

Committee on Transport Sixth session

**Dear participants,
Ladies and gentlemen!**

First of all, I would like to express my sincere gratitude to the UNESCAP for an arrangement of this meeting. My congratulations to all members of buro on your election. I am confident that under your leadership this session will be crowned a great success.

The transport and transit policy of the Republic of Azerbaijan, as a landlocked country, aims at creating a new infrastructure and diversifying transport connections, using rationally transit opportunities, providing state support for transport projects, bringing the legal and institutional framework closer to international standards, implementing widely transport and logistical systems facilitating transportation operations and the goods movement process.

The country's transit policy is based on the creation of a transport infrastructure conducive to connecting Trans-European and Trans-Asian transport networks, thereby creating the shortest and fastest transport communication.

In order to identify promising goals and directions for the development of Azerbaijan and to ensure their implementation, the head of state approved strategic road maps in 12 areas of the national economy. The "Strategic Road Map for the Development of Logistics and Trade in the Republic of Azerbaijan" was developed as an integral part of initiatives to create a competitive, diversified, inclusive and sustainable economy. This roadmap defines the short-term, medium-term and long-term perspective directions of economic development of Azerbaijan in the field of logistics and trade for the period up to 2020, 2025 and beyond 2025.

***** Transport corridors**

Azerbaijan is the initiator and active participant of a number of projects aimed at developing Eurasian transport links passing through the territory of the Caucasus region.

We strongly believe that no nation can succeed alone without regional and international cooperation. In this regard, regional projects will narrow inequalities within the countries and of course between the countries. Therefore, our transportation projects are aimed at broad international and regional cooperation so that every country can benefit. The aim of the policy, which our government is pursuing, is that everybody should take advantage of our opportunities-producers, transitors, consumers.

***** Baku Tbilisi Kars**

We are implementing a number of large-scale projects in order to develop and improve the competitiveness of the two main transport corridors (West-East and North-South) passing through the territory of the republic and to increase the transit potential of the country.

In this regard, I would like to particularly note the new **Baku-Tbilisi-Kars railway line**, which was opened in October 2017. This railway line serves to create direct international rail links and expand intermodal transportation operations, directly connecting the railway networks of Europe and Asia. The line is intended to transport one million passengers and 6,5 million tons of cargo at the first stage. The capacity will the reach 3 million passengers and 17 million tons of cargo.

International North-South Transport Corridor (INSTC)

As part of the INSTC project, Azerbaijan has fulfilled its tasks. The construction of the railway section and the bridge on the border with the **Islamic Republic of Iran** has been completed. Thus, another step has been taken towards connecting the railway networks of Russia and Iran within the International North–South Transport Corridor, as well as connecting the ports of the Black Sea with the ports of the Persian Gulf through the territory of Azerbaijan.

Another project of regional importance is the construction of the **New Baku International Sea Trade Port**. In May of 2018, a ceremony of completion of the first phase of construction of the Port was held. Today, the Port, which is capable of serving ferries and Ro-Ro vessels, has a carrying capacity of 15 million tons per year, including 100 thousand containers. Thanks to its location at the intersection of the main directions of transit freight traffic, the Port will transform into a major logistics center for the entire region.

In March 2016, the President signed an order on the creation of a **special economic zone**, a kind of free-trade zone, including the territory of the Baku International Sea Trade Port. And in May 2018, a law defining the legal regime for operation, development and management of the economic zone was adopted. Acting as a multimodal transit logistics hub, the new port and economic zone will become one of the main cargo consolidation centers in Central Asia that will provide a wide range of additional services and will play a key role in international multimodal transportation operations and the Eurasian supply chain passing through Azerbaijan.

In 2015, the **Coordinating Council on Transit Freight** was established in Azerbaijan. This structure is intended to attract transit cargo to transit corridors passing through the country, to take appropriate measures to eliminate obstacles in the development of transit freight traffic, to coordinate the activities of government agencies in this field, to develop and finalize tariffs acceptable to operators.

Here I would like to say a few words about the **Trans-Caspian International Transport Route**, which runs through China, Kazakhstan, the Caspian Sea, Azerbaijan, Georgia and further to Turkey and European countries. At the end of 2016, the International Association “Trans-Caspian International Transport Route” was created. The association’s activities are aimed at attracting transit and foreign trade cargoes and developing integrated logistics products along this route. Also within the framework of the association, issues related to conducting the effective tariff policy, optimization of expenses and cost of the integrated service, creation of the integrated transportation process, provision of assistance for reducing administrative barriers in border and customs procedures, and processing of cargo and containers in the ports and locomotive changing points are being worked out. All these measures are aimed at ensuring the competitiveness of the Trans-Caspian Route compared to alternative ones.

Today, Azerbaijan cooperates with organizations and projects involved in the TRACECA geography, including with the countries of Eurasia within the Silk Road Economic Belt mega-project, which have similar goals for consolidating efforts to develop transit traffic, ensure synergy and develop trade in the region. Thus, in November 2017 we, together with Afghanistan, Georgia, Turkey and Turkmenistan, signed an agreement on the creation of the Lapis-Lazuli Transit, Trade & Transport

Route. The project provides for the modernization of transport infrastructure and customs integration of the participating countries, including through facilitating customs clearance and issuing business visas for businessmen.

Azerbaijan attaches great importance to the development of **Road transport** because this field has become an essential part of economic and social development. Its flexibility in delivering goods to cities and villages is unmatched by any other transport modes. The road infrastructure is not only important for the functioning of the economy and wellbeing of population, but also serves development of the regional cooperation. Within the framework of state programs, work was carried out on the construction and reconstruction of national and local roads covering a significant part of the national road network. Over the past 10 years, the length of roads constructed, reconstructed and repaired in Azerbaijan stood at 10400 kilometers. During this period 307 new bridges, overpasses and underpasses were constructed or built and 67 pedestrian overpasses and underpasses were built and brought into use.

In the conditions of the pandemic, it is important to maintain open trade between our countries and uninterruptedly carry out international cargo transportation. Azerbaijan has already become one of the important transport and logistical centers of Eurasia, has played a major role in the creation of East-West, North-South and North-West transport corridors connecting dozens of countries. Azerbaijan, as a reliable transit and logistical center responsibly treating its role in the pandemic, provides unhindered transit traffic through its territory.

Dear participants,

In conclusion, I would like to once again express the commitment of our country to continue to play an active role in promoting cooperation in the region to address existing challenges and coordinating joint efforts with ESCAP Member States for benefit of the region as a whole.

Thank you for attention.