

The logo of the Economic Cooperation Organization (ECO) is a stylized tree with a central trunk and three main branches. The top of the tree is a large, light blue circle containing a stylized 'E' shape. The branches are decorated with several light blue leaves. The text is overlaid on this logo.

ECONOMIC COOPERATION ORGANIZATION

**A presentation
on the**

ECO activities Transport facilitation for landlocked countries

April 2009

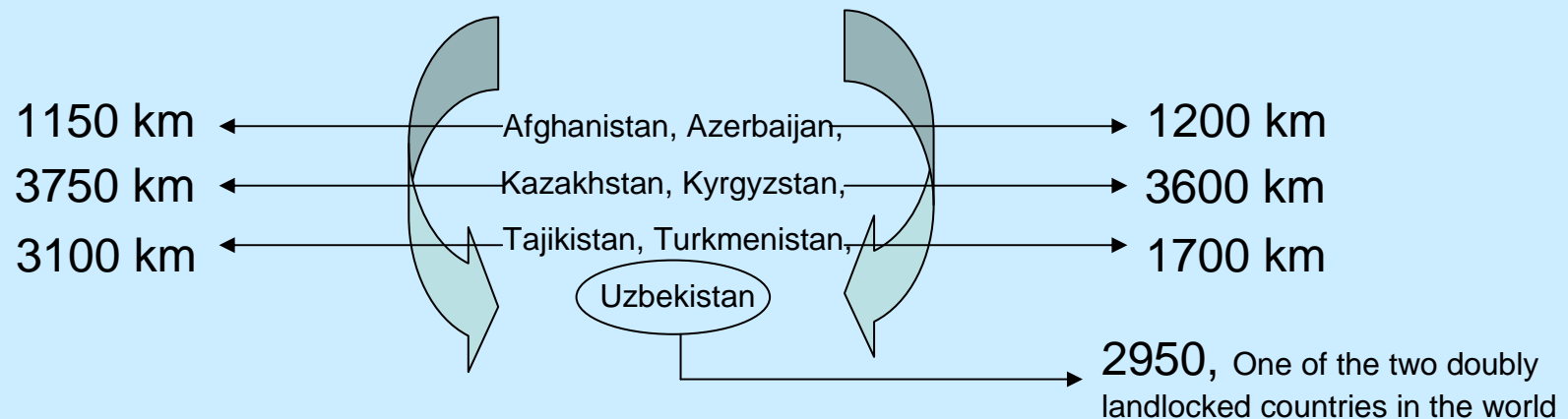
Directorate of Transport and Communications

Being land-locked represents a significant economic handicap and a barrier to growth.

- Nine of the world's twenty poorest countries are landlocked.
- More than 70 percent of the variation in per capita income can be explained by the proximity of a country to key markets.
- The costs of transporting a 40 feet container are more than 50 percent higher for a landlocked country.
- The disadvantages are exacerbated where the infrastructure is of poor quality, or where there are other institutional or physical barriers.
- The overall impact is that land-locked countries, and their economies, are vulnerable to both exogenous events and the actions of other countries.

Seven out of ten ECO Member States are landlocked

- It is this region which was the heart of the the Silk Road in the past.
- Given the ongoing integration of the world economy, however, this area now faces the challenge of finding new ways to trade with the rest of the world.
- They suffer from high transport costs in international trade as a result of these geographical constraints, and this circumstance puts them in a very disadvantageous position for economic development.



Although being landlocked is a challenge, it is not destiny

There are practical solutions to many of the problems faced by landlocked countries- ranging across comprehensive approaches to transit corridors, overall regional integration efforts, legal and regulatory reforms, institutional and administrative overhauls, specific international protection mechanisms and including an in-depth analysis of each landlocked country's foreign trade composition and its adequacy with regard to transport constraints.

The issue of landlocked countries has been addressed at the ECO through a range of programmes and measures.

The Programme of Action for the ECO Decade of Transport: Numerous projects, with national or regional significance, have been implemented or are being implemented. Some of these projects have huge positive impacts on tackling the physical obstacles to transit transport in the region.

The Transit Transport Framework Agreement (TTFA): With appropriate enforcement of the TTFA, Many of the issues facing the Landlocked ECO Member States are being addressed at the regional level.

The provision of port facilities to the Landlocked Member states: Important decisions have been adopted and implemented in this regard in the context of the Meetings of the ECO Heads of Reference Marine Organizations:

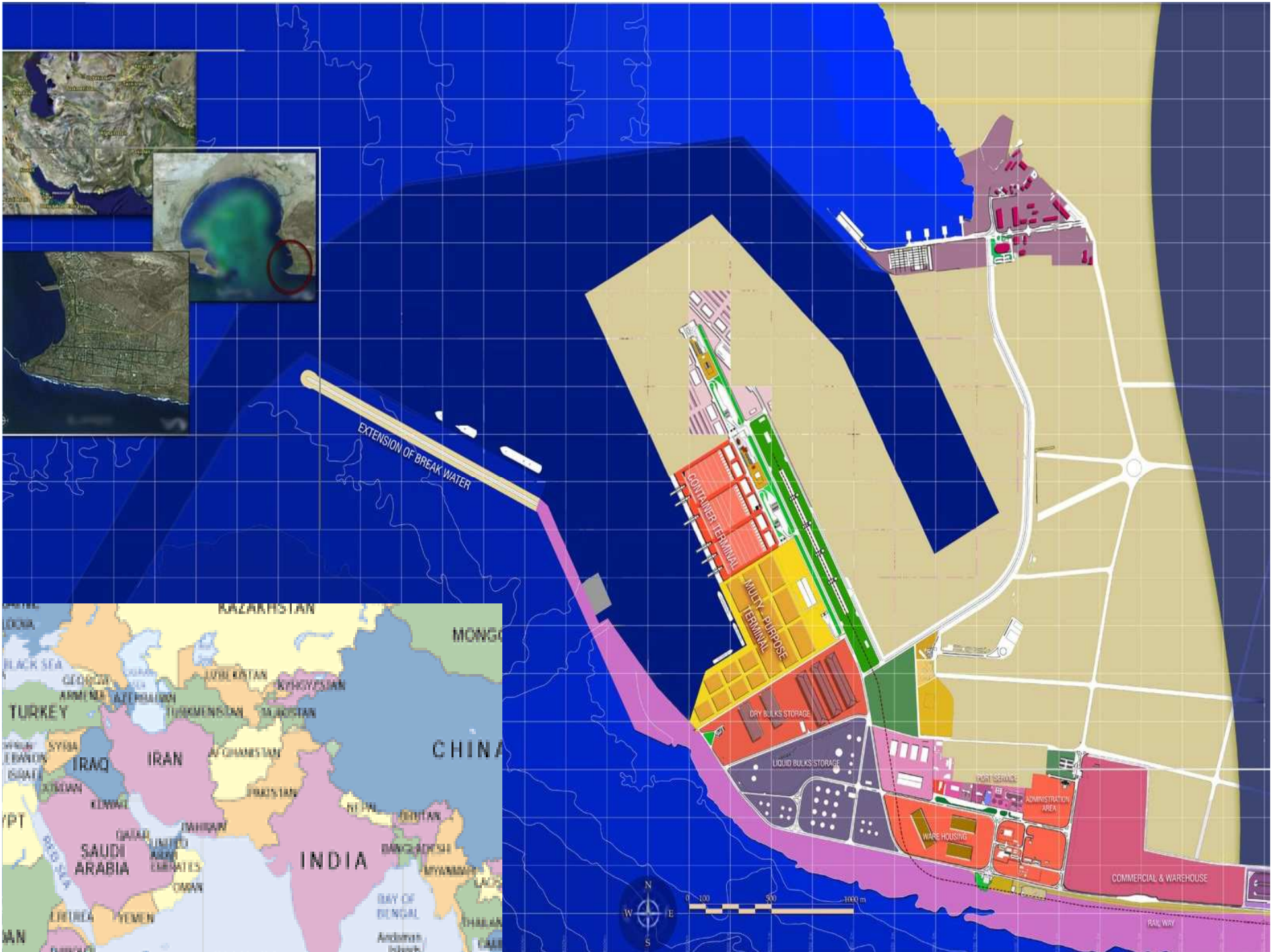
In April 2009, the ECO Zone was inaugurated in Chabahar Free Economic Area, providing on concessional conditions, land and premises for the ECO landlocked Member States.



Chah Bahar

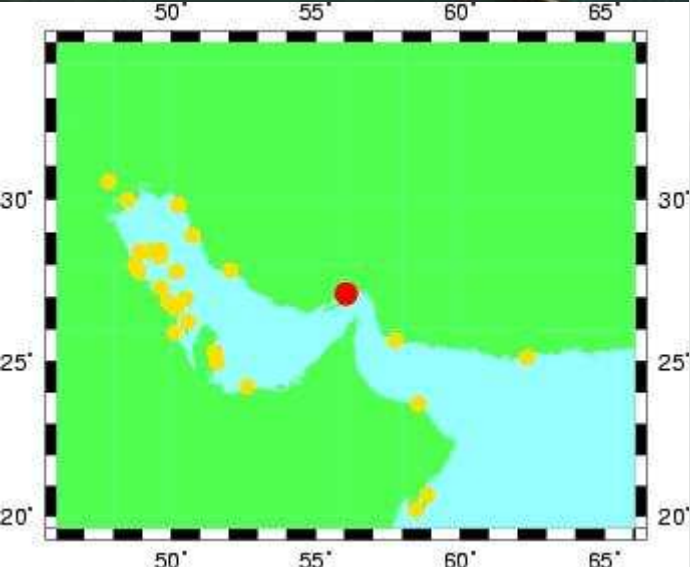
The CPR inaugurated the ECO zone in Chabahar







Iran has also offered land and concessions to ECO landlocked member states in Bandar Abbass (eg. 11 hectares of land to the Kyrgyz Republic).



Pakistan is finalizing the facilities to be offered at Gwader Port.



The 19th RPC (January 2009) supported a proposal to study two selected sea ports in each ECO transit countries (Iran, Pakistan and Turkey) to be designated for providing concessional tariffs and facilities.

Proposed Project on
TRANSPORT ROUTES FROM CENTRAL ASIA/SPECA
COUNTRIES TO PORT OF BANDAR ABBAS

Proposed participating countries

Azerbaijan, Afghanistan, Islamic Republic of Iran, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan.

Proposed objectives/methodology

Identification of possible routes (rail, road, intermodal), where existing and potential traffic pattern between the CA/SPECA countries are the Bandar Abbas port makes up the main criterion.

Identification of basic technical, commercial and operational indicators of the routes.

Identification of bottlenecks (physical and nonphysical) of the routes. Such an analysis is

**Proposal for Joint Project between
The ECO and UN-OHRLLS and other UN agencies
On Promotion of transit transport cooperation among landlocked and transit
countries in the ECO region**

Objective:

The objective of the project is to assist the ECO Landlocked member states to develop efficient transport links to international markets through the transit countries of the ECO, in line with the Almaty Programme of Action and the ECO Transit Transport Framework Agreement.

Proposed activities

Identifying the particular needs and problems of the landlocked member states and the potentials of Transit member states
Identification and showcasing of priority technical assistance and investment projects.

Convening regional, international and national meetings, as appropriate, to raising awareness on the needs of landlocked and transit member states of the ECO.

Strengthening the existing transport cooperation mechanisms for effective coordination and monitoring of implementation of the Almaty Programme of Action in the ECO Region,

Capacity Building on implementation of major international conventions and regional agreements aimed to facilitate transit transport.

One Final Message and a request

Helping the landlocked countries:

**Should it be “supply-driven, or
“demand-driven?”**

Request:

The need for a more concerted approach and more coordination between governments, donor agencies and international organizations.

Thank You