



Economic Cooperation
Organization

TRADE FACILITATION AND CONNECTIVITY IN ECO REGION

Session of the SPECA Working Group on Trade

By

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Ashgabat, 20 November 2019

SEQUENCE

- Import of the theme in ECO
- Transport Facilitation
- Main Corridors
- Trade Facilitation Strategy (TFS)
- Highlights of Action Plan of TFS
- Regionalism, Trade Facilitation and Connectivity



IMPORT OF THEME OF TRADE FACILITATION IN ECO REGION

- Treaty of Izmir enshrines enhancing intra-regional and inter-regional trade
- ECO Vision 2025 envisages ‘doubling of intra-regional trade’ by end of 2025
- Major Agreements supporting Trade facilitation moves:
 - Transit Transport Framework Agreement (TTFA)
 - ECO Trade Agreement (ECOTA), Preferential Market Access
 - Visa Facilitation for Businessmen and Drivers in the region



TRADE AND TRANSPORT FACILITATION

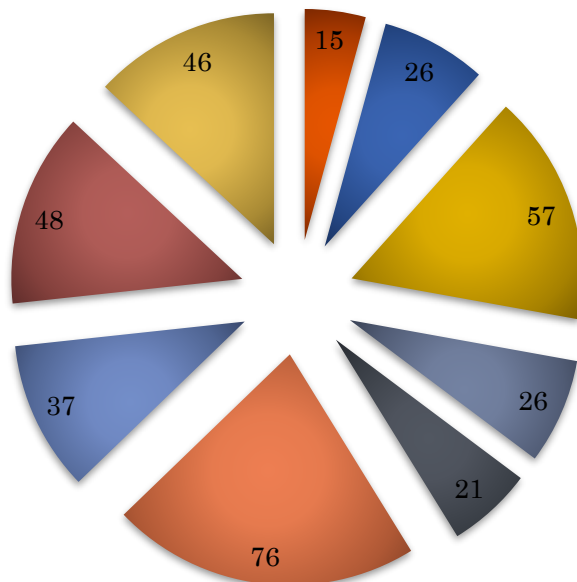
ECO VISION 2025

Expected Outcome

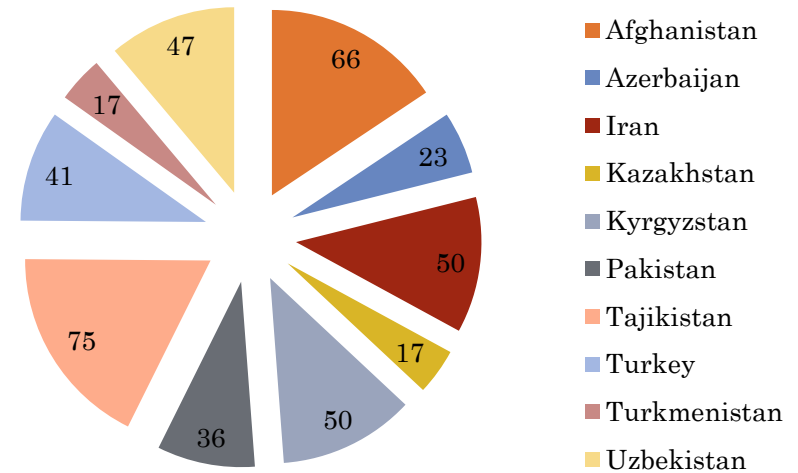
- ii. Existing ECO Corridors will be Operationalized and commercialized to enable increased intra and inter-regional trade.

2018: Transport share of commercial services (export) % of total

- Afghanistan
- Azerbaijan
- Iran
- Kazakhstan
- Kyrgyzstan
- Pakistan
- Tajikistan
- Turkey
- Turkmenistan
- Uzbekistan



2018: Transport share of commercial services (import) % of total

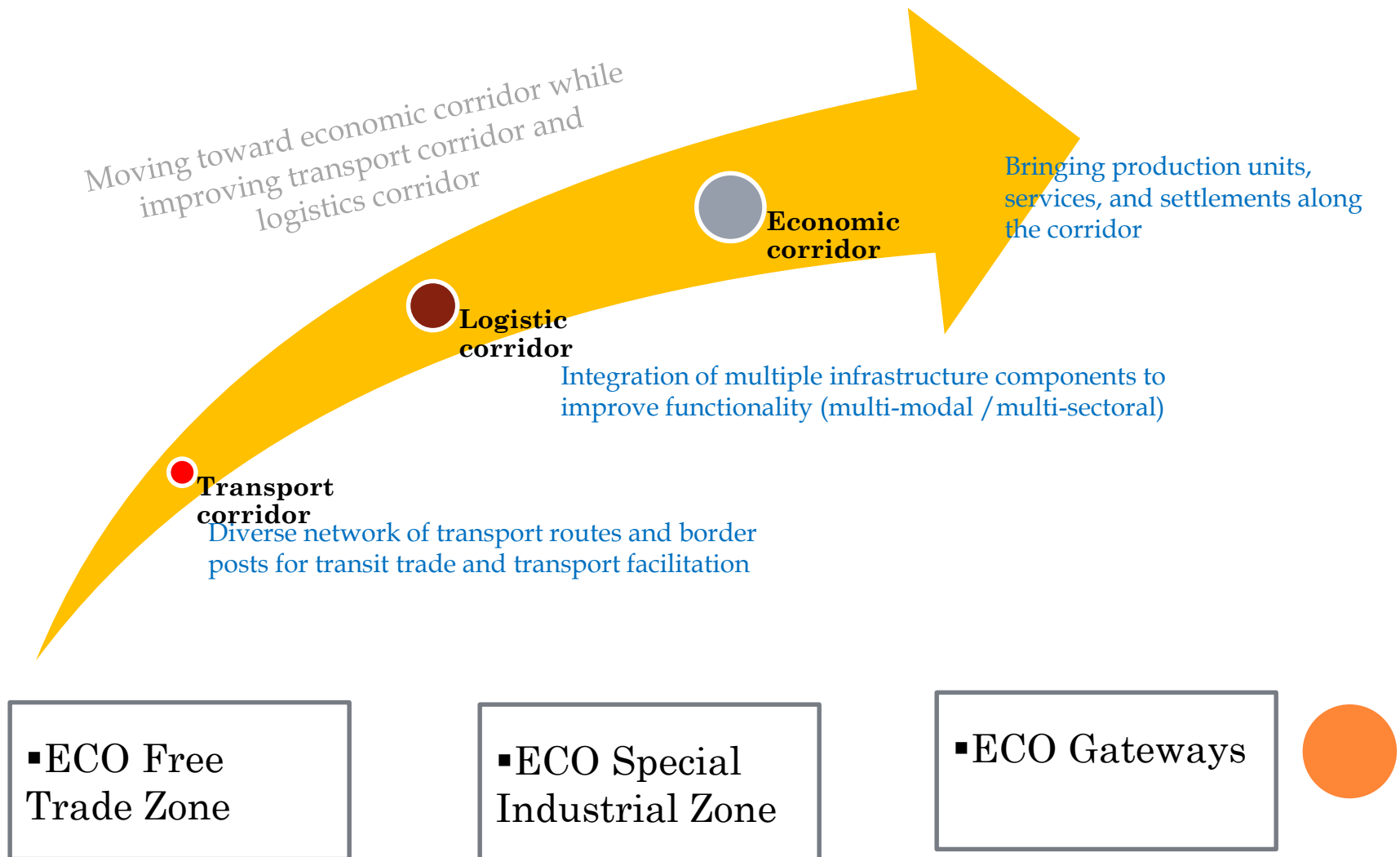


MAIN AREAS OF THE ECO-UNECE JOINT COOPERATION

1. “**North-South** corridors connecting Asia and Europe”
2. “**East-West** corridors connecting Asia and Europe”
3. “Enhancing regional connectivity through **geographical information system (GIS)**“



"EAST-WEST AND NORTH-SOUTH CORRIDORS CONNECTING ASIA AND EUROPE"



ISTANBUL-ALMATY & BANDAR ABBAS-ALMATY RAILWAY



EAST-WEST: ISTANBUL-ALMATY & BANDAR ABBAS-ALMATY

❑ This railway route been included in the ECO-UIC Action Plan for 2019-2024.

❑ Action Plan is currently in its processing stage.

Accomplishments:

- Istanbul-Almaty & Bandar Abbas-Almaty route became operational since August 2010.
- Total distance 5,626km;
- Travelling time: 15.5 days;
- It is currently operational.

Challenges:

- 1) Absence of corridor management mechanisms to improve regional market and cross-border supply chains.
- 2) Lack of the enabling conditions for freedom of transit along the corridor.
- 3) Need to improve product concentration index in enroute countries.
- 4) Low-level integration among multiple international transit frameworks on the corridor.
- 5) Absence of a single window interoperability.

Multilateral cooperation framework:

- **TAR**
- **TRACECA**
- **SPECA (PWG)**
- **OSJD**
- **ECO Railway Network**

BANDAR ABBAS-ALMATY RAILWAY ROUTE



KTAI RAILWAY CONSTRUCTION PROJECT

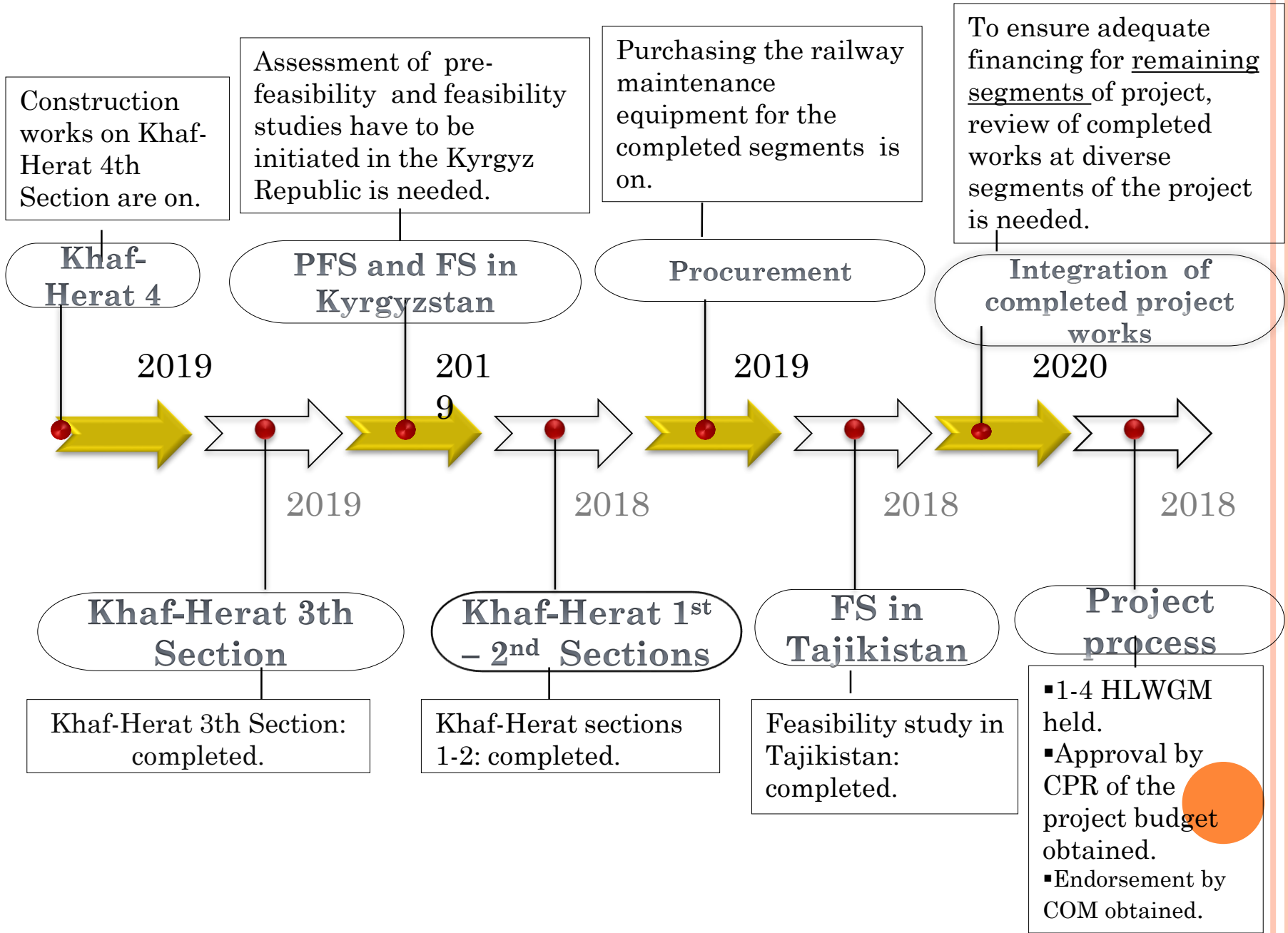
Current status: KTAI has been prioritized by 24th COM of ECO (9-10 November 2019, Antalya)



CONNECTION BETWEEN KTAI AND ISTANBUL-ALMATY & BANDAR ABBAS-ALMATY RAILWAY CORRIDORS VIA IRAN-TURKMENISTAN BORDER



WORK-IN-PROGRESS ON KTAI



HARMONIZATION PROCESSES FOR CROSS BORDER FACILITATION

❖ **Transit Transport Coordination Committee** at its 9th meeting (15 February 2018, Islamabad) adopted the decision that **19** major international transport-related conventions shall be joined by the ECO Member

➤ To reduce barriers for trade and transport using the UN conventions, norms, standards and best practices

▪ Under the **TTFA** framework, Pakistan acceded to TIR Convention and OTIF while Afghanistan re-acceded to TIR.

▪ **TTFA** has been signed and ratified by 8 Member States except Turkmenistan who signed but not ratified and Uzbekistan who is a non-signatory at present.

Current status of accession by ECO Member States to SMGS and COTIF

ECO MSs	Agreement on International Carriage of Goods (SMGS)	Convention concerning International Carriage of Goods by Rail (COTIF)
Afghanistan	X	
Azerbaijan	X	X
Iran	X	X
Kazakhstan	X	
Kyrgyz Republic	X	
Pakistan		X
Tajikistan	X	
Turkey		X
Turkmenistan	X	
Uzbekistan	X	

CORE OBJECTIVES OF TRADE FACILITATION STRATEGY

Transparency and Uniform application

- To provide transparency and uniform application of trade related legislation

Predictable Trade Related Formalities

- To realize appropriate, transparent and predictable trade related formalities

Facilitate Custom Procedures

- To facilitate customs procedures

Freedom of Transit

- To ensure freedom of transit and help in clearance with minimum documentation

Cooperation among Border Agencies

- To enhance cooperation between border agencies



SOME HIGHLIGHTS OF ACTION PLAN OF TRADE FACILITATION STRATEGY

- ▶ Transparency in Legislation, regulations and procedures
- ▶ Simplification, standardization, automation and awareness of documentation and rules in customs
- ▶ Establishing National Committees including stakeholders i.e. private sector representatives
- ▶ Appointment of Focal Points for coordination
- ▶ Enhancing capacity building of officials
- ▶ Create conducive conditions for flourishing trade
- ▶ Deliver goods & services with minimum cost of transportation(cost of doing business)
- ▶ Help businesses in compliance of standards, regulations and change mindset towards businesses



REGIONALISM, TRADE FACILITATION AND CONNECTIVITY

- ▶ Regional economic groupings/agreements provide platform for thriving national and regional economies
- ▶ It is a manifestation of trust in common endeavors. EU, NAFTA, ASEAN economic cooperation has gained central stage
- ▶ Trade Facilitation efforts are useful and more efficacious in sub-regional levels under the umbrella of regional organization and connectivity improves under such arrangements
- ▶ ‘Trading across borders’, ‘Ease of Doing Business and ‘Competitiveness Index’ of economies hugely gain from such actions



THANK YOU

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