

**Statement by ECO Secretary General
Dr. Hadi Soleimanpour
in the First Caspian Economic Forum 2019
August 12, 2019**

**The Honorable President of Turkmenistan,
His Excellency Mr. Gurbanguly Berdimuhamedov;**

Excellencies;

Distinguished Panelists;

Ladies and Gentlemen;

Good day,

At the outset, it is a great honour to express my profound gratitude to **Excellency Mr. Gurbanguly Berdimuhamedov**, President of Turkmenistan for hosting the First Caspian Economic Forum in 2019. This meeting is indeed a vivid reflection of His Excellency's unwavering commitment for regional integration and socio-economic development of the people of the region. It is through his great vision the government representatives, scholars and business people have gathered here in this beautiful city of Awaza. We deeply appreciate warm and traditional hospitality extended to us today and in the past in many ECO Ministerial and other meetings.

I am confident that First Caspian Economic Forum will provide guidance and direction to all of us and we can move on to the higher echelon of economic trajectory and collective uplift and well being which are the goals the region is earnestly pursuing.

The agenda of the First Caspian Economic Forum in 2019 is brilliantly designed, it is relevant to our needs and have far-reaching impact; it touches upon the crucial economic issues and challenges the region is facing today. ECO as organization is pursuing such goals since its inception in 1985, rather from 1964 which its predecessor organization RCD was established.

ECO is a trade bloc for the Central Asian states connected to the Mediterranean through Turkey, to the Persian Gulf and Sea of Oman via Iran, and to the Indian Ocean via Pakistan. ECO region consists of encompassing countries from Europe, Caspian Sea littoral states, Central Asia and South Asia with more than 460 million inhabitants and over 8 million square kilometers. The ECO strives to achieve inclusive sustainable development of its Member States by promoting cooperation and implementation of joint programs and projects of economic and developmental nature.

The overall objective of the Economic Cooperation Organization is the sustainable economic development of its Member States and the Region as a whole. It also provides a platform to discuss ways to improve development and promote trade and investment opportunities. The ECO in general pursues the goals of promoting trade, improving connectivity, creating a favorable investment climate, and strengthening financial and humanitarian cooperation between its members. Our ultimate objective is establishing Free Trade Zone in the ECO region.

All these objectives enshrine in Izmir treaty and reflected and re-emphasized in ECO vision 2025 adopted in Islamabad Summit 2017. As you may observe the agenda of this august forum is very much similar to our aims in ECO.

Excellencies

The economy in the ECO region presents a picture as a huge but untapped potential. According to the recent figures, total GDP of the member states crossed 1.7 trillion US Dollars and income per capita is close to 4000 USD. The share of the ECO's aggregated GDP to the world GDP improved from 2.06% in 2000 to 2.63% in 2015.

On the trade account, the aggregate world trade of ECO members is US\$ 804 billion in 2018, compare with US\$ 768 billion in 2017, witnessing an increase of 5 percent. Exports account for 45% while imports constitute about 55% of total volume of merchandize trade.

The intra-ECO trade of 10-member states amounts to USD 60 billion. These figures reflect that existing trade volume is far below its vast potential which is the main challenge of the region today we have to work on. At the same time Eco received Foreign Direct Investment (FDI) of US\$ 36.5 billion, which is modest figure compare to the developmental needs and national plans of MSs.

All these facts shows while much of economic potential of the many regions in the world is already discovered and tapped in international market, the ECO region is relatively less explored and thus provides a huge opportunity for business community and invertors both inside and outside the region to employ its market potentials and capabilities. Over the years, ECO has initiated a series of economic cooperation programs to bring member countries together to design and implement projects, inter alia, to enhance connectivity, increase energy cooperation, promote trade and create new business and employment opportunities, while having people to people contact in various fields. The innovative approaches such as first Caspian sea Forum initiated by His Excellency **president Berdimuhamedov's** Government is one significant step in this regard.

Excellencies allow me now to highlight the 2019 achievements and activities of our Organization.

Last year, in connectivity I had the honor to be here on the opening of the International Sea Port of Turkmenbashi while convening 9th ECO Transport Ministerial Meeting. Since then, we have undertaken significant progress for the implementation of the ECO Transit Transport Framework Agreement (TTFA), especially with adoption of the Turkmenbashi Declaration which marked a milestone and has provided a road map. Within the declaration the priority was given to the projects and corridors for which the infrastructures are already in place and ready to be commercialized and have the capacity to be transformed from transport corridors to the economic corridors.

We have therefore, focused our efforts to this end. During this year, we have concentrated on Kazakhstan-Turkmenistan-Iran (KTI) and Qazvin-Rasht -Astara (Iran) - Astara (Azerbaijan) railway corridors in North-South direction and Islamabad- Tehran-Istanbul (ITI) railway corridor in East-West direction. ECO together with Islamic Development Bank and UNSCAP recruit international consultant for commercialization of KTA transit corridor and turn it to economic corridor. Moreover, we are working on another priority which is highlighted by Turkmenbashi Declaration on the access of ECO land-locked countries to major sea ports towards realizing the TTFA. The pre-requisites for a mutually beneficial networking have been worked out in this regard with the aim of inter-linking the ECO's Seaports logistics centers and Dry Ports in ECO's Land-locked Countries (LLCs). It is also worth mentioning that in March 2019, the Heads of ECO Reference Maritime Organizations, adopted the decision to start the regional project in this context and work on the establishing ECO Gates at major ECO sea ports and link them to large logistic transport centers in ECO's landlocked countries.

In the field of energy we have promising projects as well. To this effect, ECO Regional Electricity Market Project, is pivotal and encouraging for ECO project initiative in the field of energy, which is aimed at facilitating regional power trade, interconnection with a view to enhance energy, security and sustainable developments in the ECO region. ECO is preparing the ground for the early commencement of the envisaged project. We are also working with the International Energy Charter and UNIDO to prepare a ECO Clean Energy Center, targeted on unlocking our Region's tremendous cooperation opportunities in renewable and energy efficiency.

Excellencies,

Regarding ECOTA, the flagship agreement for promoting trade in the

region, we will have ECOTA Cooperation Council Meeting immediately after my return to Secretariat. In this Council we will elaborate every means and ways to facilitate the involvement of other ECO member states in the agreement, particularly Central Asian states and Azerbaijan. We hope that we will be able to convene trade Ministerial meeting by the end of this year to prepare the ground for the implementation of ECOTA with the participation of all Member States.

Excellencies, We convened in this beautiful City of Awaza, the national tourist zone of Turkmenistan, with great tourism facilities presenting us with the opportunity to see what the potential of the ECO region has in the field of Tourism. ECO region has a significant potential to be one of the major tourism destinations in the world. The Region is one of the world's richest in terms of historical and cultural heritage. Taking this into consideration, we also have accelerated the pace of our efforts in this field. I would like to share with you that our next meeting on Tourism will be in Soghd, Tajikistan in the second half of this month. We will hopefully, adopt ECO Tourism Action Plan in that meeting, as well as Ecotourism and Health Tourism road maps.

Now I would like to turn Your Excellencies' attention to the financial system of the region. We would like to focus our efforts on strengthening the financial system of our region which will support financial transactions and the flow of trade. To this juncture the 2nd Meeting of the Heads of Central Bank of the ECO Member States is scheduled at the end of this month. We think that the meeting carries a special importance which will enhance the capacity for financing trade and development projects of the Member States. We also closely work with ECO Bank to expand its mandate and increase its members and capital.

Distinguished participants,

While concluding I would like to express my deep appreciation to the leadership of Turkmenistan and host authorities for their warm hospitality and enthusiasm. I am confident that this meeting will help us to find common areas of cooperation among the Caspian littoral states, and the surrounding regions that includes the ECO region, as well.

Thank you very much.