

Regional Dialogue

Strengthening transport connectivity in the SPECA region and beyond in the era of COVID-19¹

(29 September 2020)

Session I. Policies and regulations for transport connectivity and legal framework for enhanced international transport

Distinguished participants,
Dear colleagues,

- It is indeed a pleasure to participate in the Regional Dialogue on Strengthening Transport Connectivity. Let me first thank the UNECE for organizing this timely event. Connectivity matters as it is a key enabler of economic growth and development. In times of COVID-19, smoothly functioning transport networks have proved to be of particular significance for maintaining freight flows and most importantly, ensuring supply of essential goods. This online meeting is a wonderful occasion to reflect on past achievements and discuss current challenges and needs as well as opportunities for development of more resilient and sustainable transport systems.
- Georgia with its favourable location between East and West is not only a beneficiary of regional connectivity but also its great contributor. It has long served as a gateway to key markets, especially for landlocked countries of Asia. Noteworthy, we have been closely cooperating with the SPECA countries for the development and enhancement of transport links between Europe and Asia in the framework of the UN, TRACECA, CAREC, etc. Georgia is also part of such new routes as **Middle Corridor, Lapis Lazuli, Caspian Sea- Black Sea** that allow us to further expand our transport connections and boost intra-and-inter regional trade.
- Taking this opportunity, I would like to say a couple of words about Georgia's efforts in improvement of hard and soft infrastructure. Georgia has significantly enhanced its transport network over the course of past several years. **Baku-Tbilisi-Kars new railway** line was opened in October 2017 making direct rail transportation between Azerbaijan, Georgia and Turkey possible. The BTK has already been established as an important segment of the wider Europe-Asia Corridor – the Middle Corridor. **Freight volumes transported in a pilot regime via BTK corridor are steadily increasing, namely by 23% in 2019 and over 160% within the first half of 2020.** Further to that, Georgia's main railway line is being improved under the **modernization project** which aims to increase the capacity, improve safety and

¹ **SPECA** - United Nations Special Programme for the Economies of Central Asia: Afghanistan, Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan)

optimize travel time. As for road infrastructure, over **200km of East-West Highway** have already been constructed and further works continue in an active manner. Besides, efforts are directed to attract more investments for logistics infrastructure development in Georgia. Some studies and assessments in this direction have already been conducted.

- I must also mention the extension of the Trans-European Transport Network (TEN-T) to the Eastern Partnership countries which is an important step forward towards the improvement of transport connectivity between the EaP countries and the EU. Notably, priority transport infrastructure projects of Georgia across all modes of transport (road, rail, port, logistics, aviation) were identified in the TEN-T Investment Action Plan which shall be implemented until 2030.
- Significant progress is being made in terms of removing non-physical barriers to transport through legal approximation with European and international norms, and implementation of UN legal instruments.
- Moreover, Georgia's achievements in terms of simplifying and streamlining customs procedures are well-noticeable - introduction of integrated Border Management concept, implementation of 100% Risk based customs control, use of the Unified Electronic System of Licenses, Permits and Certificates are just few to mention. Besides, we actively work with neighbouring countries to further facilitate cross-border transportation. Georgia enjoys advance exchange information system with Turkey, Azerbaijan and Ukraine.
- Fostering international cooperation is key to enhancing regional transport connectivity. In this regard, let me highlight several issues that we consider to be of particular importance for further development and operationalization of our transport corridors:
 - **Increasing safety and Interoperability** through harmonization of standards and elimination of bottlenecks;
 - Further development of **multimodal transport** to ensure uninterrupted movement of goods from one mode to another and benefit more from well-integrated transport networks;
 - **Corridor digitalization** and wider application of modern technologies to achieve greater efficiency through establishment of paperless environment and further facilitation of data and information exchange.
- Digitalization seems to be an important issue especially at these extraordinary times amid the COVID-19 outbreak as it can make our transport corridors more resilient and safe.
- I would also like to touch upon the challenges to regional connectivity caused by the spread of novel coronavirus. Although, the COVID-19-related restrictions mainly affected passenger transportation, the lack of time and coordinated activities in light of rapidly changing epidemiological situation led to some obstacles and delays in cargo movement as well, especially at the beginning of the crisis.

- Georgia as a transit country had more responsibility to ensure safe and uninterrupted freight transportation through its territory. In close cooperation with our partner countries and international community, we managed to minimize supply chain disruptions. Transport figures also indicate on that. Despite the challenges, international freight volumes transported via rail and road increased in Georgia within January –July 2020 compared to the previous year, more precisely, by 9% and 6.5% respectively.
- As epidemiological situation remains unpredictable, we need to continue cooperation and exchange of information, best practices and lessons learned in order to maintain freight flows and reduce risks concerning the reopening of borders to passenger traffic. We would also welcome further measures that would increase countries' preparedness and coordination during such pandemics and emergencies in future.
- In closing, let me once again highlight the importance of strengthening transport connectivity and express readiness for closer cooperation to deliver more tangible results in this direction.

Thank You!

Additional Information

New Developments concerning the Middle Corridor:

- ✚ Container transportation from China to Europe through the Middle Corridor increased by around 107% in 2019 (2,774 TEUs in total) compared to 2018. Upward trend has been maintained in 2020 (around 82% increase within January- July 2020 - 1,785 TEUs transported).
- ✚ In 2019, container block train traveled directly from the Chinese city of Xi'an to Prague (Czech Republic) via Baku-Tbilisi-Kars for the very first time.
- ✚ First Ever Maersk Block Train shipment from **Xi'an, China** to **Tbilisi, Georgia** was carried out in September 2020. The Shipment has been arranged by MAERSK Georgia under MAERSK Intercontinental Rail service (Cargo owner - TEGETA MOTORS ; Commodity – Tires).

Georgia's Transport Responses to the COVID-19 Pandemic:

- ✚ From the very beginning of the COVID-19 crisis, the main goal of the Government of Georgia was to contain the virus but at the same time, to avoid unnecessary strain on supply chains. Thus, safety measures and restrictions introduced in Georgia including during the state of emergency have had limited effect on freight transportation.
- ✚ All border check-points remained open for 24/7 for transport of goods. No restrictions were imposed on freight transportation by rail and air. However, some regulations have been introduced on international road transport such as mandatory screening upon entering Georgia, replacement of a driver with one from lower risk group, etc. Further regulations enacted include: the requirement for foreign vehicles to move non-stop to destinations (except for designated areas - STOP POINTs); timelines for transit movements. Some precautionary measures have been taken for maritime transport as well. All ships calling the Georgian ports shall at least 24 hours before calling the port submit Maritime Health declaration together with its Annexes.
- ✚ Passenger transportation was suspended in Georgia for all modes of transport from March 2020. Notably, Georgia was one of the first to start easing its restrictions. In order to minimize the risks associated with reopening of borders and resuming passenger transport operations, the Government of Georgia introduced several guidelines, namely for Airports and air passenger transportation; Municipal and intercity (bus, minibus) transport and Rail transport.