

**Statement by Mr. Mircea Ciopraga, TRACECA
Intervention at Session 2:
Cooperation on Transit Infrastructure Development and Transit
Corridors
Best Practices, Challenges and Opportunities**

**High-Level Meeting for the Euro-Asia Region on Improving Cooperation on
Transit, Trade Facilitation and the 2030 Agenda for Sustainable Development**

Hanoi, Viet Nam, 7-9 March

**Your Excellences,
Dear participants of the Meeting!
Ladies and Gentlemen,**

Let me welcome you on behalf of the Intergovernmental Commission TRACECA and thank organizers for the opportunity to take part in this event which is undoubtedly very important for strengthening international cooperation in transport and power industries.

A prospective idea to develop this transport corridor is substantiated by the fact that in ancient times the “Great Silk Road” passed along the current TRACECA routes. Therefore the name “Great Silk Road of the 21 century” given to TRACECA became popular amongst the international community.

During 24 years, the international transport corridor “Europe-the Caucasus-Asia” (TRACECA) taking advantageous geographic situation and locating partly in Europe, and – partly on the border with the countries of East Asia and Middle East suggests to goods owners an alternative to the intercontinental trans-oceanic corridor by its overland routes passing across the countries of the Black and Caspian Seas’ basin, South Caucasus, or through Iran and Turkey, thereby providing exchange of goods on the whole Eurasian continent. Transit attractiveness of the corridor creates a huge potential to attract freight flows, and therefore to develop economies of the region’s countries.

TRACECA is the developing transport corridor and it is evidenced by a number of indisputable factors having a substantial influence on the dynamics of freight traffic growth along the TRACECA corridor. Thus, the volume of freight traffic within the corridor routes for the period 2013-2015 made more than 225 million tons of goods. The volume of goods transported by road along the TRACECA routes is growing every year on average by 4-5%.

Presently TRACECA countries focus their efforts on further dynamic development of the transport corridor. Key measures in this area are determined in the document, which served the basis for the Strategy of the IGC TRACECA for development of the international transport corridor Europe-the Caucasus-Asia for the period 2016-2026, TRACECA Master Plan for 7-year period, which was adopted by the MLA member states at the recent Twelfth Meeting of the Intergovernmental Commission TRACECA held on 1 June 2016, in Odessa, Ukraine.

The European Commission has been our reliable partner for many years. Up to date within the TRACECA Programme the European Commission has financed 85 projects to the total amount surpassing 187 million euros.

These projects favoured the attraction of large capital investments from international financial institutions and more than 40 % from the budget were allocated to the support and development of transport infrastructure within the TRACECA corridor.

In many respects owing to the completed and implemented technical assistance TRACECA projects there increased the volumes of freight transport within the corridor.

The improvement of transport infrastructure is of key importance for TRACECA countries most of which are landlocked ones. Transport networks in many TRACECA countries require modernization. Considerable financial resources are needed for the improvement of transport systems. Public funds do not satisfy the needs of financing such large-scale projects. In this connection TRACECA cooperates with international financial institutions and promotes participation of private sector in financing and management of transport projects. Public and private partnership for the purpose of transport infrastructure development is becoming a new practice in the TRACECA countries.

With the aim of ensuring more active information exchange and cooperation of TRACECA countries with potential investors within TRACECA framework there was created a standing mechanism realized by means of **TRACECA International Investment Forums**.

Within TRACECA there were held two Investment Forums in Brussels with participation of concerned international investors and donors.

It should be noted that the improvement of transport infrastructure within the TRACECA corridor goes on in parallel with taking measures to ensure free movement of goods and passengers. We are sure that a complex approach towards solution of transport problems of the landlocked countries will contribute to creation of a long-term basis for sustainable development of the Europe-the Caucasus-Asia corridor. With the view of promoting the attractiveness of the TRACECA corridor compared to other alternative routes the countries take active measures to eliminate non-physical barriers: these are measures on harmonization and simplification of regulatory standards, facilitation of border crossing procedures, use of advanced transport and information technologies and other factors that are able to guarantee uninterrupted transport communication in the TRACECA region.

TRACECA experts developed the so-called Guidance on Border-Crossing Procedures being a useful instrument for transport operators performing transit traffic in the region.

If we analyse the barriers hampering traffic development, we have to note that a part of these problems is connected with the existing system of regulation of international road communications in transit countries. In this connection there was developed and implemented the TRACECA Multilateral Permits system for international road carriage of goods supported with relevant technical documentation. These permits have already been disseminated in the member countries of the TRACECA Permit system and from 1 January 2016 have been used by international hauliers. For the purpose of improvement of this System in November last year at the Meeting of National Coordinators held in Ukraine there were made necessary amendments cancelling a number of restrictions which positively impacted on the transport services market and the need in these permits among road hauliers rose.

We insistently recommend that the TRACECA countries to accede and promote the effective implementation of international-legal agreements, directed to ensuring efficient international freight traffic. To ensure safety of goods and reduction of delivery time TRACECA recommends that its member states implement the standards of the International Convention on the Harmonization of Frontier Controls of Goods, 1982; Customs Convention on Containers, 1972; International Convention on Harmonization and Simplification of Customs Procedures, 1973 (amended and added in 1993); ADR Convention (International Carriage of Dangerous Goods by Road), 1957; European Agreement concerning the Work of Crews of Vehicles engaged in International Road Transport (AETR), 1970, etc., as well as take advantages of the customs transit system TIR.

Besides, TRACECA maintains cooperation with the International Road Transport Union (IRU) in the area of implementation of the preliminary electronic declaration system TIR-EPD in TRACECA countries.

The involvement of TRACECA countries in modern logistic networks in the world economy is a key point for further development of the TRACECA corridor. More efficient multimodal transport chains promote the increase of competitiveness of the whole TRACECA transport corridor, economic development of the whole region.

Presently within the framework of corresponding TRACECA working groups there is elaborated a single multimodal transport document, this is done in pursuance of the provisions of the Agreement on the development of Multimodal Transport TRACECA signed in 2009 at the IGC TRACECA Meeting.

Projects introduction and implementation undoubtedly approaches us to the realization of one of the most important TRACECA objectives – integration of the TRACECA corridor with the world transport system. It should be noted that more than 95% of freight traffic between Asia and Europe is performed by maritime transport along the transoceanic route.

Therefore there is a real necessity in reorientation of a part of containerized freight flows to overland corridors. I consider that goods-generative potential of the Asian-Pacific region has to be directed to the usage of transit potential of TRACECA transport networks through the gates of Central Asia. At present the capacity of transport infrastructure within the TRACECA corridor meets all possibilities of goods transportation in the East-West direction.

Concernment of transport operators in transportation of containerized cargo along the corridor increases owing to a route factor of TRACECA to be realized within infrastructure and logistic system of the TRACECA corridor which is able of handling more than 400 thousand transit containers a year through the routes of the South Caucasus only.

Container traffic along the TRACECA corridor annually increases, and it is a great achievement of private operators and of some initiatives of railways administrations. As a rule, the main part of the container cargo turnover was earlier performed in the basin of the Black Sea and the western part of Turkey in the basins of the Sea of Marmara and the Mediterranean (in this area for the last year there was transported more than 300 thousand containers). But the situation began to change, namely:

In October 2013 there was created a Coordination Committee for development of the Trans-Caspian International Transport Route with participation of Kazakhstan, Azerbaijan, Georgia, Romania, Turkey and others. The Trans-Caspian Transport Route is designed to provide transport communication between China and Europe via Kazakhstan, the South Caucasus, Turkey, Ukraine, Romania and other participants who joined this project.

It is appropriate mention here that along this route from China the container block train "Nomad Express" was launched. From August 2015 up to date several trips of this train have been organized for the countries of the South Caucasus,

Turkey, Ukraine, and after commissioning of the railway section (Kars - Akhalkalaki), that is the connection of the Turkish and Georgian railway networks (expected this year) this container train will run regularly.

Dear participants of the Meeting

International transport corridors are becoming nowadays key mechanisms of globalization of the world economy. Not staying away from these processes the ITC TRACECA generates within its routes one of the important arteries of the continent, relying on sustainable economic and social development of the member states, increase of competitiveness of produced output and transit services in the world markets, which enables it to occupy a noteworthy place in the present structure of the existing world.

Summing up my speech I would like to express hope that our mutual efforts will make a constructive contribution to promotion of high quality, effective and reliable transport communications between Europa and Asia.

Let me thank the organizers of the Conference for invitation and arrangement of the meeting, wish everybody success and express our readiness to continue cooperation in supporting the initiatives and assisting with the development of trade and transport.

Thank you for attention!