

## The 5<sup>th</sup> ECO Ministerial Meeting on Transport and Communications

### Statement of H.E. Mr. Askhat Orazbay ECO Secretary General

( Cholpon-Ata/Kyrgyz Republic, 10-12 August, 2004 )

*Annex-II*

*Honourable Ministers,  
Excellencies,  
Heads of delegations,  
Distinguished Participants,  
Ladies and Gentlemen*

I would like on behalf of the Economic Cooperation Organization, ECO Secretariat and on my own behalf to welcome you to this 5<sup>th</sup> Meeting of the Ministers of Transport and Communications of the ECO, which is being held in this beautiful Cholpon-Ata resort. I would also like to express my deep gratitude to the Government of Kyrgyz Republic and that in particular to the Ministry of Transport and Communications of Kyrgyzstan headed by H.E. Mr. Kubanychbek Jumaliev, First Vice-Prime Minister & Minister of Transport and Communications for warm hospitality extended to ECO delegation and excellent arrangements for this meeting. I hope with full support of the host authorities and active contribution of the distinguished participating delegations, we will be able to conclude our meeting with meaningful decisions leading to development of transport and communication network in the ECO region.

I would also like to appreciate the work done by the Senior Officials' in the last two days for finalizing the report, which shall be adopted in today's meeting.

This meeting provides an opportunity to review the progress made in implementation of the Programme of Action for the ECO Decade of Transport and Communications (1998-2007) and supportive measures recommended by the relevant experts and international consultants in various meetings.

The Secretariat has attached a follow up report on the implementation of the decisions of the previous meetings to the working paper of this meeting which has already been circulated to the member states.

I will also try in my briefing to give a general picture of the status of the ECO activities in transport and communications and the extent of cooperation of the member states in this regard.

There is no need to emphasize that the transport and communications plays pivotal role in the expansion of trade and economic cooperation among the member states and is crucial element for regional integration. This is the reason that Transport and Communications is regarded as one of the three priority areas in ECO.

#### Latest activities in Transport & Communications

*Ladies and Gentlemen,*

Since the 4<sup>th</sup> Ministerial Meeting in Izmir/Turkey in September 2002, various activities for implementation of the decisions and recommendations of that Meeting, have been organized by the ECO Secretariat with the support and contribution of the ECO member states. Some of these activities have ended with tangible results while the others are still under the process of consultations. Along with these activities, bilateral and trilateral meetings and discussions between the ECO member states have also been going on in line with the objectives of ECO regional cooperation and with the aim of reducing remaining obstacles for ECO regional integration. In my address I will try to briefly refer to these activities and highlight the remaining problems that come in the way of development of a smooth transport and communication network in the ECO region and ask the Honourable Ministers present at this Meeting to give appropriate instructions to their respected administrations for helping to eradicate the existing obstacles.

### ECO activities since the last Ministerial Meeting

On December 2002 the 7<sup>th</sup> Meeting of Heads of ECO Railway Authorities in Dushanbe discussed technical as well as administrative issues related to container train moving in East-West and North-South transport corridors within the ECO region. Operation of a freight container train on China-Middle East-Europe corridor as one of the most important projects within the framework of ECO activities and cooperations was discussed in the Meeting and resulted in a decision to set up a Working Group of Experts to further fine-tune the said plan. This Group gathered at the ECO Secretariat on May 9-10, 2004 and explored the operational procedures for revitalization of this route.

Also in the same meeting, an ECO railway tariff policy in international freight traffic was discussed and referred to the Expert's level meeting for finalization of a Draft MoU on the issue. I am happy to report that the said Expert Group in its 5<sup>th</sup> meeting held in Almaty in April 2003 was able to finalize a draft MoU on Common Tariff Policy that was recently endorsed by the Heads of ECO Railway Authorities in their 8<sup>th</sup> meeting in Istanbul in July 2004.

I am confident that the endorsement of this MoU by the railway authorities of ECO member states and its implementation by the ECO railway administrations would help to overcome one of the most controversial obstacles in the way of smooth running of container train between Almaty and Istanbul.

During the two Meetings of the Steering Committee (Coordinating Unit) in Istanbul and Tehran on September 2003 and May 2004 monitoring and ensuring the smooth running of container trains on the Trans-Asian Railway main line, all issues related to the said train were discussed in detail and the existing impediments on scheduled container train moving between Almaty-Istanbul were identified and technical as well as administrative remedies were introduced by the participating delegations. A Working Group has been proposed in the First EWG meeting to fine-tune draft Action Plan for revitalizing and operating the China-Middle East-Europe Corridor including a time framework for its execution held at Tehran on 9-10 May 2004.

With regard to international passenger train on Almaty-Tashkent-Turkmenabad-Tehran route, which had its 1<sup>st</sup> pilot run on March 2002, I am of the opinion that despite paramount importance of this project for the integration of the people of ECO region, we have not made satisfactory progress as was expected. This issue was discussed in detail by the Heads of ECO Railway Authorities in its 8<sup>th</sup> meeting in Istanbul on July 6-7, 2004 and the meeting agreed that the two unsolved problems that resulted in the postponement of running of the said train were the high cost of transit visa and lack of precise time schedule for trains running between Almaty-Tashkent-Turkmenabad and Tehran and vice versa. A trilateral meeting between Iranian, Turkmen and Kazakh railway experts in Meshed in March 2003 had discussed the technical problems related to the passenger train and I hope similar discussions by other concerned railways of the member states would help solve the remaining problems in this regard.

Now let me refer to one of the most important and comprehensive document on transit transport in the ECO region, namely Transit Transport Framework Agreement (TTFA). This important transit agreement, when enforced may solve many problems in the way of transit transport and help trade in the region, has been signed by nine member states, excepting Uzbekistan. It has been ratified by five member states only and therefore, it has not come into force. In this regard, I would like to appeal to the remaining member states to make efforts for early ratification of this important ECO transit document and its annexures in order to pave the way for promoting transit transport in the region.

With regard to cooperation between the ECO and international organizations, 1<sup>st</sup> phase of project concerning Multimodal Transport and Trade Facilitation sponsored by ECO/IDB/UNCTAD/UNESCAP was implemented with the organization of a workshop in the ECO Secretariat in last May. Various aspects of multimodal transport and trade facilitation in the ECO region were discussed by national consultants of the ECO member states, international consultant from UNCTAD and the representatives of UNCTAD and IDB in this workshop. In the next phase of this project, which has already started a professional study will be conducted by member states' national consultants on commodity exchanges as well as their transport

routes in each member state and this study will be reviewed and consolidated by an international consultant recruited by UNCTAD who will give his/her recommendations to enhance inter as well as intra regional trade of the ECO member states. A regional workshop in the ECO Secretariat will then discuss all related issues concerned with these studies. I hope the transportation section of UNESCAP will continue its support and contribution to this project as it did before.

Furthermore, a project called "Border Points Constraints Identification" was expedited by ECO Secretariat and UNDP in mid 2003 in which an international consultant along with representatives of the ECO Secretariat visited eight border points in Tajikistan, Kyrgyzstan, Iran, Azerbaijan, Turkey, Pakistan and Turkmenistan to identify constraints on smooth border crossings in the ECO region. We found the project useful and with consultant with UNDP the Secretariat will review possibilities for continuation of the project.

#### Post and Telecommunication

To brief the meeting with latest on postal and telecommunication activities in the ECO region, I should say that the Trans-Asia-European Fiber Optic Cable System or TAEFOS is the main project which has been implemented and already connected Kazakhstan, Kyrgyz Republic, Uzbekistan, Turkmenistan, Iran and Turkey to the telecommunication network of the South-Asian and Europe. We expect that by the end of this calendar year the next meeting of TAEFOS in Baku will discuss ways of expanding this telecommunication network by joining remaining member states to the project. The 14<sup>th</sup> Meeting of Directors General of National Telecommunication Companies has been postponed for quite sometime due to lack of a volunteer host. However, the 1<sup>st</sup> Meeting of ECO Postal Authorities was held in Kyrgyz Republic in last April in which useful decisions for expanding postal linkages among the ECO member states were made.

#### Sea Transport

A positive new development in sea transport in the ECO region was expedited in holding the 1<sup>st</sup> Meeting of Heads of Reference Marine Organizations of ECO member states in Tehran in October 2004. In this meeting various ways of expanding cooperation of the ports and shipping companies of the ECO member states were explored and identified. However, I should admit with my deep regret that the experience of ECO Shipping Company was not a successful one and despite moving forward from the initial stages due to least support of the member states this project failed to meet its objectives. At present the company which has become limited to a joint venture between Iran and Pakistan is at the verge of collapse unless the member states decide to keep the company with new management and organization.

#### *Excellencies, Distinguished participants*

At the end of my address, I would like to emphasize that the ECO region aside from its important strategic location which connects the prosperous economic region of East and South-East Asia to Middle East and Europe through Central Asia, has a lot of potentials to turn to a successful economic region which can play a significant role in international economy. These potentials may not be utilized and flourished in shaping a prosperous economic region in this part of the world unless a developed and modern transport and communication network, which has been rightly selected as one of the first priority areas of cooperation among ECO member states, is established in the region. This important objective may be achieved if the ECO member states would incorporate the ECO cooperation projects in their priority national policies. The short experience of the ECO in its new structure indicates that if all the member states were serious in implementing a project within regional cooperation framework, that project could overcome its initial stage and move forward to its implementation.

Therefore, I appeal to the highest transport authorities of the ECO member states who are present at this meeting to have a closer look at the ECO transport projects and instruct their respective administrations to consider them as their priority activities which may give fruits in a longer period but will certainly end up with promising achievements for all the member states.

Thank you for your attention

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