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**Statement of Mongolian Delegation at  
OSCE conference on the prospects for the development of trans-Asian and  
Eurasian transit transportation through Central Asia till the year 2015  
Dushanbe, Tajikistan  
23-24 October 2007**

Mr. Chairman,  
Excellencies,  
Distinguished Delegates,  
Ladies and Gentlemen,

It is a particular honour and pleasure for me to speak at this important OSCE conference.

I believe that not many of us could foresee 20 years ago that the rapid change in international affairs and security would impact on the creation of more landlocked countries. The break-up of the Soviet Union led the whole of Central Asia to face the challenges of land-lockedness.

We highly value the efforts being made by the OSCE towards transit and transport development. In December last year the OSCE organized in Vienna an experts' workshop on the specific problems of landlocked countries regarding transit and transportation in cooperation with the UN Office of the High Representative for LDCs, LLDCs and SIDSs. The conclusions of this workshop including those related to financing, engagement with the business community, are of particular importance to its landlocked participating States and Partners for Cooperation. As was noted by the participants of the workshop there is often a lack of coherence between regional/bilateral and multilateral trade agreements. In this respect the proposed survey of trade related agreements by the OSCE and its partners could be of particular relevance. This has also been recommended in the Chairman's summary of the 2007 OSCE-Mongolia conference, which took place on 12-13 June this year in Ulaanbaatar.

Among the OSCE Asian Partners for Cooperation, Afghanistan and Mongolia, are Landlocked Developing Countries (LLDCs) and they experience the difficulties of being such countries. At the same time they also serve as an important transit route for regional and sub-regional trade to its immediate neighbours and beyond. We are also pleased that Japan being the largest donor to the causes of landlocked developing countries for many years, is also active Partner for Cooperation in the OSCE. Thailand and the Republic of Korea are also important transit countries with ever growing international trade in the world.

The International Ministerial Meeting on Transit Transport Cooperation, which took place in Almaty in 2003, was a landmark event aimed at forging partnerships to address the specific needs for transit transport at the national, bilateral, regional and global levels. The issues of trade and transit transport facilitation have been clearly defined and agreed upon in the Almaty Declaration and Programme of Action. However, greater efforts still need to be undertaken to achieve the objectives of the Almaty Conference.

Mongolia strongly views that effective and timely implementation of the Almaty Programme of Action will help landlocked developing countries to actively engage in international trade and further promote development. As a concrete step to this end, in August this year Mongolia hosted the Global Event for Trade Ministers of Landlocked Developing Countries on trade and trade facilitation in Ulaanbaatar in close cooperation with the United Nations Office of the High Representative for LDCs, LLDCs and SIDSs. We believe that this has provided yet another opportunity for LLDCs and their development partners to promote cooperation towards the full implementation of the Almaty Programme of Action and its mid-term review next year.

For some years Mongolia has been strong advocate of promoting the special interests of Landlocked Developing Countries (LLDCs) at the international fora. We actively work not only within the United Nations, but also the World Trade Organization to address the specific needs of LLDCs.

For LLDCs it is important to promote regional, subregional and intra-regional cooperation for the development of transport infrastructure and simplification of border control and customs procedures. The importance of the implementation of existing international conventions, in particular with regard to the harmonization of customs and cross-border procedures, should also be highlighted.

In the Asia-Pacific region international organizations are actively involved in the development of integrated transport networks, inter-modal transport and logistics systems. For example, the UNESCAP is successfully working on the development of the Asian Highway and the Trans-Asian Railway networks. Mongolia ratified the Intergovernmental Agreement on Asian Highway in 2005 and signed the Intergovernmental Agreement on Trans-Asian Railway Network in November 2006.

Trade facilitation which aims to creating an effective transit transport is a multi-faceted process that involves participation of and cooperation between government ministries and agencies, transport providers and private sector. Therefore, in 2006 Mongolia set up the National Committee for Trade and Transport Facilitation comprised of various ministerial representatives and private sector, which aims to coordinate transit transport policy and measures to improve infrastructure for rail network and missing road links connecting China and Russia.

Mongolia's transit transport is mainly handled by rail. The Mongolian railway is a joint venture with Russia and it connects our two great neighbours – the People's Republic of China and the Russian Federation. Local rail network is limited and needs expansion as a demand for regional, sub-regional and international trade increase. A feasibility study is being carried out to connect Mongolian rail network to Northeast Asia.

A volume of transit transport through Mongolia is constantly increasing in recent years and has a great potential to further increase. However, we in Mongolia face certain difficulties in meeting a growing demand for transit transport. Transit transport related investment and policy reforms, including construction of second rail along the existing alignment and use of electric power are under serious consideration. We believe that our joint efforts at national level will significantly contribute to enhancing cooperation in the Asian region.

Mongolia is committed to develop the integrated and coordinated transport network in the region through to active participation in the regional projects. We believe that international transport corridors between Asia and Europe are of utmost importance to highlight the regional cooperation.

Since 1998 Mongolia is endeavouring to complete a trilateral agreement on transit transport with its two neighbours - China and Russia. We expect that, if this agreement is concluded, it will become an effective engine for transit traffic through the world's largest land transport corridor. We also view that the experience and agreement to be still secured, could be referred to in building a multilateral mechanism on transit transportation on a wider scale.

In conclusion, the Mongolian delegation would like to express its deep appreciation to the organizers of this Conference - the OSCE Secretariat, in particular, the Office of the Coordinator of Economic and Environmental Activities, the OSCE Mission in Dushanbe, and the Government of Tajikistan for enabling us to attend the Conference. We also thank the Government of Tajikistan for its warm hospitality.

We hope that this Conference will become a milestone for transit transport development in Central Asia and guide us to a productive and result-oriented cooperation in the years to come. The Dushanbe Declaration, which we hope to adopt at this Conference, will serve an important step to this end. Therefore, our delegation offers its full support for it.

We are confident that the OSCE participating States and international organizations will pay due attention to the outcome of this Conference and will provide support for the follow-up works.

Thank you.