



## TRANSPORT POTENTIAL OF ECO REGION

Developed and developing countries, in addition to taking part in international integration initiatives, strive for creating regional unions among themselves. One such regional structure is the Economic Cooperation Organization (ECO), which focuses on contributing to the development of its member states, removing trade barriers within the ECO region, improving intra-regional trade and ensuring the integration of the ECO region with global markets. With an area of 8 million square kilometers and a population of more than 440 million, the ECO is a regional inter-governmental organization, which includes Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Turkey, Turkmenistan, Uzbekistan, and Tajikistan. The ECO region that covers a large geographic area has the potential to reach Europe through Pakistan and Turkey. The fact that other member states except Turkey and Pakistan do not have direct access to the sea makes the ECO valuable for the member states. In case of Iran sanctions towards the country might hinder using its ports for other member states.

The ECO predecessor, the Regional Cooperation for Development (RCD), which was established in 1964 by Iran, Pakistan, and Turkey, remained in existence up to 1979. The organization suspended its activities following the Iranian Islamic Revolution in 1979. In 1985, it was re-established as the ECO. After the dissolution of the Soviet Union, in 1992, Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan became members of the organization.

The transport sector is one of the strategic areas for increasing trade turnover among the ECO member states and ensuring integration with global markets. The ECO Trade Agreement (ECOTA), ECO Transit Trade Agreement (TTA) and ECO Transit Transport Framework Agreement (TTFA), which establish the infrastructure of cooperation in this field, are essential in this respect. The ECOTA is designed to strengthen economic cooperation among the ECO member states by reducing tariffs and removing non-tariff barriers. Moreover, it aims to increase, support, as well as promote trade based on shared principles. The TTA is an agreement aimed at promoting transit among the ECO members. The agreement seeks

to facilitate cargo transport among the member states and to increase trade among transit countries in the ECO region. Another important agreement, the TTFA, covers such areas as the ECO's cooperation with international transit transport organizations, road transport, railway transport, maritime transport, and multimodal transport. In addition, it aims to increase the role of the private sector, improve cooperation between customs administrations, facilitate transportation, and simplify visa regime. Apart from the above-mentioned agreements, the ECO Vision-2025 document can be regarded as an important tool in the development of cooperation among the member states in the field of transport. This vision document focuses on the main areas of cooperation, particularly trade, transport and connectivity, energy, tourism, economic growth and productivity, social welfare and environment.

Stable use of ECO transit routes and increasing the capacity of customs border-crossing points are among the prerequisites for achieving these objectives. It can be said that the ECO has the necessary legal and institutional structures in these matters. Three routes are important among the ECO's transport projects, and only two of them are currently in use. The first is the Istanbul-Almaty route (used for cargo transport within the scope of the ECO) with a length of 5,626 km, where container train services started in 2002. It is known that, as of 2015, 5,882 six-meter (twenty-foot equivalent unit – TEU) standard containers have been delivered from various parts of Turkey to Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, and Uzbekistan. The second is the Islamabad-Tehran-Istanbul route, which began its operation in 2010 and is known as the longest route with 6,543 km. However, this route stopped functioning following 29 container train services. Long ferry transfers across Turkey's Lake Van, a poor condition of roads in Pakistan's Kohi Taftan-Quetta region, and several problems related to the transportation of wagons in Iran's Zahedan region were among the main reasons for stopping train services. All these problems have led to an increase in shipping time. The third route is the 3,710 km long Bender Abbas-Almaty route, which started its services in 2011.

The location of the ECO member states along the historical Silk Road route requires cooperation with other international organizations and initiatives. For example, Pakistan's involvement in the China-Pakistan Economic Corridor (CPEC) as one of the important members of China's Belt and Road Initiative increases the transit transport potential of Pakistan in the region. Covering highway, railway, oil and gas pipeline projects, the CPEC facilitates access to the sea from China's western provinces through the Gwadar Port of Pakistan, contributing to the reduction of transportation time to the countries of the Middle East and North Africa. In 2018, Pakistan invited Turkey to join the project. The relevant Turkish authorities stated that Turkey would evaluate this proposal. The proposal can be regarded as an important opportunity in terms of economic and transport routes for both Turkey and Pakistan. Moreover, President of Uzbekistan Shavkat Mirziyoyev's reformist policies and integration efforts, firstly with the regional countries and then with the countries and organizations in Eurasia, are beneficial for the ECO. We can state that these efforts have a high potential to strengthen the economic, political, as well as international unity of the organization. Uzbekistan's participation in the 7th Summit of the Turkic Council as a full member can be shown as one of these efforts. During the conference titled "Central Asia in the System of International Transport Corridors: Strategic Perspectives and Unrealized Opportunities" held on September 20-21, 2018, Secretary General of ECO Hadi Soleimempour stated that Uzbekistan's role in the ECO should be increased and that the accession documents of the TTA and TTFA agreements were submitted to Uzbekistan for signing. The signing of the ECO transport and transit agreements by Uzbekistan will contribute to further development of free trade and transport infrastructure, not only for Uzbekistan but also for all the Central Asian countries.

In summary, the ECO has not reached the desired point in achieving the objectives stated in its establishment objectives. However, we can say that the ECO is one of the important platforms that have the potential to develop cooperation among its member states, especially in closely related fields such as economy and the transport sector.

## Politics, Foreign Affairs, and Security

- During his state visit to Kyrgyzstan, President of Kazakhstan Kassym-Zhomart Tokayev held talks with President Sooronbai Jeenbekov and took part in the fifth meeting of the Supreme Interstate Council of Kazakhstan and Kyrgyzstan. The parties discussed a wide range of issues of bilateral partnership and signed a number of documents, including the comprehensive program of cooperation between the two states for 2020-2022 (Akorda, 27.11.2019).
- A session of the Collective Security Council of the CSTO chaired by Kyrgyzstan was held in Bishkek. The heads of the CSTO member states discussed the military-political situation in the CSTO area of responsibility and approved a list of additional measures aimed at reducing tensions at the Tajik-Afghan border. The council also adopted an action plan on the implementation of the UN Global Counter-Terrorism Strategy for 2019-2021 (CSTO, 28.11.2019).
- The EU organized the regional conference entitled “Enhanced Integration for Prosperity in Central Asia” in Nur-Sultan. During the two-day event, three EU-funded multi-year programs with a total budget of €28 million that aim to support trade, rule of law as well as investments and growth in the region were officially launched (European External Action Service, 28.11.2019).
- The second consultative meeting of the heads of the Central Asian states took place in Tashkent. The parties addressed issues of strengthening security, eliminating mutual trade barriers, and promoting major projects aimed at modernizing energy infrastructure and expanding the region’s transit capabilities. At Turkmenistan’s proposal, First President of Kazakhstan Nursultan Nazarbayev was elected honorary chairman of the meeting (UzA, 30.11.2019).
- The meeting of the technical working groups on the Regional Infrastructures confidence building measures within the framework of the Istanbul Process on Afghanistan was held in Ashgabat. The participants reviewed the implementation of infrastructural projects in the region and agreed to continue activities aimed at further promoting regional cooperation (MFA of Turkmenistan, 29.11.2019).
- The OSCE and the U.S. Embassy in Kazakhstan organized a three-day training course for Kazakh border security officers on countering transnational crime and identification of potential foreign terrorist fighters in Aktau. The participants learned how to use Interpol databases and engaged in practical exercises to detect forged documents and impostors (OSCE, 28.11.2019).
- A peaceful rally of about 1,000 people to protest against corruption in Kyrgyzstan was held in Bishkek. The rally was a reaction to a journalist investigation by Azattyk, the Organized Crime and Corruption Reporting Project and the Kloop news portal into a multi-million illicit cash withdrawal scheme involving some Kyrgyz high-ranking officials (AKIpress, 25.11.2019).

## Economy, Finance, and Energy

- Presidents of Turkey and Azerbaijan Recep Tayyip Erdogan and Ilham Aliyev, as well as Georgian Prime Minister Giorgi Gakharia, attended the inauguration ceremony of the Trans-Anatolian Natural Gas Pipeline (TANAP) held in the Turkish town of Ipsala. The TANAP is part of the Southern Gas Corridor that will carry gas from Azerbaijan’s Shah Deniz II field to Europe (President.az, 30.11.2019).
- The National Electric Grids of Uzbekistan JSC and the Turkmenenergo state-owned electricity corporation of Turkmenistan signed an agreement on imports of Turkmen electricity to Uzbekistan in 2019-2020. The deal is expected to eliminate the shortage of electricity and ensure uninterrupted power supply to Uzbek consumers (Kun.uz, 30.11.2019).
- The Asian Development Bank approved a \$300 million loan to Uzbekistan aimed at further strengthening economic management in the country. The loan will help to improve the Uzbek government’s economic decision making and promote transparency of the public sector by modernizing the macroeconomic data management systems, as well as risk-based banking supervision by the central bank (Asian Development Bank, 27.11.2019).
- A business forum of Uzbek and Tatar entrepreneurs was held in Tashkent as part of the visit of President of Tatarstan Rustam Minnikhanov to Uzbekistan. Heads of government agencies of Uzbekistan and Tatarstan responsible for economy, trade, investment, tourism, oil refining, metallurgy, light industry, and mechanical engineering attended the event. The parties signed partnership agreements aimed at further developing bilateral economic relations (UzA, 26.11.2019).
- Kazakhstan and Kyrgyzstan signed an agreement on the construction of a new bridge and the upgrade of the existing bridge between the Karasu (Kazakhstan) and Ak-Tilek (Kyrgyzstan) border checkpoints. The project that will start in 2020 envisages the increase in the number of lanes for trucks and cars, as well as the construction of pedestrian crossings on both sides of the border (Ministry of Industry and Infrastructural Development of Kazakhstan, 27.11.2019).
- According to President of Kyrgyzstan Sooronbay Jeenbekov, Russia allocated \$3.1 million for the development of a feasibility study for the China-Kyrgyzstan-Uzbekistan railway construction project. The project announced in the early 2000s is yet to be launched due to the unresolved issue of financing and the disagreement between the parties on the railway route and the gauge standard (Trend, 25.11.2019).
- At the 14<sup>th</sup> annual international conference on Eurasian economic integration organized by the Eurasian Development Bank (EDB) in Moscow, the Moldovan delegation officially announced the country’s decision to join the bank. The EDB membership will allow Moldova to use more actively its observer status in the Eurasian Economic Union and participate in its projects (Eurasia Expert, 29.11.2019).

## Society and Culture

- The Ministry of Foreign Affairs of Kazakhstan, in cooperation with other government agencies, nongovernmental entities and international organizations, evacuated 14 Kazakh children from Iraq. The humanitarian operation was carried out at the request of relatives of the children who had been with their mothers serving sentences in an Iraqi prison for involvement in terrorist activities (MFA of Kazakhstan, 28.11.2019).
- The Executive Committee of the International Fund for Saving the Aral Sea (IFAS) organized a two-day meeting of the regional working groups in Ashgabat. The participants reviewed updated proposals on the development of the fourth Aral Sea Basin Program and the improvement of the IFAS institutional and legal mechanisms, and discussed relevant water management, socio-economic and environmental issues (MFA of Turkmenistan, 26.11.2019).
- According to a recent poll by the Levada Center, 53% of Russian citizens aged between 18 and 24 would like to emigrate from Russia. This is the highest share of young Russians willing to move out of their home country since 2009. Sociologists warn that the younger generation’s increasing desire to move abroad will hurt Russia’s economy (The Moscow Times, 26.11.2019).
- About 24.2% of drinking water in educational institutions of Moldova, especially in the south of the country, does not meet the required sanitary-chemical standards and have elevated levels of nitrates, fluorine, boron, hydrogen sulphide, and ammonia. Of 1,497 schools and kindergartens operating in Moldova, 95.2% are connected to the centralized water supply system, while 4.8% use water from public wells (Moldpres, 26.11.2019).
- During the Second International Silk Festival in Lyon, the delegates from 15 cities of the world signed the Declaration on the creation of a Network of the Silk Road Cities. The network that includes Samarkand and Bukhara (Uzbekistan), Lyon (France), Valencia and Barcelona (Spain), Como (Italy), Londrina and Curitiba (Brazil), Kyoto and Yokohama (Japan), Hangzhou and Nanchong (China), and Tbilisi and Batumi (Georgia) is expected to contribute to the development of silk production and business tourism (MFA of Uzbekistan, 25.11.2019).
- At the 2019 Asian Film Festival in Barcelona, a Kazakh film “The Girl and the Sea” was named the best film in the Panorama section, while another Kazakh film “Aruakh” received an award for the best screenplay in the special youth section. Both films were shot at the Kazakhfilm Studio (Kazinform, 25.11.2019).
- The International Turkic Academy organized the fourth forum of Kazakh-Kyrgyz intelligentsia titled “Strong Brotherly Relations” in Bishkek. Statesmen, public figures, prominent scientists, intellectuals and media representatives from the two countries participated in the event to exchange views on bilateral cultural and humanitarian cooperation (TWESCO, 26.11.2019).