



Economic Cooperation Organization

ECO

**270th Meeting of the
Council of Permanent Representatives (CPR)**

Report

November 20, 2022

ECO Secretariat

Report

The 270th CPR Meeting, held on November 20, 2022, was attended by the Permanent Representatives/Representatives of Islamic Republic of **Afghanistan**, Republic of **Azerbaijan**, Islamic Republic of **Iran**, Republic of **Kazakhstan**, **Kyrgyz Republic**, Islamic Republic of **Pakistan**, Republic of **Tajikistan**, Republic of **Türkiye**, **Turkmenistan** and Republic of **Uzbekistan**. The ECO Secretary General and the relevant Staff of the Secretariat also attended the Meeting. List of participants is enclosed as Annexure-I.

2. The **Chairman** while welcoming the participants formally initiated the proceedings of the meeting.

Agenda Item No.1

Adoption of the Agenda

3. The **Council** adopted the following Agenda of the 270th CPR Meeting for deliberation:

1. Adoption of the Draft Agenda of the 270th CPR Meeting
2. Adoption of the Draft Report of the 269th CPR Meeting
3. Preparation for the 26th COM Meeting (*continued*)
 - Finalization of the Draft Agenda of 26th COM Meeting
 - Proposal of Uzbekistan on Creation of Permanent Council for Dialogue on Environmental Cooperation
 - Report of the Preparatory Committee
4. Consideration of the proposal regarding abandonment of practice of dividing ECO Member States into "founding" and "non-founding"
5. Proposal on the amendment of Rules No. 29 (c) and No. 37 of ECO Rules of Procedure regarding the quorum and decision making of Sectoral Meetings
6. Participation of Turkish Cypriot State as an ECO Observer at the 4th ECO Ministerial Meeting on Tourism to be held on December 12-13, 2022 in Samarkand
7. Administrative and budgetary matters:
 - Consideration of the budget of the Organization for the financial year of 2023
 - Recommendations of the Selection Panel
8. Any other business
9. Date of the next CPR Meeting

Agenda Item No.2

Adoption of the Draft Report of the 269th CPR Meeting

4. After accepting amendments proposed by the Representative of the Islamic Republic of **Iran**, the **Council** adopted the Draft Report of the 269th CPR held on October 26, 2022 that was circulated amongst the Member States on November 2, 2022.

Agenda Item No. 3

Preparation for the 26th COM Meeting

- Finalization of the Draft Agenda of 26th COM Meeting
- Proposal of Uzbekistan on Creation of Permanent Council for Dialogue on Environmental Cooperation
- Report of Preparatory Committee

5. In reference to the previous proceedings made under the agenda, the **Chair** resumed discussion on preparation of 26th Meeting of the ECO Council of Ministers (COM) scheduled for January 25, 2023 to be held in Tashkent, Uzbekistan.

6. The **PrepCom's Chair** briefed the Council that their 4th Session held on November 14, 2022 took into account the status of preparations and issues in connection with the 26th Meeting of the COM, including the two sets of alternative dates i.e. 24-25 and 25-26 January, 2023 proposed by Uzbekistan side. He explained that due to the close timings of the next RPC (January 16-19, 2023) and the 26th COM Meetings, the Session recommended the holding of 26th COM on January 25-26, 2023 for consideration of the esteemed CPR. Besides, the Draft Tashkent Communiqué was also considered with some minor changes suggested by the Iranian and Uzbek sides, he said. Moreover, the re-titling of the proposed forum on climate change was also taken into account in line with the conclusion of the 269th Meeting of CPR, requesting the Member States to expedite conveying their views/comments in the matter.

7. The **Chair** thanked the Members of the PrepCOM for their dedication and commitment, emphasizing the Member States to actively participate in the PrepCom meetings for ensuring early preparations of the 26th Meeting of the COM.

8. The Permanent Representative of the Republic of **Tajikistan** recalled that some amendments were recently proposed by Tajikistan in the Draft Tashkent Communiqué, seeking consideration for their incorporation in the document.

9. Regarding the rescheduling of the COM event and holding of next RPC meeting, rotation of ECO Chairmanship as well as technical and administrative aspects of the case, the **Council** mulled over the salient features of discussions held during the meeting, noting the following positions of the participating delegates, Chair and the ECO Secretariat:

- i. **Azerbaijan's** concurrence for holding the 26th COM meeting on January 24-25, 2023 and the country's flexibility over the rotation of ECO Chairmanship either before or after the COM event;
- ii. **Chair's** and the **ECO Secretariat's** proposal to rotate and transfer the ECO Chairmanship after the RPC and COM meetings;

- iii. **Iran's** and **Kazakhstan's** positions to (i) transfer the ECO Chairmanship to Azerbaijan on January 1, 2023 as per prescribed rule and procedure; (ii) hold the 33rd RPC meeting under the Chairmanship of Azerbaijan; (iii) convene the 26th COM meeting under the Chairmanship of Uzbekistan, realizing the situation and issue as a matter of exception.

10. The **Council** did not find it proper to disturb the prescribed rotational cycle of the ECO Chairmanship and, therefore, concluded the following:

- i. The ECO Chairmanship will be transferred to the Republic of Azerbaijan on January 1, 2023 as per rule and procedure prescribed in this regard;
- ii. The 33rd Meeting of the RPC will be organized as scheduled under the Chairmanship of the Republic of Azerbaijan on January 16-19, 2023;
- iii. As an exception, the 26th Meeting of the COM will be hosted and chaired by the Republic of Uzbekistan at Tashkent on January 24-25, 2023;
- iv. The ECO Secretariat may make necessary coordination in regard to the above conclusions.

11. About the establishment of a High Level Dialogue Platform on Environmental Cooperation, the Permanent Representative of the Islamic Republic of **Iran** opined that the level of participation might be omitted from the title of the proposed body. Yet, he maintained that the level of participation might be reflected in explanatory parts of the proposal, including annotation of the agenda and relevant Terms of Reference (ToR).

12. Initially, the **Chair** expressed his disagreement over the proposal put forward by Iranian side regarding the exclusion of the level of participation from the title of High Level Dialogue Platform on Environmental Cooperation. However, after a detailed elaboration by participating delegates and the explanation made by Legal Advisor in the matter, the Chair agreed with the proposal to remove the level of participation from the title of the proposed Platform.

13. Finding agreement on the issue, the **Council** decided that the "Establishment of a High Level Dialogue Platform on Environmental Cooperation" might be included as a separate item in the agenda of 26th Meeting of the COM, without mentioning the level of participation in the title of the proposed Platform that the Council considered for inclusion in the relevant annotations and ToR.

Agenda Item No.4

Consideration of the proposal regarding abandonment of practice of dividing ECO Member States into "founding" and "non-founding"

14. The **Chair** briefly revisited the proposal and took into consideration the discussions previously held in the matter. He re-invited the Member States to consider the formula developed jointly by the Member States and the ECO Secretariat during their informal meetings on the abandonment of practice of dividing the Member States into "founding" and "non-founding", as follows:

“The terms "founding" and "non-founding" Member States are no longer employed as a basis for distinguishing the Member States in different categories. This is without prejudice to the practice developed there-under as to the assessment of rates of contribution of the Member States and the rotation of the position of the Secretary General until a further decision.”

15. The **Council** looked into the formula and noted the following relevant facets of discussion on the presented formula:

- i. **Türkiye’s** concurrence in the matter subject to the omission of *“until a further decision”* mentioned at the end of the phrase reproduced above and proposed for abandoning the practice of dividing the Member States into founding and non-founding ones;
- ii. **Tajikistan’s** views in support of the founding and non-founding nature of the Member States based on the historical fact and ground;
- iii. **Kazakhstan’s** expression of disagreement over the position of Tajikistan in consideration of the fact that the matter was already discussed, deliberated and finalized by Member States and the Secretariat during their informal meetings on the subject;
- iv. **Iran’s** explanation that the decision is based on the consensus amongst the Member States developed during their informal consultations which were opened for participation by all Member States and outcome of such meetings reported to CPR, as well as Iran's openness for further discussion, if so is desired;
- v. **Chair’s** position to keep the original phrase intact in order to avoid any further complication in that regard.

16. The **Council**, after reviewing the proposal and carefully listening to the comments made thereon by the Member States, recommended with consensus that the proposed formula on the abandonment of practice of dividing the Member States into "founding" and "non-founding", might be referred for consideration of the 26th Meeting of COM, after the deletion of last wordings of the phrase i.e. *~~until a further decision.~~*

Agenda Item No.5

Proposal on the amendment of Rules No. 29 (c) and No. 37 of ECO Rules of Procedure regarding the quorum and decision making of Sectoral Meetings

17. The **Legal Advisor** briefed that the Organization is required to secure quorum of six countries to enable the holding of sectoral meetings as per stipulations contained in the relevant provisions of the ECO Rules of Procedure. He added that most of the meetings, planned as per annual Calendar of Events, are postponed mainly due to the lack of quorum. Noting that the decisions made by sectoral ministerial meetings carry recommendatory nature until endorsed and adopted by the Council of Ministers, he proposed the following amendment (s) in the related rules by decreasing number of participants from 6 to 5 countries i.e. 50% of the total membership of the ECO:

"Rule 29 (c). For all other meetings, the quorum shall be ~~simple majority~~ **fifty percent** of the total membership. However, for events not requiring taking any decision, the quorum shall be four member States. "

"Rule 37. In all other meetings, recommendations shall be adopted by simple majority of the ~~total membership of the Organization~~ **members present and voting** with every member having the right to record his reservations, if any."

18. The **Council** found a difference of opinions amongst the Member States concerning the amendment (s) proposed by the Secretariat in the ECO Rules of Procedures. In this regard, the Council cautiously noted the following important aspects of discussion:

- i. **Kazakhstan's** flexibility on the proposal of the Secretariat regarding reduction in the number of participants for achieving the required quorum of sectoral meeting (s);
- ii. **Iran's** position not to make any changes in the ECO Rules of Procedure based on the plea that organizing meetings with minimum participation of the Member States will not be a practical approach in terms of application and implementation of any such decisions made in the sectoral meetings by minor number of participants;
- iii. **Iran's** views that COM meetings just endorses and adopts such reports presented on behalf of the ministerial meetings, and the countries proposal to defer the matter for sometime or resume discussion in this regard after the next Meeting of RPC.

19. The **Council** deferred the proposal regarding amendment in Rules 29 (c) and 37, agreeing that the discussion in the matter may be resumed after the 33rd Meeting of RPC.

Agenda Item No.6

Participation of Turkish Cypriot State as an ECO Observer at the 4th ECO Ministerial Meeting on Tourism to be held on December 12-13, 2022 in Samarkand

20. The **Chair** invited the attention of the Council to the official request of the Turkish Cypriot State received on October 27, 2022, seeking participation in the 4th Ministerial Meeting on Tourism to be held on December 12-13, 2022 in Samarkand, Uzbekistan.

21. The Representative of the Republic of **Uzbekistan** informed that the 4th ECO Ministerial Meeting on Tourism, previously scheduled for December 1, 2022, has been rescheduled to be held in Samarkand on December 12-13, 2022. He informed that the participation of Turkish Cypriot State in 26th COM and 4th Ministerial Meeting on Tourism is being reconsidered by the relevant authorities in Uzbekistan as conveyed vide Note Verbale dated November 18, 2022.

22. The **ECO Secretariat** stated that the quorum required to organize the event has yet to be achieved.

23. The **Chair** proposed the deferral of the agenda item until the required quorum is secured for organizing the said ministerial meeting.

24. Foregoing in view, the **Council** decided that the request of Turkish Cypriot State for participation in the 4th ECO Ministerial Meeting on Tourism may be deferred till the required quorum for organizing the event is achieved.

Agenda Item No.7

Administrative and budgetary matters:

Consideration of the Budget of the Organization for the financial year of 2023

25. Apropos of the previous deliberations in the matter, the **Chair** invited attention of the Council for resuming discussion with regard to ECO Budget for 2023 in light of the recommendations made by Working Group under which two alternative proposals were put forward for consideration. Under first proposal, an amount of US\$ 561,666.00 is proposed to be covered by utilizing General Reserve Fund (GRF) while the second proposal suggests the utilization of US\$ 249,410.00 from GRF to cover the budget deficit during next year, he enunciated, adding that after reduction the total budget for 2023 stands at US\$ 4,379,534.00. The Chair sought the consideration of the Council to finalize the budget document in order to facilitate smooth functioning of the Secretariat.

26. The **Council** took into account all expressions, views, comments and proposals made by Permanent Representatives/Representatives of Iran, Kazakhstan, Türkiye, as well as Chair and the ECO Secretariat, including as under:

- i. **Kazakhstan's** position not to make any increase and to maintain their budgetary share for 2023 at the same rate as calculated and paid in 2022;
- ii. **Iran's** proposal to: (i) adopt minimum budget for 2023 without adding the amount from GRF; (ii) curtail some avoidable expenditure and (iii) address additional monetary requirements of the Secretariat, if any, in the middle of the next year by considering supplementary budget;
- iii. **Secretariat's** explanation on the budget document and the possible effects on the assignments and activities of the Organization, including hampered execution of 20 annual small-sized projects, adjustments of Kazakhstan's balance of contribution, loan settlement of the host country (Iran), etc. due to maximum utilization of GRF and its early exhaustion.

27. Foregoing in view, the **Council** tasked the Secretariat to call the next meeting of the Working Group, in order to explore the best options for adjusting the budgetary issues given the views and proposals of the Member States, as well as organizational needs and requirements. The **Council** desired that a revised version of the ECO Budget for 2023 may be placed for consideration by next Meeting of the CPR.

- Recommendations of the Selection Panel

28. No issue was discussed under this sub-agenda item.

Agenda Item No.8

Any other business

29. The **ECO Secretary General** briefed the Council about his recent visit to Egypt in connection with attending the Climate Change Conference (COP27) held in Sharm el-Sheikh. Highlighting the important aspects of his statement delivered during the event particularly the increasing and apparent impact of climate change on the ECO region, he informed the Council about his activities and engagements made during the visit, including meetings with the UN Under-Secretary General, UNEP Executive Director and UNFCCC Director of Mitigation.

Agenda Item No.9

Date of the next CPR Meeting

30. The **Council** appreciated the offer of the Islamic Republic of Iran for organizing the **271st** CPR Meeting in the premises of Pardis Technology Park on **December 21, 2022**.

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

- Mr. Abdul Ghani Farahi, Second Secretary

The Embassy of the Republic of Azerbaijan:

- H.E. Mr. Ali Alizade, **Permanent Representative**
- Mr. Subhi Ismayizada, Third Secretary

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

- H.E. Mr. Seyed Jalaledin Alavi Sabzevari, **Permanent Representative**
- Mr. Behzad Azarsa, Senior Expert, Multilateral & International Economic Cooperation
- Mr. Musa Khosravi Moghadam, ECO Expert, Multilateral & International Economic Cooperation

The Embassy of the Republic of Kazakhstan:

- H.E. Mr. Askhat Orazbay, **Permanent Representative**
- Mr. Gamzat Khairov, Counsellor

The Embassy of the Kyrgyz Republic:

- H.E. Mr. Turdakun Sydykov, **Permanent Representative**

The Embassy of the Islamic Republic of Pakistan:

- Mr. Ahmad Shami, Counselor

The Embassy of the Republic of Tajikistan:

- H.E. Mr. Nizomiddin Zohidi, **Permanent Representative**

The Embassy of the Republic of Türkiye:

- Mr. Ulvi Darendeli, Counselor

The Embassy of Turkmenistan:

- Mr. Serdar Kuvatnyazov, Attaché

The Embassy of the Republic of Uzbekistan:

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

The ECO Secretariat:

- H.E. Amb. Khusrav Noziri, Secretary General
- Amb. Huseyin Avni Bicakli, Deputy Secretary General
- Amb. Mohsen Esperi, Deputy Secretary General
- Amb. Jandos Asanov, Deputy Secretary General
- Mr. Mahmoud Khoubkar, Legal Adviser