

Policy Recommendations adopted by 31st Session of the COMCEC

- **Member states are invited to enhance the private sector participation in the port sector**

Rationale: Traditionally, ports have been owned, operated and regulated by state-controlled public organizations. However, with the introduction of private sector participation (PSP) in ports, new forms of port administration and new models of port ownership and institutional structuring have emerged. PSP in port operations has been growing strongly as a result of a view that public owners and operators, relative to private ones, are less able (and have fewer incentives) to control costs, are slower to adopt new technologies and management practices, and are less responsive to the needs of port users relative to the private owners and operators. Countries leading the way in private participation have been able to attract significant private capital investment to develop port infrastructure and modernize superstructure and terminal services. Under private management, ports usually improve operational efficiency, labor productivity, and service quality.

- **Member states are encouraged to establish port regulators**

Rationale: An independent port regulator is essential to control entry (entry regulation), to determine tariff (rate regulation), to set the performance standards (performance regulation and yardstick benchmarking), and (sometimes) to set technical standards (health and safety, security, environmental, and labor regulation). Additionally, the regulator may be required to act as an arbitrator to handle disputes.

At the same time, it might be better to put in place a multi-sector regulator for ports and transport logistics sector as a whole to cover dry ports and freight logistics sectors as well.

- **Member states are called on to promote intermodal container transportation**

Rationale: The introduction of containerization triggered complementary technological and organizational changes that accelerated the globalization of the world economy since the 1960s. From a transportation technology perspective, containerization resulted in the introduction of intermodal freight transport, since the shipment of a container can use multiple modes of transportation without any handling of the freight when changing modes. By eliminating separate handlings of the cargo, the container resulted in linking the producer closer to the customer. On the other hand, containerization requires major technological changes in port facilities. OIC ports must therefore adapt their port infrastructure, operations, equipment, and ICT systems accordingly while training and educating highly qualified and technically specialized port workforce.

- **Promoting Public-Private Partnerships (PPPs) for Urban Transport Financing**

Rationale: Ensuring smooth and efficient movement of people and goods in urban areas has direct economic and social benefits. The availability of good and efficient transportation services at affordable costs also enhances the quality of life of residents. However, national governments or international funding alone cannot fulfil the vast infrastructure needs in the urban transport sector. It is key to attract private sector investment and financing by ensuring a viable regulatory and legal environment, appropriate design and structure of markets, long term incentives for private investment and protection from investment risks.

In this context, Public Private Partnerships (PPPs) emerging as one institutional structure, in which the public authorities deal with network or environmental externalities, demand uncertainty, and administrative costs associated with the project. On the private side, if infrastructure privatization is combined with deregulation or liberalization of market entry, competition in terms of the provision of services may increase. PPPs have been embraced by many developing countries that have followed a more proactive approach in attracting funding, but this has been so far used primarily for financing airports and ports, rather than for sustainable urban transport used by the majority of people on a day to day basis. PPPs in urban transport should provide the following results: Maximize the social-economic benefits to the society through implementation of the most cost-effective option for urban transportation; Capture value from direct benefits to project users and as well as value from significant positive externalities that will accrue indirectly from the project; and ensure affordability of public transportation fares to encourage usage and maximize consumer welfare.

- **Enhancing ICT Applications for Traffic Management in OIC Cities**

Rationale: Increasing transport demand is creating a major challenge in traffic management in urban areas. Decision makers have at their disposal a wide range of technology solutions that have emerged from recent research and development, especially in ICT Applications. These applications systems are now being employed to optimize use of road infrastructure and to manage urban traffic flows by balancing road use by private cars, public transport and freight vehicles, optimizing energy consumption, and reducing congestion and transport emissions. Traffic management can be further improved through integration and interoperability of the transport networks. To this end, there is increasing emphasis in urban areas on interconnecting road, rail, underground metro infrastructure and services, bus lanes, cycle lanes and pedestrian zones. The aim is to facilitate a shift to more environmentally friendly transport modes and to increase efficiency in freight logistics. Studies and implementation projects have demonstrated that innovative concepts, such as green zones, urban charging schemes and e-mobility, improve the performance of transport networks.

- **Improving institutional structure to ensure the delivery of a sustainable transport strategy.**

Rationale: Sustainable urban transport requires institutional and organizational coordination in order to ensure that appropriate rights and authority are given to both bottom up and top down planning. On the one hand, a clearly defined institutional framework should support the consolidation of responsibilities and coordination of activities of all stakeholders. At the same time, it is for utmost importance to allow space in the planning procedures for bottom up input. Particularly in the urban areas where social activity and human interaction and mobility are inevitably intense, it is the citizens that recognize the problems and needs of the city the most, particularly when it comes to transport. It has been proven that public participation, advocacy and awareness rising on issues such as road safety, public space planning and active travel can provide valuable inputs and solutions to urban problems.

The development and implementation of transport policies requires a combination of institutional structures and synergies to be in place in order to succeed. The concentration of all operations and

planning under a single transport authority for a city is considered a key action to ensure the delivery of a sustainable transport strategy. This transport authority needs to be able to develop a transport strategy for a city, ensure that the necessary synergies with other sectors and authorities are in place, monitor the implementation of the plan, evaluate its success and adapt it according to the changing needs of the city. In addition, the participation of all relevant stakeholders, such as the public, private operators and local authorities, needs to be secured in order to deliver equal access opportunities, service levels and economic benefits