



**Opening Statement by ECO Secretary General  
Ambassador Ibrahim Halil AKCA**

**at the  
Extraordinary Session of ECO Council of Ministers  
(COM)**

**New York, 23 September 2016**

**H.E. Mr. Javad Zarif, Chairman of the ECO Council of Ministers,  
Honorable Foreign Ministers of the ECO Member States,  
Excellencies,  
Distinguished Participants,**

It is a great privilege and honor for me to address this important session of the ECO Council of Ministers.

Almost one year has passed since last Extra-ordinary COM Session, as we could not arrange a regular COM meeting since the last one, which happened in 2013, we are obliged to have Extra-Ordinary COM Session again here on the margins of 71<sup>st</sup> session UN General Assembly.

I will now briefly report to you on the ECO overall profile in the past year. I will also share with this meeting some issues of great policy importance, including holding of the ECO Summit Meeting, determination of shares of Member States and an update on the new ECO Vision for the next 10 years.

**Mr. Chairman,**

During the period from the last Extra-ordinary COM Session, ECO continued to implement programmes and projects as developed and decided by different sectoral ministerial meetings, as well as meetings of the Regional Planning Council and Council of Permanent Representatives. Trade, transport and energy continued to be the core areas of ECO agenda, while regional environmental dialogue generated huge momentum for enhanced regional cooperation on environment, very much in line with the trending and emerging global environmental agenda.

Enhancement of regional trade and investment has significance in terms of grappling with socio-economic challenges in the region such as poverty alleviation, employment generation, expansion of industrial output and sustained exports growth. To create environment for trade and investment in the region, legal frameworks have been installed. Agreements on Market Access, Investment, Customs Offences, Data Bank, Visa Simplification and Administrative Assistance in Customs Matters have been signed and ratified by most ECO member states.

The Agreement on Promotion and Protection of Investment (APPI) would come into force upon ratification of four ECO Member States. The Establishment of ECO Reinsurance Company will be another milestone towards deeper cooperation which awaits ratification by Member States.

Reduction of tariffs and removal of non-tariff barriers as envisaged in the ECO Trade Agreement (ECOTA) remains the key to economic integration of the ECO region. However trade liberalization under ECOTA is yet to see the light of the day and ECO remains one of the least integrated regions in the world at a time when regional trading blocs are playing a leading role on international trade scene. This makes it important that ECOTA is implemented at an early date and Member States reap the benefits of preferential market access.

In addition to implementing ECOTA and broadening its membership base, there is also the need to support the accession of ECO's non-WTO member countries. In fact, regional and

multilateral trade liberalizations complement each other as countries well integrated regionally find it convenient to integrate multilaterally.

Regional trade is being effectively facilitated by ECO Trade and Development Bank. We appreciate the activities of ECO Trade and Development Bank as it continues to expand its operations including scope of products and services to meet the growing demand for finance. The Secretariat has started a new initiative to strengthen the existing cooperation with the Bank, especially in trade financing and initiating regional programmes and projects for trade facilitation and promotion in the region. The Secretariat also in close cooperation with the Bank is following proactively the accession of new members to ECO Bank. At present six members of ECO, namely Afghanistan, Azerbaijan, Iran, Kyrgyz Republic, Pakistan and Turkey are now members of ECO TDB. The membership by all MS will enhance the contribution to promoting the trade and development of the ECO region. The remaining four ECO Member States are also requested to consider joining the Bank to give further momentum to the efforts for growth and sustainable development in the region. However, funding of large infrastructure projects in the ECO -region through support of ECO TDB is yet to be materialized.

I am pleased to state that tangible headway has been by ECO in cooperation with the relevant international partners in the field of transport and communications since the last Extraordinary COM (New York, October 2015).

After successful completion of studies on rail, road and insurance components of the ECO/IDB Joint Project on implementation of TTFA, ECO proceeded to conducting a feasibility study "on customs provisions of TTFA and modernization of border crossing points".. The study has provided an insight into current operational customs transit procedures of the Member States with the focus on the border crossing points and recommendations for their improvements..

ECO came up with a "practical well-designed plan of commercialization" of the railway "Kazakhstan-Turkmenistan-Iran" (KTI), constituting the east wing of transnational "North- South Corridor" based on the observations that the route has not become yet operational in its full capacity although physically it has been completed in 2014. Further to the support of IDB Headquarters for this initiative, ECO met with the Railways of the Islamic Republic of Iran and the Embassies of Kazakhstan and Turkmenistan to get their concurrence for the Project. Preparations for organizing a meeting of the Heads of Railways of KTI are ongoing to discuss and agree on all administrative, legal and technical aspects of the Project.

Another important activity of ECO addressing the issues related to smooth flow of transport by road are the establishment of Islamabad-Tehran-Istanbul (ITI) and Kyrgyz Republic-Tajikistan- Afghanistan- Iran (KTAI) Road Corridors. A number of technical issues pertaining to operationalizing the corridors have been already discussed and agreed.

Further to the preparedness of the countries enroute ITI to start transit operations under TIR System, a Truck Caravan is due to start soon along ITI containing loaded trucks of the enroute countries. A study on ITI road corridor is being commissioned shortly.

In the sphere of communications, further to the mandate of ECO Ministers of ICT (November 2012) ECO has been able to get support of International Telecommunication Union (ITU), the UN's specialized agency for information and communication technologies, for conducting a Feasibility Study to identify the needs for development of infrastructure

connectivity and services in the ECO Member States. The Wrap up meeting was held (Tehran, May 2016) with participation of focal persons/representatives of the relevant authorities of the Member States to present major findings of the report covering ICT and telecommunications sector of all Member States.

I am pleased to state that ITU has also agreed to extend its technical support at the Phase II to follow up key recommendations of the study, notably in designing the regional strategy for information society, the strategy for broadband development to increase public access to fast internet through establishing key priorities, targets and projects to implement the strategy etc.

**Honourable Ministers,**

Regional Cooperation in energy sector entails great mutual benefits for the member states as ECO region includes states with energy deficit as well as States endowed with ample energy sources as diverse as Oil, gas and hydro power. Utilizing these strengths for mutual benefits has however remained a challenge for various reasons. ECO is striving hard to create synergic arrangements in energy sector cooperation;

The 4<sup>th</sup> ECO Ministerial Meeting on Energy/Petroleum will be held in Turkey will review ECO Plan of Action for Energy/Petroleum Cooperation (2011-2015) and consider its possible extension/revision, which will capture priority areas for reinvigoration of potential partnership frameworks and key action points for engagement of regional and global energy actors.

On energy trade some progress has been reached since the 1<sup>st</sup> Experts Group Meeting on "Establishment of ECO Regional Electricity Market (ECO REM)" in 2013. ECO Secretariat was engaged in intensive consultations with Iran and Turkey and elaborated draft Terms of Reference (TOR) for a feasibility study on establishment of ECO REM. The 1<sup>st</sup> Iran-Turkey Bilateral Meeting on "ECO Regional Electricity Market" held in Ankara on 25-26 September 2014, was an important follow-up event to implement the key action points decided before and paved the way for further dialogue to create synergies and benefit from the complementarities. The 2<sup>nd</sup> Iran-Turkey bilateral Meeting on ECO REM was in May 2016 recommended to define criteria and guidelines for hiring the 3 consultants to prepare Feasibility Study for establishment of ECO REM. The 3<sup>rd</sup> Iran-Turkey Bilateral Meeting planned be held at the Managers Level in Turkey in 2016, and will define future strategy/roadmap for engaged stakeholders.

On partnership with private sector on energy, the 1st Meeting of the ECO Public and Private Sector Energy/Petroleum Consortiums/Companies was held on 16-17 August 2016 in Tehran, Islamic Republic of Iran. Meeting agreed on establishment of ECO Energy Consortium(s), covering cooperation and projects on oil and gas, power, petrochemical and renewable energy sectors, with involving financial institutions, like ECO Trade and Development Bank and Islamic Development Bank to finance ECO energy projects.

3<sup>rd</sup> Meeting of ECO Experts Group and the 5<sup>th</sup> ECO Workshop on Renewables held in September 2014 in Kabul (in fact first ever international energy events in Afghanistan), once again reaffirmed stakeholders commitments to enhance regional and interregional synergy for energy sector cooperation.

In the environmental domain Secretariat has achieved progress in last 12 months as 2 high level environmental gatherings one in Paris, the ECO Senior Environment Officials Coordinating Meeting on 7<sup>th</sup> December 2015 on the sidelines of the 21st UNFCCC Conference of the Parties in Paris (COP 21 and the other in Nairobi, The 2<sup>nd</sup> ECO Consultative Ministerial Meeting on Environment was held on 27<sup>th</sup> May 2016, on the sidelines of the 2nd United Nations Environment Assembly (UNEA2) , which stimulated all-inclusive dialogue on region's perspectives within ongoing global climate negotiations, projected agreement for new climate regime, raising profile of ECO region within diversified multilateral climate financing mechanisms.

Moreover, ECO organized ECO Biodiversity Week in Antalya, Turkey in March 2016, including "Workshop for Capacity Building and Sharing Best Practices on Biodiversity", "2<sup>nd</sup> ECO Pre-COP Meeting of the Convention on Biological Diversity (CBD)", and the "3<sup>rd</sup> Experts Group Meeting on Biodiversity (6-7 March), respectively. The 6<sup>th</sup> ECO Working Group Meeting on Environment, in collaboration with ECO Science Foundation, was held on 1-2 June 2016 in Islamabad. During the 3<sup>rd</sup> Experts Group Meeting on Biodiversity, ECO Senior Biodiversity Experts adopted the 5-Years Biodiversity Work Plan in ECO Region (2016-2020).

It is heartening to inform that ECO has already been granted Observer Status at IPCC (April 2016), UN Convention to Combat Desertification (UNCCD) (12-23 October 2015, Ankara) and UNEP (March 2015). UN Convention on Biological Diversity (UNCBD) also welcomed ECO's participation, as an observer, in the COP 13 of UNCBD to be held in Cancun, Mexico in December 2016. ECO is also included in the list of organizations, which have been granted provisional admittance to attend the United Nations Climate Change Conference taking place in Marrakech, Morocco, 7-18 November 2016.

Bearing in mind the special role of forests in and their contribution to climate mitigation and, the Secretariat has established a close working relationship with United Nations Forum on Forest (UNFF) and co-organized the "Regional Capacity-building Workshop on Designing Projects on Sustainable Forest Management (SFM)" in the ECO Region on 26-30 October 2015 at the ECO Secretariat in Tehran in a follow up to earlier workshop held in April 2014. The Secretariats of the UNFF and ECO are jointly organizing meeting to explore means to enhance the involvement of regional organizations in the International Arrangement on Forests (IAF), during 26 - 28 September 2016 at the ECO Headquarters in Tehran, Iran.

**Mr. Chairman,**

Agriculture is key sector and essential in achieving food security for ECO region and developing countries. The occupies a considerable share in the compositions of GDP 11 percent and employing 37 percent of labor force.

The region is very rich in variety of soil, environmental and climatic conditions, suitable for crop and livestock diversification. Despite the modest increases seen in recent years there is still an untapped potential for the growth of agricultural production and trade.

ECO, as a regional organization dedicated to economic and social development of its member states accords top priority to food security and agricultural development in the region. In this regard, the ECO Regional Programme for Food Security (ECO-RPFS), has launched a comprehensive focuses on enhancing agricultural production and trade capabilities in the Member States in 2008.

The ECO-RPFS is under implementation process. In this regard, the 2<sup>nd</sup> Meeting of the Programme Steering Committee of the ECO-RCC for Implementation of the ECO-RPFS scheduled to be held on 26 September -1 October 2016 in Ankara, Turkey.

The joint ECO/FAO-SEC Project on Seed Sector Development in the region, which was started its implementation in May 2013 was successfully completed with organizing The Final Regional Seed Workshop on Project 'Seed Sector Development in Countries 4-6 November in Antalya, Turkey. A Draft ECO Seed Agreement has been formulated and ECO Regional Seed Strategy document is also under process of finalization as the products of this project.

The FAO/ECO Joint Project on Technical Assistance for the Formulation of Strategies for the Control of Peste des Petits Ruminants (PPR) at Global and Regional Levels with main objectives to formulate the Strategies for the Control of the PPR at Global and Regional Level has already completed with outcome of the prepared project document on the Strategies for the Control of Peste des Petits Ruminants (PPR) in 2016.

Moreover, the 2<sup>nd</sup> Working Group Meeting on the Establishment of ECO Center of Excellence for Efficient Water Utilization for Agriculture (ECO-CEEWUA) was held in Islamabad, Islamic Republic of Pakistan on 25-26 July 2016. The main outcome of the meeting, was amendment the Statute of the Center, Draft Plan of Action for Feasibility Study of the Establishment of ECO-CEEWUA and Project Proposal for conducting a Feasibility Study for Establishment of the ECO-CEEWUA.

It was decided to convert the Project Proposal for conducting a Feasibility Study for Establishment of the ECO-CEEWUA into a bankable project by FAO and IDB, which to be submitted to IDB for financial assistance.

The Central Secretariat for ECO-RISCAM (Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology) is in the process of establishment and will be inaugurated in the Tehran in very short course. This Secretariat will be an instrumental unique body of the Organization to contribute to the strengthening of the quality infrastructure in the region through cooperation with the relevant international organizations.

The Draft Memorandum of Understanding with WIPO (World Intellectual Property Rights) is in the process of conclusion between ECO and WIPO which will contribute to promotion and development of Intellectual and Industrial property rights in the region.

The Republic of Turkey will host the 3<sup>rd</sup> Meeting of the ECO Tourism Ministers and the 5<sup>th</sup> HLEG Meeting on Tourism in 2016 along with ECO/ASEAN Forum on Tourism and the First Working Group on preparation of ECO Tourism strategy.

The Secretariat has embarked on several activities to revive tourism along the Ancient Silk Road and in this connection has co-organized the ECO - Silk Road Food Festival in Zanjan, the first of which was held on 31 August- 04 September 2015 in Zanjan and will continue on annual basis in the same venue.

The Secretariat has also obtained the approval of the CPR to establish relations with UNWTO (World Tourism Organization) and is in the process of concluding an MoU for inclusive cooperation, through which the tourism industry in the region will be properly addressed.

Secretariat in line with its mandates has so far participated in 6th UNWTO Silk Road Task Force Meeting on 22- 24<sup>th</sup> April, 2016 in Urmia and the First Tourism Ministerial Meeting of Asia Cooperation Dialogue (ACD) on 29-30 August 2016 in Tabriz.

The Disaster Risk Reduction is also vital in the Post-2015 development agenda. ECO Region is suffering terribly from natural hazards, such as earthquakes, landslides, drought and floods. Over the past two decades, there has been a steady increase in the incidence rate of disasters in the Region. The majority of the 440 million ECO Region's inhabitants live in the moderate to very high risks earthquake hazard areas. The geographical vulnerability of ECO countries and the Region as a whole is exacerbated by phenomena such as climate change and urbanization.

This is why ECO Member States have since long explored regional and collective response to these phenomenal risks which constantly claim their economic and human capitals. ECO Secretariat is in the process of revisiting regional approach to disasters, developing new ECO regional framework for disaster risk reduction. To that end, an expert's group meeting will be held in October this year in cooperation with Islamic Development Bank to work on the draft regional framework which includes, among others, regional approach to the four priorities of the Sendai Framework. The framework which will be prepared by the experts group meeting will be discussed and endorsed in the "8<sup>th</sup> ECO Ministerial Conference on Disaster Risk Reduction", scheduled for November 2016 in Turkey.

ECO has also joined as supporter to an UNESCO-Habitat Project on Seismic Hazard and Risk Analysis focusing on 4 ECO Member States, namely, Afghanistan, Iran, Pakistan and Turkmenistan. ECO Secretariat just hosted an induction workshop for the Project on 30 May - 1 June 2016. ECO Secretariat is also in the process of establishing more concrete working relations with ESCAP on disaster issues. ECO and ESCAP may soon start cooperation on implementation of the ESCAP resolution on sand storms as well as implementation of ECO project on dust haze and sand storms.

#### **Excellencies,**

Cooperation with other regional and international organizations is also being strengthened in order to support the common objectives of sustainable regional development. ECO is organizing activities to strengthen its cooperation with the ASEAN. An ECO-ASEAN Coordination Meeting is being held on the sidelines of this UNGA's 71<sup>st</sup> Session in order to revive ECO-ASEAN Cooperation and establish mechanisms for collaboration. ECO is also in the process of consolidating its ties with its Observer Members as this year saw the renewal of the observer status of the Turkish Republic of Northern Cyprus. Similarly, measures are being taken to promote ECO's cooperation with CICA, D-8, and others.

ECO continued working closely with the Member States for developing collaboration in the sphere of economic policy making and collection and use of Statistics. In 2016 ECO successfully implemented the Country-Stat project in Afghanistan with the collaboration of FAO with wrap-up workshop in July 2016. ECO and FAO have jointly developed a project for "establishing a data- and knowledge-sharing network to strengthen natural resource and agriculture management in the ECO region" and ECO is contacting various international agencies to become the funding partners for the project. ECO in collaboration with the Finance Ministry of Kirgiz Republic successfully conducted Training on "Econometric Modeling for formulating economic policies" for the economists of the member states in March 2016 as well.

Security concerns of the ECO Member States led to the idea of having a police organization with the name of ECOPOL. ECOPOL is envisaged to be the police of ECO Region entrusted with multifarious responsibilities such as exchange of information, investigation and analysis etc. ECOPOL is under process of establishment. Three important meeting including one Chiefs of Police of the ECO Member States and two experts' group meeting have been organized by ECO in order to finalize the draft statute of ECOPOL.

The specialized agencies of ECO are taking appropriate measures to promote regional cooperation in the fields of culture, education, and science and technology. Availing this opportunity, I would like to encourage the Member States which have not yet joined these bodies to do so at the earliest and to support their activities.

### **Excellencies**

Under main document of ECO 'the Izmir charter' art IV the heads of States of the ECO member countries shall biannually or more often if considered necessary, unfortunately the ECO Summit has not been held since 2012. As world embarks on a new development agenda under SDGs agreed in 2015, there is a need that ECO Head of States come together and guide ECO for the future directions in line with the changing priorities of the region and new world development agenda. ECO in present circumstance requires close and intimate support of the Member States to guide it towards perceived common goals for regional development and prosperity and equipped the organization with appropriate financial and administrative means to achieve them.

### **Distinguished participants,**

In line with the international community's post 2015, development agenda "the Sustainable Development Goals (SDGs)" approved during the 70<sup>th</sup> Session of UNGA in 2015, ECO is also in the process of developing its Vision for coming 10 years, namely, the "ECO Vision 2025". The draft document has been prepared after continuous engagement and inputs from the Member States. This document is prepared built on the lessons learned from implementation of the ECO Vision 2015 adopted in 2005 in Astana. The draft Vision 2025 attempts to address the emerging needs and requirements for economic development of ECO member states and the Region as a whole. The draft vision document attempts to focus on core matter like trade, transport connectivity and energy as per the needs and aspirations of the member states and the same time Tourism is another sector on which member states have agreed to focus realization its great potential for the states as well as the region. A comprehensive framework for implementation and periodic review has been included to ensure its optimal implementation.

### **Mr. Chairman,**

As you well know, ECO has always supported the lasting peace, security, prosperity and growth in Afghanistan. At the time when ECO is developing its new Vision for the next 10 years and in line with international community's supporting programmes for Afghanistan, ECO is now planning to hold its special conference on Afghanistan, to be co-organized by the Secretariat and the Government of Afghanistan from 22-24 October 2016 in Kabul. The Conference, coupled with the Meeting of the ECO Ministers of Planning and Development, is expected to take stock of the impacts of the ECO programmes and projects on Afghanistan and to develop new ECO Advocacy Policy for Afghanistan in the years to come.

We are grateful to the generous offer by the honourable Minister of Economy of Afghanistan to host this important conference. I will highly appreciate if this extraordinary COM session extends its support to the Conference and to give policy advice to make it a real success for the Organization and Afghanistan.

**Mr. Chairman,  
Honorable Ministers,  
Excellencies,**

Before concluding, I would like to bring to your attention one of the biggest challenges encountering ECO and its viability. ECO is facing financial constraints which have seriously affected the performance of the Organization. The non-payment or unilateral reduction of contributions by some Member State has resulted in one of the biggest challenges encountering the Organization in the third decade of its activities. We realize that availability of sufficient resources is imperative for the realization of ECO Vision and its goals. This is why I would like to stress for timely resolution of the issue of "Scales of Assessment" by Member States to realize the goals of regional cooperation and joint prosperity.

I would like to once again thank your Excellencies for your participation in this important and timely meeting and would like to reiterate the need for your valuable support and contributions to the Organization. Let me conclude by expressing my sincere thanks to the organizers of this Extraordinary Meeting of COM, particularly the Permanent Mission of the Islamic Republic of Iran in New York and my colleagues at the ECO Secretariat, as well as the UN Secretariat for making this meeting possible.

**I thank you for your kind attention**