

# The 13<sup>th</sup> Council of Ministers

## Report

( Bishkek, 11 June, 2003 )

The 13<sup>th</sup> meeting of the Council of Ministers of the Economic Cooperation Organization (ECO) was held on June 11, 2003 in Bishkek, the Kyrgyz Republic. The Council of Ministers' meeting was preceded by the Senior Officials' meeting on June 9-10, 2003, under the Chairmanship of H.E. Mr. Jeenbek Kulubaev, Deputy Foreign Minister of the Kyrgyz Republic.

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 ECI. International organizations namely UNCTAD, IDB, FAO, ICARDA, UNFPA and UNDP also participated in the meeting. List of the participants is attached at **Annex-I**.

### **Agenda item No. 1 & 2**

1) Inauguration of the meeting:

2) Election of the new Chairman and his statement:

3. The incumbent Chairman, the Republic of Turkey represented by His Excellency Mr. Abdullatif Sener, Minister of State and the Deputy Prime Minister, declared the meeting open and made a brief statement expressing appreciation of the hospitality extended to the participating delegations by the Government of the Kyrgyz Republic. Later he proposed the nomination of His Excellency Mr. Askar Aitmatov, the Foreign Minister of the Kyrgyz Republic as the new Chairman for the 13<sup>th</sup> COM. Following the unanimous election as Chairman H.E. Mr. Aitmatov invited His Excellency Mr. Askar Akaev, President of the Kyrgyz Republic to address the meeting.

4. In his inspiring address, His Excellency President Mr. Askar Akaev, outlined his future vision to enhance regional cooperation for common prosperity within the region. In this connection, he mentioned the continued commitment and support of his Government to the goals and objectives of the Economic Cooperation Organization. He also appreciated the excellent leadership qualities of the outgoing Secretary General, Ambassador H.E. Seyed Mojtaba Arastou. 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 at **Annex-III**.

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

Statement of the Secretary General:

6. The ECO Secretary General made a statement on notable achievements of the Organization in various areas. He also spoke about the future Plans of Action the Organization must adopt to meet the challenges in order to remain effective and relevant with regard to the aspirations of the member states. The statement is placed at **Annex-IV**.

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

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

7. The Ministers/Deputy Ministers/Heads of delegation 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. 6**

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

8. The annual reports on the performance of the Specialized Agencies and Regional Institutions were circulated among the member states. The Council took note of these reports.

9. On behalf of the President ECO Cultural Institute, the Executive Director presented a statement on the activities of the Institute.

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

##### Review of the ECO activities:

##### A) Reports for adoption/approval/consideration:

##### i. Report of the Secretary General on ECO activities.

10. The Council appreciated the comprehensive report of the Secretary General on the activities of ECO since the 12<sup>th</sup> meeting of COM which was circulated among the member states vide Secretariat's Document No.SG/COM/2003/0898 dated May 31, 2003. The said report is placed at **Annex-VI**.

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

11. The Council approved the reports of the sessions (70<sup>th</sup> to 78<sup>th</sup>) of the Council of Permanent Representatives (CPR) held between the 12<sup>th</sup> COM and June 10, 2003.

##### iii. ECO Secretariat's Budget for 2003.

12. The Council formally approved the Secretariat's budget for the year 2003 amounting to US \$ 2,021,145 (including the amount for feasibility fund). The budget was approved by the 72<sup>nd</sup> meeting of CPR on behalf of the Council of Ministers.

##### iv. Unpaid contributions of the member states for Secretariat's budget.

13. The Council appreciated the concerns of the member states to pay their mandatory contributions including arrears to the budget of the Secretariat. The Council was informed that the Republic of Turkey and the Republic of Kazakhstan had paid their contributions. The Republic of Tajikistan would also pay the current contributions by the end of 2003. The Republic of Azerbaijan paid the contribution for 2003 and partly some arrears. The remaining arrears would be paid by the end of this year. The Kyrgyz Republic announced the payment of the unpaid contributions to the Secretariat. The Islamic Republic of Iran said it would pay the rest of 2003 contribution by the end of the year. The Transitional Islamic State of Afghanistan also partly paid its contribution.

14. The Council urged the remaining countries (excepting Pakistan which had paid in full) to give priority to the disbursement of the mandatory contributions to the budget of the Organization. The Council advised the Secretariat to prepare a new table in the light of the payments received from the member states and circulate it for attention of the member states.

**v. ECO Secretariat's Audit Report for 2002.**

15. The Council considered the audit report of the Secretariat for 2002 and due to its late distribution among the member states decided to refer it back to CPR for further examination, to be approved on behalf of the COM.

**vi. The 13<sup>th</sup> meeting of the Regional Planning Council (RPC) including:**

- a) ECO's Annual Calendar of Events for 2003 and 2004**
- b) ECO Secretariat's Work Programme for 2003 and 2004.**

16. The Council adopted the report of the 13<sup>th</sup> meeting of the Regional Planning Council held in Tehran on April 22, 2003. The Council also considered the draft ECO Calendar of Events for 2003 and 2004 along with the Work Programme.

17. The Council urged the ECO Secretariat that a balance should be created between the non-ECO and ECO events. The first priority should be given to ECO events, especially in the ECO priority areas. The second priority should be given to events within the region which are of crucial importance to the work and objectives of ECO. The 3<sup>rd</sup> priority should be given to events organized by regional and international organizations which are of some relevance to the ECO activities and programmes. The Council also observed that the Secretariat while preparing the work programme should also identify the importance of non-ECO events in terms of their relevance to ECO goals and objectives.

18. The Council directed that the Calendar of Events may be revised in the light of the concerns of the member states as mentioned in the above para and non-ECO events be prioritized. The amended version should be submitted to CPR for approval on behalf of the Council of Ministers (COM). In line with the amendments in the Calendar of Events, suitable adjustments should be effected in the Work Programme for 2003 and 2004.

**vii. Other Ministerial meetings i.e. Environment.**

19. The Council took note of the report of the 1<sup>st</sup> ECO Ministerial meeting on Environment held on December 15, 2002, in Tehran and requested the member states to take the necessary measures to implement its decisions. The Council requested the member states to establish as soon as possible the agreed Working Group on Environment to implement and suggest amendments if necessary in the Plan of Action and the Tehran Declaration on environment prior to the scheduling of the 2<sup>nd</sup> Ministerial meeting on Environment to be held in Turkey in 2004.

20. The Council appreciated the initiative as well as the efforts of the Secretary General to prepare grounds for signing of an MoU between ECO and UNEP, ensuring some technical and financial assistance for ECO in the field of environment.

B) Review of ECO Strategy Papers.

i. Follow-up of the implementation of decisions of 12<sup>th</sup> COM and 7<sup>th</sup> Summit.

21. The Council appreciated the preparation of this document which in its opinion gave an overall view of the implementation status of the decisions of 12<sup>th</sup> COM, 7<sup>th</sup> Summit and the Istanbul Declaration 2002. The document both served as a guideline as well as a summarized status report. The Council noted with appreciation the follow-up mechanism introduced by the Secretariat in pursuance of the 12<sup>th</sup> COM decisions, and updated on monthly basis, as a useful input towards regular monitoring of the implementation of the decisions of the high level ECO organs.

22. The Council requested the concerned member states to establish as soon as possible the ECO Trade and Development Bank and the ECO Reinsurance Company. In this connection, it appreciated the Government of Iran's efforts to remove the outstanding legal procedural problems. Further, it decided to establish a Tri-partite Committee consisting of the Permanent Representatives of the Islamic Republic of Iran, Islamic Republic of Pakistan and the Republic of Turkey to make efforts for early establishment of the Bank and the Reinsurance Company.

23. The Council took note of the problems concerning the ECO Shipping Company and requested the concerned member states to provide more concrete support to the Company to make it operational. In this regard, the Council felt that the experts alone should not be allowed to determine the future course of the Company.

24. In view of the utility of this report, the Council also requested the Secretariat to incorporate the recommendations of the Working Group of the Senior Officials therein for regular follow up to post the member states on implementation.

25. The Council requested the member states to activate the involvement of private sector in ECO activities and use its dynamism to activate the ECO-CCI which is lying dormant. In this respect, the Council emphasized the need to establish the Permanent Secretariat for ECO-CCI and took note of the Turkish offer to seat the said Secretariat in Istanbul.

ii. Status of Ratification of ECO Agreements.

26. 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 they had signed.

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

27. 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 attend the 2<sup>nd</sup> Ministerial meeting on Trade and Investment to be held on July 15-17, 2003 in Islamabad at appropriate level.

iv. Institutionalizing of ECO Ministerial meetings on Finance/Economy

28. The Council agreed to institutionalize the ECO Ministerial meetings in the area of Finance/ Economy on the pattern of other sectoral Ministerial meetings. The Secretariat was requested to prepare background paper for the 1<sup>st</sup> such meeting in near future with the help and support of the member states.

C) Enhancement of efficiency and effectiveness of ECO

29. The Council agreed to set up an Eminent Persons Group (EPG) from the member states with specific timeframe and target in collaboration with the ECO Secretary General to submit their recommendations to the 14<sup>th</sup> COM on the measures to promote efficiency and effectiveness of ECO. In this regard, the Council took note of the need for an early operationalization of TTA and TTFA, finalization and adoption of ECOTA, completion of missing rail and road links and restructuring of ECO Secretariat due to the work load generated by sectoral Ministerial meetings.

30. The Council requested the member states to provide political support through concrete actions to the programmes and activities of ECO. It expressed the view that the efficiency of the Organization could be improved through recruitment of qualified and competent staff for ECO.

**Agenda item No.8**

Reconstruction of Afghanistan:

31. The Council noted the broad approval among the member states for the Plan of Action prepared by the Secretariat (document No.PR/AFG/2003/3 dated May 21, 2003) for the reconstruction of Afghanistan in accordance with the decisions of the 12<sup>th</sup> COM and the 7<sup>th</sup> Summit. Nevertheless, it noted the concerns of some member states with regard to some programmes and recommendations and requested the Secretariat to prepare and submit the revised version of the Plan of Action reflecting the concerns and views of the member states to CPR.

32. The Council requested the early convening of the meeting of the Financial Experts of the member states to work on the establishment of the Special Fund and submit the result to the CPR for further action.

### **Agenda Item No. 9**

#### Administrative matters:

a) Appointment of new Secretary General of ECO.

33. The Council appointed H.E. Dr. Bekzhasar Narbayev for the post of ECO Secretary General for non-renewable term of three years between 2003-2006 as per Article IX-2 of the Treaty of Izmir.

34. The Council commended H.E. Ambassador Seyed Mojtaba Arastou for his excellent and invaluable contributions to the success of the Organization during his tenure as the Secretary General of ECO. It further praised him for raising public awareness of ECO activities and international stature of the Organization.

b) Appointments of Deputy Secretaries General.

35. The Council appointed the following three Deputies Secretary General (Category-I, D-3) for a term of three years:

- a) Mr. Orhan Isik (nominee of the Republic of Turkey).
- b) Dr. Sohrab Shahabi (nominee of the Islamic Republic of Iran).
- c) Mr. Masroor A. Junejo (nominee of the I. R. of Pakistan).

36. The Council also approved the decision of the 72<sup>nd</sup> session of CPR appointing Mr. Isik as a replacement of Dr. Tiktik for the remaining period which was going to expire on August 12, 2003. The Council appreciated the services and the work of the former Deputy Secretary General Dr. Ahmet Tiktik and the outgoing Deputy Secretary General Dr. Shamil Aleskerov and the Deputy Secretary General Mr. Sanaullah.

c) Renewal of the term of Directing staff.

37. The Council approved the appointment of the following present directing staff members for a term of three years:

- a) Mr. Mehmet Ali Saglam (nominee of the Republic of Turkey), as Director (Category-I, D-2).
- b) Dr. Shamil Aleskerov (nominee of the Republic of Azerbaijan), as Director (Category-I, D-2).
- d) Appointment of the President of ECO Cultural Institute (ECI).

38. The Council approved the appointment of Mr. Mohammad Ali Shoaei, who was nominated by Iran, as the President of ECI.

### **Agenda Item No. 10**

#### Adoption of the Bishkek Communiqué:

39. The 13<sup>th</sup> COM adopted the Bishkek Communiqué which is placed as **Annex-VII**.

### **Agenda item No. 11**

#### Any other business:

40. The Council requested the Secretariat to prepare for early publication of the ECO Annual Economic Report. In this regard, the Council urged the member states to extend the requisite support and data necessary to the Secretariat for compilation of this publication.

### **Agenda Item No. 12**

#### Date and venue of the next meeting:

41. As offered by the Republic of Tajikistan and agreed by the Heads of State at the 7<sup>th</sup> Summit meeting in October 2002 in Istanbul, the Council appreciated that the 8<sup>th</sup> Summit along with the 14<sup>th</sup> COM would be held in Tajikistan in 2004.

### **Agenda item No. 13**

#### Adoption of the report:

42. The Council adopted its report.

### **Agenda item No. 14**

#### Vote of thanks and closing of the meeting:

43. The participants appreciated the excellent arrangements made by the Government of the Kyrgyz Republic for the successful conduct of the meeting and the invaluable role played by His Excellency Mr. Askar Aitmatov, Minister for Foreign Affairs of the Kyrgyz Republic in guiding the deliberations of the 13<sup>th</sup> meeting of the Council of Ministers.

44. The Council also expressed their appreciation and thanks to the H.E. Secretary General Ambassador Seyed Mojtaba Arastou and ECO staff for preparation of documentation and their invaluable services to facilitate the work of the meeting.

45. The Chairman announced the conclusion of the meeting.