



234th Meeting of the Council of Permanent Representatives (CPR)

Report

**05th November 2018
Sari - Mazandaran**

Report

INAUGURATION OF THE MEETING

The 234th Meeting of the ECO Council of Permanent Representatives (CPR) was held in Sari, Mazandaran Province hosted by the Islamic Republic of Iran Railways. The Meeting was attended by the Permanent Representatives/Representatives of the Islamic Republic of Afghanistan, the Republic of Azerbaijan, the Islamic Republic of Iran, the Republic of Kazakhstan, the Islamic Republic of Pakistan, the Republic of Tajikistan, the Republic of Turkey, and the Republic of Uzbekistan. The ECO Secretary General along with concerned officials of the Secretariat also attended the Meeting. The list of participants is enclosed as *Annex-I*.

2. The 234th Meeting of CPR was preceded by recitation of the Holy Qur'an followed by remarks by His Excellency Mr. Nurollah Beiranvand, Vice President of Iranian Railways for Financing and Transport Economy.

3. In his opening statement, Mr. Beiranvand, Vice President of Iranian Railways for Financing and Transport Economy welcomed ECO Permanent Representatives to Sari and appreciated their site visits to Sari Railways. While noting ongoing and in-pipeline ECO regional projects, he underscored the need for activation of Islamabad-Tehran-Istanbul Corridor; launching of Almaty-Bandar Abbas and Almaty-Istanbul container train project; early completion of Iran-Afghanistan-Tajikistan-Kyrgyzstan-China corridor and construction of rail corridor of Kazakhstan-Turkmenistan-Iran (KTI), which includes commercialization of the corridor in partnership with the United Nations Economic and Social Commission for Asia and the Pacific and the Islamic Development Bank.

4. At the end, while briefing on Iran's investments in some projects like Electrifying Tehran-Mashhad Railway, and Garmsar-Incheboroon, and construction of the railway in Rasht-Astara, he assured the ECO Member States of Islamic Republic of Iran's full support and cooperation in early completion of ongoing, activation of current and launch of new proposed ECO regional projects.

5. **H.E. Mr. Hadi Soleimanpour**, ECO Secretary General, in his brief opening remarks, expressed gratitude to H.E. Mr. Nurollah Beiranvand, Vice President of Iranian Railways for Financing and Transport Economy and H.E. Mr. Ahmad Hosseinzadegan, Acting Governor of Mazandaran Province for graciously hosting CPR Meeting in the beautiful city of Sari and arranging site tours, as well as providing warm hospitality to the distinguished Permanent Representatives and Representatives of the ECO Member States.

6. Besides, the Secretary General mentioned that the ECO Region has a unique geographical location with the cultural commonalities which provide the required potential for further strengthened inter and intra-regional cooperation. He also referred to the capacities of Mazandaran Province in various spheres, including tourism, transport, agriculture and industry, which could be further developed in

line with the objectives of ECO. He also expressed that holding of the 234th Meeting in this province is also be an opportunity which will further the familiarity of the ECO Member States with the capacities of the province.

7. **H.E. Mr. Ahmad Hosseinzadegan**, Acting Governor of Mazandaran Province, while warmly welcoming the Honorable Permanent Representatives/Representatives of the ECO Member States as well as the ECO Secretary General and his team, brought to the attention of the Council of Permanent Representatives the great potential/resources and capacities in Mazandaran Province, *inter alia*, petroleum, gas, industry, agriculture, active airports network, active ports, rail network, vast tourism opportunities, attractive and beautiful nature, coastal area of Caspian Sea, beautiful and attractive lakes and jungle parks. He called upon the Member States to utilize these capacities for deepening the relations and economic cooperation in the ECO Region.

8. The CPR Chairman and the Council also expressed their gratitude to the Iranian Railways and Acting Governor of Mazandaran Province for providing an opportunity to hold the 234th CPR Meeting in city of Sari and also Ministry of Foreign Affairs of the Islamic Republic of Iran to extend gracious hospitality extended to the delegates of the ECO Member States.

9. After inauguration, the CPR Chairman, H.E. Mr. Nematullo Emomzoda, Ambassador of the Republic of Tajikistan to Iran formally started the proceedings of 234th CPR Meeting.

Agenda Item No.1

Adoption of the Draft Agenda of the 234th CPR Meeting

10. The Council adopted the following Agenda of 234th CPR Meeting for deliberations:

Agenda

1. *Adoption of the Draft Agenda of the 234th CPR Meeting*
 2. *Adoption of the Draft Report of the 233rd CPR Meeting*
 3. *Preparations for holding the 29th RPC Meeting*
 4. *Follow-up to the decisions of the 23rd Council of Ministers (COM) Meeting; New Scales of Assessment, ECO Reforms etc. (continued)*
 5. *Consideration of the possibilities of expanding the mandate ECO Trade and Development Bank (ETDB) and forming ECO Clearing Union*
 6. *Attendance of Turkish Cypriot State at the 29th RPC Meeting in its capacity as observer*
 7. *Administrative and financial matters:*
 - a) *Secretariat Budget proposal for the financial year 2019*
 - b) *Recommendations of the Selection Panel*
 8. *Any other business:*
 9. *Date of the next CPR Meeting*
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Agenda Item No.2

Adoption of the Draft Report of the 233rd CPR Meeting

11. The Secretariat under this agenda item briefed the Council that after the circulation of the draft Report of 233rd CPR the Secretariat received a note verbale from the Republic of Turkey which proposed amendments to paragraphs 58 and 60 of the draft report. It was also mentioned that subsequent to the distribution of the proposed amendments, a note verbale was sent to the Secretariat by the Islamic Republic of Iran on the proposed amendments. It was also mentioned that The Islamic Republic of Afghanistan proposed an amendment to paragraph 32 of the draft report.

As for the proposed amendments of the Republic of Turkey after almost a lengthy discussion during which the views of the Permanent Representatives of Turkey, Iran and Pakistan were expressed the permanent representative of Turkey proposed reformulating the amendments of abovementioned paragraphs as follows:

58. The Ambassador of the Republic of Turkey while taking the floor, apprised the Council that he got concerns of the Islamic Republic of Iran and linking this post with Reform Process and while noting that Mr. Memduh Unal, Director (AIT) completing his term in a very short time; therefore, he proposed extension in tenure of Mr. Unal. He assured that in case reform process is completed, Republic of Turkey would consider adjusting itself with the new distribution of posts accordingly.

60. With this understanding, the Council approved renewal in tenure of Mr. Memduh Unal (Turkish National) as Director (Agriculture, Industry & Tourism) (Category-I, D2) for another term.

12. The Permanent Representative of Islamic Republic of Iran reiterated that all Member States, without any exception, shall adjust themselves with the outcome of the reform process on the distributions of positions. With this understanding he showed no objection to the reformulated amended paragraphs as proposed by the Permanent Representative of Turkey.

13. Taking into consideration the views expressed by Turkey and Iran, the Council considered and adopted the Draft Report of the 233rd CPR Meeting along with amendment as reflected above in Paragraphs 58 and 60, Islamic Republic of Iran in Paragraph 60 and Islamic Republic of Afghanistan at Paragraph 32 respectively.

Agenda Item No.3

Preparations for holding the 29th RPC Meeting

14. **ECO Deputy Secretary General (T&I, CFU, AIT & IR)** informed the Council that Draft Agenda of 29th Regional Planning Council (RPC) Meeting was considered by the 233rd CPR and circulated among all Member States on 12 September 2018 and draft Working Papers of RPC was circulated on 17 October 2018. He mentioned that the Working Papers are mainly prepared to facilitate the deliberations in sectoral meetings.

15. The Deputy Secretary General also informed that within the next days Draft Annotated Agenda and tentative Programme would be prepared and circulated to all Member States. Regarding provision of hospitality for the participating delegates of the 29th RPC Meeting, he highlighted that as per past practices, the Council may decide on offering hospitality by allocating the required budget, in order to ensure better participation. Due to the current budget constraints, Secretariat proposed the accommodation and reimbursement of cost of return air ticket amounting up to US\$900/- may be provided for two (2) delegates from each Member States. He further informed that, as per previous practice, this amount may be provided from the ECO Feasibility Study and General Purpose Fund.

16. Taking into consideration the Secretariat proposal, the Council approved the accommodation and reimbursement of cost of return air ticket up to US\$900/- to be provided for two (2) delegates from each Member States from the ECO Feasibility Study and General Purpose Fund.

Agenda Item No.4

Follow-up to the decisions of the 23rd Council of Ministers (COM) Meeting; New Scales of Assessment, ECO Reforms etc. (continued)

17. The Representative of the **Republic of Tajikistan** as the Chairman of the Working Group on Scales of Assessment and ECO Reforms briefed the Council on the outcome of the meeting of the 6th Working Group held on 15 October 2018 at the ECO Secretariat. He added that, in the 6th Working Group Meeting, they discussed about the Heads of Section and the Professional Staff. The total number of Heads of Section would be increased from Four (4) to Seven (7). He said that some Member States have requested more time to provide their final position/decision. The meeting of the next working Group would be held after 234th CPR.

18. **The ECO Secretary General** further apprised that the august Council gave mandate to him to consult with the Member States regarding the Reform Process. He further said that he had a continuous process of the consultations with all Member States and the concerned parties. He also informed that "Heads of Section" would be increased to Seven (7) including Four (4) posts of Assistant Directors whose title would be changed as Head of Section. Regarding the posts of Director "D2 Level" it remains the same, that is six (6) Directors,. He further informed that having six (6) Directorates and seven (7) Sections in the structure of the Secretariat is almost acceptable to all ECO Member States.

19. The Ambassador of the **Islamic Republic of Pakistan** highlighted that for any organization a reform is an on-going process, which is dynamic to improve its ability of the organization to meet its mandate. In her comments the reference was also made to the informal discussions held to this end. She also supported the endeavors of the Secretary Generals within the context of reform aiming at improving the efficiency of the Secretariat. She further while expressing the consent of Pakistan on retaining the six (6) Directorates within the structure of the Secretariat, emphasized on the need for rationalization of the posts at the ECO Secretariat. She also agreed on the establishment of seven (7) sections headed by "D1" staff and changing the title of existing four (4) D1 staff and establishing three (3) new positions.

20. The Representative of the **Republic of Azerbaijan** recalled that within the framework of the Working Group the issue of reform slowly and gradually reached on an appropriate place. In the previous meeting of the Working Group, Azerbaijan asked the Group, his respective country needs some time for consideration of the discussed matters. He continued that all proposals and ideas within the framework of Scale of Assessments and ECO Reform are being considered in the Capital. He also added that at the same time, the Council mandated Secretary General to discuss appropriate issues with the Member States, taking into account that, since the positions of some Member States were pending. He continued that as per this mandate the issues of reform process could be raised directly with the Member States, as we are in the hands of Secretary General and are waiting for the feedbacks.

21. The Representative of the **Republic of Kazakhstan** taking the floor, expressed his gratitude for the approval of the proposal of Kazakhstan on the allocation of one post of the Deputy Secretary General. At the same time, he mentioned that an increase of Kazakhstan's contribution from 16% to 18% will be possible only with the approval of the entire package of Kazakhstan's proposals as part of the reform process till the end of this year. In this context, he emphasized that these proposals have been stated more than once and also at the recent informal ECO Council of Ministers Meeting in New York. Taking this opportunity, he once again urged the Member States to support the package of Kazakhstan's proposals and make a final decision till the end of 2018, particularly on (i) writing-off of Republic of Kazakhstan's arrears to the ECO budget; ii) allocation of one separate position of the Deputy Secretary General in ECO; iii) inclusion of Kazakhstan in the rotation list of Secretary General post on the ECO founding countries' rights; iv) allocation of 1 position of Head of Section to Kazakhstan; and v) replacement of 2 "A" categories with one "P" category within the framework of reform process in the ECO Secretariat.

22. The Ambassador of the **Islamic Republic of Pakistan**, while taking the floor enquired clarification from the Council regarding writing off arrears of Kazakhstan, through distinguished Representative of Kazakhstan or from the Secretary General. She further said that she is aware about the position of Deputy Secretary General and 18 percentage share of contributions by Kazakhstan. Ambassador asked any agreement, amongst the Member States, that the writing off arrears would be looked into.

23. **The Legal Adviser** informed the Council that for the first time, writing-off of arrears took place regarding Uzbekistan. However the issue of writing-off of arrears of Kazakhstan is frequently heard within the context of the reform process, due to conditions placed by Kazakhstan that is acceptance of the new scale of assessments subject to written-off of its arrears among other things. He added that this issue, which is the request of a Member State, may be dealt with by the Council of Ministers. He further noted that, the agenda of COM is prepared by CPR, the issue of arrears is one of the agenda that will be put on the agenda for its consideration when the Council of Ministers deliberates on the financial matters of the Organization.

24. The Representative of the **Republic of Kazakhstan**, while again taking the floor stated that he informed the position of his capital to the Member States. He also mentioned that this is their position, which has already been expressed during COM in Dushanbe and Informal COM Meeting in New York.

25. The Permanent Representative of **Islamic Republic of Iran** in line with the intervention made by the Ambassador of Pakistan, stated that writing-off of arrears should not create a precedence which is detrimental to the activities of the Organization. It was further emphasized that neither exist legal room for maneuvering on the issue of the writing-off of the arrears resulting from non-payment of obligatory contributions, nor the financial situation of the Organization allows the Council to explore its possibility. He added that the request for writing-off could be put on the agenda of COM when the position of Members of CPR is questioned and the Council agrees upon that. He cautioned that what could be the explanation of CPR for putting this issue before COM for its decision. He continued that consideration of the current and future situation of the Organization from the financial perspective is required. He also noted that any Member State may raise the request of the writing-off of its arrears during COM meeting, but as a member of the Council of Permanent Representatives our stand is clear.

26. The Ambassador of the **Republic of Turkey**, while taking the floor, mentioned that every country has legitimate right to table their request. Regarding, writing off arrears, the Council did it once for the Republic of Uzbekistan, as a special case. Unfortunately, now another member state requested for writing off arrears. He further said that contributing to the budget of the ECO is the primary commitment of any member state, if some member states have problem with the level of contribution, it should be voiced. He mentioned that during the last meeting, he made a reference about the payments of contributions by the Member States. He also requested to the distinguished colleague of Kazakhstan to pursue this matter with their authorities. The Ambassador further commented that linking the reform process with writing off arrears is not a constructive approach and representative of Kazakhstan should inform their capital about the feelings and understanding of the Member states.

27. The Ambassador of the **Islamic Republic of Pakistan** stated that as outlined by the Permanent Representative of the Islamic Republic of Iran and briefing on this issue by Legal Adviser, the proposal from Kazakhstan has come in as a part of the reform process of the Secretariat. She added that, as this issue has financial implications, which reflected on the reforms, and if Kazakhstan agrees, it should be considered as a separate agenda item in the CPR.

28. After considering the views expressed by the Member States, the following was decided:

- (i). The Council agrees on maintaining six directorates within the structure of the Secretariat directed by Staff at D2 level and mandates the

Secretary General to rationalize the posts through consultations with concerned Member States.

- (ii). The Council agrees on the establishment of seven Sections headed by D1 Staff, by changing the title of existing four D1 Staff and establishment of three new positions at D1 level.

Agenda Item No.5

Consideration of the possibilities of expanding the mandate ECO Trade and Development Bank (ETDB) and forming ECO Clearing Union

29. Program Officer (T&I) informed the CPR on exploring the possibilities of expanding the mandate of ECO Bank (ETDB):

- i. The Secretariat considered the Articles of Agreement establishing of ETDB, some relevant reports of ETDB and conferred with the Representative of ETDB in Tehran.
- ii. It has been clarified that as per the functions set forth in the Articles of Agreements establishing ETDB, the Bank does not possess the actual capacity to act as a financial institution. In other words, it does not accept deposits and creates credits like financial institutions. The financial resources of the Bank are the shares of the Member States and reserves of the Bank which are being deposited at other banks/financial institutions and used by ETDB for provision/implementation of its products.
- iii. Accordingly, depositing of budgetary contributions of the Member States for the Secretariat as well as for other ECO institutions at ETDB and expecting of ETDB acting as an agent with respect to the transfer of contributions, which are essentially the functions of financial institution is not consistent with the actual functions of ETDB.
- iv. Expanding the functions of ETDB to a commercial bank as well, requires substantial changes in the Articles of Agreement establishing ETDB. This issue needs in-depth study by the banking and finance experts. To this end an ECO Experts Group Meeting(EGM) on ECO Banking and Financial Matters is proposed to be included in the ECO Calendar of Events of the coming year.
- v. President of ETDB while having country visit to I.R. Iran he also will have courtesy visit to ECO Secretary General on November 11, 2018 to exchange views on encouragement of non-ETDB members of ECO Countries to join the Bank and strengthening cooperation between the Secretariat and the Bank, as well as three tasks mandated by 233rd CPR Meeting to the Secretariat. Therefore, ECO Secretary General will have the opportunity to exchange views with the President of the ECO Bank on the possibility of expanding the mandate of the bank as deliberated by the CPR.
- vi. Since ETDB is a Multilateral Development Bank, the Secretariat prepared a Table comparing the main functions, activities and objectives of the commercial private banks with multilateral development banks for ease of reference. The Table has already been circulated to Member States.
- vii. With respect to forming an ECO Clearing Union, the Secretariat has incorporated in its program to conduct a professional study on exploring the

possibility of forming ECO Clearing Union. The study will give guidance, prepare the Term of References and formulate draft Agreement on forming an ECO Clearing Union to be signed and ratified by the Member States. In addition to the study the ECO Secretariat is proposing to include an ECO Experts Group Meeting on forming ECO Clearing Union in the draft Calendar of Events of the coming year.

30. As a conclusion the CPR is requested to allow the Secretariat;

- a) Include an ECO Experts Group Meeting (EGM) on ECO Banking and Financial Matters in the draft ECO Calendar of Events to be held in the coming year.
- b) Include an ECO Experts Group Meeting on forming ECO Clearing Union in the draft Calendar of Events to be held in the coming year.
- c) Hire a professional consultant to conduct a study on exploring the possibility of forming ECO Clearing Union.

31. The Permanent Representative of Islamic Republic of **Iran**, taking the floor informed the Council that Asian Clearing Union (ACU), has already been active and successful in Iran. Therefore, the ECO Secretariat may request ECO Trade and Development Bank to directly contact the Secretariat of Asian Clearing Union in Tehran and discuss the issue on forming an ECO Clearing Union with ACU so together they give their proposal/recommendations on the issue to ECO Secretariat for consideration. He further mentioned that this organization also got some experience from the Organization of D8, regarding establishing of the Clearing House, as they have functioning of the D8 clearing house.

32. The Council agreed that the Secretariat may;

- a. conduct a professional study and hold an ECO Experts Group Meeting on forming ECO Clearing Union.
- b. hold an ECO Experts Group Meeting (EGM) on ECO Banking and Financial Matters.

33. The CPR asked the Secretariat to request the ECO Trade and Development Bank to directly contact the Asian Clearing Union (ACU) which its Secretariat is in Tehran, I.R. Iran to discuss the issue on forming an ECO Clearing Union with ACU and together give their proposal/recommendations on the issue to ECO Secretariat for consideration.

Agenda Item No.6

Attendance of Turkish Cypriot State at the 29th RPC Meeting in its capacity as observer

34. The Council was briefed that the ECO Secretariat received a Note Verbale No. TRNC/2018/95119 dated 20 September 2018 from the Ministry of Foreign Affairs of Turkish Cypriot State, conveying that a delegation from the Turkish Cypriot State would like to participate in its capacity as ECO Observer, at the 29th RPC Meeting to be held on 10-13 December 2018 in ECO Secretariat, Tehran.

35. The Council considered and approved, in accordance with the ECO Modalities for Granting Observer and Dialogue Partnership Status at ECO, the participation of Turkish Cypriot State, in its capacity as "Observer" at the 29th RPC Meeting scheduled to be held on 10-13 December 2018 in ECO Secretariat, Tehran.

Agenda Item No.7

Administrative and financial matters:

a) Secretariat Budget proposal for the financial year 2019

36. **The Chief Accountant** of the Secretariat briefed the Council about the proposed draft budget of the Secretariat for the financial year 2019. She explained that the structure and format of the budget for 2019 is the same as previous years and an increase of 1.34% has been foreseen for the budget of 2019 in comparison with the financial year of 2018. This increase is an amount of around 55,000.00 US dollars by which the total budget for the financial year of 2019 amounts to US\$ 4,207,616.00. She added that the Secretariat did its best not to increase the size of the budget despite the fact that in the coming year the turnover of 15 staff, for which the Secretariat should incur the costs of the end of service gratuity, installation grants, travel costs,..., will occur. To this end under some accounts, and chapters amounts were decreased. By taking into account the financial constraints of the Organization: the Secretary General decided not to move to the residence, and the purchase of the car was decided that could take place in 2020 instead of 2019. However, the increase of around 50,000.00 US dollars is related to the ECO Award. As per the Modalities, every two years when the meeting of the Summit is held, the ECO Awards are granted. As per the schedule in 2019, the meeting of the summit is expected to be held. Thus, the aforesaid amount was predicted for this purpose. In general the proposed budget for the year 2019 shows that allocated amounts under 10 out of 14 head of accounts have been decreased in comparison with the financial year of 2018.

37. The Ambassador of the **Republic of Turkey**, appreciated the Secretary General's worthy gesture of giving his rent allowance for Residence to meet other needs of the Secretariat. He further added that still; there is increase in the budget for the financial year 2019. The main reason is that some member states either not paying their shares for some time and some member states even not accepted their share. He further said that due to this situation, the Secretariat must be careful in preparing the budget, even minor increase, has not been well received from the capitals. He, also made a reference to the difficulties faced by the Secretariat for payments. In this situation, the Secretariat should take some radical steps to avoid these budgetary problems. He mentioned that allocation of US\$ 50,000.00/- for ECO Award may be avoided.

38. **The ECO Secretary General**, by making a reference to the budget for the financial year 2019, outlined that in the year 2017 the increase in the budget was 8.27%, in 2018, the increase was 2.8%. He further apprised that adjustment of the size of budget is unavoidable for the annual budgets. Logic of the annual budget is that it should be adjusted with the system, with the inflation rates and different costs. The main issue is that, Secretariat has 15 staff, which leave the Secretariat during the next year and are replaced by new staff. During the next financial year, New Deputy

Secretary General would join the Secretariat and the cost of the new DSG is actually more than US\$ 120,000/-. Regarding ECO awards, the Secretary General informed the Council that ECO awards is a tradition for a very long time. He further, mentioned that, if, there is any summit meeting in future, we need to do it as a gesture of ECO. The Secretary General asked the Council, that whatever decision is taken by the Council, Secretariat will follow it.

39. The Representative of the **Republic of Azerbaijan**, while taking the floor stated that the Secretariat is going on the right way as regards to the budget of the Secretariat, as mentioned by the Secretary General about the increase of the budget. As in 2017, increase was 8.27%, in 2018, increase was 2.8% and in 2019 it is 1.34%. He raised the issue that Special Support Fund should be utilized properly and avoidance of supporting of un-necessary meetings by this fund should be taken seriously. The Representative of Azerbaijan reiterated that in case of proper utilization of allocated amount under this fund the saving could be used for other purposes as well.

40. **The Chief Accountant** of the Secretariat, made a reference to the remarks of the representative of Azerbaijan on the SSF and explained on the nature and objective of the fund. She further added that the annual allocation of amount under the SSF is US\$ 60000. She continued that this year around 50% of the meetings which were supposed to be supported by SSF have been held, including the recent three meetings, one was held in Tehran and two in Baku.

41. **The Ambassador of the Republic of Turkey**, taking the floor stated that, as the organization is facing serious budget problems, radical steps should be taken. He made a reference, as described by the Secretary General , that about 15 staff members would be completing their assignment in the coming year, so that will create an additional burden on the organization. He said that it is better to see this issue as an opportunity and rather than recruiting 15 persons, only 7 or 8 persons may be recruited instead of them, so some amount may be saved for the organization. This would also ignite the reform process. The Organization would make all invaluable efforts in terms of saving money.

42. The Representative of the **Republic of Kazakhstan** mentioned that all proposals regarding the draft budget and with regard to contributions are being considered in the Capital and upon receiving the instruction it would be communicated to the Secretariat.

43. The Permanent Representative of **Islamic Republic of Iran**, referred to the decreasing trend in the amount added to the budget for the years 2016, 2017, 2018 and 2019 and appreciated the Secretariat for making its best efforts for keeping this trend. He added that the respective budget as to the remunerations and salaries could not be touched with the aim of decreasing the budget. This part, as per the draft budget, covers more than 80 percent of the total budget of the Organization, and the remaining which is less than 20% budget is used for other purpose of the Secretariat. He further highlighted that some Member States are avoiding paying of their contributions to the budget of the Organization and some Member States insisting on not agreeing on the scale of assessments. These are the challenges that budget of the Organization encounters with. He continued that when the decision

should be made at CPR level, some Member States tend to express that they are still waiting for the instructions from the Capital. This approach provides the ground for prolongation and extension of decision making process. With this kind of approach, it is difficult to run the affairs of the Organization. He further requested the Member States to facilitate the decision-making process. As for the budget for the year 2019, he informed the council that review of the budget, with the aim of decreasing it, if it is necessary and feasible, no objection from their side would be raised.

44. The Ambassador of the **Islamic Republic of Pakistan** taking the floor commented on the proposed budget. She said that the budget for the year 2019 as the Secretary General said, was prepared in accordance with the new Scale of Assessments of the Member States on which has not yet been accepted. She also mentioned that cost of expenditure on the new Deputy Secretary General was also taken into account, even this post does not exist at the moment. She further stated that, if the Council does not agree on the new posts, then how it is included in the budget. She also stated that if Member States does not pay their contribution as per their old assessment, then how it can be presumed that they will pay with the new scale of assessment. This may result in increasing of the arrears and further deficit in the budget. She recommended that the Council may carry out with the same size of budget that have as approved in 2018. She further noted that preparation of budget, may be based on the hope that scale of assessments would be decided and on the hope that there would be some new additions, which is in her perspective, not really take place.

45. The **ECO Secretary General** underlined that the proposed budget 2019 is based on the new scale of assessments, drafted under the mandate given by 233rd CPR on September 11, 2018. He added that since the creation of a new post of DSG for Kazakhstan was also endorsed by the 233rd CPR, the Secretariat reflected the emerging financial implication in the draft budget 2019, complying with the CPR's decision. However, he said that there could be two available options i.e. moving on with the existing scale of assessments, being annually adopted after 2016, or considering the proposed/new scale of assessments as was required to work on such revision under the CPR's mandate, in order to maintain the monetary consistency as well as smooth organizational activities, taking into account the developments in ECO region. Citing the previous CPR's report, the Secretary General conveyed that the reform process, based on the assumption of offered positions, could be materialized, as a matter of fact, only subject to Member States' respective contribution in line with the new scale of assessments. The Secretary General also assured the Council that if the Member States stood with the existing scale of assessments, he would certainly honour such standings. Nevertheless, the Secretary General requested the Member States for giving preference to the new scale of assessments.

46. The Chairman taking into account of the lack of consensus among the Council deferred consideration of the draft budget for the year 2019 to its next meeting.

b) Recommendations of the Selection Panel

47. The Selection Panel met on November 5, 2018 at 1745 hours at Sari City. The Meeting, coordinated by the ECO Deputy Secretary General (T&I, CFU, AIT & IR),

was chaired by the Representative of the Embassy of the Republic of Tajikistan. Other Members of the Selection Panel included, the Representatives of the Islamic Republic of Iran, Republic of Kazakhstan, Islamic Republic of Pakistan and the Republic of Turkey.

48. The Selection Panel made the following recommendation(s) for consideration by the CPR:

i. Program Officer for Drugs and Organized Crime Unit (Cat-II, P3)

Tenure of Service in respect of incumbent programme officer Mr. Raheel Ahmad Cheema may be extended for a period of one month.

ii. Program Officer for Energy, Mineral and Environment (Cat-II, P2)

Tenure of service in respect of the separated programme officer Mr. Djalyzbek Turgumbaev (Kyrgyz national) may be extended with retroactive effect as of 2nd November 2018 until presenting a candidatures requested by the Embassy of the Kyrgyz Republic, subject to the restoration of all the payments received by him as the end of services benefits, grants, gratuity, etc within the limit of seven working days as from decision date of the 234thCPR's Meeting.

49. As for the Program Officer for Drugs and Organize Crime Unit (Cat-II, P3), the Council agreed on the extension of the tenure of the incumbent programme officer Mr. Raheel Ahmed for one month as proposed by the Selection Panel.

50. With respect to the extension of the tenure of the separated programme officer Mr. Djalyzbek Turgmanbaev (Cat-II, P2), the Council was briefed that the request for extension from Kyrgyz Republic was conveyed to the Secretariat around 19:30 after the working hours of the last day of the tenure of the concerned staff that is 1st November 2018. Prior to this date, all separation procedure for the staff was completed and all the payments "at the end of the tenure" were settled as to the concerned staff. Taking this into account, the recommendation of the selection panel is the extension of the tenure with retroactive effect as of 2nd November since the separation has already occurred. It was also noted that all the payments done for the end of service should be restored otherwise the acts taken by the Secretariat which was consistent with the staff regulations will turn out to be non-consistent with the rules.

51. Due to lack of consensus the recommendation of the Selection Panel was not approved by the Council.

Agenda Item No. 8

Any Other Business

52. **The Legal Advisor** under this agenda item while making reference to the adoption of the report of 233rd CPR under agenda item 2 which, among other things, include renewing of the tenure of incumbent staff in category (I) Mr. Unal Memduh,

brought to the attention of the Council that as per the latter part of Article 6.4 of the Staff Regulations, the tenure of staff in category (I) is renewable with the approval of the Council of Ministers. To this end, proposal on the gaining the approval of COM, through silence procedure was accepted by CPR.

Agenda Item No. 9

Date of the next CPR Meeting

53. The Council decided to convene its next (235th) Meeting on **Tuesday 18th December 2018 at 10:00 hrs at the ECO Secretariat - Tehran.**

54. On behalf of all the participating delegations, the Council expressed its deep appreciation and gratitude to H.E. Mr. Nurollah Beiranvand, Vice President of Iranian Railways for Financing and Transport Economy, H.E. Mr. Ahmad Hosseinzadegan, Acting Governor of Mazandaran, Ministry of Foreign Affairs of the Islamic Republic of Iran and all organizers, for providing warm hospitality and making excellent arrangements for successfully organization of the CPR Meeting in the city of Sari, Islamic Republic of Iran.

55. 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.

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

- H.E.Mr. Dr. Nasser Ahmed Noor, Ambassador
- Mr. Sayed Nader Pajohesh, Second Secretary

The Embassy of the Republic of Azerbaijan:

- Mr. Javid Musayev, Counsellor
- Mr. Rauf Abdullayev, Second Secretary

Islamic Republic of Iran:

- H.E. Mr. Majid Bizmark, Permanent Representative/Director General
- His Excellency Mr. Nurollah Beiranvand, Vice President of Iranian Railways for Financing and Transport Economy.
- H.E. Mr. Ahmad Hosseinzadegan, Acting Governor of Mazandaran Province
- Mr. Bahman Ahmadzadeh ECO Affairs Bureau

The Embassy of the Republic of Kazakhstan:

- Mr. Yerbol Akhmedov, Minister, Counsellor

The Embassy of the Islamic Republic of Pakistan:

- H.E. Ms. Riffat Masood, Ambassador
- Mr. Mian Azmat Farooq, First Secretary

Embassy of the Republic of Tajikistan:

- H.E. Mr. Nematullo Emomzoda, Ambassador
- Mr. Firdavs Yusupov, Second Secretary

The Embassy of the Republic of Turkey:

- H.E. Mr. Riza Hakan TEKİN, Ambassador
- Ms. Hatice ÖZDİL, 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. Hadi Soleimanpur, Secretary General
- Mr. Kanan Nazarov, Deputy Secretary General
- Mr. Ahmad Saffari, Director (Transport & Communications)
- Mr. Muhammad Muazzami, Assistant Director (Administration)
- Mr. Salohiddin Kiromov, Assistant Director (CFU)
- Mr. Mahmoud Khoubkar, Legal Adviser
- Mr. Mehmet Ali Saglam, Programme Officer
- Ms. Mojgan Golchin, Chief Accountant
- Mr. Mohammad Akbar Azizi, Steno-Secretary
- Mr. Chaudhry Hadees Muhammad, Steno-Secretary
- Ms. Aynur Mammadova, English-Russian Interpreter/Translator
- Ms. Nurgul Duissenova, English-Russian Interpreter/Translator
- Mr. Amir Javaheri, English-Farsi Interpreter/Translator
