Statement of the ECO Secretary General, H.E. Mr. Khusrav Noziri at the Ministerial Transport Conference of Landlocked Developing Countries "Ashgabat process: Financing for Better Connectivity"

Awaza, Turkmenistan, 15-16 August 2022

Your Excellency Mr. Rashid Meredov, Deputy Chairman of the Cabinet of Ministers, Minister of Foreign Affairs of Turkmenistan,

Your Excellency Ms. Rabab Fatima, Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States,

### **Distinguished Ministers**;

Distinguished Representatives of the United Nations and other International and Regional Organizations,

Distinguished Representatives of the International Financial and Development Banks and Agencies,

#### Ladies and Gentlemen,

Having the pleasure and privilege to attend this very important Ministerial Transport Conference of Landlocked Developing Countries, I am sincerely grateful to the Government of Turkmenistan and the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) for inviting and giving me the opportunity to speak on the important issue - connectivity of landlocked countries.

Convening this important Conference at this juncture of time and venue rightly manifests the importance and urgency of sustainable connectivity and transport for the world in general and the LLDCs in particular. As underlined in the Vienna Plan of Action as well as the relevant targets of the Sustainable Development Goals, sustainable transport has a fundamentally significant role in achieving the 2030 Agenda.

Celebrating the 30<sup>th</sup> Anniversary of ECO expansion, we are glad to renew our commitment for making all Member States (especially the

landlocked countries) strongly integrated through enhanced connectivity by establishing an advanced regional transport network in line with the ECO Vision 2025 and the UN Sustainable Development Goals.

To achieve the progressive target, the ECO has adopted a holistic approach entailing policy making, establishing legal framework, implementing international standard procedures and conventions, development of infrastructure, capacity building, technical cooperation, coordination mechanism and collaboration with relevant international partners and banks.

In comparison with progress made in the last decade, the ECO has made accelerated implementation on some tangible transport projects, including road, rail, civil aviation and maritime, accession to various legal agreements and conventions that have resulted in better regional connectivity. The ECO Transit Transport Framework Agreement (TTFA) is the main regional legal instrument that covers almost all components of transport and regulates the cooperation of the Member States through its Coordination Council and the technical committees.

The connectivity policy of ECO has always prioritized Corridor Approach over isolated initiatives and in developing the infrastructure, inter-regional and international connectivity has been a guiding principle. In this connection, infrastructure development has remained one of the main priorities of the Organization and, to this end; various regional and inter-regional connectivity projects have been successfully implemented that include:

- Completion of missing links and establishment of Almaty Bandar Abbas and Almaty Istanbul Rail Corridor;
- Establishment of Kazakhstan Turkmenistan Iran Railway Corridor;
- Completion of missing links and establishment of Islamabad Tehran Istanbul (ITI) Rail and Road Corridor;
- Establishment of the Kyrgyz Republic Tajikistan Afghanistan Iran Road and Rail Corridor;

The two following road Corridors are also in the initial phases of establishment within the ECO framework:

- Kyrgyz Republic Uzbekistan Turkmenistan Iran Road Corridor (KUTI);
- Tajikistan Uzbekistan Turkmenistan Iran Turkiye Road Corridor (TUTIT);

Maritime sector in conjunction with the inland transport (road and rail) has also been a priority area on our agenda of regional cooperation being addressed by the Heads of Reference Maritime Organizations of ECO (HRMO) during their meetings. This leads cooperation among the coastal states and the landlocked countries through offering port facilities as well as preferential tariffs and concessions. The ports of the Islamic Republic of Iran, Islamic Republic of Pakistan and Republic of Turkiye are of strategic importance to the LLDCs of the Central Asia and offer unreplaceable advantages to our region. To maximize the connectivity, the ECO Secretariat, has recently started a project titled "ECO Gate" to study the feasibility of establishing ECO zones in the Member States for further transit facilitation and reducing the cost of doing business in the region.

Civil aviation is also another important priority area of cooperation that needs enhanced attention, particularly for development of sufficient infrastructure. So far the regional cooperation in this field has been concentrated on training and exchange of experiences; however, it appears that with the increase of people to people interaction, establishment of a regional air hub in the region particularly in the Central Asia and the vicinity is becoming increasingly viable.

Meanwhile, harmonization of the standards and transport procedures has also been pursued simultaneously with the infrastructure development and almost all the Member States have joined the essential road and rail international agreements and conventions, and in particular, TIR Convention. The ECO Secretariat in close collaboration with the UNECE and IRU, has been effectively active for accession of the Member States to the international transport conventions, and is also pursuing for digitalizing the transit documents particularly the TIR and CMR. In this connection, it is enjoying the support of the Islamic Development Bank.

The private sector involvement and contribution to development of transport network is also formulated in the framework of the ECO Logistics Providers Associations Federation as well as the ECO TIR Guaranteeing Associations Consultative Group and these platforms provide the opportunity for a better public-private dialogue and interaction.

Apart from the studies on the specific corridors, I deem it appropriate to inform this august house that the Secretariat has also conducted two major studies titled "ECO Railway Network Development Plan" and "ECO Road Network Development Plan" that have identified all regional connections as well as missing links in the ECO region with estimation of investment needs. These studies are ready for perusal of the international financial and aid institutions as well as banks to be considered for possible investment and development assistance.

Nonetheless, as a norm of life, some challenges appear to be noticed on the way with no exception to the ECO region. Apart from the issues emerged in the aftermath of Covid-19 pandemic, there are enduring obstacles including investment and finance, coordination, border capacity, digitalization, non-coordinated closure of borders, visa issues, permits and quotas, discriminatory behaviours, fuelling, air connectivity, road and rail missing links, outdated infrastructure, administrative harmonization, road safety and illegal practices and lack of skilled manpower that need to be properly addressed in any future planning.

Financial contribution and investment by the international banks and development agencies are very instrumental in addressing the mentioned challenges and ECO is ready to join hand with them to effectively conduct projects and programs to help the development of regional connectivity particularly for the LLDCs. The study projects, conducted by the ECO Secretariat, have sorted out the opportunities, challenges and bottlenecks of connectivity in the region and provided a pool of knowledge and bankable data for the international community.

# **Dear Delegates,**

The ECO Secretariat, understanding the severity of the emerging Covid-19 crisis, made a few initiatives to mitigate the negative impacts of the pandemic and reduce the risks to the maximum extent possible. In this connection, the Secretariat developed and circulated the "ECO Practical Guidelines on Cross-Border Facilitation Measures under Conditions of Covid-19" that, among others, calls for application of some

internationally recognized measures and practices that reduce physical contacts amongst the individuals at the borders. The Guidelines gradually gained momentum among the Member States and were exercised extensively at the border crossings.

The pandemic also expedited our effort to digitalize the transport documents particularly TIR and CMR conventions and various programs and projects are underway in these areas. The Secretariat also did not confine itself to the conventional methods for coordination and developed various online working groups on digital platforms to follow up the projects and help the regional transport operators to stay connected with each other. More importantly the Covid-19 lessoned us that at the times of crisis, friend in need is a friend indeed.

Learning from the recent past, along with addressing the previously mentioned challenges, the following actions are recommended to be considered for facilitation of transit to LLDCs: development of border crossing facilities for safe passage of trucks and passengers with least personal contact, digitalization of transit procedures, standard health protocols, diversified transit routes, electronic visa, elimination of permits and quotas, elimination of costly transhipment measures at some borders, establishment of joint border monitoring systems.

# Dear participants,

The Economic Cooperation Organization as a regional intergovernmental development organization and having 30 years of regional cooperation particularly with its LLDC Member States, shares all common values, targets and priorities envisaged in the SDGs and the Vienna Plan of Action. Most of the ECO projects in the areas of trade, transport, communication, energy and other areas of development are designed and implemented to meet the needs of its LLDC Members.

The ECO, while taking stock of the past experiences, will continue to be part of any regional and international initiatives, plan and activity for development of the trade and transport facilitation, particularly for its LLDC Members.

Undoubtedly, finance is the primary concern for development of sustainable and environment friendly transport in the region that needs to be underlined in any future planning. However, any finance shall be so oriented that meets the requirements of regional and international sustainable connectivity. The regional organizations can play an instrumental role in identifying and prioritizing the regional and international connectivity projects.

As per the studies and experiences, maximum utilization of the existing road and railway capacities requires an enhanced and institutionalized mechanism to manage, monitor and control the transport operations of regional importance. Therefore, establishment of Corridor Management Mechanism (CMM) is becoming crucial for the enhanced regional connectivity particularly for the railway segment. The CMM will enhance efficiency and affordability of Corridors and will reduce the cost of doing business in the LLDCs. For this purpose, exchange of experiences and best practices as well as capacity building shall be promoted to familiarize the stakeholders with the technicalities and opportunities.

#### Excellencies,

The ECO, as an efficiently functional regional organization, is ready to share knowledge and experiences and also join the interested international partners to further contribute to the enhanced connectivity among its Members and with the world.

I am confident that outcome of the deliberations in this Conference will effectively contribute to better understand the global progress towards sustainable transport and connectivity for the LLDCs and also help us plan a better and prosperous future.

Last but not least, I would like to, once more, express my gratitude and appreciation to Turkmenistan for hosting this important event. I also thank the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS) for making necessary arrangements for successful organization of this important Ministerial Conference.

I thank you all for your attention.