

The 16th RPC Meeting

Inaugural statement of H.E. Dr. Ali Reza Tahmasebi, Minister of Industries and Mines
of the Islamic Republic of Iran

(Tehran, January 30 - February 02, 2006)

Annex-II

*Distinguished Heads of Delegations,
His Excellency, Mr. Askhat Orazbay,
The Secretary General of ECO,
Distinguished Ambassadors,
Ladies and Gentlemen,*

At the outset I wish to warmly welcome distinguished guests taking part in the 16th meeting of the regional planning council of the Economic Cooperation Organization and wish them a very nice stay in the Islamic Republic of Iran.

I am sure that constructive talks and the active participation of delegates in this important meeting can pave the way for the successful implementation of ECO's plans and projects.

Excellencies,

Fortunately, our region has gone beyond the critical era of the 1990s that started with the collapse of the former Soviet Union and witnessed the economic transition period in the new member states, the civil conflicts in Afghanistan and Tajikistan as well as conflicts in the Caucasus. In the early years of the new millennium our region is experiencing an era filled with hope for stability and progress. Generally speaking, the ECO member states in recent years have been experiencing considerable economic growth and development and one can see the outcome by the strengthening and deepening of relations within the ECO region.

In line with the region's economic and political developments, the ECO has managed to stabilize its position during 1990s and has entered the stage of active contribution. One would realize serious measures taken with regard to regional cooperation as well as the considerable progress of organizational activities from the qualitative and quantitative points of view by drawing a comparison between the organization's activities in the past five years and that of the 1990s. If we consider the ministerial meetings as an important index of ECO activities and compare the number of these meetings in the past five years from 2000 to 2005 with similar meetings during the 1990s we realize that the number of ministerial meetings in the working sectors of the organization has had a 88% increase in the past five years compared to the 1990s. The issue on the one hand indicates the political will and firm decision by member states for the development and strengthening of regional cooperation within the ECO and on the other hand shows the institutionalization of regional cooperation in the working sectors of the organization at the most senior levels.

Undoubtedly, the active and serious contribution of member states in the organization's projects and plans would bring about conspicuous and tangible results for the region. As you are well aware, the ECO Transit Transportation Framework Agreement (TTFA) will become binding in the first half of the current year. This measure is an important step forward for the promotion of regional cooperation and through the contribution of member states it would definitely bring about major developments in regional and trans regional transportation. The Islamic Republic of Iran that is going through the final stages of approving this important agreement attaches special significance to it. I am sure that in the near future we would witness the launching of a timetabled program for the implementation of the agreement that would also emphasize the attraction of domestic and foreign investments in various transport sectors of the ECO member states.

The establishment of the ECO Trade and Development Bank is another major development and the executive phases are due to commence this year. The bank would become operational with the initial

capital of 87.5 million dollars. The bank's capital is scheduled to gradually reach the figure of 1.4 billion dollars. The materialization of this objective would strengthen development projects as well as trade interaction among member states. The Islamic Republic of Iran as one of the members of the ECO Trade and Development Bank would make its utmost efforts for promoting the bank's status and the bank is expected to emerge as a regional financial institution in the next few years and play an important role with respect to the organization's activities.

To name other major developments in regional cooperation one can refer to the signing of ECO Trade Agreement or ECOTA in the second meeting of ECO Commerce Ministers in 2003. With the signing and approval of the optional protocol concerning the rapid implementation of ECOT A that is going through the final stages of negotiations the process of ECOTA's implementation would be accelerated and the ceiling of tariffs would be reduced from 15% to 10% and the time frame for reduction of tariffs would be reduced from 8 years to 5 years.

The commencement of a feasibility project for connecting ECO member states' electricity network with financial aid coming from the Islamic Development Bank, the successful implementation of a joint ECO-FAO project in the agricultural field, the adoption of the ECO regional strategy in the industrial sector, the draft preparation of industrial projects that are of interest to member states and the outcome of the recent meeting of ECO standard officials in Tehran are all indicative of considerable progress by the ECO in the fields of energy, agriculture and industry.

The aforementioned developments and achievements in recent years; indicate the fact that the organization has reached a sensitive point in its history and its activities in the past fourteen years are bearing fruits. The 2015 ECO prospect document has clearly delineated the future path of regional cooperation and has set the creation of an ECO free trade zone as the ultimate goal of such, cooperation. At this critical juncture, the need for solidarity cooperation and contribution by member states is felt more than ever before. Therefore, it is necessary to concentrate our efforts on the implementation of previously-reached agreements by precisely looking into the current status of the organization and regional developments and also make efforts to prevent the distraction of the organization's activities. At the current juncture, the ECO is expected to offer tangible results to the public opinion in the region and the member states. On this basis, the 16th meeting of Regional Planning Council must make utmost efforts for concentration on the current activities of the organization instead of putting forth new projects and plans and in this way draw up new solutions for the rapid and timely implementation of the projects. Meanwhile, by preparing conducive grounds and adopting strategies and plans related to different sectors, the time is ripe for the ECO to enter a new stage for the implementation of required projects in every sector. Hence, the Regional Planning Council is required to adjust the timetable for ECO's events in 2006.

To name other requirements of the ECO at this juncture reference can be made to the creation of proper mechanisms for the management and financial allocations of regional projects. It seems that the Council must consider the issue as a top priority in its sessions and talks. In line with this, the Secretariat and the envoys of member states at the council must adopt and carry out the necessary solutions for the implementation of memoranda of understanding and agreements signed between the ECO and other international organizations particularly international technical and financial institutes aimed at attracting their technical and financial contributions with regard to the organization's plans and projects. In addition to this, we should make efforts for attracting effective contribution by the member states for providing the required financial and technical needs for the implementation of adopted projects and also adopt the related regulations and in this way set up the necessary mechanisms for member states at the regional level.

Ladies and Gentlemen,

At this point I deem it necessary to emphasize the policies of the new government of the Islamic Republic of Iran concerning the expansion of friendly and cordial ties with Muslim and neighbouring countries particularly within the framework of useful and constructive regional cooperation for regional nations and once again voice my country's decisive support for plans and activities of the Economic

Cooperation Organization. I should also add that as usual Iran warmly welcomes cooperation among all ECO member states and I am sure that regional cooperation within ECO would soon bear fruits aimed at strengthening cordial relations among member states and contribute to the implementation of effective plans for providing welfare for regional nations.

At the end, I wish all the participants fruitful and constructive talks, a nice and enjoyable stay in the beautiful city of Tehran and wish you all success and good luck.

Thank You

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