



Türkmeneli İşbirliđi ve Kültür Vakfı
AVRASYA İNCELEMELERİ MERKEZİ
CENTER FOR EURASIAN STUDIES

REGIONAL INTEGRATED TRANSPORT CORRIDORS PROJECT



PRESENTED BY
H.E. AMBASSADOR FATİH CEYLAN
DEPUTY UNDERSECRETARY OF THE MFA OF TURKEY

*LAYING A SOLID GROUND FOR PARTNERSHIP,
PROSPERITY AND PEACE IN SOUTH CAUCASUS AND BEYOND*

02 May 2013, Ankara



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HAS THE HONOR TO WELCOME AS
KEYNOTE SPEAKER

H.E. AMBASSADOR FATİH CEYLAN

DEPUTY UNDERSECRETARY OF THE
MFA OF TURKEY TO PRESENT

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THE SOUTH CAUCASUS IN A NUTSHELL

South Caucasus region is maybe the most strategically important hub for Eurasia. Because it is located at the intersection of major energy and transport routes of the Eurasian region and home to rich hydrocarbon resources. Therefore, stability in the region is key for stability in Eurasia as well.



However, the protracted conflicts continue to pose a serious threat to peace and stability, and are a major impediment for region-wide economic development. In this context, the Nagorno-Karabakh (NK) conflict requires special attention for it bears the risk of the resumption of hostilities. Currently it is a major impediment to regional peace, stability and prosperity, since present status quo is fragile-unsustainable-unacceptable. This problem also bears the risk of the resumption of hostilities; hence “no war, no peace” is no longer a desirable option. There is urgent need for a full, comprehensive and sustainable normalization in the region.

Today, negotiations on the future possible resolution of the NK problem have yet to produce the desired results, as the conflict has become a “test case” for the OSCE. It is imperative that in order to be able to avoid a disaster, the Minsk Process should be reinigorated. This includes the fullest possible use of the Minsk Group as a way of supporting the efforts of the co-Chairs. It is also necessary that all members should avail themselves of innovative ideas that may help the creation of such a visionary perspective. It is a fact that forward-looking and creative initiatives to give fresh impetus to the negotiation process are a necessity.

This booklet aims to show that it is possible to change the existing political landscape by putting into motion new dynamics catering for peace, dialogue and region-wide cooperation. As a neighbor to the region, Turkey has already developed massive regional cooperation projects such as BTC, BTE, BTK, CSCP and CDF. “Regional Integrated Transport Project: **Partnership, Prosperity, Peace and Plus (3P+)**” is the latest Turkish initiative giving fresh impetus to the peace process.



PIONEERS OF 3P+

During a dinner with President Aliev, President Nazarbaev and President Putin within the framework of CICA Summit held on June 8, 2010 in İstanbul, President Abdullah Gül proposed the formation of a regional development fund (**Caucasus Development Fund**) to support large scale infrastructure projects in the region, with a focus to normalization of relations in the South Caucasus. His Excellency suggested integrating third countries into the project while declaring Turkey's readiness to allocate finances to this fund. The leaders present have shown interest in the proposal. Furthermore, President of Armenia, Serzh Sarkisian was also later informed by President Gül on the idea of the formation of a regional development fund.

Another important message with regard to regional cooperation between the countries of the South Caucasus was delivered by the Minister of Foreign Affairs, Ahmet Davutoğlu, on 28 September 2010 at Harvard Kennedy School:

"One day I am sure a car from Kars will go to Yerevan and from there to Baku. This is our vision."

And last month when I visited the border region for a political campaign I especially wanted to go to the zero point between Turkey and Armenia in a village divided... The other side was Armenia. Only there was a small river.

There I declared that one day all these barriers will be removed.

At the same time, of course Armenia should be ready to make peace with Azerbaijan. They are occupying 20% percent of Azeri territories. This is a comprehensive framework for the region.

We will achieve this today or tomorrow. Then the peace project will be achieved everywhere."

FOCUS: 3P+

We have a result-oriented vision on regional development project, the 3P+, i.e. Partnership, Prosperity and Peace.





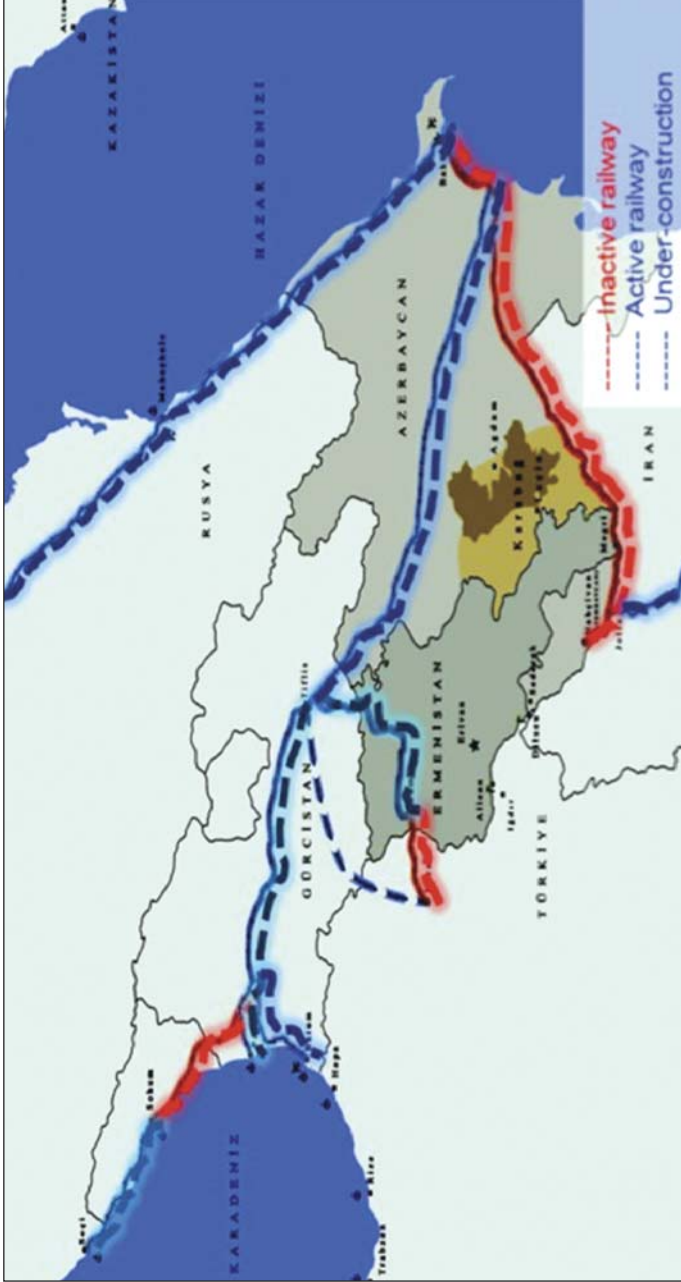
The first pillar of 3P+ is **PARTNERSHIP** through a fully integrated regional transport project that will encourage regional cooperation in creating an integrated transport network scheme, establish partnerships in building road, railway and maritime transportation links, enhance efforts to upgrade the existing transportation infrastructure project, and which will result in region-wide partnerships in the South Caucasus region.

The second pillar of 3P+ is **PROSPERITY** through promoting regional economic development by, creating incentives for improving economic cooperation with a view to economic integration, contributing to efforts to further develop regional trade with a view to paving the way for the free movement of people, goods, services and capital, connecting markets to create large economic scales by putting into full operation region-wide transport infrastructure systems coupled with logistics centers, and which will result in a belt of prosperity throughout the region.

The second pillar of 3P+ is **PEACE** through regional dialogue and cooperation by broadening people to people contacts and opening all closed doors, building a sense of regional ownership, bringing a game-changer for the resolution of the NK conflict to support the efforts of the Co-Chairs and which will result in peace and stability in the region.

The “+” of the project is that it will present connectivity between the East-West corridor and the North-South corridor. Project will also provide multiple alternative routes for East-West and North-South Transportation Corridors, since it proposes the concept of natural gas/oil pipelines running parallel to highways and railways. In that sense 3P+ project is expected to result in broader economic cooperation.

Active-Inactive Railway Lines

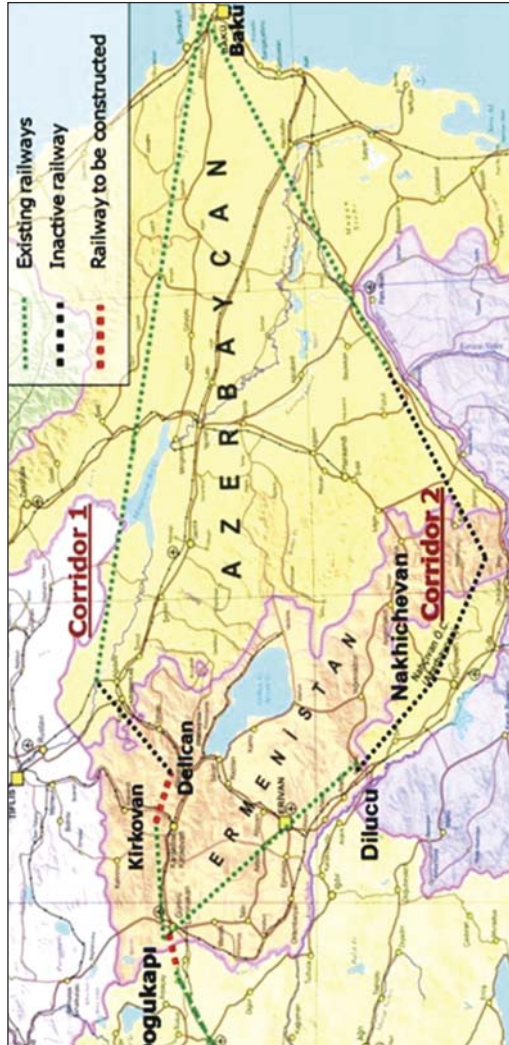


PROPOSED CORRIDORS

There are three major proposed corridors for regional transport.

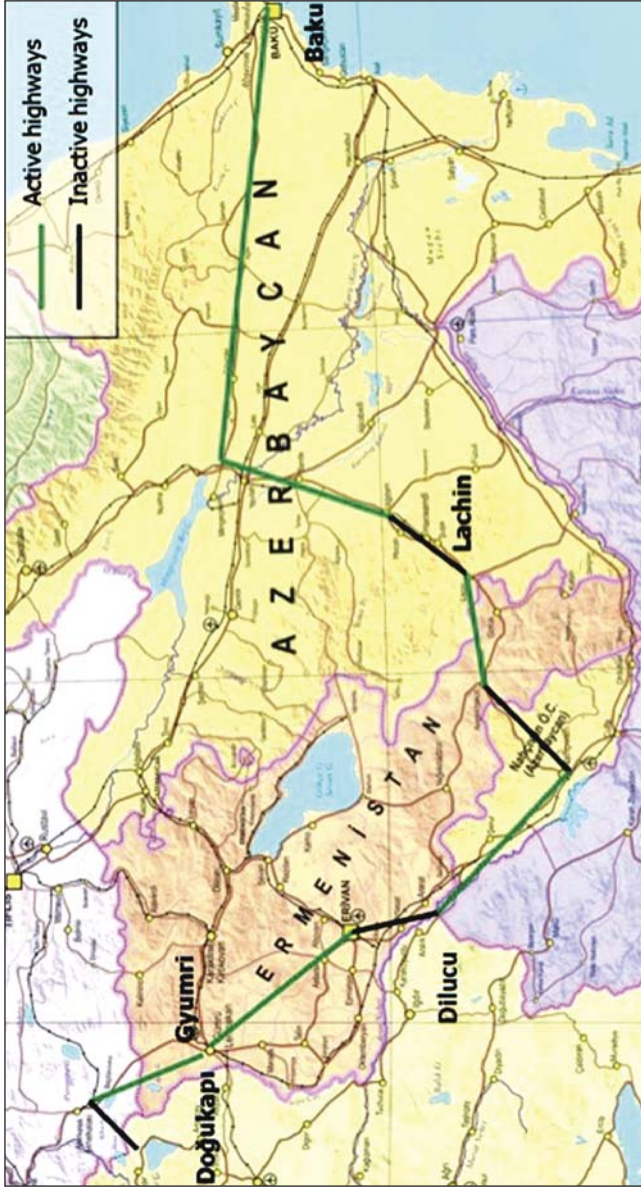
1. Corridor 1 (Railway): Dogukapi–Kirkovan–Delican–Baku
2. Corridor 2 (Railway): Dogukapi–Yerevan–Nakhichevan–Baku

Corridors 1&2: Railway Corridors Between Dogukapi & Baku

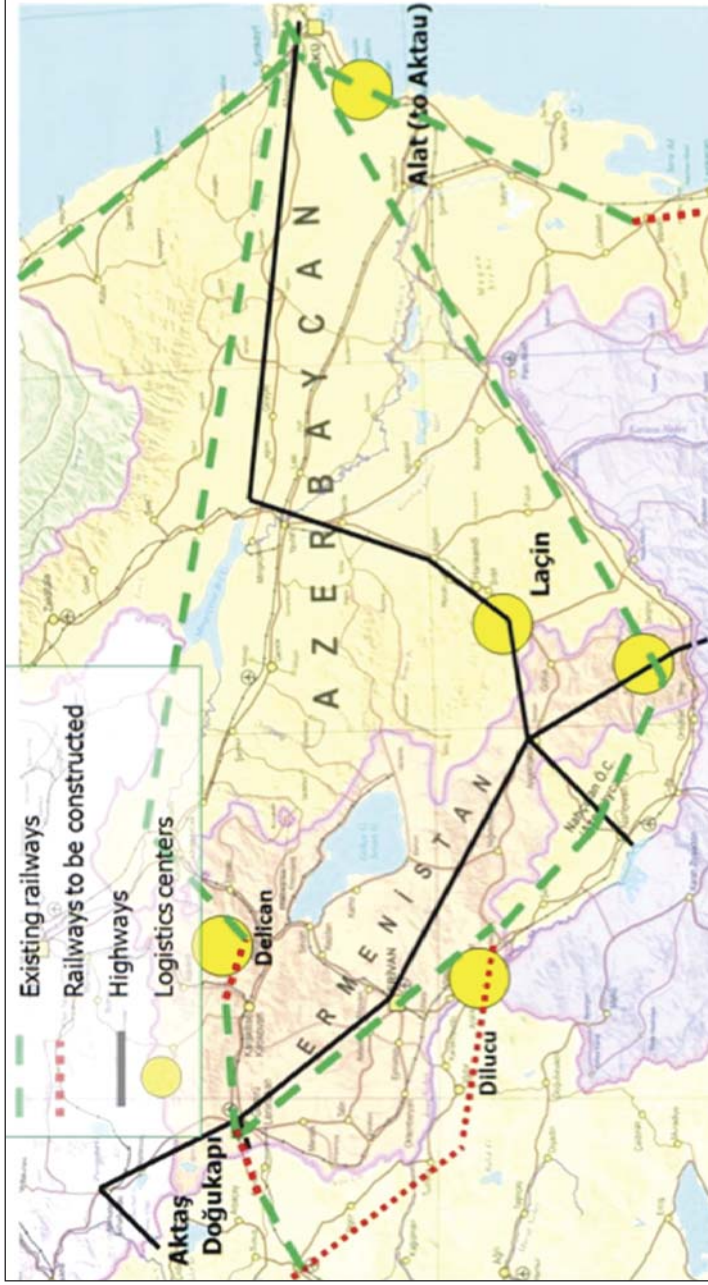


- Corridor 3 (Highway): Dogukapi–Gyumri–Yerevan–Dilucu–Nakhichevan –Lachin–Agdam–Baku

Corridor 3: Highway Between Dogukapi & Baku



Proposed Corridors and Logistics Centers



CONNECTION BETWEEN TURKEY AND ARMENIA

Links that will operate over Armenia are meaningful as long as they complete the Middle Corridor and connect Turkey to Azerbaijan and to Central Asia. Thus corridor cannot become a real confidence-building measure unless it includes Nakhchivan and connects Nakhchivan to Baku.

THE BIGGER PICTURE: MODERN SILK ROAD/MIDDLE CORRIDOR

“A Modern Silk Road”, also known as the “Middle Corridor”, between the North Corridor and the South Corridor passing through Iran is a project designed as part of a pilot project dubbed the “Caucasus Transport Corridors Management Agency of the Caucasus Development Fund”.

Such a project presents many **opportunities** for a more efficient and cooperative regional transportation, by bringing an alternative route to the Northern Corridor which is 1.500 km shorter than the Northern Corridor. This project also provides favorable climatic conditions during winters. Compared to the Southern Corridor, a “Middle Corridor” would essentially be a more stable project, since it presents less political risks. In addition, it would provide an uninterrupted connection between the North-South Corridor and East-West Corridor.

Still there are major **challenges** for the realization of “Middle Corridor” project. Firstly, there are still diverse border crossings throughout the region. The issue of inter-modality on Caspian Sea remains an unresolved problem that might make sea access problematic. And finally, protracted conflicts in the region still continue to be the major obstacle for further regional cooperation.

MODERN SILK ROAD – MIDDLE CORRIDOR



FROM BEIJING TO LONDON

Marmaray, which is expected to be operational by the end of 2013, will provide uninterrupted railway connection from Beijing to London.

From Beijing to London

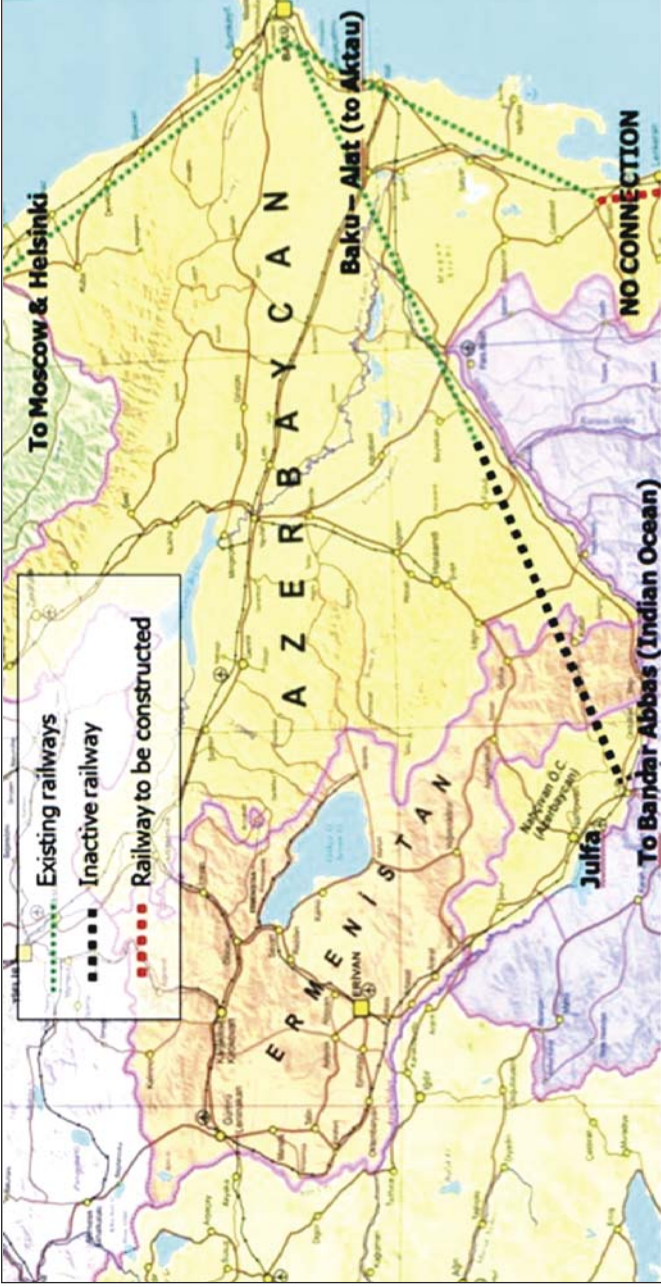


ISTANBUL-ISLAMABAD

Project also provides the opportunity to integrate to the Istanbul-Islamabad Train

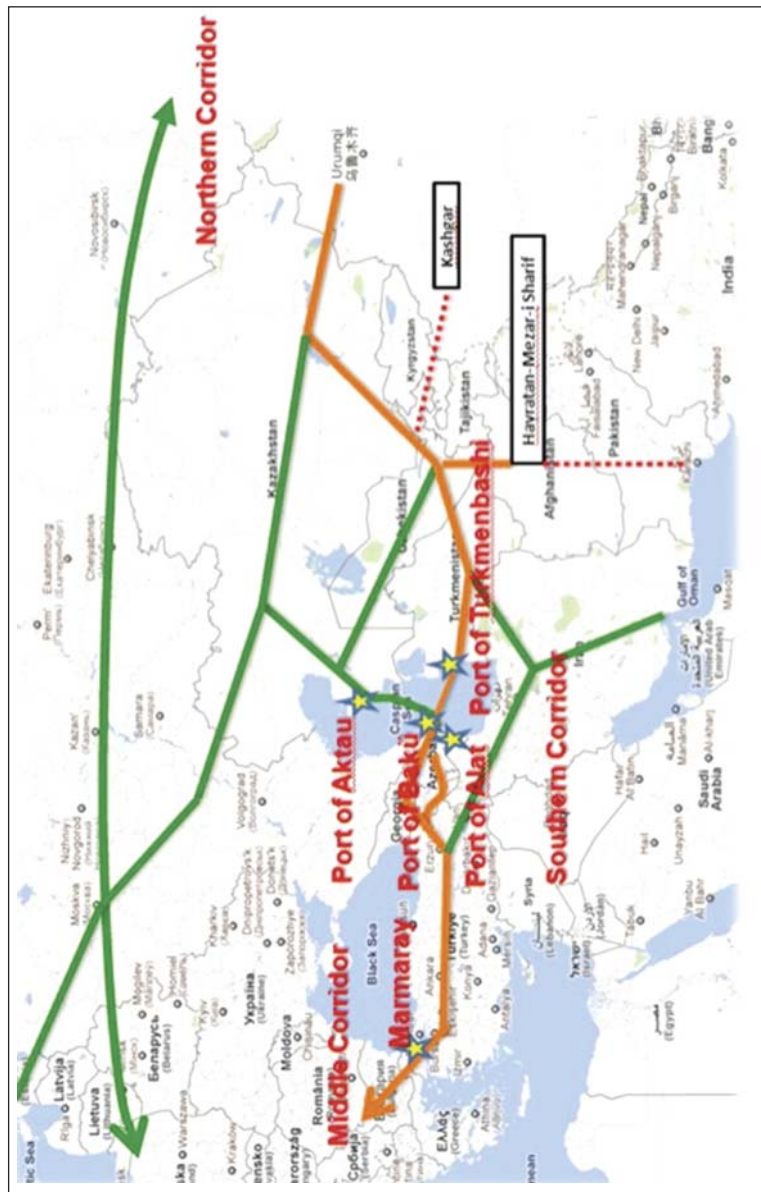


RAILWAY CORRIDOR BETWEEN MOSCOW, BAKU, JULFA & BANDAR ABBAS



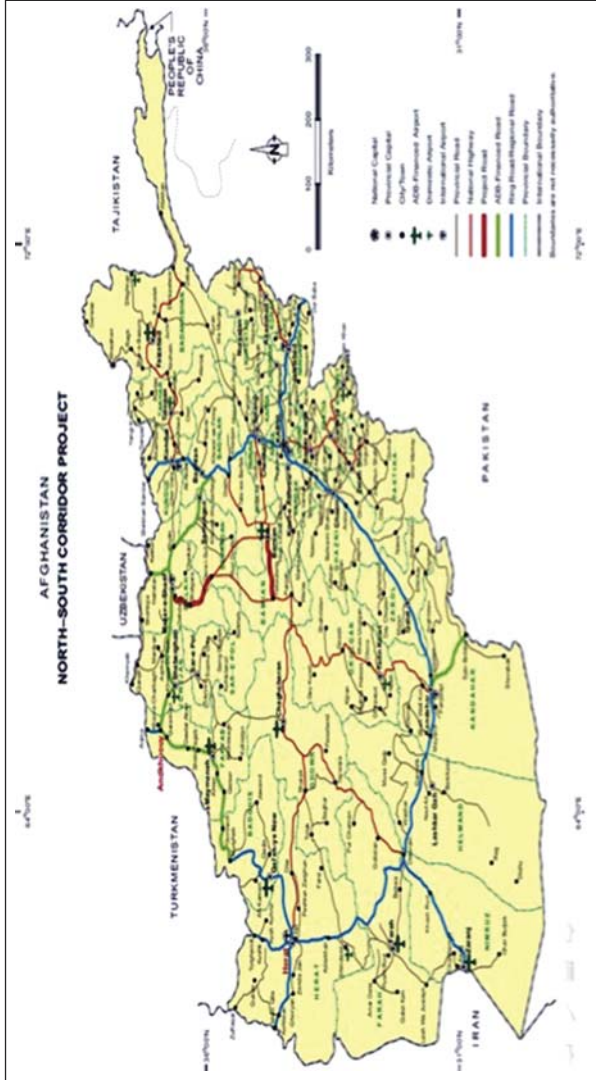
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CENTRAL ASIA

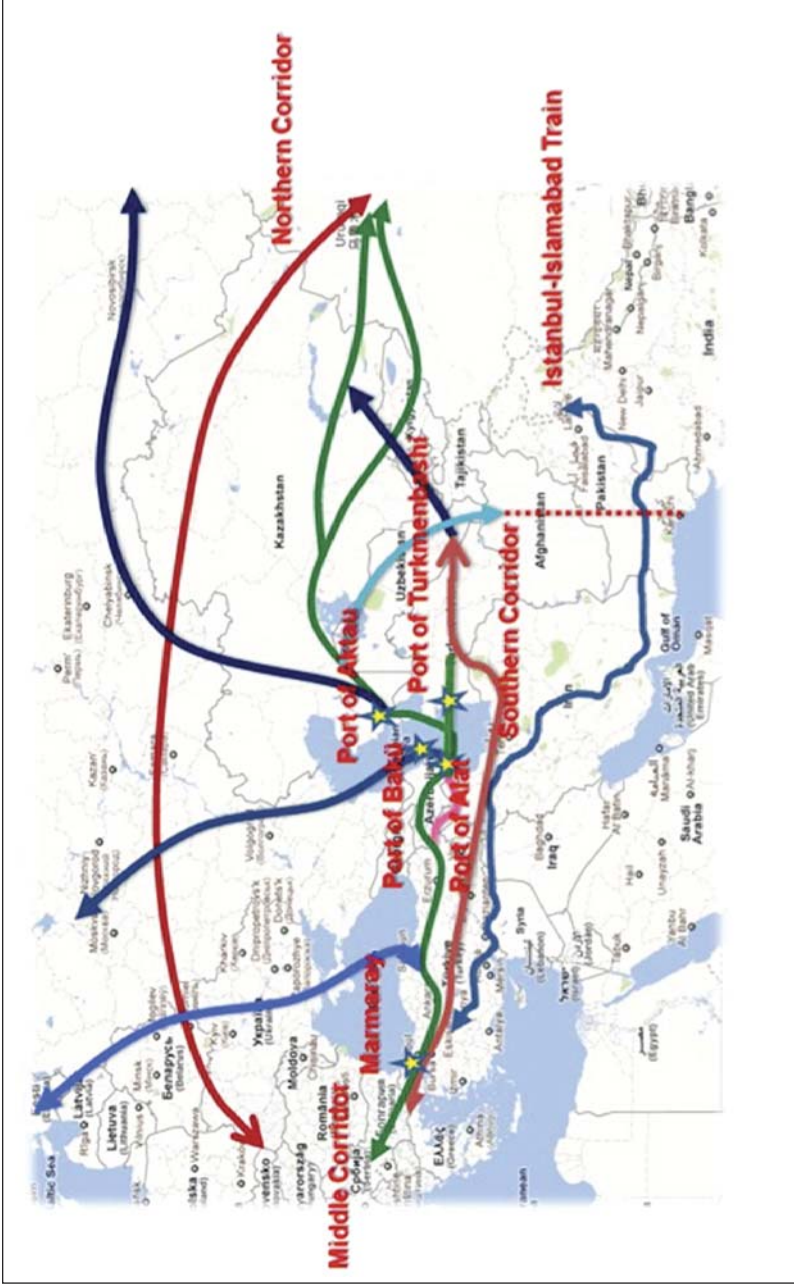


CONNECTING AFGHANISTAN TO THE CENTRAL ASIA AND BEYOND

The project provides connection for Afghanistan to Central Asia and beyond through Hayratan-Mazar-i Sharif Railway Link.



REGIONAL INTEGRATED TRANSPORT CORRIDORS PROJECT



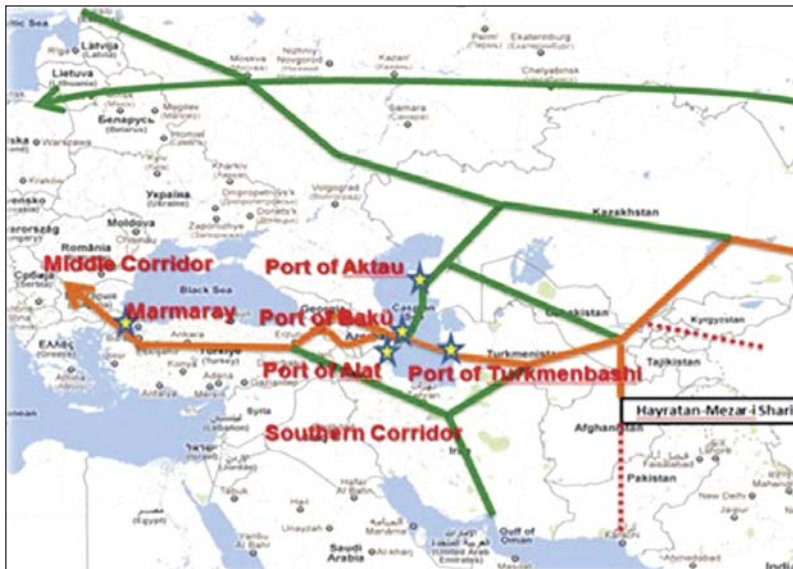
REVERSE TRANSIT OF THE ISAF MISSION

In the context of reverse transit of the ISAF mission establishing alternative transport connections in the region is becoming an important matter. Thus the “Middle Corridor” project becomes attractive to our Allies and partners as well in this respect.

FROM EAST TO THE WEST; FROM NORTH TO THE SOUTH BENEFITS OF THE PARTIES INVOLVED

Middle Corridor project will provide the countries involved with major benefits.

Armenia will position itself as a critical transit country at the junction of the East-West Corridor and North-South Corridor. Country will also gain economic benefits through the logistics centers along the railway and benefit from economies of scale, while connecting directly to Russia through railway. It will also get involved in a regional development project together with its neighbors and enjoy the benefits of peace and stability in the region.



Azerbaijan will obtain a direct railway connection to Nakhchivan, have a shorter connection with Turkey and the West, and reinforce its position as a transit hub on the East-West Corridor and on the North-South Corridor and benefit from economies of scale. Thus it will obtain critical connectivity to diversify into non-oil manufacturing and agribusiness exports. Azerbaijan will also enjoy the benefits of peace and stability in the region.

Russia will get return on its investment in the Armenian as well as regional railways (South Caucasian Railway subsidiary of RJD). This also makes it possible for Russia to reduce its financial burden in support of the Armenian economy. Concerning the regional economical benefits, Russia will be able to bring economic prospects for the North Caucasus (Russia) by making North-South Corridor an active logistics route and overcome two logistics bottlenecks: Georgia-Abkhazia & Armenia-Azerbaijan.

EU will gain new visibility for the EU with a positive economic agenda while reinforcing the Eastern Partnership policy. They will also be able to establish an alternative transport connection for the reverse transit of the ISAF mission (2014). Additionally EU will gain a new robust railway route on the long-promoted TRACECA corridor and connect Baltics and Nordics directly to the Black Sea, the Mediterranean, Central Asia, and further to the Indian Ocean and China through the Viking Train.

OSCE will benefit from the project as well. It will bring a fresh impetus to the NK peace process, while OSCE would have an opportunity to establish an alternative conflict prevention mechanism and have effective leverage on the parties to the conflict.

For **Turkey**, the country will have a shorter connection with Azerbaijan and beyond. This project will also make it possible for Turkey to obtain direct railway and land transportation links with Armenia. Turkey will gain a connection with the Northern Corridor and reinforce its position as a transit hub on the East-West Corridor and on the North-South Corridor and benefit from economies of scale. Implementation of this project will provide Turkey with the opportunity to take an important step towards the normalization of its relations with Armenia and enjoy the benefits of regional peace and stability in the region.

FEEDBACKS FROM THE PARTIES INVOLVED

Reviewing feedbacks from the parties involved is a major task ahead.

Azerbaijan considers it as a “win-win” project and is ready to work. It also believes that the project could be applicable following a positive development within the framework of the settlement of the NK conflict.

So far, **Armenia** focuses solely on the opening of the Turkish-Armenian border.

Russia’s position is multilateral. Russian Foreign Ministry focuses more on the political aspect, while RJD has keen interest on the project.

Kazakhstan has already shown keen interest in the project, and suggested to establish a joint working group.

For the **US**, we observe that they are very impressed by the proposal as they regarded it as a “game changer”. It also extended support to our efforts to inject a sense of dynamism toward the resolution of the NK conflict with the perspective of regional cooperation. US seem to desire maintain close dialogue.

EU has also expressed support for the project. EU Special Representative for the South Caucasus and the Crisis in Georgia Lefort, found the project very beneficial and visionary; declared their desire to contribute the project. European Commissioner for Transport has also shown interest in the project.

Switzerland is another important actor and they are very impressed and ready to make contributions to the project.

OSCE is impressed and interested in the further realization of the project as the parties that are involved –as already mentioned- have all expressed their support.

CONCLUSION

Middle Corridor will encourage region-wide partnerships in South Caucasus through cooperation in building/upgrading regional transportation infrastructure. The realization of this project will create a belt of prosperity in the region through economic cooperation and integration and encourage people to people contacts and build a sense of regional ownership. This way, it will also lay a solid ground for the resolution of NK conflict. Middle Corridor project will connect Europe and Turkey to the Far East, notably Central Asia, China and the Subcontinent by creating connectivity between the East-West corridor and the North-South corridor. It will also provide a concrete contribution to economic cooperation in a broader region. Maybe one of the major contributions of this project is that it proposes the concept of natural gas/oil pipelines parallel to highways and railways.