



ECONOMIC COOPERATION ORGANIZATION (ECO)  
SECRETARIAT  
(TEHRAN)

**Statements by the Foreign Ministers/Heads of Delegation  
20<sup>th</sup> Meeting of the Council of Ministers,  
(15 October, 2012 – Baku)**

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**Statement by H.E. Dr. Zalmay Rassoul, Minister of Foreign Affairs of the  
Islamic Republic of Afghanistan at the 20<sup>th</sup> Meeting of the Council of Ministers  
(Baku – 15<sup>th</sup> October, 2012)**

**Your Excellency Mr. Chairman,  
Your Excellency Secretary General of the Economic Cooperation Organization,  
Honorable Ministers, Distinguished Colleagues,**

It is indeed a distinct honor for me to address this eminent forum on the occasion of the 20<sup>th</sup> Meeting of ECO Council of Ministers. Allow me at the outset to express my gratitude to Azerbaijan for hosting this event in the beautiful city of Baku, and for the generous hospitality of the government and people of Azerbaijan.

It is my pleasure to congratulate H.E. Dr. Shamil Aleskerov as the new Secretary General of ECO and express my government's confidence and support that he would effectively contribute and promote ECO's goals and activities.

I would also like to use this opportunity and thank the Government of Turkey, and in particular, my brother H.E. Mr. Ahmet Davutoğlu, Minister of Foreign Affairs, for his country's and his personal dedication and promotion of ECO Vision 2015 and hosting of 19<sup>th</sup> ECO Summit in Istanbul in 2010.

Afghanistan and Azerbaijan are two nations linked to one another through bonds of trust, friendship and shared interests. We look forward to the further strengthening of our positive, friendly and fruitful bilateral relations and cooperation through the forthcoming opening of our new embassies in each other's capitals.

I was informed that our senior officials had two consecutive days of very productive working meetings here, prior to Council of Ministers meeting. I welcome the outcome of these meetings and would like to commend Azerbaijan's Chairmanship and ECO Secretariat's team efforts for their contributions and achievements.

ECO member states have taken important steps towards strengthening trade and economic cooperation since our meeting.

We stress the importance of trade as a priority area for promoting regional economic integration, unlocking our potential and attracting new sources and levels of foreign direct investment. In this regard, Afghanistan is looking forward to hosting the 4<sup>th</sup> ECO Business Forum and Buyers-Sellers Meetings on textile and mineral sectors in Kabul.

We can all benefit from collectively focusing our efforts on securing freer access to markets outside the ECO region for the raw materials and finished products produced by ECO Member States. We encourage the elimination of trade barriers and promotion of intra-regional trade, as well as a greater contribution of the ECO

region to world GDP growth and trade, as our region is gradually integrated into the world economy.

Given the fact that intra-regional trade and investments in our region is still much lower compared to other world regions, I believe that the ECO investment promotion and private sector development needs to be further intensified including through the ECO Trade and Development Bank. I am pleased to inform that Afghanistan has joined the ECO Bank, and we very much hope to integrate the ECO Bank into our efforts to implement the priorities of the recent RECCA-V, and the crucial confidence building measures as part of the Istanbul Process for regional cooperation.

In the area of transport, too, tangible progress has been made. The successful launch of the ECO Container Train along the Islamabad-Tehran-Istanbul route, as well as the ECO Silk Road Truck Caravan, are key milestones in paving the way for greater trade and investment along the region's major economic corridors.

The development of transport, energy and communications infrastructure linking ECO Member States with each other and with the outside world could be further expanded. In this context, one key transport and transit corridor originating from Afghanistan and traversing through several ECO member states to Europe and beyond is the Black Sea Corridor. This primarily railway corridor will link Afghanistan to the Mediterranean via Turkmenistan, Azerbaijan, Georgia and Turkey and allow us and all other countries in the region an important additional transit and transport route to open waters.

Afghanistan is also supporting the measures taken in 2010 to open up a railway line from China to Europe via the Kyrgyz Republic, Tajikistan, Afghanistan, Iran, and Turkey. As you are aware, the pre-feasibility study for Afghanistan's portion of this transcontinental railway has recently been completed, and we hope that the studies for other countries in the region will also be completed soon.

Taking bold steps now to accelerate the reduction of barriers, as well as to build a 21st century infrastructure for regional trade and transit is the best guarantee to safeguard and make durable the significant investments made by Afghanistan, ECO member countries, and our international partners over the past decade.

In addition, as a majority of our region's population is involved in agriculture, we, therefore, encourage the expansion of cooperation among ECO members in developing the agricultural and agro-business potential of the ECO region.

Afghanistan's future – whether economically, politically, socially, or culturally – has and always will be deeply intertwined with its region's future. Indeed, this is why we initiated last November, with our regional and wider international partners, the "Istanbul Process on Regional Security and Cooperation for Afghanistan". And this is why we collaborated with the Government of Tajikistan earlier this year in organizing the Fifth Regional Economic Cooperation Conference on Afghanistan. Building on the momentum generated the past twelve months in Istanbul, Dushanbe and Kabul,

I firmly believe that the building blocks of regional economic integration between my country and our neighbors will build stronger bonds of trust and cooperation, and bring dividends of peace and prosperity to all of us.

ECO as a participating organization and all ECO member states as participants of the Istanbul Process bring concrete measures for confidence building among Afghanistan's neighboring countries in a broad set of areas including security, counter-terrorism, counter-narcotics, trade and transit cooperation, education, disaster management as well as infrastructure development.

Your contribution and support to the Istanbul Process is crucial so that we can together build greater confidence in our region and work together on joint ventures to promote security and prosperity for our peoples.

In conclusion, once again, I should like to convey my warmest gratitude to the Republic of Azerbaijan, particularly my friend and colleague His Excellency Foreign Minister Elmar Mammadyarov, for the warm hospitality extended to our delegation.

Thank you.

**Statement by H.E. Mr. Aliakbar Salehi, Minister of Foreign Affairs of the Islamic Republic of Iran at the 20<sup>th</sup> Meeting of the Council of Ministers (Baku – 15<sup>th</sup> October, 2012)**

**In the Name of God, the Compassionate, the Merciful**

**Mr. Chairman  
Mr. Secretary General,  
My Distinguished Fellow Colleagues,  
Ladies and Gentlemen,**

This is indeed an honor for me to attend this meeting of ECO Council of Ministers (COM) in the beautiful city of Baku. Allow me to begin with expressing my gratitude to the People and Government of the Republic of Azerbaijan for the warm hospitality extended to me and my delegation. I would like to congratulate Foreign Minister Mammadyarov for his election as the Chairman of the 20<sup>th</sup> COM Meeting. Let me welcome our new Secretary General, Mr. Aleskerov and wish him all success in his tenure of office in Tehran.

Council of Minister meeting holds special importance for ECO. We are supposed to reinforce momentums generated by the subordinated bodies of the Organization and provide new impetus to our collective efforts in different sectors in the years to come. Our meeting today serves another purpose as well; namely preparation for 12<sup>th</sup> ECO Summit to be held tomorrow. In the last couple of days the senior officials have done a good job built on the materials prepared by our ambassadors and colleagues back in Tehran in the context of the Council of Permanent Representatives. Allow me to pay tribute to all of them. Our deliberations here would certainly enrich their preparatory work, warranting a promising reunion of our Heads of State and Government tomorrow.

**Mr. Chairman  
Distinguished delegates,**

The Islamic Republic of Iran attaches special significance to the Economic Cooperation Organization in its regional policy. This has been translated into action through meaningful contributions to the work of the Organization. Having taken stock of the ECO activities in the past years and decades shows the scale of Iran's contribution to the overall work of the Organization. This has also been the case since the last COM meeting in Istanbul. We continued to provide ECO with needed support and resources in different sectors and corners.

Let me present to this august meeting a brief report on part of our activities in some sectors since we met in Istanbul in 2010 which have been reflected in the Secretary General Report as well. In transport and transit sector, the Islamic Republic of Iran continued to play a pivotal role in advancing ECO projects. This includes, but not limited to, Bandar Abbas-Almaty rail corridor, construction of the Khaf-Herat railway between Iran and Afghanistan, construction of Gorgan-Incheboron segment of

Kazakhstan-Turkmenistan-Iran rail corridor, and feasibility study on railway construction in Tajikistan (up to one million USD funding). Besides, Iran hosted various transport related meetings and participated actively in the meetings hosted by other member states; organized training courses, including for Afghan customs officials on TIR Convention; designed ECO Unified Visa Sticker for Drivers; and assisted ECO Secretariat through seconding two Iranian officers.

In trade cooperation, the Islamic Republic of Iran has played its role for enhancement of intra-regional trade. We took the initiative to host the first ever ECO event on trade facilitation and electronic commerce in Kish Island. The meeting, attended by officials and experts from Member States, will be built on by follow up measures by the Secretariat and Member States with a view to making preparations for an ECO Trade Facilitation Agreement. The Islamic Republic of Iran also actively contributed to the promising breakthrough happened very recently in the context of the ECOTA Council of Cooperation.

On energy, the Islamic Republic of Iran in cooperation with other Member States took the initiative for a possible new cooperation framework. Absent meaningful achievements in energy cooperation in ECO Region, the last Regional Cooperation Council decided to initiate studies on an optimal cooperation scheme in energy sector, including a possible energy charter for the Region. The Islamic Republic of Iran is given mandate now to lead the necessary measures and studies in this regard. We are very much hopeful that our Organization will be offered new avenues for energy cooperation when ministers of energy of the Member States will hold their third meeting in Tehran in coming months.

On environment, we hosted the fourth ECO Ministerial Meeting in Tehran. The meeting successfully adopted a plan of action. We have been since involved in the implementation of the plan of action. We have been also active in promoting environmental standards in the Region. We also continued to expand the activities of the Institute of Environmental Science and Technology for ECO Region.

On industry, we continued our efforts to operationalize RISCAM (Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology). We have been the first Member State to ratify its founding document. The Interim Coordination Unit was also established in the ECO Secretariat where we assigned an experienced professional to run the Unit under the auspices of the ECO Secretariat.

On human resource development, we hosted the first ever high level expert group meeting in Tehran, paving the way to implement one of the pending provisions of the Izmir Treaty. Experts developed outlines for possible cooperation to be endorsed by Ministerial Meeting in months to come. On health issues, we continued to cooperate with other Member States in a wide range of activities. We also developed a Master of Public Health for ECO Member States through full scholarship offered by one of the leading universities in Iran.

On judicial and police cooperation, we hosted the first meeting of ECO attorneys general and ECO heads of anti-corruption organizations where various areas of possible regional activities were identified and follow-up actions were defined. We actively contributed to the implementation of the decisions of the ECO ministers of interior for the establishment of the ECO police. The Islamic Republic of Iran has already contributed one hundred thousand US dollars to the ad hoc ECO POL Fund. We also hosted the first meeting of the ECO Chiefs of Police. Several other regional expert group meetings, workshops and seminars were also hosted by the Islamic Republic of Iran on drugs and organized crimes and related matters.

On cultural cooperation, the Islamic Republic of Iran continued to support the expansion of cultural cooperation in the ECO region. We kept providing extra-budgetary financial resources to the ECO Cultural Institute whose outreach within the region has been expanding. We encourage the remaining Member States to consider ECI membership.

On high education and center of excellence, we recently hosted the board of trustees of the ECO College of Insurance in Tehran where basic documents of the College were adopted. The College, among the oldest ECO entities, is now in the better position to continue admitting students from ECO Member States. It has very recently expanded its curriculum to offer doctoral programmes as well.

There are other areas such as agriculture, natural disaster and risk management, civil registration, mapping cooperation, communications and telecommunications, minerals, statistics etc., where the Islamic Republic of Iran has been actively contributing to the work of the Organization. Just to mention an example, let me refer to the recent allocation of premises to the ECO Veterinary Commission (ECO-VECO) which was inaugurated very recently in Tehran.

**Mr. Chairman,**

In the same period, we generated fresh momentum among national ECO stakeholders in Iran when we managed to organize the first ever National Conference on ECO. The Conference was specially meant to engage all stakeholders from public, private and academic sectors in meaningful debates and interactions on how to help ECO improve its stature as a successful regional organization. It was an opportunity for all national stakeholders to make their voices heard by policy-makers. The Conference was a success and we hope that its positive impacts on the Organization will soon be valued by Member States. I would like to share with you very briefly some of the findings of the Conference:

- The Conference emphasized that Economic Cooperation Organization (ECO) constitutes a precious opportunity for national economic development of each and every single ECO Member States as well as the development of the Region as a whole. This does not rule out the fact that ECO still suffers from inconsistency as relates to membership

- integrity and areas of activities, as well as lack of Secretariat professionalism and weak ECO visibility within and outside the Region.
- The Conference emphasized that the success of ECO is based on collective efforts of all Member States. Free-riding constitutes a hindering force as fulfillment of Organization's goals and objectives are concerned.
  - The Conference acknowledged the undeniable role played by private sector in the economic development of the individual ECO Member States as well as their collective regional cooperation. At the ECO level with its intergovernmental character, private sector needs full support of national governments. This support should be provided in a twofold context: i) through priority given to ECO-related programmes in the national economic plans and ii) by removal of obstacles of different natures encountering private sector in fulfilling its role in advancing national and ECO programmes and goals.
  - On the eve of its third decade of existence, ECO is still an unknown organization in the Region. It suffers from lack of awareness among people of the Region. The Conference identified the need for public awareness-raising on the importance of the regional cooperation and integration as well as on the imperative of ECO for the national economic development of the Member States. In short run, this "*awareness-raising campaign*" may include, *inter-alia*, organizing national conferences on ECO with the participation of all stakeholders. In long term, there is a need for building "ECO Culture" in the Region. This necessitates involvement of systems of lower (primary, secondary and high schools) and higher (universities) education in Member States.

**Mr. Chairman,  
Honorable Fellow Colleagues,**

ECO region has marked, as statistics show in the Secretary General Report, a relatively sound macroeconomic environment in the last couple of years. This is encouraging against the fact that the world has experienced less promising record. This also alludes to the fact that ECO region enjoys great potential for better collective performance. A 21 percent increase in GDP growth as well as 31 percent increase in overall trade volume of the Region should not be underestimated. In a wider perspective, this is more encouraging when we acknowledge that some contributing elements are still missing in our region, namely the trade and financial cooperative frameworks. With regional trade arrangements in place, including the prospective ECOTA or other arrangements as such, along with the enhanced regional financial machineries, including through expansion of ECO Bank scope of activities to cover trade domain, the Region will benefit from increased intra-regional trade volumes. This would contribute to the sustainability of the macroeconomic environment of the entire Region as well as to the imperative of enhanced sense of ownership of the Member States vis-à-vis the Organization.

To conclude Mr. Chairman, let me reiterate our full support to the Economic Cooperation Organization. We remain hopeful that under the presidency of Azerbaijan, as was the case under Turkish presidency, our Organization gets closer to the place it deserves as one of the prominent success story of regional integration in the world. My delegation also stands ready for any contribution to make this important meeting a success.

**Thank you for your attention.**

**Statement by H.E. Mr. Amangeldi Zhumabaev, Deputy Minister  
of Foreign Affairs of the Republic of Kazakhstan  
at the 20<sup>th</sup> Meeting of the Council of Ministers  
(Baku – 15<sup>th</sup> October, 2012)**

**Distinguished Secretary General!  
Distinguished Colleagues!  
Ladies and Gentlemen!**

Thank you for giving me an opportunity to speak on topical issues for the development of cooperation among ECO Member States.

The financial and social crisis is ongoing world. To our strong belief to counter modern challenges is possible only through close international cooperation and further development of integration processes in the region.

In this regard, Economic Cooperation Organization has a huge unrealized capacity and Kazakhstan attaches great importance to its work.

In the close future, as usual, we need to focus on expansion of regional cooperation in such spheres like trade and investment, transport and communication, energy and new technologies.

At the same time one of the important directions of enhancing of ECO activities is developing of effective cooperation between our countries in environment protection. Environment investments in “green economy” could be a base for creation of new kind of economy.

According with this, the President of the Republic of Kazakhstan H.E. Mr. Nursultan Nazarbayev initiated “Green Bridge” in order to integrate efforts of Europe and Asia for preservation of environment and development of green economy. Being in the junction of cultures, in the centre of Eurasian continent, Kazakhstan which has cross-border ecosystems, considers this initiative as response to the growing challenges of economic and environment safety.

Within the given context I would like to draw your attention to the fact that Kazakhstan officially proposed to host international specialized exhibition EXPO-2017. It is the first time that event of such scale would be held in Central Asian region, in an ECO Member Stat.

The theme of Expo 2017 in Kazakhstan: “Energy of Future” is one of the most critical issues for the world community. Its name and content is practically in compliance with recommendation of Consultative group report under UN Secretary General “Energy for Sustainable Development”.

In this regard, I do hope that our proposal to host EXPO-2017 will be supported by all ECO Member States.

With regard to development of transport and communication infrastructure, Kazakhstan considers that implementation of TTFA and realization of regular container and passenger trains is of vital importance for the economic development of ECO Member States. Removal of barriers on the way of its implementation would promote intraregional trade and strengthen contacts between our citizens.

Moreover, we need to consider such aspect of contemporary life like food security. ECO consolidates countries with different conditions in economy and in agriculture, in particular. Joint efforts of member states oriented at formation of agricultural clusters would help to enhance economy of these countries and reduce social tension.

We also support the development of fixed drug control mechanism and are in favor of consistent implementation of the Summit decisions.

We think it necessary to closely cooperate with Central Asian Regional Information and Coordination Centre for Combating Illicit Trafficking of Narcotic Drugs (CARICC) and United Nations Office on Drugs and Crime on the basis of existing documents on interaction.

Kazakhstan always adheres to the position of intensification of interaction among Member States not only in priority areas but also in cultural, humanitarian, scientific and technical fields.

I would like to emphasize the necessity of cooperation with other international and regional organizations, and concerned none ECO member countries. In this regard, Kazakhstan considers the mechanism of granting Observer Status to the international and regional organizations as one of the most important mechanism for expansion of cooperation.

On behalf of the Government of our country, I can confirm that Kazakhstan will continue open and mutually beneficial policy with respect to all partners.

I'm sure that in near future ECO activities will be targeted at practical realization of projects and achievement of concrete results.

Thank you for attention.

**Statement by H.E. Mr. Erlan Abdyldaev, Minister of Foreign Affairs of the  
Kyrgyz Republic at the 20<sup>th</sup> Meeting of the Council of Ministers  
(Baku – 15<sup>th</sup> October, 2012)**

**Distinguished Chairman,  
Esteemed Secretary General,  
Dear Colleagues,  
Dear guests, ladies and gentlemen,**

It is my honor today to represent the Kyrgyz Republic on the regular 20<sup>th</sup> meeting of the Council of Ministers of the Economic Cooperation Organization, in this beautiful city of Baku.

On behalf of the Kyrgyz delegation and myself I would like to welcome all the participants and congratulate H.E. Mr. Elmar Magerramovich Mammadyarov with his election as a Chairman of this high level meeting and to express my sincere gratitude to the Government of the Republic of Azerbaijan for the hospitality, warm welcome and excellent facilities provided for our work.

**Dear chairman,  
Dear colleagues,**

Our today's forum provides an opportunity to discuss prospects for future use of our countries great potential for regional cooperation within the ECO.

Evaluating the activity of the Organization for the last period and defining future perspectives, it should be noted that for the last five years, the countries of the region have reached a new level of economic development. Our countries have shown in practice that they can deal with complex issues that arise in today's world due to the global financial and economic crises.

As can be seen from the annual economic report, the economy of the region countries was developing at the brisk pace, rapidly growing trade, including trade between the countries of the region, increased investment and financial capacity of most ECO countries, reached certain progress in reducing poverty and achieving the Millennium development goals.

In addition to that our integration aspirations sometimes face difficulties in practical realization of solutions in key areas of activity within the ECO. In the present conditions our countries must reach a new level of cooperation to develop joint measures to reduce the risk of global financial and economic crisis in the ECO region, which certainly has, and will have a negative impact on the financial and economic situation of our countries.

ECO has the necessary potential to actually become an effective instrument of regional integration in the modern conditions. In order to all countries, without

exception, could make feasible contributions for further consolidation of our Organization, we believe it is reasonable for the 20<sup>th</sup> anniversary of the ECO to consider the partial reform of certain aspects of the organization and its Secretariat.

For the sustainable development of economic cooperation in the region it is necessary to activate ECO ties with other regional economic communities, international economic and financial institutions.

**Dear colleagues,**

Development of regional infrastructure is a prerequisite for effective intra-and inter-regional cooperation in all other spheres of interaction.

Together with other ECO countries we are actively involved in development of “East-West” and “North-South” transport corridors, which gives the Central Asian countries an opportunity to enter the Persian Gulf. We also attaché great importance to the promotion of the Uzbekistan – Kyrgyzstan – china railway project, which is included in the ECO Transport and communications Development Action Program in the ECO region. And I suggest to include this project in our Baku Declaration (paragraph 12).

It is also important to expedite the timely implementation and operation of container and passenger ECO trains at full capacity. We also support measures to extend the route of container train from Istanbul – Almaty to Kyrgyzstan and Tajikistan.

**Dear colleagues,**

In recent years we observe rapid social, economic, political and technological changes happening in the world. With a glance of these circumstances, the ECO shall conduct a comprehensive study of the economic situation in the region, including an assessment of current trends of countries’ economic development, their complementarity, the state of trade, transport and other sectors, development of private sector and the implementation of economic reforms in the countries. On this basis, should be offered main directions of regional cooperation strategy within the ECO in case of financial crisis in the region or guaranty of sustainable economic and social development and improvement of people’s living standards of the ECO Member States.

Thus, noting certain progress, reached in the Secretariat’s work in the field of economic and project studies, we believe that in terms of the global financial crisis, the Secretariat, together with national research centers and institutes in the field of the economy should increase efforts to conduct researches on important issues of social and economic development strategy in the ECO region.

**Dear Participants,**

In conclusion, I would like to emphasize that the ECO countries, have a great potential and situated in the center of the Eurasian continent are fully able to meet

the tasks confronting Organization to become a full and important part of the global economic system.

I am sure that the Baku Declaration is in the interest of all members of the Organization, and I hope that this meeting will demonstrate our common aspiration to reach concrete steps in mutual cooperation.

Let me once again thank the Government of the Republic of Azerbaijan for the excellent organization of the meeting of the 20<sup>th</sup> Council of Ministers of ECO and wish success to the upcoming Summit of the ECO.

**Thank you.**

**Statement by Her Excellency Ms. Hina Rabbani Khar, Minister of Foreign  
Affairs of the Islamic Republic of Pakistan  
at the 20<sup>th</sup> Meeting of the Council of Ministers  
(Baku – 15<sup>th</sup> October, 2012)**

**H.E. Elmar Mammadyarov,  
Foreign Minister of the Republic of Azerbaijan,**

**Distinguished Foreign Ministers of the ECO Member States,  
Ladies and Gentlemen,**

I would first like to extend my felicitations to my colleague, H.E. Elmar Mammadyarov, Foreign Minister of the Republic of Azerbaijan, on his assumption of the Chair of the 20<sup>th</sup> Meeting of Foreign Ministers of ECO. I wish him every success.

I also would like to convey my appreciation to H.E. Professor Dr. Ahmet Davutoğlu, Foreign Minister of the Republic of Turkey for his able leadership during his tenure as Chairman of the 19<sup>th</sup> Council of Ministers.

Let me also congratulate Dr. Shamil Aleskerov on assuming the post of the Secretary General of Economic Cooperation Organisation. My delegation is confident that under his leadership, the Organization would achieve greater success.

Lovely to be in Baku after 8 years – and in a transformed city.

**Ladies and Gentlemen,**

ECO was founded on high hopes and great ambitions. The Treaty of Izmir envisaged a closely knit fraternity of member states that are integrated, interconnected and works collectively towards bringing about prosperity in the region.

The high aims of the Organisation envisioned a region welded together by free trade, high quality infrastructure, energy connectivity and collective well-being of the peoples.

Since its inception, ECO has singed many made a modest progress. We still have a long way to go as our Organisation has yet to harness its full potential and bring tangible benefits to the ECO community.

**Ladies and Gentlemen,**

Economic cooperation, removal of trade barriers and eventual establishment of free trade regime in the region were some of the main reasons for establishing the organization. Regrettably, these objectives have not been fulfilled due to our collective failure to operationalize the ECO Trade Agreement (ECOTA) since its

signing more than nine years back in July 2003. Allow me to say that ECO's relevance will be with the progress on ECOTA.

I urge my colleagues present here today to convey their willingness to operationalize this important agreement by 1<sup>st</sup> January 2013.

Any further delay would suggest that we lack the political will to move forward towards the goal of regional economic integration.

Ladies and Gentlemen,

In accordance with the Treaty of Izmir, Pakistan, Iran and Turkey decided to establish a regional ECO Reinsurance Company, to be based in Karachi.

The main purpose of the Company was to supplement existing reinsurance services; promote the growth of national and regional underwriting and retention capacities; minimize the outflow of foreign exchange; and support economic development in the region.

Pakistan and Iran have ratified its Articles of Agreement in 2010. I request our Turkish friends to expedite the process of ratification of the Articles of Agreement so that the Company can start its operations. This would be an important step towards economic interdependence among the member States.

**Ladies and Gentlemen,**

Effective trade in the region cannot take place without fast and efficient transport infrastructure and cooperation among the member States.

In 2009, the Organisation achieved a major milestone by starting the Islamabad-Tehran-Istanbul Container Train. What we in Pakistan call "Gul Train". Despite commencement of the operations, the service has not been able to fully realize the objectives which we had in mind.

This is due to various reasons such as the need to upgrade the railway track, streamlining Customs procedures, offering competitive rates to encourage increase in load and so forth.

Pakistan has forwarded a Concept Paper to the ECO Trade and Development Bank to assist in upgrading the railway track at Quetta-Taftan sector. We hope that the Bank would get back to us soon with a positive response. We also look forward to bilateral cooperation in this project.

Another important development in the transport sector was the inaugural run of the ECO Truck Caravan from Pakistan in September 2010. This project, like the ECO Container Train, has a lot of potential to further strengthen economic ties among the member States.

The Government of Pakistan appreciates the assistance being offered to the ECO Secretariat by the International Road Transport Union (IRU) in conducting a feasibility study to assess and remove the bottlenecks in the transportation of goods by road. We hope that the study would enable regular run of trucks by the end of this year.

The existence of efficient trade, transit and transport corridors across the region will guarantee economic development and prosperity of our peoples.

**Ladies and Gentlemen,**

We appreciate the support of the member States in establishing the Parliamentary Assembly of ECO Countries (PAECO), we hope that the Secretariat would be based in Islamabad.

The Assembly would help to strengthen and foster friendly ties, understanding, cooperation and joint action to promote the common values, interests and opportunities of the ECO member States.

The Assembly would promote contacts, facilitate exchange of experiences among Parliamentarians, and help in speeding decisions and ratifications of agreements.

**Ladies and Gentlemen,**

Another major milestone achieved recently by the Organisation was the operationalization of the ECO Science Foundation (ECO-SF) in Islamabad in December 2011, after a period of almost 17 years.

The Foundation has been established pursuant to the Charter of the Economic Cooperation Organisation (ECO) which envisaged the establishment of ECO-SF as a Specialized Agency of the Organisation to function as a reservoir of highly skilled scientific and technical manpower and to facilitate promotion of scientific research among the member States.

**Ladies and Gentlemen,**

Pakistan has been at the forefront of ECO's efforts for the reconstruction of Afghanistan. We have pledged a total of US\$ 5 million and so far have remitted US\$ 2 million. Needless to say, this is by far the highest contribution although we are not the richest from among the ECO member states. This reflects our abiding desire to help our brothers and sisters in Afghanistan in their restructuring and development work.

I would like to take this opportunity to urge other ECO countries to come forward and contribute towards this end, so as to create a conducive and secure environment inside Afghanistan to enable the Afghan refugees, almost 4 million of which are still in Pakistan, to return to their homeland in honour and dignity.

Let me assure our Afghan friends that Pakistan would continue to support the development of their country both bilaterally and under ECO's umbrella.

**Mr. Chairman,**

It is our primary responsibility to make the ECO Secretariat a strong and viable entity in order to enhance its capability and effectiveness. However, this cannot be done if we cannot provide it with the funds it requires, due to nonpayment of dues by some member States.

I would like to take this opportunity to strongly urge all member States, especially those who have not paid a penny for many years, to clear their arrears by the end of this year.

**Ladies and Gentlemen,**

It is also our responsibility, as the member States of this Organization, to ensure that we set the right example and follow the rules and regulations set forth for the functioning of ECO and its specialized agencies. Otherwise, few among us would be seen bent on dominating the organization, by violating its rules enshrined in the charter approved by Heads of State and Government.

**Ladies and Gentlemen,**

Few regions of the world are as richly endowed as ours. Fewer still are heir to as great a cultural and historical legacy. And allow me to add that no region in the world has left its true potential as unexplored as ours. With commitment and ownership of Member States, ECO is an ideal platform to realize our shared destiny. We first have to move away from commitments and lofty goals to actualization of commitment made some five, some ten, some twenty years back. I would recommend to make high our commitments and low our actualization.

Pakistan, for one, has full faith in the goals and objectives that ECO stands for, and will spare no efforts to realize them.

**I Thank You**

**Statement by Mr. Nizomiddin Zohidov, Deputy Foreign Minister of the  
Republic of Tajikistan at the 20<sup>th</sup> Meeting of the Council of Ministers  
(Baku – 15<sup>th</sup> October, 2012)**

**Distinguished Chairman,  
Honorable Secretary General,  
Dear Participants,**

First of all I would like to thank the hosts for excellent arrangements and warm environment created for our work.

We are confident that ECO is an important regional component of global development and provides an opportunity for its Member States to enhance their active dialogue and cooperation in the priority areas of development. In this regard it is our duty to thank Mr. Davutoglu, the Foreign Minister of the Republic of Turkey for fruitful chairmanship and wish Mr. Elmar Mammadyarov, Foreign Minister of the Republic of Azerbaijan success in forthcoming chairmanship. We also express our gratitude to the former Secretary General Mr. Yahya Maroofi for his contribution into the development of ECO and do hope that the new Secretary General Mr. Shamil Aleskerov will make every effort for further strengthening and expansion of activities of our Organization.

**Dear participants,**

Tajikistan being a signer for ECOTA Agreement supports integration process and cooperation among ECO Member States assuring the establishment of dynamic regional economy.

Market of ECO Member States is the easiest and beneficial for Tajikistan. However, we think that there are still reserves to be used for speeding up the implementation of economic plans. Efforts have to be aimed at the regional infrastructure and simplification of the procedure for the free movement of goods, services and workforce in the region. We believe that the most acceptable way for the implementation of such objectives is the establishment of free economic zones.

ECO efforts deserve support and encouragement for development of strategy on E-trade and establishment of Single Window Regional System and for launching the Trade Facilitation Programme. Therefore further development of these initiatives is very important and is to create solid foundation for enhancing cooperation among Member States in trade and economic field.

Tajikistan as a country with huge hydropower potential is interested in effective cooperation in energy field. Total hydropower potential of the Republic is 527 billion kwh. Unfortunately, today, we use only 5% of our potential. In the same time many ECO countries in great demand of electric power. Therefore efforts of Tajikistan are

aimed at efficient utilization of current potential and construction of hydropower station capable to generate energy power for internal and external markets.

At the same time modern infrastructure is needed for supplying region with available and environment-friendly electric power. It is a matter of construction of power transmission lines which would interconnect all countries of the region in a unified network. This objective meets ECO Vision-2015 and in this regard ECO could be more involved in such ECO projects undoubtedly beneficial for member-states. Also we hope that provisions of Dushanbe Declaration and Plan of Action on energy/petroleum cooperation for 2011-2015 adopted by Ministerial meeting on energy in October 2010 in Dushanbe shall be an effective mechanism for strengthening cooperation in establishment of unified power system in region.

Nevertheless, important regional objective and implementation of which is vital for trade development and economic relations is establishment of modern transit-transport and communication networks. Therefore Tajikistan actively supports ECO plans aimed at establishment of transport infrastructure in the region. We hope that Project on construction of railway connecting China, Kyrgyzstan, Tajikistan, Afghanistan and Iran shall be more actively developed in the framework of these plans. Certainly, this project would make substantial contribution towards reconstruction of Afghanistan and facilitate its economic recovery and transit-transport development.

As it is known food security is a difficult and long-term issue requiring constant tracking the changing conditions of world conjuncture, consequences of climate change and other today's challenges. In this context, we believe ECO with the international food and agricultural organizations would more actively develop projects on studying the best practices in the region, transfer of high technologies and seed materials, financial and technical assistance to strengthening potential of countries. We propose to consider possibility for launching the *Regional Centre on Introduction and Dissemination of Modern Agro Technologies* and also to study possibilities for establishing common market for specific agriculture products in the region.

As of food security, effective and rational use of water resources is not the least of the factors. We believe that it is necessary to strengthen regional water cooperation by an effective utilization of the potential of existing mechanisms and tools of "water cooperation" and main task of which is consolidation of efforts at national and regional levels. Water should become uniting factor instead of separating.

### **Dear Ladies and Gentlemen**

The 19<sup>th</sup> ECO Council of Ministers decided to establish Eminent Persons Group for preparation of recommendations on reforming Organization's activities so that it would dynamically and flexibly react to new conditions of the world and also meet challenges faced by mankind.

Today, the report of the EPG Chairman is being presented at the meeting of Council of Ministers. We hope that fruitful and principle discussions on recommendations will give stimulus to the further improvement of activities of the Organization and to search of effective ways to transform ECO into the backup mechanism supporting economic targets.

Thank you for your kind attention.

**Statement by H.E. Mr. Ahmet Davutoglu, Minister of Foreign Affairs  
of the Republic of Turkey at the 20<sup>th</sup> Meeting of the Council of Ministers  
(Baku – 15<sup>th</sup> October, 2012)**

**Mr. Ministers,  
Distinguished Colleagues,**

It is indeed a great pleasure for me and my delegation to be in our brotherly country of the Republic of Azerbaijan, on the occasion of the 12<sup>th</sup> Summit of the Economic Cooperation Organization (ECO). First of all, I would like to express my sincerest thanks and appreciation for the endeavors of the Government and People of Azerbaijan for the organization of this Summit and for the warm hospitality extended to my delegation.

Taking this opportunity, I would like to congratulate my colleague H.E. Elmar Mammadyarov, Minister of Foreign Affairs of the Republic of Azerbaijan and on his assuming the chairmanship in Office of the ECO. I am convinced that during its term, Azerbaijan would further the cooperation among the Member States and broaden the vision of the Organization with a view to bracing it for the challenges of the future. In this regard, I would like to assure the Government of Azerbaijan that Turkey, as usual, is ready to extend its support to and share its experience with our brothers in Azerbaijan.

On this occasion, I would like to congratulate also the new Secretary General, H.E. Ambassador Shamil Aleskerov on his assumption of this duty and extend best wishes to him, with the firm conviction that he would bring new ideas and energy to our Organization.

ECO has a unique geo-strategic location, linking the East and the West. Our region, with its significant economic power, vast natural resources, and dynamic work force, has a huge development potential which we should harness in the interest of all our nations. By pursuing regional cooperation, enhancing existing relations and strengthening economic ties among the member countries, we are today much more hopeful that this organization will unearth this potential and achieve its objectives.

**Dear Colleagues,**

Global challenges such as economic and financial crises, energy and food security and climate change as well as regional political transformation processes in our neighborhood call for prompt and coordinated action at regional and global levels. Therefore, regional cooperation and solidarity in these areas have become crucial more than ever.

In this regard, Turkey attaches importance to the ECO as regional platform of cooperation and solidarity. The ECO represents a very resourceful bloc of countries having a population of over 400 million, benefiting from rich energy resources and strategic geographical setting.

Furthermore, as a founding member, Turkey attaches importance to the ECO activities and considers the ECO as a multinational economic platform that contributes to the economic stability and prosperity in our region. ECO, which has now reached a mature age continues to unite us under this common vision.

Implementation of the projects in the priority areas of cooperation of ECO, such as trade, energy, agriculture, industry and transportation will certainly benefit all member states.

Therefore, strengthening and ensuring the efficiency, effectiveness and visibility of our Organization should always be our main priority.

Six years ago, the ECO Vision 2015 document where we revised our goals and objectives to meet the new global economic challenges, as well as to improve the efficiency and effectiveness of our organization was adopted in Astana.

Under the auspices of President Abdullah Gul in December 2010 in Istanbul, the 11<sup>th</sup> ECO Summit gave us the opportunity to evaluate our performance towards reaching these goals and objectiveness.

As a result of this evaluation, we have decided to establish an Eminent Persons Group (EPG) with the mandate to prepare recommendations on further steps to be taken for reviewing the work of the Organization, as well the ECO Vision 2015. We hosted the wrap-up meeting of the EPG which was held in Istanbul on 12-14 September, 2012. The recommendations of the EPG will be submitted to this Meeting.

After having 7 consecutive meeting, I believe the EPG has come up with the important and valuable formulations and recommendations for the restructuring and reinvigoration of the ECO> As a matter of fact, the Republic of Turkey mostly concurs with findings of EPG in the draft report as to the main shortcomings and impediments faced by the ECO.

Therefore, Turkey is of the view that, the main shortcomings faced by the organization, namely inefficient decision-making procedure, lack of interest in the meetings and the activities of the ECO by some Member States, non-implementation of the decisions made by the decision-making bodies, lack of financial resources and insufficient budget and inadequate capacity of the Secretariat due to the existing recruitment system should be well-addressed with a view to finding long-term solutions to the above-referred problems.

In the absence of well-functioning long-term solutions to these problems, the objectives envisaged in the ECO Vision 2015 would be elusive.

I am confident that the outcome of the work carried out by the EPG will be instrumental in facilitating our endeavors towards achieving our 2015 Vision.

**Distinguished colleagues,**

It should be noted that both the integration to the world economy and the optimum utilization of the economic potential of the countries heavily depend on the capacity to strengthen regional cooperation.

Removing trade barriers in the ECO region and expansion of intra-ECO trade have always been a priority item of the ECO agenda. The ECO Vision 2015, which was adopted back in 2005, envisaged to increase intra-ECO trade to 20 percent of the overall trade figure of the Member States, and with the objective of ultimately establishing a Free Trade Area by the year 2015. However, despite various efforts on the part of the Member States and the Secretariat, the level of intra-ECO trade is still far from the target figure and stands at 7 percent, which is very modest figure given the huge economic potential of the Member States.

In this context, the role of the ECO Trade Agreement (ECOTA) is central for expanding intra-ECO trade. We appreciate the decisions of ECOTA Cooperation Council hosted by Turkey from 2 to 3 October, 2012 to put ECOTA back on track.

Turkey, on its part, is fully committed to the implementation of the ECOTA and will continue to exert every effort with a view to implementing the Agreement. We will do our best to effectuate the Agreement by January 2013 among countries submitted their lists as of 15 November, 2012. On this occasion, I call on all the parties to reconsider their positions and remove the bureaucratic obstacles so that the ECOTA could be fully implemented to the benefit of all Member States. In particular, I would like to call upon our brother country Tajikistan to assume its responsibilities before 15 November, 2012 and join us to effectuate the Agreement.

On this particular point, I believe that the ECO Trade and Development Bank deserves special mentioning. I am pleased to observe that the Bank is taking concrete steps to become a vibrant financial institution in the ECO region. This year, Afghanistan has signed the Articles of Agreement to join the Bank and Azerbaijan formally announced its intention to join the Bank soon.

With these new prospective memberships, I am of the view that, the Bank will further strengthen its financing capacity. Availing of this opportunity, I would like to share our hope that the other Member States, which have not joined the Bank yet, could follow the suit. As a founding member and host of the Bank, Turkey is ready to provide any support to facilitate the accession procedures for the prospective members.

**Distinguished Minister,**

The objective of enhancing intra-regional trade would remain unattainable in the absence of a well-functioning system of transport in the region. The fact that the majority of ECO members is land-locked makes the cooperation in this field all the more important. Thus, I believe that the implementation of the Transit Transport

Framework Agreement (TTFA) would be instrumental in establishing viable region-wide corridors of transport.

Our cooperation aiming the connection of main railway links has been developing rapidly. We have successfully activated Istanbul-Tehran-Islamabad railway route in 2010. However, due to the operational and infrastructural problems along the route, the train cannot run properly. I would like to voice our determination to solve the problems faced and increase the volume of freight transported via this route in order to make it a viable corridor in the East-West axis. On this occasion, I believe that the Baku-Tbilisi-Kars Railway project which connects Europe and Asia continents deserves special mentioning.

The cooperation in the field of agriculture is also promising for the ECO Member States. Given the increasing importance attached globally to the food security, the issue is also high in our agenda. Turkey, as the coordinator country of the ECO Regional Program for Food Security, has been working very actively to provide financial and technical resources for the implementation of the Program. The establishment of the Regional Coordination Center (RCC) in Ankara for implementation of the ECO Regional Program for Food Security would be materialized very soon.

On this occasion, I would like to bring also to your kind attention that the ECO Seed Association has been established in Turkey, which aims to develop seed sector in member countries, with a total budget of 400.000 US Dollars financed by Turkey and the ECO.

Availing of this opportunity, I would like to announce the Fifth ECO Ministerial Meeting on Agriculture to be held in Antalya, Turkey, on 13-16 November, 2012. Since this meeting had to be postponed due to lack of quorum in May 2012, I call on distinguished colleagues to coordinate their national authorities in order to enable the participation of their Ministers of Agriculture in the Meeting.

I strongly believe that energy is a priority cooperation area of the ECO with a great potential to capitalize on. The ECO region has a crucial importance in the world energy markets, given the rich oil, natural gas, hydro energy and newly developing renewable and alternative resources in the region. It is important to highlight that the energy resources of ECO region should be produced and utilized in a wisely and sustainable manner while supplying them in the international markets.

We observe with pleasure that ECO countries have taken considerable steps in the field of energy within the framework of bilateral relations. However our brotherly countries and the ECO Secretariat should intensify and streamline their efforts to transform this towards a multilateral cooperation under the aegis of ECO.

Along with our projects in the priority areas, the Pakistani initiative aiming to establish a Parliamentary Forum among the ECO members, deserves special mentioning. A high level delegation from Turkish Grand National Assembly also took

part in the meeting which was held in Islamabad on 4-5 September. I believe that this initiative would be very helpful in expanding our cooperation and interaction t the parliaments and peoples of the ECO region.

**Distinguished Colleagues,**

I am pleased to observe that our cooperation efforts in the field of education are promising. The long-awaited commencement of the ECO Educational Institute has finally been realized with the 1<sup>st</sup> Board of Trustees Meeting of the Institute, at the level of Minsiters of Education of the Member States. The ECO Educational Institute, a specialized agency of ECO with it headquarters in Ankara, would be very instrumental in introducing contemporary educational technologies in the Member States, encouraging and coordinating exchange programs, and promoting public awareness for addressing the existing educational problems of the region.

Let me express my pleasure on the endorsement of the observer status of the Cooperation Council of Turkic Speaking States to the ECO. I have no doubt that through this new status, cooperation between the two organizations will be further strengthened.

In the same vein, it is my sincere hope and wish from you my dear brothers and sisters that the Turkish Republic of Northern Cyprus be also granted with the same status.

As you know, the Turkish Cypriots have been present in the ECO activities since 1992. The resolution adopted after the Annan Plan referenda in 2004, at the 14<sup>th</sup> ECO Meeting of the Council of Ministers in Dushanbe, enabled the Turkish Cypriots to participate in ECO's economic, technical and cultural activities under the name "Turkish Cypriot State" which is used in the OIC which it already enjoys an observer status.

As an international organization focusing on economic cooperation and development, ECO provides an ideal platform for the development of economic relations with the Turkish Cypriots as envisaged by the UN Secretary-General and the OIC resolutions.

Favourably considering the Turkish Cypriots' application for observer in the Summit will be, without doubt, a concrete result of the solidarity and cooperation among us, as the members of ECO. We trust your support.

I am confident that the 20<sup>th</sup> Meeting of the ECO Council of Ministers will give us an opportunity to evaluate the developments in our cooperation and the impetus needed for our Organization to move forward.

**I thank you all.**

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