

The 3rd RPC Meeting

Report

(Tehran, 17-19 January, 1993)

The Third Meeting of the Regional Planning Council of the Economic Cooperation Organization (ECO) was held in Tehran on 17-19 January, 1993. H.E. Mr. Firooz Dowlatabadi, Economic Adviser to the Minister for Foreign Affairs of the Islamic Republic of Iran and President of Centre for Economic & strategic Coordination was unanimously elected as Chairman. The list of participants is attached as Annex-I.

ADOPTION OF AGEND

2. The Agenda was adopted unanimously and is attached as Annex II.

OPENING STATEMENTS

3. The Council was addressed by the leaders of the participating delegations. Those statements that were provided to the Secretariat in written text are attached as Annexes III, IV, V and VI.

REPORT OF THE SECRETARY GENERAL

4. The Secretary General presented a detailed Report on the activities of the ECO for the year 1992-93, a copy of which is attached as Annex VII.

CONSIDERATION AND ADOPTION OF THE REPORTS OF THE TECHNICAL COMMITTEES

COMMITTEE FOR ECONOMIC & COMMERCIAL COOPERATION (CECC)

5. The Council discussed the Report of the Second Meeting of the CECC held in Ankara on 20-21 October, 1992 and adopted it with the following observations recommendations:

ECO PROTOCOL ON PREFERENTIAL TARIFF

6. The Council noted that the Protocol on Preferential Tariffs had now been ratified by Islamic Republic of Iran, Islamic Republic of Pakistan and Republic of Turkey. Since the Protocol would come into effect sixty days after the deposit of the last instrument of ratification, the Secretariat requested that these instruments should be deposited by the end of January, 1993. As provided in the Protocol, the Committee on Preferential Tariffs should meet twice every year following the coming into effect of the Protocol. It was agreed that the Committee should include in the Agenda for its first meeting a study of the trade regimes of the Member States to explore ways and means for further promotion of intra ECO trade.

7. The Council noted with appreciation the willingness of the new Members to consider the Protocol on Preferential Tariffs Arrangement, with a view to joining it in due course. The Meeting agreed that these Members would come up with their views in the first meeting of the Committee on Preferential Tariffs to which they should be invited.

ECO TRADE AND DEVELOPMENT BANK

8. The Council emphasized the need to establish the proposed Bank at the earliest. It was agreed that a meeting of the Heads of Central Banks/Treasury Departments should be held before the next meeting of the Council of Ministers to adopt the agreed Articles of Agreement of the Bank. If this meeting could not take place before the Ministerial meeting, the Articles of Agreement would be submitted to the meeting of the Council of Ministers to be held in Pakistan on 6-7 February, 1993 for adoption and appropriate action.

ECO CHAMBER OF COMMERCE & INDUSTRY

9. The Council adopted the following recommendations:

- i) The ECO Chamber should be represented in the meetings of the concerned Technical Committees.
- ii) The ECO Chamber should involve new ECO Member States in all its activities.
- iii) The Management of ECO Chamber should implement its planned activities.

COMMERCIAL BANKING

10. The Council agreed that there should be no EGM on Commercial Banking during 1993.

ECO COLLEGE OF INSURANCE

11. The Council agreed to transfer this subject to the Educational, Scientific, and Cultural Committee after the receipt of the views of the Turkish authorities on the Status and the curriculum of the College. The Turkish side informed the Meeting that they were about to finalize their views, so that the College would commence its first course in September 1993.

12. The Turkish side reiterated the problems encountered by them in converting the Pool into a Company. These difficulties relate to their inability to force the insurance companies which operate under free market conditions, to raise the necessary share capital, and to cede 6% of the business on compulsory basis.

13. The Council agreed with the proposal made in the last meeting of CECC that the ECO Reinsurance Company be established with the participation of Iranian and Pakistani sides and other interested Members and further agreed that the next meeting of the Management Board of the Reinsurance Pool would prepare the Plan along with its

financial and legal implications for the conversion of the said Pool into ECO Reinsurance Company and present it to the next meeting of CECC.

TOURISM

14. The Council decided that the EGM on Tourism comprising representatives of private or public sectors should meet this year to discuss matters according to the terms of reference drawn up in this Meeting which are attached as Annex VIII.

15. The Turkish side informed that the meeting of the Tour Operators of the Member States, which could not take place last year, would be held in Turkey in November 1993.

16. The Council noted the proposal of the Islamic Republic of Iran regarding the necessity for feasibility studies and also the determination of resources for financing Economic, Industrial and other projects of ECO in a concentrated manner.

17. The next meeting of Committee on Economic and Commercial Cooperation would examine the possibility of implementing this proposal and submit its recommendation to the next RPC meeting.

COMMITTEE FOR COOPERATION IN THE FIELD OF TRANSPORTATION AND COMMUNICATIONS (CCTC)

18. The Council discussed the Report of the Second Meeting of the CCTC held in Ankara on 25-26 November, 1992 and adopted it with the following observations and recommendations:

CIVIL AVIATION

19. The Council agreed that the EGM on ECO National Airlines would be re-named as EGM on Cooperation in Civil Aviation. It was further agreed that the Experts Group in its next meeting should consider, inter-alia, the possibility of linking the capitals and other major cities of the ECO Member countries.

20. Regarding the proposal to establish an ECO Joint Airline, the Council agreed that the Government of Islamic Republic of Iran would furnish a detailed outline of their proposal for indepth consideration by the Member States.

RQAD AND RAILROAD TRANSPORTATION

21. The Council agreed that a high priority should be accorded to the construction, completion, and rehabilitation of highways and railway links among the Member States particularly in view of the accession of the new Member States to ECO. The Council also emphasized the need to undertake exchange of information including maps of the road and railroad networks. It was also agreed that specific project studies need to be prepared for the completion, up-gradation and rehabilitation of these networks.

SHIPPING

22. The Council noted that the draft Agreement and Basic Statutes of the proposed ECO Shipping Company had been finalized and agreed upon except Article 12 of the Agreement which deals with tax exemptions to be given to the proposed Company. As this question is linked to the location of its head office, the Council decided that a decision *in* this regard may be taken by the forthcoming meeting of the Council of Ministers.

23. The Council recommended that no meeting of the EGM on Shipping and Port Facilities be held in 1993.

TELECOMMUNICATIONS

24. The Council decided that the second meeting of Working Group on ECOFOS should be held as early as possible.

25. The Council recommended that the EGM on Plan for System Maintenance may not hold any meeting in the year 1993.

COMMITTEE FOR TECHNICAL AND INDUSTRIAL COOPERATION (CTIC)

26. The Council discussed the Report of the Second Meeting of the Committee for Technical & Industrial Cooperation (CTIC) held in Islamabad on 10-11 October 1992 and adopted it with the following observations and recommendations:

COOPERATION FOR PRODUCTION OF ANTIBIOTICS

27. The Member Governments were asked to nominate their experts within a period of one month so that the EGM on the three *joint* venture products recommended by the *Committee* could be finalized. For examining the possibilities of joint venture cooperation in production of other pharmaceuticals in new Member States, the Council recommended the Secretariat to collect necessary information by circulating the questionnaire for pharmaceuticals to Member States.

COOPERATION IN THE PRODUCTION OF PESTICIDES

28. The Council recommended that this subject be transferred to the Committee on Agricultural Cooperation.

IRAN-TURK-PAK COMPANY

29. The Council requested the Iranian authorities to convey their final approval to their participation as a partner in Turk- Pak Company. The Council also endorsed the recommendation that this Company should be opened to participation by the new Member states, if they so desire, and that its name be changed to ECO Engineering and Consultancy Services Company.

ECO SECRETARIAT'S PROPOSALS

30. The Council recommended that the possible effects of proposed incentives be examined by the Committee.

INCLUSION OF THE FIELD OF R&D AND TECHNOLOGICAL DEVELOPMENT IN THE FRAMEWORK OF COMMITTEES ACTIVITIES

31. While discussing the recommendation of the Committee Council agreed on the following:

- a) The subject of R&D should be transferred to the Committee for Educational, Scientific and Cultural Cooperation.
- b) A comprehensive Data Bank be established in the Secretariat and in this regard any proposal received by the Secretariat be examined by the Member
- c) Before a meeting of the Focal Points regarding exchange of technology is held, all Member States should provide to the Secretariat complete information on their existing Research and Development Institutions in Industrial Sector.

PROCEDURE FOR TRAINING PROGRAMME IN THE MEMBER COUNTRIES

32. The Council emphasized that full particulars about various training courses offered by Member Countries, including the level, syllabus, languages, cost, etc. should be supplied to the Secretariat well before the admission dates.

COMMITTEE FOR COOPERATION IN THE FIELD OF AGRICULTURE (CAC)

33. The Council discussed the Report of the Second Meeting of the Committee for Cooperation in the Field of Agriculture (CAC) held in Tehran on 17-18 July, 1992 and adopted it with the following observations and recommendations:

CONSERATION OF REPORT OF EGM ON ANIMAL AND PLANT QUARANTINE HELD IN ANKARA ON 13-14 JULY, 1992

34. The Council agreed that the required information should be provided by the Member States to the Secretariat in the shortest possible time.

SECRETARIAT PROPOSAL

35. The Council while agreeing on the establishment of a working relationship between the ECO Secretariat and the FAO did not see a need for formulating regional agricultural development plans.

COMMITTEE FOR EDUCATIONAL SCIENTIFIC AND CULTURAL COOPERATION (CESCC)

36. The Council discussed the Report of the Second Meeting of the Committee for Educational, Scientific and Cultural Cooperation (CESSC) held in Ankara on 20-22 October, 1992 and adopted it with the following observations and recommendations:

EDUCATIONAL COOPERATION
EQUIVALENCE OF DIPLOMAS AND DEGREES

37. The Council recommended that the Committee should reconsider the issue of equivalence of diplomas and degrees in order to reach a consensus on formulating a uniform yardstick in general terms.

JOINT EXHIBITION OF TEACHING MATERIALS

38. The Council was informed by the Turkish side that the first exhibition will be held in Ankara in mid-May or early June 1993.

CULTURAL COOPERATION
INTERNATIONAL CONFERENCE ON ISLAMIC ART & ARCHITECTURE

39. The Pakistan side emphasized the importance of this conference in Lahore and reiterated their invitation to all Member Countries.

SPORTS

40. The Council agreed that new Member States should be included in all sports events of ECO and emphasized the importance of commonality in sports and utilization of coaching services.

COOPERATION AMONG NEWS AGENCIES

41. The Council decided that instead of setting up an ECO news agency, as a first step, close cooperation among national news agencies should be undertaken.

SCIENTIFIC AND TECHNOLOGICAL COOPERATION

42. The Council noted that the workshop on Global Seismic Hazard Assessment Programme followed by two ECO EGMs on Earthquake Damage Prevention and Mitigation, and Post-disaster Reconstruction had been held in Tehran on 9-14 January, 1993. The Council agreed that their reports should be examined by the Committee in its next meeting.

WATER RESOURCES

43. The Council accepted the recommendation of the Secretariat that the EGM on ground water should not be held in 1993. However, the project proposals on the subject would be examined by the Committee after the said proposals are received by the Secretariat.

BIO-TECHNOLOGY

44. The Council taking into consideration Secretariat's proposal and aware of the great role of Bio-technology in the future development of the developing countries, recommends that instead of holding EGMs in the field of Bio-technology, regional scientific gatherings in the form of symposiums, workshops and seminars be jointly planned and held in this field, with the cooperation of scientists from the Member States. The first of such gatherings could take place in Turkey or Iran during 1993 in one of the areas of expertise already recommended by the last EGM on Bio- technology held on 21-22 September, 1992 in Tehran.

45. Regarding a Newsletter on scientific and technological developments, the Council recommended that the Committee in their next meeting should identify a premier scientific institution, including the assessment of its financial implications, in one of the new Member States to act as a clearing house for all information relating to this subject. The Committee should also formulate a format for the proposed Newsletter.

EGM ON FOOD PACKAGING

46. The Council recommended that this subject should now be examined by the Committee itself and that there should not be another EGM in 1993.

NEW PROPOSALS

47. The Council recommended that the Committee should reconsider the proposal of holding ECO Biennial Games.

48. The Council accepted the proposal of ECO Secretariat to observe ECO Cultural Week coinciding with the annual meeting the Council of Ministers at the same venue. The ECO Week may include events like seminars, workshops; quiz programmes on radio/television about ECO, film festivals, poetic symposium, music programmes, newspaper supplements, issue of postage stamps, art exhibitions, tournaments, etc. The Council also accepted the proposal of the Republic of Kazakhstan to hold small exhibition at all major ECO meetings.

49. The Council agreed that the proposal to set up ECO Science Foundation as required in Article XIV of the Treaty of Izmir should be implemented. In this regard, the Pakistan delegation offered to prepare a Draft Charter of the proposed Foundation and circulate it to the Member States through the Secretariat for further discussion in the next meeting of the Committee.

50. The Working Paper on the revival of ECO Cultural Institute was placed for consideration. The Council decided to refer the same to the Committee for consideration in its next meeting.

REVIEW OF TERMS OF REFERENCE FOR THE COMMITTEE

51. The Council appreciated the efforts of the Secretariat in proposing the terms of reference for the future work programme of the Committee on Educational, Scientific and Cultural Cooperation and recommended that these Terms of Reference be reviewed by the Committee in its next meeting for possible adoption to ensure the avoidance of proliferation and duplication of work. The drafts Terms of Reference for the Committee are attached as Annex IX.

COMMITTEE FOR COOPERATION IN THE FIELD OF ENERGY (CCE)

52. The Council discussed the Report of the Second Meeting of the Energy Committee held in Ankara on 2-4 November, 1992 and adopted it with the following observations and recommendations:

ECO ENERGY BOOKLET

53. The Council urged the concerned authorities of the Member States to furnish the requisite data for an early compilation and publication of the Energy Booklet. The Council also agreed with the proposal that the scope of this Booklet be expanded to include new ECO Member States.

OIL, GAS AND PETROCHEMICALS

54. The Council agreed that the next session of the EGM on Oil, Gas and Petrochemicals should also take into account the proposals from the new Member States.

POWER

55. The Council resolved that there was a need to prioritise various proposals mooted by the Member States in this sector and agreed that the next session of the EGM on Power should prepare a realistic plan of activities which should include views and proposals from new Member States.

COMMITTEE ON NARCOTICS ABUSE CONTROL (CNAC)

56. The Council discussed the Report of the Adhoc Group which met in Islamabad on 22-24 August, 1992 and recommended that new Member States be involved with the work of EGMs and Committee

COMMITTEE ON INFRASTRUCTURE AND PUBLIC WORKS (CCIPW)

57. The Council discussed the Report of the Second Meeting of the Committee on Infrastructure and Public works held in Ankara on 22-23 December, 1992 and adopted it with the following observations and recommendations.

TERMS OF REFERENCE (TOR)

58. The Council agreed that there was a need to review the Terms of Reference of the Committee. However, no consensus could be reached on this question. The view points of the Iranian and Turkish sides are attached as Annex X.

59. While discussing the question of TOR of CCIPW, the Council observed that under Article XXVI of the Treaty, it was required to prepare an economic report for every year analysing the economic trends in the region. In this connection also, despite lengthy discussions, no consensus was reached. The Iranian side proposed the creation of a special EGM which should meet two weeks before the RPC meeting every year to exchange and evaluate the information and data on economic developments in the ECO countries. On the basis of the work of this EGM, the Secretariat would prepare a Draft Economic Report for submission to the RPC. The Turkish side however was of the view that instead of creating a special EGM for this purpose, this question should form a regular agenda item of RPC which would undertake discussions on the basis of a Report to be prepared by the Secretariat. The Secretariat expressed its inability to prepare such an economic review in the absence of requisite expertise and resources. However, in order to facilitate a compromise between the Iranian and Turkish positions the Secretariat proposed that It could collect basic economic information on all Member States through a mutually agreed questionnaire and place it before the RPC to enable it to prepare and adopt the requisite annual economic report. In the absence of any consensus on either of the above mentioned formula, the Chairman ruled that a final decision in the matter be left to the Council of Ministers.

DATA BANK

60. The Council agreed with the proposal that there should not be a separate EGM for the establishment of a Data Bank in the ECO Secretariat. The Council noted that a comprehensive exercise would be undertaken by the Secretariat to establish the Data Bank.

CONSERVATION AND REGENERATION OF HISTORICAL CITIES

61. The Council recommended that the venues for the future meetings should include historical cities of the new Member States.

VOCATIONAL TRAINING

62. The Council decided that there was no justification for holding an EGM on this subject. The Council agreed with the proposal that relevant information should first be circulated by Member states and then , if necessary the holding of EGM may be considered.

PLAN OF ACTION

63. The Council took note with appreciation of the draft Plan of Action prepared by the Council of Deputies and agreed that the concerned authorities needed more time for indepth consideration of the proposals made in the Plan. The Member States may send

in their views and comments on the Draft Plan to the Secretariat before the meeting of high officials to be held in Islamabad on 3-4 February, 1993. And if that was not possible, the Meeting agreed that the Members should bring their views and suggestions to the meeting of the high officials in Islamabad for finalizing the draft Plan of Action. A copy of the Draft Plan is attached as [Annex-XI](#).

CALENDAR OF EVENTS

64. The Council endorsed the Turkish proposal of holding the ECO meetings, to the extent possible, in two clusters of three months each. The Council further agreed that all Technical Committee meetings should finish their business at least one month before the RPC meeting. A revised Calendar of Events prepared in the light of the recommendations of the Committees and discussions of the Council. is attached as [Annex XII](#).

DATE AND VENUE OF NEXT MEETING

65. The Council agreed to hold the next meeting of the RPC in Tehran on 22-24 January 1994.

VOTE OF THANKS

66. The Meeting of the Council ended with a Vote of Thanks to the Chair.