

**Agreed Minutes of the Fifth Meeting of Expert Groups of the Coordination
Council of the International "North-South" Transport Corridor held on
November 2-3, 2007 at Astana, Kazakhstan**

Chaired by: Kazakhstan

Attended by: Experts of the Republics of Armenia, Azerbaijan, Belarus, India, the Islamic Republic of Iran, Republic of Kazakhstan, Sultanate of Oman, Russian Federation, Republic of Turkey and the Ukraine.

The list of the participants is attached.

The Expert Group of the Coordination Council of the International "North-South" Transport Corridor (INSTC), adopted the agenda and discussed as follows:

1. Exchange of information on existing terms of cargo transportation within the framework of INSTC, including transport tariffs:

The sides noted the observations and salient features of the Reports of the Indian and Iranian sides and took into consideration information on existing conditions of cargo transportation within the framework of INSTC, as well as the conditions of organization of the activity of sea ports. The copies of the Study Reports of the Indian and Iranian legs of the Corridor were circulated amongst member countries.

The Ukrainian side showed an interest in transit transport over its territory destined to the countries of Central and Western Europe within the framework of INSTC.

It was informed that the member countries of the "Tariff Agreement on Railways between CIS countries and Estonia" have discussed the issues of Tariff Policy principles for organization of railway cargo transportation and ways of interaction for achieving reduction of general expenses for cargo transportation with various modes of transport.

2. Exchange of information on development of transport infrastructure of the member-countries of INSTC:

The parties noted the information provided on development of transport infrastructure in the member-countries.

The parties noted that INSTC transport infrastructure is being developed in conformity with national plans of member-countries of INSTC, and is aimed at enhancing the efficiency of transport linkages and development of transit cargo potential.

3. Possibility of establishment of Multimodal Transport Operators (MTOs) within the framework of INSTC:

The sides emphasized the need for engagement and active participation of MTOs within the framework of INSTC in their respective territories both in the State-owned and private sectors.

Iranian side proposed to hold a meeting of MTOs from the member countries within next 3 months in Teheran.

4. Construction of a rail ferry terminal at the port of Amirabad:

The Kazakhstan side informed of the availability of rail ferry terminal at the port of Aktau and expressed an interest in opening of similar terminal at the Iranian port of Amirabad with bogie handling facilities.

The Iranian side informed that a rail ferry terminal with loading and unloading facilities is under construction at the port of Amirabad.

5. Construction of rail lines viz. Kazakhstan-Turkmenistan-Iran, Gazvin-Rasht-Astara in Iran, and Astara (Iran) - Astara (Azerbaijan):

The sides were informed that meeting of the leaders of railway administrations of Turkmenistan, Republic of Kazakhstan and the Islamic Republic of Iran, was held on June 2, 2007 in Ashkhabad and it was decided in that meeting to undertake construction of railway line between the three countries.

The sides noted that financing of project works, implementation of feasibility study and business-plan of the construction of sections of railway line are scheduled by each party independently with simultaneous setting into operation.

The Kazakhstan side informed that a feasibility study of the railway section in Kazakh territory will be completed by the first half of 2008.

The Azerbaijan side informed of the work that has been completed on construction and rehabilitation of infrastructure of railway and motor roads stretching from station Yalama (the border of Azerbaijan with the Russian Federation) till Astara (Azerbaijan) – the border of the Islamic Republic of Iran.

The Iranian side also informed of the starting of construction of Gazvin-Rasht-Astara (Iran) railway line, which will be completed in few years.

6. Addition to the list of INSTC route through the territory of Kazakhstan in the direction of "Persian Gulf, Gulf of Oman – the Islamic Republic of Iran – Kazakhstan – the Ural regions of the Russia":

The Kazakhstan side proposed incorporation of an additional route to the main Corridor route through the territory of Kazakhstan in the direction of "Persian Gulf, Gulf of Oman – the Islamic Republic of Iran – Kazakhstan – the Ural regions of the Russia" in INSTC. It was decided that this issue needs to be studied further before it is taken up by the next Expert Groups meeting. The Kazakhstan side will provide details in this regard.

7. Establishment of INSTC Business Structure as a non-profit partnership:

The Russian party proposed establishment of INSTC Business Structure as a non-profit partnership for implementation of decisions adopted by INSTC Coordination Council. It was decided that Russian side will provide details in this regard before it is considered by the next Expert Group Meeting.

8-9. Development of Astrakhan water-transport junction and possible investment projects on development of the Olya port and railway line to the port:

The Russian side informed that further development of Astrakhan water-transport junction is constrained on account of the dominating development of Olya port, as the possibility of further capacity expansion of Astrakhan port, located on the territory of Astrakhan, is practically exhausted. The Russian side informed of various concrete projects under implementation in Olya port including construction of Container terminal, Ro-Ro complex and General (liner) and grain (bulk) cargo.

10. Elaboration of tariff policy for transit cargo freight (vessels, container trains and motor transport) within the INSTC framework:

The sides noted the information provided by the Russian side regarding the actual tariffs in Russia for cargo transportation by railway from Iran via Olya port to the third countries and back. The Russian side noted that the decision on establishing of competitive tariff conditions for transportation through the territories of several countries should be based on consultations of the competent authorities of interested states.

The Russian Federation informed that on October 4, 2007 an Agreement was signed between the Government of the Russian Federation and the Government of the Republic of Kazakhstan on cooperation in the area of sea transportation. This

will promote fair competition between shipping companies in the region, leading to reduction in freight rates.

11. Miscellaneous:

The Iranian side informed of the INSTC web-site (www.instc.org) which has been created with links to the various websites of the organizations of the member states. Following Armenian proposal, the delegations of the member States agreed to appoint one focal person each for facilitating exchange of information among the member states and provide the contact details of their respective focal persons to the depository state which can be uploaded on INSTC website.

It was discussed that the exchange of information by EDI and Non-EDI mode may be promoted with a view to track the containers and facilitate exchange of information among member states.

The depository state – the Islamic Republic of Iran will decide the next venue of Expert Groups meeting in consultation with Armenia and Azerbaijan. The meeting may be preferably held in November, 2008.

Signed on 3rd November 2007 at Astana, Republic of Kazakhstan in English

For the Republic of Armenia

For the Republic of Azerbaijan

For the Republic of Belarus

For the Republic of India

For the Islamic Republic of Iran

For the Republic of Kazakhstan

For the Sultanate of Oman

For the Russian Federation

For the Republic of Turkey

For Ukraine














