

The 17th RPC Meeting

Statement by Mr. Khurshid Anwar, ECO Secretary General at the inaugural session

(Tehran, February 19-22 , 2007)

Annex. III

**Your Excellency Mr. Manuchehr Mottaki,
Foreign Minister of the
Islamic Republic of Iran,**

**Excellencies,
Distinguished delegates,
Ladies and gentlemen,**

It is a great privilege for me to extend a warm welcome to you in this 17th meeting of ECO's Regional Planning Council. I am grateful to the Honourable Foreign Minister of Iran for sparing time to grace this occasion. His presence here is reflective of Iran's strong commitment to ECO which the Minister has so kindly renewed in his inaugural speech. His observations, perceptive as always, will guide us in our deliberations. I also thank the distinguished delegates from other member states. Your presence in strength promises a rich and rewarding discussion. We are happy to have with us our brothers from the Turkish Cypriot State. I extend a warm welcome to them.

Excellencies,

The Regional Planning Council is a most important organ of the Economic Cooperation Organization. Here we discuss ECO's policies and programmes, and plan its activities and events to promote agreed objectives. Its decisions set the pace of the organization for the coming months. These determine the direction of our efforts and the degree of their success.

The year 2006 brought important ECO events in its tow. These included a Summit and five Ministerial meetings. Four of these were sectoral and one that of the Council of Ministers. This compares well with the previous year in which three Ministerial meetings were held. We also had several changes in the senior ranks of the Secretariat. I took over in mid-August together with two of my deputies and a few other colleagues. These changes were not allowed to affect the smooth functioning of the organization. Indeed, the months that followed brought a fresh momentum to our activities.

Distinguished delegates,

The past year was productive in some areas and rather barren in others. I will briefly touch on the more important ones. We were able to make progress on ECOTDB. Its Board of Governors is already in place, the President and Vice Presidents have been appointed and capital contributions are coming in on schedule. The Bank will start its operations from May this year. On the ECO Re-insurance Company, some movement is expected at the expert-level meeting being held in Pakistan next month. Progress on ECOTA has been minimal. In fact, the requisite number of ratifications is still awaited. The fast track to trade has also seen little progress. A trilateral meeting of Iran, Pakistan and Turkey is to be convened shortly to generate movement on the fast track.

In the transport field, the Transit Transport Framework Agreement became effective in May 2006. Its Coordination Council (TTCC) met in Baku in September. Three of its subsidiary committees would meet during the next few weeks in Iran, Pakistan and Turkey. We expect that one of the Central Asian states hosts the meeting

of the committee on road. This is essential in order that all the four committees wrap up their business before the Coordination Council meets again in a few months.

The Trans-Asian Mainline Project for the Istanbul-Almaty container and passenger trains is being actively pursued. A joint mission of Iran and the ECO Secretariat held fruitful talks in Tashkent only last week. A similar mission would be sent Ashgabat shortly. We may then hold a trilateral meeting of Iran, Uzbekistan and Turkmenistan. We have to reach an all-round understanding among us to run an efficient train service across the ECO region.

On marine cooperation, we held a very useful meeting of the Heads of Reference Marine Organizations in Karachi last month. It focused on multimodal transport, draft agreement on search and rescue, and on setting up a maritime website. For the first time, a business forum was held on the sidelines, involving the private sector of member states. We plan to make it a permanent feature of ECO maritime meetings.

In the energy sector, our main project at the moment is the interconnection of power systems of member states. A feasibility study is already underway. Relevant data has been collected from Afghanistan, Iran, Kyrgyzstan, Pakistan and Turkey. We expect similar cooperation from the remaining Member States. Meanwhile, in coordination with the World Bank, we are pursuing a study on energy trade in the region. We also propose to hold a joint workshop with the World Bank on this subject.

Excellencies,

ECO countries have diverse soil, climatic and environmental conditions, and, as such, have a great potential for cooperation in the field of agriculture. We have to realize it to our maximum advantage. The ECO Agriculture Ministers' meeting in Tehran early next month will mark an important move in that direction. Currently, we are implementing the Regional Programme for Food Security in cooperation with FAO and IDB. We also propose to hold a donors' conference and a business forum to generate necessary funding.

In the field of industry, an important milestone was the 3rd ECO Industry Ministers meeting held in Lahore in November 2006. It adopted a Regional Strategy on Industrial Cooperation and approved a Plan of Action for the establishment of ECO Technology Centre, and for cooperation in the field of SMEs and industrial property rights. The meeting also resolved the long-standing issue of location of RISCAM. A task force comprising Iran, Kazakhstan, Pakistan and Turkey will finalize the statute of this institute.

Excellencies,

An important ECO event in November last year was the First Meeting of Interior Ministers held in Tehran. Member states acknowledged that terrorism and transnational organized crimes posed a threat which they must fight jointly. Follow-up action is underway to implement these decisions.

As regards ECO's contribution to the reconstruction of Afghanistan, the Afghan State Construction Company has been approved for the Deh Mazang Public Park project and the maintenance of Kabul Zoo. A contract worth \$1.3 million is ready for signing shortly. We appreciate the contributions of US\$5 million each by Pakistan and Turkey, and nearly \$400,000 by Iran. We expect all member states to make contributions to the fund for Afghanistan's reconstruction.

Excellencies,

ECO has been able to lay institutional framework for cooperation in important areas. Unfortunately, some member states have yet to sign and ratify these agreements. Indeed, an agreement as important as ECOTA has been signed by five member states and ratified by only two so far. And this is an agreement which lies at the centre of ECO's goals and objectives. We must not forget that regional economic integration will remain a dream without sustained increase in intra-regional trade. There is an urgent need to expedite signing and ratifying ECO agreements. It is after we have completed this process that we can hope to reap the real benefits of regional cooperation.

During the coming year, implementation of agreements will be our main priority. It is bound to entail some stresses which we must not shy away from. We have to bear the short-term costs of long-term benefits. Regionalism is, indeed, all about rising above narrow immediate gains for wider, more durable, collective advantages. It presupposes the ownership of the organization by member states. They have to support, wholeheartedly, the implementation process – beginning, of course, with the signing and ratification of agreements. I would urge expeditious action, particularly in the three primary fields of trade, transport and energy.

As regards the calendar of events for the coming year, we may consider curtailing it without, of course, affecting ECO's efficacy as a regional organization. Important meetings, genuinely needed to promote our objectives, should be included. Those that we can do without must not stretch our resources. May I also say that while some of our member states are generous in hosting meetings, others are not as cooperative. Some have, indeed, not hosted any meeting for a long time. This is contrary to the spirit of regionalism and it must change. I would also suggest that we bring forward the annual RPC meeting by about two months. We should hold it before the commencement of a new calendar year.

Excellencies,

It is indeed unfortunate that despite being so talented and resourceful people, we have not gone far enough in the field of science. One obvious reason is the low priority we have given it. The ECO Science Foundation was approved more than a decade ago and reconfirmed (as part of ECO's organizational structure) at the 15th COM held in Almaty in October 2005. Yet, there has been no progress worth the name on this important project. I would urge all member states to take it up with the seriousness it merits. We have to make up for years' long neglect and we must move with speed.

In conclusion, Excellencies, it is my hope that this 17th meeting of the RPC will be able to hold focused and constructive deliberations. Our decisions should facilitate implementation of ECO agreements and bring us closer to our over-arching goal of regional economic integration. I wish you all complete success.

I thank you, Sir.