

Presentation

**by Ambassador Vaqif Sadiqov
Permanent Representative of the Republic of Azerbaijan,**

at the side-event on intermodal connectivity and the role of historical transport routes, organized by the Permanent Mission of Turkmenistan

20 February 2018, Geneva

Ambassador Haljanov,

Excellencies,

Ladies and gentlemen,

I would like to thank distinguished Ambassador Atageldi Haljanov of Turkmenistan for inviting me to address this eminent audience. The topic of today's discussion is dedicated to historical trade routes as a natural tendency among nations to join their efforts in development, which lies in the heart of the concept of the United Nations. We applaud the decisive efforts of Turkmenistan to bring to conclusion the UN GA resolution on strengthening the links between all modes of transport to achieve the SDGs adopted in November 2017.

Many centuries have passed, but the importance of ancient trade routes in a new political environment has increased ever since. Today, the countries lying along these historic route connecting South and North, East and West, establish new paradigms of political, economic and security relations deemed not possible even 10 years ago, and carry out new cross-regional transport and energy projects of major supra-national importance.

Both Turkmenistan and my own country Azerbaijan have historically been important elements of the Great Silk Road, by which the goods and services of those times have been traded and delivered from East to West and back. The Great Silk Road served not only as a means to trade goods, but also as a platform for exchange of knowledge, ideas and acquaintance with different cultures.

Mr. Chairman,

Azerbaijan's location at the crossroads of strategic international transport corridors across Eurasia and its strong transit potential has enabled this country to become a hub in global and trans-regional trade by offering competitive transportation

opportunities. We have launched a number of strategic infrastructure projects, which once fully operational, would significantly increase the volume of intermodal shipping among European and Asian countries.

As early as in 1998, Azerbaijan became a substantial contributor to the establishment of the International Transport Corridor Europe-Caucasus-Asia (TRACECA) - the complex multimodal transport system aimed at developing economic and trade relations and transportation links between the relevant countries and regions. The project was originated by the European Union in 1998, and its Secretariat is in Baku, Azerbaijan.

Later Azerbaijan initiated and successfully completed a series of trans-regional oil and gas transportation projects delivering oil and gas extracted in the Azerbaijani national sector of the Caspian Sea to international markets in Europe. These pipelines provide energy security of producing countries, transit countries, and destination countries. Baku-Tbilisi-Ceyhan main export oil pipeline and Baku-Tbilisi-Erzurum gas pipeline have already become operational in 2006 and 2007 respectively. The major gas pipeline to Europe consisting of TANAP and TAP will be fully operational in 2020. In the meantime, TANAP will be commissioned this year.

Railway is an important and competitive sector of Azerbaijan's economy. The Baku-Tbilisi-Kars railway project initiated by Azerbaijan was successfully launched in 2017. The project envisaged the renovation of old and the construction of new links on the territories of Azerbaijan, Georgia and Turkey. Its total length is 826 kilometers and it is able to transport 1 million passengers and 6,5 million tons of freight at the first stage. This capacity will then reach 3 million passengers and over 15 million tons of freight. The project has become the shortest and most reliable link between Asia and Europe and will become an integral part of the Chinese project Silk Road Economic Belt. This route linking European and Asian railway networks will serve to increase the volume of multimodal transportations in the Eurasian region.

The new Baku International Marine Trade Port is the largest port on the Caspian Sea. The first phase of the construction will be completed in May 2018. After the completion of the first phase, the port's capacity will be 15 million tons of cargo and up to 50,000 TEU (the twenty-foot equivalent unit) containers per year. The capacity will be increased to 25 mln tons of cargo and 1 million containers at the final stage. Free trade zone covering the new Port and adjacent territory was established in

2016. This Port has already started to handle international container traffic from China and Asia to Europe via the Caspian Sea and has proven to be effective in terms of delivery time and transportation costs.

Aviation capacity of Azerbaijan has been developing as well. There are regular passenger and cargo flights between Azerbaijan and Russia, Baltic countries, Ukraine, Belarus, Central Asia, UK, Germany, France, Austria, Italy, Israel, Iran, Turkey, UAE, United States, China, Luxembourg, Afghanistan, and Iraq. There are 6 international airports located in Azerbaijan. The fleet of Azerbaijani Airlines is composed of Boeings and Airbuses and is the most modern in the region. The Cargo Terminal in the Baku international Airport in Baku is one of the biggest cargo terminals in the ex-Soviet Union, and it can serve nine jumbo jets simultaneously. The potential of Azerbaijani aviation infrastructure has been used, in particular, to support air cargo deliveries for the NATO operations in Afghanistan.

The International North-South Transport Corridor (NSTC), a multimodal route to link Russia via Azerbaijan to Iran, Persian Gulf and India is being under construction for significantly reducing costs and travel time and boosting trade. Its total length is 7,200 kilometers. In the reverse direction it aims to provide the best possible opportunities for transporting transit cargo from India, Iran, and the Persian Gulf states to Azerbaijan, Russia and further to northern and western Europe. From St. Petersburg, Russia, the cargo has to sail around the entire western part of Europe and the Suez Canal which takes around 40 days to reach Mumbai. The new route cuts the time just to 14 days and eliminates the need to pass through the Suez Canal, which is not only overloaded, but also very expensive. The NSTC project also opens a window for alignment with Silk Road Economic Belt, a Chinese super-project jumping to establish new trade and transport links with Central Asia and Europe. The development of the North-South Corridor and the construction of cross-border railway connection on the border of Azerbaijan and Iran pave way to the establishment of direct railway connection between Iran and Azerbaijan.

Facilitation of transit and the total elimination of the regulatory and procedural barriers to transport and trade are important issues. We have acceded to important International Conventions such as The Customs Convention on the International Transport of Goods under Cover of TIR Carnets and Convention concerning International Carriage by Rail. The principle of “single window” is being applied since

2009 to speed up and simplify the handling of customs related documentation. Since 2016 Azerbaijan is applying the “Green Corridor” mechanism that is based on the open government principle and is critical to digitalize the border crossing and customs procedures by using automated electronic information system.

Mr. Chairman,

Azerbaijan as a co-sponsor of this Resolution will continue to mobilize more resources to increase its share in the global and regional trade and to improve its logistics and transport infrastructure. We believe that the development of transport and transit infrastructure will create the conditions for sustainable economic development and prosperity in the Caspian and beyond.

Thank you.