

Railways in the GMS

A Viable Step Towards Sustainable Transport?

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The Benefits to be Gained

- + Frugal in land and energy requirements → low environmental impact
- + Inherently cost-effective over medium long distances (200-1,200 km)
- + Safe and not susceptible to road congestion
- Capital intensive
- Requires feeder at terminal points (not door to door)
- Time inflexible (common rather than individual services)



Bamboo railway in Cambodia
(source: wikipedia)

High speed railway in PRC
(source: wikipedia)



GSM Railways

- The national networks are old and generally not interconnected
- National railway standards are not compatible
- Extensive network upgrade and extension is planned or ongoing, but is not coordinated and
- Rolling stock is often old, unreliable and in short supply
- Most national railway companies are uncompetitive -> financial losses and creeping loss of market share



The GMS Railway Strategy

Goal: the GMS interconnected by at least one GMS railway line by 2020.

Approach:

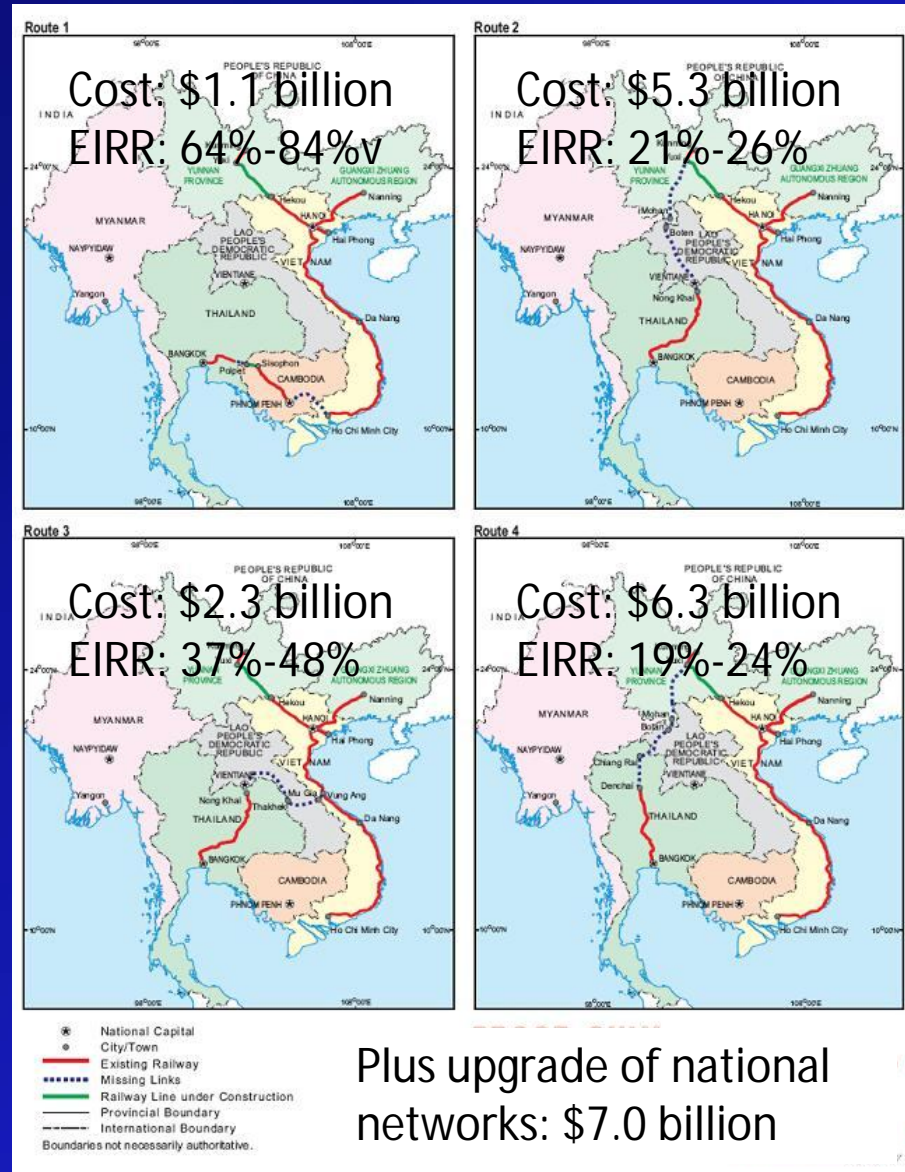
1. Promoting seamless rail networks by:

- (i) Agreeing on minimum common standards,
- (ii) Agreeing on harmonized cross-border procedures,
- (iii) Agreeing on regional operating rules and safety standards,
- (iv) fostering cooperation between the GMS railways, and
- (v) developing interconnection to other modes of transport.

2. Modernizing national railway infrastructure, equipment, management and regulation to adequately meet demand

3. Establish a GMS railway coordination office

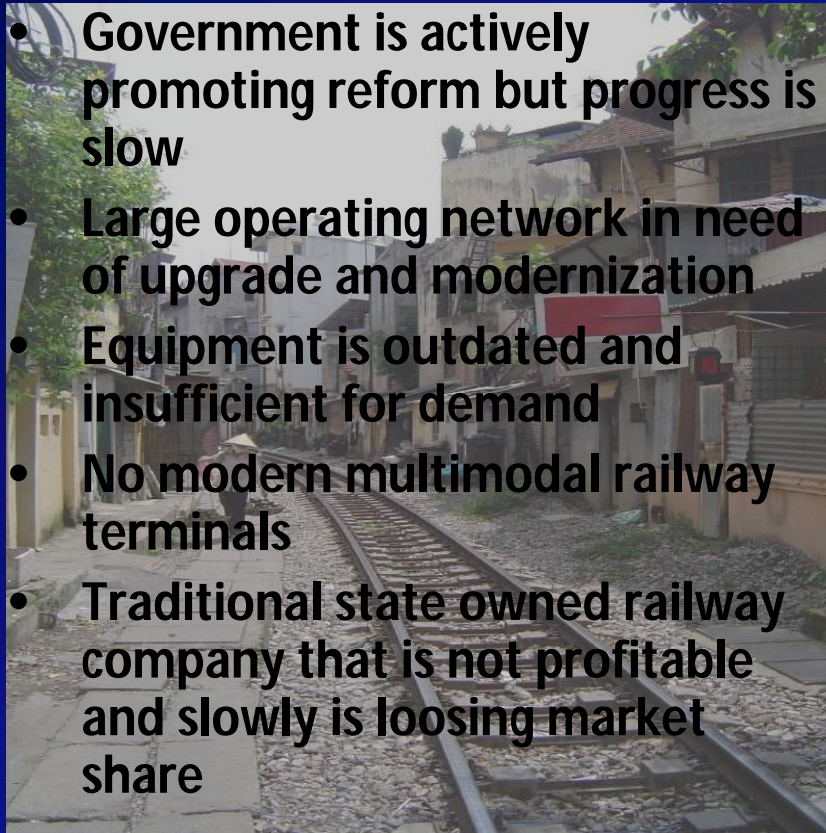
4. Involve the private sector in planning, development and financing of railways



Where are we? Two Examples

Vietnam

- Government is actively promoting reform but progress is slow
- Large operating network in need of upgrade and modernization
- Equipment is outdated and insufficient for demand
- No modern multimodal railway terminals
- Traditional state owned railway company that is not profitable and slowly is losing market share

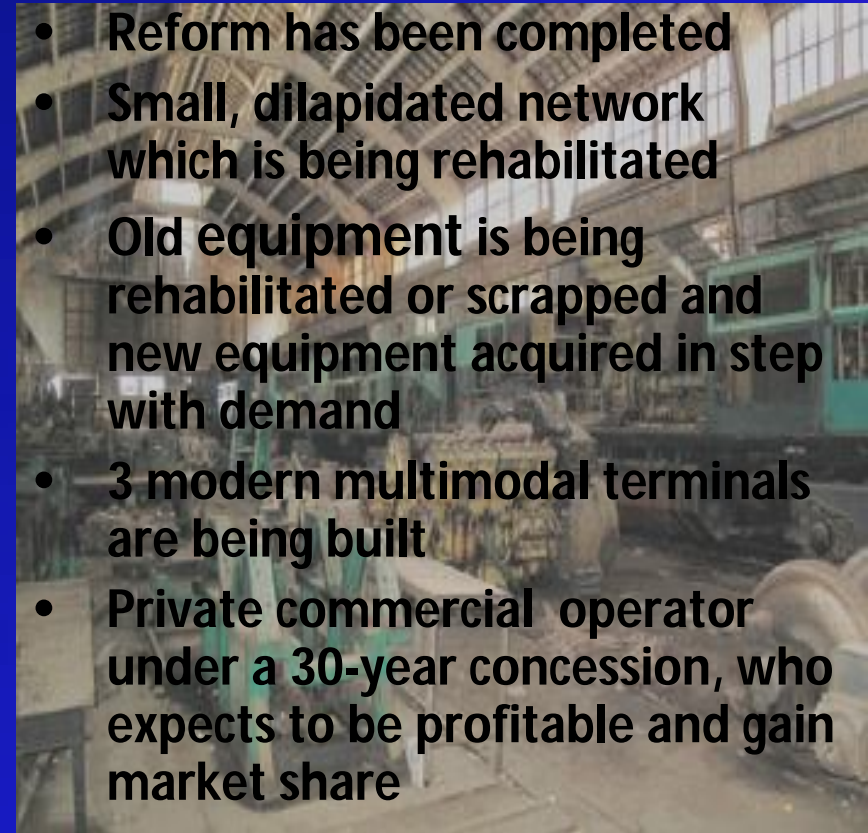


Encroached mainline in Hanoi

(source: wikipedia)

Cambodia

- Reform has been completed
- Small, dilapidated network which is being rehabilitated
- Old equipment is being rehabilitated or scrapped and new equipment acquired in step with demand
- 3 modern multimodal terminals are being built
- Private commercial operator under a 30-year concession, who expects to be profitable and gain market share



Engine shop in Phnom Penh with dilapidated equipment

(source: Phnom Penh Post)



Can it be Done?

From Bamboo to High Speed Railway



- **Yes**, I think it can be done, provided there is:
- Political will to reform the railway sector, converge standards and agree on efficient border crossing procedures
- Substantial investment in rehabilitation, expansion and modernization of national railway networks, terminals and equipment
- Long term planning and decisive implementation of railway convergence, and
- Continued subregional cooperation and coordination within the GMS

Thank you

Any questions?