The 13th Council of Ministers

Statement of Minister/Heads of delegation

(Bishkek, 11 June, 2003)

Annex-V

STATEMENT BY H.E. DR. MOHAMMAD RAHIM SHERZOY

DEPUTY MINISTER OF FOREIGN AFFAIRS, AFGHANISTAN

MR. CHAITMAN, ECXELLENCIES, LADIES AND GENTLEMEN.

IT GIVES ME GREAT PLEASURE TO OFFER MY PROFOUND GRATITUDE FOR THE VERY WARM HOSPITALITY ACCORDED TO ME AND MY DELEGATION.

I AM CONFEDENT THAT UNDER YOUR EXCELLENCY'S WISE GUIDANCE OUR MEETING IN THIS BEAUTIFUL CITY OF BISHKIK WILL BE CROWNED WITH MUCH SUCCESS.

OUR PRESENCE HERE AT THIS AUGUST ASSEMBLY IS INDEED AN HONOR AND AT THE SAME TIME A SOURCE OF OVER WHELMING PLEASURE.

IT IS A SOURCE OF HONOR BECAUSE WE MEET IN THIS HISTORIC CITY OF BISHKIK, A CRADLE OF CIVILIZATIONS AND ALSO FIND OURSELVES AMONG DISTINGUISHED FRIENDS.

HIS EX. DR. ABDULA ABDULA AFGHANISTAN FOREIGN MINISTER WAS NOT ABLE TO JOIN YOU IN THIS MEETING DUE TO HIS BUSY SCHEDULE.

MR. CHAIRMAN,

CONVENTION OF THIS MEETING OF MINISTERS, HIGH - RANKING DIGINITIES, AND EXPERTS OF VARIOUS ECONOMIC AND CULTURAL FIELDS, NOT ONLY BRINGS TO GATHER COUNTRIES OF THE REGION BUT ALSO FURTHER STRENGHTENS RELATIONS BETWEEN COUNTRIES OF THE REGION AND EFFECTIVELY INFLUENCES ITS ECONOMIC TIES. AFGHANISTAN AS AN ACTIVE MEMBER OF THIS ORGANIZATION IS FULLY OBLIGED TO IMPLEMENT STEP BY STEP ITS ALL ECONOMIC OBJECTIVES, ENVISAGED IN THE QUETTA PLAN AND AZMER ACCORDS, WITH OTHER MEMBER CONTRIES. THERE ARE PLENTY OF MORALE AND MATERIAL RESOURCES IN THF- REGION COVERED BY ECO, FOR THE ECONIMIC WELFARE AND SOCIAL, CULTURAL, AND POLITICAL STABILITY OF THE ECO, MEMBER COUNTRIES.

HIS EXCELLENCY, THE CHAIRMAN!

THE BONN AGREEMENT WAS THE BEGINNING OF THE REBIRTH OF AFGHANISTAN, OUT THE DARKNESS AND REPRESSION AT THE HANDS OF TERRORISTS, IN TO LIFE, PEACE AND HOPE.

WE ARE NOW COMMITTED TO JOIN THE INTERNATIONAL COMMUNITY, SPECIALLY THE NEIGHBORING COUNTRIES, IN A PARTNERSHIP TO COMBAT TERRORISM AND DRUG PRODUCTION AND TRAFFICKING.

THE PROVISIONS OF THE BONN AGREEMENT ARE BEING IMPLEMENTED SUCCESSFULLY AND THE PEACE PROCESS IS MOVING AHEAD. THE EMERGENCY LOYA JIRGA, THE AFGHAN GRAND ASSEMBLY, CONVENED IN KABUL FROM JUNE 11 THROUGH 17, 2002, PARTICIPATION OF A LARGE NUMBER OF WOMEN, FREE, OPEN, AND FRANK EXPRESSION OF OPINIONS BY DELEGATES, AND PRESIDENT KARZAI'S ELECTIONT BY SECRET BALLOT, WAS UNPRECEDENTED. I WOULD LIKE TO EMPHASIZE THAT DRUG CONTROL PROBLEM IS INHERENTLY AN INTERNATIONAL PHENOMENON. THEREFORE THERE HAS TO BE A COORDINATED INTERNATIONAL RESPONS TO THIS PROBLEM IN AFGHANISTAN AND ITS NEIGHBORING COUNTRIES. WE HAVE MADE CONTROL OF NARCOTICS PRODUCTION AND TRAFFICKING A PRIORITY. FOR THE FIRST TIME A COMPREHENSIVE LONG TERM NATIONAL DRUG STRATEGY IS BEING DRAFTED IN AFGHANISTAN AND WILL SOON BE FINALIZED.

TO ACHIEVE ITS GOALS, WHEN COORDINATING ITS COUNTER - NARCOTICS EFFORTS, THE STRATEGY WILL DEAL WITH CHALLENGES SUCH AS CREATING EFFECTIVE DRUG LAW ENFORCEMENT, BUILDING THE RIGHT INSTITUTIONS, PROVIDING ALTERNATIVE LIVELIHOODS, AND DEVELOPING COOPERATION WITH NEIGHBORING COUNTRIES.

INTERNATIONAL ASSISTANCE IS KEY TO THE SUCCESS OF OUR STRATEGY.

MR. CHAIRMAN,

IN AFGHANISTAN RECONSTRUCTION, DEVELOPMENT, PEACE AND SECURITY ARE STRONGLY INTER - CONNECTED. THERE IS A DIRECT LINK BETWEEN THE FAILURE OF RECONSTRUCTION IN AFGHANISTAN AND THE RESURGENCE OF TERRORISM IN = COUNTRY. IT IS THEREFORE OUR FERVENT HOPE THAT THE INTERNATIONAL COMMUNITY INCLUDING ECO MEMBERS ACTIVELY PARTICIPATE IN OUR REBUILDING EFFORTS AND MAKE GOOD ON THEIR PLEDGES. BUILKING OF THE INFRA STRUCTURE, REHABILITATION A.ND ECONOMIC DEVELOPMENT, CREATE PEACE AND SECURITY, AND PROVIDE CREDIBILITY AND VIABILITY FOR THE GOVERNMENT.

ME. CHAIRMAN.

PEACE AND SECURITY IS OUR TOP PRIORITY, AND WE ARE KEEN ABOUT MAINTAINING FRIENDLY RELATIONS WITH OUR NEIGHBORS. WITH A VIEW TO STRENGTHENING RELATIONSHIPS AND TRUST, AND WITH A SENSE OF UNITY AND COMMON PURPOSE, ON DECEMBER 22, 2002 AFGHANISTAN SIGNED THE KABUL DECLARATION ON GOOD NEIGHBORLY RELATIONS WITH ITS NEIGHBORING COUNTRIES. THE DECLARATION OUTLINES OUR OBJECTIVES IN CREATING A CLIMATE OF COOPERATION, MUTUAL TRUST AND REGINAL PEACE.

MR. CHAIRMAN!

THE LATEST TRIP OF SECRETARY GENERAL, DR. SEYED MOJTABA ASTOU TO AFGHANISTAN, AND HIS REPORT ON RECONSTRUCTION OF AFGHANISTAN, MADE US OPTIMISTIC WITH RESPECT TO POTENTRNAL CONTRIBUTION OF THIS ORGANIZATION. SPECIFIC PROPOSALS ON ROAD CONSTRUCTION, MINES AND INDUSTRIES, TRADE, TRANSPORTATION, COMMUNICATION AND RECONSTRUCTION WERE SUBMITTED TO HIM. WHILE APPRECIATING THE COOPERATION AND ATTENTION OF THE ECO SECRETARIAT, ONCE AGAIN, WE WOULD LIKE TO URGE ECO FOR FURTHER CONTRIBUTION TO THE RECONSTRUCTION OF AFGHANISTAN.

THUS, SPECIFIC PROPOSALS AND SCHEMES HAVE ALREADY BEEN PUT FORWARD TO THE SECRETARIAT OF ECO IN THIS REGARD. TRANSITIONAL ISLAMIC STATE OF AFGHANISTAN

CARRIED OUT A NUMBER OF SIGNIFICANT ACTIVITIES IN COMMUNICATION WHICH WAS ALSO DESTROYED IN THE COURSE OF LAST YEARS. RECOVERY AND REHABILITATION OF THIS SECTOR CERTAINLY WILL PLAY AN OUTSTANDING ROLE IN COMMUNICATION AMONGST ECO, MEMBER STATES AND WILL ENABLE US OF FURTHER EFFECTIVE REGIONAL COOPERATION.

A PRIVATE INVESTMENT CODE IS DRAFTED TO ENCOURAGE PRIVATE INVESTORS AND MULTI-NATIONAL COMPANIES TO CONTRIBUTE TO ECONOMIC GROWTH. IT IS AN IMPORTANT STEP TO GENERATE EMPLOYMENT OPPORTUNITIES AND DEVELOP SHATTERED ECONOMY OF AFGHANISTAN WHICH IS A LEGACY OF DEVASTATING WARS.

MR. CHAIRMAN!

AFGHANISTAN HAS AN, AGRARIAN ECONOMY WITH 60% OF ITS REVENUES COMING FROM AGRICULTURE. AS A RESULT OF MORE THAN TWO DECADES OF WAR THE INFRA - STRUCTURE AND IRRIGATION SYSTEM ARE TERRIBLY DEVASTATED. WE EXPECT DONOR COUNTRIES AND ECO TO ALLOCATE PART OF THEIR ASSISTANCE TO THIS SECTOR.

MR. CHAIRMAN,

THE WORK ON DEMOCRATIZATION AND DRAFTING A NEW CONSTITUTIONA IS UNDERWAY. WE BELIEVE, THE COMPLETION OF THIS CONSTITUTION WILL PROVIDE MANY GROUNDS FOR A DEMOCRATIC SOCIETY ECONOMIC, SOCIAL AND CULTURAL ACTIVITIES IN OUR COUNTRY.

IN CONCLUSION, I TAKE THIS OPPORTUNITY TO EXPRESS OUR GRATITUDE TO MR. SEYED MOJTABA ARASTOU OUR OUTGOING SECRETARY GENERAL, FOR HIS VALUABLE CONTRIBUTION TO THE SUCCESS OF ECO. I WOULD ALSO LIKE TO CONGRATULATE HIS EXCELLENCY DR. NARBYOUV, OUR NEW SECRETARY GENERAL. I AM CERTAIN THAT HIS EXCELLENCY, WITH WISDOM AND TACT, WILL LEAD ECO TOWARDS BRIGHT HORIZONS.

THANK YOU FOR YOUR ATTENTION.

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Statement by H.E. Mr. Makhmud M-Amed-Kuliev,

Deputy Minister of Foreign Affairs of the Republic of Azerbaijan

Mr. Chairman, Honorable Ministers and Heads of Delegation, Ladies and Gentlemen.

Availing myself of this opportunity, allow me, on behalf of the Azerbaijan delegation, to express my greetings to all participants of the meeting and convey to the Government of the Kyrgyz Republic our profound appreciation for the generous hospitality extended to us and excellent organization of the meeting.

Excellencies,

Considering the ECO as a rationale for a broad collaboration as well as an important mechanism for achieving regional progress and prosperity of our Nations, Azerbaijan has always demonstrated its solidarity with and interest in the development of the Organization.

By participating in realization of regional projects with utilization of geographic and other advantages of our region, we, together with other Member States, have been contributing to promotion of cooperation, particularly in such priority areas as transport, energy, trade and investments.

I am pleased to observe that since the last COM Meeting in Istanbul a number of important events held and activities carried out in the framework of ECO.

We welcome the outcome of the First Ministerial Meeting on Environment, held on 15th of December 2002 in Tehran and express our hope for the Plan of Action for Cooperation among ECO Member States on Environment (2003-2007) and Tehran Declaration to play a due role in commencement of collaboration within ECO in this vital sector.

The first ECO Investment Conference held in Kish in February 2003 marked the enhancement of efforts aimed at promoting investments in the ECO region. We support cooperative endeavors aimed at stimulating trade and investments in the ECO region and regard conducting of the ECO Regional Investment Conferences on a regular basis as an important step towards enhancement of investment flows, establishment of favorable environment for private entrepreneurship, support of small and medium-sized enterprises and intensification of business contacts.

We appreciate the activities of the ECO Secretariat pursuing closer involvement of the Organization in the reconstruction and rehabilitation process in Afghanistan and express the readiness of our country to contribute to these endeavors within our capabilities. For this, Azerbaijan possesses relevant expertise and experiences and is exploring the ways and means of contributing to this process. One way that we can be actively involved is to use our transport infrastructure and facilities to provide transit of cargo for Afghanistan. In particular, I would like to mention about recent decision made at TRACECA Conference held in Tashkent to use TRACECA as a humanitarian corridor for goods and cargoes supplied from Europe to Afghanistan. First such humanitarian cargo echelon is expected soon.

At the same time, taking into account various developments occurred both internally and externally, we can not be fully satisfied with the progress made, since a vast potential of our economies and cooperation still remains untapped. In this regard, I would like to share with you our views on the development of the organization.

We deem it necessary that the elaboration of cooperation programs and projects be focused on increased utilization of the available natural and human potential in the fields where our organization enjoys comparative advantage and be strengthened by better coordination and effective implementation.

We should further enhance our efforts in pursuing proactive cooperative policy with other international organizations and financial institutions; these partnerships enable us

to benefit from their resources, vast expertise and experiences. It should be acknowledged that our organization has recently made progress in this respect.

Taking into account the slow pace in launching a number of ECO programs and projects, we support the initiative of the ECO Secretariat to convene a Donors/Pledging Conference or a Consultative Group Meeting on a regular basis in order to deliberate on the possibility of obtaining assistance from international institutions and donor countries.

At the same time, we look forward to the early start of operation of the ECO Trade and Development Bank, which could become an important pillar in supporting trade and investment in the region and have a positive influence on development and implementation of joint programs and projects of the ECO Member States.

Now I would like to elaborate on the following initiatives put forth by my country.

Driven by the fact that our economies produce approximately 30 % of the world cotton output, we proposed the establishment of the Association or Forum of Cotton Producers and Exporters of ECO Member Countries, which would also help them, become significant players in the global textile industry. We count on the encouragement of this endeavour by ECO Secretariat and the respective Member Countries.

Along with this, we introduced a proposal to establish ECO Economic Research and Statistical Centre in Baku. We believe that this centre would enhance the capacity of our organization in identification, preparation of ECO programs and projects and be instrumental in facilitation of fund-raising and acquiring technical assistance for ECO activities.

Realization of these initiatives, undoubtedly, requires concerted efforts of all Member States.

Bearing in mind the importance of the interconnection and parallel functioning of our power systems for ensuring their reliable, sustainable and mutually beneficial operation, Azerbaijan proposes to convene a conference with participation of government officials and experts in this field to explore, among other issues, the possibilities of creating the ECO power market. We believe that close interaction in this sphere will give an additional impetus to the consolidation of the power potential of the Member States.

Dear Colleagues,

Now let me draw your attention to the problem that seriously aggravates social and economic situation in Azerbaijan as well as affects development of cooperation with the ECO member countries.

As you are aware, for over a decade Azerbaijan remains a victim of the aggression by Armenia as a result of which a significant part of the territory of the Republic of

Azerbaijan, including the region of Nagorno-Karabakh, remains under occupation. These uncontrolled territories are increasingly used as a channel for arms smuggling and drugs trafficking thus further undermining stability and security in our region. The other grave consequences have been the demolition of social and economic infrastructure, disruption of transportation links of Azerbaijan with the neighboring ECO countries.

This urges the necessity to extend active support by the international community including ECO Member States, to the efforts made by Azerbaijan to resolve this problem.

In the context of the above-ment-ioned we believe that', while promoting and strengthening cooperation in the region, our organization should not overlook the existing and potential threats caused by such evils as armed conflicts, aggressive separatism and terrorism in all their forms and manifestations and be able to timely identify and adequately respond to such cases. This ability will define its robustness and resilience as well as success of our cooperation.

Dear participants,

Summing up, allow me to assure you that the Republic of Azerbaijan remains fully committed to the goals of the Economic Cooperation Organization and will consistently pursue policies aiming at attaining its objectives.

I would like to commend the efforts undertaken by the Secretary General, His Excellency Mr. Arastou and his dedicated staff in promoting regional cooperation and wish them every success in their future activities.

I would also like to warmly welcome the incoming Secretary General H.E. Dr. Narbayev and wish him great success in leading ECO during his tenure.

Thank you for your attention.

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Statement Of H.E. Dr. Kamal Kharazzi,

Minister of Foreign Affairs Of The Islamic Republic of Iran

Mr. Chairman,

Allow me first of all, to express my felicitations to Your Excellency on behalf of myself and my delegation on your election as the chairman of the 13th meeting of ECO Council of Ministers, I am confident that under your able guidance and wise chairmanship, our meeting will lead to concrete results for realization of our common goals towards greater cooperation among member states. I would like to assure Your Excellency, that my delegation would do everything possible to make this meeting a success.

May I take this opportunity to express our sincere thanks to the people and government of Kyrgyz Republic for the generous hospitality extended to us and excellent arrangements made for this important event in the beautiful city of Bishkek.

Excellencies
Ladies and Gentlemen

The inspiring message of President Aliyev addressed to our meeting contains valuable guidelines which, I am sure, will be deeply noted in our deliberations today.

The commendable efforts of His Excellency; Abdullah Gul, distinguished Minister for Foreign Affairs of the Republic of Turkey and former chairman of the Council of Minister in enhancing the regional cooperation deserve our utmost thanks and appreciation.

Distinguished Ministers Heads of Delegations Ladies and Gentlemen.

In the era of economic globalization, regional cooperation seems to be one, of the most effective to tap the synergy in our organization in means addressing the challenges faced by our countries.

Formation of Economic Cooperation organization and its affiliated specialized agencies led to the signing of tens of agreements among member states. This is a clear indication of our political will to Promote -regional cooperation in the, context of ECO.

The unique geo-strategic position of our regional centuries-old cultural ties and interactions among our nations, and our highly- qualified manpower together with rich natural resources all gathered in an organization with a history of almost two decades, created a conducive ground for boosting have among member countries collective efforts intensify Therefore, it is a matter of utmost urgency to Existing our efforts towards actual utilization of the e potentials and capacities b adopting a regional approach and coordinating our national plans, laws and regulations in fulfilling our shared aspirations.

In the first decade of its activities, the Economic Cooperation Organization took a series of steps to create a comprehensive framework and work out the mechanisms needed to foster both intra-regional and inter-regional cooperation. The activities were mainly undertaken to focus on the realization of our common goals set forth in the Izmir Treaty.

As a result of those initiatives, numerous agreements were signed. A number of regional agencies—were formed, and the member states managed to determine priority areas for cooperation in various fields including in trade, transportation, energy and etc. What we need today is to implement the agreements, review our goals, and determine short-term priorities to cope with the exigencies of our contemporary world.

Now is the time to enhance the efficiency of the organization for realizing its objectives. We should name the second decade of ECO as Decade of Promotion of Efficiency and Effectiveness of the Organization. In this line the council should create a viable mechanism for reviewing the general policies of ECO in order to convert the organization to a justifiable regional economic cooperation. I would like to extend my support to the idea for establishment of an eminent personalities g7-oup (EPG) to find wavs and meanq for thi-,; nurt)ose.

Mr. Cliairittaii, Distinguished Ministers, Ladies and Gentlemen

Enhancement of regional trade remains an urgent and unavoidable task in our region. To realize our common goals, efforts must be made to provide the appropriate legal framework aiming to introduce de- regulation packages to remove non-tariff and tariff barriers. We hope that the forthcoming meeting of ECO Ministers on Trade which is due to be held in Pakistan, will approve the final text of ECOT,4 prepared during the Fifth Meeting of High Level Experts last month in Tehran in order to pave the way for implementation of the said agreement.

However, any effort to foster regional trade will never succeed without active role of the private sector. Therefore, We believe that ECO Chamber of Commerce must be strengthened, and a permanent secretariat should be established to organize and coordinate regular contacts among the private sector of the member countries. The first Business Forum that was held in the sideline of the 7 Ih ECO Summit Meeting in Istanbul is also regarded as a valuable measure, that have to mAfA,,"be pursued rigorously to provide greater impetus for our private sector. of an efficient and safe Development be linked to the transportation network to of the plan of international corridors realization action for the decade of transportation (1997-2007)@ and expeditious implementation of Transit Trade Transit Trade Framework ,4gi-eement and the in the ECO Ag7-een2ent intended to facilitate trade high region are among the key issues that run priorities in the documents of the Organization including in the final declaration of the Summit Meeting.

Launching cargo and passenger train service on Almaty-Tashkent-Turkmanbad-Tehran-Istanbul route has been a significant achievement, and hopefully measures will be taken to continue the project in line with our common efforts to boost regional trade and economic cooperation. It is expected that the concerned member states provide necessary facilities in this regard and show flexibility in their national laws and regulations in order to expedite the operationalization of this important regional project.

In view of huge energy resources available to us, practical initiatives must be taken to further enhance our cooperation in this crucially important and strategic field. Member states are expected to actively participate in the forthcoming meeting of senior experts

on energy pipelines and in the second meeting of ECO energy ministers, which will be held in Tehran.

Today, assessment of development programs based on environmental concerns is viewed as a vital task that should be pursued persistently through harmonious regional efforts. The adoption of a plan of Action regarding environmental degradation in the first ECO Ministerial Meeting on Environment held in Tehran is considered a timely response to the ongoing challenges in our region.

Introduction of an integrated approach in the region to curb drug trafficking, empowerment of women aiming to promote women's participation in the economic activities of ECO, and implementation of Islamabad Declaration on agricultural cooperation are issues of great importance that should be seriously followed by the organization.

The Secretariat is expected to play a more active role to coordinate and follow up the implementation of the projects approved by the Organization. In doing so, comparative studies concerning the experience and successes of other regional groupings could be conducted with the assistance of major international consultants and research institutes.

Here, I would like to raise a point with regard to the performance of ECO specialized institutes and agencies. Regrettably, these institutes have not yet become as efficient as they are expected to be. We support every plan that aims to develop the activities ECO Insurance College.

I hope the Council of Pei-inaiie7it Rep7-eseiitatives will take necessary measures to make this regional college more effective in carrying out its responsibilities.

The ECO Shipping Compaily is a positive and feasible cooperation. Therefore it is necessary that the Company's board of directors intensify their efforts with the assistance of the concerned ECO authorities, in order to remove the problems related to this regional company which is the first tangible achievement of ECO.

I also hope that all member states particularly Turkey as a founding member and Kazakistan as the country which will assume the post of Secretai-y General expedite the ratification process of ECO Cultural Institute and make further support financially and morally, to help realizing its goals and programs.

Greater efficiency and performance in ECO specialized agencies and institutes will definitely motivate the organization to launch other agencies as decided earlier by the member countries. I also wish to inform that the Islamic Republic of Iran will continue its efforts for the :finalization of the decisions in establishing the ECO Trade and Development Bank.

Mr. Chairman,

Honorable Ministers, Distinguished Members of Delegation,

I find this the right time to thank and appreciate the efforts made by HE. Arastou in the Secretariat and express my sincere welcome to HE Narbayev as the new ECO Secretary General. I hope that during his tenure, ECO will witness significant progress in the accomplishment of its goals.

Assumption of the post of the Secretary General by a non-founding member augurs well for our regional cooperation, ushering a new period of enhanced role for non-founding members. Islamic Republic of Iran, as the country hosting the Secretariat, stands ready to offer its full support and cooperation to the new Secretary General in the fulfillment of the responsibilities entrusted to him.

At the end, I wish to express hope that our meeting will end its work with concrete results, opening new horizons towards greater and solid regional cooperation. I deem it necessary to appreciate the Senior Officials which during the past two days, prepared the necessary documents for our meeting. I should also thank distinguish Secretary General and the staff of the Secretariat for restless work they have done in organizing the meting.

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Statement by H.E. K. K. Tokaev

Secretary of State - Minister of Foreign Affairs of the Republic of Kazakhstan

Distinguished Mr. Chairman! Your Excellencies! Distinguished Mr. Secretary-General!

First of all, let me express our gratitude to the Government of the Kyrgyz Republic for hospitality and warm welcome extended to the delegation of Kazakhstan and an excellent organization of the 13th Meeting of the Council of Ministers.

I would like to join in the congratulations on the occasion of your election to the post of the Chairman of our meeting and express confidence that under your leadership the work of the Council will be successful.

Mr. Chairman,

Against the background of expanding globalization processes a tendency of regional integration is also quite noticeable. The current situation in the world once again confirms the importance of regional interaction for our national and common interests within the ECO framework.

It is only by cooperation in addressing priority tasks facing the Organization that we will be able to create favourable conditions for our sustainable development in such vital areas as transport and communications, trade, energy and agriculture. From this point of view the year 2002 was that of further deepening of mutual understanding among the ECO member states, increasing efficiency of its activity and expansion of external ties.

The establishment and development by the Organization of modern transport and communication infrastructure is becoming one of the decisive factors of the economic development of the region today.

In August 2003 in Kazakhstan under the UN auspices will be held an international conference of land-locked countries, transit countries, donor-countries, international financial institutions and the UN specialized organizations on transit and transport cooperation. I would like to take this opportunity to invite you to participate in this forum.

In February this year Kazakhstan ratified the ECO Framework Agreement on transit transportation. If it is ratified by all the member states of the Organization this Agreement will undoubtedly play an important role in the development of regional trade and transit transportation.

As for trade, one of the major directions of cooperation, we have to admit that in spite of noticeable positive tendencies the level of commercial and economic relations is still lower than the real potential of the ECO member-states.

In 2002 the total commodity turnover of Kazakhstan with the ECO countries exceeded 1.2 billion US dollars, surpassing the figures of 2000 by 19.2%. However we must bear in mind that we are still insufficiently informed about the state fo the markets in the neighbouring countries, their advantages, which can be used by companies of the ECO countries. This information must be available for everybody.

One of the ways to expand mutual trade is reduction or elimination of trade and non-trade barriers. In this regard it seems expedient to elaborate the ECO Trade Agreement to be signed at the forthcoming 2nd meeting of Ministers of Trade to be held in July this year in Pakistan.

At the same time a process of the establishment of the ECO Trade and Development Bank and ECO Re-insurance company should be intensified.

It is necessary to step up the work of the ECO Chamber of Trade and Industry in order to turn this institution into one of the basic mechanisms of co-ordination of intra and interregional trade relations in full consistence with the WTO rules and provisions.

Our Organization this year will get an opportunity to independently finance the projects of first priority of the ECO Foundation of technical and economic research. With

the support of several international financial institutions the Foundation provides a real opportunity to implement the above mentioned projects.

An analysis of the possibilities of agriculture of the ECO region shows that the member-states have a significant potential for cooperation. Kazakhstan is interested in exporting grain, karakul and wool. To collect more complete information about the state of things in the world and internal agricultural markets, mutually profitable production supply it is necessary to accelerate the creation of a single database on the volume of agricultural production in the region.

Kazakhstan supports a proposal of the Ministry of Industry and Mineral Resources of the Islamic Republic of Iran to create an operative, functional and multipurpose database on mineral raw materials of the ECO countries.

Also with priority sectors of cooperation it is also necessary to pay serious attention to the issues of environmental protection reflected in the Almaty Declaration adopted at the 5th Summit of the ECO member-states in May 1998.

This is why the Tehran Declaration and Plan of Action on cooperation in the field of environmental protection adopted in December 2002 at the 1st meeting of Ministers of environment have laid a foundation for further fruitful cooperation of the countries of the region in this vital issue.

It is necessary to accelerate the preparation of the Plan of Action on tourism development in the ECO region.

In our opinion, there are sufficiently reasonable preconditions and practical expediency for action in the ECO framework. And it is necessary to efficiently use its whole potential.

Mr. Chairman,

In the course of our previous meeting we have stressed the importance of the economic revival of Afghanistan. But unfortunately the recent events around Iraq put back a process of peace construction in Afghanistan. At the same time we have to recognize the presence in this country of acute problems causing concern in Kazakhstan and other states of the region.

The evidence is insecurity, ongoing armed conflicts, an increasing activity of different armed groups. All this seriously threatens a process of peaceful restoration of Afghanistan.

In this context it is essential for the world community to give further support to the policy pursued by President Hamid Karzay aimed at the economic rehabilitation and return of the long-suffering Afghani people back to a peaceful and creative life.

In this regard a Plan of Action on ECO participation in the restoration of Afghanistan prepared by the Secretariat is timely and urgent.

Kazakhstan has actively joined economic and humanitarian phases of action of the international community in rendering assistance in the restoration of Afghanistan and we are ready to make a practical contribution to this venture. We have established a special commission in order to address an issue of Kazakhstan's participation in the process of the post-war rehabilitation of Afghanistan.

Besides, for the purpose of Afghanistan's integration into a regional and international economic and political space Kazakhstan intends to initiate an issue of admission of Afghanistan as an observer to the Central Asian Cooperation Organization.

Dear colleagues,

In August 2003 in accordance with rotation rules a position of the ECO Secretary-General for the first time goes to a representative of one of the new member-states of the Organization – Kazakhstan. We very well realize the measure of our responsibility and are ready to use this privilege for the promotion of our common goal – to ensure prosperity and progress of our nations through the development of regional cooperation.

The authority of the ECO Secretary-General will allow Kazakhstan to make its contribution to the development of cooperation between the countries of the region and to further promote a full-scale development of the ECO potential.

I would like to take this opportunity to thank you for your support and trust.

I would also like to express my gratitude to Mr. Seyed Mojtaba Arastou who has made every effort to increase the ECO efficiency to strengthen contacts with international organizations and to wish him success in his further activity.

Thank you for your attention!

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Address by H.E. Mr. Askar Aitmatov,

Minister of Foreign Affairs of the Kyrgyz Republic

Your Excellencies, Distinguished Heads of Delegations, Your Excellency Mr. Secretary General, Dear Guests, Ladies and Gentlemen, It is a great honour to me to cordially welcome the esteemed participants of our forum here in Bishkek, the capital of Kyrgyzstan, which is celebrating these days, its 125th anniversary.

First of all, I would like to express my sincere gratitude to His Excellency Mr. Abdullatif Sener, esteemed Vice-Prime-minister and State Minister of the Republic of Turkey, for successful chairmanship held by Turkey since the 12th Istanbul Meeting of the Council of Ministers.

It is for the first time in the history of our membership in the ECO that a Meeting of the Council of Ministers is being held in Kyrgyzstan and the post of the Chairman goes to our country. In view of this, I would like to assure you that during its chairmanship in the ECO, Kyrgyzstan being committed to the idea of regional integration will do its best to further promote the basic goals of our Organization and develop effective cooperation among our friendly countries.

I avail myself of this opportunity to extend my gratitude to His Excellency Mr. Seyed Mojtaba Arastou, ECO Secretary General, for his invaluable contribution to the regional cooperation and to strengthening of international image of the ECO. I also reaffirm the decision of the Government of the Kyrgyz Republic to extend our cooperation and support to His Excellency Mr. Bekzhasar Narbaev, Ambassador Extraordinary and Plenipotentiary of the Republic of Kazakhstan to the Islamic Republic of Pakistan, nominated by the Kazakhstan to the post of the ECO Secretary General. I would like to wish the new Secretary General great success in his new position.

Dear colleagues,

While assessing the activities of our Organization for the past period and outlining our future perspectives, we certainly cannot but take into account the challenging process of reconciling the interests of integration with national interests of all participating parties.

ECO has the necessary potential to turn into a real tool of regional integration. Our countries share common historical and cultural roots, going back into the ages, to the time when trade cooperation flourished all along the Great Silk Road.

However, it obvious today that sometimes our integration aspirations face difficulties in the practical implementation of the decisions pertaining to main fields of ECO activities.

Unfortunately, we have to note that many programs and projects of the Organization have not yet been implemented because of insufficient financial resources of the member countries. Hence the enhancement of ECO relationship with other regional economic associations and international economic and financial institutions to ensure technical and financial assistance for the ECO projects and programs is of a

great importance for sustainable development of the region. The UN, IDB, ADB and IMF have a special role to play in this respect.

It is necessary that all member countries should contribute effectively to further improving the climate of mutual confidence and to establishing stability in the region, which would help expedite the implementation of ECO initiatives. Kyrgyzstan as neighboring state is concerned about the situation in Afghanistan, where despite certain elements of stability and return to peaceful life, the situation is still far from being normal. It is clear that the well-being of both Central Asian and other neighboring states depends on stability and predictable situation in Afghanistan.

The situation when the post-conflict rehabilitation of Afghanistan may be pushed to the background because of the Iraqi problem, is of serious concern to us. We do not exclude that because of possible reduction of external aid the reconstruction plans may be scrapped, and thus the fragile peace in Afghanistan may be endangered.

Today for us there is a crucial issue of participation of our countries in the economic rehabilitation and further development of Afghanistan as well as to involve this country into ECO activities by expanding the existing programs and projects. The proposed ECO Special Fund for rehabilitation of Afghanistan may become an important instrument to coordinate the attraction of financial and technical assistance of the international community and donor countries for the purpose of Afghanistan's rehabilitation. Kyrgyzstan welcomes the idea to hold an ECO seminar to formulate the financial structure of the Fund and the Second ECO Regional Investment Conference, and we will take part in these events.

Dear colleagues,

At present time the level of development of trade relations in the ECO framework does not correspond to the real potential of our countries. The High Level Expert Group should finalize the ECO Trade Agreement, which provides for the removal of non-tariff barriers and the gradual reduction of tariffs within a reasonable time-frame. This Group should also start working on the establishment of a Free Trade Zone in the region.

Effective involvement of private sector in the ECO trade programs and projects should become a priority for the ECO Secretariat. The early establishment of the ECO Trade and Development Bank is to the interest of all member countries.

The 7th General Assembly Meeting of the ECO Chamber of Trade and Industries and the 10th Meeting of its Executive Committee will be held in Bishkek this year. I think that the time has come to discuss how we could make the ECO CCI more active as it is in a standstill since 1999.

It is good that systematic work is going on and regular ministerial meetings are held to develop transport and communication infrastructure in our region, which is the main direction of our cooperation. In the past period, through our collective efforts, we have been able to start regular container traffic along Almaty-Tashkent-Teheran-Istanbul route of the Trans-Asian railway line. It is necessary to exert every effort to launch a regular passenger train on this route, which, in its turn, will have positive effect on the development of cultural and other relations between our peoples. I hope that the 5th ECO Ministerial Meeting on Transport and Communications, which is scheduled to be held in Bishkek in 2004, will make an important contribution to developing significant cooperation in this priority sector.

We acknowledge with satisfaction the decision of the 4th ECO Ministerial Meeting on Transport and Communications held in 2002 in Izmir, to support the proposal of Kyrgyzstan that the project of the construction of Uzbekistan-Kyrgyzstan-China railway line should be included into the Action Plan for the ECO Decade of Transport and Communications. The results of the project feasibility studies caried out last year under TACIS/TRACECA program, showed that the project is valid from financial and economic point of view and safe from ecological point of view. I would like to inform this high level meeting that construction of this railway will shorten the Europe-South-Eastern Asia route by 1100 km as compared to the northern corridor of Trans-Siberian Railway. This route will be shortened by another 300 km once Druzhba - Alashankou railway section on the territory of Kazakstan is put into effect. We think that the development of regional infrastructure, including integrated transport, communication, pipeline and energy network, is a pre-requisite for an effective intra-regional and inter-regional cooperation in all other fields of activity.

Dear participants,

Over the last years, our country has continued enhancing its hydropower potential. Using our own resources, we completed the construction of Tash-Kumyr and Shamaldy-Sai Hydro Power Stations, and we plan to also complete the Kambaraty-2 Hydro Power Station, which is so far ready by 30%. Under favorable conditions this station will be put into operation in 2007. We have always underlined Kyrgyzstan's interest in implementing the project of interconnection and parallel functioning of ECO countries energy systems, started in 1997. This project will allow for a full-fledged realization of our country's rich export potential in hydropower sector and settle the problem of electric energy supplies to other ECO countries.

I would like to note with satisfaction that one of Kyrgyz consulting companies, which applied for participation in tender for feasibility studies of this project, namely the Joint Stock Company set up by the Kyrgyz Institute of Energy and Communication, Uzbek SredAzEnergo Company, Azerbaidjani "Azenergo" Company, Kazakh "Energia" Company and Pakistan "Inconsult" Company, received high mark from the Selection Committee.

The Secretariat should do its best to make sure that the feasibility studies on this project start this year, as recommended by the 13th Meeting of the ECO Regional Planning Council, held in Teheran in April this year.

Dear colleagues,

A Workshop on HIV/AIDS Disease and Adolescent Health was successfully held last week in the town of Cholpon-Ata, on the shore of our pearl – Issyk-Kul Lake. The participants of this workshop, organized jointly by ECO and UNFPA, stated that they would always remember the unique beauty of Yssyk-Kul, which is the second largest alpine lake in the world. All countries of our region possess sufficient tourist and recreation potential and have therefore good prospects for the development of international tourism. I sincerely hope that the first meeting of ECO experts, due to be held this year, will laid down the basis of our cooperation in the field of tourism.

Also I would like to draw the attention of my colleagues to the urgency of timely ratification and enforcement of the agreements signed within the ECO framework. During last two years Kyrgyzstan assessed its legislative basis and ratified all ECO agreements excluding ECO Science Foundation, whose basic documents, as you know, require certain revision to bring it into conformity with other ECO Specialized Agencies.

It is a matter of deep satisfaction for me to inform you that after Kyrgyzstan ratified the Charter of the ECO Educational Institute in January of this year, the basic document of this institution have now come into force.

Dear colleagues,

There is no doubt that the development of information technologies in the ECO Secretariat will have a direct and positive effect on the potential and efficiency of the Secretariat and its interaction with the member countries. A certain deal of work has been carried out in last three years, which Kyrgyzstan fully supports. Our Organization as a first priority should focus on further improving the information technologies, i.e. the establishment of electronic communication system, linking the Secretariat with the ECO institutions and the ministries of foreign affairs in the member counties; development of ECO Trade and Investment Network; creation of websites for all ECO Institutions and Agencies; setting up of separate data base for Directorates on Economic Research and Statistics, Energy, Transport and Communications in the ECO Secretariat.

Dear participants,

In conclusion I would like to underline that ECO countries, having magnificent potential and being in the heart of the Eurasian continent, are capable to fully implement the goals of this Organization to become an active and significant part of the world economic system with the good will of all our countries and peoples.

I am confident that Bishkek Communiqué, which we adopt today, meets interests of all the members of our Organization and I hope that this meeting will be a demonstration of our common desire to take concrete steps towards mutually beneficial cooperation.

Statement by Mr. Ghous Bux Khan Maher,

Minister for Railways and Leader of the Pakistan delegation

His Excellency Mr. Askar Aitmatov,
Minister of Foreign Affairs of the Kyrgyz Republic
And Chairman of 13th Session of ECO Council of Ministers,
Excellencies,
Mr. Secretary General,
Distinguished delegates,

It is indeed a pleasure for me and Members of the Pakistan delegation to be in the historic and beautiful city of Bishkek. Allow me to offer you, Mr. Foreign Minister, my felicitations on your assumption of the Chairmanship of the Council of Minister. Your personal commitment to the ECO and enhanced economic cooperation among the ECO Member States provides the perfect inspiration for our deliberations today.

I would also like to pay tribute to our distinguished colleague, His Excellency Dr. Abdullah Gul, Foreign Minister of Turkey for his singular contribution as Chairperson of the 12th Session of the Council of Ministers. His abiding commitment and resolve to translate into reality objectives enshrined in the Organization's charter, have been a sources of strength for all us.

Mr. Chairman.

We are grateful to the Government of Kyrgyz Republic for the cordial reception and warm hospitality extended to us and the excellent arrangements made for our meeting.

This is also the appropriate moment to express our profound gratitude and appreciation to His Excellency Mr. Seyed Mojtaba Arastou, the outgoing Secretary General for the dedication with which he had discharged his important responsibilities. I wish him success in his future.

I would like to extend a cordial welcome to the next Secretary General of the ECO, His Excellency Mr. Bekzhassar Narbayev. His long and distinguished experience in the diplomatic service of his country and extensive knowledge of affairs of our region make him ideally suitable for this job. I wish him a successful tenure.

Mr. Chairman,

It is a matter of immense satisfaction for the Government of Pakistan that a number of programmes have been approved and policies formulated to promote cooperation in the priority areas of transport and communications, trade and commerce and energy. However, we have witnessed an unprecedented delay in their implementation and as a result the goal of regional economic integration has continued to elude us. We need to be certain and ensure that ECO stays on course.

The stark reality is that even after the passage of more than decade of growth, ECO has not been able to mature to its full potential. The vision that lead to the creation of ECO has not been translated into reality. A region that gave birth to many sages who upheld the cherish goals of peace, progress and harmony; the region that is home to some of the oldest human civilizations; and a region that takes pride in the diversity and beauty of its cultural heritage, has in the new millenium failed to achieve the desired level of progress and prosperity. We need to bring to bear the wisdom, the sagacity, tolerance and sense of justice of ages in which we take so much pride, in our collective resolve for the progress and prosperity of our peoples.

ECO's performance so far in comparison with other regional organizations, leaves much to be desired. While ECO limps along, organizations like the European Union (EU) and ASEAN, have galloped ahead. The national leaders in these organizations had vision for their people and their regions. They worked with commitment and with sincerity to remove bottlenecks, while embarking on the road to economic integration. We should learn from their experiences.

Mr. Chairman,

The problems that inhibit economic integration of our region must be sincerely addressed and resolved. Our seriousness and sincerity about making ECO a genuine agent for cooperation and economic integration among countries of the region, will be judged by our determination and ability to move forward. The declarations of intent to promote greater economic interaction among the member states for collective good of our peoples should be translated into concrete action and reality. We cannot afford to remain frozen if we genuinely want to make ECO, a strong, potent and effective organization.

Our region is not only one of the least economically integrated region, it is also one of the least developed. We need to overcome the challenges of underdevelopment, income inequalities and economic and social deprivation. This certainly was not the vision that had inspired the founding fathers of ECO to establish this Organization. We need to do much more to realize the potential of ECO.

My Chairman,

I would like to say a few words about the conduct of business in E.C.O. with the world becoming smaller and infinitely more complex, the government leaders and officials have less time available to them to address the vast array of issues before

them. There is thus, may I say, an increasing requirement to utilize our time and resources in the most efficient and cost effective manner possible.

The Secretariat of ECO has an important role in implementation of the programmes of actions and policies in the priority areas. It is of utmost importance that the Secretariat discharges its mandate and responsibilities in an efficient, effective and efficacious manner to facilitate greater economic cooperation among member states and economic integration of the region. I would, therefore, reiterate our proposal for establishment of a mechanism, in the Secretariat, for prompt implementation of plans and policies approved at the political level.

My Chairman,

As a result of the process of globalization and the growing interdependence and competition in the economic, social and environmental fields, the developing countries are in a greater need to integrate their economic to be able to compete effectively at the global level. Pakistan holds the ECO as an organization that aims at, and is capable of optimizing the use of vast human and material resources of the region by means of integration of the economies of its member states to facilitate free trade.

Free Trade among the member states is of essence in any scheme of regional economic cooperation. We, therefore, need to place free trade at the center of our activities. In this context, we are pleased that draft fo the ECO Trade Agreement is in the process of finalization.

The Government of Pakistan is convening the second meeting of the Ministers of Commerce of the member states in Islamabad from 16-17 July this year. The Ministerial meeting must address and resolve serious issues like facilitation of trade and economic cooperation among member states as well as evolving a common position and WTO issues. We look forward to participation of Ministers of Commerce of member states in the meeting.

The objective of enhancing the intra-regional trade would remain elusive in the absence of a well-developed system of transport and communications in the region. It is, therefore, imperative that due attention be paid to the construction and completion of the missing rail and road links in the region. In this context, we are happy to note the completion of the railway line on Kerman Bam segment of the Kerman-Zahidan sector and hope that the remaining portion between Kerman and Zahidan would be completed soon.

My Chairman,

Pakistan remains committed to the Bonn Process and has beer extending full support to the Government of President Hamid Karzai. A sum of US\$ 100 million pledged by the Government of Pakistan for reconstruction of Afghanistan is being disbursed in consultation with the authorities in Kabul It is our hope that the ECO would

play its rightful role in assisting Afghanistan in its urgent and gigantic task of reconstruction. We are pleased to see Afghanistan's growing participation in the ECO activities. In this context, we note with particular satisfaction the planned convening of the 2nd ECO Regional Investment Conference in Kabul on 27 July 2003.

Pakistan has been a victim of terrorism. We strongly condemned terrorism in all its forms and manifestations. We regard it as a grave threat to civil society. As an active member of the International Coalition against Terrorism, Pakistan has been fully participating in endeavors of the international community for eliminating terrorism. We are determined to eliminate terrorism and therefore, will fully cooperate with ECO member states in combating terrorism.

However, the concerted campaign against terrorism must also identify and examine the causes that breed terrorism, that drive people to helplessness and desperation. We cannot address only the symptom and leave the malaise aside. It is equally important that a distinction is maintained between acts of a legitimate resistance and freedom struggles on the one hand and acts of terrorism on the other.

My Chairman,

The festering Kashmir dispute has been bedeviling relations between India and Pakistan and also vitiating environment of peace and security in South Asia for more than half a century. The indigenous freedom movement in Kashmir cannot be dismissed as terrorism. The violence in the Indian occupied Kashmir is consequence of brutal repression by the Indian forces of occupation of the freedom movement, which had started peacefully. Pakistan remains committed to resolution of the Kashmir dispute and other issues by peaceful means and through dialogue. The international community must engage with India for early resumption of dialogue and India's meaningful participation in it. The Kashmir dispute must be resolved in accordance with the relevant UN resolutions and wishes of the Kashmiri people to usher in an era of peace and prosperity in South Asia.

My Chairman,

Let me assure you of our abiding and profound interest in an efficient and effective ECO, capable of playing a significant role in the realization of the aspirations of the peoples of our region. We are firm in our commitment to the vision of the Founding Fathers of the Organization and the objectives enshrined in its Charter. I would like to assure you, Mr. Chairman of our unswerving resolve to endeavor jointly with member states for realization of the true potential of ECO.

The way forward is to make ECO, genuinely potent and an effective instrument for progress and prosperity of our region and our peoples.

Statement by H.E. Mr. Talbak Nazarov,

Minister of Foreign Affairs of the Republic of Tajikistan

Mr. Chairman, Distinguished colleagues, Ladies and gentlemen,

First of all, allow me to express my sincere gratitude to the Government of Kyrgyz Republic for participation on today meeting and organization of generous conditions for our activity.

Taking an opportunity, I would like to express my gratitude to the Deputy Prime Minister, Minister of Foreign Affairs of Turkish Republic His Excellency Dr Abdulla Gul for the excellent chairmanship in ECO and to congratulate His Excellency Askar Aitmatov for being elected as a Chairman of Ministerial Council of ECO. Tajikistan hopes, that Kyrgyz Republic during its chairmanship will exert every efforts on assisting in fulfillment of purposes and problems set before Organization and, on its side, assure about the support for it initiatives.

I also would like to express my gratitude to His Excellency Saidu Mojtaba Arastu for his contribution in the field of strengthening our Organization, and also His Excellency Mr. Beknazar Narbaev for being appointed on post of the ECO Secretary General. I'm convinced, that he will apply indispensable efforts for the further extension of regional economic and cultural cooperation between our States.

Mr. Chairman,

Today our meeting grants us one more possibility to discuss very important socio-economic issues which took place in the region and in the world after Istanbul ECO Summit and to clarify the further ways of activity of our Organization.

Tajikistan is going to take fissile participation at the ECO's activity and to increase a level of cooperation. We always stand for solution of economic issues in countries of the region considering mutual interests.

Position of Tajikistan consists of our cooperation within the framework of Organization and covering modern requests, because only economic development could guarantee peace and prosperity for both region, and separate country in the epoch of globalization. As you know, the processes of globalization all over the world are exhibited, firstly, in economic field. It concerns also our relations within the framework of ECO. I suppose, that despite of availability of dialogue and conduction of principally useful meetings at different levels, our economic relations within the framework of Organization still have a huge potential for further development.

I concede, that in connection with the extension of these processes some countries sometimes can be in a position, which differs from others. However, we should not allow serious dissents on major directions of regional cooperation and violate traditions of friendship and good neighbourhood between our nations which available since the beginning of time. I would like to underline, that ECO has all possibilities for comprehensive ensure of the countries of region by resources, and also for goods export abroad. Benevolent relations between each other, and also extension of mutually advantageous economic cooperation are necessary to us.

Today it is necessary for our countries to undertake supplementary steps on the extension of regional trade and acceptance of equal regime of trade in relation to each other. In this context, I would like to express confidence that soon completion and realization of the ECO Trade Agreement, which stipulates removal on optimal terms of non-tariff barriers and gradual reduction of the tariffs, that could accelerate development of this field of our regional cooperation.

In this connection, I would like to attract attention of the member-states of Organization to necessity of prompt realization of Transit Trade Agreement, and also Transit Transport Framework Agreement for facilitation the effective trade and transportation on international routes covering all territory of the countries of region. The further development of our trade and economic cooperation will depend on fulfillment of programs of both projects in the field of transport and communications.

In this connection, we welcome the conducting of 4th meeting of Ministers of Transport and Communications, which is going to be held in Turkey this month. We, in Tajikistan, positively consider conduction of such branch meetings at ministerial level and we suppose, that the results of their activity will strengthen cooperation between our branch departments.

Ladies and gentlemen,

As I have already noted, paying prime significance to the close interaction between ECO and member-states, the Government of Tajikistan undertakes energetic steps on extension of trade and economic cooperation within the framework of Organization. It is enough to say, that in a 2002 our foreign trade turn-over with the member-states of ECO has constituted 490.8 million US dollars, that is more than 33% from general trade turnover of republic. It testifies the significance of our cooperation and understanding of the potential relevance of solution of urgent issues in the field of transit trade.

Today Tajikistan copes with solution of such national issues, as a development of transport infrastructure. The Government of Tajikistan makes indispensable steps on completion of construction of transportation networks and transport corridors, such as highway Kulob-Khorog, saddle-point Kulma with an output to Karakorum highway, highway Dushanbe – Jirgatol, construction the tunnel on a saddle-point Anzob, construction of bridges over Panj river, and also connection of transport mainlines of our

country with Afghanistan and Islamic Republic of Iran. Completion of construction of the mentioned objects will allow considerably expand transport possibilities of the ECO member-states and to increase the level of their access to the global markets.

In this context, regular container train by route "Istanbul – Tehran – Tashkent – Almaty" and start of first experimental passenger train on this route could promote realization of the mentioned purposes. At present issue of coupling of two passenger trains by the route Almaty – Istanbul on the Samarkand station is still open, though the Protocol of conference of ECO Railway Council member-states has been signed by all participated countries. In our opinion, the regular functioning of an international passenger train by the Trans Asian main line will not only promote the growth of regional trade, but also promotes development of tourism in the ECO region.

Mr. Chairman,

On our view it is very actual the creation of united information base of the investment projects of regional significance for definition of priority and prime projects and development of the relations of the ECO member-states. Development of the similar investment projects could bring substantial economic profit, both to the whole region, and investors.

Tajikistan possesses huge stocks of power resources. According to the evaluation of scientists, they constitute 527 billion KW/h per year. Unfortunately, today only 10 percents of these resources has been used.

Completion of reconstruction of Rogun and Sangtuda hydroelectric power stations, in many respects are called to satisfy needs of the region on more accessible and reliable power source.

We are deeply convinced that cooperation between member-states of the Organization on development of major and small hydro energy will promote rational use of huge water resources of Tajikistan and Kyrgyzstan not only for production of cheap electric power for countries of region and friendly States, such as Afghanistan, Pakistan and Iran, but also for the solution of issue of effective water-supply, including development of new land areas in the ECO region.

Therefore, we welcome realization of the ECO-OBD "Interconnection and parallel functioning of power systems of ECO member-states", and also "Plan of action for energy/petroleum cooperation in the ECO region" (2001-2005) and strengthening cooperation in these fields.

Encompassing an issue of cooperation in the indicated economy fields, I suppose, that it is also necessary to pay greater attention to the further strengthening of our cooperation in such spheres, as agriculture, tourism, ecology, public health services, combating illicit drugs trafficking and other. For example, it would be possible

to develop complex tours "the ecology, history and culture" in ECO countries, thus, to promote creation of Regional educational institute on tourism and service issues.

We consider, development of a good-neighbourhood and mutually benefit relations with friendly Afghanistan as the one of major directions of external policy of Tajikistan.

In this connection, we act for the prompt fulfillment of the Action Plan on ECO's participation in the reconstruction of Afghanistan (2003-2008) prepared by ECO Secretariat, and also for development of realistic and concrete programs and offers of ECO assistance to the Government of Afghanistan in some priority fields. Tajikistan, from its behalf, participates in recovering of power lines and resumption of electrical supply in one of northern provinces of Afghanistan, which is broken down for years of anarchy. We have prepared and have offered the list of the goods and productions made by the enterprises of Republic for delivery them into Afghanistan. I would like to mention, that now within the framework of the educational help to Afghanistan military and civil high schools of Tajikistan are training citizens of this country.

Mr. Chairman,

Today, we can accept that despite some temporizing in solving the mentioned issues, ECO prolongs following principles incorporated in its basic documents with the main purpose to assist to advance and welfare of our nations and increase their level of living and deepen economic integration and cooperation by legal equalities, mutual advantages, commonality of economic interests.

At the same time, there are serious barriers constraining further development of multilateral trade and economic cooperation in ECO region. Thus, the existing high railway transit tariffs, lagging the development of granting of bank services between the states – members, absence of unification of normative and legal base, harmonization of the tariffs and payments and introduction by a number of the member-states of strict visa modes rather unfavourably influent on regional trade.

Tajikistan welcomes efforts made on increase the efficiency of activity of the Organization. We also suppose, that at present the reforms are indispensable, they should be aimed on the further increase of recovery from ECO activity, rational selection of the personnel, and also actualization of the agenda of Organization. We sufficiently realize the importance and necessity of operation in this direction and we support these efforts.

We are confident to say, that solution of normative and legal issues and programs, as well as improving of institutional base of Organization allow to create necessary conditions for further stimulation of trade process, economic links and development of regional cooperation on multilateral basis.

Ladies and gentlemen,

In conclusion, I would like to assure distinguished audience that Tajikistan keeps following to the principles incorporated in Izmir's Treaty. We hope, that the results of today's meeting will make a push, and will serve as additional endorsement in transformation of ECO in more flexible and dynamically developed regional structure for economic cooperation.

Thank you for attention.

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SPEECH DELIVERED BY H.E. ABDULLATIF SENER,

DEPUTY PRIME MINISTER AND MINISTER OF STATE OF THE REPUBLIC OF TURKEY

-Unofficial Translation-

Mr. Chairman, Honourable Ministers, Ladies and Gentlemen.

I am extremely pleased to be in Bishkek on the occasion of the 13th Meeting of the Council of Ministers of the Economic Cooperation Organization (ECO) and to address this august gathering. At the outset, please allow me to congratulate H.E. Mr. Askar Aitmatov, Minister of Foreign Affairs of the Kyrgyz Republic on his election by unanimity to the Chairmanship of the ECO Council of Ministers. H.E Mr. Aitmatov's vast experience and highly skilled abilities will provide for the successful conclusion of our task. I would like to convey my appreciation to the Government of the Kyrgyz Republic for the warm hospitality accorded to my delegation as well as for the excellent arrangements made for the organization of this meeting.

Mr. Chairman, Distinguished Colleagues,

For the last 20 years our world has been going through an irreversible and irrefutable process of globalization. We observe that this process gains momentum as years pass by. The amazing pace of development in communications and information technologies and transfer of international capital without recognizing borders have all contributed to the process of globalization and lead interdependency and mutual solidarity became more necessary. We believe that, in order to increasingly benefit from the opportunities provided by the globalization process and to face its challenges, we have to further develop our relations within the framework of regional economic cooperation.

It is our sincere desire that the repercussions of globalization on developing countries shall be realized within more fair basis and in line with social justice. At present, there are serious concerns that while the benefits of globalization are being distributed in an unequal way, while its burdens are not shared equally.

We think that sharing economic potential and exchange of experience among the developing countries within the framework of regional cooperation is an effective method to overcome the negative effects of globalization.

In this regard, through developing regional cooperation, ECO provides a unique opportunity to overcome, to a certain degree, the challenges and repercussions of globalization.

Mr. Chairman, Distinguished Colleagues,

As you remember, the 7th Summit Meeting of the ECO Heads of State and/or Government and 12th Meeting of the Council of Ministers as well as the Senior Officials Meetings were held in Istanbul last October. On that occasion, we also celebrated the anniversary of our Organization's transformation into a 10-member organization from a three- partite organization.

The Istanbul Summit Declaration, adopted, in brief, lays down what is the way ahead for our Organization. Istanbul Summit Declaration, inter alia, touched upon a very vital issue namely the rehabilitation and reconstruction of Afghanistan.

A war thorn country, Afghanistan, a member state that enjoys a common history and cultural heritage with Turkey, has gone through a turmoil for the last two decades as a result of which its economic infrastructure has been almost completely devastated. As a land locked developing country Afghanistan merits the assistance of Economic Cooperation Organization in its reconstruction and rehabilitation efforts. Afghanistan's efforts to live in peace and stability will have positive impacts on both regional and global scales.

I wish to reiterate here that the projects which will be put into implementation in Afghanistan should enjoy the consent of the Government of Afghanistan and the priorities of the Government should be inquired. Moreover, the projects should be chosen among the field in which ECO has competence. Finally, ECO should secure international financing in implementing its projects in Afghanistan. We positively approach to the "Plan of Action for Afghanistan" prepared by the Secretariat.

Turkey is resolute to do whatever possible to contribute to the establishment of peace and stability in Afghanistan.

Mr. Chairman, Distinguished Colleagues,

Turkey attaches utmost importance to ECO as a forum for further promotion of regional economic cooperation. We would like to see ECO operating efficiently and effectively serving the needs and fulfilling the aspirations of its member states. Gradual removal of

tariff and non tariff barriers will be conducive to augmenting commercial ties in the ECO region. To this end, the draft ECO Trade Agreement, prepared by the Secretariat should be taken up expeditiously by the High Level Expert Group with a view to finalizing the text of the Agreement.

We deem the accession of the member states to the World Trade Organization as a major step in liberalization of trade and

integration with the world economy. We vehemently support the ECO member states' efforts to become members of the World Trade Organization.

Mr. Chairman, Distinguished Colleagues,

It is a fact that private sector is the driving engine of the economy. Private sector's potential contributions can give a new dynamism in hosting trade relations among the member states. To this effect, the First Business Forum of the ECO Member States was held at the sidelines of Twelfth Council of Ministers Meeting in Istanbul.

The Ministers, welcomed the proposal of ECO Business Forum that the ECO Chamber of Commerce and Industry (ECO- CCI) should have a Permanent Secretariat. In this regard, the President of the Union of Chambers of Commodity Exchanges of Turkey offered to host the Permanent Secretariat of ECO Chamber of Commerce and Industry in Turkey.

Furthermore, this offer has further been reiterated during and reflected in the report of the Thirteenth meeting of Regional Planning Council which took place between 20-22 April 2003 in Tehran.

Establishment of a Permanent Secretariat of ECO Chamber of Commerce and Industry in Istanbul will enable it to increase interaction and synergy not only among the business communities of the member states but also with the business communities of the whole world.

Mr. Chairman, Distinguished Colleagues.

Pursuant to the decision made during the Twelfth Regional Planning Council, an expert group was established to harmonize the inconsistencies between the Transit Transport Framework Agreement and the Transit Trade Agreement. We deem it very important that the said group should commence its work at the earliest convenience.

Trans Asian Railway Main Line, connecting the Central Asian countries with Iran and Turkey will play an important role in promoting economic, commercial as well as social relations among the member countries of ECO. The opening of the international

passenger and cargo traffic along the Almay- Tashkent-Turkmenabad-Tehran-istanbul main line should be regarded as a remarkable achievement.

We believe that it is high time to try to extend the Trans Asian Main line from Almaty to Lianiyungan Port in China and from Istanbul to European countries.

Mr. Chairman, Distinguished Colleagues,

We fully support further development of ECO's relations with United Nations and its Specialized Agencies. In this connection, we welcome the signing of Technical Cooperation Programme (TCP) Document initiated by FAO to support the ECO endeavours in the field of food security and agricultural development. Moreover, we appreciate the efforts of the Secretariat in cementing the existing cooperative relations with other international and regional organization in the fields of trade and investment. Signing of Memorandum of Understanding with the World Customs Organization was also a step in the right direction.

Mr. Chairman, Distinguished Colleagues,

Last. but not least, I wish to express our thanks and appreciation to His Excellency Ambassador Seyed Mojtaba Arastou, who shall be leaving us shortly for his contributions and wish him success and all the best.

I also wish to avail myself of this opportunity to congratulate H.E. Mr. Bekzhasar Narbayev on his appointment as the new Secretary General of ECO. We are confident that Ambassador Narbayev's appointment will give a new impetus to our Organization.

I also take pleasure to hand over the ECO Chairmanship to my honourable colleague and my friend H.E. Mr. Askar Aitmatov. I am convinced that he will carry out this important task in a most efficient manner. Turkey is determined to assist and support in every way the Kyrgyz Republic during her ECO Chairmanship.

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Statement of H.E. Ata Gundogdyev,

Extraordinary and Plenipotentiary Ambassador of Turkmenistan in the Republic of Tajikistan, Head of Turkmenistan delegation

Unofficial English translation by ECO Secretariat

Esteemed Mr. Chairman, Your Excellency, Distinguish ladies and gentlemen, Allow me to congratulate His Excellency Mr. Askar Aitmatov, Foreign Minister of Kyrgyz Republic for his having been elected for a high post a Chairman of the 13-th ECO Council of Ministers Meeting.

Mr. Chairman,

I wish You great success as a Chairman of the Council of Ministers of the ECO Member-States.

Esteemed Askar Chingizovich,

Let me express my thankfulness to the Government and Ministry of Foreign Affairs of the country for excellent organization of the 13-th ECO Council of Ministers Meeting and cordial welcome of the participants in Bishkek - sunny capital of Kyrgyzstan.

Distinguish ladies and gentlemen,

H.E. Seyed Mojtaba Arastou, being a Secretary General of the Economic Cooperation Organization (ECO), has made too much for this organization and he will complete his tenure worthily. Let me wish to Mr. Arastou success in his future career.

Distinguish ladies and gentlemen,

Allow me to congratulate Mr. Bekzhasar Narbaev, who has been appointed as a new Secretary General of ECO and wish him success and ginger up the activity of this organization.

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Statement of H.E. Mr. Alisher Salakhitdinov,

Ambassador Extraordinary and Plenipotentiary of the Republic of Uzbekistan to the Kyrgyz Republic (Head of delegation)

Dear Mr. Chairman, Dear Heads of delegations,

I avail this opportunity to welcome COM participants and express my assurance that this meeting will be effective and give renewed impetus to the activity of Economic Cooperation Organization.

Against a background of current realities, we see the ECO role through the perspective of its transformation into the regional integration factor within which the ECO member-states strive for consolidation of their efforts, resources and opportunities

to solve common tasks having priority significance for the people and nations of the region.

In my opinion, the present meeting gives an opportunity to sum up the ECO activity in the intervening year, review and approve the ECO Annual Report, Calendar of Events for 2003-2004 and other important issues of the ECO activity.

Dear Mr. Chairman,

We all are aware that stability and peace are necessary conditions for the development of integration processes both in the ECO region and in every member-state. In this connection, I would like to note that since gaining its independence Uzbekistan is striving for assurance of political and economical stability in the country and that goal is achieved now. It is clearly demonstrated by increasing foreign investment inflow to Uzbekistan to be destined for and utilized in development of mining, oil-and-gas and chemical industries, machinery and aircraft construction as well as to the other industries.

Integration of our countries with the world community is impossible without accomplishing the key task of stability and peace keeping in our countries and assuring regional security.

As is well known, the ECO member-states are representing unique geo-strategic territories having ancient civilization, rich cultural heritage and splendid traditions, and certes huge economic potential.

With all this going on, it is necessary to note that they have huge development potential and basic constituents of that is availability of sufficient labor/manpower, vast reserves of minerals and energy resources and impossibility to activate without well-developed system of transport communication.

In consequence, one of the priority-driven fields of cooperation within the framework of the ECO is practical formation of regional transport and communication infrastructures and system of transnational pipelines in the region. Therefore, while considering the draft Calendar of Events we should place high emphasis on the events in the field of transport and communication infrastructures development in the region that will ensure sustainable development of member-states.

In our opinion, development of transport networks and other communication systems, construction of gas-and-oil pipelines that not merely integrate ECO member-states but connect them with the other countries is perspective trend of our cooperation.

We must strain further effort and put ahead the implementation of most reliable and economically feasible trends of cooperation, utilize existing and approach to

developing new routes for passenger and freight transportation, improve utilization and construction of new oil-and-gas pipelines.

In this regard, I wish to mention in particular that we need to undertake additional measures, formulate effective and flexible mechanisms for sustainable and reliable operation of transport communications and eliminate still existing impediments to normal and advantageous freight transportation.

In this situation, we need to take active participation in the development of TRACEKA Program that is very important for our countries.

At the same time, expansion of regional transport network through reconstruction of existing and construction of new transport routes is not of small importance. The Republic of Uzbekistan has made a proposal to focus TRACEKA program efforts on the issues of reconstruction of rail, road and transport junctions and traffic centers adjacent to the frontier of Afghanistan. It has proposed measures towards integration of Afghanistan automobile roads with international road system and restitution of the country transit potential.

With the view of this end, the Uzbekistan-Afghanistan-Iran project on establishment of international trans-Afghan transport corridor to assure fast and effective access of Uzbekistan and Central Asian countries to Indian Ocean seaports and international shipping routes is under development.

In one word, Uzbekistan supports and is interested in expansion of initiatives in the field of transport, facilitation of transit traffic and declares its readiness for further close constructive dialogue with all ECO member-states.

Dear Mr. Chairman,

The problem of combating illicit manufacture and drug smuggling remains one of the most issues of the day for the countries of the ECO region. As is well known, Uzbekistan supports the efforts of international agencies and undertakes specific measures on combating drug industry and ensuing consequences related to expansion of terrorism, international underworld and other negative phenomena.

Acknowledging the incontrovertible fact of the baneful effect of drug expansion, we should combine our efforts on combating this threat. In this regard, it is necessary to stir the ECO Drug Control Coordination Unit (DCCU) to greater activity. Uzbekistan further will continue contributing in this regard.

Dear participants,

In conclusion, I wish to note once again that the ECO main task is encouragement of peoples' well-being in the region, development of their economies

and accomplishment of other challenges coming up against our countries on the path leading to economic development.

I avail myself this opportunity to thank heartily the Kyrgyz party with the outset of the chairmanship in the ECO Council of Ministers and wish H.E. Mr. A. Aitmatov, Minister of Foreign Affairs of the Kyrgyz Republic all the success in this post and express on the behalf of the delegation of the Republic of Uzbekistan sincere gratitude to the Government of the Kyrgyz Republic for according hearty welcome and hospitality.

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Statement by the H.E. Mr. Mohammad Ali Shoaee

President of ECO Cultural Institute (ECI)

Mr. Chairman

Excellencies. The Honorable Ministers.

H.E. Secretary- General. ECO.

Excellencies. the ambassador's member of the delegations

and other distinguished pulicipants.

I would avail this opportunity, to thank the member states who have reposed their confidence in me by endorsing my, nomination as President of the Institute. On My part, I can assure this house III do nix- best to ensure 'niplenientat'on of the a'

niN- part. I can assure th's house that I NN@i I I ims and o@jectin@es of the Institute.

I understand. the ECI Annual Report for the I')" Council of Ministers Meeting has alreadn? been circulated and I would, therefore, due to time constraint, not read out the Report but would generally touch upon some of the important points. During this period. I need to mention that despite unavoidable difficulties involving irregular remittance in the budget share bN- the contributing member states ai-id delay in nomination of the President of the Institute, it is commendable that ECI was able to pursue a number of cultural activities.

There are still several measures taken bN, the Institute which remain unaccomplished due to lack of response from the member states. I may mention that the Institute has been reminding the member states to nominate their 'focal points'. The other point that needs vour attention is about the Quarterly Journal for which the member states have repeatedly been requested n'bute good research papers for publication. ECT 's keen to move forward ,A,jth the

to cont I finalization of the scheme for ECI Award in the field of literature and fine arts but due to d-@laN- in nomination of representatives on the Selection Committee, the matter could not be decided. Similariv, in case of the Executive Committee to be set up under the provisions of Article III of i@e Charter, the contributing member states have to nominate their representatives. ECI is keen to compile a list or a directory of renowned universities, research centers, libraries and cultural associations and organizations of the ECO region for the benefit of students. teachers and scholars of the region. It is hoped that the director-,,. when compiled. '@A'1'11 serve as an authentic and useful reference book for the researchers. ECI wants to prepare a 'Directory on Tourism of ECO Region' which should serve as a Travel Guide for the tourists intending to travel within the ECO region. ECI has requested the member states to send information and data for it. In the meantime, ECI Aas able to provide some precise and accurate information on tourism of each member state to the ECO Secretariat and publish some useful information in the 7" issue of the Quarterly journal. In an effort to set up a 'Display Centre' ECT has requested the ECO member states to provide handicrafts and other cultural items for display which are)let 'ded by to b e prove them. In the library, the Institute would allocate one Section to each Member State c,onta'n'ng books on ph'losoph3,, sociology. , geography, politics, science, education etc. in English language and also in other regional languages. Islamic Republic of Iran has donated 500 books for the library and some books have been received as donation from Islamic Republic of Pakistan as well. Last year, ECI was able to organize a 'photographic exhibition' in the ECO Secretariat on the occasion of ECO Day on 28ffi November, 2002, through collaboration of the member states of Iran, Pakistan and Turkey, under the auspices of ECO Secretariat, in which photographs depicting the ceremonies, customs and traditions of the member countries were exhibited. The Institute intends to hold more such exhibitions through participation of other member states. It is hoped that such exhibitions will promote understanding att@png the peoples of the region.

Having said this, I reassure the member states that revival of cultural values and our region's great civilization and historical status, safeguarding our precious heritage of literature, art and philosophy, preserving cultural heritage, strengthening ties of friendship and guarding the deeply rooted identity of our peoples would constitute the main axis around which our common efforts for the future activities of ECO Cultural Institute should emerge. It

'Il be my utmost endeavor to promote such activ' 'es for the Institute that would enhance

wi iti better understanding among the people of the ECO member states. No doubt, it is a recognized fact that the development of economic relations among countries is closely linked to keep cultural relations more alive and active. I am fully aware of the importance and vastness of the task assigned to me. I wou]cl like ECI to develop into an effective instrument of regional cultural cooperation fulfilling the aspirations of the over 340 million people of the ECO region. This is the vision of ECI in the years to come and I hope that the Institute's activities within the

framework of the objectives enshrined in the Charter would be geared to translate this vision into reality. I am also confident that the ')-years' Plan that has been proposed by the Institute and circulated to the member states will receive due attention from the member countries through their cooperation and assistance to accelerate and implement it. In case, the various tasks included in the Plan are not accomplished within the strict deadline of the fixed 3-vear period, yet its implementation even beyond the deter-mined period will ultimately, bear purposeful results.

Before I conclude, I would avail the opportunity to emphasize upon the concerned member states to take necessary steps to ensure timely remittance of their share of financial contribution to the ECI Bud et. In this context, the timely remittance by Pakistan

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every year is very much appreciated. The other very important matter that needs attention of the member states is to speed up the process of ratification of the ECI Charter @vhich will help the Institute become more functional and effective.

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Message of H.E. Dr. Rubens Ricupero,

Secretary-General of the United Nations Conference on Trade and Development, UNCTAD

Your Excellencies, Mr. Chairman, Distinguished Participants, Ladies and Gentlemen,

I wish to present a message of good wishes to Your Excellencies from Dr. Rubens Ricupero Secretary-General of the United Nations Conference on Trade and Development, UNCTAD and our colleagues that due to committed official engagement the Secretary-General could not be here personally. Moreover, myself in particular, am honored to be invited to attend and represent UNCTAD at the 13' Council of Ministers held in this beautiful and hospitable city of Bishkek. It is hoped that this Council will provide us with the guidance of Your Excellencies for the future course of action for the ECO in the coming year. I also Re to take this opportunity to congratulate HE Ambassador Seyed Mojtaba Arastou, the Secretary-General of the Economic Cooperation Organization and the Government of Kyrgyz Republic for the convening and hosting of this very important event in this region. I believe this event, which is attended by the Ministers of the ECO region, will no doubt contribute significantly to the development of strategies and understandings to promote and improve the political and economic climate in the ECO region.

Excellencies,

The Thirty-first Executive session of the Trade and Development Board, Geneva, was held on 10 March 2003 in Geneva with focus on the preparations for UNCTAD LX. I

have the honor to circulate for your information, the Secretary-General of UNCTAD's statement to our Executive Session of the Board reflecting his personal perceptions of the current international situation including its economic and political dimensions, which I think, will be of interest to you and the Council.

The above statement and a brief note of current UNCTAD's activities in the ECO region are attached to this brief presentation. I will be at your disposal for any observations and or message you might wish to have for UNCTAD.

Thank You

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UNCTAD's technical cooperation at the service of trade and development

UNCTAD's technical cooperation activities are a significant element in achieving the objectives and policies outlined in the Bangkok Declaration and Plan of Action adopted by the Conference at its tenth session held in Bangkok (Thailand) in February 2000. It represents the practical manifestation of the organizations commitment to national, regional and global development, exploiting the interrelationships between policy analysis, intergovernmental deliberations and operational activities.

As the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development, UNCTAD's technical cooperation activities address these issues in a mutually complementary fashion. Arrangements for the funding and provision of UNCTAD's technical co-operation are diverse.

UNCTAD's technical cooperation is provided in partnership with other agencies providers of trade related technical assistance, in consonance with respective mandates, expertise and areas of comparative advantage. This partnership and cooperation helps to minimize the incidence of duplication, results in the creation of synergies and insures sequencing of activities.

The thrust of UNCTAD's technical cooperation is capacity-building in four main areas of its work i.e. globalization and development; international trade in goods and services and commodities, investment, technology and enterprise development; and services infrastructure for development and trade efficiency.

I would like to take this opportunity to briefly provide some information on the current activities being carried out within the framework of our mandates and very relevant to the region. These activities are carried out under the auspices of the UNCTAD's Division for Services for Development and Trade Efficiency (DSITE) which include but not limited to:

 Participating in and implementing of an important regional project in the area of Multimodal Transport and Trade Facilitation in the ECO region. This project is financed by the Islamic Development Bank and executed by the ECO secretariat. Under this important project, currently, a number of draft national desk studies on the trade facilitations have been completed and are under review. We intend to consolidate findings of these studies in a region-wide document to be presented to the senior technical officials of the participating ECO countries for their considerations, review and implementations.

- An important area of UNCTAD's work has been and continued to be assistance to the landlocked and transit developing countries in conceptualizing, preparations and implementation of sub and regional transit transport agreements. In this connection, it is worthwhile to mention that we are only pleased to associate ourselves with during its early stages of preparations of the ECO TTFA signed in Almaty in 1998. As I understand, efforts are underway by the ECO Secretariat to start its speedy implementations of its provisions. At this juncture, I wish to reiterate UNCTAD's readiness and of its full cooperation to the ECO ST's efforts, arrangements of which will be jointly agreed upon.
- UNCTAD has also been associated with the preparations of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Development Institutions on Transit Transport Cooperation to he held from in Almaty in neibouring Kazakhstan from 28-29 August 2003. This is a major event of the United Nations in the area of economic and social development and a major effort of the international community in assisting the landlocked countries in moving forward and facilitating their integration into the global economy. There are a number of ECO member states which are both landlocked and transit developing countries in this region. It has been realized that the lack of or insufficient quality of transit transport infrastructure and services has been a root cause for the slow process of development and integration of the landlocked countries in the world economy. In recognition of this relationship, it was decided to convene this Conference and to organize major parallel events with one session devoted to infrastructure investment and one to trade facilitation. It is for this latter session on trade facilitation, which is organized by LTNCTAD and scheduled to take place on 28 August 2003 for which you are all invited to participate and attend. The parallel event on trade facilitation is intended to address a strategy for landlocked and admit developing countries to develop a sustainable capacity to plan and implement regional trade and transport facilitation initiatives based on assessed needs and priorities and making use of a wide variety of available congruent solutions including framework and institution building, networks and new technologies, private and public partnerships at bilateral and regional levels.

In addition to the above briefly mentioned most current activities - list is not exaustitive- there are also numerous other projects and programmes being implemented by other parts of LINCTAD in its mandated areas in the ECO region and or in its member states. Additional details of these activities may be provided, if desired.

Thank You

Message from Mr. Michel Danet,

Secretary General, World Customs Organization

Excellencies,

Firstly, may I extend my regrets at not having been able to accept the very generous invitation of the ECO Secretariat to be with you today. Unfortunately, it has not been possible to do so because of the proximity of the forthcoming 101 and 102 Sessions of the WCO Council and other longstanding commitments. I do hope that you will forgive me and that you will be generous enough to allow me to join you on a future occasion.

I was delighted earlier in March this year to conclude an important Memorandum of Understanding between ECO and the WCO which I am sure will provide a practical basis for co-operation and the exchange of views between the two Organizations in the future. The WCO is extremely keen to extend its dialogue with regional development organizations and it sees ECO as an important partner in promoting the critical role that efficient and effective customs administrations have in implementing a considerable part of the policy programmes of your respective governments.

Global economic development will be influenced by the steps to be taken at the regional and national level and trade that will be at the heart of efforts to increase the prosperity of our peoples. Customs administrations sit astride the international trader process and each individual trade consignment is subject to customs scrutiny on export or import, often many times. The efficiency with which Customs intervenes in the trade process is an important factor in ensuring that goods get to their market on time and with the least possible additional cost. It also has a direct relationship on the effectiveness with which the control requirements of governments with respect to prohibited and restricted goods are carried out.

The reality is that in most countries, a Customs administration acts as an agent of many other government ministries or departments. As the government agency responsible for day to day control of the movement of goods, conveyances and peoples across international borders it is the natural agency to entrust the implementation of regulations that affect cross border or frontier traffic. Customs interventions in trade however need to be based on simple, harmonized and predictable procedures set out in the various WCO Conventions and instruments.

A well performing Customs administration can make a major contribution to effective revenue mobilization and can assist governments to facilitate trade and investment and increase confidence in the quality and integrity of government institutions, leading to good governance. It can also contribute to the protection of community from a range of social and national security concerns. While the capacity building needs for developing countries are huge in scale and scope, past capacity building initiatives have not always met with success. In some cases this has been because of a lack of high quality diagnostic tool or experts, as 11 one size fits all" solutions simply do not work. In other cases, the lack of post- implementation support for information technology systems

resulted in a failure of sustainable IT infrastructure. In an endeavour to learn from this experience, the WCO has worked hard to develop a Customs Capacity Building Strategy which will be presented to my Council at the end of this month. This will include:

- the case for comprehensive capacity building in Customs;
- defining what capacity building means in the Customs context by identifying the key principles of the revised WCO Kyoto Convention as providing the basis for all capacity building activities;
- lessons learned from the previous capacity building initiatives;
- the outcome of the survey of our members on capacity building needs and challenges, including specific needs associated with the implementation of the WCO Council Resolution on Security and Facilitation of International Trade Supply Chain;
- roles and responsibilities of potential stakeholders and partners;
- a proposal for a standardized and comprehensive diagnostic tool for capacity building, which ensures linkage to WCO instruments and best practice approaches, thus ensuring that Customs administrations base their procedures on internationally accepted standards.
- an appreciation of the various methods and agencies through which these changes might be funded.

With this document we intend to help Customs administrations and all stakeholders mobilize all available resources for capacity building. We are ready to assist members in technical assistance and capacity building support but it will be up to each Customs administration t take a strategic approach and for all stakeholders to commit themselves to the practical implementation of capacity building. We hope that the ECO will be able to work with us at a regional level to assist WCO members in this important work.

The necessity to combat the trafficking of drugs and other international criminal activity has also been the focus of intensive WCO work in the past month or two and we have been developing new ideas and methods to meet these challenges.

With respect to co-operation and co-ordination, greater co-operation is required at national, regional and international level, on a multilateral and bilateral basis and between the competent law enforcement agencies. In order to make best use of the financial and human resources available, duplication of work has to be avoided and international funding must be utilized. In this respect, the WCO is ready to contribute to enhanced co-operation under a United Nations umbrella, acknowledging the strategies and programmes being implemented by the United Nations Office on Drugs and Crime (UNODC).

I have recently suggested that an international joint agency operation aimed at curbing drug smuggling on the Silk Route would be a useful initiative. It is intended "Operation TAMERLANE", will be launched at the beginning of 2004 and would involve co-

operation between the different Customs and police services in affected countries in central Asia and discussions are currently being held with possible partners. A similar operation, which took place in South America recently, yielded some excellent results.

It would be very much appreciated if customs officials and other law enforcement officers in those countries affected by this unlawful trade are able to take part in this unique international effort. More details will be made available to our respective Members as our planning progresses.

Finally, I wish you a very productive and rewarding meeting and take this opportunity of assuring you of the high value that the WCO places on its very important relationship with your Organization.

Warmest regards Michel Danet, Secretary General

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