

The 1st Ministerial Meeting on Trade & Commerce

Framework Agreement on Trade Cooperation

(Tehran, 6 March, 2000)

Annex-VI

PREAMBLE

The Governments signatory hereto (hereinafter referred to as “**The Contracting Parties**”), being Member States of the Economic Cooperation Organization (hereinafter referred to as “**ECO**”);

Bearing in mind the aims and objectives of ECO as laid down in its Charter, the Treaty of Izmir; and the provisions of the Economic Cooperation Strategy for the ECO region;

Recalling the Tehran Communiqué of the First ECO Summit Meeting held in February, 1992, the Joint Communiqué and Declaration adopted by the Second ECO Summit Meeting held in Istanbul in July, 1993, the Joint Communiqué and Islamabad Declaration of the Third ECO Summit Meeting held in Islamabad in March 1995, the Ashgabat Declarations of the Fourth ECO Summit and the Extraordinary Summit Meetings held in May 1996 and 1997 respectively, and the Almaty Declaration of the Fifth ECO Summit Meeting held in Almaty in May, 1998.

Desiring to enhance ECO trade cooperation to sustain the economic growth and development of all Member States which are essential to the stability and prosperity of the region;

Reaffirming their resolve to create a mechanism for promoting intra-ECO trade consistent with internationally accepted rules and disciplines, with a particular emphasis on the importance of facilitating trade liberalization in the ECO region;

Encouraging the Member States who have not yet joined the World Trade Organization (WTO) to take necessary steps to do so;

Recognizing the need to extend cooperation, support and assistance to Member States who are in the process of applying or acceding to the WTO;

Recognizing that non-tariff barriers are particularly serious impediments to intra-ECO trade flows;

Noting the significant unilateral efforts made by Contracting Parties in recent years to liberalize their trade and to further open up their economies;

Reaffirming their commitment to achieve progressive liberalization of trade;

Bearing in mind the urgent need to promote the intra-ECO trade which presently constitutes a very small share of the total trade volume of the ECO region;

Resolve to progressively eliminate the barriers, especially the non-tariff barriers to substantially promote their trade;

Have agreed as follows:

ARTICLE - 1 PRINCIPLES

1. The Contracting Parties agree to conduct intra-ECO trade on the principles of non-discrimination and equitable treatment.
2. The Contracting Parties shall endeavour to strengthen their trade cooperation through liberalization of trade in order to primarily promote intra-ECO trade and subsequently inter-regional trade.
3. The Contracting Parties shall abide by the principle of common benefits in the implementation of measures or initiatives aimed at enhancing ECO trade cooperation.

ARTICLE - 2 AREAS OF TRADE COOPERATION

1. The Contracting Parties agree to participate in the ECO Trade Agreement (ECOTA), which shall envisage progressively eliminating non-tariff barriers as well as gradually reducing tariffs within a reasonable period of time.
2. The Contracting Parties shall explore other areas of cooperation to supplement the liberalization of trade.

ARTICLE - 3 PREPARATION OF ECOTA

The High Level Experts Group (HLEG) on Tariff and Non-Tariff Barriers in the ECO Region will draft the ECOTA including its modalities, scope and scheduling after entry into force of this Framework Agreement. The HLEG will also assist the Commerce/Foreign Trade Ministers in discharging of their functions as envisaged in Article 9.

ARTICLE - 4 ECO TRADE COOPERATION IN OTHER REGIONAL AND INTERNATIONAL ORGANIZATIONS

To complement and enhance trade cooperation among Contracting Parties, and to respond to the rapidly changing external conditions and trends in global trade, the

Contracting Parties shall consult regularly to strengthen cooperation regionally and internationally.

ARTICLE - 5

COOPERATION IN TRADE INFORMATION

The Contracting Parties agree that an ECO Trade Information Network shall be established in order to compile data and information on the composition and direction of their foreign trade, the tariff structure, trade regulations and matters relating to insurance, banking, transport, business proposals, partnership proposals, tenders, introduction of the firms according to the country and sector bases and other services to the extent possible. This data shall be made available for the use of public and private organizations of the Contracting Parties. Any National Trade Information Bodies in the Contracting Parties shall be encouraged to cooperate for the establishment of the network.

ARTICLE - 6

TRADE FINANCING

In order to facilitate the achievements in the trade areas set out in this Agreement, the Contracting Parties shall cooperate in the efficient implementation of existing ECO Trade Agreements and in expanding their cooperation in trade financing, banking and insurance.

ARTICLE - 7

TECHNICAL COOPERATION IN RESEARCH AND TRAINING

The Contracting Parties having training facilities and research capabilities in the area of international trade shall offer training courses, exchange research experiences and extend technical assistance (e.g. in the form of services of experts and consultants available) to the Contracting Parties, especially Azerbaijan and the Central Asian Member States (ACAMS).

ARTICLE - 8

TRADE PROMOTION AMONG PUBLIC AND PRIVATE ENTERPRISES

The Contracting Parties shall endeavour to promote contacts and cooperation among public and private enterprises to encourage intra-ECO trade.

ARTICLE - 9

MINISTERIAL CONFERENCE, REVIEW OF PROGRESS AND MONITORING

1. The Ministerial Conference on Commerce/Foreign Trade will supervise, coordinate and review the implementation of the ECOTA and other Agreements arising from this Framework Agreement. The Ministerial Conference may assign a Group of High Level Officials to review the progress of this Framework Agreement and other

Agreements arising therefrom, as it may be needed. The Ministerial Conference shall meet, preferably, once a year.

2. The Chairman of the ECO Chamber of Commerce & Industry may attend the Ministerial Conferences as an Observer.

ARTICLE - 10

SETTLEMENT OF DIFFERENCES

Any differences between the Contracting Parties concerning the interpretation or application of this Agreement shall, as far as possible, be settled amicably between the parties. Whenever necessary, the differences shall be settled by the Ministerial Conference on Commerce/Foreign Trade or an appropriate Group designated by the Conference.

ARTICLE - 11

OTHER ARRANGEMENTS

1. This Agreement or any action taken under it shall not affect the rights and obligations of the Contracting Parties under any existing agreements to which they are parties.

2. Nothing in this Agreement shall affect the rights of Contracting Parties to enter into other agreements not contrary to the terms and objectives of this Agreement.

ARTICLE - 12

GENERAL EXCEPTIONS

Nothing in this Agreement shall prevent any Contracting Party from taking action and adopting measures which it considers necessary for the protection of its national security, the protection of religious values and public morals, the protection of human, animal or plant life and health, and the protection of articles of artistic, historic and archaeological value and from taking other measures not inconsistent with the provisions of this Framework Agreement.

ARTICLE - 13

AMENDMENTS

This Agreement may be modified through amendments agreed upon by the Contracting Parties. The amendments shall become effective upon acceptance by the Contracting Parties.

ARTICLE - 14

ENTRY INTO FORCE

This Agreement shall enter into force after the notification of approval or ratification by at least five ECO Member States to the ECO Secretariat.

ARTICLE - 15
FINAL PROVISION

This Agreement shall be deposited with the ECO Secretariat, which shall promptly furnish a certified copy thereof to each Contracting Party.

IN WITNESS WHERE OF, the undersigned have signed this Framework Agreement on ECO Trade Cooperation.

DONE at Tehran, this 6th Day of March, 2000 in one original copy in English Language.

For the Government of the Islamic State of Afghanistan

For the Government of the Republic of Azerbaijan

For the Government of the Islamic Republic of Iran

For the Government of the Republic of Kazakhstan

For the Government of the Kyrgyz Republic

For the Government of the Islamic Republic of Pakistan

For the Government of the Republic of Tajikistan

For the Government of the Republic of Turkey

For the Government of Turkmenistan

For the Government of the Republic of Uzbekistan
