

The 13th RPC Meeting

Statements of the ECO Secretary General

(Tehran, 20-22 April, 2003)

Annex-III

*Excellencies,
Distinguished Delegates,
Ladies & Gentlemen*

First, I would like to welcome the Excellencies and other distinguished guests present at this august meeting which will schedule the yearly course of action to further strengthen the pace and scale of cooperation within the ECO region. On behalf of the ECO Secretariat and on my own, our warm gratitude goes to the Government of the Islamic Republic of Iran for the traditional hospitality extended to the delegates from all member states since their arrival in Tehran.

Today's meeting plays an important role in the realization of aspirations contained in directives and decisions of high level ECO meetings such as Council of Ministers, Summits of the Head of States and Summit Declarations. Over the next three days, we will review the progress achieved in the implementation of all ECO programmes, plans of action, projects and consultancies across all priority sectors which will be approved later by the 13th Council of Ministers scheduled to take place on June 9-11, 2003 in Bishkek.

I am presenting a detailed report under agenda item 5, I would now like to be brief in my introductory statement.

The last year for ECO has been truly momentous: we had a successful Summit accompanied by a Business Forum and a Council of Ministers' meeting in October 2002 at Istanbul. We also celebrated the 10th anniversary of the expansion of the Organization from 3 to 10 member states. Beside these important events, we held three Ministerial meetings in the fields of Transport and Communications, Agriculture and Environment. With the support and cooperation of the member states, we were able to make many forward moves on all sectoral priorities in a tangible way. We also concluded the deliberations of the Working Group of Senior Officials (WGSO) created by the 10th COM to "examine ways and means to improve the effectiveness and efficiency of ECO and reconsider its regional institutions and specialized agencies". The four meetings of the WGSO made very useful and constructive recommendations which, I believe, must be under active consideration of the member states.

In line with the decisions of the 12th COM, we have effectively harmonized the timeframe of various ECO meetings and schedules for approval of documents such as the calendar of events, the work programme and the annual budget in a timely fashion. As part of this harmonization process, we have eliminated the time lag and the schedule of RPC and COM has been advanced.

Another important step the organization took was to prepare a comprehensive review of the ECO events planned by successive RPC meetings since 1998, highlighting the number of implemented events with level of participation from each member state. The same was distributed vide Document No.RPC/13th/2003/15. From 1998 to 2002, a total of 276 ECO events were planned: 112 were implemented (40%). In 2002 while 69 total activities were planned, 45% were implemented, a significant improvement in terms of results. With little more support from member states, we can further improve the implementation of the approved calendar of events.

In the sector of Transport and Communications, we have been able to operate regular containers train service on fortnightly basis from Istanbul to Almaty through the territory of Uzbekistan, Turkmenistan and Iran. With regard to the land route, the ECO corridor has become more popular than the North corridor because of the favourable conditions at the border crossings in the region and the competitive rates offered at the Iranian seaports. We have also been able to agree on common railway tariff for the container train which is competitive and encouraging for the transport operators.

The forthcoming Ministerial meeting on ICT (Information Communication Technology) would promote wider application of IT based specialized programmes to develop an efficient transit transport system in the region. We hope, the dates for this important meeting will be finalized by the meeting.

In this priority area, we are also encountering some challenges. In my view, we need to focus on the development of an efficient Transit Transport System in the region. In this connection, TTFA and the mechanism envisaged therein can play the key role. The member states must expedite ratification of TTFA to make it operational by January 2004. Also, we have to remove the inconsistency between our two transit documents namely TTA and TTFA. The member states, as priority, should construct the important missing rail and road links.

Excellencies,

In the field of Trade and Investment, some major achievements have been made, particularly within the framework of ECO's collaboration with UN agencies and other multilateral organizations. Perhaps the most significant among these achievements is the signing of a Memorandum of Understanding with the World Customs Organization. This document not only cements the existing cooperative relations between the two organizations but also commits WCO to play a proactive role in the development of the customs organizations of the ECO member states in terms of their capacity building, training and their ability to fulfill their international obligations.

Other achievements worth mentioning pertain to the trade liberalization process which received a great impetus through the drafting of the ECO Trade Agreement and initiation of the subsequent negotiation process. The 2nd ECO Ministerial meeting on Commerce/Trade to be held in Islamabad on July 15-17, 2003 would provide the required impetus to this vision.

Parallel to this development, the organizing of the 1st ECO Investment Conference generated tremendous interest among the business communities of the member states who have expressed the desire to institutionalize this forum. In this regard, we are happy to announce the willingness of the Islamic State of Afghanistan to host the 2nd Conference on Regional Investment in Kabul within this year.

We are making efforts to involve the ECO Chamber of Commerce and Industry (ECO-CCI) as partner to promote regional trade. The dynamism of the private sector is needed to infuse vitality in the work of ECO to produce concrete results.

In the third priority area of Energy, Minerals and Environment, ECO has been able to hold the 1st Ministerial Conference setting out of a Plan of Action and recommendations, which I am very pleased to inform you, that the UNEP Governing Council in a recent decision has decided to help ECO in capacity building through technology transfer and called upon its member governments to contribute to the work of the UNEP in the ECO region. The ECO member states are now requested to help the ECO Secretariat to devise ways to benefit from the UNEP's positive outlook and decisions.

We are actively considering the selection of a Consultant for the IDB-ECO Feasibility Study on the ECO Countries' Power System Inter-connection. The project would generate many sub-programmes and activities offering opportunities to harness energy resources effectively by the member states. ECO has been able to formulate draft ECO Policy on Strategy which includes among other things the regional cooperation on the new and renewable energy resources. To promote the development for this area the 2nd Ministerial meeting on Energy/Petroleum is planned to be held in Tehran in the near future.

A programme for strengthening regional cooperation in the sector of Energy, Environment and Minerals has been drawn up and agreed upon. But, I feel that in this important area, more focus is needed to implement the proposed workshops and experts meetings on topics such as renewable energy resources, efficiency in energy sector and environmental training.

In Agriculture, the 1st ECO Ministerial meeting provided the most appropriate forum to jump start activities. The Declaration on Agricultural Cooperation among the ECO member states providing a Common Vision to achieve sustainable agricultural development in accordance with resource endowments and comparative advantages was adopted.

A direct and concrete achievement which emanated from this Ministerial meeting was the FAO agreement to initiate Technical Cooperation Programme pledging a grant of US\$ 327,000/-. The agreement was signed by me on April 7, 2003. I hope to utilize the funds and the activities to implement the objectives of the Islamabad Declaration.

As a major ECO-FAO output of this project, a regional food security programme will be formulated for the ECO region and bankable projects will be identified for donors

consideration. In this regard, the contributions of the member countries in identifying the feasible projects at country and regional levels and maintenance of close relations between the national points and the project staff seem very crucial for the successful completion project.

Our achievements in the field of Industry, Health, Population and Tourism have not been substantive. Nevertheless, we have started having meetings, workshops and are considering measures to promote the interest of the member states in these vital sectors. This year, we plan to hold the 1st ECO Ministerial meeting on Industry which will definitely give the necessary guidance and support in this regard.

On the initiative of Pakistan, the Council of Permanent Representatives have recently recommended inclusion of a new area namely Finance and Economics within the permanent activities of ECO. This area is, no doubt, important and crucial for the success of our regional cooperation and in this spirit they agreed to institutionalize ministerial meetings in Finance/Economics in future. We hope that RPC would give an unqualified support to this initiative.

Other two Directorates namely the Project Research and the Research and Statistics have done some pioneer work. In this respect, I would like to highlight the contributions of the Project Research with respect to ECO's participation in the reconstruction of Afghanistan.

I visited Kabul in February this year and had successful talks with the Afghan Government. Concrete work has been done to suggest ways and means to promote ECO's involvement in the ongoing reconstruction activities in Afghanistan in line with the Istanbul Declaration and the decisions of the 12th COM. We are in the final stages of preparing a Plan of Action in this regard. Already the member states have been sensitized to the need of convening the Financial Experts' meeting to suggest the methodology for preparation and operation of the proposed ECO Fund for the reconstruction of Afghanistan.

Last but not the least, I would like to mention the growing ECO prestige within the international community. We have consolidated our ongoing cooperative relations with IDB, UNESCAP, UNCTAD, FAO, ASEAN, Colombo Plan, ITC, IMF, World Bank, UNESCO, UNEP and UNFPA. Also, we have signed MoU with the World Customs Organization and are in the process of signing a MoU with the Colombo Plan and the United Nations Economic Commission for Europe (UNECE) shortly. The UNFPA had four programmes with ECO. The fifth one on Health will be held in the side line of the 13th COM at Bishkek.

As in the previous years, in 2002 we were also successful in getting a resolution on UN-ECO cooperation adopted in the 57th session of the United Nations General Assembly. The report of the Secretary General Mr. Kofi Annan to the UN General Assembly in June 2002 recommended that various specialized agencies and other organizations and programmes of the United Nations system and relevant international

financial institutions should join in their efforts towards implementation of economic programmes and projects of ECO. In the same spirit, we anticipate critical role for ECO in the UN sponsored International Ministerial meeting on Transit Transport issues of landlocked and transit developing countries on August 28-29, 2003. We are also preparing the third phase of ECO-UNDP co-operation which we intend to submit to UNDP shortly.

The 7th ECO ASEAN Joint Ministerial meeting held in September 2002 at New York agreed to further enhance the ongoing ties. In order to institutionalize the cooperation, both the organizations approved the terms of reference for a joint study on ECO-ASEAN cooperation in 10 areas including trade & investment, transport, energy, finance and banking, industry, HRD, narcotic control etc.

The above was made possible only through the effective and regular participation of ECO staff in international events of interest to the region and the reciprocal participation of the representatives of international organizations in ECO events. I may mention that the 8th Consultative meeting between the Executive Heads of four Regional Organizations and UNESCAP would be held at the Secretariat under the auspices of ECO. This is a testimony to the growing stature of ECO within the international community and the respect it enjoys today as a credible regional organization.

During this period we have also witnessed the increasing interest of our member states in ECO Specialized Agencies & Regional Institutions particularly in ECO College of Insurance, ECO Chamber of Commerce, ECO Shipping Company and Cultural Institute. We hope efforts would be made for early operationalization of ECO Trade and Development Bank, ECO Re-insurance Company and ECO Science Foundation. I am also pleased to inform this august body that the Drug Control Coordination Unit has also been re-established.

Excellencies and Distinguished Guests,

I would like to reiterate my gratitude for your presence at this meeting. I shall also take this opportunity to express my sincerest thanks to His Excellency the Minister of Economic and Finance of the Islamic Republic of Iran for gracing the occasion with his presence and a very thoughtful policy statement. No doubt, his policy statement would guide the course of our deliberations.

Thank you for patient hearing.