### The 9<sup>th</sup> Summit

### Statements by Heads of State/Government/Delegation

(Baku, 5 May, 2006)

Annex-II

AfghanistanKyrgyzTurkmenistan

Azerbaijan
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# English Translation of the Speech by H.E. Mr. Hamid Karzai President of the Islamic Republic of Afghanistan

In the Name of Allah, the Most Merciful, the Most Compassionate

Your Excellency Mr. Chairman, Excellencies Heads of States, Ladies and Gentlemen!

First of all, I would like to thank H.E. President Ilham Aliyev and the people of the brotherly nation Azerbaijan for the very warm and generous hospitality extended to us during this summit. Also, I thank the Secretary General of the Economic Cooperation Organization (ECO) and his colleagues for organizing this summit and for their efforts to strengthen cooperation among ECO member states.

#### Ladies and Gentlemen!

Our world is moving towards greater proximity and cooperation. Globalization is strengthening economic, political and cultural relations among people across different parts of the world. In my opinion, a globalized world will consist of united regions that have geographical, cultural and economic commonalities.

ECO member states are linked by deep historical and cultural ties. We have enjoyed strong links and relations among member countries throughout history; together we have inherited a great culture and civilization from our shared past. Today's political, economic and geopolitical conditions present unprecedented opportunities to further expand our relations and strengthen cooperation between our countries.

The region to which ECO member state belong is among the world's richest strategic energy reserves. This is an opportunity for our people, and our growing young populations, to develop the intact natural reserves available in our region. However, our relations and cooperation in the fields of economy and culture and the interaction between us have not grown to the optimum levels.

We in Afghanistan recognize our obligations towards the region, and our foreign policy with regards to the region reflects our desire for peaceful co- existence and dynamic cooperation consistent with our national interests and the interests of the countries of the region. Building and strengthening relations with countries of the region is among the top priorities of our foreign and economic policies. Afghanistan favors and will spare no efforts to restore its historical role that served as a land-bridge connecting countries of the region. The importance of expanding relations between Afghanistan and the region is already obvious in many areas. We are making efforts to turn Kabul into a vibrant centre of activities across the region. It was as part of these efforts that we hosted the high profile Regional Economic Cooperation Conference in December 2005 that was attended at ministerial level by countries of the region. More recently, two important regional conferences were held in Kabul, one on coordinating regional policies and mechanisms for fighting narcotics and another on common challenges in the area of health. The Afghanistan National Development Strategy (ANDS), which is currently being developed as a blue print for Afghanistan's development over the next five years, establishes regional cooperation as one of Afghanistan's core development strategy priorities.

Afghanistan will continue to play an active role in furthering closer ties and cooperation among countries of the region. Thanks to our achievements over the past four years, Afghanistan has been able to establish constructive partnerships with ECO member states, many of whom have taken an active part in the reconstruction

of our country and have benefited from our economic growth. Today, tens of companies from our brotherly countries of Pakistan, Iran and Turkey are undertaking reconstruction projects in Afghanistan. Trade between Afghanistan and its neighbors has risen to more than 2.4 billion dollars a year, compared to less than 50 million dollars a year only a few years ago.

Despite the considerable progress we have made in strengthening regional cooperation, there is still huge potential for further expansion. Considering this huge potential, trade among our countries is still very limited. Most ECO member states trade mostly with trade partners outside the region. For example, while in the European Union, trade among EU member countries constitutes 60% of their total transactions, for SAARC and ECO member countries this figure is less than 10%. We hope that ECO will learn from positive experience of other successful regional organizations such as the European Union and expand trade and business in different areas among its member states. Such a program will require support and commitment of all ECO member countries. Afghanistan is prepared to play an active part achieving this goal.

#### Ladies and gentlemen!

Our region was once a great center of civilization and one of the axis of the Silk Route. I firmly believe that, in the 21st century, we can revive our region's glorious past and promote it into a centre of peace, security and prosperity. To reach this goal, security needs to be ensured and cooperation needs to be enhanced at the regional level.

We will not have a safe and stable region unless the threats against security and stability of our region and the entire world are properly addressed. In my opinion, the main source of insecurity and obstacle to cooperation between our countries is terrorism. Terrorism threatens regional and global security. Terrorism does not recognize borders and most of the victims of international terrorism are Muslims. Any weakness in our resolve to fight terrorism will bring harmful consequences to all of us. Terrorism is a serious international threat that menaces our region. It is therefore the duty of all of us to jointly fight this common enemy. We have to fight vigorously against terror groups and their sources of finance and training. We have to adopt a firm policy and an unwavering position that will leave no room for compromise in our determination to fight terrorism.

We in Afghanistan have given great sacrifices in the war against terror. We will continue to play our own part in this fight and expect the same from other countries. There should be no doubt that the security of our region is directly tied to the security of Afghanistan. I hope no country assumes that the fire of terrorism will remain the problem of other countries. If we don't fight this menace with resolve, no country will remain safe from its threat. Therefore, we must not allow terrorism to be used as a foreign policy tool.

We want peaceful and prudent solutions to all regional and international issues, and our foreign policy is based on the premise of non-interference in other countries' affairs and respect for each other's sovereignty. Consistent with this policy, we will do our utmost to maintain constructive relations with countries in the region.

On behalf of Afghanistan, I assure you that the Afghan people and their government will stay committed to our partnership with countries of the region and to the principle of regional cooperation-especially with ECO member states.

A democratic and peaceful Afghanistan, with a foreign policy that is based on the principles of friendship and co-existence with all countries of the world, is in the interest of the region. As a partner to ECO member states, Afghanistan remains committed to strengthening cooperation and friendship among our countries.

A vision of security, progress and prosperity in our region is the true reflection of the desires and legitimate aspirations of the peoples of our countries. I fully believe that, through commitment and collective efforts, we will be able to make our common vision a reality.

Thank you

#### Text of speech delivered by H.E. Dr. Mahmood Ahmadi Nejad, President of the Islamic Republic of Iran

#### In the name of God

"O'Lord hasten the arrival and insure the good health and the victory of your representative; include us in the rank of his followers, companions and those willing to lay down their lives for him."

Your Excellency Mr. Ilham Aliyev, Honorable President of the Republic of Azerbaijan Honorable Heads of State, Heads of Government, Representatives of member states, Mr. Secretary General, Dear Participants, Ladies and Gentlemen:

Salaam Alaykom,

I express my sincere thanks to the Government and people of the friendly and brotherly Azerbaijan for hosting the Ninth ECO Summit Conference and their warm and heartfelt hospitality. I am further pleased to be present here in the beautiful and historic city of Baku.

Undoubtedly the climate of the Conference, which is filled with understanding and accord, will facilitate the taking of major decisions; which in turn will promote regional cooperation and advance the programs and activities of the Organization. With this in mind, I as the representative of the good people of Iran, shake the hands of all members and representatives and share the hope that this Conference produces fruitful and bountiful outcomes that bring further happiness and prosperity to member nations and states.

Mr. President, Honorable participants,

As you are well aware ECO states have been blessed with many important qualities. We must build on these to further promote our cooperation in all fields.

Firstly: We have a common history and culture -- which can play an important role in continuously strengthening and deepening relations. As persons responsible for providing for the desires, interests and will of our nations, we are required to take political and economic decisions that correspond to our common historic and cultural ties.

Secondly: The historical and cultural experience of Islam and its reach among the people of the region is indeed wide. History attests to the outstanding contribution of the people of these lands to expanding the horizons of religious knowledge and culture and the flourishing of Islamic civilization. Many Famous Islamic theologians, mystics, jurists, poets, philosophers were born and raised in these parts. The people of this part of the world - despite the diversity of their religious beliefs -have lived in peaceful coexistence, and this, is indeed a very good basis to strengthen and promote relations.

Thirdly: ECO was created to foster joint economic initiatives to subsequently support the progress of member states. Peace and security are the overriding prerequisites in realizing the ideals and goals of this organization. I am pleased to say that these prerequisite exists.

Cooperation in the context of regional organizations - such as ECO -is an appropriate way to expand relations and pool the resources of member states. ECO encompasses eight million square ki1ometers and 380 million people. It has great potential, which must be utilized to change the future of member states and all the region and better secure the interests of its peoples. The ECO region is known as one of the most important energy sources of the world, it has also been blessed with vast expanses of rich arable soil, an educated, talented, capable, hardworking workforce. With these in mind, ECO has the potential to become a successful intergovernmental organization.

Fourthly: The great ECO region is home to the oldest and the most well established route that linked Eastern and Western civilizations, that is the Si1k-Road. With its deep and astounding history, the Silk-Road was nurtured by great and industrious civilizations and cultures, as well as a strong spirit of cooperation and affectionate relations. History teaches us economic cooperation, and a common cultural identity has always served to bolster stability and convergence in the region. These have to be watchfully preserved. We must not allow the political and military rivalry of foreigners to help destabilize the region, loot its resources and hinder its development.

Mr. President, Excellencies,

Presently a number of bullying powers are feverishly trying to interfere in the domestic affairs of states and gain a foothold in the region. Constructive and focused cooperation of member states and neighbors is needed to increase our regional and international capacity.

A collective effort by ECO member states to concentrate on their desired priorities and a coordinated and strong presence on the international stage can help to modify and redress international relations.

The extensive capacity for cooperation among member states tells me that ECO - providing it can overcome existing obstacles inject more energy in its activities -can be an important contributing factor in the closer convergence of regional states.

I am extremely pleased to see a number of important ECO projects --such as the trade and development bank and the agreement on the framework of ECO transport and transit -come online and coincide with the Ninth Summit Conference. I hope that with the increase in cooperation and coordination and accord among regional states --especially vis-a- vis the signing and ratification of documents, agreements and the important projects of the Organization and also their implementation -we will be able to secure the goals as setout in Eco's 2015 Vision document and subsequently establish a fully integrated economy and an ECO free trade zone in the near future.

Right now ECO must draft a clear plan of action to better concentrate on its fundamental priorities as referred to in the basic documents of the Organization -especially the 2015 ECO vision document -and by utilizing the capacity of all regional and member states, setout to implement it.

Ladies and Gentlemen,

Regrettably the current world order is allowing a number of bullying powers to commit injustice, break laws and ignore the rights of nations. Unilateralism, double standards, support for occupiers and oppressors is normal for them.

International organizations --because of the influence of great powers --to a large extent have lost their effectiveness. These organizations do not defend the rights of member states and in some cases openly call on members to give up their indisputable rights. A prime example of this behavior is the support extended to the Zionist regime and pressure put on the popular and democratically elected government of Palestine. The Iranian nation has been exposed to similar pressures.

I am pleased to report that the Islamic Republic of Iran, through the grace of the Almighty and the hard work of its scientists and young faithful and talented people and despite all obstacles and efforts to sabotage its plans, has managed to complete the nuclear fuel cycle and thus record its name among the countries that have nuclear technology. We are interested -in accordance with international laws and under the supervision of IAEA -in continuing our efforts and produce industrial scale nuclear fuel for our plants. The Islamic Republic of Iran, believes that this great achievement is rightfully the achievement of all regional states and the Islamic world. The scientific progress and the strength of the Iranian nation will be in the service of regional and global peace and tranquility and does not oppose the interests of any nation. Today in your presence, I once again declare that the baseless allegations of global bullies will not weaken the resolve of the Iranian nation in reaching the peaks of progress and excellence.

Mr. President, Mr. Secretary General, Dear participants, The Islamic Republic of Iran calls for a peace that is based on monotheism, justice and respect for the dignity of man. In this context, as a part of its regional policy, Iran accentuates beneficial and extensive economic cooperation, the establishment of peace, security, and prosperity and the building of trust and understanding with all neighbors and regional countries. As a part of this policy, the promotion of bilateral and multilateral relations as well as the strengthening and expansion of regional arrangements, such as ECO, serve to secure common interests. To realize this, the Islamic Republic of Iran is ready to sincerely cooperate with all regional states.

As one of the founding fathers of ECO --and the host of the organization --the Islamic Republic of Iran will stand side by side and participate in the collective efforts of member states to bring further prosperity and development to the region. Iran is ready to utilize all its capabilities to insure the success of regional cooperation, in the framework of ECO, and to actively and seriously participate in the programs and activities of the Organization.

At the end of my comments, I once again thank the people and Government of Azerbaijan --especially His Excellency Mr. Ilham Aliyev, the Honorable President of Azerbaijan --for the successful organization of the Ninth ECO Summit Conference and their warm and sincere hospitality. I pray to the Almighty to bless you dear colleagues with good health and further success.

I draw inspiration from the name of the Great Prophet -which this Iranian calendar year has been named after -and once again pray for blessings, brotherhood, peace, justice, spirituality and prosperity for humanity. These are indeed the messages given to us by all prophets, especially the greatest and the seal of prophecy, Hazrat-e-Mohammad PBUH.

Wasalam O Alaykum wa rahmat O llah wa

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## Statement by H. E. Mr. Daniyal Akhmetov, Prime Minister of the Republic of Kazakhstan

Dear Mr. Chairman, Esteemed Secretary General, Distinguished Heads of States/Governments, ladies and gentlemen,

Above all, I would like to express my sincere gratitude to the President of the Republic of Azerbaijan H.E. Mr. Ilham Geidarovich Aliyev for warm welcome and hospitality, which is rendered to our delegation. Let me congratulate you with electing as a Chairman of the Ninth ECO Summit meeting of Heads of States/Governments and express my confidence that under your leadership our meeting in the beautiful city of Baku will be fruitful and successful.

I would also like to congratulate Mr. Khurshid Anwar with designation to the high post of the ECO Secretary General and assure that the Government of Kazakhstan would render him further support in practical implementation of projects within the framework of the Organization. I would also like to thank current Secretary General Mr. Askhat Orazbay for substantial contribution to the development and strengthening regional cooperation and wish him further success.

Dear participants of this Forum,

The tendency of regional integration is quite notable in light of increasing pace of globalization. In the light of this and adhering to the principles of mutual interaction, Economic Cooperation Organization in modern environment is devoted to resolve strategic tasks on effective integration of its members into global economy.

Taking into account current developments over the globe, the Republic of Kazakhstan, and personally its President H.E. Mr. Nursultan Nazarbayev, continues to support active participation in the ECO activities. We hope that today's Summit in Baku would give another impetus to the development process and enhancement of regional cooperation.

Nobody can challenge a fact that current world is the world of growing interdependencies. In the environment of globalization, first priority is given to the task of achieving an objective of establishing economically strong states with socially oriented economies thus mobilizing resources for the sake of improving prosperity of their nations. Hence, Kazakhstan has put in its agenda a target of joining the list of 50 most competitive and

dynamically developing nations in the forthcoming decade. We consider that high target as quite achievable.

Our confidence and belief are being supported by achievements of Kazakhstan in the economic development. During the last five years, an average pace of economic growth is about 10%. During the last 3 years, GDP per capita has increased more than 30%. The high growth indicators allow Kazakhstan to schedule double increase of GDP by 2008 as against 2000 and triple it by 2015.

The logic of cooperation within the ECO for the sake of regional prosperity fully coincides with main goals and principles of our state policy. Having passed through not an easy way of important reforms and thus secured macroeconomic stability, Kazakhstan at its new development phase has turned to implement active social and economic reforms. Striving to avoid domination of primary product orientation in its economy, we are continuing the implementation of the Strategy of Industrial and Innovative Development of the State aiming to establish diversified and technology-oriented economy with production of high value-added goods and services. For the purpose of implementation of this Strategy, we have established special national development institutions united under the aegis of Sustainable Development Fund.

The positive results of social and economic development are considered in Kazakhstan as a factor facilitating intensification of international cooperation. In its turn, regional cooperation has outstanding importance for stable development of our economies in new environment. Only through cooperation in priority areas like transport and communications, energy, agriculture, technology transfer etc, we may be able to create favorable conditions that are necessary for sustainable development. In this regard, we attach great importance to the strategic document titled ECO Vision 2015, which was adopted in 2005 in Astana, outlining strategic vision of the Organization for the coming decade.

I would not enter into details about well-known challenges and issues of the Organization.

It is no doubt that main prerequisite for achieving positive results is enhancement of the ECO efficiency in terms of goal-orientation. Therefore, while noting some achievements of Organization, it is necessary, for the sake of its enhancement, analyze critically its activities. In particularly, an issue of implementation of jointly taken decisions is strait forward and thus an effectiveness of a mechanism of their implementation needs to be increased. The work on changing ECO's organizational structure must be done by introducing relevant amendments into basic documents of the Organization.

Dear ladies and gentlemen,

Some ECO Member States are already members of World Trade Organization or in the accession process. I am sure that accession to WTO would facilitate implementation of the regional trade potential, which is still being utilized insufficiently. Therefore, we appreciate efforts of all our ECO partners towards joining the WTO. Further trade expansion would, in turn, lead to implementation of priority projects within our Organization. In this regard, Kazakhstan attaches high importance to the ECOTA, aiming to facilitate removal of tariff and non-tariff barriers.

The establishment of ECO Trade and Development Bank, which would strengthen regional trade cooperation and enhance the general activities, has a promising future. We suppose that all ECO Member States are interested in success of this Project.

Kazakhstan intends to play an active role in ensuring the utilization of rich energy potential of the region. The unique geographic location of ECO Member States, situated in the middle of existing inter-continental energy flows, and necessity for sustainable energy security, require further active efforts on developing the region's energy and transport infrastructures.

ECO, being intergovernmental organization, also works on attracting private sector. Kazakhstan supports this kind of activities. In this regard, organization of business forums, as a mechanism for improvement of contacts among private sectors of ECO Member States, deserves special attention.

Implementation of ECO projects in the field of agriculture involving the support of international and regional organizations would facilitate the development of mutually beneficial cooperation within the framework of the Organization.

The cases of Bird Flu in the region and neighboring countries became another reminder about the necessity for coordination of joint efforts in the field of healthcare and veterinary medicine. The efforts made by the

Organization on relevant joint activities have to be continued.

Kazakhstan attaches great importance towards enhancement of cooperation in the field of environment in order to improve living standards and health of the people of the region.

We are sure that the key factor for development of any country is enhancement of intellectual capacity. Given the strengthening of scientific, technological and cultural interaction of ECO Member States, we think that the activities of the Organization in this regard deserve full-fledged support.

Facing new challenges and threats to regional security, such as illegal turnover of drugs and political and religious extremism, activities of Organization in improving the effectiveness of counter-narcotic measures should be intensified. ECO has meaningful potential in resisting this evil, and it should be implemented in full scale.

Esteemed Chairman,

The ECO efforts towards post-conflict rehabilitation of Afghanistan, which has achieved great successes in terms of stability and development, worth mentioning. Kazakhstan, being confident in determination of Afghan leadership to fight against terrorism and drugs, supports the assistance of International Community towards this country in order to establish solid fundament for further development of Afghanistan. It is also necessary to provide humanitarian support for Afghan people that are still suffering from hunger and destruction.

We also support establishment of strong relationship between Economic Cooperation Organization and other international and regional organizations like Shanghai Cooperation Organization, Organization of Islamic Conference and bodies.

Esteemed Chairman, Dear participants of this Forum,

Let me once again confirm that Kazakhstan is ready to participate actively in the process of implementing goals and objectives of the Organization. I am sure that the Baku Summit and decisions made by it would strengthen our cooperation for the sake of our states. In conclusion, I would like to wish the Republic of Azerbaijan success as a new Chairman of the Organization.

Thank you for your attention!

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# Statement of H.E. Mr. M. Kerimkulov, First Deputy Prime Minister of the Kyrgyz Republic

Esteemed Chairman, Honorable Heads of Delegations, Distinguished Secretary General, Ladies and gentlemen,

On behalf of Kyrgyz delegation and on my own behalf I would like to thank His Excellency Mr. Ilham Aliyev, President of the Republic of Azerbaijan, for warm hospitality and excellent organization of our meeting.

Our today's forum gives the opportunity to sum up major results of our cooperation during the last period and discuss the perspectives of further utilization of our countries' potential for the sake of development of regional cooperation within the framework of ECO.

Honorable Chairman, Esteemed Heads of States.

We know that the ECO Member States, like all other foreign countries, keep an eye on the developments in Kyrgyz Republic. In this context I would like to confirm once again that Kyrgyzstan strictly follows the way of democracy and deep market reforms.

The Government conducts purposeful work on removal of various barriers impeding successful development of private entrepreneurship and establishment of favorable investment climate.

Excessive bureaucratic red tapes and illegal interference of state bodies in the activities of private companies are being liquidated.

At present, the Government has identified two priority tasks: fighting against corruption and creating proper environment for development of real economy sector.

New edition of Tax Code, which would allow to keep tax policy, customs and other rules unchanged for long time, will be adopted soon.

Deduction of profit tax (from 20% to 10%), income tax (up to 10%), non-resident income tax (from 30% to 10%) have been envisaged in new Tax Code along with preferences for farmers, miners, etc.

I want to emphasize once again that all necessary conditions for successful running a business presently have been created in Kyrgyzstan.

Openness of the economy, macroeconomic stabilization, liberal trade and currency regime, membership in WTO with all its advantages, free movement of capital, liberal visa regime and private property for land – all of these facts prove that Kyrgyzstan is favorable country for investment and mutually beneficial trade.

Relying on freedom and democracy, Kyrgyzstan is becoming a country capable for effective social dialog and dynamic development.

In this context, I would like to assure that Kyrgyzstan would strictly fulfill its international obligations and be a reliable partner in developing multilateral relations with all countries of the region.

Esteemed Chairman, Honorable Heads of Delegations, Ladies and gentlemen,

So far, the Economic Cooperation Organization has developed basic principles, aims and objectives of regional cooperation and identified its future development prospects.

Particularly, the clear understanding of close economic correlation of the countries of the region has predetermined extreme importance of our Organization for many decades ahead.

Any violation from the basic objectives of the Charter of Organization, which has been designated, first of all, to facilitate trade-economic cooperation among Member States, lead to destruction of its fundamentals.

Today we endorse the "ECO Vision 2015" Document. We think that our Organization has to make concrete decisions in terms of further mechanisms for resolving the issues reflected in the said basic Document.

Esteemed Participants, Ladies and gentlemen, Honorable Chairman,

Our country attaches great economic importance to its participation in the ECO's activities.

At the same time, the analysis of the ECO's activities has indicated the necessity for more differentiated involvement of the Organization into the life of Kyrgyzstan and other Member States. In our opinion, the Organization has to render assistance to its Member States in accordance with their interests and taking into account the real situation and regional specificity.

At present, Kyrgyzstan is in process of transitional period and makes active efforts on elimination of deficiencies of previous political regime.

Here we fully rely on assistance and support of all international community including our Organization.

I think that particularly ECO is able to concretize practically its help towards our efforts through implementation of economic projects in Kyrgyzstan.

We highly rely on energy potential and mineral resources exploitation and development projects, the implementation of which is becoming more topical in light of recent tendencies in the world energy markets.

Kyrgyz Republic attaches high importance to the implementation of the project on interconnection of power systems of ECO Member States. We hope that the results of the Feasibility Study, the preparation of which has already been launched using financial grant of IDB, would indicate its effectiveness and economic attractiveness for investors.

In the meantime, it is essential to establish favorable conditions for regional energy trade utilizing international and regional experience. Therefore we welcome and support the initiative of the World Bank to conduct several analytical researches in our region, which would facilitate development of regional energy trade.

Given the increasing role of industry and agriculture in the development of the region, it is necessary to mention progress achieved in implementation of the programs of our cooperation in these fields. The joint program of the ECO and the FAO on food security and agriculture is a good example in this regard.

We also support preparation of the ECO Industrial Strategy, the adoption of which would allow to expedite industrial development of our states and the entire region.

In the field of trade, Kyrgyzstan has signed and ratified ECO Trade Cooperation Framework Agreement. Successful operationalization of the ECO Trade and Development Bank, establishment of free-trade zone in the ECO region by 2015, and activation of ECO Chamber of Commerce and Industry have to become priority tasks of the Organization in the field of trade.

Cooperation within the framework of the ECO in the field of transport is being implemented based on bilateral intergovernmental agreements on international road transportation and in line with the Program of Action for the ECO Decade for transport and communications (1998-2007).

So far, Kyrgyzstan has signed bilateral intergovernmental agreements on international road transportation with all ECO Member States except Afghanistan.

In the field of transport, the establishment of effective mechanism for implementation of ECO Transit Transport Framework Agreement, which enters the force on May 19, 2006, is of high importance.

We are ready to participate in establishing regular functioning of Almaty–Bishkek–Tashkent–Ashgabat–Tehran–Istanbul passenger and container trains.

Dear participants, Honorable Chairman,

According to the Izmir Treaty, the development of tourism is one of the objectives of our Organization. We think that the time has come for joining efforts on propaganda of touristic centers of the region, development of relevant structures both on national and regional level.

In addition, it is necessary to undertake measures for increasing social living standards of our people, education and healthcare standards. We welcome the ECO initiative to coordinate the efforts of Member States on prevention of pandemic diseases including bird flu.

I am sure that the Baku Declaration we are adopting today would reflect interests of all Member States. This meeting would demonstrate our common aspiration for intensification of mutually beneficial cooperation.

Distinguished Chairman, Ladies and gentlemen,

In conclusion, I would like to note that we still should have to demonstrate the strength of our political will and desire to undertake urgent action for moving ahead toward the aims, laid in the basis of our Organization.

Thanks for attention.

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#### Statement by H.E. Mr. Shaukat Aziz, Prime Minister of the Islamic Republic of Pakistan

Your Excellency President Ilham Aliyev, President of the Republic of Azerbaijan, Excellencies, Ladies and gentlemen.

It is a great honour for me to participate in the 9<sup>th</sup> Summit of the Heads of state and Government of the Economic Cooperation Organization. May I express my profound gratitude to the Government and people of Azerbaijan for their warm welcome and gracious hospitality. The immaculate arrangements made for this Conference are indeed commendable.

On behalf of the Pakistan delegation and on my own behalf, I extend warmest felicitations to Your Excellency on assuming the Chairmanship of the Summit. I am confident that under your able guidance, this meeting will prove to be a milestone in our quest for increased cooperation in the ECO region.

May I, t the outset, express our profound gratitude to Member States and the ECO Secretariat for their generous response to the devastating earthquake that struck Pakistan in October last year. Your sympathy and support were a source of great strength to the affected people.

#### Mr. Chairman,

The twenty-first century is an era of immense prospects and possibilities. We are in an age of rapid progress and development. The frontiers of knowledge are expanding fast. Borders can no longer stop technology from spreading. Nations are moving closer. Regionalism has acquired new meaning. It fills important gaps in global economic activity. It makes cooperation more fruitful and constructive.

#### Excellency,

The ECO represents our best hope to foster trade and economic linkages in our region. It has taken positive initiatives of substance for the economic uplift of our peoples. These include the Transit Transport Framework Agreement which comes into force this month. The ECO Trade and Development Bank has also taken a step forward with the setting up of its Board of Governors. Several important annexures to ECOTA have been concluded. The expanding list of ECO's commitments and activities generates confidence in its future.

Free trade is central to regional economic integration. It can unlock latent energies and transform our socio-economic landscapes. It opens the door to wider markets and to economies of scale. One does not need to look too far to see the wonders that trade works. Pakistan's trade with Afghanistan has risen from less than \$ 100 million only four years ago to over \$ 1.2 billion at present. The projection for 2006 is \$ 1.5 billion. There is no reason why this example should not be emulated elsewhere in our region.

Pakistan has assumed the role of the coordinating country for ECOTA. We attach high value to the establishment of an ECO free trade area which, we believe, is well within the realm of possibility. It is, however, necessary that Member States give it the highest priority. We have to expedite finalizing the Optional Protocol on Fast Track. I would strongly urge an early consensus on this subject.

#### Excellency,

Our region faces multiple challenges. These range from disease and malnutrition to environmental degradation and natural disasters. Effective answers require coordinated action. I am glad that ECO has taken positive initiatives, including plans to deal with Avian Influenza and develop a Regional Centre for Risk Management of Natural Disasters. The devastating earthquake in Pakistan last October has underscored the need for such plans for disaster mitigation.

#### Excellency.

Despite the significant achievements of the ECO, we have a long way to go to achieve the goal of regional

integration. Inordinate delays in undertaking key activities impede the Organization's output. We have to assume greater ownership of the ECO. We must give it the attention that it merits. For the sake of our collective and individual interests, we should extend the necessary political and financial support to make the ECO a more effective Organization. There is also need for closer coordination of policies.

#### Mr. Chairman,

I would like to share with you Pakistan's vision for the ECO. We believe that for ECO to become a coherent, effective and seamless organization, it must create inter-dependencies and synergies, especially in the areas of energy security, transportation linkages and trade promotion.

Efforts must be made to establish inter-regional oil and gas pipelines as well as power grids from energy rich to energy deficient countries.

Transportation linkages should be enhanced to provide corridors for cooperation, people to people contacts, tourism, cultural exchanges and free flow of ideas.

Improved transportation linkages will also facilitate greater flow of intra-regional trade which will enable better regional specialization and promote further complementarities in our economies for the common advantage of all Member States.

I, therefore, encourage all ECO members to increase their focus on promoting greater energy, transportation and trade linkages within the organization. We should also undertake necessary reform and restructuring of the organization, as well as learn from each other's best practices by helping each other to help ourselves. We believe that such an approach is necessary if we are to realize the full potential of the ECO.

#### Mr. Chairman,

I would like to mention here the pivotal role that Pakistan can play, given its location, to bridge the regions of Central Asia and West Asia as well as provide the shortest route to the sea for landlocked Central Asian countries. We will soon be completing work on a deep water port at Gawadar in the Persian Gulf. Construction of road and rail transportation networks is also already underway to complement our air links with these three vital regions. Moreover, we are negotiating the Iran-Pakistan-India and the Turkmenistan, Afghanistan, Pakistan gas pipelines which will help to bring the energy resources of the ECO region to South Asia. Another project underway is to establish a power grid from Tajikistan to Pakistan. There also exists the potential to establish such pipelines through Pakistan to Western China.

#### Mr. Chairman,

It is, therefore, clear that the ECO Region is well placed to become a major hub of energy supply. We can take the initial step of diversifying supplies within the region. The launch of the feasibility study on interconnection of power systems is a welcome development. It would facilitate establishing a regional power grid. We believe these projects will contribute to the economic integration of our region.

#### Excellency,

Turning to regional issues, I want to emphasize that Pakistan respects Iran's legitimate rights under the NPT, including the right to peaceful uses of nuclear technology under appropriate safeguards. We have consistently supported a negotiated and peaceful settlement of this issue. Pakistan firmly opposes use of force, which would aggravate an already troubled situation in our region.

#### Mr. Chairman,

In South Asia, the Kashmir dispute lies at the heart of tensions between Pakistan and India. A just and durable Kashmir solution based on the wishes of the Kashmiri people is essential for lasting peace in South Asia. We remain committed to the dialogue process with India and have put forward several constructive ideas for resolution of all outstanding issues including Kashmir.

Peace and stability in Afghanistan is in Pakistan's national interest and vital for regional security and development. We are happy that the Bonn Process has been completed successfully and the Afghanistan

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Compact launched early this year to carry forward the reconstruction process. We endorse it fully and wish the people of Afghanistan all success. Pakistan would continue to support the Government of His Excellency President Hamid Karzai and contribute to the reconstruction of that brotherly country.

The problem of terrorism threatens the entire international community. No country is immune from this menace. Pakistan has long been its victim. We oppose terrorism in all its forms and manifestations. Pakistan is playing a key role in the global campaign against this menace. However, we believe that a lasting solution to this problem requires elimination of its root causes. Terrorism stems from the denial of justice, from deprivation and from a sense of humiliation. These must be addressed in a holistic way.

As Muslims, we must also raise our voice against the linkage that is drawn in some societies between Islam and terrorism. Islam is a religion of peace, tolerance and harmony which abhors violence. It is also incumbent on us to promote better understanding of Islamic values for which there is need for a dialogue between the Muslim world and the West.

#### Excellency,

Before concluding, I would like to convey that Pakistan would be happy to host the tenth ECO Summit in 2008 in Islamabad. We look forward to the support and cooperation of all Member States to make this Summit a success.

#### Excellency,

I would also like to thank all Member States for their support to Pakistan's candidature for the post of Secretary General of ECO. Mr. Askhat Orazbay, the outgoing Secretary General has made valuable contributions to regional cooperation. I am confident that his successor, Mr. Khurshid Anwar, would build on the good work already done to promote the ideals of the ECO.

#### Mr. Chairman,

As members of the ECO family, sharing strong commonalities of history and geography, of faith and culture, we have a firm basis for a lasting cooperative relationship. We are endowed with rich resources, most importantly 380 million hardworking and talented people. They expect ECO to be a credible vehicle of regional integration. We must spare no effort to meet their expectations.

Thank you.		

# Statement by H.E. Mr. Akil Akilov, Prime Minister of the Republic of Tajikistan

Dear Mr. Chairman, Dear Heads of States and Governments, Ladies and gentlemen!

First of all, let me to express words of deep appreciation to the Secretariat of Economic Cooperation Organization and the Government of Azerbaijan Republic for preparation of the 9<sup>th</sup> ECO Member States' Summit, for hearty welcome and hospitality.

We highly appreciate positive role of ECO in development and deepening of good neighborliness, mutually beneficiary cooperation and friendly relations between Organization's Member States. Development of integration processes, increasing trend of globalization of national and regional economies promoted strengthening of the ECO role in world economy and geopolitics. Further development of globalization of economy and its dominant role within frameworks of realization of transnational corporations' interests make the world not only interconnected, but contrasting at all levels – countries, regions and even continents. In this regard, I would like again to emphasize the principle importance of today's meeting in the line of further integration within Organization's frameworks, confirm main directions and principles multilateral cooperation, elimination of main barriers, which impede the achievement of higher level of cooperation between our countries.

Economic Cooperation Organization provides opportunity to ECO Member States to use the ways and means of realization of joint regional projects, firmly establish position in the world market and, in the long run, to provide decent life for our peoples.

Political stability achieved by efforts of the President of Republic of Tajikistan, H.E. Emomali Sharipovich in the country allowed us to concentrate our resources to solving economic problems and speed up economic reforms, which gave positive results in achieving macroeconomic stability, poverty reduction.

One may observe steady economic growth in the country, remarkable progress in implementation of economic reforms and shifting to market economy. During last 5 years economic growth rate in average is 9.5%. In total during this period country's Growth Domestic Product increased by 57%. The same pace of economic development is being observed in this year.

One of the important results of balanced monetary and credit policy in the country was decrease of foreign debt from 108% of GDP in 2000 to 39% GDP in 2005.

Foreign trade turnover of Tajikistan with ECO Member States in 2005 was about 40% of country's total foreign trade turnover.

Trade turnover with Islamic Republic of Iran, Turkey, Kazakhstan, Uzbekistan, Afghanistan and Azerbaijan has increase distinctly, while trade with Turkmenistan and Pakistan decreased.

It should be noted that despite of taken measures the value of intraregional trade among ECO Member States still is insignificant. The extend and the level of intraregional cooperation are not satisfactory. There is a huge potential for widening of regional integration within ECO framework.

At present, foreign trade relations within the region mostly are limited on export and import operations. At the same time, other forms of foreign economic relations, such as implementation of joint projects and establishment of joint enterprises, scientific and production co-operations, application of advanced technology and others have not yet developed properly.

The Republic of Tajikistan by its level of innovation activity, production of high tech goods for objective reasons remains behind most of ECO Member States. Because of this, we rely on strengthening of scientific relations of Tajikistan with ECO Member States which would promote the solution of the said problem.

Other important direction of cooperation is establishment of unified transport system, implementation of common trade, tariff and coordinated foreign economy policy.

Prioritized sphere of regional cooperation is solution of problems of complex and effective use of water and energy resources. Continuous increase irrigated areas, active development of new lands, population increase in the region's countries exacerbated the problem of regional use of water resources, and intensive production increase stipulate for increase electricity consumption.

As it is known ECO Region has a huge hydrocarbon resources and tremendous hydro energy potentials which define its position in the world economy noticeable degree. Complex and effective use of existing potential will allow strengthening the role of region's countries in determination of world energy market opportunities and declining negative fluctuation of world price to energy resources and to world economy as a whole.

It is known that Republic of Tajikistan with its hydro energy resources takes a leading position not only in the region, but also in the world. Total hydro energy potential of Tajikistan is estimated 527 billion kilowatt-hour per year. Unfortunately, nowadays in the country only 5% of total potential for generation of electricity is used, which is extremely low. At the same time, there is a huge need to electro-energy in many countries in the region, such as in Pakistan, Afghanistan and Iran.

Certain progresses have been achieved in utilizing of opportunities to export electric energy to Afghanistan and Iran. At present, both Tajikistan and Afghanistan are putting efforts on reconstruction of a power line. In 2006, the Government of Republic of Tajikistan and the Government of Islamic Republic of Iran signed Memorandum on Construction of Sangtuda-2 hydro power station. It testifies to development of mutual beneficiary cooperation.

There is a need for acceleration of realization of projects in the field of transport and communications, which in their turn should accelerate regional integration. Particularly, by paying more attention to transport sphere for establishing regional infrastructures, ECO may use great financial and technical assistants of international organizations.

It must be pointed out that in the region's countries considerable changes have taken place in structure of railway freight flows. Taking into account development and use of new sources of minerals, including mineral fuel for transportation, modernization of railway systems and their integration into Trans Asian Railway in the near trends is needed.

It is delightful that ECO Member States take further measures towards reconstruction of Afghanistan. Striking illustrations are establishment of ECO Special Fund for Reconstruction of Afghanistan, and Feasibility Study Fund for this country.

Tajikistan has more than a 1300 km long border with Afghanistan. At present, there are three bridges built and two others are being built on the boundary river Panj with assistance of international organizations and donor countries which will further promote development of economic and trade relations between Afghanistan and other ECO Member States.

Special sphere of cooperation for ECO Member States could be joint activities in the fields of food and ecological security. These problems are far from the scope of a country and for this reason, the ECO Secretariat should stir activities in attracting the attention of donor states and international organizations for providing financial and technical assistance in these fields.

It is necessary to develop our regional cooperation further through activating and taking measures for improvement of functioning of ECO Science Fund, ECO Insurance College and ECO Chamber of Commerce and Industry, to solve the problem of simplification of visa procedures for businesspersons, to create uniform information, trade and investment data base and attract private sector to implementation of intended projects and plans by Organization.

Some problems, which I have pointed out, are reflected in the Baku Declaration. I would emphasize that this document is relevant and appropriate for development and strengthening of regional cooperation between ECO Member States. Implementation of this document will promote rise of the Organization's importance and achievement of further integration processes and in the end prosperity of ECO Member States' economies. Herein I wish all our countries further successes.

Republic of Tajikistan approves the appointment of H.E. Mr. Khurshid Anwar as the new Secretary General of ECO and wishes successes to him in this position.

Thank you. Top

#### Statement of H.E. Mr. Recep Tayyip Erdoğan, Prime Minister of the Republic of Turkey

Mr. Chairman
Excellencies Heads of States and Governments
Honourable Ministers
Ladies and Gentlemen

It is a great honour for me to address the Ninth Summit Meeting of the Economic Cooperation Organization. I extend my congratulations to His Excellency Ilham Aliyev on assuming the Chairmanship of ECO. I am confident that under his guidance our meeting will be successful and fruitful.

I also take this opportunity to express our appreciation for the valuable leadership of the outgoing Chairman H.E. Emmomali Rakhmonov, President of the Republic of Tajikistan.

I would also like to thank H.E. Askhat Orazbay, our distinguished Secretary General, for his valuable work and contributions. I congratulate H.E. Khurshid Anwar for his appointment as the next Secretary General of ECO and wish him success.

Mr. Chairman,

Our agenda has not changed much since the last ECO summit in 2004 in Dushanbe. Still we are preoccupied with developing our economies and adjusting ourselves to the challenges and opportunities of the globalization. I do believe that regional cooperation is key to addressing these issues and ECO has great potential in this regard. Considering the vast resources of energy and transit capabilities of our region it is very relevant and promising. What we lack is the efficiency and cohesion in our work. If we really commit we could overcome them and show a strong presence.

I know by experience that it works. Turkey is a good example. A few years ago we were in an economic crisis and political turmoil. Today Turkey ranks as the 17<sup>th</sup> largest economy in the world. Our GNP exceeds 350 billion Dollar and our trade volume has passed 190 billion Dollar. For the last four year we have realized consecutive growth rates. In fact, Turkey has grown by more than 30 percent during this period. In 2005 alone we received more than 22 million tourists. We have started accession negotiations with the European Union which will tremendously influence the governance and economy in Turkey.

Excellencies, we have come to this stage by cooperation and not by confrontation. Cooperation and reform are absolutely necessary elements for progress and prosperity. The most valuable asset we have today in resolving the problems of globalization and benefiting from the opportunities it presents is our human resources. We should establish or further strengthen free, open and participatory structures in order to make use of this potential. While prosperity and stability are important they need to be sustained by democracy, rule of law, human rights and good governance. Realism alone does not meet our needs. We also need to take account of ideas, norms and values as important elements of international politics.

There is also a need for a committed effort to overcome prejudices, misconceptions and polarization among cultures. The "Alliance of Civilizations" initiative which we co-sponsor with Spain under the aegis of the UN Secretary General is certainly one of the most relevant means available to us with a view to promoting dialogue and harmony.

#### Your Excellencies.

In our foreign policy, the Eurasian dimension occupies an important place. Furthering our relations and cooperation with the Asian countries, linking Europe and Asia through energy corridors and land routes, and the creation of new dynamics for regional cooperation are the main tenets of our Eurasian vision.

Promoting economic cooperation and development will require regular and institutionalised dialogue between the regional countries and ECO is the central forum in this respect. Economic development, however, will not be possible without a major role of the private sector. Governments can and must set the necessary

frameworks and create an enabling environment for the private sector to prosper. Some successful regional integrations clearly show us that removing trade barriers, promoting trade between the countries, integrating markets and balanced liberalization and privatization of the economy is conducive to a sustainable economic development.

These are indeed ECO's prime objectives, and therefore the organization is uniquely placed to play a major role in facilitating economic cooperation and development in this region. We are hopeful that ECO Trade Agreement (ECOTA) and Transit Transport Framework Agreement (TTFA) will soon be implemented, thus enhancing ECO's relevance and giving a new impetus to the regional cooperation.

In this regard, I also attach importance to the early establishment and operationalization of the ECO Trade and Development Bank. It will promote development of regional projects and business relations.

We welcome the positive developments in Afghanistan and renew our support for the government of President Hamid Karzai. Afghanistan's progress and performance is remarkable under his able leadership. Reconstruction of Afghanistan is highly important and assistance of the international community absolutely necessary. I have the honour to announce that Turkey will contribute two million Dollars to the ECO Special Fund for Reconstruction of Afghanistan. We will also continue our bilateral aid programs and grants. We are intending to implement projects there worth 16 million Dollars in 2006. Turkey will also establish Provincial Reconstruction Team in Vardak in June 2006 and undertake necessary work and duties in this regard.

We welcome the expansion of ECO's relations with international and regional organizations, which is necessary for effective work of the Organization. We also welcome and support the adoption of the ECO Vision-2015 and Recommendations of the ECO Eminent Persons Group. Turkey is fully committed to implement them.

ECO has made good progress in institutionalizing sectoral Ministerial meetings. They are quite useful and productive in advancing our cooperation. I believe that in addition to the priority areas of trade, transport and energy we could also focus on industry and agriculture. Adoption of ECO Regional Programme for Food Security is a positive step in this respect and we should also finalize ECO Industrial Cooperation Strategy without delay.

Thank you.

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#### Statement by H.E. Mr. Erkin Khalilov, Speaker of the Parliament of the Republic of Uzbekistan

Dear Mr. Chairman, Distinguished Heads of states and governments of ECO member-states, Ladies and Gentlemen,

First, allow me heartily welcome heads of official delegations of ECO member-states and express firm belief that current Summit would promote further development of cooperation between our countries.

Availing myself this opportunity, I would like to express my sincere gratitude to the Government of the Republic of Azerbaijan and personally the President Ilham Aliyev for hospitality and excellent organization of this Summit meeting of heads of states and governments.

We consider this regular meeting within the ECO framework as another opportunity to discuss issues of interaction of countries of our region and, first of all, topical issues of regional integration.

Today we are observing with satisfaction the undergoing reforms in the ECO and its transformation into factor of regional development and deepening of economic links through utilization of potential of its member-states and enhancement of transport and communication capacity.

Uzbekistan always advocated and stands adherent to progressive development of regional cooperation and achievement of economic prosperity based on mutual cooperation.

Uzbekistan attaches to the ECO goals and principles and makes efforts in the way of enhancement of mutually beneficial cooperation within the framework of this Organization to achieve overall development and prosperity of countries of this region.

Distinguished participants of this Summit,

In our opinion, we have to indicate issues of development of transport and energy communications as the most topical tasks for the countries of the Organization.

We support ECO efforts towards achieving progress in the field of cooperation of regional countries through settlement of transport issues. We consider that intensive development of transit and transport potential, establishment of modern communication network, setting up new routes for transportation of goods to world markets would give additional impulse to economic growth of the region.

That is why Uzbekistan attaches first priority to development of transit and transport capacity of the region as basic component of export of goods and primary resources. In our opinion, regional infrastructure has to be developed taking into consideration of interests of the landlocked member-states.

Our country is one of the initiators of big regional project – construction of Trans-Afghan transport corridor through territories of Uzbekistan, Afghanistan, and Iran and further to Persian Gulf seaports. We believe that this project has strategic importance for the whole region and at all that, prerequisite condition is promotion of measures on rehabilitation and reconstruction of Afghan political system and social and economic infrastructure.

We think that another important trend of the ECO activity is the issues of energy development. Uzbekistan supports an idea of interconnection of energy grids and development of oil-and-gas networks in the ECO region.

Uzbekistan, while possessing of significant gas reserves, attaches important significance to the issues of its transportation, identification of optimal routes of future regional pipelines.

Our country intends annually increase gas production at the account of intensification of existing ones and development of new gas fields. Therefore, Uzbekistan considers cooperation on development of regional oil-and-gas network as well as interaction of energy grids of the ECO member-states as priority trends.

In our opinion, telecommunications is another important field of cooperation that requires active participation of member-states. First, we are talking about existing optic-fiber communication line, effective

utilization of which by ECO member-states would enable to increase significantly a quality of intraregional communication.

In the view of the above, we support holding a meeting of representatives of ICT within the framework of TAEFOS project on 8-10 May 2006 in Tehran.

Availing this opportunity, I would like to draw your attention to the problems that may have negative impact on ongoing positive processes in the ECO member-states. We think that today our region is facing with real menace from the side of international terrorism, transnational organized crime and drug trafficking.

ECO member-states should conduct joint studies in the field of combating illicit drug circulation that is serious threat for our people. In spite of achieved progress in this regard, we have to do a lot to eliminate that evil.

Past practice shows that acting alone or without close international cooperation, no country may be able to secure full security of its citizens. At the same time, I would like to note that Uzbekistan considers ECO as a pure economic organization. The attempts to politicize this international structure, in our opinion, would meet neither the status nor the goals nor the destination of the Organization.

Distinguished Heads of official delegations,

In order to reach a peak of globalization, ECO member-states should effectively utilize common human resources. That may be achieved only through establishment of well-educated and sound society. Particularly up there, we have the groundwork and a role of democracy and transparency of social structures.

Today, the goals of joint efforts of the regional countries are both minimization of negative impacts of globalization and first, creation in that environment favorable conditions for full-scale development of our countries. It is reachable in case we would find ways of optimal management of globalization process in the region, which is impossible without cooperation with international structures.

In this context, Uzbekistan supports enhancement of ECO relationship with international and regional organizations as the important constituent of the activity of the Organization.

Moreover, Uzbekistan deems it necessary to continue reforms on improvement of ECO efficiency and effectiveness. We are hoping that these reforms would help our region to become important center of economic activity.

Delegation of the Republic of Uzbekistan congratulates Mr. Khurshid Anwar with designation to the high post of ECO Secretary General and hopes that he would make a constructive contribution to further development of the Organization. We are confident that his period of tenure would be marked by strengthening cooperation between member-states of the Organization.

While declaring our support of Baku Declaration, Uzbekistan hopes that it will enable to create much more favorable conditions for economic prosperity of our nations.

In conclusion, let me once again thank the leadership of Azerbaijan as well as assure participants of the Summit that Uzbekistan will stand by the goals and objectives of ECO set forth in the Izmir Treaty.

Thank you.	
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