

**Statement of the ECO Secretary General, H.E. Mr. Khusrav Noziri
at the 3rd General Conference of PAECO
Baku, May 17, 2022**

**Your Excellency Madam Sahiba Gafarova, the honourable Speaker
of the Milli Majlis of the Republic of Azerbaijan,
Honourable Speakers/Heads of the Parliaments of ECO Member
States,
Excellencies,
Ladies and Gentlemen,**

It is a matter of great privilege and honour for me to participate in this 3rd General Conference of the Parliamentary Assembly of ECO Member Countries (PAECO). I would like to thank and felicitate the Government of the Republic of Azerbaijan and, in particular, Her Excellency Madam Speaker, who has made it sure to organize this important event in the beautiful city of Baku. Moreover, I also acknowledge with deep appreciation and pleasure the excellent arrangements made by Azerbaijan's managing authorities, to facilitate the visiting delegations.

Excellencies,

The increasing role of parliaments in the regional and global relations as well as growing attention given to the parliamentary diplomacy is a phenomenon being observed worldwide. Within this context, I have, no doubt, to say that the establishment of PAECO is one of the most remarkable developments in the historic journey of ECO made on the wise and astute initiative of the renowned Parliamentarian and the former Speaker of the National Assembly of the Islamic Republic of Pakistan, Her Excellency Dr. Fehmida Mirza who proposed the creation of PAECO in 1993. Ever since the establishment of PAECO, all ECO Member States have appeared to make and continue their collective efforts for enriching and fortifying the forum. I am glad to state that after deposition of the fourth instrument of ratification by Azerbaijan in June 2021, the Charter of PAECO has formally come into force.

Let me recall that given the hardworking conditions developed due to the post-COVID challenges, the Organization is determinedly dedicated and devoted to make all possible efforts to address the region's

needs and requirements. Core objective behind such an approach is to fuel the slackened activities, especially in most essential areas of development, to normalize the socioeconomic conditions of the regional community. The targets set forth in the ECO Vision 2025, adopted during the 13th Summit at Islamabad, lead the Organization to make focussed and concerted efforts in some priority areas of mutual cooperation for making accelerated progress to achieve shared socioeconomic development and prosperity in the entire ECO region.

The post-24th COM period witnessed the ECO's shift to become more project-based and result-oriented regional economic organization, while adding and increasing the representation of some non-and-under-represented Member States in the ECO's organizational affairs. As a result, the sense of ownership increased with an enhanced partnership in the Organization. In addition, the 25th COM augmented the ECO's project-based approach, enabling us to make acceleration in our bid for small, medium and large-scale development in the region. The Member Countries' continued adherence to this factitive approach is seen as quite encouraging and supportive for maintaining ECO's journey for attaining maximum regional development and integration.

Dear Participants,

Following the recent guidance of ECO Heads of State/Government given during the 15th Summit, as well as based on the decisions of the 25th COM, we are working in close collaboration with Member States, especially to ensure maximum trade and connectivity in the region. Though a lot is there to narrate, I am required to respect the limitation of time.

I would therefore brief on some specific but quite significant activities and initiatives of the Organization that include (i) trade liberation through a preferential trade framework to create trade flows and increase intra-regional trade and contribution to the global trade, especially exports; (ii) trade facilitation to reduce the cost and time of doing business to meet the targets of trade expansion and (iii) trade promotion through focused activities aimed at boosting the region's trade profile.

Paving the way to this direction, the Member States have been closely collaborating for ensuring smooth implementation of some agreed and relevant legal and institutional frameworks, such as ECO Trade Agreement (ECOTA), ECO Agreement on Promotion and Protection of Investment (APPI), Agreement on the Establishment and Operation of ECO Smuggling and Customs Offences Data Bank, Agreement on Simplification of Visa Procedures for Businessmen of the region, ECO Re-Insurance Company and some other important mechanisms.

We are also working for establishing a Regional Payment System to facilitate financial transactions among the selected commercial/private banks in our region, using local currencies to the possible extend, and the prospects of creation of ECO Clearing Union among the Central Banks of the Member States. Considerable progress has been made towards such ends.

Without strong connectivity, the concept of greater integration seems to achieve no sane aim. Thus, ECO places transport on top of its regional development agenda, working on several transport projects. A notable progress has been seen as regards (i) the finalization of commercialization of KTI Corridor; (ii) operationalization of ITI Cargo Train; (iii) implementation of some parts of KTAI Corridor and (iv) operationalization of ECO-ITI Road Corridor.

Apart from this, the Organization is in process of ensuring smooth implementation of several other initiatives that can play instrumental role in the joint socioeconomic development of the region. Such projects include, ECO Clean Energy Centre (established in Baku under the decision of the 25th COM in November 2021), ECO Regional Electricity Market, ECO Tourism Action Plan, Regional Consultation Mechanism for technical cooperation on communicable diseases, especially COVID-19, and Regional Capacity on Intra-Regional Trade of Pharmaceuticals as well as Enhancing Capacity in the member countries to scale up disaster management framework for cascading risks, ECO Regional Program for Food and Security aimed at enhancing regional standardization cooperation.

Distinguished Participants,

The regional and global economies have witnessed substantial decline due to the challenges posed by COVID-19. This situation appeared to depress the socioeconomic progress at national, regional and global levels. Our region covers 6.6% of the global population, contributing only 2% in the global trade. The region's share in the global trade amounted to US\$ 661 billion in 2020 with exports of \$ 289.78 billion and \$ 371.4 billion imports. The intra-regional trade remained around US\$ 49.8 billion in 2020 which is almost 7.5 % of the region's global trade. The primary reasons for this low share include, inter alia, lack of complementarities among the region's economies, as well as the decline in the trade and economic activities during the peak of the pandemic.

The post-pandemic economic recovery is unavoidably linked to an increased and scaled-up cooperation amongst the Member States. To normalize, maintain and accelerate regional trade and related activities as well as overcome the impediments to this end, an expanded collaboration is needed. To meet its objectives, the Organization needs a complete and unyielding back-up of the Member States especially the support of decision-making leadership. Relevantly, the role of our parliaments is quite significant to speed up and finalize the signing and ratification process in regard to several important ECO legal frameworks which require immediate conclusions to continue moving on the ECO's roadmap of cooperation for greater regional integration.

In this context, I would stress on an early and full-fledged operationalization of the PAECO that can be an unparalleled ECO entity to ensure expedited execution of the Organization's agenda of mutual cooperation and development in the region. To this end, it may be mentioned that signing of the Charter of PAECO by some member countries during the 1st and 2nd General Conferences is well-acknowledged. This 3rd PAECO event is another good opportunity for the remaining ECO nations to join the Charter keeping in mind and sight the larger interest of our region. I would, therefore, like to encourage them for expediting their internal processes and procedures in this regard.

Let me recall that the 2nd PAECO event in Islamabad appeared to be a great success, making concrete conclusions on, inter alia, the PEACO's

Rules of Business, formation of committees on Trade and ECOTA, Communication and Connectivity, Women Youth and Cultural Affairs (Azerbaijan receptively agreed to head and host this important committee), creation of General PAECO Fund, PAECO Branches in the Member Parliaments, unanimous adoption of Islamabad Declaration etc.

Excellencies,

Taking this opportunity, I would like to recall and re-emphasize the importance of the proposals made by my predecessor during the 2nd PAECO Event regarding the (i) institutionalization of parliamentary cooperation; (ii) creation of ECO branch or Special Committee in every respective parliament of the Member States; (iii) expediting the ratification process of ECO Agreements, Protocols and other legal frameworks; (iv) supporting the annual budget of the ECO Secretariat and other ECO Specialized Agencies/Affiliated Bodies/Institutions and (v) backing the ECO's project-oriented approach by prioritizing the implementation of regional projects and merging them in the national development plans, as well as allocation of sufficient funds in the annual national budget acts.

I am confident that the outcomes of this 3rd and important PAECO's interaction will take us to further advancement and an elevated level of cooperation amongst the Parliaments of the Member Countries. In the larger prospect, this would serve the overall interests of the region.

Thank you!
