## OSCE CONFERENCE ON PROSPECTS FOR THE DEVELOPMENT OF TRANS-ASIAN AND EURASIAN TRANSIT TRANSPORTATION THROUGH CENTRAL ASIA UNTIL THE YEAR 2015 (23-24 OCTOBER 2007, DUSHANBE)

## TEXT OF SPEECH BY H.E. ABDULLAH KOTEN, DEPUTY UNDERSECRETARY AT UNDERSECRETARIAT OF FOREIGN TRADE OF TURKEY

Distinguished Participants, Ladies and Gentlemen,

I would like to express my deep appreciation to the Organization for Security and Co-operation in Europe (OSCE) for organizing this Conference.

I would also like to thank the Ministry of Foreign Affairs and other Authorities of the Republic of Tajikistan for their contribution to this important event.

I believe that this Conference will yield constructive and fruitful results in solving transport problems of the landlocked countries of Middle Asia.

Ladies and Gentlemen,

Taking this opportunity, I would like to briefly touch upon developments in Turkish transport sector which might concern the work to be carried out in the region.

Throughout history Turkey has always been at crossroads of major international routes from the West to the East and from the North to the South: between Europe and Asia, the Middle East, the Black Sea and the Eastern Mediterranean as well as between possible connections beyond and towards India and South East Asian countries.

With a total area of 814 thousand square kilometers and 8 thousand kilometers of coastal line, Turkey lies in the main artery of traffic between Asia and Europe.

The foreign trade volume of Turkey has increased to 240 billion dollars in 2007. It is expected that it will reach to around 500 billion USD by 2013.

Increasing trade volume and trade relations with numerous foreign countries, combined with transit transport demand and potential, require an effective domestic transport system and diverse international transport connections. For this reason, Turkey is heavily investing in transport infrastructure each year. At this point, I would like to give concise information about ongoing and planned projects in this field.

The Kars-Tbilisi project, in other words Turkish-Georgian railway connection, will enable the integration of Turkish transport infrastructure with TRACECA routes. The landlocked Central Asian countries will then have easier access to the Europe via Turkey.

Mersin port on the Mediterranean Sea, İzmir Port on the Aegean Sea and İstanbul Ports are already serving to Turkish and international haulers with increasing traffic and capacity. Mersin has been one of the leading hub-ports of the Mediterranean.

North Aegean Port Çandarlı on the Aegean Sea, Zonguldak Filyos Port on the Black Sea coastline are new port facilities planned to be realized as gateways for traffic flow axes while providing direct access for Caucasian and Asian markets.

Marmaray Rail Tube Tunnel Project, which will provide direct connection of railway system between Asia and Europe in Marmara Sea, will also provide an uninterrupted passenger and freight transportation across the Istanbul Strait. Construction phase of the project is underway and continues as planned. So that the historical Silkroad route connecting Beijing to London will be completed.

Distinguished Participants,

As you know, transit traffic helps forming a friendly link into neighbouring countries through interdependence. Transit trade could be further used as an instrument for additional economic income and growth, labour occupation and welfare. Some of the wealthiest regions of the world started their economic career as a focal point for trade flows.

Both Turkey and transit countries located between Europe and China now have great potential to benefit from trans-continental trade in addition to benefits that can be derived from facilitated inter-regional trade.

We believe that protectionism in road transport is the most important drawback for the further improvement of efficiency and market development. We have to give up the protectionist measures, such as transport quotas, creating high transportation costs to traders and to have the common understanding so that competitiveness can be achieved by the improvement of international and regional cooperation and integration. Ladies and Gentlemen,

Rail transportation offers cost effective transport for the region. The railways administrations of the countries on South Eurasia corridor (Turkey, Iran, Turkmenistan, Uzbekistan, Tajikistan, Kyrgyzstan, Kazakhstan), have come together under the umbrella of Economic Cooperation Organization (ECO) and prepared a container train project named "Eurasia Block Container Train" to serve between "Almaty - Tashkent - Tehran - Istanbul" for the purpose of creating a modern, fast, and secure railroad service for cargo transport.

The services of "Eurasia Block Container Train" started its regular services in 2002. Nonetheless, some problems as border delays, uncertain transport costs etc. overshadow an effective operation of this project.

When the potential trade volume that can be transported between Asia and Europe by land is considered, I believe that we will need to operate all possible connections without regarding alternative corridors as competing with each other. Turkey is ready to participate in any further effort to connect Central Asia to World markets and is vigorously conducting many projects to this end.

Esteemed Participants,

I believe that a developed transport system through Central Asia will contribute to increased trade and production in the region by facilitating trade and by cutting transport costs. Combined with potential transit transport revenues, more trade and interdependence will eventually improve welfare in the region and the world as well.

However, most developing countries in the region has financial limitations in realizing larger projects of transport infrastructure. Developed countries and international financial institutions must support and provide assistance to those countries where needed.

Thank you very much.