



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

**at the
22nd Council of Ministers (COM) Meeting**

28 February 2017, Islamabad

**Distinguished Mr. Chairman,
Honourable Foreign Ministers of the ECO Member States,
Dear Participants,
Ladies and gentlemen,**

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

Notwithstanding that the Extra-ordinary COM Sessions were held in New York, COM has not been able to convene its regular Meeting for more than three years to comprehensively discuss the socio-economic, political and scientific developments taking place at the regional and global levels.

So allow me to share with you information on the ECO overall profile.

Excellencies

The population of ECO Region has reached to 471 million with the 30 percent increase compared to the world population increase of 20 percent in the last 15 years.

Meanwhile, total GDP of the member states crossed US \$ 1 trillion and 795 billion and income per capita is close to US \$ 4,000.

The share of ECO's aggregated GDP to the world GDP improved from 2.06 percent in 2000 to 2.63 percent in 2015.

On the trade count, ECO has modest performance. The share of ECO merchandize trade to world trade reached 2.10 percent in 2015 from 1.41 percent in 2000.

ECO's intra-regional trade witnessed improvement to 8.7 percent in 2015 as against 5.3 percent in 2000, that is requiring concerted efforts to boost it to targeted 20 percent.

These figures taken from the ECO Report that is prepared for this Summit, Fifteen Years of Economic Cooperation and Development (2000-2015), illustrate the sustained progress and advances that the region has made since the new millennium started, despite huge challenges on internal and external fronts including global financial crisis, international economic slowdown and sharp fall in oil prices. Taking this forward will require sustained efforts and explore possibilities with a range of partners, regional as well as international, to exploit the vast potential.

Mr. Chairman,

During the period from the last COM Session, ECO has 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 other issues of global and regional importance, including food security, environment, industrial production and tourism, were also pursued within ECO .

In **trade and Investment sector**, the ECO Trade and Development Bank (ECOTDB) has expanded its operations and membership. Trade Capacity Building Project is being carried out in collaboration with the United Nations Industrial Development Organization (UNIDO) in the areas of Standards and Quality. ECO Reinsurance Company is the low hanging fruit of the Organization. However, non-implementation of ECOTA calls for a new approach.

Activities of ECO in **Transport Sector** remain the strongest; under the 'Transit Transport Framework Agreement (TTFA)', important initiative have been undertaken in partnership with IDB, which include approvals of several road and rail corridors. This would better connect the region internally and with the rest of the world. Special emphasis has been given to corridors which will give access to ECO land-locked countries to major sea ports in the South and markets in East and West. At present, two feasibility studies are in-process for ITI and KTAI road corridors. ECO in partnership with en-route member countries will be embarking on commercialization of KTI Railway corridor through an 'exclusive corridor management mechanism' teaming up with IDB and UNESCAP. A study on development of border points and harmonization of customs provisions has been finished successfully.

On ICT, ECO in collaboration with the ITU has successfully conducted a study in 2016 on ICT needs of the region, which will be presented along with 'ICT Strategy for the ECO Region' to the upcoming ECO ICT ministerial meeting for approval and implementation.

In the Energy Sector, we have little cooperation at the regional level in ECO platforms. Despite the fact that major pipeline projects are out of the ECO portfolio, certain progress in the ECO Regional Electricity Market (REM) and in renewable and alternative energy sources has been achieved.

Environment, as a cross-cutting sector in the region and in the world, got more interest from member states and international organizations. ECO has worked closely with UN institutions and was granted Observer Status in the respective UN organizations and conventions. Two major projects regarding environmental standards and combating desertification have been conducted.

Excellencies

Agriculture is a key sector and essential in achieving food security for ECO region and developing countries. It employs 37 percent of total active population of the region. Under the ECO Regional Programme for Food Security several projects have been implementing targeting the food security through collaboration with relevant international organizations.

In the Industry Sector, the premises of the ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology and its "Technical Management Board of Conformity Assessment were officially inaugurated, and the ECO Nanotechnology Network (ECONAN) has been established. The Memorandum of Understanding for ECO - WIPO cooperation on intellectual\industrial rights is finalized for signature.

In line with the Sustainable Development Goals, **tourism** development has been proposed as priority area in the ECO Vision 2025. Two International ECO-Silk Road Food Festivals were held; preparation of Memorandum of Understanding with the United Nations World Tourism Organization (UNWTO) is in process and the Secretariat is negotiating with UNESCO to utilize mutual potentials of the two organizations for promotion of tourism activities and enhance the capacities of the region.

ECO has been conducting several **research** projects through ECO regional centers and NGO's of member states.

"Economic Management Modeling in the ECO member countries" and (ii) "Analyzing Food Security Issues in the ECO Region" have been studied by Institute for Development Economics of Pakistan (PIDE), and two new economic research projects "Setting Social Accounting Matrix (SAM) and capacity building for Azerbaijan, Kazakhstan, Kyrgyzstan and Tajikistan" and "Decomposition on Input-output Table at the Regional Level" are under process. The ECO-FAO joint project on CountrySTAT Programme in the Food and Agriculture Sector is also worth mentioning. Approval of the Memorandums of Understanding with OIC-SESRICT and the Turkish Research Center TEPAV are under process.

Establishment of ECO Research Centre in Baku as the ECO economic think tank is also imminent.

Excellencies,

Having derived the guidance from the Treaty of Izmir, decisions of the Summits and COM, ECO has developed its external relations.

ECO enjoys observer status with the United Nations and its various organs such as UN Environment Assembly, UN Convention to Combat Desertification, UN Convention on biological Diversity, UN Framework Convention on Climate Change, Intergovernmental Panel on Climate Change, United Nation Conference on Trade and Development, World Trade Organization, the Organization of Islamic Conference, and the Islamic Development Bank. Reciprocal observership between ECO and Energy Charter Treaty Secretariat is now before this COM meeting for formal approval.

Over the years, ECO has signed 45 MoUs and Agreements with the UN system as well as other regional and international organizations. It merits mentioning that certain MoUs/Agreements are in the different phases of process like the ones with World Intellectual Property Organization (WIPO), United Nations Office for South-South Cooperation, and World Tourism Organization to enhance scope of activities for development of the ECO-region.

Excellencies,

In line with the international community's post 2015 development agenda and the "Sustainable Development Goals (SDGs)", ECO started to develop its Vision for coming 10 years, namely, the "ECO Vision 2025". The draft document has been finalized after continuous engagement and inputs from the Member

States. This document is built on the lessons learned from implementation of the ECO Vision 2015 adopted in 2005 in Astana. The draft Vision 2025 addresses 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 areas of trade, transport connectivity and energy, as per the needs and aspirations of the Member States, as well as tourism as another sector on which Member States have agreed to focus on realization of its great potential for the Member states. I sincerely hope that the Council today may adopt this important document.

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

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 and unilateral reduction of contributions by some Member States have resulted in one of the biggest challenges encountering the Organization. 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 “Scale of Assessments” by Member States to realize the goals of regional cooperation and joint prosperity.

Before concluding, 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 Islamic Republic of Pakistan for hospitality provided to the delegations and excellent organization of all events.

I thank you for your kind attention