

## The 2<sup>nd</sup> RPC Meeting

### Reports of the Technical Committees of ECO BRIEF ON THE ECO ACTIVITIES SINCE JUNE 1991

( Tehran, 27-28 January, 1992 )

*Annex-VII*

According to the Calendar of ECO Meetings/Events for 1991 approved in the First Meeting of the Council of Ministers held in Tehran on May 22-23, 1991, 22 activities were approved under the seven Technical Committees of the ECO against which 18 activities were actually implemented. The Committee-wise position of the number of activities planned and actually implemented is as under:

S.No.	Name of Committee	Planned	Implemented
1-	Committee for Economic & Commercial Cooperation (CECC)	5	4
2-	Committee for Cooperation in the field of Energy (CEE)	1	1
3-	Committee for Technical & Industrial Cooperation (CTIC)	4	3
4-	Committee for Agricultural Cooperation (CAC)	1	1
5-	Committee for Cooperation in Infrastructure & Public Works (CCIPW)	1	1
6-	Committee for Cooperation in the fields of Transport and Communications (CCTC)	9	7
7-	Committee for Educational, Scientific and Cultural Cooperation (CESSC)	1	1

It will be seen from the above that almost all the activities planned for ECO were implemented with the exception of a few Events which could not take place due to one reason or the other. All the Technical Committees have finalized their Reports which may be considered and approved by the Regional Planning Council and the Council of Ministers.

The working papers which contain the recommendations of seven Technical Committees are enclosed as Chapter-I to Chapter-VII for consideration by the Regional Planning Council.

#### CHAPTER-I COMMITTEE FOR ECONOMIC AND COMMERCIAL COOPERATION WORKING PAPER

- A- Consideration and (Adoption) of the Report of the First Meeting of the Committee for Economic and Commercial Cooperation held from 3-5 September, 1991 in Tehran.
- B- Summary of Main Points to be considered by the Regional Planning Council/Ministerial Council:
  - a) Protocol on Preferential Tariffs:

The lists of commodities as recommended by the Fourth Experts Group Meeting on ECO Preferential Tariff Arrangements was approved by the Committee.

After the Committee Meeting the Turkish side requested the reclassification of the list of commodities on which Iran would give tariff preference according to the CCCN Brussels Nomenclature.

Turkish side also emphasized the importance of the above mentioned reclassification before the Summit Meeting of the member countries to avoid any difficulty.

The above mentioned reclassified list which was prepared by Iranian authorities has been received by the Secretariat on 13 January 1992 and has been circulated to member-Governments for final approval.

b) ECO Investment and Development Bank:

The Meeting of Heads of Central Banks of Iran, State Bank of Pakistan and Development Bank of Turkey for the establishment of ECO Investment and Development Bank to be held in Karachi from 17-18 July 1991 and later scheduled for 10-12 November 1991 and 19-21 January was postponed due to one reason or another. The Council of Deputies in its meeting held on 20 January 1992 emphasized the importance of this meeting in view of the forthcoming meeting of Council of Ministers and the Summit and authorized the Secretariat to initiate necessary consultation to finalize a date for the meeting.

c) ECO Chamber of Commerce and Industry:

The First General Assembly of the ECO Chamber of Commerce and Industry was held on December 23, 1991 in Istanbul. While the report of said Assembly was still awaited from the Secretariat of ECO Chamber of Commerce in Istanbul, the Council of Deputies in its meeting on 21-1-1992 expressed satisfaction at this important event which they hoped would augur well for acceleration of economic cooperation and commercial exchanges among the three brotherly countries.

d) Commercial Banking:

The Report of EGM on Commercial Banking Cooperation held in Karachi on 3-5 August, 1991 was adopted by the Committee with the following modification:

“The Committee recommended that a Feasibility Study should be undertaken on the proposed ECO Financial and Commercial Bank, taking into consideration the Charter of the proposed ECO Investment and Development Bank.”

e) i) Cooperation in the Field of Insurance:

The Committee considered and adopted the Report of the Management Board of the ECO Reinsurance Pool and the Governing Body of ECO Insurance Centre held in Istanbul on 9 June 1991.

The Committee could not reach a complete consensus on the conversion of ECO Reinsurance Company stipulated in the Treaty of Izmir, because of the difficulties faced by the Turkish side both in raising necessary share capital and imposing compulsory cessions on the private sector. The Committee, therefore, recommended that this issue could be resolved at the level of the Regional Planning Council/Council of Ministers.

The Council of Deputies, attaching great importance of this subject, has stressed the need for an early decision in this regard keeping in mind the Turkish position.

ii) ECO International College of Insurance:

The College of Insurance has started functioning with the participation of Iranian students this year. For the next year, applications for admissions have been invited from Turkish and Pakistani students. The Secretariat has already circulated the brochures for this purpose to member-States.

Cooperation in the Field of Tourism

The Committee decided that an Expert Group on Tourism be formed to discuss the modalities of cooperation in the field of tourism.

Turkish authorities proposed the First EGM on Tourism to be held in Turkey during the period of final days of January or the beginning of February, 1992.

The Council of Deputies has recommended that First EGM on tourism be held in Turkey by the end of February 1992.

**CHAPTER-II**  
**COMMITTEE FOR AGRICULTURAL COOPERATION**  
**WORKING PAPER**

- A- Consideration and Adoption of the Report of the First Meeting of the Committee for Agricultural Cooperation held from 22-24 July 1991 in Istanbul.

B- Summary of the Main Points to be considered by Regional Planning Council/Ministerial Council:

- a) In conformity with the decisions of the First Regional Planning Council and Ministerial Council the Committee decided upon the dates of three activities relating to agricultural cooperation:
  - 1- Regional Seminar on Non-chemical means of controlling plant pests, pathogenic agents and weeds to be held in Iran in November 1991 is postponed due to non-participation of Turkish delegation. Fresh dates for said Seminar have not been fixed so far.
  - 2- Seminars on "Marketing of Agricultural Products within and the outside the ECO Region" to be held in Turkey in October is also postponed due to non-participation of Pakistan delegation. Fresh dates for the above Seminar have also not been fixed so far.
  - 3- Regional Conference on "Intensive Forest Management" to be held in Pakistan on May 1992.
  
- b) The Committee recommended that an Expert Group Meeting (EGM) should be held as soon as possible after approval by the Council of Ministers within the areas listed A-D below:
  - A) Cooperation in Marketing Agricultural Products
  - B) Cooperation in Training Agricultural Manpower including the Establishment of an ECO Training Centre in Agricultural Engineering in Iran.
  - C) Close cooperation in Planning, Designing, Construction and Operation of Irrigation, Drainage, Soil Reclamation and land Management Projects.
  - D) Close cooperation between Agricultural Research Institutions of the three member countries including Exchange of Scientists, Experts and Publications.
  
- c) For the areas of Cooperation mentioned (E) above it was recommended that another meeting of Experts should be held in early 1992.
  - E) Cooperation in Border Control for Animal and Plant Quarantine Purposes and any other matter relating to border areas which are mutually agreed by the member countries.
  
- d) The Committee also recommended that the Committee for Education, Scientific and Cultural Cooperation of ECO may arrange

training facilities at the undergraduate and post-graduate levels in agriculture in the Universities of each member-state for the students from the other member states.

**CHAPTER-III**  
**COMMITTEE FOR TECHNICAL AND INDUSTRIAL COOPERATION**  
**WORKING PAPER**

A- Consideration and Adoption of the Report of the First Meeting of the Committee for Technical and Industrial Cooperation held from 12-14 October, 1991 in Tehran.

B- Summary of the Main Points to be considered by Regional Planning Council/Ministerial Council

1. In accordance with Calendar of Events approved by the Council of Ministers, two meetings of the Experts Group were held in Ankara and Islamabad on 9-11 July and 24-26 August 1991 respectively. The first meeting of the Committee was held in Tehran on 12-14 October, 1991.
2. The copies of the Report of the Committee and the Experts Group are already available with member-states.
3. The main points/issues for consideration are summarized below:

a) TUMOSAN Project

The consensus of the Committee was that TUMOSAN was one area in which joint venture could proceed further within the ECO Charter.

As recommended by the Committee, the delegation of TOMOSAN visited Pakistan and Iran to ascertain the possibilities of further cooperation in the field of Diesel-Engines and/or Components. It has been indicated in the Report that TUMASON will continue their contacts with their counterparts to finalize definite areas of cooperation in future.

b) Possible participation of Iran in Turk-Pak:

The Secretariat feel happy to report that the Islamic Republic of Iran have finally decided to join the Turk-Pak Company in order to establish a trilateral joint venture.

The Ministry of Industries fo the Islamic Republic of Iran informed that Iranian Industrial Consulting Engineering Company (IIC) has been nominated to join the said Group. The ECO Secretariat had suggested that with the participation of Iran in the existing Turk-Pak Company, the new Company may be renamed with the title beginning with the word "ECO" like "ECO Engineering Consulting Company".

The Regional Planning Council may like to approve the above recommendation.

- c) Cooperation for the Production of Pesticides
- d) Cooperation for the basic Manufacture of Antibiotics

The Committee approved two Questionnaires on Pesticides and Antibiotics and directed the member-States to furnish the required information to the ECO Secretariat for circulation to member-States. The completed Questionnaires were recently received from member states which would be circulated.

The Committee have further proposed the establishment of one Expert Group on Pesticides and Antibiotics to finalize the suitable areas of cooperation between three member-States. It was proposed that the meeting of the said EGM should be held in February 1992. The Iranian side also offered to host the said EGM.

The above recommendation of the Committee is submitted for consideration of the Regional Planning Council.

- e) Procedure for training programmes among the member countries

The Committee agreed that all member-States should provide to the Secretariat complete information about various Industrial Training Courses available along with their training requirements, in which participants from the other member countries could fruitfully participate. The Secretariat would circulate such information to all member-States.

The Committee also recommended that the financing of training should be on the cost-sharing basis i.e. the cost of international travel be borne by the sending country and all other expenditures including lodging, boarding and internal transportation be incurred by the host country.

The member-States have not yet furnished the required information as stated above. The procedure for funding the Training Programmes as recommended by the Committee above may please be approved.

- f) Seminars on promotion of investment and industrial exhibitions

The Committee recommended that the following three Seminars along with their topics be held as recommended by the Experts Group:

Venue Date Topic

Iran      April 1992 Joint Venture Possibilities for Public and Private Sectors.

Pakistan      Sept. 1992      Privatization in ECO member countries

Turkey          May 1993      Industrial Incentive Policies.

The Committee did not agree with the recommendation of the EGM to hold Industrial Exhibitions along with the above mentioned Seminars on Investment Promotion. The Committee, however, strongly recommended that in all Industrial Exhibitions/Trade Fairs in ECO countries, the procedures for the Import, Sale, Re-export etc. for the exhibits from other member countries should be simplified in order to promote cooperation in the exchange of industrial products.

The above recommendation of the Committee is submitted for approval.

g)      Effects of Industrialization on the environment

The Committee reiterated the recommendation of the EGM and accepted the Iranian offer to host a Conference on Industrial Pollution Control provided some international donor agencies could be persuaded to fund the Conference.

The ECO Secretariat have submitted a request to UN Environment Agency for funding the said conference. No response has yet been received.

h)      Inclusion of the field of Industrial R&D and Technological Development in the framework of activities of the Committee for Technical and Industrial Cooperation

The Committee's recommendation regarding inclusion of Industrial R&D and Technological Development within the framework of its activities is submitted for approval.

i)      The next meeting of the Committee is proposed to be held in Pakistan in September/October 1992.

j)      The Committee further recommended that national focal points should remain in direct contact with each other.

The above proposals are also placed for consideration/approval.

k)      ECO Secretariat's proposal to promote industrial cooperation among ECO countries.

According to Article – IV of the Treaty of Izmir, industrial collaboration among the member-States is required to be carried out through the establishment of joint ventures based on the regional market; and through inter-industry cooperation and specialization in production of components. The member-States are also required to take effective measures to ensure greater flow within the region of products of joint ventures.

The following guidelines have been provided for this purpose:

- (a) Setting up of industrial joint ventures to be especially encouraged in those industries whose economies are viable on a regional basis.
- (b) ECO joint enterprises to be given fiscal privileges comparable to those given to national industries of similar nature.

It may not be out of place to point out that no attention seems to have been paid by the member-States in drawing out a package of incentives and concessions to be given for the industries to be set up in the ECO region as joint enterprises.

In the ECO region, the private sector has now been given a pivotal role in the industrialization process. No Government in the region is ready to embark upon a programme of industrialization through public sector. It is, therefore, all the more important and necessary to attract private sector entrepreneurs in the ECO region through various policy measures and incentives.

The ECO Secretariat has examined the issue and are of the view that the following incentives and concessions, if discussed and finalized by the experts of the member-States, will enable the entrepreneurs of the ECO region to establish joint ventures. These incentives and concessions should be comparable to the incentives already available individually in the member-States:

- (1) Visa facilities on preferential basis may be provided to the entrepreneurs to travel within the ECO region.
- (2) 50% discount to entrepreneurs in air travel within the ECO region may be considered by the three member countries.
- (3) Financial assistance through a Consortium of ECO Financial Institutions at a rate below the market loaning rate may be provided to all industries to be set up in the ECO region.
- (4) Total exemption from the payment of customs duty as well as tax etc. regarding the goods, if required/imported for ECO joint ventures.
- (5) The concessional rates and other transportation facilities for materials and finished products may be provided in the ECO region by the Railways and Airways of the member countries.



- (6) Five year tax-holiday may be allowed throughout the ECO region for the industries to be established as ECO joint ventures.
- (7) Establishment of ECO Export Processing Zones in the member-States.
- (8) All the needed institutional support and cooperation to the prospective investors and entrepreneurs intending to set up joint ventures in the ECO Region may be provided by the Ministries of Industries of the member countries, ECO Chamber of Commerce and Industry and local Chambers.

The Committee on Technical and Industrial Cooperation may be advised to finalize the proposed package of incentives and concessions for submission to the Council of Ministers in its next meeting.

**CHAPTER-IV**  
**COMMITTEE FOR COOPERATION IN THE FIELD OF ENERGY**  
**WORKING PAPER**

- A. Consideration and Adoption of the Report of the First Meeting of the Committee for Cooperation in the field of Energy (CCE) held at Tehran on 18-20 June 1991.
- B. Summary of the Main Points to be considered by the Regional Planning Council/Council of Ministers

Energy is a new subject of trilateral cooperation under the auspices of ECO. The ECO Committee for Energy held its first session at Tehran, on 18-20 June 1991, during which several areas of mutual cooperation in the Energy sector were identified. The member countries exchanged preliminary information on their energy resources which was agreed to be consolidated on internationally accepted standards and published regularly as Energy Booklet. The meeting also proposed to set up various experts groups to identify and finalize detailed proposals and projects for cooperation in the areas of power, oil, gas and petrochemicals. The meeting also explored the possibility of export of crude oil, natural gas, petroleum products, and petrochemicals from Iran to Pakistan and Turkey. Electrical Interconnection between the three countries is another subject that was discussed. The Committee also exchanged in-depth information on the consultancy services available in the ECO countries in the Energy sector to facilitate use of one another's expertise. The member countries also exchanged information on research and training facilities available in the three countries and explored the possibilities of meaningful trilateral interactions in this field.

It may be observed that the Energy Committee recommended to constitute task forces of experts on different subjects. According to the new guidelines for the working of the technical committees, new Experts Groups cannot

be created without prior approval of the Council of Minister or the Council of Deputies.

In order to facilitate the implementation of the recommendations of the Energy Committee, the Council of Deputies met in Tehran on 21 October, 1991 to consider the recommendations of the said committee. The Council of Deputies took following decisions regarding the proposed Experts Groups:

- a. Standard terminology should be used for establishing Experts Groups, and instead of the word "task force" the word "EGM" should be used.
- b. The proposed Experts Group to finalize data on energy situation as mentioned in para 7 of the report of the Energy Committee was approved. (Turkey proposed to hold this meeting on January 20, 1992 in Ankara. However, the meeting could not be held and fresh dates would now be proposed by Turkey).
- c. While referring to the directives of the Council of Ministers regarding curtailment of proliferation of EGMs, Pakistan and Turkey proposed that the number of new expert groups be kept to the minimum essential. They recommended that the proposed Experts Groups on Oil and Gas mentioned in Para 13 and Experts Groups for Export of Crude Oil and Petrochemical products etc. mentioned in para 15 of the Report may be combined to form one EGM on Oil, Gas, Petrochemicals etc.
- d. The EGM on power mentioned in para 12 of the report was approved (Turkey offered to host the meeting in Ankara on 24-26 February 1992. The dates are not convenient to one of the member states. Fresh dates would now be proposed by Turkey).
- e. Regarding the proposed EGM on peaceful uses of atomic energy mentioned in Paragraph 12 of the report of the Energy Committee, Pakistan recommended that instead of establishing a separate EGM, this subject could be entrusted to one of the existing expert groups dealing with agricultural or scientific cooperation. Turkey while agreeing in principle, promised to convey confirmation of their official response. The Iranian side was of the view that the matter may be decided in the RPC and the Council of Ministers' meeting. (The Turkish side later confirmed in writing that they "can also agree not to establish such an EGM).

RPC may like to confirm the above-mentioned decisions of the Council of Deputies regarding the EGMs proposed by the Energy Committee. Apropos sub para "c" and "e" above, RPC may like to take a decision.

#### **CHAPTER-V**

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

#### **WORKING PAPER**

- A. Consideration and Adoption of the Report of the First Meeting of the Committee for Cooperation in the field of Transportation and Communication (CCTC) held at Islamabad on 26-28 October 1991.

B. Summary of the Main Points to be considered by the Regional Planning Council/Council of Ministers

According to the ECO Calendar of Meetings/Events for the year 1991 approved in the First Meeting of the ECO Council of Ministers held in May 1991, nine (9) activities were planned. Seven of these activities were held as scheduled. However, the meetings of SWAPU Congress and SWAPU Executive Council had to be postponed and will now be held in May 1992 in Turkey.

The CCTC conducted its activities through several Experts and Study Groups to discuss specific subjects. The reports of these groups were then discussed and adopted by the First meeting of the CCTC held at Islamabad on 26-28 October 1991. The following paragraphs give a summary of the deliberations carried out under the umbrella of the CCTC, together with notes on matters requiring decisions of the RPC.

ECO National Airlines

A meeting of the Experts Group on ECO National Airlines Cooperation was held at Karachi on 17-18 August 1991. The meeting reviewed the on-going cooperation and identified several proposals for enhancing mutually beneficial relationship in the planning, commercial and technical fields, such as cooperation in Fuel Management, Common Hotel Arrangements, etc. The meeting also proposed dates for the meetings of the Planning, Commercial, and Technical Working Groups.

The first meeting of the CCTC while unanimously adopting the report of the EGM, made the following observations:

- i. Meetings of the Technical, Planning & Commercial Working Groups may be held in the first week of December, 1991 in Tehran (This meeting however could not be held in December and was held at Tehran on January 15-16, 1992. The Working Groups reviewed the progress in various specific areas of cooperation identified in the report of the EGM on ECO national airlines held at Karachi on 17-18 August 1991).
- ii. The Joint Meeting of the Working Groups on Technical, Planning and Commercial Cooperation may be held in Istanbul on 6-7 April 1992 as originally planned.
- iii. In order to expedite the issues relating to air transport cooperation, each country may expeditiously nominate representatives to pursue and resolve problems as soon as possible.
- iv. The Committee appreciated the efforts made for cooperation by the National Airlines of the member countries in various fields of aviation and approved the subjects selected for mutual cooperation.

RPC may like to adopt the report of the EGM along with the above-mentioned observations of the CCTC.

The EGM on ECO National Airlines also established six standing Committees (see page 11 of the report) to implement various recommendations. This matter was discussed by the ECO Council of Deputies in their meeting on 21 October 1991. The Council of Deputies while referring to the directive of the ECO Council of Ministers regarding curtailment of formation of EGMs, noted that these Standing Committees of the ECO National Airlines would meet as an internal arrangement and would have no financial implication for the member countries.

RPC may like to confirm the decision of the Council of Deputies in this regard.

### Multimode Transportation

The ECO Experts Group on Multimode Transportation held its third session in Tehran on 24-26 August 1991 to exchange relevant information and to review the implementation of the recommendations of the previous sessions of the Group. The status and progress of development work on ECO Highway, previously called RCD Highway, linking Islamabad to Istanbul, was reviewed. Similarly the three Countries also exchanged information on the efforts being made to integrate the Railway Network linking the three countries. Several other proposals like Adoption of unified and standard measures on highway safety, Establishment of Regional Transport Research Centre etc. also came under discussion.

The three countries are committed under the Treaty of Izmir to accord priority to the construction, completion and improvement of the highways and railways connecting the member countries. During the first meeting of the CCTC, the three countries expressed their resolve to improve the ECO highway and railway networks. The Pakistan side informed that they were carrying out the feasibility study for rehabilitating the Quetta-Taftan railway, and that the member countries have to ratify such international conventions which can facilitate movement of multimodal transport across ECO borders (The Quetta-Zahidan railway link is now operational). The Iranian and Turkish sides informed that the feasibility studies for construction of the missing railway links had already begun.

RPC may like to urge upon the member countries to accord high priority to the completion and improvement of ECO highway and railway networks.

### Shipping and Port facilities

The ECO Experts Group on Shipping and Port Facilities held its fourth meeting at Karachi on 1-3 October 1991. The Group undertook an in-depth exchange of information on Shipping and Port Facilities available in the three countries. Several proposals were discussed in the field of Cargo Lifting Arrangements, Shipping

Information Centre, Ship building, procurement and repairs, Maritime telecommunication services, port dredging and exchange of Expertise/Skilled manpower and training.

During the EGM, a trilateral draft Agreement aimed at facilitating and promoting maritime commercial navigation between the ECO member countries was tabled by the Iranian delegation. The CCTC in its meeting took note of the Iranian proposal and recommended that the examination of the draft agreement by the respective government agencies may be expedited to be completed preferably before the meeting of the Council of Ministers.

The Council of Deputies in its meeting on 20 January 1992 also urged an early finalization of this agreement in view of its importance for the promotion of trilateral cooperation in the field of shipping.

### ECO Shipping Company

A Study Group on ECO Shipping Company held its first meeting in Istanbul on 24-26 September 1991. Under the Revised Treaty of Izmir the three ECO countries are obliged to establish an ECO Shipping Company as early as possible. The Study Group recommended to form the Company with a nominal Capital of US Dollars one million only. The paid up capital would be US\$ 250,000 with each government contributing one third of the paid up capital. The Group also agreed that the Principal Office/Head Office of the Company would be at Istanbul. The Group recommended that in the light of the discussions held by the Group, the draft statute of the proposed Company prepared earlier by Turkey may now be revised by the concerned authorities in Turkey and submitted to the ECO Secretariat for circulation among the other two member states for their comments.

The CCTC in its first meeting considered the report of the group and adopted it with the following recommendations:

- i. The proposed ECO Shipping Company must operate as a commercial organization on competitive basis for seaborne trade of the member countries with the world or as a tramping company for available cargoes in the open market from any Port to any destination in accordance with the National laws and regulations of the three countries.
- ii. Although most of organizational matters should be left to the Board of Directors, the Committee feels that EGM on Shipping and Port facilities must consider the key issues related to volume of trade, institutional arrangement of the proposed ECO Shipping Company and measures for back up capital support.
- iii. The Committee emphasized on the need to expedite the finalization of the draft statute which will be prepared and submitted to the ECO Secretariat by the Republic of Turkey.

The Council of Deputies in its meeting on 20 January 1992, recommended that the statute of the proposed Company may be finalized on priority basis.

RPC may like to approve the establishment of the ECO Shipping Company within the parameters determined by the Study Group and the CCTC.

### Telecommunications

The ECO Directors General of Telecommunications held their fourth meeting in Tehran on September 1-3, 1991. Earlier a Study Group on Plan for Telecommunications System Maintenance met at Ankara on 6-8 August 1991. Among the topics discussed were operational performance of ECO microwave network, maintenance plans for Microwave Radio Systems, Exchange of additional Transit/Transmission Facilities, Reduction of Transit Tariff Rates and Tariff research and development activities.

A proposal by Turkey to establish Fibre Optic Line from Ankara to Istanbul passing through Tehran for carrying telephone and television transmissions and ISDN features is presently under consideration by Iran and Pakistan. In this regard, a Steering Committee meeting is being organized by Turkey to discuss the proposal.

The delegation from Turkey further proposed trilateral cooperation in (i) Wavelength Division Multiplexing, and (ii) Coherent Detection. Necessary preliminary information has since been supplied by Turkey which is now under consideration by the Iranian and Pakistani authorities.

### SWAPU

South West Asia Postal Union (SWAPU) is a restricted postal union working under the aegis of the ECO, with its headquarters at Tehran. The ACTS of SWAPU were signed on 12 March 1988 and the agreement has now been ratified by all member countries.

The first meeting of the Executive Council of SWAPU was held at Islamabad in May 1989 in which several decisions were taken. These decisions have to be confirmed by the Congress of SWAPU which was scheduled to meet in November 1991 as per ECO Calendar of Events for the year 1991. However the meeting could not be held on the scheduled dates and is now due to be held in May 1992 in Turkey.

The decisions of the first meeting of the Executive Council which have to be ratified by the Congress of SWAPU relate to:

- I. Improvement in arrangements for the exchange of surface and airmails between the member countries.
- II. Exchange of postal experts among the Union Countries.



- III. Utilization of training facilities available in the existing Training Institutions of the Union countries.
- IV. Extension of EMS between the member countries.
- V. Issue of commemorative postage stamps by the member countries on the next ECO Summit, etc.

#### CHAPTER-VI

### COMMITTEE FOR EDUCATIONAL, SCIENTIFIC AND CULTURAL COOPERATION WORKING PAPER

- A- Consideration and Adoption of the Report of the First Meeting of the Committee for Educational, Scientific and Cultural Cooperation held from 9-11 September 1991 in Tehran.
- B- Summary of the Main Points to be considered by the Regional Planning Council/Council of Ministers

#### Educational Cooperation

In the realm of Educational Cooperation the three sides, considering the issue of the equivalence of academic diplomas and degrees had agreed on forwarding information regarding the existing education systems in their respective countries as the first step to achieve the above-mentioned goal. In this connection the Pakistan side has transmitted relevant information to the Secretariat which has been circulated among the member countries.

Other issues of Educational Cooperation Section such as establishment of a Turkish language and literature department in Iran, short term training course, visit to the production centres of educational equipment of Turkey, exchange of academicians and researchers for short visits, linkages among the selected Universities and preparation of a directory of universities; have all been followed up, but no information has so far reached the Secretariat.

#### Cultural Cooperation

In the Cultural Cooperation section, joint production of a video film on common heritage of arts and crafts has been agreed upon and it is to be discussed in the next meeting of the Committee. In this session the three sides have also agreed upon ECO football and basketball tournaments in Autumn 1992. Pakistan has asked for the confirmation of these sports events and this request has been informed to the other sides.

Other issues such as invitation by Turkey of experts from Iran and Pakistan to discuss methods of preservation and restoration of cultural heritage and exchange of information in the form of books, publications, photos, slides etc; have also been followed, however to the present the Secretariat has received no information as to the point.

The final issue in this section that the member states have agreed upon, is to encourage their respective national news agencies to promote existing bilateral cooperation between them and pursue these relations on trilateral basis.

### Scientific and Technological Cooperation

In this section some scientific and technological Expert Group Meetings were proposed and accepted by the Committee. However the Council of Deputies which was held on 21<sup>st</sup> October 1991 in Tehran decided that these Expert Group Meetings should be first discussed and approved in the subsequent Meeting of the Regional Planning Council and the Council of Ministers.

These Expert Group Meetings are:

- EGM in Tehran in May 1992 on Earthquake damage prevention and mitigation.
- EGM in Tehran in May 1992 on post disaster reconstruction programme.
- EGM in Islamabad before the next ECO Committee Meeting on exploration and exploitation of underground water
- EGM in Tehran on Biotechnology
- EGM in Pakistan on the improvement in the quality of raw hides and skins.

Some clarification should be made about the EGM on Biotechnology. The participants to the Meeting were to attend first a Regional Congress on Biotechnology which was to be held in Tehran on November 22-27, 1991 and then they were to prolong their stay in Tehran and participate in an EGM on the same subject by themselves. The Regional Congress was held but Pakistan and Turkey could not attend. As a result, the said EGM could not be held. The proposed EGM will now meet after its approval by Regional Planning Council/Ministerial Council.

### Additional Proposals from the Committee Report

- 1- The name of the Committee may be changed as the Committee for Educational, Scientific, Cultural and Mass-Media Cooperation to include more activities.
- 2- The ECO College of Insurance because of its cultural and scientific nature be put in the purview of the Committee as recommended by the Iranian side in the meeting of the Committee.
- 3- The ECO countries may try to form one or two ECO teams of Football/Basketball to play with other teams of the regional organizations in order to create solidarity and publicity for the ECO.



- A- Consideration and Adoption of the Report of the First Meeting of the Committee on Infrastructure and Public Works held from 23-25 July, 1991 in Tehran.
- B- Summary of the main points to be considered by Regional Planning Council/Ministerial Council

1. PREPARE A COMMON BASE FOR THE IDENTIFICATION OF CONVENING FIELDS OF TRILATERAL COOPERATION (REF PARA 7 OF THE REPORT)

The Committee felt that the whole matter being extensive and elaborate, the macro economic policies in areas of restructuring, liberalizing and privatizing, are required to be discussed in details among the member countries in future. For this purpose it was decided to exchange information and experts, convene seminars, workshops and symposia. The two important priority issues viz; privatization, deregulation policies and social effects of restructuring policies were selected for sharing the information and experience in the future seminars.

The Islamic Republic of Iran are of the view that the above programme includes many vast areas and complicated subjects. They have, therefore, proposed that the economic experts of the member countries should hold a meeting in order to determine the titles for discussion. They have proposed following titles:

- Laws governing transfer of Public Firms
- Law governing Foreign Investment
- Production Policies and Incentives in Multi-National Firms.
- Policies governing Unity of Foreign Currencies.

The above comments were circulated to the member-states but no response has yet been received.

2.(a) ESTABLISHMENT OF PRIORITY FRAMEWORKS FOR THE PRIVATE SECTORS IN THE MEMBER COUNTRIES TO JOINTLY UNDERTAKE THEIR POTENTIAL ROLE IN PROMOTION OF TRILATERAL COOPERATION.

(b) ESTABLISHMENT OF ECO UNION OF CONTRACTORS AND FORMATION OF MULTI-DISCIPLINARY CONSULTANCY ORGANIZATION. (REFERENCE PARA 8 OF THE REPORT)

The Committees agreed as follows:

- (i) To establish working associations such as joint ventures or consortia to cooperate in the field of Infrastructure and Public Works.
- (ii) To give priority status to contractors of the three countries.
- (iii) To utilize, to the extent possible, the other countries' expertise, meeting the human resource requirements of each member country in its domestic and international undertakings.
- (iv) To utilize the idle capacities of each ECO member country in the areas of mutual cooperation in the field of Infrastructure and Public Works.

- (v) To use, to the maximum possible extent, the construction materials of each ECO member country in meeting the requirements of the projects in the domestic and international undertakings.
- (vi) To establish a data bank with necessary communication network of each country and to identify focal points of each country to make this network workable.
- (vii) To develop cooperation among relevant institutions in maintaining standards of construction, infrastructure and to enhance cooperation in adopting common standards as far as possible. To convene the joint session of the private sector agencies involved in Infrastructural Construction and Public Works, exploring the possibilities, amongst others, of establishing an ECO Union of Contractors and joint consultancy and contracting companies.
- (viii) To exchange tender inquiries and project announcements among the three member countries. This information should be promptly provided to the focal points, specified by each country.
- (ix) To enhance cooperation among the private sector of the member countries in the field of industrialized construction, particularly modular systems for adoption of common standards and technologies suitable to the region.
- (x) To provide five year and annual investment programmes with regard to Infrastructure and Public Works to the focal points specified by each country.

No response has yet been received from the member-states. Only the Islamic Republic of Iran in connection with decision (x) above, has identified for investment cooperation its first five year Economic, Social and Cultural development programme, which has been circulated among the member states.

### 3. COOPERATION IN MAJOR INFRASTRUCTURE AND URBAN DEVELOPMENT PROJECTS, NAMELY URBAN PLANNING AND HOUSING (REFERENCE PARA 9 OF THE REPORT)

- (A) This issue was discussed in two under-mentioned parts:
  - (a) Cooperation in the physical area of reconstruction, housing and urban development, and;
  - (b) Cooperation in the area of policy making related to the above issue.

The Secretariat likewise has received nothing about the different proposals put forward in the meeting. Only the Turkish side forwarded a format for compilation of a directory of consultants, contractors and city planners of each member country, and requested its approval by the other member countries. The format was circulated, but no response has yet been received.

### 4. POSSIBILITIES OF TRILATERAL COOPERATION RECONSTRUCTION ACTIVITIES IN IRAN (REFERENCE PARA 10 OF THE REPORT)

The Committee agreed as follows:

- i) Identification of areas of cooperation in two months time by the Islamic Republic of Iran, with special emphasis on identifying pilot zones for reconstruction by the three member countries.
- ii) Making arrangements for site visits to these zones by engineers and specialists of the three member countries in four months time.
- iii) After the visits, three member countries shall explore the possibilities of setting up a joint consultative company to prepare detailed engineering reports for the reconstruction of the pilot zones.

Iran was also requested to join the existing TURK-PAK Company.

This matter also forms part of the agenda for the Committee on Technical & Industrial Cooperation.

- iv) It has been further agreed that after the preparation of detailed engineering reports, a workshop will be held with the participation of the three member countries to enable them to finalize these reports.
- v) These reports would provide a basic for setting up a joint venture(s) or any other form of association among the contractors of the ECO member countries.

No response has yet been received from the Islamic Republic of Iran regarding the above decisions. However, regarding joint TURK-PAK Company, the Islamic Republic of Iran (Iranian International Consulting Group IIC) has informed that they have decided to join the said Company under the ECO framework.

5. TECHNICAL COOPERATION THROUGH EXCHANGE OF EXPERTISE AND BY PROVIDING VOCATIONAL TRAINING FACILITIES (REFERENCE PARA 11 OF THE REPORT)

The Turkish side, according to paragraph 11(i), had offered a course on disaster management from November 25-29, 1991 in Ankara. The Pakistan side couldn't take part in the course, but the Iranian participants managed to join it.

The Secretariat has inquired the potentialities, capacities and requirements of each member country with regard to vocational training (as specified in paragraph 11, item ii). Only the Ministry of Labour and Social Affairs of the IR of Iran has answered. The Ministry has announced its readiness for exchange of experience in the fields of planning instructional course, planning educational centres, planning and installation of machinery and equipment and compilation of educational standards, adding that it enjoys necessary capabilities and facilities for training technical and professional trainers and training professional labour and technicians in different levels of skill. The member states have been informed about the readiness and capabilities of the Iranian Ministry and they have been asked for views and counter proposals but no response has yet been received.

Member countries were also asked about the seminars on city planning, construction technologies, and other matter related to Infrastructure and Public Works (mentioned in paragraph 11, item iii), the Urban and Housing Affairs Bureau of the Plan and Budget Organization of the IR of Iran has proposed cooperation among the ECO countries on the below mentioned subjects:

- - How to solve the problem of housing
- - Systems of city and city planning
- - Physical-special planning in national, regional and urban levels.
- - Land and its part in providing accommodation
- - House Mass production and prefabricated house industry
- - The role of financial sources in providing accommodation
- - New towns and land preparation
- - Government and cooperative section contribution in house production
- - Municipalities and City Master Plans
- - Role of accommodation and house construction in national economy.

6. PROVISION OF BASIC AMINITIES AND INFRASTRUCTURE IN THE RURAL AREAS AND DEVELOPMENT OF MODEL VILLAGES (REFERENCE PARA 12 OF THE REPORT)

The Committee agreed to arrange visits of experts to model villages and rural development projects sites, to organize seminars on rural development, to convene courses in infrastructure and public works and to exchange information regarding rural development programmes.

The Secretariat pursued the above proposals. In response, only the Islamic Republic of Iran have announced their readiness to implement the above decisions of the Committee.

7. SECRETARIAT PROPOSAL REGARDING PROCEDURE FOR PARTICIPATION IN TRAINING COURSES, SEMINARS ETC.

It has been observed that the training courses offered by the member countries do not clearly specify the funding arrangements for participation in these courses which result in non-utilization of these training programmes.

Recently, the Committee on Technical and Industrial Cooperation has recommended that the financing of training should be on the cost sharing basis i.e. the cost of international travel be borne by the sending country and all other expenditures including lodging, boarding and internal transportation be incurred by the host country.

It is proposed that the Regional Planning Council may adopt the approve the above recommendations of the Committee on Technical & Industrial Cooperation and make it applicable for all training courses under the auspices of all the seven Technical Committees.

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