The 1st RPC Meeting

Report (Tehran, 27-28 <mark>April</mark>, 1991)

- 1. The First Meeting of the Regional Planning Council of the Economic Cooperation Organization (ECO) was held in Tehran on April 27-28, 1991, with the participation of the delegations of the three member countries; namely, the Islamic Republic of Iran, the Islamic Republic of Pakistan, and Republic of Turkey. The ECO Secretary General was also present. The List of Participants to the meeting is at *Annex (I)*.
- 2. The meeting was inaugurated by His Excellency Mr. Roghani Zanjani, Vice President and Head of Plan & Budget Organization of the Islamic Republic of Iran. The text of the inaugural statement of H.E.Mr. Zanjani is at *Annex. (II)*.

The meeting was then addressed by the Leader of Pakistan Delegation, H.E. Mr. M.I.K. Khalil, Secretary to the Government of Pakistan, Planning & Development Division; Leader of Turkish Delegation, H.E. Mr. Ali Tigrel, Undersecretary of the State Planning Organization, Republic of Turkey and Secretary General of Economic Cooperation Organization, H.E. Mr. Ali Reza Salari. The texts of the opening statements are at *Annexes. (III), (IV) and (V)*.

I. ELECTION OF THE CHAIRMAN.

3. The Council unanimously elected H.E. Mr. Nili, Deputy for Economic Affairs, Plan and Budget Organization of the Islamic Republic of Iran as the Chairman.

II. ADOPTION OF THE AGENDA.

4. The Council unanimously adopted the agenda of the meeting which is placed at <u>Annex (VI)</u>.

III. REVIEW OF THE PAST ACTIVITIES.

5. The Secretary General of ECO H.E. Mr. Ali Reza Salari, presented a resume of the activities of the ECO since the last meeting of the High Council held in 1988. The delegates appreciated the efforts of the Secretariat in preparing the reports and other documents which had been circulated among the delegates. The Report of Activities prepared by the Secretariat is at *Annex. (VII)*.

IV. CONSIDERATION OF THE FUTURE PROGRAMMES AND CALENDAR OF EVENTS.

- 6. The Council considered the future programmes of the seven Committees created under the Amended Treaty of Izmir in the following order:
- 1. COMMITTEE FOR ECONOMIC AND COMMERCIAL COOPERATION (CECC)

The delegates had a detailed discussion about the current and future activities of the CECC. The Council considered the following on-going activities of this Committee and made appropriate recommendations, as given below, for consideration and approval by the Council of Ministers:

• a) <u>Establishment of a Preferential Tariffs Arrangement:</u>

The Council discussed the progress so far made with regard to the establishment of a Preferential Tariffs Arrangement in order to promote trade among the three member countries. After a detailed discussion, the Council concluded that although the Protocol of Preferential Tariffs had been approved by the Committee, it's Annexes regarding the list of commodities to be exchanged and the Rules of Origin had yet to be endorsed by the Committee. Therefore, it was recommended that the Committee should hold its meeting in the first half of September 1991 in Tehran to consider the Protocol alongwith its Annexes and that they should also examine the new Pakistan proposal of increasing the quantum of tariff concessions from 10 to 25 per cent. The Council recommended that after the finalization and endorsement of the Protocol as a whole by the Committee, the Council of Deputies may approve the Protocol on behalf of the Council of Ministers and send it to the member states. The Protocol may then be submitted for signatures of the Ministers at the meeting of the Council of Ministers to be held in 1992.

• b) Establishment of ECO Investment & Development Bank.

The Council took note of the work already done on the ECO Investment & Development Bank, in accordance with the Treaty of Izmir. After an indepth discussion and in view of the fact that considerable time had elapsed since the Reports of the study Group and Experts Group had been prepared, it was agreed that there was a need to re-examine the recommendations of the said Groups.

In view of the radical and rapid economic changes taking place in the region, in particular and the world in general, it was decided that the matter be referred to an ad-hoc Working Group consisting of Governors of the Central Banks of Iran and Pakistan and the Turkish Development Bank prior to the meeting of the Council of Ministers to be held in September 1991.

• c) ECO Chamber of Commerce and Industry

The Council took note of the progress so far made in the establishment of ECO Chamber of Commerce and Industry and recommended that this subject should be included in the agenda of the Committee.

• d) Commercial Banking

The Council also took note of the latest position of the activities in this domain as reflected in the report of the Secretariat with regard to Commercial Banking, and recommended the continuation of these activities by the Committee.

e) <u>Cooperation in the Field of Insurance:</u>

The Council was apprised of the latest position regarding the formation of a joint Reinsurance Company to replace the Reinsurance Pool in accordance with the Treaty of Izmir. It was recommended by the Council that the Management Board of the ECO Reinsurance Pool should meet in June 1991 to re-examine the issue and put up their final recommendations for consideration by the CECC in their meeting to be held in the first half of September 1991.

• f) Cooperation in the field of Tourism:

After lengthy discussions as regards the forum in which Tourism should be taken up, it was recommended that this subject be in the purview of CECC. It was also agreed that if the Committee deem it necessary, it may set up an EG this issue.

COMMITTEE FOR AGRICULTURAL COOPERATION (CAC)

Considering the Report of the 5th Meeting of the Committee for Agricultural Cooperation which was held in Islamabad on 9-11 November, 1988, the Council selected three activities which were recommended by the Committee, namely;

- Regional Seminar on "Non-chemical means of controlling plant pests." pathogenic agents and weeds " to be held in Iran,
- Seminar on "Marketing of Agricultural Products within and outside the ÈĆO region" to be held in Turkey; (c) Regional Conference on "Intensive Forest Management' to be held in
- (c) Re Pakistan.

The dates of above mentioned activities should be decided during the next Meeting of the Committee for Agricultural Cooperation which is to be held in Ankara in the second half of August 1991.

The Council recommended that the Committee while implementing the three selected activities should examine the new activities proposed by Iran, Pakistan and Turkey (Annexes VIII, IX and X) with a view to selecting the ones having priority among them, and submit them to the Council of Ministers. However the Council recommended that the CAC should ensure that there is no overlapping/duplication of activities undertaken under FAO and its affiliated organizations in the member countries.

COMMITTEE FOR EDUCATIONAL, SCIENTIFIC AND CULTURAL COOPERATION (CESCC)

The Report of the Committee was submitted which included a number of Iranian suggestions about Sports, Media Conference (Radio and TV cooperation) etc. After some deliberations, it was decided that these proposals as well as Turkish and Pakistan delegations proposals be further discussed in the next meeting of CESCC to be held in the Islamic Republic of Iran during the month of September 1991. A copy of Iranian, Pakistan and Turkish proposals is placed at Annex. XI.

COMMITTEE FOR TECHNICAL AND INDUSTRIAL COOPERATION (CTIC)

The Secretariat introduced the subject and briefly highlighted the past activities and programs under the Technical and Industrial Committee.

The Secretary General invited the attention of the delegates to the relevant Article of the Treaty of Izmir regarding the importance of Technical and Industrial Cooperation and remarked that so far no significant progress has yet been achieved in this field. It was, therefore, necessary to make sincere efforts for the implementation of practical programmes and proposals.

The proposals of the Turkish Government for future activities of the Committee and Pakistani and Iranian comments/proposals thereon were circulated by the Secretariat (Annexes. XII, XIII & XIV) respectively. The three delegations discussed at length all these proposals.

The following recommendations were made:

- I) Technical & Industrial Cooperation should include following priority areas:
 - a) Joint Ventures/Joint Investment Projects including:

Tumosan

Possible participation of Iran in the on-going Turk-Pak Joint

Venture

Production of Pesticides

Production of Active Materials for Antibiotics

- b) Training Programmes.
- c) Industrial Exhibitions and Seminars on promotion of Investment among ECO countries.
- d) Effects of Industrialization on the Environment.
- **II)** Technical and Industrial Committee should comprise two Experts Groups. These Experts Groups should review and scrutinize the list of Projects/Fields of Cooperation keeping in view the new phase of revitalization and the policy changes taking place in the ECO region. These EGMs should also devise ways and means for effective implementation of the agreed programmes and proposals.
- **III)** The first EGM on Technical and Industrial Cooperation would be held in Turkey in the first half of September 1991. The Second EGM would be held in the month of December 1991. Thereafter, the meeting of the Committee would be convened in January/February 1992.
- **IV)** It was also recommended to transfer the field of petrochemicals to the Committee on Energy from the Committee of Technical and Industrial Cooperation. The Turkish side proposed the same for Mines and Minerals.
- **V)** The Seminars on "Promotion of Investment among ECO Countries" may be held during January-June 1992 in close cooperation with ECO Chamber of Commerce and Industry following its inception.

5. COMMITTEE FOR COOPERATION IN THE FIELD OF ENERGY: (CCE)

The Council while appreciating the establishment of Committee for cooperation in the field of Energy expressed their belief that there are many untapped, yet promising areas for cooperation in this field and these potentials would be successfully realized and this can serve as a vehicle for an efficient cooperation among the three brotherly countries.

The Council took up suggestions from three delegations and recommended a list of 20 possible areas of trilateral cooperation under this Committee. The list of the subjects to be included in the agenda of the Committee is attached at <u>Annex. XV</u>).

The Council was, however, of the view that the inclusion of the following subjects, in particular, in the terms of reference of this Committee would pave the way for a sound cooperation among the member countries in future:

- Cooperation in the field of natural gas pipelines;
- Project on interconnection of electric power systems

As regards other subjects the Committee may consider each of them for possible inclusion in its future work programme.

The Council also recommended that the Committee should hold its First Meeting in Tehran between 1-10 October 1991.

6. COMMITTEE FOR COOPERATION IN THE FIELDS OF TRANSPORT AND COMMUNICATIONS (CCTC).

The Council considered the portion of last Report of the former Committee on Economic and Infrastructure Cooperation relating to Transport and Communications. The Council appreciated the establishment of this Committee and observed that it would be proper to transfer some areas of cooperation previously considered by the Committee for Economic and Infrastructure Cooperation to the new Committee.

As regards the future terms of reference for this Committee, the Council, after taking into consideration different proposals from the three delegations, gave its unanimous recommendations. The list of subjects to be included in the agenda of this Committee is attached at <u>Annex. (XVI)</u>

The Council also recommended that the Committee should hold its first session in December 1991 in Tehran.

The Calendar of Events under this Committee as recommended by the council is placed at <u>Annex. (XVII)</u>.

7. <u>COMMITTEE FOR COOPERATION IN THE FIELD OF INFRASTRUCTURE AND PUBLIC WORKS (CCIP)</u>

The Council considered the proposals submitted by Pakistan and Turkish delegations regarding the future work programme of this Committee. However, the Council could not reach a consensus in this regard. The Iranian delegation was of the view that the public works relating to different sectors should come under the purview of already existing relevant Technical Con1mittees. On the other hand, the Turkish delegation emphasized that all types of construction and consultancy projects irrespective of their nature should be handled by the Committee for Cooperation in the field of Infrastructure and Public works.

Finally, the Council decided to refer the matter to the meeting of the Council of Ministers for specific guidelines as to the future work programme of this Committee. The proposals circulated by the Pakistan and Turkish delegations are placed at <u>Annex</u>. (XVIII) and (XIX).

V. ANY OTHER BUSINESS

- 7. The Council decided that the next meeting of the Regional Planning Council will be held in Iran from March 1-3, 1992. The Council also decided that in future the duration of these meetings should be three days.
- 8. The Council recommended that the Annual Meeting of the Council of Ministers for the year 1992 should be held in April, 1992.

VI. ADOPTION OF THE REPORT

9. The Honourable Leaders of the three delegations made their concluding statements and unanimously adopted the Report of the First Meeting of the Regional Planning Council.

VII. VOTE OF THANKS

10.	The meeting ended with a vote of thanks to the Chair.	
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