Statement by His Excellency Dr. Hadi Soleimanpour at the 14th Meeting of Heads of Railway Authorities of ECO Member States/8th Meeting of Railway Committee of TTCC (20-21 July 2019, Dushanbe, Tajikistan)

H.E. Mr. Mirzazadeh, Sohrab, 1st Deputy Minister of Transport of Repluc of Tjikistan

Esteemed Delegates,

It is a great pleasure for me to address the 14th Meeting of Heads of Railway Authorities of the ECO Member States. I wish to pay special tribute to the Government of the Republic of Tajikistan for hosting this important event. ECO has benefited from active participation of Tajikistan in regional initiatives. Deserved are the country's essential contributions to the outcomes of the 23rd ECO Council of Ministers Meeting held in Dushanbe on 17 April 2018. Tajikistan has a special role to play within ECO Transport Network. Having over 600km railway network and over 20 international transport routes, paths and corridors passing through its territory, Tajikistan stands at cross borders of ECO's main railway routes, KTAI being one of them.

Now, I would like to remind this august audience about the vision that ECO pursues on railway. Our targets are: transit transport connectivity, cross-border facilitation and freight increase. The latter, in ECO specific terminology is "cargo mobilization" designed to augment ECO's intratrade, currently at 7.8% of the combined regional trade. All these targets are fully realizable in the course of progressively implementing the Transit Transport Framework Agreement (TTFA), ECO's basic legal document for transport.

As you well know, our *ECO Regional Railway Network Development plan*, created in 2012, is relatively young compared to world's railway networks. By contrast, our railway network has grown into a well-diversified artery of railway corridors. These serve as main railway lines connecting East with West and North with South of our global home. Moreover, during last year, our network stretching for a combined length of 54,200 route-kilometers of railway lines expanded by 2.5% versus 2017. The flagship on this parameter is Kazakhstan. On freight, encouragingly, in 2016 it increased by 9.6% versus year 2015. On transit, the number of regularized container trains carrying rail freight along the

ECO railway routes linking in the direction to/from China totaled to 2,399 units in 2017.

At global level, on Transport Logistics and Infrastructure performance in 2018, Turkey was ranked the 47th among world's top 50 high-performing countries; Iran recorded the 64th and Kazakhstan the 71st amongst world's 189 countries and territories, according to World Bank LPI index. And yet, our regional railway sub-sector stages modest 4.1% of the overall transportation in the ECO region. We need to target at least 5%, of total, to ensure sustainable rail-based transportation to result in the essential growth in trade. As you well know, our stakeholders have envisaged the latter to double by 2025.

Excellencies,

During last year, we followed our transport road map that is the Turkmenbashi Declaration adopted by the 9th ECO Ministerial Meeting on Transport in May 2018 in Ashgabat. To date, its recommendations have been fulfilled to the extent possible. Thus, Marmaray construction project has been completed by Turkey to enable early operationalization of ITI, in the subsequent year, with technicalities to be discussed in the 10th ITI Meeting in Turkey. KTI project, jointly led by ECO, IDB and ESCAP, has adopted its Terms of Reference to implement the common Corridor Management Mechanism - CMM - along KTI using effective inter-railway interoperability with the ultimate objective of developing an economic space to encompass eastern wing of the North-South Qazvin-Rasht-Astara railway recorded completion construction of its 164-kilometer Qazvin-Rasht segment, which was inaugurated on 6th March 2019 thereby filling-in a missing link on INSTC. Visible progress has been achieved on Lapis Lazuli railway, which currently serves a vital link to KTAI and now reports increasing throughputs not only in rail-based freight but also in road cargo via Torghundy station at cross border between Afghanistan Turkmenistan. As with fulfilling the recommendations of the Turkmenbashi Declaration toward operationalizing the existing routes and completing the missing links, we attended to KTAI project, currently under construction, on which progress will be considered at sidelines of the 10th TTCC Meeting in Afghanistan. To date, Iran has completed construction of its assigned segment; Afghanistan has improved the constructed length from 80km to 120km at different sections of its segment; Tajikistan has completed feasibility study on its

territory, and commitment of the Kyrgyz Republic on its assigned segment has been ensured in April 2019.

Dear Colleagues

Although a lot of efforts have been done, still there are a lot to do more. One of the prime work areas requiring your immediate attention will be a targeted and results-based approach to 'early operationalization' of ECO container trains along the already existing rail routes. To that impact, availing of your esteemed presence at this valued event, I would like to highlight some of salient points on regional railway.

<u>First</u>, we need to focus on prime work areas. Of overall 20 transport corridors and routes posted under high-level oversight of ECO's Council of Ministers Meeting in line with the recommendations of the 23rd COM held in 2018, our Transport Ministers, in May 2018, have prioritized the key ones, which are five. In effect, from practical operability, we need to focus on one or two corridors which their infrastructures are in place and need to be commercialized. As an example, in this current time period, we may concentrate on 'early operationalization' of ITI and Istanbul-Almaty railway routes in East-West direction and KTI and Bandar Abbas-Almaty in North-South direction.

<u>Second</u>, we need new railway routes which are economically beneficial because they virtually improve regional connectivity. This message has entailed from the inputs contributed by senior level officials of ECO Member States in the event of the current year. By virtue, new routes contribute to a well-diversified regional railway network basket. On new ones like Lapis Lazuli, Afghanistan-Uzbekistan-Kyrgyzstan-China, we need your concurrence in regard of which ones we should put our immediate focus on. As per routes for inclusion in ECO's railway map like Transcaspian Transit Corridor and Baku-Tbilisi-Kars, Nakhichevan-originating route, etc you may wish to guide us on ways how ECO can effectively assist in improving these.

<u>Third</u>, it is universally acknowledged that transport is a driving force of breakthrough economic growth. Our regional rail transit corridors are capable of moving not only trade cargoes but create expansive economic & free trade zones to generate more employment along mainstream transit. Our Organization is economic in its essence and let us be mindful of its sacred goal, which is to ensure well-being to people of regional community of 480 million. For that, the share of transport in the

aggregate regional GDP has to increase from current 9.6% to at least 10.4% by 2025, and 12.8% by 2031, to ensure favorable macroeconomic backdrop for sustainable intra-trade. We have to exert every effort along this path including, inter alia, work together to transform the existing transit corridors of the region into the economic corridors.

To do so, the development of a network designed to connect ECO's seaports with its dry ports. In this, we commit to the meaningful assistance for our landlocked countries in their accessing international sea outlets which the beginning and the end of each transit corridor is connected to economic zone. In overall, at regional level, we have railway Network, and road Network and seaports2dryports Network. United, all these networks may and can ensure sustainable economic space for benefit of adjacent community settlements.

Fourth, it is our stringent objective to implement the TTFA in the part concerning railways. It advocates for internationally harmonious technical compliance and standardization, on which we rely on cooperation with our international partners. The TTFA also provides for smooth cross border facilitation. We may now think of potentially embarking on smart, intelligent railway; make sure that automated surveillance control and data acquisition system be installed in en-route countries; agree on container train modular frames enabling automated change-of-bogies, especially at our critical nodes, and raise awareness, en-route, about building information management while, at the same time, consider High Speed Rail (HSR) and autonomous freight options for transport by rail, to ensure preventive maintenance and adequate train speed, which currently is at average 55km per hour in ECO. All these measures will serve to contribute to brining in greater efficiency and productivity in railway.

However, another important aspect of full implementation of TTFA if benefitting from its legal component of dispute resolution between our Member States, it is required.

<u>Fifth</u>, as you are aware, 23rd COM declared the need to connect ECO corridors to the neighbouring areas, including China. The 23rd COM endorsed, among non-ECO corridors, several important railway routes leading to/from China, including China-Kyrgyzstan-Uzbekistan Railway Corridor; China-Kyrgyz Republic-Tajikistan-Iran-Afghanistan;

China-Pakistan Economic Corridor (CPEC) and West-China and West-Europe Expressway. In this regard, the ECO will now see how to prioritize these routes out of the COM-endorsed routes given their critical importance for the ECO countries.

This Meeting may develop contingent work plan for the year 2019 and 2020. It will serve the Secretariat a swift implementation plan for improving the *ECO Regional Railway Network*. As a key loco, it will drive the transport road map onwards to be supplemented by the 10th ECO Ministerial Meeting on Transport, ready for implementation.

In implementing the above-suggested plan, we invite a concerted effort of our regional partner organizations, such as, ESCAP, UIC, IDB, CAREC, OTIF and our regional bank, ETDB. The latter will also contribute to the development of new rail-based routes and improvement of the existing regional railway.

Esteemed Delegates

At this note, let me conclude my statement by quoting famous Chinese thinker, Lao Tzu: "A journey of a thousand miles begins with a single step." So, let us put our plan into life. Let us be focused in achieving our results-driven, tangible outcomes and railway will pay us off the deserved benefits.

Thank you for the attention.