

The 17th Meeting of the Council of Ministers (COM)

Report

(Herat, Afghanistan – 20 October 2007)

No. 17th COM/2007

1. The Seventeenth Meeting of the Council of Ministers (COM) of the Economic Cooperation Organization (ECO) was held in Herat, the Islamic Republic of Afghanistan, on October 20, 2007. The meeting was attended by delegations of the Islamic Republic of Afghanistan, the Republic of Azerbaijan, the Islamic Republic of Iran, the Republic of Kazakhstan, the Kyrgyz Republic, the Islamic Republic of Pakistan, the Republic of Tajikistan, the Republic of Turkey, Turkmenistan and the Republic of Uzbekistan. A delegation of the ECO Secretariat, led by the Secretary General, participated in the meeting. The representatives of ECO Specialized Agencies and Regional Institutions also participated in the meeting. Also present were the representatives of regional/international organizations. The list of participants is attached as **Annex-I**.

2. The meeting of the Council of Ministers (COM) was preceded by the Senior Officials' Meeting (SOM) on October 17-18, 2007, under the Chairmanship of His Excellency Mr. Mohammad Kabir Farahi, Deputy Foreign Minister of the Islamic Republic of Afghanistan. In his opening remarks, Mr. Farahi extended a warm welcome to the delegations attending this important ECO meeting in the historic city of Herat. He expressed his thanks to the ECO Secretary General and his colleagues for making necessary preparations and documentation, contributing to the success of the meeting. Mr. Farahi noted that the member states of ECO had vast potential for cooperation in diverse fields. It had to be fully realized to raise the living standard of the people of the region. A copy of his statement is attached as **Annex-II**.

3. The Secretary General of ECO also delivered a short statement at the inauguration of SOM, welcoming the Senior Officials and expressing the hope that their positive and constructive contributions would enrich the deliberations, making a success of the meeting. He also expressed his thanks to the Government and the people of Afghanistan, in particular, the Afghan Ministry of Foreign Affairs, for hosting this important ECO event in Herat.

Agenda Item No. 1

Inauguration of the meeting

4. The COM meeting was inaugurated by His Excellency Mr. Hamid Karzai, President of the Islamic Republic of Afghanistan. In his keynote address, the President welcoming the delegations and emphasizing the historical significance of holding the 17th COM in Herat, hoped that ECO would be able to foster the spirit of cooperation among the member states and transform the wishes of the people of region into reality. The President also pointed to the trend of globalization and called on the member states to improve the status of this region from being the subject of this trend to one of its players by further integration of resources and opening up cultural and scientific institutions to each other. The President renewed Afghanistan's commitment to the principles of ECO Charter and said that

his Government would continue supporting the aims and objectives of the organization. He appreciated the initiative of ECO to contribute in the reconstruction process of Afghanistan. A copy of his statement is attached as **Annex-III**.

5. The Secretary General welcomed the President and, presenting an overview of ECO's performance, expressed the hope that with the support of the member states, the organization will move ahead to achieve its objectives, including the over-arching goal of regional economic integration. A copy of his statement is attached as **Annex-IV**.

Agenda Item No. 2

Election of the Chairman and his statement

6. His Excellency Mr. Mahmoud Mammad-Guliyev, Deputy Foreign Minister of the Republic of Azerbaijan, on behalf of His Excellency the Foreign Minister of the Republic of Azerbaijan who was the incumbent Chairman of COM, opened the meeting with a brief statement, expressing appreciation for the hospitality extended by the Government and the people of the Islamic Republic of Afghanistan. He pointed to the progress that the Organization had made since the last COM meeting held in Baku and expressed appreciation for the positive work done in diverse fields. He expressed the hope that ECO would gain greater height in the months ahead. Then, he proposed that His Excellency Dr. Rangin Dadfar Spanta, the Foreign Minister of the Islamic Republic of Afghanistan, be elected as the new Chairman of the COM. The Council unanimously endorsed the election of Dr. Spanta.

7. Assuming the Chairmanship of the COM, H.E. Dr. Rangin Dadfar Spanta, the Foreign Minister of Afghanistan, thanked the members of the Council for reposing confidence in him and outlined his vision for further enhancing economic cooperation in the region. He said that Afghanistan remained committed to ECO's aims and objectives, and, with the support of the member states, would do its utmost to promote them further.

Agenda Item No. 3

Adoption of the Agenda

8. The Council adopted the following agenda of its meeting, which was prepared by the Council of Permanent Representatives (CPR) in Tehran and endorsed by the Senior Officials Meeting (SOM) held on 17-18 September 2007 in Herat:

1. Inauguration of the meeting
2. Election of the New Chairman and his statement
3. Adoption of the Agenda
4. Statement/Report by the Secretary General
5. Statements/Comments by the Ministers/Heads of Delegations
6. Statements by Heads of International Organizations
7. Reports by Heads of ECO Specialized Agencies and Regional

Institutions:

- i. ECO Cultural Institute (ECI)
- ii. ECO Trade & Development Bank (ECO TDB)

- iii. ECO Chamber of Commerce and Industry (ECO-CCI)
- iv. ECO College of Insurance (ECI)
- v. ECO-Consultancy & Engineering Company (ECO-CEC)

8. Report by the Coordinating Countries/the Secretariat on Implementation of Priority Projects/Agreements:

- i. ECO Trade Agreement (ECOTA)/Fast Track Approach
- ii. Establishment of ECO Reinsurance Company
- iii. Transit Transport Framework Agreement (TTFA)
- iv. Container & Passenger Trains from Istanbul to Almaty
- v. Interconnection of Power Systems of ECO Member States
- vi. Agreement on Simplification of Visa Procedures for the Businessmen of ECO Member States/Draft Protocol Amending the Agreement
- vii. Reconstruction of Afghanistan.

9. Review, approval, adoption and consideration of ECO activities and financial matters:

- i. The Meetings of the Council of Permanent Representatives (CPR)
- ii. The Secretariat's budget for 2007
- iii. Unpaid contribution of member states to the Secretariat's budget
- iv. The Secretariat's Audit Report for 2006
- v. Appointment of the Audit Board
- vi. The 17th Meeting of the Regional Planning Council (RPC), including:
 - a. ECO's Annual Calendar of Events for 2007-2008
 - b. ECO's Work Program for the year 2007-2008
- vii. Sectoral Ministerial meetings held since the 16th COM Meeting:
 - a. The 3rd Ministerial Meeting on Environment, Almaty (June 2006)
 - b. The 1st Meeting of ECO Interior Ministers, Tehran (Nov 2006)
 - c. The 3rd Ministerial Meeting on Industry, Lahore (Nov 2006)

- d. The 3rd Ministerial Meeting on Agriculture, Tehran (March 2007)
- e. The 2nd Ministerial Meeting on Finance, Antalya (April 2007)

viii. The Status of Signing/Ratification/ Implementation of ECO Agreements

ix. Follow-up on the implementation of decisions of the 16th COM and the 9th Summit

10. Administrative Matters

- a. Extension to the present Deputy Secretary General
- b. Appointment of new Deputy Secretary General

11. Modalities for the Establishment of ECO Regional Centres/Institutes

12. ECO Science Foundation

13. ECO College of Insurance

14. ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (RISCAM)

15. ECO Veterinary Commission (ECO-VECO)

16. MoU on ECO Regional Center for Risk Management of Natural Disasters

17. Naming of a Central Park in Herat as "The ECO Park"

18. Shifting of ECO-CCI Headquarters from Kabul to Herat

19. Any other business

20. Date and venue of the next meeting

21. Adoption of Herat Communiqué

22. Adoption of the Report

23. Vote of Thanks and closing

Agenda Item No. 4

Statement/Report by the Secretary General

9. The Council appreciated the report of the Secretary General on the activities of ECO since the last COM meeting (Baku, May 2006). The report was circulated to member states vide Secretariat's note verbale No. SG/17th COM/2007/1445 dated 18th September 2007.

10. In his statement, the Secretary General expressed his thanks and appreciation to the government and the people of the Islamic Republic of Afghanistan for the warm hospitality and elaborate arrangements made for the meeting. He felicitated H.E. Dr. Rangin Dadfar Spanta, the Foreign Minister of Afghanistan, on assuming the chairmanship of the 17th COM and expressed the hope that under his Chairmanship, ECO would pursue even more actively its cherished aims and objectives. He also expressed sincere thanks to the outgoing Chairman, His Excellency Mr. Elmar Mammadyarov, the Foreign Minister of the Republic of Azerbaijan, for his support and guidance as Chairman of the 16th COM.

11. Outlining the main achievements of the Organization, the Secretary General made a review of ECO's activities and ongoing projects. He dilated on the outcome of high-level meetings and ECO's relations with other regional and international organizations. The report also covered the activities of ECO's Specialized Agencies and Regional Institutions.

12. He also explained the difficulties being faced by ECO and presented some recommendations on issues such as implementation of agreements, participation in meetings, follow-up action, the Secretariat's capacity, budgetary contributions, support on long-delayed projects, Special Support Fund, salary structure of the Secretariat's staff and rent ceiling for ECO residence, etc.

13. While appreciating the work that Mr. Khurshid Anwar had done since assuming charge as the Secretary General and recognizing the need to address these issues, the Council approved his recommendations and instructed the CPR to consider and finalize these issues including adjustment of upward revision of salaries in the 2008 budget, keeping in view that the overall budget should not be increased substantially. Copies of his recommendations/briefing as well as his statement are attached at **Annex-V and Annex-VI**.

Agenda Item No. 5

Statements/Comments by the Ministers/Heads of Delegations

14. The Ministers/heads of delegations delivered their statements, outlining their countries' policies and views on the programmes and activities of the Organization which are placed at **Annex-VII**.

Agenda Item No. 6

Statements by Heads of International Organizations

15. The Heads/Representatives of some UN agencies and other regional & international organizations attended the meeting. H.E. Mr. Tori Limangana, Assistant Secretary General of OIC and Mr. Chris Alexander, Deputy Special Representative of the UN Secretary General to Afghanistan, read out the messages on behalf of their respective Secretaries General. A copy of the message of the OIC Secretary General is placed at **Annex-VIII**.

Agenda Item No. 7

Reports of the Heads of ECO Specialized Agencies/Regional Institutions:

16. The Council took note, with appreciation, of the annual reports submitted by the ECO Specialized Agencies/Regional Institutions, including ECO Cultural Institute (ECI) ECO Trade & Development Bank (ECO TDB), ECO College of Insurance (ECI) and ECO-Consultancy & Engineering Company (ECO-CEC) and expressed the hope that the regional institutions/specialized agencies would continue to play a meaningful role in the progress and development of the region. The representatives of the ECO College of Insurance and ECO Cultural Institute, who attended the meeting, also made their statements, outlining the activities of their respective institutions.

17. The Council welcomed the establishment of ECO Trade and Development Bank in Istanbul and appreciated the efforts of the Secretariat in this regard. The Council took note of the interest of some more member states in joining the Bank as share-holders and asked the Secretariat to prepare, in consultation with the management of the Bank, necessary documents for that purpose.

18. The Council called for ECO-CCI to be reactivated by establishing a Permanent Secretariat and developing an Action Plan to make it more dynamic in strengthening trade relations among Member States. The Council also called for more active involvement of the private sector in economic cooperation and intra-trade relations among the ECO member states.

19. The Council stressed that all ECO Specialized Agencies and Regional Institutions should have been represented in the meeting as decided by the 10th Meeting of the COM and noted that the presence of a representative of ECO Trade and Development Bank was particularly necessary to brief the meeting on the status of operationalization of the Bank. The Council requested the Secretariat to ensure the active participation of all ECO Specialized Agencies and Regional Institutions in future COM meetings.

Agenda Item No. 8

Report by the Coordinating Countries/the Secretariat on Implementation of Priority Projects/Agreements

20. The Council took note of the Status Reports presented by the Secretariat and the briefing made by the respective representatives of the coordinating countries with regard to implementation of priority projects/agreements. The Council deliberated on the issues as follows:

i. ECO Trade Agreement (ECOTA)/Fast Track Approach

21. Pakistan, being the coordinating country, briefed the Council about the present status of ECOTA.

22. The Council took note that the ECOTA had been ratified by four signatory Member States (Afghanistan, Pakistan, Tajikistan and Turkey) and Iran would soon complete the process.

23. The Representative of Iran informed the meeting that ECOTA, had been ratified by the Iranian Parliament, and according to the prescribed procedure, was under submission to the Guardian Council for endorsement. The process was expected to be completed soon whereafter the Instrument of Ratification of ECOTA would be deposited with the Secretariat.

24. The Council recalled that, under the provisions of the agreement, a Cooperation Council would be established to monitor and supervise implementation, and recommended that, for the purpose of effective implementation, the level of the Cooperation Council be raised, preferably, to that of Commerce Ministers. It was observed that Senior Officials of the relevant departments could meet before the Commerce Ministers' meeting. The Cooperation Council at the level of Ministers of Commerce be held once a year to take decisions with regard to the implementation of ECOTA. It was proposed that each member state establish a national coordinating committee composed of relevant ministries/organizations dealing with ECOTA-related issues, which would work under the supervision of their representatives in the Coordination Council.

25. The Council requested Pakistan, as the coordinating country for ECOTA, to prepare a time-frame for implementation in the light of the Action Plan so that the objectives envisaged in the Plan could be achieved in the shortest possible time. The implementation of ECOTA would pave the way for the establishment of Free Trade Area in the ECO Region. The member states should initiate necessary steps towards free movement of goods, services, capital and people across borders.

26. The Council suggested that within three months of the entry into force of ECOTA, in order to accelerate its implementation, the first meeting of the Coordination Council should be held in one of the member states and in case no state volunteered to host the meeting, it should be held at the Secretariat on non-hospitality basis.

27. The Council stated that, while implementation of ECOTA was getting underway, the non-signatory member states should expedite signing and ratifying it.

28. Fast Track Approach: The Council urged the concerned member states (Iran, Pakistan and Turkey) to finalize the Optional Protocol on Fast Track Approach to ECOTA within their negotiations in the Cooperation Council.

29. The Council called for greater involvement of the private sector. In that connection, the Council welcomed the offer of Pakistan to host Trade Fair in Karachi early next year.

ii. Establishment of ECO Reinsurance Company

30. The Council appreciated the finalization of the draft Articles of Agreement of the ECO Reinsurance Company which were initialed in the meeting of HLEG/Trilateral Interim Committee held in Islamabad in May 2007 and requested the three founding Shareholders (Iran, Pakistan and Turkey) to expedite signing and ratifying the Articles of the Agreement in order to establish the Company at the earliest.

31. The Council, recalling the MOU signed by the Shareholders on 15th March, 1995 on the Reinsurance Company, recommended that the concerned authorities of the signatory states work out and adopt an operational plan / a road map for the establishment of the Company.

iii. Transit Transport Framework Agreement (TTFA)

32. The Council welcomed the ratification of the Transit Transport Framework Agreement (TTFA) by seven signatory member states and its entry into force from 19th May, 2006 and expressed the hope that Turkey and Turkmenistan would ratify it as soon as possible. The Council looked forward to Uzbekistan's accession to this important Agreement. Turkey informed the meeting that it had already started the process of ratification of TTFA which would be completed soon.

33. Referring to Article 36 of the TTFA which mandated the Transit Transport Coordination Council (TTCC) to monitor, implement and coordinate matters relating to transit transport, the Council noted with appreciation that the 1st Meeting of the TTCC (Baku, September 2006) had established four technical committees - Legal, Insurance, Road and Railway - as auxiliary bodies of TTCC. A sub-Committee of the Council of Heads of Customs Administration (CHCA) would look after custom activities envisaged in the Agreement and its Annex-VII.

34. It was noted that speedy implementation of TTFA, required more resources, both technical and financial, and the ECO Secretariat should explore all avenues to put the TTFA on a faster track. A proposal for Technical Assistance had been prepared and endorsed by the 2nd TTCC meeting for submission to IDB. In addition, the Secretariat should continue its efforts to establish a Fund for implementation of the TTFA, mobilizing resources from, inter alia, the ECO Feasibility Fund, international organizations/donors, voluntary contributions by the Member States, the private sector and the ECO Trade and Development Bank.

35. The Council welcomed the decisions of the 2nd TTCC Meeting (Baku, September 2007), including one for the establishment of a Fund for preparation of

regional program for implementation of TTFA, and urged the member states to contribute to the Fund on voluntary basis.

36. Emphasizing the significance of transport and communications and of effective measures for speedy implementation of the TTFA, the Council endorsed the extension of the Programme of Action for ECO Decade of Transport and Communications (1998-2007) until a new Programme was finalized.

iv. The Istanbul-Almaty Container and Passenger Train from Istanbul to Almaty

37. The Islamic Republic of Iran, being the coordinating country, briefed the meeting on the present status of the project. It was noted that progress had been made to remove the physical and non-physical impediments to regular running of the Container Train and smooth operation of the Passenger Train on the trans-Asian Railway main-line route. The Council noted the proposals of Kazakhstan that the container train be extended to Astana and that of the Kyrgyz Republic, Tajikistan and Afghanistan that it be extended to their territories.

38. The Council welcomed the interest of these member states in the ECO train, and requested them to provide the Secretariat, as early as possible, with justification reports on the volume of cargo and related advantages of the proposed extensions.

39. The Council called on the member states lying enroute to actively participate in the Experts Group Meeting on Tariff to finalize issues of tariffs, enabling the train to operate smoothly in accordance with current conditions. The meeting urged Iran and Turkmenistan to organize a meeting of Iran, Kazakhstan, Turkey, Turkmenistan and Uzbekistan for finalization of pending issues relating to the passenger train. The meeting welcomed the offer of Iran to host the meeting of five countries enroute for finalization of pending issues relating to the container train.

40. Underlying the importance of enhancing the capacity of Sarakhs Stations in Iran and Turkmenistan, rehabilitation of Quetta-Tuftan railway link between Pakistan and Iran and the re-establishment of missing links around Van Lake in Turkey, the Council supported the decision of the 9th Meeting of the ECO Heads of Railway Authorities (Astana, June 2007) to mobilize international financial resources for early implementation of these projects. Iran informed that it had started work to link Mashahd with Herat which would connect to Central Asia.

v. Interconnection of Power Systems of ECO Member States

41. The Islamic Republic of Pakistan, being the coordinating country, briefed the meeting on the status of the Feasibility Study on Interconnection of Power

Systems of ECO Member States, the contract of which was awarded to M/s NESPAK by the 96th CPR meeting (March 2005). M/s NESPAK submitted the Inception Report in September 2007.

42. The Council took note of the Inception Report and noted that the feasibility study should to be finalized and submitted without further delay. It also directed the CPR to finalize the Action Plan with a view to raising awareness of the prospects of regional power trade, and ensuring time-bound completion of the study.

43. The Council expressed the hope that the 7th SETG meeting, expected to be held in Pakistan shortly, would monitor the process of implementation of the feasibility study on the basis of the Inception Report.

44. The Council called for further cooperation of Kazakhstan, Tajikistan, Turkmenistan and Uzbekistan with the Consultant in preparation of data, and urged Kazakhstan and Turkmenistan to expedite nominating their Focal Points for the study.

vi. Agreement on Simplification of Visa Procedures for the Businessmen of ECO Member States/Draft Protocol Amending the Agreement

45. The Islamic Republic of Iran, as the coordinating country, briefed the meeting on the status of implementation of Agreement on Simplification of Visa Procedures for Businessmen of ECO member states. The 1st Experts Group Meeting (EGM) to discuss/revise that Agreement was held in September 2006 in Tehran. The meeting considered the document in detail and proposed several changes. According to the decisions/recommendations of the meeting, the ECO Secretariat, in consultation with Iran as the coordinating country, prepared a draft Additional Protocol incorporating the proposed amendments and circulated it among the Member States for views and comments. The Secretariat also circulated the Action Plan revised by Iran in consultation with the ECO Secretariat in the light of the decisions of the meeting. Turkey stated that the draft additional protocol should be discussed by the experts of ECO member states.

46. The Council took note of the briefing and urged all Member States to expedite conveying their views on draft action plan so that the agreement could become operational without further delay.

47. The Council recommended that the meeting of the experts group should be held, preferably before the end of the year, so that impediments to implementation of the Agreement could be removed, All member states were urged to participate in the meeting at appropriate level. The meeting shall present both documents, when finalized, to the next meeting of the Ministers of Interior in Turkmenistan.

vii. Reconstruction of Afghanistan

48. The Council reviewed ECO's efforts to contribute to the reconstruction of Afghanistan and welcomed the commencement of the Construction of Deh Mazang Public Park and maintenance of Kabul Zoo. A project worth US \$ 1.3 million was awarded to the State Construction Company of Afghanistan in May 2007, and payment of the first installment of US\$ 325,000 was made to the Company. It was the first project financed from the ECO Special Fund for Reconstruction of Afghanistan. The Council urged member states to assist Afghanistan in capacity building of state institutions and called on the Secretariat to take up more medium and small size reconstruction projects in Afghanistan from the relevant Fund.

49. The Council noted that two additional projects namely, Construction of a Maternity Hospital of Faryab Province and Construction of Comprehensive Health Centre in Kabul, had been proposed, utilizing the ECO Fund.

50. Pakistan and Turkey had already pledged US\$ 5 million each and Iran US\$ 400,000 to the Fund. Iran announced that it would also pay US\$ 600,000 to the Fund during 2007-2008. The Council appealed to other member states to also contribute to the Fund so that ECO could implement useful reconstruction projects in Afghanistan. The Council appreciated Iran's additional contribution to the Fund. The Council also requested Pakistan and Turkey to transfer more amount from the pledged money to the Fund.

Agenda Item No. 9

Review, approval, adoption and consideration of ECO activities and financial matters:

i. The Meetings of the Council of Permanent Representatives (CPR)

51. The Council adopted the reports of the Council of Permanent Representatives (CPR) for its sixteen meetings (113th—128th) held since the 16th COM Meeting (4th May 2006) and appreciated the hard work of the CPR during the period.

ii. The Secretariat's budget for 2007

52. The Council formally approved the Secretariat's budget for 2007 amounting to US\$ 2,462,765, which included US\$ 117,275 as Feasibility Study Fund (5% of the budget). The budget was approved by the 120th CPR meeting (5th February 2007), on behalf of the Council of Ministers.

iii. Unpaid contribution of Member States to the Secretariat's budget

53. **2007 Budget:** While appreciating the member states who had paid their contributions, the Council asked the remaining member states to do so at the earliest, especially as the financial year was drawing to a close. The Council emphasized the need for Member States to make necessary arrangements for remitting their contributions in time, preferably during the first quarter of the financial year, and in no case later than the 30th of June.

54. Kazakhstan stated that they had remitted around US\$ 288,000 in part payment of its budget contribution for the year 2007; the remaining amount for 2007 would be paid next year.

55. **Arrears of previous years:** The Council expressed concern on the issue of arrears of budgetary contributions which were piling up and making the issue more and more complex and instructed the Secretary General to discuss the matter with the concerned authorities of the member states at the highest level to settle this long-standing issue. It was necessary to resolve it soon to avert the financial difficulties which would likely hamper the activities of the Organization. The Secretary General would report the outcome of his efforts to the COM Chairman and, in due course, to the next ECO Summit. The Council of Permanent Representatives (CPR) was instructed to follow the matter closely.

iv. The Secretariat's Audit Report for 2006

56. The Council approved the Audit Report on the Secretariat's budget for 2006 which had been earlier considered and endorsed by the 125th CPR meeting.

v. Appointment of the Audit Board

57. The Council agreed with the recommendation of the CPR and re-appointed the existing Audit Board, comprising Iran, Pakistan and Turkey, for another three-year's term.

vi. The 17th Meeting of the Regional Planning Council (RPC), including:

a. ECO's Annual Calendar of Events for 2007-2008

b. ECO's Work Program for the year 2007-2008

58. The Council reviewed and adopted the report of the 17th Meeting of the Regional Planning Council (RPC) held at the ECO Secretariat on 19-22 February 2007, along with the ECO Calendar of Events for 2007-2008. The Council also approved the Work Programme of the Secretariat for 2007-2008. The Council decided that each member state should host at least two meetings in a year included in the ECO Calendar of Events and instructed the CPR to follow-up this decision.

vii. **Sectoral Ministerial meetings held since the 16th COM Meeting:**

59. The Council reviewed and took note of the reports of the following sectoral Ministerial meetings held since the 16th COM Meeting (Baku, May 2006) and urged the member states to take necessary measures to implement the decisions of those meetings:

1. The 3rd ECO Ministerial Meeting on Environment, Almaty, June 2006
2. The 1st Meeting of ECO Interior Ministers, Tehran, November 2006
3. The 3rd ECO Ministerial Meeting on Industry, Lahore, November 2006
4. The 3rd ECO Ministerial Meeting on Agriculture, Tehran, March 2007
5. The 2nd ECO Ministerial Meeting on Finance, Antalya, April 2007

60. The Council asked the Secretariat to actively follow up the implementation of decisions of those meetings on regular basis.

viii. **Status of Signing/Ratification/Implementation of ECO Agreements**

61. While taking note of the status of ratification of Agreements/MOUs, signed among Member States, the Council urged those member states who had not yet done so, to expedite ratifying the ECO agreements they had signed. The Council observed that some member states (Afghanistan, Turkmenistan and Uzbekistan) had not ratified the Basic Document of ECO – the Treaty of Izmir – and urged them to ratify it at an early date. The Secretariat would submit a report on this subject to the next COM.

62. Iran and Pakistan expressed their readiness to sign the Agreement for Promotion and Protection of Investment among the ECO member states in Tehran, as amended by the 2nd Ministerial Meeting on Finance in Antalya, Turkey. (The APPI has already been signed by Afghanistan, Azerbaijan and Turkey).

ix. **Follow-up on the implementation of decisions of the 16th COM and the 9th Summit**

63. The Council appreciated the preparation of a comprehensive follow-up report on implementation of decisions of the 16th COM and the 9th Summit meetings. The Council laid emphasis on speedy implementation of agreed decisions of the COM.

Agenda Item No. 10

Administrative Matters

a. **Extension in the tenure of the present Deputy Secretary General**

64. The Secretary General expressed his appreciation for the excellent performance of Dr. Sohrab Shahabi and his outstanding contributions to the work

of the Secretariat during the last several years. The Council also commended the services of Dr. Sohrab Shahabi (Iranian National) in his capacity as Deputy Secretary General responsible for Administration, Energy, Mineral, Environment, Human Resources & Sustainable Development/DCCU, wished him every success and expressed the hope that ECO would continue to benefit from his wise counsel. The COM approved the recommendation of the 125th CPR meeting to extend his tenure till 31st December 2007.

b.Appointment of new Deputy Secretary General

65. The Council appointed Dr. Hassan Taherian (Iranian National) as Deputy Secretary General in place of Dr. Sohrab Shahabi, for a term of three years, effective 1st January 2008.

Agenda Item No. 11

Modalities for the Establishment of ECO Regional Centres/Institutes

66. The Council took note, with due appreciation, of the work done to prepare modalities for the establishment of the ECO Regional Centres/Institutes.

67. The Council instructed the CPR to continue its deliberations on any outstanding issues and, once finalized, approve the document on behalf of the Council of Ministers.

68. The Republic of Kazakhstan proposed the establishment of the ECO Ambassadors' Group in the capitals of ECO member states as well as ECO Representative Offices in important selected capitals to facilitate contacts and coordination on ECO-related matters. While supporting the proposals, in principle, the Council observed that these be studied further to clearly assess their potential benefit and utilize them accordingly.

Agenda Item No. 12

ECO Science Foundation

69. The Council discussed the issue of draft Additional Protocol to the Charter of the ECO Science Foundation as proposed by the 128th CPR meeting. Those members of the Council, who had ratified the Charter, agreed with the Additional Protocol and, therefore, the Council endorsed their decision. The Protocol is placed at **Annex-IX**.

70. The Republic of Turkey, who had signed but had not yet ratified the Charter, expressed its views as follows:

“The relevant Turkish authorities examined the Additional Protocol and indicated that the Turkish proposals would be communicated to the Secretariat soon.”

71. With regard to the implementation of the Protocol amending the Charter, the Council noted that the COM having approved them, such amendments could be implemented as envisaged in the Article 19 of the Charter of the ECO Science Foundation.

Agenda Item No. 13

ECO College of Insurance

72. The Council deliberated the issue and decided that the present status of the College be preserved with a view to utilizing the full potential of the College for the ECO member states. It endorsed the updated Statute of the ECO College of Insurance, as proposed by the Islamic Republic of Iran. A copy of the Statute is attached at **Annex-X**.

73. Turkey referred to legal implications of the appointment of Turkish academicians to the Board of Trustees.

Agenda Item No. 14

ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (RISCAM):

74. The Council approved, in principle, the establishment of the ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (RISCAM) as a new Regional Institute of ECO under the Treaty of Izmir, with its Headquarter in Tehran and Secretariats of TMBS in Turkey, Iran and Kazakhstan as agreed at the 3rd ECO Ministerial Meeting on Industry (Lahore, November 2006). The Council asked for early settlement of outstanding issues with regard to the financial aspects and for the final draft Statute to be presented to the next Ministerial Meeting on Industry for approval and signing. The Council also

requested the next ECO Ministerial Meeting on Industry, to be held in Kazakhstan, to finalize and approve the road map for provisional implementation of the Statute.

Agenda Item No. 15

ECO Veterinary Commission (ECO-VECO)

75. The Council approved, in principle, the recommendations of the 3rd Ministerial Meeting on Agriculture (Tehran, March 2007) and the first Meeting of the Heads of Veterinary Organizations of ECO Member States (Tehran, November 2006) concerning the establishment of the ECO Veterinary Commission (ECO-VECO) as an affiliated body of ECO. The Council recommended that the document regarding the objectives, responsibilities and mechanism for proper functioning of the Commission be finalized by the next meeting of the Heads of Veterinary Organizations/Ministers of Agriculture and submitted to the CPR for final consideration/approval, on behalf of the Council of Ministers.

Agenda Item No. 16

MoU on ECO Regional Centre for Risk Management of Natural Disasters

76. The Council welcomed the establishment of the ECO Regional Centre for Risk Management of Natural Disasters in Mashhad in September 2007 and requested the member states to fully participate in the functioning of the Centre and urged those states, who had not yet signed the MOU, to do so at the earliest. The Council also asked the Working Group, comprising Afghanistan, Azerbaijan, Iran, Pakistan and any volunteer member states as well as the ECO Secretariat to prepare, with the technical support of FAO, UNDP, WMO and other relevant international organizations, the draft Statute of the Centre in the first half of 2008 as envisaged in the MOU and submit it to the next COM for consideration.

Agenda Item No. 17

Naming of a Central Park in Herat as “The ECO Park”

77. The Council approved the naming of a central park in Herat as “The ECO Park”. It was appreciated as a welcome gesture which would commemorate this important meeting of ECO Foreign Ministers held in Herat.

78. The Council proposed that such Parks be established in all member states to promote awareness of ECO and its activities among the people of the region.

Agenda Item No. 18

Shifting of ECO-CCI Headquarters from Kabul to Herat

79. The Council welcomed the proposal of the Afghan authorities regarding transfer of the Secretariat of ECO-CCI to Herat from Kabul and appreciated the positive spirit that lay behind it. The Council also noted that the 8th General Assembly of ECO-CCI scheduled for 26th October 2007 in Istanbul would discuss

the issue of Permanent Secretariat and its location. It was, therefore, appropriate that the Afghan proposal be presented to that body for consideration and decision.

Agenda Item No. 19
Any other business

80. No issue was discussed under this agenda item.

Agenda Item No. 20
Date and venue of the next meeting

81. The Council recalled with appreciation that during the 9th ECO Summit (Baku, May 2006), the Honourable Prime Minister of Pakistan offered to host the 10th ECO Summit in Pakistan in 2008. As per ECO practice, the COM and Summit are held together and at the same venue. The Council requested the Secretariat to circulate to Member States the venue and exact dates for the 18th COM and the 10th ECO Summit meetings.

Agenda Item No. 21
Adoption of Herat Communiqué

82. The Council adopted the Herat Communiqué which was finalized by the Senior Officials Meeting. A copy is placed at **Annex-XI**.

Agenda Item No. 22
Adoption of the Report

83. The Council unanimously adopted its report.

Agenda Item No. 23
Closing

84. The meeting was concluded with a vote of thanks to the Chair for conducting the deliberations in a smooth and efficient manner, and to the Government of the Islamic Republic of Afghanistan, particularly the Ministry of Foreign Affairs and the local authorities of Herat Province, for the excellent arrangements made for the meeting and for the warm traditional hospitality extended to all delegations. The Council appreciated the efforts of the Secretary General and his team to prepare comprehensive documentation and to assist the hosts to make the 17th COM meeting a complete success.