

**Remarks by the ECO SG Amb. Khusrav Noziri
for the Meeting/ Reception of Sarakhs Special Economic Zone**

**Mr. Mohammad Reza Kala'ei,
Director of Sarakhs Special Economic Zone,
Distinguished Guests, Ladies and Gentlemen,**

I am extremely delighted to join this august congregation today and I would like to express my gratitude to the management of Sarakhs SEZ for hosting excellent event. I further appreciate them for this opportunity to share my thoughts.

Distinguished Guests,

The ECO is one of the oldest inter-governmental organizations with a legacy of Regional Cooperation for Development (RCD) and its enlargement in 1992. The ECO region spans over an area of 8 million sq. kms and a population of around half a billion people that constitutes 6% of the global population.

The global GDP was recorded at around US\$ 96 trillion in 2021 and the share of countries like the US (at 23.8 per cent); China (at 18.4 per cent), Japan (at 5.1 per cent), and Germany (at 4.3 per cent) was more than the collective share of ten ECO countries (at 1.8 %) with a collective GDP of ten countries of the ECO region at around 1.7 trillion, which is not commensurate to its potential.

Distinguished Ladies and Gentlemen,

On the trade front, we see that the post-Pandemic world trade in goods reached USD 22.2 trillion in 2021, from USD 17.5 trillion in 2020 and the share of the ECO region in world trade was recorded at USD 927.8 billion in 2021, up from US \$ 711.3 billion in 2020 which is 4.1 per cent of total world trade in goods.

The imports of the ECO region from world stood at USD 499.4 billion in 2021 and ECO exports to world were recorded at USD 428.4 billion in the same period. The intra-regional trade in the ECO

region i.e. trade among the ECO countries, was recorded at USD 76.5 billion in 2021, which is 8.2 per cent of their trade with rest of the world. ECO intra-regional exports stood at US\$ 40.8 billion, whilst intra-ECO imports were recorded at US\$ 43.5 billion.

In this backdrop, we can realize the importance of the targets set by the regional leadership in ECO Vision 2026 to double the intra-regional trade and increase share of ECO region in world trade, especially increase the exports of the region to world by tapping its true potential.

Esteemed Sarakhs Friends,

The ECO Secretariat is cognizant of the latent potential of the region and therefore took some initiatives in the priority areas of trade and connectivity to tap this potential. These include ‘Networking of Special Economic Zones/ Free Trade Zones (SEZs/FTZs)’, ‘Networking of Sovereign wealth/ National Development Funds of ECO Countries, rail and road connectivity projects, ‘ECO GATE Project’ - just to name a few. This is an area in which we can join hands to develop Regional Value Chains in the ECO region and have products under the label ‘Made in ECO.’

As we know, the Sarakhs SEZ is termed as ‘golden gate’ to regions all around, for its geographical location at the centre of the ECO Region., the very fact that the Region is imbued with abundant natural endowments i.e. natural and human resources and the broad range of incentives Sarakhs SEZ provides for the businesses, it is expected to grow much more in the coming years by attracting more investment from within the region and beyond.

Ladies and Gentlemen,

These initiatives of the ECO are aimed at attracting greater investment in the Region to reap the benefits of the friendly legal and the regulatory framework for investment, with recent operationalization of the ECO Agreement on Protection and

Promotion of Investment (APPI) in 2022, to bolster investor's confidence to invest in the region.

With greater focus on regionalism in the post-Pandemic 'new normal', the greater resilience of the supply chains, which in turn contribute to global chains, depends on regional sourcing of essential items for supply to consumers. Therefore, the opportunity for the region to incentivize and integrate the SMEs and the Large Manufacturers in these SEZs/ FTZs can realize socio-economic development and economic growth in the region.

Distinguished Ladies and Gentlemen,

We believe that regional private sectors have an important role to act as a driver of sustainable economic growth. We are pursuing collaboration with regional business community through ECO CCI and with the current presidency of the ECO CCI with Iran; we are pursuing projects to facilitate trade and connectivity to reduce cost of doing business in the Region. I assure you that we shall continue our close collaboration with the business community of the Region for greater economic integration.

I would like to thank all of you for your attention and wish all the best to Sarakhs SEZ.
