

**TRANSIT TRANSPORT OF AZERBAIJAN:
PRIORITIES AND ACHIEVEMENTS IN THE COURSE OF
IMPLEMENTATION OF THE ALMATI ACTIONS PROGRAM.**

(Statement by the Head of Delegation of the Republic of Azerbaijan, Head of TRACECA and International Projects Unit, International Relations Department of the Ministry of Transport of the Republic of Azerbaijan Elmar Farajov at OSCE Conference On Prospects for the Development of trans-Asian and Eurasian transit transportation through Central Asia until the year 2015).

Dear Mr. Chairman!
Distinguished colleagues!
Ladies and Gentleman!

Let me on behalf of the Government of the Republic of Azerbaijan greet the Secretariat and Conference participants wish them the fruitful work and further success, as well express gratitude to the leadership and people of the Republic of Tajikistan for the warm hospitality.

In the last five years Azerbaijan demonstrates one of the highest economic growth dynamics world wide. Being a country with a market economy actively involved to the process of globalization. One of ways into the close economic integration of our country with on going global processes is the Almati Actions Program, which was adopted at UN International Conference in 2003 as the basis for enhancing the international cooperation of the UN Member States in the field of transit transport.

Intensive and effective integration of the Asian and Caucasian landlocked developing countries to the uniformed world trade system makes possible only with the reliable transport connections each others. Therefore, the project concerning the restoration of the Great Silk Route plays an extremely important role in the development of economic ties within a region. Azerbaijan taking one of the key positions in creating the shortest transport corridors within Eurasian region becomes the large transport hub into the Europe-Caucasus-Asia transport system. This transport corridor TRACECA in Azerbaijan represents the several projects. In 2007 85 km long motor road Hajigabul-Kurdamir is commissioned, the reconstruction is on going on Kurdamir-Ujar-Ganja-Gazakh with the length of 188 km and Yevlakh-Gazakh-State Border of Georgia with the length of 132 km. In 2008 the completely renewed road Baku to the border of Russian Federation with the length of 208 km and road Alat-Astara- Border of Islamic Republic of Iran will put into service.

Within 7 months of 2007 5 millions 837 thousand tones of transit cargoes along the Europe- Caucasus-Asia transport corridor.

For our region a great importance plays the implementation of Baku-Tbilisi-Kars railway line construction project, which allows connecting Turkey, Georgia and Azerbaijan with a new railway connection. This railway will lead to increasing the transit transport of the export oriented goods and creating the direct transport link between the Caspian Sea region and Europe, meantime expands the cooperation under the European Neighborhood Policy. This project and introduction of under Bosphorus tunnel will ensure the seamless inland communication between the trans-European and trans-Asian railway networks. In general, the transit along the Silk Route would become reliable, safe and economically valuable for the carriers.

Using the given opportunity I would like to extend the appreciation to UNECE and UNESCAP for inserting Baku-Tbilisi-Kars railway project into the list of priority projects of the trans-European and trans-Asian railway networks.

In the field of maritime transport, due to the heavy congestion of Baku downtown, we are undertaking the project of moving Baku International Sea Trade Port into the settlement of Alat, 40 km south of Baku. We believe that a new location of the port of Baku would enable to become the regionally relevant hub. Its bearing capacity according to the preliminary estimate is forecasted at 12-15 million tones of cargo per annum. Right now the feasibility study is in process of preparation. It is also trustworthy to note, that there are ferry boat transportation from the Port of Baku to the largest Caspian ports, such as Aktau, Turkmenbashi, Astrakhan, ports of Iran. For strengthening the maritime connections with the Caspian littoral states, Azerbaijan plans until the year 2011 to procure 3 ferry boats with the capacity of 56 wagons each. This will be in addition to the current fleet of 7 ferry boats with the capacity of 28 wagons each. Meantime, there is on going feasibility study to construct the ship building factory in Azerbaijan.

One of the priority and perspective routes is China-port of Aktau (Kazakhstan) - port of Baku-Georgia. In this conjunction, seven Central Asian countries and Azerbaijan have come to the preliminary agreement on construction of inland railways between China and Europe. The formal endorsement of the investment program is expected to happen in the course of CAREC Conference in this November in Tajikistan. This investment program is supported by the Asian Development Bank, European Bank for Reconstruction and Development, Islamic Development Bank, International Monetary Fund, United Nations Development Program.

For the purpose to remove the obstacles on border crossings, our perspective vision is to introduce the information technologies in a process of e-document and e-declaration of goods and vehicles. Meantime, we consider the possibility of improving the freight customs declaration.

The European Union has granted the technical assistance program in holding training seminars and workshops to learn the experience of European countries. The UNECE International Convention on Harmonization of Frontier Controls of Goods is a key legal instrument to use in this respect. Also a special attention is paid to the arrangement and implementation of single window system in terms of border and customs control. We are cooperating with the concerned government authorities in learning the global experience in application and conciliation of the different types of the border crossing control.

As you know the Republic of Azerbaijan is a member to the International Kyoto Convention on Simplification and Harmonization of Customs Procedures, UNECE Customs Conventions on International Transport of Goods under Cover of TIR CARNET, Convention on Frontier Control, Customs Container Convention. This all shows our commitment for the further improvement, simplification and modernization of customs services in the field of the transit transportation as a key for development and facilitation of international trade in transit.

As a whole, the Republic of Azerbaijan is performing the targeted policy to create the favorable condition for freight transport, improvement of the transport sector interoperability, rehabilitation and construction of international airports, railways and highways, bridges and renewal of the railway rolling stock, fleet of vessels, port infrastructures. All these projects are made on account of loans issued by the World Bank, European Bank for Reconstruction and Development, Asian Development Bank, Islamic Development Bank, Kuwait Development Fund and many other international financial institutions.

The Ministerial Conference hold in August 2003 in Almati devoted to cooperation in the field of transit transportation becomes a driving force for the achievement of Millennium Development Goals. The Almati Program of Actions adopted in the course of Conference builds up a strong global partnership platform for the effective transit transport systems.

Azerbaijan is in favor of sustainable implementation of the Almati Program of Actions for landlocked developing countries within multilateral trade system. We are welcoming the efforts made by OSCE, UNESCAP and UNECE to achieve the Millennium Development Goals.

Let me once again wish to the Conference delegates good luck!
Thank you for your attention.