



*227th Meeting of the
Council of Permanent Representatives (CPR)*

Report

*14th February, 2018
Kish Island - Tehran*

Report

INAUGURATION OF THE MEETING

The 227th CPR Meeting started with the recitation of Holy Quran.

His Excellency Mr. Asif Ali Khan Durrani, CPR Chairman and Ambassador of the Islamic Republic of Pakistan while opening the 227th CPR Meeting thanked the Ministry of Foreign Affairs of the Islamic Republic of Iran for providing an opportunity to meet in the beautiful Island of Kish. The Chairman said that this is the first CPR Meeting ever since he has been in Tehran and a pleasant surprise to be in this beautiful Island. He also thanked the administration of Kish Free Zone Organization for being the host of the Meeting. The Chairman then invited Dr. Mohammad Raza Saeedi, Deputy Chief Executive of Kish Free Zone Organization for his welcome address.

2. His Excellency Dr. Mohammad Raza Saeedi, Deputy Chief Executive of Kish Free Zone Organization, while welcoming the honorable Permanent Representatives/Representatives of the ECO Member States as well as the ECO Secretary General and his team to Kish Island, thanked for convening the 227th CPR Meeting of Economic Cooperation Organization (ECO) in Kish Island. The Deputy Chief Executive highlighted the great potential/resources in Kish Island, which is a Tax Free Zone and called upon the ECO Member States to explore the possibility of collaboration with the Kish Island in different fields such as tourism and other financial/banking sectors etc. He said that Kish Island is a center for holding events and provides opportunity for convening meetings focused on introducing trade and investment opportunities. The Island could also provide financial services for ECO Member States which has the capacity for coordinating and planning for tourism and is also known as tourism destination. The Chief Executive said the Island is ready to provide the required infrastructure services for cooperation and could also be regarded as center for innovation and entrepreneurship. He said in this regard special arrangements can be made for granting visas to the investors of ECO Member States and neighboring countries of Persian Gulf.

3. In his remarks, the ECO Secretary General H.E. Mr. Halil Ibrahim Akca expressed gratitude to the Deputy Chief Executive Officer of Kish Free Zone Organization for hosting 227th CPR Meeting in the historic and beautiful Kish Island. He thanked for the warm hospitality extended to the participating delegates. The Secretary General described CPR as one of the most important forums of the ECO where most of the major issues are discussed by the Member States and described the role of CPR to the development of Economic Cooperation Organization (ECO). The Secretary General said that the main cooperation areas of ECO are trade, transport, energy and tourism as well as cooperation in networking between the Member States, Organization and the people. He said that our programmes are usually not country-specific, however, knowing the better the member countries is very helpful to develop better projects/programs and that is why the Council's meetings are being organized in different places. The Secretary General expressed his heartfelt thanks to the Deputy Chief Executive Officer of Kish Free Zone Organization for providing a chance in hosting the CPR Meeting in Kish Island.

4. After inauguration, the CPR Chairman H.E. Mr. Asif Ali Khan Durrani, Ambassador of the Islamic Republic of Pakistan to Iran formally started the proceedings of 227th CPR Meeting. The Meeting was attended by the Permanent Representatives/Representatives of all ECO Member States except the Kyrgyz Republic.

The ECO Secretary General along with concerned officials of the Secretariat also attended the Meeting. The list of participants is enclosed as *Annex-I*.

Agenda Item No.1

Adoption of the Agenda

5. The Council adopted the following Agenda of 227th CPR Meeting for deliberations:

Agenda

1. *Adoption of the Draft Agenda of the 227th CPR Meeting*
2. *Adoption of the Draft Report of the 226th CPR Meeting*
3. *Preparations for 23rd Council of Ministers (COM) Meeting preceded by Senior Officials Meeting on 16–17 April 2018 in Dushanbe, Republic of Tajikistan (continued)*
4. *Consideration and approval of the proposed lists of Meetings/Events and Conferences/Seminars/Workshops/Training Courses to be financed/supported from Special Support Fund (SSF)*
5. **Administrative Matters:**
 - (a) *Nomination for the post of Programme Officer of Projects, Economic Research and Statistics (continued)*
 - (b) *Recommendations of the Selection Panel*
6. *Any other business*
7. *Date of the next CPR Meeting*

Agenda Item No.2

Adoption of the Draft Report of 226th CPR Meeting

6. The Council adopted the Draft Report of the 226th CPR Meeting circulated to the Member States vide Secretariat's Note Verbale No. CFU/CPR/226th Meeting/2017/94 dated 18th January 2018 along with amendments proposed by the Islamic Republic of *Afghanistan* and the Republic of *Turkey* in paragraphs 13 and 25 respectively of the Draft Report of 226th CPR Meeting.

Agenda Item No.3

Preparations for 23rd Council of Ministers (COM) Meeting preceded by Senior Officials Meeting on 16-17 April 2018 in Dushanbe, Republic of Tajikistan

7. The 23rd Council of Ministers (COM) Meeting preceded by Senior Officials Meeting (SOM) is scheduled to be held on 16-17 April 2018 in Dushanbe (Tajikistan). The 226th CPR Meeting decided to establish a "*Preparatory Committee (PREPCOM)*" to discuss all the issues relating to upcoming COM meeting in Dushanbe as well as finalization of "*Draft Dushanbe Communiqué*". First *PrepCom* meeting was held on 30th January 2018 at the ECO Secretariat. Minutes of the meeting were circulated among the Member States on 31st January 2018. Moreover, the Embassy of the Islamic Republic of Afghanistan in Tehran proposed to include an item "Special Conference on Afghanistan" in the Draft Agenda of 23rd Council of Ministers (COM) Meeting vide its Note Verbal No. 8298 dated 24th January 2018 which was circulated to the Member States through Note Verbale No. CFU/COM/23rd Meeting/2018/152 dated 25th January, 2018.

8. The Secretariat also proposed addition of an agenda item in the Draft Agenda of 23rd COM Meeting concerning adoption of the Protocol Amending Article 5.4.1.10 of the Statute of RISCAM.

9. Deputy Secretary General Mr. Kanan Nazarov informed the Council that the first meeting of PrepCOM was held on 30th January 2018 under the co-Chairmanship of Pakistan and Tajikistan. In the Meeting two issues were considered i.e. (i) *“Draft Dushanbe Communiqué”* and (ii) *Scale of Assessments & Reforms*. He said ECO Secretariat received amendments from the Republic of Turkey and some comments from the Republic of Azerbaijan. After reflection of these amendments/comments, the ECO Secretariat circulated the text of Draft Dushanbe Communiqué to the Member States. PrepCom further requested the remaining Member States for provision of views/comments on the Draft Dushanbe.

10. Deputy Secretary General Mr. Kanan Nazarov further informed the Council that due to non-receipt of a response from Turkmenistan on Scales of Assessment & Reform, PrepCom did not discuss the issue, in detail, and requested Turkmenistan for early provision of a response on the subject.

11. Co-Chairman Mr. Firdavs Yusupov and Second Secretary of the Embassy of the Republic of Tajikistan in Tehran also briefed the Council about PrepCom’s first meeting which was held on 30th January 2018 and discussed the issues of Draft Dushanbe Communiqué and Scales of Assessment & Reform. Amendments proposed by the Republic of Turkey and some comments by the Republic of Azerbaijan were considered in the PrepCom Meeting. Representatives of the remaining Member States informed that they are waiting response from their capitals. He also informed the Council that after reflection of amendments/comments, the ECO Secretariat circulated the new Draft Dushanbe Communiqué to the Member States. PrepCom further requested the remaining Member States for early provision of their views. Co-Chairman requested active participation of all Member States in the Second PrepCom Meeting which is scheduled to be held on 21st February 2018. *He also requested for early provision of composition of delegations of the Member States for the 23rd COM Meeting so that necessary arrangements are made accordingly by the authorities in Dushanbe.*

12. The Ambassador of the Republic of *Uzbekistan* made a statement, salient points are as under:

- Identification of priority areas of cooperation between the Member States such as Trade, transit-transport, logistics and energy sectors.
- Intensive development of region’s transit and transport potential, creation of modern communication network and new routes for transporting goods to world market which will give an additional impetus to the economic growth of the region.
- Uzbekistan aimed at increasing its competitiveness and openness, ensuring freedom of economic activity, strengthening of macroeconomic stability while maintaining economic growth and pursuing active investment policy.
- Some circumstances impeded full participation of Uzbekistan in ECO activities in the past and made the following points:
 - (i) Unreasonable fixing of basic share of contribution of Uzbekistan in the Budget of ECO as 8.98%; and
 - (ii) Existence of considerable amount of so-called arrears of Uzbekistan in the Budget (about US\$4 million)

- Suggested inclusion of a separate agenda item “Write-off of debt of Uzbekistan” in the Draft Agenda of 23rd COM.
- Suggested inclusion of “Writing-off so-called debts of Uzbekistan” in the ECO Budget and reduction of existing basic share of contribution as a separate item in the Agenda of 23rd COM Meeting.
- Adoption of positive decisions will promote full participation of Uzbekistan in ECO activities

13. The Ambassador of *Turkmenistan* informed the Council that no response on the Scales of Assessment has yet been received from the capital and will be conveyed to the Secretariat on its receipt. However, it will take part in the discussion on Scales of Assessments.

14. The ECO Secretary General, on the query by the CPR Chairman about the present status of the “**Draft Dushanbe Communiqué**”, informed that after the First PrepCom Meeting where the amendments of the Republic of Turkey and some comments by the Republic of Azerbaijan were considered and the Secretariat circulated the First Version of Draft Communiqué. He hoped to receive comments from the remaining Member States by Second PrepCom Meeting. The ECO Secretary General mentioned that there are certain proposals for amendments in the Draft Agenda of 23rd COM Meeting which are mentioned below:

- (i) Addition of a separate Agenda Item “*Writing-off Arrears of Uzbekistan*” in the 23rd COM Agenda.
- (ii) Addition in the sub-agenda of Agenda Item No:11: “Appointments/Extensions”
 - Appointment of new ECO Secretary General &
 - Appointment of new Deputy Secretary General (Admn, EME, HRSD & DOCCU)
- (iii) Addition of a new Agenda Item “*Adoption of the Protocol amending the Statute of RISCAM*”

Deputy Secretary General Mr. Kanan Nazarov briefed the Council by stating that the ECO Secretariat proposes addition of an agenda in the Draft Agenda of 23rd COM which is: “*Adoption of the Protocol amending the Statute of RISCAM*”. After being adopted the Protocol and the Statute of RISCAM, it will be declared open for signature under the agenda item of “Treaty Event”. The Protocol has already been circulated and it is more than two years of correspondence with signatory Member States i.e. Afghanistan, Iran and Turkey who conveyed positive response in the amendment which is “*Establishment of Metrology Board of RISCAM in Pakistan instead of Kazakhstan*”. Deputy Secretary General requested Council’s approval for putting it as a new *Agenda Item* of the 23rd COM Agenda.
- (iv) Afghanistan: The ECO Secretary General informed the Council that “*ECO Special Conference on Afghanistan*” was first planned to organize in Kabul but cancelled because of quorum and then due to certain reasons could not be held on the sidelines of 28th RPC Meeting in Islamabad (Pakistan). Now the Embassy of the Islamic Republic of Afghanistan in Tehran has proposed to put the same in the Agenda of the 23rd COM Meeting in Dushanbe. In this regard Council’s approval was sought.

15. On the ECO's proposal regarding *appointments of new ECO Secretary General (from Iran) and Deputy Secretary General (Admn, EME, HRSD & DOCCU) (from Turkey)*, the Representative of the Islamic Republic of *Iran* consented to include these appointments in the Draft Agenda of 23rd COM. He further said that nomination for the post of ECO Secretary General will be formally communicated by the Ministry of Foreign Affairs of the Islamic Republic of Iran, in due course.

16. On the proposal of Afghanistan, the Representative of the Islamic Republic of *Iran* said that as it has been agreed as an ECO Project by the concerned Member States (Afghanistan & Turkey), may be named it as "*ECO Aid Project*" to be supervised by ECO. However, due to some financial concerns regarding money transfer, both the parties (Afghanistan & Turkey) may establish direct contacts to evolve a bilateral mechanism for transferring the money by TIKA (Turkey) to the Islamic Republic of Afghanistan, as per ECO Rules.

17. The Representative of the Republic of *Turkey* said that the Republic of Turkey is ready to start the reconstruction project of Dr. Rafiqi Kamil Urga Sanatorium Hospital in Afghanistan as soon as possible. He added since there are problems regarding the effectiveness of the ECO-SFRA which all the members are also well aware of Turkey and Afghanistan agreed on the realization of this project directly by Turkish Cooperation and Coordinating Agency (TIKA) which is the most practical way considering the urgent need of this health facility in Afghanistan. He stated, in this regard, CPR decision is required to approve agreement between Turkey and Afghanistan and if preferred, naturally, the ECO can assume a monitoring role on the project.

18. The Representative of the Republic of *Turkey* further said that one of the main goals of the ECO is to contribute to the development of the ECO Members, and the agreement between Turkey and Afghanistan serves this goal as it is the quickest and most practical way to help Afghanistan. He reemphasized the necessity to shorten the implementation process of the project if necessary by making amendments to the existing Protocol/MoU in line with the said agreement between the two countries.

19. The Representative of the Islamic Republic of *Afghanistan* informed the Council there is a Protocol/MoU between TIKA and ECO Secretariat whereby TIKA can implement the project in Afghanistan under the umbrella of ECO. He said that the Turkish side would like to implement the project in Afghanistan from the Special Fund for Afghanistan in accordance with the Protocol. He welcomed the proposal of Turkey to implement the project in Afghanistan directly for which CPR approval is required.

20. The ECO Secretary General further explained to the Council that ECO has "*Afghanistan's Reconstruction Fund*", for which the ECO Secretariat receives money to this Fund having an account in Habib Bank London then the ECO Secretariat releases the money depending on the realization of the projects. He said that four different projects have been implemented so far; not all of them have been completed. Now Turkey wants to pay its remaining pledged amount of US\$5 million. However, Turkey and Afghanistan want to implement the project together without putting the money into the Fund within the framework of the protocol between ECO and TIKA by giving the ECO a kind of Supervisory role. He said that, in order to do that, the modality needs to be changed. If CPR agrees, the Secretariat can prepare a draft amendment of modality which can subsequently be approved by the COM.

21. The CPR Chairman on the above briefings observed that there is "*ECO Support Fund for Afghanistan*" and if the Member States desire to settle the financial issues bilaterally then he asked the ECO Secretariat to formulate the language of the modality of

the particular project in accordance with the rules and regulations besides coordination with the concerned Member States to resolve the issue.

22. The Legal Advisor informed the Council that there exist a Protocol between ECO and TIKA. Under the Protocol, TIKA may act as the implementing agency when the pledge of Turkey to the Fund is concerned. To this end, the protocol laid down certain procedures. The procedures require: **(i)** approval of the proposed project by CPR, **(ii)** signing of the project contract by the involvement of ECO Secretariat, TIKA and the concerned Afghanistan authorities, **(iii)** Financing of the project by the ECO Secretariat from the Fund, in accordance with the project contract. As can be observed, the procedures under the Protocol only exempt selection of implementing agency through international bidding

23. Deputy Secretary General Mr. Kanan Nazarov sought Council's decision regarding the title of Agenda Item of 23rd COM. He said Afghanistan proposed "*ECO Special Conference on Afghanistan*", however, as there is no sideline event in Dushanbe and have only agenda items, so the name does not coincide in the agenda having an agenda item "Special Conference". He further informed the Council that the Secretariat has circulated a brief document and proposed a format i.e. "*A new ECO Advocacy Programme for Afghanistan*". Deputy Secretary General proposed that a document on ECO Advocacy Programme may be prepared which can then be discussed in the PrepCom Meeting and can be submitted for approval by upcoming COM. Foreign Ministers will have the opportunity to share their views on ECO Supporting Programs for Afghanistan.

24. The Representative of the Islamic Republic of *Afghanistan* consented to the proposal of the ECO Secretariat to put the "ECO Special Conference on Afghanistan" as an Agenda Item of the 23rd COM with different title. He said that ECO Secretariat has formally been informed about the said conference through a Note Verbale which was circulated to all Member States. However, keeping its importance, instructions from capital will be sought for changing the titled and the issue can be discussed in the Second PrepCom Meeting.

Conclusion:

(a) Draft Agenda of 23rd COM

25. After protracted deliberations, the Council decided following amendments in the Draft Agenda of 23rd COM Meeting scheduled to be held on 16-17 April 2018 in Dushanbe:

- (i)** *Addition* of a separate Agenda Item "*Writing-off Arrears of Uzbekistan*";
- (ii)** *Addition* under sub-agenda of Agenda Item No.11, Appointments of: **(i)** New ECO Secretary General and **(ii)** New Deputy Secretary General (Admn, EME, HRSD & DOCCU);
- (iii)** *Addition* of the Agenda Item "*Adoption of the Protocol amending the Statute of RISCAM*"; and
- (iv)** *Putting* Agenda Item regarding "*Special Conference on Afghanistan*" with different title (to be conveyed by Afghanistan later)

(b) Dushanbe Communiqué & Scales of Assessment

26. The Council also decided that **PrepCom** may hold more sessions often in order to complete its mandate and devise a clean text of "*Dushanbe Communiqué*". The Council hoped that in its next CPR Meeting, PrepCom would be able to inform how many more sessions are required for finalization of issues relating to the 23rd COM Meeting in order

to avoid last minute rush for these issues. The Council also emphasized expeditious finalization of already delayed issues of Scales of Assessment and Reforms as contribution of Member States matter a lot.

(c) Afghanistan

27. The Council decided that the Secretariat may prepare Revised Modalities of the Protocol/MoU between ECO and TIKA, in consultation with the concerned Member States (*Afghanistan & Turkey*), as well as in accordance with the rules and regulations for the particular project and then it can be decided by the CPR whether to submit the same issue for approval by COM. The Council further asked the Legal Adviser of the Secretariat to look into the future of this Fund under the umbrella of ECO as well.

Agenda Item No.4

Consideration of the proposed lists of Meetings/Events and Conferences/Seminars/ Workshops/Training Courses to be financed/ supported from Special Support Fund (SSF)

28. ECO Secretariat prepared two Lists of Meetings/Events and Conferences/ Seminars/ Workshops/ Training Courses to be financed/supported from Special Support Fund (SSF) and circulated to the Member States vide Secretariat's Note Verbale No. CFU/CoE 2018/2018/47 dated 10th January 2018.

29. The Council considered and approved the "*Lists of Meetings/Events and Conferences/ Seminars/ Workshops/ Training Courses to be financed/supported from Special Support Fund (SSF) for the year 2018.*"

Agenda Item No.5

Administrative Matters

a. Nomination for the post of Programme Officer of Projects, Economic Research and Statistics (continued)

30. The Council in its 223rd CPR Meeting held on 13th September 2017, after agreement by the Representatives of Iran and Pakistan, decided to offer the post of Programme Officer of Projects, Economic Research and Statistics directorate (PERS) to under-represented Central Asian Member States. The CPR further decided that "*the issue will be taken-up again by the CPR if nomination for the said post is not received within the stipulated timeframe.*" Accordingly, the Secretariat requested the interested Central Asian Member States to nominate, by 31st December 2017, a suitable candidate for the post vide its Note verbale ADM/PER/2017/1172 dated 26/9/2017. However, no nomination from the Central Asian Member States has yet been received for the said post.

31. ECO Secretary General before elaborating on the post of Programme Officer, introduced the new Deputy Secretary General Mr. Hadi Soleimanpour who has recently joined the ECO Secretariat and responsible for Administration. Moreover, until the arrival of new DSG from Pakistan, Mr. Soleimanpour will also look after some of the work of DSG (TC, PERS & CFU). Regarding Programme Officer (PERS), Secretary General informed that after long discussions, it was decided by the Council with the consent of concerned Member States (*Iran & Pakistan*), to offer this position to the Central Asian Member States who have no representation in the Organization mainly Turkmenistan and Uzbekistan. As decided, the Secretariat in its communication gave a certain time-frame for submission of nominations for the said post but until now no nomination has been received and as per procedure, ECO Secretariat has brought this in the agenda of this CPR.

32. The Ambassador of Turkmenistan informed that they have no nomination for this position.

33. The Ambassador of the Republic of Uzbekistan said that first of all it will appreciate resolution of financial issues relating to Uzbekistan then it will take part in the activities of the Organization as at the moment no financial contribution is being made to the Organization.

34. The Representative of the Islamic Republic of *Iran* while appreciating the stance of the Ambassador of Uzbekistan respecting the rules and regulations of the Organization hoped that financial issue of Uzbekistan would be resolved in the 23rd COM Meeting. He also proposed that until the occupation of the vacant post of Programme Officer, the Secretariat may keep the salary deposited which can be spent, if required, for some other purposes.

35. The CPR Chairman on the deposition of salary stated that funds stay with the Secretariat and there is no need to be lavish and hoped that Turkmenistan and Uzbekistan will ultimately agree in nominating suitable candidate. The Chairman said it may not be linked with the contribution of any Member States as the offer of nomination(s) of Programme Officer was because presently there is no representation at the ECO Secretariat of Turkmenistan and Uzbekistan. The issue of contribution in any case is an ongoing process and hoped it will be resolved. The Chairman said that we are dealing the Organization as "*ECO Family*" and the Member States (*Turkmenistan and Uzbekistan*) considering the goodwill gesture of all ECO Member States will nominate suitable candidate(s) soon.

b. Recommendations of the Selection Panel

36. The Council was informed that no Selection Panel meeting was held.

Agenda Item No.6

Any Other Business

37. Under this agenda item, the Ambassador of *Turkmenistan* informed the Council that it has been decided to convene the "*9th Ministerial Meeting on Transport*" in Turkmenistan probably in April 2018. However, exact dates in this regard will be communicated formally to the ECO Secretariat.

Agenda Item No.7

Date of the next CPR Meeting

38. The Council decided to convene its next (228th) Meeting on **Wednesday 7th March 2018 at 10:00 hrs at the ECO Secretariat - Tehran.**

39. On behalf of all the participating delegations, the Council expressed its deep appreciation and gratitude to the Ministry of Foreign Affairs of the Islamic Republic of Iran particularly the Kish Free Zone Organization for providing warm hospitality and making excellent arrangements for successfully organization of the CPR Meeting in Kish Island, Islamic Republic of Iran. The Council also appreciated the efforts of the ECO Secretary General and the Secretariat staff for preparing documents and assisting the hosts in making the 227th CPR Meeting a successful event.

40. While adjourning the meeting, the CPR Chairman expressed his sincere thanks to the distinguished Permanent Representatives/Representatives of all ECO Member States for their participation and valuable contribution in the Meeting.

Annex-I

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

- Mr. Ahmad Haroon Najmpoor, Minister-Counsellor
- Mr. Nader Pajohesh, Second Secretary

The Embassy of the Republic of Azerbaijan:

- Mr. Bunyad Huseynov, Ambassador
- Mr. Javid Musayev, Counsellor

The Ministry of Foreign Affairs of the Islamic Republic of Iran:

- Mr. Abulfazl Mohammad Alikhani, Deputy Director General
- Mr. Shahrokh Edrisabadi, Senior Expert, ECO Affairs Bureau

The Embassy of the Republic of Kazakhstan:

- Mr. Yerbol Akhmetov, Minister-Counsellor

The Embassy of the Islamic Republic of Pakistan:

- H.E. Mr. Asif Ali Khan Durrani, Ambassador
- Mr. Ghulam Hussain, Second Secretary

Embassy of the Republic of Tajikistan:

- Mr. Firdavs Yusupov, Second Secretary

The Embassy of the Republic of Turkey:

- Mr. Murat Muhaciroglu, Deputy Head of Mission
- Ms. Hatice ÖZDİL, Third Secretary

The Embassy of Turkmenistan:

- H.E. Mr. Ahmet Kurbanow, Ambassador
- Mr. Islam Sakhatow, Third Secretary

The Embassy of the Republic of Uzbekistan:

- H.E. Mr. Bakhodir Abdullaev, Ambassador
- Mr. Umid Babaev, Third Secretary

The ECO Secretariat:

- H.E. Mr. Halil Ibrahim Akça, Secretary General
- Mr. Kanan Nazarov, Deputy Secretary General
- Mr. Hadi Soleimanpur, Deputy Secretary General
- Mr. Bahodur Rahmonov, Assistant Director (CFU)
- Mr. Mahmoud Khoubkar, Legal Adviser
- Mr. Israr Ahmad Khan, Steno-Secretary
- Ms. Aynur Mammadova, English-Russian Interpreter/Translator
- Ms. Nurgul Duissenova, English-Russian Interpreter/Translator
