

The 6th Council of Ministers

Report

(Ashgabat, 11 May , 1996)

Adopted No. COM-6/96/RPT

The Sixth Meeting of Council of Ministers was held at Ashgabat on 11 May 1996. H.E. Mr. Boris O. Shikhmuradov, Deputy Chairman of the Cabinet of Ministers and Foreign Minister of Turkmenistan was unanimously re-elected as the Chairman of the Meeting. The List of participants is at **Annex-I**.

2. The agenda adopted by the Council for the meeting is at **Annex II**.
3. The Council decided that the senior Officials may work as the drafting committee to prepare the report of the meeting.

STATEMENTS BY HEADS OF DELEGATIONS

4. The participating Heads of Delegations of the Member States made statements during the meeting, the text of which are at **Annex III**.

REPORT OF THE SECRETARY GENERAL ON ECO ACTIVITIES DURING THE YEAR 1995-96

5. The Secretary General presented his Annual Report on the activities of ECO during the year 1995-96 (**Annex IV**). The Council thanked the Secretary General for his comprehensive Report covering all aspects of ECO and took note of his valuable remarks. The Council endorsed the following proposals/views contained in the Report of the Secretary General:

- i) Expeditious ratification and implementation of the agreements signed on the eve of Third ECO Summit Meeting in Islamabad. All Members including non- signatories should facilitate the operation of ECO institutions/projects.
- ii) Early implementation of the Almaty Outline Plan.
- iii) Institution of procedures for smooth flow of goods at at Tejen-Seraks railway border crossing.
- iv) A comprehensive cooperative relationship with EU be sought covering all major areas of mutual interest. UNDCP's offer for technical assistance in implementation of ECO's Plan on Drug Control be welcomed.
- v) Strict adherence to and implementation of the approved Annual Programme of Work and Calendar of Events by the Member Governments and the Secretariat.
- vi) Consolidation of ongoing cooperation with UN agencies through on through on going joint activities including the proposed study on the economies of the ECO region to I:)e undertaken by UNDP.
- vii) Efforts for cooperation with regional organizations of Asia and the Pacific be continued.
- viii) ECO's reorganization and restructuring be implemented as early as possible to enable the Organization to meet the requirements of its expanded role as a major- ten-member regional organization.

6. The Council noted that the Secretary General H.E. Mr. Shamshad Ahmad would be completing his tenure in August this year and this was his last Annual Report to the Council. The Council presented to him a special tribute for the excellent work that he had done as the head of this organization during the last four years. His tenure had witnessed a historic transformation of ECO from a trilateral entity into a ten-member-regional organization devoted to socio-economic well-being of the ECO region. The Council felt that through his relentless efforts, diplomatic skills and professionalism, he had led this organization to regional and international prominence having established institutionalized linkages with the international community. The Council also appreciated his contribution to the work of the Eminent Persons Group and his role in consolidation of ECO through reform and revitalization.

REPORT OF THE COUNCIL OF DEPUTIES

7. The Council approved the reports of the 31st, 32nd, 33rd, 34th and 35th meetings of the Council of Deputies held since the Special Meeting of the Council of Ministers in Islamabad on the eve of the Third ECO Summit Meeting.

ECO BUDGET FOR 1996-97

8. The Council approved the Budget for 1996'-97 as adopted by the Council of Deputies in its 33rd Meeting along with the recommendations of the Council of Deputies included in the report of the same meeting.

ECO AUDIT REPORT FOR 1994-95

9. The Council approved the Audit Report of ECO accounts for the year 1994-95 along with the recommendations of 'the Council of Deputies as contained in the report of its 33rd Meeting.

REPORT OF THE SIXTH MEETING OF THE REGIONAL PLANNING COUNCIL AND ANNUAL PROGRAMME OF WORK AND CALENDAR OF EVENTS FOR 1996-97

10. The Council approved the report of the Sixth Meeting of the Regional Planning Council held in Tehran on 5-7 March 1996 along with the following decisions:

- (i) The Council noted with satisfaction the Minutes 01" the Second Meeting of the Interim Committee on the Establishment of ECO Trade and Development Bank and ECO Reinsurance Company held in Istanbul on 7-8 May 1996 (**Annex V**). The Council authorized the present Council of Deputies to undertake on its behalf all necessary legal and administrative measures for the simultaneous establishment of the two institutions including necessary modifications in the Articles of Agreement of the Bank and the revision and finalization of the draft Constitution of the ECO Reinsurance Company.

- (ii) The Council reviewed the progress of implementation of the agreements signed on the eve of the Third ECO Summit Meeting pertaining to ECO institutions and two regional arrangements. The Council taking note of an updated status report of the ratification/approval of these agreements by Member States (**Annex VI**) requested the signatory Member States who have not yet approved/ratified the agreements to expedite their procedural formalities for approval/ratification as well as early payment of their respective shares of the authorized capital. The Council also urged the non-signatory countries to consider joining the ECO institutions and/or extending to them the same facilities as provided to non-ECO institutions.
- (iii) The Council agreed to a proposal of the delegation of Turkmenistan to establish in Ashgabat the Committee on Transit Trade which is to be formed under Article XII of the ECO Transit Trade Agreement signed at Islamabad on 15 March 1995.
- (iv) The Council directed that as part of the review of the existing preferential tariffs arrangement, the possibilities of liberalization of intra-regional trade through all possible ways and means taking into account international commitments of the Member States be explored.
- (v) The Council noted that some Member States expressed the view that the drug control coordination mechanism in the revised organizational structure of the ECO Secretariat presently under consideration should be upgraded to Assistant Director level and be directly linked to one of the Deputy Secretaries General, whereas others favoured drug control coordination mechanism to remain as one of the sections under Assistant Director for Coordination. In view of the difference of opinion, the Council decided that this question needs further consideration and may be decided after the necessary studies on the scope and content of cooperation in this field were completed. These studies may be completed before the next meeting of the Council of Ministers.
- (vi) The Council approved the Annual Programme of Work and Calendar of Events for the year 1996-97 as adopted by the Sixth Meeting of the Regional Planning Council (**Annex VII**).

APPOINTMENT OF THE NEW SECRETARY GENERAL

11. The Council approved the nomination of H. E. Mr. Onder Ozar of Turkey as the new Secretary General of ECO for a period of four years with effect from 12th August 1996. The Council congratulated him on his appointment and expressed the hope that he would continue the good work done by his predecessor.

DRAFT AGENDA FOR THE FOURTH ECO SUMMIT MEETING

12. The Council recommended a draft agenda for the Fourth ECO Summit Meeting which is attached as ***Annex VIII***.

ASHGABAT DECLARATION

13. The Council recommended a draft Ashgabat Declaration to be issued by the Fourth ECO Summit Meeting which is attached as ***Annex IX***.

DATE & VENUE OF THE NEXT MEETING

14. The Government of Turkmenistan offered to host the Seventh Annual Meeting in Ashgabat during 1997 in case no other Member State was ready to host the meeting.

ADOPTION OF REPORT AND VOTE OF THANKS

15. The Council unanimously adopted the report of its meeting.

16. The Council expressed its appreciation and thanks to the Secretary-General and his able staff for the well-prepared working papers and secretarial support to facilitate the work of the Council.

17. The Council expressed its appreciation to the Chairman for the excellent manner in which he steered the meeting to a successful conclusion. The Council also expressed its profound thanks to the Government of Turkmenistan for hosting this meeting and for the hospitality extended to the Ministers and their delegations.