

# The 14<sup>th</sup> Council of Ministers

## Report

( Dushanbe, 12 September, 2004 )

The Fourteenth Meeting of the Council of Ministers of the Economic Cooperation Organization (ECO) was held on September 12, 2004 in Dushanbe, Republic of Tajikistan. The Council of Ministers' meeting was preceded by the Senior Officials' meeting on September 10-11, 2004, under the Chairmanship of His Excellency Mr. Sirodjidin Aslov, First Deputy Minister of Foreign Affairs of the Republic of Tajikistan.

2. The meeting was attended by delegations of the Transitional Islamic State of Afghanistan, Republic of Azerbaijan, Islamic Republic of Iran, Republic of Kazakhstan, Kyrgyz Republic, Islamic Republic of Pakistan, Republic of Tajikistan, Republic of Turkey, Turkmenistan, Republic of Uzbekistan as well as the ECO Secretary General along with his staff and representatives of the ECO Cultural Institute, ECO College of Insurance, ECO-Consultancy & Engineering Company, ECO Chamber of Commerce & Industry. List of the participants is attached at **Annex-I**.

### Agenda items No. 1 & 2

- 1) Inauguration of the meeting:
- 2) Election of the new Chairman and his statement:

3. His Excellency Mr. Askar Ch. Aitmatov, Minister of Foreign Affairs of the Kyrgyz Republic, the incumbent Chairman, opened the meeting with a brief statement expressing appreciation of the hospitality extended to the participating delegations by the Government and the people of the Republic of Tajikistan. Later, he proposed the nomination of His Excellency Mr. Talbak Nazarov, Foreign Minister of the Republic of Tajikistan, as the new Chairman for the 14<sup>th</sup> COM meeting.

4. In the address following his unanimous election as the Chairman, Mr. Talbak Nazarov outlined his vision for further enhancing economic cooperation within the region. In this connection, he referred to the continued commitment and support of his government to the goals and objectives of the Economic Cooperation Organization. The statement is attached as **Annex-II**.

### Agenda item No. 3

Adoption of the Agenda:

5. The Council adopted the agenda of the meeting which is placed below:

1. Inauguration of the meeting
2. Election of the New Chairman and his statement
3. Adoption of the Agenda
4. Report by the Secretary General
5. Statements by the Heads of ECO Specialized Agencies and Regional Institutions
6. Statements/Comments by the Ministers/Heads of Delegations
7. Report and Recommendations of EPG including ECO Vision 2015
8. Reconstruction of Afghanistan.
9. Review, approval, adoption and consideration of the ECO activities:
  - i. The meetings of the Council of Permanent Representatives (CPR)
  - ii. ECO Secretariat's budget for 2004
  - iii. ECO Secretariat's Audit Report for 2003
  - iv. Appointment of ECO Audit Board
  - v. Unpaid contribution of the member states for Secretariat's budget
  - vi. ECO Awards
  - vii. 14<sup>th</sup> meeting of the Regional Planning Council (RPC), including:
    - a) ECO's Annual Calendar of Events for 2004-2005

- b) ECO Secretariat's Work Programme for 2004
- viii. Other sectoral Ministerial meetings held after the 13<sup>th</sup> COM Meeting:
  - a) Second Ministerial Meeting on Commerce/Foreign Trade
  - b) First Ministerial Meeting on Industry
  - c) First Ministerial Meeting on Finance/Economy
  - d) Fifth Ministerial Meeting on Transport & Communication
- ix. Follow-up of the implementation of decisions of 13<sup>th</sup> COM and 7<sup>th</sup> Summit
- x. Status of Ratification of ECO Agreements
- xi. Secretariat's Paper on implementation of decisions of the previous Ministerial meetings i.e. Transport & Communication, Commerce & Foreign Trade, Energy, Agriculture, Environment, Industry and Economy/Finance.
- xii. Renewal of the term of the Director of the Economic Research & Statistics
- 10. Joint Action to Combat Drug Trafficking.
- 11. ECO Trade Agreement (ECOTA)
- 12. Increasing the role of the Private Sector in the ECO activities and activate ECO-CCI
- 13. Preparation for the 8<sup>th</sup> Summit:
  - a) Draft Agenda
  - b) Draft Dushanbe Declaration
- 14. Any other business
- 15. Date and venue of the next meeting
- 16. Adoption of the report
- 17. Vote of thanks and closing of the meeting

#### **Agenda item No. 4**

##### Report of the Secretary General:

6. The Council appreciated the comprehensive report of the Secretary General on the activities of ECO carried out since the 13<sup>th</sup> meeting of COM, which was circulated among the member states vide Secretariat's No. SG/COM/2004/1725 September 05, 2004. The said report is also placed at **Annex-III**. The Secretary General also delivered his statement giving a set of recommendations to the Council of Ministers for consideration. (**Annex-IV**).

7. While thanking the Secretary General for his statement, the Council decided to refer his two recommendations pertaining to the designation of coordinators from the Member States for implementing projects in the priority areas and the proposed revision of salary package of the staff of ECO Secretariat to the CPR for further discussion and subsequent submission to the Council of Ministers for consideration/approval.

#### **Agenda Item No. 5**

##### Statements by the Heads of ECO Specialized Agencies and Regional Institutions:

8. The Representative of the ECO Cultural Institute, Dean of the ECO College of Insurance, President of the ECO Chamber of Commerce & Industry (ECO-CCI) and Managing Director of ECO-Consultancy and Engineering Company (ECO-CEC) attended the meeting and presented annual reports on the activities of their institutions/agencies and made their statements.

9. The Council appreciated the reports on the above institutions/agencies and called upon their heads to take necessary actions to promote the performance of these institutions/agencies and asked the concerned authorities of the member states to extend their support to them.

#### **Agenda Item No. 6**

##### Statements/Comments by the Ministers/Heads of Delegation:

10. The Ministers/Heads of delegations delivered their statements expressing the views of their respective governments on the ongoing and future activities of the Organization which are placed at **Annex-V**.

#### **Agenda item No.7**

## Report and Recommendations of EPG including ECO Vision 2015

11. The Council praised the hard work put in by the Eminent Persons Group (EPG) and endorsed its report in principle. However, the Council decided that the CPR may further discuss the report prepared by EPG including the proposal for ECO Vision 2015 and submit its recommendations/views to the 15<sup>th</sup> COM meeting. A copy of the report of EPG incorporating the recommendations as well as its enclosures are placed at **Annex-VI**.

### **Agenda Item No. 8**

#### Reconstruction of Afghanistan

12. The Council approved the modalities for Establishment of ECO Special Fund for Reconstruction of Afghanistan as prepared by the financial experts meeting of the member states held in Kabul on April 21, 2004 and instructed the Secretariat to open an account and begin with the necessary implementation as envisaged in the modalities as soon as possible. A copy of the modalities is placed at **Annex-VII**.

13. The Head of Afghan delegation thanked the Council for ECO's support for the reconstruction of his country.

### **Agenda item No. 9**

#### Review, approval, adoption and consideration of the ECO activities:

##### **i. The meetings of the Council of Permanent Representatives (CPR).**

14. The Council adopted the reports of the Council of Permanent Representatives (CPR) for its thirteen (79<sup>th</sup> to 91<sup>st</sup>) meetings held since 13<sup>th</sup> COM meeting.

##### **ii. ECO Secretariat's Budget for 2004.**

15. The Council formally approved the Secretariat's budget for the year 2004 amounting to US\$ 2,070,877/-. The budget was approved by the 83<sup>rd</sup> CPR Meeting on behalf of the Council of Ministers.

##### **iii. ECO Secretariat's Audit Report for 2003:**

16. The Council approved the Audit Report for ECO Secretariat's budget for 2003 which was also considered and endorsed by the CPR.

##### **iv. Appointment of ECO Audit Board**

17. The Council appointed the ECO Audit Board comprising three member states, namely Iran, Pakistan and Turkey for three years.

##### **v. Unpaid contributions of the member states for Secretariat's budget:**

18. The Council appreciated the member states who had paid their contributions and expressed concern over the non-payment of contributions by some member states. It urged the member states who had not paid their contribution to the budget of the ECO Secretariat for the previous years and for the year 2004 to do so at the earliest. The Council also requested that the Chairman of the Council of Ministers to approach the concerned member states and consult with them on this issue.

##### **vi. ECO Awards**

19. The Council approved the names of nine winners of ECO Awards 2004 from member states as recommended by the Selection Committee and endorsed by the 89<sup>th</sup> CPR meeting. The list of the winners are also placed at **Annex-VIII**.

##### **vii. The 14<sup>th</sup> meeting of the Regional Planning Council (RPC) including:**

a) **ECO's Annual Calendar of Events for 2004-2005**

b) **ECO Secretariat's Work Programme for 2004.**

20. The Council reviewed and adopted the report of the 14<sup>th</sup> meeting of the Regional Planning Council (RPC) held in Istanbul, Turkey, on December 6, 2003, along with the ECO Calendar of Events for 2004-2005 and the Secretariat's Work Programme for 2004.

viii. **Other Sectoral Ministerial Meetings held after the 13<sup>th</sup> COM meeting:**

21. The Council reviewed and took note of the reports of the following sectoral Ministerial meetings held since the 13<sup>th</sup> COM Meeting and requested the member states to take necessary measures to implement the decisions of these meetings. The Council also asked the Secretariat to prepare the follow up reports on the implementation of decisions on regular basis and submit the same to CPR and to the next COM.

a) Second Ministerial Meeting on Commerce/ Foreign Trade, July 17, 2003, Islamabad, Pakistan.

b) First Ministerial Meeting on Industry, January 25-28, 2004, Tehran, Iran.

c) First Ministerial Meeting on Finance/Economy, January 30m, 2004, Islamabad, Pakistan.

d) Fifth Ministerial Meeting on Transport & Communication, August 11-12, 2004, Cholpon-Ata, Kyrgyz Republic.

22. In view of the high priority attached by ECO to the transport sector, the Council took note of paragraphs 11 and 12 of the Report of 5<sup>th</sup> Ministerial Meeting on Transport & Communications, wherein it has been recommended that a collective political appeal may be made to the concerned member states to take all necessary steps to facilitate implementation of the Trans-Asian Railway mainline project. Further more, the Council emphasized that since the success of the Organization totally depended on tangible achievements of the ECO projects especially in the fields of transport and trade, all member states were urged to extend their wholehearted support and cooperation for the implementation of the said projects.

ix. **Follow-up of the implementation of decisions of 13<sup>th</sup> COM and 7<sup>th</sup> Summit.**

23. The Council appreciated the preparation of the report by the Secretariat on the follow-up of the implementation of the decisions of 13<sup>th</sup> COM and 7<sup>th</sup> Summit meetings. The Council pointed out that the document both served as a guideline as well as a summarized status report. The Council noted the follow-up mechanism as a useful input towards regular monitoring of the implementation of the decisions of the high level ECO organs. Therefore, the Council decided that the same follow-up mechanism should be established for the 14<sup>th</sup> COM and 8<sup>th</sup> Summit meetings and the relevant item should be included in the agenda of the 15<sup>th</sup> Meeting of COM.

24. The Council pointed out that due emphasis should be given to the speedy process of the implementation of the agreed decisions of the COM and Summit meetings. Therefore, the Council urged the member states to ratify the agreements they had signed for their early implementation. The Council especially asked the member states to operationalize the Trade and Development Bank and Transit Transport Framework Agreement (TTFA).

x. **Status of Ratification of ECO Agreements.**

25. While taking note of the status of ratification of the signed ECO agreements, the Council urged the member states, who had not done so, to ensure early ratification of the ECO agreements that they have signed.

26. The Iranian delegation informed the Council that the Finance and Economy Committee of the Parliament of the Islamic Republic of Iran has agreed on the participation of Iran in the Trade and Development Bank without any conditions. The agreement will be submitted to the plenary session of the Parliament for approval.

27. The Council thanked the Islamic Republic of Iran for the progress they made with regard to the ratification of agreement on ECO Trade and Development Bank.

xi. **Secretariat's paper on implementation of decisions of the previous Ministerial meetings i.e. Transport and Communications, Commerce/Foreign Trade, Energy, Agriculture and Environment**

28. The Council appreciated the Secretariat's paper, declaring it as a useful document and took note of the decisions summarized in the paper. It expressed the hope that the member states would take steps to implement decisions of the sectoral ministerial meetings. In this regard, the Council requested that the Chairman of the Council of Ministers may bring the importance of agreed decisions to the attention of higher authorities of the member states whenever it is possible.

xii) **Renewal of the term of the Director of the Economic Research and Statistics.**

29. The Council approved the appointment of Mr. Ermek Ibrahimov as Director (Economic Research & Statistics) for another three years with effect from July 24, 2004.

**Agenda Item No. 10**

Joint Action to Combat Drug Trafficking

30. In conjunction with the ongoing ECO Plan of Action on Drug Control, the Ministers agreed to instruct the CPR to enhance and strengthen the already established coordinated activities through an institutionalized network for combating drug trafficking including trading in drug precursors, derivatives, byproducts and substances.

31. The CPR may consider suggesting a regional institutional mechanism to be adopted if the current ECO-DCCU expires due to lack of support from international community.

**Agenda Item No. 11**

ECO Trade Agreement (ECOTA)

32. The Council urged signatory member states to ratify the agreement at the earliest for its entry into force and agree to the amendments proposed by HLEG. The Council further recommended that other interested member states may consider the possibility of signing the agreement as soon as possible.

**Agenda Item No. 12**

Increasing the role of the Private Sector in the ECO activities and activate ECO-CCI

33. The Council called upon the member states to further encourage the active engagement of private sector in economic cooperation and intra-trade relations among the ECO member states.

34. The Council, while welcoming the decision of the 7<sup>th</sup> ECO-CCI General Assembly on the assumption of the Chairmanship on rotational basis biannually, asked the ECO-CCI to work on a modality to have a permanent secretariat of ECO-CCI in their next General Assembly meeting.

**Agenda Item No. 13**

Preparation of the 8<sup>th</sup> Summit

a) **Draft Agenda**

35. The Council agreed to recommend the following draft agenda for the 8<sup>th</sup> Summit meeting to be held in Dushanbe, Republic of Tajikistan, on September 14, 2004:

1. Inaugural Ceremony
2. Election of the Chairman
3. Adoption of the Agenda
4. Statements by the Heads of State/Government
5. Statements by the Heads of International Organizations

6. Report of the Chairman of the 14<sup>th</sup> Meeting of Council of Ministers (COM)
7. Report of the Secretary General
8. Any other business
9. Date and venue of the next meeting
10. Consideration and adoption of the Dushanbe Declaration 2004
11. Ceremony for ECO Awards
12. Vote of thanks and closing address by Chairman of the 8<sup>th</sup> Summit
13. Closing of the meeting

**b) Draft Dushanbe Declaration**

36. The Council agreed to submit the draft Dushanbe Declaration to the 8<sup>th</sup> ECO Summit for adoption, as finalized by the Senior Officials Meeting. A copy of the declaration is placed at **Annex-IX**.

**Agenda item No. 14**

Any other business:

**a. Turkish Muslim Community of Cyprus**

37. The Council decided that the Turkish Muslim Community of Cyprus should continue to participate in the ECO activities under the name envisaged by the UN Secretary General's Settlement Plan.

38. It was clarified that there was no change in the status of the Turkish Muslim Community of Cyprus in ECO.

**b. Draft Resolution on Cooperation between the United Nations and the Economic Cooperation Organization**

39. The Council approved the draft Resolution on Cooperation between the United Nations and Economic Cooperation Organization, as endorsed by the CPR, to be submitted to the United Nations for adoption by the forthcoming 59<sup>th</sup> Session of the UN General Assembly. Therefore, the Council agreed that the informal meeting of COM which was scheduled to be held in New York on September 28, 2004, will be held without agenda.

**Agenda Item No. 15**

Date and venue of the next meeting:

40. The Council requested the Secretariat to hold consultations with Member States in order to determine the date and venue of the 15<sup>th</sup> ECO Council of Ministers (COM) meeting.

**Agenda item No. 16**

Adoption of the report:

41. The Council adopted its report.

**Agenda item No. 17**

Vote of thanks and closing of the meeting:

42. The participants appreciated the excellent arrangements made by the Government of the Republic of Tajikistan for the successful conduct of the meeting and the invaluable role played by His Excellency Mr. Talbak Nazarov, Minister for Foreign Affairs of the Republic of Tajikistan, in guiding the deliberations of the 14<sup>th</sup> meeting of the Council of Ministers.

43. The Council also expressed their appreciation and thanks to H.E. Mr. Askhat Orazbay, ECO Secretary General and ECO staff for preparation of documentation and their invaluable services to facilitate the work of the meeting.