

Speech of the Secretary General of the PS IGC TRACECA, Mr. Rustan Jenalinov
Subject: «Role of the IGC TRACECA in implementation of the Almaty Action Programme»
(2-3 October, 2008, New York, UN).

Dear Mr. Diarra,
Dear Colleagues, Participants of the Plenary Session, Ladies and Gentlemen,

On behalf of the Intergovernmental Commission TRACECA allow me to welcome you and thank you for the invitation to participate in this event significant for the TRACECA region, devoted to the midterm review of the implementation of the Almaty Action Programme.

The international transport corridor «Europe-the Caucasus-Asia «TRACECA» is a multimodal system of land and sea routes with the improved infrastructure ensuring international transport between Europe and Asia across the Black Sea, countries of the South Caucasus and Central Asia. Today the corridor as one of the transit transport links is in great demand due to the enhanced tendency of the growth of international trade in the region.

The aforementioned demonstrates that the activity carried out under the aegis of TRACECA aiming at the improvement of transport links and trade and economic relations between the countries serves a solid argument for provision of stability and welfare of the region.

The Basic Multilateral Agreement on International Transport for Development of the Europe – the Caucasus – Asia (TRACECA) currently brings together 12 member-states, 7 out of which are landlocked countries. Due to that we are highly interested in the efficient implementation of the Almaty Action Programme and convinced that only in case of the synergy of all involved countries and support of international organizations we will succeed in the accomplishment of the determined tasks.

Since adoption of the Almaty Action Programme TRACECA is actively involved in realization of its main priorities through the regional approach in implementation of the TRACECA projects promoting the development of efficient and multifunctional transport system.

During this period about 10 projects have been carried out, including investment projects and those of technical assistance. The projects provide for harmonization of legislation, improvement of tariff policy, institutional development, capacity building and improvement of the infrastructure of the TRACECA corridor. In particular, in the frames of the project «Trade Facilitation and Institutional Development» the actions were taken in order to introduce pilot schemes on simplification of border crossing procedures, organization of TRACECA Hot Line at the border crossing points. Furthermore, the project «TRACECA Coordination Team» in September 2003 in coordination with the TRACECA member-states and Daimler Chrysler Concern organized a convoy consisting of 10 trucks with humanitarian goods for Afghanistan. The convoy followed the 6 thousand km route from Brussels up to Kabul, including ferry routes along the Black Sea and Caspian Sea. *It took the convoy 3,5 weeks including meetings and press conferences held in the visited countries to follow the whole route. However, according to the forecasts of the project team such a trip can be made within 14-18 days (without taking into account delays due to the relevant ceremonial events).* The abovementioned initiative illustrated the capacity of the TRACECA corridor in respect of delivery of goods by road transport, and showed the need for transport communication between the landlocked countries and Western Europe.

I would like to underline that about 40% of the overall budget of TRACECA projects was directed to the development of infrastructure, including creation of missing transport links and modernization of the existing components of infrastructure of the region.

In particular, actions aimed at the improvement of road infrastructure were taken, first of all covering highways, where the special focus was given to preparation of feasibility studies of road transport projects for their further implementation with the use of various budget lines. The most visible results in the context of the increase of traffic flows were achieved within the projects on bridges' construction. For instance, construction of the bridge at the border between Georgia and Azerbaijan, and a number of bridges in Azerbaijan, undoubtedly, had a positive influence on the volumes of road transport. Thus, according to the information from IRU, in 2005 against 2000 road traffic volumes increased by more than 25% in Azerbaijan, and by 30% in Georgia.

Implementation of investment projects has a considerable impact on the increase in goods traffic volumes, particularly, in transit transport. Putting into operation of two rail ferry lines at the Black Sea and Caspian Sea boosted the growth of transit transport. For example, more than 4 million tones of goods were

transported along the route of Poti-Ilyichevsk-Varna, and over 2 million tones were carried through the route of Baku-Aktau-Baku.

Realization of projects directed to the improvement of railway infrastructure became a contributing factor of the increase in railway transit transport. Thus, in 2007 this indicator reached 15 million tones per year in the section of Poti/Batumi.

Nowadays, activities on the implementation of TRACECA projects continue. At present 9 projects are ongoing including the following projects: "Improvement of Maritime Links between TRACECA and TEN-T Corridors (TEN's)", which is aimed at further integration of the transport system of the participating countries and the introduction of a new concept "Motorways of the Sea" suggested in the EU transport policy, "Analysis and Forecasting of Traffic flows for the TRACECA countries and Interregional Transport Dialogue between the EU and NIS Countries", "Development, Master Planning and Feasibility Study for the Port of Aktau", as well as the projects promoting the development of road transport: "Development of Coordinated National Transport Policies in Central Asia", "Development of Equipment Certification Centers for Transportation of Perishable Goods in Central Asia", as well as the projects promoting the improvement of road infrastructure: "Pre-feasibility Study for the Road Sari-Tash – Dushanbe – Termez", "Moldova Feasibility Study M3 Road", etc.

To the effect of creation of a modern multifunctional and efficiently interoperable regional transport system with the progressive integration into the Trans-European Transport Networks (TENs), in May 2006 the Intergovernmental Commission TRACECA adopted a Strategy on development of the international transport corridor «Europe–the Caucasus–Asia» for the period up to 2015, which sets forth the main priority directions of development of transit along the corridor, provides for the basis for the principle of partnership between the governments of countries and private sector, determines the main objectives and goals corresponding to the Section III of the Almaty Action Programme.

At present the Action Plan for 2008-2009 on implementation of the TRACECA Strategy is being realized. By the end of this year and at the beginning of 2009 the following 8 projects are to be realized in the framework of this Action Plan: "Strengthening of Transport Training Capacities in NIS Countries", "Logistic Centres Network for All TRACECA Countries: Central Asia, Caucasus and European TRACECA", "Motorways of the Sea (MoS) for the Black Sea and the Caspian Sea", "Development of the Common Security Management System and Cooperation in the Area of Maritime Safety and Ship Pollution Prevention in the Black Sea and the Caspian Sea", "Ukraine Port Strategy Development and Feasibility Studies", "Capacity Building and Training of Civil Aviation Administration and the Personnel Involved in the Air Transportation", as well as the projects within the framework of the European Neighbourhood Policy (ENP): "Transport Dialogue and Networks interoperability between the EU and its Neighbouring Countries and the Central Asian Countries" and "Transport Safety and Security". These projects are aimed at the creation of sustainable, efficient and integrated multimodal transport system at the EC-TRACECA level, as well as the improvement of security system in the fields of overland, sea and air transport in the TRACECA region and bringing it in conformity with the EU standards.

For the purpose of boosting the development of instruments of Public Private Partnership, as well as the identification of priority projects promoting improvement of transport infrastructure and attracting investments it is planned to create a Business Advisory Council under the umbrella of the IGC TRACECA. The BAC is supposed to have the form of a non-governmental organization consolidating business and financial circles, as well as organizations and companies interested in the development of effective transport infrastructure and trade and economic ties in the TRACECA region. Moreover, in order to create the relevant system of financing infrastructure projects we propose to launch a constructive dialogue with International Financial Institutions in respect of creation of investment funds.

The IGC TRACECA directs its efforts to sustainable development of multimodal transport systems and creation of favorable conditions for transit transport as a factor of the successful development trade relations between TRACECA regions, involvement of the developing countries including the TRACECA member-countries and others, facilitation to their active participation in the international trade with the use of TRACECA routes and its developing transport system.

The annual increase of hydrocarbons production volumes and the trade turnover between Europe and Asia considerably impact the dynamics of goods transportations growth along the TRACECA corridor. Thus, the traffic volume along the TRACECA routes through the countries of the South Caucasus and Asia to Europe and backwards reached about 158 million tons of goods during 2005-2007. For the last five years the average annual tendency for goods turnover growth makes about 10-15 %. In 2007 the volume of trade

between the TRACECA countries and the EU states made about 290 billion USD, the volume of trade with China exceeded 38 billion USD, where this figure mainly covers cross-border and maritime transport. The development of railway ferry transport across the Black Sea and the Caspian Sea, as well container con-trailer transports with future prospects of their extension towards China contributes to further dynamic development of the Europe-the Caucasus-Asia corridor.

According to the common strategic position of the UN ECE and UN ESCAP on Euro-Asian transport links, the Europe – the Caucasus – Asia (TRACECA) international transport corridor is acknowledged as one of the most important Eurasian transport corridors linking five All-European transport corridors determined as corridors 4, 6, 7, 8 and 9.

Common approach to the national transport systems integration into the Euro-Asian transport links (EATL) will allow the creation of well-functioning transcontinental transport system which will in its turn promote economic development of the countries in the region.

Due to the aforesaid today it is important to concentrate joint efforts on the implementation of the second phase of the EATL project, solving common problems of the involved parties through elimination of various barriers in international transport, including improvement of quality and transport, reducing environmental impact of transport, harmonization of legal standards and elaboration of common approach to the issues of ensuring peace, stability and welfare on the Eurasian continent.

The issue of cost and quality, technical problems in transport is an important component of the process of creation of favorable conditions for the development and attracting traffic flows.

This becomes possible only in case of multilateral cooperation, well-thought and coordinated transport policy of all involved countries and open access to the market, which is one of the conditions for the development of healthy competition and competitive economies of the countries, and promotes the improvement of quality of the provided transport services. Taking this opportunity, I would like to call the countries of the TRACECA region to focusing on the role of each country in the implementation of the Almaty Action Programme, since only constructive dialogue and practical actions on removal of various bottlenecks in international transport, flexible national policies in the field of tariff regulation with an accent on the compliance with international conventions and agreements, will help us to effectively implemnt joint statements made in August 2003 and reflected in the Almaty Action Programme.

The IGC TRACECA attaches great importance to cooperation with international organizations involved in the development of transport and the promotion of trade in the region. Coherence of actions of the related programmes and organizations will promote the efficient realization of the tasks, allow to avoid the duplication of actions, to optimize the use of resources, to concentrate on the implementation of the priority and realistic projects. In this context, we address the interested international intergovernmental and non-governmental organizations, International Financial Institutions with the request to synergize and coordinate their activities for the sake of efficient implementation of the Almaty Action Programme.

I would like to underline that representatives of TRACECA more than once participated in the UN working sessions in the framework of the Almaty Action programme, including the meeting on the Role of international, regional and sub-regional organizations in implementation of the Almaty Action programme, held on 29-30 March, 2005 in Almaty, and the first ministerial thematic meeting on transit transport infrastructure development in the landlocked and transit developing countries, organized in Ouagadougou, Burkina Faso on 18-20 2007.

The IGC TRACECA is open for all initiatives promoting the regional transport dialogue and reliable international Euro-Asian transport links.

In conclusion, I would like to personally thank the Under-Secretary-General, UN High Representative for Least Developed, Developing and Landlocked countries, and Small Iceland Developing States, Mr. Diarra, for active work in the area of regional development and providing opportunities for highlighting the role of intergovernmental organizations in implementation of the Almaty Action Programme.

Thank you for attention.