

**Speech by H.E. Dr. Ali Taieb Nia  
Minister of Economic Affairs and Finance  
of the I.R. Iran**

**ECO and Regional Cooperation Path under the  
fragile condition of Global Economy**

**Friday, 23 May 2014  
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**Mr. Chairman,  
Dear Heads of Delegations,  
Secretary General of ECO,  
Ladies and Gentlemen,**

First of all, I would like to express my gratitude to the Government of Kazakhstan for the warm welcome and excellent organization of the 4th ECO Ministerial Meeting on Finance and Economy. I am confident that the discussions of Ministerial and Expert Groups will be fruitful for the development and strength of the multilateral cooperation.

As you are well aware, in the post-crises era, the global economy and financial markets continue to present mixed results. In the short term, the economic outlook for advanced Market Economies has improved somewhat. Meanwhile the short term outlook for more heterogeneous emerging markets and developing economies is fairly mixed and the ECO member countries are no exception.

The weak economic recovery with lower productivity and declining labor force participation rate is a key challenge for the global economy. Now, huge challenges to sustainable development require a joint response and shared responsibility which we can address together under the aegis of ECO.

**Honorable Ministers  
Distinguished participants,**

Towards the fulfillment of our common responsibilities in strengthening developmental and commercial cooperation, we can benefit ECO Trade and Development Bank (ECO-TDB) capacities. ECO-TDB, as a multilateral financial institution has been established for the fulfillment of economists' and business communities' needs in member countries. We truly believe that increasing ECO-TDB membership base would enhance its contribution to economy of the region. While Welcoming accession of Azerbaijan, Kyrgyz Republic and Afghanistan to the ECO-TDB, it may diversify its intervention across its member countries and across various sectors to encourage the remaining countries to join the bank.

Considering the very critical role of private sector, as the growth engine with diversified financial needs, we recommend intensifying relationship between ECO-TDB and ECO Chamber of Commerce and Industry (ECO-CCI) in a way that ECO-CCI can reflect the diversified financial needs of private sector to ECO-TDB.

We appreciate the offer of ECO-TDB to arrange a forum of the member states and multilateral donors in order to develop a sustainable mechanism by which financial institutions may present their proposals for co-financing of trade and syndication loans to feasible projects. Early convening of such event is called for.

**Excellencies,**

An issue which shall be emphasized is pursuance of fast track approach for the execution of the Joint Agreement on Promotion and Protection of Investment in ECO region (APPI). Also, to increase the intra-ECO investment flow, determination of joint investment projects among ECO

member countries and providing certain incentives for the promotion of investors in member countries, shall be prioritized.

The share of ECO member countries' from global trade has been increased 12 percent per annum, during 1994-2012, which indicates economic flourish of member countries and their active role in the global economy. In addition, the trade volume of ECO member countries with other countries has been increased from 16 percent to 20 percent in 2012.

Determination of quantity targeting to increase the trade volume among ECO member countries will also encourage countries to intensify their efforts towards achieving the goals. In this regard, finalization of the Articles of preferential trade finance by ECO-TDB to business community in member countries may also contribute to intra-ECO trade growth.

**Honorable Ministers  
Distinguished participants,**

To strengthen and develop regional cooperation and benefiting each member countries' economic and commercial capabilities, I would like to recommend the followings:

1. Taking technical and perusal studies with the aim of developing a framework to use ECO single monetary unit to increase commercial transactions among member states,
2. Cooperating to reinforce the legal and technical infrastructures of member countries to benefit new modes of financing such as; "Public-Private Partnership" for the implementation of infrastructural projects,
3. Expending the development of transport infrastructure programs and plans in the agenda of ECO with the aim of assisting more extensive and prompt flow of goods and capital.
4. Joint cooperation to adopt policies for the macro-economic stabilization and to strengthen advantageous economic sectors of the region.

2015 will be crucial: This coming year, the international community substitutes new goals for the current Millennium Development Goals, which emphasizes on "Development" and "sustainability", since these two go together. For the agenda to be successful, it will be crucial that all players have active participation. We can play our role with integrated measures based on social values of member countries.

**Mr. Chairman,**

Fortunately, ECO has had a smooth headway and has taken long steps. We hope the issues discussed here be followed by necessary practical steps to the benefit of all member countries.

In conclusion, I would like to express my confidence that this 4th ECO Ministerial Meeting on Finance and Economy will be another important milestone for the enhancement of our economic cooperation.

**Thank you**

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