



High-Level Committee on Mid-term Review of ECO Vision 2025

Report

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Introduction

At its 252nd Session of CPR, held in ECO Secretariat in Tehran on April 26, 2021, the ECO Council of Permanent Representatives (CPR) established the High-level Committee to conduct a mid-term review of the ECO Vision 2025. The HLC was also mandated to propose necessary adjustments to the Vision document and its implementation framework with a view to giving effects to the issues raised by honourable Heads of State/Government of ECO Member States at 14th ECO Summit.

The purpose of review exercise is to assess progress of implementation of the ECO Vision 2025 and to provide guidance to ensure realization of the expected outcomes envisioned under six cooperation areas¹ of the Vision by 2025. Besides, this Review exercise will also include specific actions on the issues raised by the honourable Heads of State/Government of the Member States during 14th ECO summit.

All six review parts are structured along with three sub-sections: 1. “Stocktaking and progress made”, 2. “Bottlenecks/impediments”, and 3. “The way forward”. The “Stocktaking and progress made” section provides a solid basis for final outcome of the Mid-term review. To grasp a better idea whether or not the Organization has worked inconformity with Vision statement and strategic objectives, it is necessary to have a clear picture on the rate of implementation of the Vision “Implementation Framework”. Accordingly, the Mid-term Review document will first concentrate on the measures and actions undertaken so far under the six cooperation areas of the ECO Vision 2025.

The section on “Bottlenecks/impediments” is meant to illustrate which obstacles have derailed implementation of the Vision so far. This will help decision makers in the ECO to rectify the situation and, if needed make necessary adjustment to the Vision with a view to ensuring its smooth and effective implementation in the remaining period.

¹Trade, Transport and Communication, Energy, Minerals and Environment, Tourism, Agriculture and Industry, Social Welfare and Environment (HRSD), Judicial and Parliamentary Coordination and EAPA.

The section on “The way forward” will elaborate any remedial/complementary measures deemed appropriate to guarantee better prospect for realization of the Vision expected outcomes. This may include policy changes, adjustments to certain “expected outcomes”, additional support and resources by membership, etc. The ideas raised at 14th ECO Summit by honourable Heads of State/Government will also be highlighted under “The way forward” with the exception of those addressing issues not covered by the Vision. The latter will be reflected under separate parts in the Report.

At the end of the Report, the Decision by the Council of Ministers giving effect to the Report of the High level Review Committee will be included.

Part one: Review of the Vision “Expected Outcomes”

A. Trade

Vision Expected outcome i: *The ECO Trade Agreement (ECOTA) will be operationalized and the membership of ECOTA will be increased.*

Stocktaking and progress made

Although the promotion of intra-regional trade has been one of the constant and important goals of the ECO throughout its life, the achievements have been less than expected and achievable. In 2020, only 8.3% out of \$484 billion foreign trade of 10 member States was traded among themselves.

On the basis of logics behind trade agreements among countries of a given region, there was a great optimism that implementation of ECO Trade Agreement (ECOTA) and its supplementary regulatory and institutional back-ups would boost intra-regional trade within the ECO. This optimism still exists, awaiting implementation of ECOTA and its expansion to embrace all ECO Member States. No substantial progress has been made since adoption of ECO Vision 2025. Rather, the global pandemic crisis has deteriorated the intra-regional trade profile in the last two years.

1. Bottlenecks / impediments

The following obstacles are among those impeding operationalization of the ECOTA and its expansion:

- Continued divergent interpretation on whether or not ECOTA has legally entered into force,
- A tacit, but strong, view that ECOTA will not be a win-win trade arrangement,
- Divergence of opinions on methodology of preparation and exchange of lists,

- Ineffective institutional support for implementation of ECOTA, including through “ECOTA Cooperation Council”, and delayed response by the Member States on ECOTA Operationalization,
- Ambiguity and uncertainty around the ECOTA and its legal status, among other reasons, has prevented the rest of the ECO membership to seriously consider joining the Agreement,
- Problems in scheduling the ECOTA Cooperation Council Meetings to make recommendations and give directions to the efforts of the Secretariat to invoke ECOTA.

1. The way forward

To address the above mentioned impediments, the ECO Secretariat has shared with the Contracting Parties three scenarios for tariff reductions, developed in an outsourced study². The upcoming ECOTA Cooperation Council meetings/ECO Commerce Ministers meeting in 2021 are expected to contemplate on these scenarios. The scenarios have also been shared with non-ECOTA Contracting Parties to harness their interests.

A parallel scenario, as mandated by the ECO Vision 2025, is to move to negotiations for completely new agreement, including a comprehensive trade liberalization agreement, or a free trade agreement.

14th ECO Summit: ECO leaders emphasized on the need for further increase in intra-regional trade volume, early implementation of the ECOTA as well as the need for removal of tariff and non-tariff barriers, trade promotion measures, and free movement of funds, goods and services among Member States and within ECO Region.

² “Impediments in ECO Trade Agreement and Measure to Resolve”

Vision Expected outcome ii: *The scope of ECOTA will be enhanced from preferential trade to Free trade Agreement.*

1. Stocktaking and progress made

Since adoption of the ECO Vision 2025, the Organization has been focusing on the operationalization of the ECOTA, thus no tangible move towards the target of free trade agreement. At the 8th ECOTA Cooperation Council meeting, the Republic of Turkey offered to prepare a draft of the FTA for consideration of the Member States.

The study on ‘Impediments to ECO Trade Agreements and Measures to Resolve’ also entails an idea of an “ECO Comprehensive Trade Liberalization Agreement’ (ECTLA).

2. Bottlenecks / impediments

The intra-regional trade in ECO region has never been supported by any ECO contractual trade framework and the existing trade volume among ECO Member States are attributed to the bilateral and non-ECO trade arrangements. This is why that ECO documents, including the ECO Vision 2025, have envisaged ECOTA as prelude to any ECO free trade arrangement. So, as far as the ECOTA is away from implementation, the realization of the imperative of an ECO free trade agreement seems away. In this regard, the decision to establish a Free Trade Area would lead to the following two options:

- a. Implement ECOTA, and progressive trade liberalization through negotiations on tariff reduction over and above ECOTA Article 4(tariff reduction modality) should be pursued to enhance its coverage on substantial trade beyond 90% with deeper commitments on tariff cuts.

- b. Negotiate a fresh Free Trade Agreement without any reference to ECOTA to cover substantial trade with gradual and deeper tariff reduction commitments.

However, there is an emerging view that in case of no prospect for implementation of the ECOTA, and in case no agreement on revising the ECOTA is reached, the Organization may move directly to negotiations for a free trade agreement having all Member states on board.

3. The way forward

Along with all efforts to operationalize ECOTA, the Secretariat will push for comments on the draft ECO 'Comprehensive Trade Liberalization Agreement' which will be drafted through a research study and other measures with a view to preparing, finalizing and operationalizing of FTA/Trade Liberalization Agreement.

Vision Expected outcome iii: *Non-WTO Member Countries will be assisted in their accession to WTO.*

1. Stocktaking and progress made

The ECO support for WTO accession processes of its 4 Member States has continued to be of political and training nature. Activities like trade policy review, seminars on trading patterns in ECO region and accession to the WTO have been hosted by Afghanistan, Iran, Turkey and Pakistan.

The most recent development was the call by 30th RPC meeting where the Council requested the four non-WTO ECO Member States to inform the ECO Secretariat if they are interested in any training workshop/seminar related to their accession to WTO.

2. Bottlenecks / impediments

There seems to be no real impediments given the fact that this kind of cooperation within ECO mainly focuses on experience sharing among ECO-WTO Member States and Non-WTO Member States. Covid-19 has affected this kind of cooperation as affected other areas of cooperation across the globe.

3. The Way Forward

As envisaged in the Vision Implementation Framework, there should be regular consultations and exchange of ideas on how to assist Non-Member States. The Secretariat may also be mandated to approach WTO Secretariat and other relevant organizations such as UNCTAD and ITC as well as some WTO members to cooperate with ECO in assisting its Non-WTO Member States.

Vision Expected outcome iv: *Following pending trade related agreements will be operationalized:*

- a. ECO Agreement on Mutual Administrative Assistance in Customs Matters*

1. Stocktaking and progress made

The draft text of the Agreement on Mutual Administrative Assistance in Customs Matters has been finalized and circulated among the Member States for completion of formalities and internal procedures.

The Republic of Azerbaijan and the Islamic Republic of Pakistan have since completed their internal procedures. The 5th ECO Ministerial Meeting on Finance and Economy (26 May 2021) recommend the ECO Member States to sign and ratify the Agreement as a step towards greater trade facilitation and transparency.

2. Bottlenecks / impediments

This draft agreement suffers from similar impediments facing other ECO draft agreement that is delayed signature and ratification by Member States leading to its delayed entering into force.

3. The Way Forward

The remaining Member States shall be encouraged to sign and ratify this important agreement. The ECO summit meetings, relevant ministerial meetings as well as the meetings of ECO Council of Heads of Customs Administration (CHCA), including its 9th Meeting in 2021, constitute opportunities to this end.

b. ECO Agreement on Joint Promotional Activities

1. Stocktaking and progress made

The drafting of the “ECO Agreement on Joint Promotional Activities (ECO-AJPA)” is yet delayed.

2. Bottlenecks / impediments

The next meeting of the ECO Trade Promotion Organizations Forum is scheduled for the last quarter of 2021 where the main task is to discuss and agree on the draft Agreement.

3. The Way Forward

The Secretariat may be tasked to consult with the Member States and ECO Chamber of Commerce on the components of the envisaged agreement with a view to presenting the zero draft of the Agreement and its Protocol.

c. ECO Trade Facilitation Agreement

1. Stocktaking and progress made

As per Vision Implementation Framework, the final draft agreement was supposed to be circulated among Member States in 2020. It has not been the case yet. Alternatively, a draft ECO Trade Facilitation Strategy (prepared by the Republic of Turkey) has been circulated among Member States for their views and comments.

In the meanwhile, the Secretariat conducted a research study titled “Impediments to ECO Trade Agreements and Measures to Resolve” in which a draft text of ‘ECO Trade Facilitation Agreement’ was prepared and shared in 2021 with all the ECO Member States for their comments. The comments from the Member States are awaited.

2. Bottlenecks / impediments

Only few Member States have shared their views on the draft Strategy. Until and unless views of all Member States are secured, a solid step towards identification of the components of ECO Trade Facilitation Agreement and the way to operationalize it cannot be taken.

The provision of comments by the Member States will pave the way for further negotiations on the ETFA in the Joint Working Group for the preparation of Draft ECO Trade Facilitation Agreement. It is pertinent to mention that the 4th Meeting of the Trade Ministers of ECO held in Kabul in 2011 instructed the establishment of a Working Group in order to prepare a Trade Facilitation Agreement for the ECO Region.

3. The Way Forward

As soon as views and comments of all Member States are received, the draft Strategy and the comments will be brought to the table as agenda items in the first working group meeting to be convened to prepare the draft trade facilitation agreement in, as originally had been set by Vision for 2020.

The outsourced study on ‘Impediments in the ECO Trade Agreements and Measures to resolve’ will also assist the Secretariat and the

Membership to that end, where the Non-Tariff Barriers (NTBs) employed by the ECO Member States in pre-Covid-19 and Post Pandemic have been identified. The WTO Trade Facilitation Agreement may also give some guidance in this regard.

The 5th ECO Ministerial Meeting on Commerce and Foreign Trade may be the first available occasion to approve the final “ECO Trade Facilitation Agreement”.

d. Regional Agreement on Cooperation in Taxation Matters

1. Stocktaking and progress made

The drafts of “Charter for Establishment of ECO Tax Administration Cooperation Society”, “ECO Memorandum of Understanding on Cooperation in Taxation and Related Matters” and “Agreement on the Exchange of Information in Tax Matters among ECO Member States were finalized in 2014 awaiting concrete actions.

The 31st RPC meeting instructed the Secretariat to share these draft agreements, adopted in the 1st Meeting of Heads of Tax Administration, again with the Member States. The Secretariat shared these documents with the Member States for their views and comments. The Secretariat is planning to table these agreements in the 2nd Meeting of Heads of Tax Administration, for adoption; enabling their submission to higher fora for approval.

The latest development was the 5th ECO Ministerial Meeting on Finance and Economy (26th May 2021) where Member States were again encouraged to sign and implement the three documents for transparency and improving ease of doing business in the Region.

2. Bottlenecks / impediments

Regional cooperation on this important issue is still pending despite the fact that its importance is acknowledged by Member States. The

impediment to be removed at early stage is inability to get as maximum as support needed to finalize and implement these instruments.

3. The Way Forward

As envisaged by the Vision Implementation Framework, the regular meetings of the ECO Heads Tax Administration can assist in establishing regular consultations and decision making towards implementation of these instruments. The ECO Expert Group meetings on Taxation as already scheduled in 2021 and beyond will also provide opportunity to facilitate this process.

Vision Expected outcome v: *ECO Visa Sticker Scheme for businessmen will be operationalized.*

1. Stocktaking and progress made

The Vision Implementation Framework had foreseen that by 2020 the “Agreement on Simplification of Visa Procedures for Businessmen of the ECO Member States” would be signed and ratified simplifying and harmonizing visa procedures across the ECO Region. The Agreement has been signed by seven and ratified by five Member States. The Agreement came into force in 2002. The “Additional Protocol on Simplification of Visa Procedures for Businessmen and Transit Drivers of the ECO Member States” has been signed by three and ratified by one Member States. Accordingly, the ECO visa sticker scheme has not been operationalized.

The Secretariat has been pursuing the Member States for their signing/ratifying/implementing these documents. A small scale study project has also been pursued on ECO Visa Stickers by AIT Directorate.

2. Bottlenecks / impediments

The signing/ratification rate of the Agreement and Additional Protocol constitute an impediment against implementation of this expected outcome with the participation of all Member States.

Apparently, no interest has been shown so far from non-signatory Member States.

3. The Way Forward

The 31st RPC requested the Member States to sign and ratify the Agreement and the Additional Protocol at the earliest. Given the importance of these instruments for overall intra-regional trade within ECO, and along with efforts to give impacts to the ECOTA (or any other ECO-wide trade arrangement), the ECO Secretariat and Member States, at least those ratified the Agreement, should adopt necessary steps to operationalize visa sticker scheme. ECO Chamber of Commerce should also play its role.

Vision Expected outcome vi: *The ECO Reinsurance Company will be operationalized.*

1. Stocktaking / progress made

The Articles of Agreement of ECO Reinsurance Company (ERC) entered into force in December 2017 with three ratification instruments. The nominations for the General Assembly is now complete (one Contracting Party is to re-nominate its representatives). The Contracting Parties are expected to release/transfer their paid-up capital of the Company.

The 31st RPC followed up on the matter and requested the Contracting Parties to operationalize the Company. In 2021, the Islamic Republic of Iran conveyed its readiness to transfer its share. The information was shared by the Secretariat with the other two Contracting Parties for taking further operationalization process.

2. Bottlenecks / impediments

Legally, the Company will be operational when its General Assembly and Board of Governors convene their meetings. The release/transfer of the capital share of all three Contracting Parties seems to be required before the Company Headquarters in Karachi becomes operational.

3. Way Forward

To ensure effective operationalization of the Company, there should be efforts by

- i. existing Contracting Parties to release their capital share, as committed,
- ii. the host Country to organize General Assembly and Board of Governors meetings,
- iii. The remaining Member States to positively consider joining the Company.

Vision Expected outcome vii: *The role of the ECO Bank will be strengthened in the development of ECO economies. The membership of the Bank will be expanded.*

1. Stocktaking and progress made

The Vision Implementation Framework has envisaged four new accessions to the Bank by 2022. No enlargement of the Bank membership happened since inception of the ECO Vision 2025.

The recent 5th ECO Ministerial Meeting on Finance and Economy while reiterating the call to the remaining Member States to join the Bank encouraged the Bank to operate more strongly in the areas of common interests within ECO, including through mobilizing more financial resources to increase its lending capacities.

2. Bottlenecks / impediments

The legal instrument of the Bank arguably prevents it from functioning as a trade supporting Bank. This deficiency should be rectified either through necessary amendments or alternative interpretation of the instrument.

The Bank is still far from implying impression for the whole ECO Membership as an important and effective trade promoter in the Region.

3. The Way Forward

As foreseen in the Vision Implementation Framework, there should be continued regular consultations among decision makers within ECO on how to strengthen the role of ECO Trade and Development Bank as well as to expand its membership. This may require amendments to the founding documents of the Bank.

14thECO Summit: Some honourable ECO leaders also emphasized on the urgent need for reinforcing and strengthening the role and impacts of the ECO-TDB through strengthening its institutional and financial capacities. They also requested for expanding inter-banks links and functions among Member States.

Vision Expected outcome viii: *Capacity Building Programmes for Trade Promotion Organizations of the Member Countries will be prepared and executed.*

1. Stocktaking and progress made

The Vision Implementation Framework has given the task to the Trade Promotion Organizations Forums (TPOF) to define and elaborate ECO calendar of trainings and capacity building programmes. Since adoption of the Vision, TPOF has not been convened regularly.

2. Bottlenecks / impediments

As mentioned before, the TPOF needs to be organized and give serious care to this important pending part of the Vision. Moreover, and as per 31st RPC recommendation, the Secretariat is still awaiting the Member States to share their needs for training and capacity building.

3. The Way Forward

The Secretariat is pursuing with UNIDO to implement the fourth phase of the trade-related joint capacity building project. Member States, including the ECO business community, will assist the Secretariat in identifying the needs and priorities of the target groups and end-users of these trainings and programmes. The ECO TPOs should meet regularly and take over their tasks as per Vision Implementation Framework.

Vision Expected Outcome ix: *Regional trade exhibitions and fairs will be organized.*

1. Stocktaking and progress made

The Vision Implementation framework has envisaged ECO Trade Fairs/Exhibitions to be developed and organized by TPOs and ECO Chamber of Commerce and Industry. These events have ever since been on the annual ECO calendars, including in the Calendar of Events 2021.

2. Bottlenecks /Impediments

Lack of quorum and Covid-19 have been among the reasons delaying fairs and exhibitions. Meanwhile, virtual fairs and exhibitions are getting attention.

3. The Way forward

ECO TPOs in coordination with ECO-CCI will push for early organization of the trade fairs and exhibitions. As mandated by Vision, programmes for Media will be crafted and implemented by individual Member States and ECO-CCI to utilize their role for promotion of regional trade and economic activities.

Vision Expected Outcome x: *A robust trade financing programme will be launched for enhancing regional trade.*

1. Stocktaking and progress made

The Vision 2025 has envisaged close consultation between Secretariat and the ECO Bank to ensure timely realization of a trade financing programme for the Region. By 2020, it was expected to launch a feasibility report on an electronic trading platform to be assessed by the Member States. This is not yet the case.

As a new initiative, the Secretariat recently circulated a draft text of the framework agreement for setting up an ECO Clearing Union (ECU). In parallel, the ECO Heads of Sovereign Wealth (SW)/National Development Funds (NDFs) started discussions on possible regional networking for financing regional bankable projects and the required regional infrastructure to support it.

The Secretariat has also conducted a small scale study project on a possible regional payment system which is aimed to simplify the process for clearance of trade-related payments implying predictability, uniformity and transparency.

2. Bottlenecks and Impediments

As regards the Vision mandate on a robust regional financing programme, it seems that the ECO Secretariat and ECO Bank have not yet materialized the necessary coordination and collaboration.

As mentioned above and as alternative measure, the Secretariat has taken the initiative of networking among SW/NDF of the ECO Member States, to set up a regional financing programme for regional projects to meet the targets of the ECO Vision 2025.

As regards the initiatives on ECU and regional payment system, prospect seems promising provided that all Member States become actively engaged.

3. The Way Forward

The Secretariat will conduct pending consultations and coordination with the ECO Bank to revisit the Vision mandate on designing a regional trade financing programme.

The Secretariat will continue its follow-up with the central banks of the Member States to activate the Working Group on Establishing ECU.

The Secretariat will share the result of the study to prepare a roadmap and an action plan for establishing the ECO Clearing Union (ECU) to be finalized along with the framework agreement for setting up the ECU.

The Secretariat will also conduct a small scale study project on preparation of a roadmap and action plan on establishment of a network of the selected special economic zones (SEZs) in the ECO Member States as per recommendation by the 31st RPC.

14th ECO Summit: Some ECO leaders also emphasized on new initiatives in ECO such as ECO Clearing Union.

B. Transport and Connectivity

Vision Expected Outcome i: *Regional transit transport infrastructure will be improved to bridge gaps and interconnect the Member Countries and the region with neighboring regions and to reach international markets.*

1. Stocktaking and progress made

The Vision 2025 has envisaged some concrete actions to be taken by 2025 and beyond. There have been some achievements by the time of this mid-term review. An envisaged regional partnership forum sponsored by ECO-TDB with the participation of international financial institutions and donor community has not been organized yet.

As regards more interconnections of the rails and roads among Member States as well as completion of the missing links:

- Study projects on ITI, KTAI and KTI road corridors have been conducted,
- MoU on KTI corridor for establishment of Corridor Management Mechanism (CMM) has been finalized,
- 1st phase of the project on benchmarking of transport infrastructure costs (using GIS system) has been finalized,
- Truck and train test runs on different corridors have been conducted.
- ITI road corridor has been activated in October 2021.

2. Bottlenecks/impediments

One of the most important factors impeding construction of important missing links has proved to be the “lack of finance”. Restrictions for banking transactions due to some sanctions constitute another impediment to realization of the expected outcomes so far.

Technical impediments to this also come from different sources, for example, lack of integrated corridor management mechanism (CMM), as

well as slow pace of information flow between Secretariat and the Member States and among Member States.

3. The Way Forward

The Vision's envisaged fund-raising "Forum" should be organized, by ECO-TDB in collaboration of ECO Secretariat, as early as feasible and possible, to mobilize funds through national and international financial institutions/banks, particularly for rehabilitation of existing railways and road links as well as construction of new railways. In the same spirit, the ECO-TDB may be mandated to facilitate transfer of resources/payments related to regional connectivity and ECO transit transport infrastructures.

A permanent and functioning corridor management mechanism should be designed and tailor-made for ECO corridors. This requires a joint and serious work by the ECO Secretariat and railway/road authorities and private sectors of the Member States as well as relevant international organizations.

To remove delayed information flow, some digital platforms and means need to be designed and utilized within ECO.

Addressing a pending mandate of the Vision on enhancing pre-shipment facilities, the Secretariat will conduct a study on need-based technical and financial assessment for installing transshipment facilities, instruments and tools in railway stations across corridors.

14th ECO Summit: The imperative of establishment of ECO economic corridors was also highlighted by the leaders.

ECO leaders also emphasized on the strategic importance of the multi-modal ECO corridors (this is also envisaged in TTFA). Accordingly, transport cooperation among Member States in Caspian Sea was raised in the Summit.

Leaders also underscored the imperative of utilizing GIS systems for intra-regional trade and connectivity as well as for

ECO Region interactions with neighboring regions. The establishment of a Regional Centre for Development of Transport and Communications Connectivity, as proposed to the UN, was also suggested by the leaders.

Vision Expected Outcome ii: *Existing ECO Corridors will be operationalized and commercialized to enable increased intra and inter-regional trade.*

1. Stocktaking and progress made

The following steps have been taken by the time of the mid-term review:

- i. Public sector tariffs on ITI rail Corridor are now consolidated for the forwarders.
- ii. MoU on KTI corridor, including on tariff mechanism is now finalized.
- iii. Study project on commercialization of KTI rail corridor is conducted.
- iv. Study on ITI and KTAI corridors are conducted.
- v. Two truck test runs on KTAI have been conducted.
- vi. A visa scheme on ITI and KTAI road corridors have been finalized and agreed.

2. Bottlenecks/impediments

The lack of well-formulated and functional Corridor Management Mechanism, corridor-specific or ECO-wide, proved to be problematic. Besides, lack of/low level participation of relevant stakeholders (particularly private sector) in the management of the existing railway corridors seems to have adversely affected the achievements.

Another impediment proved to be challenging is the predominant traditional custom procedures as well as infrastructural restrictions at border crossing points.

3.The Way Forward

Some more study projects, including on development of economic corridor along KTI railway corridor, establishment of direct air flights among tourist destinations within ECO region, development of Corridor Management Mechanism (CMM) for ITI and KTAI and other existing corridors, are in the pipeline.

Concurrently, there is a strong need for closer cooperation among the relevant Member States and other stakeholders to provide necessary support and inputs for realization of the envisaged requirements, including corridor-specific Management, incorporating all trade, customs, regulatory, institutional, etc. aspects necessary for effective operation and commercialization of the corridors. Modernization of customs control systems and border crossing points as well as implementation of visa scheme also deserve instant attention.

14th ECO Summit: ECO leaders highlighted the need for full operationalization of the ECO and newly proposed corridors, including those contained in the trilateral Statements between Republic of Azerbaijan, Armenia and the Russian Federation dated November 9/10, 2020 and January 11, 2021 including the establishment of rail and road corridors which will strengthen connectivity in the ECO Region.

The Secretariat will make studies on the specific proposed corridors raised/proposed by the Honourable Presidents in the 14th&15th Summits and report back to the relevant ECO bodies for action.

Vision Expected Outcome iii: *Transport-related facilitative harmonized regulatory frameworks will be developed/supported.*

1. Stocktaking and progress made

The most important ECO regulatory transport-related framework, namely, Transit Transport Framework Agreement (TTFA) still lacks full membership. Turkmenistan and Uzbekistan, two important transit countries in the ECO, have not yet acceded to the Agreement. The more inclusive the TTFA becomes, the more harmonization can be guaranteed. Secretariat has been pushing for TTFA expansion as well as for a capacity development project for application of eTIR and eCMR in transit transport in our Region.

2. Bottlenecks/impediments

Besides TTFA deficiencies referred to above, the two different standards (COTIF and OSJD) governing the rail transport in the region, and non- digitalized transport and transit procedures in the region also constitute impediments facing regional harmonization and facilitation.

3.The Way Forward

In the remaining time of the Vision 2025 and beyond, the ECO should continue towards full membership of TTFA; unification of rail standards, including across certain rail corridors; digitalization of procedures, including through capacity development programmes and application of eTIR and eCMR; etc.

Member States should also be assisted to join relevant international instruments for transit facilitation, including Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) and Agreement on the International Carriage of Perishable Foodstuffs and on the Special Equipment to be used for such Carriage (ATP).

Vision Expected Outcome iv: *ECO Member Countries will be encouraged to accede to relevant regional and international legal instruments for ease of transit transport.*

Please see explanations under Vision Expected Outcome iii.

Vision Expected Outcome v: *Administrative procedures and controls in inter-regional transport will be streamlined and simplified within the framework of TTFA.*

1. Stocktaking and progress made

By the time of review, efforts have been done to further simplify and streamline procedures at the ECO region. All ECO Member States have acceded to the TIR customs convention and it is now implemented across the Region, Pakistan and Afghanistan have acceded to COTIF convention on rail transport, and Afghanistan has joined OSJD Convention.

2. Bottlenecks/impediments

The Region still suffers from lack of effective implementation of regional and international transit facilitation instruments. Border crossing points lack modernized infrastructure and equipment which lead to slow and time consuming customs operations.

3. The Way Forward

Besides some relevant issues mentioned above (under other vision expected outcomes) there should be real focus on implementation of customs provisions of TTFA, as well as ECO Guidelines on Facilitation of Transit under COVID 9.

The border crossing infrastructure and equipment shall be developed further to meet the requirements for the regional and international trade.

Vision Expected Outcome vi: *More efficient customs functions and modernized customs facilities in Member Countries will be supported.*

1. Stocktaking and progress made

Please see explanations under Vision Expected Outcomes iii and v.

2. Bottlenecks/impediments

Besides those mentioned under relevant vision expected outcomes above, the lack of tailor-made trainings and knowledge about digitalized information exchange systems; different national policies and practices; and lack of funds to support modern customs control devices are among impediments facing full realization of this expected outcome.

3. The Way Forward

Efforts should be directed towards capacity development programmes for on application of digital tools, including through workshops and field visits; harmonization among national policies with internationally accepted norms and practices; and mobilization of funds to afford needed customs control equipment/infrastructure and risk management tools.

Vision Expected Outcome vii: *Simplified visa and consular procedures for transit related activities and regionally or globally accepted insurance system will be activated in line with TTFA.*

1. Stocktaking and progress made”

As mentioned earlier, one achievement in terms of visa facilitation realized since inception of ECO Vision 2025 is finalization and approval of the Visa Scheme on ITI and KTAI Road Corridors. This will hopefully accelerate efforts to do the same in the context of other ECO corridors.

2. Bottlenecks/impediments

Along with other sufferings emanating from Covid-19, entry of transit drivers to some of Member States have been interrupted during the pandemic. Another bottleneck is attributed to the lack of data on professional transit drivers\persons involved in transport allowing them to enjoy from facilitative visa procedures.

3. The Way Forward

The en-route Member States need to operationalize Visa Scheme across ITI and KTAI road corridors. All Member States should seriously consider application of visa scheme to all corridors in the Region.

As per data exchange, the Member States may prepare and exchange list of their professional transit drivers/persons involved in transport, including by professional associations through establishing web platform.

As regards activation of an insurance system in the ECO, the Green Card/White Card insurance system are in the pipeline to support and supplement the national insurance coverage of the Member States with the Ultimate goal of facilitation of intra- regional transport and transit.

Vision Expected Outcome viii³: *Access and increased use of ICT through increasing household and individual access to internet will be encouraged.*

Vision Expected Outcome ix: *Digital divide will be bridged through minimum provisioning of affordable high-speed internet access and enhancing the abilities of individuals.*

Vision Expected Outcome x: *Development and increased availability of digital local content will be encouraged. Efforts will be made to strengthen on-line trust and security for communities and businesses.*

Vision Expected Outcome xi: *ICT infrastructure will be improved through implementation / adoption of new technologies and regulatory reforms will be encouraged for increasing competition and access of private sector in provision of ICT services.*

Vision Expected Outcome xii: *Institutional framework of ICT sector, development of digital literacy, skills and competencies in the region will be improved.*

1. Stocktaking and progress made

ECO has recently accelerated its efforts in materializing envisaged outcomes under the Vision. The second meeting of ICT Ministers of the ECO was convened in 2017 and took stock of achievements done since first Ministerial Meeting in 2012. Subsequently, the “2025 ECO Regional Strategy for Information Society Development” and its proposed Action Plan were prepared and circulated among Member States. The First ECO ICT Working Group was organized by Pakistan in October, 2021 virtually to discuss implementation of the decisions of the ministerial meetings and the “2025 ECO Regional Strategy for Information Society Development”. It is decided that future meetings of the working group will discuss thematic issues of the “2025 ECO Regional Strategy for Information Society Development” and the relevant action plan.

³All five ICT-related Vision Expected Outcomes are reviewed together.

2. Bottlenecks/impediments

The ICT and digital cooperation at regional level cannot be flourished absent a common understanding about the challenges and opportunities emanating there from. The ECO region still lacks intra-regional dialogue and debate among policy makers, academia, practitioners and IT societies. Different level of ICT development of individual Member States, absence of regional ICT institutions involving major stakeholders, lack of a regional ICT cooperation framework and Secretariat's suffering from lack of human and financial resources in TC directorate are among factors affecting a successful ECO ICT profile.

3. The Way Forward

A working group on ICT cooperation has been arranged for Member States to discuss ways and means to push for ICT and digital cooperation at ECO level. This includes, among others, implementation of the Regional Strategy for Information Society Development" and its Action Plan.

A possible regional regulatory framework for ICT cooperation, a virtual dialogue platform to facilitate regional cooperation, exchange of knowledge through establishment of digital help desks, capacity development and training programmes, conducting studies on issues of interest and concern, and enhancing cooperation with other regional and international organizations, particularly ITU are among issues to be pushed for in the remaining Vision time and beyond. ,

There should also be incentives and encouragement by governments to facilitate private sector's contribution including encouraging them to provide local internet contents in different languages across the region.

Secretariat also needs to be supported by financial resources and expertise.

14th ECO Summit: To remain competitive, some leaders

proposed to focus on rapid digitalization, especially extension of broadband to all parts of the ECO countries.

C. Energy

Vision Expected Outcome i: *Efforts will be made for harmonization and alignment towards regional power / electricity market within the ECO Region for harnessing benefits of larger integrated systems.*

1. Stocktaking and progress made

Since inception of the ECO Vision 2025 a feasibility study on ECO Regional Electricity Market has been launched and the Terms of Reference of the pilot project between Iran and Turkey has been developed.

Technical workshop with the participation of International Energy Charter was organized with aimed at raising awareness among Member States on globally accepted best practices.

The Fourth ECO Energy Ministerial meeting adopted a roadmap aimed at timely and effective realization of the subject project.

2. Bottlenecks/impediments

Financial constraints, insufficient engagement of the Member States constitute the main impediments to achieve this expected outcome of the Vision.

3. The Way Forward

Pilot project between Iran and Turkey should be expedited and its expansion to include other interested Member States. Participation of all Member States in the post-pilot phase should be guaranteed. The process for joining of Republic of Azerbaijan has already started. ECO should consider drawing synergies with similar projects undertaken by other

international actors (such as USAID, ADB, IsDB, EU, etc.). Likewise, the roadmap adopted by the energy ministers needs to be implemented by all interested Member States.

The opportunity provided by upcoming meetings such as 4th ECO Energy Ministerial Meeting and 2nd Expert Group Meeting of ECO-REM will be seized to assist ECO Regional Electricity Market Project move smoothly and expeditiously.

Technical and financial assistance and advisory services by relevant international partners, including Energy Charter should be solicited.

14thECO Summit: Some honourable ECO leaders requested for implementation of some specific power-related projects in the Region.

Vision Expected Outcome ii: *Energy trade, production, consumption and transit patterns will be enhanced.*

1. Stocktaking and progress made

Apparently, there has been slow progress towards this Vision Expected Outcomes .The Fourth Energy Ministerial Meeting reaffirmed the willingness of the Member States to pursue wider partnership in energy generation, consumption, transit and export among them and beyond.

2. Bottlenecks/impediments

The lack of active involvement by the Member States, their different regional (ECO-wide) approaches vis-à-vis national energy strategies, etc. have led to low level of dialogue and interaction as regards upgrading the energy trade and patterns across the Region.

3. The Way Forward

Efforts should be concentrated on consensus re-building among Member States on the credibility and collective benefits of regional cooperation; since energy cooperation has been acknowledged over and over as a core cooperation area within ECO. This should be seriously taken into account in implementation of the newly adopted ECO Energy Strategy and its Action Plan 2030.

14th ECO Summit: Some leaders requested for establishing ECO energy corridors and using the existing ones for intra-regional exchanges as well as export to outside the ECO Region, as well as diversification of energy supply in the ECO Region. The need for a mid-term ECO strategy which ensures energy sustainability and involves required investment and modern technologies was also emphasized by some leaders.

Vision Expected Outcome iii: *Enhanced policy coherence for integration and mainstreaming objectives of the SDGs and “UN Sustainable Energy for all” will be encouraged.*

1. Stocktaking and progress made

This Vision Expected Outcomes has not experienced any progress at the ECO level while individual ECO Member States, like other UN Members, have been following their own policies vis-à-vis relevant SDGs and UN Sustainable Energy for all.

ECO Strategy for Energy Cooperation and its Action Plan 2030 adopted by ECO Energy Ministers in 2021 is promising instrument to address new dynamics on the global energy landscape, particularly environmental, economic, geopolitical, and financial dimensions.

2.Bottlenecks/impediments

The newly approved ECO Strategy for Energy Cooperation and its Plan of Action is expected to galvanize new cooperation and remove some bottlenecks which have affected ECO joint activities in energy sector.

2. The Way Forward

Following the implementation of a small size project on development of the updated ECO Energy Strategy and Plan of Action and the discussions around it, a high level expert group on energy will be convened to hopefully finalize the documents to be submitted to ECO Energy Ministers for endorsement.

Vision Expected Outcome iv: *ECO Member Countries will be encouraged for deployment of environmental-friendly energy technologies in order to mitigate adverse environmental footprints of the energy transfer and trade.*

Vision Expected Outcome v: *More diverse and resilient energy architecture in the Region will be supported through transformation to renewable, as well as cleaner and sustainable energy sources. ECO Clean Energy Center will be established.*

1.Stocktaking and progress made

There has been concrete progress in terms of establishment of ECO Clean Energy Centre (CECECO) through close cooperation between ECO and UNIDO, a successful attempt towards transformation to renewable, cleaner and sustainable energy sources.

The necessary requirements, including needs assessment, feasibility and other studies as relate to institutional structure and functioning elements of the envisaged Centre have been addressed validated by Member States. Draft Charter of the Centre has been prepared. The

Completion for the host country has been launched and the selection process is on-going.

2. Bottlenecks/impediments

Diversification of energy resources and transformation to renewable and clean energy requires technology and knowhow, sufficient financial resources as well as policy support. ECO suffers from scarcity of financial resources which necessitates recourse to potential outside sources.

As regards the establishment of ECO Clean Energy Center, ECO-UNIDO Partnership allow for a promising prospect ahead. A disappoint sign noticed recently was the lack of interest in most ECO Member States to volunteer to host the Centre.

3. The Way Forward

The first and foremost, ECO in collaboration with UNIDO should finalize the process of establishment of the ECO Clean Energy Centre and make it operational. Charter endorsement, selection of the host country, fund-raising, more partnership with relevant regional and international partners are among measures need to be taken seriously and expeditiously. This will enable ECO to benefit from the Centre's services, including implementation of renewable energy and energy efficiency projects.

Vision Expected Outcome vi: *Promotion of energy investments through advocating innovative incentives and close engagement with regional and global IFIs and development banks will be encouraged.*

Today, financing in national level and from international donors, in particular with private funding are primary sources to run the energy projects at regional level. To enable transition toward sustainable, affordable and reliable energy, ECO Energy Strategy proposes to institutionalize this framework through launching initiative to establish

regional financing tool that will mobilize those funding sources under one umbrella of ECO Fund for Strategic Investments. This so-called fund would be able to provide additional assistance allowing access to finance for projects of regional significance such as renewable energy, energy efficiency, and energy networks.

Vision Expected Outcome vii: *To the widest extent possible, relevant energy efficiency goals and objectives will be achieved at the ECO regional level.*

Energy inefficiency is one of the major challenges confronted by the ECO Region in the energy sector and must be targeted at production, distribution and consumption stages. Even moderate estimates assume that driven by the current state of technology, the average of 30% of energy is currently wasted in the countries of Central Asia due to inefficiency. With this in mind, the main policies for promoting energy efficiency and energy conservation and carbon finance mechanism need to be adopted:

- Renovation of buildings and strict building codes (e.g. insulation of buildings)
- Eco - design regulations
- Best Available Techniques (BAT) in Industry
- Transport electrification, CO₂ and energy efficiency standards for vehicles

Significant energy savings are required particularly as the climate change obligations are fulfilled and/or GDP growth increases. In these cases, high investment expenditure is necessary in all main sectors.

Vision Expected Outcome viii: *Institutional advisory mechanism will be established for crafting policy linkages.*

The 1st meeting of the ECO Regional Network of Research Institutions/Centers and Think Tanks operating in the field of energy studies gathered in 2021 on the theme of “Formulating Future Energy Strategy of ECO Region and steps ahead: particular emphasis to mainstreaming sustainable energy transition”. Particularly elaboration of ECO Energy Strategy was discussed and contributed to the content wise. In upcoming period, this advisory mechanism will undertake implementation process of said Strategy, including new ideas and initiatives by Member States.

D. Tourism

Recognizing the strategic and pivotal role of the Tourism industry for sustainable socio-economic growth of the ECO Member States as well as incredible cultural affinities and advantages across the Region, tourism was selected a priority development sector in the ECO Vision 2025.

The following expected outcomes were identified by the Vision as achievable by 2025:

Vision Expected Outcome i: *The ECO-Tourism brand through effective mediums at the regional, national and international levels will be strengthened in order to attract first-time and repeat visitors.*

Vision Expected Outcome ii: *Silk Road tourism through cooperation with the international community and relevant organizations will be revived.*

Vision Expected Outcome iii: *Visa facilitation for the citizens of the region.*

Vision Expected Outcome iv: *Tourism activities will be diversified into various niches including: health/medical, ecological, culture, winter, sea, mountain sports, climbing, skiing, desert and religious.*

Vision Expected Outcome v: *In tourism promotional activities, utilization of electronic media will be increased.*

Vision Expected Outcome vi: *Tourism related human resource development and capacity building activities will be promoted.*

Vision Expected Outcome vii: *Relevant rules and procedures in tourism sector will be adopted in the ECO Region.*

Vision Expected Outcome viii: *'Standardization and accreditation bodies' and 'sustainable and green tourism' monitoring mechanisms will be established and improved in collaboration with international tourism bodies.*

Vision Expected Outcome ix: *Private sector and local community involvement in the tourism activities will be strengthened.*

Vision Expected Outcome x: *Diverse means and new solutions will be developed and utilized to address emerging issues and range of markets to best serve the ideals and goals of sustainable tourism in the region.*

1. Stocktaking and progress made

Despite some positive moves since adoption of the ECO Vision 2025, the realization of the Vision Expected Outcomes is still pending. With its huge potential, regional cooperation in tourism sector continues to be a stimulating source for economic growth of the ECO Region and the Member States.

As was the case before adoption of the Vision 2025, the coordination between individual policy frameworks of the Member States with the envisaged regional framework at ECO level continued to be far from realization. The spread of pandemic made also made the Vision expected outcomes less promising.

Since adoption of the Vision, 3rd Meeting of the ECO Tourism Ministers was held in 2019 in Khujand, Republic of Tajikistan was convened; the ECO Principles for Sustainable Tourism Development in ECO Region was adopted and cities of Dushanbe, Tajikistan, Sari and Ardabil, Iran were selected as ECO Tourism Capitals for the years 2021, 2022 and 2023, and international tourism festival 'Dushanbe – ECO Tourism capital 2020-2021' respectively.

Some activities and events were also designed, many of them not realized mostly because of the negative impacts of the pandemic. Activities such as Confobition on Health Tourism, International Forum on Agro-Tourism Development, International Tourism and Handicraft Exhibition, International ECO/ Silk Road Food Festival, experts group meeting on Ecotourism, ECO Ecotourism Database, Ecotourism Catalogue for the ECO region, ECO Tourism Destinations Data banks, ECO Regional Action Plan for Sustainable Tourism Development, ECO Tourism Routes and Packages, Tour operators chain and connectivity, etc.

2. Bottlenecks and impediments

Secretariat identifies the followings as the main challenges facing the Organization in realization of Vision expected outcomes: poor contribution/cooperation of Member States as regards activities/projects, delayed sharing of necessary documents and other information, insufficient support in hosting the meetings/events, financial restrictions/constraints, lack of concerted regional strategic approach and actions for cooperation in tourism sector, etc.

As regards the envisaged ECO strategy for tourism cooperation, it still lacks financial support, lack of synergy among the tourism authorities of the Member States, and non-regular meetings among the Member States have made Secretariat efforts ineffective.

Regional infrastructure and policy weaknesses and constraints, as well as weakness in transport connectivity, marketing and branding, tourism facilitation, and cooperation between public and private tourism authorities and local community of the Region are among the impediments facing tourism sector boost in the ECO Region. The devastating COVID-19 impact on the tourism industry globally exacerbated the prospects in the ECO Region as well.

3. The way forward

Besides regular efforts for preparation of tourism strategy, sharing information between Member States and the ECO Secretariat, financial support, promotional activities, etc. the ECO as a whole (all stakeholders in the Member States, Secretariat) need to focus on operational and policy measures leading to, among others, enhanced intra-regional connectivity (air, road and rail), particularly between tourist sites across the Region, improved tourism marketing and branding, improved quality and standards in tourism services, and enhanced cooperation and partnership between public and private sectors and authorities. These measures should entail policy, institutional, regulatory, promotional and operational coordination among the Member States, as well as partnership and

assistance sought from the outside the ECO. Meetings and instruments (strategy, plan of action,.....) should be arranged and utilized to these ends.

Since currently ECO Member States have to alter their tourism plans and have prioritized mitigating the devastating effects of the pandemic to return to pre-COVID-19 levels, it is recommended to develop a coherent regional policy action on coordinated recovery of the regional tourism and to facilitate overcoming the adverse effects of COVID-19.

E. Economic Growth and productivity

Agriculture

Vision Expected Outcome i: *Agriculture Trade-related risk maps (abrupt price and supply changes because of trade and weather conditions) based on studies and*

analysis will be generated and finalized to identify hazards and their potential routes for being transferred.

Vision Expected Outcome ii: *Capability of the participating research institutes and local communities will be enhanced for propagation and release of natural enemies of pests and diseases of the selected crops.*

Vision Expected Outcome iii: *A Regional Agricultural Trade Forum will be established to provide a basis for dialogue on agricultural trade policies and joint research on agricultural policy issues under the framework of the existing general trade mechanisms in the ECO.*

Vision Expected Outcome iv: *An Agricultural Trade Information System will be established for the region;*

Vision Expected Outcome v: *Agricultural export potentials of the Member Countries and intraregional agriculture trade potentials will be identified and realized.*

Vision Expected Outcome vi: *Infrastructure requirements in production, processing and export chain of the selected crops will be identified and investment plans will be prepared.*

1. Stocktaking and progress made

The 6th ECO Ministerial Meeting on Agriculture in December 2019 agreed on some actions with direct and indirect effects towards implementation of the Vision related provisions. As regards promotion of agriculture trade in the ECO Region, the ECO Regional Centre for Risk Management (ECO-RCRM) was mandated to coordinate and conduct country-specific meetings and projects on risk-related issues; international/regional conferences, buyers/sellers meetings and trade forums and regional initiatives are to be organized in close collaboration with ECO-CCI; measures on exchange of best practices and technical know-how as well as development of an information system for agricultural trade network in cooperation and technical support of FAO are foreseen were considered; a task force committee composed of high level national & regional coordinating/decision making mechanisms to be established to identify agricultural trade potential in the ECO region in coordination with national Trade Promotion Organizations (TPO), ECO-CCI, ECO-TDB and Ministries of Agriculture; the relevant ECO institutions and bodies were

mandated to conduct market and value chain analyses of selected products and to prepare Farmers' Awareness Programmes (FAP) to empower the rural producers and generate employment opportunities in the ECO region; etc.

The Ministerial meeting also requested for an Integrated Pest Management Plan (IPM) through harmonization of policies and legislations of the Member States, and instructed for preparation of an impact assessment of natural enemies of pests and diseases. The Ministers also recommended trainings and technical meetings of propagation and release of natural enemies of pests and diseases of the selected crops.

The Ministers also requested for an ECO Policy Framework for Investment in Agriculture as well as a Regional Agricultural Investment Promotion Plan, to help mobilize public and private investment in agriculture, and for an analysis to identify and boost R&D initiatives and increase inflow of FDI in agricultural production and food processing.

As shown above, the real progress and concrete achievements as regards Vision expected outcomes are incumbent upon all stakeholders through increased efforts in the remaining period of the Vision.

2. Bottlenecks and impediments

The ECO Secretariat has identified covid-19 pandemic as the main impediment which prevented progress and slowed down communications and interactions with the Member States.

3. The Way forward

In the remaining period of the Vision, all tasks referred to above (as given by the Ministerial meeting should be implemented. Establishment of Regional Agricultural Trade Forum and ECO Regional Agricultural Trade Information Network (ECO-RATIN), conducting necessary projects and investment promotional activities, organizing relevant training, research and capacity building programmes,.... are among activities still pending.

To this end, collaboration of relevant regional and international organizations will also need to be secured.

Besides, the revised ECO Regional Programme on Food Security (RPFS) will continue its activities in parallel to ECO-Vision.

14th ECO Summit: Leaders underscored the imperative of enhanced cooperation on food security in the Region, especially in the time of pandemic. They proposed more extensive cooperation with FAO and development of a new ECO food security programme. The need for efforts to protect food security and overcome unemployment and poverty by the Secretariat and Member States were also highlighted.

Industry

Vision Expected Outcome vii: *Green industrial development strategy at regional level will be adopted to contribute to 2030 sustainable development agenda.*

Stocktaking and progress made

Vision Expected Outcome viii: *Industrial cooperation in the region will be institutionalized.*

Vision Expected Outcome ix: *The share of high-tech products in the production and exports of the Member Countries will be enhanced.*

Vision Expected Outcome x: *Existing industrial capacities will be enhanced and reoriented towards green industrial development to meet the SDG's standards and criteria;*

Vision Expected Outcome xi: *Financial mechanism will be established to support start-ups, SME's and entrepreneurs.*

Vision Expected Outcome xii: *Women entrepreneurship will be promoted and encouraged.*

Vision Expected Outcome xiii: *Legal and administrative support for development of green industries particularly through promotion of Industrial Property Rights will be provided and necessary mechanism will be established and national initiatives will be encouraged.*

Vision Expected Outcome xiv: *Development of quality infrastructure, standards, laws and regulations to make the region an investment friendly atmosphere for green industries and services will be promoted.*

Vision Expected Outcome xv: *Capital flows, and technology transfers from within and outside ECO members will be encouraged.*

Vision Expected Outcome xvi: *New industrial solutions including industrial revolution 4.0 will be utilized to address emerging needs.*

1. Stocktaking and progress made

As per information provided by the Secretariat, meaningful progress is still due as relate to these expected outcomes. Since inception of the Vision implementation, there have been attempts sponsored by the ECO Secretariat and relevant partners in the Member States to push for some initiatives and events in the areas of high-tech promotion and SMEs development in the ECO Region.

The ECO Regional Institute for Standardization, Conformity Assessment and Metrology (ECO-RISCAM) is now operational and its first Technical Management Board convened its meeting in March 2021.

As regards IP-related aspects of the industry, a MoU between ECO and WIPO is now signed. Accordingly, the first workshop on IPR was organized for ECO Region in cooperation with WIPO.

2. Bottlenecks and impediments

Since adoption of Vision in 2017, attempts to organize a ministerial meeting with the participation of the ministers of the Member States has not been successful. This is partly because in some Member States, there is no ministerial authority dealing exclusively with industrial cooperation.

The imperative of regional industrial cooperation within ECO necessitates Intra-regional trade boosting as well as supply chain arrangements. Absence of intra-regional trade frameworks also affected momentums

for regional cooperation on infrastructure development, standards setting as well as regulatory cooperation.

3. The Way Forward

The Vision document and the annual RPC programmes of work provide clear directions for the Secretariat and the Member States. Meetings at working and policy levels need to be organized with the participation of the Member States and partner organizations to reinvigorate momentum for regional cooperation through formative and institutionalizing measures.

The Secretariat is planning to initiate the process of development of the ECO strategy through consultations with the Member States while relevant international organizations and funding agencies will be approached for financial sustainability of the envisaged strategy.

ECO Secretariat will also work on devising modalities for development and exchange of hi-techs within ECO Region. Technology incubation centers, an ECO technology transfer center, a special fund (with support from ECO TDB) as well as possible crowd funding regulations, start-up model projects in different sectors of industry focusing on SMEs and entrepreneurs (in collaboration with UNIDO), special ECO awards to encourage successful women entrepreneurship in the Region, IPR-related workshops and awareness raising initiatives, support to ECO-RISCAM, including for green industries purposes, and a devising a regional blueprint for industrial revolution 4.0 are among measures Secretariat intends to follow through consultations with the Member States and partner organization from within and outside Region.

ECO Secretariat also intends to propose a Special Regional Forum to undertake international exhibitions and conferences inviting international funding agencies and international technology leaders to introduce ECO Region as an attractive destination for funds and technologies. This requires, among others partnership with international technology agencies like UNIDO and ITU.

14th ECO Summit: Leaders underscored the urgent need to

promote knowledge-based economies and invest more in Research and development. Some leaders also highlighted the importance of strengthening and activation of the relevant new and existing ECO agencies such as ECO-RISCAM.

Investment

Vision Expected Outcome xvii: *The Agreement on Promotion and Protection of Investment among ECO Member Countries (APPI) will be operationalized and its membership will be increased.*

The Agreement on Promotion and Protection of Investment (APPI) in the ECO region was finalized by the 3rd HLEG meeting held in Istanbul on 5 July 2005. Currently, the Agreement has been signed by five ECO Member States namely, Islamic Republic of Afghanistan, Republic of Azerbaijan, the Islamic Republic of Iran, the Islamic Republic of Pakistan and the Republic of Turkey.

Entry into force of the Agreement requires ratification by four Member States. This Agreement shall come into force after two months of the date of deposit of fourth Instrument of Ratification. The 31st RPC called upon the Member States, which have signed the APPI, to complete the ratification procedures along with ratification of its Amendment Protocol at the earliest convenience for its early implementation. The 31st RPC further requested the non-member states to consider joining the Agreement and Protocol.

Vision Expected Outcome xviii: *Legal regimes and mechanisms to enhance investor protection will be improved.*

In order to promote confidence of the investors for investment in the ECO region two meetings of the Heads of SEZs of the ECO Member States have been held to harmonize investment policies through networking of SEZs/FTZs of the ECO member states. In line with the 31st RPC approved calendar of events for 2021, the second meeting of the Heads of SEZs/FTZs was held in August 2021. In the light of the recommendations of these meetings a research study is being conducted to formulate and suggest a

legal framework for investors' protection in the Member States designated SEZs/FTZs, to be shared with the Member States for their consideration.

Vision Expected Outcome xix: *Capacity Building Programmes for Investment Promotion Agencies of the Member Countries will be prepared and executed.*

As per 31st RPC recommendation, the Secretariat is still awaiting the Member States to share their needs for training and capacity building to schedule in consultation with Member States.

F. Social welfare and environment

Vision Expected Outcome i: *Regional mechanisms/frameworks will be in place to support education, training, vocational needs and other capacity enhancement requirements of the peoples/entities of the Member Countries.*

Vision Expected Outcome ii: *Higher food security and safety in the region will be achieved.*

Vision Expected Outcome iii: *Cooperation, focusing on non-communicable diseases as well as universal health coverage system, will be encouraged.*

Vision Expected Outcome iv: *Environmental sustainability of the region will be supported through environmentally friendly regional economic and social cooperation.*

Vision Expected Outcome v: *Regional projects in climate/biodiversity areas through partnership with relevant international stakeholders with available regional and global funding will be implemented.*

Vision Expected Outcome vi: *ECO will be recognized as a regional group/partner in the global environment community.*

Vision Expected Outcome vii: *A regional integrated disaster risk reduction system/network will be established with the ultimate aim of preventing and reducing disaster losses in lives, and in social, economic, and environmental assets of people of ECO Member Countries.*

Vision Expected Outcome viii: *Regional law enforcement and police organizations/mechanisms will be in place to coordinate and support national and international efforts to combat illegal drugs and human trafficking and other trans-regional organized crime.*

1. Stocktaking and progress made

As per information received from the Secretariat, efforts have been directed towards strengthened collaboration with international organizations in the area of technical and vocational trainings for the target groups in the ECO countries. High-Level university representatives' forum has also been convened aimed at enhanced cooperation on education within the Region.

ECO Regional Programme for Food Security (ECO-RPFS) has been discussed for updating. The 6th Ministerial Meeting on Agriculture decided to establish a dialogue forum to increase partnerships and assistance, through joint programmes with all stakeholders to increase synergy in regional efforts to enhance food security through technical cooperation, including institutional capacity development, transfer of technology, and increasing agricultural productivity. The meeting also mandated the ECO-VECO to promote international standards aligned with OIE standards and design a practical and affordable livestock identification and traceability and disease certification system for the ECO Region.

Following 3 consecutive pre-Vision ECO ministerial meetings (the 2nd and 3rd one in Geneva), the 4th meeting of the ECO Health Ministers was convened in June 2021 amid Covid-19 global crisis. The Meeting adopted the long awaited “ECO Plan of Action on Health “focusing primarily on challenges of pandemic. Moreover, a proposal by Turkey on sharing experiences regarding Covid-19 through “Covid-19 E- Learning Programme for Healthcare Workers” is under consideration by the Member States. During the Vision time, a small sized project was also conducted on “Regional Capacity of Intra-Trade of Pharmaceuticals” and its findings were circulated.

As regards Vision mandates on regional cooperation on environment, the 31st RPC re-allocated funding for preparation of a regional programme for implementation of the “Framework Plan of Action on Environment Cooperation and Global Warming for ECO Member States (2016-2020). Meanwhile, ECO Secretariat has sought to involve more international partners such as Green Climate Fund, UNDP, etc. The Project of "Combating Desertification with a Special Emphasis on Dust Haze and Sand Storms in the Region" has been finalized and a project on “ECO LandCare” has been prepared and is considered by the Member States with a view to financing of 1st phase of the project.

After a long interval since adoption of the UN Sendai DRR Framework (2015), the 8th ECO Ministerial Conference on Disaster Risk Reduction in March 2021 approved the “ECO Regional Framework for Disaster Risk Reduction (ECO-RFDRR) and its roadmap for implementation. This is an important achievement towards implementation of the relevant provisions of the Vision 2025. Besides, the ECO Protocol on “Real-Time Seismological Data” is now available to Member States where they can subscribe to and exchange information with each other.

As regards Vision mandates on law enforcement and combating organized crimes, the establishment of ECOPOL is still pending another meeting of decision makers to approve the its draft Statute. The Regional Center for Cooperation of Anti- Corruption Agencies and Ombudsmen (RCCACO) received its third and fourth instruments of ratification in 2017 (Pakistan) and 2020 (Afghanistan) thereby the Centre became functional legally. The 4th meeting of the Heads of Anti-corruption organizations and

ombudsmen of ECO Member States in June 2021 in Tashkent discussed the practical measure for functioning of its Secretariat which is based in Tehran. As regards the envisaged mechanism for regional judicial and legal assistance cooperation, a draft framework agreement is expected to be developed and proposed by Pakistan for later consideration of the Member States.

2. Bottlenecks and Impediments:

Low speed of communications and exchange of information between Member States and the Secretariat is still an important source of discouragement, exacerbated during the pandemic. This is more discouraging that some Member States are even reluctant to engage in health cooperation during the pandemic crisis.

The less than expected participation of the Member States in the process of updating the plan of action on environment cooperation (2016-2020) constitutes a major concern. The limited available capacity of ECO-IEST and the overlapping activities and similar environment projects by other international organizations is one of the main impediments for conducting comprehensive projects in ECO Region.

Although ECO is a disaster-prone region, the desire to invest and engage in real joint activities is still to be shown by Member States.

The ECOPOL draft Statute is almost finalized with the exception of the final agreement on the place of its Secretariat and the number of ratification needed for its entering into force.

3. The Way Forward

Education: Expert and decision making level meetings need to focus on enhanced regional cooperation, networking and exchanges, including through a Plan of Action on Education. Cooperation and partnership with relevant international organizations in a bid to facilitate appropriate training and vocational education within the ECO Region need to be promoted. The remaining Member States shall be encouraged to join the ECO Educational Institute (ECOEI) as the ECO specialized body in this regard.

Food Security: Technical, advisory and financial support need to be sought through cooperation with regional and global partners such as FAO, WHO and IDB, *inter alia* for implementation of the ECO-RPFS and operationalization of the ECO-VECO. Synergy and coherence among key stakeholders of the ECO Region need to be enhanced. Small scaled projects need to be crafted under the ECO-RPFS. A programme on joint measures in prevention of the spread of trans-boundary animal diseases and food safety checks of imported products will be developed in the ECO Region.

Health: The implementation of the ECO Action Plan on Health as well as health-related projects should be ensured through devising necessary supports. The establishment of a regional consultation mechanism for technical cooperation on communicable diseases including but not limited to COVID-19, with the participation of senior officials of Member States and the World Health Organization (WHO) could be considered and supported. Implementation of the “Regional Capacity of Intra-Trade of Pharmaceuticals” project and its envisaged plan of action may be facilitated through establishment of a “Task Force” for oversight purposes.

14th ECO Summit: The leaders highlighted the imperative of investment in healthcare system in the Region while giving priority to enhanced cooperation and exchanges (best practices and experiences on development of vaccines, control of diseases,...)among Member States in tackling Covid19. The need for adoption of a regional plan to develop resilient healthcare systems, including for epidemiological monitoring, was underscored by leaders to enable also production of medical equipment and medicines essential for fighting diseases.

Environment: ECO-IEST and the ECO Secretariat need to accumulate their capabilities and strengths in order to render expertise and other supports to the environment profile of the Organization, and seek necessary technical and financial assistance from outside the Region. In turn, the Member States should follow up decisions taken in the framework of

implementation of Vision 2025. As many as needed number of meetings with the participation of the Member states should be convened for pushing for the Plan of Action and projects. To organize experts group meeting. The ECO LandCare programme needs to involve all Member States.

14th ECO Summit: The leaders emphasized on the need to develop and implement strategies for protection of environment in the ECO Region, including addressing negative impacts of climate change on the Region.

Disaster Risk Reduction: Regular meetings and interactions on regional natural disasters concerns need to be convened among Member States. A feasibility study on the establishment of ECO regional disaster information system, as well as an ECO disaster insurance system, may be useful, getting support from the Asian and Pacific Centre for the Development of Disaster Information Management (APDIM) and other relevant/international organizations. The preparatory activities and support for an ECO regional disaster insurance mechanism should be followed. Training and capacity building as well as awareness raising activities need to be conducted.

Law enforcement: The establishment of ECOPOL should be a priority and all preparatory works, including adoption of its Statute should be completed. As per its Statute, the “Regional Center for Cooperation of Anti-Corruption Agencies and Ombudsmen (RCCACO)” should convene its General Assembly of the States of the Parties and finalize the organizational chart of the Center’s Secretariat as well as other relevant issues/documents.

14th ECO Summit: Given the changing scale and scope of violence, some leaders requested for rethinking the definition

of security for citizens and refocus on regional and international cooperation.

Part two: 14th ECO Summit proposals not covered by Vision

The leaders at 14th ECO Summit shared some ideas for cooperation which are not directly reflected in the Vision which includes the followings:

- I. Leaders highlighted the imperative of economic revival of Afghanistan as an important factor for a lasting peace in the Country. They referred also to participation of Afghanistan in almost all activities in ECO thereby multiplying its importance for

- ECO countries. They supported efforts to integrate more Afghanistan in the regional economy.
- II. Leaders requested for ECO cooperation with other organizations such as CICA, SCO, Eurasian Economic Union, and the Commonwealth of Independent States.
 - III. The request for putting an end to the practice of dividing ECO Member States into founders and non-founders was also raised in the Summit.
 - IV. Some leaders highlighted the importance of research institutes, including the ECO Research Center in Baku, for the Organization and its success as a project-oriented entity.

Part Three: Recommendations by the High Level Committee

Having reviewed the state of affairs of the implementation of the ECO Vision 2025, and having in mind the changing circumstances caused by Covid-19 pandemic in the Member States and the ECO Region as a whole, the High-level Committee on Mid-term Review of the ECO Vision 2025 is submitting for consideration and adoption by the ECO Council of Ministers the following Recommendations:

1. The “ECO Vision 2025” needs to be extended beyond 2025, preferably until 2030. The 32nd RPC meeting, while considering

- the sectoral impacts of the possible extension, will submit, if any, its proposal for Vision extension to the COM meeting in 2022.
2. As envisaged in the Part 4 of the ECO Vision 2025, the future RPC meetings should develop ECO annual work plans on the basis of the Vision 2025 and its adjustments as conducted in this Mid-term Review process.
 3. The envisaged measures and actions foreseen under the title of the “The Way Forward” in the Report shall be considered as mandates to be implemented by ECO Secretariat, Member States, and ECO agencies. The Secretariat will revise the Vision “Implementation Framework” in light of the outcomes of the Mid-term Review Process and submit it to 32nd RPC meeting for adoption.⁴
 4. Secretary General will conduct serious consultations with the Member States and submit a proposal to COM meeting in 2022 through CPR on how to ensure expansion of all ECO agreements and arrangements to all Member States. This should also include an agreed arrangement to put on equal footing responsibilities of all Member States, including through putting an end to founding and non-founding distinction.
 5. The incomplete agreed ECO initiatives should be operationalized. The relevant sectoral ministerial/decision making meetings need to give necessary support in this regard.
 6. The Secretary General is mandated to continue seriously his discussions with the ECO Trade and Development Bank on strengthening the role of the Bank in financing and co-financing of the ECO-wide projects in line with the implementation of the Vision, including through necessary regulatory and procedural changes
 7. The trade liberalization, promotion and facilitation mechanisms, as directed in this Report and other decisions of the Organizations should be given priority.

⁴This will include the responsible entity (Secretariat, Member States or ECO agencies).

8. The ECO inter-connectivity projects in sectors such as transport and transit, energy, tourism, ICT, etc. should be given necessary support by the Member States.
9. ECO should further expand its outreach and partnership with the relevant regional and international organizations and partners, especially in the UN system, particularly in covid-recovery attempts.
10. The Secretary General should prepare and submit to Member States an assessment on the need of the Secretariat in terms of human resources and expertise (permanent or temporary) which are necessary for implementation of the Vision.
11. The Secretariat should propose the incorporation of the ideas/instructions by the ECO Summits in the Vision Implementation Framework to the following RPC Meetings for consideration and action.
12. In the subsequent reviews of the Vision 2025, the views and assessments by the relevant stakeholders should also be taken into consideration.