

Statement

ENGLISH only

by

Mr. George Manjgaladze,

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at the 14th OSCE Economic Forum in Prague

“Transportation in the OSCE area: Secure transportation networks and transport development to enhance regional economic co-operation and stability”

Honorable delegates,

Ladies and gentlemen.

It is my honor and privilege to address this important gathering. First of all, allow me to express my sincere gratitude to the Organization for Security and Cooperation in Europe and our host – the Ministry of Foreign Affairs of Czech Republic for excellent organization of this meeting. Let me also welcome all my colleagues and the participants of this event.

The Black Sea and Caspian regions and Central Asia constitute area of one of the most potentially vital trade and economic zone of the world. Since 90-ies of the last century it gained new importance as a transit corridor between East and West and new opportunities to develop secure transportation connections.

Georgia, as a country located on the crossroads of Europe and Asia, looks for full-fledged integration into the global transportation networks in order to fully utilize the country's transit potential and ensure effective partnership in this area between Europe, through its Black Sea region, and the Caspian area and Central Asia.

The Black Sea region is an important component of a larger transportation network running all the way from Western China and Central Asia through the Caspian and the Caucasus, and then on to ports in the Black Sea and the Mediterranean. This transportation superhighway is designed to complement old, overfull and much longer transportation routes from Asia to Europe.

Current trends create new opportunities for trade expansion and hence the need of development of transportation infrastructure in the region. I will not emphasize the role of transport in the economic development as we all know that it is one of the key elements of sustainable development and will support peace and security of the region.

Active participation in TRACECA project (Transport Corridor Europe-Caucasus-Asia), gave Georgia as well as other countries of the region necessary experience in this sphere. As a transit country of the East-West and North-South corridors, our efforts are directed at rehabilitation, modernization and development of integrated transport infrastructure.

As a participating country of Trans-European Motorway and Trans-European Railroad projects, Georgia is keen to develop intensive cooperation to ensure its inclusion in the Trans European Networks (TEN) and extension of Trans European Axis to our region. Georgia's government made firm decision to facilitate development of transport networks in Georgia and actively supports the transit of cargo via our country.

We made necessary steps to ensure access of foreign companies to our market and to create competitive conditions for transport services. Over the last year the Georgian Government has taken considerable steps aimed at strengthening transport connections with the partner countries. Burdensome practices at the border have been abolished and new strategies have been elaborated for development of transport networks.

In 2005 a presidential decree, supporting further liberalization in the fields of air and motorway shipments, was issued. This is an important step for creating friendly environment for companies involved in cargo shipment.

Excellences,

In our century secured energy supply became the pillar for economic and social security. Diversification of energy trading partners and international cooperation in this direction are important aspects to mitigate emerging energy security risks. Hence, ensuring energy security is not just our challenge. It is equally important for the whole OSCE community and other nations.

In light of the above-said, of particular importance is the reengagement of Central Asian nations in the development of the Trans-Caspian natural gas pipeline project, which would enable producers of Central Asian Countries to link their considerable natural gas reserves with South Caucasus export network.

Taking this into account we have to formulate sound Energy Security Strategy, which will be based on a balance of interests among producer, transit and consumer countries and identifying alternative ways of transporting energy resources from Central Asia and the Caspian Sea, via Black Sea region to the European Consumers.

Dear colleagues,

Georgia, as a transit country, attaches ample importance to realization of Almaty Action Plan. We started to make necessary steps to reconstruct and develop existing transportation infrastructure and technologies in order to implement the provisions of Almaty Declaration. At the same time we recognize problems of landlocked countries in shipping their export and import. To further satisfy needs of landlocked countries Georgia is ready to set up more favorable conditions for their investments in order to extend interconnection, mutual confidence and understanding.

We believe that construction and functioning of transportation and energy supply routes will benefit all parties and will contribute to

the resolution of the conflicts in the Black Sea, South Caucasus region as well. I would like to avail of this opportunity and once again thank the OSCE community for its continued efforts towards peaceful resolution of the conflicts, particularly, for supporting the Georgian Peace Plan for the resolution of the South Ossetian conflict.

We think that synergy in the efforts of the OSCE to contribute to the development of the transportation and energy corridors on the one hand and to resolve conflicts on the other will undoubtedly bring us closer to a desirable result.

I would like to stress the importance of transport activities and their contribution to the confidence building and the solution of the unresolved conflicts. Active developments of the transport communications we see as a unique and effective – it requires not only the self-security, but also substantially contributes for the creation and establishment of the secure environment as well.

Hereby, I would echo the statement made by the Chairman in Office, Minister De Gucht and other distinguished colleagues on the importance of the planned Donor's Conference in Brussels.

Indeed the economic rehabilitation and active development of transportation infrastructure were the key elements of the Peace Plan presented by Georgia. Along with that, they became the substantial part of the Needs Assessment Study and hopefully they will find place in the decisions of the Donor's Conference in Brussels. We hope that the implementation of confirmed and existing economic and transportation projects will effectively serve to the conflict resolution process in Tskhinvali Region.

As a good example appears the Restoration of Railway Road from Russia to Georgia, through the Georgian region of Abkhazia. On an initial stage the fact-finding mission was provided, which assessed and identified the main needs for the implementation of the mentioned project. The next step includes concrete technical, financial and other activities for the practical realization of the project. In this respect we are open for internationalization of this

process and encourage the OSCE, EU, UN and all the interested states to the active involvement.

Ladies and Gentlemen,

In conclusion let me, once again, reaffirm our commitment to regional cooperation in the area of securing transportation networks. I would like to express my strong belief that the OSCE initiative started in Dushanbe will continue and serve as an essential instrument for its further deepening and strengthening.

Thank you.