

ADDRESS BY H.E. HALIL AKINCI
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TURKIC SPEAKING STATES
TO V ASTANA ECONOMIC FORUM
(22 May 2012, Astana)

Mr. Chairman,

Thank you for your introduction.

Excellencies,

Distinguished participants,

Ladies and gentlemen,

It is an honour to be here at the 5th Astana Economic Forum and address the Eurasian Business Congress today. I would like to thank the Government of Kazakhstan and particularly National Economic Chamber of Kazakhstan Atameken for their kind invitation.

It is apparent that Kazakhstan under President Nazarbayev's creative and visionary guidance traditionally hosts highly representative international events with an important agenda like the present one. Actually, it shows that Kazakhstan as an active and responsible member of the international community contributes to resolving the myriad threats and challenges of the twenty-first century.

Ladies and gentlemen,

Unfortunately, the risks of global financial and economic crisis still is going on. What is more regretful is the fact that the most industrialized and developed countries could not consolidate their efforts against the root cause of current crisis. The fact that we are a part of this global economic

and trade network and lack of strong international action to overcome the continuing instability, push us to remain very concerned about the future.

However, it is not my intention to further spread the pessimism and uncertainty here. In my view, continuing global economic instability and political turmoil urges us to seek more stable and durable mechanisms. So I say the time of a great momentum is now. In the new era opportunities should be equally available to all. And we have to be more decisive and innovative in avoiding future crisis.

In that context, I will try to highlight the role of Turkic Council which I represent.

Dear participants,

The Turkic Council is a very young and dynamic organization. It was established in 2009 in Nakhchivan by Azerbaijan, Kazakhstan, Kyrgyzstan and Turkey. The permanent Secretariat is operational in İstanbul. Turkic Council is also the umbrella organization for other cooperation mechanisms in place among the Turkic States, such as the Parliamentary Assembly of Turkic States, the Business Council of Turkic States, the International Organization of Turkic Culture (TURKSOY) and the Turkic Academy.

What led us to come together?

The contemporary world political and economic system has created fruitful cooperation mechanisms of sovereign states.

A common language, culture, identity and history, serve as a foundation creating suitable conditions for a mechanisms of cooperation. At the same time it should be remembered that the Turkic States cover a vast area in Central Asia, part of Caucasus and Anatolia which makes them strategically placed in the world.

Thus the main objective of the Turkic Council is to further deepen comprehensive cooperation amongst Turkic states, not only to foster our common interests, at the same time try to seek and establish common interests and in this way build the capacity to jointly contribute to peace and stability in the region and in the world as a whole.

That is why at the Turkic Council, economic cooperation is at the top of the agenda. The priorities include deepening economic cooperation particularly in the areas of transport infrastructure, the agro-industrial sector, high technology, engineering and other non-resource sectors.

In addition to that, such cooperation, we believe, will give further impetus to the existing economic interaction between Turkic States and their neighbours.

With this notion in mind, the First Summit of the Turkic Council was convened with “Economic Cooperation” agenda in Almaty in 2011. At the Almaty Summit, more detailed deliberations were held on economic issues along with other areas.

Distinguished participants,

Here, I would like to draw your attention to a few facts.

For many parts of the emerging world, including the Turkic Council geography, economic distances are still very great. This is not only about the physical and geographical distances and obstacles. In these areas, economic connections face tougher restrictions and if these countries fail to develop the necessary physical and legal infrastructure, they may not fully benefit from international cooperation.

At the moment, due to lengthy procedures at border crossings, the average speed of a commercial truck between Central Asia and Turkey, is lowered down to 17.5 km per hour.

Also, there are still visa restrictions among the member states which are an obstacle for the truck drivers as well as the business people and tourists.

On the other hand, the Caspian Sea crossing, which is the central transport corridor linking Turkic states, is not used efficiently.

In order to overcome these problems, Turkic Council through its established Working Groups is discussing proposals like the liberalization of land transport to the maximum extent possible.

Another proposal is that a mechanism should be established to facilitate and expedite the Caspian Sea crossings. This new mechanism, in the form of a company or a consortium, will introduce regular schedules, reasonable prices and suitable vehicles for land transport operators. The project is becoming more attractive and significant after Baku-Tbilisi-Kars railway project is put into operation soon.

Besides improving Caspian Sea crossings, we have been considering other projects that serve the purpose of building the **land-bridge between Asia and Europe**. One of these projects is the UN-backed Trans-Asian Railway.

Its significance is that with the completion of the remaining segments and the completion of the railway connection under the Istanbul Strait, namely the Marmaray, uninterrupted shipping of goods and passengers between China and Europe will be possible.

Direct rail service is faster and cheaper than both ships and trucks and much cheaper than airplanes. In some destination points railway is faster and cheaper than maritime transport. For example, railway transit time from

Leipzig to Shenyang in North-eastern China is twice as fast as maritime transport. Considering the plans for near future to build a new high-speed railway in Kazakhstan, the time efficiency of railway transport will be undisputable.

This is of course with the assumption that non-physical barriers to trade are also eliminated. Thus our aim is to shorten the distance and save time by eliminating the border procedures and formalities including customs and visa related issues. This will involve introducing unified border regimes and single visa practices within the Turkic world.

It would be pertinent to recall a conclusion reached at the World Economic Forum on Europe and Central Asia organized in Vienna in June 2011 which was as follows: *“Opening a land route connecting the Pacific, China and East Asia with Western Europe – the “Silk Road” – promises to cut transport times to less than one-fourth of their current cost. Some countries along the route could increase their GDP by more than 40% as a result of increased business and services.”*

However taking into account the fact that 12 of the 30 **landlocked countries** of the world are located on the Asian continent the pressing issue of today is to provide the most efficient and cheap transport link across the Eurasia. In that respect, I hope that the prospect of Asian boom will consolidate all efforts towards that goal.

Dear Participants,

As you might notice, more emphasis is on the transport issues. But our efforts continue in other areas.

One of the mechanisms to deepen regional cooperation in the economic realm could be to set up a Joint Development Fund. This Fund will help

coordinate the actions of different actors so that we can prioritise the underdeveloped regions in our development efforts.

In economic cooperation we intend to use full potential of public-private partnership.

Thus, the Turkic Council is supporting the Turkic Business Council, which was set up last year. The Business Council will combine the efforts by major business organizations to boost trade and investment between the four Turkic-speaking countries. The Business Council has two main tasks which are finding new areas for cooperation and elimination of existing barriers to mutual trade and economic relations. These two tasks are to be fulfilled in parallel.

The institutionalization of business circles first national and also at regional level will lead to effective defence and realization of their interests. By succeeding in strong institutionalization, the private sector representatives could engage in a more effective interaction with policymakers and promote their business projects.

Through these measures, we are trying to create a stable economic and political environment in the region which in turn will contribute to the peace and prosperity of the world.

In conclusion, it is worth stressing that the particular potential of Turkic States is a critical component of any project to revive the historical Silk Road.

The realization of the new cooperation in Eurasia as a common bridge of prosperity, peace and culture, will depend on the success of Turkic States as strong and independent actors, cooperating among each other and with the wider world.

As the Turkic Council, with our current and prospective members, we will continue to work towards this goal.

Mr. Chairman,

Before I finish, I would like to express my gratitude to the organisers of Astana Economic Forum. This has been a good occasion to broaden our horizons, and a source of inspiration for the present and future work of the Secretariat as well. I enjoyed the open atmosphere here. I would like to say that we are ready for cooperation in all relevant projects.

I am confident that the participants of Astana Forum will reach a cooperative and inclusive approach with concrete recommendations. It is obvious that these recommendations should be heeded and embedded into the global deliberations ahead.

Thank you for your kind attention.