

## Statement of the ECO Secretary General

*Annex-VI*

*Honourable President of  
the Islamic Republic of Iran,  
Honourable Heads of State/Government and Heads of Delegation,  
Excellencies,  
Distinguished Delegates,  
Ladies and Gentlemen,*

1. It gives me great honour and privilege to address the Honourable Presidents/Heads of Delegation of the ECO Member States on the auspicious occasion of the 6<sup>th</sup> ECO Summit Meeting being held in Tehran on 10<sup>th</sup> June 2000.
2. At the outset, I would like to avail this opportunity to join in the unanimous expression of felicitation to the Honourable President of the Islamic Republic of Iran, H.E. Syed Mohammad Khatami on his assumption of the Chairmanship of the 6<sup>th</sup> ECO Summit Meeting. I am confident that, His Excellency's rich experience, vision and sagacity will infuse additional strength to our Organisation's endeavours and prepare an appropriate ground to meet the challenges of the new millennium. It is also a pleasant duty for me to express our heartfelt thanks to the Government of the Islamic Republic of Iran for the excellent arrangements and the warm hospitality extended to all delegations.
3. Since the last Summit held in Almaty in May 1998, several important achievements have been materialized. Yet, in some fields of activities the progress was not up to the level of our expectations. The Asian financial crisis and adverse internal developments in most of the ECO Member Countries had negative effects on ECO projects/programmes as well. However, significant progress could be achieved particularly in priority areas of cooperation of our Organisation. Let me also convey our heartfelt gratitude to H.E. Mr. Nursultan Nazarbaev, the Honourable President of the Republic of Kazakhstan for his valuable guidance and contributions during his tenure of chairmanship.
4. The overall picture in the field of Transport and Communications could be considered as satisfactory. As a matter of fact, the 3<sup>rd</sup> Ministerial Meeting on Transport and Communications, held in Islamabad on 24-28 April 2000 enabled the Member States to present their Country Reports, on the implementation of the Programme of Action for the ECO Decade of Transport and Communications (1998-2007). The finalization of the Annexes of the ECO Transit Transport Framework Agreement (TTFA) was one of the main achievements of this conference. If the signatory Member States could finalize the process of ratification of this agreement without delay, an important achievement would be materialized. Needless to say that, such an outcome would be hailed as a major contribution of ECO to the ongoing efforts for the revival of the historic silk-road. In this connection, may I be permitted to address an appeal to the Republic of Uzbekistan to join the TTFA and to Turkmenistan to sign the annexes at the earliest.
5. The adoption of the Terms of Reference and the working mechanism of the ECO

Permanent Commission on Transport and Communications was another important result of the Ministerial Meeting. On the other hand, I hope that, the ECO railway and road network maps could take their final shape soonest to provide another tangible output of our joint efforts.

6. It would also be relevant here to highlight the importance of the harmonization of the tariff policies of the Member States regarding the road and railway transport system. The railway connection Tejan-Serakhs-Mashhad inaugurated in May 1996 would increase its capacity if suitable freight tariffs would be available.

7. Another major achievement in the field of transportation was the signing in September 1999 of a Technical Assistance Grant Agreement between Islamic Development Bank and ECO to implement the joint ECO/UNESCAP/UNCTAD/IDB project for the Introduction of Multi-modal Transport Operations in the ECO region. Under this agreement, the Islamic Development Bank will provide financial assistance amounting to USD 272,000 for implementation of this project.

8. The holding of the 1<sup>st</sup> Ministerial Meeting on Commerce/Foreign Trade in Tehran on 4-6 March 2000 was another landmark event in the history of ECO. A Framework Agreement on ECO trade cooperation was the main outcome of this Ministerial Meeting. The Framework Agreement envisages, inter-alia, the preparation of an ECO Trade Agreement aiming at progressive elimination of non-tariff barriers as well as gradual reduction of tariffs in the region. In this regard, I would like to address an appeal to the three Member States who have not signed the Framework Agreement to join it at the earliest. Since several ECO Member States are at a stage of transition economy, it would take a long time to reach a region-wide trade agreement. Nevertheless, trade facilitation measures and steps aiming at progressive liberalization constitute the pre-requisite in view of the globalization trend.

9. Cooperation among the Customs Administrations of the ECO Member Countries is developing satisfactorily. The next meeting of the Heads of Customs Administration will be held in Baku, ten days later.

10. The ECO's relations and cooperation with international organizations continued to expand in a mutually beneficial manner. The ECO was accorded observer status in the World Trade Organisation's Trade and Development Committee and the WTO Ministerial Conference. The ECO/WTO seminars have been held regularly since 1998. Relations with UNCTAD also are expected to gain a new momentum with the signing of a Memorandum of Understanding in November 1999.

11. The Geneva based International Trade Center has been recently an active partner of the ECO in launching the project on "Increasing Intra-trade in the ECO Region". The International Trade Centre will provide USD 134,000 from its own resources for the implementation of this project. The ECO contribution of USD 50,000 will be provided through ECO Feasibility Fund.

12. According to a very recent study carried out by the International Trade Centre, the indicative trade potential for ECO is estimated to be approximately USD 16 billion which is four times bigger than the present one.

13. In pursuance of the Ashgabat Declaration of 14 May 1997 Ad-Hoc Committees and

Expert Groups were established to speed up cooperation on the field of energy. The experts group on ECO oil and gas pipeline routes finalized the draft Terms of Reference for the consultants to prepare a pre-feasibility study. However, efforts to secure funds from international financial institutions have produced no tangible result so far.

14. We are also working for a pre-feasibility study on the Interconnection and Parallel Functioning of the Power Systems of ECO Member Countries. The Islamic Development Bank has shown encouraging interest in this connection. Recently, the IDB intimated to the ECO Secretariat its readiness to provide a technical assistance grant amounting to USD 400.000. It is hoped that the forthcoming First Ministerial Meeting on Energy to be held in Islamabad in November this year will give further impetus to the ongoing efforts to promote regional cooperation in this vital sector.

15. The importance of regional cooperation on environmental issues has been stressed on various occasions particularly in the Almaty Declaration (11 May 1998). In this connection, an MOU for cooperation between ECO and UN Environmental Programme will be signed very soon.

16. Our organisation's performance during the last two years in the field of agriculture and industry remained below expectations. I hope that, with the technical and financial support of IDB, FAO and ICARDA some important steps would be taken in the field of food security and other selected topics in the agricultural sector. Along the same line, realistic projects could be formulated in the field of industry with the technical assistance of UNIDO and UNESCAP.

17. Thanks to UNDP's technical assistance under the Capacity Building Project and our own resources, the ECO Secretariat has been equipped with the relevant tools of information technology. The Directorate of Economic Research and Statistics has established an information network with Member Countries through National Focal Points. The ECO Guide Book, The ECO News Bulletin, The Annual Economic Report have now become regular publications of ECO. The library will be computerized within few months. The ECO Website is ready and it would be hosted very soon.

18. The amendment in the Functional Methodology of ECO, which was approved two days ago by COM will enable the ECO to participate in monetary terms as well in the implementation of joint projects to be carried out with other international/regional organizations.

19. The Special Support Fund provided for the first time in the Secretariat's budget for the year 2000 will enable the Central Asian Member States and Azerbaijan to participate at expert level in a number of ECO events/meetings. The Ministerial Meetings will enhance the existing cooperation in priority fields as well as other important areas such as agriculture, industry and human development.

20. The expansion of the ECO's external relations was very much satisfactory in many respects. Besides the UN General Assembly and OIC, the ECO has acquired observer status with WTO. The ECO is being invited regularly to the Annual Meetings of UNGA and the Board of Governors of IMF and the World Bank as an observer. Relevant UN agencies have continued to play an active role in assuming substantial responsibilities in various ECO projects and programmes. UNDP, UNESCAP, UNFPA, UNCTAD, FAO and UNIDO, deserve particular mention in this connection.

21. I am grateful to the Islamic Development Bank for the encouraging financial and technical assistance being provided for various ECO projects. I hope that this esteemed Institution will continue to support our Organisation's endeavours in the years to come.

22. The Drug Control Coordination Unit, which was established in July 1999, under the joint ECO/UNDCP project is evolving positively. The network connecting the Secretariat to the National Focal Points will be operational soon to process the relevant drug related information/data.

23. I am proud to state that the ECO now enjoys an international prominence as one of the major regional inter-governmental organizations. I am confident that, the esteemed leadership of the Member States will continue to support the ECO's actions and provide their blessing and guidance in this regard.

24. Needless to say that, our Organization enjoys a strategic location in the world map. Conscious of this reality, the leadership of ECO Member States may follow a visionary approach and give priority to the strengthening of the ECO.

25. During the last four years, I followed up to the best of my abilities, an objective and impartial line with a spirit of teamwork keeping above all the interest of the Organization. At this critical juncture, the spirit of solidarity and more particularly that of regional cooperation should prevail over the short-term considerations. With regard to the Secretariat, a concept of international civil service and true professionalism are needed. Along the same line, Secretary General's status may be strengthened.

*Thank you for your kind attention.*

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