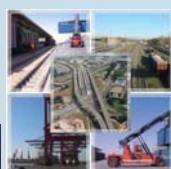


2017 Northeast Asia International Conference for Economic Development (NICE)

Niigata, Japan, 14-15 February 2017

Significance of Transportation Connections

*Mr. Yuwei Li, Director
Transport Division*



Importance of Transport Connections

→ Transport:

- Means for movement of people and things from one place to another
- Essential for trade, exchange and travel
- Supporting pillar for economic and social development

→ Without transport connection between countries:

- Isolated with each other
- No mass production and distribution
- No modern agriculture and industrialization
- No international trade



Importance of Transport Connectivity

→ Roles of regional transport connectivity:

- Driver for economic growth
- Basis for trade development
- Cornerstone for regional cooperation
- Opportunities for massive investments
- Facilitation of exchange between people



Importance of Enhancing Transport Connectivity for Northeast Asia



Exporters/Importers in World Merchandise Trade, 2015

Rank	Exporter	Value billion \$	Share %	Rank	Importer	Value billion \$	Share %
1	China	3,071	18.6	1	China	2,479	14.8
4	Japan	625	3.8	4	Japan	648	3.9
6	ROK	527	3.2	9	ROK	436	2.6
15	Russia	340	2.1	23	RF	194	1.2
Total			27.7				22.5

Source: WTO, World Trade Statistical Review 2016.



Exporters/Importers of Travel, 2015

Rank	Exporter	Value billion \$	Share %	Rank	Importer	Value billion \$	Share %
2	China	187.5	15.0	2	China	330.6	27.2
9	Japan	25.5	2.1	4	Russia	34.9	2.9
				6	ROK	25.0	2.1
				13	Japan	15.9	1.3
Total			17.1				33.5

Source: WTO, World Trade Statistical Review 2016.



Exporters/Importers of Transport Services, 2015

Rank	Exporter	Value billion \$	Share %	Rank	Importer	Value billion \$	Share %
3	China	24.0	15.8	2	China	12.9	13.2
6	ROK	3.2	2.1	4	ROK	8.7	8.9
7	Russia	2.6	1.7	5	Japan	7.9	8.1
15	Japan	0.9	0.6	8	Russia	1.5	1.5
Total			20.2				31.7

Source: WTO, World Trade Statistical Review 2016.



Intra-subregional Trade

Suregion	Intra-subregional share of total trade %		
	2013	2014	2015
East Asia	36.15	35.50	36.66
Central Asia	6.72	7.10	8.97
South Asia	4.52	5.21	5.58
Southeast Asia	24.31	24.22	23.56
The Pacific	0.48	0.46	0.50

Source: Asia Regional Integration Centre, Database for Integration Indicators.

Note: Figures for East Asia include that of China (Hong Kong and Taiwan Province, China), Japan, Mongolia, Republic of Korea.



Importance of Transport Connections for Northeast Asia

➔ Effective transport connections needed for Northeast Asia:

- Leading traders in the world
- Major countries of travel in the world
- Key providers of transport services in the world
- Large share of intra-subregional trade
- Land area: 20% of the world
- Population: 23% of the world
- GDP: 22% of the world, 2nd & 3rd largest economies
- Complementary economies: natural resources rich countries, production and processing countries



Achievements/Challenges in Transport Connectivity in Northeast Asia

Logistics Performance Index, 2016

Country	LPI Rank	LPI Score	Customs	Infrastructure	International shipments	Logistics competence	Tracking & tracing	Timeliness
Germany	1	4.23	4.12	4.44	3.86	4.28	4.27	4.45
Japan	12	3.97	3.85	4.1	3.69	3.99	4.03	4.21
Korea, Rep.	24	3.72	3.45	3.79	3.58	3.69	3.78	4.03
China	27	3.66	3.32	3.75	3.7	3.62	3.68	3.9
Russian Federation	99	2.57	2.01	2.43	2.45	2.76	2.62	3.15
Mongolia	108	2.51	2.39	2.05	2.37	2.31	2.47	3.4

Source: World Bank, International LPI Global Ranking.

- ➔ Hard infrastructure: some room to improve in China, Japan and ROK; large room to improve in Mongolia and Russian Federation
- ➔ Soft infrastructure, i.e., cross-border formalities, logistics services: more to improve
- ➔ Overall transport connectivity: land infrastructure network, intermodal connections, transport-related e-service integration



Areas of UNESCAP Transport Division's Work

- ➔ **Planning and coordination of regional transport networks**
 - e.g. Asian Highway, Trans-Asian Railway and Dry Port networks
- ➔ **Setting of regional common frameworks, standards and models**
 - e.g. AH standards, frameworks for road and railway facilitation, road safety facilities standard, logistics info system model, facilitation tools, road safety goal/targets, model bilateral/subregional agreements, model ITS deployment
- ➔ **Assistance for transport facilitation agreements**
 - e.g. GMS CBTA, SCO Road Facilitation Agreement, CHN-MON-RF Transport Agreement on AH
- ➔ **Research and analytical work**
 - e.g. transport development review, transit system, transit charges, sustainable transport, ITS, NSW & e-transport, corridor studies
- ➔ **Capacity building: seminars/workshops/training**

