IMPLEMENTATION OF “EAST-WEST” AND “NORTH-SOUTH” TRANSPORT CORRIDORS

Abstract. The research aims. The article considers the railway and pipeline component of the “East-West” and “North-South” projects. It should be noted that some of the railway transport projects have been completed. For the further development of these projects, new railway lines are being built for the implementation of the expected to provide new areas that need to be freed from new developments.

Methods and methodology: To achieve comprehensive results, the method of comparative analysis was used to identify the development of trade with Europe, Russia, Central Asia, the Caucasus region to the Persian Gulf and India, the Caspian countries with ports of the Black sea. Content analysis used to clarify forms of relations between Azerbaijan and Europe.

Innovation. The article presents new ideas and conceptual scientific ideas about Azerbaijani energy carriers may not be enough for mixing pipelines through the Caspian sea, it may be necessary to return to the use of energy carriers of Central Asian States. Moreover, the problem of the status of the Caspian sea between them has been solved. The above can be considered as the scientific novelty of the article.

The research concludes that the international transport corridors “East-West”, “North-South” and TAP will contribute to the development of trade with Europe, Russia, Central Asia, the Caucasus region to the Persian Gulf and India, the Caspian countries with ports of the Black sea. The same corridor will facilitate rail transport and land and transit between Europe-South Asia-the Middle East, as well as create conditions for increasing profits.

Keywords: East-West, North-South pipeline, oil, gas, Caucasus, Europe
РЕАЛІЗАЦІЯ «СХІД-ЗАХІД» ТА «ПІВНІЧ-ПІВДЕНЬ» ТРАНСПОРТНІ КОРИДОРИ

Анотація. Мета дослідження. У статті розглядається залізнична та трубопровідна складова проектів «Схід-Захід» та «Північ-Південь». Слід зазначити, що частина проектів залізничного транспорту завершена. Для подальшого розвитку цих проектів будується нові залізничні лінії для реалізації очікуваних, щоб забезпечити нові території, які необхідно звільнити від нових забудов.

Методи та методологія: Для досягнення комплексних результатів методом порівняльного аналізу виявлено розвиток торгівлі з Європою, Росією, Середньою Азією, Кавказьким регіоном до Перської затоки та Індії, прикаспійськими країнами з портами Чорного моря. Контент-аналіз використовується для з'ясування форм відносин між Азербайджаном і Європою.

Інновація. У статті представлені нові ідеї та концептуальні наукові уявлення про те, що азербайджанських енергоносіїв може бути недостатньо для змішування трубопроводів через Каспійське море, можливо, доведеться повернутися до використання енергоносіїв держав Центральної Азії. Крім того, проблема статусу Каспійського моря між ними вирішена. Викладене можна вважати науковою новизною статті.

У дослідженні зроблено висновок, що міжнародні транспортні коридори «Схід-Захід», «Північ-Південь» і ТАР сприятимуть розвитку торгівлі з Європою, Росією, Центральною Азією, Кавказьким регіоном до Перської затоки та Індії, прикаспійськими країнами з порти Чорного моря. Той самий коридор полегшить залізничні та наземні перевезення та транзит між Європою-Південною Азією-Близьким Сходом, а також створить умови для збільшення прибутків.

Ключові слова: Схід-Захід, газопровід Північ-Південь, нафта, газ, Кавказ, Європа

Introduction. The Caucasus region is lying in an advantageous geographical position between the Black and Caspian seas in the region where Europe and Asia converge.

Azerbaijan is becoming an increasingly important transit center by ensuring the successful transportation and exchange of goods between China, Central Asia and Europe through the port of Alat. These are important steps for the new silk road in terms of regional significance. The new silk road of Azerbaijan as an alternative route by land creates a special opportunity for the unification of the East-West routes, as well as a new North-South transport corridor, uniting the products of East Asia and South Asia.
The research aims. The article considers the railway and pipeline component of the “East-West” and “North-South” projects. It should be noted that some of the railway transport projects have been completed. For the further development of these projects, new railway lines are being built for the implementation of the expected to provide new areas that need to be freed from new developments.

Methods and methodology: To achieve comprehensive results, the method of comparative analysis was used to identify the development of trade with Europe, Russia, Central Asia, the Caucasus region to the Persian Gulf and India, the Caspian countries with ports of the Black sea. Content analysis used to clarify forms of relations between Azerbaijan and Europe.

Recent publications on the subject emphasize the creation of the railway and pipeline component of the “East-West” and “North-South” projects. All literature and sources used in this article are important to reflect the problem as a research object. Involvement of all of them in a comprehensive study, systematization of information from different sources allowed creating a complete picture of the problem and conducting accurate research.

Researcher A. Hasanov in his work analyzes the sea transportation, the Baku-Tbilisi-Kars railway cut more than by half of the delivery time of goods from China to Europe. The Baku-Tbilisi - Kars railway, which serves stability and security, is planned to transport 5 million tons a year in the first stage, 17 million tons in the second stage, and subsequently an even larger volume of cargo. According to Ali Hasanov, former assistant to the President of the Republic of Azerbaijan for social and political Affairs, official Baku plans to provide the Iranian side with a loan of $500 million for the project of construction and equipping the railway. Work is also underway on another one the Northern direction, the construction of the Samur road bridge (Azerbaijan) - Yarag Kazmalyar (Russia) across the Samur river and the expansion of railway lines. An important section of the corridor-the railway from the Azerbaijani-Russian to the Azerbaijani-Iranian border-has been put into full operational readiness. [3].

Azerbaijani researcher E. Muradaliyeva’s article “Cities of the Caucasus on the Great Silk Road” is of great importance [8].

Irina Xalturina [9], as well as T.Papuashvli’s in his scientific article “Transport potential of Azerbaijan” researched the great potential of trade relations between the founding countries of the international transport corridor “North-South” (Russia, Iran, India) necessitates the widespread use of favourable transit opportunities of the Republic of Azerbaijan as a member of this corridor, as well as the adoption of urgent measures to coordinate the Azerbaijani Railways with the network of Iranian Railways [10].

On September 7-8, 1998, at the initiative of national leader Heydar Aliyev, an international conference dedicated to the restoration of the historical silk road was
held in Baku with the participation of heads of states of 9 countries (Azerbaijan, Turkey, Georgia, Ukraine, Moldova, Romania, Bulgaria, Uzbekistan, Kyrgyzstan), delegations of 13 international organizations and 32 States. As a result of this conference, on the basis of the TRACECA program of the European Union, the "Main multilateral agreement on international transport for the development of the Europe-Caucasus-Asia corridor" was signed and the Baku Declaration was adopted.

In accordance with the provisions of the main multilateral agreement, it was decided to host the Permanent Secretariat of the TRACECA intergovernmental Commission in Baku, and its opening was held on February, 21 2001. Thus, Azerbaijan, having contributed to the restoration of the historical silk road, played an important role in determining the main trajectories of development.

Currently, Azerbaijan is a participant of the silk road Economic belt project, implemented on the initiative of China. In December 2015, during the state visit of President Ilham Aliyev to China, the government of the Republic of Azerbaijan and the Government of the people's Republic of China signed a Memorandum of understanding on joint promotion of the creation of the " silk road Economic belt [2].

The Baku-Tbilisi-Kars railway, commissioned on October 30, 2017, connecting the TRANS-European and TRANS-Asian railway networks, is the restoration of the ancient silk road on the steel highways [2].

On February 7, 2007, an Agreement on the construction of the Baku-Tbilisi-Kars railway was signed in Tbilisi on the initiative of President of the Republic of Azerbaijan Ilham Aliyev. In November of the same year, the Foundation of the railway line was laid at the Georgian point of Marabda. A groundbreaking ceremony of the Kars-Georgian border section was held in Kars in July in 2008. The 504-kilometers section of the Baku-Tbilisi-Kars railway line with a total length of about 850 kilometers falls on the territory of Azerbaijan. 263 kilometers of the railway line passes through the territory of Georgia, and 79 kilometers - through the territory of Turkey. Compared to sea transportation, the Baku-Tbilisi-Kars railway cut more than by half of the delivery time of goods from China to Europe. The Baku-Tbilisi - Kars railway, which serves stability and security, is planned to transport 5 million tons a year in the first stage, 17 million tons in the second stage, and subsequently an even larger volume of cargo [2].

The silk road as an international corridor Europe-Caucasus-Asia will contribute to the integration of the Caucasus into the Eurasian economy. And on this way cities act not just as a transit resource, but also as consumers of transit goods and suppliers of their own products [8, p. 197].

Azerbaijan is becoming an increasingly important transit center by ensuring the successful transportation and exchange of goods between China, Central Asia and Europe through the port of Alat. These are important steps for The new silk road in
terms of regional significance. The new silk road of Azerbaijan as an alternative route by land creates a special opportunity for the unification of the East-West routes, as well as a new North-South transport corridor, uniting the products of East Asia and South Asia.

Azerbaijan's location in a strategically important geopolitical space – at the intersection of the most important international transport and communication corridors stretching from East to West and from North to South-has kept it in the sphere of special interests of transnational world forces for centuries [3, p. 4].

A number of large-scale infrastructure projects have been implemented in the transport sector of the Republic of Azerbaijan. The construction of the Baku international commercial sea port complex, modern airports, roads of international importance and the renewal of railway lines in the direction of the East-West and North-South transport corridors play an important role in the expansion of the country's foreign economic relations.

The great potential of trade relations between the founding countries of the international transport corridor "North-South" (Russia, Iran, India) necessitates the widespread use of favourable transit opportunities of the Republic of Azerbaijan as a member of this corridor, as well as the adoption of urgent measures to coordinate the Azerbaijani Railways with the network of Iranian Railways [10, p. 4-5].

The policy of turning Azerbaijan into an international transport hub was one of the two main strategic courses pursued by the state since 1993 in the field of foreign economic and geopolitical relations. Experts particularly note several important directions in this process, monitored in the activities of Azerbaijan. This is the development of economic, trade, transport and logistics links between Europe, the black sea, Caucasus, Caspian and Central Asian regions; development of a multimodal corridor laid along the shortest land route between China and the European Union; - laying of an International transport corridor "North-South"; involving of transit goods within the Framework of the great silk road; significant improvement of logistics and trade infrastructure and transformation of Azerbaijan into a more attractive hub in the region in this area due to regulatory incentives; coordination of [3, p. 4].

The East-West transport corridor was launched in September 2009 and lasted until September 2012. Blekinge region is the leading partner of the project, and its total budget is about 6 million euros. It includes about 70 partners from Sweden, Lithuania, Germany, Russia, Italy, China and Denmark. Some of the partners are represented by commercial organizations, in addition, the project is supported by the Swedish and Lithuanian authorities [11].

The aim of the project, within the framework of international cooperation, is to develop and implement effective, safe and environmentally friendly technologies for the delivery of goods going from East to West in the southern Baltic region. The
project was prepared by stakeholders in the region for the implementation of sustainable transport planning and smart it solutions in the field of transport. Combined with business development in the transport sector, this stimulates economic growth in the entire East-West Transport corridor» [11].

The East-West Transport corridor project was a joint project between 42 different partners-local, regional and national authorities, universities, port infrastructure representatives and private stakeholders - in Denmark, Lithuania, Russia and Sweden. The project began in 2006, the region of Blekinge County acted as the lead partner. The project was co-financed by project partners and from the INTERREG IIIB Baltic sea 2000-2006 programme. The East-West Transport corridor project is aimed at strengthening the development of the transport component through the improvement of infrastructure, development and implementation of new solutions for business and logistics, as well as cooperation between research organizations on transport flows. During the period of approximately 20 months, extensive work was carried out, resulting in a number of reports, seminars, symposia and conferences. As a result of the project there can be considered the development of proposals and business contacts between all partners of the project, consisting of spatial planners, politicians, businessmen, civil servants and researchers [11]. Azerbaijan is becoming the key part of the East-West transport corridor. This project is aimed at restoring the historical “silk road” and should ensure the withdrawal of Chinese goods to Western markets in several directions [10].

I would like to note that the initiative of the Republic of Azerbaijan to join the North-South transport corridor, as well as the TRACECA project, belongs to national leader Heydar Aliyev. It was with his consent that representatives of the Republic of Azerbaijan participated in discussions in this direction with the relevant structures of Russia and Iran since 2001. On 19-21 May 2004, on behalf of President Ilham Aliyev, the delegation of Azerbaijan joined the meeting of the heads of Railways of Russia and Iran held in Moscow and, in accordance with the trilateral agreement, took part in the creation of The international consortium for the North-South transport corridor. In the subsequent period, its activities were ensured to attract transit goods traffic for transportation on the Railways of all three countries, the implementation of joint design and exploration works, coordination of common issues and cooperation. On July 24-27, 2005 in Tehran and February 9, 2005 in Baku construction of the North-South transport corridor, its subsequent operation, creation of the international consortium and methods of its financing, the share of each country in construction, ways of compensation of the forthcoming capital investments and other questions were discussed, the agreement was reached [3, p.4]. The main objective of the North-South transport corridor is, first of all, to reduce the delivery time of goods transported from the South, starting from India, to Russia, Northern and Western Europe, as well as to the Persian Gulf countries, reduce transportation prices and
increase the functionality of the corridor. The corridor provides transportation in several main directions: India-Russia-Caucasus-Persian Gulf countries; Central Asia-Persian Gulf countries; Caspian sea-Islamic Republic of Iran-Persian Gulf countries, etc. Among these areas, the most interesting for Azerbaijan is the delivery of goods by ships from the Indian port of Mumbai to the Iranian port of Bandar Abbas, followed by transportation by trains and cars on the existing Railways and highways of Iran to the railway and highway Qazvin-Rasht-Astara (Iran) - Astara (Azerbaijan), and from there via Azerbaijan - to Russia, Northern Europe, etc. [3, p.4].

In 2005, Azerbaijan joined this project, offering its territory for the organization of the shortest route in the planned direction [8].

The following measures have been implemented on the part of the international transport corridor "North-South" passing through the territory of Azerbaijan:

- Construction of a new 8.3 km length road to the Astara (Azerbaijan) - Astara (Iran) railway line to the bridge over the Astarachay river, the Astarachay bridge itself and the road (1.4 km length) in Iran has been completed;
- Negotiations were held with the Iranian side in connection with the construction of the Qazvin-Rasht part (175 km) of this corridor [8].

The North-South project has been lobbied for many years by the Russian side, which intends to draw to its territory a large part of the goods traffic between the "Northern" countries and States in The Indian Ocean.

Initially, the "North-South" assumed several routes of goods using different means of transport. One of them is TRANS - Caspian, through the ports of Astrakhan, OLE, Makhachkala, by rail through Kazakhstan, Uzbekistan and Turkmenistan with access to the railway network of Iran at the border crossing Tejen-Seraks. But this option was blocked by the Iranian partners, insisting that the economic efficiency of the TRANS-Caspian multimodal route is reduced by the need for repeated transshipment of goods.

Another route was supposed to run along the Western branch of the corridor: this direction is Astrakhan-Makhachkala-Samur, then through the territories of Azerbaijan and Armenia with access to Iran through the border station Julfa. However the conflict between Azerbaijan and Armenia destroyed the plans of the partners of the North and the South [4].

However, due to international sanctions against Iran, the case has stalled. The line, which was to link the Azerbaijani Astara with the Iranian cities of Astara and Rasht, without the launch of which it is impossible to operate the North — South ITC, turned into a real long-term construction [6, p.65-78]

The decline in oil prices led to a decline in freight traffic. At the moment, the cost of railway supplies through Azerbaijan tends to decrease by 10-15%. The government, in its long-term strategy, hopes that tariff reductions, which may affect the transportation of container cargo, grain, cotton, sulfur, urea and metals, will
overcome the decline in freight traffic [5, p.65-78].

Long negotiations led to the fact that the economic question prevailed: in last days of March 2008, the heads of the railway departments of Azerbaijan, Russia and Iran at the meeting in Tehran signed a Memorandum on the establishment of a consortium for the construction of the Qazvin - Rasht - Astara railway.

The next stage of negotiations was scheduled for May 2008 in Baku. According to Nadir Azmamedov, head of the press service of the Azerbaijan state railway (AGR), at the upcoming meeting the Russian side was to present a business project for the construction of this branch, and the Iranian side was to acquaint colleagues from Azerbaijan with the project of constructing a new bridge with a length of 101 meters across the border river.

N. Azmamedov stressed that the project of the international transport corridor implies the construction of 8.4 km tracks, 4 station tracks (each 1050 meters), customs and checkpoints, a point for changing wheelsets on the territory of Azerbaijan [4].

For Azerbaijan, in particular, the availability of rail links with Iran promises great profits. This will increase cargo traffic with Asian countries, which is now limited to road transport. In addition, Baku is diversifying its ties with Asian markets. Having an alternative: land or sea route, Azerbaijan increases its chances of attracting transit cargo [4].

In the first half of 2011, it was expected to establish a direct rail link on the route Scandinavia-Baltic States-Russia-Azerbaijan-Iran, which was supposed to connect many European and Asian countries by the shortest route [6].

In this regard, the construction of a new international seaport near Baku and the implementation of the Baku - Tbilisi - Kars railway (BTK) project with access through Turkey to the markets of Central Europe play a strategic role [4].

Currently, Azerbaijan, Turkey and Georgia, who signed the relevant agreement a year ago, are at the stage of implementing the BTK project. The construction of the Georgian section of the highway was the focus of the last meeting of the Azerbaijani-Georgian working group, which was held at the end of March in Tbilisi. The parties held consultations and detailed discussions on a number of working issues. Among them, perhaps, is the construction of a railway station in Akhalkalaki, near the Turkish-Georgian border.

If we talk about the Georgian part of the project, it is known that it was "divided" into several independent projects. One of them involves the reconstruction of existing tracks, the other-the laying of a completely new track on the sites where before the railway did not exist at all. This is the span from Akhalkalaki to the border with Turkey, which, according to the results of the tender held at the end of last year, will be built by the Azerbaijani company "Azerinshaatservice". It accounted for 33 kilometers and one tunnel [4].

As a transit hub of the Caspian region, Azerbaijan has made maximum effort
to take advantage of its geographical location. As part of the implementation of the transport corridors "silk road" and its part "North – South", a modern port and railway infrastructure was formed, designed for multiple growth of cargo transportation. The process of diversification of transport routes was nearing its logical conclusion. On December 07, 2015, President Ilham Aliyev ordered the acceleration of the formation of railway infrastructure in the Azerbaijani section of the North-South corridor. In 2016, the Baku - Tbilisi – Kars "steel" highway was to come into operation [10].

In December 2017, the conference on "Azerbaijan: a new bridge to Eurasia" was held in Baku, with the participation of representatives of transport departments and railway companies of Azerbaijan, Turkey, Kazakhstan, Uzbekistan, Turkmenistan, Pakistan, Iran, Iraq, Afghanistan and the other countries. Azerbaijan's transit potential from the point of view of connecting Europe and Asia and connecting Western China with Eastern Europe was discussed, as well as more specific issues - containerization of TRANS-Caspian and Caspian sea transport, investment prospects, transport innovations, integration of railway corridors of different countries, improvement of high-speed trains, cybersecurity and use of renewable energy sources on the railway.

Azerbaijani gas is already in great demand almost all over Europe, an incredibly positive factor for the country's economy. After all, in the long term, this fuel will prevail in the list of demand in the world. Therefore, as President Ilham Aliyev rightly noted in Ipsal, TANAP and the southern gas corridor are also energy security projects [1, p.7].

Yes, today, when trade wars, political and economic confrontations are on the agenda of the world today, TANAP manages to reconnect Europe with Asia [1, p.7]. The research concludes that the international transport corridors “East-West”, “North-South” and TAP will contribute to the development of trade with Europe, Russia, Central Asia, the Caucasus region to the Persian Gulf and India, the Caspian countries with ports of the Black sea. The same corridor will facilitate rail transport and land and transit between Europe-South Asia-the Middle East, as well as create conditions for increasing profits.

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