

STATEMENT OF H.E. DR. HADI SOLEIMANPOUR,
the ECO Secretary General,
at the High Level International Conference:
“Central Asia in the System of International Transport Corridors:
Strategic Perspectives and Unrealized Opportunities”

(20-21 September 2018, Tashkent, Uzbekistan)

Honorable President, H.E. Mr. Shavkat Mirziyoyev,
Excellencies, Ladies and Gentlemen,

I am extremely honored, delighted and encouraged to address the esteemed participants of this High Level International Conference. Let me convey my earnest felicitations to His Excellency Mr. Shavkat Mirziyoyev President of the Republic of Uzbekistan for initiating this important event.

We are of high esteem of His Excellency’s initiatives started in 2017 that considerably soften railway tariff rates based on the new Tax Code of Uzbekistan enabling massive transit transport. The reform process initiated by President’s Decree "On Priority Measures for the Liberalization of Monetary Policy" of the 5th September 2017 has enabled a substantial increase in the intra-regional trade including in the ECO region.

Today, the regional role of Uzbekistan is crucial, especially, in the transport infrastructure. It is revealed in the focused measures on improvements of the logistics centers offering the year-round “door to door” services and special industrial zones involving foreign direct investment. Such steps have resulted in the tremendous economic impact and greater efficiency while improving and expanding ECO’s transport corridors. I am confident that today’s successful start of this important Conference is an excellent opportunity to continue active collaboration to facilitate smooth movement of goods and services.

Distinguished Delegates,

Let me say a few words about the ECO, the regional organization that fosters the shared cultural and historic affinities on its path towards inclusive socio-economic development. The ECO initially started with the three Member States in 1985 and expanded to 10 countries in 1992. Having been endowed with land area of over 8 million square kilometers, the region is bridging China, Europe, Central Asia and open seas of the Middle East.

The region with the population of 480 million people is world’s vibrant market, which traded at 733 billion US dollar value last year. The region, indexed high on the UN Human Development Ranking, has been instrumental in contributing to the increased

economic growth in the region, welfare, and uplift of the people. While growing at 4.4 percent rate per annum and, occasionally, experiencing temporary setbacks, especially, in post-2008 global economic recess, the regional combined GDP nearly doubled in 2015, reaching \$1.9 trillion US dollars over 2000-2015.

Inspired by such achievements, “ECO Vision 2025”, captured the insights and aspirations of the member countries for the nearest decade to come, that is, to double intra-trade; strengthen energy security through maximized connectivity, mobility and accessibility, by making major ECO transport corridors commercially viable.

Distinguished Participants,

I am pleased to note the practicality of the ECO’s Transit Transport Framework Agreement (TTFA), which serves as a comprehensive legal framework for the region. It helps harmonize and simplify national rules, regulations and administrative procedures on transit transport. Nine out of ECO’s ten member countries are signatories to the TTFA. In this regard, I would like to invite the Republic of Uzbekistan to join this framework, which promises huge benefits to Uzbekistan in ensuring lower trade & transit physical & non-physical barriers by reducing transit transport costs on services rendered by Uzbek railway carriers and road-freight forwarders.

There is a long list of the benefit of TTFA for the ECO Member states and I will mention just a few for the rest could be viewed in the Conference proceedings.

- ✓Exemption of motor vehicles from customs duties, taxes and other charges except those specific rendered for transport services.
- ✓Free visas valid for one year with a right of staying on the territory of the TTFA member countries for 15 days in transit for each trip and additional 5 days at place of loading and discharge.
- ✓Right to establish offices of private transport companies in the territory of other contracting parties for the purpose of operating transit traffic.

Since the TTFA’s entry into force in 2006, a substantial number of transport projects have been executed. The economic impact of various provisions of the TTFA on road, rail, insurance and customs, in search of actionable solutions for accessible mobility and regional transport connectivity has been assessed. Similarly, under the ECO/IDB Joint Project on implementation of TTFA, we developed ECO Railway Network and ECO Road Network Development Plans. Those have specified ECO’s five priority railway routes, as an example, ECO rail route 2A, coinciding with Bandar Abbas-Almaty, is providing fast connectivity to the Persian Gulf for Uzbekistan, Kazakhstan, and Turkmenistan whereas ECO Rail route 5, coinciding with Istanbul-Almaty route, provides Uzbekistan and other Central Asian countries an easy access to high sea outlets via Turkey’s seaports enabling the shortest and high tech transit route to foreign markets. The increase of railway freight volumes between Kazakhstan and Uzbekistan by 24% during the first half of 2018 sets a fair amount of optimism for the continual increase in cargo turnover and prospective regular operations on these routes.

As regards the routes from China to Europe and the Persian Gulf, we are in close consultation with Uzbek high officials to introduce new ECO corridors besides the existing ones. The ECO is currently considering implementation of new railway routes via logistics centers in Uzbekistan. These are: (i) the **China-Kyrgyzstan-Uzbekistan-Turkmenistan** route and also, (ii) the **China- Kyrgyzstan -Uzbekistan-Afghanistan-Iran** route. In this regard, we will be grateful for Uzbekistan's comments and views.

Uzbekistan's transport arteries constitute an integral part of the ECO region and it is impossible to underestimate their valued role in advancing "regional connectivity" laid down in the ECO Vision.

Dear Ladies and Gentlemen, Distinguished Guests,

Last but not least is to re-assure the value that ECO attaches to Uzbekistan's reform process. ECO would be jointly acting to amplify the technical assistance to Uzbekistan for successful implementation of meaningful changes within the framework of the people-to-people economic exchanges designed to bring in increased social welfare and prosperity. I, on behalf of ECO, would welcome again the new initiatives of the Honorable President and offer to join hands in facilitating their near future accomplishment.

Concluding my turn of speech, I would like to, once again, thank and express profound appreciation to the Government of Uzbekistan for organizing this important Conference. I am more than optimistic that this fruitful event would prove to be a milestone in the course of our future cooperation.

Thank you.