

THE TURKIC STATES ORGANIZATION'S DEVELOPMENT AGENDA IN LOGISTICS

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Abstract: *The collaboration among the members of the Organization of Turkic States about transport connectivity is examined in the given article. The full-fledged members of the organization that aims to improve peace and stability, broaden the scope of issues about cooperation and mutual relations, and develop the potential of member states include such countries as Azerbaijan, Kazakhstan, Kyrgyzstan, Turkiye, and Uzbekistan. Hungary, Turkmenistan, and Northern Cyprus represent the observer states. The establishment was initially established in October 2009 as the Turkic Council, acts as a link between member states, strengthening regional international cooperation while taking into account the rich history of Turkic-speaking nations. It is intended to intensify trade among the organization's members in pursuit of the objectives mentioned earlier. On this occasion, the states plan to enforce regional agreements. Initiatives to develop a short- and medium-term economic cooperation strategy among the organization's member nations, establish a Center for research on trade cooperation among Turkic states, remove trade barriers, expand e-commerce, and boost imports and exports have already been expressed. Only with capable logistical support, affordable, quick transportation, and efficient operation of the transport corridors passing through the member states' territory will the members of the Turkic States' Organization be able to realize their ambitious goals. The study within the following article, in particular, clarifies the legal framework regulating the movement of goods among the organization's member states and*

highlights the importance of transportation connectivity in boosting trade among the states and with other nations worldwide.

Keywords: *The Organization of Turkic States, transport connectivity, logistics, infrastructure, cooperation, member state, observer state.*

Method and Scope of Research: The following article explores collaboration in terms of transport connectivity between the members of the Organization of Turkic states, including Azerbaijan, Kazakhstan, Kyrgyzstan, Turkiye, and Uzbekistan, as well as sheds light on the legal framework within which the organization operates. The study within the article also covers the benefits that the transport connectivity within OTS can bring to overall growth in the economies and intensification of trade among the member states.

The given paper embraces the organization's development, which started on October 3, 2009, and provides the milestones within the evolution of the Organization of Turkic States.

Core Issue: The role of transport connectivity in the cooperation of states cannot be overestimated. In globalization, transport, production, and financial spheres represent the most critical stimulators of integration processes and are key factors in developing regional economic space. The significance of transport connectivity is steadily growing in today's

globalized world and in terms of integration of the states, which can be observed in the operation of international organizations. As an intergovernmental organization, the Turkic States also sees the transportation links within the members and beyond as drivers of mutual cooperation, including economic ties and reciprocal trade.

The Nakhchivan Agreement, signed on October 3, 2009, by the Republic of Azerbaijan, the Republic of Kazakhstan, the Kyrgyz Republic, and the Republic of Türkiye, calls for the creation of the Cooperation Council of Turkic Speaking States to provide a forum for collaboration among all Turkic nations.¹

The heads of Azerbaijan, Kazakhstan, Kyrgyzstan, and Turkey specifically stated in the Nakhchivan Declaration their desire to expand cooperation, particularly in the areas of industry, agriculture, transportation, and communication, as well as other places, based on equality and mutual benefit. They also stated their intention to develop mutual trade and economic relations. The leaders of the state also pointed out that the construction of the Baku-Tbilisi-Kars railway link, one of the essential components of the East-West corridor and aimed at boosting freight volumes between Europe and Asia, will help to expand international transport-communication links as well as the region's economic growth, security,

¹ Meiramgul Kussainova and Elmira Ekberova, 2023, *The Organization of Turkic States: 14 years of cooperation and dialogue* [an online resource]

and stability. The Cooperation Council of Turkic-speaking States has as its primary goals the advancement of successful regional and bilateral cooperation in such areas as political, economic, trade, environmental, cultural, scientific-technical, military-technical, educational, energy, transportation, credit and finance, and other areas of mutual interest. ²

Uzbekistan joined the organization as a full member at the Seventh Summit in Baku in October 2019. At the Eighth Summit, which took place in Istanbul on November 12, 2021, the Turkic Council's name was officially changed to the Organization of Turkic States (OTS). Today, the organization comprises five full members and observer states, including Hungary, Turkmenistan, and Northern Cyprus.

The organization's member states actively promote cooperation within their respective frameworks as members of numerous regional and international economic organizations. The following table provides information about the OTS members' and observers' participation in certain international and regional organizations.

Table 1. *The participation of OTS member states and observers in global and regional organizations.*

² United Nations digital library, Letter dated 9 November 2009 from the Permanent Representatives of Azerbaijan, Kazakhstan, Kyrgyzstan and Turkey to the United Nations addressed to the Secretary-General [an online resource] – URL.: <https://digitallibrary.un.org/record/672372?ln=en&v=pdf#files>

	The name of the organization	Full members	Observers
1.	World Trade Organization	Türkiye, Kazakhstan, Kyrgyz Republic <i>Hungary</i>	Azerbaijan, Turkmenistan, Uzbekistan
2.	Economic Cooperation Organization	Türkiye, Azerbaijan, Kazakhstan, Kyrgyz Republic, Turkmenistan, Uzbekistan	Norther Cyprus
3.	Commonwealth of Independent States	Azerbaijan, Kazakhstan, Kyrgyz Republic, Uzbekistan	Turkmenistan (an associate member)
4.	Organization of Islamic Cooperation	Azerbaijan, Kazakhstan, Kyrgyz Republic, Turkmenistan, Uzbekistan	Northern Cyprus
5.	Eurasian Economic Union	Kazakhstan, Kyrgyz Republic	Uzbekistan
6.	Shanghai Cooperation Organization	Kazakhstan, Kyrgyz Republic, Uzbekistan	Turkiye (a dialogue partner), Azerbaijan (a dialogue partner)

Source: Compiled by the author.

Practically every meeting and summit within the operation of the Organization of Turkic states underlines the importance of transportation issues in further enhancement of the collaboration both among the member-states and with the other states beyond the Turkic world. In

particular, within the Bishkek Declaration of the Eleventh Summit of the Organization of Turkic States on November 6, 2024 the member states declared that they acknowledge the need to develop the national digital transport and logistics platform to integrate the relevant national platforms to improve transport connectivity among Member States as well as encourage the corresponding institutions of the Member States to look for the best ways to integrate these platforms.³ The President of the Republic of Uzbekistan, Shavkat Mirziyoyev, made a speech during the organization's Eleventh Summit, underlining one priority issue, which is represented by the effective use of transport corridors. Uzbekistan President also noted that optimization of transit tariffs along the Middle Corridor, simplification of border crossing processes, creation of modern logistics systems and joint operators fully meet the common interests of all the member states and called for signing a multilateral agreement on the transition to electronic document management in transportation and their mutual recognition within the organization.⁴

³ Bishkek Declaration of the Eleventh Summit of the Organization of Turkic States, [an online resource] – URL.: https://www.turkicstates.org/u/d/temel_belgeler/bishkek-declaration.pdf

⁴ Speech by the President of the Republic of Uzbekistan Shavkat Mirziyoyev at the meeting of the Council of Heads of State of the Turkic Organization, November 6, 2024 [an online resource] – URL.: <https://president.uz/oz/lists/view/7670>

The economic cooperation among the members of the organization and their financial connections with the rest of the world are given particular attention by the Organization of Turkic States. The foundation and focal point of Turkic cooperation as a whole is expanding intra-state trade and guaranteeing economic diversification through the growth of SMEs. Following the information provided by the Center for Analysis of Economic Reforms and Communication of the Republic of Azerbaijan, the share of OTS members and observers in the global GDP constituted 1.6% and 2.4% in the worldwide trade in 2022⁵. One of the studies used the gravity model to analyze the determinants of trade among six member states of the Organization of Turkic States and employed a panel data analysis approach from 2000 to 2021. The study concluded that the GDP of the importer and exporter was a significant factor for increasing trade indicators among the OTS members. The study revealed that geographical distance is a considerable barrier to bilateral trade among the Turkic States. The research also discovered that having common borders is another determinant of trade among the Turkic States.⁶

⁵ Turkic Economic Outlook, the Center for Analysis of Economic Reforms and Communication of the Republic of Azerbaijan [an online resource] – URL.:

https://ereforms.gov.az/files/te_review/pdf/en/turkic-economic-outlook-2023-january-december-no4_doc_en1.pdf

⁶ Rashad Huseynov, *The Factors Affecting Turkic States' Multilateral Trade Flow: A Gravity Model Approach. (TURKIC STATES ECONOMY*

Speaking about trade, Uzbekistan's trade volume with the Turkic world reached over \$5 billion in the first half of 2023, up 3.5% from the previous year's period. As of August 1st of this year, 3284 foreign businesses and joint ventures in Uzbekistan were using funds from OTS member states. Their number rose by 305 units, representing a growth of more than 10% compared to the corresponding date in 2022. Additionally, the amount of investment from the Organization of Turkic States members has increased, reaching 1,557 billion US dollars from January to June of this year, representing a 16% increase over the same period last year.⁷

With a view to further intensifying trade, one can hardly overestimate the importance of transportation. For instance, Vusal Gasimli notes that in the heart of Eurasia–Heartland—the Middle Corridor has the potential to boost regional value chain (RVC) driven development, aligning context-specific RVCs with OTS's members' national development strategies.⁸

Enhancing transportation connectivity in the Turkic world, especially along the Trans-Caspian International East-West Middle Corridor (Middle

(NOBEL AKADEMİK YAYINCILIK EĞİTİM DANIŞMANLIK TİC. LTD, 2023), 31.

⁷ Alisher Kadyrov, *Strengthening Uzbekistan's international political and economic positions in the context of chairing the Turkic States Organization* [an online resource] – URL.: <https://uzconsulate-aktau.kz/en/2023/strengthening-uzbekistans-international-political-and-economic-positions-in-the-context-of-chairing-the-turkic-states-organization/>

⁸ Vusal Gasimli, *Introduction. TURKIC STATES ECONOMY*. (TURKIC STATES ECONOMY (NOBEL AKADEMİK YAYINCILIK EĞİTİM DANIŞMANLIK TİC. LTD, 2023), 5.

Corridor), is a priority for the OTS members. In addition to creating new frameworks to streamline transportation operations across multiple transport modes—road, rail, and sea—the abovementioned initiative seeks to remove obstacles to smooth and efficient transportation.

The OTS promotes transport cooperation in accordance with important strategic documents such as “Turkic World Vision – 2040” and the “OTS Strategy for 2022-2026.” Relevant collaboration is also realized through regular Ministerial Meetings, the Transport Coordination Committee, the Working Group on Transport Development, and the Sub-Working Group on Digitalization.

In line with the “Turkic World Vision – 2040”, to ensure intra-regional connectivity the Heads of State of the Organization of Turkic States have decided to instruct their relevant institutions to simplify and harmonize customs and transit procedures of the Member States for border crossing; to increase investments in well-developed and interconnected hard and soft transport infrastructure projects among the Member States; promote environmentally friendly modes of transportation and encourage innovative policies to enable more environmentally friendly transport technologies; and work closely with one another to ensure that the Member States effectively implement

international conventions in the field of transportation.⁹

The Alliance of Logistics Centers and Cargo Carriers, founded in 2024 under the auspices of the OTS, aims to connect logistics centers, carriers, terminals, and ports throughout Turkic nations. Its goals include enhancing collaboration, fostering public-private partnerships for creative and effective freight solutions, and improving transportation infrastructure.

There are several essential documents forming the legal basis for transport cooperation within the OTS:

- ✓ "Agreement on International Combined Freight Transport among the Governments of the Member States of the Organization of Turkic States" signed on 11 November 2022 in Samarkand;

- ✓ "Transport Connectivity Program of the Organization of Turkic States" signed on 11 November 2022 in Samarkand;

- ✓ "Joint Action Plan ("Roadmap") on the Implementation of the Transport Connectivity Program of the Organization of Turkic States for 2023-2027" adopted on 3 November 2023 in Astana;

- ✓ "Memorandum of Understanding among the Member States of the Organization of Turkic States Regarding Cooperation and Use of

⁹ Turkic World Vision – 2040 [an online resource] – URL.: <https://www.turkkon.org/assets/pdf/haberler/turkic-world-vision-2040-2396-97.pdf>.

Electronic Permit (e-Permit) in International Road Transport Operations” signed on 6 July 2024 in Shusha.¹⁰

Among its Member and Observer States, the OTS is promoting the implementation of the Electronic Permit (e-Permit) project in international road transportation. For instance, the Ministry of Transport of the Republic of Uzbekistan and the Ministry of Transport and Infrastructure of Turkey began work on launching a project for an electronic exchange system for permit forms in 2021.¹¹ At the 6th Meeting of OTS Transport Ministers in Tashkent on October 28, 2022, Türkiye and Uzbekistan launched the e-Permit project, becoming the first globally to use this system. This initiative is currently being expanded to other OTS nations.¹²

Executive Summary and Recommendations: It must be emphasized that since the heads of state have repeatedly underlined the significance of this issue at the relevant summits and have issued directives to enhance transportation cooperation by tackling

¹⁰ Transport cooperation within the Organization of Turkic States. [an online resource] – URL.: <https://www.turkicstates.org/en/areas-of-cooperation-detail/4-transport-cooperation>

¹¹ The official website of the Ministry of Transport of the Republic of Uzbekistan. [an online resource] – URL.: <https://mintrans.uz/news/ozbekiston-va-turkiya-halqaro-yuk-tashuvlari-sohasida-e-permit-tizimini-ishga-tushiradi>

¹² Transport cooperation within the Organization of Turkic States. [an online resource] – URL.: <https://www.turkicstates.org/en/areas-of-cooperation-detail/4-transport-cooperation>

current obstacles, the development of transportation cooperation among the Member States has always been a top priority for the Organization of Turkic States. In particular, to further develop transport connectivity of the OTS members, the following aspects have to be taken into consideration:

1. Because of the changing geopolitical situation worldwide, it is proposed to diversify the transportation routes by forming alternative transport corridors for cargo transportation through the territories of the six member states of the organization.

2. To coordinate the efforts taken even more to simplify the cargo transportation, it is recommended to further harmonize the transport and transit procedures by using the tools of digitalization even more extensively;

3. The member states are also advised to develop new sources of investment in transport infrastructure projects to further increase logistics competence.

Adequate attention to the above-mentioned issues and further collaboration of OTS member states in solving problems in the transportation sector will undoubtedly intensify mutual trade within and beyond the organization.

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