

2019

Series 8 No.18



The News Magazine of Economic Cooperation Organization

# ECO CHRONICLE

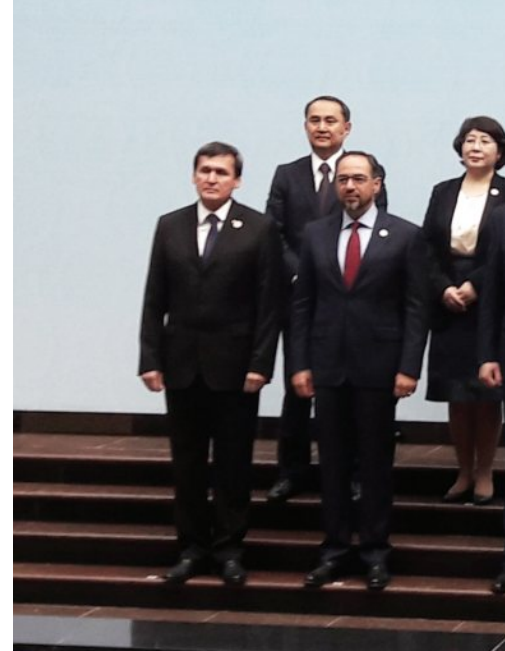


The 23rd Meeting  
of the Council of Ministers  
(COM)

16-17 April 2018, Dushanbe,  
Republic of Tajikistan



On the occasion of farewell of the  
outgoing ECO Secretary General,  
H.E Amb. Halil Ibrahim Akca



# CONTENTS

## 2-3 Contents

## 4-20 News in ECO

- Farewell Ceremony for Outgoing ECO Secretary General held in Tehran (August 6, 2018).....4
- ECO Council of Ministers (COM) meeting held in Dushanbe (April 16-17, 2018).....6
- ECO SG, DSG Uzbekistan FM meet in Tajikistan (April 18, 2018).....9
- ECO SG, Turkish Cypriot State FM meet in Dushanbe (April 17, 2018).....10
- ECO SG, Turkmenistan FM meet in Dushanbe (April 17, 2018).....11

- ECO SG, Tajikistan President meet in Dushanbe (April 16, 2018).....12
- ECO SG: Silk Road Best Way Forward for Region (May 2, 2018).....13
- ECO Transport Ministers meet in Turkmenistan (May 3, 2018).....14
- ECO SG visits the Republic of Uzbekistan (June 20-23, 2018).....16
- ECO Trade & Development Bank Meeting held in Istanbul (June 28, 2018).....17
- ECO SG, DSG Azerbaijan Deputy Prosecutor General meet in Tehran (June 18, 2018).....18
- ECO, NIOC hold Oil and

- Gas Training Course in Iran (May 1-2, 2018).....19
- ECO Minerals Experts meet in Iran (August 5-7, 2018).....20

## 22-28 External Relations

- ECO DSG attends NAM Ministerial Meeting in Baku (April 5-6, 2018).....22
- ECO Secretariat attends the Heart of Asia-Istanbul Process SOM in Istanbul (April 19, 2018).....23
- ECO SG chairs event at Disaster Risk Reduction Ministerial Conference (July 5, 2018).....24
- ECO Secretariat attends

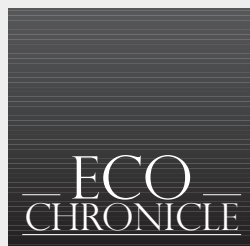


In The Name Of God

Front Cover



The 23rd Meeting  
of the Council of Ministers  
(COM)  
16-17 April 2018, Dushanbe,  
Republic of Tajikistan



**Published by**  
Economic Cooperation Organization

**Patron & Supervision**  
Dr. Soleimanpour  
ECO Secretary General

**Address**  
No.1, Golbou Alley,  
Kamranieh St., Tehran-Iran  
**P.O.Box** \ 14155- 6176  
Tehran(I.R. Iran)  
**Tel** \ (+98-21) 22831733-4  
22292066  
**Fax** \ (+98-21) 22831732  
<http://www.eco.int>

**Graphic Design**  
Kia Saadatmand  
0912 321 0 716

ECO CHRONICLE  
3



Tabriz 2018 Inauguration Ceremony (April 25, 2018).....	25
■ ECO, Energy Charter SGs meet in Tehran (June 18, 2018).....	26
■ Fourth Intl. ECO- Silk Road Food Festival held in Zanjan (1-3 May 2018).....	27
■ ECO takes part in High-Level Water Conference in Tajikistan (June 19-21, 2018).....	28

## 30-38 Papers

■ Streamlining ECO Energy Agenda for the Efficient Transition to a Sustainable Energy Future .....	30
--	----

### Disclaimer:

The views expressed and data contained in this publication provided by writers/ authors are not necessarily those held or agreed by the ECO Secretariat.

# Farewell Ceremony for Outgoing ECO Secretary General held in Tehran

(August 6, 2018)



The farewell ceremony for outgoing ECO Secretary General, H.E Mr. Halil Ibrahim Akca was held in Tehran and attended by senior host country officials and diplomatic corps.

Farewell Speech

H.E Mr. Halil Ibrahim Akca  
Secretary General of the Economic  
Cooperation Organization (Eco) Tehran,  
August 6, 2018

Excellencies, Distinguished guests,  
Ladies and gentlemen,  
At the outset, I wish to express my

heartfelt gratitude and thanks to you all for attending this ceremony. I have been so touched by all the good-wishes I have received over the past few weeks.

However, this evening it is my turn to thank you. When Turkey mandated me to come to ECO, I knew it was going to be a challenging and exciting task. ECO is an international organization encompassing the region with more than 470 million inhabitants and over 8 million square kilometers laying from Russia to Indian Ocean and China to Europe. The overall objective of the Organization is to increase the life standard of the people in the region through the economic development.

As we all know, the region has more economic and social potential to be explored. In the leader-



ship of the member states, this is exactly what my colleagues and I in the ECO Secretariat have tried to do throughout my tenure.

Excellencies,

I am happy that recently we have realized a successful Summit, regular COMs and important Sectoral Ministerial meetings in addition to the regular work, which have contributed to the visibility of ECO.

The second important accomplishment was adaptation of the ECO Vision 2025 that brought the Member States politicians, bureaucrats and businessmen together to focus on ECO's future. The Vision has set the priorities of the Organization in the light of regional emerging needs and realities with the ultimate goal of further upgrading the standards of living of the people in the Region. The

Vision has determined the path that ECO will follow in the coming 10 years.

The third achievement is worth mentioning today, the increasing ownership for the Organization and expanding network by the member states. I have witnessed that recently the interest and the expectation of the stakeholders have further increased.

Distinguished guests,

The ECO Region has many strengths and great potentials to be explored; such as its strategic location, natural and human resources. I believe that the future of the region will be better and the ECO will be a suitable platform to benefit from.

Briefly, I would like to share with you two of my views which may contribute to future activities. First, the trade potential and transportation opportunities are getting better in the region. It has the potential to link the countries of the region through railways, roads, ports and energy pipelines, not only among themselves but also to important external markets. "One belt, One road" project will have tremendous impact on the economic development of the region. Linking the ECO countries through these projects is also particularly important to enable the landlocked members of the region to access open seas.

The second, since the advancing in knowledge and technology are making the networking among the people easier, less costly and available. The People of this region, who are historically and culturally close to each other, will be the beneficiary of new developments. In this sense, ECO institutions can play significant role by developing cooperation among them on culture, science, education and other social issues.

Excellencies,

I would like to take this opportunity to congratulate our next Secretary General, His Excellency Dr. Hadi Soleimanpour, for this highly challenging job. I believe that during his tenure ECO will realize further achievements. Once again, I would like to thank the head of the Member States, the members of the COM, the members of the Committee of Permanent Representatives and the representatives of the institutions for their generous supports throughout my tenure.

I would like to appreciate the ECO Secretariat staff; the Directing Staff, Programme Officers, Secretaries, Stenos, Translators, IT and Technicians, Drivers and all other colleagues whose efforts substantially eased my worked in these three years. Specifically I want to thank the Iranian

Government, especially the Ministry of Foreign Affairs who made my life in Tehran easier and more comfortable.

I would like to thank Representatives of International Organizations in Tehran who always supported me. And a specific thanks to the Dean of the Diplomatic Corps, H.E. Mr. Salah Zawawi, Ambassador of Palestine, who



has always been with me as a wise man. I also want to thank my friends and my family members who have always been with me during my tenure. And for those who worked hard to make this evening a happy and memorable one for me, a special thank.

Good evening.

ECO  
CHRONICLE

(Dushanbe, Tajikistan) The 23rd Meeting of the Council of Ministers of the Economic Cooperation Organization (ECO) was held on 16-17 April 2018 at Dushanbe, Republic of Tajikistan. The Meeting was attended all ten member states, three observers namely, the Turkish Cypriot State, the Cooperation Council of Turkic Speaking States and Energy Charter Secretariat. The ECO Specialized Agencies/Regional Institutions/Affiliated Bodies and the representatives of the international organizations were present during the meeting.

# ECO Council of Ministers (COM) meeting held in Dushanbe

The Council of Ministers (COM) represents the highest decision making body of ECO and is composed of Ministers of Foreign Affairs of the Member states. The annual meeting is primarily responsible for formulating policies, strategies and work programmes of the Organization. It has also the responsibility of reviewing and adopting the reports of

the Regional Planning Council, Council of Permanent Representatives and ECO Specialized Agencies/Regional Institutions/Affiliated Bodies.

While inaugurating the session, Deputy Chairman of the Planning Commission of Pakistan, Sartaj Aziz, highlighted the impor-

ҶАЛАСИ 23-ЮМИ  
ШҶҶРОИ ВАЗИРОНИ ҚОРҶОИ ХОРИҶИИ  
СОЗМОНИ ҲАМКОРИИ ИҚТИСОДИ  
ДУШАНБЕ, 17 АПРЕЛИ СОЛИ 2018



23<sup>rd</sup> MEETING OF THE  
COUNCIL OF FOREIGN MINISTERS OF THE  
ECONOMIC COOPERATION ORGANIZATION  
DUSHANBE, 17 APRIL 2018





tance of intensifying efforts for interconnectivity and trade for the regional development. Mr. Aziz touched upon the policy areas stated in the ECO Vision 2025 and the importance of meeting the timelines mentioned in the Implementation Framework of the Vision 2025. He also emphasized the significance of the ECOTA agreement for the region and urged the non-signatory members to sign it at the earliest.

The 23rd meeting of the Council of Ministers marked the handover of the Organization's chairmanship from the Islamic Republic of Pakistan to the Republic of Tajikistan for a period of one year. The Foreign Minister of the Republic of Tajikistan, Sirodjidin Aslov, while expressing his gratitude to the Council for reposing confidence on his selection

as the Chairman, underlined that the main principles of the ECO Vision 2025 was in line with the 2030 Sustainable Development Goals and Tajikistan's national development strategies. Therefore, in order to reap the benefits, the ECO region should act together and find mechanisms for the effective implementation of the vision. He also highlighted the importance of regional cooperation for the peace and stability

of Afghanistan and expressed support for the new ECO Advocacy Programme for Afghanistan.

ECO Secretary General, Halil Ibrahim Akca, briefed the meeting about the activities and developments within the Organization's framework. He urged the Member States to enhance their cooperation on trade, transport, energy and tourism sectors where



the cooperation in these areas does live up to its potential. He particularly called for the timely implementation of the Economic Cooperation Organization Trade Agreement (ECOTA). On the issue of Afghanistan, the Secretary General pointed out that Organization has been making contribution towards the nation's reconstruction though the Special Reconstruction Fund for Afghanistan and a new ECO Advocacy Programme for Afghanistan has been prepared by the Secretariat. He also pointed out that the necessity of the early implementation of the reform of the ECO for the efficiency of the organization.

During their deliberations, The Minister of



Foreign Affairs and representatives of the Member States also reaffirmed their countries commitment and support to regional cooperation. The COM reviewed the activities of the organization since the last COM and adopted the reports and approved the administrative matters. The meeting also deliberated on the substantial issues that have significant impact for

the regional development and proper functioning of the Organization. The new ECO Advocacy Programme for Afghanistan was adopted. The "Dushanbe Communiqué" including salient points of cooperation among the Members of ECO as a regional organization in charge of significant regional issues approved.



# ECO SG, DSG, Uzbekistan deputy FM meet in Tajikistan

(April 18, 2018)



(Dushanbe,  
Tajikistan)

ECO Secretary General, Halil Ibrahim Akca has met with Uzbekistan's Deputy Minister of Foreign Affairs, Abdujabar. Abduvakhitov, was held on the margins of the 23rd ECO Council of Ministers Meeting on April 18, 2018.

During meeting, the Ambassador Akca, while commending the recent development of ECO relations with Uzbekistan, said



that the Republic of Uzbekistan is one of the important members of the organization located in the middle of Central Asia in a strategic position for the connection of roads, railways and energy corridors.

one of the cooperation area highlighted in the ECO Vision 2025 was tourism and Uzbekistan is the country perfectly fitting to this item with its natural, historical and cultural peculiarities, he added.

Mr. Abduvakhitov in return welcomed Uzbekistan enhanced role within the Organization and expressed Uzbekistan's willingness to increase cooperation on tourism and trade with neighboring countries.

He also stated that Uzbekistan is looking forward to fruitful, well developed and stable cooperation within the region.



# ECO SG, Turkish Cypriot State FM meet in Dushanbe

(April 17, 2018)



that the 23rd COM approved the extension of the Observer status of the Turkish Cypriot State for another three years, in Dushanbe.

The Foreign Minister expressed his gratitude to the Secretary General for the efforts during his tenure to transform ECO into a vibrant

international organization. He also expressed Turkish Cypriot State's willingness to enhance its role within the framework of ECO to organize more meetings in the coming periods and

ECO  
CHRONICLE

(Dushanbe,  
Tajikistan) ECO

Secretary General, Halil Ibrahim Akca has met with Minister of Foreign Affairs of Turkish Cypriot State, Kudret Ozarsay on 17 April 2018 on the margins of the 23rd ECO Council of Ministers Meeting in Tajikistan's capital city of Dushanbe.

During the meeting, the Ambassador Akca commended the efforts of the Turkish Cypriot State for the realization of the Organization's goals. He stated that Turkish Cypriot State has been the observer of the Organization since 2014 and it is a positive development



gratitude for the extension of the Observer statute of the Turkish Cypriot State for another term.



# ECO SG, Turkmenistan FM meet in Dushanbe

(April 17, 2018)



(Dushanbe, Tajikistan)  
ECO Secretary General, Halil Ibrahim Akca has met with Minister of Foreign Affairs of Turkmenistan, Rashid Meredov on 17 April 2018 on the margins of the 23rd ECO Council of Ministers Meeting in Tajikistan's capital city of Dushanbe.

During the meeting the Foreign Minister of Turkmenistan expressed his appreciation to Mr. Akca for his efforts during his tenure to make ECO a vibrant regional economic institution. He also expressed the importance that the Turkmenistan government renders to ECO and the special attention paid by his government to the cooperation in the fields of trade, transport, energy transit and tourism within the framework of the Organization.



He also shared the latest developments on the ECO Ministerial Meeting of Transport in Turkmenistan to be hosted by Turkmenistan Government on May 3 in 2018.

Ambassador Akca in return thanked the Government of Turkmenistan for their support and stated that Turkmenistan is a significantly important country in terms of energy and transportation located in a strategic position for ECO projects especially in terms of railway, road and energy connectivity and transit. Secretary General also briefed the H.E. Rashid Meredov about the preparation of the upcoming meeting in Turkmenistan.

# ECO SG, Tajikistan President meet in Dushanbe

(April 16, 2018)



ECO  
CHRONICLE

ECO  
Secretary

General, Halil Ibrahim Akca has met with President of the Republic of Tajikistan, Emomali Rahmon on 16 April 2018 on the margins of the 23rd ECO Council of Ministers Meeting in Tajikistan's capital city of Dushanbe.

During the session, Mr. Rahmon expressed thanks and appreciation to ECO Secretary General for the valuable services that he had rendered to the development of Organization during his presidency.

It was stressed that Tajikistan pays special attention to the development of cooperation in energy, trade, investment, transportation and communications, as well as tourism sectors.

The two sides discussed the significance of the 'ECO Vision 2025' document and the main tasks of Tajikistan's National Development Strategy for the peri-



od up to 2030 in the main areas of cooperation ,trade, transportation, energy, tourism, productivity and economic growth, social welfare and environmental protection.

They also conferred on the Projects which require the direct involvement of the Republic of Tajikistan such as the Regional Energy Market (ECO-REM), Kyrgyzstan-Tajikistan-Afghanistan-Iran (KTAI) road corridor project and Tajikistan`s membership to ECO Development and Trade Bank (ECO-TDB).

As the year 2018 was proclaimed as the Year of Tourism Development and Folk Crafts in Tajikistan, the two sides acknowledged the importance of unrealized tourism potential of the region that would be beneficial for the people of the ECO region and the Secretary General appreciated the Tajikistan`s interest to host the ECO Tourism Ministers` Meeting in 2018.



## ECO SG:

# Silk Road Best Way Forward for Region

(May 2, 2018)

ECO  
CHRONICLE

(Turkmenbashi, Turkmenistan) The integration of operational networks between maritime, railways, and roads enables the ECO region to take on a quantum leap as all necessary resources are embedded in the Great Silk Road, says the secretary general of the Economic Cooperation Organization, Halil Ibrahim Akca.

Speaking at the opening ceremony for the International Forum "Great Silk Road - Path to New Development Highs" on May 2, 2018, Ambassador Akca said that through strengthened regional infrastructure, logistics, and efficient transit services, transport systems in the region can act as a tool for improving the socio-economic conditions of the people of the region.

During the XIII ECO Summit in Islamabad the Heads of States of the Member States supported "ECO Vision 2025" as a roadmap for near future development of the region by committing to doubling the intra-trade, enhancing energy security and maximizing mobility and accessibility of ECO transport corridors through fast operationalizing them, he added.

The forum organized by the Government of the Republic of Turkmenistan, was inaugurated by President of the Republic of Turkmenistan, Gurbanguly



Berdymukhamedov who noted that the opening of the Turkmenbashi International Seaport, which took place in the framework of the forum, has an important role to play at regional and global levels. The Great Silk Road has ever been a vital artery linking the peoples of West, Asia, and Europe by promoting the universal principles of mutual respect, equality, trust and mutually beneficial cooperation, he added.

The new \$1.5 billion facility promises to become an important link in the formation of a modern system of maritime transport across the Caspian, the President said. He added that his government is offering use of the port to neighboring countries, including the other Central Asian republics.

The Turkmenbashi International Seaport is the main passenger harbor and cargo port in eastern Turkmenistan. As the largest seaport of the country, construction of the Turkmenbashi International Seaport began in August 2013. The new port covers an area of about 375 acres and includes ferry, passenger and cargo terminals, with 1.1 miles of berths designed to serve 17 vessels at once.

ECO  
CHRONICLE

(Turkmenbashi, Turkmenistan) The ninth meeting of the Ministers of Transport of the Economic Cooperation Organization (ECO) was held on May 3, 2018 to discuss the regulatory and operational requirements for improving the existing transport infrastructure of the region.

The heads and leading specialists of the transport and communications ministries and departments, the Ministry of Foreign Affairs, commerce and industry, investment and development, as well as customs and migration services, specialized agencies, enterprises and companies of road, rail, water and air transport gathered to discuss issues pertaining to the development of

# ECO Transport Ministers meet in Turkmenistan (May 3, 2018)

regional and interregional transport communications, activation of international cooperation within the region and beyond.

Speaking at the inauguration session, which also hosted delegations from the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) and the International Road Transport Union (IRU), the Secretary General of the Economic Cooperation Organization,

said there is a compelling need to cooperate on fundamental transit related policy issues through increasing efficiency, creating a more harmonized and simplified legal and administrative frameworks. The implementation of agreements such as Transit Transport Framework Agreement (TTFA) which is the

main legal framework of the Organization is of utmost importance, he added.

The Economic Cooperation Organization seeks to create favorable conditions for the economic growth of the region, the consistent integration of Member States into the world economic relations system, the intensification of interstate relations in the spheres of culture, science and education, therefore the issue of transport corridors



occupies a high place on the Organization's agenda. The implementation of the Transit Transport Framework Agreement (TTFA), harmonization of regional activities with approaches of major international transport agreements, development of GIS maps, were also discussed at the session.

The need for operationalizing the existing ECO transit transport routes on priority basis while harmonizing the ECO's transit transport network with non-ECO regional transport corridors and main international road and railway lines was high on the agenda, with participants stressing on the need to implement capacity building



within the transport and communications sector of the region.

Also discussed was the passage of trade of landlocked Member Countries through coastal territories to access shipping services within the region. Landlocked countries face many hurdles when trans-

siting trade through other territories. Long distances to inadequate transport services and infrastructure, and inefficient institutional and operational transit frameworks, create unfavorable conditions for traders from landlocked countries.

The high level meeting concluded with the adoption of the Turkmenbashi Declaration. The document sets forth a number of concrete actions to improve core targets of the regional transit transport: connectivity, mobility, and accessibility as envisaged in the Organization's main strategy document, namely the ECO Vision-2025.



# ECO SG visits the Republic of Uzbekistan

(June 20-23, 2018)

**ECO CHRONICLE** (Tashkent, Uzbekistan) Upon the invitation of the Republic of Uzbekistan Government, the ECO Secretary General, Ambassador Halil Ibrahim Akca has on June 20-23, 2018 visited Uzbekistan to discuss the expansion of the country's role within the Organization.

The ECO delegation was received by the Prime-Minister of the Republic of Uzbekistan, Abdulla Aripov, Minister of Foreign Affairs, Abdulaziz Kamilov, and Deputy Minister for Foreign Trade, Sakhb Saifnazarov. During their



visit in

Tashkent and Bukhara, the delegation also met with Heads of the Sectoral authorities and state companies including, inter-alia, the "State

Committee for Tourism Development", "Uzbek Agency for Road Transport", "O'zbekiston Temir Yo'llari" (Uzbekistan Railways) and "UzbekEnergo" JSC.

The Prime Minister of Uzbekistan, expressed his satisfaction with the opening of a new page for cooperation with the Organization and highlighted the importance of further intensifying cooperation in various sectors of economy, notably trade, transport, energy and tourism.

During the meetings with the Foreign Minister and the Deputy Minister for Foreign Trade, the ECO delegation indicated the importance of ratification of the Treaty of Izmir by Uzbekistan and emphasized the benefits of accession of Uzbekistan to Economic Cooperation Organization Trade Agreement (ECOTA) and Transit Transport Framework Agreement (TTFA).

In the meeting with the sectoral agencies and companies, the measures of the Government of Uzbekistan for the rehabilitation of existing and construction of new motor roads, construction of railway lines for the shortest and cost effective rail connections to open seas as well as opening up of high-speed train connections between the capital and historical cities (Samarkand, Bukhara, Khiva, Shahrizabs, and Kokand etc.) were explained.



# ECO Trade & Development Bank

## Meeting held in Istanbul

(June 28, 2018)



(Istanbul, Turkey) The 17th Annual Meeting of the Board of Governors of the ECO Trade and Development Bank (ETDB) was held on June 28, 2018 in Istanbul, the Republic of Turkey. The ECO Secretary General, Ambassador Halil Ibrahim Akca attended the plenary session of the meeting on the invitation of the ETDB.

Speaking at the meeting Ambassador Halil Ibrahim Akca, appreciated the Bank for its finance of flagship projects and support for the public and private sector of ECO Member States. The Bank and the Secretariat could enhance relations by more cooperation on socio-economic development in the region, he said.

Established in 2005 under the ECO auspices, the ECO Trade and Development Bank (ETDB) seeks to promote socio-economic development and intra-regional trade amongst ECO member states through providing the financial resources for investment projects and development programmes in ECO



Member States.

Turning to the issue of the ECO Vision Fund, Mr. Akca said that ECO Vision-2025, which adopted last year, envisages creation of Fund for the implementation of various initiatives. Furthermore, the ECO Council of Ministers (COM) tasked the ECO Secretariat to develop the structure and modalities of the Fund in collaboration with ETDB.

Therefore it is crucial that we give priority to the establishment of the Fund through conducting feasibility studies and implementing capacity building

projects in priority areas contained by the ECO Vision-2025.

The ECO Secretary General added that the Agreement of ECO Reinsurance Company signed between Iran, Pakistan and Turkey, has already entered into force and will be established in Karachi, during the present year of 2018. He requested ECO Member States, particularly members of the Bank, to consider joining this Company and benefit from its facilities.

The Agreement of ECO Reinsurance Company seeks to supplement the existing reinsurance services in the region while promoting national underwriting and retention capacities and minimize the outflow of foreign exchange from the region. The company will serve as a regional centre for collection of information and the development of expertise in the field of insurance and reinsurance.

# ECO SG, DSG, Azerbaijan Deputy Prosecutor General meet in Tehran

(June 18, 2018)



(Tehran, Iran)  
The ECO  
Secretary General, Halil Ibrahim  
Akca has met with the Deputy  
Prosecutor General of the  
Republic of Azerbaijan, Kamran  
Aliyev at the headquarters of ECO  
in Tehran.

The meeting of June 18, 2018,  
saw Ambassador Akca expressing  
his satisfaction with the contribu-  
tions of Azerbaijan in achieving  
the goals of the Organization.

He also said that deliberations  
among Member States has result-  
ed in enhanced cooperation in  
the field of anti-corruption which  
in turn has resulted in conclusion  
of the Statute of ECO Regional

Center for Cooperation of Anti-Corruption  
Agencies and Ombudsmen (RCCACO) in  
November 2012. At present four out of ten  
ECO Member States, namely Afghanistan, Iran,  
Pakistan and Tajikistan have signed the Statute  
and hopefully the reminder of States will take  
the required measures for joining the Statute of  
RCCACO, the Ambassador added.

While sharing Azerbaijan's experiences and  
good practices in the field of anti-corruption,  
Mr. Aliyev, attached importance to the regional  
cooperation for strengthening measures aimed  
at preventing and combating corruption. In this  
context he made a reference to the Statute of  
RCCACO which has been concluded within the  
framework of ECO among the ECO Member  
States. He also pointed out that the Republic of  
Azerbaijan intends to join the Statute of RCCA-  
CO. Both sides also agreed that stronger coop-  
eration among the ECO Member States is  
required for building a more prosperous region.



# ECO, NIOC hold Oil and Gas Training Course in Iran

(May 1-2, 2018)

(Mahmoudabad, Iran) The ECO Training Course on Metering and Proving was held on 1-2 May 2018 in the Northern Iranian city of Mahmoudabad. The event, organized by Iran's National Oil and Gas Company (NIOC) and Oil and Gas International Training Center (OGITC) gathered representatives from Azerbaijan, Islamic Republic of Iran, the Kyrgyz Republic, Tajikistan and Turkey, who engaged in intensive discussion and activity on Metering and Proving in the Oil and Gas indus-



try.

During his inaugural speech, ECO Director for Energy, Minerals and Environment, Fuad Farzalibeyov, emphasized on the Secretariat's commitment to capacity-building activities within the region as a means for exploring new avenues for future collaboration and strengthening intra-regional relations through learning and sharing best practices.

The Director of the Mahmoudabad Training Center, Abbas Madraky, highlighted the significance of enhanced cooperation among the ECO Member States through training programmes, which evidently serve to boosting know-how, knowledge sharing and capacity building.

In addition to discussing the different aspects of flow metering/measurement and meter proving, the participants also visited the main laboratory of the Training Centre and were educated on the overall process of measurements and proving within the oil and gas sector. They also discussed property and types of fluid; viscosity and its key characteristics; volume flow rate; mass flow rate; direct & indirect rate measurement; volume & mass direct measurement; classification and properties of flow measurement devices & flow meters; petroleum fiscal measurement; custody transfer measurement; legal approvals and standards of the measurements; operating principles, pertinent theories, advantages and disadvantages of various meters; flow meter selection, verification processes and technology specification; types of provers, proving systems and their requirements, etc.



# ECO Minerals Experts meet in Iran

(August 5-7, 2018)

ECO  
CHRONICLE

(Sanandaj, Iran) The 7th ECO Minerals Experts Group Meeting was held on August 5-7, 2018 in the western Iranian city of Sanandaj, with the presence of representatives from the Islamic Republic of Afghanistan, Islamic Republic of Iran, Kyrgyz Republic, Islamic Republic of Pakistan, Republic of Tajikistan, Republic of Uzbekistan, as well as the ECO Secretariat.

Speaking at the session, ECO Director for Energy, Minerals and Environment (EME), Fuad Farzalibeyov, while elaborating on ECO's overall profile and policy priorities, emphasized on the need for pragmatic efforts for formulating regional policies within the region that are in line with the



UN Sustainable Development Goals (SDG's). Member States' need to accelerate collective efforts to address the challenges within the production and distribution chain of raw materials, and establish a solid transportation network for the trade of minerals, he added.

The Director of International Affairs for

the Geological Survey of Iran (GSI), Seyed Hadi Mir Muhammad Meigouni, pointed out that the overarching goal of the Meeting is to exchange best practices and expertise among the Member States in order to adopt a fresh approach to key challenges and boost collaboration. He expressed satisfaction that through the collaboration of the GSI and the ECO Secretariat, three ECO Projects, namely, the

Mineral Distribution Map (MDM) Project of the ECO Region, ECO Geosciences Database Project and the ECO Seismic Hazard Reduction Programme (ECO-SHARP) have been finalized.

Also present at the meeting was Iran's Director of the Industry, Mine and Trade Organization of the Kordestan Province, Muhammad Darevazmi, who discussed the overall potential of mineral reserves, the current status and future plans for the Province. He also elaborated on the investment opportunities and incentives within the area in minerals and geology.

During the course of the Meeting, Member States discussed national policies, activities, developments, programmes and opportunities for regional cooperation in the field of minerals, inter alia, minerals exploitation, production of data and maps, metallogenic zones, regulatory framework, investment opportunities in mineral sector, tectonic zones, best practices, recent developments, challenges and future roadmaps. Key proposals for future action were put forward on the initiation of lasting, self-sustainable and efficient networks of relevant stakeholders within the region and beyond.

The active intergovernmental and inter-sectoral collaboration for the development

of ECO minerals policies and strategies within the framework of the Intergovernmental Forum on Mining, Minerals, Metals, and Sustainable Development (IGF), UNEP's International Resource Panel (IRP) and other international forums was also defined as a crucial factor to boosting mining sector's contribution to sustainable development within the ECO Region. The delegates also proposed the preparation of diagrammatic representations of the Region namely the Geodynamic and present-day Crustal Stress (ECO-GeoDyS) Map, the ECO-Environmental Quality Index (ECO-EQI) Map; the Mineral Deposit Types and Metallogenic Map and the Piroclast Map of mobile belt between Gondwana and Eurasia.

The Geological Survey of Iran (GIS) proposal on two new projects on the Landslide Hazard Zonation (LHZ) and the Geochemical Exploration of Precious and Industrial Minerals in Desert lands of the ECO Region was met with enthusiasm by the participants. Delegations were also given a guided tour of the Sarigooni Gold Mine in the city of Sanandaj and also visited the Angooran Lead and Zinc Mine in the northwestern province of Zanjan.



(Baku, Azerbaijan) The ECO Deputy Secretary General, Dr. Hadi Soleimanpour, has attended the the Non-Aligned Movement Mid-Term Ministerial Conference in Azerbaijan's capital city of Baku.

The meeting on April 5-6, 2018, was held under the theme of "promoting international peace and security for sustainable development," and attended by 800 representatives from 120 member states as well as 10 international bodies and 17 countries as observers.

During his deliberations at the meeting Dr. Soleimanpour, emphasized that at present many states have been challenged by multiple inter-related and mutually reinforcing global crises which have in turn impeded their ability to attain greater economic development and social progress. In this context, international organizations can play a significant role in promoting cooperation to develop and implement sustainable plans at a regional level.

The Economic Cooperation



## ECO DSG attends NAM Ministerial

Meeting in Baku  
(April 5-6, 2018)



Organization (ECO) has for more than five decades thrived to become a driver of global economic growth through regional cooperation. The ECO Vision 2025, which seeks to assist the Organization in achieving its objectives by supporting Member States to realize their own sustainable plans, has mandated the ECO Directorate for Human Resources and Sustainable Development (HRSD) to help increase standard of living, quality of life, economic welfare and well being of the people of the region through adopting social protection and environment preservation policies within member states.

## ECO Secretariat attends the Heart of Asia- Istanbul Process SOM in Istanbul

(April 19, 2018)



(Istanbul, Turkey) A delegation of the Secretariat of the Economic Cooperation Organization (ECO) participated in the Senior Officials Meeting (SOM) of the Heart of Asia-Istanbul Process on Thursday April 19, in Istanbul. The meeting saw Deputy Ministers of Foreign Affairs, high-level representatives from participating and supporting countries and international and regional organizations come together to promote regional security and cooperation for a secure and stable Afghanistan.

While speaking at the meeting, ECO Deputy Secretary General, Kanan Nazarov, highlighted the Organization's support for the Process as a significant mechanism in working towards a stable and secure

future for all Afghans. As part of our commitment to this end, the New ECO Advocacy Programme for Afghanistan (EAPA) has been adopted by the 23rd ECO Council of Ministers on April 17, 2018 in Dushanbe, Republic of Tajikistan, he said.

Mr. Nazarov added that the program will be the main ECO framework for assisting the Islamic Republic of Afghanistan in its efforts for stability, prosperity, economic growth and sustainable development. Mr. Nazarov emphasized that tangible results within Afghanistan could only be achieved only through enhanced cooperation, strong connectivity and the collaboration of the international and regional organizations.

The first Plan of Action for supporting reconstruction of Afghanistan within the ECO framework was developed in 2003. After reflections on that process, the 23rd Council adopted the New Programme in an attempt to streamline the activities of the organization with regards to Afghanistan based on the current and emerging requirements of the country.

# ECO SG chairs event at Disaster Risk Reduction Ministerial Conference

(July 5, 2018)



Asian Ministerial Conference on Disaster Risk Reduction (AMCDRR), in the Mongolian capital city of Ulaanbaatar on July 5, 2018.

The thematic event regarding technology and innovations offered an opportunity to various organizations to share and discuss experiences and lessons learned from the implementation of disaster risk reduction programmes. As the task of managing disasters is heavily dependent on scientific knowledge and technology, the event showcased concrete examples of how science, technology and innovation could assist governments in reducing disaster risks and losses. Case studies focused on applied fields such as environment, health, agriculture and water. Innovation was an overarching theme, with recommendations focusing on how to replicate and increase the use of innovative technologies to reduce disaster risk and build

The secretary general of the Economic Cooperation Organization, Halil Ibrahim Akca, has chaired thematic event at the 2nd

resilience.

During the session, Mr. Akca facilitated discussions on the need for strengthening regional cooperation including through public-private partnerships for the research, development and application of science, technology and innovation for disaster risk reduction. Particular consideration was given to the needs of vulnerable groups including women and children and the disabled, elderly, displaced and migrant populations.

Two discussants and six panelists shared their knowledge, experience and recommendations with the participants on administration and prevention according to the Sendai goals. In his remarks, to the session, the Ambassador Akca underscored the vital role of science and technology in accelerating the achievement of Sustainable Development Goals and expressed optimism that the challenges of targeted countries and communities may be met by pioneer countries.

The panel highlighted the importance of prioritizing regional support using technological tools available to transfer and share knowledge among Least Developed Countries, Landlocked Developing Countries, Small Island Developing States and other countries with special needs.

# ECO Secretariat attends Tabriz 2018 Inauguration Ceremony (April 25, 2018)



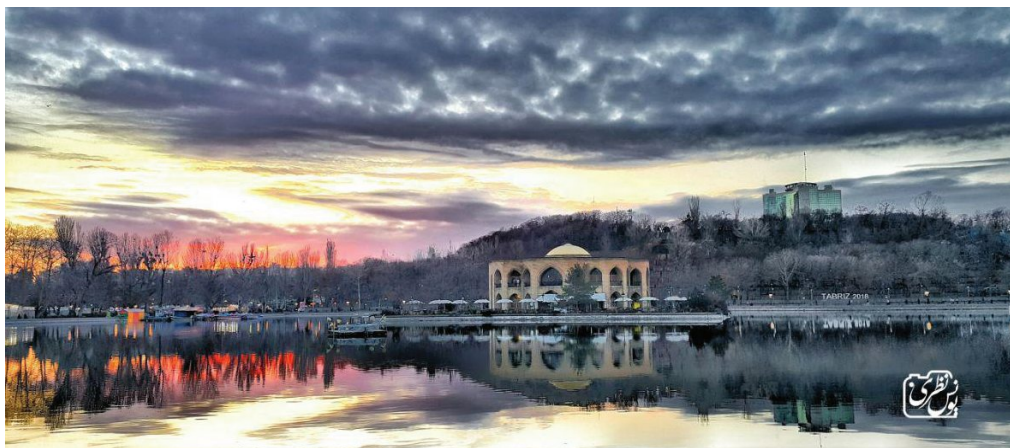
(Tabriz, Iran) The ECO Secretary General, Ibrahim Halil Akca, participated in the inauguration ceremony for the "Tabriz 2018" event which celebrated the selection of Iran's northwestern city of Tabriz as the capital of Islamic tourism in 2018.



The official ceremony was inaugurated by the President of the Islamic Republic of Iran, Hassan Rouhani on April 25, 2018 in Tabriz International Conference Center with participation of provincial and national authorities and foreign ambassadors

to Tehran.

A key location on the Silk Road and a gateway to Europe and East Asia, the northwestern Iranian city was named as the 2018 tourism capital of Islamic countries by the Organization of Islamic Cooperation (OIC) during its meeting in Niger's capital city of Niamey. The OIC first recognized Jerusalem al-Quds as the tourism capital of the Muslim world in 2015. The Turkish city of Konya and the Holy city of Medina were recognized as the next tourism capitals in 2016 and 2017 respectively.



# ECO, Energy Charter SGs meet in Tehran

(June 18, 2018)

(Tehran, Iran)  
The ECO Secretary General, Halil Ibrahim Akca has met with the Secretary General of the International Energy Charter (IEC), Urban Rusnak, to discuss to review the status of ECO-IEC cooperation and examine opportunities for further engagement.

The meeting which took place at the ECO Secretariat on June 18, 2018 saw sides

exchange views on regional transport corridor and energy projects in the Islamic Republic of Afghanistan, and among others, the Trans-Caspian, South-East, South-West, North-South East-West, KTAI rail and road projects, TAPI, TANAP & Turkmenistan-China Gas Pipelines, ECO Regional Electricity Market projects, TAP-500 and CASA-1000.

The governing and decision-making body of the Energy Charter Process, Energy Charter Conference (ECC), has Observer Status within ECO and the two organizations maintain strong relationship, offer policy advice and international consultancy.

While warmly welcoming the IEC delegation to the Secretariat Mr. Akca appreciated the IEC's active participation in various high level meetings such as the 13th ECO Summit, 22nd and 23rd Meeting of the ECO Council of Ministers (COM) in Islamabad and

Dushanbe. The ongoing initiative of establishment of ECO Regional Electricity Market (ECO-REM); ECO Clean Energy Centre; regional gas pipeline and electricity projects; as well as transport corridors were among the topics raised by Mr. Akca.

During the conversations, Mr. Rusnak while reviewing the recent activities of IEC in the energy sector said that the

Energy Charter Conference will hold its 28th Meeting on 27-28 November 2018 in Bucharest, on increased energy security and prosperity through a stronger cooperation on innovative technologies. He expressed hope that ECO's participation could lead to the further promotion of cross-border cooperation in the energy industry.

Also present at the deliberations were the Principal Coordinator of IEC Marat Terterov, and ECO Deputy Secretary General, Hadi Soleimanpour, who while emphasized on enhancing institutional cooperation between ECO and IEC in various domains of energy as a means of sharing experiences and best practices. Mr. Soleimanpour expressed hope that thorough its participation in the 4th ECO Ministerial Meeting on Energy/Petroleum, planned to be held in Azerbaijan in 2019, the IEC can contribute to energy security and sustainability within the ECO region.



## Fourth Intl. ECO-Silk Road Food Festival held in Zanjan

(1-3 May 2018)

(Zanjan, Iran) The Fourth International Economic Cooperation Organization -Silk Road Food Festival was held on 1-3 May 2018, in the northwestern Iranian city of Zanjan. The annual festival, hosted by Zanjan Provincial Cultural Heritage, Handicrafts and Tourism Organization and organized in cooperation with ECO Secretariat, seeks to celebrate the flavors and gastronomy of the region.

During his inaugural speech, ECO Director for Agriculture, Industry and Tourism, Memduh Unal, praised the city of Zanjan for successfully hosting ECO-Silk Road Food Festival festivals, drawing a loyal following of enthusiastic guests who have returned year after year. It is quite befitting that Zanjan,

which is situated on the ancient Silk Road and recognized as a cradle of art and culture, has been chosen for this event, he added.



Also present as the ceremony were the Governor of Zanjan Province, Darvish Amiri, Deputy Director General of the Cultural Heritage, Handicrafts and Tourism

Organization, Ahmad Danyali, Iranian Parliament Members and members of the Diplomatic Corps accredited to the Islamic Republic of Iran.

Since 2015 the ECO-Silk Road Food Festival has been held in the city of Zanjan which is home to the oldest double-shell dome in the world, namely the 'Dome of Soltaniyeh'. The octagonal building, which houses the mausoleum of the eighth Ilkhanid dynasty ruler of Persia, Öljeitü (ca. 1280-1316), is crowned with a 50m-tall dome covered in turquoise blue glazed bricks and surrounded by eight slender minarets. Soltaniyeh is listed among the 22 historic sites registered in UNESCO's list of World Heritage.



## ECO takes part in **High-Level Water Conference** in Tajikistan



(June 19-21, 2018)

(Dushanbe, Tajikistan) The ECO Secretariat has participated in a UN-sponsored Conference on International Decade for Action "Water for Sustainable Development" 2018-2028 on June 19-21, 2018.

Delegations from UN Member States, relevant UN bodies, the specialized agencies, the regional commissions and other organizations of the UN system came



together to discuss the means for implementing of the Action Plan of the International Decade for Action "Water for Sustainable Development" at the

global, regional and national levels, as well as development of practical recommendations for the implementation of sustainable development goals and targets related to water resources.

Speaking at the session, President of the



Republic of Tajikistan, Emomali Rahmon said the world is considerably behind in the practical implementation of the set goals and objectives in the field of ensuring access to safe drinking water and sanitation. Therefore, efforts to create mechanisms to facilitate the implementation of the Decade should be strengthened with the necessary human, financial and technical resources, he added.

According to the Social Welfare and Environment section of the ECO Vision 2025, forging partnerships with regional and global stakeholders for environment protection is vital to as it leads to the improvement of the standard of living, quality of life, economic welfare and well-being of the people of the region. In this context the ECO Secretariat viewed the conference as an opportunity to complement efforts by States to realize the



human right to safe drinking water and sanitation.

The Secretariat also participated in the Second meeting of the International Steering Committee of the International High-Level Conference on the International Decade for

Action "Water for Sustainable Development on 18 June 2018. Chaired by the First Deputy Minister of Energy and Water Resources of the Republic of Tajikistan, Sulton Rahimzoda, the meeting of experts discussed the preparations for the International Conference, the organization of plenary sessions, panels of the International Conference, as well as matters concerning the preparation of the final documents of this international event.

The Final Declaration: Promoting Action and Policy Dialogue was adopted as an outcome document of the Conference.



# Streamlining ECO Energy Agenda for the Efficient Transition to a Sustainable Energy Future

*Fuad Farzalibeyov, PhD  
Director of Energy, Minerals and Environment  
ECO Secretariat*

## ■ Global Energy Transformation as a New Imperative for Regional Policy-Making

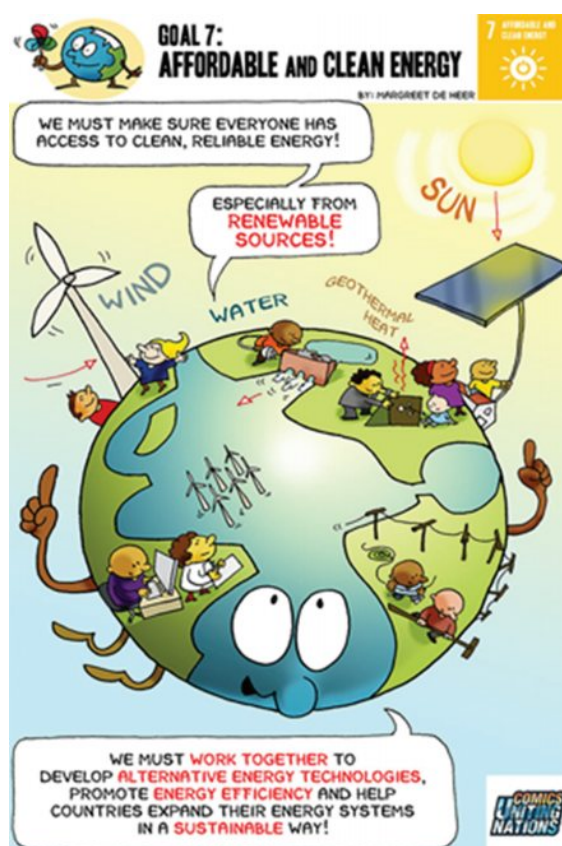
Over the past decade, the global energy architecture has been undergoing an unprecedented, multifaceted and far-reaching transformation to sustainable energy future. Energy has always represented a prerequisite



and key constituent of economic development in pre- and post-industrial and then information technology societies underpinning overall economy. But the adoption in 2015 by 193 countries of the UN Sustainable Development Goals and its SDG7, namely "Ensure access to affordable, reliable, sustainable and modern energy for all" by 2030 was evidently a landmark event for its global political recognition.

Goal 7: Sustainable Energy		
Ensure access to affordable, reliable, sustainable, and modern energy for all		Target
7.1	Ensure universal access to affordable, reliable, and modern energy services	2030
7.2	Increase substantially the share of renewable energy in the global energy mix	2030
7.3	Double the global rate of improvement in energy efficiency	2030
7.a	Enhance international cooperation to facilitate access to clean energy research and technologies, including renewable energy, energy efficiency, and advanced and cleaner fossil fuel technologies, and promote investment in energy infrastructure and clean energy technologies	2030
7.b	Expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, particularly LDCs and SIDS	2030

Energy is also at the heart of many other SDGs, notably those pertaining to poverty reduction, health and well-being, water, environment and climate change.



BP Energy Outlook 2035 assumes that in global energy, fuel diversification will continue apace, driven by the power sector, where renewables (in power and transport) will be the fastest growing category and natural gas the fastest growing

fossil fuel. The International Energy Agency (IEA) forecasted the decarbonisation scenarios after 2030 with increased renewables share in global energy mix. However, IEA's recent Energy Access Outlook 2017 concluded that with current and planned policies, technologies and investment trends, the world is set to fall far short on the goal of universal energy access by 2030: by that time, nearly 700 million people still lack electricity and around 2.3 billion still rely on polluting fuels for cooking.

This irreversible energy transformation trend will have significant political, economic and social implications encompassing multiple dimensions of sustainable development. In view of this ongoing transformation, it is an imperative for all stakeholders, including the regional intergovernmental organizations to reinvent themselves for a new energy age, forge integrated approaches to regional energy challenges and elaborate strategies for adapting to smooth transition. It is widely acknowledged that regional cooperation represents a sine qua non for transformation of the global energy architecture in terms of raising efficiency of this process, and better deployment of renewables and clean energy technologies.

Meanwhile, the limited accessibility to sustainable, affordable and modern energy services serve as additional cata-

lysts for economic declines and shrinking socio-economic development. World Energy Outlook 2004 confirms that access to modern energy services contributes not only to economic growth and household incomes, but also to the improved quality of life that comes with better education

into business interests and the degree to which intra-regional supply chains could respond to new economic trends fuelled by the transition. Henceforth, the regional intergovernmental organizations may wish to put forward a wide range of policies to reinforce resilience and equitably distribute the gains of transition.

With these in mind, the comprehensive analysis of positive and negative implications of this transformation is instrumental for policy-making. Driven by this imperative as well as the growing pace and dynamics of renewables and energy efficiency in global energy agenda, the revised energy policies and roadmaps should envisage consolidated national, regional and global scenario options, and be elaborated with particular focus on 'nexus approach' and implications of energy transformation on social and economic development. In sum, there are increasing options for the regional intergovernmental organizations to streamline the future energy landscapes, while granting its accessibility, affordability, supply security and resource-use efficiency, as well as supporting climate change action in parallel.

### ■ A Way Forward: Adaptive Regional Policy-Making vs. Conservative Approach

Today, the adaptive and proactive policy-making and launching of new robust, long-term, large-scale, sometimes quite risky investment portfolios are needed in tackling with the challenging task of preserving the current integrity of multi-dimensional energy architecture while progressing towards energy transition under a bulk of uncertainties.

The effectiveness of this energy policy-making will determine the future configuration of the national and regional energy sectors in upcoming

and health services .

The energy transformation could thus have multiple diverse social and economic implications on regions given the configuration of economies, regional commitments and transition strategies being pursued. Its success heavily depends on feeding

decades.

According to the international financial institutions, the increased reliance of energy industry on capital markets will continue in upcoming years. The energy prices thus remain volatile in global markets and the world economic prospects still looking gloomy in short-run horizons. Numerous uncertainties and volatilities seem to continue negatively affecting global energy architecture and shaping the government decisions on future energy scenarios.

Building up this architecture requires embarking upon the energy market reforms and advocating policies targeted on cleaner and sustainable technologies, stronger energy efficiency and conservation, and improved energy intensity by particular-

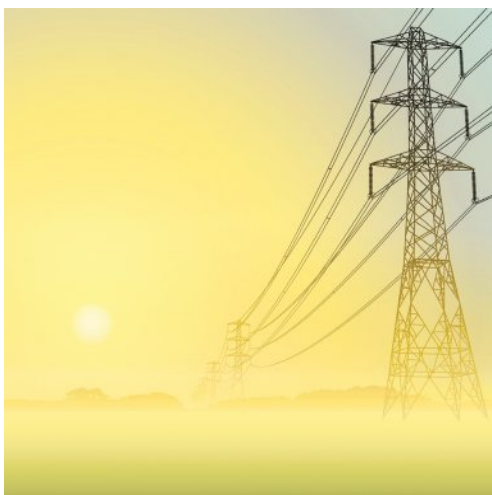


ly developing countries in concert. The dynamics and sustainability of these responses has been confronted with certain inadequately addressed structural shortcomings. In this regard, the following sets of reforms may seem promising in the regional level:

1. Enhancement of institutional capacities in sustainable energy through regional collaborations;
2. Scaling up regional sustainable energy investments;
3. Close interaction and participatory approach with all relevant stakeholders;
4. Revision of long-term policy frameworks and capital assignments;
5. Diversifying the domestic energy mix and transition to cleaner types of energy;
6. Launching proactive regional business models to enhance energy value chains and manage supply cut-offs;
7. Uptake of climate change and environment-friendly policies in the whole chain of regional decision-making process with a focus on their social and economic impacts;
8. Application of best innovations and know-how in sustainable energy development policies.

Enhancements of institutional capacities presume that the adaptive policy mechanisms and effective institutions capable to adjust to changes would better overcome those challenges. Energy reforms must promote investments needed to support smoother energy transition. Furthermore, energy reforms necessitate balancing interests of a number of stakeholders and public engagements in whole value chain.

For many years, one of the factors halting energy transition was the insufficient engagement of business models in investing in the environment. With a view to stimulate policy-makers to invest in the environment, this transition should address the energy-environment-growth nexus and "green economy" envisaging significant economic returns, notably strong value-added to GDP, generated employment and mitigated poverty, increased output, emerged new market niches, growing trade and investment patterns, etc. Meantime, the innovation is the engine driving the energy transition and the pace of innovation



around the world is accelerating.

This dilemma could be illustrated as a choice between far-sighted approach recognizing the need in effective reforms to tackle with challenges in a long run and adjust to changes, and the conservative approach reluctant to adequately address challenges. In fact, hard line short run decision-making will not gain as much benefits as the adaptive long-term planning.

It is noteworthy that pursuing proactive cooperative policy between UN and regional organizations, establishing collaboration platforms with increased operational focus and leveraging partnerships stands as a primary task in accomplishment of the reforms process for efficient transformation to a sustainable energy future in the regional level. In this rationale, it would be appropriate to explore possibilities for mapping out a sort of a global programme or partnership initiative with a view to support and contribute to regional sustainability planning endeavours with effective, integrated and coherent implementation plans. This initiative could serve a platform for undertaking the review process of SDGs by envisaging and building upon their Targets and Indicators, as well as for levelling playing field and ensuring more equitable distribution of resources to accomplish regional sustainability strategies.

## ■ Mainstreaming Sustainable Energy in ECO's Regional Energy Agenda

As far as a number of regional intergovernmental organizations with high economic profile are concerned, the ongoing global and regional trends starting from 1980-90th embelished the scope of their energy agenda, encompassing a broad range of nexuses and cross-cutting thematic areas. Currently, the uptake of economic growth, interconnectivity, environment and climate change, water, food, poverty reduction and other related areas are instrumental in the process of revisiting the comprehensive regional energy policies.

In this vein, the subject thematic diversification necessitates the revision of ECO energy agenda so that to put the strong focus on nexus approach in the initial phases of decision-making, as goal setting, option formulation, planning and programming. As in other regions, the "nexus management" is of critical importance for ECO Region to ensure efficient use of natural resources. The implementation framework of the "ECO Vision 2025" envisages measures and actions to be taken collectively for realization of its expected outcomes. As per the nature of the activities involved, there are a series of interlinked areas, which neces-

sitates identification of existing nexuses.

Learning from the past lessons should be a strong driver of energy policy making. By doing so, ECO will be able to refine its regional approaches, recognize areas in which it may add the most value and focus on the optimal use and dissemination of its expertise and resources.

The previous experience of ECO has explicitly demonstrated that regular and coherent interaction with different stakeholders and partners could strongly contribute to the advancement of its goals. Regional strategies for economic development should be, more than ever before, contingent on "sustainability". To translate policies into actions, ECO needs wider interactions with the relevant regional and global partners.

ECO energy agenda should target on developing sustainable frameworks, particularly in energy trade and investments for enhanced contribution of regional energy cooperation to the existing patterns in the ECO Region. Furthermore, mainstreaming

sustainable energy and allocating resources on key connectivity projects with high sustainability factor would demonstrate ECO's robustness and resilience as a whole. Ample opportunities hence exist to transform our region into a sustainable energy hub through consolidated efforts.



## ■ Sustainable energy challenges to be addressed in the ECO Region

ECO represents the heterogeneous region, where the recent population growths, economic and industrial development, as well as the climate change have started to pose challenges to traditional development strategies of the ECO Member States. The success of social and economic development strategies in the ECO Region evidently depends on future investments in energy infrastructure and services. The volatile prices for fossil fuels remain an energy security concern for both the countries with high import dependency and hydrocarbon exporters in the ECO Region.

Furthermore, financing decisions to be taken in the energy

sector in this region will have an immense impact on global climate change mitigation and adaptation efforts. Due to its geographical location, the region is vulnerable to diverse environmental and climate change impacts. In recent decades, there have been incidences of extreme weather events, which have been affecting the life of people, property and overall development of the countries.

Iran, Kazakhstan, Azerbaijan, Turkmenistan and Uzbekistan are rich in fossil fuels, whereas hydropower resources are concentrated in the mountainous Tajikistan and Kyrgyz Republic. Apart from the vast fossil fuel resources, the region has also significant sustainable energy potentials. Numerous studies give evidence of the enormous untapped potential for power generation from sun, wind, biogas and small hydro in ECO countries.

By developing their renewable energy sources and putting in place energy efficiency measures, ECO countries would have opportunities to promote "green economies" and reduce GHG emissions. Solar water heating and decentralized off-grid power generation from renewable energy sources makes particularly strong case in the distant rural areas of the region with limited access to the grid and conventional energy sources. Fossil-fuel exporting countries predominantly consider renewable energy and energy efficiency as means to increase their oil and gas exports, whereas import dependent countries as a strategy to reduce their dependence.

Moreover, there is also significant potential for energy efficiency improvements with regard to lighting, appliances, buildings, transmission and distribution and industrial processes. The sustainable energy sector can be also considered as a future growth sector, which offers business and employment opportunities particularly for Small and Medium Sized Enterprises (SMEs). Most of the ECO countries have adopted to some extent renewable energy and energy efficiency policies and incentives (e.g. tax exemptions, feed-in tariffs) or are in the process to do so.

In the past decades, the region succeeded in expanding the access to modern, reliable and sustainable energy services. As of now, the region has practically full electric coverage : Afghanistan 89%, Pakistan 97%, Iran 99%, Kyrgyz Republic 99%, Azerbaijan, Kazakhstan, Tajikistan, Turkey, Turkmenistan and Uzbekistan each 100%.

Despite the ongoing efforts, the actual deployment of renewable energy (excluding large hydro) and energy efficiency across ECO countries remains low. In a number of areas, the implementation of policy commitments has not been transformed into economies of scale and vibrant markets for

sustainable energy technologies and services. The introduction of sustainable energy solutions continues to face certain policy and regulatory, financial, economic, technical, knowledge, awareness and capacity challenges.



### ■ Renewable Energy Baseline in the ECO Region

The share of renewable energy in total final energy consumption (TFEC) varies widely across

10 countries, with an average under 20% . There is an existent need to ramp up the regional co-operation activities to increase the renewable energy uptake by exploiting untapped potential in these countries.

Share of Renewable Energy in Total Final Energy Consumption (TFEC), by countries

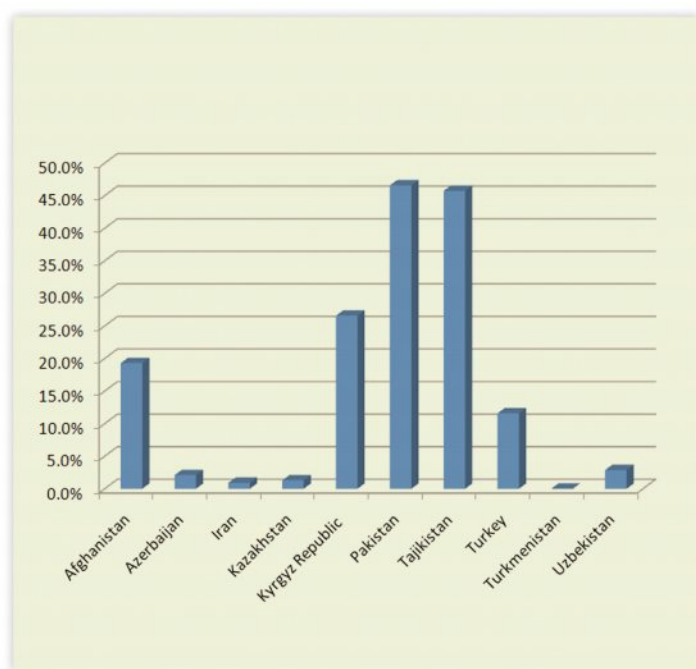


Table: ECO Secretariat's creation based on the data from REN21 and UNECE 2017

During 2015 and 2016, the region continued to build on its substantial renewable energy resources, with new developments arising in the power, heat and transport sectors. The

most prominent growth was in the renewable power sector, where further developments beyond traditional technologies (such as hydropower) are occurring. Players with nascent renewable energy markets continue to mature and utility-scale projects are being commissioned in several countries in the region (such as Kazakhstan and Azerbaijan).

### ■ ECO Clean Energy Centre: Explicit Example of a Regional Energy Transformation Endeavour

ECO Member States have realized the significance of sustainable energy in terms of its economic, environmental and health implications. Although late entering the game, ECO has started to make strides to properly address sustainable energy thus contributing to building up the diverse and resilient energy architecture in the ECO Region.

Over the past few years, ECO energy agenda has evidently been undergoing the transformation to clean and sustainable energy. This regional mainstream targets on unlocking ECO Region's tremendous cooperation opportunities in renewables and energy efficiency. ECO Secretariat supports this trend by stimulating multilateral policy debates and pursuing proactive cooperative policy with other international organizations, particularly UN System.

In this rationale, and in pursuance of "ECO Vision 2025", since mid of 2017, ECO Secretariat has been engaged with the United Nations Industrial Development Organization (UNIDO) in establishment of ECO Clean Energy Centre (CECECO). The idea of its establishment was pioneered by ECO Secretariat during ECO-UNIDO consultations. This joint endeavour is also a result of UNIDO's long-lasting cooperative relationship with ECO, based on a 1994 Agreement. UNIDO

is a long-standing partner of ECO countries with respect to the promotion of cleaner and resource efficient production practices, as well as renewable energy and industrial energy efficiency. The establishment of the Centre will also complement and significantly contribute to the existing efforts of ECO to promote energy and transport connectivity in the region.

This initiative was reflected in the "ECO Vision 2025", and its Implementation Framework sets out the establishment of the Centre up to 2025 by ECO Secretariat and the Member States . The UN-ECO Resolutions on Cooperation adopted by UNGA sessions in 2014 and 2016 respectively welcomed the idea of establishment of regional energy centre with possible

assistance of UN agencies .

Driven by those positive developments and frameworks, the Project Document on "Preparatory Phase for the establishment of ECO Clean Energy Centre" was jointly elaborated by UNIDO and ECO Secretariat and agreed upon as an indicative paper. The project has progressed steadily throughout 2018 in terms of approval procedures and fund-raising. UNIDO has indicated its readiness to start the process for launching the Preparatory Phase. On 15 May 2018, UNIDO and the Austrian Development Agency (ADA) signed the funding agreement on the preparatory phase on margins of Vienna Energy Forum 2018, which envisages ADA's co-funding with the financial contribution of 50000EUR.

The 233rd CPR Meeting, held on 11 September 2018 in Tehran decided to launch the Preparatory Phase of the establishment of CECECO and approved the allocation of 50000USD from the ECO Feasibility and General Purpose Fund (FGPF) as its partial financing. The rest of the required budget has been galvanized through active engagement of donors.

The proposal for establishment of CECECO responds to the development, energy and climate challenges of the ECO Member States outlined

in the previous chapter. It has been recognized that there is a lack of ECO Region-wide in-depth analytical studies, which would quantify and evaluate the potential for transition to sustainable energy and investigate constraints to regional cooperation. In the light of the aforementioned and with a view to address the renewables and energy efficiency/conservation issues in an integrated manner, the partners have agreed to undertake a comprehensive consultative preparatory process, which will determine the added value, feasibility as well as the technical and institutional design of the Centre. The process envisages the broad stakeholder consultations, consultative and validation meetings, baseline and needs assessment, feasibility study, and consideration and approval of a project document which will define the institutional and technical design of the centre during the subsequent stage of development - start up or the first operational phase.



CECECO is considered as a promising future element of the Global Network of Regional Sustainable Energy Centres (GN-SEC) being implemented across the globe. The CECECO process is closely linked to the other centres operating under the umbrella of GN-SEC. The major general objective of CECECO is the contribution towards increased access to modern, affordable, reliable and sustainable energy services, energy security and mitigation of negative externalities of the energy system (e.g. local pollution and GHG emissions) by creating an enabling environment for renewable energy and robust energy efficiency markets and investments. The centre is sought to support transformation to clean and sustainable energy, which per se represents the *raison d'être* for its establishment.

The Centre will address all relevant stakeholders - state authorities, businesses, academic circles and others. It is expected to strengthen the capacities of ECO in accomplishment of sustainable energy and climate targets. It will also contribute to better technical coordination, donor harmonization and the assurance of long-term sustainability of project interventions, as well as the documentation of lessons learned.

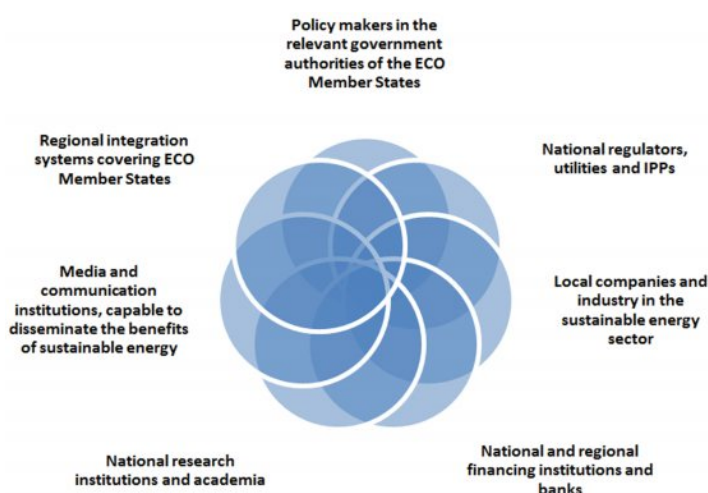
It is also expected to address major regional thematic gaps in the areas of capacity building,

awareness-raising, knowledge management, as well as investment and business promotion. Leveraging sustainable energy investments and the introduction of appropriate regulations and standards go hand in hand with the need for local institutional capacities and qualified human resources. Some 'soft' barriers for renewables and energy efficiency can be addressed more effectively and at a lower cost through regional approaches and methodologies. Furthermore, the climate change-related aspects and Paris Climate Agreement is sought to be focused in the Preparatory Phase of the subject project.

Following finalization of the Preparatory Phase, the 1st Operational Phase will be implemented to keep up the cooperation momentum. The latter phase envisages selection of a host country and organiza-

tion; selection of the director and recruitment of local and international quality staff; establishment of the Centre's Secretariat, its institutional structure and internal proceedings; organization of the governing meetings and designation of the National Focal Institutions (NFIs); development of the long-term Business Plan; development and the start of implementation of the flagship programmes and projects; continued fund-raising; and preparing for independent work without UNIDO's institution-building support.

ECO Secretariat continues to pursue cooperation with international partners to pave the way in further streamlining solutions and mechanisms for regional cooperation on sustainable energy development.



- BP Energy Outlook 2035, Edition of 2016, p. 90
- Energy Access Outlook 2017, World Energy Outlook (WEO-2017) Special Report, IEA Publications, Printed in France by International Energy Agency in 2017
- World Energy Outlook 2004 (WEO 2004), Chapter 10, p. 335
- <https://data.worldbank.org/indicator/EG.ELC.ACCS.ZS>
- REN21 and UNECE Renewable Energy Status Report 2017  
[http://www.ren21.net/wp-content/uploads/2017/06/REN21\\_UNECE\\_Renewable\\_Energy\\_Status\\_Report\\_2017\\_Report\\_FINAL.pdf](http://www.ren21.net/wp-content/uploads/2017/06/REN21_UNECE_Renewable_Energy_Status_Report_2017_Report_FINAL.pdf)
- See ECO Vision 2025, done on 28 February 2017 in Islamabad, Pakistan, p. 5-6  
[http://www.eco.int/parameters/eco/modules/cdk/upload/content/general\\_content/3624/1506486491201cflnbtm0acra83f5arho4dgc65.pdf](http://www.eco.int/parameters/eco/modules/cdk/upload/content/general_content/3624/1506486491201cflnbtm0acra83f5arho4dgc65.pdf)
- See Resolution adopted by the General Assembly on 10 December 2014 - 69/111 - Cooperation between the United Nations and the Economic Cooperation Organization, p. 4, Para 18 ([http://www.un.org/en/ga/search/view\\_doc.asp?symbol=A/RES/69/111](http://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/69/111)), and Resolution adopted by the General Assembly on 21 November 2016 - 71/16 - Cooperation between the United Nations and the Economic Cooperation Organization, p. 4, Para 19 ([https://www.un.org/en/ga/search/view\\_doc.asp?symbol=A/RES/71/16](https://www.un.org/en/ga/search/view_doc.asp?symbol=A/RES/71/16))



ECO Secretariat Building  
IRAN - Tehran