STATEMENT BY H.E. Mr. ZIYA MAMMADOV Minister of Transport of the Republic of Azerbaijan

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Dear Meeting participants, Ladies and Gentleman!

Let me welcome you, the participants of the Euro-Asian Transport Links Ministerial Meeting, wish successful and fruitful work.

I would like to express that this Transport Ministerial Meeting under the United Nations and the Joint Statement on Future Development of Euro-Asian Transport Links would serve to the implementation of the Euro-Asian inland routes and facilitate to its development and efficient utilization.

The geopolitical position of Azerbaijan is predetermined its specific role in the region due to its location on crossroads of two international corridors: Europe-Caucasus-Asia (TRACECA) and North-South. The development of the Azerbaijani infrastructure segment within the said international transport corridors is economically sound not only for our country, but also for the entire European continent states.

By to-day the economy of Azerbaijan is in process of development in high rates. The Growth Domestic Product for 2007 comparatively with the last year of 2006 increased by 25 per cents.

A rapid increase of the trade volume in a region within the recent years promotes to the the further development of the transport infrastructure and infrastructure of the international corridors, and rough competition amongst the

international corridors requires to well tailored interact the transport chain, speed up the transportation process, ensure safe delivery and storage of the goods.

After commissioning the largest regional projects, namely Baku-Tbilisi-Jeyhan oil pipeline and Baku-Tbilisi-Erzurum gas pipeline in 2006, the construction of 101 km long missing segment is being started within the framework of the Baku-Tbilisi-Kars new railway connection line project, that would connect the trans-European and trans-Asian railway networks. This project will also include the reconstruction of the Azerbaijani railway segment with the length of 503 km. The reconstruction of this segment will foster to raise the existing service speed of trains by 120 km/h, and also upgrade the system of power supply, signaling and management through the use of the advanced technologies.

Given to the growing dynamics of the cargo transportation volume, the New International Sea Port c will be started to construct at the outskirt of Baku to be constructed in three phases.. The first phase of Port will effectively commission in 2011.

The New Port will be located on the crossroads of the major cargo transportation trends across the axles of the West-East and the North –South transport corridors while the huge ferry boats with the capacity of 52 wagons will be purchased and the railways in Azerbaijan will be modernized. All these will be challenged to this Port to become the huge logistical center for the entire region. Besides, the operation of under Bosporus railway tunnel would ensure the direct connection between the trans-European and trans-Asian railway routes.

In general, all these will serve to the development of the TRACECA corridor, provide the safe, fast and effective run of the railways between the states of Europe and Asia, and create the favorable conditions for the freight transport from the region of China through the Central Asia and Caucasus to the Europe and vice versa.

Presently, the activity is well oriented in order to develop the Azerbaijan railway infrastructure and rolling stock, modernize the system for power supply, signaling and communication, as well the traffic management. The total

investments in upgrading and developing the railway infrastructure are US\$ 1.5 billion.

Besides of the modernization of the railway infrastructure, Azerbaijan is also in active to reconstruct its highways and roads.

The construction of the new international bus station complex, a unique analogue in our region, is in process of completion.

Aiming at meeting the international standards and requirements, the renew of the bus, truck and taxi fleet is in pipeline.

Annual increase in a number of vehicles by 100,000 cars is caused the serious problems in the traffic of capital and other large cities. In this regard, the activity is in pipeline to modernize the existing roads, construct three ring roads, numerous overpasses, bridges and pedestrian passages within the city of Baku.

Also, aiming at automizing the traffic management, the intelligent transport system (ITS) is in process of design and implementation. The ITS will cover not only the streets of capital, but also the entire Absheron peninsular.

The work is carried out for the further development of the civil aviation. At four largest cities of the country, the roundabouts and navigation system of the international airports are being fully upgraded. For the purpose of the tourism development, the local airports are in pipeline to modernize.

Besides, 20 km run New Marine Bridge is planned to construct at the Baku Bay that would be a segment of the ring road connecting the access roads of the capital city and minimize the traffic in the downtown.

Dear Colleagues!

The growing globalization of trade economic links is necessitated to speed up an integration process of the national transport system into the global transport system. The key objective for this integration is the development of the international transport corridors, harmonization of the legislative framework, improvement of the transport ties amongst the countries of a region, and ensure of the transport security.

Integration of the national transport system is first of all oriented to prerequisites needed for the transport diversification toward the development of the existing international corridors and removal of obstacles for the international transit process and agreed tariff policy.

As high priority tasks to develop the transport links, I suggest that:

the respective international organizations in cooperation with the states of a region:

- Draft and pass the legislative framework, simplify the border crossings and ensure the safety of transportation
- Develop and implement the complex of measures to form the common system for the technology, customs, information and logistic services of the freight transport along the sections of international transport corridors,
- Prepare the complex of measures to regulate the tariff policy oriented to the free movement of goods and passengers,

In respect with the development of interaction between the different modes of transport, it is essential to improve the national transport systems, form the systems for the multimodal logistic centers as the major coordinated elements of the international corridors network and optimize the information and data exchange system in line with the international standards.

Dear the Meeting participants!

In conclusion, let me to hope that we can with the joint efforts make the transport sector more effective, dynamic, safe, and beneficial for the prosperity of our peoples.

Good luck and have a fruitful meeting!

Thank you for your attention!