

**Statement of the ECO Secretary General, Mr. Khusrav Noziri
at the Meeting with Isfahan Chamber of Commerce
February 13, 2023, Isfahan, Iran**

**Honorable Chair,
Dear Participants,
Ladies and Gentlemen,**

It is a great pleasure for me to address the eminent business community in the Isfahan Chamber of Commerce.

I would like to express my profound gratitude to the Ministry of Science, Research and Technology (MSRT) of Iran, University of Isfahan and Isfahan Chamber of Commerce for inviting us to represent the ECO and brief on its various initiatives undertaken to facilitate regional trade & investment as well as for the continued projection and promotion of this very essential sector.

Looking forward to receiving regular support of the valued business community in our efforts to create conducive business environment in the region, I mention that ECO Director for Trade & Investment, Mr. Zahid Abbasi will make a comprehensive presentation about the sectoral activities of the Organization.

Dear Participants,

As you are aware, ECO Region shelters almost half a billion inhabitants and expands over 8 million square kilometers of land, connecting the north to south, south and east to the west, Asia to Europe and Eurasia to the Arab World. Composed of some Caucasus, South, West and Central Asian countries, ECO is one of the oldest intergovernmental organizations. The founding and fundamental goal of the Organization is to create amenable and advantageous conditions for sustainability of regional economic growth.

Let me recall that based on the Member States' close cultural ties, shared historical past and coordinated efforts, the Organization has already made various milestone achievements to augment the process of joint regional development as well as collective welfare and wellbeing of our people.

In trade & investment, the Organization is pursuing its development targets based on the ECO Vision 2025 adopted by 13th Summit in March 2017 at Islamabad. Such goals have primarily been set are to: (a) double the intra-regional trade which stood at US\$ 76.5 billion in 2021, making only 8.1% of its trade with the rest of world and (b) increase ECO share in global trade, which recorded at US\$ 928 billion in 2021, making around 4% share in the world trade in goods (US\$ 22.23 trillion).

In this backdrop, the Secretariat is pursuing trade liberalization and expansion of Preferential Trade under ECOTA and aiming expansion of its coverage to a Free Trade Area as an expected outcome of the ECO Vision 2025.

The ECO's strategy for enhanced economic integration focuses mainly on (a) reducing the cost of doing business as regards tariff and non-tariff charges in trade through: trade liberalization by reducing tariff barriers and; trade facilitation by removing Non-Tariff Barriers (NTBs); (b) creating a conducive environment for trade and investment through customs cooperation in areas like Electronic Data Interchange (EDI); (c) the trade payment system through ECO Clearing Union and (d) strengthening private sector cooperation in economic development through facilitation in Business Visas, facilitating Trade Promotion Events, providing finance for regional projects in collaboration with development partners and the ECO Trade and Development Bank.

The post-pandemic 'new normal' is inevitably linked with increased and scaled-up cooperation amongst the regional economies of the Member States. To maintain and accelerate a healthy growth trajectory in the regional trade by overcoming the impediments that hamper smooth flow of trade in goods and services, a targeted and more active collaboration is required to move forward and add greater value to increase and diversify the industrial capacity and output with efficient supply chains maintained by a network of intra-regional and inter-regional connectivity, making regional exports more competitive in the global market.

The Secretariat has implemented the following initiatives for growth of trade and investment in the region:

- i. Agreement on the Establishment and Operation of ECO Smuggling and Customs Offences Data Bank is operationalized on December 30, 2017 among 5 Member States out of 6 signatories.¹
- ii. Agreement on Simplification of Visa Procedures for Businessmen of the ECO Member States entered into force on December 23, 1997.²
- iii. Agreement on Promotion and Protection of Investment (APPI) operationalized in 2022.³

The following initiatives are in pipeline for their implementation:

- i. Additional Protocol on Simplification of Visa Procedures for Businessmen and Transit Drivers of the ECO Member States.⁴
- ii. Articles of Agreement on the Establishment of ECO Re-Insurance Company in force since 2019 but under process of operationalization.
- iii. Trade Facilitation Agreement drafted by the Secretariat.

¹ Afghanistan, Azerbaijan, Pakistan, Iran, Turkey, already ratified. Tajikistan ratification is awaited.

² Afghanistan, Azerbaijan, Pakistan, Iran, Turkey, already ratified, while Azerbaijan & Turkmenistan to ratify.

³ Afghanistan, Iran, Pakistan and Türkiye already ratified. Ratification from Azerbaijan is awaited

⁴ Afghanistan, Iran and Pakistan signed whilst Pakistan ratified.

- iv. Customs Cooperation through Electronic Data Interchange (EDI), E-Commerce.
- v. Cooperation in Taxation Matters to avoid taxation issues.
- vi. Establishing ECO Regional Network of nominated Special Economic Zones/Free Trade Zones (SEZs/FTZs) to be called ECO Zones with the objective to spur up economic growth through Regional Supply/Value Chains (RVCs) and connect with Global Supply/Value Chains (GVCs).
- vii. Institutionalization of networking of Sovereign Wealth/ National Development Funds (SW/NDFs) in the ECO for bankable regional projects to develop regional infrastructure through regional resources employed on commercial basis.
- viii. Pursuing implementation of Business Visa Sticker Scheme to benefit for the businessmen in the region on the lines of SAARC, ASEAN, etc. for trade facilitation.

Dear Chamber,

The role of business community and private sector is very much important and indispensable to support any trade and investment activities in the region. Seeking and recommending a strong nexus between our two sides, I consider it genuinely necessary to fuel and facilitate our collective endeavours for yielding productive and desired outcomes in the sector.

I believe that today's session will familiarize this esteemed Chamber with the prominent regional trade and investment-oriented initiatives of the ECO. Reiterating that all such measures are aimed at increasing joint economic growth and development of the Member States, I assure that the ECO will maintain with its founding role and goal as well as momentum to promote regional cooperation for securing sustainable socioeconomic development and prosperous future of the regional community.

I thank you all for your attention.