

**The Statement of H.E. Mr. Ahmet Davutoğlu,  
the Minister of Foreign Affairs of the Republic of Turkey  
at the 19<sup>th</sup> Council of Ministers Meeting  
(Istanbul, 22 December 2010)**

**Excellencies,  
Mr. Secretary General,  
Distinguished Colleagues,  
Ladies and Gentlemen,**

It is a distinct pleasure for me to welcome such esteemed and distinguished colleagues in Istanbul, a city that bridges continents and cultures. As the host of this council I welcome this opportunity where we can collectively discuss the most important issues for our regional cooperation and exchange views on the global economic issues of common interest. I hope that with your valuable contribution and support, the Council will adopt key decisions for achieving the ECO goals and objectives.

I would like to take this opportunity to express my appreciation for the valuable contributions made by the Chairmanship-in Office of the 18<sup>th</sup> Session of the Council of Ministers, the Islamic Republic of Iran.

Distinguished colleagues,

Turkey is located in a sensitive region which has been impacted by armed conflicts and continued frozen disputes which affect peace and stability in the world. We are in a region that commands the attention of the international community, which in turn creates challenges within the region and beyond.

In this environment, Turkey pursues a multi-faceted, proactive, constructive and vision-oriented foreign policy. We aim to contribute to the improvement of security, stability and welfare both in our close neighborhood and beyond.

Without discriminating against any country or problem, we strive to foster high level political dialogue, security, inclusiveness, complementarity, economic cooperation and interdependence, cultural harmony and tolerance for all. We seek to produce solution-oriented approaches, not crisis-oriented ones, and put them into practice in the most effective manner.

Our policy of “zero problems in our neighborhood”, our support to regional integration efforts, and our endeavour towards solving frozen or shelved political conflicts through engagement and dialogue are concrete actions of this policy.

In line with our aim of establishing a beltway of peace, security and stability in our neighborhood, we are actively working towards facilitating the opening of channels of dialogue between countries in our region.

Our role is that of a “facilitator” where we provide a secure place for parties to meet and most important, no hidden agenda. We are only trying to bring together the key players for important regional problems to enable an exchange of views on how these problems can be solved.

In addition to our diplomatic efforts, we continue to actively contribute to peacekeeping operations conducted by the UN, NATO and EU.

Turkey’s Eurasian vision is one of strong regional relations and cooperation. Our objective is to strengthen the links between Europe and Asia through energy and transportation corridors and by creating new dynamics for cooperation.

The Economic Cooperation Organization, of which we are proud to be a founding member, occupies a prominent place in this vision. Our common historical, geographical and cultural ties, and the joint aspiration of our peoples for prosperity and peace, bring us together in this august forum where we to work towards fulfilling these ambitions.

We consider ECO, which has now reached a mature age, as a unique multinational economic platform that unites us under this common vision. Our organization, the membership of which covers nearly 8 million square kilometers and represents a population of four hundred million people, possesses a great economic power. Our region, with its vast natural resources and dynamic work force, holds great developmental promise and potential that we must fully utilize in the interests of our people and future generations.

We, therefore, attach great importance to strengthening and ensuring the efficiency, effectiveness and visibility of our Organization in which we hold much confidence.

**Dear colleagues,**

The existing global economic challenges, ranging from financial and economic crisis to food and energy security, from eradication of poverty and hunger to environmental degradation and climate change, require stronger cooperation and collective action at both the global and regional levels. No country has the means and ability to confront these challenges on its own.

For this reason, the importance of organizations such as ECO as forums for strengthening cooperation and solidarity among its members is increasing.

Five years ago, when met in Astana we adopted the ECO Vision 2015 document where we revised our goals and objectives to meet the new global economic challenges, as well to improve the efficiency and effectiveness of our organization. We agreed on priority areas of cooperation, such as trade and investment, transportation, energy, industry, agriculture, environment as well as human resources, to be achieved by 2015. With just five years left to the target-date, we envisaged that the 11<sup>th</sup> ECO Summit, which we are hosting in Istanbul, under the auspices of President Abdullah Gül, would gives us the opportunity to evaluate our performance towards reaching these goals and objectiveness.

I would like to thank the ECO Secretariat for preparing The Mid-Term Evaluation Report of the ECO Vision 2015 which will no doubt facilitate our deliberations on this issue.

We will include the result of our discussions in the report of our Council meeting to be submitted to the Summit for the consideration of the Heads of State and Government.

According to the Secretariat's report the general performance for the realization of some of the ECO Vision targets that called for expediting existing ECO cooperation projects and arrangements, while slow, was quite positive. Whereas, performance in the realization of certain new targets, was mostly moderate.

For example, the ambitious target to increase intra-regional trade from 6 percent to 20 percent by 2015, may not be easily reached, given that as of 2009 the intra regional trade stands at 7 percent, showing only a slight improvement.

The Izmir Treaty provides that one of the objectives of the ECO is to take measures towards the progressive removal of trade barriers within the ECO region and for the expansion of intra and inter-regional trade. The ECO Trade Agreement (ECOTA) is the progeny of such a vision. The Agreement was devised to promote the intra-regional trade which at the time constituted only a negligible share in the total volume of trade of the ECO member states.

Regrettably, that share of trade, especially for regional trade, has not improved. Although the intra-trade of the ECO countries has increased, the share of regional trade vis-à-vis global trade has remained at 7 percent.

We strongly believe that trade liberalization schemes produce win-win outcomes for all the parties involved.

Let me share with you Turkey's experience with free trade agreements. In the period between 2000-2009, Turkish exports increased 268 % on average, and exports to countries with free trade agreements in force increased by more than fivefold. To be more precise an increase of 524 % has been registered with regard to these countries. Equally striking is that, despite the shrinking trade volumes during crisis times, trade with these countries remained relatively stable.

It is my firm conviction that ECOTA has the potential to provide very similar, if not better, outcomes for the contracting parties.

Turkey and Pakistan who have already sent their product lists to the ECO Secretariat signed a joint declaration to implement the said Agreement bilaterally. We call upon the other member states to sign and ratify the agreement without further delay.

I fully agree with the Secretariat's report that achieving a 20 percent intra-ECO trade target in the following 5 years requires additional efforts, such as upgrading the financial infrastructure in the member countries, enhancing promotional activities and trade interactions, and introducing robust intra-ECO trade financing.

Establishment of the ECOBANK in Istanbul, which aims to contribute to the sustainable economic development of the member states and financing of ECO projects, is therefore a noteworthy achievement in our cooperation within ECO. We strongly encourage and invite all the other Member States that have not done so, to join this important ECO

institution. We believe that active participation of all member countries in the on-going projects and activities would considerably increase the effectiveness of our Organization.

In the evaluation report of the Secretariat, we see that good progress has been achieved in the area of transport. The Transit Trade Framework Agreement (TTFA) has been operationalized and a wide range of activities and programmes are being followed up for its full implementation.

Several important railway projects, such as the Istanbul-Teheran-Islamabad container train, and road transport projects, such as the ECO Silk Road Truck Caravan, have been launched or are being followed up in line with the Vision 2015.

Important projects have also been introduced in the field of agriculture and food security. ECO Regional Programme for Food Security (RPFS) has been prepared in cooperation with FAO. ECO Seed Association has become operational and a Regional Coordination Center for full implementation of RPFS will soon be established. We need to step up all these efforts in order to achieve the target of ensuring food security in ECO region by 2015.

**Ladies and gentlemen,**

The Evaluation of the Secretariat's report indicates that in the field of human resources development and poverty alleviation, which are new areas of ECO cooperation, performance was not satisfactory. The full realization of the target to "Ensure that all the girls and boys of the member states are able to complete primary schooling by the year 2015" continues to be difficult to attain. In addition, "reducing poverty and hunger as well as child and maternal mortality rates" also need robust action on the part of member countries.

Turkey, as the 16<sup>th</sup> largest and one of the fastest growing economies in the world has made important progress towards reaching the targets in these new areas of ECO activity, such as for poverty eradication, attaining one hundred percent primary school enrollment ratio, as well as reducing maternal and child death. We are ready to help and support all the member states in their efforts towards reaching these goals by the year 2015. I am pleased to advise you that we will be hosting the 4<sup>th</sup> United Nations Conference on the Least Developed Countries this May in Istanbul. This conference that is held only once every decade will no doubt provide excellent opportunities for furthering cooperation in this regard.

I would also like to draw your attention to the pivotal role of the private sector as a driving force behind economic cooperation schemes. It is not possible to accomplish our goals without involving the private sector. Encouraging and engaging the private sector in the ECO activities will both further our cooperation and bring concrete results.

The ECO Chambers of Commerce and Industry (ECO-CCI) is an important institution of ECO that aims at improving the interaction among businessmen in the member states. It should be fully utilized so as to achieve its maximum potential in fostering trade relations. During the Chairmanship of the Union of Chambers and Commodity Exchanges of Turkey (TOBB) between 2007-2010 important steps were taken in consolidating the institutional structure of the ECO-CCI. An Office was established in Istanbul which served as a temporary Secretariat for coordinating the activities of the ECO CCI.

We believe transforming this Office into a Permanent Secretariat for ECO CCI will greatly contribute to enhancing cooperation among our respective private sectors. We hope that the counterparts of TOBB in the ECO member states will support the proposal of establishing a Permanent Secretariat in Istanbul for the ECO-CCI.

**Dear colleagues,**

These facts and observations show that we need to take additional steps and, perhaps, give priority to certain areas of cooperation so that we will be able to achieve our 2015 Vision. I believe that the establishment of a Group of Eminent Personalities with the mandate to prepare recommendations on further steps to be taken would greatly facilitate our endeavors towards this end.

**Excellencies,**

In today's meeting we will also endorse the Istanbul Declaration which is expected to be adopted at the end of the 11<sup>th</sup> ECO Summit, tomorrow.

On this occasion, I wish to thank and congratulate our Senior Officials Committee, as well as the ECO Secretary General and his able team, for their diligent work and valuable efforts in preparing for this Council meeting and the 11<sup>th</sup> ECO Summit.

I hope that the outcome of the 19th Session of the Council of Ministers as well as the Istanbul Declaration to be adopted tomorrow will mark a positive turning point in the our cooperation and give the impetus needed for our Organization to move forward.

**I wish you all a successful meeting and I thank you for your attention.**