

**Statement by the ECO Secretary General H.E Amb. Khusrav Noziri  
for the Meeting of Presidents of the Member Chambers of ECO CCI  
on "New Approach of the ECO CCI - 2025"**

3 October 2022 at 13:00 p.m. - Tehran Local Time (virtual mode)

**Honourable Chair,  
Excellencies,  
Distinguished Participants & Delegates**

I would like to express my profound gratitude to H.E. Mr. Gholam Hussein Shafie, President ECO-CCI, & the President, Iran Chamber of Commerce, Industries, Mines, and Agriculture (ICCIMA), for scheduling this meeting. We really appreciate the ECO-CCI on account of their devoted efforts for enhancing private sector cooperation among the ECO Member States and their commitment for integration of the ECO region.

I would also like to congratulate Dr. Sama Farkhondeh Nezhad for assuming responsibilities as the new Secretary General of the ECO CCI and while welcoming her to the ECO fraternity, assure our complete support to facilitate her fresh assignment. I further take this opportunity to extend my gratitude to Mr. Adam Khula for his valuable contribution as Secretary General of the ECO CCI.

**Excellencies,**

As you are well aware, with an area of 8 million sq. km the ECO region is home to half a billion inhabitants counting for more than 6.3 percent of world population having the youth in majority. However, when we see the global trade contribution of our region, it stands at around 4 percent in 2021, falling below its commensurate potential. The ECO's trade with the world has been recorded at US\$ 927.8 billion out of the total world trade of US\$ 22.211 trillion. It is worth mentioning that the pandemic induced contraction of world merchandise trade by slightly over 7 percent in 2020 was followed by a rebound from US\$ 17.7 trillion to about US\$ 22.211 trillion in 2021. The world merchandise exports increased by 16 percent in the first three months (Q1) of 2022, while the merchandise imports increased by 20 percent in the same period.

The intra-regional trade remained around US \$ 56.8 billion in 2020 which has grown to 76.3 billion in 2021, as reported so far, with imports

recorded at US \$ 35.5 billion and exports recorded at US\$ 40.8 billion. The reported intra-regional trade is only around 8.2 percent of region's trade with the world. There are several reasons for this low share, including the lack of complementarities among the regional economies, high costs of starting and doing business and high costs involved in intra-regional trade due to Tariff and Non-Tariff Barriers.

The private sector acts as an engine of growth in any economy and the ECO Secretariat has always attached immense value to participation and contribution of private sector in all the initiatives for the economic integration and sustainable growth of the region. The business communities of the Member States have an important forum to voice themselves through ECO. One of the major obstacles that the ECO business community faces in trade facilitation is the timely issuance of visa. Business community around the world have a strategic position and to solve their various issues, including visa facilitation, a draft study project on Visa Stickers has been circulated among the Member States for their views/comments. In line with the discussion in the last CPR Meeting, the ECO CCI has been consulted to draft a questionnaire to solicit views of the Member States on the specific points.

### **Distinguished Delegates,**

At this point, I would like to inform about the following ECO activities related with trade & investment.

1. I am pleased to inform you that the Agreement on Promotion and Protection of Investment (APPI) has been ratified by four ECO Member States and it will be operationalized very soon to bolster the confidence of the investors in the ECO region. Operationalization of the ECO Reinsurance Company (ERC) is also expected soon giving rise to the prospects of secure trade in the region. The Secretariat has already suggested the National Chambers of the non-signatory Member States to pursue their governments to consider joining these two forums for increasing secure investment and secure trade.

2. The 1<sup>st</sup> Meeting of ECO Heads of Capital Markets Supervisory Authorities was virtually hosted by the Islamic Republic of Pakistan on 29<sup>th</sup> of August 2022. The meeting concluded with demonstration of interest and readiness by ECO Member States to vehemently follow the

required process towards formation of the Capital Market Supervisory Authorities' Forum of ECO Members. Islamic Republic of Iran kindly volunteered to host the 2<sup>nd</sup> Meeting of Capital Market Supervisory Authorities.

3. The 1<sup>st</sup> Working Group Meeting of the Experts for finalization of Data Element of Electronic Data Interchange (EDI) was hosted, virtually, by the ECO Secretariat on 19<sup>th</sup> of July 2022. The meeting emphasised that the electronic interchange of trade data is an important step in trade facilitation aiming at reducing the cost and time of trade transaction in the region.

4. The 9<sup>th</sup> Meeting of the ECOTA Cooperation Council (ECOTA CC) is scheduled to be hosted by I.R. of Pakistan. However, the event could not be held so far due to lack of quorum. Operationalization of the ECOTA is the single leap forward that can pave the way for sustainable economic growth in the region through creation of greater flows in trade and investment. I would like to urge the business community and the National Chambers present here, to kindly pursue their respective governments to participate in the efforts to invoke ECOTA. The Secretariat is endeavouring to hold 9<sup>th</sup> Meeting of the ECOTA Cooperation Council in 2022 to make some headway.

5. The 6<sup>th</sup> Ministerial Meeting on Finance/Economy is scheduled to be held in the Republic of Azerbaijan on 24-25 October 2022. This meeting would be a great opportunity to expand the current scale of existing cooperation and activities amongst the Member States as well as reviewing the economic and financial conditions of the region.

6. The Secretariat also conducted a feasibility study titled 'Regional Payment System in the ECO' to facilitate financial transactions among selected commercial/private banks in our region, using local currencies to the extent possible, and the prospects of creation of ECO Clearing Union among Central Banks of the Member States. The initiative, if implemented, would be beneficial for payment related issues in the coming years on a multilateral basis as well as making these transactions more transparent, predictable, uniform and safe with less pressure on the Foreign Exchange Reserves by using local currency swap arrangements for financing imports is important. The National Chambers may pursue their respective governments to expedite their views and nominations of

private Banks for the Regional Payment System.

**Distinguished participants,**

We look forward to a more proactive role of the private sectors through National Chambers with a closer liaison with their governments, to remove the impediments in regional trade integration by trade liberalization to reduce customs tariffs and eliminate Non-Tariff Barriers (NTBs) through trade facilitation measures in customs procedures, trade related payment systems etc.

**Honourable Chair and Distinguished Delegates,**

ECO-CCI regular meetings and interaction of the business communities is a clear manifestation of our shared desire and commitment for improving intra and inter-regional trade. We hope that this meeting would be productive and result-oriented. It would not only benefit the Member States in improving the capacities of their relevant institutions and professionals but would also pave the way for bright future. As already proposed by the Secretariat, the ECO-CCI may consider setting up a regional task force, in this regard, to coordinate with private sectors and business communities across the ECO region and identify the maximum ways and means for enhancing their collaboration to this end.

**Excellencies,**

While concluding, I assure that the ECO would provide every possible support to facilitate the smooth accomplishment of our development targets which are aimed at securing collective socioeconomic wellbeing of the region.

Thank you for your attention.

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