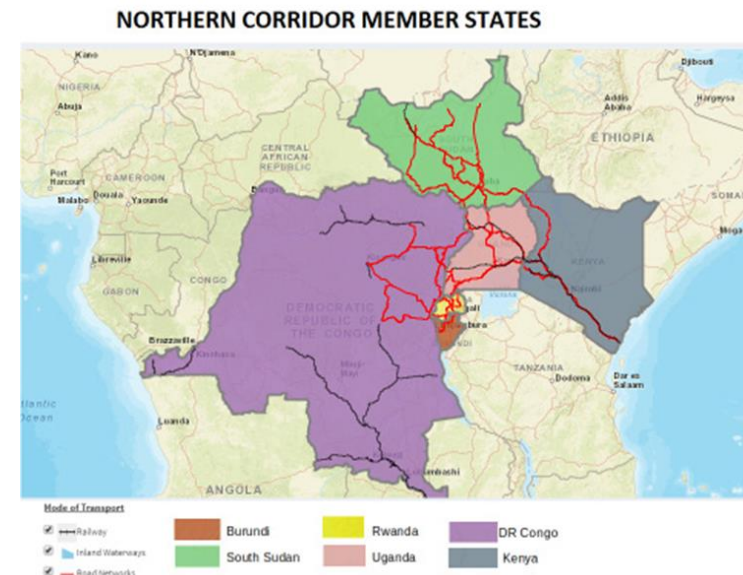


Northern Corridor

Intro and facts



- **Burundi, Democratic Republic of Congo, Kenya, Rwanda and Uganda**
- The **Permanent Secretariat** is based in Mombasa, Kenya. It is charged with the responsibility of implementing the Northern Corridor Transit and Transport Agreement and any other decisions and resolutions made by the Council of Ministers and the Executive Committee.



Northern Corridor

Lessons learned



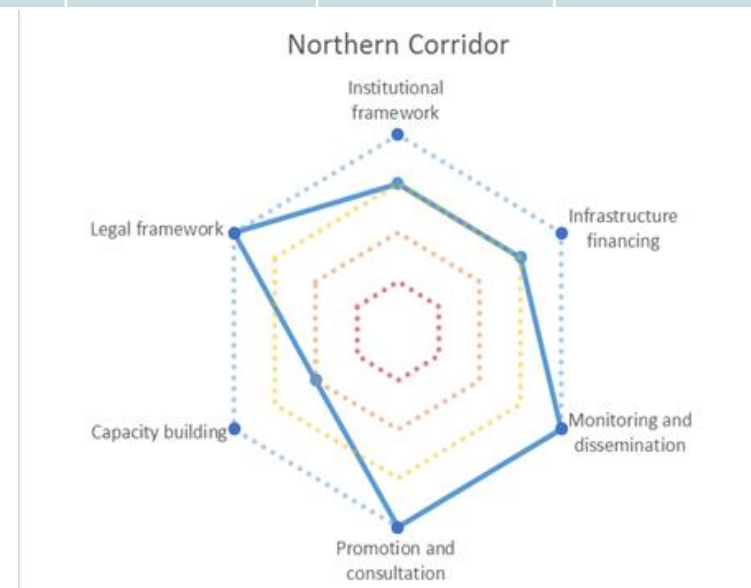
- The Northern Corridor has created a **strong legal basis**, which established the foundation for regional cooperation among the Member States on transit transport. This includes **customs control; documentation and procedures; as well as the development of infrastructure and facilities relating to sea ports, inland ports and waterways, roads, railways, pipelines and border posts.**
- An **organization (NCTTA)** has been mandated by the Member States to oversee the implementation of the agreement and to monitor its performance. The **performance monitoring** can be seen as a strong asset, notably through the establishment of the **Northern Transport Observatory;**
- The NCTTA has a **strong financial basis**, with multiple funding sources, including user levies.

Northern Corridor

Status corridor governance



| Governance domains | Information | Coordination | Cooperation | Integration |
|---|-------------|--------------|-------------|-------------|
| Corridor objectives and political support | | | ✓ | |
| Legal framework | | | | ✓ |
| Institutional framework | | | ✓ | |
| Infrastructure: financing, planning and programming | | | ✓ | |
| Corridor performance monitoring and dissemination | | | | ✓ |
| Corridor promotion and stakeholder consultation | | | | ✓ |
| Capacity building: technical assistance and studies | | ✓ | | |



Abidjan-Lagos Corridor

Intro and facts

- **Ivory Coast, Ghana, Togo, Benin, Nigeria**
- The Abidjan-Lagos Corridor Organization (ALCO) was formed in **2002** to manage a **World Bank–financed grant on HIV/AIDS** in the Abidjan-Lagos corridor. Over time, ALCO has taken on more general corridor management functions.
- ALC has a length of 1,028 km, includes 8 border-crossings and covers a population of 300 million inhabitants.



Abidjan-Lagos Corridor

Lessons learned



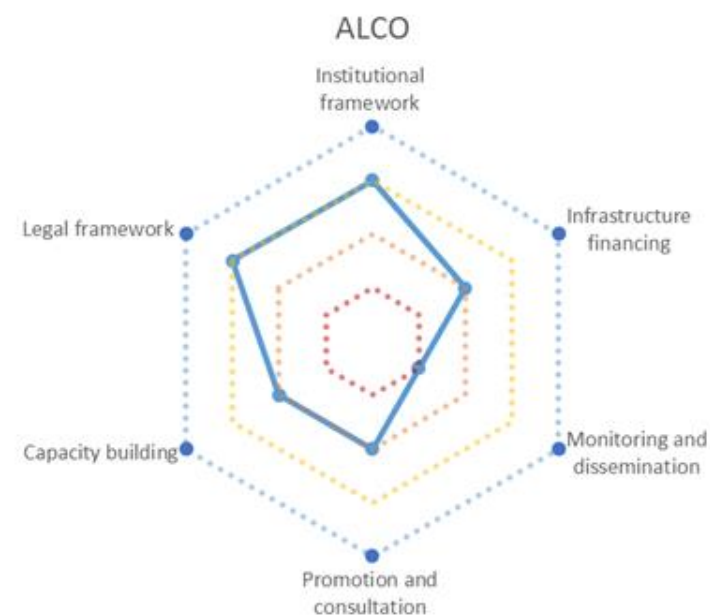
- **International organizations** played a decisive role in the establishment of the corridor. This showcases the importance of international organization facilitating the development process.
- The **project-based approach** of ALC is an example of how to develop a corridor from the bottom up. ALC created a structure to support one specific project (fighting HIV), facilitating broadening the scope, based on the structure created.

Abidjan-Lagos Corridor

Status corridor governance



| Governance domains | Information | Coordination | Cooperation | Integration |
|---|-------------|--------------|-------------|-------------|
| Corridor objectives and political support | | | ✓ | |
| Legal framework | | | ✓ | |
| Institutional framework | | | ✓ | |
| Infrastructure: financing, planning and programming | | ✓ | | |
| Corridor performance monitoring and dissemination | ✓ | | | |
| Corridor promotion and stakeholder consultation | | ✓ | | |
| Capacity building: technical assistance and studies | | ✓ | | |

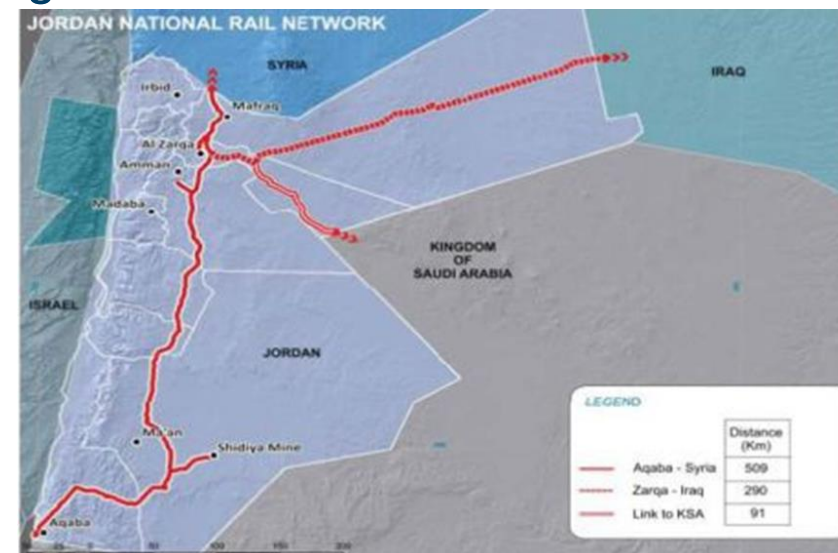


UN-ESCWA M40 – Jordan Transit Corridor

Intro and facts



- Focus: **Kingdom of Jordan**
- Whereas the M40 as an international corridor is not governed from an international perspective, the focus is on the **corridor governance from a national perspective**.
- TTF is **policy priority** in Jordan's, as a cornerstone to expand trade and modernize the transport sector, contributing to economic growth.
- **EU has been a partner**, providing financial and technical support.



UN-ESCWA M40 – Jordan Transit Corridor

Lessons learned



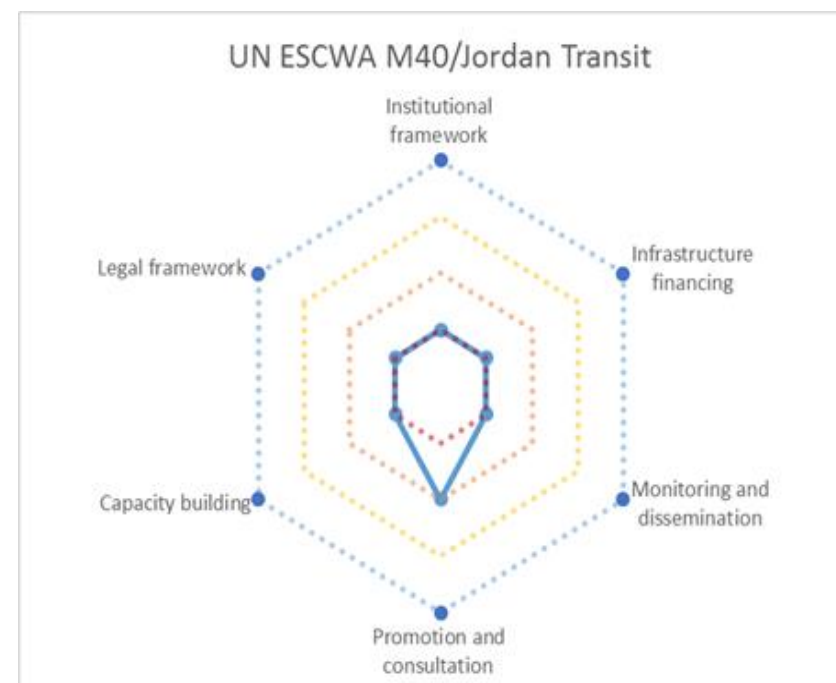
- The Government of Jordan has actively pursued the development of **trade and transport facilitation** and development of its transport corridors.
- In the absence of a regional corridor governance body, a **national institutional structure has been developed with a broader regional development ambition**, connecting Jordan to its neighbouring countries. This process is supported by a series of **multilateral and bilateral agreements**.
- **Corridor promotion and stakeholder consultation** is actively promoting by organising a series of events, including periodic regional workshops, also including neighbouring countries.

UN-ESCWA M40 – Jordan Transit Corridor

Status corridor governance



| Governance domains | Infor-mation | Coordi-nation | Coopera-tion | Inte-gration |
|---|--------------|---------------|--------------|--------------|
| Corridor objectives and political support | ✓ | | | |
| Legal framework | ✓ | | | |
| Institutional framework | ✓ | | | |
| Infrastructure: financing, planning and programming | ✓ | | | |
| Corridor performance monitoring and dissemination | ✓ | | | |
| Corridor promotion and stakeholder consultation | | ✓ | | |
| Capacity building: technical assistance and studies | ✓ | | | |



UN-ESCAP Central Corridor

Intro and facts



- Afghanistan, Azerbaijan, China, Georgia, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Russia, Tajikistan, Turkey, Turkmenistan, Uzbekistan
- The Eurasian Central Corridor has only **recently been established** as one of the three Eurasian Transport Corridors being developed under initiative of the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP).



UN-ESCAP Central Corridor

Lessons learned



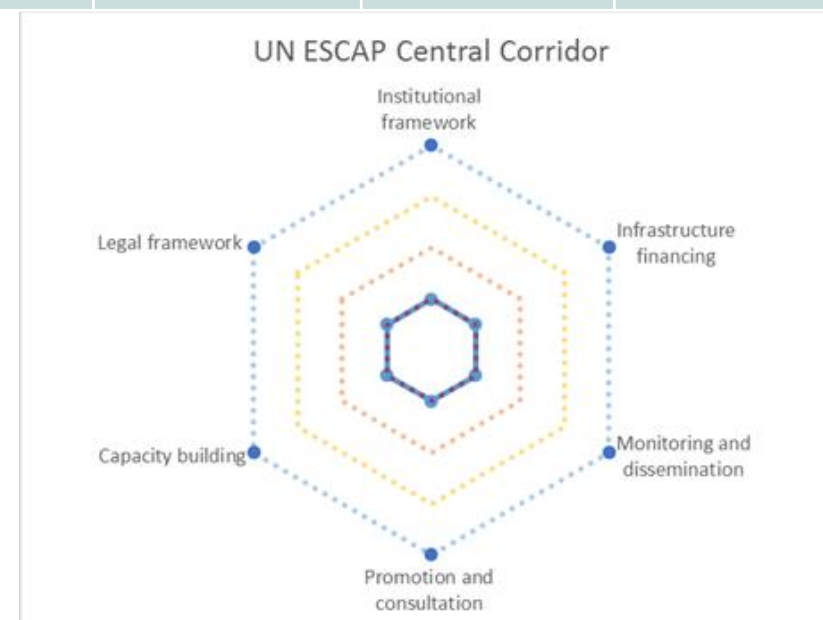
- With UN-ESCAP being its main driver, the Central Corridor has support of an **international institution** that has longstanding experience in interacting with actors in the region. At the same time, UN-ESCAP has the **legitimacy of being an independent partner**;
- The Central Corridor is being developed adjacent to UN-ESCAP's Northern Corridor and UN-ESCAP's Southern Corridor, with the intention to apply the **same MoU** and erect the same **governance institution** to each corridor. This makes corridor development efficient, while also indicating that governance principles are to some extent **transferable between corridors**;
- The UN-ESCAP corridor is rooted in **extensive transport research**. The objectives of each corridor is based on decade long transport analysis undertaken by UN-ESCAP.

UN-ESCAP Central Corridor

Status corridor governance



| Governance domains | Information | Coordination | Cooperation | Integration |
|---|-------------|--------------|-------------|-------------|
| Corridor objectives and political support | | ✓ | | |
| Legal framework | ✓ | | | |
| Institutional framework | ✓ | | | |
| Infrastructure: financing, planning and programming | ✓ | | | |
| Corridor performance monitoring and dissemination | ✓ | | | |
| Corridor promotion and stakeholder consultation | ✓ | | | |
| Capacity building: technical assistance and studies | ✓ | | | |



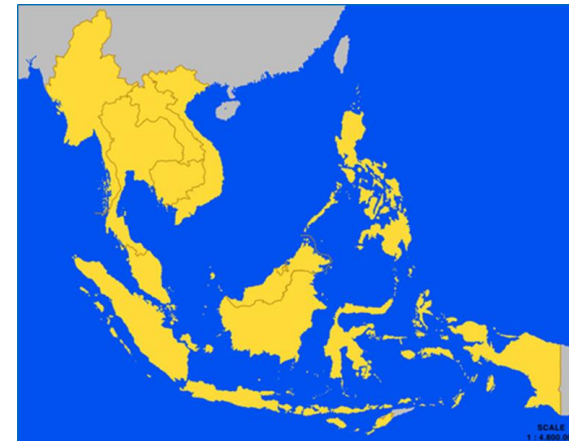
ASEAN Maritime Corridor

Intro and facts



- Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, Myanmar, Philippines, Singapore, Thailand and Viet Nam.
- Combining a number of initiatives:
 - Indonesia's national **Sea Toll Road project**, which can be considered as a project to develop national maritime corridors in Indonesia;
 - The **ASEAN connectivity strategy**, which sets the outlines for regional maritime corridors;
 - The **Maritime Silk Road**, as part of **China's Belt and Road Initiative**.

DUKUNGAN TERHADAP PROGRAM TOL LAUT
PENYELENGGARAAN 6 RUTE TETAP FREIGHT LINER



ASEAN Maritime Corridor

Lessons learned



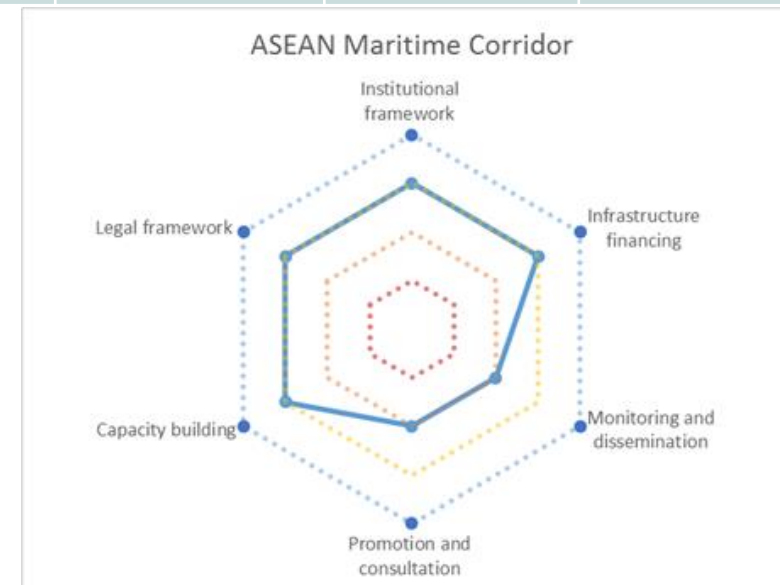
- The strong foundation for **regional cooperation**, provided by **ASEAN**, with a clear policy (ASEAN Connectivity 2025) and legal basis;
- The **alignment** of **national initiatives** (Indonesian Sea Toll Road project) and **regional interventions** (ASEAN Master Plan on Connectivity) as **complementary and reinforcing activities**. Both initiatives are linked to the Maritime Silk Road, as part of China's Belt and Road Initiative.

ASEAN Maritime Corridor

Status corridor governance



| Governance domains | Information | Coordination | Cooperation | Integration |
|---|-------------|--------------|-------------|-------------|
| Corridor objectives and political support | | | ✓ | |
| Legal framework | | | ✓ | |
| Institutional framework | | | ✓ | |
| Infrastructure: financing, planning and programming | | | ✓ | |
| Corridor performance monitoring and dissemination | | ✓ | | |
| Corridor promotion and stakeholder consultation | | ✓ | | |
| Capacity building: technical assistance and studies | | | ✓ | |



TRACECA

Intro and facts



- Armenia, Azerbaijan, Bulgaria, Georgia, Iran, Kazakhstan, Kyrgyzstan, Moldova, Romania, Tajikistan, Turkey, Ukraine and Uzbekistan.
- TRACECA was established in **May 1993**, upon the signing of Multilateral Agreement on International Transport for the development of transport initiatives (including the establishment and development of a road corridor) between the EU member states, the Caucasus and Central Asia countries.



TRACECA

Lessons learned



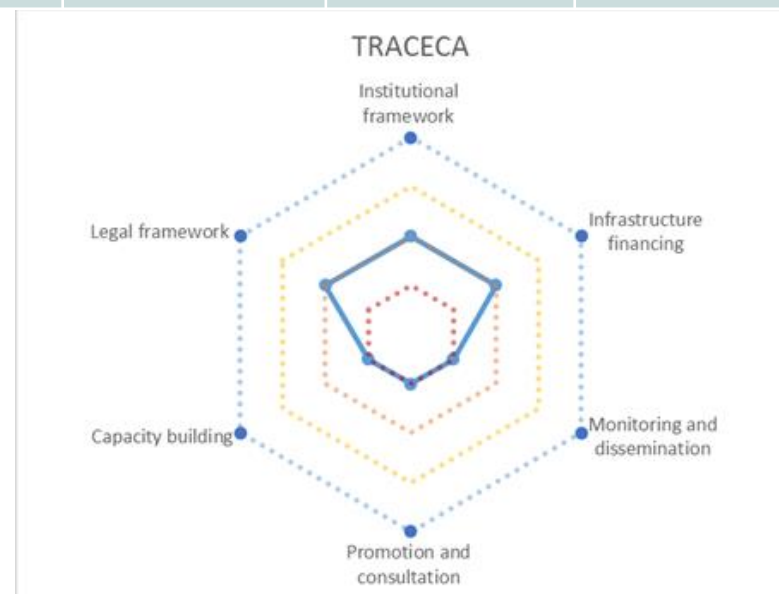
- The EU was the main driver behind the establishment of the corridor, providing **knowledge and resources**. This showcases that value of incorporating international organizations in the development process of the corridor. With the EU no longer providing funding, the structure remains.
- With respect to its legal framework, TRACECA is marked by a **series of legal agreements**, providing the members with a framework for collaboration.

TRACECA

Status corridor governance



| Governance domains | Information | Coordination | Cooperation | Integration |
|---|-------------|--------------|-------------|-------------|
| Corridor objectives and political support | | ✓ | | |
| Legal framework | | ✓ | | |
| Institutional framework | | ✓ | | |
| Infrastructure: financing, planning and programming | | ✓ | | |
| Corridor performance monitoring and dissemination | ✓ | | | |
| Corridor promotion and stakeholder consultation | ✓ | | | |
| Capacity building: technical assistance and studies | ✓ | | | |



Conclusions and recommendations

General conclusions



- There is a **great number of transport corridor initiatives** throughout the OIC region. Developing transport corridors is **high on the political agenda**.
- **Transport corridors** are serving a **multitude of (often similar) objectives**.
- **Corridor governance** is an **important success factor** in corridor development.
- **Governance functions** are applied differently per transport corridor, responding to **local and regional conditions and ambitions**.
- Thus, corridor governance is **dynamic and situational**.
 - **Dynamic**: changing in time
 - **Situational**: depending on local and regional conditions and ambitions

Conclusions and recommendations

Recommended actions per governance domain and level



- For the **four governance levels** (information exchange, coordination, collaboration, integration), typical **governance measures** are defined for each of the seven governance domains (see report and first three domains presented next).
- It is recommended to develop the governance domains in a **balanced way**.

Conclusions and recommendations

Governance domain: objectives



| Information Exchange | Cooperation | Collaboration | Integration |
|---|--|--|---|
| <ul style="list-style-type: none">• Identify shared problems and common interest;• Organize various rounds of expert group meetings to identify common problems and solutions. | <ul style="list-style-type: none">• Define broad, easy to achieve transport interventions of which the benefits are noticeable quickly;• Centre the corridor development around one large-scale infrastructure project and develop the corridor from there. | <ul style="list-style-type: none">• Develop more detailed objectives;• Objectives slowly shift from hard infrastructure interventions to soft infrastructure interventions. | <ul style="list-style-type: none">• Define detailed and far-reaching objectives;• High leverage of corridor objectives over national plans;• Adjust national plans to support corridor development. |

Conclusions and recommendations

Governance domain: legal framework



| Information Exchange | Cooperation | Collaboration | Integration |
|---|---|--|---|
| <ul style="list-style-type: none">• Discussion of reach and scope of legal agreement;• Bilateral and multilateral agreements;• Use existing corridor agreements for initial input (e.g. SEETO). | <ul style="list-style-type: none">• Establish broad and non-committal agreement, usually by Memorandum of Understanding;• MoU should include establishment of corridor secretariat;• At least each governance domain should be included to some extent. | <ul style="list-style-type: none">• Replace MoU by treaty demanding more political commitment;• Corridor development requires domestic reform;• Includes sanctions for non-compliance. | <ul style="list-style-type: none">• Develop a more extensive agreement, covering a broad range of objectives;• Treaty includes detailed description of each governance domain;• Objectives require substantial incorporation in national plans. |

Conclusions and recommendations

Governance domain: institutional framework



| Information Exchange | Cooperation | Collaboration | Integration |
|--|---|---|---|
| <ul style="list-style-type: none"> Organize information rounds in which MoT, local authorities, international organisations and social and economic partners exchange views; Discussion on tasks, working principles and financing of governance institutions. | <ul style="list-style-type: none"> Ministerial meetings, steering committee and corridor secretariat are established as governance institutions; Financing, working principles and procedures for these institutions are laid down in an agreement. | <ul style="list-style-type: none"> Expand the governance institutions with a technical assistance team, working groups for specific topics; Describe tasks and working principles in more detail. | <ul style="list-style-type: none"> Establish a variety of institution with well-defined tasks; Towards common agenda for governance body and national administrations; Ensure that institutions are evaluated regularly. |

Policy recommendation I – Developing/improving an enabling legal and institutional framework for ensuring effective coordination among the relevant countries and for achieving reform-demanding objectives



- A strong legal and institutional framework, defining **common objectives and plans** is a pre-requisite for **effective coordination among the countries** and **implementation of the objectives** for the development of the corridor.
- Legal framework typically cover the overall **strategic perspective** of the corridor in various levels, **institutional arrangements, working principles** and **financing issues**.
- **National reforms and investments** are more effective when considered from a **regional perspective**, ideally coordinated with neighbouring countries.

Policy recommendation II – Establishing a dedicated corridor secretariat/coordination unit for facilitating corridor governance through ensuring permanent communication and coordination among the relevant countries



- A **dedicated secretariat** is critical for **effective corridor governance** and has a **catalyst function** towards improved corridor governance
- The function of the secretariat is to **maintain the dialogue** among all **relevant countries and stakeholders** by preparing meetings, ensuring communication and coordination among the countries.
- A dedicated secretariat is also critical for formulating a long-term **strategy**, transforming objectives into **action**, analysing **trends and developments**, collecting of data, as well as setting **performance indicators** and **monitor** implementation.

Policy recommendation III – Promoting the development of transport corridor governance in a holistic way, combining hard and soft measures, such as infrastructure, political support, stakeholder consultation and capacity building



- Corridor governance is a **complex process**, involving various aspects such as legal and institutional matters, as well as multiple stakeholders, often from various countries.
- Having **clear corridor objectives and related political support** is a pre-condition for effective corridor governance. Joint corridor objectives can boost corridor development, for example in the case of SEETO, where connecting to the TEN-T network creates a common driver for corridor development.
- Governance domains are **interrelated** and need to be developed in a **harmonized way**.

Policy recommendation IV- Making use of facilities of international organizations in carrying forward corridor governance, especially in the initial phase of corridor development



- Corridor governance depends on a **range of factors**, such as maturity of the corridor, political will and support, regional stability, the presence of an **international organisation** facilitating corridor governance, and funding availability. In this respect, international organisations **play a decisive role** not only in the establishment of a corridor but also in improving corridor governance.
- The knowledge, resources and the role of international organisations as independent mediators are valuable for consensus building among the relevant countries, providing structure, as well as providing initial funding in the beginning of the process.