

**Statement**

by

**Ambassador Shamil Aleskerov, ECO Secretary General,  
at the Second UN Conference on Landlocked Developing Countries  
(Vienna, 3-5 November 2014)**

**Your Excellency President of the Conference,**

**Your Excellency Mr. Acharya, Secretary-General of the  
Conference,**

**Honorable Ministers,**

**Excellencies,**

**Distinguished Participants,**

**Ladies and Gentlemen,**

It is my distinct privilege to represent the Economic Cooperation Organization (ECO) in this Second United Nations Conference on Landlocked Developing Countries and apprise this august house of the ECO's regional contribution to the process of establishing a new global framework for transit transport cooperation in landlocked and transit developing countries.

*proceeding to this*  
Before ~~doing~~ this, I would like to express my gratitude to the UN Office of the High Representative for LDCs, LLDCs and SIDS (UN-OHRLLS) for inviting ECO to this <sup>important</sup> conference, and ~~appreciation for the~~

~~their excellent preparatory process and the efficient arrangements made for such an important event.~~ I am confident it will become a milestone in the efforts of the international community and the landlocked countries towards achieving the high goals and targets of their sustainable development by adopting the new development agenda for the landlocked developing countries for the next decade.

**Mr. Chairman,**

**Distinguished Participants,**

In the process of implementation of the Almaty Program of Action and its discussion at this conference the importance of the regional cooperation and integration has been stressed times and again. As it was reflected by the joint World Bank –UN report prepared for this conference the core of the cooperation between LLDCs and the transit countries aimed to improve LLDC's access to global markets happens within a regional integration framework. And this notion is also included as one of the priorities of the new development agenda for the landlocked countries for 2014-2024.

In this regard let me reflect on the activities and experience of the ECO and the ECO region as a case in point.

**Mr. Chairman,**

As you may know, ECO as a regional intergovernmental organization comprises 10 member states covering a vast territory of more than 8 million sq.km with the total population of more than 400 million

people and enormous natural resources. The ECO region borders China in the East, European Union in the West, Russia in the North and the South Asia and the Middle East in the South, being a territory bridging Asia and Europe.

The main aim of the ECO is to promote economic cooperation among its member states for achieving sustainable development and social progress in the ECO region. The region has a tremendous potential for intraregional and international trade, yet underexploited, due to a significant extent to the underdeveloped transport and transit system. ECO Member States have a clear understanding of the benefits of the transport connectivity and the advantages of the enhancing and expansion of the connectivity as contribution to the sustainable development of the region. It is also generally accepted that the creation of a modern transport infrastructure in the ECO region and transit facilities is an indispensable factor of constructive regional and international cooperation, which will boost trade and economic relations in the region and with the outside world.

In this regard it is worthy to note that one the objectives of ECO enshrined in its Charter “the Treaty of Izmir” is to accelerate the development of transport and communication in the region.

To achieve this objective, ECO has adopted a three-pronged strategy for the transport sector as follows:

- i. Building adequate transport infrastructure in the Member States;
- ii Harmonizing rules and regulations in transport sector, simplifying and harmonizing customs procedures.
- iii. Enhancing institutional capacities of the Member States by organizing trainings, workshops, seminars and conferences.

**Mr. Chairman,**

Against this general background, let me recall that 7 out of 10 member states of our organization are landlocked countries, hence our great immediate interest to this Second UN Conference on Landlocked Developing Countries, which is tasked to hold a comprehensive ten-year review of the Almaty Program of Action and shape the new development agenda for this group of countries for the next decade.

The Program of Action reviewed here was adopted in 2003 in Almaty, the former capital of the Republic of Kazakhstan, which is one of the seven land-locked member-states of the ECO. The other six landlocked countries of ECO are Afghanistan, Azerbaijan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan.

At the same time the three other member countries of ECO, namely Iran, Pakistan and Turkey are transit countries which have direct access to the open seas. Having such a membership composition, ECO provides a good platform for the effective regional economic

cooperation, which includes, in-particular, the implementation of the projects allowing to expand the transport connectivity inside the region as well as with the neighboring regions and countries, facilitate the integration of the countries of the region between themselves and with the outside world, develop intra-regional and international trade.

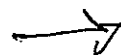
**Mr. Chairman,**

*I would like to recall that*

Since 1992, when a three-member ECO was joined by the above mentioned 7 landlocked member states, the transport cooperation has become <sup>ever more important</sup> one of the 3 priority fields of cooperation, the other two being trade and energy fields.

A number of key policy documents in this field have been adopted such as the *Quetta Plan of Action* by the ECO Council of Ministers- highest decision making organ of the organization and the *Istanbul Declaration (ECO Long Term Perspectives)* by the ECO Summit in 1993.

Following up the above mentioned guiding documents, the ECO Outline Plan for the Development of the Transport sector in the Region was adopted at the first ECO ministerial meeting on transport and communication held in 1993 also in Almaty. It established working groups on ECO Road network, ECO railway network and ECO multimodal transportation. A great deal of work was done thereafter by ECO member states as well as in the framework of ECO in cooperation with UN ESCAP and UNECE, IRU as well as IDB for the improvement of the intraregional transport linkages, development of railway and road network in the region, and extending its outreach in all directions, to the rest of the world.



An extensive plan on the harmonization of transport cooperation among the ECO member states came into being after the signing of the regional Transit Transport Framework Agreement known as TTFA in 1998, also in Almaty.

**Mr. Chairman,  
Distinguished Participants,**

The adoption of the Almaty Program of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation between Landlocked and Transit Developing Countries by the Ministerial Conference in 2003 gave a strong impetus to and had a galvanizing effect for transport related activities in the ECO member states and in the ECO as well as for strengthening cooperation with the concerned international organizations and financial institutions. The Almaty Program of Action emphasized that success in attaining its objectives would depend critically on the effective functioning of the arrangements for its implementation and review at sub- regional, regional and global levels. At the same time subregional and regional cooperation and integration were underlined among the most important elements in establishing efficient transit transport systems.

Using this opportunity of the review exercise, I would like to reflect on the process we , in the ECO, have gone through in addressing the issues stipulated in the Almaty Program of Action. For taking into account this program, the ECO ministerial meetings on transport and communication held in 2006 and 2008 gave due consideration to the special needs of the ECO landlocked countries in the light of the Almaty Program of Action and made specific recommendations for necessary actions. It is my honor to inform you that the need for enhancing regional cooperation facilitating the access of the landlocked

member states to open seas through the coastal member states have been brought to the agendas of the ECO meetings where the transit developing countries of the ECO, namely Iran, Pakistan and Turkey have pledged to provide port and transit facilities to the fellow landlocked member states. Later on the “International Conference on Logistics and Transit Development in the ECO region” (Bandar Abbas, October 2011) recommended to further analyze the special needs of the landlocked member states and how these needs can be met by the ports of ECO transit countries.

Overall, the impediments we have been striving to address within the context of ECO region and the mechanisms which we have tailored to the particular needs of our region fall under different categories ranging from infrastructural impediments to regulatory frameworks and harmonization requirements:

**efficiencies, distinguished participants,**

With regard to infrastructure, various railway projects are being coordinated by the ECO to strengthen the regional transit networks by rail.

On the North-South Corridor, the railways between Kazakhstan-Turkmenistan-Iran and between the Republic of Azerbaijan-Iran, the so called “Qazvin-Rasht-Astara (Iran)-Astara (Azerbaijan) railway”, are two main projects of ECO which lately achieved significant progress. We are counting down to start operationalizing Kazakhstan-Turkmenistan-Iran railway as soon as the remaining segment in the territory of Turkmenistan is completed, most expectedly in December this year. The transit capacity of this corridor is expected to be 5-7 million tons annually and the en-route countries at various international rostra voiced their



commitment to make this route operational. It will make possible the seamless flow of cargo by rail along the North-South corridor not only for ECO countries but also for the countries of South Asia and Northern Europe through Bandar Abbas-Baku-Moscow-Helsinki route.

High-Level Working Groups have been recently established to streamline operation of the ECO container trains along Istanbul-Almaty, Bandar Abbas-Almaty and Islamabad-Tehran-Istanbul routes.

Corridor studies have been conducted to examine challenges of the said routes as well as to analyze tariffs, running time and the legal framework to ease off border crossing procedures. ESCAP's "Time/cost-distance" methodology was also applied to identify non-physical barriers existing along the routes.

Issues, addressing the challenges on the way towards smooth and efficient road transport in the region, are being pursued by the committees on Road, Customs Transit and Insurance under the Transit Transport Coordination Council (TTCC), a special body established to monitor and coordinate matters related to transit transport among Contracting Parties of the ECO Transit Transport Framework Agreement (TTFA). The committees meet regularly and discuss issues which proximately address and intersect ESCAP's fundamental issues and modalities for facilitation of international road transport.

The survey of regular monitored run of trucks in the region, successfully implemented in partnership with IRU under ECO RMT Project, has also contributed to examining the exact situation in the



ECO region with regard to various aspects of transit operations, including visa, permit, fuel price, insurance, waiting in queues, driving speed, unofficial payments, customs procedures, weights and dimensions of vehicles and also application of relevant facilitative legal tools. The findings of the project allowed formulating recommendations for improving the situation in the member states.

Of significant importance for the region will be projects on the railway Tajikistan-Afghanistan- Turkmenistan and a transport corridor Afghanistan-Turkmenistan-Azerbaijan- Georgia.

**All in all**, the projects aimed at the development of various railway routes will provide our countries with the diversified system of routes ensuring a choice of different opportunities for movements of cargo to different destinations in all directions East and West, South and North, in the most effective and feasible modes.

To complete the picture of transportation routes development, let me also mention here, that in the road sector, the establishment of two road transport corridors, one between Islamabad-Tehran-Istanbul (ITI), and the other between the Kyrgyz Republic, Tajikistan, Afghanistan and Iran (KTAI) are being coordinated by ECO among the enroute Member States and concrete measures are being taken to materialize these initiatives.

Among ongoing activities to operate road transit routes are projects on establishment of two road corridors, one between Islamabad-Tehran-Istanbul (ITI) and the other, between the Kyrgyz Republic-Tajikistan-Afghanistan-Iran (KTAI).

In order to transform ITI and KTAI into functioning corridors , the TIR System was agreed to be applied as the transit system to alleviate cumbersome procedures at borders for the trucks in transit. ~~To this end I am pleased to inform that the TIR System has been reactivated in~~

~~Afghanistan since September 2013 due to joint efforts of ECO, IRU and the Afghan Government which will serve as a serious ground to start TIR operations along KTAI Corridor.~~

Mr.Chairman,

Our special attention is given to two our Central Asian member states, namely Tajikistan and Kyrgyzstan, which have lowest GDP per capita and their economic development is limited to a large degree by their remote location from the open sea and lack of adequate transport transit facilities .**They have the longest distance to the sea among all land-locked countries in the world.** These two our member countries **as well as Afghanistan which is an LDC** are in a dire need to have transport links with other fellow countries and access to transit corridors which would allow them to carry out import - export operations with affordable cost to ensure their successful economic development and to be competitive in international markets.

At the same time these countries have also a huge potential as transit providers .For instance, it is estimated (ADB) that the transcontinental corridor through Afghanistan has the potential to transport 20-30 million tons of cargo each year. Therefore we have been paying special attention to projects which will provide them transport connectivity with the neighboring countries as well as an access to the sea and international markets. These are: railway Kyrgyzstan-Tajikistan-Afghanistan-Iran and Road Transport Corridor on the same route, *which I mentioned before*. Of significant importance for these countries and the region as a whole are the railway projects, particularly a new railway link Baku-Tbilisi-Kars built by two ECO member states Azerbaijan and Turkey in cooperation with their neighboring transit country Georgia which will be commenced in 2015, and Tajikistan-Afghanistan- Turkmenistan and a transport corridor Afghanistan-Turkmenistan-Azerbaijan- Georgia.

To complete the picture of transport routes development, let me also mention here, that in the road sector, the establishment of two road transport corridors, one between Islamabad-Tehran-Istanbul (ITI), and the other between the Kyrgyz Republic, Tajikistan, Afghanistan and Iran (KTAI) are being coordinated by ECO among the enroute Member States and concrete measures are being taken to materialize these initiatives.

All in all, the projects aimed at the development of various railway routes will provide our countries with the diversified system of routes and transit corridors ensuring a choice of different opportunities for movements of cargo to different destinations in all directions East and West, South and North, in the most effective and feasible modes. We believe that as a result of the implementation of a great number of transport infrastructure projects which are already in the construction phase or planned now, a diversified network of railways and also roads will be created in the near future in our region.

*Ladies and Gentlemen*  
Mr. Chairman, ~~honorable~~ guests,

Smooth transport and affordable access does not come true only through adequate infrastructure but equally important is obviating impediments resulting from inefficient or inadequately regulated cross-border and customs procedures, facilities and logistics. ECO-RMT study performed with collaboration of IRU bore noticeable results indicating that 40 per cent of transport time was lost at borders due to absence of harmonized procedures and regulations at borders, numerous checkpoints, outdated border-crossing points, inappropriate customs formalities and controls and cumbersome visa processes for drivers. To deal with this multi-faceted range of problems, ECO endeavored to facilitate and coordinate

implementation of a major negotiated and comprehensive document called Transit Transport Framework Agreement or TTFA. Issues, addressing the challenges on the way towards smooth and efficient road transport in the region, are being pursued by the TTFA committees on Road, Customs Transit and Insurance under the Transit Transport Coordination Council (TTCC), a special body established to monitor and coordinate matters related to transit transport among Contracting Parties of the ECO Transit Transport Framework Agreement (TTFA).

As concerns addressing the above mentioned impediments, Corridor studies have been conducted to examine challenges of the said routes as well as to analyze tariffs, running time and the legal framework to ease off border crossing procedures. ESCAP's "Time/cost-distance" methodology was also applied to identify non-physical barriers existing along the routes.

**Mr. Chairman,**

In line with the Almaty Program of Action , ECO has inter alia encouraged and facilitated the accession of its Member States to relevant international conventions

and agreements on transit transport and border crossing which is instrumental for landlocked developing countries and transit countries as concerns simplifying, harmonizing and standardizing transit operations. Such instruments play a significant role in reducing transit delays and costs.

As concerns the ECO's development roadmap, I'm pleased to report that with the aim to ease development of efficient transport system in the region, to focus efforts on suggesting the improvement of the existing infrastructure and meeting the new demands and challenges, ECO, in partnership with the Islamic Development Bank, conducted the corridor studies to prepare a regional program for implementation of rail and road related provisions of the TTFA which has been finalized with two comprehensive plans, namely, "ECO Railway and Road Network Development Plans".

The studies allowed identifying approximately 87 regionally important projects in railway and road for priority development based on national development plans and strategies, and enabled also to prepare two valuable investment plans to be brought to the attention of the potential donors, financial institutions and development assistance agencies as well as private sector.

In this regard, I would like to note that ECO's corridors, projects, routes and the majority of prioritized projects for construction, reconstruction and up-gradation are substantially contributing to bridging the missing links and filling the gaps along sections of Trans-Asian Railway as well as North-South Corridor.

**Mr. Chairman, Distinguished colleagues,**

There is no doubt that ICT is increasingly become an indispensable component of sustainable transportation. The ECO ICT ministers in their recent meeting urged strengthening and expansion of the fiber optic infrastructure in the ECO Region in order to improve provision of IP Services between the Member States;

Based on the need for developing ICT infrastructure and services along approved ECO road and rail transit corridors, particularly at borders, a Feasibility Study was decided to be conducted to identify the needs for developing infrastructure connectivity and services. Acknowledging efforts of UNESCAP in promoting intelligent transport systems (ITS) in Asia we have invited ESCAP to assist ECO to jointly undertake a study in this important subregion of the ESCAP and look forward to their imminent positive response.

Mr. Chairman,

Ladies and Gentlemen,

Before concluding I would like to share with you some our observations.

We agree that the Almaty Program of Action has played a positive role in the development of landlocked developing countries and that it is, however, an unfinished agenda, as those countries have a long way to go to fully benefit from globalization and achieve sustained and inclusive economic growth, sustainable development, poverty eradication, employment generation and structural transformation.

It is our belief that as far as the ECO region is concerned, taking into account the work being done by the ECO member states for development of national transport networks and their joint projects including the ones implemented in the framework of ECO, we may confidently expect that the landlocked countries of ECO, already in the near future, will have access to a well diversified transit transport network and corridors -railway and road- allowing them to transport cargo to the international markets in different directions East and West, North and South. Transit routes and corridors will not only provide accesses for the ECO land locked countries to the open seas but also to the international markets through the land transport links, particularly to European market.

But using these facilities to the full extent by these countries and unlocking their trading potential will depend on the development of their productive capacities, capability to produce internationally competitive export goods. Some of the ECO landlocked countries, namely Azerbaijan, Kazakhstan, Turkmenistan and Uzbekistan, using their rich hydrocarbon resources, have been able to develop at a good pace and enjoyed high rates of economic growth and international trade, while Afghanistan, Kyrgyzstan and Tajikistan still face great challenges to find solutions to ensure economic growth and enhanced trade, through the development of productive capacities. Therefore we believe that the international community and development partners in the years to come should give more attention and support to the development and diversification of the economies of these countries, especially of Afghanistan.

while all efforts should be done for creation of national transport systems, railways and roads and transit facilities for reaching international markets, availability of investment resources is critical for solving transport problems in these countries and for development of their productive capacities for development of export;

We believe that the successful cooperation in the field of transport and transit development in the framework of ECO between its member states - landlocked and transit countries - testifies to the importance which was given in the Almaty Program of Action to the role which regional and sub-regional cooperation could play in addressing the problems of transit transport. And it was also stated in the same Program that support from all existing sources, where requested, for mechanisms of regional and subregional dialogue and regional integration among landlocked and transit developing countries was important. Our experience also proved the validity of that recommendation.

I would also like to take this opportunity to express our deep appreciation to our partners, particularly UNECE, UNESCAP, IRU and IDB for their cooperation extended to ECO, without which it would have been much more difficult, if not impossible, to implement successfully our activities and projects in the field of transport. I hope this cooperation will be expanded and we will enjoy cooperation with other development partners, too. We also look forward to a close cooperation with the UN Office of the High Representative for the LDCs, LLDCs and SDCs in the implementation of the new development agenda for landlocked developing countries.

It is encouraging to note that the role and importance of the regional cooperation and integration is acknowledged for the implementation of this agenda in the draft outcome document of this conference.

Supporting this document, I would like to express my confidence that ECO will be a reliable partner in the international efforts and do its part in the

tremendous collective job to be done in the period 2014-2024 for the development of the landlocked countries.

Concluding I would like to wish all of us the successful outcome of this conference.

Thank you.