

Statement
by H.E. Mr. Halil Ibrahim AKCA,
ECO Secretary General

At the Opening Session of the
27th Meeting of ECO Regional Planning Council

5 December 2015
ECO Secretariat- Tehran

**Your Excellency Dr. Abbas Aragh'chi,
Honorable Deputy Minister of Foreign Affairs of the Islamic Republic of Iran,
Distinguished Heads of Delegation,
Dear Participants,
Ladies and Gentlemen,**

At the outset, I would like on behalf of the ECO Secretariat and on my own behalf to welcome all distinguished delegations at the 27th Meeting of ECO Regional Planning Council (RPC). RPC is the most technical body within the Organization, where main activities of the Organization in the following year are being developed by the Member States.

This RPC Meeting is also being held at an important stage, since ECO is fully involved in the process of evolving its new vision for next ten years. The "ECO Vision 2025" should set priorities of the Organization in the light of regional emerging needs and realities, as well as the trending global agenda, including the post 2015 development agenda and Sustainable Development Goals (SDG's), recently adopted in the United Nations and Paris Agreement.

The Vision, supposed to be adopted during the upcoming ECO Summit/COM in Islamabad, will be built on the direct contributions by the Member States at different levels and in various ECO forums. This 27th RPC Meeting is a timely contribution into the Vision finalization process. The annual ECO Work Programme to be developed by this RPC Meeting can also be guiding towards the direction that Member States wish to see their Organization move ahead in the future.

To take the opportunity of having delegations from the planning and technical bodies of the Member States here in Tehran, we have also planned to organize a Special session on the margins of the RPC Meeting aimed at getting more concrete contributions into the Vision setting process. Therefore, I would like to once again invite the Heads of delegation and Ambassadors/Permanent Representatives of Member States to participate in the Special Session to be held today in the afternoon to deliberate and make recommendations for finalization of the Draft ECO Vision 2025.

Distinguished Participants;

Since last RPC Meeting in December 2016, we, the Secretariat and the Membership along with the ECO regional institutions and affiliated bodies, have made efforts to realize the objectives of the Work Programme, through a great number of activities and events. Let me brief you about the current state of affairs within ECO which will give you an update about where we stand now in different areas and sectors of activities.

Trade is an engine for growth and is a major driver for economic development. I would briefly share the trade profile of the region. The aggregated world trade of the ten ECO Member States is amounted to US\$ 648 billion in 2015, including exports of US\$ 285 billion and imports of US\$ 363 billion. Although the ECO population is about 6% of the world population, the share of ECO world trade is less than 2%. The intra-ECO trade is only 8% of the global trade of its members. This is far below than its potential and has to be enhanced. The early operationalization of the ECO Trade Agreement (ECOTA), which is the flagship trade agreement of the ECO, will increase the intra-regional trade. It will also enable the Member States to import raw material and essential items at reduced duty rate. I would therefore request the support of the Member States for its early operationalization.

The operationalization of ECO Trade and Development Bank (ECOTDB) is one of the milestones towards trade facilitation and promotion in the region. The Bank has expanded both its operations and Membership base. Now six ECO Member States are full Members of the Bank. Taking this opportunity, I will request the remaining Member States to begin the process of the bank's Membership. There is a big gap between the expectations of the Member States and reality i.e. capacity of the Bank in terms of its capital. Therefore we should support the Bank to increase its capital sources at least by 100 per cent.

Within the framework of the implementation of the 3rd phase of the ECO-UNIDO Trade Capacity Project (TCBP) we started in 2014, ECO Regional Quality Policy and Guideline for National Quality Policy which will facilitate the elimination of Technical Barriers to Trade (TBT) among ECO Member States have been formulated. To promote the ECO Quality Infrastructure at the country level and to implement the ECO Regional Quality Policy, continuation with the next phase of the Project is required. In this respect I am requesting the Ministries/Departments of the Member States responsible for making national standardization decisions/policies and National Standardizations Institutions to give to the Secretariat their full support to initiate for the implementation of the next phase of the Project.

Distinguished Delegates;

Transport and connectivity within the Region has witnessed further progress. The ECO/IDB Feasibility Study on Customs Related Provisions of TTFA has been successfully completed with preparation of the Report endorsed by the Member States at their 5th Customs Transit Committee (15th November 2016, Tehran). The Study represents a valuable and comprehensive roadmap to be implemented as a collective work towards easing the flow and increasing the cargo volumes and services, improving customs related infrastructure, upgrading/modernizing existing border crossing points (BCP) services, harmonizing customs related regulations exercising at the Member States' BCPs through facilitating accession to relevant international instruments.

Further to the accession of Pakistan to TIR Convention which resulted in bringing all Member States under the global TIR system aimed at facilitation of movement of goods under Customs seals in international trade, ECO has been invited by UNECE to undertake relevant legal actions towards possibility of obtaining the status of "a dialogue partner" under UNECE's relevant bodies to oversee the operation of the international guarantee and insurance system

The real TIR operations with loaded trucks were agreed to start along Islamabad-Tehran-Istanbul (ITI) Road Corridor as soon as Pakistan finalizes all formalities required for this purpose.

Noting that the visa for drivers and persons involved are one of major factors impeding smooth flow movement of trucks across borders and examining working schemes on visa easement regimes in the EU, SAARC and BSEC, the Member States were asked to consider and provide views on the "ECO Visa Sticker Scheme for drivers and related personnel" drafted and proposed by ECO. The First Senior Consular Officials' Meeting (4th October 2016, Tehran) enabled to assemble senior consular officials of nine Member States and agreed on main practical steps towards this end.

Taking into account the formative role of Corridors in the overall development of Member States, Corridor development and corridor management have become an

institutional priority of ECO. Further to this ECO has been able, besides other technical issues, to achieve progress on finalizing ToRs for the field study on ITI and KTAI Corridors and securing certain amount for this purpose. Today ECO is looking to a qualified lead expert to supervise the study.

ECO's initiative to conduct a project on commercialization of the railway connecting Kazakhstan, Turkmenistan and Iran (KTI) with the sponsorship of IDB has been supported by the railways of all enroute countries. ECO is asked to move on.

ECO in partnership with the International Telecommunication Union (ITU) has completed the mandated Study which resulted in preparation of the draft report on the Study with the focus on examining the existing situation in ICT and telecommunication sector of the Member States and identifying their specific development needs.

ITU expressed its readiness to provide technical support for ECO at the 2nd phase to develop the regional strategies, notably, the ECO Regional Strategy for Broadband Development and ECO Strategy for Information Society Development.

**Excellencies,
Dear Participants,**

Notwithstanding the fact that energy constitutes one the priority areas of our cooperation, in the third decade of its existence ECO's potential for advancement of regional energy agenda still remains untapped. ECO Secretariat has been engaged in consolidating efforts to address vital energy issues at different levels with due attention to capacity building and knowledge sharing, as well as initiating and implementing joint activities/projects with regional focus.

We pin particular hopes to the 4th Ministerial Meeting on Energy, to be held in Turkey that will focus, among others, on the implementation mechanism of the ECO Plan of Action on Energy/Petroleum Cooperation (2011-2015) and the possible decision on its revision or extension, based on the Evaluation Report prepared by the Secretariat. These steps will address the common goals and aspirations pursued by our Member States, and conform to the UN Sustainable Development Goals and post-2015 Development Agenda, as well as new partnership frameworks for enhanced energy cooperation in the ECO Region in the upcoming years.

We achieved certain progress in electricity trade and the initiative on establishment of ECO Regional Electricity Market (REM). The Secretariat's bilateral consultations are underway with Iran and Turkey to define the roadmap for further action and accelerate the implementation of the project. The last Iran-Turkey Bilateral Meeting held on 10-11 May 2016 in Shiraz, Iran decided to hire local consultants for preparation of a feasibility study for harmonizing and merging the electricity markets of Iran and Turkey and the Terms of Reference (ToR) for hiring consultants is under preparation. This pivotal project that will contribute to sustainable development and long-term energy sustainability of our Region needs to be promoted by creating synergies and benefiting from complementarities.

Given the ever increasing share and dynamics of the renewables in the global energy mix, ECO Secretariat continues to add more weight to the ECO's profile on renewables and alternative energy sources. We hope that this RPC Meeting will concord on the next Meeting of ECO Experts Group to keep up the momentum of our cooperation in the field of renewables.

Meanwhile, the 1st Meeting of the ECO Public and Private Sector Energy/Petroleum Consortiums/Companies held on 16-17 August 2016 in Tehran bolstered energy partnerships with/within private sector and produced notable outcome, as the establishment of ECO Energy Consortium(s), which will entail oil and gas, power, petrochemical and renewable energy sectors. A roadmap for the establishment of the ECO Energy Consortium has already been prepared and circulated among the Member States.

Availing this opportunity, I would like to express my deep appreciation to the Government of the Islamic Republic of Iran for their generous support in installation of Solar Rooftop Panels - On-Grid Solar Power Plant with capacity of 15 kW in the premises of the ECO Secretariat, as a showcase project to demonstrate a symbol of very objective of the ECO in promoting renewables and energy efficiency.

In the field of minerals, ECO Seismic Hazard Reduction Program (ECO-SHARP) has been progressing well and its Project Manager - Geological Survey of Iran (GSI) has completed the implementation of all 4 stages of the project. The 6th ECO Minerals Experts Group Meeting held back-to-back with the 2nd Workshop on ECO SHARP on 15-18 October 2016 in Tabriz - Iran, paved the way for the enhanced regional cooperation in the field of minerals and mining industry.

Over the past few years, ECO Secretariat has been actively engaged in implementation of its mandate in the environmental dimension, and succeeded in stimulating high level policy debates for development of appropriate frameworks for regional and global partnerships. The 2nd ECO Consultative Ministerial Meeting on Environment held on 27 May 2016 in Nairobi, Kenya on sidelines of the UNEA-2 and developed set of action points for building future resilience in tackling regional environmental challenges. We are looking forward to organizing the next Ministerial Meeting on Environment within 2017/18.

ECO has successfully organized the ECO Biodiversity Week in Antalya, Turkey in March 2016, entailing the Workshop for Capacity Building and Sharing Best Practices on Biodiversity, 2nd ECO Pre-COP Meeting of the Convention on Biological Diversity (CBD), and the 3rd Experts Group Meeting on Biodiversity respectively. Furthermore, the 6th ECO Working Group Meeting on Environment was held on 1-2 June 2016 in Islamabad, Pakistan.

The 3rd Experts Group Meeting on Biodiversity adopted the 5-year Biodiversity Work Plan in ECO Region (2016-2020). ECO projects in the field of environment are progressing well. Recently, the Feasibility Study on Development and Harmonization of Environmental Standards in ECO Region has been finalized and submitted to the Member States. In September 2016, the contract was signed between the ECO Secretariat and the ECO Institute of Environmental Science and Technology (ECO-IEST) for project development phase of the "Regional Project to combat desertification with a special emphasis on dust haze and sand storm in the ECO Region".

The Secretariats of ECO and UN Forum on Forests (UNFF) jointly organized the Experts Meeting on enhancing regional and sub-regional involvement in the work of the International Arrangement on Forests (IAF) on 26-28 September 2016 in the ECO Secretariat with active participation of delegates from UN System, regional and sub-regional organizations and processes, which identified 13 priority actions for enhancing their involvement in the UNFF and International Arrangement for Forests (IAF) Strategic Plan for 2017-2030.

The Secretariat in line with the mandate given by ECO Ministerial Meetings on Environment has expanded its outreach through active engagement in important environmental fora. ECO has so far been granted Observer in the respective UN Organizations, including UNFCCC, UNEP, UNCCD, IPCC, UNFF, and UNCBD, and thus ECO has been actively contributing to their agenda.

Dear participants,

Agriculture is key sector and essential in achieving food security for ECO region and developing countries. The occupies a considerable share in the compositions of GDP and constituting more than 11% of the overall value-added and employing nearly 37% of total active population of the region. Agriculture continues to play an important role as source of employment for the rural population, raw input for the industry, services and as export commodity. Major farm products of the ECO member countries are wheat, barley, rice, sugar cane, sugar beet, seed cotton, potatoes, tomatoes, meats, milk and milk products. Livestock production in the ECO countries is predominately based on traditional systems, including small holdings of cattle, sheep and goats in villages and small towns for their household requirements of milk and meat.

The region is very rich in variety of soil, environmental and climatic conditions, suitable for crop and livestock diversification. Despite the modest increases seen in recent years there is still an untapped potential for the growth of agricultural production and trade.

Therefore, the ECO Regional Coordination Center (ECO-RCC) for implementation of the RPFS was inaugurated in Ankara, mobilize and coordinate the implementation of the project in collaboration of the Member States in this regard. Moreover, the ECO Seed Association (ECOSA), the ECO Regional Center for Risk Management of Natural Disasters (ECO-RCRM), ECO Permanent Veterinary Commission, (ECO-VECO), the ECO Meteorological Calibration Centre (ECO-MCC) and the ECO Water Center are the institutions that can give momentum on the implementation of the ECO-RPFS.

In this regard, the 2nd Working Group Meeting on the Establishment of ECO Water Center was held in Islamabad, Islamic Republic of Pakistan on 25-26 July 2016. The meeting finalized the Statute, Draft Plan of Action and the Project Proposal for the Establishment of the Center. The finalized said project proposal is to be sent to IDB and FAO for converting it into bankable project. The bankable project will be submitted to IDB for financial process:

ECO, as a regional organization dedicated to economic and social development of its member states accords top priority to food security and agricultural development in the region. In this regard, the ECO Regional Programme for Food Security (ECO-RPFS) has launched a comprehensive focuses on enhancing agricultural production and trade capabilities in the Member States in 2008. The ECO-RPFS is under implementation process.

The implementation of the ECO-RPFS, the joint ECO/FAO-SEC Project on Seed Sector Development in the region were completed with organizing The Final Regional Seed Workshop on Project `Seed Sector Development in Countries of the ECO` was organized by the FAO Sub regional Office for Central Asia (FAO/SEC) in cooperation with the ECOSA on 4-6 November in Antalya, Turkey. As outcome of the implantation of the said project, a Draft ECO Seed Agreement has been formulated and ECO Regional Seed Strategy document is also under process of finalization. The FAO/ECO Joint Project on Technical Assistance for the Formulation of Strategies for the Control of Peste des Petits Ruminants (PPR) at Global and Regional Levels is also under implementation process. The main objective of the said

project is to formulate the Strategies for the Control of the PPR at Global and Regional Level. FAO and ECO would like to further cooperation on the issue of trans-boundary animal and livestock diseases and water. The implementation of the said project is at the beginning of 2016.

Industrial cooperation has the potential to greatly contribute to the overall growth and development of the region and enhance the output of agriculture and service sectors both in terms of quality and quantity. However, Industrial development of the ECO Region needs to be readjusted as far as possible to contribute to the growth and productivity while meeting the SDG's through adoption of relevant standards and criteria and establishment and enhancement of quality infrastructure in the Region.

There have been very important developments in this sector which imply a very promising future for industry and trade facilitation in the Region. The Islamic Republic of Iran in fulfilling the its commitments with regard to establishment ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (ECO-RISCAM) has allocated office spaces for the "Central Secretariat of ECO-RISCAM" and the "Technical Management Board of Conformity Assessment" and will be officially inaugurated on 14 December, 2016. This important step will encourage the other Member States to join ECO-RISCAM.

The Islamic Republic of Pakistan has officially expressed interest to join ECO-RISCAM and host the Technical Management Board of Metrology of the Institute. The joining of Pakistan to ECO- RISCAM will bring the signatory Member States to 4 and will pave the way for entry into force of this important body of ECO.

There has been good interest shown by the Member states to participate in the project titled "*Pre-Feasibility Study of Removal of Arsenic Water Pollution in ECO Region using Nanotechnology Methods*" which is proposed by the Islamic republic of Iran and we hope that the project will be commenced in the coming year.

The organization of a workshop on industrial property rights for the Member States by the Islamic Republic of Iran in February 2017 will also contribute to the development of sector.

The 5th Steering Committee Meeting (SCM) on Entrepreneurship and SME Development Meeting on 13-14 March 2017 and SME Conference on 15-16 March 2017 in Lahore, Pakistan will be hosted by Islamic republic of Pakistan. These events will provide opportunities for exchange of experiences within the region and contribute to further industrial cooperation.

Tourism industry has recently proved to have a very effective role in sustainable development of the societies through job creation, preservation of environment as well as promotion of dialogue and peace among nations. The ECO Secretariat in line with the Sustainable Development Agenda has prioritized tourism development and is in the process of developing a comprehensive regional tourism strategy.

The secretariat has also embarked on several other activities with the aim of development of tourism in the region including participating in the 6th UNWTO Silk Road Task Force Meeting on 22-24 April 2016 in Urmia, Iran participation in the First Asian Cooperation Dialogue Ministerial Meeting on Tourism on 29-30 August 2016 in Tabriz, Iran and a few other tourism events.

The Secretariat successfully organized the Second ECO -Silk Road Food Festival on 26-29 September 2016 in Zanjan, Iran. This Festival witnessed an admirable quantitative participation of ECO Member States and Silk Road Members as well as qualitative organization of the event and was able to attract good number of visitors. The event is scheduled to be held on annual basis in Zanjan, Iran.

The Secretariat has also been very active in advancing the international outreach of the Organization and for this purpose has established official contact with the United Nations World Tourism Organization (UNWTO) to conclude a Memorandum of Understanding for cooperation between the two organizations in different areas of tourism industry.

The Secretariat is negotiating with UNESCO to utilize mutual potentials of the two organizations for promotion of tourism activities and enhance the capacities of the region through training and organizing joint events. The UNESCO has requested for improved cooperation with ECO in various areas of interest.

A Working Arrangement document is also in the final phase with the UNIDO which is mainly focused on growth, job creation, business development and transformation of livelihoods in the ECO region through mutually agreed projects/programmes in the field of tourism by means of utilization of the organizational capacities and synergy of resources in educational, technical, consultative, networking, and development expertise.

Distinguished Delegates,

Importance of strong and professional background research for initiating projects with optimum results is well understood in ECO. The Directorate of Projects, Economic Research and Statistics under ECO works in collaboration with the Economic Research institutes and National Statistics Offices of the Member Countries to select relevant topics for economic research and compile regional data and statistics to undertake research helpful in informing region wide policies in various sectors of economy and devise development projects for the region.

For the purpose ECO secretariat with the collaboration of member countries has devised 'ECO Plan of Action on Economic Research' which is the framework for cooperation in the area of economic research in the ECO region. Regular holding of Meetings of the ECO Permanent Steering Committee on Economic Research (PSCER) is held on annual to continuously update as well as implement the plan.

Currently, four (4) ongoing projects are being followed by the Secretariat for implementation under the ECO Joint Economic Research Programme, which are the research project proposal "*Exchange of Experience and Strengthening Inter-agency Cooperation on the Development of Ecologically Clean Agriculture in ECO Countries*", the research project "*Study on Applicability of General Equilibrium (EGE) Model in ECO Countries and Capacity Strengthening*", the research project "*Economic Management Modeling in ECO Member Countries*" and the research project "*Analyzing Food Security in ECO Region*".

Two New Project Proposals a Project Proposal from the Republic of Azerbaijan titled "*Setting Social Accounting Matrix (SAM) and Capacity Building for Azerbaijan, Kazakhstan, Kyrgyzstan and Tajikistan*" and a Project Proposal titled "*Decomposition on Input-output Table at the Regional Level*" from the Republic of Kazakhstan received in the reference year

To further strengthen the Economic Research capabilities for the region under ECO Secretariat, establishment of ECO Research Centre in Baku has been confirmed by approval of its Charter by the 21st COM Meeting (November 2013). The ECO Research Centre will serve as the ECO economic think tank to work out economic development strategies and policies for the region. Following the approval of the Charter of the Centre, the Secretariat has requested Azerbaijan for submission of the basic documents of the Centre for consideration of the Member States.

ECO Economic Journal is the ECO publication for dissemination of analytical papers, abstracts, academic articles, reviews on economic and social development trends in regional and global levels. Compilation of the ECO Economic Journal is coordinated by ECO Editorial Board that was established in its first meeting on 08 November 2012. So far, four issues of the Journal have been published and posted to the ECO web page. The 5th and 6th draft issues of ECO Economic Journal circulated by the Secretariat for kind consideration of the Member States and their views.

Annual Economic Report is the major economic report of the Organization that provides the picture of major macroeconomic trends in the economies of the countries of the region in the reference year. The Report is compiled by the PERS Directorate with contributions of the Member States in submission of their country reports on economic performance with updated economic data for the reporting year. The Draft ECO Annual Economic Report for 2014 has been circulated to the Member States for the views/comments and after getting their feedback it will be published and posted to the ECO webpage. Compilation of the ECO Annual Economic Report for year 2015 is in the pipeline.

The 26th Regional Planning Council (RPC) Meeting held on 13-17 December 2015 recommended ECO Secretariat to initiate a three-year capacity building and technical training programme for the Member States in the areas of project management, economic research and strategy and statistics. The Council requested the Secretariat to coordinate with Member States' think-tanks and international training agencies to seek the possibility of conducting the above mentioned training and capacity building programmes." ECO Secretariat has accordingly planned to devise a program of at least 15 training workshops spanning over a period of three years on different topics and schedule these trainings in the member countries. The themes/topics are required to be finalized on the economic research needs of the Member States as well as the areas of expertise for conducting/imparting the trainings need to be explored.

Distinguished Delegates,

This year we successfully hold the 3rd ECO Health Ministerial Meeting on the sidelines of 69th World Health Assembly in May, in Geneva. The Member States represented in the meeting expressed their wishes to closely cooperate in the healthcare sector, but we still have a lot to do to reach a comprehensive cooperation among Member States. We hope Member States to reach a consensus on ECO Health Action Plan and approve it in late 2017. The Regional capacity on health is differing among Member States and we hope this cooperation may help to transfer healthcare knowledge among Member States. Member States should give more attention to health cooperation and provide more activities under ECO umbrella. This RPC Meeting may contribute to important events in health sphere.

ECO is a disaster prone area and Member States give priority to this field. This year several important events are held in this field and Member States are working for designing

a regional strategy for Disaster Risk reduction. We hope to have regional strategy by mid 2017 after the 8th ECO Conference on DRR to be held in Turkey. ECO Secretariat is also giving high importance to this field and being engaged in international efforts with highest possible contribution. ECO Secretariat joined the Asian Ministerial Conference which was held in New Delhi in November 2016 and many other international events to contribute regional and level efforts.

Another important issue in the region is the educational cooperation among Member States. The educational institutions of the region especially higher education institutions are behind the developed world average and it is critical to concentrate on educational matters in the region. I hope ECO Educational Institute (ECOEI) will be activated soon and starts its mission.

Ladies and Gentlemen,

Secure environment is one of the prerequisites for economic development of an area .ECO, unfortunately is among the world's most affected areas with regards to drugs and organized crimes. To improve the security situation and realize the aspiration of the ECO Interior Ministers the Secretariat of Economic Cooperation Organization is endeavouring to establish a police cooperation mechanism to be called as ECOPOL. Turkish republic is going to host the Chiefs of Police Meeting for Member States during which the statute of ECOPOL is expected to be finalized which would be a giant leap towards establishment of secure environment in the region. The Member States are also requested to expedite efforts to sign/ratify the statute of ECO Regional Centre for Cooperation of Anti-corruption Agencies and Ombudsmen (RCCACO).

**Excellencies,
Dear participants,**

Let me conclude my statement by reiterating the importance of the Meeting this week for the Organization and its approach towards future. I would like once again welcome you all and wish you a pleasant stay in Tehran. I wish you every success during your deliberations.

I thank you for your attention