

**Statement by H.E. Mr. Shamil Aleskerov, ECO Secretary General
at the 23rd Meeting of the Regional Planning Council
(6-8 May, 2013 – ECO Secretariat)**

**Excellencies,
Distinguished Heads of ECO Delegations,
Heads of ECO Specialized Agencies/Regional Institutions,
Ladies & Gentlemen**

At the very beginning, I would like to extend a very warm welcome to the distinguished participants of the 23rd Meeting of the ECO Regional Planning Council being organized by the ECO Secretariat, in Tehran. I would avail this opportunity to thank the delegations of the Member States and the ECO Specialized Agencies and Regional Institutions for participating in this meeting. Let me also greet the delegations of the Cooperation Council of Turkic Speaking States and the Turkish Cypriot States who are attending our meeting as Observers.

I would also like to thank the Government of the Islamic Republic of Iran and the Institute for Political & International Studies for giving their support and assistance to the ECO Secretariat in holding this Meeting.

The RPC Meeting holds special significance for the work of this Organization. While assessing our performance since its last session, this Meeting will set goals for our future work. Above all, the decisions reached during the next two days would provide directions to the Organization's work in various sectors.

A detailed Working Paper covering all aspects of the ECO's progress has been circulated. Here, I would like to briefly summarize key developments on various fronts.

Excellencies,

Trade is a priority area for promoting regional integration and it occupies high priority on ECO's agenda. Trade cooperation leading to economic integration in ECO has significance in terms of promoting socio-economic growth and help in poverty eradication, employment generation and effective utilization of production potential of Member States. Also, trade provides a basis for cooperation in other sectors. We therefore believe that effective cooperation in the region could only be achieved with liberalized trade under an open, free and fair trading system.

The ECO region's global trade amounted to US\$768 billion in 2011 indicating 12 percent increase from 2010. However, ECO Intra-regional trade over the period 2006-2011 stands merely at 7 percent of the world trade of the Member States.

This is an unsatisfactory figure and must serve as an eye-opener for our policy makers to undertake urgent measures for giving a new direction to the Organization's trade policies.

In this context, the implementation of ECOTA and establishment of a Free Trade Area in the region assume the utmost importance. Regrettably, the contracting parties to ECOTA were unable to fulfill their commitments made in the 3rd Meeting of the ECOTA Cooperation Council held in October 2012 to begin implementing tariff reduction with effect from January, 2013 despite clear-cut directions and guidance from the leadership level. In the 4th Meeting of the Cooperation Council held earlier this month, the Contracting Parties agreed on a new deadline for completion of all legal and procedural requirements for implementation of ECOTA, which is September 1, 2013. The Secretariat urges the ECOTA signatories to strive for meeting this deadline. In this connection, we attach high importance to the 5th ECOTA Cooperation Council Meeting scheduled to be held in October 2013 in Pakistan.

The Secretariat has also provided a roadmap to the member states for establishing a free trade area in the region and which also contains the contours of a regional multi-dimensional trade and investment strategy. The proposals presented will go a long way in bringing about economic integration of the region. We expect that the 5th Ministerial Meeting on Foreign Trade scheduled to be held this year in the Islamic Republic of Iran will reach a positive outcome in this regard.

Simplification and harmonization of customs system and streamlining of transit trade procedures are high priority areas requiring increased cooperation by regional countries. ECO is working on preparing the draft ECO Trade Facilitation Agreement, which will be finalized at the first meeting of the joint working group to be held in the Republic of Turkey soon.

Another direction of our work is promoting E-Trade, which has been spreading all over the world as an effective means of faster, more efficient and transparent trade transactions.

The Agreement on Promotion and Protection of Investment (APPI) envisages for common policy and common action for attracting investment in the ECO region and it would come into force upon signature/ratification of four ECO Member States. The APPI which has been signed by Afghanistan, Azerbaijan, Iran and Turkey remains open for signatures. There are positive signals from Pakistan expressing willingness to join APPI.

The operationalization of ECO Trade and Development Bank (ECOTDB) is one of the most important steps taken towards trade facilitation in the region. The Bank has recently expanded both its operations and membership base. We appreciate the Islamic Republic of Afghanistan for signing the Articles of

Agreement of the Bank for membership and the Republic of Azerbaijan for signing and ratifying the Agreement.

We anticipate other member states will positively consider their joining the Bank in the near future, which will make it an important regional financial institution to the benefit of all member states.

The Secretariat is also aiming to start implementation of the 3rd Phase of the ECO-UNIDO Project on Trade Capacity Building for which, lately, UNIDO has committed to provide initial funding. The completion of the Project will further build up the capacity of standardization and quality control institutions of the Member States and may lead to a Mutual Recognition Agreement. The Member States are strongly requested to consider providing financial assistance for the project.

Several important decisions were made in the first meeting of the Heads of Tax Administrations of the Member States held in Tehran last January. These decisions will form the basis of meaningful cooperation among the relevant authorities of the Member States.

Excellencies,

In Transport, tangible progress has been made in most of the activities recommended by the RPC. The Work Programme of the Transit Trade Framework Agreement (TTFA) Fund, approved by the 5th Meeting of the ECO Transit Transport Coordination Council (in Islamabad, April 2012), is being implemented smoothly. The activities of the Railway, Road and Insurance Components of the ECO/IDB Joint Project on the TTFA have been successfully completed. As the last component of this project, the study on customs transit is going to be started shortly with the assistance of UNCTAD.

I would like to mention a number of significant developments in the transport sector in the ECO region which took place recently:

- The draft ECO Road Network Development Plan has been prepared by the Secretariat, and once approved, it will form, together with the railway plan, a basis for organizing the regional partnership forum and donor conferences.
- The construction of the railway link between Kazakhstan-Turkmenistan-Iran has achieved significant progress. The segments of Iran and Kazakhstan will be inaugurated shortly and the work is ongoing in Turkmenistan.
- The feasibility study on the Tajikistan segment of the Kyrgyz Republic–Tajikistan-Afghanistan-Iran Railway project has achieved significant progress.
- Following the Meeting of the enroute countries, held in February 2013, a concrete action plan is being implemented to develop the Islamabad-

Tehran-Istanbul Road Corridor. The Action Plan signed by the enroute countries of Kyrgyzstan-Tajikistan-Afghanistan-Iran Road Corridor is also being actively followed up. The Secretariat and the enroute member states have initiated the process of establishing road corridors along a) Pakistan-Iran-Turkmenistan, b) Pakistan-Afghanistan-Tajikistan, and c) Pakistan -Afghanistan-Tajikistan-the Kyrgyz Republic.

- The Action Plan for activating the ECO White Card, approved by the 4th meeting of the Insurance Committee (Tehran, November 2012), is being implemented. The work on developing the ECO Visa Sticker for Drivers and its procedures is also ongoing.
- Joint efforts have been accelerated to introduce a common legal system for carriage of goods and passengers by rail, as envisaged in the TTFA.
- Implementation of the Action Plan for reactivation of the TIR Convention in Afghanistan, revised by the ECO/IRU Joint Meeting in February 2012 is near completion and it is expected that the TIR system will be resumed in Afghanistan in 2013.
- The establishment of the ECO Logistics Providers Associations Federation (ECOLPAF) was approved by the 20th COM and the first General Assembly of the Federation is going to be held soon.
- The Standard Operating Procedure for ECO Online Money Order through the postal services has been finalized and will be signed by the member states. The 20th COM also established the ECO Postal Staff College in Islamabad.
- The 9th Meeting of the ECO Ministers of Transport will be held in September 2013 in, the Kyrgyz Republic and the 2nd Meeting of the ECO Ministers for Communications will take place in 2013 in Islamabad, after the successful 1st meeting held last autumn in Tehran.

Excellencies,

Enhanced cooperation in Energy and Petroleum remains a priority for this region. The future growth of our economies will require the continued supply of affordable energy. The 3rd Ministerial Meeting on Energy/Petroleum held on March 6, 2013 in Tehran reviewed the implementation of the ECO Plan of Action for Energy/Petroleum Cooperation (for 2011-2015), and adopted its Report and the Tehran Declaration. Several new mechanisms for enhancement of Energy Cooperation in the region were also considered.

The 2nd High Level Experts Group (HLEG) Meeting on Energy was held in September (24-25), 2012 in Ankara. The meeting followed up on the implementation of the ECO Plan of Action for Energy/Petroleum Cooperation (2011-2015). Additionally, the Organization remains active in organizing seminars and workshops for sharing knowledge and building capacity of the Member States in this sector. The work on development of regional electricity trade/market in the region is on the agenda and needs to be enhanced.

Simultaneously, we are trying hard to develop potentials in the field of Minerals, for which a number of activities have been planned. Active participation in these activities of our Member States will facilitate achieving the desired objectives.

Excellencies,

In order to feed our increasing populations in the coming decades, this region needs concerted efforts in the field of agriculture which must succeed in ensuring food security. This will require producing more food with less resources while reinvigorating rural economies. It can be achieved through collaboration, investment and innovation among all stakeholders.

We have a number of important developments in the agricultural field related to the implementation of ECO Regional Programme for Food Security (ECO-RPFS). Important decisions were taken at the 5th Ministerial Meeting on Agriculture held in November 2012 which also witnessed the establishment of the Regional Coordination Center (RCC) in Ankara. The implementation of the Seed Sector Development Project in the region within the scope of FAO-Turkey Partnership Programme (FTPP) is also expected to start.

Industrial development has a great potential to support trade and economic cooperation in the region. Greater focus is being given to promoting cooperation in areas like SME development and technology transfer amongst the ECO Member States. Enhancing the productivity and competitiveness of our regional markets remains the main challenge, and as such we believe a lot needs to be done. A significant development is the establishment of ECO Regional Institute for Standardization, Conformity Assessment and Metrology (RISCAM), which can serve as a facilitator for harmonizing the region's industrial standards. Availing this opportunity, I would request the concerned member states to become part of this initiative by signing its statute and actively participating in its activities.

Excellencies,

Tourism holds immense potential to benefit the economies of our member states. The captivating natural beauty and the rich cultural and historical heritage of this region are testimony to this prospect. ECO views it as an important and promising area of cooperation and greater focus is being given to promotion of tourism in this region.

We need to hold the 3rd meeting of the Ministers of Tourism the next year to advance in this field.

Excellencies,

The role of statistics and economic research is indispensable for adequately assessing the ongoing regional development. Accurate and science-based

analyses and economic data are central to evaluating our current economic progress as well as forecasting the future trends in the economic development of countries.

The ECO Plan of Action on Economic Research serves as the roadmap for development of economic policy guidelines, strategies and research activities in the region.

The Joint Economic Research Programme of ECO, developed and approved by the 19th COM, has helped in generating economic analyses output to lay down the foundation for long term economic strategy of the Organization. New proposals from member states continue to be implemented through this framework. ECO Statistical Network (ECOSTAT) is the main mechanism for development of statistical cooperation in the region and provides updated statistical data and information related to the Member States.

In the health sector, there is a great potential to expand cooperation among the Member States, ultimately benefiting the people of our countries. The 1st ECO Health Ministers Meeting held in Baku laid out the action plan for achieving joint cooperation in the health sector, particularly in the fields of health related Millennium Development Goals (MDGs), Blood Transfusion and Pharmaceutical affairs. In line with this action plan, ECO Blood Safety and Drug Regulatory Networks remain our priorities. I am hopeful that the 2nd Ministerial Meeting scheduled to be held in Kazakhstan in the coming period would further strengthen our cooperation in health sector.

The real asset of any country is the quality of its human resource, which ultimately results in economic and social growth. ECO remains committed to developing the human resource of its member states. The First ECO Ministerial Meeting on this issue would be held in 2013, giving greater impulse to the development of human resource in ECO.

Vulnerability of this region to natural and man-made disasters has added a new dimension to the activities of ECO, which calls for greater cooperation and coordination for reducing the risk of such disasters. Consequently, ECO, through a number of workshops, conferences and seminars is actively engaged in bringing the member states together to manage the disaster risks.

Excellencies,

The cost of environmental degradation is adversely affecting the economic gains of our countries. As such, we at ECO believe in the conservation and protection of environment and investing in such initiatives.

The ECO Institute of Environmental Science and Technology (ECO IEST) in collaboration with the Ramsar Regional Center in Central and West Asia (RRC-CWA), UNEP World Conservation Monitoring Center (UNEP-WCMC) organized

a number of events on ecosystems and biodiversity management earlier this year.

The Framework Plan of Action on Environmental Cooperation and Global Warming in ECO region (2011–2015) adopted at the 4th ECO Ministerial Meeting on Environment in 2011 serves as the foundation for environmental cooperation in ECO region. I would avail this opportunity to request the member states to extend their support for implementing the projects under this Action Plan. ECO plans to lay greater emphasis on environmental protection and conservation of biodiversity in the coming period through a number of regional initiatives.

Distinguished Delegates,

During the period under consideration, sustained efforts have been made to pursue close cooperative relations with the United Nations and other regional and international organizations as well as relevant non-ECO states. This has helped in enhancing the image of ECO in the international arena. Within the framework of such cooperation, ECO has benefitted from technical and financial assistance from its external partners. The United Nations General Assembly at its 67th session adopted a biennial resolution highlighting the cooperation between ECO and UN. The ECO Contact Groups at Vienna and New York have been active in supporting the work of this Organization. The cooperation with ASEAN and D-8 is being actively pursued. Contacts with organizations like UNIDO, OFID and UNESACP have been maintained for the purpose of securing their support.

The recent period also witnessed an important development in the form of establishment of the Parliamentary Assembly of the ECO Countries (PAECO). The Parliamentary Assembly will enable the parliamentarians of the Member States to come together and work closely for the promotion of the socio-economic development of the region.

Excellencies,

The campaign against drugs, terrorism and trans-national organized crime is among ECO's priority, especially since during the recent years, we have witnessed an alarming increase in the number and frequency of crimes associated with illegal drug trafficking. Therefore, there is a strong need for regional cooperation among the Member States.

We are working closely with the European Commission (EC) within the framework of ECO-EC Memorandum of Understanding (MOU) to implement the project titled "Fight Against Trafficking from/to Afghanistan" with the ECO Member States. Efforts are also underway to establish the ECO POL to coordinate against transnational crime through intelligence sharing and harmonization of policies. Regional Center for Cooperation among the Anti Corruption Agencies and Ombudsmen (RCCACO) has also been signed by

Afghanistan, Iran and Tajikistan, and other countries are expected to join the Statute after completion of their respective national procedures. Taking the opportunity we would request the Member States to expedite the process so that ECOPOL and RCCACO could be operationalized during the current year.

Excellencies

With this overview of our performance since the last RPC, let me acknowledge that we have not been completely successful in exploiting our true potential in various sectors. This can be attributed to a number of constraints and issues. However, there is a realization that we have achieved certain milestones and are moving towards our goals slowly but surely. What is needed is the willingness and determination to march ahead for the betterment of this region we call ours, the region we call ECO.

And to strengthen ECO, make it more effective and efficient, Eminent Persons Group (EPG) was established, with financial support of Turkey, which prepared recommendations to this effect. We believe that as a first step on the road of their implementation a respective review and discussion by the delegates of the RPC would be desirable and useful. Therefore we have included in the Program of this RPC meeting a retreat session, to be held in the morning of the 8th May, and look forward to productive discussions during the session.

I once again thank the delegates for attending the meeting and hope the deliberations will conclude positively.

Thank you
