

**Special CPR Meeting  
Acting as Senior Officials Meeting  
for  
Extraordinary Session of ECO Council of Ministers  
(Extraordinary COM)**

**Report**

20<sup>th</sup> September 2015  
ECO Secretariat-Tehran

## Report

The Special CPR Meeting acting as Senior Officials Meeting (SOM) for Extraordinary Session of ECO Council of Ministers (COM) on the sidelines of the UN General Assembly New York was held on 20<sup>th</sup> September 2015 at the ECO Secretariat. The Meeting was chaired by H.E. Mr. Majid Bizmark, Permanent Representative/Director General of the Ministry of Foreign Affairs of the Islamic Republic of Iran. It was attended by the Ambassadors, the Permanent Representatives/Representatives of all ECO Member States except Uzbekistan. The ECO Secretary General along with concerned officials of the Secretariat also attended the Meeting. The list of participants is attached as **Annex-I**.

### **Agenda Item No.1**

#### Adoption of the Agenda

2. The Council adopted the following Agenda of the Special CPR for deliberations:
  1. Adoption of the Draft Agenda of Special CPR Meeting
  2. Preparation for the Extraordinary Session of the Council of Ministers (Extraordinary COM)
    - a. Finalization of the COM Draft Agenda (as contained in document ECO/COM/Extraordinary Session/2015/NY dated 29th July 2015)
    - b. ECO Vision 2025
    - c. Reports to be approved by COM (Reports of CPR, RPC and the sectoral ministerial meetings since November 2013)
    - d. Finalization of the ECO Work Programme 2015-2016
    - e. Audit Reports 2013 and 2014
    - f. Status of Contributions/Arrears
    - g. Scale of Assessments for 2016-2018
    - h. Appointment of the new Deputy Secretary General
    - i. Any other issues
  3. Organizational Information on Extraordinary COM Session
    - a. Status of participation of Member States
    - b. Any other issues
  4. Any other Business

## **Agenda Item No.2**

### Preparation for the Extraordinary Session of the Council of Ministers (Extraordinary COM)

- a. **Finalization of the COM Draft Agenda (as contained in document ECO/COM/Extraordinary Session/2015/NY dated 29<sup>th</sup> July 2015)**
3. The Draft Agenda of **Extraordinary Session of the ECO Council of Ministers (Extraordinary COM)** to be held on the sidelines of the UN General Assembly in New York on 2<sup>nd</sup> October 2015 was circulated to the Member States vide Secretariat's Note Verbale No.CFU/Extraordinary COM/2015/NY/1152 dated 29<sup>th</sup> July 2015. The Draft Agenda addresses emerging and important issues needing immediate decisions by the COM.
4. The Embassy of Republic of Turkey in Tehran vide its Note Verbale No. 2015/99530379-Tehran BE8160448 dated 4<sup>th</sup> August 2015 informed that the Republic of Turkey has no objection to the Draft Agenda of Extraordinary Session of COM to be held on the sidelines of the UN General Assembly in New York.
5. The Secretariat clarified about Agenda Item No. 7(a) i.e. "**Financial and Budgetary Issues** – Approval of the Budget for the years 2014 and 2015" that *the Budget for the year 2014 has already been approved by the 21<sup>st</sup> Meeting of COM in November 2013*, therefore, it is to be dropped and only Budget for the year **2015** needs endorsement from the Extraordinary COM in New York.
6. The Council reviewed and finalized the Draft Agenda for the Extraordinary COM scheduled on 2<sup>nd</sup> October 2015 in New York.
- b. **ECO Vision 2025**
7. The ECO Vision 2015 was adopted by the 15<sup>th</sup> Extraordinary Session of COM (Extraordinary COM) held on 1<sup>st</sup> October, 2005 in Astana. The Vision reaffirmed the commitment of the Member States to the objectives of ECO and defined a number of targets in various areas. As the time period of the Vision 2015 drew to an end, the ECO Secretariat initiated process of assessing the implementation of the ECO Vision 2015 and formulating a new vision for the period 2016-25.
8. Prior to the 25<sup>th</sup> Meeting of the RPC, the Secretariat had shared with the Member States a background paper on ECO Vision (*Note Verbale No.CFU/25<sup>th</sup> RPC/2015/255 dated 23<sup>rd</sup> Feb 2015*). The paper presented a preliminary evaluation of the implementation of the ECO Vision 2015 in various key sectors along with the constraints faced in its implementation and a number of policy proposals for the new Vision.
9. During the 25<sup>th</sup> Meeting of the RPC, under Agenda Item 6, the ECO Secretary General and the Heads of Delegation of the Member States discussed various issues pertaining to the ECO Vision 2015. The Member States stressed on the need for a detailed

and critical analysis of the weak implementation of the Vision 2015. Important decisions regarding formulation of the new Vision were also reached.

10. In line with the recommendation of the 3<sup>rd</sup> ECO Eminent Persons Group (EPG), the Secretariat proposed to the Member States to hold national conferences with the participation of leading think-tanks, scholars, academicians, representatives of business communities and media for preparing a set of national inputs for the new Vision (*Note Verbale No. IR/ECO-Vision/2015/984 dated 1<sup>st</sup> July 2015*).

11. Later this year, the Secretariat has planned to organize a conference, in order to finalize the recommendations for the ECO Vision 2025. This has been reflected in the calendar of events approved by the 25<sup>th</sup> Meeting of the RPC. Moreover, ECO Secretariat prepared the first draft of the ECO Vision 2025 which was also circulated among the Member States vide Secretariat's Note No. IR/ECO-Vision/2015/1436 dated 15<sup>th</sup> September, 2015.

12. The ECO Secretary General briefed the Council introducing already circulated Draft of "ECO Vision 2025". He said that Institutions/Organizations need to have a "Vision" that enables them to focus on their objectives and to communicate and engage better with the related stakeholders. He said that the ECO has a vision that is detailed in the "Treaty of Izmir" in the section covering objectives and principles. He opined that the "Treaty" gives broad focus on different fields so as to follow the trends of economic development for the current period. Thus in the draft version of the document, the Secretariat is following the theme of the Treaty as it has enough space to develop a vision for the next 10 years. A copy of the Secretary General's remarks is enclosed at **Annex-II**.

13. The Secretary General further informed about the roadmap to be followed for preparation, deliberations and finalization of the Vision 2025 to the Council and hoped that the ECO Vision 2025 will be announced in the declaration of the ECO Summit which is scheduled in April 2016 in Islamabad after it is enriched and deliberated upon in CRPs, 26<sup>th</sup> RPC and Conference specially planned for Vision 2025 by ECO secretariat later this year. Implementation on ECO Vision 2025 will start after its deliberation and approval in ECO Summit. He also informed that the Secretariat also intends to start the reform process as soon as the ECO Vision is finalized and approved.

14. The Ambassador of the Islamic Republic of Pakistan thanked the Secretary General and his team for bringing out the first Draft of ECO Vision 2025. He also thanked the Secretary General for succinctly putting across the components of the Vision. He said that the Draft Vision 2025 has been shared with the relevant Government Ministries in the Capital and inputs, once received, would be shared with the Member States. He also shared his opinion that previous vision had incorporated a number of sectors and envisaged certain targets and, therefore, there is need to critically assess its implementation and analyze the reasons which have impeded the achievements of these targets. He was of the view that ECO needs to learn from the experiences and new Vision needs to be framed keeping the experiences and realities of the last 'Vision' and ECO in perspective, as it will set the direction of the Organization for the coming decade.

15. He suggested that the focus of new Vision 2025 needs to be on the priority areas like trade, connectivity, economy and communications and cooperation in other areas could be initiated depending upon the financial situation as well as willingness of the Member States. He also suggested creation of a Working Group to support the process of finalizing Vision 2025. He said that keeping in view the progress made during the last vision, we may set modest but clear targets for the new vision in order to have better results. He said that a strong political will of the Member States as well as vigilant role of the Secretariat is required to implement the prospective new vision effectively.

16. The Ambassador of Pakistan further added that creation of new ECO affiliated bodies may be avoided as has been recommended by the Eminent Persons Group (EPG) and we should focus on making the existing ECO affiliated bodies more efficient as the Organization is already facing financial problems and lack of interest by Member States. He also said that there is a need to develop clear consensus among the Member States before initiating any project. No project activity should be initiated unless half of the membership agrees on the proposal. The role of the Secretariat in this regard would be vital.

17. The Representative of the Republic of Turkey thanked the ECO Secretary General for his briefing on the Draft ECO Vision. He supported the views expressed by the Ambassador of Pakistan. He also appreciated the efforts of the Secretariat and the Member States in drawing-up the draft ECO Vision 2025, which he opined to be very significant document as it is drawing the outlines for the next 10 years. He said that undue haste in finalizing the document will not help and Member States may be given time enabling them to give their inputs on important areas like trade and pending processes like ECOTA etc., so ensuring consensus and broad agreement on this important document. He said that Turkey requires more time to work on this document. He suggested that the present document (Vision 2015) may continue through the year 2016 and during this period all Member States may give comprehensive inputs which will culminate into a comprehensive new document i.e. Vision 2025 which may become effective in 2017.

18. Representative of Pakistan while supporting the views of the Representative of Turkey construed that Vision 2025 document may not be delayed and there needs to be some time-line for its finalization, approval and implementation. He was of the view that there are seven months to proposed ECO Summit in April 2016 which is enough to finalize the Vision 2025 document incorporating all important areas as well as inputs of all Member States.

19. The Representative of the Islamic Republic of Iran appreciated the briefing by the Secretary General on ECO Vision 2025 and the efforts of the Secretariat for providing such a comprehensive document. He added that since the ECO region is a natural disaster prone area and also facing serious environment issues, therefore, these two areas may also be incorporated in the ECO Vision 2025 documents. However, he informed that formal views on the document will be provided later.

20. ECO Deputy Secretary General informed the Council that the Secretariat has finalized evaluation and performance report regarding last 'Vision' giving detailed synthesis of what transpired before and what were the impediments in achieving the targets. He said that the report will be shared with the Member States shortly.

21. After deliberations on the issue of "ECO Vision 2025", the Council decided to submit draft Vision 2025 to the forthcoming Extraordinary COM in New York and seek their guidance as well as mandate to further work on it through inputs from different forums including RPC and CPRs so that a comprehensive document on ECO Vision is finalized and submitted to the ECO Summit Meeting for approval in April 2016.

**c. Reports to be approved by COM (Reports of CPR, RPC and the Sectoral Ministerial meetings since November 2013)**

**(c.i) Reports of CPR Meetings**

22. Since the 21<sup>st</sup> Extra Ordinary Session of COM (26<sup>th</sup> November, 2013), the Council of Permanent Representatives (CPR) has held 16 Meetings (190<sup>th</sup> - 204<sup>th</sup>). The adopted reports of these meetings have been circulated to the Member States, as per the details given below:

<b>S. No.</b>	<b>Adopted Report of:</b>	<b>Number and Date of Circulation</b>
1.	190 <sup>th</sup> CPR Meeting	SG/190 <sup>th</sup> CPR/2014/57 (16 January 2014)
2.	191 <sup>st</sup> CPR Meeting	SG/191 <sup>st</sup> CPR/2014/214 (16 February 2014)
3.	192 <sup>nd</sup> CPR Meeting	SG/192 <sup>nd</sup> CPR/2014/571 (17 April 2014)
4.	193 <sup>rd</sup> CPR Meeting	SG/193 <sup>rd</sup> CPR/2014/865 (9 June 2014)
5.	194 <sup>th</sup> CPR Meeting	SG/194 <sup>th</sup> CPR/2014/1084 (14 July 2014)
6.	195 <sup>th</sup> CPR Meeting	SG/195 <sup>th</sup> CPR/2014/1305 (28 August 2014)
7.	Extraordinary CPR	SG/Extraordinary CPR/2014/1365 (8 September, 2014)
8.	196 <sup>th</sup> CPR Meeting	CFU/196 <sup>th</sup> CPR/2014/1483 (24 September 2014)
9.	197 <sup>th</sup> CPR Meeting	CFU/197 <sup>th</sup> CPR/2014/1755 (16 November 2014)
10.	198 <sup>th</sup> CPR Meeting	CFU/198 <sup>th</sup> CPR/2015/79 (15 January 2015)
11.	199 <sup>th</sup> CPR Meeting	CFU/199 <sup>th</sup> CPR/2015/238 (19 February 2015)
12.	200 <sup>th</sup> CPR Meeting	CFU/200 <sup>th</sup> CPR/2015/534 (14 April 2015)
13.	201 <sup>st</sup> CPR Meeting	CFU/201 <sup>st</sup> CPR/2015/735 (13 May 2015)
14.	202 <sup>nd</sup> CPR Meeting	CFU/202 <sup>nd</sup> CPR/2015/868 (8 June 2015)
15.	203 <sup>rd</sup> CPR Meeting	CFU/203 <sup>rd</sup> CPR/2015/931 (29 June 2015)
16.	204 <sup>th</sup> CPR Meeting	CFU/204 <sup>th</sup> CPR/2015/1335 (1 September, 2015)

23. The copies of these reports have already been posted on the ECO website and will also be made available for further reference.

**(c.ii) Reports of RPC Meetings**

24. The 24<sup>th</sup> and 25<sup>th</sup> Meetings of the Regional Planning Council (RPC) were held in Tehran, Iran on 23-26 February 2014 and 1-5 March 2015, respectively. The Secretariat circulated the Reports of these Meetings along with Annual Calendar of Events (2014-2015 and 2015-2016) to the Member States vide its Notes Verbale No.SG/24<sup>th</sup> RPC/2014/304 dated 11<sup>th</sup> March 2014 and No.CFU/25<sup>th</sup> RPC/2015/361 dated 15<sup>th</sup> March 2015 respectively.

25. The Representative of the Islamic Republic of Iran requested the Council's agreement and proposed addition of following sentence at the end of Para 178 of the 25<sup>th</sup> RPC Report held on 1-5 March 2015:

"The Council agreed that while the outcome of the ongoing reform process is awaited, in order to finalize the charter of ECO-IEST, the Member States shall review its charter and provide the Secretariat & the CPR with their views accordingly."

26. The Representative of the Islamic Republic of Iran further mentioned that while the Secretariat has already circulated the Draft Charter of the Institute but it has not been finalized. He hoped the request will be taken into consideration.

**(c.iii) Reports of Sectoral Ministerial Meetings**

27. The Report of ECO Consultative Ministerial Meeting on Environment held on 25 June 2014 in Nairobi, Kenya on the sidelines of the "United Nations Environment Assembly" (UNEA) was circulated among the Member States vide Secretariat's Note Verbale No. EME/ENV/ConsltMMENV/2014/996 dated 2<sup>nd</sup> July, 2014.

28. Report of the Fifth ECO Ministerial Meeting on Environment held on 17 December 2014 in Istanbul, Republic of Turkey as contained in the document ECO/EME/ENV/5<sup>th</sup> M/5 (17 December 2014) was circulated among the Member States vide Secretariat's Note Verbale No. EME/5<sup>th</sup> MMENV/2014/1924 dated 24<sup>th</sup> December, 2014. The Report also contained Istanbul Declaration on Climate Change and Green Economy in the Context of Sustainable Development.

29. SAFRANBOLU DECLARATION on Post-2020 Agreement on Climate Change adopted By ECO Ministers on 27 March 2015 in Safranbolu, Republic of Turkey was circulated among the Member States vide Secretariat's Note Verbale No. EME/MCENV/2015/444 dated 30<sup>th</sup> March, 2015.

30. Report of the 2<sup>nd</sup> ECO Health Ministerial Meeting held on 19 May 2015 on the sidelines of 68<sup>th</sup> World Health Assembly in Geneva, Switzerland as contained in the document ECO/Health/2<sup>nd</sup> MM/4 (19 May 2015) was circulated among the Member States vide Secretariat's Note Verbale No. HRSD/Health/2015/839 dated 31<sup>th</sup> May, 2015.

31. Deputy Secretary General (T&I,AIT &IR) informed the Council about the holding of another Ministerial Meeting i.e. “4<sup>th</sup> ECO Ministerial Meeting on Finance and Economy which was held on 22 – 23 May 2014 in Astana (Kazakhstan). The adopted report of this meeting has been circulated among the Member States vide Secretariat’s Note Verbale No. T&I/4<sup>th</sup> MMFE/2014/877 dated 10<sup>th</sup> June, 2014.

32. The Council considered and approved the following Reports of Council of Permanent Representatives (CPR), Regional Planning Council (RPC) and **Sectoral Ministerial Meetings** held since November 2013 for their further endorsement by the Extraordinary COM Session in New York:

- (i) **(c.i)** Sixteen (16) Reports of Council of Permanent Representatives (CPR) Meetings (190<sup>th</sup> – 204<sup>th</sup>);
- (ii) **(c.ii)** Two (2) Reports of 24<sup>th</sup> and 25<sup>th</sup> Regional Planning Council (RPC) Meetings; and
- (iii) **(c.iii)** Five (5) Reports of Sectoral Ministerial Meetings

**d. Approval of the ECO Work Programme 2015-2016**

33. The Work Programmes for the year 2014-2015 and 2015-2016 based on the recommendations of the 24<sup>th</sup> and 25<sup>th</sup> RPCs Meetings were circulated to the Member States vide Secretariat’s Note Verbales No. CFU/WP-2014/1065 dated 10<sup>th</sup> July, 2014 and CFU/WP-2015-16/2015/860 dated 7<sup>th</sup> June, 2015 respectively.

34. At 205<sup>th</sup> CPR Meeting it was decided that the ECO Secretariat may update the Work Programme 2015-2016 and place it before the Special CPR in its meeting scheduled on 20<sup>th</sup> September 2015 for approval. The updated Work Program for the year 2015-2016 was circulated to the Member States vide Secretariat’s Note Verbales No. CFU/Work Programme/2015/1423 dated 13<sup>th</sup> September, 2015.

35. The Representative of the Republic of Turkey informed the Council that he has received no instructions from the Capital and, therefore, are unable to approve the Work Programme for 2015-2016. He further updated the Council stating that there was a meeting of Heads of National Statistics Organizations scheduled to be held in the first quarter of 2016. However, due to some difficulties the authorities have conveyed their regret to organize the said meeting in Turkey.

36. The ECO Secretary General sought clarification regarding the Draft Agenda of Extraordinary COM in New York where under **Agenda Item No.5 (b)** approval for “ECO Calendar of Events 2014-2015 and 2015-2016” is sought and the Work Programme is not mentioned.

37. The Legal Adviser of the Secretariat elaborated the position by stating that based on the rules of procedure three documents: (i) Work Programme, (ii) Calendar of Events and (iii) RPC Reports are expected to be reviewed and approved by the COM. He said that according to the Para 2(A) of Rules of Procedure, the Work Programme is to be



adopted by the COM. Based on this rule; the COM is going to approve policies, strategies and Work Programmes. Therefore, three different reports which are the production of different bodies namely RPC (RPC report and calendar of events), CPR (CPR reports) and Work Programme (developed by the Secretariat with regard to the implementation of goals and strategies set forth by RPC) are expected to be submitted to COM for approval.

38. The Representative of the Islamic Republic of Iran while recalling the required action by the ECO Secretariat to amend the Draft Work Programme for the year 2015-2016 according to the deliberations made at the 205<sup>th</sup> CPR Meeting hoped that the Secretariat will prepare and provide the next Work Programme for 2016-2017 while caring to avoid duplication and reflecting activities based on priorities of each priority sector and in consonance with the new Vision 2025.

39. The Special CPR Meeting after deliberations, approved the Work Programme for the 2015-2016 for its further endorsement by the Extraordinary COM in New York by including the Work Programme in the Agenda Item **5(b)** of the Extraordinary Session of the COM which will then be read as:

**Agenda Item No. 5**

**(b)** “ECO Calendar of Events 2014-2015 and 2015-2016 and Work Programmes 2014-2015 and 2015-2016”.

**e. Audit Reports 2013 and 2014**

40. The ECO Audit Board conducted audit of ECO Secretariat for the year 2013 during 9-11 June, 2014. The Audit Report 2013 was endorsed by 198<sup>th</sup> CPR Meeting held on 9<sup>th</sup> November 2014. The Audit Report along with the comments of the Secretariat was circulated to the Member States vide its Note Verbal No. Admn/Audit/2014/1182 dated 3<sup>rd</sup> August, 2014.

41. The ECO Audit Board conducted audit of the ECO Secretariat for the financial year 2014 during 11-14 May, 2015. The Audit Report along with the comments of the Secretariat were circulated to the Member States vide its Note Verbal No. ACC/Audit/2015/893 dated 10<sup>th</sup> June, 2015.

42. The Ambassador of the Islamic Republic of Pakistan while conveying no objection to the Audit Report 2014 asked the Secretariat to brief the next CPR meeting on the status of implementation of recommendations of Auditors.

43. The Council, taking into consideration the observations made by the Ambassador of the Islamic Republic of Pakistan, approved the Audit Report 2014 for its further endorsement by the Extraordinary COM in New York.

f. Status of Contributions/Arrears

44. Functioning of ECO is much dependent on regular and systematic contributions on the part of the Member States. Unfortunately the efforts of Secretariat to persuade some Member States to pay their arrears have not been successful and the arrears of these Member States have increased as of 1 January 2015 to US\$ 3,643,975/. This has created serious financial and legal concerns for the Organization. The main part of arrears is due to Uzbekistan, which now amounts to US\$ 3,584,448/- and Kazakhstan which now amounts to US\$ 812,968/. Detailed position of Member States' contributions is reproduced below:

Status of Member States' contributions to the ECO Secretariat Budget  
(13.09.2015)USD

No	Country	Scale of Assessments	Contribution			Paid in 2014 and 2015	Total Unpaid contribution	
			Arrears till end of 2013	2014	2015			Total
1	Afghanistan	1.28	0	50,094	49,412	99,506	99,506	0
2	Azerbaijan	3.21	0	125,627	123,915	249,542	249,542	0
3	Iran	22.00	0	860,998	849,261	1,710,259	1,310,998	399,261
4	Kazakhstan	16.00	0	626,180	617,644	1,243,824	430,856	812,968
5	Kyrgyzstan	0.66	0	25,830	25,478	51,308	25,830	25,478
6	Pakistan	22.00	0	860,998	849,261	1,710,259	1,726,450	-16,191
7	Tajikistan	0.66	0	25,830	25,478	51,308	3,154	48,154
8	Turkey	22.00	0	860,998	849,261	1,710,259	1,710,259	0
9	Turkmenistan	3.21	0	125,627	123,915	249,542	125,627	123,915
10	Uzbekistan	8.98	2,886,352	351,443	346,653	3,584,448	0	3,584,448
<b>Total</b>		<b>100.00</b>	<b>2,886,352</b>	<b>3,913,625</b>	<b>3,860,278</b>	<b>10,660,255</b>	<b>5,682,222</b>	<b>4,978,033</b>

45. The Chief Accountant of the Secretariat briefed the Council stating that so far the arrears are mainly related to two countries i.e. Uzbekistan which is now 3.5 million US Dollars and Kazakhstan mounted to 0.812 million US Dollars including the contribution of 2015. The remaining Member States have minor arrears to pay.

46. The Representative of the Islamic Republic of Iran stated that the issue of arrears has been discussed in the Working Group and in the CPR meetings but unfortunately no decision could be reached. He proposed to the Council to tackle the issue of outstanding arrears by allowing Member States to pay arrears in instalments during a period of five years. He hoped of reaching a solution of this protracted issue in the Extraordinary COM in New York.

47. The Ambassador of the Islamic Republic of Pakistan taking the floor said it is alarming to note that the Organization is facing financial difficulties. He said that it is the time for us to be realistic as from some quarters the money is not forthcoming and the

Secretariat should look into the possibility of tailoring its activities so as they are covered within the budget constraints. He said that ECO is in a tight financial situation due to the mounting arrears and stalemate on the issue of 'Scale of Assessments'. He supported the proposal of the Representative of Iran for allowing payments of arrears in five years through instalments subject to agreement of the Member States concerned.

48. He also reposed his hopes on the new Secretary General praising his initiatives, approach and personality and advised that an informal approach and meetings on the sidelines of the UNGA and Extraordinary COM may be helpful in achieving breakthrough on the impasse with Member States who are in arrears or are not paying their contributions.

49. The Representative of the Republic of Turkey also supported the distinguished Ambassador of Pakistan, advising that ECO Secretariat to make do with the available resources of the Organization till the arrears are resolved. While supporting the basic principle, he also cautioned with regard to the proposal of payments of arrears through instalments as it may be taken as encouragement and maybe emulated thus may pose further difficulties in issues related to payments of contributions. He believed that all the Member States can come together and work on an agreed formula to make payment/contributions timely to the Organization and this formula should be adopted in such a way that it should not be a kind of encouragement for future postponements.

50. ECO Deputy Secretary General clarified that the proposal to make instalments for the payment of arrears is not a new creation. It is very normal practice in the UN. He said that the issue was discussed in the Working Group on EPG and it was agreed at the level of Working Group that it could be an option for Uzbekistan. Arrears can be paid in six equal instalments which will be paid alongwith the payment of regular annual contribution.

51. The Representative of the Republic of Kazakhstan appreciated the statements by the colleagues from Iran, Pakistan and Turkey. He categorically said that Kazakhstan does not acknowledge any arrear on its part. He supported the views expressed by the Ambassador of Pakistan that the Secretariat needs to plan its activities while remaining within its available budget. He stressed upon the Secretariat to have his reservations incorporated in the report that "Kazakhstan does not acknowledge any arrear on its part".

52. After lengthy deliberations on the issue, the Chairperson suggested to the Council that a Report on the current status of contributions and arrears incorporating views and proposals of Islamic Republic of Iran and Republic of Kazakhstan be prepared and presented to the Extraordinary COM in New York for guidance and decision. Council approved the proposal.

**g. Scale of Assessments for 2016-2018**

53. In its 203<sup>rd</sup> Meeting, CPR received a briefing by the Secretariat and the Chairman of the "Working Group on the finalization of the Proposed Outline for Implementation of

the EPG Recommendations", on the ECO Scale of Assessments for 2016-2018. According to the briefing, the Working Group had reviewed the EPG relevant recommendations as well as the other possible scenarios for devising new scale rates for the contributions by the Member States to the budget of the Organization. The Working Group had not been able to reach any practical formula for the new Scale of Assessments. As requested by the Working Group, the Secretariat submitted a report based on the discussions on the scale of assessments to the Member States on 1st July, 2015 (Note Verbale No. ADM/EPG/2015/983).

54. In 204<sup>th</sup> CPR on the issue of Scale of Assessments, Kazakhstan briefed the Council stating that in 2009 the share of Kazakhstan was fixed at 16% in the Scale of Assessments approved by the COM in 2009. However, Kazakhstan has revised its contribution rates in a number of international organizations including the ECO and the current scale of assessments of ECO is not acceptable to Kazakhstan. He also informed that the proposal prepared by the Working Group on 'Scale of assessments' is not acceptable to Kazakhstan. He was of the opinion that ECO requires restructuring and revision of its priorities.

55. After protracted deliberations, the 204<sup>th</sup> Council agreed to the suggestion of the representative of Kazakhstan and decided to have a 'Senior Officials Meeting (SOM)' in September 2015, consisting of Financial Experts from Member States, two weeks prior to the Extraordinary Session of Council of Ministers (COM) in New York, with full mandate to take decision on the issue of "Scale of Assessments".

56. As per decision of 204<sup>th</sup> Meeting of the Council of Permanent Representatives (27<sup>th</sup> July 2015) a Senior Officials Meeting (SOM) was held on 9<sup>th</sup> September 2015 with the participation of Ambassadors/Representatives of nine ECO Member States (except Uzbekistan) to specifically address and make decision on the issue of "Scale of Assessments".

57. After protracted deliberations, the Chairperson of the SOM proposed adoption of the new table of "Scale of Assessments" proposed by the Secretariat and based on the recommendations of Working Group (as contained in page 8 of the Working Paper on "Scale of Assessments", circulated among the Member States vide ECO Secretariat's Note Verbale No. CFU/SOM/2015/1186 dated 4th August, 2015). (The table is re-produced as under)

**Shares of Member States calculated as per Proposed ECO Scale of Assessments Formula for 2016 - 2018**

	Share As per ECO 2009 Scale of Assessment (%)	Share in the UN	Proposed Shares (%) after putting floor at 2%
	1	2	4
<b>Afghanistan</b>	<b>1.28</b>	<b>0.005</b>	<b>2.00</b>
<b>Azerbaijan</b>	<b>3.21</b>	<b>0.04</b>	<b>5.74</b>
<b>Iran</b>	<b>22</b>		<b>22.00</b>
<b>Kazakhstan</b>	<b>16</b>	<b>0.121</b>	<b>17.37</b>
<b>Kyrgyz Republic</b>	<b>0.66</b>	<b>0.002</b>	<b>2.00</b>
<b>Pakistan</b>	<b>22</b>		<b>22.00</b>

<b>Tajikistan</b>	<b>0.66</b>	<b>0.003</b>	<b>2.00</b>
<b>Turkey</b>	<b>22</b>		<b>22.00</b>
<b>Turkmenistan</b>	<b>3.21</b>	<b>0.019</b>	<b>2.73</b>
<b>Uzbekistan</b>	<b>8.98</b>	<b>0.015</b>	<b>2.15</b>
			<b>100.00</b>

58. The Ambassadors/Representatives of Azerbaijan, Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan made observations about the proposed Scale of Assessments as mentioned in the Table and underscored that they had instruction to retain the old scale of assessments and that they will revert to their Capitals for instruction on the proposed new 'Scale of Assessments'. The three founding Member States did not object to the proposed new 'Scale of Assessments'

59. The Chairperson of SOM proposed adoption of the new table of Scale of Assessments along with the reservations shown by the Member States. He expressed the hope that by the time of Special CPR, which is scheduled to be held on 20<sup>th</sup> September 2015, the Member States who have shown reservations may come up with positive instructions from their Capitals. The SOM agreed with the proposal of the Chair.

60. During the Special CPR, the Chairperson gave the floor to the Secretary General for any update on the matter. The Secretary General stated that the Secretariat has not received any new information or update from any country until now.

61. The Representative of the Republic of Kazakhstan mentioned that he has the instructions from the Capital and their position remains same i.e. Kazakhstan does not recognize current 'Scale of Assessments' and does not agree with the new proposed 'Scale of Assessment' either. It wishes to retain its unilaterally reduced scale of assessment share from 16% to US\$ 220,000.00 (comes to est. 5.7%.share). He further explained that Kazakhstan does not agree to apply the UN criteria to ECO Scale of Assessments as both organizations are of different nature and purpose.

62. The Representative of Kazakhstan supported the views of the Ambassador of Pakistan that the activities of the Organization are cut down to fit in the reduced available financial resources through reduction in personnel and other expenses. He said that Kazakhstan has reduced the budget by approximately 10% largely due to its poor economic conditions. He categorically disregarded the proposed new Scale of Assessments table and opined that this table should not be taken to the Extraordinary COM, as the issue is yet to be resolved.

63. The Ambassador of Azerbaijan confirmed his earlier position regarding the issue that he does not agree with the share as given in the new proposed Scale of Assessments table and wishes to retain its share as given in the current Scale of Assessments. Moreover, he enquired about the proposed new "Scale of Assessments" table if it was proposed by the Secretariat. He requested that the reservations of the Member States on

the issue be highlighted in the report of Special CPR as well as in the report which will be submitted to the Extraordinary COM in New York on the issue.

64. The Secretariat explained that the proposed new Scale of Assessments table was prepared by the ECO Secretariat in the light of principles given in the Treaty of Izmir, recommendations of EPG and deliberations in the Working Group meetings, in the wake of impasse on the issue in Working Group meetings and several CPRs. This proposal was circulated to Member States vide ECO Secretariat's Note Verbale No. CFU/SOM/2015/1186 dated 4th August, 2015 and no comments were received from any Member States. The proposal was placed before 204<sup>th</sup> CPR for deliberations and was later placed before SOM on September 9<sup>th</sup> 2015. The Chair proposed to adopt the proposed 'Scale of Assessments' table given in the proposal along with the reservations as registered by Member States to be placed before Extraordinary Session of COM for decision. The Report of SOM was circulated to Member States vide Secretariat's Note Verbale No. CFU/SOM/2015/1429 dated 14<sup>th</sup> September 2015, incorporating reservations of all Member States. However, again no comments were received from any Member States.

65. The representative of Kyrgyz Republic referring to economic conditions of the Country stated that presently they do not support any increase in their share as proposed in the new proposed Scale of Assessments table and wish to retain their present shares in Scales of Assessments.

66. The Ambassador of Tajikistan supported the views expressed by the Ambassadors of Azerbaijan, Kyrgyz Republic and Pakistan. He said due to current situation, the new Scale of Assessments is not acceptable to them immediately. He supported the increase in a phased manner and was of the view that the new Scale of Assessments table should be implemented for Tajikistan from 2019, requesting three years grace period in order to be ready for the increased percentage of share.

67. Representative of Turkmenistan informed about their agreement to the proposed new Scale of Assessments, though formal official instructions were awaited. Representative of Afghanistan also conveyed conditional support to the proposed new Scale of Assessment subject to allocation of two additional positions in ECO Secretariat.

68. The Ambassador of the Islamic Republic of Pakistan shared that it is a difficult situation and to get out of this deadlock, he solicited the support of non-founding members. He was of the view that some Member States do not agree with the new proposed Scale of Assessments table have to give alternate solutions/suggestions to resolve this gridlock. He said that the founding Member States shares were proposed to be reduced to 20% by EPG, however, due to the situation Pakistan has agreed to retain its share at 22%. He solicited sacrifices from all Member States for the sake of spirit of cooperation. He reflected that the best course was to go by a formula which is based on UN scale of assessments and to link Member States shares with proportionate share of the posts in ECO Secretariat for encouragement.

69. The Chairman explained that in the last meeting of SOM it was decided to adopt the table with reservations by the Member States and that is why it was put in the Report. He mentioned that due to the intervention by Turkmenistan its reservation could be deleted as they do not have any objection to the proposed table of assessment.

70. Deputy Secretary General (Admn) asked the Representative of Kazakhstan to clarify whether his country is seeking absolute 5.7% share of maximum annual payment or fixed amount of US\$ 220,000 annually. He explained about the different connotations of these two limits. He also explained that Scale of Assessments and size of budget are two different things and reduction in budget will not affect the percentage share of the Member State.

71. Representative of Kazakhstan made it clear that they wanted to pay US\$ 220,000/- as their contribution to the ECO Budget annually.

72. Representative of Kyrgyz Republic said that Kazakhstan refuses to acknowledge existence of arrears of contribution. What is the legal position and how it should be regulated as per the ECO regulations.

73. The Legal Adviser briefed the Council that Article 11 of the "Treaty of Izmir" stipulates that the scale of assessments shall be decided by the COM while the COM takes into accounts two things: first the capacity of Member States to pay and 2<sup>nd</sup> the prevailing scale of assessments of UN. Based on this article of the "Treaty of Izmir" (multilateral treaty), Member States gave their prior consent with regard to application of the Scale of Assessments which is decided by COM. After the adoption of the Scale of Assessment by COM, pursuant to article XI of the Treaty of Izmir, Member States are equally bound by the decision. In other words, their shares of contributions to the centralized budget are considered obligatory. Furthermore, based on the Vienna convention on the law of treaties (Vienna 1969), invoking internal laws or decisions does not justify failure to observe treaty obligations.

74. The Chairperson proposed to the Meeting that that current Scale of Assessments may be continued during the year 2016 while efforts are made to reach consensus on new Scale of Assessments.

75. The ECO Secretary General said that suggestion of Kazakhstan for decreasing ECO Secretariat Budget by 10% (to incorporate reduction of payments of Kazakhstan) is not practical. The Extraordinary COM needs to deliberate on the issue based on all the proposals and discussions which have taken place uptil now.

76. The delegation of the Islamic Republic of Iran opposed the postponement for another year and suggested that the mater may be submitted to the COM for their decision.

77. The Chairperson after the detailed deliberations suggested that the issue may be presented to the Extra Ordinary Session of COM in the form of a report incorporating the proposals and reservations of the Member States for decision while also proposing that

the current Scale of Assessments may be extended for the year 2016 so as to gain time for finding resolution of the issue. He also assured the representatives of the Member States that the respective positions of the Member States and their reservations will be incorporated in the report which will be circulated to the Member States for comments prior to its placement before the Extraordinary COM. The Council agreed with the proposal of the Chair.

**h. Appointment of the new Deputy Secretary General**

78. The Secretariat in line with the deliberations during the 203<sup>rd</sup> meeting of ECO Council of Permanent Representatives held on 8<sup>th</sup> June 2015, informed the Member States vide note No. ADM/PER/2015/877 dated 9<sup>th</sup> June, 2015 that post of Deputy Secretary General responsible for Trade and Investment, Agriculture, Industry, Tourism and International Relations, presently occupied by Mr. Hayri Maraslioglu (**Turkish national**) will fall vacant on 3<sup>rd</sup> November 2015.

79. The 10<sup>th</sup> Extraordinary Session of COM (Tehran, June 2000) decided that "... during the term that the post of Secretary General goes to one of the Founding Members, two posts of Deputy Secretaries General shall go to other Founding Members and one to a Non-Founding Member". The post of Secretary General went to Republic of Turkey (a Founding Member) as of 13 August 2015. Therefore, the post of Deputy Secretary General shall be filled by a successful candidate from nominations presented by Non-founding Members. The Secretariat vide its note No. ADM/PER/2015/1146 dated 28 July 2015 informed the Member States that 204<sup>th</sup> CPR meeting (27<sup>th</sup> July 2015) had decided to put the deadline of 10<sup>th</sup> August 2015 for submission of the nominations for the above post.

80. Secretariat received two nominations from Republic of Azerbaijan and the Islamic Republic of Afghanistan. CVs of both the candidates were circulated to the Member States vide Secretariat's note No.ADM/PER/2015/918 and 1061 dated 16 June and 12 July 2015, respectively. As per Article 6.4 of the ECO Staff Regulations "*Appointment to the post of Deputy Secretary General in Category-I shall be made by the Council of Ministers (COM) at the recommendation of the Council of Permanent Representatives (CPR)*".

81. In 205<sup>th</sup> CPR Meeting, the Chairman of the Council proposed that as there are only two candidates for the posts of Deputy Secretary General, it would be advisable that consensus on the post of DSG is reached through informal interaction between the Member States. Any decision may be brought to the Special CPR for further submission of recommendations to Extraordinary COM for final decision.

82. The Chairperson briefed the Council about the latest position on appointment for the post of Deputy Secretary General. He reported that one meeting between the Chair and the Ambassadors of Afghanistan and Azerbaijan and one meeting between the Ambassadors of both the countries together have taken place. However, no consensus on the selection could be reached. He suggested reporting the issue to the Extraordinary COM in New York for their decision. The Council agreed to the proposal of the Chairperson.



i. Any other issues

A. Statement by the Foreign Minister of Turkish Republic of Northern Cyprus (TRNC)

83. Under this agenda item, the Representative of the Republic of Turkey reminded the Council that they have been informed that the Foreign Minister Ms. Emine Colak will be representing Turkish Republic of Northern Cyprus (TRNC) in the Extraordinary COM in New York and has requested for permission to address Extraordinary COM in New York. Turkey would appreciate a decision to be taken by the Council today on the issue.

84. The Ambassador of Kyrgyz Republic enquired about the legal position on the participation of Turkish Republic of Northern Cyprus in the Extraordinary COM and whether floor for address can be allowed. He also asked why this issue was not made part of the agenda of Special CPR.

85. The Secretariat informed that formal letter from the Foreign Ministry of Turkish Republic of Northern Cyprus request to address the COM was received late. The agenda was already circulated by then so, as per procedure, it was brought under "Any other Business".

86. The Legal Adviser informed the Council that according to the ECO modalities on granting observers and partnership status at ECO, Observers may be invited, without the right to vote, to attend the Inaugural and Closing ceremonies of the ECO meetings of Heads of State, Council of Ministers, RPC and Sectoral Ministerial or high level meetings upon invitation of ECO Secretariat. Participation of observers through invitation requires prior authorization given by CPR reached through consensus at the CPR (meeting), provided that remaining members choose to abstain and or not against the decision. As extraordinary sessions are expected to address emergency issues that need immediate care therefore the organization of Extraordinary COM session could be different from the ordinary meetings as far as the opening and closing ceremonies are concerned. However based on the modalities the presence of the observers at COM is limited to these ceremonies. Concerning the right of observers for making statements at COM inaugural or closing ceremonies if such an opportunity is going to be provided for Members at the opening ceremony of the extraordinary session the Observers may be authorized by the chairperson to make a statement.

87. The Iranian delegation informed that according to his understanding due to time limitation there is no inaugural or closing ceremonies. He further proposed that the Chairman of the Meeting can decide on the statement of the Observer Member State.

88. After deliberations, the Council decided that the issue may be left to the Chairman of the Extraordinary COM who will decide according to the situation in the meeting regarding the delivery of the statement by the Foreign Minister of TRNC at the Extraordinary COM in New York.

**B. Approval of the Budget**

89. The Representative of Kazakhstan enquired about the submission of Budget for the year 2015 to the Extraordinary COM in New York.

90. Deputy Secretary General (Admn) informed that the Budget 2014 has already been approved by the 21st COM in November 2013. Therefore, only Budget 2015 will be submitted for approval of the Extraordinary COM in New York.

91. The Representative of Kazakhstan said that it did not give consent for the Budget for the year 2014, in writing, and for the Budget for 2015 it approved the budget but requested that Kazakhstan's reservation may be incorporated with the stipulation that Kazakhstan has reduced its share to US\$220,000/-.

92. Deputy Secretary General (Admn) informed that while approving the budget by the 198<sup>th</sup> CPR there was no conditionality from Kazakhstan. However, Kazakhstan stated that it was clearly stated in 199<sup>th</sup> CPR Meeting but was not mentioned in the CPR Report. The DSG(Admn) said that Secretariat will examine the record (CPR Report of 199) to ascertain the facts as stated by the Representative of Kazakhstan. He further highlighted that in case the reservations of the Kazakhstan are to be incorporated in the Budget of 2015 than the issue of the non-recognition of the arrears by Kazakhstan and reduction of 10% resulting in negative balance has to be brought to the notice of CPR for guidance and decision.

**Agenda Item No.3**

**Organizational Information on Extraordinary COM Session**

**a. Status of participation of Member States**

93. The Chairperson requested the distinguished Ambassadors for information about the status of participation alongwith their delegations in order to make arrangements accordingly.

94. The Ambassador of Tajikistan informed about the proposed meeting of their Foreign Minister with the ECO Secretary General before the Extraordinary Session of COM and participation of their three member delegation led by the Foreign Minister in the Extraordinary Session of COM.

**b. Any other issues**

95. Under this agenda item, no issue was brought up.

**Agenda Item No.4**

**Any other Business**

**Thanking Remarks for the Outgoing Director & Assistant Director of ECO**

96. Under this agenda item, the Council of Permanent Representatives thanked and paid rich tributes to the outgoing Directing Staff i.e. Director (AIT) Mr. Damar and Assistant Director (International Relations) Mr. Jehanzeb Khan, stating that both Officers performed their jobs very professionally for the Secretariat as well as for their countries.

97. At the end the Chairperson thanked the distinguished Ambassadors, Permanent Representatives/Representatives of all ECO Member States Ambassadors for their participation and constructive contribution to the meeting.

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**LIST OF PARTICIPANTS**

**The Embassy of the Islamic Republic of Afghanistan:**

- H.E. Dr. Nasser Ahmad Noor, Ambassador
- Mr. Mohammad Hakim Sidiqi, Second Secretary
- Ms. Zahra Badaghi, Administrative Assistant

**The Embassy of the Republic of Azerbaijan:**

- H.E. Mr. Javanshir Akhundov, Ambassador
- Mr. Kanan Nazarov, Counsellor

**The Ministry of Foreign Affairs of the Islamic Republic of Iran:**

- H.E. Mr. Majid Bizmark, Permanent Representative/Director General
- Mr. Abulfazl Mohammad Alikhani, Director of ECO Affairs Bureau
- Mr. Ahmad Saffari, Deputy Director of ECO Affairs Bureau
- Mr. Tofigh Sedigh Mostahkam, Senior Expert, ECO Affairs Bureau
- Mr. Sadegh Sadeghi, Expert, ECO Affairs Bureau

**The Embassy of the Republic of Kazakhstan:**

- Mr. Ermek Sadykbekov, Second Secretary

**The Embassy of the Kyrgyz Republic:**

- H.E. Mr. Asanbek Osmonaliev, Ambassador

**The Embassy of the Islamic Republic of Pakistan:**

- H.E. Mr. Noor Muhammad Jadmani, Ambassador
- Mr. Muhammad Zeeshan Ahmad, Counsellor

**Embassy of the Republic of Tajikistan:**

- H.E. Mr. Nematullo Emomzoda, Ambassador
- Ms. Manizha Rahimi, Third Secretary

**The Embassy of the Republic of Turkey:**

- Mr. Baris Saygin, Counsellor
- Ms. Sevgi Ilhan, Second Secretary

**The Embassy of Turkmenistan:**

- H.E. Mr. Ahmet Kurbanow, Ambassador
- Mr. Ylyas Gayypow, First Secretary
- Mr. Azym Jollukow, Attaché

**The ECO Secretariat:**

- H.E. Mr. Halil Ibrahim Akça, Secretary General
- Mr. Hayri Maraslioglu, Deputy Secretary General
- Mr. Seyed Jalaedin Alavi Sabzevari, Deputy Secretary General
- Mr. Ahsan Ali Mangi, Deputy Secretary General

- Mr. Bahodur Rahmonov, Assistant Director (CFU)
- Mr. Gaffar Erbek, Chef de Cabinet
- Mr. Mahmoud Khoubkar, Legal Adviser
- Mr. Israr Ahmad Khan, Steno-Secretary
- Mr. Muhammad Adnan, Administrative Assistant
- Ms. Aynur Mammadova, Russian Translator
- Mr. Amir Mohammad Javaheri, Persian Translator
- Mrs. Maryam Eslami Chalandar, IT Expert
- Mr. Hamid Reza Soltani, Protocol Officer

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ANNEX-II

Remarks of the Secretary General about the “ECO Vision 2016-2025”  
in the Special Meeting of the CPR  
(20<sup>th</sup> September 2015)

**Excellencies,**  
**Honorable Delegates,**  
**Dear Colleagues,**

I would like to thank all of you for giving me this opportunity to make a few remarks on the ECO Vision 2025.

**Excellencies,**

Institutions, Organizations and Platforms need to have a kind of vision that enables them to focus on their objectives and to communicate and engage better with the related stakeholders. Our Organization, too, has a vision, that is detailed in the Treaty of Izmir in the section covering objectives and principles.

The vision presented in the Treaty of Izmir is broad enough to give us room to focus on different fields to follow the trends of economic development for the current period. Thus, in the draft version of the document, we are not proposing any changes in the Treaty as we have enough space to develop a vision for the next 10 years, unless the will of our political leadership changes.

However, I want to share my impression about the ECO's objectives that have been defined in the Treaty, which are quite modest compared to those of similar regional organizations. Most of the regional organizations are striving to achieve integration or union among their member states. For example, ASEAN's main objective is integration, South America is a union. Similarly, African countries are also working towards integration. I am not referring to EU that is a role model for the other organizations working towards a union. Our objective is primarily economic development that is mainly focusing on trade, transport and energy.

**Excellencies**

Under the framework of the Izmir Treaty and the recommendations of the working groups, we, as Secretariat, have developed a draft vision document for the next 10 years. It reemphasizes the ECO's overall goal by stating "**Enhance Regional Cooperation for Economic Development**", provides strategies, which are defined by the thematic bases, to contribute the most to the overall objective in the next 10 years, and defines the implementation and review mechanism required to achieve the desired goals.

In this format, two elements are new: One is the thematic approach instead of sectoral and the second a clear-cut implementation and review mechanism. The thematic issues are: "**Trade**", "**Connectivity**", "**Resource Management**" and "**Better Services**". Trade is clear enough not requiring any further explanation; connectivity is referring to the establishment of necessary infrastructure and harmonization of the regulations to allow the free movement of goods, services and people within the region. Resource management relates to the development and efficient usage of the natural and cultural resources of the region, and the last theme aims to improve the quality of services and their accessibility to the people of region. The implementation and review mechanism is self-explanatory.

Needless to say, this document being submitted to you is the first draft, and requires further discussions and contributions. However, we decided to prepare a complete version that would help in getting concrete contributions from the Member States and also to expedite the process. Especially, the vision statement "**Enhanced Regional Cooperation for Economic Development**" needs detailed discussions by the CPR and the Council of the Ministers to clearly bring out the political will. Moreover, the priorities for the next 10 years have to reflect your preferences, commitments and experts' contributions.

### **Excellencies**

I want to bring a road map proposal to your consideration: first we want to get the guidance of the CPR and Ministers on the draft version, then submit it to the RPC for further discussions and organize an expert meeting to finalize the document as the declaration of the Summit in April, 2016.

After the approval of the Vision by the Summit, we want to take two more steps. We want to finalize the reform agenda for the ECO Secretariat based on the new Vision, and develop strategy documents on the thematic bases and a follow-up and review mechanism.

As my final word, I want to thank you all for your support and contributions.

Thank you very much.