

The 3rd Council of Ministers

Report

(Quetta, 6-7 February , 1993)

The Third Meeting of the ECO Council of Ministers was held in Quetta, Pakistan, on 6-7 February 1993. The Meeting was attended by the delegations of the ten member states and representatives of the ECO Secretariat. The representatives of UN, OIC and IDB attended the inaugural session as special guests. The list of participants is attached as Annex-I.

INAUGURATION

2. The Meeting was inaugurated by His Excellency Mr. Mohammad Nawaz Sharif, Prime Minister of the Islamic Republic of Pakistan. A copy of his inaugural address is attached as Annex II. The address of the Prime Minister was unanimously adopted as the official document of the Third Meeting of the Council of Ministers.

ELECTION OF THE CHAIRMAN

3. His Excellency Mr. Muhammad Siddique Khan Kanju, Minister of State for Foreign Affairs of the Islamic Republic of Pakistan was unanimously elected as Chairman of the Meeting.

ADOPTION OF THE AGENDA

4. The Council adopted the Agenda which is attached as Annex-III.

OPENING STATEMENTS BY LEADERS OF THE DELEGATIONS AND THE SECRETARY GENERAL

5. The Meeting was addressed by the leaders of the participating delegations, the Secretary General of ECO, and the Secretary General of OIC. Those statements that were provided to the Secretariat in written text are attached as Annex-IV.

REPORT OF THE SECRETARY GENERAL ON ECO ACTIVITIES (AGENDA ITEM 5)

6. The Secretary General of the Economic Cooperation Organization presented a Report on the activities of the Organization as required under Article XXIX, sub-para V of the Treaty of Izmir. The Report dealt with the work done by various ECO organs during the preceding year, the outstanding matters, and proposals considered important for the success of the Organization. The Council especially welcomed the proposal on the need for a result-oriented approach in ECO's activities and decided to approve Guidelines related to the Functional Methodology of ECO under a separate agenda item No. 12. A copy of the Report of the Secretary General is attached as Annex-V.

APPOINTMENT OF DRAFTING COMMITTEE (AGENDA ITEM 6)

7. The Council appointed a Drafting Committee for the Meeting consisting of the following:

1. Mr. Nasir Zia, IS of Afghanistan
2. Mr. Samir Sharifov, R of Azerbaijan
3. Mr. Mir Mahmoud Mousavi IR of Iran
4. Mr. Ibragimov Suleimenov R of Kazakhstan
5. Mr. Marat Tazabekov R of Kyrgyzstan
6. Mr. Najmuddin A. Shaikh IR of Pakistan (Chairman)
7. Mr. Mirzove Gulamjan R of Tajikistan
8. Mr. Yasar Yakis R of Turkey
9. Mr. Abalakov Muhammad R of Turkmenistan

REVIEW AND ADOPTION OF THE REPORT OF THE COUNCIL OF DEPUTIES (AGENDA ITEM 7)

8. The Council adopted the Reports of the eighth to the twelfth meetings of the Council of Deputies for the year 1992-93.

9. The Council noted the recommendation of the Council of Deputies to hold an Extraordinary Session of RPC on the eve of the ECO Summit in Turkey and directed that in the event that such a meeting cannot take place, there should be a meeting of senior officials which while deliberating upon the Quetta Plan of Action will prepare long term perspectives for ECO for consideration and adoption by the Extraordinary Meeting of the Council of Ministers and the Summit. The Council of Deputies shall undertake the necessary preparatory work for this meeting of senior officials.

10. The Council noted and approved the proposal by the Council of Deputies to undertake a review of the organizational structure of the ECO Secretariat and to draw up an appropriate revised structure bearing in mind the enlarged membership of eCO. They directed that the financial implications of the revised organizational structure should be submitted to the Governments of the Member States by 1st June, 1993.

ADOPTION OF ECO BUDGET (AGENDA ITEM 8)

11. The Ministers under Article XXXI of the Treaty decided to exempt the new Member States from budgetary contributions for the year 1993-94 in view of their current financial difficulties.

12. The Council noted that the Council of Deputies had authorized the representatives in the Council of Deputies from Iran, Pakistan and Turkey to finalize the budget for 1993-94. The Council also noted that owing to some outstanding issues, the budget had not been finalized and directed that the authorized representatives of the Council of Deputies of the founding Member States should complete the budget by 1st

March, 1993 and submit it for final approval to the Extraordinary Meeting of the Council of Ministers to be held before the Summit Meeting in Turkey.

AUDIT REPORT (AGENDA ITEM 9)

13. The Council accepted the recommendation that audit reports be examined by the Council of Deputies before submission to the Council of Ministers and directed that the reports for 1990-91 and 1991-92 should be so examined and submitted to the Extraordinary Meeting of the Council of Ministers to be held before the Summit Meeting in Turkey.

ECO AWARDS (AGENDA ITEM 10)

14. The Council of Ministers approved the Report of the ECO Award Committee, attached as Annex VI, and approved specifically the Awards for 1992 and the recommendation that modalities for the Awards in future should be worked out after the written views of the Member Governments are received.

REVIEW AND ADOPTION OF THE REPORT OF THE RPC (AGENDA ITEM 11)

15. The Council adopted the Report of the Third Meeting of the Regional Planning Council held in Tehran on 17-19 January, 1993 and also approved the Consolidated Calendar of Events for the year 1993-94 which is attached as Annex-VII.

16. While examining the Report, the Council particularly reviewed the progress in implementation of the Treaty provisions regarding the establishment of ECO Trade and Development Bank, ECO Shipping Company, and ECO Reinsurance Company, and noted with satisfaction that basic documents pertaining to these projects had already been actively considered at the level of experts and were now awaiting final approval. In this regard the Council while emphasizing the need for expeditious completion of the process of final approval decided as follows:

- a) The Governors of the Central Banks/Under Secretary of Treasury should meet in Karachi by 15 April, 1993 to finalize the Articles of Association of the proposed Trade and Development Bank. The final agreed draft shall be submitted to the Meeting of the Ministers to be held on the eve of the forthcoming Summit meeting in Turkey for its adoption.
- b) The Council while approving the recommendations of the RPC regarding conversion of the ECO Reinsurance Pool into ECO Reinsurance Company directed that the Management Board of the Pool to prepare the Conversion Plan along with its financial and legal implications for submission to the next meeting of the CECC.
- c) The Council agreed that in order to reach a final decision on Article 12 of the Draft Agreement and the location of the head office of the proposed ECO Shipping Company, the Governments of Iran, Pakistan and Turkey

should furnish to the Secretariat all relevant information in writing concerning the tax concessions and other facilities which can be made available by them for the operation of the said Company. This information should be compiled and examined by the Committee on Transport and Communications at its Extraordinary Meeting scheduled for 19-20 April, 1993 in Tehran for submission along with its recommendations to the Extraordinary Session of the RPC/Senior Officials Meeting to be held before the Submit Meeting in Turkey.

- d) The Council directed the Committee on Infrastructure and Public Works to redefine its mandate in its next meeting and submit it to the Regional Planning Council.

17. The Council noted that in pursuance of Article XXVI of the Treaty, the RPC was required to prepare an Annual Economic Report. In this regard, the Council after examining the proposals made in the Third Meeting of the RPC decided that for the first year the preparation of the Economic Report, on the basis of information collected by the Secretariat from the Member States through a questionnaire, be entrusted to a Working Group of the RPC.

GUIDELINES RELATED TO THE FUNCTIONAL METHODOLOGY OF ECO (AGENDA ITEM 12)

18. The Council adopted the Guidelines related to the Functional Methodology of ECO which are attached as Annex-VIII.

COUNCIL OF MINISTERS' DIRECTIVE FOR FUTURE PLAN OF ACTION (AGENDA ITEM 13)

19. The Council approved a Plan of Action for future activities of ECO. The Council also decided to call it "Quetta Plan of Action" which is attached as Annex-IX.

20. The Ministers recognized that there may be projects of benefits to the region which may be of interest to only some Member States. The Ministers decided that for a project to be recognized as an ECO project to which all requisite services would be provided by all ECO bodies, the project must have active participation of more than three members and should have the prescribed measure of support of the membership.

COOPERATIVE LINKAGES WITH REGIONAL AND INTERNATIONAL ORGANIZATION (AGENDA ITEM 14)

21. In view of the importance of ECO's cooperative relationship with regional and international organizations as stipulated in Article XXXV of the Treaty of Izmir, the Council agreed to discuss the subject as a separate agenda item. In this regard, the Council noted, with appreciation, the efforts being made by the Secretariat to establish cooperative linkages with regional and international organizations. The Ministers, while

welcoming the initiative to obtain observer status for ECO in UN General Assembly, desired that a similar status be obtained in OIC and other relevant organizations. In regard to the offer of cooperation received from the Islamic Development Bank, the Council authorized the Secretary General to hold discussions with the President of the IDB to work out the details of the proposed cooperation.

ANY OTHER BUSINESS (AGENDA ITEM 15)

22. While recognizing the importance of promoting greater contact between the parliamentarians of the ECO countries, the Council noted the proposal by His Excellency the Speaker of the National Assembly of the Islamic Republic of Pakistan to establish an ECO Parliamentary Association.

DATE AND VENUE OF THE NEXT MEETING

23. The Council decided to hold their Fourth Meeting on 25-26 January, 1994 in Tehran.

ADOPTION OF THE REPORT

24. The Council of Ministers unanimously adopted the Report of their Third Meeting.

CLOSING OF THE SESSION

25. The Meeting ended with a vote of thanks to the Chair.