

Closing Session of 3<sup>rd</sup> IRU/EU Road Transport Conference

**Algimanats Kondrusevicius, President of Lithuanian National Road Carriers' Association LINAVA**

Possible speaking points

**The role of road transport and its contribution to serving transit flows is a key aspect, which should be guided by the competent EU and other countries' authorities in planning future investments and implementing transport policy.**

- About two-thirds of all goods are transported by road between Eastern countries and Western Europe. No other mode of transport can reach such impressive indicators because of natural technical limitations.
- It is important to take into account the structure of trade, actual flows of goods and trade between the East and the West. The EU is one of the most important trade partners for Russia. Eastern markets are no less important to Europe. This relationship is too strong to be ignored by imposing restrictions to road transport, thus impeding international trade.

**Argument:** Russian trade with the EU countries represents more than 50 percent of the total trade carried out by Russia. Russia is one of the main export markets in Europe. Any malfunction or encumbrance in this supply chain mean losses for both sides. As regards road transport, the experience of the last decades has shown that no other mode of transport is as flexible and fast to compete with road transport. The latter delivers goods from door to door, at required time and at a reasonable price. Our country is an excellent evidence of road transport dominance. Two decades ago, after Lithuania restored its independence the role of it as a transit country between the East and the West has significantly increased. Large cargo flows go through Lithuania and road transport prevails among other modes. Constantly investing in a modern and environmentally friendly transport and professional competence, the Lithuanians can boast being a country of road transport professionals, having dashing business projects in the EU, Russia, Kazakhstan and the Far East markets. However, Lithuania as a border state located at the junction of the EU and the East Customs Union realizes that a greater emphasis in these countries should be given to the development of the border infrastructure and provision of better facilities to road transport.

**Two systems have developed favourable conditions for harmonious and sustainable road transport activities in our region and other countries: the TIR Convention and the guarantee chain functioning on the bases of the Convention, as well as the ECMT authorization quota. Preservation of operational integrity of these systems and adherence to the core principles by the contracting parties is the key to the success in road transport.**

- **Argument:** the TIR Convention and the operating guarantee chain eventually enabled to solve the responsibility and reliability issues of the carriers in different countries having significant political and economic differences. The transit time of goods transported by road and the quality of services provided by the carriers have improved in particular. It is

important to emphasize that if at least one of the contracting parties ignores the provisions of the TIR Convention the era of quick and reliable operations will end. They can only be replaced by fragmented and costly alternatives of separate states, lengthening the transit time, increasing the costs of a logistics chain and the price of goods to the final consumer. For this reason, any breach of the TIR Convention or disregard of its provisions should be severely judged by the international community as the factor destroying the confidence of international trade and business entities.

- **Argument:** ECMT system, the functioning of which is ensured by ITF, creates a relevant balance within international transport markets. The maintenance of this balance and establishment of common standards in transport operators' work promoted development of road transport and was the reason for the breakthrough. The last decade is the best example of this process when billions of private investments have been allocated to ecological fleet of Euro 4 and Euro 5, modern management systems, new technologies for planning transport activities. In view of effective and competent road transport in the future, we have to maintain and foster the functioning of both TIR and ECMT systems.
  
- **Future challenges in road transport are mainly related to sustainable development and elimination of obstacles and weak local infrastructures.**
  
- **Argument:** only by developing harmoniously boarder and transit infrastructure and avoiding additional legal, financial and bureaucratic barriers, we will be able to talk about a more competent and more effective road transport in the future. The experience of road transport operators of independent states that have just recently joined international markets shows that private business may change rapidly and is very flexible, therefore sustainable development is possible only when we progress and work more productively.