



ECONOMIC COOPERATION ORGANIZATION (ECO)  
SECRETARIAT  
(TEHRAN)

Statements

By

The Foreign Ministers/Heads of Delegations

(The 18<sup>th</sup> Meeting of the Council of Ministers, Tehran, 9<sup>th</sup> March, 2009)

1. Afghanistan
2. Azerbaijan
3. Iran (placed at Annex – II)
4. Kazakhstan
5. Kyrgyzstan
6. Pakistan
7. Tajikistan
8. Turkey
9. Turkmenistan
10. Uzbekistan

**Statement by H.E. Dr. Rangin Dadfar Spanta,**  
**the Foreign Minister of Afghanistan**

Mr. Chairman,  
Mr. Secretary General, Excellencies,  
Distinguished Delegates, Ladies and Gentlemen,

At the outset, allow me to express congratulations to my esteemed colleagues H.E. Manucher Mottaki, Foreign Minister of the Islamic Republic of Iran, on his assumption of the Chair of the annual Meeting of Foreign Ministers of ECO. I wish him every success in carrying out his important task.

I also would like to express my sincere appreciation to Mr. Khurshid Anwar, Secretary General of ECO, for his able leadership of the organization's work. My thanks also go out to his staff for their dedication and tireless efforts in successfully organizing the organizations meetings.

Mr. Chairman,  
Ladies and Gentlemen,

Over the past year, ECO member-states have taken important steps towards strengthening economic and trade cooperation. As we know attaining milestone achievements begins with small steps.

The common historical and cultural ties shared by our nations have paved the way for cooperation and fraternity among our peoples. It is our joint responsibility to seize opportunities for furthering the welfare and prosperity of our nations. It is in that spirit that we are committed and bound to the goals and objectives of ECO.

Last year, Afghanistan took significant steps in welcoming ECO agreements and strengthening cooperation for their implementation. The Transit-Transport Framework Agreement (TTFA), ECO Trade-Agreement (ECOTA) and Izmir Charter have been presented to our National Assembly for adoption. The ECO Secretariat will be duly informed upon Parliament's approval of the agreements.

The Herat Declaration emphasized the revitalization of Container and Passenger Trains for transport of goods and passengers between ECO member-states, including the Istanbul-Almaty railways. In that regard, the ECO Secretariat organized various meetings of the Transit-Transport Coordinating Council (TTTC) on the preparation of national programs. The meetings focused on the construction of new railways and roads as key link networks.

Among Afghanistan's proposals for construction of railways along the path of Islamabad-Iran-Istanbul contain the following 2 points of link:

- a) Spinboldak-Chaman-Kandahar-Herat up to Sangaan of Iran.
- b) Sangaan-Herat-Sher Khan with Tajikistan, and Hairatan with Uzbekistan.

The construction of Sher Khan-Torkham railway will provide a great opportunity to link, through Afghanistan, ECO member-states with Central Asia, Iranian and Pakistani ports and the Indian and Persian Gulf.

Railway and road networks have been designed in a manner to connect our neighbors through Afghanistan. One such project, which has already been discussed in CAREC, will begin in Sher Khan port and pass through northern Afghanistan to connect to Iran via Herat province. On the basis of projected designs, another branch of the rail-route will begin in Herat province- pass Delarum-Zaranj in Afghanistan and connect to Zahidan in Iran. The Afghan delegation proposed the scheme of the rail-route at the 19th Assessment Council of ECO. Our proposal has been reflected in the outcome document of the 19th Meeting of the ECO Regional Planning Council. This route is the shortest possible route for connect Chinese markets, Central Asia with the Chabahar ports of Iran and Guader and Karachi ports of Pakistan. I hereby request that the feasibility study of the said project be included in the agenda of the 2nd meeting of the Eco Decade of Transport and Communications.

In 2008, the Council on Trade has undertaken an evaluation of the ECO Trade Agreement. I would like to point out that Afghanistan's tariff - which stands at 5 % - is the lowest among members of ECO. We request that ECO-member-states decrease their tariffs and taxes, in accordance with the Herat Declaration.

To address the recent food crisis and change in global environment, we must undertake serious measures and make best use of existing agricultural resources. In that respect, we underscore the importance of enhanced regional cooperation. Moreover, taking into account the environmental requirements of today, Afghanistan has prioritized the development of its agriculture and livestock.

To achieve our common objectives, it is my conviction that investment in the fields of agriculture and livestock should be at the focus of the Organization's attention.

Mr. Chairman,  
Ladies and Gentlemen,

Our region is confronted with challenges and threats that have global implications. Terrorism and narcotics are top among challenges. The collapse of the Taliban regime and escape of international terrorist networks from Afghanistan led to an international and regional agreement to combat terrorism and form a democratically elected government in Afghanistan.

In addition to the will of the Afghan people, this international consensus is one of the main reasons of our success against terrorism. Here again, I would like to reiterate that Afghanistan is the main victim of war and terrorism. The legacy of tragedy in Afghanistan, which began with invasion of communism, and was reinforced with second act of aggression - this time conducted under the disguise of the Taliban and Al-Qaeda - has led to the death of our citizens and destruction of our homeland.

Terrorism in the region has international implications. Nevertheless, countries mainly affected by terrorism are countries in our region. We must acknowledge the reality that we all face the threat of terrorism. The combatants of Tahir Yuldosh, Afghan Tailban, Pakistani Tailban, AI- Qaeda and others, including the perpetrators of the

Mumbai attacks receive training at a common location. The perception of these terrorists contradicts the understanding of the Muslim peoples of our countries. Our religion is one which advocates the principles of peace and co-existence. Meanwhile, the Taliban and Al-Qaeda seek to justify the killing of innocent people through brutal tactics, including beheadings, in the name of the sacred religion of Islam.

Afghanistan is fore-front in the fight against terrorism; terrorism which threatens us all. The presence of the international community in Afghanistan is in conformity with international law, international and regional agreements and the consent of the Afghan government with its international partners.

The people of Afghanistan desire peace, independence and freedom. Afghanistan is not an occupied country. Afghanistan wants to be free of international tensions and co-exist as a peace-loving nation in the region. We express our appreciation to all members of ECO for their support of the Afghan people in the fight against terrorism. We are convinced that greater focus on terrorist safe-havens and training centers will facilitate an easy victory in the fight against terrorism.

The production of narcotics and cultivation of opium is another challenge confronting us. The issue of narcotics is an international problem, which includes production, trafficking and consumption. It remains a fact that networks involved in trafficking of narcotics are active worldwide. In defeating the menace of narcotics effectively and resolutely, we must not forget international dimensions.

Afghanistan continues to make progress in its combat against narcotics. With invigorated efforts, we have succeeded to make 22 out of 34 provinces poppy-free. According to recent data of United Nations, opium production will reduce by an additional 20-30% this year. Sustainable progress in addressing narcotics will require, in addition to concerted international efforts, strengthening Afghan security forces, ridding southern provinces of Afghanistan of the joint front of international mafia and terrorist networks and providing alternative livelihoods and income for Afghan farmers. Those measures should be complemented with efforts to curtail chemical pre-cursors.

Mr. Chairman,  
Ladies and Gentlemen,

Despite our many challenges, Afghanistan has made significant achievements. Since our gathering in Herat one million additional Afghan children have the opportunity to receive an education. Today 85% of our people have access to basic health services. Afghan security forces have increased in quality, quantity and strength.

Once again, I should like to convey my warmest gratitude to the authorities of the Islamic Republic of Iran, particularly H.E. Foreign Minister Mottaki, for the warm hospitality extended to our delegation. I am also thankful for the successful manner in which the Expert, Ministerial and Heads of ECO meetings were organized. I also express gratitude to ECO Ambassadors in Tehran for working closely with H.E. Mohammad Yahya Maroufi, Ambassador of Afghanistan, during his Chairmanship of the Council of Permanent Representatives last year.

I would like to inform my colleagues that the Islamic Republic of Afghanistan has planted 100,000 trees in the international "ECO Park" in Herat. I am hopeful that ECO member-states will provide assistance to help flourish the Park.

Moreover, it gives me great pleasure to announce that ECO Cultural Ministers, along with the Ministers of Foreign Affairs of Islamic Republic of Iran and Republic of Tajikistan, will be our guests of "Nowruz" in Balkh province.

In conclusion, I would like to reiterate the sincere commitment of Afghanistan to continue to work closely with ECO as an active member of the organization.

I thank you Mr. Chairman

**Statement by H.E. Mr. N. Yermekbayev,  
Deputy Foreign Minister of the Republic of Kazakhstan**

*Distinguished Mr. Chairman,  
Distinguished Foreign Ministers and Heads of delegations,  
Dear Secretary General,*

I would like to express sincere gratitude to the leadership and Foreign Minister of Islamic Republic of Iran H.E. Mr. Manuchehr Mottaki for warm welcome and hospitality that have been extended to our delegation.

Please allow me express confidence that under your able chairmanship our meeting in the beautiful city of Tehran will be fruitful and successful.

**Dear Chair,**

Kazakhstan attaches high significance to its membership and participation in the activities of the Economic Cooperation Organization. OEC became an important factor of regional interaction.

We do also highly value and carefully treat linking us common historical and cultural roots.

Regional cooperation during economic crisis as never before requires solid economic basis. The uniting factor of cultural and historical generality will regain new breath and open new horizons of development at that condition only. The success of our Organization depends first on its ability to bring practical benefit and efficiency. Kazakhstan intends to make every necessary effort to strengthen ECO.

It is necessary to note a positive role of member-states of the Organization in implementing strategy on utilization of transit transport potential of ECO region.

In this context, we believe that implementation of Transit Transport Framework Agreement as well as speedy operationalization of the project on a regular container train en route Istanbul–Tehran–Almaty is an important precondition for future development of the Organization. Removal of barriers on the way of implementation of the project will promote development of intraregional trade.

Kazakhstan proposed implementation of a Bandar Abbas – Almaty regular container train as a alternative project. It's implementation would promote materializing of goals and objectives enshrined in ECO Vision 2015. Launching of this route will enable all ECO countries to use more effectively the existing transit potential. The project is sound and beneficial both for optimization of freight transportation to the Persian gulf and full use of transit transport capacity of the "North-South" international transport corridor.

Kazakhstan now considers a possibility of joining to ECO Trade Agreement (ECOTA) taking into account its obligations on accession to WTO and membership in the other regional associations. I think, the holding of the High Level Expert Group meeting and the 4<sup>th</sup> ECO Trade Ministerial meeting in 2010 in Astana to discuss this issue would substantially promote it.

The role of ECO Trade and Development Bank during the world financial crisis is also increasing. We do believe that expansion of its participants would promote its sustainable growth. In general, the Bank's activity should be focused on financing of mutually advantageous joint projects, provision of necessary financial conditions for expansion of intraregional trade. Now our country is examining the possibility of participation in activity of the Bank.

Another important priority of Kazakhstan in ECO is development of energy sector, which undoubtedly is a driving force for the economies of the majority of the countries of the region. ECO has strategically important projects in this field. Development of the infrastructure for transportation of energy resources is envisaged by the interests to ensure energy security of the supplying and consuming countries. Here we would have probably closer cooperation and clear vision of common priorities.

In this regard, Kazakhstan fully supports implementation of the ECO Vision 2015", which contains a call for parallel functioning of energy grids in the ECO region, exchanging and trading of electricity, enhancing of utilization of renewable and alternative energy sources and increasing of energy production and its efficient utilization.

The other fields where member-states may pursue effective exchange of experience within the framework of the Organization are development of human resources and poverty alleviation, enhancement of educational and public health standards, as well as alignment of development level of provinces lagging behind in economic development.

In the light of implementing of 17<sup>th</sup> COM decision held in Herat, Kazakhstan proposed to open the ECO Representative Office for the development of science and new technologies in Almaty. It will promote activation of ECO activities in Central-Asian region and intensification of mutual relations in the field of new technologies, development of alternative energy, exchange of experience, technologies and information among scientific centers and introduction of new technologies for the sake of all ECO member-states.

As you all know, the international community continues to attentively watch the situation in Afghanistan. Kazakhstan fully supports the efforts on reconstruction of the economy of Afghanistan. We are looking forward to continue assistance for reconstruction of this country in partnership with Afghan authorities and other ECO member-states.

The Government of Kazakhstan adopted a Plan on measures to assist Afghanistan in 2007. According to that document, 2 million 380 thousand US dollars have been transferred into account of Afghan Authorities for implementation of projects on construction of a school building, a hospital and repair of roads. In November last year Kazakhstan has transferred to Afghan people around 2 thousand tons of foodstuff. Moreover, we express our readiness to render assistance for Afghanistan in preparation of highly-skilled and qualified personnel in various fields.

We think it necessary to continue enhancing ties with the other international organizations on rendering assistance in reconstructing of the economy of Afghanistan.

We express our appreciation for the activity of the ECO Secretariat to promote all-round and active cooperation with the international organizations. The bright evidence of success to that end is the list of invitees and their participation in the Summit.

As a whole, the Secretariat and its staff actively performed on significant projects and their promotion and implementation in the ECO member-states.

At the same time, despite certain success and progress in developing of cooperation within the ECO, it is necessary to note low implementation coefficient of project initiatives. The majority of issues remains unresolved in the agenda of the Organization and pass from one meeting into another. As a result of such activity a considerable number of workshops, consultations and meetings are held in every possible field of cooperation that not always lead to desirable results and outcomes.

In this regard, we deem it expedient to start serious work on increasing efficiency of the Organization in all directions in view of the present-day requirements and challenges. It would allow us to arrange better performance and more effectively mobilize financial, technical and other resources for implementation of perspective projects.

In order to avoid misunderstanding between member-states it is necessary to devise a new formula and relevant principles for distribution of ECO directing posts. It seems appropriate to adhere to the principle of alphabetic rotation proposed by the ECO Secretariat and which could be adopted from 2015. The ECO Council of Permanent Representatives should work out and submit to the Ministers a fair scale of contributions. Our other proposals have been also brought to the attention and consideration of the Secretariat and ECO member-states.

***Distinguished Mr. Chairman,***

Let me allow to express on behalf of Republic Kazakhstan delegation our appreciation to the Secretary General Mr. Khurshid Anwar for his great contribution to the development and streamlining of the Organization. I wish him sound health and further successes in his future assignments.

***Distinguished Mr. Chairman,***

In conclusion, let me wish every success to the participants of the Summit during these uneasy environment caused by global economic crisis and express confidence for further progress the Organization.

***Thank you.***



**Statement by H.E. Makhdoom Shah Mahmood Qureshi,**  
**the Foreign Minister of Pakistan**

Your Excellency,  
Mr. Manouchehr Mottaki  
Foreign Minister of the Islamic Republic of Iran  
and Chairman of the Eighteenth ECO Council of Ministers

Your Excellency,  
Mr. Khurshid Anwar,  
Secretary General (ECO)

Distinguished Ministers,  
Honourable delegates,  
Excellencies,  
Ladies and Gentlemen,

It is a matter of great privilege for me to represent Pakistan at the Eighteenth ECO Council of Ministers Meeting in the historic city of Tehran. On behalf of the Pakistan delegation and on my own behalf, I would like to convey our profound gratitude to the Government of the Islamic Republic of Iran for hosting the Summit and extending warm hospitality.

Pakistan and Iran are bound by time-tested ties of friendship and amity. Our historic, cultural and spiritual links are abiding, as they are deep. Hafiz and Shirazi are as integral to our heritage as Allama Iqbal is to the Iranian literary and philosophical traditions. In our historic conscience, Mashad, Isfahan, Shiraz and Tabrez are symbols of common and glorious past.

I take this opportunity to extend my warmest felicitations to you, my friend and brother, Foreign Minister Mottaki, on your assumption of the Chairmanship of this Council of Ministers. We look forward to benefiting from your vast experience, wisdom and leadership. I assure you of Pakistan's whole hearted support for making the Eighteenth Council of Ministers a great success.

May I also express our deep appreciation to my distinguished friend, Foreign Minister Spanta, the outgoing Chairman, for having ably led this body for the past year and a half.

Mr. Chairman,

ECO was founded on high hopes and great ambitions. The Treaty of Izmir envisaged a closely knit fraternity of member states, in an integrated, interconnected and prosperous region. A region welded together by free trade, infrastructure and energy connectivity and collective well-being of the peoples of the region.

Since its inception, ECO has made steady progress. Today, our Organization boasts of a solid framework of cooperation, a forward looking agenda and an expanding horizon of activities. Yet, we have a long way to go to realize the objectives of the Treaty of Izmir. Our organization has yet to harness its full potential and bring tangible benefits to the ECO community.

Mr. Chairman,

We are meeting at a time of profound global transformation. From a global economic recession challenging the very foundations of world financial architecture and fundamentals of free market, to the spectre of extremism, militancy, terrorism and narcotics. From climate change impacting agricultural productivity, to natural disasters. From rising poverty to rapidly depleting natural resources, the world is becoming an increasingly inhospitable place.

Our region is affected by all these developments and remains at the heart of most. We have a special responsibility towards our people and our region to convert challenges into opportunities, dilemmas into solutions, and ideas into reality.

Pakistan believes that ECO has the collective strength to measure up to these challenges. Together, we can, and should make a difference. History will judge us poorly if we fail to do so.

Mr. Chairman,

We are happy that substantive progress has been made in promoting regional connectivity. Pakistan welcomes the decision to launch the Islamabad-Tehran-Istanbul demonstration train. We welcome also the establishment of fund for the implementation of the transit transport framework agreement. Realization of these projects will lead to creation of functional region-wide transit corridors. They must be accorded top priority.

Mr. Chairman,

While current trends encourage protectionism, historic experience points to another direction. ECD Trade Agreement is a landmark preferential trade arrangement aiming to bring down tariffs in our region over an agreed timeframe.

As the coordinating country on ECOTA, Pakistan attaches great importance to its early implementation. We were looking forward to embarking on the programme of tariff concessions with effect from 1st of January 2009. That, however, was not possible as some Member States have not yet furnished their lists. We hope ECOTA tariff concessions will take effect soon. We urge all contracting parties to take a broader and more holistic view of the matter.

Pakistan, at its end will continue to accord high priority to trade promotion and facilitation within the ECO framework. In this context, we were happy to host in July 2008, the Second ECO Trade Fair in Karachi. The Fair, along with the private sector

meetings held on the sidelines were the largest trade promotion activities ever conducted under ECO auspices.

This year, a number of additional events and activities are planned. In anticipation of imminent implementation of ECOTA, the Pakistan Institute of Development Economics is conducting a regional survey to identify potential trade sectors. An international symposium on barriers to trade will be held later this year. Also on our agenda is the Meeting of the Council of Heads of Customs Administrations.

Pakistan looks forward to full participation and support of Member States to make these meetings and programmes meaningful and result oriented.

Mr. Chairman,

Pakistan continues to accord high priority to interconnection of power systems of Member States. A study on interconnection of power systems of Pakistan, Iran and Turkey has been conducted by NESPAK. A technically viable interconnection scheme for these three Member States has been prepared. This, we hope, will form the basis of further studies and projects on power trade.

Mr. Chairman,

Specialized institutions, such as the ECO Trade and Development Bank, the ECO Cultural Institute and ECO Consultancy and Engineering Company, are vital for effective regional cooperation. With an expanding array of activities, the need for specialization is being felt more acutely.

I felicitate this Council for finalizing modalities for establishment of new Regional Centers. They represent the way forward for tapping into the available expertise in the region, and expanding ECO apparatus cost effectively.

I am happy to inform this Council that we are making steady progress towards setting up of the ECO Reinsurance Company in Karachi and the ECO Science Foundation in Islamabad. The Representative Office of ECO Trade and Development Bank will commence operations in Pakistan this year, and an ECO Centre for Efficient Utilization of Water Resources will be set up in due course.

Mr. Chairman,

Growing water scarcity and frequent natural disasters are but a few manifestations of global warming. This phenomenon has pushed environmental concerns to the forefront of international agenda. ECO should be no exception. The forthcoming Ministerial Meeting on Environment in Islamabad will afford Member States an opportunity to review their cooperation and upgrade regional plans. Pakistan looks forward to active participation by Member States, at the highest level.

Mr. Chairman,

Pakistan is happy to lead ECO's endeavours for reconstruction of our important and brotherly neighbour, Afghanistan. We have pledged a total of \$ 5 million to ECO's fund and remitted \$ 1 million. I am pleased to announce that Pakistan will shortly be making additional contribution. The President will make an announcement to this effect at the Summit.

Our contribution to the Fund is part of Pakistan's assistance package of \$ 320 million for Afghanistan. To take forward Afghanistan's development agenda, we shall be hosting the third Regional Economic Cooperation Conference on Afghanistan (RECCA) in Islamabad on 1-2 April 2009. We look forward to active participation by ECO Member States in the event.

Mr. Chairman,

We will not be doing justice to ECO, if I did not acknowledge the outstanding contributions of outgoing Secretary General ECO, Mr. Khurshid Anwar. Under his able leadership, ECO has emerged as a stronger and more vibrant organization. His services to the cause of ECO will be deeply cherished.

Excellencies,

Pakistan has been, and will remain in the forefront of shaping ECO's agenda. We have full faith in ECO's manifest destiny. We shall leave no stone unturned in helping ECO fulfill it. We urge ECO Member States to closely coordinate their policies to minimize adverse impact of the current global economic crisis. Pakistan would like to see projects of infrastructure and energy connectivity as well as trans-regional development, put on fast track. We wish to see ECO Region transform into a prosperous trading bloc that stimulates and promotes industrial growth, reduces and eventually eliminates tariff and non-tariff barriers, to promote free trade within the region and becomes a factor of global peace, stability and prosperity.

I thank you

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Statement by H.E. Mr. Abdulla Yuldashev,  
First Deputy Minister for Foreign Affairs of the Republic of Tajikistan

**Distinguished Chairman,  
Dear colleagues,  
Ladies and gentlemen,**

I wish to join to the greetings of the colleagues who before has delivered a statements to the Government of Islamic Republic of Iran and its Minister of Foreign Affairs Manucher Muttaki for warm hospitality and creation of fine conditions for our work.

Also, I would like to thank the ECO Secretary General Khurshid Anwar, who done the huge work on preparation of a today's forum. The Government of the Republic of Tajikistan gives a great value to integration of the Republic into global economy and development of trade - economic relations within the framework of the international and regional organizations and the unions, which have become a rod element of the state external economic policy. Thereupon, cooperation with ECO is rather essential and actual.

We express confidence, that present COM will become an important help in *business* of strengthening of the ECO role in region as the catalyst of integration processes and will serve as the important platform for further development of fruitful cooperation and definition of perspective directions of interaction. The actions planned by the Organization quite correspond to our representations about increase of efficiency of the interstate economic cooperation, to our idea of giving to these relations more flexibility and adaptively to the modern conditions.

Issues of creation of the reliable transport-transit system, simplification of the trade procedures, encouragement of the frontier trade, effective utilization of water-power resources, creation of an integrated energy power grid, free movement of the labour and the goods, and also creation of the general economic space are remain the priority directions of cooperation of the Republic of Tajikistan within the limits of the Organization. The present meeting during an epoch of global financial crisis has the great importance for the Republic of Tajikistan from the point of view of advancement of the economic reforms and integration of a national economy into the world economy in whole and within the limits of the ECO region, in particular. During the forthcoming period till 2015 Tajikistan has defined for itself a tasks on reduction of an indicator of level of poverty twice, achievement of annual rates of economic growth at comprehensible level, updating and perfection of an industrial fixed capital, transition to modern technologies in agriculture and maintenance of Food safety.

However, we realize, that without assistance from the world community, without attraction of additional financial resources in economy, without further integration and participation in activity of key international institutes, such as the Organization of Economic Cooperation, it will be difficult for Tajikistan to perform these tasks.

The Government of Tajikistan carries out active liberal policy, directed on deepening of the integration processes, liberalization of the foreign trade and development of mutually advantageous cooperation with the ECO countries. The primary goals of the Government in the field of foreign economic relations are the effective utilization of the international trade tools and development of the country's transit potential for the purpose of maintenance of a steady economic growth and development of a human resources, decrease of a poverty level, development of a social infrastructure and creation of the effective device of the government. The geography of foreign trade and its commodity structure has considerably extended. Especially it is necessary to note an export and import parity to gross national product that testifies about high degree of an economy openness.

At the same time, in the structure of foreign trade of the Republic of Tajikistan the undesirable export of a source of raw materials is prevails: First of all of the aluminium primary and the lint cotton that strengthens of dependence of the Republic on such external factors, as demand in the world market on these goods, dynamics of the world prices, climatic conditions and etc.

In 2007 the National strategy of development of the country till 2015 was accepted, in which one of the important component is a regional cooperation, integration into world economy and trade development.

The given strategy provides:

- Simplification of the trade procedures by optimization of the frontier measures, connected with trade, reduction of technical barriers in trade, harmonization of the processes of customs administration and customs registration of the goods;
- Development of a trading infrastructure by creation of the regional transport corridors, decisions of the issues of transit of the goods and transport on territory of the region's countries, development of the transit trade, perfection of the mechanism of frontier trade and etc.;
- Trade encouragement, by means of maintenance of a transparency and a coordination of procedures and trade standards.

Now an ECO member countries take a leading place in the foreign trade of the Republic of Tajikistan. It is enough to note, that in 2008 the share of the ECO countries in the foreign trade turnover of the Republic of Tajikistan has made 35 %. At the same time, it would be desirable to note, unfortunately, that the foreign economic relations in region now basically are limited to export-import transactions.

The most comprehensible way of realization of the productive programs in our opinion, is creation of the free economic zones. These zones urged to become the important factors of development. Many of the ECO countries in this direction have a wide experience. Tajikistan invites all ECO countries to active participation in the given projects. At the moment on the territory of the Republic of Tajikistan are created two free economic zones «Pyandj» and «Sugd», and also are confirmed a positions of two more free economic zones in the Hatlon area and in the Mountain-Badahshan autonomous region, being near to border with Afghanistan.

Tajikistan welcomes the progress in performance of key ECO agreements, in particular ECO Trade Agreement (ECOTA), and also the beginning work of the ECO Bank of trade and development. Performance of the basic elements of regional trade and economic cooperation has the important value for trade development between the ECO member states.

**Distinguished ladies and gentlemen,**

Tajikistan, 93 percent of territory of which is a mountain area and only 7 percent of plain, has appreciably felt the sharp fluctuations of the world prices for the basic articles of food that has essentially affected to consumption level by the population of separate kinds of a foodstuff. In 2007 a relative density of import of the foodstuffs has exceeded a relative density of its export more than 3 times. Thus I wish once again to note, that the growth of import of the foodstuffs was appreciably depending on fluctuation of the world prices for the articles of food.

An extraordinary frosts in 2007-2008, oligohydrarnion of last years and the drought which has followed it, have caused a power and food crisis which have negatively affected to the social and economic position of country. Considering the fact of an energy crisis and its negative influence, now is carry out of construction and commissioning of a small and average hydro power stations. In intermediate term prospect the basic directions of activity will become completion of works on under construction Rogun Hydro Power Station and of some thermal power stations. Thereupon, we will able to export more than 25 billion in kwh of the electric power to Pakistan, Afghanistan, Iran and other countries of the Central Asia. Along with it, an export of electric power to neighboring Afghanistan will be the essential contribution to the international efforts on political and economic stabilization of this country.

For Tajikistan is difficult independently to cope with these tasks. Therefore, we call ECO member countries to cooperation in this important sphere not only for development of Tajikistan, but also all Asian region, business. An important point of decrease of crises influence and development of economy of the region's countries, in which there is Tajikistan, is development of a transport corridors and communications of the Central Asia. In our general interests to consider an issues of construction of roads which would connect the region's countries and have provided an exit of the Central-Asian countries to the ports of Persian Gulf and Indian Ocean.

Thus it is a speech here not only of creation of the modern communications, but also about maintenance of free movement of the goods, a labour and the capital on which way at times are erected an artificial barriers. Thereupon, a special value acquires of come into force the Frame agreement on transit transportations (TTFA) which is considered as an effective strategy of expansion of trade by development of regional transit-transport cooperation and, called considerably to facilitate of moving of the goods and services in region.

The Republic of Tajikistan makes a certain efforts from its part – this, first of all, is construction of the bridges through the river Pyandj and connection of the transport highways of our country with Afghanistan and Iran and etc.

The important sphere of our cooperation is tourism. The unique nature, climate, curative sources, and also a qualitative and ecologically pure products of Tajikistan, are rather favorable for development of tourism and, in particular, mountaineering. The main lack of this direction is absence of an infrastructure, but also here are conducted a works with participation of investors.

{0}>**Реформирование ЭКО** - Как неоднократно было отмечено, наши интеграционные процессы в рамках ЭКО сталкиваются с определенными трудностями, в частности, многие принятые документы ЭКО не реализуются в полной мере.<\_0\_>Reforming of ECO as it has repeatedly been noted, our integration processes within the framework of ECO face certain difficulties. In particular, many adopted documents are not fully implemented.<\_0\_> Нам необходимо приложить максимум усилий для достижения устойчивого развития экономического сотрудничества, а также интенсификации взаимодействия ЭКО с другими международными финансовыми институтами и организациями по продвижению и реализации программ и проектов Организации.<\_33\_>We should continue our efforts for stable economic cooperation development and intensification of interaction with other international financial institutions and organizations to implement successfully ECO regional programs and projects.<\_0\_>

{0}>Таджикистан приветствует усилия, прилагаемые по повышению эффективности деятельности ЭКО.<\_0\_>Tajikistan welcomes the efforts to increase the efficiency of ECO activities.<\_0\_> Полагаем, что в современную эпоху, в период возрастающей роли международных организаций, настало время не для косметических, а коренных реформ Организации, которые должны быть нацелены на дальнейшее повышение отдачи от деятельности ЭКО, рациональный подбор кадров, а также актуализацию повестки дня Организации.<\_0\_>We believe that in the current situation, at the period of increasing role of the international organizations, time for radical reforms of ECO has come. They should be directed to the further increase of results of ECO activities, rational selection of staff and actualization of ECO agenda.<\_0\_> Мы хорошо осознаем важность и необходимость работы в этом направлении и предлагаем, не дожидаясь 2015 года, поручить СПП совместно с Секретариатом Организации начать данную работу и представить предложения к следующему СМИД ЭКО для одобрения.<\_0\_>We realize the importance and necessity of work in this direction and we offer not to wait 2015 but to authorize CPR together with the Secretariat to start this work and to present the proposals to the next COM for approval.<\_0\_> Это позволит в свою очередь адаптировать деятельность нашей Организации к требованиям времени и поднять ее реальную эффективность.<\_0\_>It will allow us to adapt the activities of the Organization for requirements of time and to increase its real efficiency.<\_0\_>

{0}>**Уважаемые господа,**<\_100\_>**Dear participants,**<\_0\_>

{0}>Мы высоко оцениваем позитивную роль ЭКО в деле укрепления сотрудничества, добрососедства, взаимного доверия и дружбы между государствами-участниками.<\_0\_>We highly appreciate the positive role of ECO in strengthening of cooperation, good neighbourhood relations, mutual respect and friendship between member state.<\_0\_> Стратегическое значение региона заключается, прежде всего, в том, что он служит мостом между Западом и Востоком, азиатской и европейской



культурами.<30>The strategic role of our region consists, first of all, the fact that it serves as the bridge between the West and the East, the Asian and European cultures. <0>

<0>Хотел бы проинформировать вас, что в настоящее время рассматриваются вопросы открытия Офиса Представительства Института культуры ЭКО в Таджикистане, учреждения в Душанбе Парка ЭКО, открытия телевизионного канала и ряд других проектов, имеющих важное для укрепления межкультурных связей значение.<0>I would like to inform you that now we are studying the issues of opening the Representative Office of ECO Cultural Institute in Tajikistan, establishment of ECO Park in Dushanbe, opening TV channel and some other projects, having great importance for strengthening intercultural contacts between our countries.<0>

<0>Таджикистан подтверждает свою заинтересованность в проведении ряда мероприятий ЭКО в Душанбе в нынешнем году, в частности второго совещания министров энергетики, Конференцию по управлению рисками стихийных бедствий и 4-ю инвестиционную конференцию.<0>Tajikistan confirms its interest in holding several ECO meetings in Dushanbe this year, in particular the 2<sup>nd</sup> Ministerial meeting on energy, Conference on disaster risk management and the 4<sup>th</sup> investment conference.<0>

<0>В заключении, хотел бы еще раз подтвердить приверженность Таджикистана основополагающим принципам ЭКО и его стремление продолжать эффективное и многоплановое сотрудничество с Организацией.<0>In conclusion, I would like to confirm once again the commitment of Tajikistan to the main principles of ECO and its desire to continue effective and multidimensional cooperation with Economic Cooperation Organization.<0> <0>Важно, чтобы у участников сегодняшней встречи, было ясное понимание необходимости совместного сотрудничества и объединения усилий для обеспечения надежных условий для развития наших обществ.<0>It is important, that all the participants of today's meeting have clear understanding of necessity of joint cooperation and consolidation of efforts and reliable conditions for the development of our societies.<0> <0>Последние события в ряде регионах мира доказывают, что именно мы, политики, в ответе за стабильность, за решения и обязательства, которые мы принимаем, чтобы сделать регион активно развивающимся.<0>Last events in different regions of the world prove that exactly we, being politicians, are responsible for decisions and obligations which we adopt in order to make our region actively developing.<0>

<0>Надеюсь, что в нынешнем году нам удастся сделать значительный шаг вперед по выработке совместной повестки дня Организации и её осуществлению.<0>I hope that during this year we will be able to make considerable step forward for working out the joint agenda of the Organization and its implementation.<0> <0>Благодарю за внимание.<100>Thank you.<0>

**Statement by H.E. Mr. Ali Babacan,  
The Foreign Minister of Turkey**

Mr. Chairman,  
Honourable Ministers  
Ladies and Gentlemen,

It is a great pleasure for me to participate in the 18th Council of Ministers of the Economic Cooperation Organization. I would also like to express my appreciation for the endeavors of the friendly and brotherly government and people of the Islamic Republic of Iran in hosting this significant meeting and thank them for the warm hospitality shown to myself and the members of my delegation. I am confident that during this important meeting, we will hold informative and fruitful discussions on the issues placed in our agenda.

I would also like to congratulate Mr. Manucehr Mottaki, the Honorable Minister of Foreign Affairs of the Islamic Republic of Iran for his election as Chairman of the present meeting, as well as of the ECO Council of Ministers.

I should also like to thank our distinguished Secretary-General, Mr. Khurshid Anwar for the excellent way in which he has steered The Secretariat during his term of office.

Distinguished colleagues,  
The Economic Cooperation Organization (ECO) has a unique geo-strategic location and is a linking point between East and the West. Our organization has a significant economic power. The member countries have a land surface of nearly 8 million square kilometers and a population of nearly four hundred million people. Our region, with its vast natural resources, and dynamic work force has a big development potential which we should harness in the interest of all our nations.

By pursuing the goal of regional integration enhancing existing relations and strengthening economic ties among member countries we are today much more hopeful that this organization will achieve its fundamental objectives.

Moreover, there is no doubt that if we cooperate efficiently, in the priority areas of ECO, this will greatly contribute to the development of the national economies of the member countries and facilitate their integration into the global economy.

Mr. Chairman, Dear colleagues,

Within the context of the globalization process, Turkey believes that free trade among the member states is essential. We, therefore, need to place free trade at the center of our activities. Elimination of all trade barriers is the main instrument for increasing trade between the member states. This will bring us results by which we will all win.

In this regard, ECO members crossed an important milestone with the ECO Trade Agreement (ECOTA) taking effect last year. We have to create a free trade area by

2015 and I am glad to see that we are setting up important landmarks toward that end.

With this understanding, we call upon all States that are party to the Agreement, to expedite the completion of necessary formalities to implement tariff concessions without further delay. The 2nd Meeting of the ECOTA Cooperation Council will be held in Ankara as soon as the Contracting Parties provide their Offer Lists to the Secretariat. I also would like to urge other Members that have not signed the Agreement, to consider doing so at an early date.

Another way for boosting our cooperation with concrete results is; encouraging and engaging the private sector and businessmen in the ECO activities. We cannot reach our goals without the involvement of private business. In this vein, we appreciate the fact that the Secretariat of the ECO Chambers of Commerce and Industry started functioning.

Likewise, the establishment of the ECO Trade and Development Bank (ECOBANK) with its headquarters in Istanbul, and the forthcoming establishment of the ECO Reinsurance Company, are also important concrete achievements of our Organization in recent years.

There are currently 3 countries which participated in ECOBANK. We highly appreciate the interest of other Member States in joining the ECOBANK and would like to call on the Bank to evolve the necessary mechanism for their participation in the activities of the ECOBANK.

Despite all these important developments, the objective of enhancing regional trade will remain elusive in the absence of a well-developed system of transport in the region. Moreover, the majority of ECO members are land-locked and require facilitation of transit traffic. Therefore, we believe that full implementation of the Transit Transport Framework Agreement (TTFA) will facilitate establishment of viable region-wide corridors of trade and investment, transport and communications. TTFA is essential for the free flow of goods, services and investments in the ECO region.

The enhancement of regional trade and private sector initiatives among ECO member countries will contribute to the prosperity and stability of the region as a whole. Within this context, we note with appreciation the activities conducted by the ECO Chamber of Commerce and Industry (ECO CCI). The Presidency of ECO CCI has been assumed by the Union of Chambers and Commodity Exchanges of Turkey (TOBB) since November 2007.

ECO CCI promotes bilateral and multilateral economic relations among the member countries, facilitates private sector development in the ECO region, and contributes in the economic policy making processes. Within this framework, ECO CCI Women Entrepreneurs Council has been established that will contribute to the encouragement of women entrepreneurs in the ECO region; the ECO CCI website is online and provides a substantial database for business enterprises as a Trade Portal; committees in the fields of industry, trade, transportation, tourism and arbitration have been built up. I strongly

believe that ECO CCI will become an indispensable institution in the ECO region with its professional structure, accumulation of know-how, and wide international network.

Distinguished colleagues,

Our meeting is being convened at a time when the global crisis has made extraordinary impact on national economies. The major advanced economies are already in recession. The emerging and developing economies are also slowing down.

The world faces a global financial crisis on a scale which we have not seen in modern times. The extent of the problems has been so severe that some of world's largest financial institutions have collapsed. The governments of the wealthiest nations in the world have resorted to extensive bail-out and rescue packages for the remaining large banks and financial institutions.

The financial crisis sweeping world markets is a far-reaching problem that affects all countries. The ECO region is no exception. In an increasingly inter-connected world, the global credit crunch is spreading throughout the entire global economy.

There is now a general call for fundamental reforms of the financial systems and institutions. Part of the reform suggestions also include giving more voice and power to developing countries, which generally do not have much influence on how the global economy is shaped. It is imperative that the international financial institutions should be reformed and become more representative of changing global economic realities. If the mistake of one country has costs for others, then others shall have a say. Regulation and supervision shall be done in more of a supra-national setting and no country shall be left out of this new architecture.

Turkey is a member of G-20. I represented Turkey for G-20 Ministerial Meetings for 5 years in a row in my former capacity as the Minister of Treasury. My Prime Minister participated in the G-20 Summit held in Washington, on 15 November 2008. A follow-up Summit will be held in London on 2 April, 2009. The G-20 Summits aim to reach consensus on coordinated measures, to tackle the international financial and economic crisis, restore worldwide financial stability, lead the international economic recovery and secure a sustainable future for all countries. The first G-20 Summit was successful in bringing countries together to reach consensus on basic principles and measures. Now those measures need to be implemented. Without international cooperation and solidarity, national measures will not be sufficient. In our participation to the Summits, we also try to be the voice of developing countries and the ECO region.

There is a need for concerted action to overcome this global problem. While it is imperative that better regulation is required in the international financial markets to bring back trust in the system, we have our own responsibilities in our region to cooperate more in times of economic difficulties.

I welcome the decision to establish a Working Group comprising experts of the member states and ECO Secretariat to study the implications of the global financial crisis

on the economies of the ECO member states. This Working Group will contribute to our work for adopting coordinated measures among our countries.

In times of crisis, the external resources we need for our development will be scarce and costly. We have to mobilize our own resources to the extent possible.

Ladies and Gentleman,

Before I finish my statement, I would like to reiterate my profound thanks to the representatives of the Government of the Islamic Republic of Iran and the Secretariat for their generous hospitality extended to us and the excellent arrangements made for this meeting.

I hope that 18th Session of the Council of ECO Foreign Ministers will play an important role to achieve our objectives for further regional economic cooperation.

Thank you for your kind attention.

Statement by H.E. Mr. Akramov Ilkhom Solievich,  
Ambassador of the Republic of Uzbekistan in Iran

**Distinguished Chairman!**  
**Dear Secretary General,**  
**Distinguished Heads of Delegations,**  
**Ladies and Gentlemen!**

First of all let me express my gratitude to the Government of the Islamic Republic of Iran for the warm hospitality and high level of organization of this event.

It's a great pleasure for me to welcome Heads of delegations and to express confidence that our joint work will be fruitful for the benefit of our people and our states, as such kind of meetings promote growth of mutual understanding and strengthening of intraregional cooperation.

I would also like to support those people, who expressed thanks and appreciation to Mr. Khurshid Anwar, Secretary General of ECO for his active work directed to the development of our Organization.

We can see the changes in ECO, its transformation into the factor of regional integration, within the framework of which member states try to be unite their efforts, resources and possibilities to decide general priority tasks for the development of states and the whole region.

**Distinguished delegates,**

Today we are the witnesses of the fact, that with the appointment of Mr. Khurshid Anwar as ECO Secretary General, the Organization has reached considerable results in such important spheres as transport, energy, trade and agriculture. We signed some important documents, which are the basis of fruitful functioning of the Organization.

Thus, in our opinion, the most actual problems for our countries are the issues of transport and energy communications development. Uzbekistan attaches paramount significance to development of transit transport capabilities of the region, as the main component of export of goods and raw materials since the condition and perfection of transport infrastructure determines the character of our economy as a whole.

Uzbekistan is geographically located in the centre of the Central Asia and is a crossroad of road and air communication of the region, being the major transport hub. Thereupon, our Republic pays special attention to the issues of transit transport corridors operation and the development of equal trade relations. Certainly, in the period of globalization and world financial and economic crisis, the aspect of intraregional trade depends entirely on the ability of our states to support transport communications on most effective way.

We hope that steps undertaken in our countries for strengthening and development of transport communications, their integration into the international transport corridors will

give an additional impulse to the further development of regional economic cooperation and stability.

### **Distinguished participants,**

One more important sector of ECO activities for Uzbekistan is the expansion of cooperation in the sphere of investment, which provides the promotion of economic and social development of the region. We need foreign capital investments, access to foreign markets and, in particular, exchange of technologies that is a determinative factor in stimulation of economic development.

In this context I would like to mention that the Republic of Uzbekistan undertakes efforts to develop international trade in our country. An example for this is the Decree of the President of the Republic of Uzbekistan Mr. Islam Karimov named «About establishment of free industrial economic zone in Navoi region». The main directions of activities in this zone are the wide spectrum of hi-tech and competitive technologies for the world markets. Special customs, currency and tax regimes together with the simplified entrance, stay and departure for foreign citizens will exist on its territory.

The Republic of Uzbekistan considers that other priority for ECO is the cooperation in agriculture. Such projects as the program on seed supply development and the established communications of the Organization with the specialized international organizations deserve approval. In the time of current global financial crisis, including food crisis, the Republic of Uzbekistan declared 2009 as the «Year of village development». The main objectives, which the government of Uzbekistan determined as the priority are the development of social and industrial infrastructure in the village, in agriculture, the issues of health protection, the improvement of living standards for the people, especially, rational utilization of water resources, reconstruction of meliorative systems for irrigated lands, etc.

I would like to add that the Republic of Uzbekistan considers it unnecessary to establish additional structures in region in the sphere of water and energy utilization and we believe that any participation of the third parties in the mentioned issues should be based on objective factors with the obligatory taking into account the interests of the population, living in the neighbouring countries.

### **Dear participants,**

The current situation in Afghanistan shows many contradictory processes which negatively influence the safety not only in our region, but also out of it. Uzbekistan consistently supports the effective post-war reconstruction of Afghanistan. We strongly believe that stabilization in Afghanistan is in the decision of the social and economic problems and support of the population with the participation of the international community.

It is necessary to mention in this regard, that the Republic of Uzbekistan actively participates in international activities on strengthening the stability and development of Afghanistan and gives special priority to friendly and good neighborhood relations with

this country. It is due not only to general borders, but also due to mutual interest for the benefit of cooperation, peace, stability and progress in the region.

**Distinguished Chairman,**

Summarizing my statement I would like to mention one more problem. As we know, the economies practically of all countries of the world are facing the most severe influence of the crisis, started in 2008. The world financial and economic crisis, which in many developed and developing countries has the increasing scales and depth, caused the decrease in production, level of life and growing unemployment. And in many respects it has unpredictable character.

Despite all problems and difficulties, the Republic of Uzbekistan in 2008 could achieve not only stable economy but also provide its high steady rates growth. Following the results of 2008 GDP of Uzbekistan grew and was 109 %. As a result of consecutive social and economic policy it was possible to constrain inflation at the level of 7,8 % in annual calculation.

In my opinion, in order to find the way out of this crisis with the least losses it is necessary to undertake all measures in time for re-equipment of manufacture and development of attraction of new technologies for qualitative and competitive production.

**Dear Ladies and Gentlemen,**

In conclusion I would like to express confidence that our today's meeting will pass in the spirit of mutual understanding, mutual respect and reasonable compromise, which are the basic elements of ECO.

On behalf of my delegation and on my own behalf, let me express our sincere gratitude to the Government and people of Iran for their traditional warmth and hospitality.

Thank you.