

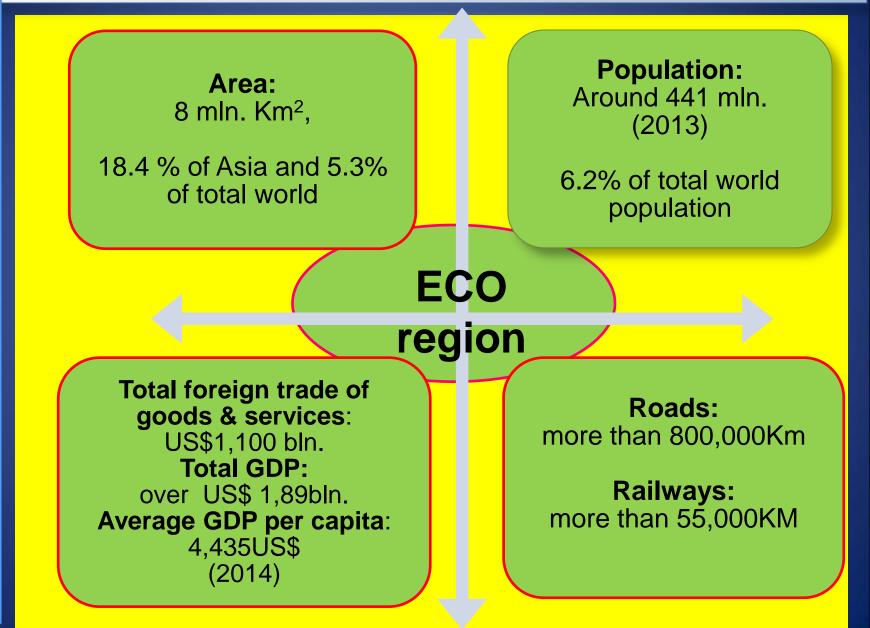
ECO's activities for Strengthening Transport Connectivity and Facilitation of Transit in the ECO Region

(Istanbul, 3rd June 2016)





General information on the ECO region



Introduction



ECO Transit Transport Framework Agreement (TTFA)

TTFA

Facilitation of movement of goods and passengers Ensuring the safety of goods and passengers and avoiding unnecessary delays during the transit traffic

Cooperation and coordination of the efforts to avoid the incidence of customs frauds and tax evasion

Harmonizing necessary administrative affairs dealing with transit traffic.



ECO Transit Transport Framework Agreement (TTFA)

Establishment & promotion of container train services Establishment promotion of road corridors

Undertaking regional studies to functionalize road & rail corridors

Organizing meetings of TTCC & technical committees to pursue provisions of TTFA

Major activities

Designing & organizing capacity building programs

Pursuance of infrastructure projects of regional importance through HLWG

Organizing test runs of trucks/ container trains Cooperation with regional & international organizations

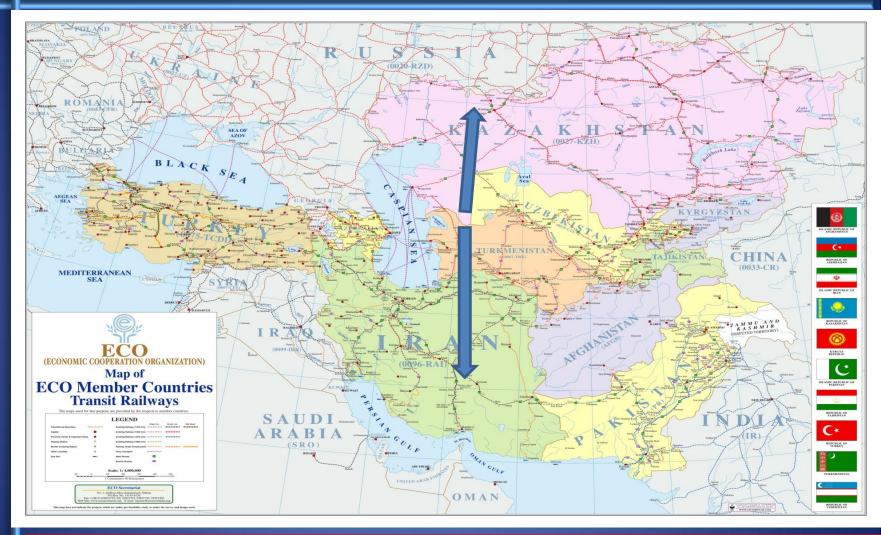
Topics being addressed under implementation of TTFA

- Alignment of regional road and rail corridors.
- Transport vehicle dimensions and weights to be carried
- Simplification of visa processes
- Road permits
- Harmonization of customs procedures
- Motor vehicle third party insurance
- Accession to various international conventions/agreements to achieve better

Railway infrastructure projects to establish new corridors



Kazakhstan-Turkmenistan- Iran Railway Project



The total length of this new railway is around 700 km curtailing the distance of Central Asia with Persian Gulf and Europe, completing North-South Corridor all the way from the enroute countries to Bandar Abbas and Persian Gulf and leading to considerable reduction of transportation costs. About 1,110,000 tons of cargo has been already transported via this route in 2014.



Kazakhstan-Turkmenistan-Iran Railway Project

The Project is coordinated by ECO through **Tripartite Coordination Committee** (**TCC**) . A trilateral meeting of the enroute countries was held on the sidelines of 12th Heads of ECO Railway Authorities (Tehran, May 2015) to discuss an attract cargo for the new route.

ECO is in close contact with IDB to commercialize KTI route

The Embassies of Kazakhstan and Turkmenistan and the Railways of IRI have been approached and strong support have been received for the project.

The route will also be used for export of goods/food from Iran destined for Kazakhstan and Russia.

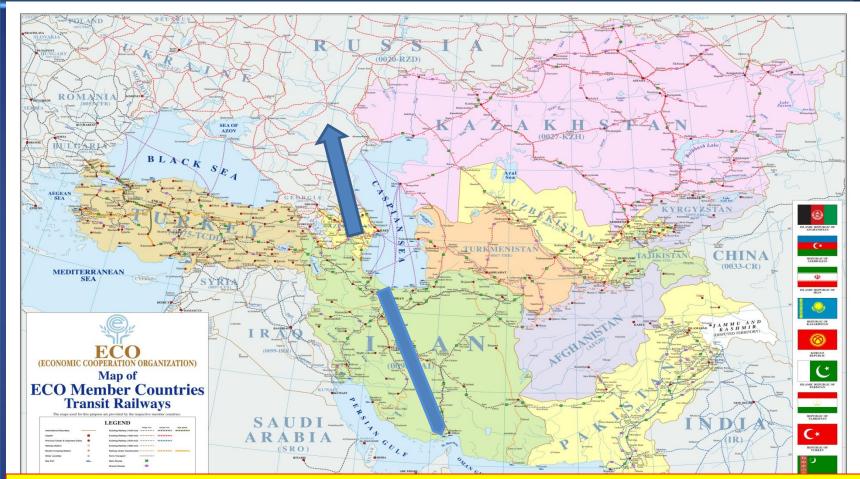
The route also coincides with the transport corridor known as "Silk Road" Economic Belt.

28 January 2016 a container train starting from Iu (China) crossed Alahsankow BCP and reached Iran (Tehran) through Kazakhstan, Turkmenistan within 16 days. The railway was inaugurated on on 3rd December 2014.

The Project is considered as a major step towards seamless transit transport connectivity, enhanced transit trade, economic growth and better access for all countries



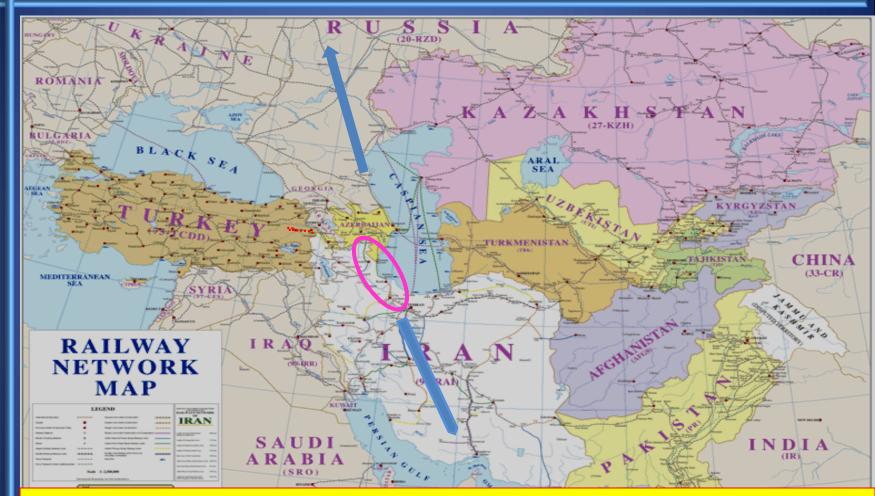
The Republic of Azerbaijan-Iran Railway Project



A significant part of the North-South International Transport Corridor passes through the territory of Russia and runs along Russia's railways from the Finnish border to the Caspian Sea (about 3,000 km), and through western branch of the Corridor between Astrakhan-Makhachkala-Samur and enters Azerbaijan border. an Yalama. The main advantages of the Corridor compared to other routes (via the Suez Canal) is that it reduces the distance for two times and even more and thus considerably reducing costs of transporting containers from Germany or Finland to India.



The Republic of Azerbaijan-Iran Railway Project



The Qazvin-Rasht- Astara (Iran)-Astara (Azerbaijan) Railway Project has three parts. Two parts, namely Qazvin-Rasht and Rasht-Astara with a total length of about 369 km are located in Iran, and one part (less than 10 km) is located in Azerbaijan. Two field visits were organized in 2013 by Iran Railways in collaboration with ECO and the Embassies of ECO MSs and Finland, Norway and Russia visited in (November 2013) the construction sites. Considerable developments have been achieved at Qazvin-Rasht segment. Azerbaijan may help with investments to complete remaining segment in the territory of

ECO container train services



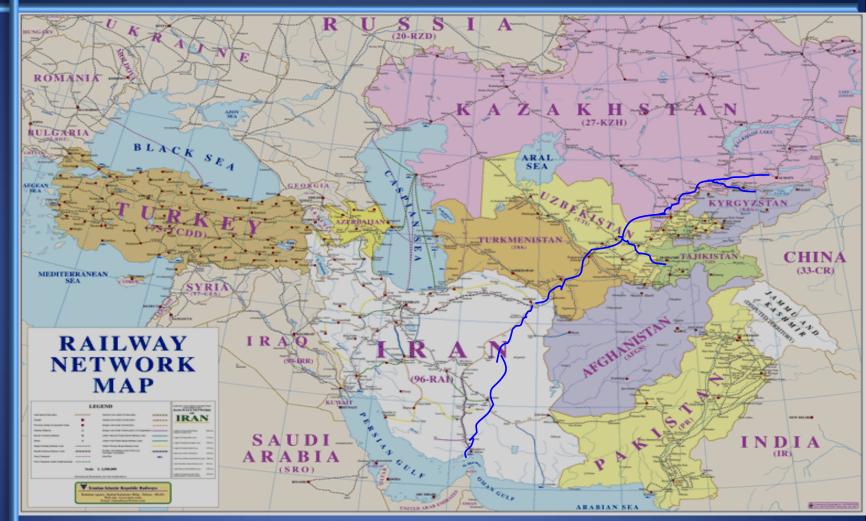
ECO Container Train on Istanbul-Almaty Route



This route is the most direct and feasible transport route which can facilitate East-Asian trade with Europe through Central Asia. Total distance of route is 5626 km. The route is operational since 2002. HLWG is following up timetable, tariff and other technical matters to streamline the train services.



ECO Container Train on Bandar Abbas-Almaty Route



The first demonstration run of the ECO Container Train on Bandar Abbas-Almaty Route (3710 km) was organized on 17 October 2011 from Bandar Abbas.
HLWG is following up timetable, tariff and other technical matters to streamline the train services. Measures are ongoing to mobilize cargos.

ECO corridor



ECO Container Train on Islamabad-Tehran-Istanbul route



The ECO Container Train on Islamabad-Tehran-Istanbul Route (6543 km) has begun its scheduled and regular operation since August 2010. HLWG agreed on timetable, tariffs, transshipment fees and other technicalities of the train. As of end 2014 the running time is around 14 days. Measures are ongoing to resume the train services.

ECO corridor



Tariffs

Unit: Euro

Country	Total distance (km)	Tariff for loaded container				Tariff for empty container			
		For 20 ft		For 40 ft		For 20 ft		For 40 ft	
		Per km	Total	Per km	Total	Per km	Total	Per km	Total
Iran	2603	0.22	572	0.28	728.8	0.11	286.3	0.14	364.4
Pakistan	1990	0.22	437.8	0.27	537.3	0.11	218.9	0.16	318.4
Turkey	1850*	0.22	407	0.28	518	0.11	204	0.14	259
Total	6443		1416.8		1784.1		709.2		941.8

* Total distance between Kapikoy to Kosekoy



Kyrgyz Republic-Tajikistan-Afghanistan-Iran (KTAI) Rail Project



The Project of construction of railway from China to Europe through Kyrgyz Republic-Tajikistan-Afghanistan -Iran (KTAI) is coordinated by ECO. km out of which 76 kilometers lying in Iranian territory has already been constructed.

The feasibility study in Tajik segment is completed and the segment between Dushanbe-Kurgan-Tube is due to be completed in 2016. . 60% progress has been achieved in construction of the sub-segment between Chah-e-Sorkh (border with Iran) to Rozanak area of Herat province. The feasibility study for the sub-segment between Faryab and Mazare-Sharif is due to be completed soon. The remaining sub-segments of Afghanistan still require conducting feasibility studies and construction. The feasibility study in the territory of the Kyrgyz Republic is also to be completed in 2016.

ECO Initiative

- 'Corridor management model' proposal on Kazakhstan-Turkmenistan- Iran railway Corridor.
- Buy in by the en-route States
- Advanced negotiations with IDB for implementation of the project.

A Commercially Viable Corridor Requires

- Trust of the Business Concerns
- Clear advantages over maritime/ traditional routes. (Time/ security/cost / ease of doing business etc.)
- Good Infrastructure Connectivity (All weather)
- Efficient, easy, fast and low cost SOPs on the corridor.
- A unified management of the corridor across the countries.

Corridor Management Requirements

- Development of connected, intelligent and centralized 'Border Crossing points to handle large traffics operating 24/7/12 a year.
- Adoption and implementation of harmonized customs and carriage related conventions (CMR, OSJD, ADR, TIR etc.)
- Visa sticker system for Drivers/ transit trade personnel, across the corridor
- Agreements on third party insurance liabilities

Corridor Management Requirements ... contd

- Corridor wide agreed sanitary, phytosanitary and veterinary standards and procedures.
- Minimum dimension and weight requirements of the vehicles.
- Harmonized Health insurance system of the transit trade personnel.
- Similar Standards of safety across the corridors
- Development of logistics and parking centers across the corridors.

Solution : Integrated Corridor Management

- Multinational integrated Management mechanism exclusively responsible for operations on the corridor.
- Development of detailed processes including but not limited to administrative, technical, commercial etc. for operations of the corridor.
- Corridor to be operated as a commercial entity.

Integrated Corridor Management contd..

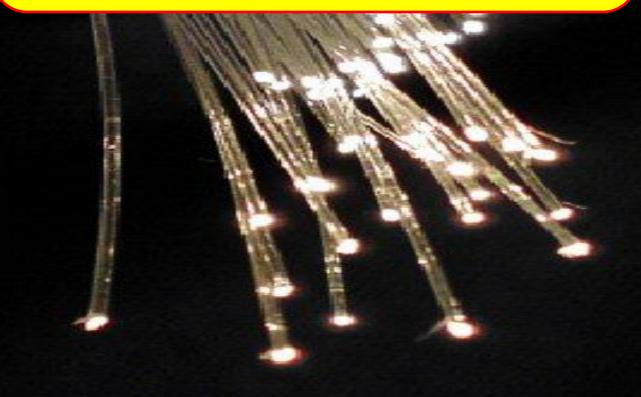
- The corridor entity to be responsible for all its expenses and profits .
- Do market analysis, contact prospective traders and attract them through better business models.
- Constantly to market analysis to remain competitive in the market.



ICT infrastructure connectivity

In the ICT sector

Feasibility Study was conducted to identify the needs for development of ICT infrastructure connectivity and services in the ECO Member States and prepare ECO's regional strategy in ICT



Thank You