



Economic Cooperation Organization

ECO

The Senior Officials Meeting (SOM)

(Preceding the 27th Meeting of the Council of Ministers)

October 9, 2023

Baku, Azerbaijan



Economic Cooperation Organization

ECO

No: CFU/27th COM/2023/1564

Priority: Most Urgent

Date: 2/10/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and based on the deliberations made during the 280th CPR Meeting held on October 2, 2023 has an honour to enclose the updated version of the **Draft Agendas and Annotated Draft Agendas of 27th COM and SOM** scheduled for October 9-10, 2023 in Shusha, Azerbaijan.

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.

All ECO Member States - Tehran



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The Senior Officials Meeting (SOM)
(preceding the 27th Meeting of the Council of
Ministers)

Draft Agenda
and
Annotated Draft Agenda

October 9, 2023
Baku, Azerbaijan

Draft Agenda

1. Opening of the Meeting and Remarks by ECO Secretary General
2. Remarks by the Chairman, the Republic of Azerbaijan
3. Appointment of the Drafting Committee
4. **Preparation for the 27th Meeting of the Council of Ministers (COM):**
 - a) Draft Agenda of the 27th COM
 - b) Consideration of the Report of ECO Secretary General on activities of the Organization
 - c) Review and Approval of:
 - Reports of ECO Council of Permanent Representatives (CPR) Meetings
 - Reports of Sectoral Ministerial Meetings
 - Reports of Specialized Agencies/Regional Institutions
 - d) Administrative and Financial Matters of ECO Secretariat:
 - Audit Report for 2021 and 2022;
 - Appointments (*if any*).
 - e) Draft Shusha Declaration
 - f) Treaty Event
 - g) Any other business
 - h) Date and venue of the next meeting
 - i) Finalization of Report of the 27th Meeting of Council of Ministers
5. Closing

Annotated Draft Agenda

Agenda Item No.1

Opening

1. The ECO Secretary General, H.E. Mr. Khusrav Noziri will make his opening remarks. The Secretary General may welcome the participants and brief the Meeting on the current state of affairs of ECO and present an overview on the Preparatory process for 27th Meeting of Council of Ministers (COM) Meeting.

Agenda Item No. 2

Remarks by the Chairman

2. As per practice, the Secretary General will invite the Head of Delegation of the host country/the Senior Official of the Ministry of Foreign Affairs of the Republic of Azerbaijan to chair the Meeting. The Chairman of the Meeting will make his remarks and call the meeting to order.

Agenda Item No.3

Appointment of Drafting Committee

3. A Drafting Committee may be established by Meeting to facilitate its work.

Agenda Item No.4

Preparation for the 27th Meeting of the Council of Ministers (COM)

4. The Council of Permanent Representatives decided to establish a Preparatory Committee to be chaired by the current Chair (Azerbaijan) to discuss all the issues relating to the preparations for upcoming SOM and COM Meetings in Shusha, Azerbaijan. The Preparatory Committee held eight meetings in this regard.

5. The Council of Permanent Representatives in its 273rd, 274th, 275th, 276th, 277th, 278th, 279th and 280th meetings continuously discussed preparations for 27th Meeting of Council of Ministers (COM) and finalized the Draft Agenda of COM meeting, as well as Draft Shusha Declaration.

a. Draft Agenda of 27th COM Meeting

6. The SOM may consider the following Draft Agenda of the 27th COM Meeting and endorse it:

Draft Agenda

- Welcoming remarks by the Chairman of 27th COM (Azerbaijan)
 - Remarks by the Chairman of 26th COM (Uzbekistan)
 - Remarks by the Chairman of ECO in 2024 (Iran)
 - Statement by the ECO Secretary General
- 1) Adoption of the Agenda
 - 2) Statements by:
 - Ministers/Heads of Delegation

- ECO Observers (*if any*)
 - Heads of International Partners
 - Heads of ECO Specialized Agencies/Regional Institutions
- 3) Consideration of the Report of ECO Secretary General on activities of the Organization.
 - 4) Review and Approval of:
 - Reports of ECO Council of Permanent Representatives (CPR) Meetings;
 - Reports of Sectoral Ministerial Meetings;
 - Reports of Specialized Agencies/Regional Institutions.
 - 5) Administrative and Financial Matters of ECO Secretariat:
 - ECO Secretariat's Budget for 2024;
 - Audit Report for 2021 and 2022;
 - Appointments.
 - 6) Adoption of Shusha Declaration.
 - 7) Treaty Event.
 - 8) Any other business.
 - 9) Date and venue of the next meeting.
 - 10) Adoption of Report of the 27th Meeting of Council of Ministers.
 - 11) Closing of the Meeting and Vote of Thanks.

b. Consideration of the Report of the Secretary General on activities of the Organization

7. As laid down in Article IX (2) of the Treaty of Izmir, the Secretary General presented his annual report to the COM that was circulated among the Member States vide Note Verbale No. CFS/COM/27th Meeting/2023/1533 dated September 28, 2023.

8. The Report, inter alia, covers the activities of the Organization made since the 26th COM Meeting held on January 24, 2023 in Tashkent, Uzbekistan. It further outlines the major achievements of the ECO concerning the economic effectiveness and efficiency of the Organization, as well as status of ECO projects and programmes being implemented for small, medium and large scale development in the region. The document further highlights the measures taken to enhance ECO visibility in the global landscape, and the Organization's activities aimed at expanding and fortifying its connections with other regional and international organizations. The Report also contains recommendations on ECO's priority areas of cooperation, as well as progress on the recommendations of the midterm review of ECO Vision 2025.

9. The SOM may consider the contents of the Report of the ECO Secretary General on activities and engagements of the Organization.

c. Review and Approval of:

- Reports of ECO Council of Permanent Representatives (CPR) Meetings
- Reports of Sectoral Ministerial Meetings
- Reports of Specialized Agencies/Regional Institutions

10. Since the 26th Meeting of the Council of Ministers (COM) held on January 24, 2023 in Tashkent, the Council of Permanent Representatives (CPR) held 8 Meetings (272–279 CPR Meetings). The adopted Reports were circulated among the Member States as per details given below:

No.	Report	Note Verbale Number & its date of circulation
1.	272 nd CPR Meeting	No. CFU/272 nd CPR Report/2023/281 dated February 28, 2023
2.	273 rd CPR Meeting	No. CFU/273 rd CPR Report/2023/1115 dated August 1, 2023
3.	274 th CPR Meeting	No. CFU/274 th CPR Report/2023/581 dated May 4, 2023
4.	275 th CPR Meeting	No. CFU/275 th CPR Report/2023/774 dated June 8, 2023
5.	276 th CPR Meeting	No. CFU/276 th CPR Report/2023/940 dated July 5, 2023
6.	277 th CPR Meeting	No. CFU/277 th CPR Report/2023/1116 dated August 1, 2023
7.	278 th CPR Meeting	No. CFU/278 th CPR Report/2023/1285 dated August 30, 2023
8.	279 th CPR Meeting	No. CFU/279 th CPR Report/2023/1560 dated October 2, 2023

11. The Council may also consider, endorse and approve the Reports of the 5th Ministerial Meeting on Health (Geneva, May 24, 2023), 3rd Ministerial Meeting on Information and Communication Technology (ICT) (Tehran, July 13, 2023), and 5th Ministerial Meeting on Tourism (Ardabil, October 5, 2023).

- **Annual Reports of ECO Specialized Agencies/Regional Institutions/Affiliated Bodies**
- i) ECO Cultural Institute (ECI)
 - ii) ECO Educational Institute (ECO-EI)
 - iii) ECO Science Foundation (ECOSF)
 - iv) ECO Trade & Development Bank (ECO-TDB)
 - v) ECO Reinsurance Company
 - vi) ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (ECO-RISCAM)
 - vii) ECO Chamber of Commerce & Industry (ECO-CCI)
 - viii) ECO Regional Coordination Centre for the Implementation of the Regional Program for Food Security (ECO-RCC)
 - ix) ECO College of Insurance (ECO-Col)
 - x) ECO Institute of Environmental Science and Technology (ECO-UEST)
 - xi) ECO Postal College
 - xii) ECO Regional Center for Risk Management for Natural Disasters (ECORCRM)
 - xiii) ECO Seed Association (ECOSA)
 - xiv) ECO Consultancy & Engineering Company (ECO-CEC)

12. In accordance with Article X of the Treaty of Izmir, ECO Specialized Agencies/Regional Institutions shall submit annual reports on their activities to the Council of Ministers. The Reports of Affiliated Bodies, if presented, are also reviewed by COM.

13. The Secretariat circulated the Annual Reports of the ECO Specialized Agencies/Regional Institutions/Affiliated Bodies amongst the Member States vide its Note Verbale No. IR/2023/1514 dated September 27, 2023.

14. The SOM may consider and review by COM the Reports of the ECO Specialized agencies/Regional Institutions/Affiliated Bodies, making appropriate recommendations for future guidance/compliance.

d. Administrative and Financial Matters of ECO Secretariat

- **Audit Report for 2021 and 2022**

15. In accordance with Article 18 of ECO Financial Regulation the Audit Board consisting of representatives from Islamic Republic of Iran, Islamic Republic of Pakistan and Republic of Türkiye conducted audit of ECO Secretariat for the years 2021 and 2022 on August 6-8, 2023.

16. The Audit Report for 2021 and 2022 along with the ECO Secretariat's comments was circulated amongst the Member States vide Note Verbale on September 12, 2023.

17. The Council may consider the Audit Report for approval.

- **Appointments**

18. If any

e. Adoption of Shusha Declaration

19. The Secretariat on July 17, 2023 circulated the first Draft of Shusha Declaration among the Member States for their views/comments. The Draft Shusha Declaration was taken into consideration at PrepCom and CPR levels. The document has also been discussed by the SOM for consideration of the COM.

20. The SOM may consider and finalize the text of Draft Shusha Declaration for endorsement by COM.

f. Treaty Event

21. The ECO Secretariat vide Note Verbale No. LA/Treaty Event/2023/1208 dated August 16, 2023, circulated the latest status of agreements concluded within the framework of ECO. The Member States were also requested to inform the Secretariat not later than September 28, 2023 of their intentions to sign any of the agreements listed in the latest status report during the 27th COM Meeting. If so, the Treaty Event may be held during 27th COM.

g. Any Other Business

22. The delegations of the Meeting may discuss any other issue(s) under this Agenda Item.

h. Date and venue of the next meeting

23. The SOM may propose to COM that the 28th Meeting of the Council of Ministers (COM) may be hosted by the Islamic Republic of Iran in 2024 being the Chair of the Organisation.

i. Endorsement/finalization of the Draft Report of 27th COM Meeting

24. Under this Agenda Item, the Meeting may consider and endorse the Draft Report of 27th COM prepared/finalized by the Drafting Committee for further submission to the 27th COM Meeting for adoption.

Agenda Item No.5

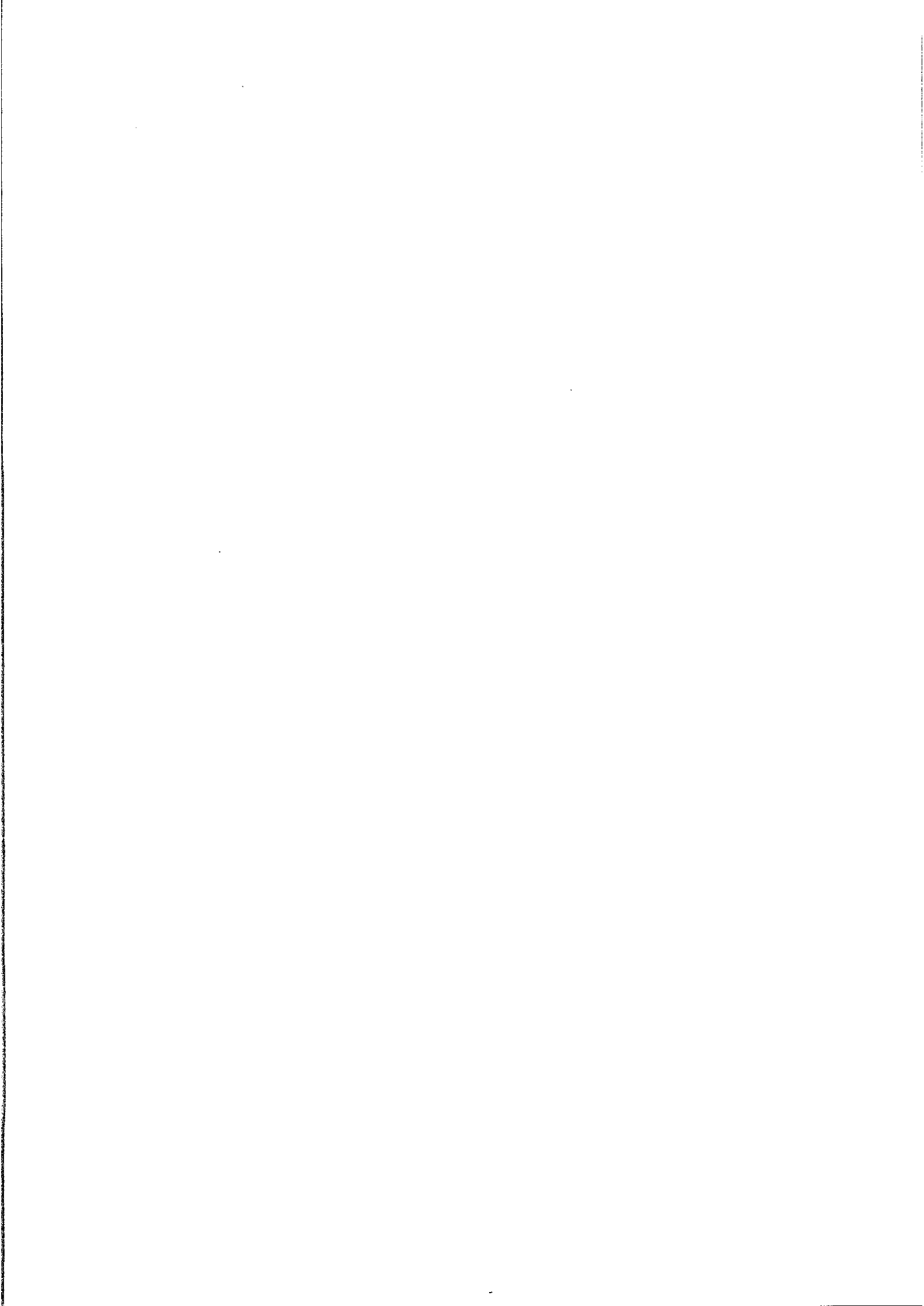
Closing

25. The Meeting may express its gratitude to the senior official from the Ministry of Foreign Affairs of the Republic of Azerbaijan for conducting the Meeting's proceedings in an efficient and professional manner and his outstanding chairmanship of the Meeting. The Meeting may also appreciate the Government of the Republic of Azerbaijan for making excellent arrangements for the meeting.

26. The Meeting may further express its gratitude to the ECO Secretary General and his team for preparation of relevant documents and coordination with all the ECO Member States in organizing this important meeting in an efficient and able manner.

Agenda Item No. 1

Opening



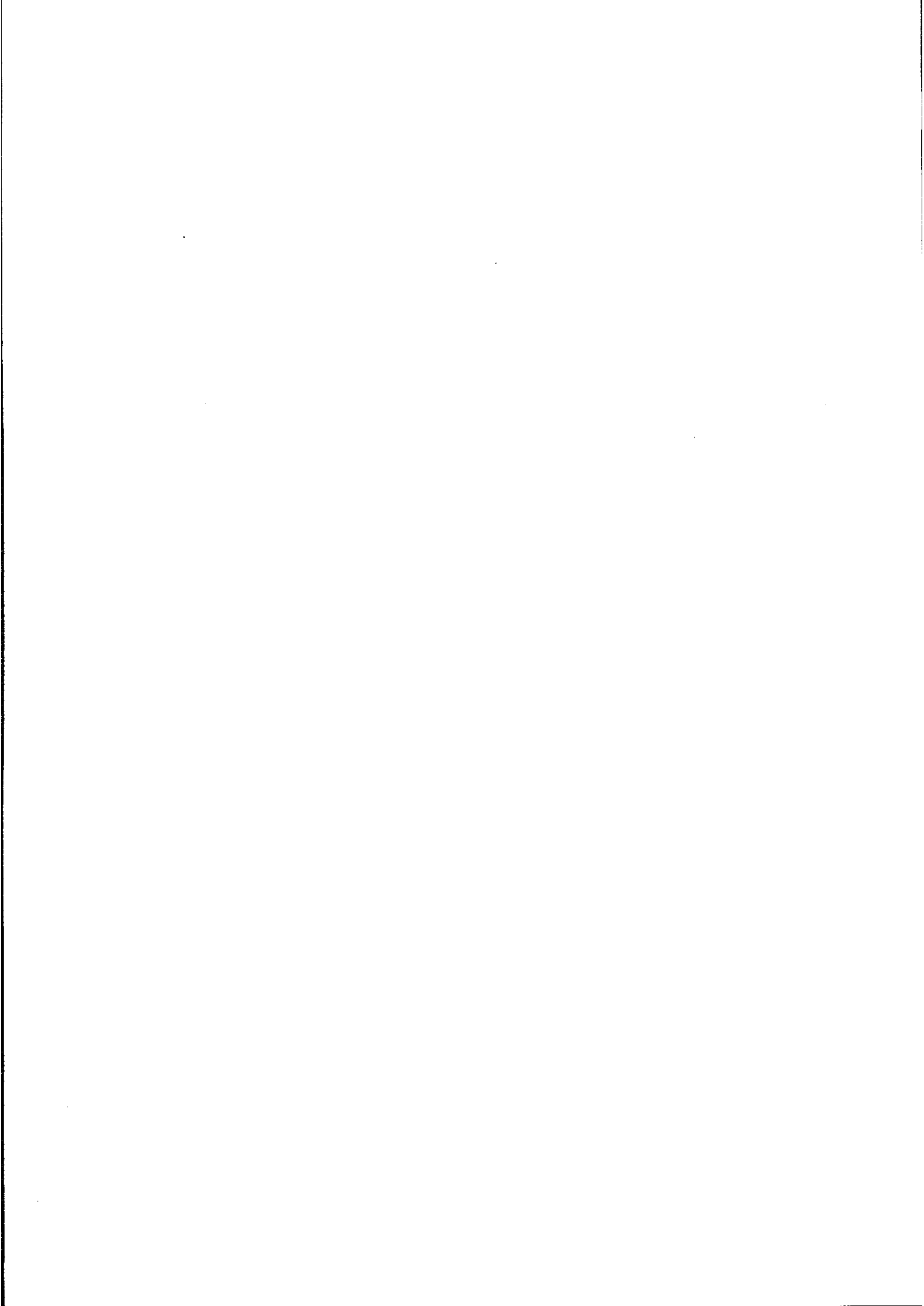
Agenda Item No. 2

Remarks by the Chairman



Agenda Item No. 3

Appointment of Drafting Committee



Agenda Item No. 4

Preparation for the 27th Meeting of the Council of Ministers (COM)



Economic Cooperation Organization

ECO

27th Meeting of the ECO Council of Ministers (COM)

Draft Agenda

October 10, 2023
Shusha, Azerbaijan

Draft Agenda

Inauguration:

- Welcoming remarks by the Honourable Foreign Minister of Azerbaijan as the host and Chairman of 27th COM Meeting;
 - Remarks by the Honourable Foreign Minister of Uzbekistan as the Chairman of 26th COM Meeting;
 - Remarks by the Honourable Foreign Minister of Iran as the ECO Chairman in 2024;
 - Statement by the ECO Secretary General.
1. Adoption of the Agenda.
 2. Statements by:
 - Ministers/Heads of Delegation of Member States;
 - ECO Observers (*if any*);
 - Heads of International Partners;
 - Heads of ECO Specialized Agencies/Regional Institutions.
 3. Consideration of the Report of ECO Secretary General on activities of the Organization.
 4. Review, and Approval of:
 - Reports of ECO Council of Permanent Representatives (CPR) Meetings;
 - Reports of Sectoral Ministerial Meetings;
 - Reports of Specialized Agencies/Regional Institutions.
 5. Administrative and Financial Matters of ECO Secretariat:
 - Audit Report for 2021 and 2022;
 - Appointments (*if any*).
 6. Adoption of Shusha Declaration.
 7. Treaty Event (*might be proposed to be deleted by SOM from COM's agenda in case of no request from the non-signatories for ECO agreements for signing agreement(s) during the 27th Meeting of COM*).
 8. Any other business.
 9. Date and venue of the next COM meeting.
 10. Adoption of Report of the 27th Meeting of Council of Ministers.
 11. Vote of thanks and closing of the Meeting.



Economic Cooperation Organization

ECO

No: CFS/COM/27th Meeting/2023/1533

Priority: Most Urgent

Date: 28/9/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith the **Report of the ECO Secretary General on activities of the Organization to the 27th Meeting of ECO Council of Ministers (COM)** to be held on October 10, 2023 in Shusha, Azerbaijan (Agenda Item No. 3 of 27th COM Meeting Draft Agenda).

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.

All ECO Member States - Tehran



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27th Council of Ministers (COM) Meeting

October 10, 2023, Shusha, Azerbaijan

Agenda Item No. 3

Report of the Secretary General

ECO Secretariat

Table of Content

➤	Executive Summary	A
➤	Follow-up Status Report on the decisions of 26th Meeting of the Council of Ministers (24 January 2023, Tashkent, Uzbekistan) and 15th ECO Summit, Ashgabat Consensus for Action (28 November 2021, Ashgabat, Turkmenistan)	B
➤	Agreements/Treaties concluded among ECO Member States	C
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A. Executive Summary

1. The Report consists of undertaken activities and engagements as well as some important events held in the post-26th COM period. The Organization continues to work for implementing the programmes and projects developed and decided by COM, sectoral Ministerial Meetings, Regional Planning Council, Council of Permanent Representatives, and expert-level meetings. As reflected in Vision 2025, focus is made on ECO priority areas, including trade, transit transport, energy, tourism, economic growth and sustainable development as well social welfare aimed at the shared progress and prosperity of the region.
2. The Organization has taken significant steps forward particularly in a bid to enhance regional trade and connectivity. A notable progress has been achieved to this end. Special attention is to ensure the implementation of ECO Trade Agreement (ECOTA) for doubling intra-regional trade, and the Agreement on Promotion and Protection of Investment (APPI) for promotion and protection of investment in the region. Moreover, the ECO has remained involved in and working on several other important sector-wise initiatives that can play very effective role in joint socioeconomic development of the region.

Trade and Investment

3. Trade is considered to be an engine of economic growth leading to socio-economic development. The macroeconomic variables, such as national income, employment, inflation, aggregate investment and consumption are all affected and shaped by terms of trade. More specifically, international trade affects macroeconomic performance in terms of the dynamism of an economy, its stability and sustainability and the prospects of an overall equitable distribution of income. Similarly, to attract progressive and benign investment for diversification of trade sector of the economy, a set of some prudent macroeconomic policies to develop a business friendly environment is as inevitable. After the Pandemic shocks were subsidized, the Ukraine war has added fuel to the fire pushing the economic growth under a dark shadow with the countries shifting to tighter fiscal and monetary policies to control the unbridled inflation in essential items like food products and energy.
4. International Trade is considered to be a principal driver for economic development in an economic regional arrangement among economies with varying as well as complementing features. Global trade growth in 2023 is still expected to be subpar despite a slight upgrade to GDP projections since last fall, WTO economists said in a new forecast on 5 April. Weighed down by the effects of the war in Ukraine, stubbornly high inflation, tighter monetary policy and financial market uncertainty, the volume of world merchandise trade is expected to grow by 1.7% this year, following 2.7% growth in 2022, a smaller-than-expected increase that was pulled down by a sharp slump in the fourth quarter. Any growth in regional trade depends on an effective preferential trading system under a dynamic trade liberalization modality, seamless flow of goods and service under a robust trade facilitation mechanism and regular trade promotion calendar. Creation of trade flows on the basis of comparative advantage and trade diversion into the region from rest of the world can be achieved by reduction of customs tariffs and removal of Non-Tariff Barriers (NTBs) to reduce the cost of trade - both tariff costs and non-tariff costs. For the former, the intervention for trade liberalization to reduce customs tariffs is achieved by initiating and implementing Preferential Trade under a PTA (Preferential Trade Agreement)

or a Free Trade Agreement (FTA) under Article XXIV of General Agreement on Tariff and Trade (GATT) for trade in goods, and Article V of the General Agreement on Trade in Services (GATS) by setting up a preferential trade regime. In case of the later, it is managed under a Trade Facilitation Strategy aiming at removal of the non-tariff barriers (NTBs). In the ECO Region some well contemplated initiatives have been taken in both aspects of 'trade expansion' to pursue expansion of intra-regional trade and region's contribution to world trade under ECO Trade Agreement (ECOTA) and the Draft ECO Trade Facilitation Strategy/ Draft ECO Trade Facilitation Agreement.

World Trade in the Last Five Years and Contribution of the ECO Region

5. The world merchandise trade was recorded at US \$ 19.66 trillion in 2018, which declined by 13% to 17.7 trillion in 2020 due to adverse effects of the Pandemic. It registered a rebound of 31% in 2021 to US\$ 22.43 trillion. It grew in 2022 by 11.6 % to US\$25.05. The overall cumulative growth of the world trade in the last five years (from 2018 to 2022) has been around 27.5%. Major contributor to global trade have been the US, China and Germany. In 2022, the cumulative share of the US and China accounted for one fourth of the world trade. The share of the ECO in the global trade increased from US\$ 648 billion in 2016 to reach at US\$ 797.8 billion in 2018. In 2019 it registered a decline by 6.1% to US\$ 748.7 billion on yearly basis from 2018. In 2020 it further registered a decline by 5.7% to US\$ 706 billion. In 2021 the ECO's share in world trade was recorded at US\$ 930 billion showing an increase of 31.7% on year-on-year basis. The ECO region's contribution in world trade, at around 4.1%, clearly falls below its commensurate potential for a region that is strategically located on important trade routes with a share of more than 6% of world population and abundance of endowments in natural and human resource.

6. The graphical representation is shown in Figure1 below:

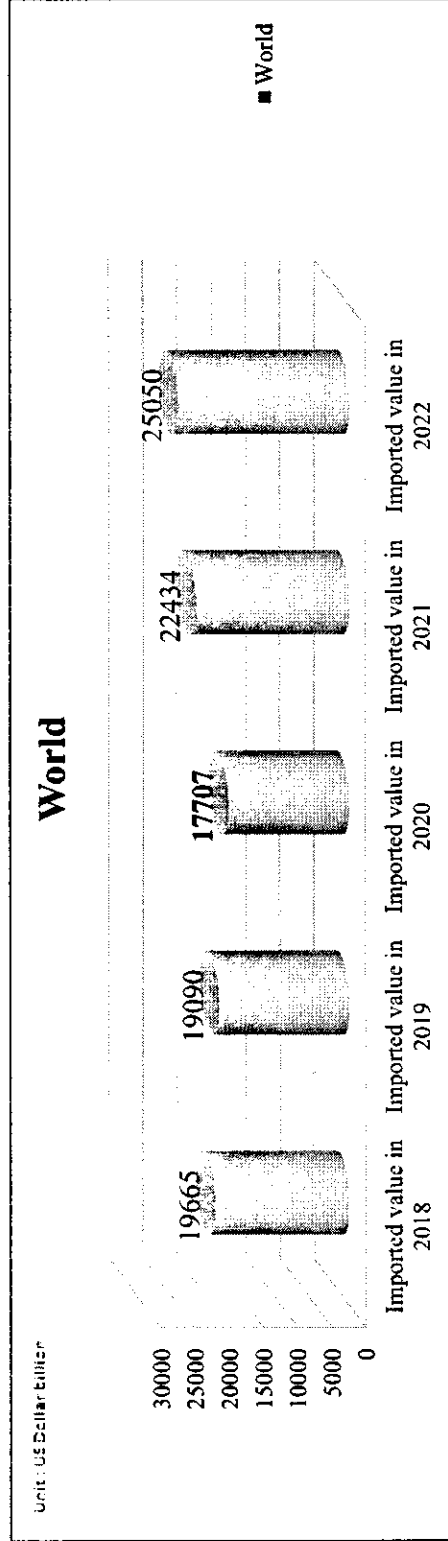


Figure.1

Source: Trade Map

7. If we see the growth rate of the ECO after recovery from Pandemic at 31.7%, it corresponds to the world trade growth in the same period at 31%. The ECO region's contribution in world trade has crossed US\$ 1trillion mark in 2022 for the first time and reached 1 trillion and 36 billion. The contribution of the ECO region in world trade has been around 4.1% in 2021. Major export destinations of the ECO region have been China, followed by the EU countries like Italy, Germany and the USA. The highest exports of the ECO countries within ECO region in 2022 have been recorded in mineral fuels, mineral oils and products thereof (HS-27) with a value of US\$ 10.5 billion out of US \$ 46 billion (22.8%), followed by refrigerators, machinery, nuclear centrifuges etc. (HS 84) with 5.4%, cereals (HS-10) with 5%, plastics and products thereof (HS-39) 4.3%, cotton (HS-52) 4.2% etc.

8. Following are the top exports of the ECO region to the world:

- i. Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral... (HS-27) US\$ 120 billion (26% of the total ECO exports to world).
- ii. Refrigerators, machinery, nuclear centrifuges etc., (HS 84) US\$ 24.8 billion (5.4% of the total ECO exports to world).
- iii. Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television. (HS- 85) US\$ 15.8 billion (3.4% of the total ECO exports to world).
- iv. Aluminium and articles thereof (HS-76), US\$ 9.1 billion (2% of the total ECO exports to world).
- v. Other made-up textile articles; sets; worn clothing and worn textile articles; rags (HS-63) US\$ 8.6 billion, 8.6 billion (1.8% of world imports in the tariff line).
- vi. Products of the milling industry; malt; starches; insulin; wheat gluten (HS-11) US \$ 3.06 billion.

9. The ranking of top exporting countries in the world including the ECO Member States are indicated in the Table below: ¹

Top Ten Exporting Countries in the World and Ranking of Exporting Countries in ECO Region

World Ranking	Top Exporters	Exported value 2018	Exported value 2019	Exported value 2020	Exported value 2021	Exported value 2022	Unit : US\$ billion
	World	19327.9	18748.6	17499.8	22138.7	24487.2	% World Exports
1.	China	2494.2	2498.3	2588.4	3361.8	3593.6	14.67
2.	U.S of America	1665.6	1642.8	1424.9	1754.3	2062.9	8.42
3.	Germany	1556.6	1486.8	1379.9	1631	1658.4	6.77

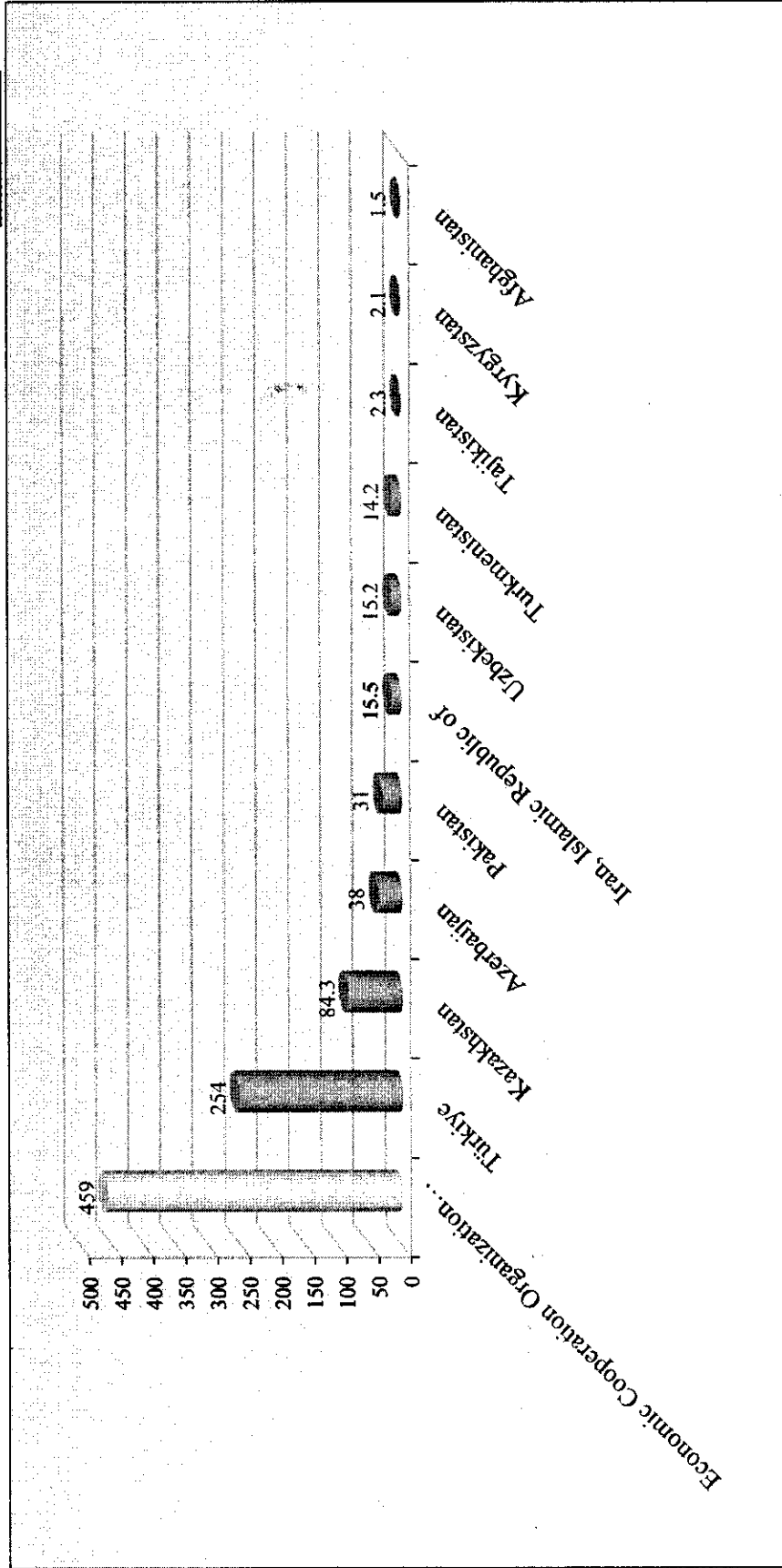
¹ Mirror data and calculations based on data of ITC accessed at <https://www.trademap.org/Index.aspx?nvpm> on 31 August 2023. US\$ 648 billion (2016), US\$ 797.8 billion (2018), US\$ 748.7 billion (2019), US \$ 706 billion (2020), US \$ 930 billion (2021), US\$ 1036 billion (2022)

4.	Netherlands	587.8	576.7	551.3	696.8	770.3	3.14
5.	Japan	738.1	705.8	640.9	757.4	752	3.07
6.	Italy	549.9	537.7	498.8	615.9	700.3	2.85
7.	Korea, Republic of	605.1	542.3	512.7	644.4	683.5	2.79
8.	Belgium	468.6	446.8	419.4	549.4	636.4	2.59
9.	Hong Kong, China	569.1	535.7	551.5	672.1	611.4	2.49
10.	France	569.7	556.5	476	570.8	606.8	2.47
40.	Türkiye	167.9	180.8	169.6	225.2	254.1	1.03
56.	Kazakhstan	60.9	57.7	46.9	60.3	84.3	0.34
76.	Azerbaijan	19.4	19.6	13.7	22.2	38.1	0.155
78.	Pakistan	23.7	23.8	22.2	28.8	31.1	0.127
93.	Iran, Islamic Republic of	96.6	48.6	41	75.1	15.5	0.063
96.	Uzbekistan	10.9	14.3	13.1	14	15.2	0.062
99.	Turkmenistan	10.1	3.1	2.5	3.1	14.2	0.057
149.	Tajikistan	1.07	1.1	1.3	1.7	2.3	0.0093
151.	Kyrgyzstan	1.76	1.9	1.9	1.6	2.1	0.0085
155.	Afghanistan	-0.87	0.86	1.8	1.9	1.5	0.0061

Sources: ITC calculations based on UN COMTRADE and ITC statistics. The world aggregation represents the sum of reporting and non-reporting countries data based on the partner reported data (Mirror data) are shown in orange

Country-wise Details of Exports of ECO Region to the World (2022)

US\$ Billions



Source: Trade Map, ITC (Data and mirror data in orange colour).

10. In the year 2022, imports of the ECO region from the world were recorded at US\$ 577.55 billion while exports to the world were recorded at US\$ 459.08 billion. The ECO region has recorded a trade deficit of US \$ 118.4 billion (11.43% of their total trade with the rest of world) which shows that the region's exports are far below its true potential - a target set in the ECO Vision 2025 to increase exports from ECO region to the world. The ranking of top importing countries in the world including the ECO Member States are indicated in the Table below:

Top Ten Importing Countries in the World and ranking of Importing Countries in the ECO Region

Ranking	Year	2018	2019	2020	2021	2022	Unit: US \$ billion %Share (2022)
	World	19665	19090	17707	22434	25050	
1.	USA	2609	2563.5	2407	2935	3376	13.47
2.	China	2135	2066.5	2057	2675.6	2716	10.84
	Germany	1286	1236	1173	1422.8	1571	6.27
4.	Japan	749	721	634.6	773.7	905	3.61
5.	United Kingdom	671.6	692.4	630.8	695.5	816	3.25
6.	France	666	644	569.3	704.7	811.6	3.23
7.	Italy	503.5	475	426.4	568	743	2.96
8.	India	509	478.8	368	570.4	732.5	2.92
9.	Korea, Republic of	535	503	467.5	615	731.3	2.91
10.	Netherlands	521	514	484	623	712	2.84
32.	Türkiye	223	210.3	219.5	271.4	363.7	1.45
64.	Pakistan	60.3	50	45.8	73	71	0.28
73	Kazakhstan	32.5	38.3	38	41.4	50	0.199
84.	Uzbekistan	17.3	21.8	20	23.7	28	0.111
88.	Iran, Islamic Republic of	41	44	38.8	53	26.9 (mirror data)	0.107
111.	Azerbaijan	11.4	13.6	10.7	11.7	14	0.055
126.	Kyrgyzstan	4.9	4.9	3.6	5.5	9.6	0.038
151.	Tajikistan	3.1	3.3	3.1	4.2	5.1	0.0203
153.	Afghanistan	7.4	6.7	8.7	7.3	4.6	0.0183
166.	Turkmenistan	2.8	3.3	3.3	4.5	3.4	

Trends in Intra-Regional Trade in the ECO

11. The ECO region has registered an increase of 42.6% in its Intra-Regional Trade during the last five years from 2018 till 2022 as shown in the Table below:²

(US\$ billions)	Intra-Regional Value (2022)	Intra-Regional share of exports to the rest of world (%)	Balance of Trade with World	ECO's Share in (Value)	ECO Value as Share in World Value (%)
Exports	45.95	10		459.08	1.9 ECO's exports, share in world exports, world exports at US\$ 24018 billion
Imports	39.77	6.8		577.55	2.3 ECO's imports, share in world imports, world imports at US\$ 24543 billion
Total	71.47	8.2	-118.4 billion	1036	4.1 % of world trade

12. The ECO Vision 2025 targets were set to double intra-regional trade. In the year 2022, the imports of ECO countries sourced within the ECO region were recorded at US\$ 39.7 billion out of their total world imports of US\$ 577.5 billion in the same period. The intra-regional import constitutes only 6.8 % of their imports from the world. Likewise, the exports of ECO countries to destinations within the ECO region have been recorded at US \$ 46 billion (against their total exports to the world US\$ 459 billion). The intra-regional exports are only 10% of the region's exports to the world.

13. The intra-regional trade was recorded at US\$ 85.6 billion in 2022, which is only 8.2% of the region's total trade with rest of the world. In the year 2022 imports of ECO countries, sourced from within the ECO region, were recorded at US\$ 39.7 billion out of their total world imports of US\$ 577.5 billion in the same period making only 6.8%. Likewise, the exports of ECO countries to ECO regional destinations were recorded at US\$ 46 billion against their total exports to the world, which were recorded at US\$ 459 billion that constitutes 10%. The ECO region has recorded a trade deficit of US\$ 118.4 billion (11.43% of their total trade with the rest of world) which shows that the region's exports are far below its true potential - a target set in the ECO Vision 2025 to increase exports from ECO region to the world.

² Mirror data and calculations based on data of ITC accessed at <https://www.trademap.org/index.aspx?nvpm> on 31st August 2023. US\$ 60 billion (2018), US\$ 62.6 billion (2019), US\$ 56.8 billion (2020), US\$ 79.4 billion (2021), US\$ 85.6 billion (2022).

This share is quite low, when seen the context of region's share of 6.6% in the global population.

Composition of ECO Regional Exports and Imports

S#	Name of Country	Share in world exports (%)
	Economic Cooperation Organization Aggregation	1.9
1.	Türkiye	1
2.	Kazakhstan	0.3
3.	Azerbaijan	0.2
4.	Pakistan	0.1
5.	Iran, Islamic Republic of	0.1
6.	Uzbekistan	0.1
7.	Turkmenistan	0.1
8.	Tajikistan	No Data
9.	Kyrgyzstan	No Data
10.	Afghanistan	No Data

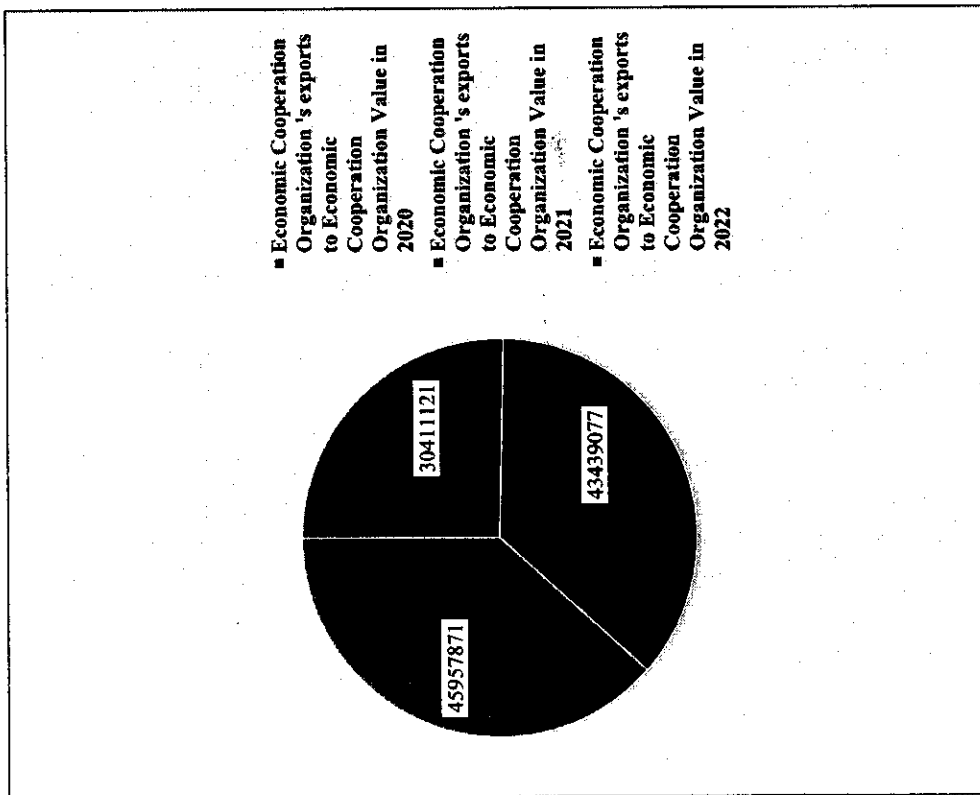
Source: ITC , Trade map Accessed by director trade on 23 August 2023

Intra-Regional Exports in the ECO on Last Three Years with Top Ten Products

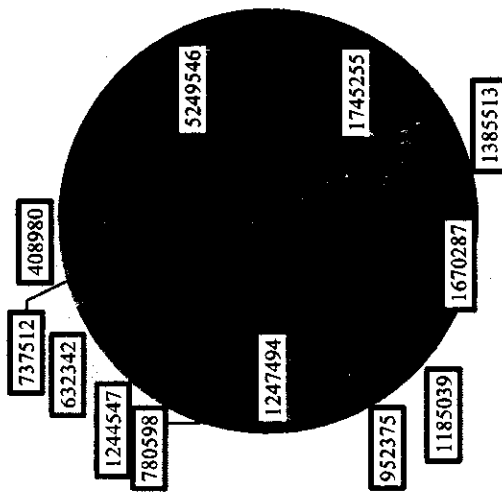
Unit: US \$

Source: ICT web based tools, Trade Map

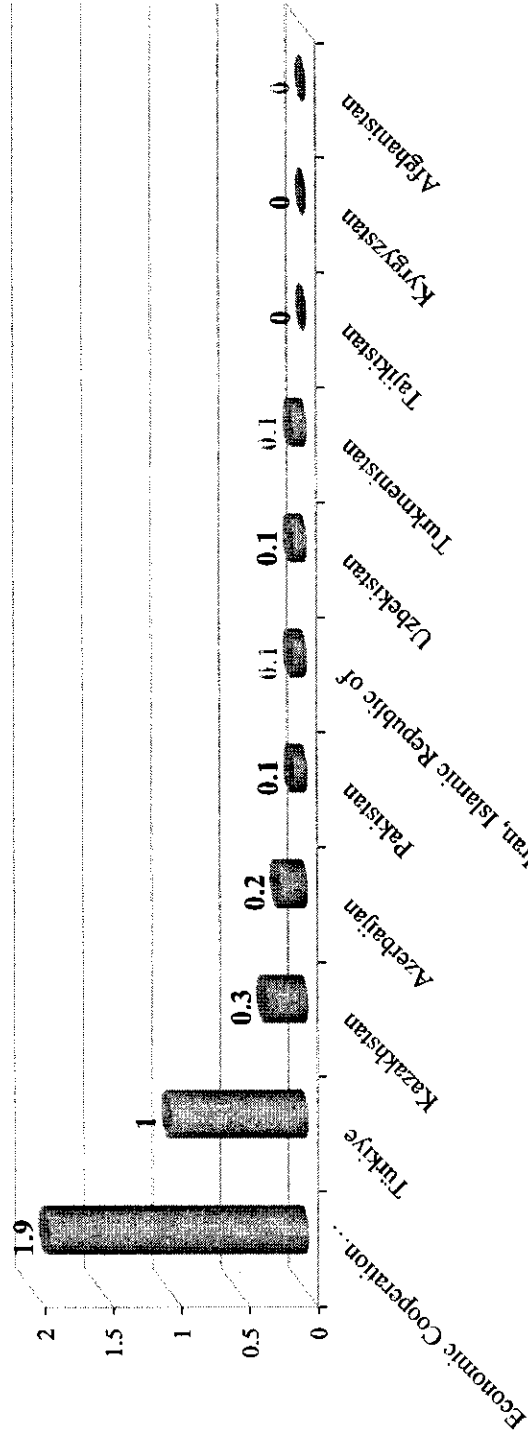
Thousands



- '27 Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ..
- '84 Nuclear reactors, boilers, machinery and mechanical appliances; parts thereof
- '10 Cereals
- '39 Plastics and articles thereof
- '52 Cotton
- '85 Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ..
- '74 Copper and articles thereof
- '76 Aluminium and articles thereof
- '72 Iron and steel
- '87 Vehicles other than railway or tramway rolling stock, and parts and accessories thereof
- '11 Products of the milling industry; malt; starches; inulin; wheat gluten
- '26 Ores, slag and ash



**Percentage share of the ECO Region in world exports (%)
and the share of each ECO countries in world exports**



Trends in Investment in the ECO Region

14. The inflow of Foreign Direct Investments (FDI) to the ECO countries is below its potential as we see a global trend of low FDI flows among developed world. The FDI inflows have shown 20% growth with figures of US\$ 25.7 billion in 2022 against 21.4 billion USD in 2021³. During pandemic the inflows were recorded at US\$ 18 billion USD in 2020. The growth in regional FDI in last three years has been almost 30%. The Table below shows the figures in investment in the region:

³ <https://unctad.org/publication/world-investment-report-2023>

World Investment Report 2022 - Trends in ECO Region

(Million US\$)

Year	Afghanistan	Iran,	Pakistan	Azerbaijan	Türkiye	Kazakhstan	Kyrgyzstan	Tajikistan	Turkmenistan	Uzbekistan
2018	119.4351	2373	1737	1403	12511	3897.759	144	359.6176	1606.64	624.6865
2019	23.40455	1508	2234	1503.9	9543	3284.181	404	364.4803	1853.632	2316.483
2020	12.97015	1342	2057	507	7686	3669.643	-401.5	106.5348	1436.242	1728.248
2021	20.60098	1425	2147	-1707.7	11840	3336.795	226.2	84.03818	1287.335	2275.539
2022	0	1500	1339	-4474.47	12881	6108.413	290.9	174.0222	936.0397	2531.343

Source: <https://www.google.com/search?q=world+investment+report+2022>

ECO Plans for Future to Tap the Potential for Growth

15. The primary reasons for the low shares in world trade, intra-regional trade and low FDI inflows include, inter alia, absence of preferential and low trade facilitation profile resulting in high trade costs (both tariff and non-tariff) in the regional trade as well as ECO's international trade, which originates and contributes to high costs of doing business in the region and lack of substantial complementarities among economies of the Member States. In light of these figures, and also keeping in mind that the ECO region connects important global trade destinations, we believe that there is ample room to further increase our share in global trade. In this backdrop and keeping an eye on importance of trade liberalization, we have been continuing to pursue the implementation of our flagship project ECO Trade Agreement (ECOTA). But, unfortunately, progress at this front is slower than expected as only 5 members have joined ECOTA so far. And, we could not organize the 9th ECOTA Cooperation Council Meeting since 2019 due to insufficient interest among existing five Contracting Parties to ECOTA. We could not expand membership of ECOTA due to lack of interest of remaining five Member States, as well. For gradual liberalization of trade through reduction of customs tariffs, the ECO Trade Agreement (ECOTA) has been signed by five Contracting Parties but has not been implemented so far, due to divergence of opinions among the Contracting Parties emanating from the varying interpretation of the modalities of tariff reduction. The details on current status of ECOTA are given in Para No.10 serial No.4 (viii) below.

16. In order to realize the goals concerning implementation of tariff reduction under ECOTA and expansion of its coverage to a Free Trade Agreement (FTA) as set out in ECO Vision 2025, the existing Contracting Parties to ECOTA must come together to negotiate a 'way forward' to meet their obligations under the Agreement as a first step to implement the pending actions on the agreed modalities of trade liberalization. Since no considerable headway has been made in this area, therefore, our Organization has focused on trade expansion through the 'trade facilitation and customs cooperation' rather than Customs Tariff Reductions. In Trade Facilitation, we have been pursuing the priority initiatives like the finalization of the Draft Trade Facilitation Strategy for the ECO Region' and the 'Draft ECO Trade Facilitation Agreement. The details are given in subsequent Para No.10 serial No.4 (x) below.

17. Moreover, in the light of the mandate of the 4th ECO Ministerial Meeting on Commerce & Foreign Trade (MMC&FT) and in order to reduce the cost of doing business and improve ease of doing business in the region through 'trade Facilitation', the Secretariat drafted Multidimensional Trade and Investment Facilitation Strategy and study on the prospects of a Free Trade Area in the ECO Region and circulated it among the Member States for their views/comments. The further details are given in Para No.10 serial No.4 (ix) below.

18. We also aim to facilitate regional trade through Greater Customs Cooperation by starting operations of the Customs Offences Data Bank, Mutual Administrative Assistance in Customs Matters, Digital Trade and Capacity Building in priority areas. Hereby I would like to kindly remind the importance of customs cooperation for our region. Thankfully, it is to report that we have successfully organized the 9th Meeting of ECO Council of Heads of Customs Authorities (CHCA) on 19 July 2023, Baku, Azerbaijan. With the continuing support of our Member States, I believe that our customs authorities could meet more frequently to assess and discuss how we can take our current cooperation further in the following years.

19. We have had a few more topics on our agenda in trade facilitation and reducing cost in regional trade transactions. These are briefly, as follows:

i. The 4th Phase of the ECO-UNIDO Trade Capacity-Building project, whose three phases were hailed by the UNGA in 2021, and consultation with UNIDO are underway to allocate resources for the 4th phase. The DG UNIDO has assured continued cooperation and both sides are pursuing the project. The UNIDO and the ECO representatives has carried out consultations in a virtual meeting and the UNIDO has been requested to allocate some resources for the projects' fourth phase. The Secretariat is pursuing the matter with the UNIDO and a virtual meeting was held on 26 April 2023 in which the UNIDO requested the Secretariat to arrange for some seed money and UNIDO will arrange funding. The draft project document prepared by UNIDO in 2017-2018, was also discussed for updating in line with the latest trends and needs. The UNIDO agreed to prepare an updated version of the project document and share with the Secretariat for comments. Both sides agreed to engage development partners like IsDB and pursue ETDB for allocation of resources/ approaching development partners for funding the activities of the project. The collaboration with ETDB is being pursued and a meeting has been held with the President ETDB on 23 June, 2023 in this regard, the proposal is being formulated entailing the cost, time, activities and as approved by the 33rd RPC and consultation with UNIDO. A study proposal will be formulated, thereafter. The ECO Secretariat is also pursuing some other institutions like IsDB, ETDB and ADB to get funding for implementation of this project.

ii. In line with the mandate given by the ECO Vision 2025 to set up a robust financial system in the region and the decision of 4th Ministerial Meeting on Finance and Economy, held in 2014, the I.R of Iran proposed exploring the possibility of setting up a ECO Clearing Union on the lines of Asian Clearing Union. The 233rd Meeting of CPR tasked the ECO Secretariat to explore the possibility to conduct a professional study on exploring the possibility of setting up a ECO Clearing Union as a valuable and reliable financial/banking solution among Central Banks of the Member States to improve intra-regional trade by removing financial barriers

and reducing cost and time of trade related payments transactions. The 1st Expert Group Meeting on Banking, Financial Matters of ECO and Forming ECO Clearing Union of the ECO Member States was held on May 11, 2021 (virtual). In this meeting, the Secretariat was tasked to schedule meeting of the Expert's Working Group of Central Banks of the ECO Member States to decide on the way forward to set up an ECU, including preparation of detailed ToR to carry out the Research Study Project on setting up the ECU. The decision on the way forward will be taken in the 2nd Expert Group Meeting on Banking Finance and ECU on the basis of the recommendations of the aforesaid Working Group of the Central Banks of ECO Member States. The ECO Secretariat has already prepared a draft contract and draft ToR for a Study Project on forming the ECO Clearing Union and allocated US\$ 30,000 for the Study. The Secretariat shared the ToR of Research Study project with ETDB for comments, which recommended to share after decision of the Working Group on setting up the ECU. The ECO Secretariat pursued to conduct 1st Working Group Meeting of the Experts of Central Banks meeting in 2022 but only four Member States i.e. Republic of Azerbaijan, I.R. Iran, I.R. Pakistan and Republic of Türkiye have shared nominations. However, IR Iran has offered to host this meeting on 28 September 2023 (in-person mode). The Member States have been again requested for re-confirmation/nomination but so far only I.R. Pakistan and Republic of Türkiye re-confirmed their participation and shared their nomination. The recommendations of this Meeting will be deliberated in the 2nd Expert Group Meeting on Banking, Finance and ECU to initiate the Research Study project. The Expert's Working Group of Central Banks on ECU will design/draft a Road-Map and Action Plan for setting up the ECO Clearing Union for trade related payments in the region, to ensure uniformity, predictability and transparency and reduce the time and money costs in regional trade transactions. The Secretariat conducted a research study as a pilot project entitled "Regional Payment System - a feasibility study" to explore the prospects of ECU for setting up payment system amongst the selected commercial banks in the ECO region to reduce the trade costs through reduction in costs and time in trade transactions/ payments, imbibe predictability, uniformity and transparency in the trade related payment transactions, exchange rate fluctuations and reduce the trade lead times by cutting down on the time in materializing trade transactions. The study recommended networking of the selected commercial banks in the region, nominated by the Member States. The views/comments and nominations of selected banks of the Member States are awaited.

iii. The Secretariat was tasked by the 1st Meeting of the Heads of the SEZs/ FTZs of the ECO Member States hosted by I.R. of Iran on 7 January 2021, virtually, to conduct a research to draft Joint Action Plan and Draft Guidelines for setting up a network of the SEZs/ FTZs of the ECO Members. Further details can be perused at Para No.10 serial No.5 (xi) below.

iv. To increase trade and reduce the costs associated with customs documentation, the Secretariat is also pursuing digital trade/paperless cross-border trade/E-Commerce and EDI through Working Group of the Experts/ Technical Committee of the Member States. Further detail is given at Para No.10 serial No.5 (viii) below.

v. In order to promote investment and augment the regional trade, the ECO Secretariat has worked on the initiative of setting up a network of the Sovereign Wealth/National Development Fund (SW/NDF) of the ECO Member States.

vi. Business Visa facilitation is another area for cooperation in trade facilitation and the Secretariat is pursuing the Visa Sticker Scheme for the Businessmen to facilitate trade. In this area the regional regulatory framework contains the following agreements:

a) The Agreement on Simplification of Visa Procedures for Businessmen of the ECO Member States

It was signed by seven ECO Member States and ratified by 5 parties. The Agreement came into force in 2002 on ratification by three States. It provides for issuance of visa within 72 hours to businessmen upon request accompanied with a letter from concerned Ministry and endorsed by Ministry of Foreign Affairs.

The comprehensive progress in the implementation of the visa facilitation may be pursued in succeeding Para No.10 serial No.3 (vii) below.

b) The Additional Protocol to the Agreement on Simplification of Visa Procedures for Businessmen and Transit Drivers of ECO Member States

The protocol has been signed by three Member States, namely Afghanistan, Iran and Pakistan. However, Pakistan has also ratified the Additional Protocol Agreement. Further details can be pursued at Para No.10 serial No.3 (vi) below.

vii. In addition to these activities, I would like to draw your attention to the need for strengthening the ECO Trade and Development Bank (ETDB); particularly by expanding its membership. The remaining four ECO Member States may consider joining the Bank to make its canvas inclusive, larger and supportive for development of our regional projects. The Bank may also be mandated to financially assist the ECO Secretariat in executing feasibility studies and other bankable projects to support regional projects in trade and investment.

viii. The Agreement on Protection and Promotion of Investment (APPI) has been ratified by four Members operationalized after two months of the deposit of the fourth instrument of ratification by Türkiye on 17 March 2022. It is believed that implementation of APPI will boost the regional framework for protection and promotion of investment and bolster confidence of the investors from the region as well as across the globe to invest in this region of plenty, offering abundance of natural endowments, human resource, infrastructure and connectivity. The comprehensive progress in the implementation of the APPI may be pursued in succeeding Para No.10 serial No.3 (iii) below.

ix. In the end, I would emphasize the importance of the ECO Reinsurance Company (ERC) for secure trade in the region. We need to ensure that it becomes operational as soon as possible and the three parties to the ERC i.e. Islamic Republic of Iran, Islamic Republic of Pakistan and Republic of Türkiye may take swift actions to start its operations. The Secretariat hosted a Consultative Meeting in January 2023 in hybrid mode, to make a plan for the ECO RIC to start its operations. The comprehensive progress in the implementation of the operationalization of ERC may be pursued in succeeding Para No.10 serial No.3 (iv) below.

Transport and Communication

20. The 26th COM, welcomed the chairmanship of the Republic of Azerbaijan during the year 2023 under the theme of "Green Transition and Interconnectivity" to underline the importance of green and sustainable development as well as the vitality of enhancement of connectivity for economic and social growth of the region. In this connection and in line with the ECO Vision 2025 a number of important projects and activities have been implemented to realize the said theme to contribute to the "Green Transition and Interconnectivity" of the Member States including but not limited to:

21. Enhancing relations with the Islamic Development Bank through a joint framework for cooperation titled "The Mechanism and Principles of Collaboration between ECO and Islamic Development Bank" in which a few digitalization projects in the transport sector are listed for joint cooperation with the said Bank, extension of the ITI Train services to Bulgaria for the first time in history, enhanced cooperation with UN bodies including UNOHRLLS, UNESCAP and UNECE in the negotiations and development of the new Plan of Action for the LLDCs (Landlocked Developing Countries), tangible progress in the framework of the UNECE\ECO Coordination Committee on Trans-Caspian and Almaty-Tehran-Istanbul Corridors including holding the 2nd and 3rd Meetings of the Committee in June and July 2023, organizing various technical meetings including the 8th Customs Committee of the TTCC (Transit Transport Framework Agreement) on 19 July 2023 in Baku, Workshop on safe packing of cargo and application of CTU code in the railway transport on 20-21 September in Aktau, the 13th Meeting of HLWG on ITI Train in June 2023 in Istanbul, the 1st Meeting of HLWG on TUTIT Multimodal Corridor on 21 September 2023 in Dushanbe, Webinar on Advanced Big Data Processing Algorithms for Data Centres and Fibre Optic Lines on 26 September 2023, the First Meeting (virtual) of the Consultative Group of ECO TIR Guaranteeing Associations (ECO-TIRACG) on 2 October 2023 virtually. Organization of 9th Meeting of Railway Committee of the TTCC (Transit Transport Coordination Council) and 15th Meeting of Heads of Railway Administrations. Meanwhile, 12th Ministerial Meeting on Transport and a few sectoral events are also in the pipeline till the end of the current year.

22. Also in the relevant context, the 3rd ICT Ministerial Meeting was held on 12-13 July 2023 in Tehran that further paved the way for cooperation on information and communication technologies and digital connectivity and to contribute to implementation of the ECO Regional Strategy for Establishment of Information Society. During the Ministerial Meeting, establishment of a framework for regulatory cooperation among the Member States to address emerging challenges and threats was also commended and underscored.

23. The Secretariat in implementation of its mandates and in line with the guidelines has actively participated in the relevant international meetings and events that directly contribute to the common goals of connectivity and transport including:

- International Seminar "Trade and Connectivity - Western Neighbourhood of Pakistan (virtual, 25 January 2023);
- 4th Session of Ad-Hoc Committee on Legal Affairs of OTIF (virtual, 19-20 April 2023);
- Second Expert Group Meeting on Digital Transformation of Railway and Multimodal Transport in North and Central Asia and the Capacity-Building Workshop on Digital Transformation of Land Transport in North and Central Asia (virtual, 26-27 April 2023);

- 2nd International Conference and Exhibition "International Transport and Transit Corridors: Interconnection and Development in Ashgabat (in-person, 3-4 May 2023);
- Expert Group Meeting on Vienna Programme of Action, Sub-Regional Review in North and Central Asia (Sub-regional office of ESCAP), Almaty (virtual, 7-8 June 2023);
- Workshop on Leveraging the Public and Private Investment to Accelerate the Implementation of the Vienna Programme of Action in North and Central Asia, Almaty (Sub-regional office of ESCAP, virtual, 9 June 2023);
- UNESCAP\UNOHRLLS\UNECE High-Level Review Meeting on Vienna Plan of Action in Bangkok (in-person, 22-23 August 2023);
- 36th annual session of the Working Party on Transport Trends and Economics (WP.5), Geneva (virtual, 4-6 September 2023);
- UNECE- Inter-Regional Workshop on Management of multimodal transport corridors (which will be held in conjunction with WP.5 on 4 September 2023, hybrid, Geneva, 4 September 2023);
- International Road Transport: Driving Resilience and Prosperity, hosted by the Association of International Road Carriers of Uzbekistan (AIRCUZ) in partnership with IRU in Tashkent (virtual, 13 Sept 2023)
- UNESCAP-Eighth biennial meeting of the Working Group on the Trans-Asian Railway Network-Bangkok (virtual, 14-15 September 2023)

Agriculture and Industry

24. The 7th ECO Ministerial Meeting preceded by 6th High-Level Experts Meeting (HLEM) on Agriculture was held on 5-6 July 2022 in Tashkent, Uzbekistan. The meeting mulled over certain aspects of food security, intensification of agricultural production and sustainable methods for agricultural development. Likewise, the event discussed the factors that affected food security across the globe including rapid inflation and instability in food prices, uncontrolled population, climate change and related impact on agricultural production, frequent migration, poverty, unemployment, lack of proper housing and access to healthcare as well as the undesirable conditions development in the aftermath of COVID-19. The Tashkent Declaration on Cooperation in Agriculture and Food Security in the Region and updated ECO Regional Programme for Food Security (ECO-RPFS) were adopted by the Ministers. The subject program as the flagship project of agriculture will ensure food security and agricultural development in the region. In this regards, the 4th Steering Committee Meeting of the Regional Coordination Centre for Food Security (ECO-RCCFS) was held on 6 October 2022 in Istanbul, Türkiye for paving the way regarding implementation of RPFS.
25. Support for the Transformation of the ECO Regional Coordination Center for Food Security (ECO-RCCFS) from a programme-based organization into a self-sustainable institution is another project, which was funded by the Government of Türkiye under the FAO-Türkiye Partnership Programme (FTPP-II) on Food and Agriculture. The project which was concluded in June 2023 was targeted at strengthening the capacity of ECO-RCCFS to provide systematic and useful support to its Member States, so that Member States acquired necessary advice, guidance and information for improving their food security and nutrition policies and programmes.

26. ECO Permanent Veterinary Commission (ECO-VECO) is the relevant body within ECO which is responsible to deal with animal diseases in ECO region. The Work Plan regarding priority activities of the ECO-VECO for 2019-24 has been approved. It will enable us to take measures for joint implementation of initiatives for prevention and control of trans-boundary diseases. The First Technical Committee Meeting of the subject body regarding discussions and implementation of the Work Plan of ECO-VECO was held on 15 November 2022.

27. Harmonization of standards and developing quality management are the most important factors to improve and smooth flow of trade in the ECO region. The ECO-RISCAM as the Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology in the ECO Region, has followed its responsibility to achieve the goals. The 8th High-Level Working Group (HLWG) Meeting on RISCAM has been held among Member States to finalize the roadmap and establishing the General Council of RISCAM. Accordingly, the First General Council Meeting of ECO-RISCAM will be held in upcoming months in order to establish the Technical Management Boards of RISCAM and make necessary actions for activation of the Institute.

28. ECO Nanotechnology Network endeavours to increase cooperation on nanotechnology among the Member States to provide new solutions to improve access to basic services, such as safe water, reliable energy, health care, agricultural productions and education. In this regards, the 2nd Steering Committee Meeting on ECO Nanotechnology Network was hosted by the Islamic Republic of Iran on July 10, 2023. The meeting discussed the outcomes of the subject Network and two project proposals concerning facilitation on establishment of Nanobubble pilot plants for improving agricultural productivity and establishment of a coordinating and facilitating platform for implementation of nanotechnology based water treatment pilot plants.

Energy, Minerals and Environment

Energy

29. In line with the objectives of ECO Vision 2025 and ECO Strategy for Energy Cooperation 2030, ECO continued to pursue the mainstreaming of sustainable energy transition in the region driven by the needs and aspirations of its Member States. The Project of establishment of the ECO Clean Energy Centre (CECECO), being jointly implemented with UNIDO, is sought to make a strong impetus to this process. The decision on establishment of the subject Centre prompted us to mobilize greater efforts for its timely operationalization. The preparatory activities for the inauguration of this Centre in Baku are underway.

30. The Charter of CECECO was concluded at the 25th Meeting of COM, held on 27 November 2021 in Ashgabat. As the host country, the Republic of Azerbaijan signed the Charter of CECECO on 23 March 2023. All Member States are encouraged to expedite signing and ratification of the subject Charter with a view to enable the full-fledged functioning of the Centre (at least two more signatures are required).

31. Another flagship project in the energy sector – the establishment of the ECO Regional Electricity Market (ECO-REM) needs to gain additional momentum for the steady progress. Over the past few years, the ECO Secretariat has been maintaining the engagements with its partners – the Energy Charter and UNESCAP to promote this significant project and the next ECO Ministerial

Meeting on Energy could mark a breakthrough in its launching. The prerequisites for accomplishment of the overarching goal to establish a regional power market in our region are the long-term commitments and remarkable investments in electricity network infrastructure, as well as a common level playing field in the region. The attractiveness of ECO regional electricity platform would grow, if it can potentially connect to the major power markets.

Minerals

32. Huge opportunities exist in streamlining of the project-oriented cooperation in exploration, extraction, surveying, mapping, and processing of minerals. This cooperation may predominantly focus on investments in joint research and development initiatives to promote innovation and technological advancements in the minerals sector. This will enable us to adopt more efficient and sustainable mining practices, optimize resource utilization and reduce environmental impacts. The establishment of a regional mineral database and information-sharing platform could also be a valuable tool in this regard. Capacity-Building and Skills Development activities in the minerals sector are ongoing. Enhancing the technical expertise of professionals in the sector will contribute to improved governance, increased productivity, and sustainable development of mineral resources.

Environment

33. The environment and impacts of climate change more than anytime should be considered as a cross-sectoral priority of the ECO driven by the ECO Vision 2025 emphasis upon sustainability as one of its core principles and the strong call of the Ashgabat Consensus for Action, adopted at the 15th ECO Summit in November 2021, on reinforcing cooperation in the field of environment and climate change. In this vein, the ECO Secretariat has continued its interactions with some major international organizations and entities with the environmental and climate profile. While we appreciate the timely initiative of the Republic of Azerbaijan to proclaim 2023 as the Year of "Green Transition and Interconnectivity", we have to substantially enhance our cooperation to pave the way for the transition to a green, low-emission, and climate-resilient development model in our region, with the aim of making ECO, a more eco-friendly and greener organization and region.

Tourism

34. The 4th Ministerial Meeting on Tourism held on 13 December 2022 in virtual format under the chairmanship of Uzbekistan played an important role for discovering some fresh ways and means to attract tourists to the region. The Samarkand Declaration and Road Map on Facilitating Accelerated Recovery, Safe and Sustainable Development of Tourism after COVID-19 in the ECO Region, adopted as an outcome of the Meeting, gave a new impetus to further enhancement of regional cooperation in tourism. The Secretariat is following up the implementation of decisions taken during the Meeting and actions envisioned in the abovementioned documents. In this context a Monitoring Committee for the implementation of said Road Map composed of tourism experts from Member States is being set up in order to track the progress in each action.

35. The ECO Tourism Capitals initiative became successful in terms of displaying the cultural and tourism potentials of the Member States as well as for the promotion of region's tourism destinations, enhanced involvement of local communities and private sector in the regional tourism activities. The city of Dushanbe, the capital of the Republic of Tajikistan and city of Sari, the Islamic Republic of Iran were declared as ECO Tourism Capitals for 2021 and 2022, relevantly.
36. The Inauguration Ceremony for the Ardabil city of Iran as ECO Tourism Capital for 2023 was held on April 26-28, 2023 with some side-line events such as International Nomads' Migration Festival. Within the context of the Ardabil ECO Tourism Capital for 2023 the 5th ECO Ministerial Meeting on Tourism is expected to be held in Ardabil on October 2023 with some alongside B2B meetings for private sector representatives.
37. During the 4th ECO Ministerial Meeting on Tourism held on 13 December 2022 Shahrizabz of Republic of Uzbekistan and Erzurum of Republic of Türkiye were selected as the ECO Tourism Capitals for the years 2024 and 2025, respectively. Now the Secretariat is looking forward to receive a tentative program of the festivities unveiling Shahrizabz as ECO Tourism Capital for 2024 from Uzbekistan for effective arrangement of related events.
38. It is expected that upcoming ECO Ministerial Meeting on Tourism will select ECO Tourism Capital for 2026.
39. In order to provide professional services by setting up an appropriate platforms of dialogue, cooperation, data exchanges and experience sharing to use all capacities and opportunities in ECO region the ECO Tour Operators' Network consisting of major tour operators from Member States has been established. Now the Network has more than 350 members from Azerbaijan, Iran, Kazakhstan, Pakistan, Tajikistan, Turkmenistan, Türkiye and Uzbekistan. So far the Network held 5 meetings to discuss on the development of ECO Joint Tourism Packages, exchange experience in attracting tourists and promotion of lesser known tourism destinations in the region. The Secretariat is intending to hold the 1st ECO Tour Operators Forum to bring the members of the Network together physically.
40. ECO Working Group on Tourism Standardization has been formed in accordance with the objectives of ECO Vision 2025 and has held 3 meetings with the participation of experts of standardization from Member States. Now The Working Group is in the process of drafting Common Criteria on Sustainability for Accommodation Facilities in the ECO Region.
41. Furthermore, the Secretariat communicated with the Global Sustainable Tourism Council (GSTC) to collaborate for advancement of sustainable tourism in the region and development of the quality of tourism services and the work force. The Secretariat received proposal of the GSTC for collaboration which has been circulated among the ECO Member States for further deliberation and discussions.

Judicial and Parliamentary Cooperation & EAPA

42. In line with adopted ECO Vision 2025, it was decided to adopt a new approach to project(s) being implemented in the Islamic Republic of Afghanistan. The ECO Advocacy Programme for Afghanistan (EAPA) was adopted during 23rd COM (April 16-17, 2018, Dushanbe). EAPA expanded the scope of ECO Fund for Reconstruction of Afghanistan and adjusted the title of Fund as ECO Fund for Afghanistan. The Modalities for the Operation of the ECO Fund for Afghanistan were prepared and approved by the COM through silence procedure on January 20, 2019.
43. Unfortunately, due to the current developments in Afghanistan, the presence of ECO projects in the country is experiencing certain difficulties.
44. The Charter of Parliamentary Assembly of ECO Member States (PAECO) entered into force in 2021 after ratification by four countries, namely Azerbaijan, Iran, Pakistan and Türkiye. This occasion coincided with the 2nd General Conference of PAECO held in Islamabad on 31 May - 3 June 2021. The 3rd General Conference of the PAECO was hosted by the Milli Majlis of the Republic of Azerbaijan in Baku on May 16-18, 2022. The Heads/Deputy Heads of Parliaments of the ECO Member States, including Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Türkiye and Uzbekistan as well as the ECO Secretary General participated in the Conference.
45. Holding of Inaugural Meetings of the three PAECO Committees i.e. Committee on Trade & ECOTA; Committee on Communications & Connectivity and the Committee on Women, Youth & Cultural Affairs were the most important outcomes of the conferences.
46. The Islamic Republic of Iran has offered to host the 4th General Conference of the Parliamentary Assembly of ECO Member States (PAECO) in Tehran on October 10-11, 2023.
47. The Islamic Republic of Pakistan has informed the Secretariat and the host country that since the National Assembly of Pakistan has completed its tenure and next general elections are expected to be held in October/November 2023 (exact dates yet to be announced), Pakistan will not be able to participate in this event. They have requested the host to reschedule the Conference. Accordingly, the Islamic Republic of Iran informally agreed to reschedule the Conference.
48. The draft Statute of the ECO Regional Center of Anti-Corruption Agencies and Ombudsmen (RCCACO) has been finalized on November 22, 2012 in Dushanbe which was signed by Tajikistan and ratified by Iran, Pakistan, Azerbaijan, and Afghanistan. It has entered into force in 2020. Iran pledged to provide premises and host the Secretariat of the Regional Centre.
49. The Islamic Republic of Pakistan has offered to host the 1st General Assembly of the State Parties to RCCACO on November 21, 2023 in virtual format.

50. Operationalization of RCCACO depends upon further necessary actions to be taken by the Islamic Republic of Iran.
51. During the 2nd meeting of the Attorneys/ Prosecutors General of the ECO Member States, it was decided to establish an Effective Mechanism for Judicial Cooperation /Legal Assistance for the ECO Member States. The main objective of the establishment of Mechanism is to streamline the mutual legal assistance arrangements between the Member States including through facilitation in taking of evidence, service of judicial documents, executing searches and seizures, freezing of the assets, examining sites and objects, providing information, identifying and tracing proceeds of the crime and property, facilitating voluntary appearances of persons in the requesting state, etc.
52. The progress depends on the receipt of the draft framework agreement for judicial cooperation/legal assistance mechanism from Pakistan to be considered by the relevant meetings.
53. The Republic of Azerbaijan hosted the 4th Attorneys/ Prosecutors General Meeting of the ECO Member States in Baku on 14-16 September 2023. The meeting provided another important opportunity to move forward.

Project Management, Economic Research and Statistics

54. On the overall implementation of ECO projects in the reporting year, the efficient implementation has been the Secretariat's main focus, as mandated by the 26th COM. The 19th meeting of the Project Monitoring Group held on September 12, 2023 emphasized that the projects need to be carried out in line with the goals and objectives set in the ECO Vision 2025 and immediate priorities of the Member States expressed at the 14th and 15th Summits of the Heads of State and Government of the Organization held in 2021 as well as at the 26th Meeting of COM. Here PMG referred to the Plans of Work on the proposals and initiatives of the 15th ECO Summit held in Ashgabat on November 28, 2021, 26th Meeting of COM, which were adopted by the Council of Permanent Representatives (CPR).
55. In economic research, the signatories of the Charter of the ECO Research Centre, which was signed on the sidelines of the 14th Summit of Heads of State/Government on 4 March 2021 by Azerbaijan and Türkiye increased when the Minister of Foreign Affairs of the Islamic Republic of Pakistan signed the Charter of ECO Research Center during the 26th COM Meeting held in Tashkent, on January 24, 2023.
56. Work on establishing the ECO Economic Journal as part of the ECO Research Centre is moving successfully: the issues of the Journal for the years 2022 and 2023 have been published and on the request of the ECO Secretariat ECO Trade and Development Bank has decided to allocate 20.000 USD for the launch of the Journal.
57. The ECO Secretariat in 2023 issued The ECO Annual Economic Report 2021: Overall Economic Situation and Trade in ECO Area and The ECO Annual Economic Report 2022: Overall Economic Situation and Agriculture in ECO Area. The EAER 2021 was extensively discussed among the Member States and at the 7th Meeting of the Heads of National Statistics Offices (September

20, 2023), and amendments that ECO Secretariat receives regularly from the Member States are timely incorporated to the texts of the Reports.

58. In statistics, ECO Secretariat in cooperation with UN SIAP, SESRIC, UNESCAP and other international organizations held the Regional Training Workshop on Transition to Register-based Approaches for Population and Housing Censuses on June 12-15, 2023 in Ankara. Statistical Capacity-Building (StatCaB) Programme Online Training Course titled "International Trade Statistics and Balance of Payments" was held on June 20-22, 2023. It is planned to convene an online event in October 2023 - SDG 13 (Climate Action) Indicators in cooperation with SESRIC.

Human Resources and Sustainable Development

59. ECO Vision 2025 acknowledges any long term benefits to the people of the region through social and economic programs for sustainable development. Therefore, ECO approaches to support both the global and regional efforts aimed at addressing the challenges and opportunities in this regard and shares the goals and targets defined by the 2030 Agenda for Sustainable Development.

60. In parallel with this Vision, in this year, Human Resources and Sustainable Development Directorate has mainly responded for human development issues including disaster risk reduction (DRR), health, education, and sustainable development.

61. In this scope, ECO Secretariat held the Virtual High-Level Working Group Meeting on 17 May 2023 and organized the ECO 5th Ministerial Meeting on Health in Geneva on 24 May 2023, in which revised Action Plan on Health was finalized. In addition, ECO took part at several events on health such as 26th G5 High-Level Experts Meeting on Health Cooperation and held various meetings with local and international institutions to develop cooperation areas on health related issues.

62. Regarding DRR, ECO took part at several events on DRR to share its experiences about DRR in the ECO region such as ASEAN Interregional Dialogue on Disaster Resilience (AIDRR), in Singapore, International Conference on Combating Sand and Dust Storm in Tehran as well as ESCAP Disaster Resilience Week virtually held at the United Nations Conference Centre in Bangkok.

63. As for the sustainable development, since the ECO Secretariat was instructed to continue its effective interactions with relevant regional and international organizations as well as development partners, including UN organizations, regional and international regional bodies, inter-alia, the UNESCAP shape a longer-term, holistic, coordinated and more strategic approach to the Sustainable Development Goals, ECO Secretariat has continued to seek for interactions with international institutions such as UNDRR, APDIM, IFRC, UNDP, IOM, WHO to exchange views on SDGs. For this aim, the Secretariat also attended SDG Summit in New York.

64. Looking forward, ECO, within this year, is planning to hold 4th ECO Experts Group Meeting (EGM) on Disaster Risk Reduction and Implementation of the ECO Regional Framework for DRR in 2023 and to establish of a High-Level Sustainable Development Working Group (HLSDWG) /ad-hoc Coordinating Group to prepare an Action Plan for Enhancing Policy Coherence for Sustainable Development (PCSD) in the region.

International Relations

65. Economic Cooperating Organization, being a dynamic and vibrant institution, has not only maintained and strived to enhance its close collaborative relations with its specialized agencies, regional institutes and affiliated bodies, but also made impactful headways in furthering ties with several regional and international organizations of its kind. ECO intends to augment its footprints across the region and beyond. ECO wishes to have more and more visibility among the community of nations and multilateral organizations. ECO aspires to have a maximised sphere of international relations. To that end, ECO and ASEAN held their 15th Joint Ministerial Meeting in New York on September 22, 2023 on the sidelines of the 78th session of the United Nations General Assembly. The Meeting discussed the way forward for cooperation between ECO and ASEAN and adopted the Framework of Cooperation between the two Organizations. ECO-SCO relations are also strengthening by the day. Both Organizations have put efforts for the successful implementation of the MoU that was signed in 2007. ECO has growing ties with CICA, D-8, IsDB, etc., and participates in all important events held under framework of these Organizations. ECO boasts of having historic partnership relations with the United Nations and Specialized Agencies under its wider umbrella. ECO enjoys observer status in the United Nations General Assembly and participates regularly in its annual sessions. In October 2023 ECO will mark the 30th anniversary of its observer status in the UNGA.

Follow-up Status Report on the decisions of 26th Meeting of the Council of Ministers (January 24, 2023, Tashkent, Uzbekistan)

Trade and Investment

Item No.	Decision taken	Implementation Status
15 th Summit Ashgabat Consensus for Action (OP2)	Reaffirm our pledge for enhanced effective and efficient implementation of ECO Vision 2025 in its six key areas of cooperation that are trade, transport and connectivity, energy, tourism, economic growth and productivity, and social	<p>The Strategic Objective of the ECO Vision 2025 carries the two-faceted target to double intra-regional trade and to increase ECO's share in the global trade, specifically exports. Under the Expected Outcome (III) of ECO Vision 2025 for Trade Sector, the targets are:</p> <ul style="list-style-type: none"> • ECO Trade Agreement (ECOTA) will be operationalized and its membership will be increased; • The scope of ECOTA will be enhanced from preferential trade to Free Trade Agreement;

<p>welfare and environment and, re-emphasize realization of the core principle of sustainability, integration and conducive environment of the Vision 2025 which are prerequisite to secure desired goals of the Organization;</p>	<ul style="list-style-type: none"> • Non-WTO Member Countries will be assisted in their accession to WTO. • Following pending trade related agreements will be operationalized: <ul style="list-style-type: none"> - ECO Agreement on Mutual Administrative Assistance in Customs Matters; - ECO Agreement on Joint Promotional Activities; - ECO Trade Facilitation Agreement; - Regional Agreement on Cooperation in Taxation Matters; - ECO Visa Sticker Scheme for Businessmen; - ECO Reinsurance Company; • The role of the ECO Bank will be strengthened in the development of ECO economies. The membership of the Bank will be expanded; • Capacity-Building Programmes for Trade Promotion Organizations of the Member States will be prepared and executed; • Regional trade exhibitions and fairs will be organized; • A robust trade financing programme will be launched for enhancing regional trade. <p>In trade and investment sector, numerous high-level fora including Ministerial Meeting on Commerce and Foreign Trade, Ministerial Meeting on Finance and Economy, the meetings of organizations of the ECO Member States like Heads of the Tax Administration, Heads of the Central Banks, Heads of the Customs Administrations and Heads of Trade Promotion Organizations; make decisions in the light of the goals set out in the basic documents of the Organization such as Treaty of Izmir, Summit Declarations, Council of Ministers Meetings, ECO Vision 2025, etc. The decisions at such forums determine the direction and scope of the ECO for cooperation in the areas of trade and investment and also help shore-up cooperation for developing and implementing the multi-lateral trade regime, trade liberalization and facilitation & investment promotion, proposing and inking trade & investment related agreements, plans, projects, etc.</p>
<p>15th Summit Ashgabat Consensus for Action (OP3)</p>	<p>Decide to enhance mutual cooperation to fight against the COVID-19 for effectively, efficiently and jointly dealing with the impacts of the pandemic on the region's economies, inter alia, by</p> <p>The pandemic has changed our lives in many ways and one of them is the way we trade - the traditional markets have been replaced with virtual market at an exponential rate. Countries are launching their E-Commerce policies and digitalization of documentations to avoid the negative repercussions of an imminent digital divide across the globe. The regions not digitalized, will be left behind in this race. In this backdrop, today we gather with a realization that low levels of digitalization and lack of E-</p>

	<p>sharing information and capacity building in prevention and vaccination as well as in order to revive the socio-economic activities in the region for collective betterment of our peoples;</p>	<p>Commerce/ E-trade platforms will hamper the ability of developing countries in the ECO region to engage in global trade. In this regard, as a first step, building an enabling digital eco system requires improvement in the digital infrastructure in cross border trade, facilitate digital data exchange for expeditious customs clearance, imbining transparency to trade transactions as well as reducing cost and time of trade related transactions.</p> <p>Trade and Investment sector gives a reflection of an economy occupies central place in the economic cooperation across the globe. In the ECO region too, it is a core priority area, which can play crucial role in improving the socio-economic conditions of half a billion people by better and fairer economic integration among the economies of the Member States for expansion in the intra-regional trade as well as greater trade share of the region in world trade and global economic development. After the adverse effects of COVID-19 pandemic, the Ukraine war has cast shadows on the economic growth and projections for subsequent growth at a rate of 3.2% for the 2023-2025 periods are frustrated and the revised projections announced by the WTO for economic growth rate in 2023 have indicated world economy to grow at a rate of merely 1.7%⁴, which is even lower than growth rate recorded at 2.7% of 2022. The dwindling rate of economic growth is due to tighter monetary policies and tight fisted fiscal policies to contain soaring inflation, especially higher process in food products and energy sector caused due to geo-political tensions i.e. Ukraine war and associated measures by the countries. The WTO Chief Economist Ralph Ossa said: "The lingering effects of COVID-19 and the rising geopolitical tensions were the main factors impacting trade and output in 2022 and this is likely to be the case in 2023 as well. Interest rate hikes in advanced economies have also revealed weaknesses in banking systems that could lead to wider financial instability if left unchecked. Governments and regulators need to be alert to these and other financial risks in the coming months."</p> <p>For the last three decades, the number of Regional Trade Agreements (RTAs) has been on the rise, from fewer than 50 in 1990 to more than 360 in force today. These RTAs have provided the institutional framework for</p>
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⁴ https://www.wto.org/english/news_e/news23_e/tfore_05apr23_e.htm

market integration. They have helped cutting on trade costs and accelerate growth opportunities, particularly in developing economies (Fernandes, Rocha, and Ruta 2021). One study found that deep RTAs increased trade among its members by 40% on average. In the ECO region has registered an increase of 42.6% in its intra-regional trade during the last five years from 2018 till 2022.⁵ Major players such as the United States, the European Union, and China have built networks of RTAs as a flexible way of advancing economic integration. One of the newest, the 2018 African Continental Free Trade Agreement (AfCFTA), spans an entire continent and is the world's largest regional trade agreement, covering more than 1.3 billion people.

RTAs address a range of policy areas and have instrumental role in reducing trade costs for all trading partners, members or not, which has helped expand multilateral integration. Beyond trade, the wave of regionalism has affected foreign investment, technological innovation, migration, labor, and environmental issues. In post-pandemic recovery period, regionalism has gained momentum and the regional integration of markets have got spotlight. Moreover, in the post Ukraine war period there has been discussion that conflict-time RTAs that build higher walls against the outside world, rather than lower internal fences.

In addition to its static benefits that occur in the form of net benefits from trade creation, economic convergence can have very important dynamic benefits such as the development of domestic market, increasing economies of scale, attracting foreign and domestic investment, building productive capacity, promotion of competition and efficient utilization of factors of production factors and specialization at the regional level leading to consumer welfare.

i). ECO-UNIDO Trade Capacity-Building project:

The ECO Secretariat with its regional partners e.g. UNIDO, UNCTAD, IsDB is collaborating for the capacity-building programmes of the Member States which will help the Member States in adapting, and blossoming in a fast-

⁵ Calculations based on data of ITC, accessed at <https://www.trademap.org/Index.aspx?nvpm> on 31 August 2023. The mirror data set calculated to US\$ 60 billion (2018), US\$ 62.6 billion (2019), US\$ 56.8 billion (2020), US\$ 79.4 billion (2021), US\$ 85.6 billion (2022).

<p>15th Summit Ashgabat Consensus for Action (OP5)</p>	<p>Encourage the Member States to accede to relevant agreements concluded within the ECO framework aimed at achieving the objective enshrined in the Treaty of Izmir and the ECO Vision 2025 and task our relevant Ministers and authorities to consider joining these agreements.</p>	<p>changing world. The three phases of the ECO-UNIDO Trade Capacity-Building Project were completed in 2017 and the UNGA appreciative the project and invited the UN Organizations and the UN Membership to contribute in the 4th Phase of the Project. The details on Joint ECO-UNIDO Trade Capacity-Building Project have been discussed in Para 9(i) above.</p> <p>The ECO Secretariat has been pursuing Capacity-Building in Customs in areas of Digital/ Paperless Trade and Customs Offences Data Base for a better coordination in cross-border trade. The 9th ECO Council of Heads Customs Authorities (CHCA) held on 21 July 2023 in Baku, Azerbaijan emphasized the need to accelerate the capacity-building activities in international trade in the priority areas of E-Commerce, digital trade/ Cross-Border Paperless Trade.</p>
		<p>The Trade Directorate is pursuing the implementation of the following Agreements concluded within the ECO framework. The non-contracting parties to the Agreements have also been invited for signing and ratification:</p> <p>ii). <u>Trade Liberalization:</u></p> <p>Implementation of ECOTA and ways to regulate Preferential Trade in line with ECO Vision 2025</p> <p>To address the impediments of ECO Trade Agreement, the ECO Secretariat conducted a research study titled "Impediments in ECO Trade Agreement and Measures to Resolve" and shared scenarios for implementation of tariff reductions under Article 4 of ECOTA suggesting amendments, Memorandum of Understanding (MoU) along with the draft list of Recommended Tariff Lines for consideration and views/comments of the Member States which are awaited. Moreover, the Secretariat, through the said study, has also shared the text of Draft ECO Trade Facilitation Agreement (ECO-TFA) in 2021 for views/comments of the Member States but only the Islamic Republic of Iran and Republic of Uzbekistan have shared their views/comments to this effect.</p> <p>The ECO Trade Agreement is aimed at promoting open trade and commerce in the region, consistent with WTO and other multilateral organizations and directly involving individual ECO Member States. The</p>

ECO Secretariat prepared and shared the draft working paper, draft agenda and draft programme of the 9th ECOTA Cooperation Council Meeting. The said meeting was scheduled twice by the Islamic Republic of Pakistan in 2022, through physical attendance as well as virtual mode, but despite proactive pursuance by the Secretariat the meeting could not be held due to the lack of interest of the Contracting Parties. During 33rd RPC the I.R. of Pakistan again offered to host the 9th ECOTA Cooperation Council Meeting in 2023. However, the host could not share the schedule of the meeting in 2023. Since the meeting has been postponed several times in the last four years, the Secretariat has offered to host the 9th ECOTA CC Meeting on 26 October 2023 (in line with the 33rd RPC mandate to host the meeting, if there is no host available). The Contracting Parties to ECOTA have been requested to share their nominations for the meeting.

Contracting Parties, as a way out, in the 8th Meeting of the ECOTA Cooperation Council (ECOTA CC), agreed to find ways for implementation of ECOTA and consider proposal of sectoral approach for its implementation and share the views of their governments within three months. The ECOTA occupied prominent place in the 24th ECO Council of Ministers (COM) in 2019 and 15th ECO Summit in 2021 which, *inter alia*, called upon the Contracting Parties to find ways and means for its implementation.

Whilst the Member States have not considered sectoral approach for implementation of ECOTA by not mentioning it in their comments, the Member States have shared their views/ comments on the possible ways and means to operationalize ECOTA, which will be put on the anvil of 9th ECOTA Cooperation Council meeting for deliberation.

In order to realize the goals concerning implementation of tariff reduction under ECOTA and expansion of its coverage to a Free Trade Agreement (FTA) as set out in ECO Vision 2025, the existing Contracting Parties to ECOTA must come together to negotiate a way forward to meet their obligations under the Agreement as a first step to implement the pending actions on the agreed modalities of trade liberalization. The following should be materialize as soon as possible:

- The Member States to speed up sharing their views on the Study entitled "Impediments in implementation of the ECO Trade Agreement and Measures to Resolve" that contains scenarios for facilitating smooth implementation of the ECOTA. The ECO Secretariat received comments only from Afghanistan so far. The views have been incorporated in the Report as updated and circulated for other Member States' information on October 13, 2021.
- The I.R. of Iran to expedite provision of the pending Product Lists (Positive, Negative, Sensitive) to effectuate tariff reduction under the ECO Trade Agreement (ECOTA). The lists are awaited from Iran.
- The Republic of Tajikistan to expedite ratification of the Annexure(s) to the ECOTA, and provide the pending Product Lists. The said ratification and pending lists are still awaited.
- The ECO Secretariat to pursue the Free Trade Agreement (FTA), following the full implementation of ECOTA, by enhancing its scope through transforming it from a PTA to an FTA, as mandated by the 4th ECO Ministerial Meeting on Commerce and Foreign Trade, ECO Vision 2025 and the Ashgabat Consensus for Action;

iii). **Trade Facilitation:**

Operationalization of Agreement on Protection and Promotion of Investment (APPI) for a conducive investment climate in the region

Operationalization of APPI is a significant step forward in developing investment conducive environment in the region with appropriate regulatory regional framework on protection and promotion of investment and bolster investors' confidence. It has been signed by Afghanistan, Azerbaijan, Iran, Pakistan and Türkiye and ratified by four signatories, with Azerbaijan yet to ratify. The Agreement has come into force two months after the deposit of the fourth Instrument of Ratification by the Republic of Türkiye on 17 March 2022. The Republic of Azerbaijan being signatory to the Agreement has been requested to expedite and update the Secretariat on the latest progress in their ratification of the Agreement. The non-signatory Member States have also been requested to kindly consider joining the said Agreement aimed at maximal attraction of investment from the ECO region as well as the rest of the world.

iv). **Operationalization of ECO Reinsurance Company (ERC)**

The Republic of Türkiye ratified the Articles of Agreement of ECO Reinsurance Company and deposited the Instrument of Ratification with the ECO Secretariat in December 2017. Subsequently, upon receipt of this by the Secretariat, the Articles of Agreement of ECO Reinsurance Company entered into force on 5 December 2017.

As earlier requested by the Islamic Republic of Pakistan, the Islamic Republic of Iran and Republic of Türkiye were requested to expedite the provision of information regarding the paid-in capital contribution and nominations for the GA of ERC. Iran and Türkiye have expressed their readiness to transfer paid-in capital contribution in 2021. Moreover, the Islamic Republic of Iran has shared its nominations for the General Assembly of ERC, which has been circulated amongst the Contracting Parties. The Secretariat hosted a Consultative Meeting on 6 February 2023 in hybrid mode, to make a plan for the ERC to start its operations. In line with the recommendation of the meeting and with its continued commitment, the Secretariat confirmed hosting the 1st Meeting of the General Assembly of the ERC and the 1st Board of Directors (BoD) Meeting of CPR to sponsor the event in 2023. We plan to continue our pursuance in 2024 to make ERC operational. The progress on the following decisions of the meeting is given below:

S#	Decision	Implementation Status
	Pakistan to prepare initial draft of regulations for the GA and the BoD, the recruitment policy, the financial and service rules etc., and share with the Contracting Parties and stakeholders for input and finalization.	(Awaited from Pakistan)
	Pakistan and the Secretariat will coordinate and announce the dates of the GA and BoD Meetings.	Awaited from Pakistan

		<p>The Secretariat will seek relevant approval from the CPR to allocate resource to host these two meetings.</p>	<p>Implemented by the Secretariat/ approved from 273rd CPR on 27 February 2023</p>
		<p>Pakistan will finalize the consultation of the State Bank of Pakistan (SBP) with the Central Bank of Iran (CBI) and share the details of modalities for transfer of capital contributions. Iran and Türkiye have already expressed their readiness to share the capital contributions, awaiting modality to transfer their capital contribution.</p>	<p>Awaited from Pakistan. ERC authorities in Pakistan are requested to share updates in matter of transferring the capital contribution by Iran and Türkiye to ERC.</p>
		<p>The Secretariat will circulate fresh nominations upon receipt, which completes the final nominations for both the forum i.e. for GA and the BoD.</p>	<p>Implemented by the Secretariat. Iran (NV No. 531/1490101 dated February 5, 2023), Pakistan (NV No. ECO-7/17/2023-(A)/01 dated January 8, 202) and Türkiye (NV No. Z-2023/ 99530379/35449077 dated January 5, 2023) have shared their nominations. The Secretariat circulated the same (NV No. T&I/ECORC/2023/190 dated January 31, 2023).</p>
		<p>The Secretariat will also circulate the details of payable paid-in capital contributions to the parties</p>	<p>Implemented by the Secretariat (NV No. T&I/ERC/2018/289 dated March 1, 2018)</p>
		<p>Türkiye will share formal request for updating the information to replace the name of the Turkish Catastrophe Insurance Pool (TCIP) in place of T.C Ziraat Bankasi, as the relevant</p>	<p>Awaited from Türkiye</p>

<p>authority to deal with matters related to ERC. The Secretariat will circulate the updated information upon receipt.</p>	<p>Apart from that, the remaining Member States have been invited to consider joining this important ECO institutional arrangement, in order to utilize its immense potential and role in furtherance of businesses and economic activities in the region. It is expected that operationalization of ERC will enhance the confidence of traders in the region for secure trade and investment duly covered by insurance coverage of ERC.</p> <p>v). <u>Agreement on Mutual Administrative Assistance in Customs Matters</u></p> <p>The draft text of the Agreement on Mutual Administrative Assistance in Customs Matters has been finalized and circulated among the Member States for completion of formalities and internal procedures. The Republic of Azerbaijan and the Islamic Republic of Pakistan have completed their internal procedures. The 9th Meeting of the Council of Heads of Customs Administration of the ECO Member States was held on 20 July 2023 in Baku, Azerbaijan, in which the said Agreement was discussed and the ECO Member were requested to complete their internal procedures and share their updates with the Secretariat for seeking approval of the ECO fora for opening them for signatures.</p> <p>It is pertinent to mention that the Cooperation in Customs Administration will come under discussions in the upcoming rescheduled 6th ECO Ministerial Meeting on Finance and Economy, to be hosted by the Republic of Azerbaijan in last quarter of 2023.</p> <p>vi). <u>Agreement on Establishment and Operations of ECO Smuggling and Customs Offences Data Bank</u></p> <p>The Agreement on Establishment and Operations of ECO Smuggling and Customs Offences Data Bank was concluded by the ECO Member States at Istanbul in 2005 and was signed by six Member States i.e. the Islamic Republic of Afghanistan, the Republic of Azerbaijan, the Islamic Republic</p>
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of Iran, the Islamic Republic of Pakistan, the Republic of Tajikistan and the Republic of Türkiye. The aforementioned Agreement came into force on 30 December 2017. The Data Bank is now functional and ready to use. During the 9th Meeting of the Council of Heads of Customs Authorities of the ECO Member States held on 20 July 2023 in Baku, Azerbaijan, the Council requested the parties to the Agreement to share the names and IP addresses of their focal points with the data bank authorities to provide them access to upload data from the date from 30 December 2017 onwards and start operations of the data bank. The non-signatory Member States to consider signing/ratifying the Agreement.

vii). **Agreement on Simplification of Visa Procedures for Businessmen of the ECO Member States and its Additional Protocol, Visa Sticker Scheme for Businessmen in the ECO**

The Agreement on Simplification of Visa Procedures for Businessmen of the ECO Member States was finalized at Islamabad on 15 March 1995 and entered into force in 1997. It was signed by seven ECO Member States namely Afghanistan, Azerbaijan, Iran, Kazakhstan, Pakistan, Türkiye and Turkmenistan. The Agreement has been ratified by five countries namely, the Afghanistan, Iran, Kazakhstan, Pakistan and Türkiye. Azerbaijan and Turkmenistan has not ratified the Agreement. The Agreement came into force in 2002 on ratification by three parties. It provides for issuance of visa within 72 hours to businessmen upon request accompanied with a letter from concerned Ministry and endorsed by Ministry of Foreign Affairs

The Additional Protocol on Simplification of Visa Procedures for Businessmen and Transit Drivers of the ECO Member States was approved on 9 March 2009 at Tehran by the 18th ECO Council of Ministers (COM) meeting and so far only three Member States have signed it, whilst only Pakistan has ratified it. The Secretariat has solicited comments from the Member States on these Agreements along with updated status on ratification of the aforesaid two Agreements from the Member States but comments have been received on the said Agreements only from Tajikistan stating that Tajikistan has visa-free regime for 5 ECO Member States. From 25 January 2017 they have started simplified procedure for the rest 3 out of 9 ECO Member States.

		<p>In light of the recommendations of the 31st & 32nd RPC meetings, the Secretariat drafted a study project titled "Impediments in Issuance of ECO Business Visa Stickers to the Businessmen of the ECO Region for greater collaboration between the business communities in the ECO Region" on the lines of such schemes in other regions like SAARC etc. The draft project document has been circulated among the Member States in 2019 and re-circulated again in 2022 for soliciting their views/comments with special consideration for the demand of business communities in the region and the need for a legal framework etc., to decide on pursuing the study. The project needs some input from the Member States on the legal framework, willingness and procedural details to pursue it. The draft project was discussed in the 33rd RPC Meeting and the Meeting was updated by the ECO Secretariat that this project has several procedural and regional issues to develop consensus among the Member States. The RPC agreed and in accordance with the decision of 267th CPR the Secretariat was mandated to organize a virtual meeting (reflected in the Calendar of Events 2023) to develop a consensus in the project before moving forward. Accordingly, the Secretariat scheduled a virtual meeting on 12 July 2023 and requested the Member States for their nominations. However; only three Member States namely Iran, Pakistan and Tajikistan have shared their nominations. Azerbaijan indicated their inability to participate in the said Meeting. Therefore, the meeting was postponed due to lack of quorum vide Secretariat NV No. T&I/Visa Procedure/2023/711 dated 31 July 2023 and the Secretariat has rescheduled it to be hosted by the Secretariat on 19 September 2023. Moreover, Azerbaijan has informed that the existing system of visa issuance and facilitation is sufficient to cater the needs of visa facilitation and there is no need for Visa Stickers Scheme.</p> <p>In line with the decision of 267th CPR, the ECO-CCI has been requested to share their input in the matter, being the proponent of the proposal, to the Secretariat for developing a questionnaire to solicit information from Member States. The non-signatory Member States have also invited to sign/ratify the said Agreements.</p>
	<p>Decide to increase the low intra-regional trade and increase our region's contribution in overall global</p>	<p>In order to promote trade and investment in the ECO region, especially through setting up a preferential trade regime under a PTA or FTA, Ministerial Meetings on Commerce/ Foreign Trade (MMC&T) is the key forum in trade sector and the 5th ECO MMC&T has been included in the</p>
<p>15th Summit Ashgabat Consensus for Action (OP6)</p>		

trade by harnessing trade potential of the ECO region to achieve sustainable economic growth as stipulated in the ECO Vision 2025 through implementation of ECO Trade Agreement (ECOTA) and other ECO trade related arrangements and; Task hereby our relevant authorities to expedite removal of unnecessary technical and operational barriers, including due to the COVID-19 to effectuate these arrangements and to start trade negotiations with involvement of Member States, in a position to do so, for a ECO Free Trade Area;

Annual Work Programme 2023 and Calendar of Events 2023 offered by Republic of Türkiye in 2022 and 2023. The forum will endeavour, inter alia, decide about preferential or free trade regimes and ancillary matters. This forum provides directions for enhancing ECO trade cooperation, developing policy guidelines for future developments. Likewise, Ministerial Meeting on Finance/ Economy (MM F/E) is another forum to ensure efficient implementation of ECO Vision 2025 as the key area of cooperation in trade and investment sector.

viii). **ECO Vision 2025 Implementation of ECO Trade Agreement (ECOTA)**

ECOTA

As elaborated in the preceding section, the 9th Meeting of the ECOTA Cooperation Council (ECOTA CC) could not be held due to lack of quorum. The Islamic Republic of Pakistan has rescheduled the event twice 2022 in-person as well as virtual mode due to lack of quorum, it could not take place. The Secretariat has offered to host it on 26 October 2023, in-person mode. The Republic of Türkiye has agreed to host the 5th Ministerial Meeting on Commerce & Foreign Trade, once the 9th ECOTA CC is held.

The ECO region's contribution in world trade has crossed US\$ 1trillion mark in 2022 for the first time and reached 1 trillion and 36 billion. The contribution of the ECO region in world trade has been around 4.1% in 2021. On the other hand, intra-regional trade was recorded at US\$ 85.6 billion in 2022, which is only 8.2% of the region's total trade with rest of the world. This share is quite low. The ECO region has registered an increase of 42.6 % in its intra-regional trade during the last five years from 2018 till 2022.⁶ (ECO Vision 2025 targets were set to double intra-regional trade).

In order to remove unnecessary technical and operational barriers a brainstorming session on reform process and prospects of cooperation in the ECO region was convened on 23-24 May 2022 at the ECO Secretariat. The following recommendations were made by the session:

⁶ Mirror data and calculations based on data of ITC accessed at <https://www.trademap.org/Index.aspx?nvpm on 31 August 2023>. US\$ 60 billion (2018), US\$ 62.6 billion (2019), US\$ 56.8 billion (2020), US\$ 79.4 billion (2021), US\$ 85.6 billion (2022).

<ul style="list-style-type: none"> • To hold the 9th ECOTA Cooperation Council Meeting as soon as possible in 2022 in coordination with the Contracting Parties and the ECO Secretariat. • The meeting may be preceded by relevant High-Level Experts Meeting to explore ways and means of developing consensus to operationalize the ECOTA. • Non-ECOTA parties may be invited to participate as observers; 	<p>Trade Facilitation Agreement</p> <p>Realizing the fact that, at present, there is no preferential trade framework operational at regional level to regulate tariff reduction, the ECO Secretariat to vigorously follow up expeditious implementation of trade facilitation as mandated by the 4th ECO Ministerial Meeting on Commerce & Foreign Trade and ECO Vision 2025.</p> <p>Pursuant to the decision of the 4th ECO Ministerial Meeting on Commerce and Foreign Trade (Kabul, 11-14 July 2011) regarding setting up of the Joint Working Group (JWG) to prepare and finalize a Multi-Dimensional Regional Trade and Investment Strategy and Action Plan on the Prospects of Establishing Free Trade Area in the Region; the Secretariat requested the Member States to volunteer hosting the said 1st Meeting of the Joint Working Group (JWG). However, none of the Member States conveyed its readiness to host the meeting. In view of this, the Secretariat prepared a paper containing the following for consideration of the Member States:</p> <ul style="list-style-type: none"> - The Contours of Proposed ECO Multi-Dimensional Trade and Investment Strategy; and - Prospects of Establishing a Free Trade Area in the Region. <p>The Secretariat drafted a paper on the Contours of Proposed ECO Multi-Dimensional Trade and Investment Strategy; and Prospects of Establishing a Free Trade Area in the Region and circulated among the membership for their views/comments. So far, six Member States namely, Islamic Republic of Afghanistan, the Republic of Azerbaijan, the Islamic Republic of Iran, the Republic of Kazakhstan, the Islamic Republic of Pakistan and the Republic of Uzbekistan have provided their views/comments and the remaining Member States have been requested to share their comments at the</p>
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earliest. Moreover, the Secretariat has also circulated the draft Agenda for the Joint Working Group (JWG) Meeting and requested the views/comments and confirmation/nominations of the Member States to participate in the 1st Meeting of the JWG to prepare and finalize the draft Multi-Dimensional Trade and Investment Strategy (draft strategy), hosted by the Secretariat on 29 August 2023, virtually to deliberate and finalize the draft Multidimensional Trade and Investment Facilitation Strategy and study on the prospects of a Free Trade Area in the ECO Region. The meeting has been postponed due to lack of quorum.

ix). Trade Facilitation Strategy

Trade Facilitation Strategy elaborated on thorough analyses of the intra-ECO trade flows, statistics and forecasts, should suggest the ways how to reach the untapped trade potential of the region;

In the 4th ECO Ministerial Meeting on Commerce and Foreign Trade (Kabul, 11-14 July 2011) the Trade Ministers also mandated the establishment of a Joint Working Groups (JWG) to prepare and finalize Trade Facilitation Agreement for the ECO Region. However, in 2017 the Republic of Türkiye conveyed that on the way to adopt an agreement on trade facilitation within ECO region, the Ministry of Economy of the Republic of Türkiye proposed to adopt a draft of Trade Facilitation Strategy Paper, that all sides may agree upon, as a first step and to start negotiations on the agreement after putting the paper into effect. Accordingly, the Secretariat circulated the draft of Trade Facilitation Strategy provided by Türkiye, for views/comments of the Member States. The vision of the Strategy was set to increase intra-trade ratio of ECO Member States through facilitating trade and customs procedures of the ECO Member States. The ECO Member States to adopt the said trade facilitation strategy with the aim to:

- Promote trade facilitation reforms;
- Improve the performance of the ECO Member States on a list of trade performance indicators;
- Develop more extensive national trade facilitation strategies;
- Enhance regional cooperation on practical activities facilitating trade;

<p>15th Summit Ashgabat Consensus for Action (OP 22)</p>		<ul style="list-style-type: none"> • Support the implementation of trade facilitation measures stipulated in the international agreements that ECO Member States are parties to; • Exchange recent achievements and experience in monitoring and evaluation in the field of trade facilitation; • Encourage the use of existing international trade facilitation instruments and standards, e.g. those developed by UNECE, UNCTAD, WCO, and others. <p>The aim of the trade facilitation strategy is to:</p> <ul style="list-style-type: none"> • Provide transparency and uniform application of trade related legislation; • Realize appropriate, transparent and predictable trade related fees and formalities; • Facilitate customs procedures; • Ensure freedom of transit; • Enhance cooperation between border agencies. <p>Due to difficulties in trade liberalization, the Secretariat has focused on trade expansion through the trade facilitation and customs cooperation rather than Customs Tariff Reductions. In Trade Facilitation, we have been pursuing the priority initiatives like the finalization of the Draft Trade Facilitation Strategy for the ECO Region and the Draft ECO Trade Facilitation Agreement. The long overdue 1st Joint Working Group Meeting on ECO Trade Facilitation Strategy was hosted by Türkiye on 22 June 2023 in Türkiye with considerable headway to finalize and adopt the draft Trade Facilitation Strategy for the ECO region and finalization of the draft of Trade Facilitation Agreement, which is an expected outcome of the ECO Vision 2025. The Secretariat is planning to organize the 2nd Working Group Meeting as soon as possible. The ECO Region can eventually achieve smoother regional trade flows through the finalization of this Strategy, and the Trade Facilitation Agreement, as well.</p>
	<p>Be cognizant of the changing global economic realities under COVID conditions and; Work towards developing medium and long-term</p>	<p>x). <u>SEZs/FTZs Networking in the ECO Region</u></p> <p>The ECO Secretariat has worked on the initiative of setting up a network of the Sovereign Wealth/National Development Fund (SW/NDF) of the ECO</p>

economic development strategies for an inclusive growth and more resilient recovery in the Region;

Member States to develop state of the art infrastructure in the region pooling up the resources of the Member States to develop projects for digital trade, E-commerce etc. To augment the resilience of Regional Supply Chains and their contribution to Regional Value Chains Investment, the Secretariat was tasked by the 1st Meeting of the Heads of the SEZs/ FTZs of the ECO Member States hosted by Iran on 7 January 2021, to pursue setting up of a network of Special Economic Zones/Free Trade Zones (SEZs/FTZ's). The Secretariat was tasked to conduct a Research to draft Joint Action Plan and Draft Guidelines for setting up a network of the SEZs/ FTZs of the ECO Members. The Secretariat circulated a draft SEZs/FTZs Guidelines with the Member States. However, regarding the study project, Secretariat circulated the ToR among the Member States to solicit their views/comments and reiterated the same vide NV No. T&I/SEZ/2023/443 dated 5.4.2023. The Republic of Azerbaijan shared a list of experts/consultants with Secretariat for the kind of research. However, the Secretariat is still pursuing comments/ proposals on the ToR of the project to engage the services of a specialist to initiate the study. The project will be pursued in 2024 upon receipt of proposals/ comments of the Member States and the availability of funds. In line with the decision of the 1st Meeting of the Heads of the SEZs/ FTZs of the ECO Member States the Secretariat has been pursuing the membership to nominate and share details of their officials for Standing Committee and a Joint Commission from the relevant authorities. So far the nominations' status is given below:

- a) Standing Committee: Republic of Azerbaijan, Islamic Republic of Iran, the Islamic Republic of Pakistan, the Republic of Uzbekistan, Republic of Tajikistan;
- b) Joint Commission: Republic of Azerbaijan, Islamic Republic of Iran, the Islamic Republic of Pakistan, Republic of Tajikistan.

The Secretariat is pursuing the nominations from the remaining Member States.

xi). Network of SW/NDFs in ECO

To fund regional projects in ECO Countries and as mandated by the 1st Meeting of the Heads of SW/NDFs of the ECO Member States, the Secretariat prepared a Concept Paper in consultation with National Development Fund of Iran (NDFI) and circulated it among the Member States. Moreover, as per decision of the 1st Meeting of the Heads of SW/NDFs of the ECO Member States, held on 16 December 2020, the Secretariat completed a Small Size Research Study on Preparation of the Road Map to Institutionalize a Comprehensive Joint Action Plan among the Sovereign Wealth and National Development Funds (SW/NDFs) of the ECO Member States. The Report of the study has been shared with the Member States, soliciting comments from the membership. So far, Islamic Republic of Iran has shared comments on the report of the study. The Islamic Republic of Iran also offered to host the 2nd Meeting of the Heads of Sovereign Wealth/ National Development Funds of the ECO Member States on 20 November 2023. The Secretariat is seeking nominations to hold the said meeting.

xii). EDI in the ECO Region

The EDI initiative is aimed at enhancing cross-border paperless trade and E-Commerce in the region to adjust to post-pandemic international trade. To increase trade and reduce the costs associated with customs documentation, the Secretariat has been pursuing digital trade/paperless cross border trade/E-Commerce through Working Group of the Experts/ Technical Committee of the Member States. Iran virtually hosted the 2nd Meeting of the Technical Committee on the Electronic Data Interchange (EDI) on 9 November 2021 to finalize the data elements of the EDI. The meeting tasked the Secretariat to formulate a Working Group of the experts and host Working Group Meeting of the Experts comprising Technical experts from the ECO Member States to finalize data elements, draft documents and recommendations, etc. The outcome of the Working Group meeting would be submitted for adoption in 3rd Meeting of the Technical Committee on the Electronic Data Interchange (EDI). The Council requested to provide the details of focal points through diplomatic channels. The Secretariat hosted the 1st Meeting of the Working Group on Electronic Data Interchange (EDI) (19 July 2022, virtual) to finalize the data elements

of the EDI. In the light of the decisions of the meeting following actions were taken:

- a) A proforma was drafted and circulated for input along with the report of the Meeting for provision of information on exchange of data elements in the Member States;
- b) The Republic of Azerbaijan has been requested to provide the details about work flow of the existing system for circulating among the Member States to solicit their comments and drafting conclusive recommendations before the 2nd Working Group Meeting on EDI.

During the 33rd RPC, the Council mandated the Secretariat to host the 2nd Working Group Meeting of the Experts to Finalize Data Elements of the EDI in virtual format and invited the Member States to participate in the meeting. Islamic Republic of Iran suggested hosting the 3rd meeting of the Technical Committee on Electronic Data Interchange (EDI) on August 8, 2023, before the 2nd Working Group Meeting takes place. However, the said meeting could not be held and the 2nd Working Group Meeting of the Experts to finalize data elements of EDI, which needs to be held in the first place to firm up the agenda and recommendations for the 3rd Technical Committee, which is pursued by the Secretariat in the year 2023. Subsequently, the 3rd Technical Committee Meeting will be organized.

During the 9th Meeting of the Council of Heads of Customs Authorities (CHCA), the Council requested the Customs authorities for provision of relevant information at the earliest.

xiii). Capital Markets Collaboration

The 1st Meeting of the Heads of Capital Market Supervisory Authorities of the ECO Countries was virtually hosted by Pakistan on 29 August 2022 to promote trade and investment in the region through greater collaboration among the Capital Market Supervisory Authorities of the ECO Member States. The meeting decided upon various aspects of collaborations to ensure ease of doing business in the region and attract and promote investment to create trade flows in the region through diversification. Iran scheduled the 2nd Meeting of the Heads of Capital Market Supervisory

<p>Authorities of the ECO Countries on 18-19 June 2023. However, the meeting was postponed due to lack of quorum. The Secretariat is pursuing for nominations from the Member States and new schedule from the host.</p>	<p>In the annual work plan 2023, the Secretariat has been pushing to pursue important initiatives. So far, following meetings have been held:</p> <ul style="list-style-type: none"> i. Virtual Consultative Meeting for Operationalization of ERC, hosted by the Secretariat on 6 February 2023; ii. 5th Meeting of the ECO Committee on Customs Cooperation, held on 21 June 2023, Ankara, Türkiye; iii. 1st Meeting of the Joint Working Group on Trade Facilitation Strategy/ Trade Facilitation Agreement, held on 22 June 2023, Ankara, Türkiye; iv. 9th Meeting of ECO Council of Heads of Customs Administrations (CHCA) held on July 20, 2023, Baku, Azerbaijan; v. Preliminary Discussion Meeting to Review/ Develop Consensus on drafts of three Tax Related Cooperation Agreements hosted by Secretariat on 1 August 2023 in virtual format. <p>Following Meetings are scheduled for 2023 under the CoE 2023:</p> <ul style="list-style-type: none"> vi. 1st Working Group Meeting of the Central Banks on ECU, scheduled to be hosted by Iran on 28 September 2023 in virtual format; vii. 6th ECO Ministerial Meeting on Finance/ Economy, to be announced by Azerbaijan in November/ December 2023 in preferred format; viii. 9th ECOTA Cooperation Council Meeting, scheduled on 26 October 2023, to be hosted by the Secretariat (in-person mode); ix. 2nd Meeting of Heads of Sovereign Wealth/National Development Funds (SW/NDFs) of the ECO Member States scheduled on 20 November 2023 to be hosted by Iran; x. 1st Meeting of the Stakeholders for Issuance of Business Visa Stickers Scheme to the Businessmen in the ECO Region, scheduled to be hosted by the Secretariat on 19 September, 2023. <p>Following Meetings have been postponed due to lack of quorum:</p>
<p>Reaffirm our commitment to implement the ECO activities, with the primary focus on executing the annual work plan, in a prioritized manner for enhancing the effectiveness of the Organization and attaining speedy outcomes towards higher welfare in our Region;</p>	

		<p>6th ECO Ministerial Meeting on Finance/ Economy, scheduled on 4-5 September 2023, Baku Azerbaijan;</p> <p>1st Meeting of the Stakeholders for Issuance of Business Visa Stickers Scheme to the Businessmen in the ECO Region, scheduled to be hosted by the Secretariat on 12 August 2023;</p> <p>2nd Meeting of the ECO Heads of the Capital Markets Supervisory Authorities scheduled to be hosted by Iran on 18-19 June 2023;</p> <p>1st Meeting of the JWG to prepare and finalize the draft Multi-Dimensional Trade and Investment Strategy (draft strategy) to be hosted by the Secretariat on 29 August 2023, virtually.</p>
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Transport and Communication

Item No.	Decision taken	Implementation Status
15 th Summit Ashgabat Consensus for Action (OP 5)	Encourage the Member States to accede to relevant agreements concluded within the ECO framework aimed at achieving the objectives enshrined in the Treaty of Izmir and the ECO Vision 2025 and; Task our relevant Ministers and authorities to consider joining these agreements.	The Secretariat has followed up ratification of TTFA by Turkmenistan and its signing and ratification by Uzbekistan for several times. The Secretary General held a virtual meeting on 31 August 2023 with the Minister of Transport of the Republic of Uzbekistan and discussed in detail the benefits of acceding to TTFA. The Uzbek Minister expressed initial willingness of his country to accede to the Agreement. (The 12 th ECO Ministerial Meeting on Transport in Tashkent is a good opportunity for Uzbekistan to sign the TTFA.)
15 th Summit Ashgabat Consensus for Action (OP 7)	Enhance ECO-wide connectivity in terms of transport and transit, trade and investment, telecommunications, digital infrastructure including cyber security and all forms of	The 3 rd ICT Ministerial Meeting was held on 12-13 July 2023 in Tehran that further paved the way for cooperation on information and communication technologies and digital connectivity and to contribute to implementation of the ECO Regional Strategy for Establishment of Information Society. During the Ministerial Meeting, establishment of a framework for regulatory cooperation among the Member States to address emerging challenges and threats was also commended and underscored. Other activities,

	<p>energy, as well as people-to-people exchanges, including through regional tourism arrangements.</p>	<p>among others, include organizing various technical meetings i.e. the 8th Customs Committee of the TTCC (Transit Transport Framework Agreement) on 19 July 2023 in Baku, Workshop on safe packing of cargo and application of CTU code in the railway transport in September 2023 in Aktau, the 13th Meeting of HLWG on ITI Train in June 2023 in Istanbul, 2nd and 3rd Meeting of ECO-UNECE Coordination Committee on Trans-Caspian and Almaty-Istanbul Corridors in June and July 2023, the 1st Meeting of HLWG on TUTIT Multimodal Corridor on 21 September 2023 in Dushanbe, Webinar on Advanced Big Data Processing Algorithms for Data Centres and Fibre Optic Lines on 26 September 2023, the First Meeting (virtual) of the Consultative Group of ECO TIR Guaranteeing Associations (ECO-TIRACG) on 2 October 2023 in virtual mode.</p>
<p>15th Summit Ashgabat Consensus for Action (OP 8)</p>	<p>Commend the operationalization of ITI Road Corridor, noting the successful cargo dispatch from Pakistan to Azerbaijan and Türkiye through Iran under TIR Convention and; Take practical measures for the full implementation of other regional projects and transport corridors, as envisaged in the objectives of the Transit Transport Framework Agreement (TTFA) and Vision 2025, as well as consider expanding the network of transport corridors put forward by the Member States of the Organization at the 14th ECO Summit.</p>	<p>As a result of ECO Secretariat efforts, ITI Road Corridor operationalized in October 2021 and currently the trucks are in transit under TIR System. However, the ITI Train services that was resumed in December 2021 has stopped due to the damage caused by the floods in 2022 in Pakistan. Rehabilitation of the damaged segment is underway by Pakistan. The 13th Meeting of HLWG on ITI was held in Istanbul in June 2023 and discussed the bottlenecks of the Corridor including infrastructure development. The Meeting also decided to permit a Bulgarian transport company to cooperate with the ITI freight forwarders to extend the services to Europe. The ITI Road and Rail Corridors are among the very promising regional projects that need continuous support of the en-route countries. The Secretariat has also taken various steps to operationalize/initiate the corridors in the CIS region including the Almaty-Tehran-Istanbul and Almaty-Bandar Abbas and in this connection the UNECE/ECO Coordination Committee is established on Trans-Caspian and Almaty-Tehran-Istanbul Corridors within the framework of UNECE Working Party on Transport Trends and Economics (WP.5). The HLWGs for the TUTIT (Tajikistan-Uzbekistan-Turkmenistan-Iran-Turkiye) and KUTIT (Kyrgyz Republic-Uzbekistan-Turkmenistan-Iran-Turkiye) are also established in this connection. The Rasht-Astara missing link of the North-South Corridor is under construction with finance from Russian Federation and is projected to be operational in 2025. The Secretariat in collaboration with IRU to organize the first meeting of the ECO Consultative Group of TIR Guaranteeing Associations (ECO-TIRACG) in October 2023 to engage the private sector further in regional transport cooperation and negotiations. ECO Transport Award is also</p>

<p>established by the ECO transport ministers to acknowledge the constructive and vital role of the private sector in development of the transport cooperation.</p> <p>As air connectivity is still a major bottleneck for development of the region and is increasing the cost of doing business, the Secretariat has developed and circulated a concept paper on Establishment of an Air Hub in the Eastern Part of the ECO Region (Central Asia) and circulated among the Member States. We are very much hopeful that this initiative to gain enough attention and we can enhance our focus on implementation of such mega project.</p> <p>The 2nd phase of the ECO/UNECE/IsDB Project on Establishment of GIS System for ECO Member States is now operational and the Member States are requested to nominate/update the focal points to edit/update the national information in the relevant online platform: (https://gis.unece.org/portal/apps/sites/#/international-transport-observatory). Establishment of a GIS section in the TC Directorate will further contribute to the development of cooperation in transport sector.</p>	
<p>The Secretariat in collaboration with ITU has prepared the Regional Strategy for Information Society and in this connection has conducted the 2nd EGM meeting on ICT for establishment of a regional regulatory framework. Also, the 3rd EGM is planned to work on Cyber Security. The study on ECO fiber optics network is also being followed up by the Secretariat.</p> <p>The 3rd ICT Ministerial Meeting was held on 12-13 July 2023 in Tehran that further paved the way for cooperation on information and communication technologies and digital connectivity and to contribute to implementation of the ECO Regional Strategy for Establishment of Information Society. During the Ministerial Meeting, establishment of a framework for regulatory cooperation among the Member States to address emerging challenges and threats was also commended and underscored.</p>	<p>Stress on the importance of strengthened and continued cooperation among all stakeholders to build and run information structures in order to bridge the digital divide in the Region.</p>
<p>The Secretariat is working closely with UNECE, IRU and IsDB and taking necessary measures for implementation of e-TIR and e-CMR in the Region and has conducted 3 workshops in this connection. The Secretariat has also participated and encouraged participation of the Member States in the</p>	<p>Strengthen cooperation with other international organizations and relevant stakeholders in supporting the</p>
<p>15th Summit Ashgabat Consensus for Action (OP 9)</p>	<p>15th Summit Ashgabat Consensus for Action (OP 10)</p>

	<p>Member States in their efforts to digitalize transport, customs and border crossing procedures through implementing e-TIR/e-CMR and other relevant mechanisms with a view to creating digital transport corridors among the interested Member States.</p>	<p>UNEC Expert Group Meeting on e-CMR (GE.22). Also the Secretariat has been in consultation with IsDB for conducting a few projects on digitalization of the transportation within the framework of the Mechanism and Principles of Collaboration between ECO and Islamic Development Bank.</p>
<p>15th Summit Ashgabat Consensus for Action (OP 11)</p>	<p>Cooperate closely to harness the benefits and mitigate the negative impact of the ICTs and implement the decisions and outcomes of the 2nd ECO Ministerial Meeting on Information Communications Technology in 2017, having in mind the importance of participation of all stakeholders to ensure unhindered and equal access to ICT benefits by all.</p>	<p>The 3rd ICT Ministerial Meeting was held on 12-13 July 2023 in Tehran that further paved the way for cooperation on information and communication technologies and digital connectivity and to contribute to implementation of the ECO Regional Strategy for Establishment of Information Society. During the Ministerial Meeting, implementation decisions of the previous meeting as well as the establishment of a framework for regulatory cooperation among the Member States to address emerging challenges and threats was also commended and underscored.</p> <p>The 2nd Meeting of ECO-ICT Working Group was held (virtually by Iran) on 27 June 2022 through which establishment of a regional regulatory framework was discussed. The 3rd EGM on ICT will discuss Cyber Security cooperation and in line with the ICT Action Plan (2025 ECO Regional Strategy for Information Society Development).</p>
<p>26th COM Tashkent Communique (OP 12)</p>	<p>Urge for an expedited implementation of the Transit Framework Agreement (TTFA) to facilitate sustainable transport in ECO Corridors;</p>	<p>The Secretariat has followed up ratification of TTFA by Turkmenistan and its signing and ratification by Uzbekistan for several times. The Secretary General held a virtual meeting on 31 August 2023 with the Minister of Transport of the Republic of Uzbekistan and discussed in detail the benefits of acceding to TTFA. The Uzbek Minister expressed initial willingness of his country to accede to the Agreement. (The 12th ECO Ministerial Meeting on Transport in Tashkent is a good opportunity for Uzbekistan to sign the TTFA.)</p>
<p>26th COM Tashkent Communique (OP 13)</p>	<p>Commend the joint attempts for development of transit and transport corridors in the ECO region, including the Trans-</p>	<p>The Secretariat has operationalized the ITI Road and Railway Corridors, however, the train services are suspended due to infrastructure damages that need to be addressed. Two new Corridors of TUTIT (Tajikistan-Uzbekistan-Turkmenistan-Iran-Turkiye) and KUTIT (Kyrgyz Republic-</p>

	<p>Caspian East-West and North-South Corridors; Request for further policy coordination, infrastructure development, logistic improvement and financial support; Call for an ECO corridor management mechanism to expedite commercialization of ECO road and railway corridors;</p>	<p>Uzbekistan-Turkmenistan-Iran-Turkiye) are also established and are in the process of preparatory works.</p> <p>The Rasht-Astara Segment of North-South Corridor is under construction by Iran. The joint ECO-ISDB-UNECE project on establishment of GIS platform for transport infrastructure observatory is now operational and MS can use it to upload and update necessary data of the transport links and investment projects for attraction of investors. The Corridor Management mechanism is being conducted through the relevant working groups of the Corridors. However, there is dire need to enhance the current mechanism to more digitized platform with daily monitoring and the COM is requested to allocate necessary funds for this purpose.</p>
<p>26th COM Tashkent Communique (OP 14)</p>	<p>Welcome the initiative of the Secretariat in cooperation with the United Nations Economic Commission for Europe (UNECE) on discussion of operational rail capacities for ECO region, including the Trans-Caspian and ECO related Corridors particularly Almaty-Istanbul Corridor and the Establishment of the Coordination Committee composed of relevant experts of the Member States to follow to this end;</p>	<p>The 2nd and 3rd Meeting of ECO-UNECE Coordination Committee on Trans-Caspian and Almaty-Tehran-Istanbul Corridors was held on 6-7 June in Istanbul and 25-26 July in Baku through which the Terms of Reference and Work Program were approved. The 2023 UNGA resolution on UN-ECO Cooperation has also taken note of this initiative and the 36th annual session of the Working Party on Transport Trends and Economics (WP.5)-Geneva, virtual on 4-6 September 2023 also welcomed the establishment of the said Coordination Committee.</p>
<p>26th COM Tashkent Communique (OP 15)</p>	<p>Strengthen the connecting role of the ECO for intercontinental economic, trade and investment partnerships and; Contribute in every possible ways and means to the full use of the transit and transport potential of Caspian ports of</p>	<p>The Secretariat is playing its role as coordination body among the Member States as well as with the international partners to identify investment needs and to mobilize funds and investment and in this connection has jointly developed the GIS platform with UNECE and IsDB and some other international partners for transport infrastructure development and Member States can use it to upload and update necessary data of the transport links and investment projects for attraction of investors.</p>

<p>The proposed projects can also be discussed and analyzed through the UNECE/ECO Coordination Committee and necessary arrangement can be adopted for enhancement of collaboration.</p>	<p>No mandate to the Secretariat</p>	<p>No mandate to the Secretariat</p>
<p>Turkmenistan, Azerbaijan, Iran and Kazakhstan to connect ECO Region to Europe, Persian Gulf and Indian Ocean;</p>	<p>Recognize the increasing transit potential of the Trans-Caspian East-West Middle Corridor and North-South Corridor passing through the territories of certain ECO Member States; Welcome the establishment of new mechanisms of bilateral, trilateral and multilateral cooperation, such as Azerbaijan-Kazakhstan-Türkiye, Azerbaijan-Türkiye-Uzbekistan, Iran-Kazakhstan, Azerbaijan-Kazakhstan etc. aimed at enhancing regional cooperation in the field of transit corridors development;</p>	<p>Welcome the developments to establish transport and communications links between the Eastern Zangezur Economic Region and the Nakhchivan Autonomous Republic of the Republic of Azerbaijan, in line with the Trilateral statements between the Republic of Azerbaijan, Armenia and the Russian Federation dated November 9-10, 2020 and January 11, 2021, and in this regard, Welcome the MoU</p>
<p>26th COM Tashkent Communique (OP 16)</p>	<p>26th COM Tashkent Communique (OP 17)</p>	

	<p>between the Republic of Azerbaijan and the Islamic Republic of Iran signed on March 11, 2022 to facilitate transport communications between the Eastern Zangezur Economic Region and the Nakhchivan Autonomous Republic of the Republic of Azerbaijan through the territory of Iran;</p>	
<p>No mandate to the Secretariat.</p>	<p>Commend further the Islamic Republic of Iran for hosting Ministerial Meeting on Transport and Transit attended by the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan, Turkmenistan, the Republic of Uzbekistan and the Republic of Azerbaijan in Tehran on October 9, 2022 as an important and timely initiative to address connectivity challenges of ECO land-locked countries;</p>	<p>26th COM Tashkent Communique (OP 18)</p>
<p>The 3rd ICT Ministerial Meeting was held on 12-13 July 2023 in Tehran that further paved the way for cooperation on information and communication technologies and digital connectivity and to contribute to implementation of the ECO Regional Strategy for Establishment of Information Society. During the Ministerial Meeting, establishment of a framework for regulatory cooperation among the Member States to address emerging challenges and threats was also commended and underscored.</p> <p>The 2nd Meeting of ECO-ICT Working Group was held (virtually by Iran) on 27 June 2022 through which establishment of a regional regulatory framework was discussed. The 3rd EGM on ICT will discuss Cyber Security</p>	<p>Acknowledge the growing interest in ECO to cooperate in the ICT sector, including implementation of the recommendations of the 2025 Regional Strategy for Information Society Development;</p>	<p>26th COM Tashkent Communique (OP 19)</p>

	cooperation and in line with the ICT Action Plan (2025 ECO Regional Strategy for Information Society Development).		
26 th COM Tashkent Communique (OP 20)	Welcome the active implementation of the Digital Silk Road Project, which aims to create a new telecommunication backbone route between Europe and Asia;	No mandate to the Secretariat	
26 th COM Tashkent Communique (OP 21)	Emphasize the importance of strengthening cooperation on the Digital Economy and the Fourth Industrial Revolution among the ECO Member States;	<p>A Webinar on Advanced Big Data Processing Algorithms for Data Centres and Fibre Optic Lines on 26 September 2023 is organized by the Secretariat.</p> <p>Some other activities are going to be organized as per the mandates of the Ministerial Meetings in the coming year in this connection.</p>	
26 th COM Tashkent Communique (OP 22)	Task the Secretariat to enhance the ECO cooperation with relevant international partners i.e. IsDB, ADB, UNECE, UNESCAP, UNOHRLLS, UNCTAD, FAO, IRU, OTIF, OSJD, ITU, etc. with a view to seeking their financial and technical support for the execution of ECO programs and projects in transport sector;	<p>The cooperation with international partners is steadily followed and various activities are being jointly organized and implemented. So far the IsDB has been our main financial supporter and the role of ECO-TDB in financing regional projects has been close to zero.</p> <p>The Secretariat and IsDB has jointly developed a joint framework for cooperation titled "The Mechanism and Principles of Collaboration between ECO and Islamic Development Bank" through which a few projects in various sectors are identified and listed for joint implementation with the said Bank. In this connection mobilization of enough fund on the part of ECO is of high importance to co-share the cost of the projects.</p> <p>The Secretariat in collaboration with IRU has established the Consultative Group of TIR Guaranteeing Associations (ECO-TIRACG) to enhance consultative role of private sector in the decision making process of transport bodies of ECO.</p> <p>The Secretariat has also enhanced its relations with OTIF (Intergovernmental Organisation for International Carriage by Rail) and the Secretariat has obtained Observer Status at the Legal Committee of the OTIF and is actively participating in the relevant meetings.</p>	

		The relations with UN bodies and in particular the UNECE and UNESCAP has enhanced and cooperation with UNOHRLLS is steadily growing.
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Agriculture and Industry

Item No.	Decision taken	Implementation Status
15 th ECO Summit Ashgabat Consensus for Action (OP 18)	Consider the importance of the issue of ensuring food security for all ECO Member States, together with the Food and Agriculture Organization of the United Nations (FAO) and ECO-RCC, to expedite efforts in updating the ECO program in the field of food security; Task the ministries of agriculture of the ECO member states to prepare for their next meeting to develop measures for implementation of the ECO Program, once updated, to ensure food security in the ECO Region;	<p>The 7th ECO Ministerial Meeting preceded by 6th High-Level Experts Meeting (HLEM) on Agriculture was hosted on 5-6 July 2022 by the Republic of Uzbekistan in Tashkent. The Meeting was attended by the delegations from Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Türkiye, Turkmenistan and Uzbekistan. The Turkish Cypriot State also participated at the meeting as the observer. The representatives of Food and Agriculture Organization (FAO), ECO Regional Coordination Centre for Food Security (ECO-RCCFS), ECO Seed Association (ECOSA), Islamic Organization for Food Security (IOFS), as well as the delegation of ECO Secretariat headed by ECO Secretary General also participated in the meeting. The Tashkent Declaration on Cooperation in Agriculture and Food Security in the Region was adopted by the Ministers.</p> <p>The meeting mulled over certain aspects of food security, intensification of agricultural production and sustainable methods for agricultural development. Likewise, the event discussed on the factors that affected food security across the globe including rapid inflation and instability in food prices, uncontrolled population, climate change and related impact on agricultural production, frequent migration, poverty, unemployment, lack of proper housing and access to healthcare as well as the undesirable conditions development in the aftermath of COVID-19. The updated ECO Regional Programme for Food Security (ECO-RPFS) was adopted by the Ministers. The respected Ministers also:</p> <ul style="list-style-type: none"> • Appreciate the efforts made by ECO-RCCFS and FAO for preparing the new ECO Regional Programme for Food Security (ECO-RPFS); endorse the new RPFS for the region and request all Member States

	<p>to support RPFS for its implementation as mentioned in the Ashgabat Consensus for Action in 15th ECO Summit (28 November 2021);</p> <ul style="list-style-type: none"> • Welcome transformation of ECO-RCCFS to a self-sustainable institution of ECO as a specialized agency and while calling Member States to support this transformation process, request Secretariat to follow necessary legal procedure to this end in accordance with relevant ECO documents; • Appreciate the updated statute of ECOSA which enables representation of relevant organizations of ECO Member States in the governing bodies and call Member States to nominate their representatives in close cooperation with ECOSA; • Appreciate the Islamic Republic of Pakistan for holding the 3rd Working Group Meeting for the Establishment of ECO Center of Excellence for Efficient Water Utilization for Agriculture (ECO-CEEWUA) and request the Member States to cooperate in creation of a network among their relevant organizations regarding the establishment of this Center; • Appreciate the activities made by the Islamic Republic of Iran for establishment of the ECO Veterinary Commission (ECO-VECO), request Member States to implement the Work Plan regarding priority activities of the ECO-VECO and called on the Member States (except Afghanistan and Iran) to ratify/sign its Statute for active participation in the activities of ECO-VECO; 	<p>Iran indicated its readiness for hosting the 8th ECO Ministerial Meeting on Agriculture preceded by 7th High-Level Expert Meeting, during the Ministerial Meeting in Tashkent. The exact dates and details will be circulated among Member States after receiving from the host country.</p> <p>On 9 December 2020, the first consultation meeting for ECO-RPFS was held with participants of 9 ECO Member States and FAO for submitting the comments of the countries. At the meeting, ECO-RPFS was updated according to the feedbacks on the draft RPFS received from the Member States. The ECO Secretariat circulated the report of 1st Consultation Meeting on Updating the ECO-RPFS received from ECO-RCCFS, through the NV No. AI/2021/200 dated 25/2/2021. The final draft of the ECO-RPFS was circulated among Member States through the NV No. AI/2021/928 dated 25/8/2021 for their views and comments. The updated RPFS was submitted and discussed at the 6th High-Level Experts Meeting (HLEM) and</p>
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was adopted by the Ministers during the 7th ECO Ministerial Meeting on Agriculture on 5-6 July 2022 in Tashkent.

“Support the Transformation of the ECO Regional Coordination Center for Food Security (ECO-RCCFS) from a programme-based organization into a self-sustainable institution” was an important project, which was initiated by the Republic of Türkiye in January 2020. This project was funded by the Government of Türkiye under the FAO-Türkiye Partnership Programme (FTPP-II) on Food and Agriculture and was concluded in June 2023. The project aimed at strengthening the capacity of ECO-RCCFS to provide systematic and useful support to its Member States, so that Member States acquired necessary advice, guidance and information for improving their food security and nutrition policies and programmes. In this regards, the 7th ECO Ministerial Meeting and 6th High-Level Experts Meeting (HLEM) on Agriculture welcomed transformation of ECO-RCCFS to a self-sustainable institution of ECO as a specialized agency and called Member States to support this transformation process and requested the Secretariat to follow up necessary legal procedure to this end in accordance with relevant ECO documents. Accordingly, the 33rd Regional Planning Council (16-19 January 2023) recalled the declaration by the ECO Ministers of Agriculture regarding the transformation of the ECO-RCCFS from a programme-based organization to a self-sustainable institution of ECO and mandated the ECO Secretariat to coordinate and follow up this initiative with RCCFS and report back to the 8th ECO Ministerial Meeting on Agriculture. The procedure of transformation of ECO-RCCFS to a specialized agency of ECO is on process by joint cooperation of ECO Secretariat and ECO-RCCFS.

Furthermore, the 4th Steering Committee Meeting of the ECO-RCCFS for Implementation of the ECO Regional Programme for Food Security (ECO-RPFS) was held on 6 October 2022 in Istanbul, Türkiye. The Secretariat circulated the report of the meeting among the Member States through the NV No. A&I/Agriculture/ECO-RCCFS/2022/1531 dated 3/11/2022. Likewise, the 33rd Regional Planning Council (16-19 January 2023) appreciated the offer of the Republic of Türkiye for hosting the 5th Steering Committee Meeting of the ECO-RCCFS and requested for its details through the NV No. A&I/Agriculture/ECO-RCCFS/2023/351 dated 14/3/2023.

<p>The Secretariat initiated two small sized projects namely "Establishment of standardized ECO Network of slaughter houses and reference laboratories" and "Support for Development of Organic Production, Certification and Market Integration in the ECO region". The Secretariat circulated the subject studies among Member States through NV No. Agriculture/SH Project/676 dated 27/06/2021 and A&I/Organic/2021/527 dated 23/05/2021, respectively. In this regard, during the 7th ECO Ministerial Meeting on Agriculture, the Ministers took note of the outcome of the small-sized project of "Establishment of standardized ECO Network of slaughter houses and reference laboratories" and called on the Member States to implement the outcome of the project to facilitate the smooth trans-boundary movement and trading animal and animal products and invited ECO Trade and Development Bank to financially support relevant institutions of Member States to implement said project's outcomes. The first Technical Committee Meeting of ECO-VECO on 15 November 2022 decided in the work plan to submit the project proposal on "Establishment of standardized ECO Network of slaughter houses and reference laboratories" to the ad hoc working group for further actions.</p>	
<p>The 33rd RPC meeting requested the Member States to host the 4th Ministerial Meeting on Industry. The Secretariat requested interested Member States to host the subject meeting via NV No. A&I/Industry/4th MM/2023/426 dated 3/4/2023, but no response has received yet.</p> <p>The 33rd RPC meeting appreciated the offer of the Islamic Republic of Iran for hosting the 3rd HLEG Meeting on Industry in 2023. The Secretariat requested the host authorities to convey the details of the subject meeting via NV No. A&I/Industry/2023/391 dated 20/3/2023, but no response has received yet.</p> <p>The procedure for establishment of the ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (ECO-RISCAM) is underway. The 33rd RPC meeting requested the Member States to sign and ratify (except Afghanistan, Iran, Türkiye and Pakistan) the Statute of ECO-RISCAM (via NV No. A&I/Industry/ECO-RISCAM/2023/435 dated 4/4/2023) for paving the way for early functioning of the Institute. The 7th and 8th HLWG meetings on Standardization, Conformity Assessment, Accreditation and Metrology held virtually on 8</p>	<p>Consider the issues of cooperation in the field of industrial cooperation on the basis of the principle of complementarities of the economies of the member countries of the Organization. Task our relevant ministries and officials to develop a joint Roadmap, including specific areas and projects;</p>
<p>15th ECO Summit Ashgabat Consensus for Action (OP 19)</p>	

December 2020 and 26 October 2021, respectively. The Report of the said meetings have been circulated among Member States. Likewise, the 1st Joint Meeting on activation of four Technical Management Boards by Iran, Pakistan and Türkiye held on 10 March 2021. Also, the 1st Meeting of Conformity Assessment Technical Management Board was held on 30 August 2021 and the Report was circulated via NV No. A&I/Industry/RISCAM/2021/959 dated 02/09/2021.

The Secretariat requested the Member States to nominate their national focal points (via NV No. A&I/Industry/ECO-RISCAM/2023/517 dated 17/4/2023) for relevant Technical Management Boards. The first General Council Meeting of ECO-RISCAM was scheduled to be held on 15-16 August 2023, but postponed due to lack of confirmation of the Islamic Republic of Pakistan in the said meeting as one of the ratifying Member States (NV. No. A&I/Industry/ECO-RISCAM/2023/117 dated 1 August 2023). The subject meeting will be held in upcoming months.

The 2nd Steering Committee Meeting on ECO Nanotechnology Network was virtually hosted by the Islamic Republic of Iran on July 10, 2023. The meeting emphasized the necessity to increase cooperation on nanotechnology among the Member States to provide new solutions to improve access to basic services, such as safe water, reliable energy, health care, agricultural productions and education. The meeting discussed two project proposals, concerning facilitation on establishment of Nanobubble pilot plants for improving agricultural productivity and establishment of a coordinating and facilitating platform for implementation of nanotechnology based water treatment pilot plants. The report of the meeting was circulated among MSs via the NV No. A&I/Industry/Nanotechnology/ 2023/1182 dated 13/8/2023.

15 th ECO Summit Ashgabat Consensus for Action (OP 20)	Enhance the role of micro, small and medium size enterprises (MSMEs) in the economic growth of the Member States and the Region as a whole and; Task our relevant authorities to undertake necessary measures to strengthen the MSMEs and promote joint cooperation, including those that enhance women entrepreneurship, innovation-driven and knowledge-based enterprises;	<p>The 33rd RPC meeting appreciated the offer of the Islamic Republic of Iran for hosting the 5th Steering Committee Meeting (SCM) on Entrepreneurship and SME Development in 2023. The Secretariat requested the host authorities to convey the details of the subject meeting via NV No. A&I/Industry/2023/391 dated 20/3/2023, but no response has received yet.</p> <p>The Republic of Türkiye held virtually the workshop namely "Sharing Best Practices on SME Support and Evaluation Mechanisms" on 23 November 2022. The report was conveyed to Member States via NV No. A&I/Industry/SME/2022/1656 dated 04/12/2022.</p> <p>Regarding the 33rd RPC meeting, the Council welcomed the readiness of the Islamic Republic of Iran for hosting the First Expert Level Meeting on exploring possibilities of developing a financial mechanism aimed at supporting start-ups, SMEs and entrepreneurs in 2023. The exact date and details of the meeting is awaited (NV A&I/Industry/SME/2023/520 dated 17/04/2023).</p> <p>Following the 33rd RPC meeting, the Council welcomed the readiness of the Islamic Republic of Iran for hosting the First ECO International Innovation and Technological Exhibition in 2023. The Secretariat requested for its exact date and details via NV A&I/Industry/ECOTEX/2023/505 dated 13/04/2023).</p>
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Energy, Minerals and Environment

Energy

Item No.	Decision taken	Implementation Status
15 th Summit Ashgabat Consensus for Action	Support the initiative for the establishment of ECO Clean Energy Center and; Encourage the ECO Member States to take result-oriented steps for the full-fledged and	ECO Secretariat along with host country (Azerbaijan) are vigorously involved in operationalization process of the Center, particularly on attraction of international partners to its project-oriented structure, as well as institutionalisation. One of the important elements of success in such regional centers is enhanced ownership by all ECO Member States not to leave behind. We call for all Member States to take active stance and

<p>25th COM Report (Para 25)</p>	<p>optimum functioning of the Center as contribution to modern, affordable and reliable energy services in the Region;</p> <p>The Council congratulated the Republic of Azerbaijan being selected as host of the Centre, and adopted its Charter. The COM also agreed to establish the Ad-hoc Mechanism for Assisting Operationalization of the Center with participation of Azerbaijani, Iran and Türkiye and other interested Member States, the ECO Secretariat and with possible collaboration of UNIDO, and other relevant international organizations, to expedite preparatory work for early operationalization of the Center.</p>	<p>contribute to ECO Clean Energy Center, joining to sign its Charter, co-financing and project orientation.</p> <p>After the ECO Member States sign the Charter and the Center start full operation, the ECO Clean Energy Center will become part of the Global Network of Regional Sustainable Energy Centers (GN-SEC) (coordinated by UNIDO) being implemented across the globe.</p>
<p>15th ECO Summit Ashgabat Consensus for Action</p>	<p>Affirm the need for collaboration in energy sector, including oil and gas, electricity, renewable energy, including hydro etc., focusing, inter alia, on energy efficiency, energy and renewable energy infrastructure development, as well as oil and gas pipelines, intra-regional energy trade; Stress on the establishment of ECO Regional Electricity Market (ECO-REM) in the ECO</p>	<ul style="list-style-type: none"> • To address the challenges of new dynamics on the global energy landscape, particularly environmental, economic, geopolitical, and financial dimensions at regional level, ECO Secretariat has facilitated to adopt new ECO Strategy for Energy Cooperation to comply with Vision 2025's supportive policy environment on energy. We encourage Member States to exert all possible benefit from subject strategy through alignment within national priorities and strategies. • For ECO Member States, given their economies and the financial and physical condition of power sector, regional electricity market opportunities would be attractive. ECO Secretariat has been striving to bring stances of Member States closer and promote the notion of potential for enhanced power grid connectivity and cross-border electricity trade in the ECO. There is a need to build consensus among member States for

	<p>Region for increasing energy trade and supplies, facilitating the electricity exports and imports and boosting economic growth, as well as contributing to the energy security of the Region;</p>	<p>the long-term vision of energy connectivity and to overcome the principal barriers to energy connectivity. To create trust and to promote political consensus, it is important to promote continuous dialogue among the decision makers and stakeholders of Member States. We call for Member States to take more decisive actions in this regard.</p>
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Environment

<p>26th COM Tashkent Communiqué (OP 23)</p>	<p>Appreciate the establishment of Loss and Damage Fund at UN Climate Change Conference COP27, for vulnerable countries hit hard by climate disasters and commit to enhance cooperation among ECO countries for mitigation and adaptation measures against climate risks;</p> <p>Highlight the linkage and magnitude of major global conventions on environment, as well as the necessity of strengthening cooperation amongst the ECO Member States, including but not limited to, mitigate climate change and combat land degradation and pollution;</p>	<p>The detailed arrangements for this fund which are of great significance, will be considered by the COP28 meeting in Dubai later this year. This should especially be followed up by developing countries including the ECO Member States.</p> <p>The ECO Secretariat took part in regional and international meetings on mitigation and adaptation measures against climate risks, like the International Conference on Combating Sand and Dust Storms. However, convening the ECO Ministerial Meeting on Environment at this juncture and after nearly a decade is not only of critical, but also symbolic importance for creating and conserving the required momentum. This is also requisite for updating and endorsing a new environmental roadmap, and enhancing environmental cooperation among the ECO countries. This issue has been followed up by the Secretariat several times with no success this year, however convening an extraordinary ministerial meeting on the margin of the COP28 meeting in Dubai is under consideration by the 2023 Chairmanship of the Organization.</p> <p>While emphasizing the central role of the ECO Member States in strengthening environmental cooperation, the ECO Secretariat has tried to play its facilitator and catalyst role by reinforcing its interactions with the main relevant international organizations and conventions on the environment and climate-related issues taking into account the existing nexus between the major global environmental conventions and topics. To name some of the most significant interactions of this type, reference should be made to the following:</p>
<p>Tashkent Communiqué (OP 26)</p>		

- Virtual participation of the ECO Secretary General and delivering a statement at the Seventy-ninth Session of the Economic and Social Commission for Asia and the Pacific under the theme "Accelerating climate action in Asia and the Pacific for sustainable development";
 - Virtual participation of the ECO Secretary General and delivering a statement at the Seventh Session of the Committee on Environment and Development of the Economic and Social Commission for Asia and the Pacific;
 - Participation of the ECO Secretary General and delivering a statement at the 21st CAREC Ministerial Conference on Revitalizing Regional Cooperation for a Green, Sustainable and Inclusive Recovery;
 - Letters by the ECO Secretary General to the UN Under-Secretary-General and Executive Secretary of the Economic and Social Commission for Asia and the Pacific;
 - Letter by the ECO Secretary General to the Acting Executive Secretary of the Convention on Biological Diversity and Mr. Carlos Manuel Rodriguez, CEO and Chairperson of the Global Environment Facility (GEF);
 - Letters by the ECO Secretary General to the Director of the United Nations Forum on Forests Secretariat (UNFFS);
 - Virtual meeting between the ECO Secretary General and the Director of the United Nations Forum on Forests Secretariat (UNFFS).
- These interactions by the ECO Secretariat were carried out and followed up in order to enhance the visibility of ECO as a significant intergovernmental regional organization with great opportunities and also challenges in the implementation of the UN environment and climate change agenda, and to solicit strong support from the international community for the ECO region and Member States.

<p>Tashkent Communiqué (OP 27)</p>	<p>Take into account the relevance of the global climate agenda and the transition to a green economy; Request the Secretariat to take the necessary measures in connection with the establishment of a High-Level Dialogue Platform with the participation of international scientists and experts in the field of the environment;</p>	<p>While reiterating the key role of the Member States and the importance of their ownership in this area, much more should be done to address the most significant missing element in this context such as:</p> <ul style="list-style-type: none"> • Collective interest and political will among ECO Member States for cooperation on the environment and climate-related issues which can be seen in more enthusiasm in regularly convening of the relevant meetings and maximal participation by the Member States; • Effective and efficient communication mechanisms within and among the ECO Member States as a requisite for awareness raising, consensus building, and decision making towards expediting regional cooperation on the environment and climate-related issues; • Adequate and proportionate financial resources (now the ECO Secretariat is not even in a position to secure sufficient level of organizational visibility and participation in the main international conferences on the environment, let alone to mobilize the international institutions in support of the region and fund raising for its environmental priorities).
		<p>As tasked by the 26th COM Meeting through the operative paragraph 27 of the Tashkent Communiqué, the ECO Secretariat (Legal Advisor taking into account the views of the Directorate for Energy, Minerals and the Environment) prepared and circulated the draft Terms of Reference for the High-Level Dialogue Platform on Environmental Cooperation, which was followed by the deliberation over the issue in the course of the 275th CPR Meeting. During this meeting, it was noted by the Permanent Representative of Iran that the proposed structure for the platform as reflected in the ToR might be in need of modification to be adjusted with the notion and function of a platform. The Secretariat subsequently circulated the comments received from Iran among the ECO Member States. Later on, the Secretariat received some amendments to the draft ToR from Uzbekistan which have also been circulated for further review and comments by the Member States. The issue is currently under follow-up by the Secretariat.</p>

Tourism

Item No.	Decision taken	Implementation Status
<p>24th COM Antalya Communiqué (Para 34)</p>	<p>Acknowledge the efforts of the Secretariat in developing ECO Regional Strategy on Tourism; and Encourage the Member States to play an active role in the activities of the Secretariat aimed at promoting regional Tourism;</p>	<p>In order to achieve a sustainable tourism development, the project titled "ECO Regional Action Plan for Sustainable Tourism Development" was considered by the 5th High-Level Expert Group Meeting (HLWGM) on Tourism within the framework of 3rd Ministerial Meeting on Tourism in Khujand in 2019. The Khujand Declaration on Tourism underlined the importance and the necessity of undertaking planned action to promote cooperation in the field of tourism among Member States through harmonized policies.</p> <p>Based on Para 4 of the ECO Work Program (Tourism) for 2022, to develop a coherent regional policy approach, a zero draft ECO Regional Action Plan for Sustainable Tourism Development has been developed on the basis of ECO Vision 2025 and circulated for comments and proposals of the Member States via Note Verbale No: T/Plan of Action/2022/465 on 17/04/2022. The proposals and views of the esteemed Member States will be incorporated in the proposed draft ECO Regional Action Plan for Sustainable Tourism Development for further enrichment through a consultancy project to develop a more comprehensive plan of Action with the contributions and inputs of the Member States. So far responses were received from Azerbaijan, Kazakhstan, Kyrgyz Republic and Pakistan.</p>
<p>24th COM Antalya Communiqué (Para 35)</p>	<p>Support the steady implementation of tourism related projects to facilitate the movement of tourists to the region and enhance the capacity of regional tourism industry;</p>	<p>1. The project titled "ECO Regional Action Plan for Sustainable Tourism Development" which was considered by the 5th High-Level Expert Group Meeting (HLWGM) on Tourism and supported by 3rd Ministerial Meeting on Tourism in Khujand in 2019 is under process. Draft of Terms of Reference has been prepared by the Tourism Directorate of the Secretariat for hiring a specialist to prepare the feasibility study of the project. Also the info inquiry process from the Member States has been started and 5 out of 10 of Member States have sent their replies. Selection of specialist follows the procedures stipulated by Functional Methodology of ECO for this subject matter. The amount of US\$10,000 has been requested to prepare the feasibility study of the project.</p>

<p>The proposals and views of the esteemed Member States are incorporated in the proposed zero draft ECO Regional Action Plan for Sustainable Tourism Development for further enrichment through a consultancy project to develop a more comprehensive Plan of Action with the contributions and inputs of the Member States.</p> <p>2. The 1st ECO High-Level Experts Group Meeting on Tourism held on 11-13 December 2006 in Tehran proposed the establishment of the Fund to finance the development of the tourism sector in ECO Region. This was approved by the 1st Ministerial Meeting on Tourism on 20 October 2008 and Modality for establishment of ECO Tourism Promotion Fund approved by the 18th Council of Ministers on 9 March 2009 in Tehran.</p> <p>As per Para 34 Tourism sector of the Report of the 32nd Meeting of the Regional Planning Council, the Council called upon the Member States to consider contributing to the said Fund to provide financial support for the projects and initiatives to reach the tourism mandates of the ECO Vision 2025. The Council requested the Member States to nominate their representatives to Board of Trustees of the Fund. Secretariat is looking for means including financial support for tourism projects and initiatives.</p> <p>3. The project titled "Establishment of ECO Tour operators chain and connectivity" aims to promote integrity within the tour operator industry in ECO region. The network is going to provide professional services by setting up appropriate platforms of dialogue, cooperation, data exchanges and experience sharing to use all capacities and opportunities in ECO region as a rich area in cultural and historical heritage. The implementation of this project was discussed during the First Forum of the ECO Heads of Tourism Associations, Unions and other Tourism Stakeholders hosted virtually by Pakistan on 20 June 2022. As the outcome of the Forum, the Secretariat established the ECO Tour Operators' Network. More than 350 tour operators are included in the network, development of joint tour packages for tourists from the ECO region is discussed and after the establishment of the network 5 meetings have been organized.</p>	<p>ECO Ministerial Meeting on Tourism (Khujand, 4 October 2019) selected the city of Dushanbe, Tajikistan as ECO Tourism Capital for the years 2020-2021 as well as the cities of Sari and Ardabil, Iran for the years 2022</p>
<p>24th COM Report (Para 42)</p>	<p>The Council considered and approved the Report(s) and Declaration(s) of the 9th</p>

	<p>Meeting of the Ministers of Transport of the ECO Member States, held on 3 May 2018 in Turkmenbashi, as well as ECO Ministerial Meeting on Tourism held in Khujand on 4 October 2019. The Council urged the Member States to implement the decisions of these Meetings.</p>	<p>and 2023, respectively. As a follow-up of this decision, an international festival entitled "Dushanbe - ECO Tourism Capital" was held on 29-30 August 2021 in Dushanbe, Tajikistan. A number of participants, including senior local dignitaries and the high-level delegations representing the tourism sector of the ECO Member States as well as delegation of the ECO Secretariat attended the event. Within the framework of this international tourism festival, another event titled "Agro-Tourism Development in Tajikistan" was also organized.</p> <p>Unveiling Sari, capital city of the Mazandaran Province, Iran, as the ECO Tourism Capital 2022 and related events were held in Sari on 10-11 May 2022. During the gathering the participants also discussed the ways to develop tourism industry in the ECO region and overcoming drastic effects of COVID-19 pandemic.</p> <p>The Inauguration Ceremony for the Ardabil city of Iran as ECO Tourism Capital for 2023 was held on April 26-28, 2023 with some sideline events such as International Nomads' Migration Festival. Within the context of the Ardabil ECO Tourism Capital for 2023 ECO Ministerial Meeting on Tourism is expected to be held in Ardabil on October 2023 with some alongside events such as the 7th ECO High-Level Experts Group Meeting on Tourism and B2B meetings for private sector representatives. During the 4th ECO Ministerial Meeting on Tourism held on 13 December 2022 under the chairmanship of Uzbekistan Shahrizabz from Uzbekistan and Erzurum from Türkiye were selected as the ECO Tourism Capitals for the years 2024 and 2025, respectively.</p>
<p>15th ECO Summit, Ashgabat Consensus for Action</p>	<p>Assign Tourism Ministers of the Member States to take urgent measures in coping with serious challenges of the ECO tourism industry arising from COVID-19 pandemic in line with other regional and global post-COVID initiatives;</p>	<p>Due to the emerging global crisis brought about in the tourism sector by the COVID-19 pandemic, the Secretariat has also taken up the chance to reconsider and reset the direction of the regional tourism sector. Hence, to catalyse the regional potential of tourism, to develop a coherent regional policy approach to start the substantial recovery of the regional tourism, and to overcome the effects of COVID-19 pandemic, Plan of Action on Elimination of COVID-19 Pandemic Consequences in the Tourism Sector for Facilitating Recovery in the ECO Region has been developed on the basis of the immediate needs of the regional tourism industry and circulated among the Member States. The High-Level Expert Group Meeting to finalize the Draft Plan of Action on Elimination of COVID-19 Pandemic</p>

<p>Consequences in the Tourism Sector for Facilitating Recovery in the ECO Region was held virtually on 28 June 2022 under the chairmanship of ECO Secretariat. The meeting decided to rename the draft as the Road Map on Facilitating Accelerated Recovery, Safe and Sustainable Development of Tourism after COVID-19 in the ECO Region and the Road Map was adopted in the 4th ECO Ministerial Meeting on Tourism held in Samarkand in 2022. A monitoring committee of relevant tourism experts as a coordinating body to implement the Road Map is being established. So far, Azerbaijan, Pakistan, Uzbekistan, Türkiye and Turkmenistan have sent their nominations for this committee.</p>		
<p>The Road Map was adopted by the 4th Ministerial Meeting on Tourism virtually hosted by Uzbekistan on December 13, 2022. The High-Level Experts Group Meeting on Tourism for coordinating the implementation of the Road Map was held on March 6, 2023 virtually. The experts considered the Implementation Framework for the Road Map and decided to establish the Monitoring Committee for the implementation of the Road Map. So far, Azerbaijan, Pakistan, Uzbekistan, Türkiye and Turkmenistan have sent their nominations for this committee.</p>	<p>Reaffirm our resolve to support the Organization's initiatives for the sustainable development of regional tourism; Support the commitments aimed at making post-pandemic activities to ensure implementation of the Roadmap on Facilitating Accelerated Recovery, Safe and Sustainable Development of Tourism after COVID-19 in the ECO region approved by the 4th Ministerial Meeting on Tourism virtually hosted by Uzbekistan on December 13, 2022;</p>	<p>26th COM Tashkent Communiqué (Para 36)</p>
<p>1. ECO Tour Operators' Network established in 2022 now has more than 350 members from Azerbaijan, Iran, Kazakhstan, Pakistan, Tajikistan, Turkmenistan, Türkiye and Uzbekistan and held 5 meetings so far to discuss on the development of ECO Tourism Packages, exchange experience in attracting tourists and promotion of lesser known tourism destinations in the region. The Whatsapp and Facebook groups of the Network have been created for a more interactive communication among tour operators for exchanging business opportunities and providing assistance to the Network members.</p>	<p>Welcome the establishment of Tour Operator's Network in ECO Region by Forum of the ECO Heads of Tourism Associations, Unions and other Tourism Stakeholders virtually hosted by the Islamic Republic of Pakistan on June 20, 2022; Appreciate the</p>	<p>26th COM Tashkent Communiqué (Para 37)</p>

	<p>administration of the Mazandaran Province of Iran for their assistance and support with regard to proclamation of Sari as the ECO Tourism Capital for 2022; Congratulate the cities of Shahrizabz in Uzbekistan and Erzurum in Türkiye selected as ECO Tourism Capitals for the years 2024 and 2025, respectively;</p>	<p>2. The Secretariat sent Note Verbale to Uzbekistani Embassy in Tehran (T/ECO Tourism Capital 2024/2023/1014 on 16/07/2023) requesting to furnish the Secretariat with a tentative program of the festivities unveiling Shahrizabz as ECO Tourism Capital for 2024.</p>
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Judicial and Parliamentary Coordination and ECO Advocacy Programme for Afghanistan

Item No.	Decision taken	Implementation Status
<p>26th COM Tashkent Communiqué (Para 49)</p>	<p>Reaffirm our commitment and support to Afghanistan under the ECO Advocacy Program for Afghanistan; Call on the ECO countries to further their efforts to provide humanitarian assistance to the Afghan people;</p>	<ul style="list-style-type: none"> • The EPA is the agreed framework for assisting the Islamic Republic of Afghanistan in its efforts for stability, prosperity, economic growth and sustainable development, adopted by the 23rd Council of Ministers (April 16-17, 2018, Dushanbe). • Since there is no official relation between the ECO Secretariat and de facto authorities in Afghanistan, all projects and activities in this regard is on hold.
<p>26th COM Tashkent Communiqué (Para 50)</p>	<p>Encourage the increased coordination between the Secretariat of the ECO and the Secretariats of the Parliamentary Assembly of Economic Cooperation Organization (PAECO), ECO Supreme Audit Institutions (ECOSAI), ECO Regional Center of Anti-Corruption</p>	<ul style="list-style-type: none"> • The Statute of RCCACO has entered into force in September 2020 as Azerbaijan, Afghanistan, Iran and Pakistan have ratified the Statute of the Regional Centre. • Provision of required documents and facilities for hosting of the Secretariat of RCCACO by the Islamic Republic of Iran is considered as prerequisite for operationalization of the Regional Center. • It should be reminded that during the 2nd Meeting of Heads of Anti-Corruption Organizations and Ombudsmen of the ECO Member States (2012, Dushanbe), the Islamic Republic of Iran offered to provide the necessary documents for operationalization of RCCACO. • The concrete actions from the Islamic Republic of Iran is still awaited.

	<p>Agencies and Ombudsmen (RCCACO);</p>	<ul style="list-style-type: none"> • The Islamic Republic of Pakistan has offered to host the 1st General Assembly of the State Parties to RCCACO on November 21, 2023 in virtual format. • The Charter of PAECO entered into force in 2021 after four countries – Azerbaijan, Iran, Pakistan and Turkiye ratified it. This occasion coincided with the Second General Conference of PAECO held in Islamabad from 31 May to 3 June 2021. • The 3rd General Conference of the Parliamentary Assembly of ECO Member States (PAECO) was hosted by the Republic of Azerbaijan in Baku on May 16-18, 2022. • The most important outcomes of the Conference were the holding of Inaugural Meetings of the three PAECO Committees i.e. Committee on Trade & ECOTA; Committee on Communications & Connectivity and the Committee on Women, Youth & Cultural Affairs. • The Islamic Republic of Iran has offered to host the 4th General Conference of the Parliamentary Assembly of ECO Member States (PAECO) in Tehran on October 10-11, 2023. • The Islamic Republic of Pakistan has informed the Secretariat and the host country that since the National Assembly of Pakistan has completed its tenure and next general elections are expected to be held in October/November 2023, Pakistan will not be able to participate in this event. They have requested the host to reschedule it. Accordingly, Iran informally agreed to reschedule the Conference.
	<p>Re-emphasizing the need for early finalization of ECO relevant cooperation frameworks on fight against drug trafficking and transnational organized crimes; Highlighting the importance of law-enforcement and judicial cooperation as instrumental for successful economic cooperation in the region;</p>	<ul style="list-style-type: none"> • ECO Vision 2025 envisaged that, the “Regional law enforcement and police organizations/mechanisms will be in place to coordinate and support national and international efforts to combat illegal drugs and human trafficking and other trans-regional organized crime”. • In this regard, establishment of ECOPOL, establishment of the Regional Center for Cooperation of Anti-Corruption Agencies and Ombudsmen (RCCACO) as well as establishment of an effective mechanism for judicial cooperation/legal assistance in the ECO Region, organizing capacity-building programs are among the JPC&EAPA efforts for implementation of ECO Vision 2025. • ECOPOL is envisaged to be the police of ECO region entrusted with multifarious responsibilities such as exchange of information, investigation and analysis, awareness raising, developing of assistance programmes, etc. It is expected to assist the law

		<p>enforcement authorities of the ECO Member States in their fight against serious forms of organized crime.</p> <ul style="list-style-type: none"> • Draft Statute has been prepared and discussed at two Experts Group Meetings as well as Chiefs of Police Meeting. The draft Statute of ECOPOL was agreed at referendum during the 2nd EGM for finalization of the Draft Statute of ECOPOL. • Disagreement among the Member States (Iran, Pakistan and Turkiye) over the required Member States for entering into force of the Draft Statute of ECOPOL is considered as one of the most important bottlenecks for finalization of the draft Statute of ECOPOL.
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Project Management & Economic Research and Statistics

Item No.	Decision taken	Implementation Status
26 th COM Tashkent Communiqué	<p>Support the continued implementation and expansion of ECO small, medium and large scale projects and programs in line with the relevant provisions of Ashgabat Consensus for Action as well as the Antalya Communiqué, including the progress monitoring towards quantitative targets and more project-oriented actions to make the ECO more efficiently functional, productive and beneficial for the collective development in the region;</p>	<p>Following the 26th COM recommendations, the ECO Project Monitoring Group (PMG) has considered the pace of implementing toward completion of the ongoing projects.</p> <p>The 19th meeting of the Project Monitoring Group held on September 12, 2023 emphasized that the projects need to be carried out in line with the goals and objectives set in the ECO Vision 2025 and immediate priorities of the Member States expressed at the 14th and 15th Summits of the Heads of State and Government the Organization held in 2021 as well as at the 26th Meeting of COM. Here PMG referred to the Plans of Work on the proposals and initiatives of the 15th ECO Summit held in Ashgabat on November 28, 2021, 26th Meeting of COM, which were adopted by the Council of Permanent Representatives (CPR).</p> <p>The aforementioned practical steps have been implemented in full alignment with the tasks set in ECO Vision 2025, which envisages that the Member States "... resolve to make the Organization better equipped to face challenges and advance the fundamental principles of the Organization to expand project based economic activities and develop and strengthen the ECO institutions, enabling them to play a proactive role in realizing the objectives of the Organization and implementing the Vision.</p>

		We also recognize the need to strengthen the ECO Secretariat for realization of our Vision (p.1, Vision Statement, ECO Vision 2025").
26 th COM Tashkent Communique	Call for Member States' genuine attention to ensure all actions necessary for operationalization of the ECO Research Center (ECO-RC) in Baku; Encourage the remaining Member States to sign and ratify the Charter of the ECO-RC;	The Islamic Republic of Pakistan signed the Charter of the ECO-RC during the 26 th Meeting of COM in Tashkent on January 24, 2023 and thus became the third signatory of the Charter. Charter of ECO Research Center will enter into force following the deposit of the third instrument of ratification/approval with the Government of the Republic of Azerbaijan. The work on ensuring accession of other Member States to the Charter of the ECO-RC is ongoing and the subject is being discussed at the 7 th Meeting of the Heads of National Statistics Offices and 7 th Meeting of the ECO Permanent Steering Committee on Economic Research.
26 th COM Tashkent Communique	Support the continuation of activities aimed at transforming the ECO Economic Journal borne by the Chief Editor's office into an internationally recognized, widely disseminated and reputable publication; Call on the Secretariat to accelerate the procedure for financing of the project proposal for the new concept of the journal;	Work on establishing the ECO Economic Journal as part of the ECO Research Centre is moving successfully: the issues of the Journal for the years 2022 and 2023 have been published and on the request of the ECO Secretariat ECO Trade and Development Bank has decided to allocate 20,000 USD for the launch of the Journal.
26 th COM Tashkent Communique	Encourage cooperation between think-tanks of ECO Member States on the different platforms with the aim to foster and deepen economic and trade relations in the region and achieve common wealth and sustainable development;	The subject will be discussed at the 7 th Meeting of the Heads of National Statistics Offices and 7 th Meeting of the ECO Permanent Steering Committee on Economic Research.

Human Resources and Sustainable Development

Item No:	Decision taken	Implementation Status
<p>15th ECO Summit Sustainable Development (PP 2,4,27)</p> <p>(OP 22)</p>	<p>Recognizing the multilateralism as an international legitimate framework and an imperative to promote and strengthen the sustainable development, peace and security among nations as well as; Stressing on the role of international and regional organizations in upholding and further promoting multilateralism as enshrined in the UN Charter;</p> <p>Acknowledging the significance of regional cooperation, integration and connectivity as a vital way to fast-track economic and social progress, development and stability in the Region and; Adhering profound importance to the cooperation frameworks developed under the different agreements amongst the Member States;</p> <p>Recognizing the importance of moderation as an approach to counter all forms of extremism and promote dialogue, mutual respect,</p>	<p>The Secretariat seeks to align activities with the Sustainable Development Goals (SDGs). In this regard, a consolidated regional report on implementation of the SDGs will be prepared and circulated amongst the Member States. In this regard a High-Level Sustainable Development Working Group (HLSDWG)/ad-hoc Coordinating Group for adopting Action Plan for Enhancing Policy Coherence for Sustainable Development (PCSD) in the region and 1st ECO Forum on Sustainable Development are planned to be held this year to facilitate preparation of the subject report.</p> <p>The Secretariat is preparing the baseline document to be shared with Member States for their input for the ECO Sustainable Development Performance Index</p> <p>Furthermore, the Secretariat maintained a regular follow-up with relevant international institutions such as UNDP, UNFPA, UNDRR, ESCAP, IOM, and UNESCAP and WHO to identify projects under the theme of sustainable development.</p> <p>The Secretariat is in constant coordination with ECO-EI for the arrangement of scholarship programs/training courses for the students of the ECO Member States in HRSD related topics. ECO-EI Work Program was also discussed at the ECO-EI Board of Trustees Meeting in Istanbul.</p> <p>In addition, ECO-EI announced its readiness to hold jointly with ECO 2nd High-Level University Representatives Forum in the ECO Region which is in the calendar of events of HRSD Directorate for 2023.</p> <p>The Secretariat also initiated the process of seeking Member States willingness to host 9th ECO Ministerial Conference on DRR and 4th ECO Expert Group Meeting on DRR as well as 3rd Senior Official Meeting for Disaster Insurance Authorities. As a result, the Islamic Republic of Iran has</p>

	<p>understanding and social harmony, thereby contributing towards the achievement of sustainable and inclusive development, equitable growth, stability and prosperity in the ECO Region;</p> <p>Work towards developing medium and long-term economic development strategies for an inclusive growth and more resilient recovery in the Region;</p> <p>Emphasizing the need to strengthen educational, cultural and scientific linkages among the Member States and fostering the ECO's Specialized Agencies in these fields;</p> <p>Reinforce cooperation in the field of environment and climate change, disaster risk reduction and education and; Unite the efforts of the ECO member states in the direction of creating concrete effective mechanisms of regional cooperation in this sphere. Intensify the work on the creation and implementation within the Organization of a health care system for monitoring the epidemiological situation and</p>	<p>announced its readiness for hosting 4th ECO Expert Group Meeting on DRR in November 2023.</p> <p>The Secretariat participated in important national and international events on DRR such as ASEAN Disaster Risk Management Week in Singapore and International Conference on Combating Sand and Dust Storms in Iran.</p> <p>In addition, meetings were held with international partners on DRR including UNDRR, APDIM, UNESCAP, IFRC, and Regional Education and Research Center on Earthquake Risk Management and Resilience for West and Central Asia (RCECWA) in order to explore ways to enhance the existing level of collaboration.</p> <p>Finally, the Statute of ECO Regional Center for Risk Management of Natural Disasters (ECO-RCRM) was adopted in 26th COM meeting. The consultation process with ECO-RCRM on possible collaboration areas in DRR is underway.</p> <p>ECO Secretariat held the Virtual High-Level Working Group Meeting on 17 May 2023 and organized the ECO 5th Ministerial Meeting on Health in Geneva on 24 May 2023, in which revised Action Plan on Health was finalized and adopted. The adopted Action Plan and Ministerial Declaration along with the Ministerial Meeting Report were circulated among the Member States. The Ministerial Declaration on Health underlined the significance of the implementation of ECO Action Plan on Health with the reference to WHO strategic plan in next five years as well as Universal Health Coverage (UHC).</p>
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(PP 24)
Education

Disaster Risk
Reduction
(OP 14)

Health
Operative
(OP15)

	advance planning of appropriate measures in the ECO region.	
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B. Agreements/Treaties concluded among ECO Member States

ECO Secretariat – Tehran

1- Treaty of Izmir, 14 September 1996, Izmir

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	No	24 September 2002 as per Article 16 (2) of the Treaty
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	
5	Kyrgyzstan	Yes	Yes	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	Yes	
10	Uzbekistan	Yes	Yes	
		10	9	

Depositary: The Government of the Islamic Republic of Iran

- The Treaty of Izmir was originally signed at Izmir, Türkiye on 12 March 1977 by Iran, Pakistan and Türkiye and amended in 1990 and 1992 as the basic Charter of the Economic Cooperation Organization, later in early 1990s the membership of the Organization expanded to 10 and subsequently on 14 September 1996 the revised version of Treaty of Izmir was signed by 10 Member States.

- The Treaty of Izmir of 1996 superseded the agreement of 1977 and the aforesaid protocols.

2- Agreement on Legal Status of the ECO National Representatives and International Staff, 14 September 1996, Izmir

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	No	Not yet
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	
5	Kyrgyzstan	Yes	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	No	
10	Uzbekistan	Yes	No	
		10	5	

Depository: The Government of the Islamic Republic of IRAN

- As per Article XIV of the Treaty of Izmir, the Agreement on the Legal Status of the Economic Cooperation Organization, National Representatives and International Staff shall be an annex to the Treaty of Izmir. This Agreement shall enter into force after two-thirds of the Member States deposit their instruments of ratification with the depository.

3- Agreement on Simplification of Visa Procedures for Businessmen of the ECO Member States, Islamabad, 15 March 1995

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	The fourth instrument of ratification was deposited on 23 October 1997
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	

	Türkiye	Yes	Yes
8		Yes	Yes
9	Turkmenistan	Yes	No
10	Uzbekistan	No	No
		7	5

Depositary: The ECO Secretariat

- As per Article VIII of the Agreement, the Agreement shall enter into force on the sixties day after the date on which more than three Member States deposited the instrument of ratification with ECO Secretariat. The fourth instrument of ratification was deposited on 23 October 1997. However, problems such as lack of visa policies in some Member States have impeded effective implementation of the Agreement.

- At the 8th RPC Meeting held on 19-21 April 1998 (para 37), the RPC expressed its satisfaction regarding the entry into force of the Agreement on Simplification of Visa Procedures for the Businessmen of the Member States and requested that signatory Member States who have not yet ratified the Agreement (i.e. Azerbaijan & Turkmenistan) to expedite the process and also invited the non-signatory Member States (i.e. Kyrgyzstan, Tajikistan & Uzbekistan) to join the Agreement.

4- Additional Protocol on Simplification of Visa Procedures for Businessmen and Transit Drivers of the ECO Member States, Tehran, 9 March 2009

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	No	Not yet
2	Azerbaijan	No	No	
3	Iran	Yes	No	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	No	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		3	1	

Depositary: The ECO Secretariat

-In order to bring in harmony implementation of the Agreement on Simplification of Visa Procedures for Businessmen of ECO Member States with the internal procedures the Additional Protocol was approved by the 18th COM Meeting on 9 March 2009 in Tehran.

- As per Article VIII, the Protocol comes into force by ratification of at least five States Parties.

-The Islamic Republic of Pakistan deposited the instrument of ratification of the Additional Protocol of the Agreement on Simplification of Visa Procedures for Businessmen and Transit Drivers of the ECO Member States (adopted at Tehran on 9 March, 2009) through the Note Verbale sent to the ECO Secretariat (No. ECO-7/12/2011 dated 26 January 2011).

5- Articles of Agreement of the ECO Trade and Development Bank (TDB), Islamabad, 15 March 1995

S #	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	3 August 2005
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	Yes	Yes	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		6	6	

Depositary: Principal Office of the Bank

-The Agreement came into force in accordance with Article 44. The Bank became fully operational in 2008. The Bank is located in Istanbul, Türkiye. The representative offices of the Bank started functioning in Iran and Pakistan in 2009 and 2010, respectively.

6- The Charter of ECO Cultural Institute, Islamabad, 15 March 1995

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Entered into force upon signature
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	No	
10	Uzbekistan	No	No	
		8	5	

Depository: The Government of the Islamic Republic of Iran

-The Institute became functional as per Article VIII of the Charter which provides that "Following its approval by the ECO Council of Ministers, the Charter of the Institute will come into force for each country according to its ratification or approval procedure based on its national regulation."

-Some articles of the Charter have undergone amendments and are considered as Annexes of the Charter. Annex I approved at the 10th Meeting of the ECO Council of Ministers held in Tehran on 8 June 2000 and Annex II approved by 18th COM held on 9 March 2009.

-The depository through the Note Verbal No.531/1105449 dated 9 March 2022 informed the Secretariat on the deposit of the Instrument of Ratification of the Charter of ECOCI by the Republic of Türkiye.

7- The Charter of ECO Science Foundation, Islamabad, 15 March 1995

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	

4	Kazakhstan	Yes	No	Yes
5	Kyrgyzstan	Yes	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	No	
9	Turkmenistan	Yes	Yes	
10	Uzbekistan	Yes	No	
		10	5	

Depositary: Government of the Islamic Republic of Pakistan

-The Charter is ratified by required number of signatory States and entered into force. However, some amendments to the Charter were proposed by Azerbaijan, Iran, Tajikistan and Türkiye.

The amended version was discussed and finalized at the 1st Experts Group Meeting (September 3-4, 2007, Islamabad). Subsequently, the 17th Meeting of the Council of Ministers (COM) approved the Additional Protocol to the Charter of the ECO Science Foundation.

-The 2nd Experts Group Meeting on establishment of the ECO Science Foundation (August 2010, ECO Secretariat), inter alia, finalized the draft Working Formula, draft Initial Budgetary estimates, draft Rules of Procedure and draft Staff Regulations of the Foundation.

-The First meeting of BoT of ECOSF preceded by a High-Level Experts Group (HLEG) Meeting was held on 19-20 December 2011 at Islamabad. The Meeting, inter alia, approved the basic documents (Draft Working Formula, Draft Budgetary Estimates for the year 2011/2012, Draft Rules of Procedure and Draft Staff Regulations) of the ECOSF and rendered the Foundation functional.

-The Embassy of Afghanistan in Tehran through Note Verbale No.2823 dated 14 May 2015 provided the Secretariat with a copy of Instrument of Accession of Afghanistan to ECOSF.

- The Report of Second BoT under agenda item No. 7 concerning the status of ratification of the Charter and Protocol confirmed the ratification of the instruments by Afghanistan.

-Since the Government of Pakistan is the depositary of the Charter and the Additional Protocol, the latest update is needed to be confirmed by the Government of Pakistan, or the Secretariat of the ECO Science Foundation, especially with respect to the ratification of the Additional Protocol.

8- The Charter of ECO Educational Institute, Almaty, 9 May 1998

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Yes
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	No	
5	Kyrgyzstan	Yes	Yes	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		8	6	

Depository: Government of Republic of Türkiye

- The Charter has been registered with the UN Secretariat as per Article 102 of the UN Charter on 1 July 2009 under the registration number 46360 by the Government of Türkiye.
- 1st Meeting of BoT of ECO Educational Institute (ECOEI) was held on April 3, 2012 in Ankara and it rendered ECOEI functional.
- By the Note Verbale No. 2823 dated 14 May 2015, the Embassy of Afghanistan provided the Secretariat with a copy of Instrument of Accession deposited with the Government of Türkiye as the depository.
- 2nd BoT meeting of the Educational Institute was also held in July 2017 in Istanbul.

9- Transit Transport Framework Agreement (TTFA), Almaty, 9 May 1998

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	19 March 2006
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	

5	Kyrgyzstan	Yes	Yes	Yes
6	Pakistan	Yes	Yes	Yes
7	Tajikistan	Yes	Yes	Yes
8	Türkiye	Yes	Yes	Yes
9	Turkmenistan	Yes	No	No
10	Uzbekistan	No	No	No
		9	8	8

Depositary: ECO Secretariat

-TTFA came into force in March 2006. To facilitate the implementation of the TTFA a Fund was established to support the activities of under this Framework Agreement.

10- Framework Agreement on ECO Trade Cooperation, Tehran, 6 March 2000

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	No	Yes
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	
5	Kyrgyzstan	Yes	Yes	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	No	
10	Uzbekistan	No	No	
		9	6	

Depositary: ECO Secretariat

- As per Article 14 of the Framework Agreement on ECO Trade Cooperation, the Agreement shall enter into force after the notification of approval of ratification by at least five ECO Member States to the ECO Secretariat.

- RPC at its 11th Meeting held on 1 March 2001 expressed satisfaction over the signing of the ECO Framework Agreement on Trade (ECOFAT) by eight Member States during the 1st ECO Ministerial Meeting on Commerce/Foreign Trade, held in Tehran from 4 to 6 March, 2000 and noted that out of the eight signatory Member States, only the Islamic Republic of Iran, the Islamic Republic of Pakistan, the Republic of Kazakhstan and the Republic of Türkiye had so far ratified the ECOFAT. The Council urged the remaining Member States to expedite the process of ratification in order to bring into effect the early implementation of the Agreement. The Council further urged the Republic of Kazakhstan to deposit the instruments of ratification/approval with the ECO Secretariat. The non-signatory Member States i.e. Turkmenistan and the Republic of Uzbekistan were requested by the RPC to consider, joining the Agreement so as to enhance its scope and effectiveness (para 35).

- At 12th RPC Meeting held on 6 March 2002 it was mentioned that since its last meeting Kyrgyz Republic had also ratified the ECO Framework Agreement on ECO Trade Cooperation (FAT). However, the Council noted with concern the slow pace of the ratification process and requested those signatory Member States (i.e. Afghanistan, Azerbaijan and Tajikistan) who have not yet ratified the Agreement, to expedite the approval/ratification process of the subject Agreement. The Council also requested non-signatory Member States (Turkmenistan and Uzbekistan) to consider joining the FAT.

- RPC at its 13th Meeting held on 20-22 April 2003 while, recognizing the importance of early completion of the process of ratification in respect of ECO Framework Agreement on Trade Cooperation (ECOFAT), requested Afghanistan, Azerbaijan and Tajikistan to expedite the approval/ratification process. The Council also requested non-signatory Member States i.e. Turkmenistan and Uzbekistan to consider joining the said Agreement.

- The Framework Agreement on ECO Trade Cooperation was signed by Turkmenistan on 30 May 2021 during the official visit of Secretary General to Turkmenistan.

11- ECO Trade Agreement (ECOTA), Islamabad, 17 July 2003

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	24 April, 2008
2	Azerbaijan	No	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	

10	Uzbekistan	No	No
		5	5

Depositary: ECO Secretary General

- ECO Trade Agreement was concluded and signed in 2003. Subsequently in July 2005 a Protocol regarding Annexes to the ECOTA signed by signatory states of the Agreement except for Tajikistan.
- Para I of Article 39 of the Agreement provides that the Agreement shall enter into force on the 30th day of the receipt of the fifth instrument of ratification. The fifth instrument of ratification deposited by Iran and the Agreement came into force on 24 April 2008.
- Tajikistan has deposited its instrument of ratification with the ECO Secretary General before the adoption of the Protocol regarding the Annexes in 2005.

12- Agreement on Promotion and Protection of Investment (APPI), Istanbul, 7 July 2005

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Entry into force takes place two months after the deposit of fourth instrument of ratification. The fourth instrument of ratification was deposited on 17 March 2022.
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		5	4	

Depositary: ECO Secretary General

- Paragraph 7 of Article 9 of the APPI was amended at the 2nd Ministerial Meeting on Finance and Economy (5-7 April 2007, Antalya).
- This Agreement shall come into force after two months of the date of deposit of fourth instrument of ratification (Article 12).

- The Protocol on Amendment to Article 9(7) of the Agreement has so far been signed by the Islamic Republic of Afghanistan, the Islamic Republic of Iran, the Islamic Republic of Pakistan and the Republic of Türkiye.

- The Islamic Republic of Iran deposited the instruments of ratification of the Agreement and Protocol on 6 June 2010.

- The Embassy of the Islamic Republic of Pakistan deposited the instrument of ratification of the Agreement with the ECO Secretariat by the Note Verbale No. ECO-7/5/2016/51 dated 8 May 2016.

- Copy of the instrument of ratification of APPI was sent to the depositary through the Note Verbale No.2328-5 dated 24 November 2019 by the Embassy of Afghanistan in Tehran.

- The Embassy of the Republic of Türkiye sent a copy of instrument of ratification of APPI and Protocol on Amendment to Article 9(7) of the APPI through the Note Verbale No. Z-2022/99530379/34003254 dated 17 February 2022. Original Copy of the instrument of ratification was received on 17 March 2022 by the Note Verbale No. Z-2022/99530379/34125407 issued on 14 March 2022 by the Embassy of the Republic of Türkiye in Tehran.

*Protocol on Amendment to Article 9(7) of the APPI was done on 7 April 2007 and signed by Afghanistan, Iran, Pakistan and Türkiye.

13- Agreement on the Establishment and Operation of ECO Smuggling and Customs Offences Data Bank, Istanbul, 7 July 2005

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes*	Entered into force on 30 December 2017
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		6	5	

Depositary: ECO Secretariat

- The Agreement shall come into force on the 30th day after the date at least four instruments of ratification deposited with the Secretariat (Article IX- 2).
 - The Republic of Türkiye deposited its instrument of ratification with the Secretariat by the Note Verbale issued on 17 August 2009 which was received on 20 August 2009.
 - The Islamic Republic of Pakistan deposited the instrument of ratification with the ECO Secretariat through the Note Verbale issued by the Embassy of Pakistan in Tehran on 19 February 2011. The depositary received the Note Verbale and the original copy of the instrument of ratification on 20 February 2011.
 - The Islamic Republic of Iran deposited the instrument of ratification of the Agreement with the depositary on 20 October 2015.
 - The Embassy of the Republic of Azerbaijan sent a copy of the instrument of ratification of Azerbaijan via the Note Verbale dated 23 November 2017. The original copy received on 30 November 2017 through the Note Verbale dated 28 November 2017.
 - The Agreement came into force on 30th day after the deposit of fourth instrument of ratification by Azerbaijan, that is, 30 December 2017.
- * On 29 June 2020, a copy of the instrument of ratification of the Agreement by Afghanistan was sent to the Secretariat through the Note Verbale No. 500-5 dated 29 June 2020. The Embassy was requested to send the original version to the depositary.

14- Articles of Agreement on the Establishment of ECO Reinsurance Company Islamabad, 10 February 2010

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	No	No	Entered into force on 3 December 2017 after the deposition of the 3 rd instrument of ratification by Türkiye
2	Azerbaijan	No	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	

	3	3
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Depositary: ECO Secretariat

- The HLEG/Triilateral Interim Committee Meeting held in Islamabad in May 2007, finalized the Articles of Agreement for the Establishment of the ECO Reinsurance Company.
- The Islamic Republic of Pakistan deposited the instrument of ratification on 30 August 2010.
- The Islamic Republic of Iran deposited the instrument of ratification on 12 October 2011.
- The Republic of Türkiye deposited the instrument of ratification on 3 December 2017.
- Article XXVI of the Articles of Agreement of ECO Reinsurance Company provides that the Agreement shall come into force when instruments of ratification or acceptance have been deposited and full subscription of the share capital have been paid by the three founding members of the Company. The Secretariat of the ECO shall inform the Members of the date of entry into force of the Articles of Agreement (establishment date).

15- The Statute of the ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (RISCAM), Tehran, 9 March 2009, and the Protocol Amending Article 5.4.1.10 of the Statute of RISCAM

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Entered into force on 10 November 2020
2	Azerbaijan	No	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		4	4	

Depositary: ECO Secretariat/ Secretary General

- The Statute of ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (RISCAM) was approved at the 18th Meeting of the Council of Minister (COM) along with the Road Map for its provisional implementation. The headquarters of RISCAM will be located in Iran. The Secretariats of the Technical Management Board (TMB) of Standardization and Accreditation will be located in Türkiye, Metrology - in Pakistan (as amended by the Protocol) and Conformity Assessment - in Iran.
- As per Road Map for Provisional Implementation of Statute of RISCAM, an Interim Coordination Unit (ICU) has been established at the ECO Secretariat under the Directorate of AIT.
- Article 17 of the Statute of the RISCAM provides that the Statute shall come into force after four signatory states have deposited their instrument of ratification with the ECO Secretary General/ECO Secretariat.
- Iran has deposited the instrument of ratification of the Statute with the Secretariat in 2012.
- On 3 October 2017 Türkiye deposited the instrument of ratification with the ECO Secretariat.
- During the 23rd Meeting of the Council of Ministers held on 17 April 2018 in Dushanbe, the Protocol Amending Article 5.4.1.10 of the Statute of RISCAM has been adopted by the Council. At the same meeting Pakistan signed both the Statute and Protocol and the signatory states of the Statute (Afghanistan, Iran and Türkiye) signed the Protocol at Dushanbe after its adoption by the Council.
- The Embassy of Pakistan provided the Secretariat with the original copy of the instrument of ratification of the RISCAM through the Note Verbale No. ECO-7/18/2018/14 dated 31 July 2018.
- The instrument of ratification by the Islamic Republic of Afghanistan was deposited with the depositary on 10 November 2020. By deposition of this instrument the Statute of RISCAM entered into force on 10 November 2020 (Note Verbale. 1334-5 dated 9 November 2020).
- The Embassy of the Republic of Türkiye through Note Verbale No. Z-2022/99530379 /34003085 dated 17 Feb 2022 sent a copy of the instrument of ratification of Protocol Amending Article 5.4.1.10. The original copy of the instrument of ratification was deposited on 17 March 2022 by the Note Verbale of Embassy of the Republic of Türkiye in Tehran No. Z-2022/99530379/34125407 issued on 14 March 2022.
- The Islamic Republic of Iran deposited the original copy of the instrument of ratification of the Protocol Amending Article 5.4.1.10 of the Statute of RISCAM with the Secretariat on 12 January 2023. Copy of the said instrument of ratification was sent to the Secretariat by the Note Verbale No.641/1405785 dated 2 January 2023.

16. The Statute of ECO Veterinary Commission (ECO-VECO), Istanbul, 23 December 2010

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes*	Yes**	Not Yet
2	Azerbaijan	No	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	No	No	
7	Tajikistan	No	No	
8	Türkiye	No	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		2	2	

Depository: The Secretary General of ECO

- The Statute was approved at Istanbul, Türkiye on 23 of December, 2010. Article XV(5) of the Statute of ECO Veterinary Commission (ECO-VECO), provides that the Statute shall enter into force 30 days after receiving the 5th instrument of ratification by the Secretary General of the ECO.

- The Islamic Republic of Iran deposited the Instrument of Ratification of Iran with the depository through the Note Verbale No. 643/2640736 dated April 28, 2014 receipt date (6 May 2014).

*On 9 November 2019 during the 24th Meeting of the Council of Ministers held in Antalya, the head of delegation of Afghanistan signed the Statute of ECO-VECO the instrument of accession of which had already been deposited with the depository.

*The Embassy of Afghanistan provided the depository (ECO Secretary General) with a copy of instrument of accession of Afghanistan to the Statute through the Note Verbale No.3250 dated 1 February 2017. On 6 November 2017 the ECO Secretariat was provided with the original copy of the instrument of accession to the Statute by the Embassy of Afghanistan in Tehran through the Note Verbale No. 2430-5 dated 5 November 2017. The instrument of accession was sent to the depository prior to its entry into force.

17. The Statute of the ECO Regional Center of Anti-Corruption Agencies and Ombudsmen (RCCACO), 21 November 2012, Dushanbe

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Entered into force on 22 September 2020
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	No	
8	Türkiye	No	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		5	4	

Depositary: The ECO Secretariat

- The Statute was approved in the Second Meeting of the Heads of Anti-Corruption Agencies and Ombudsmen of ECO which was held on 21-22 November 2012 in Dushanbe, Tajikistan. Afghanistan, Iran and Tajikistan signed the Statute.
- According to its Article 15(2), the Statute shall enter into force after four Member States deposit their instrument of ratification with the ECO Secretariat.
- The Islamic Republic of Iran has deposited its Instrument of ratification under article 15(2) of the Statute of the ECO Regional Center for Anti-Corruption Agencies and Ombudsmen (RCCACO) on 10 July 2016. The instrument was sent to the Secretariat by the Note Verbale No. 643/362/4200258 dated 26 June 2016. The instrument of ratification contains a reservation as regards Article 14 relating to settlement of disputes and Article 17 relating to amendments. The Member States have been informed on this development by the depositary (ECO Secretariat) through Note Verbale No.LA/Treaties/RCCACO/Depositary/910 dated 19 July 2016.
- The representative of the Islamic Republic of Pakistan Mr. Zahir Shah, Director General Operations of National Accountability Bureau of the Pakistan signed the Statute during the 3rd Meeting of the Heads of Anti-Corruption Organizations and Ombudsmen of the ECO Member States held on 6-7 June 2017 in Baku. In May 2018 the Islamic Republic of Pakistan deposited the instrument of ratification.

- The Republic of Azerbaijan after signing the Statute on 11 September 2018 deposited the instrument of ratification on 27 August 2019.

* The Original copy of the instrument of ratification by Afghanistan was deposited on 22 September 2020.

18. Charter of ECO Research Center, Tehran, 26 November 2013

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	No	No	Not Yet
2	Azerbaijan	Yes	No	
3	Iran	No	No	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	No	
7	Tajikistan	No	No	
8	Türkiye	Yes	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		3	0	

Depositary: Government of Republic of Azerbaijan

- The Council of Ministers approved the establishment of ECO Research Center in Baku and its Charter at its 21st Meeting held in Tehran, Iran, 24-26 November 2013.
- The Charter was signed by Azerbaijan and Türkiye on 4 March 2021 during the virtual meeting of 14th Summit held on the said date hosted by the Republic of Türkiye.
- The Charter of ECO Research Center was signed by the Minister of Foreign Affairs of the Islamic Republic of Pakistan during 26th COM Meeting held on 24 January 2023 in Tashkent.

19. Charter of the ECO Clean Energy Center, Ashgabat, 27 November 2021

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	No	No	Not yet
2	Azerbaijan	Yes	No	
3	Iran	No	No	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	No	No	
7	Tajikistan	No	No	
8	Türkiye	No	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		1		

Depositary: ECO Secretary General

- The Charter of ECO Clean Energy Centre was concluded at 25th Meeting of COM held on 27 November 2021 in Ashgabat.
- Article IX of the Charter of ECO Clean Energy Centre was amended at 26th COM Meeting held on 24 January 2023 as per the proposal of the Republic of Azerbaijan.
- The Charter was not signed by the Member States during the COM Meeting in which it was concluded. The Charter is open for signature at the ECO Secretariat.
- In February March 2023 the Charter of Clean Energy Centre was signed by the Minister of Energy of Azerbaijan in Baku.

20. Statute of the ECO Regional Centre for Risk Management of Natural Disasters (ECO-RCRM), Tashkent, 24 January 2023

S#	States	Signature	Ratification	Entry into force
1	Afghanistan	No	No	
2	Azerbaijan	No	No	
3	Iran	Yes	No	

4	Kazakhstan	No	No	No	Not yet
5	Kyrgyzstan	No	No	No	
6	Pakistan	No	No	No	
7	Tajikistan	No	No	No	
8	Türkiye	No	No	No	
9	Turkmenistan	No	No	No	
10	Uzbekistan	No	No	No	
		1		0	

- The Statute of ECO Regional Centre for Risk Management of Natural Disasters (ECO-RCRM) was adopted at 26th COM Meeting held on 24 January 2023 in Tashkent.
- The Statute of the ECO Regional Centre for Risk Management of Natural Disasters (ECO-RCRM) was signed by the Minister of Foreign Affairs of the Islamic Republic of Iran during 26th COM Meeting held on 24 January 2023 in Tashkent.

C. Implementation of ECO Projects/Programs

List of ECO Projects January-October 2023

The Directorates of the ECO Secretariat i.e. (I) Trade & Investment (T&I), (II) Transport & Communications (T&C), (III) Energy, Minerals & Environment (EME), (IV) Agriculture & Industry (AI), (V) Tourism, (VI) Human Resources & Sustainable Development (HRSD), (VII) Economic Research and Statistics have been implementing the following projects:

No.	Directorate	Projects/Programmes
1.	Trade & Investment 6	<p>Trade & Investment Ongoing Projects (5):</p> <ul style="list-style-type: none"> (i) Strengthening Cooperation amongst Public and Private Section in the ECO Region (ii) Study to explore the possibility of forming ECO Clearing Union (iii) Study on Impediments in Issuance of Visa Stickers to the Businessmen of the ECO Region (iv) Fourth Phase of the ECO-UNIDO Trade Capacity-Building (v) Study on preparation of the guidelines for the establishment of ECO Regional Network of SEZs in the ECO Member States <p>Completed (1)</p> <p>Study on preparation of the Road Map for formulating a comprehensive Action Plan among the Sovereign Wealth and National Development Funds (SW/NDF of the Member States)</p>
2.	Transport & Communications (T&C) 9	<p>Completed projects (1):</p> <p>The 2nd Phase of Project: "Creation of a comprehensive GIS database and related maps, including the maps of ECO Region, for displaying regional and sub-regional transport networks and geo-mapping of infrastructure projects along these networks"</p> <p>Ongoing Projects (8):</p> <ul style="list-style-type: none"> (i) Railway connecting Qazvin-Rasht-Astara (Iran)-Astara (Azerbaijan) (ii) Railway Project for Connection of China to Europe through Kyrgyz Republic, Tajikistan, Afghanistan and Iran (KTAI) (iii) Development of economic corridor along ECO KTI Railway Corridor

No.	Directorate	Projects/Programmes
		<p>(iv) Needs-based financial and technical assessment for installing the transshipment facilities, instruments and tools in Taftan railway station</p> <p>(v) Application of Unified Railway Law in the Routes</p> <p>(vi) Establishment of a common gateway among ECO countries – ECO Gate</p> <p>(vii) Establishing direct air flights among tourist destinations within the ECO region</p> <p>(viii) Study on Establishment and Development of ECO Regional Fiber Optic Network Establishment of ECO regional fiber optic network</p>
3.	<p>Energy, Minerals & Environment (EME)</p> <p style="text-align: center;">6</p>	<p>Energy Ongoing Projects (2): (i) Preparatory Phase of the Project of establishment of ECO Clean Energy Center (CECEO) (ii) Feasibility Study on establishment of the ECO Regional Electricity Market (ECOP-REM)</p> <p>Minerals Ongoing Projects (3): (i) Preparation of ECO-Environmental Quality Index (EQI) Map (1:5M) of the ECO Region” (ECO-EQI) (ii) Preparation of Spiroclast of Mobile belt between Gondwana and Eurasia. (iii) Geochemical Exploration of Precious and Industrial Minerals in Desert Lands in ECO Region</p> <p>Environment Ongoing Projects (1): Assessment on Revision of Framework Plan of Action on Environment Cooperation and Global Warming (2016-2020), Work Plan on Biodiversity (2016-2020) and the Development of Action Plan/Roadmap on Implementation of ECO LandCare Program</p>
4.	<p>Agriculture & Industry (AI)</p> <p style="text-align: center;">6</p>	<p>Agriculture & Industry Implemented projects (3) (i) Food Security and Implementation of the ECO-Regional Program for Food Security (RPFS)</p>

No.	Directorate	Projects/Programmes
		<p>(ii) Study on Project on Establishment of Standardized ECO Network of Slaughtering Houses and Reference Laboratories</p> <p>(iii) Study on Project to Support the Development of Organic Agricultural Production, Certification and Market Integration</p> <p>Ongoing Projects (3):</p> <p>(i) Project Proposal on Feasibility Study for Establishment of ECO Center of Excellence for Efficient Water Utilizations for Agriculture (ECO-CEEWUA)</p> <p>(ii) ECO Nanotechnology Network</p> <p>(iii) Establishment of ECO Agricultural Biotechnology Network (ECO-IBAN)</p>
5.	<p>Tourism/JPC/PM/EAPA</p> <p>4</p>	<p>Tourism</p> <p>Implemented Projects (1):</p> <p>Tour Operators Chain and Connectivity</p> <p>Ongoing Projects (3):</p> <p>(i) ECO Regional Action Plan for Sustainable Tourism Development</p> <p>(ii) ECO Tourism Routes and Packages</p> <p>(iii) Development of ECO Tourism Website</p>
6.	<p>Human Resources & Sustainable Development (HRSD)</p> <p>3</p>	<p>Human Resources & Sustainable Development</p> <p>Ongoing Projects (3):</p> <p>(i) Feasibility Study for Developing Disaster Risk Information Management System (DRIMS)</p> <p>(ii) Regional Capacity on Intra-Trade of Pharmaceuticals</p> <p>(iii) Providing Landslide Hazard Zonation (LHZ) Map of ECO Member States</p>
7.	<p>Projects, Economic Research & Statistics (PERS)</p> <p>3</p>	<p>Economic Research & Statistics</p> <p>Ongoing projects (3):</p> <p>(i) Trade and economic potential of Kazakhstan within ECO markets in the new geo-economic realities</p> <p>(ii) Agricultural statistics and Land Cover statistics from Earth Observations for selected ECO Countries</p>

No.	Directorate	Projects/Programmes
	(iii) ECO Economic Journal (annual publication 2022-2023)	

Summary of ECO Projects

No	Directorates	Total
1.	Trade and Investment (T&I)	9
2.	Transport and Communication (T&C)	6
3.	Energy, Minerals and Environment (EME)	6
4.	Agriculture & Industry (A&I)	6
5.	Tourism/JPC/PM/EAPA	4
6.	Human Resources and Sustainable Development (HRSD)	3
7.	Economic Research & Statistics (ERS)	3
	ECO Total:	37

Note: As shown in Table 1, the ECO currently has 37 projects, some of which has just been completed and require practical actions, some of them are ongoing and some of them are in the initial stage. Due to developments in Afghanistan ECO projects in this country currently have been put on hold.

D. Financial and Administrative Matters

General

1. The 26th COM Meeting held on 24 January 2023 in Tashkent approved the Secretariat's proposed Budget for 2023. The annual Budget for 2024 will be soon submitted to the COM for its approval.

Audit Reports of 2021 and 2022

2. The Audit Board conducted audit on the accounts of the ECO Secretariat for the years 2021 & 2022. The Board prepared Audit Report for the Years 2021 & 2022 which was circulated among Member States vide Secretariat's Note Verbale No. ACC/Audit report/2023/1410 dated 12 September 2023 along with observations of the Secretary General.
3. The Council of Permanent Representatives (CPR) in its 280th Meeting held on 27 September 2023 considered and adopted the Audit Report for the years 2021 & 2022.
4. The Council may approve Audit Report for the years 2021 and 2022.

Scale of Assessments

5. The 24th Meeting of Council of Ministers (COM) held on 9 November 2019, approved the new Scale of Assessments.
6. The deficit of the scale for share of contributions in 2022, 2023 and 2024 is 1,13.00% (percent) related to Azerbaijan and Kyrgyzstan, which must be covered by General Reserve Fund. Furthermore, the Government of Azerbaijan announced a requisition for maintaining in previous share of contribution as 3.21% in 2022.
7. As mentioned scale of assessment is approved till 2025, therefore the amount of deficit (1,13.00%) must be considered by the Member States for modification.

Contributions

8. Article 6 of the ECO Financial Regulations stipulates that approval of the Budget provides authority to the Secretary General to enter into financial commitments and make payments thereof. Article 11 specifies that payments as such shall be financed through contributions from Member States.
9. As per Article 11.2 of the ECO Financial Regulations, and following the approval of the annual Budget by the COM (or by CPR on its behalf), the ECO Secretariat informs the Member States of their assessed contributions to the approved Budget

and requests them to remit the funds at an early stage, advisably in the first quarter of the fiscal year. This request is not responded positively by most of Member States and a large amount of the contributions are being paid with delays by Member States (after second quarter of the fiscal year). This delayed payment of the annual contributions has affected the smooth functioning of the Secretariat.

10. The total arrears of the Member States are equal to US\$ 5,081,826 of which USD 2,010,281 might be written off as the arrears of Kazakhstan at the end of scale of assessment 2020-2025. So the amount of USD 3,071,545 is the debt of Member States as their contributions approximately 47% of the total approved of yearly budget.

Description	Previous years in USD	Year 2023 in USD	Total
The amount of unpaid contributions of Member States	1,039,112	2,032,433	3,071,545
The amount of arrears of Kazakhstan	2,010,281	-	2,010,281
Total	3,071,545	2,032,433	5,081,826

Budget issues

11. The Secretariat prepared Budget proposal for the financial year 2024 in August 2023 and circulated among the Member States for consideration. The Council of Permanent Representative (CPR) in its 280th Meeting held on 27 September 2023 considered the proposed Budget for the financial year 2024.
12. The proposed Budget for the financial year of 2024 is USD 4,263,948.00 and the Budget deficit according to the scale of assessment which is 1,13.00% is equal to USD 48,183.00, which must be covered by the General Reserve Fund. So the Member States must be aware of utilizing the actual balance of GRF, which in early coming years (maybe in 2025) tends to zero due to covering some amounts from it, for covering the deficit of the scale of assessment of the Member States.
13. The Council may consider the Secretariat's Budgets for the financial year 2024 for final approval in accordance with the ECO Financial Regulations and Rules of Procedure.

E. Relations with International Agencies

1. ECO is a full-fledge functioning system. It enjoys cooperative relations with a host of regional and international organizations. It has been a first-rate priority of the Organization to establish and strengthen its ties with its external partners. Top of all, the ECO attaches immense importance to the United Nations and associated bodies. ECO has already signed MoUs with most of the Specialized Agencies of the UN.
2. ECO has observership status in the United Nations General Assembly and UN's different agencies/entities/conventions, notably the UN Environment Assembly (UNEA), the UN Convention to Combat Desertification (UNCCD), the UN Convention on Biological Diversity (UNCBD), the UN Framework Convention on Climate Change (UNFCCC), the United Nations Forum on Forests (UNFF), the Intergovernmental Panel on Climate Change (IPCC), the United Nations Conference on Trade and Development (UNCTAD), the World Trade Organization, the Organization of Islamic Cooperation and the Islamic Development Bank. ECO obtained the reciprocal observer status in the International Energy Charter. Also, ECO is in process to obtain observer status in the Shanghai Cooperation Organization on the basis of reciprocity.

Status of ECO's External Relations: United Nations System

3. Economic Cooperation Organization strives to enhance its visibility across the region and beyond. It aims at maximising its sphere of international relations. ECO's relations with the United Nations, its Specialized Agencies, Funds and Programmes including the United Nations Industrial Development Organization (UNIDO), the United Nations Economic and Social Commission for Asia and Pacific (UNESCAP), the Food and Agriculture Organization (FAO), the United Nations Economic Commission for Europe (UNECE), the United Nations Conference on Trade & Development (UNCTAD), the United Nations Office of High Representative for Least Developed Countries, the Landlocked Developing Countries and Small Island Developing Countries (UN-OHRLLS), the United Nations Office on Drugs and Crime (UNODC), the United Nations Children Fund and United Nations Office for Coordination of Humanitarian Affairs (UNOCHA) and others have been growing steadily in an upward trajectory.
4. The efforts by ECO Secretariat have been aimed at securing financial and technical support of its relevant partners for the implementation of ECO's programmes and activities. The Secretariat has been maintaining close liaison with the UN for the realisation of the set out objectives of the Organization. Accordingly, meetings were also held with officials of organizations within the UN system to secure assistance for ECO activities and programmes.
5. ECO regularly features in the United Nations General Assembly regular sessions as an observer. Meetings with the UN Specialized Agencies and other International and Regional Organizations on the sidelines of the United Nations General Assembly session provide an opportunity to augment ECO visibility and enhance its international relations. The sideline events especially bilateral meetings have proved to be highly beneficial to that end. It is a moment of great encouragement that on August 25, 2023,

the UN General Assembly adopted without vote a biennial resolution entitled "Cooperation between the United Nations and the Economic Cooperation Organization", paving the way for further enhancing cooperation between the UN system and ECO.

6. The ECO delegation to the 78th UNGA session was led by the Secretary General Ambassador Khusrav Noziri (September 18-23, 2023). The 25th Informal Meeting of the ECO Council of Ministers was also held on September 21, 2023 on the sidelines of the 78th UNGA session. Moreover, after lapse of around nine years, the 15th Joint ECO-ASEAN Ministerial Meeting was also convened on September 22, 2023 in which the Framework of Cooperation between the organizations was adopted.

7. The United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) and ECO have 29 years of collaboration on knowledge, capacity-building and supporting policy dialogue in Asia at regional and sub-regional levels. Memorandum of Understanding between ECO and ESCAP was signed in 1994 and renewed as virtually on the sidelines of the 15th ECO Summit, held in Ashgabat, Turkmenistan. Moreover, the ECO-ESCAP-DB joint project on operationalization of the Kazakhstan-Turkmenistan-Iran (KTI) railway is operating smoothly. The ECO Secretariat held several negotiations with UNESCAP regarding its support for the establishment of the ECO Regional Electricity Market (ECO-REM). UNESCAP has agreed to provide technical and financial support for the development of a feasibility study of the project and further implementation of the project. Moreover, the ECO Secretariat participated in the Second Asia-Pacific Regulatory Forum on Power System Connectivity, hosted by UNESCAP in virtual format.

8. The ECO enjoys close partnership relations with the United Nations Industrial Development Organization (UNIDO). The UNIDO participated in the 4th ECO Energy Ministerial Meeting held on 24 June 2021 in virtual format. The Meeting approved the Charter on Establishment of ECO Clean Energy Centre. The establishment of ECO Clean Energy Centre in Baku, Azerbaijan, is a joint project of the ECO and the UNIDO. The latter is also a partner and co-sponsor in Feasibility Study on Setting and Implementing Energy Efficiency Targets in the ECO Region. The Partners' Roundtable Conference on the Start-up and Operationalization of the ECO Clean Energy Centre (CECECO) was held virtually and jointly organized by the Ministry of Energy of the Republic of Azerbaijan and the Secretariat of the Economic Cooperation Organization, with the technical support of the United Nations Industrial Development Organization (UNIDO). The Secretariat attended the Fifth Steering Committee Meeting of the Global Network of the Regional Sustainable Energy Centres (GN-SEC), held on September 5-8, 2022 in Vienna, Austria. The GN-SEC is becoming a formalized global platform to advocate SDG-7, SDG-9, and SDG-13 and joint interests in international policy processes, and is hosted by UNIDO in Vienna, Austria. Meanwhile, the ECO Secretariat delivered the presentation on CECECO Project and had the consultations on the sidelines with the GN-SEC members and supporting partners on collaboration opportunities as well as on the ways and means of supporting the establishment of the ECO Clean Energy Centre, its fund-raising aspects, and institutional and technical design.

9. ECO has growing relations with the United Nations Office on Drugs and Crime (UNODC). However, it is pertinent to mention here that the relations are still in embryonic phase. The ECO Secretariat attended the 65th Session of the Commission on Narcotic

Drugs (CND) (14-18 March 2022). The Secretariat also virtually took part in the Paris Pact Initiative's Expert Working Group (EWG) meeting on Cross-border Cooperation (5-6 October 2022).

10. ECO wishes to have an updated Memorandum of Understanding with the World Customs Organization (WCO). In the light of the decision of the Eighth Meeting of the ECO Council of Heads of Customs Administration (CHCA), held on 13-14 November 2017, the MoU was reviewed and Secretariat was tasked to take up the revision in MoU with WCO after legal examination. The WCO and ECO exchanged views for a final draft MoU and the final draft is with the WCO for their consent before signing.

11. Agriculture and Food Security has been a priority area of cooperation among ECO Member States. The ECO has close collaborative relations with the Food and Agriculture Organization of the United Nations. The ECO Regional Program for Food Security (ECO-RPFS) was prepared with the technical assistance of Food and Agriculture Organization of the United Nations (FAO) to ensure food security in the ECO Member States and to develop cooperation and implement programme activities in an effective way. During the 3rd Steering Committee Meeting, it was decided that the ECO-RPFS should be updated. After that, a Consultation Meeting for updating the ECO Regional Programme for Food Security was held on 8 December 2020, followed by circulation of final draft of RPFS among ECO Member States in 2021. Upon receipt of views and comments of the Member States, the draft Program was updated and finalized with the technical assistance of the FAO and approved at the 7th ECO Ministerial Meeting on Agriculture on 6 July 2022 in Tashkent, Uzbekistan. Another joint project with the FAO is "Support for the Transformation of the ECO Regional Coordination Centre for Food security (ECO-RCCFS) from a programme-based organization into a self-sustainable institution", which has been funded by the Government of Türkiye under the FAO-Türkiye Partnership Programme (FTPP-II) on Food and Agriculture. The project will be concluded in December 2022 and is targeted at strengthening the capacity of ECO-RCCFS to provide systematic and useful support to its Member States, so that Member States acquire necessary advice, guidance and information for improving their food security and nutrition policies and programmes.

12. In the field of trade, the ECO has maintained strong linkages with the UNCTAD. The MoU between ECO and UNCTAD was signed on 4 November 1999. The ECO-UNCTAD Collaboration is taking place in Investment Policy Review of the ECO Member States. The 31st Meeting of the ECO Regional Planning Council mandated the Secretariat to prepare a comprehensive set of incentives and other features of investment policies in the region and share with UNCTAD for their evaluation and recommendations. The Secretariat initiated the process of compiling the investment policies and approached UNCTAD. UNCTAD has drafted and shared a project proposal which is under consideration for Investment Policies' Review (IPRs). The project will be pursued once resources are allocated by UNCTAD and other development partners.

13. ECO Secretariat is working with UNECE and IDB for the commencement of the Second phase of the project which is the "Creation of a comprehensive GIS database and related maps, including the maps of ECO Region, for displaying regional and sub-regional transport networks and geo-mapping of infrastructure projects along these networks". The ECO Secretariat and UNECE jointly organized the Round Table designed to take stock of the Operational Rail Capacity of Almaty-Istanbul and Trans-

Caspian Corridors on 6 September 2022 in Geneva. The meeting was attended by the high ranking railway and customs officials of the en-route countries of Almaty-Istanbul Railway and Trans-Caspian Corridors, i.e. Republic of Azerbaijan, Islamic Republic of Iran, Republic of Türkiye and Turkmenistan and Republic of Uzbekistan. ECO Secretariat jointly with the IsDB, UNECE and IRU implemented the project on promotion of e-TIR and e-CMR in the Region and cooperating to further conducting joint projects for promoting digitalization of transit transport in the Region particularly through implementing e-CMR and e-TIR and any other digital technologies. ECO Secretariat is following up the necessary arrangements for the new joint ECO-UNECE-IsDB project on the Application of Unified Railway Law in the Routes.

14. ECO Secretariat and IRU established a working group for conducting digital TIR project in ITI Corridor. ECO Secretariat jointly with the IsDB, UNECE and IRU implemented the project on promotion of e-TIR and e-CMR in the Region and cooperating to further conducting joint projects for promoting digitalization of transit transport in the Region particularly through implementing e-CMR and e-TIR and any other digital technologies. The Secretariat is working with IRU to establish ECO-TIR Associations Consultative Group (ECO-TIRACG) to involve the private sector in the negotiations of the relevant meeting of the TTCC. ECO and IRU are also working to further institutionalize bilateral relations and expand their cooperation.

Regional/International Organizations

15. The ECO attaches immense importance to the enhanced ties with international and regional organizations and it is an understanding at the Organization that such ties would immensely benefit the cause of regional economic development leading this Region to the path of peace, prosperity and development. The Secretariat intends to develop cooperative relations with major international and regional organizations in line with the Izmir Treaty, the basic document of the Organization. During the period under review, ECO maintained its relations with important Regional and International Organizations and the Secretariat were represented by the Secretary General and Deputy Secretary Generals of ECO in the various important meetings of those organizations.

16. Given the significance of the inter-regional cooperation, the Secretariat has endeavoured to promote meaningful interaction with other regional/sub-regional organizations. The ECO and the OIC signed Memorandum of Understanding on 30 March 1994. The ECO regularly participates in high-level events arranged and organised under the framework of the OIC. On the invitation of the Government of the Islamic Republic of Pakistan, ECO Secretary General, participated at the 17th Extraordinary Meeting of the Council of Foreign Ministers, held on 19 December 2021 in Islamabad.

17. ECO has close interactive relations with the Association of South East Asian Nations. The MoU between ECO and ASEAN was signed on 18 January 2006. In accordance with the recommendations of the Regional Planning Council, ECO has strived to revive the contacts with ASEAN to give fresh impetus to ECO-ASEAN cooperation. ECO and ASEAN are in process to implement the said MoU. To that end, draft Framework of Cooperation was prepared by the ASEAN Secretariat and shared with the ECO

Secretariat. The latter has added its proposals to the draft shared by the former. The 15th ECO-ASEAN Ministerial Meeting was held on September 22, 2023 under the co-chairmanship of the Republic of Azerbaijan and the Lao People's Democratic Republic, on the sidelines of the 78th Annual Session of the United Nations General Assembly in New York where the said Framework of Cooperation was adopted.

18. As the Shanghai Cooperation Organization is an important regional and fast becoming an international organization and the ECO wishes to enhance its network of relations with the organizations of its kind, the ECO has put efforts to obtain observer status in the SCO. In this regard, a draft Concept Note on Obtaining Observer Status was prepared by the ECO Secretariat; the Member States conveyed no objection to it. Afterwards, the draft Concept Note was approved by the ECO Council of Permanent Representatives. Subsequently, the SCO Secretariat has been notified of ECO's desire to attain observership in the Shanghai Cooperation Organization. Apart from this, the ECO regularly participates in the SCO Council of Heads of State Meetings. Secretary General of the ECO, Mr. Khusrav Noziri participated in the 20th Jubilee Summit of the Council of Heads of State of the SCO held on September 17, 2021 in Dushanbe, Tajikistan. He also participated in the 21st Summit of the SCO held on 16 September 2022 in Samarkand, Uzbekistan. The MoU between the two Organizations was signed in 2008. However, it was never implemented. In order to implement the MoU, a draft Joint Plan of Action was framed and formulated by the ECO Secretariat. It was shared with the SCO Secretariat for its consideration; response is still awaited.

19. The ECO also enjoys warm relations with the Conference on Interaction and Confidence-Building Measures in Asia (CICA). The Secretary General of Economic Cooperation Organization attended the Sixth Meeting of the CICA Ministers of Foreign Affairs and the Sixth CICA Summit held on 11-12 October 2021 and 12-13 October 2022, respectively, in Astana, Kazakhstan. The ECO Secretariat invited the CICA Secretary General to the 26th Meeting of the ECO Council of Ministers, held in Tashkent, Uzbekistan on January 24, 2023. The Secretariat also extended invitation to the CICA Secretary General to the 27th Meeting of the ECO Council of Ministers that is to take place on October 10, 2023 in Shusha, Azerbaijan. Apart from this, on September 8, 2023, the ECO Secretariat received invitation from CICA Secretary General to attend event "The United Nations, CICA and Regional Organizations in Support of the SDGs", held on September 22, 2023, on the margins of the 78th Annual Session of the United Nations General Assembly in New York.

20. The ECO has active partnership with the Islamic Development Bank (IsDB). The strength of relations between the two Organizations is growing with each passing day. In February 2022, the ECO Secretariat approached the IsDB for commencing a joint program of action covering various areas of cooperation particularly trade, transport, communication and energy. The consultations between the relevant directorates of the ECO and the officials of IsDB are well underway. As an international partner, the IsDB was approached for financial assistance in organizing 4th Investment Conference in Islamabad, Pakistan. However, the Conference has been postponed and rescheduled for 2023. The IsDB has played a very strong role on supporting and financing various projects in connectivity of the Secretariat and the region. Currently the ECO Secretariat is working with UNECE and IsDB for the commencement of the Second phase of the project which is the "Creation of a comprehensive GIS database and related maps, including the maps of ECO Region, for displaying regional and sub-regional transport networks and geo-mapping of

infrastructure projects along these networks". IsDB allocated to the ECO Secretariat financial contribution for implementing the ECO Gate project. ECO Secretariat is following up the necessary arrangements for the new joint ECO-UNECE-IsDB project on the "Application of Unified Railway Law in the Routes". ECO Secretariat jointly with the IsDB, UNECE and IRU implemented the project on promotion of e-TIR and e-CMR in the Region and cooperating to further conducting joint projects for promoting digitalization of transit transport in the region particularly through implementing e-CMR and e-TIR and any other digital technologies. ECO Secretariat is cooperating with IsDB on creating of the new mechanisms of collaborating between the two organizations.

21. The ECO is willing to further its ties with the Developing-8 Organization of Economic Cooperation (D-8). Despite signing of MoU 11 years ago, it never went into implementation. However, at present, both organizations have established contacts to work for the implementation of the MoU. The heads of Secretariat of ECO and D-8 also had a bilateral meeting on the sidelines on Second Antalya Diplomacy Forum in Türkiye in March 2022. The Secretary General of D-8 also paid a visit to the ECO Secretariat on June 17, 2022. Currently, steps are underway to draft Joint Plan of Action to implement the MoU. The Secretariat of the D-8 Technology Transfer and Exchange Network (D-8 TTEN), based in Pardis Technology Park, Tehran invited the ECO Secretariat to attend the events in Isfahan and Tehran regarding the 10th Anniversary of the Establishment of the D-8 TTEN. Furthermore, the D-8 TTEN invited the ECO Secretariat of participate in the Panel Discussion on Challenges of Technology Transfer among Regional Organizations.

22. IRENA is an intergovernmental organization supporting transition to a sustainable energy future, and serving as the principal global platform for international cooperation on renewable energy with a membership approaching near-universality. ECO and IRENA have been collaborating since 2014. Nine ECO Member States are Members of IRENA, while one is in accession process. Despite its young age, IRENA has proved itself as a well-recognized international institution advanced in realization of successful projects in renewables with regional focus. The Assembly represents the supreme decision-making body of IRENA convening annually. In 2022, ECO invited IRENA to consider partnering in the ECO Clean Energy Centre and supporting it in its preparatory and operational phases as well as for conducting study on establishment of Clean Energy Corridor in the region that could target the identification of potential coherence, synergies and complementarities among the CECECO Project, ECO-REM and the possible establishment of Clean Energy Corridor in the region. Both sides also expressed willingness in designing and implementing joint on-demand and tailor-made bankable projects that could contribute to energy transformation in the region and supporting ECO Member States in renewable energy financing and risk mitigation. Likewise, IRENA invited ECO to support the process of implementation of the Regional Action Plan unlocking Renewable Energy Potential in Central Asia.

ECO Observers

23. Observership in ECO is open to regional and international organizations, states and institutions. Current observers of ECO are Turkish Cypriot State (2012), Organization of Turkic States (2014), and International Energy Charter (2017).

24. The ECO has enhanced its collaboration with the International Energy Charter with which it enjoys reciprocal Observer Status in promoting the Project on establishment ECO Regional Electricity Market (ECO-REM). ECO-REM was identified as an area for possible ECO-Energy Charter cooperation and is expected to be implemented through joint consortium. The International Energy Charter participated in the Fourth ECO Energy Ministerial Meeting which was held virtually on June 24, 2021. The Meeting approved the Charter on Establishment of ECO Clean Energy Centre and the roadmap for realization of ECO Regional Electricity Market Project.

25. Turkish Cypriot State became Observer to the Economic Cooperation Organization in 2012. On the sidelines of 78th session of the United Nations General Assembly, the Secretary General Amb. Khusrav Noziri had a bilateral meeting with the Foreign Minister of the Turkish Cypriot State, Mr. Tabsin Ertugruloglu. During the meeting, the two sides reviewed the scope of cooperation between ECO and the TCS and other issues of mutual interest. The Ministry of Foreign Affairs of the Turkish Cypriot State regularly participates in the high-level events organized under the framework of the Economic Cooperation Organization.

26. Cooperation Council of Turkic Speaking States became Observer in the Economic Cooperation Organization in 2014 (in 2021 the Organization changed its name to the Organization of Turkic States). The ECO Secretary General held a bilateral meeting with his OTS counterpart on the sidelines of the NAM Summit-level Contact Group Meeting, held on March 3, 2023 in Baku, Azerbaijan. Given the concurrent membership of all the OTS member countries in the ECO, the OTS Secretary General highly valued the OTS observership in the ECO, reaffirming readiness for continuing cooperation in the priority areas such as transport, tourism, education, etc. Furthermore, ECO has formally conveyed its desire to obtain observership in the OTS.

List of key MoUs/Agreements between ECO and other Regional and International Organizations

In order to develop meaningful cooperative relations with international and regional organizations, ECO has signed more than 40 MoUs and Agreements with the UN system as well as other regional and international organizations. The list of those MoUs/Agreements is given below:

1. MoU between ECO and the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), Istanbul, 7 July 1993;
2. MoU between ECO and the Islamic Development Bank (IDB), Istanbul, 7 July 1993;
3. MoU on Cooperation between ECO and United Nations Children's Fund (UNICEF), Tehran, 25 January 1994;
4. Relationship Agreement between ECO and the United Nations Industrial Development Organization (UNIDO), Tehran, 25 January 1994;
5. MoU between ECO and the Organization of the Islamic Conference (OIC), New York, 30 September 1994;
6. MoU between ECO and the United Nations Population Fund (UNFPA), New York, 4 October 1994;
7. MoU between ECO and United Nations International Drug Control Program (UNDCP), Islamabad, 15 March 1995;

8. MoU between ECO and United Nations Development Program (UNDP), Islamabad, 15 March 1995;
9. MoU between ECO and the Food and Agriculture Organization of the United Nations (FAO), 8 December 1997;
10. MoU between ECO and International Center for Agricultural Research in Dry Areas (ICARDA), Aleppo, Syria, 8 June 1999;
11. MoU between ECO and the United Nations Conference on Trade and Development (UNCTAD), 23 November 1999;
12. MoU between ECO and the International Union of Railways (UIC), Tehran, 31 January 2001;
13. MoU between ECO Secretariat and the International Trade Center UNCTAD/WTO, 8 March 2001;
14. MoU between ECO and the Organization for Cooperation of Railways (OSJD), Warsaw, 17 March 2001;
15. MoU between ECO and the World Custom Organization (WCO), Brussels, 17 March 2003;
16. MoU between ECO and the Colombo Plan (1 Version), 13 May 2003 (Joint Communiqué, Tehran, 24 November 2009);
17. MoU between ECO and the United Nations Economic Commission for Europe (UNECE), 24 June 2004;
18. MoU between ECO and UNEP, Tehran, 18 August 2004;
19. MoU between ECO and WMO, Geneva, 10 December 2004;
20. MoU between ECO Secretariat and the Secretariat of ASEAN, 18 January 2006;
21. MoU between ECO and the UN International Strategy for Disaster Relief (ISDR), Tehran, 9 May 2007;
22. MoU between ECO and the Shanghai Cooperation Organization (SCO), Ashgabat, 11 December 2007;
23. MoU between ECO and International Road Transport Union, Istanbul, 15 May 2008;
24. MoU between ECO and the Conference of Interaction and Confidence Building Measures in Asia (CICA), Almaty, 25 August 2008;
25. MoU between ECO and the Universal Postal Union (UPU), Bern & Tehran, 20 November 2008;
26. MoU between ECO and the International Organization for Migration (IOM), Geneva, 27 January 2009;
27. MoU among ECO, ESCAP and the Islamic Development Bank on Transport Development, Bangkok & Tehran, 9 March 2009;
28. MoU between ECO and Intergovernmental Organization for International Carriage by Rail (OTIF), Istanbul, 9 June 2009;
29. MoU between ECO and the Permanent Secretariat of the Intergovernmental Commission (TRACECA), Issyk-Kul, Kyrgyzstan, 16 June 2009;
30. MoU among Economic Cooperation Organization, Islamic Development Bank (IDB) and the United Nations Economic and Social Commission for Asia and the Pacific on Transport Development, 9 March 2009 (signed through an exchange of letters in March 2009, as per article XI (b) (this MoU was renewed in 2012 and expired in March 2015);
31. Protocol between ECO and Turkish International Cooperation and Development Agency (TIKA) on reconstruction, Tehran, 5 August 2010;
32. MoU between ECO and International Rail Transport Committee (CIT), 30 August 2010;
33. MoU among Economic Cooperation Organization, Islamic Development Bank (IDB) and United Nations Economic Commission for Europe (UNECE) Concerning Transport Development in Economic Cooperation Organization (ECO) Region, 30 March 2011;
34. MoU between ECO and D8, Istanbul, 6 October 2011;
35. MoU between ECO and the Cooperation Council of Turkic Speaking States, New York, 23 September 2014;
36. MoU between ECO and UNOSSC, New York, 19 September 2017;

37. MoU between ECO and SESRIC, ECO Secretariat, Tehran, 16 January 2018;
38. MoU between ECO and WIPO, 22 January 2018;
39. MoU between ECO and TEPAV, Ankara, 12 February 2018;
40. MoU between ECO and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Ashgabat, 27 November 2021;
41. Framework of Cooperation between the ECO and ASEAN, New York, 22 September 2023.

F. ECO Specialized Agencies/Regional Institutions/Affiliated Bodies

1. The establishment of the specialized agencies, regional institutions, regional centres and affiliated bodies, the intergovernmental sub-organizations of the ECO is a manifestation of ECO's commitment for supporting the organization's broad objectives enshrined in the Treaty of Izmir. These objectives are aimed at promoting socio-economic development of the Member States mainly by developing and expanding cooperation in the relevant areas.
2. Over the years, the Member States have established a number of specialized agencies, regional institutions and other ECO bodies in different fields of cooperation such as science, education, culture, trade, banking, agriculture, environment, economic research etc. Presently, the number of such bodies stands at over 20. These bodies are located in the Member States, mainly in Iran, Pakistan and Türkiye. While most of these bodies have already been established and are operational, others are in the process of being established.
3. The broad objectives of the Economic Cooperation Organization enshrined in the Treaty of Izmir are achieved through multiple institutional frameworks like the specialized agencies, regional institutions and affiliated bodies by providing them support in fostering and promoting cooperation in the relevant areas. The specialized agencies of the ECO include: the ECO Cultural Institute (ECI) based in Tehran, Iran; the ECO Science Foundation (ECOSF) based in Islamabad, Pakistan and the ECO Educational Institute (EOEI) based in Ankara, Türkiye.
4. Similarly, there exist a number of regional institutions within the framework of ECO that include: ECO Consultancy & Engineering Company (ECO-CEC) based in Lahore, Pakistan; ECO Research Centre (ERC) based in Baku, Azerbaijan; ECO Chamber of Commerce and Industry (ECO-CCI) with its rotating headquarters; ECO Trade and Development Bank (ECO-TDB) in Istanbul, Türkiye and the ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (RISCAM) with its headquarters in Tehran, Iran. Besides, ECO's affiliated bodies consist of the ECO College of Insurance based in Tehran, Iran; Parliamentary Assembly of the ECO Countries (PAECO) with its permanent secretariat based in Islamabad, Pakistan; the ECO Seed Association (ECOSA) based in Ankara, Türkiye and the ECO Postal Staff College based in Islamabad, Pakistan.
5. A degree of variation exists in the membership and structures of these ECO affiliated bodies. Despite being associated with ECO and lying within its broad framework, these bodies are independent in their functioning. The financial and administrative policies of these bodies are independent of those of the ECO Secretariat. The ECO Secretariat is represented in the boards of trustees of some of the specialized agencies in line with their respective charters/statutes.
6. Article X of the Treaty of Izmir envisages the establishment of the Specialized Agencies and Regional Institutions in specific fields of cooperation. It also mentions that the number, nature and objectives of these agencies and institutions may be determined by the Council of Ministers and revised as and when necessary.

7. As per the Treaty of Izmir, the Specialized Agencies are classified as the organs of the ECO that have been established by the decision of the Member States and have legal personality and autonomy in management to promote close cooperation among themselves in social, cultural, technical and scientific fields in coordination with the ECO Secretariat.
8. The Regional Institutions, according to the Treaty of Izmir, are defined as the economic, commercial and financial organs of the ECO having self-sustained budget, legal personality and autonomy in management and that have been established to promote economic growth of the ECO region through provision of financial and commercial facilities and investment of funds within the region.
9. The activities of these ECO bodies are followed up by the ECO Secretariat for necessary coordination through a variety of channels. While the activities of the Specialized Agencies such as ECI, ECOEI and ECOSF are followed up by the International Relations Section of the ECO, activities of other bodies having relevance with core sectoral working of ECO are followed up by relevant Directorates. For instance, the Directorate of Trade and Investment coordinates with the ECO-TDB and ECO-CCI, whereas issues pertaining to ECOSA and RCRM are followed up by the Directorate of Agriculture and Industry.
10. Below are two tables that reflect the updated information about the established ECO Bodies and as well as ECO Bodies which are under the process of establishment.

Established Bodies

No.	Name	Status	Relevant Region in ECO Secretariat	Cooperating Countries	Details	Location
1.	ECO Cultural Institute (ECI)	Specialized Agency	IR	Afghanistan, Iran, Pakistan, Tajikistan and Turkiye	The ECO Cultural Institute (ECI) is one of the primary specialized agencies of ECO established in 1995. The Institute has an independent budget and funds consisting of grant made by the Member States; donations and endowments; and other sources.	Tehran, Iran
2.	ECO Science Foundation (ECOSF)	Specialized Agency	IR	Afghanistan, Iran, Pakistan, Tajikistan and Turkmenistan	ECO Science Foundation (ECOSF) was established in Islamabad, Pakistan in December 2011. Funds of the Foundation consist of mandatory contributions, donations, endowments, voluntary contributions and extra resources from international organizations.	Islamabad, Pakistan
3.	ECO Educational Institute (ECOEI)	Specialized Agency	IR	Afghanistan, Iran, Kyrgyz Republic, Pakistan, Tajikistan and Turkiye	1 st Meeting of the BoT of the ECO Educational Institute (ECOEI) was held on 3 April 2012 in Ankara and it rendered ECOEI functional. The Institute has an independent budget and funds consisting of contributions by Member States; donations and endowments; and other sources	Ankara, Türkiye
4.	ECO Consultancy & Engineering Company (ECO-CEC)	Regional Institution	IR	Iran (PIDEC), Pakistan (NESPAC), and Turkiye (TURKPAK) are shareholders	ECO-CEC was established in 1996 under ECO's Charter with the approval of ECO Council of Ministers. In the 15 th COM Meeting held at Astana in 2005, ECO-CEC was awarded the status of Regional Institution/Specialized Agency of ECO to provide engineering services to all countries of ECO region.	Lahore, Pakistan

5.	ECO College of Insurance (ECOCI)	Affiliated Body	IR	Open to all Member States	The ECO College of Insurance (ECOCI) was established in 1991 in pursuance of the objective regarding enhancement of human resources in insurance industry among the ECO Member States.	Tehran, Iran
6.	ECO Trade and Development Bank (ECOTDB)	Regional Institution	T&I	Afghanistan, Azerbaijan, Iran, Kyrgyz Republic, Pakistan and Türkiye are the current shareholders	The ECO Trade and Development Bank (ECO-TDB) was established on 3 August 2005 with its headquarters located in Istanbul. The Bank started its operations in 2008. The representative offices of the Bank in Tehran (Iran) and Karachi (Pakistan) are fully functional.	Istanbul, Türkiye
7.	ECO Chamber of Commerce and Industry (ECO-CCI)	Regional Institution	T&I	National Chambers of all ECO Member States.	The ECO-CCI was established on 10 June 1993 with the objective to provide a platform to private sector of all member countries for strengthening economic ties and establishing business activities among member countries on a wide spectrum of industries for advancing trade-led economic growth as well as enhancing ECO intra-trade and investment in the region.	On rotational basis
8.	ECO Institute of Environmental Science and Technology (ECO-IEST)	Institute currently functioning on project basis	EME	Open to all Member States	According to the decision of the 3 rd ECO Ministerial Meeting on Environment (30 June 2006, Almaty, Kazakhstan), the ECO Institute of Environmental Science and Technology (ECO-IEST) has been established to generate knowledge through research and studies on environment in ECO region.	
9.	ECO Postal Staff College	Affiliated body	TC	Open to all Member States	The ECO 20 th meeting of the Council of Ministers (COM) held at Baku, Azerbaijan on 15 October 2013 took the following decision regarding establishment of ECO Postal Staff College: "The Council approved the	

						Pakistan Postal Staff College, Islamabad as ECO Postal Staff College and its Statute, as an affiliated body of the ECO, in line with recommendations of the 5 th Meeting of the ECO Postal Authorities (Islamabad, June 2009) and the 21 st RPC Meeting (Tehran, May 2011). The Council called for early operationalization of the ECO Postal Staff College and welcomed the offer of the Islamic Republic of Iran and the Republic of Türkiye to lend support to College in organizing training related courses."			
10.	ECO Seed Association (ECOSA)	Affiliated Body	A&I		Article of Association signed by all Member States	ECO Seed Association (ECOSA) was established in 2010. The body has an independent budget and fund consisting of entrance and annual membership fees from members; donations from members, government institutions, international organizations, physical persons, foundations and non-government organizations; exhibitions, fairs and congress fees; and fundraising activity. The 8 th ECO Regional Seed Conference was planned to be organized by ECO Seed Association (ECOSA) in 2022, in Baku, Azerbaijan.		Ankara, Türkiye	
11.	ECO Regional Centre for Risk Management of Natural Disasters	Ad hoc Affiliated Body	A&I		MoU has been signed by all Member States (except Uzbekistan)	As per Draft Statute, the budget consisting of contributions made by the Member States, donations and endowments, sources from relevant international/ regional organizations; revenues generated by the Centre.		Mashhad, Iran	
12.	ECO Regional Coordination	Program-based formation	A&I		No membership	The 19 th COM held on 22 December 2010 in Istanbul approved the establishment of Regional Coordination		Ankara, Türkiye	

	Centre (RCC) for the Implementation of the Regional Programme for Food Security (RPFS)				Centre (RCC) for implementation of the RPFS in Ankara, Türkiye. The Working Principles of the ECO-RCC was approved during the 2 nd Steering Committee Meeting of the ECO-RCC held in Ankara on 16 February 2017. The Working Principles and Procedures of the ECO-RCCFS was approved during the 2 nd Steering Committee Meeting of the ECO-RCCFS held in Ankara on 16 February 2017. To date, three Steering Committee Meetings of the ECO-RCCFS has been held. During the 7 th ECO Ministerial Meeting on Agriculture (Tashkent, 6 July 2022), the ministers welcomed transformation of ECO-RCCFS to a self-sustainable institution of ECO as a specialized agency.	
13.	ECO Reinsurance Company		T&I		The Articles of Agreement of the ECO Reinsurance Company (ERC) came into force on 3 December 2017. The ERC has been established and an exploratory meeting of its Directors was held on 26 February 2018 attended by Iran, Pakistan and Türkiye.	Karachi, Pakistan

Bodies under the process of establishment

No.	Name	Status	Relevant Directorate in ECO Secretariat	Membership/Ratifying Countries	Details	Location
14.	ECO Regional Institute for Standardization, Conformity			The Statute was approved by 18 th COM. Iran and Türkiye have ratified the	As per Statute, the funds of the Institute shall be derived from the annual membership dues, voluntary contributions of the Member States, sale of publications, earnings from	

	Assessment, Accreditation and Metrology (RISCAM)	Regional Institution	A&I	Statute.	services and other resources. The acceptance of funds from other sources like gifts, donations, etc. shall be at the discretion of the General Council.	Tehran, Iran
15.	ECO Veterinary Commission (ECO-VECO)	Specialized Agency	A&I	Afghanistan has signed, but not ratified it. Pakistan is also a volunteer to sign it. The Statute shall come into force upon ratification of 4 ECO Member States	Financial resources include: contributions by the Member States of the Commission and voluntary contributions	Tehran, Iran
16.	ECO Meteorological Calibration Center (ECO-MCC)	Affiliated Body	A&I	The Statute has been approved by 19 th COM. Only Iran has signed and ratified the Statute	As per Draft Statute, the budget shall consist of contributions made by the Member States, donations and endowments, sources from relevant international /regional organizations; revenues generated by the Centre.	Ankara, Türkiye
17.	The ECO Centre for Efficient Utilization of Water for Agriculture	Status not defined by COM	A&I	Draft Statute and Work Plan have been prepared by the 1 st Working Group.	As per Draft Statute, the budget shall consist of contributions made by the Member States, donations and endowments, sources from relevant international/ regional organizations; revenues generated by the Centre.	Islamabad, Pakistan

18.	Parliamentary Assembly of the ECO Countries (PAECO)	Affiliated Body	JPC&EAPA	<p>Charter of PAECO signed by Afghanistan, Azerbaijan, Iran, Pakistan, Tajikistan, Türkiye and Uzbekistan (as stated in the report of 2nd PAECO). The Charter of PAECO entered into force in 2021 after four countries – Pakistan, Iran, Azerbaijan and Türkiye ratified it in 2021.</p>	<p>Voluntary contributions from member countries and other institutions and organizations in the manner to be decided by the Executive Council.</p>	Islamabad, Pakistan
19.	ECO Police (ECOPOL)	Regional Centre	JPC&EAPA	<p>Statute has yet to be ratified by the member states.</p>	<p>As per the draft Statute, the funding includes budgetary contributions of the member states in line with the current regulations of ECO; grant and voluntary contributions with the approval of the Executive Council; service revenues; other financial resources with the approval of the Executive Council</p>	ECO Police (ECOPOL)
20.	ECO Regional Centre for Cooperation of Anti-Corruption Agencies and Ombudsmen (RCCACO)	Regional Centre	JPC&EAPA	<p>Afghanistan (2020), Azerbaijan (2019), Iran (2016) and Pakistan (2017) have ratified the Statute of the Centre and Tajikistan has</p>	<p>As per the Statute, the financial resources include contributions of the Member States in line with the current ECO regulations by taking into account their capacity to pay and prevailing scale of assessment of contributions of the UN; voluntary contributions; other possible resources with the approval of the Assembly of the Centre.</p>	Tehran, Iran

				<p>signed it. Resultantly, the Statute has entered into force in 2020.</p>	<p>As per relevant provision of the statute, first Meeting of the General Assembly of the States Parties to the Regional Centre is required to be convened to finalize the organization chart of the Centre's Secretariat as well as other relevant issues/documents. In this regard, the Islamic Republic of Pakistan has offered to host the meeting in 2022.</p>	<p>Baku, Azerbaijan</p>
21.	ECO Research Centre (ERC)	Regional Center	PM	<p>The Charter was approved by 21st COM. It is open for signatures, has not yet entered into force</p>	<p>The budgetary sources of the Research Centre include contributions made by the Member States, donations and endowments and other sources.</p>	<p>The 1st preparatory Meeting of ECO Logistics Provider Associations Federation-ECOLPAF (February 2008, Tehran) discussed nature, composition, status, institutional aspects and steps forward to establishing a federation to: (i) act as umbrella organization for national associations of international freight forwarder associations and logistic service providers in ECO members countries; (ii) facilitate transport, trade & logistic development, and (iii) safeguard/promote/advance professional and branch interests of its members at international level. Further, the Secretariat proposed the draft Statute of ECOLPAF, which was unanimously adopted at the 3rd Meeting of ECOLPAF (November 2011, Tehran). It was decided that the Türkiye (UTIKAD) to host the headquarters of the ECOLPAF.</p>
22.	ECO Logistics Provider Associations Federation	Status not defined	TC	<p>Relevant transport associations of Iran, Pakistan and Türkiye have submitted their documents for registration in UTIKAD. The membership of other countries is being followed up by the Secretariat. The 32nd RPC reiterated its request, asked the UTIKAD to prepare and convey to the Secretariat the basic documents of the Federation</p>		

					(i.e. financial regulations, staff regulations, ToR and Rules of Procedure) for circulation among the ECO Member States, upon the establishment of ECOLPAF.			
23.	ECO Clean Energy Center (ECOCEC)	Regional Center	EME		The Charter of ECOCEC was adopted at 25 th Meeting of COM held on 27 November 2021 in Ashgabat. The Charter is open for signature at the ECO Secretariat.	The budgetary sources of the Research Centre include contributions made by the Member States, donations and endowments and other sources.	Baku, Azerbaijan	
24.	Trade, Investment and Innovation Centre	Status not defined yet	TI		It has been proposed by the Republic of Uzbekistan. The Embassy of Uzbekistan has been requested for provision of detailed Concept Paper, Financial and Legal Aspects, etc. The response is still awaited.			



Economic Cooperation Organization

ECO

No: CFU/272nd CPR Report/2023/281

Priority: Most Urgent

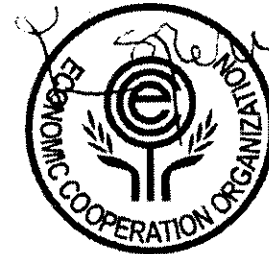
Date: 28/2/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization (ECO) presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith the **Report of 272nd Council of Permanent Representatives (CPR) Meeting** adopted by the 273rd CPR Meeting held on February 27, 2023 at the Secretariat.

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.

All ECO Member States - Tehran



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Economic Cooperation Organization

ECO

**272nd Meeting of the
Council of Permanent Representatives (CPR)**

Report

January 11, 2023
ECO Secretariat

Report

The 272nd Meeting of the ECO Council of Permanent Representatives (CPR) 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. In his opening remarks, the **ECO Secretary General** thanked the Ambassador of the Republic of Uzbekistan to the Islamic Republic of Iran H.E. Mr. Bakhodir Abdullayev for his excellent chairmanship and management of CPR during 2022, commending the Uzbekistan's luminous initiatives to support the agenda of the Organization, including the declaration of 2022 as the "Year of Strengthening Connectivity" in the region. He also expressed his pleasure to welcome the Ambassador of the Republic of Azerbaijan to Iran H.E. Mr. Ali Alizada as the new Chairman of CPR, congratulating Azerbaijan to assume ECO Chairmanship for 2023 under the inspiring concept that declares 2023 as the "Year of Green Transition and Interconnectivity". Recalling that this is last CPR event before the 26th Meeting of the COM, he requested and encouraged all Member States to ensure their minister-level participation in the event with a view to ensuring some tangible decision-making for supporting the future activities of the Organization.

3. Taking over the Chairmanship of the Council, Ambassador Alizada initiated the formal proceeding of the meeting and welcomed the distinguished Permanent Representatives/Representatives of the Member States. He noted that it was an honour and privilege for Azerbaijan to assume this important responsibility and lead the Organization. He extended sincere gratitude to all ECO Member States for supporting the concept of their chairmanship, declaring 2023 as the "Year of Green Transition and Interconnectivity". The Republic of Azerbaijan attaches great importance to the ECO from the very beginning of its independence and joining the Organization, the Chair conveyed. He reiterated Azerbaijan's ambition and desire for nourishing the ECO through their all-inclusive cooperation aimed at facilitating the continued progress and betterment of the region. He commended his predecessor, particularly for his significant role to strengthen ECO efforts for expanded cooperation amongst the Member States. He also acknowledged the contribution of ECO Secretary General and his staff for their relentless support to the Member States.

4. The ECO Permanent Representatives and Representatives also congratulated the Republic of Azerbaijan for assuming the Chairmanship and welcomed Ambassador Alizada as new Chairman of the CPR.

Agenda Item No.1

Adoption of the Agenda

5. The Council adopted the following Agenda of the 272nd CPR Meeting for deliberation:

1. Adoption of the Draft Agenda of the 272nd CPR Meeting

2. Adoption of the Draft Report of the 271st CPR Meeting
3. Preparation for the 26th COM Meeting (*continued*)
 - Finalization of the Draft Agenda of 26th COM Meeting
 - Report of the Preparatory Committee
4. Administrative and budgetary matters:
 - Recommendations of the Selection Panel
5. Any other business.
6. Date of the next CPR Meeting.

Agenda Item No.2

Adoption of the Draft Report of the 271st CPR Meeting

6. The Council adopted the draft Report of the 271st CPR Meeting circulated to the Member States vide Secretariat's Note Verbale No. CFU/CPR/271st Meeting/2022/1755 dated December 22, 2022.

Agenda Item No. 3

Preparation for the 26th COM Meeting(continued)

- Finalization of the Draft Agenda of 26th COM Meeting
- Report of Preparatory Committee

7. The Council revisited the status of preparation of 26th Meeting of the ECO Council of Ministers (COM), reviewing the Drafts Agenda Communiqué of the next COM.

8. The Chairman of the PrepCOM briefed on the progress and developments made during their 9th interaction held on January 9, 2023. Referring the proposal of the Republic of Türkiye to arrange the next Meeting of the COM on January 23-24, 2023 instead of previously agreed dates i.e. January 24-25, 2023, he conveyed concurrence of the host side in this regard subject to the consensus of other Member States. He reiterated the position of Uzbekistan regarding participation of ECO Observers in the COM Meeting without the right of statements. In this regard, he referred Article 5 of the relevant ECO Modalities that, he interpreted, authorizes the host/Chair to grant such a right to ECO Observers or otherwise. Based on the discussions of the 9th PrepCOM and the firm stance of Uzbekistan, he insisted on omission of "Statements by ECO Observers" from the Agenda of the COM's Meeting.

9. The Representative of the Republic of **Uzbekistan** further stated that based on his informal information, Uzbekistan side would offer hospitality to the participating delegations as per following format:

- SOM - 1+2 - 3 nights for Member States
- COM - 1+1 - 2 nights for Member States
- SOM/COM - 1 - 2 nights for ECO Specialized Agencies/Affiliated Bodies

10. While conveying that some Member States have confirmed their participations, the Representative of the Republic of **Uzbekistan** requested the remaining Member States to also expedite confirmations of their participation in the next COM Meeting along with particulars of their delegations.

11. The Permanent Representative of the Islamic Republic of **Iran** emphasized on early finalization of the COM dates to avoid any further ambiguity and seeking repeated convenience of the honourable Ministers. Regarding Article 5 of the relevant ECO Modalities, he clarified that there was no such provision in the Modalities that prohibits delivery of statements by ECO Observers. However, he mentioned that the interpretation made by Uzbek side on the said Modalities was related to only sectoral ministerial meetings. In addition, he proposed the inauguration of the COM Meeting by the highest leadership of the host country. Moreover, he sought the number of confirmed minister-level participations in the event as per new as well as previous dates.

12. The **ECO Secretary General**, responding to the query raised by Iranian side, informed that the number of minister-level participation stands at 5 for previously agreed dates of the COM Meeting, while the number of confirmed ministerial level participation as per newly proposed dates of the event is 6, including **Türkiye**.

13. The Representative of the Republic of **Kazakhstan** stated that the new dates of the COM Meeting proposed by **Türkiye** were already conveyed to the relevant authorities in Astana, adding that their response will be shared soon on receipt.

14. The Permanent Representative of the **Kyrgyz Republic** apprised that the confirmation from their side was awaited on the new dates of the COM event. Moreover, he said that his country's proposals on draft Tashkent Communiqué were also expected that would be shared in due course.

15. The Representative of the Islamic Republic of **Pakistan**, while referring that the relevant authorities in Pakistan are engaged in issues of climate change and the relevant UN Conference, conveyed that their authorities' confirmation on the new dates of the COM Meeting was still awaited. She said that the same would be shared as soon as received.

16. The Permanent Representative of the Republic of **Tajikistan** expressed concurrence over the new dates of the COM event. However, he discouraged sudden changes in the already scheduled events with a view to avoiding any added financial repercussions.

17. The Permanent Representative of **Turkmenistan** also expressed no objection to the new dates of the COM Meeting, stating that a formal confirmation was required from their capital in this regard.

18. The Representative of the Republic of **Türkiye** expressed appreciation over the acceptance of new dates of COM Meeting by majority of the Member States. Regarding participation of ECO Observers, he stood firm on their position regarding right of statements by ECO Observers based on the past practice and relevant ECO Modalities.

He requested the host side to re-consider their decision to this end in special consideration of ECO approach that is aimed at enhancing the Organization's visibility.

19. The **ECO Secretary General** informed that during his telephonic conversation with the Deputy Foreign Minister of Uzbekistan, it was established that the Uzbek side had no objection on the new dates of the meeting. However, their telecommunication noted the financial implications for the Member States due to the rescheduling of the event, he said.

20. The **Legal Advisor** recalled that based on the ECO Rules of Procedure, the draft Agenda of the Meeting is required to be issued at least six weeks before the event, noting that due to the non-finalization of the dates the same is yet to be circulated.

21. Given the consensus established amongst the majority of the Member States, the **Council** agreed with the new dates for organizing the 26th Meeting of ECO Council of Ministers (COM) in Tashkent on **January 23-24, 2023** instead of previously agreed dates i.e. January 24-25, 2023, encouraging the Member States to expedite confirmations of their ministerial level participation in the meeting.

22. The **Council** also considered the nomination of Ambassador Jandos Asanov received from the Republic of Kazakhstan regarding his re-appointment as Deputy Secretary General for Tourism, Project Management, JPC & EAPA (Category-I, D3) for another full term of three years. The Council approved the received nomination for inclusion in the agenda of the 26th COM Meeting.

23. Moreover, the **Council** mulled over the proposal of the Republic of Azerbaijan regarding amendment in Article-IX of the Charter of ECO Clean Energy Center. Looking into the views of the Permanent Representative of Iran regarding the amendment proposed by Azerbaijan in Article-IX of the Charter of ECO Clean Energy Center and the response of the **Legal Advisor** made thereon, the **Council** agreed on the amendment proposed by Azerbaijan to be included as a separate item in the Draft Agenda of the 26th COM Meeting.

24. On query raised by **Kazakhstan side** regarding circulation of documents to be considered for signatures under the Treaty Events, the **Legal Advisor** conveyed that the said documents were already circulated amongst the Member States. He, however, assured that the same would be re-circulated at an early date for convenience of the Member States.

25. Having gone through the Draft Agenda and Draft Tashkent Communiqué of the COM, along with the proposals of the Member States thereon, as well as making some amendments in the document (s) based on the changes proposed by Member States, the **Council** concluded that the revised versions of the Draft Agenda and Draft Tashkent Communiqué (**track-change and clean**) of the 26th COM Meeting as agreed upon during the meeting may be circulated for further consideration of the Member States during Senior Officials Meeting (SOM).

Agenda Item No.4

Administrative and budgetary matters

26. As per conclusion reached at the 271st CPR, the ECO Secretary General, while referring his formal letter addressed to the Honourable Foreign Minister of Kazakhstan, encouraged the Kazakhstan side to join the consensus during the upcoming SOM/COM as to the minimum use of GRF to cover part of contributions of the Member States for ECO budget 2023.

Recommendations of the Selection Panel

27. The Selection Panel met on January 11, 2023. The Meeting was coordinated by Ambassador Seyed Mohsen Esperi, ECO Deputy Secretary General for TI and AI and chaired by Mr. Subhi Ismailzadeh, the Representative of the Republic of Azerbaijan. The Meeting was attended by the representatives of the Republic of Azerbaijan, Islamic Republic of Iran, Republic of Kazakhstan, Islamic Republic of Pakistan, Republic of Türkiye and Republic of Uzbekistan.

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

Desk Officer (Category-II, P1)

29. Mr. Naimatullah (**Pakistan National**) may be appointed for a full term of four (04) years to be effective from the date of joining at the Secretariat in place of Mr. Farman Ali, who would complete his existing term of service on June 29, 2023.

30. The Selection Panel also recommended that Mr. Farman Ali, the incumbent Desk Officer may also be allowed to continue his services till the arrival of his successor from Pakistan to properly handing/taking over the record of the concerned division, enabling his successor to follow up the future tasks in an appropriate manner.

31. The Council agreed and approved the above recommendations of the Selection Panel.

Agenda Item No.5 Any other Business

32. The Chair and the ECO Secretary General as well as the Permanent Representative of the Islamic Republic of Iran requested the Member States to convey expeditious response with regard to the participation of their Honourable Foreign Ministers in the upcoming Meeting of the COM.

Agenda Item No.6 Date of the next CPR Meeting

33. It was decided that the next (273rd) CPR will be held on February 27, 2023.

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. Subhilsamayizada, Third Secretary

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

- H.E. Mr. Seyed Jalaedin 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:

- Mr. Gamzat Khairov, Counsellor

The Embassy of the Kyrgyz Republic:

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

The Embassy of the Islamic Republic of Pakistan:

- Mrs. Zaib Tayab Abbasi, Counselor
- 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. Emirhan Yorulmazlar, Deputy Head of Mission

The Embassy of Turkmenistan:

- H.E. Mr. Ahmet Gurbanov, Permanent Representative
- Mr. Kemal Atayev, Third Secretary

The Embassy of the Republic of Uzbekistan:

- Mr. Umid Babaev, Third Secretary

The ECO Secretariat:

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



Economic Cooperation Organization

ECO

No: CFU/273rd CPR Report/2023/1115

Priority: Most Urgent

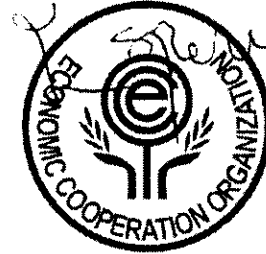
Date: 1/8/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization (ECO) presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith the **Report of 273rd Council of Permanent Representatives (CPR) Meeting** adopted by the 278th CPR Meeting held on July 31, 2023 at the Secretariat.

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.

All ECO Member States - Tehran



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273rd Meeting of the Council of Permanent Representatives (CPR)

Report

February 27, 2023
ECO Secretariat

Report

The 273rd CPR Meeting, held on February 27, 2023, was attended by the Permanent Representatives/Representatives of 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.

On request and proposal of the Republic of Azerbaijan, the meeting was organized in Hybrid Mode.

Opening the Meeting, the delegations of the Member States joined the **Chairman** and the **ECO Secretary General** to convey condolences for the massive destruction and loss of precious human lives during the recently occurred devastating earthquakes in Türkiye, expressing their deep sympathies with the bereaved families, people and government of Türkiye.

The Ambassador of the Republic of Türkiye to the Islamic Republic of Iran and the Country's Permanent Representative to ECO acknowledged with earnest appreciation the kind gestures, assistance and support of the Member States during Türkiye's hard time inflicted by destructive quakes in the country.

The **Chairman** requested the Members of the esteemed Council to observe a one-minute silence due to the catastrophic earthquakes in Türkiye as well as to a brutal attack that took place against the Embassy of Azerbaijan in Tehran on January 27, 2023.

Agenda Item No.1

Adoption of the Draft Agenda of the 273rd CPR Meeting

2. Regarding Item 3 of the Agenda concerning the current situation and circumstances with the regard to conduct of Chairmanship in ECO in 2023, the Permanent Representative of the Islamic Republic of **Iran** proposed the Council to move the issue for discussion before any other business.

3. The Representative of the Republic of **Azerbaijan** expressed his concurrence on the proposal made by Iranian side for the said re-positioning of Item 3. Furthermore, some other changes in the sequence of Agenda Items was requested by the Representative of Azerbaijan.

4. After making necessary adjustments and re-sequencing of the Agenda Items as per the aforesaid proposals, the **Council** adopted the following Agenda of its 273rd Meeting:

1. Adoption of the Draft Agenda of the 273rd CPR Meeting
2. Adoption of the Draft Report of the 272nd CPR Meeting
3. Follow-up of the outcomes of the 26th Meeting of the COM

4. Preparation for the 16th ECO Summit and 27th Meeting of the COM
5. ECO Awards 2023
6. Approval of ECO Work Programme and Calendar of Events 2023
 - Inclusion of the 1st Meeting of the GA & BoD of ERC in the Calendar of Events for 2023
 - Inclusion of the 3rd Ministerial meeting on ICT preceded by the High-Level Experts Group meeting in the Calendar of Events for 2023
7. Administrative and budgetary matters:
 - Strengthening the Translation Unit of the Secretariat
 - Report on the costs incurred from Feasibility and General Purpose Fund for the 33rd RPC Meeting (January 16-19, 2023)
 - Recommendations of the Selection Panel
8. Current situation and circumstances with regard to conduct of Chairmanship in ECO in 2023
9. Any other business
10. Date of the next CPR Meeting

Agenda Item No.2

Adoption of the Draft Report of the 272nd CPR Meeting

5. The Council adopted the Draft Report of the 272nd CPR Meeting held on January 11, 2023, circulated amongst the Member States vide Secretariat's Note Verbale No. CFU/CPR/272nd Meeting/2023/93 dated January 12, 2023.

Agenda Item No.3

Follow-up of the outcome of the 26th Meeting of the COM

6. The Chair requested the ECO Secretariat to brief the Council on the measures to be taken to follow up the outcomes of the 26th Meeting of the COM held in Tashkent on January 24, 2023.

7. The ECO Deputy Secretary General (Tourism, PM, JPA & EPA) informed the Council that as desired by ECO Secretary General, the preparation for drafting a Plan of Action is under process with regard to the implementation of decisions/outcomes of the 26th COM Meeting. He assured that the said document would be finalized soon for distribution amongst the Member States.

8. The Legal Advisor briefed the Council on some prominent developments made during the COM Meeting and expected follow-up measures there-under. He pointed out that under the Report of Secretary General to 25th COM, the Council encouraged Member States signatory to Agreements concluded within the framework of ECO accelerate the ratification process, therefore, to this end the follow-up measures are needed to be taken by the Member States. It was also noted that 25th COM adopted the Statute of ECO Regional Center for Risk Management of Natural Disaster (ECO-RCRM), and upon approval the Statute was signed by the honourable Foreign Minister of Islamic Republic of Iran. As a follow-up measures, the Secretariat declared that the Statute is open for signature by the Member States at the ECO Secretariat or any other

venue that the Member States deemed to sign the Statute. As for the Charter of Clean Energy Center, he explained that after amendment of Article IX of the Charter, the Charter was declared open for signature by the Secretariat and noted that the Charter was sent to Baku for being signed by the honourable Minister of Energy of Azerbaijan.

9. The **Legal Advisor** further briefed the Council that after obtaining the approval of COM regarding the Terms of Reference of High-Level Committee and the desire expressed by COM that the Member States and Secretariat may accelerate their collaboration and coordination for materializing the functions of the High-Level Committee, the follow-up measures designed for the Committee would be putting before the Committee the issue of ECO Vision beyond 2025. He added that 25th COM agreed on the proposal of establishment of a High-Level Dialogue Platform on Environmental Cooperation and tasked CPR together with Secretariat to work out necessary Terms of Reference of the Platform. In this regard, he informed that the zero draft of the Platform, prepared by the Secretariat will be put on the agenda of 274th or 275th CPR Meetings.

10. The **Chairman** informed that the Charter of ECO Clean Energy Center (ECO-CEC) was recently signed by Ministry of Energy of Azerbaijan. He said that the original Charter would be forwarded to the Secretariat soon, requesting other Member States to consider signing and ratification of this important document, ensuring an expeditious operationalization of the ECO-CEC.

11. Regarding the revision of UNGA draft resolution on UN-ECO Cooperation, the **Chairman** noted that the issue was discussed at SoM in Tashkent and RPC level this year. He requested the Secretariat to circulate an updated version of the document amongst the Member States with a view to securing their views and inputs thereon.

12. The **ECO Secretary General** acknowledged, with appreciation and thanks, the signing of the ECO-CEC's Charter by Azerbaijan, encouraging the other Member States to sign and ratify this important document. Regarding the UNGA resolution on UN-ECO cooperation, he recalled that the said resolution is passed biennially by the UNGA with consensus. Noting the interventions by some Member States, the draft resolution on UN-ECO cooperation is under process of revision which will be shared soon with the ECO Chair and other Member States for further views/consideration before its tabling at the UNGA, the Secretary General conveyed. He said that the Republic of Azerbaijan, being current ECO Chair, is supposed to table the revised draft of the UN-ECO resolution for adoption by UNGA during its upcoming session.

13. The Permanent Representative of **Iran**, appreciating the ECO Secretariat for briefing the Council on outcomes of the COM, reiterated his gratitude to the Republic of Uzbekistan for hosting the 26th COM Meeting in Tashkent that, he noted with pleasure, witnessed the maximum presence of the honourable ECO Foreign Ministers. To make it more exemplary and commemorative and bearing in mind that the 16th Summit is scheduled to be hosted by Uzbekistan in November, there is a need to speed up the implementation of COM's decisions and recommendations with a view to presenting a tangible report to our highest leadership. He opined that the Secretariat might peruse the text of the Tashkent Communiqué, ascertaining some priority assignments to be

done before the upcoming Summit. Furthermore, he expressed delight over the revision of draft resolution on UN-ECO cooperation, inquiring the formal procedure for tabling it before the UNGA.

14. The Chair also looked forward to the required procedure for presenting the draft resolution on UN-ECO cooperation, requesting the Secretariat to circulate an updated version of the document for consideration by the Member States.

15. The ECO Secretary General invited the attention of the Council towards the brief process stated by ECO Deputy Secretary General (Tourism, PM, JPA & EPA) regarding the follow-up measures as to implementation of Tashkant Communiqué. About the draft resolution on UN-ECO cooperation, he referred his previously mentioned comments, looking forward to Member States' inputs on the document to be shortly circulated amongst them that he considered essential before forwarding the text to the UNGA. With a view to saving time, the same may be discussed and deliberated by the ECO Chair and Permanent Missions of the Member States in New York before starting informal consultations with the general membership of UN.

16. The Chair stated that on receipt of the revised version of draft resolution on UN-ECO cooperation, the Chairing country would be requested to arrange consultation in New York.

17. Seconding the Iranian side's views and in consideration of the upcoming ECO Informal Ministerial Meeting in New York that may coincide with the UNGA Session, the Representative of the Republic of Azerbaijan also emphasized the need for setting up some timeline for finalization of the revised draft resolution on UN-ECO cooperation. He believed that an early circulation of the document amongst Member States would enable their prompt consideration on it, adding that the Republic of Azerbaijan will advise its Mission in New York for making necessary coordination in this regard.

18. Concluding discussion in the matter, the Council desired the ECO Secretariat to make an early circulation of the following for consideration of the Member States:

- I. Action Plan for implementation of COM's decisions and recommendations;
- II. Revised version of the UNGA draft resolution on UN-ECO cooperation.

Agenda Item No.4

Preparation for the 16th ECO Summit and 27th Meeting of the COM

19. The Chair brought to the attention of the Council that as per Article IV of the Treaty of Izmir, the Heads of State/Government of the Member States are required to meet biennially or more often if considered necessary by the Member States. In this context he pointed to the importance of planning for the preparatory works of the 16th Summit Meeting and 27th COM Meeting scheduled to be held in 2023. The Chair

requested the Representative of the Republic of Uzbekistan to brief the Council on preparation and hospitality details of the event.

20. The Permanent Representative of the Republic of **Uzbekistan** to ECO, Ambassador Bakhodir Abdullayev thanked the Member States and ECO Secretariat for facilitation and support, ensuring successful organization of the 26th Meeting of the COM at Tashkent on January 24, 2023. He hoped that adoption of the Tashkent Communiqué and its practical realization would strengthen the existing cooperation amongst the Member States. Moreover, he recalled and reiterated Uzbekistan's readiness for hosting the 16th ECO Summit as desired and expressed by Country's honourable President during his meeting with the ECO Secretary General on the sidelines of the COM event. In addition, he informed the confirmations of participation in the next Summit by Iran, Kazakhstan and, requesting other Member States to also accelerate their confirmations in this regard, enabling the host authorities to make required arrangements for facilitation of the highest ECO leadership in Uzbekistan. He also proposed the formation of a Preparatory Committee (PrepCom) in connection with ensuring necessary preparations for the next Summit and COM events.

21. The Permanent Representative of the Republic of **Türkiye** seconded the proposal for organizing the Summit in November this year, and establishment of the proposed PrepCom for ensuring timely preparations to this end.

22. The Representative of the Republic of **Azerbaijan** informed that the relevant authorities in Baku were considering the dates for hosting the 27th Meeting of Council of Ministers (COM). He said that the proposed dates of the next COM Meeting would be shared shortly. He also supported establishment of the PrepCom to facilitate in-time preparations for effectively organizing these two very important ECO events.

23. The Permanent Representative of the Islamic Republic of **Iran** emphasized that the establishment of PrepCom was necessary if the next Summit to be followed by COM Meeting, in order to facilitate the beforehand preparations of both the events.

24. The Representative of the Republic of **Azerbaijan** underlined that an informal COM meeting was scheduled to be held on the sidelines of the next UN General Assembly Session, adding that the 27th COM meeting is to be organized before the Summit and after the informal COM event, most probably in October 2023. He expressed Azerbaijan's readiness to make bilateral consultations with the Uzbek side for mutually finalizing the dates of the next COM meeting.

25. The Permanent Representative of **Uzbekistan**, however, highlighted that there were no such provisions in the ECO Rules of Procedure for holding COM meeting before or after Summit.

26. Making reference of his meeting with the honourable President of Uzbekistan that took place on the sidelines of the 26th COM Meeting, the **Secretary General** informed that the highest Uzbek dignitary had desired early completion of all development projects in the region with a view to securing some tangible outcome before the 16th ECO Summit. Besides, he conveyed that the honourable President

tentatively confirmed November 9-10, 2023 for hosting the Summit event in Uzbekistan, expecting the extension of invitations to the ECO Heads of States/Governments in due course of time.

27. The **Legal Advisor** confirmed that there is no obligation in the ECO Rules of Procedure for consecutive holding of the COM and Summit meetings, explaining that as per Article IV of the Izmir Treaty the Summit has its own mandate. Regarding the level, composition and work of the PrepCom, he stated that it would consist of Representatives of the Member States and facilitates the preparations of both the COM and Summit events.

28. Considering the views and comments expressed the **Council** decided on the establishment of Preparatory Committee for overall coordination and preparations in connection with organizing the next Summit and COM Meetings in Tashkent and Baku, respectively.

Agenda Item No.5
ECO Awards 2023

29. The Chair requested the Member States to convey their nominations for ECO Awards by or before May 31, 2023, as well as the names of their authorized experts as members for the formation of ECO Awards Selection Committee.

30. The Permanent Representatives of **Türkiye** and **Iran** informed that their concerned authorities were working on the nominations that would be conveyed within the given timeframe.

31. Recalling his previously made proposal, the Permanent Representative of **Iran** stressed for involving ECO Specialized Agencies in the process of evaluating the individuals' nominations with a view to determining best suitable candidates for ECO Awards.

32. Citing the provisions of relevant ECO Modalities regarding the working of the ECO Award Committee, the **ECO Secretary General** stated that the Modalities for ECO Awards provides for seeking the views of specialized agencies as to fields related to History, Culture, Literature and Fine Arts and well as Science and Technology and Education from the ECO Specialized Agencies.

33. In view of the aforesaid discussions, views and comments, the **Council** urged the Member States for timely delivery of the list of their candidates for ECO Awards within the time limit set to this end, that is, end of May 2023. The Secretariat was also requested to issue a reminder to Member States regarding the aforesaid deadline.

Agenda Item No.6
Approval of ECO Work Programme and Calendar of Events 2023

34. The ECO Work Programme and Calendar of Events 2023 as endorsed by 33rd RPC Meeting on January 19, 2023 are required to be placed before the Council of Ministers under recommendation of the Council of Permanent Representatives.

35. The Council reviewed the ECO Work Programme and Calendar of Events 2023 and discussed the possibility for inclusion of the following in the said documents based on the proposals of the Member States:

- 1st Meeting of the General Assembly & Board of Directors (BoD) of ECO Re-Insurance Company (ERC);
- 3rd Ministerial Meeting on ICT to be preceded by High-Level Experts Group Meeting at Tehran in July 2023.

36. Referring to the Calendar of Events 2023, the Representative of Azerbaijan mentioned three events to be held in Azerbaijan back to back in May this year that include (i) 8th Meeting of Customs Transit Committee of TTCC, (ii) 10th Meeting of TTC and, (iii) 6th High-Level Working Group Meeting on Qazvin-Rasht-Astara (Iran)-Astara (Azerbaijan) Railway, adding that the 8th Meeting of Customs Transit Committee of TTCC is already covered under SSF. He underscored that the other two meetings are directly related to the regional connectivity, which the theme of this year's ECO Chairmanship. He requested the Council to also cover them out of SSF. He suggested the utilization of GRF to cover any deficit to this end. He further said that a formal proposal by Azerbaijan would follow soon to this end.

37. The Secretariat explained that under the budget of 2023 the total allocation to SSF was 10,000.00 USD. Hence, due to budget limitation that provides the coverage of costs that might be incurred for the proposed list of SSF could be regarded as impossible. By the use of the remaining amount under SSF from previous year, SSF could hardly support up to 10 meetings.

38. The Permanent Representative of Iran expressed his concurrence to the selective events to be covered out of SSF, stressing that as per Modalities Ministerial Meetings and SoM of the Ministerial Meetings should not be covered by SSF. He added that the meeting of PAECO was inserted in the proposed list of SSF as well as the meeting of judicial authorities. He noted that the first one is the meeting of the affiliated body and the second one just needs the will of the respective authorities which should be encouraged. He underlined that given the budget constraints under SSF, there would not be any need for insertion of workshops, training courses, etc. in the proposed list. He requested the Secretariat to revise the proposed list of events that are expected to be financed under SSF based on the views expressed at CPR. The shortened proposed list would be discussed during next Meeting of CPR, he continued. However, he looked forward to the Council's consideration for giving a general authorization to the ECO Secretary General to avoid referring such issues to CPR. Moreover, while referring to the ECO Calendar of Events, Sector "H" related to ECO International Relations and ECO Specialized Agencies, informed that the Ministry of Culture of Iran decided to organize the Board of Trustees (BoT) Meeting of ECI in June 2023, being the current Chair of the Institution. Aimed at expanding membership of the ECI, the invitation to attend the BoT's meeting will be extended to all ECO Member States, he underlined.

39. Mulling over the matter, the **Council** recommended approval of ECO Work Programme and Calendar of Events for the year 2023 by COM through adoption of a two-week silence procedure. Furthermore, the Council tasked the Secretariat to shorten the proposed list of events to be covered by SSF and requested observance of the Modalities for the proposal along with the aforesaid views shared by the Member States.

Agenda Item No.7

Administrative and budgetary matters:

- Strengthening the Translation Unit of the Secretariat

40. The **Chair** stated that based on the COM's decision, a post of Russian Translator (Category-II, P2) was abolished on December 31, 2022. He also pointed out that one of the incumbent Russian Interpreters Ms. Ulkar Mehdiyeva (Azerbaijani national) requested to work remotely from Azerbaijan for quite some time. The Chair noted that such developments appeared to impact on the functioning of the Secretariat's translation unit, requesting the Council to look into the matter and address the translation issues of the Secretariat.

41. The Permanent Representatives of **Türkiye** and **Kazakhstan** stated that they were not in favour of any proposal that brings additional costs to the ECO. However, arrangements may be made for re-appropriation of funds from one to another account with the approved budget of the Secretariat, they said.

42. The **ECO Secretary General** brought to the attention of the Council that the number of staff in translation section was reduced during the reform process with the understanding that the need of the Secretariat would be met by adoption of an appropriate recruitment policy required for the selection and appointment of the professional interpreters/translators. To this end, with the aim of improving the services of the interpretation section of the Secretariat the Member States would be approached for holding informal consultation with the aim of development of a proper formula for addressing the shortcoming in this section he added.

43. The Permanent Representative of **Iran** assured his full support to the Secretary General regarding the adoption of an appropriate recruitment policy. He further recommended the hiring of some part-time translators for making an interim arrangement through transfer of money from one to another head of account within the allocated budget of Organization that will bear no additional expenses.

44. The Permanent Representative of **Tajikistan** supported his Iranian counterpart with a view to providing quality translation services to the Member States and the Secretariat.

45. The **Council** tasked the Secretariat to come up with draft proposal for consideration by the next CPR Meeting.

- Report on the costs incurred from Feasibility and General Purpose Fund for the 33rd RPC Meeting (January 16-19, 2023)

46. The Council at its 271st Meeting held on December 21, 2022, authorized coverage of the costs of the local hospitality, hotel accommodation for three nights and return airfare (up to USD 900) to maximum 1+1 delegates of each Member State, from Feasibility and General Purpose Fund. The total costs amounted to USD 6,399.03 as reflected in the table below. It is further noted that nine Member States had participated in the RPC meeting which held in hybrid format and the costs is related to in-person participants except for the participants from the host country and the Embassy of Afghanistan in Tehran.

Member State	Reimbursement of airfare		Hospitality	Total amount in USD
	number of delegates	amount in USD	amount in USD	
Azerbaijan	2	1748	352.1	2,100.1
Tajikistan	2	1800	352.1	2,152.1
Türkiye	2	900	352.1	1,252.1
Uzbekistan	1	660	234.73*	894.73
Total		5,108	1,291.03	6,399.03

*Accommodation is calculated for 4 nights for 1 delegate.

47. The Council took note of the aforesaid Report.

- Recommendations of the Selection Panel

48. The Selection Panel met on February 26th, 2023 (10:00 hrs). The Meeting was coordinated by Amb. Dr. Huseyin Avni Bicakli, ECO Deputy Secretary General for (Admin, EME, IR & IT) and chaired (*virtually*) by Mr. Farid Valiyev from the Republic of Azerbaijan. The Meeting was attended by the representatives of the Islamic Republic of Iran, Republic of Kazakhstan, Republic of Türkiye and Republic of Uzbekistan.

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

Program Officer for Transport & Communications (Category-II, P1)

50. Mr. Zeinolla R. Kalymbetov (**Kazakhstan National**) may be appointed for a full term of four (04) years to be effective from the date of joining at the Secretariat against the vacant post of Program Officer for Transport & Communications (Category-II, P1).

Program Officer for Tourism (Category-II, P3)

51. Mr. Hasan Tufan (**Türkiye National**) may be appointed for a full term of four (04) years to be effective from the date of joining at the Secretariat against the post of Program Officer for Tourism (Category-II, P3) which would fall vacant in the ECO Secretariat upon completion of service tenure of Ms. Aysegul Yorulmazlar (**Türkiye National**) on March 10, 2023.

52. The Selection Panel also recommended that Ms. Aysegul Yorulmazlar, the incumbent Program Officer for Tourism may also be allowed to continue her services till the arrival of her successor from Türkiye to properly handing/taking over the record of the concerned Division, enabling her successor to follow up the future tasks in an appropriate manner.

53. The Council approved the above recommendations of the Selection Panel.

Agenda Item No. 8

Current Situation and Circumstances with regard to conduct of Chairmanship in ECO in 2023

54. As agreed by the Council in the beginning of the meeting, the floor was opened for discussion in the matter.

55. The **Chair** as well as the Representative of **Azerbaijan** noted that in view of the conditions developed due to brutal attack that took place against their Embassy in Tehran, it would not be convenient for them to chair and attend the CPR and other meetings of the Organization in person at Tehran. They proposed the Council to consider the format of the ECO meetings in Tehran to be organized in hybrid format.

56. The Permanent Representative of **Iran** while expressing his grief on the unfortunate event informed that the relevant authorities of Azerbaijan and Iran are bilaterally looking into the matter. He opined to adopt a reconciliatory approach until any conclusion to this end made by authorities of the two countries.

57. The **Council** agreed that the verbatim text of the statements/interventions delivered by the delegations of the Republic of Azerbaijan and the Islamic Republic of Iran will be available in the Secretariat's record for the reference and can be accessed upon the request from any Member State.

Agenda Item No.9

Any other business

58. The **Head of Section** (Administration) proposed that one of the Secretariat vehicles Toyota Camry 2017 model may be replaced with two new vehicles; i) Toyota Camry 2023 model; ii) Toyota Hiace 2022/2023 model without any financial or budgetary implications. He requested the Council to consider the proposal and authorize the Secretariat to replace the old vehicle with two new ones that would bear no financial or budgetary implications.

59. The **Council** authorized the Secretariat to replace the old vehicle with new ones without any financial/budgetary implications.

60. The Representative of **Azerbaijan** sought the updates on ECO-ASEAN Joint Ministerial Meeting to be organized on the sidelines of the next UNGA Session in New York.

61. ECO Secretary General informed that during the last General Assembly Session in New York, he met with his ASEAN counterpart, reaching an agreement to resume the ECO-ASEAN joint ministerial consultations. However, he requested the Republic of Azerbaijan, being the current ECO Chair to task their Mission in New York for making in-parallel coordination with the ASEAN Chair in New York. He further informed that ASEAN Secretariat had earlier sent a Draft Cooperation Program to ECO Secretariat. After consultation with the ECO Member States, the reviewed version of this draft document was shared with ASEAN Secretariat for their consideration and approval. Therefore, after finalization of the text of this document we might consider the signing of Cooperation Framework between ASEAN and ECO on the sidelines of the next General Assembly Session in New York, he added.

Agenda Item No.10
Date of the next CPR Meeting

62. The Council decided to convene its next (274th) Meeting on 29th March 2023 in ECO Secretariat, Tehran

Annexure-I

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

The Republic of Azerbaijan:

- H.E. Mr. Ali Alizade, **Permanent Representative**
- Mr. Orkhan Zeynalov, Special Envoy, Ministry of Foreign Affairs
- Mr. Farid Valiyev, Head of Division, Ministry of Foreign Affairs

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

- H.E. Mr. Seyed Jalaedin 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. Sydykov Turdakun, **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:

- H.E. Mr. Derya Ors, **Permanent Representative**
- Mr. Ulvi Darendeli, Counselor

The Embassy of Turkmenistan:

- H.E. Mr. Ahmet Gurbanov, **Permanent Representative**
- Mr. Kemal Atayev, Third Secretary

The Embassy of the Republic of Uzbekistan:

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

The ECO Secretariat:

- H.E. Amb. Khusrav Noziri, Secretary General
- Amb. Huseyin Avni Bicakli, Deputy Secretary General
- Amb. Mohsen Esper, Deputy Secretary General
- Amb. Jandos Asanov, Deputy Secretary General
- Mr. Sukhrob Mirzoaliev, Head of CFU
- Mr. Mahmoud Khoubkar, Legal Adviser
- Mr. Muhammad Ahmed Raza, Senior Desk Officer
- Mr. Shahid Hussain, Desk Officer



Economic Cooperation Organization

ECO

No: CFU/274th CPR Report/2023/581

Priority: Most Urgent

Date: 4/5/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization (ECO) presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith the **Report of 274th Council of Permanent Representatives (CPR) Meeting** adopted by the 275th CPR Meeting held on May 3, 2023 at the Secretariat.

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.

All ECO Member States - Tehran



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274th Meeting of the Council of Permanent Representatives (CPR)

Report

April 4, 2023
ECO Secretariat

Report

The 274th CPR Meeting, held on April 4, 2023, under the chairmanship of the Republic of Azerbaijan was attended by Permanent Representatives/Representatives of 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 delegations of the Member States joined the **Chairman** and the **ECO Secretary General** to welcome and felicitate Dr. Hicabi Kirlangiç who recently assumed his responsibilities as the Ambassador of the Republic of Türkiye to Iran and the Country's Permanent Representative to ECO.

3. Ambassador Hicabi Kirlangiç thanked the distinguished members of the Council and reciprocated the sentiments expressed by them.

4. Reiterating his earlier position, the Permanent Representative of the Islamic Republic of **Iran** discouraged the virtual chairing of CPR, PrepCom and other meetings of the ECO. According to him, if regular Chair continues to be physically absent, such meetings may be presided over by an interim chair, preferably by former chairman of the CPR which is in line with the previous practice, he emphasized.

5. The Representative of the Republic of Azerbaijan invited the Iranian delegation to stick to the proposed agenda, while the issue raised by the Iranian side can be discussed under the agenda item "Any other business".

Agenda Item No.1

Adoption of the Agenda

6. The **Council** adopted the following Agenda of the 274th CPR Meeting for deliberation:

1. Adoption of the Draft Agenda of the 274th CPR Meeting
2. Adoption of the Draft Report of the 273rd CPR Meeting
3. Preparation for the 16th ECO Summit and 27th Meeting of the COM
4. Approval of the List of Events to be covered out of Special Support Fund (SSF)
5. Communication with the Embassy of the Islamic Republic of Afghanistan
6. Administrative and budgetary matters:
 - Recommendations of the Selection Panel
7. Any other business
8. Date of the next CPR Meeting

Agenda Item No.2

Adoption of the Draft Report of the 273rd CPR Meeting

7. The Representative of the Ministry of Foreign Affairs of the Republic of Azerbaijan requested for incorporation of their amendments in the report proposed vide Note Verbale No. 3-20-32/2-5-13256/2023 dated March 15, 2023.

8. The Permanent Representative of the Islamic Republic of Iran did not agree with the idea to either reflect such views or attach them as annexure to the report. He supported that the original text of the report as circulated by Secretariat may be kept intact. However, he agreed for adding a sentence in the report to mention that "verbatim of the report is available in record of the Secretariat for any further reference".

9. In response the Azerbaijan representative mentioned that key elements of the statement by the Republic of Azerbaijan should be incorporated and reflected properly in the report and expressed readiness to work on the text for modifications and additions.

10. Finding no consensus in the matter, the Council deferred the adoption of report of the 273rd Meeting for discussion and decision by its next Session.

Agenda Item No.3

Preparation for the 16th ECO Summit and 27th Meeting of the COM

11. Based on the discussions and recommendations made by 1st Meeting of the PrepCom, the Council reviewed the status of preparations in regard to the holding of 27th COM and 16th Summit Meetings this year in Baku and Tashkent respectively.

12. The Permanent Representative of the Republic of Uzbekistan recalled that the 16th ECO Summit is scheduled for November 9-10, 2023, adding that an official information to this end has already been made. He requested the Member States to ascertain confirmations of their Heads of State/Government for participation in the event, emphasizing that a prompt response in the matter would enable the host authorities to make necessary arrangements for facilitating this significant event in Tashkent.

13. The Representative of the Ministry of Foreign Affairs of the Republic of Azerbaijan, while referring to their position as maintained by country's delegation during the 1st Meeting of the PrepCom, reiterated that the informal COM and the ECO-ASEAN Ministerial Meeting (s), to be organized on the sidelines of upcoming UNGA Session, may be included in the agenda of PrepCom for discussion. He proposed the sequence of such events in the following order: (i) Informal COM Meeting (ii) ECO-ASEAN Ministerial Meeting (iii) 34th RPC Meeting (iv) 27th COM Meeting and (v) 16th ECO Summit.

14. The Permanent Representative of the Islamic Republic of Iran did not concur with the idea to include ECO-ASEAN Ministerial Meeting (s) in the agenda of the PrepCom maintaining that this would overburden the actual tasks of the PrepCom. However, he proposed that it would be quite better if ECO and ASEAN Secretariats could mutually coordinate in connection with organizing their ministerial meeting on

the sidelines of the next UNGA Session. Regarding nature and format of the outcome documents of COM and Summit events, he said that different approaches were needed for the development of these documents. While an action-oriented approach could be regarded suitable for working out the communiqué/declaration of 27th COM, the Policy-oriented approach might be adopted for the outcome document of the Summit meeting which could be short and concise. As regards sequencing of the RPC, COM and Summit meeting (s), he opined that there was no obligation in holding COM Meeting prior to Summit with an interval in between. He drew the attention of the meeting to the legal status of COM as the highest decision-making body of the Organization as set out under Article VI of the Treaty of Izmir. He proposed that COM event might be held in December 2023 after the organization of Summit and RPC, in order to provide enough time for the required preparation needed for RPC given the fact that RPC in this year may be required to review ECO Vision 2025.

15. The Permanent Representative of the Republic of **Kazakhstan** stated that PrepCom should focus only on main ECO events i.e. the next meetings of the COM and Summit.

16. The **ECO Secretary General** proposed that there should be an appropriate space between RPC and COM meetings in order to provide sufficient time for ensuring effective organization of all such events. He looked forward to PrepCom and Member States to mutually ascertain exact dates for holding these events.

17. Reviewing all aspects of discussion and the views of the participating delegations, the Council concluded the following:

- Scheduled ECO events may be organized in the following order (i) 34th RPC (ii) 27th COM and (iii) 16th Summit;
- PrepCom to ensure the preparations for COM and Summit events as well as make overall coordination with regard to the holding of Informal COM and ECO-ASEAN Meetings.

Agenda No.4

Approval of the List of Events to be covered out of Special Support Fund (SSF)

18. The Representative of the Ministry of Foreign Affairs of the Republic of **Azerbaijan** requested the inclusion of 8th Meeting of Customs Transit Committee (TTCCI) and 9th Meeting of the ECO Council of Heads of Customs Administration (CHCA) in the revised list of events to be covered out of Special Support Fund (SSF).

19. The Permanent Representative of the Republic of **Uzbekistan** requested the inclusion of 5th High Level Experts Group Meeting preceding the 5th ECO Energy Ministerial Meeting in the revised list of Events to be covered out of SSF.

20. The Permanent Representative of the Islamic Republic of **Iran**, while quoting his previous position, reiterated that all meetings which bear ministerial nature or to be participated by heads of organizations may be excluded from the SSF list.

He noted that such events do not fall within the scope of SSF, looking for a general authorization to be given to the ECO Secretary General, enabling him to exercise some discretion in this regard.

21. The **Council** considered the views expressed by Member States and concluded that the events proposed by Azerbaijan and Uzbekistan may be included in the revised list of events. The **Council** tasked the Secretariat for circulation of an approved list of events to be sponsored under SSF.

Agenda Item No.5

Communication with the Embassy of the Islamic Republic of Afghanistan

22. The Embassy of the Islamic Republic of Afghanistan in Tehran vide self-explanatory Note Verbale No. 2733 dated February 24, 2023 conveyed inability to continue its activities. However, the esteemed Embassy vide another Note Verbale No. 3770 dated March 12, 2023 requested that its earlier communication dated February 24, 2023 may be ignored.

23. The Council after deliberation over the communicated notes and exchange of views on the matter concurred on the need to hold an informal meeting for consideration of the issue which is related to the ECO representation of Afghanistan.

Agenda Item No. 6

Administrative and Budgetary Matters

- **Recommendations of the Selection Panel**

24. The Selection Panel met on April 3, 2023 (1300 hrs). The Meeting was coordinated by Amb. Dr. Huseyin Avni Bicakli, ECO Deputy Secretary General for (Admn, EME, IR & IT) and chaired (*virtually*) by Mr. Farid Valiyev, Representative of the Ministry of Foreign Affairs of the Republic of Azerbaijan. The Meeting was attended by the Representatives of the Islamic Republic of Iran, Republic of Kazakhstan, Islamic Republic of Pakistan, Republic of Tajikistan, Republic of Türkiye and Republic of Uzbekistan.

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

Director for Energy, Minerals & Environment (EME) (Category-I, D2)

Mr. Fuad Farzalibayov (**Azerbaijan National**) may be appointed for a full term of three (03) years to be effective from the date of joining the Secretariat against the vacant post of Director for Energy, Minerals & Environment (EME) (Category-I, D2).

26. The **Council** considered and approved the recommendation of the Selection Panel.

Agenda Item No.7

Any other business

27. The ECO Secretary General, while recalling budgetary position of the Secretariat, underlined that the current year's budgetary shares of some Member States, as well as balance of their previous years' budgetary contributions were still awaited. To meet the monetary requirements of the Organization, including the unhindered implementation of ECO projects and activities as well as smooth functioning of the Secretariat, the timely receipt of contributions is necessary. He requested the Member States for expediting their current and previous payments of contributions to ECO.

28. The Representative of Republic of Türkiye expressed his displeasure over the referral of disputed matters to CPR, noting that prolongation of arguments and discussion on such issues unnecessarily oblige the Permanent Representatives to be present in the meeting that impede smooth completion of their other important official tasks and assignments. He recommended the Secretariat to separately settle such issues through a pre-consultation process before bringing them for consideration of the CPR.

Agenda Item No.8

Date of the next CPR Meeting

29. The Council decided to convene its next (275th) Meeting on May 3, 2023 in ECO Secretariat, Tehran.

Annexure-I

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

The Republic of Azerbaijan:

- H.E. Mr. Ali Alizade, **Permanent Representative**
- Mr. Orkhan Zeynalov, Special Envoy, MFA
- Mr. Farid Valiyev, Head of Division, MFA

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

- H.E. Mr. Seyed Jalaedin 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. Sydykov Turdakun, **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**
- Mr. Maruf Abdurahmonov, First Secretary

The Embassy of the Republic of Türkiye:

- H.E. Dr. Hicabi Kirlangıç, **Permanent Representative**
- Mr. Ulvi Darendeli, Counselor

The Embassy of Turkmenistan:

- Mr. Kemal Atayev, Third Secretary

The Embassy of the Republic of Uzbekistan:

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

The ECO Secretariat:

- H.E. Amb. Khusrav Noziri, Secretary General
- Amb. Mohsen Esperi, Deputy Secretary General
- Amb. Huseyin Avni Bicakli, Deputy Secretary General
- Mr. Mahmoud Khoubkar, Legal Adviser
- Mr. Sukhrob Mirzoaliev, Head of CFU
- Mr. Muhammad Ahmed Raza, Senior Desk Officer
- Mr. Shahid Hussain, Desk Officer



Economic Cooperation Organization

ECO

No: CFU/275th CPR Report/2023/774

Priority: Most Urgent

Date: 8/6/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization (ECO) presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith the **Report of 275th Council of Permanent Representatives (CPR) Meeting** adopted by the 276th CPR Meeting held on June 7, 2023 at the Secretariat.

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.

All ECO Member States - Tehran



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275th Meeting of the Council of Permanent Representatives (CPR)

Report

May 3, 2023
ECO Secretariat

Report

Held on May 3, 2023, the 275th Meeting of the ECO Council of Permanent Representatives (CPR) was attended by Permanent Representatives/Representatives of Republic of **Azerbaijan**, Islamic Republic of **Iran**, Republic of **Kazakhstan**, 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 CPR Meeting was organized in Hybrid Mode.
3. The CPR **Chair** and the **ECO Secretary General** as well as the Heads of Delegations of the Member States congratulated the authorities of the Government of the Islamic Republic of Iran for the declaration of Ardabil as the ECO Tourism Capital for the year 2023. They also extended warm felicitations to the Ardabil authorities and thanked them for making excellent arrangements on the occasion.

Agenda Item No.1

Adoption of the Agenda

4. Regarding Agenda Item Nos. 2 & 3 concerning the Adoption of Draft Report of the 273rd and 274th CPR Meetings respectively, the Representative of the Republic of **Azerbaijan** proposed their repositioning.
5. After making necessary adjustments and re-sequencing of the said agenda items agreed by other Member States, the **Council** adopted the following agenda of its 275th Meeting:
 1. Adoption of the Draft Agenda of the 275th CPR Meeting
 2. Adoption of the Draft Report of the 273rd CPR Meeting
 3. Adoption of the Draft Report of the 274th CPR Meeting
 4. Preparation for the 16th ECO Summit and 27th Meeting of the COM
 5. Consideration of the Draft Terms of Reference (ToR) of the High Level Dialogue Platform on Environmental Cooperation
 6. Invitation of the ECO Observers to participate in the 5th ECO Ministerial Meeting on Energy scheduled for May 19, 2023 in Tashkent and 5th ECO Ministerial Meeting on Health to be held in second half of May, 2023 in Geneva
 7. Consideration of allocation from Feasibility and General Purpose Fund 10 000 USD to finance the project "Kazakhstan's trade and economic potential in the markets of the ECO countries in the new geo-economic realities"
 8. Administrative and budgetary matters:
 - Recommendations of the Selection Panel
 9. Any other business
 10. Date of the next CPR Meeting

Agenda Item No.2

Adoption of the Draft Report of the 273rd CPR Meeting

6. While resuming discussion in the matter, the Representative of the Ministry of Foreign Affairs of the Republic of Azerbaijan proposed the adoption of draft report along with the amendments which were earlier proposed by them and the delegation of the Islamic Republic of Iran.

7. The Permanent Representative of the Islamic Republic of Iran while maintaining his previous position, discouraged the incorporation of any such amendments in the report. To avoid further prolongation of the issue, he indicated concurrence with inclusion of the following additional Paragraph under the said item of the initial draft report circulated vide Secretariat's Note Verbale No. CFU/CPR/273rd Meeting/2023/306 dated March 06, 2023:

"The Council agreed that the text of the statements delivered by the delegations of the Republic of Azerbaijan and the Islamic Republic of Iran will be available in the Secretariat's record for the reference and can be accessed upon the request from any Member State"

8. The Representative of the Ministry of Foreign Affairs of the Republic of Azerbaijan insisted for incorporation of the proposed amendments in the report beside inclusion of the above mentioned new paragraph.

9. However, the Permanent Representative of the Islamic Republic of Iran reaffirmed his stance to avoid the inclusion of proposed amendments in the report.

10. Finding no consensus, the Council deferred discussion in the matter until its next Session. In the meantime, the Council proposed some bilateral consultation between the concerned Member States so that a way forward may be ascertained to finalize the adoption of the report of its 273rd Meeting.

Agenda Item No.3

Adoption of the Draft Report of the 274th CPR Meeting

11. The Ministry of Foreign Affairs of the Republic of Azerbaijan proposed some amendments to the Draft Report of 274th CPR Meeting, circulated amongst the Member States vide Secretariat's Note Verbale No. CFU/CPR/274th Meeting/2023/494 dated April 12, 2023.

12. The Council adopted the report of its 274th Session along with the amendments proposed by the Republic of Azerbaijan.

Agenda Item No.4

Preparation for the 16th ECO Summit and 27th Meeting of the COM

13. The Council requested the Chairman of the Preparatory Committee (PrepCom) to brief on the matters to be considered by the next Session of PrepCom scheduled for May 15, 2023.

14. Referring to the 16th ECO Summit to be held in Uzbekistan, the Representative of Ministry of Foreign Affairs of **Azerbaijan** (Chairman of the PrepCom) conveyed the following:

- i. The Republic of Tajikistan and Turkmenistan have expressed their concurrence with holding the 16th Summit on November 9-10, 2023 proposed by the Republic of Uzbekistan;
- ii. Iranian side's agreement, expressed during 274th CPR Meeting, with regard to proposed dates of the 16th Summit, as well as their encouragement for feedbacks from other Member States;
- iii. By next Session of PrepCom, the Azerbaijan side will be in a better position to provide additional information on date of holding of the 27th COM Meeting as well as updates on informal COM Meeting and ECO-ASEAN Ministerial Meeting in New York;
- iv. Regarding the renewal of ECO-UN biennial resolution, the Azerbaijani Permanent Mission in New York is in close touch with the concerned UNGA authorities there;
- v. On draft ECO-UN biennial resolution updated by the ECO Secretariat, the Azerbaijan side will share its views/comments at the earliest convenience;
- vi. Result-oriented approach may be adopted with regard to the outcome document (s) of next Meeting of the COM and Summit, which should be policy-guided and concise.

15. The Permanent Representative of the Islamic Republic of **Iran** looked forward to a fixed date of the COM Meeting given the busy schedules of the Honourable Foreign Ministers.

16. With regard to the dates of the 16th ECO Summit, the Representative of the Republic of **Türkiye** stated that till now there was no official update from Ankara. Hoping to come up with a concrete response by next Meeting of CPR, he said that there might be some inconvenience on the proposed dates of the event due to the democratic elections to be held in Türkiye during the proposed time.

17. The Permanent Representative of the Republic of **Uzbekistan** requested the Member States to expedite confirmations of their participation in the 16th ECO Summit in order to make facilitative arrangements of the event in Tashkent possible.

Agenda No.5

Consideration of the Draft Terms of Reference (ToR) of the High Level Dialogue Platform on Environmental Cooperation

18. The 26th Council of Ministers (COM) Meeting held on January 24, 2023 in Tashkent tasked the CPR together with the ECO Secretariat to work out necessary Terms of Reference (ToR), organizational and governance structures, nature and scope of activities as well as funding mechanism of the High Level Dialogue Platform on Environmental Cooperation in the ECO with the participation of international scientists and experts. Accordingly, the Secretariat worked out the required Draft ToR and circulated amongst the Members States vide Note Verbale No. LA/Dialogue Platform-Environment/2023/518 dated April 17, 2023, for consideration.

19. The Permanent Representative of the Republic of **Uzbekistan** stated that since the said draft Terms of Reference (ToR) are under consideration of their relevant authorities, the discussion in the mater may be deferred until the receipt of views/comments from all the Member States in this regard.

20. Underlining the consultative nature of the Forum, the Permanent Representative of the Islamic Republic of **Iran** suggested for streamlining the ToR, avoiding the formation of any committee of focal points as reflected in the draft document. He added that having this Platform in place, there is no need to create another layer of national representatives for the same purpose. He mentioned that the said Platform would be available to listen to the views of other stakeholders within and outside ECO Region. He requested for revision of the document to make it more relevant.

21. The **Council** tasked the Secretariat to come up with a revised draft ToR by next Meeting of the CPR.

Agenda Item No.6

Invitation of the ECO Observers to participate in the 5th ECO Ministerial Meeting on Energy scheduled for May 19, 2023 in Tashkent and 5th ECO Ministerial Meeting on Health to be held in second half of May, 2023 in Geneva

22. The 5th ECO Ministerial Meeting on Energy to be hosted by the Republic of Uzbekistan is scheduled for May 19, 2023 in Tashkent and the 5th ECO Ministerial Meeting on Health to be hosted by the Republic of Azerbaijan is scheduled on the sidelines of the 76th Meeting of the World Health Assembly in Geneva in the 2nd half of May 2023.

23. The Representative of the Ministry of Foreign Affairs of the Republic of **Azerbaijan** informed that the Azerbaijani Minister for Energy would attend the 5th ECO Ministerial on Energy and while taking this opportunity he referred to the Charter of ECO Clean Energy Center. He stated that once the quorum is complete, the Charter will be opened for signatures by Member States, adding that Azerbaijan has flexible approach regarding deadline for quorum of the event.

24. The ECO Deputy Secretary General (Admin, EME, IR & IT) while informing about the quorum of both events, said that Azerbaijan, Iran and Uzbekistan confirmed

their participations. However, Kyrgyzstan, Kazakhstan and Tajikistan have conveyed unofficial confirmations of their participation in the meetings.

25. The **Legal advisor** clarified that Article 31 of ECO Rules of Procedure clearly mentions that the meetings shall be postponed in case the required quorum is not achieved before two weeks of an event. However, in order to achieve the Organization's goal at maximum level, there has been a practice to wait for completion of the quorum more than the prescribed time period. With regard to invitations to the ECO Observers, he said that the decision rests with the CPR as per relevant ECO Modalities.

26. The **ECO Secretary General** recalled that this agenda is regarding extension of invitations to ECO Observers, clarifying that participation of ECO Observers in such meetings will remain subject to completion of required quorum.

27. The **Permanent Representative of the Republic of Uzbekistan** informed that the decision to invite the ECO Observers in the 5th ECO Ministerial meeting on Energy is pending with the host authorities for consideration. Discussion with regard to their participation may be resumed by next CPR after receiving reply from the host authorities. He added that even the required quorum for holding this Meeting has yet to be achieved.

28. The **Permanent Representative of the Islamic Republic of the Iran** emphasized on completion of the quorum for 5th ECO Ministerial Meeting on Health to be hosted by the Republic of Azerbaijan on the sidelines of the 76th Meeting of the World Health Assembly in Geneva. He sought some flexibility in regard to the deadline for confirmations of participation by Member States in the event. Regarding invitations to ECO Observers, he said that pending decision by next CPR will leave no enough time for preparations by ECO Observers to attend the event.

29. The **Representative of the Republic of Türkiye** stressed to follow the relevant modalities for ECO Observers, requiring consensus by all Member States. Given the paucity of time and unnecessary delay, he requested the Council's decision in this regard.

30. Taking all aspects of discussion into account, the **Council** tasked the **ECO Secretary General** to decide the matter for extension of invitations to ECO Observers in coordination with the events' host countries.

Agenda Item No.7
Consideration of allocation from Feasibility and General Purpose Fund 10 000 USD to finance the project "Kazakhstan's trade and economic potential in the markets of the ECO countries in the new geo-economic realities"

31. Briefing the Council on the project proposed by the Economic Research Institute of the Ministry of National Economy of the Republic of Kazakhstan, the **ECO Deputy Secretary General (Tourism, PM, JPC and EAPA)** informed that the main purpose of

the project is to conduct a comprehensive analysis of the trade and economic potential of Kazakhstan within the framework of ECO markets.

32. The Permanent Representatives of the Islamic Republic of **Iran** pointed out that as per specification of the proposal, this seems to be a small size project. Inquiring about the utilization of feasibility fund to this end, he looked for other partner States involved or to be involved in this project.

33. The Representatives of the Republic of **Türkiye** and the Islamic Republic of **Pakistan** requested the Secretariat to update this project proposal with some additional information so that the issue may be deliberated by next meeting of CPR. In General, they agreed with the proposal.

34. The Permanent Representative of the Republic of **Kazakhstan** highlighted that this project proposal was already circulated among the Member States, having no objection from any of them. Referring to the 33rd Meeting of the Regional Planning Council (RPC) held on 16-19 January 2023 (*paragraph 8, I-Sector, ECO Work Programme 2023*), he mentioned that Member States welcomed this proposal as a pilot project and to be exemplary for other Member States. He underscored a need for economic research and analysis as well as macroeconomic economic policy support.

35. Deferring discussion in the matter, the **Council** tasked the Secretariat to come up with a revised proposal on this project before next Meeting of CPR.

Agenda Item No.8
Administrative and Budgetary Matters

- Recommendations of the Selection Panel

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

Agenda Item No.9
Any other business

37. The **ECO Secretary General** informed the Council about his participation, as an International Observer, in the nation-wide constitutional referendum of the Republic of Uzbekistan held on April 30, 2023. In addition, he updated the Council about the subjects and outcomes of his meetings with the Uzbekistan's Minister of Transport as well as Deputy Minister of Energy which were organized on the sidelines of his visit.

38. Moreover, the **Secretary General** recalled the attention of the Council towards the budgetary issues of the Secretariat due to pending contributions by some Member States. Requesting the Member States to expedite their current and previous obligatory payments of contributions to ECO, he mentioned that working and efficient progress of the Organization is very much linked to smooth monetary support of the Member States.

39. The ECO Secretary General also requested the Member States to convey their nominations for ECO Awards as well as the names of their authorized experts as members for the formation of ECO Awards Selection Committee, taking into consideration the relevant modalities.

40. The ECO Deputy Secretary General (Tourism, PM, JPC and EAPA) briefed the Council about the ceremony and activities organized on April 27, 2023 in connection with declaring the city of Ardabil as the ECO Tourism Capital for the year 2023, including about a joint meeting held on the sidelines of the event between the tourism stakeholders of the Ardabil province and the representatives of the ECO countries in participation of the ECO Secretary General and the Deputy Minister of Cultural Heritage, Tourism and Handicraft of the Islamic Republic of Iran..

Agenda Item No.10

Date of the next CPR Meeting

41. The Council decided to convene its next (276th) Meeting on June 7, 2023 at the ECO Secretariat, Tehran.

Annexure-I

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

The Embassy of the Republic of Azerbaijan:

- H.E. Mr. Ali Alizade, **Permanent Representative**
- Mr. Orkhan Zeynalov, Special Envoy, MFA
- Mr. Farid Valiyev, Head of Division, MFA

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:

- Mr. Gamzat Khairov, Counsellor

The Embassy of the Kyrgyz Republic:

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**
- Mr. Maruf Abdurahmonov, First Secretary

The Embassy of the Republic of Türkiye:

- Mr. Emirhan Yorulmazlar, First Counselor
- Mr. Ertan Garip, Counselor
- Okan Ezrak, Third Secretary

The Embassy of Turkmenistan:

- H.E. Mr. Ahmet Gurbanov, **Permanent Representative**
- Mr. Kemal Atayev, Third Secretary

The Embassy of the Republic of Uzbekistan:

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

The ECO Secretariat:

- H.E. Amb. Khusrav Noziri, Secretary General
- Amb. Mohsen Esperi, Deputy Secretary General
- Amb. Jandos Asanov, Deputy Secretary General
- Amb. Huseyin Avni Bicakli, Deputy Secretary General
- Mr. Mahmoud Khoubkar, Legal Adviser
- Mr. Sukhrob Mirzoaliev, Head of CFU
- Mr. Shahid Hussain, Desk Officer



Economic Cooperation Organization

ECO

No: CFU/276th CPR Report/2023/940

Priority: Most Urgent

Date: 5/7/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization (ECO) presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith the **Report of 276th Council of Permanent Representatives (CPR) Meeting** adopted by the 277th CPR Meeting held on July 4, 2023 at the Secretariat.

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.

All ECO Member States - Tehran



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276th Meeting of the Council of Permanent Representatives (CPR)

Report

June 7, 2023
ECO Secretariat

Report

The 276th CPR Meeting, held on June 7, 2023, under the chairmanship of the Republic of Azerbaijan, in hybrid mode, was attended by the Permanent Representatives/Representatives of the 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.

Agenda Item No.1

Adoption of the Agenda

1. The Secretariat proposed the following Draft Agenda for adoption:
 - Adoption of the Draft Agenda of the 276th CPR Meeting
 - Adoption of the Draft Report of the 275th CPR Meeting
 - Adoption of the Draft Report of the 273rd CPR Meeting
 - Preparation for the 16th ECO Summit and 27th Meeting of the COM
 - ECO Awards 2023
 - Consideration of allocation from Feasibility and General Purpose Fund 10 000 USD to finance the project "Kazakhstan's trade and economic potential in the markets of the ECO countries in the new geo-economic realities"
 - Administrative and budgetary matters:
 - Appointment of new Deputy Secretary General (Transport and Communications and Human Recourses and Sustainable Development)
 - Recommendations of the Selection Panel
 - Any other business
 - Date of the next CPR Meeting
2. The Representative of Republic of **Azerbaijan** recalled that the 274th Meeting of CPR appointed Mr. Fuad Farzalibayov (**Azerbaijan National**) as Director for Energy, Mineral and Environment (EME). Referring to Azerbaijan's current working condition in Tehran due to some extraordinary circumstances, he requested the Council for allowing Mr. Farzalibayov to work in hybrid mode until December 2023. Given the administrative nature of the matter, he sought Council's consideration to discuss this proposal under Item 7 of the Agenda i.e. "Administrative & Budgetary Matters".
3. The Permanent Representative of the Islamic Republic of **Iran** disagreed with the proposal explaining that the appointment procedure has already been passed through in accordance with the ECO's regulation and that other issues in this regard, not included in the Agenda, may be discussed under "Any Other Business" of the Agenda.
4. The **Council** agreed to discuss the proposal for hybrid mode of appointment of Director (EME) under "Any Other Business" of its Agenda.

Agenda Item No.2

Adoption of the Draft Report of the 275th CPR Meeting

5. The **Council** adopted the Draft Report of the 275th CPR Meeting held on May 3, 2023, circulated amongst the Member States vide Secretariat's Note Verbale No. CFU/CPR/275th Meeting/2023/588 dated May 8, 2023.

Agenda Item No.3

Adoption of the Draft Report of the 273rd CPR Meeting

6. While recalling the previous discussion on the contents of Draft Report of 273rd CPR Meeting, the Permanent Representative of the Islamic Republic of **Iran** and the Representative of **Azerbaijan** updated the **Council** about their bilateral consultations in the matter, expecting some tangible recommendations to be made during next round of their consultations for consideration of the CPR.

7. Encouraging the relevant Member States to expedite the process of finalizing the said Report, in question, the **Council** deferred discussion on the issue till its next Session.

Agenda Item No.4

Preparation for the 16th ECO Summit and 27th Meeting of the COM

8. The PrepCom's **Chair** briefed the Council about the recommendations of PrepCom concerning the 27th COM and 16th Summit meetings as well as the events' outcome documents. Recalling Azerbaijan's proposal for holding COM meeting tentatively in the second half of October 2023, he mentioned that the Secretariat would soon share event's draft outcome document with the host country for review and subsequent circulation amongst the Member States. Regarding 34th RPC meeting, he said that the event is proposed to be organized in hybrid mode on September 11-13, 2023. Stating that the Informal COM in New York during UNGA will be held back to back with the 15th ECO-ASEAN joint ministerial meeting, he added expecting more clarity by next session of PrepCom about the preparations and organization of such meetings.

9. Regarding RPC meeting, the Permanent Representative of the Islamic of **Iran** proposed that the event may be convened in physical mode during December 2023 after COM and Summit meetings, providing appropriate time for preparations of the RPC. Expressing views on the COM and Summit meetings as well as reflecting on their outcome documents, he considered that in case of adoption of a Communiqué by COM in Baku, there would be no need for another Declaration by Summit in Tashkent within a very short period of time.

10. The Representative of the Republic of **Türkiye** suggested that based on the recommendation of PrepCom and subject to no objection by any Member State, the 34th Meeting of RPC may be organized preferably in the 4th or else, in the 3rd week of September.

11. The Representative of the Republic of **Uzbekistan** informed that matter regarding format of the Summit's outcome document was under consideration by their relevant authorities. Any development in this regard would be shared with the Council soon on receipt.

12. Appreciating the performance of PrepCom, the **Council** encouraged all Member States to be more actively participating in the proceedings of the PrepCom, enabling the forum to meet the assigned tasks well-in-time.

Agenda Item No.5
ECO Awards 2023

13. The **ECO Secretary General** briefed the Council about the status of nominations from Member States for ECO Awards and the formation of relevant Selection Committee. He mentioned that so far some of the nominations have been received from Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan. He requested the Council to announce July 31, 2023 as final deadline for receiving complete lists of nominees for all specialized areas as well as composition of Selection Committee so that the names of most eligible candidates may be finalized for ECO Awards. Moreover, he requested all Member States to expedite their responses in this regard.

14. Agreeing with the proposal of the Secretary General, the **Council** extended the deadline till July 31, 2023 and stressed the Member States to ensure the provision of complete lists of their nominees for ECO Awards as well as for the composition of Selection Committee in this regard.

Agenda Item No.6
Consideration of allocation from Feasibility and General Purpose Fund 10 000 USD to finance the project "Kazakhstan's trade and economic potential in the markets of the ECO countries in the new geo-economic realities"

15. Referring to the decision of the 275th CPR Meeting wherein it was decided that the Secretariat would come up with revised project proposal for consideration of the Council, the Chair opened the floor for discussion.

16. The **ECO Deputy Secretary General (Tourism, PM, JPC and EAPA)** briefed the Council that the Project proposal was circulated among the Member States vide Note Verbale No: ERS/2022/1637. In this regard, he also referred to the recommendation of 33rd Meeting of the Regional Planning Council (RPC) held on 16-19 January 2023 (paragraph 8, I-Sector, EC O Work Programme 2023). He requested the Council's consideration for approval of the proposal already welcomed by the RPC.

17. Reiterating his earlier position in the matter, the Representative of the Republic of **Türkiye** recalled that an updated version of the proposal along with some additional information was previously requested. He noted that no updates and additional information in this regard were received. Moreover, he inquired about the applicability of feasibility fund to this end.

18. The Permanent Representative of the Islamic Republic of **Pakistan** expressed his in principle concurrence with the proposed project. However, he noted that text of the proposal needs some minor amendments, which the Pakistan side would convey to the Secretariat soon.

19. Referring to the conclusion of 275th CPR Meeting and awaiting the updated version of the given project proposal, the Permanent Representative of the Islamic Republic of **Iran** while expressing his in principle concurrence, proposed the Council to either agree with the proposal and see the update at the time of releasing the fund or defer the matter for discussion by next CPR.

20. The Representative of the Republic of **Kazakhstan** requested the Council's consideration for adoption of the proposal, adding that the amendments to be proposed by Pakistan side and any other technicalities could be discussed and considered at a later stage.

21. Finding no consensus, the Council deferred the matter and requested the Secretariat in collaboration with the Republic of Kazakhstan to come up with a revised proposal for consideration by next CPR. The Council also requested Pakistan side to expedite the communication of their amendments as proposed.

Agenda Item No.7

Administrative and budgetary matters:

- Appointment of new Deputy Secretary General (Transport and Communications and Human Recourses and Sustainable Development)

22. The **Chair** informed the Council about the nomination of Mr. Kashif Zaman from the Islamic Republic of Pakistan against the vacant post of DSG which was circulated amongst the Member States through Secretariat's Note Verbale dated May 11, 2023.

23. The **Council** agreed for adoption of a two-week silence procedure to seek COM approval for appointment of Mr. Kashif Zaman (**Pakistan national**) against the post of Deputy Secretary General (Transport & Communications and Human Resource & Sustainable Development).

- Recommendations of the Selection Panel

24. The Selection Panel met on June 7, 2023. The Meeting was coordinated by Amb. Dr. Huseyin Avni Bicakli, ECO Deputy Secretary General (Admin, EME, IR & IT) and chaired (*virtually*) by Mr. Farid Valiyev from the Republic of **Azerbaijan**. The Meeting was attended by the representatives of the Islamic Republic of **Iran**, Republic of **Kazakhstan**, Islamic Republic of **Pakistan**, Republic of **Türkiye** and Republic of **Uzbekistan**.

25. Noting the position of the Chair that **Azerbaijan** might need some time for internal consultations before agreeing to support the recommendation on appointment of Mr. Hojjat Moghavem (**Iranian National**) against the post of Legal Advisor

(**Category-II, P3**) to the CPR, the Selection Panel made the following recommendation(s) for consideration by the CPR:

Legal Advisor (Category-II, P3)

26. Mr. Hojjat Moghavam (**Iranian National**) may be appointed against the post of Legal Advisor (**Category-II, P3**) for a full term of four (04) years to be effective from the date of joining at the ECO Secretariat.

27. While noting the recommendation of the Selection Panel as well as position of the Republic of Azerbaijan in this regard, the **Council** deferred the matter for decision by next CPR.

Agenda Item No.8

Any other business

28. The Representative of Republic of **Azerbaijan** recalled that the 274th Meeting of CPR appointed Mr. Fuad Farzalibayov (**Azerbaijan National**) as Director for Energy, Mineral and Environment (EME). Referring their current working condition in Tehran due to some extraordinary circumstances, he requested the Council for allowing Mr. Farzalibayov to work in hybrid mode until December 2023. He explained that the current situation does not enable the physical presence of Mr. Farzalibayov and that the exceptionality of the situation should be taken into account once looking into the case.

29. The Permanent Representatives/Representatives of **Kyrgyz Republic**, Islamic Republic of **Pakistan**, and Republic of **Uzbekistan** indicated that they do not see any harm or difficulty with authorizing hybrid mode of functioning of Director (EME).

30. Ambassador Bicakli, DSG. Admin. EME, IR and IT described the issue of allowing Mr. Farzalibayov to work in hybrid mode as providing wrong signals to other staff of the Secretariat indicating that he has started to receive similar requests from other staffs which is considered as counterproductive to the smooth functioning and predictability of the Secretariat adding that he thought it as necessary to bring this factual situation to the attention of the August Council.

31. The Permanent Representative of the Islamic Republic of **Iran** disagreed with the proposal regarding hybrid mode of appointment of Director (EME), underscoring that as per clause 3 of Article IX of the Izmir Treaty, all members of staff of the ECO Secretariat are the full-time international civil servants. Accordingly, the Permanent Representative while looking into his case in the course of relevant Selection Panel, insisted that he may accordingly attend the Secretariat in due time, or else, the Secretary General may wish to continue the temporary assigning of another Director to be in charge. He also emphasized that the relevant interpreter (**Azerbaijan National**) who is the staff of the Secretariat, given the exhaustion of possible flexibilities as well as financial implications and other regulatory requirements needs to resume her job at the Secretariat promptly or undergo disciplinary measures.

32. Given the disagreement of Representative of Republic of Azerbaijan with the above, and lack of consensus, the Council tasked the ECO Secretary General to seek convenience of the Member States for making informal consultations in the matter on June 14, 2023 or another mutually convenient date.

Agenda Item No.9
Date of the next CPR Meeting

33. The Council decided to convene its next (277th) Meeting on July 4, 2023 in ECO Secretariat, Tehran.

Annexure-I

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

The Republic of Azerbaijan:

- H.E. Mr. Ali Alizade, **Permanent Representative**
- Mr. Orkhan Zeynalov, Special Envoy, MFA
- Mr. Farid Valiyev, Head of Division, MFA
- Mr. Elchin Mirzayev, Attaché, MFA

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

- H.E. Mr. Seyed Jalaedin 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:

- Mr. Gamzat Khairov, Counsellor

The Embassy of the Kyrgyz Republic:

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

The Embassy of the Islamic Republic of Pakistan:

- H.E. Mr. Rahim Hayat Qureshi, **Permanent Representative**
- Mr. Ahmad Shami, Counselor

The Embassy of the Republic of Tajikistan:

- Mr. Maruf Abdurahmonov, First Secretary

The Embassy of the Republic of Türkiye:

- Mr. Emirhan Yorulmazlar, Deputy Head of Mission
- Okan Ezrak, Third Secretary

The Embassy of Turkmenistan:

- H.E. Mr. Ahmet Gurbanov, **Permanent Representative**
- Mr. Kemal Atayev, Third Secretary

The Embassy of the Republic of Uzbekistan:

- Mr. Umid Babaev, Third Secretary

The ECO Secretariat:

- H.E. Amb. Khusrav Noziri, Secretary General
- Amb. Mohsen Esperi, Deputy Secretary General
- Amb. Jandos Asanov, Deputy Secretary General
- Amb. Huseyin Avni Bicakli, Deputy Secretary General
- Mr. Mahmoud Khoubkar, Legal Adviser
- Mr. Sukhrob Mirzoaliev, Head of CFU
- Mr. Muhammad Ahmed Raza, Senior Desk Officer
- Mr. Shahid Hussain, Desk Officer



Economic Cooperation Organization

ECO

No: CFU/277th CPR Report/2023/1116

Priority: Most Urgent

Date: 1/8/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization (ECO) presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith the **Report of 277th Council of Permanent Representatives (CPR) Meeting** adopted by the 278th CPR Meeting held on July 31, 2023 at the Secretariat.

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.



All ECO Member States - Tehran

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Economic Cooperation Organization

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277th Meeting of the Council of Permanent Representatives (CPR)

Report

July 4, 2023
ECO Secretariat

Report

Organized in hybrid mode under the chairmanship of the Republic of Azerbaijan on July 4, 2023, the 277th CPR Meeting was attended by the Permanent Representatives/Representatives of the Republic of **Azerbaijan**, Islamic Republic of **Iran**, Republic of **Kazakhstan**, **Kyrgyz Republic**, 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.

Agenda Item No.1

Adoption of the Agenda

1. The **Council** adopted the following Draft Agenda of the Meeting:
 - Adoption of the Draft Agenda of the 277th CPR Meeting
 - Adoption of the Draft Report of the 276th CPR Meeting
 - Preparation for the 16th ECO Summit and 27th Meeting of the COM
 - Invitation to the ECO Observers to participate in the 3rd ECO Ministerial Meeting on Information and Communication Technology to be organized and hosted by the Islamic Republic of Iran in Tehran on July 13, 2023
 - Administrative and budgetary matters:
 - Extension of service tenure of Mr. Zahid Hussain Abbasi, Director of Trade & Investment (T&I) (Category-I, D2) till arrival of his successor
 - Replacement of the old vehicle of the Secretariat (KIA Rio 2012)
 - Reallocation of funds between the Chapters of ECO Budget 2023 without any increase in the total size of budget
 - Recommendations of the Selection Panel
 - Any other business
 - Date of the next CPR Meeting

Agenda Item No.2

Adoption of the Draft Report of the 276th CPR Meeting

2. The **Council** adopted the Draft Report of the 276th CPR Meeting held on June 7, 2023, circulated amongst the Member States vide Secretariat's Note Verbale on June 11, 2023, with the amendments proposed by the Republic of Azerbaijan on June 19, 2023 and circulated among the Member States vide Secretariat's Note Verbale on June 20, 2023.

Agenda Item No.3

Preparation for the 16th ECO Summit and 27th Meeting of the COM

3. The PrepCom's Chair briefed about the recommendations of PrepCom concerning the 27th COM and 16th Summit meetings as well as the event's outcome documents, informing that initial draft of the "Communiqué" prepared by ECO Secretariat and shared with Azerbaijan, would be circulated for further consideration by the Member States. Regarding the date of the COM, he said that the event is proposed for October 9, 2023 in Shusha, Azerbaijan. If the proposed date is convenient to all Member States, the Azerbaijani authorities would extend formal invitations in this regard, he added.

4. The Representative of the Republic of **Uzbekistan** conveyed that some Member States were yet to convey their confirmations for participation in the 16th ECO Summit scheduled for November 9-10, 2023. Requesting a speedy response to this end, he mentioned that on receipt of required confirmations from the Member States, Uzbek authorities would initiate event's preparations.

5. The Permanent Representative of the Islamic Republic of **Iran** pointed out that establishing the Summit's quorum and securing confirmations of participation and level of participation from all Member States are two different aspects of the case. If the required quorum is already achieved, the Summit's preparations should not be delayed any further due to paucity of time, he emphasized. In addition, he encouraged for expedited response of the remaining Member States in this regard.

6. The **Council** concluded that all Member States should kindly expedite the process of conveying their formal confirmations for participation in the 27th COM and 16th Summit Meetings.

Agenda Item No.4

Invitation to the ECO Observers to participate in the 3rd ECO Ministerial Meeting on Information and Communication Technology to be organized and hosted by the Islamic Republic of Iran in Tehran on July 13, 2023

7. The **Council** considered the extension of invitations to the ECO Observers, in accordance with ECO Modalities, for their participation in the 3rd ECO Ministerial Meeting on Information and Communication Technology to be organized and hosted by the Islamic Republic of Iran scheduled for July 13, 2023 in Tehran.

Agenda Item No.5

Administrative and budgetary matters:

- Extension of service tenure of Mr. Zahid Hussain Abbasi, Director of Trade & Investment (T&I) (Category-I, D2) till arrival of his successor

8. The **Council** considered the matter and approved the adoption of a two-week silence procedure for securing approval of the ECO Council of Ministers (COM) regarding extension of service of Mr. Zahid Hussain Abbasi, the Director for Trade and Investment, that will expire on August 13, 2023, till arrival of his successor.

- Replacement of the old vehicle of the Secretariat (KIA Rio 2012)

9. Based on the fact that only one old vehicle, KIA Rio 2012 (79.000 km mileage), is yet to be replaced given its exhausted condition (without airbag and ABS) and that a sole dealer is ready to trade in a Suzuki Dzire 2023 for Secretariat's old car without any financial/budgetary implications, the Secretariat requested Council's favorable consideration of the issue.

10. The Council approved the replacement of KIA Rio 2012 with Suzuki Dzire 2023 as per proposal of the Secretariat.

- Reallocation of funds between the Chapters of ECO Budget 2023 without any increase in the Total size of budget

11. The Council was briefed by the Chief Accountant that as provided in Article 9.2 of the ECO Financial Regulations, the ECO Secretary General may explore the possibility to transfer the funds within different Chapters of the Organization's budget. As per limit, the amount to be transferred should not exceed 10 percent of the actual budgetary allocation of the chapter to which fund is transferred. She maintained that transfer of some amounts exceeding the aforesaid limit is needed to meet the financial exigencies there-under that requires Council's authorization.

12. In addition, the Chief Accountant explained that three security guards were hired by the Administration for 24/7 services based on one-year contract in local currency. The respective emoluments are secured from the Chapter of Consumable Items and Other services. On the other hand, three positions of Auxiliary staff are lying vacant due to retirement of the post holders, providing sufficient savings under the Chapter of Salary and Allowances. By end of the year, the savings against these vacant positions will be USD 43,000, out of which, USD 28,000 could be transferred to the Chapter of Consumable Items and Other services to meet necessary expenses under this head of account. She confirmed that the proposed transfer of funds will take place within the limits of the ECO Budget 2023, bearing no additional costs or financial implications.

13. The Representative of the Republic of Türkiye sought some time to convey their formal position on the proposal for ECO inter-chapter transfer of funds, requesting the Council to defer the matter for next CPR Meeting.

14. The Council deferred discussions in the matter till its next session.

- Recommendations of the Selection Panel

15. During the 276th CPR Meeting held on June 7, 2023 the Selection Panel made recommendation to the Council to consider the appointment of Mr. Hojjat Moghavam (Iranian National) against the post of Legal Adviser (Category-II, P3) for a full term of four (04) years. Pending concurrence of the Republic of Azerbaijan, the 276th CPR deferred the matter for its 277th Session.

16. Resuming discussion in the matter and having no objection from Azerbaijan, the Council approved the appointment of Mr. Hojjat Moghavam as Legal Adviser (Category-II, P3) for a full term of four (04) years to be effective from the date he assumes duties at the Secretariat.

Agenda Item No.6
Any other business

17. The Council was joined by all Member States and the ECO Secretary General to acknowledge and appreciate the services of following staff of the Secretariat and esteemed Members of the CPR:

1. Mr. Emirhan Yourulmazlar, Deputy Head of Mission, Embassy of Republic of Türkiye in Tehran;
2. Mr. Gamzat Khairov, Counsellor, Embassy of the Republic of Kazakhstan in Tehrna;
3. Mr. Mahmoud Khoubkar, Legal Advisor, ECO Secretariat;
4. Ms. Aysegul Yourulmazlar, Program Officer, ECO Secretariat.

18. All of them were extended best wishes for their future endeavours and assignments.

Agenda Item No.7
Date of the next CPR Meeting

19. The Council decided to convene its next (278th) Meeting on July 31, 2023 in ECO Secretariat, Tehran.

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

The Republic of Azerbaijan:

- H.E. Mr. Ali Alizade, **Permanent Representative**
- Mr. Orkhan Zeynalov, Special Envoy, MFA
- Mr. Farid Valiyev, Head of Division, MFA
- Mr. Elchin Mirzayev, Attaché, MFA

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
- Ms. Shokoufeh Shadi, ECO Expert, Multilateral & International Economic Cooperation

The Embassy of the Republic of Kazakhstan:

- Mr. Gamzat Khairov, Counsellor

The Embassy of the Kyrgyz Republic:

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

The Embassy of the Republic of Tajikistan:

- H.E. Mr. Nizomiddin Zohidi, **Permanent Representative**
- Mr. Maruf Abdurahmonov, First Secretary

The Embassy of the Republic of Türkiye:

- Mr. Emirhan Yorulmazlar, Deputy Head of Mission
- Mr. Ertan Garip, Counselor

The Embassy of Turkmenistan:

- H.E. Mr. Ahmet Gurbanov, **Permanent Representative**
- Mr. Kemal Atayev, Third Secretary

The Embassy of the Republic of Uzbekistan:

- Mr. Umid Babaev, Third Secretary

The ECO Secretariat:

- H.E. Amb. Khusrav Noziri, Secretary General
- Amb. Mohsen Esperi, Deputy Secretary General
- Amb. Jandos Asanov, Deputy Secretary General
- Mr. Mahmoud Khoubkar, Legal Adviser
- Mr. Sukhrob Mirzoaliev, Head of CFU
- Mr. Muhammad Ahmed Raza, Senior Desk Officer
- Mr. Shahid Hussain, Desk Officer



Economic Cooperation Organization

ECO

No: CFU/278th CPR Report/2023/1285

Priority: Most Urgent

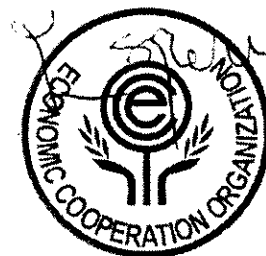
Date: 30/8/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization (ECO) presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith the **Report of 278th Council of Permanent Representatives (CPR) Meeting** adopted by the 279th CPR Meeting held on August 30, 2023 at the Secretariat.

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.

All ECO Member States - Tehran



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ECO/CPR/278th/2023/1
July 31, 2023

278th Meeting of the Council of Permanent Representatives (CPR)

Report

July 31, 2023
ECO Secretariat

Report

Held in hybrid mode under the chairmanship of the Republic of Azerbaijan, the 278th CPR Meeting was attended by the Permanent Representatives/ Representatives of the 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.

Agenda Item No.1

Adoption of the Agenda

1. Proposed by ECO Secretariat, the Meeting's agenda was adopted by the Council as follows:

- Adoption of Draft Agenda of the 278th CPR Meeting
- Adoption of Draft Report of the 277th CPR Meeting
- Adoption of Draft Report of the 273rd CPR Meeting
- Preparation for the 16th ECO Summit and 27th Meeting of the COM
- ECO Awards 2023
- Consideration for allocation of US \$ 10,000 from Feasibility and General Purpose Fund to finance the Project "Kazakhstan's trade and economic potential in the markets of the ECO countries in the new geo-economic realities"
- Administrative and budgetary matters:
 - Reallocation of funds between the Chapters of ECO Budget 2023 without any increase in the total size of budget
 - Recommendations of the Selection Panel
- Any other business
- Date of the next CPR Meeting

Agenda Item No.2

Adoption of Draft Report of the 277th CPR Meeting

2. The Draft Report of the 277th CPR Meeting held on July 4, 2023 was circulated amongst the Member States vide Secretariat's Note Verbale No. CFU/CPR/277th Meeting/2023/952 dated July 6, 2023.

3. The Council considered and adopted the Report of its 277th Session.

Agenda Item No.3

Adoption of Draft Report of the 273rd CPR Meeting

4. Following discussions held during 277th Meeting of the CPR, the Council re-considered the matter for adoption of the draft report of its 273rd Session.
5. The Council adopted the Report of its 273rd Meeting along with the minor amendments proposed by Azerbaijani delegation during 277th Meeting of the CPR.

Agenda Item No.4

Preparation for the 16th ECO Summit and 27th Meeting of the COM

6. Referring to its previous proceedings with regard to the preparations of 16th Summit and 27th COM Meetings, the Council resumed discussions on the matter.
7. The PrepCom's Chair briefed the Council about the latest recommendations of PrepCom concerning the 27th COM and 16th Summit meetings as well as the events' outcome documents. Recalling Azerbaijan's proposal for holding COM meeting on October 9, 2023, he mentioned the following:
 - i. The 5th PrepCom Session completed its first reading of the draft Shusha Declaration which was subsequently circulated amongst the Member States for their consideration;
 - ii. The 34th Meeting of Regional Planning Council (RPC) is proposed to be organized on December 18-21, 2023;
 - iii. The 25th Informal COM and 15th ECO-ASEAN Joint Ministerial Meetings will be held back-to-back in New York on the sidelines of UNGA; In this regard, the Azerbaijani authorities are in regular touch with their Permanent Mission to the United Nations in New York for expediting the matter and ascertaining clarity with regard to the dates and venues of these events.
8. The Permanent Representative of the Islamic Republic of Iran informed that his Country intends to participate in the 27th COM at the highest level, adding that, confirmation will be conveyed once received from the Office of the Honorable Foreign Minister. Regarding the upcoming Summit, he looked forward to more clarity finding some ambiguous expression about confirmation of the event's date. Moreover, he requested the Azerbaijani side to make an early decision and announcement with regard to the date (s) and venue (s) of the Informal COM and ECO-ASEAN Joint Ministerial Meetings, as well as the finalization of revised ECO-UN Resolution.
9. Re-confirming the already proposed dates for the Summit i.e. November 9-10, 2023, the Permanent Representative of the Republic of Uzbekistan added that format of the event's outcome document was under consideration by their relevant authorities, expecting an early decision in this regard.

10. Referring his telephonic conversation with the Deputy Foreign Minister of Uzbekistan and noting the completion of quorum for the Summit, the **ECO Secretary General** said that the event would take place as scheduled. He requested the Member States to seek convenience and early confirmations of their Heads of States/Governments for participation in the Summit meeting at Tashkent on November 9-10, 2023.

11. The **Council** expressed satisfaction over the process being made for preparations of the next Summit and COM Meetings, encouraging the Member States to be more actively engaged in the ongoing preparatory process at the PrepCom Meeting. The Council also urged the Member States to expedite the confirmations of their participation in both important ECO events.

Agenda Item No.5
ECO Awards 2023

12. The **ECO Secretary General** briefed about the status of nominations from Member States for ECO Awards and the formation of Awards' Selection Committee, including the following:

- i. Deadline to receive nomination for ECO Awards and the Awards' Selection Committee has already passed on July 31, 2023;
- ii. Pakistan and Uzbekistan sides have yet to convey nominations of their relevant candidates;
- iii. So far, only Türkiye and Tajikistan sides have conveyed the nominations for Awards' Selection Committee;
- iv. Pakistan and Uzbekistan sides to expedite their nominations for ECO Awards and the Awards' Selection Committee; whereas, the other Member States to convey their nominations for Awards' Selection Committee.

13. Recalling his previously conveyed principle position, the Permanent Representative of the Islamic Republic of Iran reiterated that the ECO Specialized Agencies should be engaged in the selection process for ECO Awards.

14. Supporting the Iranian side's proposal, the Representative of the Republic of Türkiye stated that it would be quite hectic for CPR to scrutinize and ascertain merits of the candidates for ECO Awards in the absence of any Specialized Selection Committee.

15. The Permanent Representative of the Islamic Republic of Pakistan requested to extend the date for conveying nominations, informing that selection of candidates to this end is under consideration by their relevant authorities in Pakistan.

16. Extending the nominations' date for ECO Awards and the Awards' Selection Committee as requested by Pakistani side, the **Council** urged the Member States to ensure that their nominations for ECO Awards and the Awards' Selection Committee are conveyed to the ECO Secretariat by or before 15 August 2023.

Agenda Item No.6

Consideration for allocation of US \$ 10,000 from Feasibility and General Purpose Fund to finance the project "Kazakhstan's trade and economic potential in the markets of the ECO countries in the new geo-economic realities"

17. Resuming deliberations in the matter, the floor was opened for further consideration with regard to the project proposal submitted by the Republic of **Kazakhstan** to be sponsored from Feasibility and General Purpose Fund (FGPF). Looking into their previous positions, the **Council** looked forward to Pakistan and Türkiye sides ascertaining their latest views on the proposal.

18. The Permanent Representative of the Islamic Republic of **Pakistan** said that the nature of amendments to be proposed by Pakistan side for incorporation in the proposal was minor bearing no technical aspects. He, therefore, concurred with the project proposal as submitted by the Republic of Kazakhstan.

19. The Representative of the Republic of **Türkiye**, who earlier sought some more details about the project, also concurred with the Kazakh side's proposal. However, he stressed that such projects should be comprehensive, covering the entire region under their scope and application. Moreover, he desired a two-week silence procedure to ascertain further views/comments, if any, from the Member States.

20. The Permanent Representative of the Islamic Republic of **Iran**, though joined the consensus, expressed his dissatisfaction over the method adopted for submission of this project proposals. He, categorically, mentioned that such issues should first be brought to the attention of the Project Monitoring Group (PMG). He emphasized the need for resumption of PMG meetings and finally supported the views of Türkiye side for broadening the scope of any such project proposals.

21. The Council approved a two-week silence procedure to be initiated by ECO Secretariat for securing final concurrence of the Member States. In the absence of any contrary views or remarks during the two-week timeframe, the allocation US \$ 10,000 for the project proposal as requested by Kazakhstan may be considered as "**Agreed**" by CPR.

Agenda Item No.7

Administrative and budgetary matters:

- **Reallocation of funds between the Chapters of ECO budget 2023 without any increase in the total size of budget**

22. Referring previous discussion and views of the Member States on reallocation of funds as proposed by ECO Secretariat, the matter was discussed by the Council again.

23. The Representative of the Republic of **Türkiye**, who had earlier sought some time to respond in the matter, concurred with the proposal provided that a two-week silence procedure should be adopted to seek further views/comments, if any, by Türkiye or any other Member State. Moreover, he emphasized that such issues should be discussed and deliberated on a separate forum.

24. The Permanent Representative of the Islamic Republic of **Iran** proposed that the Council might make an ad-ref decision for reallocation of the request funds subject to no objections by any Member States within a two-week time.

25. Considering the views of the Member States and with a view to maintaining procedural consistency, the Council approved a two-week silence procedure for securing final concurrence of the Member States. In the absence of any contrary views or remarks during the two-week timeframe, the proposal of the ECO Secretariat for reallocation of US 28000/- (US Dollars Twenty-Eight Thousand) from the Chapter "*Salary and Allowances*" to the Chapter "*Consumable Items and Other Services*" may be considered as "**Agreed**" by CPR.

- Recommendations of the Selection Panel

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

Agenda Item No.8

Any other business

27. The ECO Deputy Secretary General (**Administration, EME, IR & IT**) informed that the Embassy of the Republic of Türkiye vide its Note Verbale No. Z-2023/99530379/36364073 dated July 23, 2023 concurred with the proposal of the ECO Secretariat for allowing Ms. Gulden Uzun to continue her services as Documentation Officer (Category-II, P2) until August 28, 2023.

28. The Council approved the extension of service in respect of the incumbent Documentation Officer, Ms. Gulden Uzun until August 28, 2023.

29. The ECO Deputy Secretary General (**Tourism, PM, JPC & EAPA**) informed that 4th Meeting of Attorneys/ Prosecutors General of ECO Member States would be held on September 15, 2023 in Baku, Azerbaijan. He added that the Ministry of Foreign Affairs of the Republic of Azerbaijan informed about the wish of the delegation of the Russian Federation to be led by the country's Prosecutor General to attend the said meeting. In this connection, Secretariat has forwarded a Note Verbale to all Member States on July 26, 2023 with the request to consider the proposal.

30. The Council considered the briefings provided by the relevant DSGs and approved the participation of ECO Secretariat in the following two non-ECO events:

31. The **ECO Deputy Secretary General (TC & HRSD)** briefed the Council about the High-Level Euro-Asia Regional Review Meeting of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014-2024, to be held on August 22-23, 2023 at Bangkok, Thailand. He said that the subject event would provide the ECO with an opportunity to be part of the important regional and international initiatives, plans and activities for development of the transit and transport facilitation, particularly for its Landlocked Developing Countries (LLDC). As regards the High Level Regional Review Meeting of the Vienna Programme of Action for LLDCs on 22-23 August 2023 in Bangkok, the Permanent Representative of the Islamic Republic of Iran, while fully supporting the relevance of participation of the Secretariat in the Meeting, stressed on encouraging active participation of all the ECO Member States in the Event and requested the Secretariat to organize a sideline consultative meeting of the Member States at the venue of the above Event in Bangkok to discuss regional initiatives, consult and coordinate policies and proposals to enhance the ECO role in the event and the ensuing process.

32. The **ECO Deputy Secretary General (TI & AI)** informed the Council that the Ministry of Agriculture of Uzbekistan, in cooperation with the Food and Agriculture Organization of the United Nations (FAO), would be organizing an International Conference on Food Security in Samarkand on September 7-8, 2023. He explained that the aim of this event is to (i) study the current state of food security in the world and central Asian countries; (ii) discuss issues in the agri-food system that prevent the achievement of Sustainable Development Goals and (iii) find way outs for solution of these issues. He further informed that it would also serve as a platform for dialogue, knowledge exchange and collaboration among policymakers, experts, academics and industry leaders. The event is highly significant as it will conclude with the adoption of the "Samarkand Declaration on Food Security". It was indicated that the host country will pay the accommodation and local hospitality expenses of ECO delegation on a 1 plus 1 basis.

33. The **ECO Secretary General** and the **Permanent Representatives/Representatives** of the Member States joined the Council for expressing their warm and sincere gratitude to H.E. Mr. Rahim Hayat Qureshi who was going to successfully complete his tenure as Ambassador of the Islamic Republic of Pakistan to Iran and the Country's Permanent Representative to ECO. Acknowledging Ambassador Qureshi's valued contribution for supporting and promoting the ECO's mutually developed economic agenda, they mentioned that the outgoing Ambassador was bequeathing a rich legacy for the utmost facilitation of his successor. Moreover, they wished him all the best for his future career and personal life.

34. Ambassador Qureshi reciprocated the gestures kindly expressed by ECO Secretary General and the Permanent Representatives/Representatives. Recalling some notable events and achievements that the Organization held/made during his tenure, he stood satisfactorily glad while noting his services to the Organization and the People of the region. In addition, Ambassador Qureshi thanked all the delegations for their continued support, guidance and constructive approach that helped him meet his task and responsibilities in an effective and fruitful manner.

Agenda Item No.9
Date of the next CPR Meeting

35. The Council decided to hold next CPR (279th) on August 30, 2023 at ECO Secretariat (Tehran).

Annexure-I

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

The Republic of Azerbaijan:

- H.E. Mr. Ali Alizade, **Permanent Representative**
- Mr. Rovshan Mirzayev, MFA

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
- Ms. Shokoufeh Shadi, ECO Expert, Multilateral & International Economic Cooperation

The Embassy of the Republic of Kazakhstan:

- Mr. Kuanish Agaidarov, First Secretary

The Embassy of the Kyrgyz Republic:

- Mr. Nazim Beishekeev, Attaché

The Embassy of the Islamic Republic of Pakistan:

- H.E. Mr. Rahim Hayat Qureshi, **Permanent Representative**
- Mr. Ahmad Shami, Counselor

The Embassy of the Republic of Tajikistan:

- H.E. Mr. Nizomiddin Zohidi, **Permanent Representative**
- Mr. Hukmiddin Rahmonov, First Secretary

The Embassy of the Republic of Türkiye:

- Mr. Mehmet Zahit Uzun, Counselor
- Mr. Ertan Garip, Counselor

The Embassy of Turkmenistan:

- Mr. Kemal Atayev, Third Secretary

The Embassy of the Republic of Uzbekistan:

- H.E. Mr. Bakhodir Abdullaev, **Ambassador**

The ECO Secretariat:

- H.E. Amb. Khusrav Noziri, Secretary General
- Amb. Mohsen Esperi, Deputy Secretary General
- Amb. Huseyin Avni Bicakli, Deputy Secretary General
- Amb. Jandos Asanov, Deputy Secretary General
- Mr. Hojjat Moghavem, Legal Adviser
- Mr. Sukhrob Mirzoaliev, Head of CFU
- Mr. Muhammad Ahmed Raza, Senior Desk Officer
- Mr. Shahid Hussain, Desk Officer



Economic Cooperation Organization

ECO

No: CFU/CPR/279th Meeting/2023/1294

Priority: Most Urgent

Date: 31/8/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization (ECO) presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith the **Draft Report of 279th Council of Permanent Representatives (CPR) Meeting held on August 30, 2023 at the Secretariat.**

The Secretariat avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.



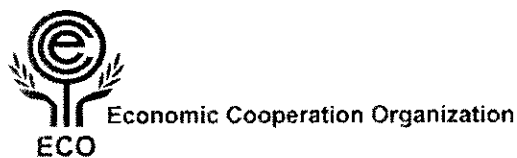
All ECO Member States - Tehran

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279th Meeting of the Council of Permanent Representatives (CPR)

Draft Report

August 30, 2023
ECO Secretariat

Draft Report

Held in hybrid mode under the chairmanship of the Republic of Azerbaijan, the 279th CPR Meeting was attended by the Permanent Representatives/Representatives of 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.

Agenda Item No.1

Adoption of the Agenda

1. Proposed by ECO Secretariat, the Meeting's Agenda was adopted by the Council as follows:

- Adoption of Draft Agenda of the 279th CPR Meeting
- Adoption of Draft Report of the 278th CPR Meeting
- Preparation for the 16th ECO Summit and 27th Meeting of the COM
- ECO Awards 2023
- Administrative and budgetary matters:
 - Acquisition of 17 computers for the main Conference Hall of the Secretariat
 - Recommendations of the Selection Panel
- Any other business
- Date of the next CPR Meeting

Agenda Item No.2

Adoption of Draft Report of the 278th CPR Meeting

2. The Council considered and adopted the Report of its 278th Meeting circulated vide Secretariat's Note Verbale No. CFU/CPR/278th Meeting/2023/1126 dated August 2, 2023.

Agenda Item No.3

Preparation for the 16th ECO Summit and 27th Meeting of the COM

3. The PrepCom's Chair briefed the Council about the current status of preparations being made to facilitate smooth holding of the 16th ECO Summit, 27th COM, 25th Informal COM and 15th ECO-ASEAN Ministerial Meetings, highlighting the following developments:

- As mandated, ECO Secretariat in consultation with the Chair, proposed a shortened version of the preambular part of the Draft Shusha Declaration, along with making some adjustments to its operative part in order to make the document more concise; Accordingly, a revised/edited version of Draft Shusha Declaration was circulated for consideration of the Member States;

- As scheduled, the 25th Informal Meeting of the COM will be held on September 21, 2023 between 15:00 and 18:00 hours; while the 15th ECO-ASEAN Ministerial Meeting to be held on September 22, 2023 from 15:00-18:00 hours instead of previously set timing i.e. 10:00 to 13:00 hours; Both events will be organized in the Conference Room 9 at UN Headquarters in New York;
- Regarding 16th ECO Summit's Agenda, the matter regarding extension of invitations to ECO Observers is pending for settlement through bilateral consultation by the Host Country i.e. Republic of Uzbekistan and the Republic of Türkiye and will be finally decided by the next CPR.

4. The ECO Secretary General informed the Council about consensual adoption of the UN-ECO Cooperation Resolution by UNGA's current session on August 25, 2023. Moreover, he sought Council's consideration on the issue of invitations to ECO Observers for their participation in the 16th Summit and 27th COM Meetings. He also invited attention of the Council towards the freshly received proposal of the Republic of Türkiye for rescheduling the 16th Summit which is scheduled for November 10, 2023, adding that the same was circulated amongst the Member States.

5. The Permanent Representative of the Islamic Republic of Iran noted that the dates proposed by Republic of Türkiye for rescheduling the Summit are very much close to the already scheduled dates, opining that the afternoon November 9, 2023 may be considered for organizing the event in Tashkent. Regarding ECO Observers, he emphasized that the purpose of extending observer status to them appears to be of no avail if they are not invited to the ECO events based on the relevant modalities. In addition, he mentioned that the issue of extending invitations to ECO Observers is the prerogative of the whole ECO Membership and should be decided accordingly.

6. The Permanent Representative of the Republic of Uzbekistan maintained his country's position for extension of no invitation to ECO Observers. In this regard, he referred the relevant modalities which allow the host country to either invite the ECO Observers or otherwise.

7. Looking into the views and positions expressed by participating delegates, the Council concluded the following:

- i. The Secretariat will extend invitation to ECO Observers for their participation in the 27th Meeting of the COM scheduled to be held on October 9, 2023 in Shusha; Moreover, the Secretariat will also consider extension of invitations to ECO's regional and global partners for participation in the COM Meeting in consultation with the Republic of Azerbaijan being the host of the event;
- ii. Matter regarding participation of ECO Observers in 16th Summit may bilaterally be discussed between Uzbekistan and Türkiye and decided latest by next Meeting of CPR;

- iii. ECO Secretariat to seek the views/concurrence of the Member States regarding Türkiye's proposal to reschedule the 16th Summit for November 8-9, 2023 and the proposed date of 9th November to that effect;
- iv. Member States to convey compositions of their delegations for participation in both the 16th Summit and the 27th COM Meetings.

Agenda Item No.4
ECO Awards 2023

8. The ECO Secretary General briefed the Council about latest status of nominations for ECO Awards and the Awards Selection Committee. Regarding ECO Awards, he mentioned that all Member States, except Pakistan, have conveyed their nominations; whereas only Türkiye, Tajikistan and Azerbaijan have conveyed the nominations for Awards Selection Committee. He proposed that 1st Meeting of the Awards Selection Committee may be organized to initiate the procedure for finalizing the names of candidates in this regard.

9. The Council mandated the Secretariat to make arrangements for organizing the 1st Meeting of the Selection Committee in hybrid mode, so that the process of evaluating and finalizing the names of most eligible candidates for ECO Awards may be started.

Agenda Item No.5
Administrative and budgetary matters:

- Acquisition of 17 computers for the main Conference Hall of the Secretariat

10. The Council considered and approved the proposal for acquisition of 17 computers for the main Conference Hall of the Secretariat.

- Recommendations of the Selection Panel

11. Under this sub agenda item, no issue was discussed.

Agenda Item No.6
Any other business

12. Citing some local regulatory and social security related requirements, the Permanent Representative of the Islamic Republic of Iran proposed conversion of the Secretariat's Iranian A-Category staff's salaries from US Dollars to Iranian Riyals. In this regard, he stated that a formula is being worked out in consultation with the ECO Secretariat, adding that the proposal will also provide sufficient savings to the Organization.

13. The Representative of the Islamic Republic of **Pakistan** sought clarification about the implicative aspects of the proposal, especially concerning the non-resident A-Category staff of the Secretariat. Quoting some relevant provisions contained in the Iranian Social Security Regulations, she believed that the proposal could bear some future implications and impact on the non-resident A-Category staff.

14. The Permanent Representative of the Islamic Republic of **Iran** clarified that the proposal is to convert the salaries of only Iranian A-Category members of the Secretariat's staff, in order to adjust and fix their emoluments in line with the Iranian rules and regulations. Stating that the matter needs to be urgently finalized, he looked forward to Council's concurrence so that a formal proposal may be prepared for consideration of CPR.

15. While noting the Iranian side's position regarding urgency of the matter, the Representative of the Islamic Republic of **Pakistan** inquired that how the issue was dealt with previously as the A-Category staff had been drawing salaries in US dollars for a long time. Yet she indicated her preference for the issue to be dealt with, within the context of Reform Process as concerns the A Category.

16. The Permanent Representative of the Islamic Republic of **Iran** mentioned that the pay package of A-Category Iranian staff remained in question for many years due to its inconsistency with local social security rules and regulations adding that the Ministry of Foreign Affairs of the Islamic Republic of **Iran** will imminently hold an information-sharing meeting providing a full account of the legal, financial & budgetary aspects of the subject matter.

17. Having no consensus, the **Chair** proposed to defer the matter for a later stage.

18. The **ECO Secretary General** briefed the Council about the Draft Budget for 2024 that was circulated among the Member States vide Secretariat's Note Verbale dated August 29, 2023. He further explained that despite the passage of 8 months a large balance of contributions equal to USD 3,264,008.56 has yet to be received. He requested the Member States to kindly expedite transfers of their balance of contributions at an earliest convenience to insure a smooth functioning of the Secretariat and its activities.

19. The **ECO Deputy Secretary General (Administration, Energy, Minerals & Environment, IR and IT)** further informed that in order to improve correspondence with the Member States, IT Section of the ECO Secretariat has launched a new feature in Didgah Software, enabling the Member States to view the letters sent to them by ECO Secretariat through an exclusive username and password.

20. Moreover, the **ECO Deputy Secretary General (Administration, Energy, Minerals & Environment, IR and IT)** informed that the 3rd Meeting of the ECO Heads of Surveying & Mapping Organizations (HSMO) and the 4th Meeting of the ECO Geometrics Committee (GC) are scheduled to be held back-to-back on 18-19 September 2023 in Tehran (in-person). The subject meetings will be hosted and chaired by the National Cartographic Center (NCC) of the Islamic Republic of Iran in pursuance of Para 30, "C" Sector of the ECO Work Program 2023 and Calendar of Events for 2023. He

further explained that the ECO Secretariat circulated the information on the aforementioned events along with their draft agenda, programme and concept note among the Member States vide its circular Note Verbale No. EME/Minerals/1179 dated 13 August 2023. He added that to enable participation of the Member States in these meetings, it is of utmost importance to provide that one relevant representative of each ECO Member State may be reimbursed the cost of return airfare (not exceeding US\$ 900) from the Special Support Fund (SSF), which were regrettably not included earlier this year in the list of events to be sponsored under the SSF. Therefore, he requested the Council to consider and approve the inclusion of these events for sponsoring under SSF.

As regards Non-ECO events with no financial implication for the Organization, the invitation to which does not provide adequate time to be discussed at the upcoming CPR, he asked the Council's authorization to the Secretary General to permit the mission with a view to avail the Organization of the visibility opportunities provided through participation in such events.

21. The Council considered and approved the proposal of the Secretariat regarding inclusion of the said events in the list of meeting to be sponsored under SSF and the proposal regarding Non-ECO events provided that the latter does not have any financial implication.

22. The ECO Secretary General and the Permanent Representatives/Representatives of the Member States joined the Council for expressing their warm and sincere gratitude to H.E. Mr. Bakhodir Abdullaev who was going to successfully complete his tenure as Ambassador of the Republic of Uzbekistan to Iran and the Country's Permanent Representative to ECO. They acknowledged his valued contribution for supporting and promoting the ECO's mutually developed economic agenda. Moreover, they wished him all the best for his future endeavors, both in professional and personal life.

23. Ambassador Abdullaev reciprocated the gestures kindly expressed by ECO Secretary General and the Permanent Representatives/Representatives. He also thanked all the delegations for their continued support, guidance and constructive approach that helped him meet his task and responsibilities in an effective and fruitful manner.

Agenda Item No.7

Date of the next CPR Meeting

22. The Council decided to hold its next session of CPR (280th) Meeting on September 27, 2023 at ECO Secretariat in Tehran.

Annexure-I

LIST OF PARTICIPANTS

The Embassy of the Islamic Republic of Afghanistan:

The Republic of Azerbaijan:

- H.E. Mr. Ali Alizade, **Permanent Representative**
- Mr. Orkhan Zeynalov, Special Envoy, MFA
- Mr. Farid Valiyev, Head of Division, MFA
- Mr. Elchin Mirzayev, Attaché, MFA

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

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

The Embassy of the Republic of Kazakhstan:

- Mr. Kuanish Agaidarov, First Secretary

The Embassy of the Kyrgyz Republic:

- H.E. Mr. Sydykov Turdakun, **Permanent Representative**
- Mr. Nazim Beishekeev, Attaché

The Embassy of the Islamic Republic of Pakistan:

- Ms. Khirat, First Secretary

The Embassy of the Republic of Tajikistan:

- Mr. Muzaffar Muhammadi, Deputy Head of Mission
- Mr. Hukmiddin Rahmonov, First Secretary

The Embassy of the Republic of Türkiye:

- Mr. Ertan Garip, Counselor

The Embassy of Turkmenistan:

- H.E. Mr. Ahmet Gurbanov, **Permanent Representative**
- 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. Mohsen Esperi, Deputy Secretary General
- Amb. Huseyin Avni Bicakli, Deputy Secretary General
- Amb. Kashif Zaman, Deputy Secretary General
- Mr. Hojjat Moghavem, Legal Adviser
- Mr. Sukhrob Mirzoaliev, Head of CFU
- Mr. Muhammad Ahmed Raza, Senior Desk Officer
- Mr. Shahid Hussain, Desk Officer



Economic Cooperation Organization

ECO

No: HRSD/5th MM on Health/2023/872

Priority: Most Urgent

Date: 22/6/2023

Attachment: No

The Secretariat of the Economic Cooperation Organization presents its compliments to the esteemed Ministry of Foreign Affairs of the Republic of Iran and the Embassies of the Member States in Tehran and with reference to the Secretariat's Note Verbale No. HRSD/5th MM on Health/2023/716 dated 31 May 2023 regarding seeking views/comments/amendments of the Member States on the Draft Report and Annexures of the **5th Ministerial Meeting on Health held on 24 May 2023**, on the sidelines of the 76th Meeting of World Health Assembly in Geneva has the honor to inform that the **Report and Annexures of the above mentioned Ministerial Meeting are being considered as adopted** in view of no objection or any amendments received from the Member States after stipulated time of **two weeks' silence procedure** from the date of circulation.

The Secretariat of the Economic Cooperation Organization avails itself of this opportunity to renew to the esteemed Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of the ECO Member States in Tehran the assurances of its highest consideration.



All ECO Member States - Tehran

ECO Secretariat - No. 1, Golbou Alley, Kamranieh, Tehran, Iran - Postal Code: 19519 33114 - P.O.Box: 14155-6176

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Economic Cooperation Organization

ECO

No:HRSD/5th MM on Health/2023/716

Priority: Most Urgent

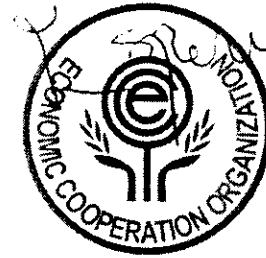
Date: 31/5/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization presents its compliments to the esteemed Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of the Member States in Tehran and further to the Secretariat's Note Verbale No. HRSD/5th MM on Health/2023/707 dated 30 May 2023 has the honor to enclose herewith **Draft Report** along with its annexures of the 5th Ministerial Meeting on Health held on 24 May 2023, on the sidelines of the 76th Meeting of World Health Assembly in Geneva.

The Secretariat has further the honor to request the Member State to convey their views/comments/amendments (if any) on the Draft Report and Annexures for its adoption. The same will be considered as adopted in case no objection or amendment is received from the Member States within **two weeks' silence procedure** from the date of circulation.

The Secretariat of the Economic Cooperation Organization avails itself of this opportunity to renew to the esteemed Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassy of the ECO Member States in Tehran the assurances of its highest consideration.



All ECO Member States - Tehran

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Draft Report

The 5th Ministerial Meeting on Health (24 May 2023)

On the sidelines of the 76th Meeting of World Health Assembly in Geneva Hosted by the Republic of Azerbaijan

Draft Report
The 5th Ministerial Meeting on Health
(24 May 2023)

The 5th Ministerial Meeting on Health was held on May 24, 2023 on the sidelines of the 76th Meeting of World Health Assembly in Geneva under the Chairmanship of the Republic of Azerbaijan. The meeting was attended by Minister/Deputy Ministers, Heads of Delegations and Ambassadors from the Republic of Azerbaijan (Host), Islamic Republic of Iran, Kyrgyz Republic, Islamic Republic of Pakistan, Republic of Tajikistan, Republic of Türkiye and Turkish Cypriot State (Observer). The delegation of the ECO Secretariat led by the Secretary General, Ambassador Khusrav Noziri participated in the meeting. List of the participants is attached as **Annex-I**.

Agenda No. 1

Inauguration/Opening Remarks of the Meeting

2. The ECO Secretary General, Ambassador Khusrav Noziri inaugurated the meeting and extended his warm greetings to the delegation. He also profoundly thanked the Republic of Azerbaijan for organizing and excellent arrangements for the event, as well as appreciated the Member States for their active participations.

3. Secretary General, in his statement, while highlighting the Member States' efforts for discovering intra-regional ways and means to meet any health challenges, noted that the meeting's agenda of adopting the Plan of Action on Health Cooperation in the ECO Region (2023-24) and Declaration on Health play a pivotal role for securing the desired aims and objectives. Copy of his statement is attached as **Annex-II**

While welcoming the participants, H.E. Dr. Teymur Musayev, Minister of Health of the Republic of Azerbaijan, shared their experiences during COVID-19 era and expressed hope that the 5th ECO Ministerial Meeting on Health would be beneficial and encouraging for the ECO region in post-pandemic. He underscored the role of ECO regarding health for more prevention and preparedness in future health related problems in the region, and expressed that ECO region has faced many challenges during the global pandemic COVID-19. He also called upon to adopt the Draft Action Plan and 5th Health Ministerial Declaration and stressed its implementation to reach the main objectives of the region. Copy of his statement is attached as **Annex-III**

Agenda No. 2

Election of the Chairman

4. In accordance with the ECO Rules of Procedure, the Honorable Minister of Health of the Republic of Azerbaijan (host country), H.E. Dr. Teymur Musayev was unanimously elected as Chairman of the 5th Ministerial Meeting on Health.

Agenda No. 3

Adoption of the Agenda

5. Having no objection raised, the Meeting adopted its Agenda unanimously as proposed by High-Level Working Group Meeting held virtually on 17 May 2023. Copy of the Agenda is attached as **Annex-IV**.

Agenda No. 4

Statements by Ministers/Heads of Delegation

6. Under this Agenda Item, the Health Ministers/Heads of Delegations of the Member States and other representatives made their statements. Copies of their statements are attached as **Annex-V**.

Agenda Item 5

Consideration of the Latest Version of ECO Action Plan on Health for the Region

7. The meeting deliberated and considered the ECO Action Plan on Health for the Region and decided to circulate it amongst the Member States for views/comments/amendments (if any) for its adoption and implementation after 15 days' silence procedure after the date of circulation. Copy of the said Action Plan is attached as **Annex-VI**.

Agenda Item No. 6

Any other business

8. No issue was discussed/raised under this agenda item.

Agenda Item 7

Adoption of the Ministerial Declaration on Health

9. The Ministers/Heads of Delegation discussed/reviewed the draft Declaration on Health in order to achieve aims and objectives under the relevant initiatives and programmes, and instructed the Secretariat to circulate it amongst the Member States for views/comments/amendments (if any) for its adoption and implementation after 15 days' silence procedure after the date of circulation. Copy of the draft Declaration is attached as **Annex-VII**.

Agenda Item No. 8

Date and Venue of the 6th ECO Ministerial Meeting on Health

10. The ECO Secretariat will coordinate with the ECO Member States to get their willingness to host the next 6th Ministerial Meeting on Health.

Agenda Item No. 9

Consideration and Adoption of the Report

11. The Meeting decided and instructed the Secretariat to circulate the draft Report of the Meeting to the Member States for views/comments/amendments (if any) for its adoption through 15 days' silence procedure after the date of circulation.

Agenda Item No. 10

Closing Remarks and vote of thanks

12. The Heads of Delegation offered their vote of thanks to the Government of the Republic of Azerbaijan for chairing the 5th Ministerial Meeting on Health. They also extended gratitude to the Ministry of Health of the Republic of Azerbaijan for excellent organization of the Meeting.

13. While thanking the Member States for their participation, the Chairman adjourned the Meeting.

List of participants
5th ECO Ministerial Meeting on Health
Hosted by the Republic of Azerbaijan
May 24, 2023

No	Name	Designation/Department	Contact Details
Islamic Republic of Afghanistan			
1.			
Republic of Azerbaijan			
2.	Dr. Teymur Musayev	Minister of Health	
3.	Dr. Nadir Zeynalov	Deputy Ministry of Health	
4.	Mr. Tural Babayev	Chief of Staff, Ministry of Health	
5.	Mr. Vugar Mammadov	Chief of the International Cooperation Department, Ministry of Health	
Islamic Republic of Iran (Host)			
6.	Dr. Mohammad Hoissein Niknam	Specialist Assistant of the Minister and DG of International Cooperation	
7.	Dr. Hossein Farshidi	Deputy Minister of Health Affairs	
8.	Dr. Peiman Hemmati	Expert	
Republic of Kazakhstan			
9.			
Kyrgyz Republic			
10.	Mr. Bek Nogoibaev	Head of the department of strategic planning and implementation of state and international programs of the Ministry of Health	
11.	Mr. Aidyn Seidakhmatov	Attache of the Permanent Mission	
Islamic Republic of Pakistan			
12.	Dr. Naeem Akhtar	Deputy Director General of Health, Ministry of National Health Services, Regulation and Coordination	
Republic of Tajikistan			
13.	Jamshed KHamidov	Ambassador, permanent Representative	
14.	Prof. Yusufi Salomudin - Dr.	Head of the Department of education, human resource and science	

15.	Rano Rahimova	Head of the International relations Departmen	
Republic of Turkiye			
16.	Amb. Guven Begec	Permanent Representative of the UN Geneva Office	
17.	Mr. Yusuf Irmak	Head of Department	
18.	Mr. Kadir Öztürk	Health Expert	
19.	Mr. Yunus Emre Kaval	Assistant EU Expert	
Turkmenistan			
20.			
Republic of Uzbekistan			
21.			
World Health Organization (WHO)			
22.			
Secretariat of Economic Cooperation Organization (ECO)			
23.	Amb. Khusrav NOZIRI	Secretary General	Tel: +98 21-22831733-4 Email: sg@eco.int
24.	Dr. Husnu Tekin	Director HRSD	Tel: +98 21-22831733-4 Email: Tekin@eco.int
25.	Ms. Neda Moshref Javadi	Program Officer (HRSD)	Tel: +98 21-22831733-4 Email: Javadi@eco.int
Observers:			
Turkish Cypriot State			
- Ministry of Health : Izlam Gurcag Altugra			
- Undersecretary of Ministry of Health: Ass. Dr. Deren Oygur			
- Representative of Geneva of TRNC : Gizem Alpman			

No: TC/3rd MM on ICT/2023/1108

Priority: Normal

Date: 1/8/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of the Member States in Tehran and has the honor to circulate the adopted **Report and the Declaration of the of the Third ECO Ministerial Meeting on Information and Communications Technology (ICT)** held on 12-13 July 2023 in Tehran.

The Secretariat has further honor to request the esteemed Ministry and Embassies to kindly convey the Report and its attachments to the relevant national destinations.

The Secretariat avails itself of this opportunity to renew to the esteemed Ministry and the Embassies the assurances of its highest consideration.

All ECO Member States, Tehran



Cc.

**Ministry of Foreign Affairs of Turkish Cypriot State
Organization of Turkic States
D-8 Organization for Economic Cooperation
International Telecommunication Union**



Economic Cooperation Organization

Final Report
**The Third ECO Ministerial Meeting on Information and
Communication Technology**
(Tehran, 12-13th July 2023)

The Third ECO Ministerial Meeting on Information and Communication Technology

(Tehran, 12-13th July 2023)

Final Report

The Third ECO Ministerial Meeting on Information and Communication Technology was held in Tehran on 13th July, 2023. The Meeting was attended by the ICT Ministers and high-level delegations from the ECO Member States including the Republic of Azerbaijan, the Islamic Republic of Iran, the Republic of Kazakhstan, the Kyrgyz Republic, the Islamic Republic of Pakistan, the Republic of Tajikistan, the Republic of Türkiye, Turkmenistan and Republic of Uzbekistan. The Republic of Iraq was also invited to the Meeting as the guest by the host country. High-level delegations from the D8 Organization for Economic Cooperation and the Asia Pacific Telecommunity (APT) also took part in the Meeting. The ECO Secretariat's delegation was headed by the Secretary General, H.E Khusrav Noziri. The list of the participants is attached at [Annex-I](#).

Agenda Item No.1

Inauguration of the Meeting

2. The Secretary General of ECO, H.E Khusrav Noziri, while welcoming the participants, briefly outlined the objectives of regional cooperation in ICT fields and requested for the support of the Member States to the regional plans and projects. H.E Secretary General also briefed the participants on the Program and Agenda of the Meeting. He also touched upon new global ICT trends and the need for collective cooperation to address emerging challenges. Copy of his Welcoming Remarks is attached as [Annex-II](#).

3. H.E. Mr. Eisa Zarepour, Minister of Communications and Information Technology of the Islamic Republic of Iran warmly welcomed the Ministers/Heads of Delegations and other dignitaries to Tehran and appreciated the delegations for their active participation in the 3rd Ministerial Meeting on ICT. Mr. Zarepour, in his inaugural statement underscored the importance of such meetings for strengthening regional cooperation. Copy of his statement is attached as [Annex-III](#).

Agenda Item No.2

Election of the Chairman

4. In accordance with the ECO Rules of Procedure, H.E. Mr. Eisa Zarepour, Honorable Minister of Communications and Information Technology of the Islamic

Republic of Iran was unanimously elected as the Chairman of the "Third ECO Ministerial Meeting on Information and Communication Technology".

Agenda Item No.3
Adoption of the Agenda

5. In the absence of any objection, the meeting adopted its Agenda unanimously as proposed by the ECO Secretariat. Copy of the Agenda is attached as **Annex-IV**.

Agenda Item No.4
Statement by the ECO Secretary General

6. His Excellency Ambassador Khusrav Noziri, the Secretary General of ECO expressed sincere thanks to the Government of the Islamic Republic of Iran for hosting this important meeting in Tehran and for the excellent arrangements. He further expressed confidence that under the able Chairmanship of Mr. Eisa Zarepour, Minister of Communications and Information Technology of the Islamic Republic of Iran, the meeting will achieve its aspired goals and also hoped that this long-awaited ministerial meeting will provide the valuable opportunity for the distinguished Ministers and also high-level ICT officials of ECO region to hear the progress report and will seek their guidance on the way ahead in ICT fields.

7. Secretary General appreciated the contribution and efforts individually made by ECO Member States for their ICT development. He underlined the necessity of the mutual cooperation on ICT with accelerated pace and enhanced coordination and collaboration to achieve the targets of ECO Vision 2025 as well as the UN Sustainable Development Goals 2030. He also informed about the activities of the Secretariat with regard to its mandates and in particular on the establishment of the "ECO Regional Regulatory Framework" which would initially act in the form of the High-Level Working Group of Regulatory Authorities of the Member States as per the "Terms of Reference" of the said HLWG (approved by the 2nd ICT Working Group in 2022). He stressed on full support of the Member States and their active participation for the formulation of its policies and plans. He further, highlighted the role of digital technologies beyond simply promoting greater access to the internet by covering various areas of social, industrial and economic domains of our societies. He underlined that with the right blend of policies, investment in infrastructure and human capacity and cooperation among stakeholders, the ICTs can revolutionize fields as diverse as health and education, industry, energy, transport, governance, enterprises, agriculture, environment and so on.

8. The Secretary General meanwhile highlighted that the new technological developments and trends require common approaches to meet the emerging ICT demands including through full implementation of the "2025 ECO Regional Strategy for Information Society Development", which will enable the region to develop a renewed

and updated Strategy for the post-2025 period. A copy of his statement is attached as Annex-V.

Agenda Item No.5

Statements by the Ministers/Heads of Delegations

9. H.E. Mr. Sadiq Iftikhar, Minister of State /Special Assistant to Prime Minister for IT & Telecom of the Islamic Republic of Pakistan extended gratitude to the Islamic Republic of Iran for hosting this important ICT event and thanked for inviting and giving opportunity to the ECO Member States to work together for developing a coordinated and effective regulatory framework that protects users, promotes responsible usage and addresses the challenges associated with the social media platforms. Mr. Iftikhar highlighted that ICT has assumed an enabling role in the emerging dynamics of a knowledge-based society and knowledge economy. Recognizing the cross-sectoral impact of ICTs, the development/proliferation of information technology and telecommunication sectors is one of the top agenda items of his respective Government. The Government of Pakistan (GOP) strives to improve its citizens' quality of life and economic well-being by ensuring the availability of accessible, affordable, reliable, universal and high-quality ICT services. He said, this ministerial platform will pave the way to learn from each other by working together and collaborating closely, which in turn will have a significant impact by expanding ICT infrastructure, extending ICT coverage to remote and underserved areas and bridging the digital divide among the ECO countries. In the end, the Honorable Minister once again thanked the delegates of the Member States and hoped for further strengthening the strategic partnership between ECO countries. He also emphasized to adopt an effective implementation mechanism to achieve the objectives of the "ECO Vision 2025" as well as the "ECO Strategy for Information Society Development 2025".

10. H.E. Mr. Eisa Zarepour, the Minister of Communications and Information Technology of the Islamic Republic of Iran expressed his deep gratitude for active participation of ICT Ministers in the 3rd ECO Ministerial Meeting. He further continued: as a co-founder of ECO, the Islamic Republic of Iran has always sought a way to strengthen the regional integration and to make it more efficient than has ever been. He said, we are on the verge of a major digital transformation owing to new technologies like AI, IoT, 5G, and semiconductors, which both pose threats and offer opportunities. It depends upon us how to approach these new realities. If we remain inactive, these new technologies may render the already growing global digital gap unfillable and unbridgeable. Narrowing the gap will be much harder, if we do not cooperate with each other. So far, the ECO Members have made excellent progress in the ICT fields. However, the cooperation among nations have not advanced very well. For instance, the transport ministers of ECO Members have held their 11th Meeting, while this is our 3rd Meeting which is taking place. ECO with a population of more than the EU and with 76 billion USD regional trade has many resources and advantages and it has already made considerable progress but there are two problems; first, although the ICT is a driving force for development in many other sectors, the cooperation has not been

substantial. We can cooperate in many areas like infrastructure, regulatory affairs, investments, space, etc. But despite all decisions in previous meetings and the ECO Vision 2025, this cooperation did not take place effectively and fruitfully; second, this block has a potential for cooperating with other regions. As, I mentioned in my speech yesterday in the sideline Forum that Iran is ready to connect the ECO with other regions like Indian Ocean, Africa, Persian Gulf, and the Levant.

11. Mr. Zarepour proposed to mandate the Secretariat to conduct a feasibility study for formulating the "ECO infrastructure and ICT applications plan for 2025-2030" utilizing its available resources and in close contact with the Member States and ITU. The study will focus on promoting regional cooperation in the fields of space technology, artificial intelligence, data transit and infrastructure, regulations, CERTs, digital economy, child online protection, and many other relevant issues. He further, suggested the establishment of five committees including "ECO Cyber Security Committee", "ECO Digital Economy Committee", "ECO Data Transit Committee", "ECO Child Protection Committee" and "Digital Platforms Committee". He stressed that these institutional reforms in the ECO ICT working group, we hope ECO Members will adapt well with the requirements of emerging digital era.

12. H.E. Mr. Samir Mammadov, the Deputy Minister of Digital Development and Transport of the Republic of Azerbaijan thanked the Islamic Republic of Iran for hosting this ICT event and all ECO Member States for efforts in fostering regional cooperation in the ICT field. He informed distinguished participants about ongoing works in his country and stressed the importance that Azerbaijan attaches to ICT sector. Deputy Minister highlighted the world premier event of the 74th International Astronautical Congress to be held in Baku in early October 2023.

13. Mr. Kanysh Tuleushin, First Vice Minister of Digital Development, Innovations and Aerospace Industry of the Republic of Kazakhstan thanked the Islamic Republic of Iran for hosting the 3rd Ministerial Meeting on ICT and providing a platform to discuss important activities. In his presentation, he described Kazakhstan's dynamically developing ICT, especially Public-Centric Services (1080 services, digital docs on smartphones, biometrical Digital ID and open API, for instance 6 million services in 6 months) using overall Data Lake. He highlighted Strategic vision of "Invisible Government" under initiative of President Tokayev with notable investment of one billion USD in order to improve ICT infrastructure, increase current 40 proactive social services in Smart Data Ukimet, e-Gov for business, access to licenses, e-signature, application for permits and filling tax declarations, that will make Kazakhstan a leading world cashless economy with 82% of digital transactions. Head of Kazakhstan's delegation stressed the importance of cooperation using Astana HUB in Astana International Financial Center for ICT startups and welcomed participation of ECO Member States' companies in Silk Road Innovation Program as it fully sponsors their promotion from startup scaling upto Silicon Valley. Mr. Tuleushin impressed by the "House of Innovation" in Tehran and hoped to develop further bilateral and multilateral cooperation among Kazakhstan and ECO Member States, like Caspian (seabed) Fiber Optic line (with the Republic of Azerbaijan) to connect Asia to Europe.

14. Mr. Zarkanbek Niyazov, Chargé d'Affaires of the Embassy of Kyrgyz Republic in Tehran highlighted that his country attaches great importance to the development and implementation of digital technologies. The Kyrgyz Republic has developed and adopted a digital code. As part of attracting specialists in the IT field, the Digital Nomad program is being implemented in the Kyrgyz Republic. Work is underway to introduce digital technologies into electoral procedures. The Kyrgyz Republic is convinced that digitalization should become one of the main areas of cooperation within the framework of the ECO. The introduction of digital technologies has made it possible to reduce the time and cost of public services, improve their quality and efficiency of officials and reduce the level of corruption.

15. H.E. Mr. Ilhomjon Atoev, First Deputy Chairman of the Communication Services under the Government of the Republic of Tajikistan extended his gratitude to the Government of the Islamic Republic of Iran as well as the Iranian Ministry of Communication and Information Technology for excellent initiative for hosting this important event on ICT. Mr. Atoev informed the forum that the Government of the Republic of Tajikistan support such interactions to promote ICT related fields and activities and underlined that Tajikistan adopted State Program of ICT development in 2004. There are 5 mobile operators, they provide services in 4G-LTE, 5G, and GSM standards. Among 8.3 million users, 5.6 million are active users. Mobile and ICT companies are increasing number of base and sub-base stations. All state servicemen are equipped with PC with Internet connection. About 6.5K websites are established and cyber security policy is also adopted since 2003.

16. H.E. Dr. Ömer Fatih Sayan, Deputy Minister of Transport and Infrastructure of the Republic of Türkiye expressed pleasure to the participants and thanked the Islamic Republic of Iran for hosting this important ICT event. The Deputy Minister highlighted the active participation of the Republic of Türkiye in all ECO activities since 1985. On the other hand, Türkiye actively participates and contributes to the work of international organizations such as ECO, OSCE, NATO, UN, OECD, G20 and Organization of Turkic States. He highlighted that Türkiye wants to foster growth and development not just for his country but for the whole the region, which will enhance intra-regional trade. Further, he highlighted the rapid growth of information and communication technologies as well as pace of digital transformation that has made ICT an integral part of our daily lives. Dr. Fatih raised issue of cybercrime and cyber security and informed that Türkiye focuses on taking necessary measures in order to improve national cyber security. In this respect, he invited all ECO members to participate in the next international cyber security exercise which the Republic of Türkiye is planning to organize in short term. He also informed the forum that the Republic of Türkiye has always given great importance to minimizing regional disparities in access to ICT, especially for disadvantaged groups. This issue is also underlined in ECO vision 2025 & Implementation Framework by stating that "Digital divide will be bridged" as a potential area to be addressed. He also highlighted that, Türkiye is open for cooperation and experience sharing in all relevant ICT fields with the ECO members on bilateral and multilateral basis.

17. H.E. Mr. Nurmyrat Rejebov, Deputy Chairman of the "Turkmenaragatnashyk" Agency of the Transport and Communications under the Cabinet of Ministers of Turkmenistan expressed his gratitude to the dignitaries and distinguished participants as well as thanked the Islamic Republic of Iran for hosting this important event. Mr. Rejebov welcomed the expansion of regional cooperation in ICT which provides many opportunities for the development of the countries. He said: "the rapid development of information and communication technologies (ICT) and their penetration into all spheres of life is becoming one of the key factors in the economic and socio-political development of the state and society and provide effective ways of interaction at the national, regional and international levels". He informed that the Policy for the Development of Digital Economy for 2021-2025 is planned for Turkmenistan which is aimed at improving the efficiency of all sectors of the national economy and social sphere of Turkmenistan through the widespread use of information technologies and includes improvement of e-government, digital education, healthcare, e-commerce and other areas. He also highlighted the smart city of Arkadag, in which digital, information and communication and "green" technologies have been integrated. The city of Arkadag "smart city" is an example for the region.

18. Mr. Maxsudov Jamol, Deputy Minister of Digital Technologies of the Republic of Uzbekistan, during his statement (virtual) expressed his gratitude to the Iranian host and the Economic Cooperation Organization for the invitation to take part in the Ministerial Meeting aimed at the development of information and communication technologies and discussing topical issues of further growth and integration of digital technologies. He highlighted the importance of joint work in the field of digitalization in order to ensure the growth of national economies and the development of the social sphere. He informed the Meeting that in past few years in Uzbekistan a number of strategically important programs are being implemented to accelerate digitalization and develop the ICT industry in the country. Further, he underlined measures taken in Uzbekistan to create favorable environment for doing IT business and activities. As a result, the number of residents of the IT park has doubled and amounted to more than 1,300 companies, which currently employ over 20,000 highly qualified specialists. At the end of 2022, the value of IT services reached the amount of \$450 million, out of which \$140 million of which was export value to foreign markets.

19. H.E. Ambassador Isiaka Abdulqadir Imam, Secretary-General of D-8 Organization thanked the Economic Cooperation Organization (ECO) and the Government of Islamic Republic of Iran for inviting him to participate in this important event and the generous hospitality extended to him. Mr. Imam informed the meeting about main priority areas of D-8 Organization, i.e., trade, agriculture & food security, industry & SMEs, energy, transportation, tourism, health & social protection, education & human resources development and ICT. The D-8's ICT development is guided by the D-8 Decennial Roadmap for 2020-2030. The Roadmap provides guidance to strengthen cooperation in priority areas to achieve the organization's goals, which are in line with the United Nation Sustainable Development Goals. He underlined that the D-8 will continue to engage United Nations specialized agencies in its ICT development and will

pursue strong collaboration with ECO, including in the ICT sector, as guided by the MoU we signed with ECO in 2011.

20. Copies of the statements are attached as Annex-VI.

Agenda Item No.6

Exchange of views on enhancing regional cooperation among ECO Member States on ICT related issues

21. Under this Agenda item the participants shared their progress reports and exchanged views on enhancing regional cooperation in particular on ways of implementation of the ECO 2025 Regional Strategy on Information Society Development and priority areas of cooperation including through:

- a. Action Plan 2023-2025 (2025 ECO Regional Strategy for information Society Development)
- b. Provision of high-speed broadband for different sectors
- c. Strengthening regional cross-border digital trade through the establishment of a digital free trade zone and Digital Chamber of Commerce
- d. E-education, e-training
- e. Expanding e-government services for citizens and companies
- f. E-health services
- g. Digital technologies to develop agriculture
- h. Infrastructure and ICT applications Plan 2025-2030"
- i. Space Technology
- j. Artificial intelligence
- k. Data transit
- l. CERTs cooperation
- m. Emerging technologies
- n. Cybersecurity Committee
- o. e-Government Committee
- p. Startup Cooperation
- q. Capacity building
- r. Regional networking
- s. Common regulations framework on platforms
- t. Organizing the ECO High Level Working Group on ICT Regulatory Authorities
- u. Cooperation in international and regional organizations

22. The Ministers also highly appreciated the progress report by the ECO Secretary General on the activities carried out since the last two ICT Ministerial Meetings held in Tehran and Baku and while recognizing the progress so far achieved, re-emphasized on the urgency of implementation of the mandate to the Secretariat on the "Action Plan of the Regional Strategy for Information Society" through utilizing and mobilizing necessary means from the Member States and the international organizations and financial agencies and banks.

23. The Ministers also requested the membership to work for a more efficient regulatory cooperation through the High Level Working Group of the Regulatory Authorities.

Agenda Item No.7
Adoption of the Tehran Declaration

24. The Meeting unanimously adopted the Tehran Declaration and mandated the ECO Secretary General to ensure effective implementation of the decisions of the Ministerial Meeting as reflected in the Tehran Declaration and the Report of the Meeting. A copy of the Tehran Declaration is attached as **Annex-VII**.

Agenda Item No.8
Adoption of the Meeting Report

25. The meeting adopted its report as drafted by the SOM Meeting, held on 12th July 2023.

Agenda Item No.9
Date and venue of Fourth ECO Ministerial Meeting on Information and Communication Technology (ICT)

26. The Secretariat will coordinate organizing the next Ministerial Meeting in 2024 through diplomatic channels.

Agenda Item No.10
Any other business

27. The meeting took note of the proposal of the delegation of the Republic of Kazakhstan to organize a Webinar regarding the scientific breakthrough research on Advanced Big Data Processing Algorithms for Data Centers and Fiber Optic Lines by distinguished scientist Dr. Asset Durmagambetov by the ECO Secretariat.

Agenda Item No.11
Closing remarks

28. The Meeting concluded with a Vote of Thanks to the Chairperson Eisa Zarepour, Minister of Communications and Information Technology of the Islamic Republic of Iran, for conducting the deliberations in efficient manner and to the Government of the Islamic Republic of Iran for making excellent arrangements of the meeting as well as the hospitality extended to the members of the delegations. The Meeting also appreciated the efforts of the ECO Secretariat for coordination and organization of the meeting.

29. The ECO Secretary General extended his deep gratitude and warm felicitations to the Honorable Chair and the host country as well as other distinguished heads and members of the delegations for this constructive interaction. He further stressed that the

Declaration adopted by this important Meeting opens new horizons for enhancing regional and international cooperation and the ECO Secretariat, in close collaboration with member countries as well as regional and international partners would make its best to ensure smooth implementation of the decisions and recommendations made by this esteemed forum.

30. In his closing remarks, the Chairperson thanked all the participants of the meeting and expressed hope to see all of the delegation in the next Ministerial meeting.

31. At the end, the Chairperson announced the closure of the meeting.



Economic Cooperation Organization

ECO

List of Participants
The 3rd Ministerial Meeting on Information and Communication Technology (ICT)
12-13 July, 2023 (Tehran)

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Islamic Republic of Pakistan			
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18.	Mr. Suhrob Yunuszoda	Deputy Head of Posting Services	
Republic of Türkiye			
19.	Mr. Ömer Fatih Sayan	Deputy Minister, Ministry of Transport and Infrastructure	
20.	Mr. Gökhan Evren	General Director of Communication, Ministry of Transport and Infrastructure	
21.	Mr. Beytullah Kuşçu	Head of Department, BTK	
22.	Mr. Hakan Arslan	Expert, Ministry of Transport and Infrastructure	Tel: +90 505 490 39 30 Email: hakan.arslan@uab.gov.tr
23.	Mr. Ahmet Erun	Expert, BTK	
Turkmenistan			
24.	Mr. Nurmyrat Rejebov	Deputy Chairman of the "Turkmenaragatnashyk" Agency of the Agency of Transport and Communications under the Cabinet of Ministers of Turkmenistan	

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Economic Cooperation Organization

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No: IR/2023/1514

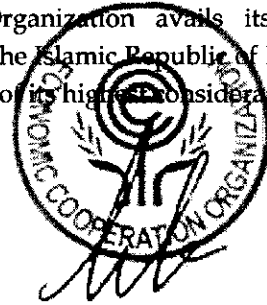
Priority: Most Urgent

Date: 27/9/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran and has the honour to enclose herewith copies of annual reports of the ECO Specialized Agencies and the ECO Trade and Development Bank, to be presented before the 27th Meeting of the ECO Council of Ministers, scheduled for October 10, 2023 in Shusha, Azerbaijan.

The Secretariat of the Economic Cooperation Organization avails itself of this opportunity to renew to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of ECO Member States in Tehran the assurances of its highest consideration.



All ECO Member States, Tehran



ECO CULTURAL INSTITUTE

Report of activities to the 27th Meeting of The ECO Council of Ministers Shusha, Azerbaijan, October 9, 2023

Background

Economic Cooperation Organization (ECO) is the successor organization of Regional Cooperation for Development (RCD) which remained in existence from 1964 up to 1979. Following RCD's transformation into ECO, and its special role as a viable regional organization, bringing together the ten states of the region, with common culture and shared history located in one of the most strategic areas of the globe, the need for the revival of the former Cultural RCD was felt. Revival of the Cultural Institute was visualized in Article II of the Treaty of Izmir, with the objective; " To consolidate cultural affinities and spiritual and fraternal ties that bind the people of the Member States through social and cultural channels of thought and action". The formal endorsement of the revival of the Cultural Institute under its present name was finally manifested through the signing of its Charter at the Third ECO Summit Meeting held at Islamabad on 14-15 March 1995 and Tehran was selected as its Headquarters.

Since its inception, and in order to realize the goals and objectives set in its Charter, ECOCI has hosted series of literary and cultural functions, organized exhibitions of folk, traditional and modern arts, taken measures to promote regional cooperation through organizing major sports events, published materials in English and other major languages of the region on the common cultural heritage of its Member States to promote further understanding amongst its people, stimulate the interest of the people of the Member Countries towards the existing cultural, educational and social problems of the Region and disseminate information on the cultural events of the Region.

The latest status of the Institute's membership is as follows:

- The Islamic Republic of Afghanistan, the Islamic Republic of Iran, the Islamic Republic of Pakistan, the Republic of Tajikistan, and the Republic of Türkiye have signed the ECOCI Charter and ratified it.
- The Republic of Azerbaijan, the Republic of Kazakhstan, and Turkmenistan have signed the ECOCI Charter but have not ratified it to date.
- The Kyrgyz Republic and the Republic of Uzbekistan have not signed the Charter.

The activities undertaken since the 26th CoM meeting are as follows:

Meeting with Uzbekistan's Deputy Minister of Culture and Tourism (January 2023)

On the sidelines of the 26th CoM meeting, the ECOCI President met with the First Deputy Minister of Culture and Tourism of the Republic of Uzbekistan at the Ministry in Tashkent on January 25, 2023. At the meeting the ECOCI President briefed the First Deputy Minister on the goals and objectives of the Institute as well as its activities for promotion of arts, culture, literature and tourism of the ECO Member States including Uzbekistan. The First Deputy Minister expressed full support of the Ministry of Culture and Tourism of Uzbekistan for the ECOCI activities and hoped that his country plays a more active role in future events to be organized by the Institute.

Cooperation with the other ECO Specialized Agencies

The ECOCI President took part in the 4th meeting of the Board of Trustees of the ECO Educational Institute, held on August 5, 2023, in Istanbul and delivered his statement, focusing on close cooperation among the ECO specialized agencies.

Also, the delegation of the Institute headed by the President took part in the 5th meeting of the Board of Trustees of ECO Science Foundation which was held in Isfahan on February 14, 2023. On the sideline of the event some meetings were arranged as follows:

- **Meeting with Isfahan Mayor (February 2023)**

On the sidelines of the 5th ECO Science Foundation BoT meeting, the ECOCI President, met with Ali Ghasemzadeh, the Mayor of Isfahan, at Isfahan Municipality on Monday, February 13, 2023. During the meeting, the ECOCI President elaborated on the activities of the ECO Cultural Institute in various fields and made proposals for mutual cooperation including holding a meeting of the Council of Permanent Representatives of the ECO Cultural Institute in Isfahan, offering sightseeing tours in Isfahan for diplomats, dedicating a special section to ECO member states in the International Film Festival for Children and Youth which is held annually in Isfahan. The Mayor of Isfahan welcomed the proposals and demonstrated readiness for joint cooperation.

- **Joint Cooperation with Payame Noor University (February 2023)**

Also, the ECOCI President met with Reza Mokhtari, the President of Payame Noor University of Isfahan Province on February 15. At the meeting, the two sides discussed possibilities of joint cooperation, emphasizing tourism and cultural collaboration between the universities of the ECO member states and Payame Noor University.

ECOCI contributed to Iranian Khwarizmi Youth Award festival (February 2023)

Youth affairs are always top priority for the ECO Cultural Institute. In this regard, ECOCI contributed to the 36th Khwarizmi International Festival and the 24th Khwarizmi Youth Award. At the closing ceremony, three of the laureates of this festival were awarded certificates by ECO Cultural Institute.

Nowruz 1402 Celebration (March 2023)

To preserve common intangible heritage of the ECO region, Nowruz 1402 (March 2023) was celebrated during a ceremony which was jointly organized by the ECO Secretariat and the ECO Cultural Institute and held at the ECOCI's Headquarters on March 13, 2023. At the event, the ECO Secretary General, President of the ECO Cultural Institute, ambassadors of the Republic of Tajikistan and Kazakhstan to I.R. Iran, the Vice President for Cultural Cooperation and NGOs of Public Diplomacy Center of Iran's Ministry of Foreign Affairs, the Vice President for the Development of Scientific and Cultural Cooperation of the Islamic Culture and Relations Organization, along with Afghan scholars delivered their speeches. The event was televised by the Iranian Jam-e-Jam TV to be aired during Nowruz.

Nowruz Futsal Tournament (March 2023)

As envisaged in the Charter of the ECOCI, promotion of sports activities is considered a key goal for the Institute. To this end, on the occasion of Nowruz, a futsal tournament was organized by the

ECO Cultural Institute in partnership with Abrar Moaser Tehran Institute for International Studies and Research for the diplomats residing in Iran and was held on March 9, 2023, in Tehran. Nine teams in three groups competed in the tournament, including the Ministry of Foreign Affairs of Iran, the Economic Cooperation Organization (ECO), the ECO Cultural Institute, and the embassies of Russia, Tajikistan, Vietnam, Türkiye, Malaysia, and South Korea. In the closing ceremony of these competitions, prizes were awarded to the members of the first to fourth teams. The team from the Malaysian Embassy became the champion and Türkiye won the third place.

Participation in cultural events of the host country

The Institute attaches special importance to participation in the events related to culture and literature which are organized by the organization of the host country. In this regard, the Institute took part in a ceremony to commemorate Abul-Qasim Ferdowsi which was held in Tehran on May 13, in the presence of Mohammad Mehdi Esmaili, the Iranian Minister of Culture and Islamic Guidance, and Gholamali Haddad Adel, Head of Academy of Persian Language and Literature. During the ceremony, the national medal of "Ghand-e Parsi" was unveiled and presented to some ambassadors including Türkiye and Tajikistan who have contributed to the promotion of Persian language.

Furthermore, the Institute's President took part and delivered a speech in another commemoration ceremony for Abul-Qasim Ferdowsi which was held on May 15 on the theme of "Revisiting the role of Ferdowsi's Shahnameh in today's national identity" at Ferdowsi University of Mashhad. The event was attended by the Head of Iran's Society for the Appreciation of Cultural Works and Dignitaries, Director General of Culture and Islamic Guidance of Khorasan Razavi Province and a group of university professors and scholars of Persian literature.

Also, the ECOCI took part in the commemoration of Khayyam Neishabouri, the renowned Persian poet of the ECO region which was held in his birthplace Neishabour on 17 May and attended by prominent scholars and researchers.

Above all, the Institute took part in the closing ceremony of The World Award for Book of the Year of the Islamic Republic of Iran, the 9th meeting of Persian learning institutes across the world held in Tehran, the closing ceremony of the 17th Fajr International Poetry Festival, a ceremony held in Tehran to observe International Museum Day, Tree planting ceremony by female diplomats and so on.

Commemoration of luminaries of the ECO Region

The ECOCI organized a webinar in May to pay homage to this renowned Persian poet titled "Life and Works of Ferdowsi and the Role of Shahnameh in Vibrancy and Constancy of Persian Language". At the event, literature scholars from Afghanistan, Iran and Tajikistan delivered speeches on the theme of the webinar.

Furthermore, to pay tribute to Ibn Sina (Avicenna) and coinciding with his birth anniversary, ECOCI organized a webinar that was attended by a group of researchers and philosophers from the ECO member countries. The participating scholars shared their knowledge and views on Avicenna's thoughts and scientific achievements.

Participation in Ardabil 2023 event (April 2023)

Promotion of tourism and cultural tourism is another significant priority of the Institute. In this respect, the ECOCI took part in an event to mark Ardabil as the ECO tourism capital for the year 2023. The event held in the city of Ardabil on April 27 and graced by the presence of Minister of Cultural Heritage, Tourism and Handicrafts of the Islamic Republic of Iran, Governor General of Ardabil province, ECO Secretary General, ambassadors and diplomats based in Iran including the ECO member states. On the sideline of the event, the ECOCI President met with the Governor General of Ardabil Province. At the meeting, the sides discussed ways and means of promotion of tourist attractions of Ardabil and possibilities of mutual cooperation. As usual, the Institute will allocate one special issue of its journal "ECO HERITAGE" to Ardabil.

Cooperation with Media (May 2023)

ECO Cultural Institute places a high value on close cooperation with media as enshrined in its Charter. To this end, the President of the Institute took part and delivered a speech at a ceremony to mark the 27th establishment anniversary of Farhang Radio of the Islamic Republic of Iran Broadcasting which was held on May 1. Also, the media has always participated in and covering the events that are organized by the Institute.

Expansion of Cooperation with ICRO (May 2023)

The ECOCI President met with the Deputy Head of the Islamic Culture and Relations Organizations on May 9 to expand mutual cooperation for organizing cultural activities. Both sides agreed to work together to identify potential areas of collaboration and develop a comprehensive plan for organizing cultural activities. The sides further agreed to share experiences and knowledge in the field of cultural projects.

ECOCI took part in cultural event for Afghan diaspora (May 2023)

ECOCI always contributes to the events which deepen understanding of cultural and ethnic diversity in the region. In this regard, ECOCI took part in a ceremony for promotion of Hazara culture, held in Mashhad on May 15. Hazara people are considered one of the major ethnic groups in Afghanistan.

Participation in Tehran Intl Book Fair (May 2023)

ECO Cultural Institute actively participated in the 34th Tehran International Book Fair to familiarize the public with its books and publications. During the Fair, the Institute's stall was visited by the Minister of Culture and Islamic Guidance of Iran and the Minister of Culture of Tajikistan.

Establishing a closer cooperation with Uzbekistan

Enlargement of the ECO Cultural Institute and the growth of its membership is a top priority. In this regard, since last year the Institute has approached the Republic of Uzbekistan as one of the potential candidates and established a close relationship with the Uzbek side. The Institute participated in the 26th meeting of the Council of Ministers (CoM), held in January 2023 in Uzbekistan and on the sidelines of the meeting, the ECOCI President met with the First Deputy

Minister of Culture and Tourism of the Republic of Uzbekistan. Later on, in July, the ECOCI President was invited by Uzbekistan as an international observer in the presidential election of the country. During the trip, the ECOCI President paid a courtesy met with Mr. Ozodbek Naazarbekov, the Minister of Culture of the Republic of Uzbekistan on July 10 and briefed the minister on the goals, mission and activities of the Institute and possibilities of joint cooperation. Also, he pointed out the mutual cooperation between the ECOCI and Uzbekistan in the past and emphasized that such cooperation would be expanded when the country would join the ECOCI. Furthermore, with respect to the importance of the accession of Uzbekistan to the ECOCI, it was proposed that the Charter of the Institute could be signed by the Uzbek authorities on the sidelines of the important events to be held during the current year including the ECOCI's Board of Trustees meeting and the ECO Council of Ministers meeting. Even though it could happen during the ECO Summit to be held in Uzbekistan in the months ahead. Finally, the Minister was encouraged to take part in the 7th meeting of the ECOCI's Board of Trustees to be held in the near future.

Moreover, the ECOCI President met with Nozimkhon Makhmudov, Director of Ibn Sina public foundation of Uzbekistan in Tashkent and ways and means of mutual cooperation and preparation for a joint roundtable on Ibn Sina at the ECOCI's Headquarters were discussed. As an outcome of the meeting, the ECOCI in partnership with the Embassy of Uzbekistan in Tehran held a roundtable on the life and works of Ibn Sina, the world-renowned scientist of the ECO Region in July. The roundtable was actively participated by Ibn Sina foundations of Iran and Uzbekistan as well as scholars from both countries who delivered speeches on the subject matter of the event.

ECOCI-CPR Meetings

In conformity with the provisions of the ECOCI Charter and Regulations, the meetings of ECOCI Council of Permanent Representatives (ECOCI-CPR), composed of distinguished Ambassadors and delegations of the Member States are held regularly at the ECOCI Headquarters for reviewing the administrative and financial situation and activities of the Institute. Over the time span represented, four ECOCI-CPR meetings have been convened to date.

Publication of ECO Heritage Journal new series

ECO Heritage is a cultural quarterly which has been diligently published by the ECO Cultural Institute for numerous years. In the newest installment of the cultural quarterly journal, we are pleased to announce the launch of a series that explores the intricate relationship between art, culture, and society. Through in-depth features, compelling essays, and engaging interviews, readers will delve into the various ways in which artistic expressions have not only reflected but also shaped social and cultural landscapes throughout history. The esteemed ECO member states may kindly contribute to the contents of the Journal by providing the ECOCI with proper articles.

ECO Youth Award

The significant role of youth as a major driving force for the ECO countries development has increased the importance of planning to maximize their optimal participation in cultural activities. The ECO Youth Award initiative has been proposed with the aim of discovering young talents. Each member country may nominate talented youths between 18 to 30 years of age. The modality of the Award was adopted by the 38th ECOCI-CPR meeting and subsequently circulated among the embassies of the member states to be forwarded to the concerned authorities. The public

announcement and call for entries are available on the ECOCI's website at: www.eci.eco.org . The closing ceremony is scheduled to take place in late 2023.



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**ECONOMIC COOPERATION ORGANIZATION EDUCATIONAL INSTITUTE
ANNUAL REPORT
for the
27th MEETING OF THE ECONOMIC COOPERATION ORGANIZATION
COUNCIL of MINISTERS (CoM)
8-9 October 2023, Shusha Azerbaijan**

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Below is the annual report of the Economic Cooperation Organization Educational Institute (ECOEI) containing information about ongoing programs/projects/activities along with the status of implementation of the decisions/recommendations of the previous meetings since its last report prepared for the 26th Meeting of ECO CoM and sent to delegations in September 2023.

i. BACKGROUND INFORMATION

A. Latest Status of the Signing and Ratification of the ECOEI Charter

During the 8th meeting of the Economic Cooperation Organization Council of Ministers (CoM), which was held in Almaty on 9 May 1998, the decision to found and establish the ECOEI in Ankara was made in line with the paragraph on "Special Agencies and Regional Institutions" of the Article 10 of the Treaty of Izmir. The Charter of ECO Educational Institute was opened for signatures of ECO Member Countries on 9 May 1998, and all member countries, except Uzbekistan and Turkmenistan, signed the charter.

The current signature and ratification status of the ECOEI charter by the members is as follows:

	States	Signature	Ratification*	Entry into force
1	Afghanistan	8 May 1998	24 June 2014	29 November 2001 under the article VIII of the ECOEI Charter which stipulates that "The present Charter shall come into force after three of the Member States deposit the Instruments of Ratification or approval with the Government of the Republic of Turkey."
2	Azerbaijan	8 May 1998	8 December 1998	
3	Iran	8 May 1998	29 November 2001	
4	Kazakhstan	8 May 1998	-	
5	Kyrgyz Republic	8 May 1998	31 January 2003	
6	Pakistan	8 May 1998	22 June 2013	
7	Tajikistan	8 May 1998	12 October 1998	
8	Türkiye	8 May 1998	14 November 2007	
9	Turkmenistan	-	-	
10	Uzbekistan	-	-	
	TOTAL	8	7	

* Based on the information obtained from the Ministry of Foreign Affairs of the Republic of Türkiye, the depository of the ECOEI Charter.

ECOEI extends its invitation to the Government of Kazakhstan, encouraging the authorities to ratify the ECOEI Charter and join as a full member.



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Through formal meetings and written correspondence, the ECO Educational Institute maintains regular contact with representatives from Turkmenistan and the Republic of Uzbekistan. In these interactions, the Institute extends invitations to the Governments of Turkmenistan and Uzbekistan to sign the Charter of the ECO Educational Institute and become esteemed full members and benefit from the works of the Institute.

B. Institutional Structure

Prof. M. Akif Kireççi has served as the President of ECOEI, overseeing its operations and initiatives. The President is supported by a dedicated team consisting of one protocol assistant, one accountant, and two steno-secretaries. The Institute occasionally benefits from the part-time services of a number of experts and individuals.

ECO Educational Institute has established strong footprints in digital platforms in order to pursue its activities based on the approved work plan since October 2017. Digital activities were initiated first by the creation of the ECOEI official e-mail domain along with personnel e-mail accounts, the website, and social media venues including official Twitter and LinkedIn. Accordingly, the Institute designed professional equipment and items to augment its visibility.

C. Host Country Agreement

Soon after his appointment, Prof. M. Akif Kireççi initiated negotiations with the Ministry of Foreign Affairs, several ministries and other governmental bodies of the Republic of Türkiye to finalize the text of the Host Country Agreement. The negotiations over the draft text of the Host Country Agreement had been finalized on 18 July 2018 upon extensive deliberations between ECO Educational Institute and the Ministry of Foreign Affairs as well as other governmental bodies of the Republic of Türkiye. In October 2019, the Presidency of the Republic of Türkiye issued full powers designating the then Minister of National Education of the Republic of Türkiye to represent the state for signing the agreement. On 23 July 2020, the agreement was signed between Prof. Mehmet Akif Kireççi, President of the ECOEI and Minister of National Education of the Republic of Türkiye, Prof. Ziya Selçuk. As per ratification rules and procedures of the Republic of Türkiye, the agreement was sent to the Turkish Grand National Assembly (TGNA) on 27 October 2020 and was discussed in the TGNA Foreign Affairs Committee on 17 June 2021. The bill regarding ratification of the treaty was voted on and adopted by the TGNA Plenary on 17 March 2022. The bill was then referred to the Presidency of the Republic of Türkiye for approval, concluding the parliamentary procedures.

The ratification of the said agreement was approved by the presidential decree no. 5533 dated 26 April 2022. The full text of the agreement was published on the Turkish Official Gazette on 27 April 2022. On 6 May 2022, the Ministry of Foreign Affairs of the Republic of Türkiye informed ECO Educational Institute above decree via formal note. On 6 July 2022, another presidential decree was promulgated setting the date of the agreement's entry into force as 6 May 2022. With this final enactment, all internal procedures regarding ratification were completed.

The Host Country Agreement marks a turning point in the institutionalization of the ECO Educational Institute. The agreement guarantees the legal status of the Institute as a diplomatic mission and grants the Institute such foundational rights as provision of appropriate accommodation, issuance of identity cards to secure privileges and immunities of the ECOEI staff and personnel, exemption from taxes and duties as well as protection and safety of its premises.



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The Institute currently works with Turkish authorities to make the necessary arrangements to use its rights, privileges, and immunities granted by the Host Country Agreement and is resolved to continue its work to strengthen the ties between its Member States from the secure base that the agreement provides.

D. Allocation of an Independent Premise to ECOEI

Since 2019, the Institute has been functioning in a rented flat, funded by its own resources. Government of Türkiye's allocation of an independent premise with the necessary equipment for the ECO Educational Institute had been legally contingent upon the ratification of "The Host Country Agreement Between the Government of the Republic of Türkiye and Economic Cooperation Organization Educational Institute (ECOEI) Relating to the Rights, Privileges, and Immunities of the ECOEI." Since legal basis for allocation of premises had been established with the ratification and entry into force of the Host Country Agreement in May 2002, the process of searching for and allocating a separate building to the Institute is underway as per the commitments made by the Turkish Government.

The building allocation process encompasses a series of procedures and approvals which involve not only Ministry of National Education but also Strategy and Budget Department of the Presidency of the Republic of Türkiye, General Directorate of Protocol of the Ministry of Foreign Affairs, Ministry of Interior, Ankara Municipality as well as district municipalities to ensure safety, efficiency and appropriateness of the premises for a diplomatic mission. ECOEI expresses its gratitude to the Ministry of National Education of the Republic of Türkiye for their valuable efforts in providing a premise for the Institute.

E. Academic Council and Focal Points

ECOEI Academic Council is a group of experts responsible for overseeing education and training projects at the Institute. Article 3, paragraph 3 of the Charter of ECO Educational Institute stipulates that

The Academic Council shall be responsible for deciding, organizing, monitoring and evaluating the education and training projects and activities in accordance with the aims of the Institute. The Academic Council shall consist of persons in the field of education. Each Member State shall have one representative in the Council, appointed by the Minister of Education or the Minister responsible for educational affairs, for a term of three years. The Academic Council shall meet at least once a year with the presence of not less than 2/3 of the Members.

Three members from the Academic Council elected by rotation and in alphabetical order and the President of the ECOEI also form ECOEI's Executive Committee, which is responsible for implementing the decisions taken by the bodies of the Institute. According to Article 3, paragraph 4 of the Charter of ECO Educational Institute

The Executive Committee shall conduct and implement the decisions taken by the bodies of the Institute, shall report the implementation results to the relevant organs, shall prepare draft budget to be submitted to the Board of Trustees with the approval



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of the Academic Council and shall execute the administrative and the financial tasks of the Institute in accordance with the ECO regulations and the decisions of the relevant Councils. The Executive Committee shall consist of four full-time members, including the President, elected from the Members of the Academic Council for a term of three years, by rotation, and in alphabetical order. The Executive Committee shall meet at least once every six months with the presence of at least three Members.

The Institute also has a Focal Point in each member state according to Article IV of the Charter of the ECO Educational Institute.

The Institute shall have its Headquarters in Ankara. The Institute shall also have a Focal Point in each Member State which shall be established in accordance with the prevailing regulations of each Member State. The Focal Points shall function in close cooperation with the Headquarters and facilitate the implementation of the approved programmes.

In formal meetings and written correspondence, ECOEI regularly requests ratifying Member States to designate Academic Council members and Focal Points and invites them to increase their level of participation. In response to ECOEI's Note Verbale OG/21-07-01/01 dated 7 January 2021 to Member States requesting nominations for Academic Council and Focal Points, the Kyrgyz Republic appointed both a Focal point and an Academic Council member via note verbale on January 15, 2021. Similarly, on 26 January 2021 Republic of Türkiye and on February 19, 2021 the Islamic Republic of Pakistan followed suit and appointed their respective Academic Council members and focal points. On December 28, 2021, the Republic of Azerbaijan communicated names for Academic Council membership and focal point via e-mail. Formal letters from Azerbaijan and other ratifying member states are awaited. The list of designated Academic Council Members and Focal points is as follows:

REPUBLIC OF TÜRKİYE					
	Title	Name	Surname	Office	Ministry
Focal Point	National Education Expert	Süheyla	Demirel Yazıcı	General Directorate of EU and Foreign Relations	Ministry of National Education
Academic Council	Professor	Hasan	Bacanlı	Faculty of Education	Fatih Sultan Mehmet Foundation University



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REPUBLIC OF AZERBAIJAN					
	Title	Name	Surname	Office	Ministry
Focal Point	Advisor	Aysha	Gurbanova	International Cooperation Department	Ministry of Education
Academic Council	Head of Department	Tural	Ahmadov	Department of International Cooperation	Ministry of Education
I.R. OF PAKISTAN					
	Title	Name	Surname	Office	Ministry
Focal Point	Director General, (Public Policy, PhD)	Muqem	Ul Islam	Accreditation, Certification and International Cooperation (AC&IC)	National Vocational and Technical Training Commission (NAVTTTC)
Academic Council	Joint Secretary (IC)	Waseem Ajmal	Chaudhry		Ministry of Federal Education and Professional Training
KRYGYZ REPUBLIC					
	Title	Name	Surname	Office	Ministry
Focal Point	Leading Specialist	Victoria	Baltieva	Department of Science	Ministry of Education and Science
Academic Council	Specialist	Abubakir	Dzhuraev	Department of Science	Ministry of Education and Science



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ECOEI emphasizes the importance of Member States designating their Focal Points and urges those who have not yet done so to appoint them at their earliest convenience as this is a crucial step in ensuring effective communication and collaboration within and among the Members of the Institute.

F. Financial Support

The support of Member States through financial and technical means is vital for the successful execution of all planned operations by ECOEI. However, the current budget shortfall, including outstanding payments from Member States, significantly impedes the Institute's ability to fulfill its responsibilities. ECOEI expresses gratitude to the Government of Türkiye for its consistent financial support and calls upon other Member States to fulfill their mandatory budgetary contributions including the arrears.

ii. ACTIVITIES UNDERTAKEN SINCE THE 26th CoM

A. High Level Meetings

1. 4th Consultation Meeting between the ECO Secretariat and the ECO Specialized Agencies

The 4th Consultation Meeting of the ECO Specialized Agencies was held virtually on 3 October 2022 with the participation of the President of ECO Educational Institute, the President of ECO Science Foundation and ECO Deputy Secretary General. Due to technical difficulties, the delegation of ECO Cultural Institute was unable to attend the meeting.

The meeting started with the greetings of H. E. Ambassador and Deputy Secretary General Hüseyin Avni Bıçaklı representing the ECO Secretariat together with Mr. Alim Ullah, the Head of Section of International Relations. During his greeting speech, Ambassador Hüseyin Avni Bıçaklı emphasized the importance of cooperation and regular meetings among the ECO Specialized Agencies as recommended at the 32nd Meeting of the RPC. He also stated that the main purpose of the meeting was to discuss how education, science, and culture can improve integration in the ECO region.

The opening statement was made by the President of ECOEI Prof. M. Akif Kireççi. He congratulated the new presidents and introduced the agenda items and structure of the meeting. His speech was followed by the statements of the new President of the ECO Science Foundation Prof. Syed Komail Tayebi who introduced himself and his institution. He also reported that the Government of Islamic Republic of Pakistan has signed the Host Country Agreement with ECOSF in December 2021. President Prof. Syed Komail Tayebi highlighted that the ECO Science Foundation continues its endeavors to promote scientific and technological research in order to achieve socio-economic advancement of the Member States. He noted the importance of the Specialized Agencies in implementing the goals and objectives of the Economic Cooperation Organization and urged all three agencies to work very closely together in promoting and supporting activities in the fields of education, science, and culture and to establish effective partnerships in order to achieve the goals in line with the ECO Vision 2025.

The President of ECOEI Prof. M. Akif Kireççi updated the Heads of the Specialized Agencies about the latest developments concerning the ECOEI, including the Ratification of the Host Country Agreement by the Turkish Grand National Assembly in May 2022. He also shared



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ECOEI's projects, publications and activities such as the online seminar series titled "Education Thinkers Seminar Series," the publication of the reports on the Language Teaching and Learning Workshop and the edited two-volume book *Connectivities and Common Legacies in Central Asia, Afghanistan, Pakistan, Iran, and Türkiye*.

2. 5th Consultation Meeting between the ECO Secretariat and the ECO Specialized Agencies

The fifth consultation meeting between the ECO Secretariat, the ECO Cultural Institute, the ECO Educational Institute, and the ECO Science Foundation was held virtually on 17 October 2022.

The Meeting started with the greetings of H. E. Deputy Secretary General Hüseyin Avni Bıçaklı and an opening statement made by the President of the ECOEI Prof. M. Akif Kireçci. The meeting continued with the statements of the President of the ECO Science Foundation Prof. Syed Komail Tayebi, and the President of the ECO Cultural Institute Murodjon Buriboev. The Presidents of ECO Specialized Agencies updated each other on the current activities and projects of their Institutes.

At the meeting, activities and objectives that can be developed together at the institutional, university, and state level were discussed. The parties also elaborated on how to establish institutional channels firstly among affiliated institutions and then among universities or cultural centers. The Heads of Specialized Agencies reached an agreement on establishing a mechanism to ensure better communication between the Institutes. They also agreed on compiling a list of common challenges that are being faced and work together to plan a strategy to overcome them.

3. Visit to Deputy Minister of National Education of the Republic of Türkiye

ECOEI President M. Akif Kireçci and his delegation visited Petek Aşkar, Deputy Minister of National Education of the Republic of Türkiye, on 6 December 2022. The delegation gave information about the institutional structure of ECOEI and also explained activities such as Education Thinkers Symposium and workshop series on Fundamental Sciences Education carried out by the Institute. At the same time, delegation gave detailed information about the published book *Connectivities and Common Legacies in Central Asia, Afghanistan, Pakistan and Türkiye* and the language reports published by the Institute as well as ongoing publication series such as International Student Guidebook and ECOEI Pocketbook series.

4. Meeting with Minister of Public Education of Republic of Uzbekistan

ECOEI President, Prof. Kirecci met with Honorable Minister of Public Education of the Republic of Uzbekistan Bakhtiyor Adilovich Saidov on November 3, 2022 in İstanbul. During the meeting, the Honorable Minister and ECOEI President engaged in productive discussions regarding the promotion of educational cooperation and the strengthening of academic and training activities among ECO member states. Both the Minister and the President emphasized the significance of fostering regional networks on higher education, regional exchange, and scholarship programs/mechanisms to enhance cooperation and create opportunities for students and educators within the ECO region.

Prof. Kirecci expressed his admiration for the efforts made by the Minister on the initiatives undertaken by his ministry to improve the quality of education and enhance educational systems in his country. He further acknowledged the importance of sharing best practices and experiences



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among member states to achieve educational excellence and invited Government of Uzbekistan to sign the Charter of ECOEI and become a full member to the Institute.

5. Visit by Ambassador of Turkish Cypriot State in Ankara

ECOEI President Prof. M. Akif Kireççi received H.E. İsmet Korukoğlu, Ambassador of the Turkish Cypriot State in Ankara at the headquarters of the Economic Cooperation Organization Educational Institute on December 7, 2022.

President Kireççi provided H.E. Korukoğlu with information regarding the Institute's purpose, background, and organizational structure. He also updated Mr. Ambassador on recent events and activities including the publication of the edited two-volume book *Connectivities and Common Legacies in Central Asia, Afghanistan, Pakistan, Iran and Türkiye* that consists of a collection of 46 papers that were presented at the Common History, Culture, Education and Civilization Symposium regarding the common heritage of Member Countries of ECO. H.E. Korukoğlu was also informed about the publication of a series of reports about language teaching and learning in Turkish and English as well as ECOEI's Workshop Series on Fundamental Sciences Education.

President Kireççi also shared upcoming projects of ECOEI, including the Symposium on Education Thinkers, a graduate study visit program to Iran, the development of an International Student Guidebook, a music teacher exchange program, a report on Physics Education in Türkiye, and the creation of the StudyinECO.org webpage for students interested in studying in the ECO region.

During the visit, Ambassador Korukoğlu and President Kireççi discussed the possibility of organizing a workshop on the internationalization of universities with the participation of rectors from universities in Cyprus and experts from the region. A workshop had been initially scheduled for March 2020, but had faced several delays due to COVID-19. Both parties reaffirmed their dedication to enhancing collaboration.

6. 33rd Meeting of ECO Regional Planning Council in Tehran

ECOEI delegation, headed by President Prof. M. Akif Kireççi attended the 33rd Meeting of ECO Regional Planning Council in Tehran on 16-19 January 2023. President Kireççi delivered a statement at the plenary session on the first day of the RPC. In his statement, President Kireççi first explained the conclusion of the ratification of the Host Country Agreement, which guarantees the legal status of the Institute as a diplomatic mission. He later informed the RPC about a series of high-level meetings, academic activities and publications by the ECOEI. These included the publication of the edited two-volume book *Connectivities and Common Legacies in Central Asia, Afghanistan, Pakistan, Iran and Turkey* in August 2022, workshops on science education, and a symposium on education thinkers. He also talked about the web portal StudyinECO.org designed as an informative platform for foreign students who plan to study at universities in ECO Member countries. In his speech, he stated that the ECOEI has come a long way since its inception and would continue to thrive as an indispensable tool for the progress of ECO Member States. Finally, President Kireççi invited the Governments of Kazakhstan, Uzbekistan and Turkmenistan to join the Institute and become full members.

During the RPC, the ECO's policies and programmes on trade, investment, transport, communications, energy, environment, agriculture, industry, human resources, sustainable development and tourism were discussed in eight sectoral committees with the participation of



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delegations from the Member States, ECO Observers, Specialized Agencies, Regional Institutions, and Affiliated Bodies. The ECO Work Programme and ECO Calendar of Events for 2023 were adopted at the meeting's conclusion.

7. Visit to Ministry of Education of the Islamic Republic of Iran

President Kireççi along with his delegation paid a visit to Hon. Minister of Education Yousef Nouri on January 16th, 2023, in Tehran. President Kireççi informed Hon. Minister Yousef Nouri about the ECO, its Specialized Agencies, and the ECOEI. Prof. Kireççi also provided information about the past and future activities of the ECOEI. The parties also discussed the implementation of the ECOEI Work Programme. Yousef Nouri emphasized the cultural similarities between Türkiye and Iran. He also expressed the importance of educational diplomacy with neighboring countries while highlighting a significant amount of progress on the status of teachers and students in Iran.

At the meeting, deputy ministers of education of the Islamic Republic of Iran as well as several experts were also present. The ECOEI delegation was informed about the implementation of policies related to skills diplomacy, technical and educational cooperation between neighboring nations. The Iranian officials also provided information on technical vocational education and technical school buildings in Iran and discussed the possibility of holding skills festivals and Olympiads multilaterally and bilaterally. The officials further explained the activities carried out within and outside of school areas in Iran and discussed the existing capabilities and possibilities for a joint educational program and a joint learning channel for all ECO Members. They also provided input on the development of a curriculum in the education system of Iran.

The meeting of delegations between Ministry of Education of the Islamic Republic of Iran and ECOEI was a productive exchange of ideas and information and laid a solid foundation for future cooperation in the field of education among ECO members.

8. Visit to ECO Secretary General

President Prof. M. Akif Kireççi and his delegation paid a visit to H.E. Amb. Khusrav Noziri, Secretary General of ECO, on the sidelines of the 33rd Meeting of the ECO Regional Planning Council (RPC) at the ECO Headquarters in Tehran on January 17, 2023. Prof. Dr. Kireççi provided information about the latest developments concerning ratification of the Host Country Agreement and the allocation of premises to ECOEI by the Turkish government. President Kireççi also informed Amb. Noziri about ECOEI's recent activities and publications, including the reports on language teaching and learning on eight languages spoken in the ECO region, the edited two-volume book titled *Connectivities and Common Legacies in Central Asia, Afghanistan, Pakistan, Iran, and Turkey*, the Workshop Series on Fundamental Sciences Education, and the Symposium on Education Thinkers. President Kireççi further discussed ongoing projects of ECOEI such as StudyinECO.org, ECOpedia, and student exchange programs. Amb. Noziri provided information about the organizational structure of the ECO Secretariat and the number of international and local staff members. He also mentioned the ECO Chronicles and presented President Kireççi a special edition of the ECO Chronicles. The parties discussed possible collaborations for developing a project on the history of ECO.

9. Participation to the 26th Meeting of ECO Council of Ministers in Tashkent

President Prof. M. Akif Kireççi and his delegation participated in the 26th Meeting of the ECO CoM, which transpired under the chairmanship of the Acting Foreign Minister of the Republic of



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Uzbekistan, H.E. Mr. Bakhtiyor Saidov, in Tashkent on January 24, 2023. Noteworthy participants in this meeting comprised the esteemed Foreign Ministers of the Republic of Azerbaijan, the Islamic Republic of Iran, the Republic of Kazakhstan, the Kyrgyz Republic, the Islamic Republic of Pakistan, the Republic of Tajikistan, the Republic of Türkiye, and Turkmenistan, alongside the presence of the ECO Secretary General. During the meeting, a thorough review was conducted of the previous activities of the ECO, alongside the consideration of new proposals recommended by the Senior Officials who convened on January 23, 2023. Moreover, the Meeting officially embraced the “Tashkent Communiqué”, which serves as a significant document accentuating the imperative objective of fortifying regional cooperation and fostering collaborative initiatives among the esteemed Member States.

10. Visit by Seyed Komail Tayebi, the President of ECOSF

Professor Seyed Komail Tayebi, the President of the ECO Science Foundation (ECOSF), paid a visit to the ECOEI office with the objective of fostering collaborative strategies on 1 May 2023. Both parties expressed their enthusiasm for fostering strong collaborative strategies between the two organizations. The meeting provided a valuable opportunity to engage in productive discussions and address pertinent issues faced by both institutions.

With a shared commitment to advancing education and scientific research in the ECO region, the primary focus of the meeting was to identify and formulate potential solutions to the challenges that currently confront both ECOEI and ECOSF. During the meeting, key areas of mutual interest were explored, and plans for joint initiatives and projects were discussed. Both parties recognized the significance of synergy and complementarity in their efforts, understanding that through collaborative endeavors, they could better address the educational needs and aspirations of the diverse communities in the ECO region.

11. Visit to Minister of National Education of the Republic of Türkiye

On 25 July 2023, ECOEI delegation headed by ECOEI President Prof. M. Akif Kireççi paid a visit to Hon. Minister of National Education of Republic of Türkiye Prof. Yusuf Tekin in his office. Deputy Minister of National Education Celile Eren Ökten was also present during the meeting. The purpose of the visit was to brief Hon. Min. Prof. Tekin about the various activities and initiatives undertaken by ECOEI and discuss the preparations about the upcoming 4th Meeting of the ECO Educational Institute Board of Trustees to be held on 4-5 August 2023 in İstanbul.

During the meeting, Prof. Kireççi made a presentation on the background and organizational mechanisms of the Institute. He also informed the Hon. Min. Prof. Tekin about the Institute's past and ongoing activities, including the high level meetings, its academic activities and publications. The delegation also briefed the Honorable Minister on the preparations for the upcoming ECOEI Board of Trustees Meeting. President Kireççi also presented the Hon. Min. with copies of ECOEI's most recent publications.

Hon. Min. Prof. Tekin expressed his appreciation and interest in the work of ECOEI. He acknowledged the significance of ECOEI's efforts in promoting educational cooperation and pointed to prospective partnerships and areas of cooperation in the field of education across the ECO Region.

The meeting served as a platform for both parties to exchange ideas and insights, fostering a stronger understanding of ECOEI's goals. The meeting ensured the groundwork for a seamless



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organization of the ECOEI Board of Trustees Meeting, with the common goal of advancing educational quality and networks across the ECO region.

12. Visit to Deputy Minister of Foreign Affairs of the Republic of Türkiye

On July 27, 2023, a delegation from ECO Educational Institute (ECOEI), led by ECOEI President Prof. M. Akif Kireççi, visited the Deputy Minister of Foreign Affairs of Türkiye, Mehmet Kemal Bozay at his office. The primary objective of this visit was to provide Deputy Minister Bozay with a comprehensive overview of the various activities and initiatives undertaken by ECOEI and discuss the preparations for the forthcoming 4th Meeting of the ECO Educational Institute Board of Trustees, scheduled to take place on August 4-5, 2023 in Istanbul.

13. The 4th Meeting of the ECO Educational Institute Board of Trustees

4th Meeting of the Board of Trustees (BoT) of the ECO Educational Institute (ECOEI) was held in Istanbul in hybrid format on August 5, 2023. BoT was preceded by High Level Expert Group (HLEG) Meeting on 4 August 2023.

The 4th Meeting of the Board of Trustees of the Economic Cooperation Organization Educational Institute (ECOEI) was held in a hybrid format on August 5, 2023, at Conrad Istanbul Bosphorus Hotel in İstanbul. Hosted by Hon. Min. Mr. Yusuf Tekin, the Minister of National Education of the Republic of Türkiye, the event garnered the participation of education ministers and country representatives.

The ministers present at the meeting were Hon. Min. Rana Tanveer Hussain, Minister of Federal Education and Professional Training of Pakistan; Idris Isayev, Deputy Minister of Science and Education of Azerbaijan; Jurazoda Jamshed Habibullo, Deputy Minister of Education and Science of the Republic of Tajikistan; and Usman Sharifkhodjaev, Deputy Minister of the Ministry of Preschool and School Education of Uzbekistan. Nazım Çavuşoğlu, the Minister of National Education of the Turkish Republic of Northern Cyprus (TRNC), was also present at the meeting as the representative of the ECO observer. Additionally, Akmatov Kyalbek Kamutovich, Chief from the Office of School Education and Book Publishing Policy in the Ministry of Education and Science of the Kyrgyz Republic, along with senior experts from Kazakhstan, as well as representatives from the Turkish Presidency and the Turkish Ministry of Foreign Affairs also attended the meeting.

The delegations of ECO Secretariat and specialized agencies were led by H.E. Khusrav Noziri, the ECO Secretary General; H.E. Murodjon Buriboev, the President of ECOCI; H.E. Prof. M. Akif Kireççi the President of ECOEI and H.E. Seyed Komail Tayebi, the President of ECOSF.

The meeting reviewed and discussed various issues under its agenda: the ratification of ECOEI Charter, administrative and budgetary matters, the extended biennial report of ECOEI (2020-2023), and ECOEI work program for 2023-2026. The BoT also endorsed nomination of Prof. M. Akif Kireççi as the next President of the Institute for the period of three years to be approved by the ECO Council of Ministers.

The 4th Meeting of BoT was preceded by the High Level Expert Group (HLEG) Meeting, held on 4 August 2023, chaired by Mrs. Tuba Korkmaz, Director General (EU and Foreign Relations) Ministry of National Education of the Republic of Türkiye. The HLEG meeting discussed and finalized the agenda and other necessary documents for the BoT.



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14. Meeting with ECO Secretary General

President Prof. M. Akif Kireççi engaged in a productive bilateral meeting with His Excellency Ambassador Khusrav Noziri, Secretary General of ECO (Economic Cooperation Organization) on 4 August 2023, on the sidelines of the 4th Meeting of the ECO Educational Institute BoT in İstanbul. Providing key updates on ECOEI's recent ventures, President Kireççi underscored the Institute's unwavering commitment to advancing education and research initiatives across the ECO region. The conversation included updates on critical developments such as the ongoing ratification process of the Host Country Agreement and the Turkish government's allocation of premises to ECOEI.

Furthermore, President Kireççi shed light on ECOEI's latest academic endeavors and publications. These notable achievements encompassed a series of comprehensive reports addressing challenges fundamental sciences education, a symposium on education thinkers and exchange programs for graduate students who study languages of the ECO Region.

The meeting concluded with discussions on potential joint projects aimed at enhancing education across ECO countries. Both leaders look forward to future collaborations that promote knowledge sharing and cross-border education.

15. Meeting with Minister of Education and Culture of the Turkish Cypriot State Mr. Nazım Çavuşoğlu

Prof. M. Akif Kireççi, President of the ECO Educational Institute (ECOEI), had a productive meeting with Mr. Nazım Çavuşoğlu, Minister of Education and Culture of the Turkish Cypriot State as part of bilateral talks held on the sidelines of the 4th Meeting of ECOEI BoT on 4 August 2023.

President Kireççi shared the latest developments regarding ECOEI's endeavors to enhance education and research in the ECO region. He particularly emphasized ECOEI's dedication to internationalizing higher education across the ECO member countries and introduced ECOEI's report on Internationalization of Higher Education in the ECO Region.

Minister Çavuşoğlu acknowledged the importance of ECOEI's mission and expressed his support for enhancing education in the ECO region. He also highlighted the Turkish Cypriot State's role as a thriving hub for international students, particularly from ECO countries, illustrating the benefits of internationalization in education.

The meeting concluded with both parties discussing potential joint projects aimed at improving education across the ECO region.

16. Meeting with Minister of Federal Education and Professional Training of the Islamic Republic of Pakistan, Mr. Rana Tanveer Hussain

Prof. M. Akif Kireççi, President of the ECO Educational Institute (ECOEI), met with Mr. Rana Tanveer Hussain, Minister of Federal Education and Professional Training of the Islamic Republic of Pakistan on 5 August 2023 on the sidelines of the 4th Meeting of the ECO Educational Institute BoT in İstanbul.

During the meeting, President Kireççi elaborated on ECOEI's pivotal role in advancing educational excellence across ECO member nations. He underscored the Institute's commitment to



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strengthening educational standards and fostering regional cooperation with particular emphasis on the future of education in the age of digitalization.

Minister Hussain acknowledged the significance of ECOEI's mission and expressed Pakistan's unwavering support for initiatives that promote quality education in the ECO region. He highlighted Pakistan's dedication to educational development and its role in facilitating academic exchange programs among ECO nations.

The parties also delved into key areas of contemporary education, including the digitalization of education to enhance accessibility and innovation. They exchanged ideas on incorporating innovative methods into art education and promoting health education as integral components of a holistic educational system.

17. Meeting with Deputy Minister of Science and Education of Republic of Azerbaijan Idris Isayev

Prof. M. Akif Kireççi, President of the ECO Educational Institute (ECOEI), met with Mr. Idris Isayev, Deputy Minister of Science and Education of the Republic of Azerbaijan. The meeting took place on 5 August 2023, within the context of the bilateral talks held on the sidelines of the 4th Meeting of the ECO Educational Institute Board of Trustees hosted in İstanbul.

President Kireççi and Deputy Minister Isayev engaged in an exchange of ideas regarding the strategic allocation of resources for educational development. They emphasized the importance of creating budgets that reflect the unique needs of each member nation while ensuring ownership of these strategies at the national level. Particularly, the discussion focused on the imperative need for robust monitoring and assessment frameworks to ensure the quality of education across the ECO region. The parties also discussed innovative methods for integrating AI into educational systems, promoting accessibility and enhancing the learning experience for students as well as the role of education in addressing biodiversity and desertification challenges, aligning with ECOEI's multifaceted commitment to sustainability.

Deputy Minister Isayev expressed Azerbaijan's deep-seated appreciation for ECOEI's mission and goals. He reiterated Azerbaijan's steadfast support for initiatives that seek to enhance educational excellence throughout the ECO region.

18. Meeting with Deputy Minister of Preschool and School Education Mr. Usman Sharifkhodajev

Prof. M. Akif Kireççi, President of the ECO Educational Institute (ECOEI) met with Mr. Usman Sharifkhodajev, Deputy Minister of Preschool and School Education on the sidelines of the 4th Meeting of the ECO Educational Institute Board of Trustees on 5 August 2023.

President Kireççi elaborated on ECOEI's pivotal role in advancing educational excellence and cooperation across ECO member nations and invited Republic of Uzbekistan to become a full member of the Institute by signing its charter and take part in its activities a full member.

He underscored ECOEI's unwavering commitment to bolstering early childhood education across ECO member nations. They delved into the significance of providing a robust educational foundation to young learners, setting the stage for their future growth.

Deputy Minister Sharifkhodajev commended ECOEI's mission and the themes included in its Work Program for 2023-2026. He particularly stressed the pivotal role of inclusive education and



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shared insights into Uzbekistan's efforts in this sphere. He expressed a strong desire for collaboration with ECO nations to ensure education is accessible to all, including gifted students or those with special needs. He also emphasized the transformative potential of educational Olympiads in fostering international cooperation and stimulating intellectual growth and cultural exchange.

The meeting concluded with a shared commitment to advance these themes within the educational systems of ECO member nations. It reflected their dedication to ensuring that education is inclusive, accessible, and enriching for all.

B. Academic Activities

1. StudyinECO.org

ECO Educational Institute launches a web platform which aims to provide comprehensive information on the scientific and educational institutions of the ECO countries along with country profiles and education statistics. With this website, the prospective students will be able to list available certificate and degree programs, scholarships and exchange opportunities, and filter them according to tuition/fees, languages, application requirements, and process. They will also have access to information on living costs, accommodation, visa, and insurance requirements for each school, and the respective countries. The website may also include interactive features which may allow alumni, prospective students, administrators, and professors to talk to each other, and the ECOEI.

By providing all the necessary information for studying in ECO countries in one database, the web platform aims to make the study choice and application process easier for international students. The database with a wide selection of countries, universities and programs to choose from will also draw the attention of more students and will increase the digital visibility of institutions in the ECO region. ECOEI is currently working to expand the StudyinECO project by acquiring relevant information from the Member States.

2. ECOpedia

ECOEI is currently working on a digital encyclopedia project called ECOpedia that contains information on important people, events, and movements in ECO member countries. The primary objective of the ECOpedia project is to establish an informative platform that fosters a shared cultural understanding among Member Countries. Expert-generated content will be regularly updated and made available on the platform. The project aims to achieve two main goals. Firstly, it seeks to enhance the visibility of the ECO by showcasing its diverse cultural heritage. Secondly, it aims to provide a reliable and accessible source of information on the region's common cultural legacy. ECOEI is dedicated to developing the web design of the ECOpedia project by the end of 2024. The institute is also actively gathering articles and content that cover various topics, ranging from common artistic achievements like paper marbling art to shared scientific legacies such as the Maragheh Observatory, and even natural wonders like Issyk-Kul Lake. ECOpedia is poised to become a valuable resource that celebrates and disseminates the rich cultural heritage of the ECO region.

3. ECOEI Grant for Study Visits in the Field of Language

ECO Educational Institute initiated a scholarship program that offers a limited number of exchange grants each year to outstanding students from the ECOEI Member States who are enrolled in



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postgraduate programs in literature and language at universities in the ECOEI Member States. The program aims to promote research about the languages in the ECO region, help postgraduate students to develop their research skills, and enhance cooperation opportunities among universities in ECO countries.

The scholarship covers accommodation and travel costs of the student for a duration of 2 weeks at the host institutions which are selected universities at ECOEI Member States with programs that focus on teaching and studying the ECO languages. The students are expected to contact relevant departments and secure an invitation letter from the Host institution for a 2-week period in the fall semester of the next academic year until the specified deadline. The scholarship covers the following fields of study: language teaching, linguistics, literature, translation, and interpretation in Anatolian Turkish, Persian, Azerbaijani Turkish, Kyrgyz, Tajik, and Urdu.

4. Participation to V. International Forum for the Rapprochement of Cultures of Eurasia in Almaty

ECOEI President Prof. M. Akif Kireççi was invited to give a talk at the V. International Forum for the Rapprochement of Cultures of Eurasia on the theme: "Challenges of Global Consciousness: Culture and Conscious Interdependence" organized by UNESCO on October 24-26, 2022 in Almaty, Kazakhstan.

In his speech titled "Culture: Reference for Clash or Cooperation?" President Kireççi underlined the importance of peace, coming together and understanding each other in tackling problems humanity is facing and is going to face in the future. With more serious troubles like climate change, diseases and depleting resources, President Kireççi stated that the human race cannot afford to let crises drive us further apart. He underscored the role of trade, science, and education in bringing about more intercultural understanding and restoring cultures of cooperation. He also highlighted the role of education as the most efficient and sensible way to introduce different cultures to people, prevent intercultural discord, eliminate prejudices, and overcome stereotypes at an early age.

5. Participation to Istanbul Education Summit 2022

ECOEI President Prof. M. Akif Kireççi, together with his team attended the Istanbul Education Summit organized by the Turkish Maarif Foundation on the topic "The Future of School: The Post-Pandemic Needs of Education" on 4-5 November 2022 in Istanbul.

The Summit was attended by the Ministers of Education of various countries, and the global education community including academicians, rectors, teachers, and students from all over the world. One high-level meeting, three panels and one teachers' panel took place where contemporary issues regarding education were on the agenda with a focus on the future of education in the aftermath of the pandemic. In this international platform, topics including "The Future of School: Post-Pandemic Needs of Education," "Back to School," "The Future of COVID Generation," "Differentiated Education," and "Alternative Pursuits in Education" were discussed for two days.

During the Education Summit, ECOEI President Prof. M. Akif Kireççi and his team actively participated in various social programs that brought together the ECOEI delegation and teachers and students from Maarif Schools in ECO Member states. These programs provided a setting for meaningful interactions and cultural exchanges, fostering a sense of unity and collaboration among



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educators and students from different backgrounds. Through these engagements, the ECOEI delegation had the opportunity to gain valuable insights into the educational practices and experiences of Maarif Schools, contributing to the educational cooperation and cross-cultural learning within the ECO region.

6. Participation to the Workshop “Being an International Student in Türkiye: Problems and Challenges.”

The ECOEI delegation participated in the workshop titled “Being an International Student in Türkiye: Problems and Challenges” on 22 November 2022. The workshop, organized by the Social Sciences University of Ankara, Ankara Hacı Bayram Veli University, Federations of International Student Associations, and Asma Kopru International Student Association, comprised of four informative sessions. Esteemed academics, students, and representatives from non-governmental organizations served as speakers, providing valuable insights on various topics related to international students in Türkiye.

The sessions delved into crucial aspects such as the definition of international students in Türkiye and the broader concept of migration, as well as the social perceptions surrounding migration. The second session focused on exploring the expectations of international students and shedding light on the official processes they encounter when dealing with government institutions.

By actively engaging in this workshop, the ECOEI delegation contributed to the comprehensive discussion surrounding the experiences, challenges, and support mechanisms for international students in Türkiye. The collaborative efforts of the organizers and the diverse range of participants fostered an inclusive and informative environment, aiming to enhance the overall experience and well-being of international students in the country.

7. Fundamental Sciences Education Workshop Series -1 Workshop on Mathematics Education in Secondary Schools in Türkiye

ECO Educational Institute (ECOEI) organized a two-day “Workshop on Mathematics Education in Secondary Schools in Türkiye” between 24-25 November in Ankara. The workshop was the first one of the Workshop Series on Fundamental Sciences Education that brings together researchers, educators, administrators, and students in the field of science and math education. The aim of these workshops is to address the issues, strengths and best practices in the field, to assist the education of new generations in fundamental sciences, and to contribute to the development of education in various fields such as engineering, economics and medicine. In this workshop, ECO Educational Institute brought together several academicians from mathematics and mathematics education departments in higher education and secondary and high school mathematics teachers. The first day of the workshop was devoted to the discussion of current issues in the discipline, and on the second day, best practices and policy recommendations were suggested. Each session was followed by a Q&A session, where the other speakers had the chance to ask questions, discuss the topic, and provide valuable input.

The findings of the workshop were documented by the research team consisting of Prof. Dr. Selami Ercan from Gazi University, Dr. Hatice Aydan Kaplan from Gazi University, and Dr. Emine Nur Ünveren Bilgiç from Düzce University. The findings of this comprehensive workshop will be published in the form of a report in Turkish and English before the end of 2023.



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8. Fundamental Sciences Education Workshop Series -2 Workshop on Mathematics Education at Undergraduate Level in Türkiye

The Economic Cooperation Organization Educational Institute (ECOEI) organized a two-day "Workshop on Mathematics Education at Undergraduate Level in Türkiye" between 8-9 December 2022 in Ankara. This is the second workshop of the Workshop Series on Fundamental Sciences Education that brings together researchers, educators, administrators, and students in the field of science and math education.

In this workshop, several academicians and students from universities came together to discuss the state, strengths, and weaknesses of mathematics education at undergraduate level in Türkiye and talk about possible recommendations and areas that need improving. 10 presentations on mathematics education were held during the two days of the workshop. Each session was followed by a Q&A session, where the other speakers and the audience had the chance to ask questions, discuss the topic, and provide their input.

The workshop started with the opening speech of President of ECOEI Prof. Dr. M. Akif Kireççi, who introduced the Institute and its activities, and underlined the significant role of mathematics education for economic, scientific, and technical progress. His speech was followed by the opening speech of Prof. Dr. Ahmet Arıkan from Gazi University.

The findings of the workshop were documented by a reporting committee team consisting of Prof. Dr. Selami Ercan from Gazi University, Dr. Hatice Aydan Kaplan from Gazi University, and Dr. Emine Nur Ünveren Bilgiç from Düzce University. The findings of this comprehensive workshop will be published in the form of a report in Turkish and English before the end of 2023.

9. Symposium on Education Thinkers

ECO Educational Institute organized a two-day symposium on Education Thinkers on 23-24 December, 2022. The first day of the symposium was held at Gazi University and started with opening speeches from Academic Council Member Professor Hasan Bacanlı, ECOEI President Professor Mehmet Akif Kireççi, and Gazi University Rector Professor Musa Yıldız. The keynote speech was given by Professor Niyazi Karasar.

The Education Thinkers Symposium featured a diverse range of panels, each shedding light on influential figures and their contributions to the field of education. These presentations encompassed the philosophies and insights of renowned educationists, emphasizing the crucial role they played in shaping Turkish education. The symposium covered a wide array of topics, from the ideologies of Ziya Gökalp and Haşim Nahit Erbil's views on modern technology to discussions on women's education by Namik Kemal and Muallim Cevdet's educational observations. In addition, the symposium explored the historical significance of institutions like the "Çavuş Öğretmenler Ocağı," which trained former sergeants as teachers. The second day continued this rich tradition with presentations on the educational approaches of Sadrettin Celal Antel, Mustafa Şekip Tunç, and Süleyman Şevket Tanlı, among others. The symposium's comprehensive examination of education thinkers throughout history underscores the importance of understanding their philosophies and their lasting impact on the Turkish education system.

ECOEI aims to establish a tradition of hosting similar events dedicated to education thinkers across the region to enhance educational perspectives and practices within its member countries. By exploring the rich legacies of education thinkers in the region, ECOEI aims to contribute to



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the development of innovative educational strategies that can address contemporary challenges and aspirations throughout the ECO region.

10. Fundamental Sciences Education Workshop Series -3 Workshop on Biology Education in Türkiye

ECOEI organized a two-day “Workshop on Challenges and Solution Suggestions in Biology Education at Middle School, High School and Undergraduate Levels in Türkiye” between February 23-24, 2023 in Ankara. The workshop brought together academics, teachers, experts, undergraduate and graduate students to discuss the current state of biology education at various levels and explore strategies for its improvement. This is the third workshop of the Workshop Series on Fundamental Sciences Education.

The workshop started with opening speeches by Prof. Dr. M. Akif Kireççi, the President of the Economic Cooperation Organization Educational Institute, and Prof. Dr. Mahmut Selvi, the Dean of Gazi University Gazi Faculty of Education.

The workshop featured a series of presentations and discussions that underscored the critical importance of biology education reform and development. These presentations covered a wide spectrum of topics, ranging from the ideal structure of science education to challenges faced in various educational programs, including undergraduate, middle school, and high school levels. The speakers and educators emphasized the need for accurate and up-to-date teaching materials, the ability to conduct practical laboratory exercises, and the importance of pedagogical formation. The workshop provided a platform for educators, teachers, and experts to share their experiences and innovative solutions to address these challenges. Notably, it highlighted the significance of imparting higher-order skills, such as scientific thinking and problem-solving, from an early age. The closing session's focus groups allowed participants to actively engage in addressing and finding solutions for key issues in biology education, reinforcing the workshop's role as a catalyst for positive change in science education across different levels.

The findings of the workshop were documented by the research team consisting of Prof. Dr. Semra Mirici from Gazi University Gazi Faculty of Education, Assoc. Prof. Dr. Duygu Sönmez from Hacettepe University Faculty of Education, Assoc. Prof. Dr. Çiğdem Alev Özel, Gazi University Gazi Faculty of Education and Assoc. Prof. Dr. Nurcan Uzel, Gazi University Gazi Faculty of Education. ECOEI has published a report which encompasses the workshop outcomes to maximize its impact, ensuring widespread dissemination.

11. Fundamental Sciences Education Workshop Series -4 Workshop on Chemistry Education in Türkiye

ECOEI organized a two-day “Workshop on Challenges and Solution Suggestions in Chemistry Education at the Middle School, High School, and Undergraduate Levels in Türkiye” on 2-3 March in Ankara. The workshop brought together academics, teachers, experts, undergraduate and graduate students from all around the country to discuss the current state of chemistry education at various levels and explore strategies for its improvement. This is the fourth workshop of the Workshop Series on Fundamental Sciences Education. The workshop aimed to identify the main problems related to the curriculum of chemistry education at various levels and develop solution suggestions. It also aimed to identify the main issues regarding the qualifications of



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teachers and instructors and student competencies in chemistry education at different levels and generate solution proposals.

The opening speeches of the workshop were delivered by the ECOEI President Prof. Dr. M. Akif Kireçci, who highlighted the crucial role of chemistry and chemistry education in economic development. In her opening speech titled "Teaching Chemistry as a Science in the 21st Century," Prof. Dr. Yüksel Altun, faculty member at Gazi University Faculty of Education and the Chair of the Workshop Organization Committee, discussed the purpose and objectives of the workshop, its program, and what is expected from the participants. The final opening speech of the workshop was delivered by Prof. Dr. Mahmut Selvi, the Dean of Gazi University Gazi Faculty of Education.

The workshop provided a comprehensive exploration of the challenges and solutions in chemistry education, making it highly relevant in today's educational landscape. Through a series of insightful presentations, educators and experts highlighted key issues in teaching chemistry at various levels, from high schools to universities. They addressed concerns such as curriculum design, skills integration, laboratory inadequacies, and pedagogical content knowledge. These discussions underscored the pressing need for improved teaching methods, engagement strategies, and the effective use of resources like laboratories and simulations.

At the closing session of the workshop, the participants took part in one of two focus groups to address and provide solutions for key issues in chemistry education at secondary and university levels. The topics they focused on ranged from inter-faculty collaboration to effectiveness and applicability of innovative approaches and good practices. ,

The findings of the workshop were documented by the research team consisting of Prof. Dr. Yüksel Altun, Assoc. Prof. Dr. Ayşe Yalçın Çelik, Assoc. Prof. Dr. Hakkı Kadayıfçı, Assoc. Prof. Dr. Sevinç Nihal Yeşiloğlu, and Dilay Dinçdemir. ECOEI has published a report which encompasses the workshop outcomes to maximize its impact, ensuring widespread dissemination.

12. Fundamental Sciences Education Workshop Series -5 Workshop on Interdisciplinary Approach to Physics Education in Türkiye

ECOEI organized a two-day "Workshop on Interdisciplinary Approach in Physics Education at Middle School, High School and Undergraduate Levels in Türkiye" on 27-28 April in Ankara. This is the fifth and last workshop of the Workshop Series on Fundamental Sciences Education that brings together researchers, educators, administrators, and students in the field of Fundamental Sciences Education. "The Interdisciplinary Approach Workshop in Physics Education at Middle School, High School, and Undergraduate Levels in Türkiye" aims to explore innovative teaching methods that integrate multiple disciplines into physics education. This workshop provided a platform for educators, researchers, and professionals from various fields to come together and discuss the benefits and challenges of interdisciplinary approaches in physics education.

In this workshop, ECO Educational Institute brought together several academicians not only from physics and physics education departments but also various fields such as faculty of architecture, health, sport, and dentistry etc. On the initial day of the workshop, participants engaged in a comprehensive exploration of the prevailing challenges within the discipline. On the second day, attendees actively shared their insights by presenting exemplary approaches and offering policy



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recommendations. Each session was followed by an interactive Q&A session, fostering further discussion, encouraging questions from fellow speakers, and facilitating valuable contributions.

The workshop started with the opening speech of President of ECOEI Prof. Dr. M. Akif Kireççi, who highlighted the important role of fundamental sciences in education, and economic development. His speech was followed by the opening speech of Prof. Dr. Ahmet İlhan Şen from Hacettepe University, Faculty of Education, Department of Mathematics and Science Education.

This workshop was truly interdisciplinary as it brought together experts from various fields to explore the multifaceted relationship between physics and other disciplines. The presentations covered a wide range of topics, showcasing how physics intersects with art, human movement, engineering, audiology, architecture, mathematics, astronomy, dentistry, technology, philosophy, and music. These presentations emphasized the interconnectedness of physics with diverse areas of study and practical applications in everyday life. The workshop's concluding panel discussion involved participants from different educational backgrounds, highlighting the challenges in teaching physics and the need to make it more relatable and accessible across various disciplines and contexts. The workshop underscored the relevance and importance of integrating physics education into diverse fields of study and practice.

The findings of the workshop are documented by the research team consisting of Prof. Dr. Ahmet İlhan Şen from Hacettepe University, Assoc. Prof. Dr. Özlem Oktay from Atatürk University, Assoc. Prof. Dr. Haki Peşman from Fırat University, Dr. Serkan Ekinci from Hacettepe University, and Head Teacher Arife Parmaksızoğlu from the Ministry of National Education. The findings are published in the form of a report in Turkish and English.

13. Mathematics Education Day

ECOEI partnered with academic institutions, including Gazi University, Middle East Technical University and Hacettepe University to organize Mathematics Education Day in Ankara on May 9, 2023. The event was hosted by Gazi University.

The objective of Mathematics Education Day was to provide a scholarly platform for the exchange of knowledge and ideas within the field of mathematics education. The workshop featured a variety of presentations on various aspects of mathematics education including the future of mathematics education research, promoting a shared vision among educators and researchers, the significance of collaborative exploration in mathematics education through discussions on geometric constructions, technology's role in teaching calculus, the importance of early exposure to mathematical concepts and the promotion of algebraic thinking among students. Additionally, the challenges faced by teachers when integrating technology into mathematics teaching practices were addressed, fostering a sense of shared problem-solving within the education community. ECOEI's efforts to bring educators and researchers together in such events aim to create a supportive and collaborative network for collectively addressing challenges and proposing sustainable solutions to improve mathematics education.

C. Consultation and Coordination Meetings

1. Consultation Meetings with Mathematics Professors from Gazi University and Ankara University

Consultation meetings with Prof. Dr. Ahmet Arıkan and Prof. Dr. Sait Halıcıoğlu were held on August 29, 2022, and September 1, 2022, about the Fundamental Sciences Education Workshop.



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ECOEI explained the general framework and the purpose of the Fundamental Sciences Education Workshop to Arıkan and Halıcıođlu and asked for their collaboration for the workshop. The Parties decided that the first two fundamental sciences to be discussed in the workshop should be Mathematics and Chemistry. Arıkan and Halıcıođlu stated that they would support ECOEI in improving the content of the workshop and identifying prospective participants.

2. Consultation Meetings with Prof. Dr. Hasan Bacanlı

A consultation meeting with Academic Council Member Prof. Dr. Hasan Bacanlı was held on 16 September 2022 in preparation for the Symposium on Education Thinkers. During the meeting, the delegation from ECOEI engaged in in-depth discussions with Prof. Bacanlı to outline the concept and objectives of the symposium. Prof. Bacanlı's vast knowledge and experience provided invaluable insights, helping to refine the focus and themes that would be covered during the event.

During the meeting, the participants formulated a comprehensive concept paper that outlined the scope, key topics, and expected outcomes of the Symposium on Education Thinkers. This concept paper would serve as the foundation upon which the symposium's program and sessions would be built. The venue was set and the announcements for the symposium were made in digital and formal platforms.

In addition to defining the symposium's content, the dates for the event were set as 23- 24 December 2022. Prof. Bacanlı and the ECOEI delegation meticulously considered various factors, including academic calendars, potential participants' availability, and logistical arrangements, to ensure the chosen dates were suitable for all involved.

3. Consultation Meetings with the Scientific Committee of the Symposium on Education Thinkers

On 22 November 2022 and 28 November 2022, two separate meetings were held between a scientific committee led by Prof. Bacanlı and ECOEI to prepare for the Symposium on Education Thinkers. In the first meeting, the scientific committee meticulously reviewed all the submissions received for the symposium. Their rigorous evaluation process resulted in the acceptance of a total of 22 symposium papers. On 28 November, the proposals for a keynote speaker were discussed. After careful consideration, the scientific committee and ECOEI jointly finalized the symposium's program.

4. Consultation Meetings with Officials from Çankaya Municipality and Ankara Metropolitan Municipality

The ECOEI has acquired the legal status of a diplomatic mission in May 2022 since the procedures for the ratification of "The Host Country Agreement Between the Government of the Republic of Türkiye and Economic Cooperation Organization Educational Institute (ECOEI) Relating to the Rights, Privileges, and Immunities of the ECOEI" are completed. As the search for a suitable building for ECOEI continued, consultation meetings were held with officials from Çankaya Municipality and Ankara Metropolitan Municipality on 12 December 2022 and 15 December 2022. ECOEI was informed about the procedures and requirements for buildings to be allocated as diplomatic missions.

5. Consultation Meetings with Officials from Gazi University on Memorandum of Understanding



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Consultation meetings with Prof. Dr. Selami Candan from Gazi University were held on 13 December 2022 and 16 December 2022 about the preparations regarding Symposium on Education Thinkers. The Gazi University agreed to allocate a hall for the symposium and support the announcement. The parties also negotiated the terms for memorandum of understanding to be signed between parties to ease the collaboration for both the symposium and future joint events.

6. Consultation Meetings with Prof. Dr. Semra Mirici and Prof. Dr. Yüksel Altun from Gazi University

A consultation meeting with Prof. Dr. Semra Mirici and Prof. Dr. Yüksel Altun from Gazi University was held on 16 December 2022 about the Fundamental Sciences Education Workshops on Chemistry and Biology. ECOEI explained the general framework and the purpose of the Fundamental Sciences Education Workshop to Prof. Mirici and Prof. Altun. As a framework that can be used for the workshops on chemistry and biology education, President Kireççi presented the processes and modalities of the workshops on Mathematics education in Türkiye that were organized by ECOEI in November and early December. Prof. Mirici and Prof. Altun stated that they would support ECOEI in identifying prospective speakers and participants as well as improving the procedures for reporting of the findings and discussions.

7. Visit to Ministry of Foreign Affairs of the Islamic Republic of Iran

ECOEI President Prof. M. Akif Kireççi and his delegation met with Dr. Seyed Jaleedin Alavi Sabzevari, Senior Advisor to the Deputy Foreign Minister for Legal and International Affairs at the Ministry of Foreign Affairs of the Islamic Republic of Iran, in Tehran on January 17th, 2023.

President Kireççi, informed Dr. Alavi about recent events and activities of the ECOEI. The parties discussed the upcoming BoT meeting. President Kireççi explained that seven ECO Member States have ratified the ECOEI Charter and one other country's ratification is pending after signing, which makes ECOEI the largest among ECO Specialized Agencies. The parties also discussed possible collaborations for the internationalization of ECOEI. Prof. Dr. Kireççi presented Dr. Alavi the edited two-volume book titled *Connectivities and Common Legacies in Central Asia, Afghanistan, Pakistan, Iran, and Turkey*.

8. Visit to University of Applied Sciences and Technology, Tehran

President Prof. M. Akif Kireççi and his delegation visited the University of Applied Sciences and Technology (UAST) in Tehran on January 17, 2023. Prof. Mohammed Hossain Mousazadeh Meibodi, General Director of International and Scientific Cooperation Office, welcomed the ECOEI delegation and made a presentation on the number of students, student employment, curriculum designations, and the education system at the university. President Kireççi informed the university officials about ECOEI's latest events, activities, and future projects and commended the university on its innovative teaching and training model. President Kireççi requested that the university officials prepare a report on innovative approaches and the role of the government, as well as the outcomes and satisfaction of students and partner companies of the UAST and its model of vocational education. The university officials expressed their willingness to prepare such a report. The parties also discussed the possibility of organizing a joint conference on applied sciences in Shiraz in cooperation with the ECO Science Foundation and ECO Cultural Institute.



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This visit served as a platform for fostering mutual understanding, exploring collaborative opportunities, and strengthening the ties between ECOEI and UAST for the advancement of applied sciences education and research.

9. Visit to Golestan University and Business Group, Tehran

President Prof. M. Akif Kireççi and his delegation visited the Golestan University of Applied Science and Technology in Tehran on January 18, 2023. President Kireççi was hosted by Davood Heidari, Vice President of Golestan Business Group, and Fatemeh Daneshnia, Executive Manager, along with their respective delegations. During the visit, university officials delivered a presentation on their partner companies, instructor profiles, the number of students, student examinations, and student employment. Following the presentation, the parties proceeded to visit the partner companies, which serve as both production areas and educational venues for the students. The first stop was Atlas Khodro, a car engine and vehicle service center. They then visited Komatsu, a company specializing in heavy machinery, and Hoti Kara, a food-production company. Finally, the parties engaged in discussions regarding potential future cooperation opportunities.

10. Visit to El-Yurt Umidi Foundation in Tashkent Uzbekistan

President Kireççi and his delegation paid a visit to El-Yurt Umidi Foundation and met with Deputy Director of the Foundation Javokhir Akmedov on 26 January 2023. Mr. Akmedov stated that the "El-Yurt Umidi" Foundation was established on September 25, 2018 by the initiative of Shavkat Mirziyoyev, the President of the Republic of Uzbekistan to raise a highly educated national intellectual elite. He explained that the foundation periodically announces and organizes scholarships for young people to study for master and doctoral programs at leading foreign universities and research centers, and internship and short term training programs at prominent world agencies and companies. He further added that on the basis of open scholarship contests, the "El-Yurt Umidi" Foundation in 2018 selected 375 and in 2019 605 talented and promising specialists who are currently studying in the developed countries throughout the world.

President Kireççi commended El-Yurt Umidi Foundation's rationale and achievements and pointed towards cooperation opportunities such as exchange programs, joint research projects, and collaborations between the El-Yurt Umidi Foundation and educational institutions in other ECO members. Recognizing the significant impact of international exposure and knowledge exchange, President Kireççi emphasized the importance of fostering partnerships that would benefit both Uzbekistan and ECO Members. He proposed the establishment of short term study visits that would enable bureaucrats and officials from Uzbekistan to engage in academic and professional training in other ECO countries, which would broaden their perspectives and enhance their educational experiences.

President Kireççi's visit to the El-Yurt Umidi Foundation served as a catalyst for strengthening educational ties between ECOEI and El-Yurt Umidi Foundation. Through exchange programs, joint research projects, and collaborations, the two institutions can leverage their respective strengths and resources to foster mutual learning and development.

11. Meeting with the Academic Coordinator of the Chemistry Education Workshop

On February 1, 2023, ECOEI held a productive meeting with Prof. Yüksel Altun from Gazi University, Department of Chemistry Education, to discuss vital logistical aspects for the successful implementation of the forthcoming Chemistry Education Workshop. The primary focus



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of the meeting was on finalizing arrangements, providing an optimal discussion environment for participants, and securing the necessary resources and technological support to facilitate the workshops.

The discussions centered on various critical aspects, including venue arrangements, resource materials, technical requirements, and participant engagement. Together, they laid the groundwork to create a conducive atmosphere that fosters meaningful learning experiences and encourages active participation from the workshop attendees.

12. Consultation Meeting with the Academic Coordinator of the Biology Education Workshop

ECOEI had a fruitful meeting with Prof. Semra Mirici from Gazi University, Department of Biology Education, to address crucial logistical considerations for the successful execution of the upcoming Biology Education Workshop. The meeting focused on finalization of arrangements, ensuring a conducive learning environment for participants, and securing the necessary resource materials and technological support to be used during the workshops.

During the meeting, both parties actively collaborated to create a well-structured division of labour to ensure a seamless and efficient workshop experience. The delegation and Prof. Mirici worked together to identify potential challenges and proactively find solutions to address them.

13. Consultation Meeting with the Expert Group on Development of an Apparatus-Based Mathematics Book

ECOEI held an online meeting with Prof. Dr. Işıkhan Uğurel and Assoc. Prof. Dr. Nazan Sezen-Yüksel about The Apparatus Based Mathematics Book on February 13, 2023. During the meeting, discussions were held regarding the content, purpose, and potential development of The Apparatus Based Mathematics Book. Subsequently, the utilization of The Apparatus Based Mathematics Book for the identification of gifted children was deliberated among the member states of the ECO.

14. Consultation Meeting with Academic Coordinator of the Physics Education Workshop

On March 6, 2023, a delegation from ECOEI had a productive meeting with Prof. Ahmet İlhan Şen of Hacettepe University, Department of Physics Education. The main agenda of the meeting was to discuss and set the timetable for the preparation of Physics education workshop to be organized by ECOEI.

During the meeting, the delegation and Prof. Ahmet İlhan Şen deliberated on various aspects of the workshop, including the themes, speakers, topics, and target audience. They aimed to design workshops that would be highly beneficial and impactful for the participants.

Prof. Şen shared his valuable insights and expertise, providing guidance on crafting effective workshop content and structuring the sessions. The delegation and Prof. Şen discussed potential collaboration opportunities with other academic institutions and experts to further enrich the workshops' content and expand their reach.

15. Consultation Meeting with Academic Coordinator of the Physics Education Workshop

ECOEI met with Prof. A. İlhan Şen from Hacettepe University to address logistical considerations such as venue arrangements, resource materials, and technological support required for the Physics Education Workshops' successful execution.



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By the end of the meeting, a comprehensive timetable was agreed upon, outlining the key milestones and deadlines for each stage of workshop preparation, ensuring a well-organized and smoothly run series of events.

The meeting concluded with a strong commitment from both parties to work collaboratively towards delivering a high-quality workshop that would foster knowledge exchange. The delegation expressed their gratitude to Prof. Şen for his valuable contributions and support in shaping the workshops' success.

16. Consultation Meeting with Academic Coordinators of the Biology and Chemistry Education Workshops

ECOEI delegation met with Prof. Semra Mirici and Prof. Yüksel Altun from Gazi University on 26 April 2023 to discuss and set the timetable for preparation and publication for the two workshop reports and the separate books on Chemistry and Biology education composed of academic articles presented at the workshops organized by ECOEI in February and March 2023.

17. Online Meeting for the Project on Status of Higher Education in Kazakhstan with Experts from Ahmet Yassawi University

ECOEI organized an online meeting to discuss a collaborative project with Ahmet Yesevi University on May 3, 2023. The meeting focused on the project's structure and content, including the preparation of a comprehensive report consisting of fifteen distinct sections. The report will commence with an introduction that concisely summarizes the present state of higher education in Kazakhstan. It will subsequently do a comprehensive assessment, drawing upon data derived from interviews conducted with researchers, academics, students, and non-governmental organizations (NGOs). Other sections of the report will cover a range of topics, including the internationalization processes of universities, curriculum development procedures, and technical infrastructures.

18. Consultation Meeting with Academic Coordinators of the Fundamental Science Education Workshops

A consultation meeting with Prof. Dr. Semra Mirici and Prof. Dr. Yüksel Altun from Gazi University was held on 12 June 2023 on the outcomes and reports of the Fundamental Sciences Education Workshops on Chemistry and Biology. The parties discussed the processes and modalities of the reports as well as the prospective books composed of academic articles presented at the workshops organized by ECOEI in February and March 2023.

19. Consultation Meeting with Officials from the Ministry of National Education of Türkiye

A consultation meeting was held on 7 July 2023 with Head of the Department of International Organizations Zeynep Öğüder and Education Expert Seda Kuzgun from the Ministry of National Education of Türkiye for the organization of the 4th Meeting of the Board of Trustees of the ECOEI to be held in Istanbul on 3-5 August 2023. The program flow of the meeting and the details of the organization were decided.

20. Consultation Meeting with Officials from the Ministry of National Education of Türkiye

A consultation meeting was held on 24 July 2023, bringing together officials from ECOEI and the General Directorate of EU and Foreign Relations at the Ministry of National Education of Türkiye,



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to discuss the organization of the 4th Meeting of the Board of Trustees of ECOEI. The meeting was specifically aimed at planning the upcoming event, scheduled to take place in Istanbul from 3-5 August 2023. During the meeting, both parties carefully reviewed the crucial logistical considerations to ensure the smooth execution of the event. Matters such as venue, accommodation arrangements, and transportation logistics were meticulously reviewed and finalized to guarantee the comfort and convenience of the attendees.

D. Publications

1. [Book] *Mathematics Education in Türkiye: Challenges, Proposals for Solutions and Good Examples*

ECOEI published a book titled *Türkiye’de Matematik Eğitimi: Sorunlar, Çözüm Önerileri ve İyi Örnekler (Mathematics Education in Türkiye: Challenges, Proposals for Solutions and Good Examples)* in June 2023. The book consists of papers presented at two separate workshops held in Ankara on November 23-24, 2022, and December 8-9, 2022, discussing the status and issues of mathematics education at various levels in Türkiye.

The book is a testament to ECOEI’s conviction that improving mathematics education is the most crucial step that can be taken to establish the necessary mathematical foundation for scientific research in the ECO region and to ensure quantitative literacy essential for a democratic society. As the connections between education, technological productivity, and economic development strengthen, addressing scientific literacy and enhancing students’ mathematical skills from primary to higher education is the most effective way to foster progress in all scientific fields and sectors of member countries. The book is the first one in a series of books on fundamental sciences education and aims to serve as a source of inspiration for new approaches and more effective educational policies in mathematics instruction.

2. *Report on the Iranian University of Applied Science and Technology as a Model for Employment-based Education*

ECOEI published a report on vocational and technical education, which aims to provide an introductory overview of the University of Applied Science and Technology (UAST) as a model for employment-based education. Through meticulous research and analysis, Prof. Mousazadeh Meybodi explores the university’s history, objectives, and innovative approaches in practice. By examining the unique features and impactful initiatives of the UAST, ECOEI seeks to inspire collaboration and knowledge exchange among vocational education and training organizations within the ECO region.

The report focuses on UAST’s unique model of bridging the gap between academia and industry, by equipping students with practical skills and knowledge directly relevant to the demands of the job market. By fostering strong partnerships with local businesses and industries, UAST ensures that its curriculum remains up-to-date and aligns with current industry needs. This approach not only enhances the employability of graduates but also contributes to economic development by providing a skilled workforce that can readily meet the demands of the professional world.



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The report showcases UAST's employment-based education model as an example for other institutions in the ECO region seeking to create meaningful connections between education and employment, ultimately paving the way for a more prosperous and empowered workforce.

3. Report on Internationalization of Higher Education in the ECO Region

ECOEI published a report on *Internationalization of Higher Education in the ECO Region*, which aims to highlight the significance of internationalization in higher education and sets the stage for a deeper exploration of its benefits, challenges, and trends in the Economic Cooperation Organization (ECO) region. It encapsulates the essence of the "High Level University Representatives Forum," organized by Economic Cooperation Organization Educational Institute (ECOEI) on 27 September 2021. The primary objective of the forum was to promote and foster the internationalization of higher education within the ECO region. By facilitating higher coordination and collaboration between universities both within and outside the ECO region, the forum aimed to create a dynamic platform for the exchange of ideas, expertise, and technologies among ECO universities. The event brought together 60 experts representing 30 universities from Azerbaijan, Iran, Kazakhstan, Pakistan, Turkish Cypriot State, Türkiye and Turkmenistan, providing them with the opportunity to share insights on ongoing projects, address challenges, and forge valuable partnerships. The present report provides an overview of the forum, delving into the key insights, outcomes, and potential future directions towards fostering internationalization in higher education.

The report provides recommendations that can inform policy makers and readers on potential measures to enhance internationalization of higher education, foster student mobility, address funding challenges, strengthen accreditation systems, promote multilingualism and intercultural competence, and support overall educational advancement within the Economic Cooperation Organization region.

4. [Book] *Early Childhood Education: A Handbook for Preschool Teachers*

The Economic Cooperation Organization Educational Institute published a book titled *Early Childhood Education: A Handbook for Preschool Teachers*, which includes tangible strategies, methods and techniques that preschool teachers can use to address the most challenging issues they face on a daily basis. The comprehensive book encapsulates the wealth of knowledge, expertise, and inspiration shared during the Preschool Education Summit on 25-26 September 2021, organized by ECOEI in partnership with "Gelecek Eğitimde Platformu" (Future in Education Platform, which drew participation from over 700 educators, aspiring teachers, and parents.

Early Childhood Education: A Handbook for Preschool Teachers is a meticulous compilation of insights, experiences, and practical strategies that may inform early childhood education practices. It covers a wide range of topics, including the latest pedagogical approaches, innovative teaching methodologies, inclusive education practices, and the integration of technology in early childhood classrooms. Renowned scholars, educators, and experts from around the globe have contributed their insights and expertise, making this book a valuable resource for educators, policymakers, and anyone passionate about early childhood education.

The book not only highlights successful practices and innovative ideas but also provides a roadmap for implementing these strategies in diverse educational settings. It delves into the challenges faced



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by educators, offers practical solutions, and encourages a mindset of continuous improvement and innovation in early childhood education. In line with the summit's theme, it emphasizes the importance of nurturing dreams, fostering creativity, and cultivating a supportive environment where children can thrive.

5. International Student Guidebook [in print]

ECOEI is currently working on publishing an International Student Guidebook for students from the ECO Member States who plan to continue their education in Türkiye as international student.

The International Student Guidebook project comprises the preparation, publication, and dissemination of a guidebook for each ECO Member State, which includes summary information on degree programs, living costs, health insurance and services, accommodation and transportation options, student transfers, preparatory language courses, application criteria, visa requirements, and processes applicable to students holding the passport of one of the other ECO Member States. The expected outcome is facilitating the students' application and adjustment processes by targeting their need for information.

On October 26, 2021, ECO Educational Institute requested a list of suggestions regarding the content of the ECOEI Project "International Student Guidebook" from the Embassies of the ECO Member States in Ankara such as the problems encountered by students from their respective countries who pursue higher education in the Republic of Türkiye, most frequently asked questions, and other issues deemed useful based on the experience of the Embassies. ECOEI started to work on the first guidebook, which is intended for the use of international students in Türkiye and plans to publish it by August 2023.

6. ECOEI Pocketbook Series on Common Heritage

ECOEI Pocket Book Series on Common Heritage is a series of works about important people, methods, places and ways of teaching, and learning throughout history in the wider ECO region. One of the primary objectives of ECOEI is to promote cooperation in the teaching of history, literature, geography, and culture among member states, with the aim of fostering closer bonds among the people. To achieve this goal, ECOEI has initiated various activities, including the development of teaching materials encompassing printed, online, and audiovisual sources. These collective efforts contribute to the advancement of teaching common history, culture, and civilization among the ECO member states at all educational levels, further nurturing understanding and collaboration among the diverse communities of the region.

The books in the series are designed to be used as educational material, which stimulate interest and public awareness among the peoples of the region about the shared culture and common heritage. As such they can be used in teaching of History, Literature, Geography of the Member States for establishing closer ties among the peoples. As part of the series, ECOEI commissioned two books, both of which are currently under production.

7. Report on Biology Education in Türkiye: Issues, Solutions, Best Practices

ECOEI has recently published a comprehensive report that provides a summary of the presentations made during the "Workshop on Challenges and Solutions in Biology Education at Middle School, High School and Undergraduate Levels in Türkiye" which was held on 23-24 February 2023, the shared perspectives reached at the concluding debates and the findings from the focus groups.



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The report discusses the main challenges in biology education in Türkiye and present solutions supported by current literature. It identifies significant challenges linked to biology education curricula at the secondary, high school, and undergraduate levels and proposes effective solutions to address these challenges. It highlights the key obstacles concerning the competencies of biology teachers and lecturers at various levels, the challenges associated with student competencies in biology education, as well as those related to the teaching environment and textbooks in biology education. Furthermore, it identifies the challenges pertaining to teaching methods and techniques in biology education and presents viable solutions. The comprehensive report serves as a valuable resource, providing an overview of the workshop's proceedings, highlighting significant challenges in biology education, and offering evidence-based solutions.

8. Report on Physics Education in Türkiye: Issues, Solutions, Best Practices

ECOEI published a report on physics education in Türkiye, which not only encapsulates the insights discussed during the "Workshop on Interdisciplinary Approach in Physics Education at Middle School, High School and Undergraduate Levels in Türkiye" organized by ECOEI on 27-28 April in Ankara but also explores various challenges in physics education in Türkiye.

The report offers a comprehensive evaluation of multiple aspects of physics education, providing clear and practical solutions. It assesses deficiencies in high school physics curriculum and assessment processes and emphasizes the need for multidimensional professional development opportunities for prospective physics teachers in undergraduate programs. It also addresses challenges in the professional development of in-service physics teachers, including the lack of motivation and limited consideration of teachers' needs in training programs, along with the absence of effective monitoring and evaluation mechanisms. The report identifies issues related to material and equipment use in physics education, including resource limitations and student engagement. It also explores challenges in implementing interdisciplinary approaches in physics education and their impact on interdisciplinary education, making it a thorough resource for improving physics education across different levels.

The report serves as a resource for educators, policymakers, and stakeholders, providing guidance on how to tackle the challenges identified and elevate the standard of physics education across different levels in Türkiye.

9. Report on Chemistry Education in Türkiye: Issues, Solutions, Best Practices

ECOEI has published a report that captures an overview of the insights and good practice examples presented at the "Workshop on Challenges and Solution Suggestions in Chemistry Education at the Middle School, High School, and Undergraduate Levels in Türkiye" organized by ECOEI on 2-3 March in Ankara.

The report first discusses various innovative approaches and good practices identified during the workshop. These examples serve as models for effective teaching methods and are presented in detail, highlighting their relevance and impact on enhancing chemistry education. The report also analyzes the effectiveness and applicability of these approaches, considering their impact on student learning outcomes and engagement.

The report examines various challenges faced in chemistry teaching, such as curriculum design, teacher training, resources, assessment methods, and classroom dynamics, aiming to facilitate the development of targeted strategies and interventions. It also explores the impacts of these



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challenges on students and society, emphasizing the importance of addressing them to ensure a scientifically literate workforce. It provides recommendations for future research and action, outlining key areas for further investigation and suggesting strategies for improving chemistry teaching practices. The potential benefits and challenges associated with implementing these recommendations are discussed, along with insights on addressing potential obstacles.

The report underscores the vital role of a scientifically literate workforce and provides valuable recommendations for future research and action, aligning with ECOEI's mission to foster educational excellence and innovation in Türkiye.

10 [Book] Education Thinkers [in print]

ECO Educational Institute is working towards publishing a book on Education Thinkers which is composed of articles presented at the Symposium on Education Thinkers held on 23-24 December, 2022 in Ankara. The book promises to be a valuable and comprehensive compilation of the insights, research, and contributions shared during the two-day event. It aims to serve as a significant resource for educators, researchers, and scholars interested in the rich history of philosophy of education and diverse perspectives of education thinkers. By delving into the philosophies and ideas of prominent figures in the field of education, the book provides a deeper understanding of their influence on shaping educational practices and systems. Through the diverse range of topics covered in the symposium, the book offers a multifaceted exploration of various educational approaches, ideologies, and historical contexts, fostering a broader appreciation of the complexities within the realm of education.

Through the publication of the book on Education Thinkers, the ECO Educational Institute underscores its dedication to promoting academic discourse, intellectual exchange, and a deeper understanding of the diverse perspectives and historical contributions of education thinkers within the member countries of the ECO.

iii. STATUS OF IMPLEMENTATION OF THE DECISIONS/ RECOMMENDATIONS OF THE PREVIOUS MEETINGS

At the 26th Meeting of the ECO Council of Ministers, (COM) on 24 January 2023, Tashkent, Uzbekistan

“While considering and adopting the presented reports, the Council acknowledged the importance of ECO Specialized Agencies, Regional Institutions and Affiliated Bodies and their activities, encouraging them to continue and enhance their collaborative engagements with ECO to support the Organization in its efforts aimed at consolidating regional nexus in diversified areas, including economic, cultural, educational and scientific cooperation.”

ECO Educational Institute has circulated a note to all Member States, ECO Secretariat and ECO Specialized Agencies requesting their proposals for collaborative initiatives and joint activities to actively support ECO in its crucial mission to consolidate regional cooperation in educational and scientific sectors. The proposals from the Member States, the Secretariat, the ECO Specialized Agencies as well as the recommendations of the ECO Regional Planning Council were later incorporated into the ECOEI Draft Work Program 2023-2026, which is adopted by the ECO Board



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of Trustees at its Fourth Meeting on 5 August 2023, Istanbul. The list of activities that ECO Educational Institute will jointly organize with several ECO Directorates is provided below.

Activity	Description	Proposed by
Develop International Partnerships (i.e. UNESCO, Turkic Council, Islamic Science Citation Center etc.)	ECOEI will continue to establish international partnerships in order to enhance its events and activities to better support educational outcomes for Member States.	ECOEI, ECO Secretariat, ECO Vision 2025
ECO History Project	A historian and an international relations researcher will conduct study visits to archives at the ECO Secretariat.	ECO Secretariat
Workshops on Climate Change, Biodiversity, Land Degradation, Desertification	ECOEI will work with ECO Member States to organize workshops on climate change, biodiversity, land degradation to enhance awareness raising in the ECO Region.	33 rd RPC Work Program 2023 SECTOR C, Paragraph 48.
Health Related Scholarships among Member States	ECOEI will coordinate with the ECO Secretariat and announce the scholarship programs/training courses for students from ECO Member States in health related topics.	33 rd RPC Work Program 2023 SECTOR F, Paragraph 29.
First Meeting of the Tourism Specialized Education Institutions	ECOEI and ECO Secretariat will jointly organize the First Meeting of the Tourism Specialized Education Institutions in ECO Member States.	33 rd RPC Calendar of Events SECTOR E. paragraph 15.
Workshop on the State, Challenges, and Best Practices of Medical Education in ECO Member States.	ECOEI will organize a workshop on the state, challenges, and best practices of medical education in volunteering states.	33 rd RPC Work Program SECTOR F paragraph 32.
Report on the State, Challenges, and Best Practices of Medical Education in ECO Member States.	ECOEI will prepare a report on the state, challenges, and best practices of medical education in volunteering states.	33 rd RPC Work Program SECTOR F paragraph 32.



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2 nd High-Level University Representatives Forum	The 2 nd Meeting of the High-Level University Representatives Forum will reinforce the connections among participating institutions and foster greater collaboration and cooperation in the field of education.	ECO Secretariat, 33 rd RPC Work Program SECTOR F Paragraph 30
First Meeting of the Tourism Specialized Education Institutions	ECOEI and ECO Secretariat will jointly organize the First Meeting of the Tourism Specialized Education Institutions in ECO Member States.	33 rd RPC Calendar of Events SECTOR E. paragraph 15.

**The Economic Cooperation Organization
Trade and Development Bank**

**Financial Statements
As at and for the year ended 31 December 2022
With Independent Auditors' Report Thereon**



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Report on the Audit of the Financial Statements

To the Board of Governors of The Economic Cooperation Organization Trade Development Bank.

Opinion

We have audited the accompanying financial statements of The Economic Cooperation Organization Trade and Development Bank (the "Bank"), which comprise the statement of financial position as at 31 December 2022, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended and the notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Bank in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Turkey, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Key audit matters

We have determined that there are no key audit matters to communicate in our report.



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Responsibilities of Management and Those Charged With Governance for the Financial Statements

Bank Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Bank's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. (The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.)
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Bank audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Fatih Polat.

Güney Bağımsız Denetim ve Serbest Muhasebeci Mali Müşavirlik Anonim Şirketi
A member firm of Ernst & Young Global Limited

Fatih Polat, SMMM
Partner

İstanbul, Türkiye
22 May 2023

The Economic Cooperation Organization Trade and Development Bank

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**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

	Notes	31 December 2022	31 December 2021
ASSETS			
Due from banks	13	89,023	161,895
Loans and advances to banks	14	148,475	97,485
Loans and advances to customers	15	162,002	140,780
Investment securities	16	65,750	59,130
Derivative financial instruments	12	854	1,229
Tangible and intangible assets	17	4,714	3,993
Other assets	18	31	180
Total assets		470,849	464,692
LIABILITIES			
Deposits from banks	19	36,473	48,108
Derivative financial instruments	12	2,062	73
Employee benefits	20	3,413	3,128
Other liabilities	21	972	935
Total liabilities		42,920	52,244
EQUITY			
Share capital	22.1	326,750	326,750
Reserves	22.2	85,683	76,644
Retained earnings		15,496	9,054
Total equity		427,929	412,448
Total liabilities and equity		470,849	464,692

The accompanying notes form an integral part of these financial statements.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

Profit or Loss	Notes	31 December 2022	31 December 2021
Interest income	23	16,063	10,928
Interest expense	23	(715)	(482)
Net interest income before impairment for credit risks		15,348	10,446
Impairment (loss)/gain for credit risks, net	9.2.6	(587)	(124)
Net interest income after impairment for credit risks		14,761	10,322
Fee and commission income	24	521	677
Fee and commission expense	24	(8)	(4)
Net fee and commission income		513	673
Net trading income		1,810	1,306
Other operating income	26	1,646	69
Total operating income		18,730	12,370
Personnel expenses	25	(2,655)	(2,954)
Other administrative expenses	25	(321)	(233)
Depreciation and amortization	17, 25	(128)	(128)
Other operating expenses	25	(130)	(1)
Total operating expenses		(3,234)	(3,316)
Net profit for the period		15,496	9,054
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss			
Re-measurement (loss)/gain on defined benefit plans	20.3	(15)	2
Other comprehensive income		(15)	2
Total comprehensive income		15,481	9,056

The accompanying notes form an integral part of these financial statements.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

	Notes	Share Capital	Revaluation reserves	Other reserves	Retained earnings	Total
Balance at 1 January 2021		326,750	(6)	68,891	7,757	403,392
Total comprehensive income						
Profit for the period		-	-	-	9,054	9,054
Other comprehensive income						
Re-measurement gain/(loss) on defined benefit plans	20.3	-	2	-	-	2
Total comprehensive income		-	2	-	9,054	9,056
Transactions with members of the Bank						
Contributions and distributions						
Increase in paid-in share capital	22.1	-	-	-	-	-
Appropriation of profit		-	-	7,757	(7,757)	-
Total contributions and distributions		-	-	7,757	(7,757)	-
Balance at 31 December 2021	22	326,750	(4)	76,648	9,054	412,448
Balance at 1 January 2022		326,750	(4)	76,648	9,054	412,448
Total comprehensive income						
Profit for the period		-	-	-	15,496	15,496
Other comprehensive income						
Re-measurement gain/(loss) on defined benefit plans	20.3	-	(15)	-	-	(15)
Total comprehensive income		-	(15)	-	15,496	15,481
Transactions with members of the Bank						
Contributions and distributions						
Increase in paid-in share capital	22.1	-	-	-	-	-
Appropriation of profit		-	-	9,054	(9,054)	-
Total contributions and distributions		-	-	9,054	(9,054)	-
Balance at 31 December 2022	22	326,750	(19)	85,702	15,496	427,929

The accompanying notes form an integral part of these financial statements.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

	Notes	31 December 2022	31 December 2021
Cash flows from operating activities			
Net profit for the period		15,496	9,054
Adjustments for:			
Depreciation and amortization	17, 25	128	128
Net impairment loss/(gain) on financial assets	9.2.6	587	124
Net impairment loss/(gain) on tangible assets		(1,617)	-
Accrued interest and expenses		(2,322)	147
Measurement of derivative financial instruments at fair value	12	2,364	(1,277)
Provision for employee benefit obligations		144	282
Other non-cash items		(4,840)	(297)
Cash flows from operating activities before changes in operating assets and liabilities		9,940	8,161
Changes in:			
Due from banks		57,992	21,791
Loans and advances to banks		(51,068)	4,668
Loans and advances to customers		(20,171)	7,219
Other assets		74	457
Employee benefits		(108)	(840)
Deposits from banks		(11,860)	(10,998)
Other liabilities		523	599
Net cash from/(used in) operating activities		(14,678)	31,057
Cash flows from investing activities			
Acquisition of investment securities	16	(11,168)	(34,606)
Proceeds from redemption/sale of investment securities	16	8,963	14,261
Acquisition of tangible and intangible assets	17	(202)	(57)
Proceeds from sale of tangible assets	17	840	-
Net cash from/(used in) investing activities		(1,567)	(20,402)
Cash flows from financing activities			
Increase in paid-in share capital	22.1	-	-
Net cash from/(used in) financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(16,245)	10,655
Cash and cash equivalents at 1 January		81,609	72,236
Effects of exchange-rate changes on cash and cash equivalents		873	(1,282)
Cash and cash equivalents at 31 December	11	66,237	81,609

The accompanying notes form an integral part of these financial statements.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

A. BASIS OF PREPARATION

NOTE 1 – REPORTING ENTITY

The Economic Cooperation Organization Trade and Development Bank ('the Bank' or 'ETDB') is a multilateral development finance institution established under the Articles of Agreement ('the Agreement') with the mission; to promote and facilitate private and public sector investment, cooperation, development and job creation in member states through joint programs, to foster the growth of intra-regional trade, to contribute to the economic and social development for the welfare of the people in member states and promote good governance and environment consciousness in all efforts and projects.

The status, privileges and immunities of the Bank and persons connected therewith in the Republic of Türkiye are defined in the Headquarters Agreement between the Bank and the Government of the Republic of Türkiye ('the Headquarters Agreement') signed on 27 December 2006. The Headquarters Agreement was ratified by the Grand National Assembly and the President of the Republic of Türkiye by Law No. 5638 and was published in Official Gazette dated 3 July 2007 with No. 26571.

The headquarters address of the Bank is "Bomonti Business Center, Cumhuriyet Mahallesi Silahşör Caddesi, Yeniyol Sokak, No: 8, Kat: 14, 34380 Bomonti, Şişli, İstanbul, Türkiye".

As of 31 December 2022, the number of employees of the Bank is 32 (31 December 2021: 34).

NOTE 2 – BASIS OF ACCOUNTING

These financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards ('IFRS'). On a proposal from the Management Committee, the Board of Directors adopted the financial statements for the year ended 31 December 2022 on 22 May 2023 and authorised their submission to the Board of Governors for approval.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Management to exercise its judgment in the process of applying the Bank's accounting policies. The areas involving a higher degree of judgment or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4. Details of the Bank's accounting policies, including changes during the year, are included in Notes 6 and 7.

NOTE 3 – FUNCTIONAL AND PRESENTATION CURRENCY

In accordance with Article 4 of the Agreement, the unit of account of the Bank is ECO Unit ('EU') that is equivalent to one Special Drawing Right ('SDR') of the International Monetary Fund ('IMF'). As per Article 11 of the Agreement, the Bank's foreign currency facilities shall be denominated and payable in the currencies of which the SDR is composed or in EU. Accordingly, the Bank's 'functional currency' is the SDR and all transactions are recorded in SDR. The Bank's 'presentation currency' is EU.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

NOTE 4 – USE OF JUDGEMENTS AND ESTIMATES

In preparing these financial statements, the Management has made judgements, estimates and assumptions that affect the application of the Bank's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognised prospectively.

4.1. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes.

- Note 7.5.2. – classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.
- Note 7.5.7. – impairment of financial instruments: assessment of whether credit risk on the financial asset has increased significantly since initial recognition, selection and approval of models used to measure expected credit losses ('ECL').

4.2. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities is included in the following notes.

- Note 7.16. – measurement of defined benefit obligations: key actuarial assumptions.
- Note 7.5.7. – impairment of financial instruments: determining inputs into the ECL measurement model.
- Note 10. – determination of the fair values of financial instruments with significant unobservable inputs.

B. ACCOUNTING POLICIES

NOTE 5 – BASIS OF MEASUREMENT

The financial statements have been prepared on a historical cost basis, except for the derivative financial instruments which are measured with fair value.

NOTE 6 – CHANGES IN ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the financial statements as at 31 December 2022 are consistent with those followed in the preparation of the financial statements of the prior year, except for the adoption of new standards effective as of 1 January 2022. Several amendments and interpretations apply for the first time in 2022, but do not have an impact on the financial statements of the Bank.

THE ECONOMIC COOPERATION ORGANIZATION TRADE AND DEVELOPMENT BANK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Bank consistently applied the following accounting policies to all periods presented in these financial statements.

7.1. Foreign currency

Foreign currency transactions are translated into the functional currency using the indicative exchange rates at the dates of the transactions announced by IMF and Central Banks.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency with the exchange rate at the reporting date. The foreign currency gain or loss on monetary items is the difference between the amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the period, and the amortised cost in the foreign currency translated with the exchange rate at the end of the period.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate at the date on which the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on the settlement of such transactions and translation are recognized in 'Net trading income' in the statement of profit or loss and other comprehensive income.

Exchange rates used by the Bank at the reporting dates are as follows:

		31 December 2022	31 December 2021
<i>1 EU (SDR) =</i>	United States Dollar	1.3308	1.3996
	Euro	1.2529	1.2375
	Chinese Yuan	9.2972	8.9159
	Japanese Yen	176.5359	159.8471
	British Pound	1.1028	1.0418
	Turkish Lira	24.8844	18.6550
	Iranian Rial	375,876.0000	344,068.0000
	Pakistani Rupee	301.7014	246.9855

7.2. Interest

Effective interest rate

Interest income and expense are recognised in profit or loss using the effective interest method. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired financial assets, the Bank estimates future cash flows considering all contractual terms of the financial instrument, but not ECL. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest. For purchased or originated credit-impaired ('POCI') financial assets, a credit adjusted effective interest rate is calculated using estimated future cash flows including ECL.

The calculation of the effective interest rate includes transaction costs and fees and points paid or received that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

Amortised cost and gross carrying amount

The 'amortised cost' of a financial asset or financial liability is the amount at which the financial asset or financial liability measured on initial recognition minus the principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance.

The 'gross carrying amount of a financial asset' is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and expense

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Presentation

Interest income and interest expense calculated using the effective interest method presented in the statement of profit or loss and other comprehensive income includes only interest on financial assets and financial liabilities measured at amortised cost.

7.3. Leases

At inception of a contract, the Bank assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Bank uses the definition of a lease in IFRS 16.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7.3.1. Bank acting as a lessee

At commencement or on modification of a contract that contains a lease component, the Bank allocates consideration in the contract to each lease component on the basis of its relative stand-alone price. However, for leases of office premises the Bank has elected not to separate non-lease components and accounts for the lease and non-lease components as a single lease component.

The Bank recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Bank's incremental borrowing rate. Generally, the Bank uses its incremental borrowing rate as the discount rate. The Bank determines its incremental borrowing rate by analysing the borrowing cost over a similar term in the respective country.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Bank is reasonably certain to exercise, lease payments in an optional renewal period if the Bank is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Bank is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Bank's estimate of the amount expected to be payable under a residual value guarantee, if the Bank changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Bank presents right-of-use assets in 'Tangible and intangible assets' and lease liabilities in 'Other liabilities' in the statement of financial position.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Short-term leases and leases of low-value assets

The Bank has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Bank recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

7.3.2. Bank acting as a lessor

At inception or on modification of a contract that contains a lease component, the Bank allocates the consideration in the contract to each lease component on the basis of their relative stand-alone selling prices.

When the Bank acts as a lessor, it determines at lease inception whether the lease is a finance lease or an operating lease.

To classify each lease, the Bank makes an overall assessment of whether the lease transfers substantially the entire risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Bank considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Rental income is included in 'Other operating income' and maintenance expenses are included in 'Other administrative expenses'.

7.4. Taxation

In Türkiye, according to Article 12 of Headquarters Agreement, within the scope of its official activities the Bank, its property, movable and immovable, assets income, of whatever nature such as interests, capital gains, currency gains, profits as well as its operations and transactions, purchase of goods and services shall be exempt from all present and future, direct and indirect taxation and duties, including but not limited to Value Added Tax, income tax, withholding tax, stamp duties, Banking and Insurance Transactions Tax, be it of a local or governmental nature.

7.5. Financial assets and financial liabilities

7.5.1. Recognition and initial measurement

The Bank initially recognizes 'Due from banks', 'Loans and advances to banks', 'Loans and advances to customers', and 'Deposits from banks' on the date on which they are originated. All other financial instruments such as 'Derivative financial instruments' and 'Investment securities' are recognized on the trade date, which is the date on which the Bank becomes a party to the contractual provisions of the instrument.

At initial recognition, the Bank measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are incremental and directly attributable to its acquisition or issue.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7.5.2. Classification

Financial liabilities

The Bank classifies its financial liabilities, other than loan commitments, as measured at amortised cost.

Financial assets

On initial recognition, a financial asset is classified as measured at:

- Fair value through profit or loss ('FVPL');
- Fair value through other comprehensive income ('FVOCI'); or
- Amortised cost.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest ('SPPI').

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as FVPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

All other financial assets are classified as measured at FVPL.

In addition, on initial recognition, the Bank may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Bank makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to the Management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether the Bank's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- how the performance of the business model and the financial assets held within that business model are evaluated and reported to the key Management personnel;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed;

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- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Bank's stated objective for managing the financial assets is achieved and how cash flows are realised.

The Bank's assessment of the business model is not performed on the basis of scenarios that are not reasonably expected to occur, such as so-called 'worst case' or 'stress case' scenarios.

Financial assets that are managed and whose performance is evaluated on a fair value basis are measured at FVPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

Assessment of whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual flows are SPPI, the Bank considers contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Bank considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Bank's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money.

The Bank assesses whether a loan secured by collateral of the borrower limit the Bank's claim to cash flows of the underlying collateral or not (non-recourse loans). The Bank applies judgement in assessing whether the non-recourse loans meet the SPPI criterion. The Bank typically considers the following information when making this judgement:

- whether the contractual arrangement specifically defines the amounts and dates of the cash payments of the loan;
- the fair value of the collateral relative to the secured financial asset;
- the ability and willingness of the borrower to make contractual payments, notwithstanding a decline in the value of collateral;
- whether the borrower is a substantive operating entity or is a special-purpose entity;
- the Bank's risk of loss on the asset relative to a full-recourse loan;
- the extent to which the collateral represents all or a substantial portion of the borrower's assets; and
- whether the Bank will benefit from any upside from the underlying assets.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassifications

The Bank reclassifies financial assets when and only when its business model for managing financial assets changes. The reclassification takes place from the start of the first reporting period following the change. Such changes are expected to be very infrequent and did not occur during the period.

7.5.3. Derecognition

The Bank derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the derecognised asset) and the sum of (i) the consideration received and (ii) any cumulative gain or loss that had been recognized in other comprehensive income ('OCI') is recognized in profit or loss.

The Bank derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire.

7.5.4. Modifications of financial assets

If the terms of a financial asset are modified, then the Bank evaluates whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs.

Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms.

If the Bank plans to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

If the modification of a financial asset measured at amortised cost or FVOCI does not result in de-recognition of the financial asset then the Bank first recalculates the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of modification. Any costs or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income calculated using the effective interest method.

7.5.5. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Bank currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRS, or for gains and losses arising from a group of similar transactions.

7.5.6. Fair value measurement

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Bank has access at that date. The fair value of a liability reflects its non-performance risk.

When one is available, the Bank measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis.

If there is no quoted price in an active market, then the Bank uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Bank determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

If an asset or a liability measured at fair value has a bid price and an ask price, then the Bank measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The fair value of a financial liability with a demand feature (e.g. demand deposit) is not less than the amount payable on demand, discounted from the first date on which the amount could be required to be paid.

The Bank recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

7.5.7. Impairment

The Bank recognises loss allowances for expected credit losses on the following financial instruments that are not measured at FVPL:

- Due from banks;
- Loans and advances to banks;
- Loans and advances to customers;
- Debt investment securities; and
- Loan commitments issued.

The Bank measures loss allowances at an amount equal to lifetime ECL, except for the following, for which they are measured as 12-month ECL:

- financial instruments that are determined to have low credit risk at the reporting date; and
- other financial instruments on which credit risk has not increased significantly since their initial recognition.

12-month ECL are the portion of ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Financial instruments for which a 12-month ECL are recognised are referred to as 'Stage 1 financial instruments'. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1 and its credit risk is continuously monitored by the Bank.

Life-time ECL are the ECL that result from all possible default events over the expected life of the financial instrument. Financial instruments for which a lifetime ECL are recognised but which are not credit-impaired are referred to as 'Stage 2 financial instruments'.

Financial instruments for which a lifetime ECL are recognised and which are credit-impaired are referred to as 'Stage 3 financial instruments'.

Impairment and classification of financial instruments in Stage 2 and Stage 3 are accounted by considering the staging rules, which is in-line with the 30 and 90 days overdue criteria.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Significant increase in credit risk

The Bank monitors whether a financial instrument has experienced a significant increase in credit risk or not, on ad-hoc and regular basis as explained below.

The Bank executes supervision and monitoring process individually for all of its loan exposures, at least once in a year. The aim of this practice is to follow implementation and identify problems and changed circumstances as early as possible so that appropriate action may be applied on a timely basis to achieve the operation's objectives and to protect the Bank's investment. Apart from individual supervision and monitoring, Risk Management Department ('RMD') of the Bank is responsible for preparation of regular risk asset reviews for the Bank's loan portfolio at least once annually.

In normal course of business, the credit lines made available for treasury operations of the Bank are reviewed during the annual limit renewals of counterparties. Additionally, RMD also assesses whether the credit risk of a treasury asset has increased significantly or not.

Finally, at each reporting date the Bank assesses whether the credit risk of any financial instrument has increased significantly since initial recognition or not.

When making the assessment, the Bank compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

In order to determine whether there has been a significant increase in the credit risk since origination, and hence transition to Stage 2, a combination of quantitative and qualitative risk metrics are used. All counterparties with a significant downgrade in ICR score since origination, all financial assets for which the contractual payments are overdue between 31 and 90 days inclusive, as well as all loans counterparties on the 'watch list' are transferred to Stage 2.

There is a rebuttable presumption that the credit risk of a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due. 30 days past due presumption can be rebutted if there is reasonable and supportable information, that demonstrates that the credit risk has not increased significantly since initial recognition even though the contractual payments are more than 30 days past due.

Definition of default

The Bank may consider a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Bank in full, without recourse by the Bank to actions such as realizing security (if any is held); or
- the borrower is past due more than 90 days on any material credit obligation to the Bank.

In assessing whether a borrower is in default, the Bank considers indicators that are:

- qualitative – e.g. breaches of covenant;
- quantitative – e.g. overdue status and non-payment on another obligation of the same issuer to the Bank; and
- based on data developed internally and obtained from external sources.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

There is a rebuttable presumption that default occurs when contractual payments are more than 90 days past due. 90 days past due presumption can be rebutted if there is reasonable and supportable information available that demonstrates that even financial asset is more than 90 days past due this does not represent a default.

Inputs into the assessment of whether a financial instrument is in default and their significance may vary over time to reflect changes in circumstances.

Measurement of ECL

ECL are probability-weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Bank expects to receive);
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- Undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Bank if the commitment is drawn down and the cash flows that the Bank expects to receive; and
- Financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Bank expects to recover.

For the purposes of calculating ECL, financial instruments are classified in three stages as follows:

Stage 1; includes performing exposures for which there has been no significant increase in credit risk since initial recognition. Stage 1 also includes exposures for which credit risk has been improved and the exposure has been reclassified from Stages 2 or Stage 3. In this stage, expected credit losses are recognized based on the probability of default within the next 12 months. At the reporting date, if the financial instrument has either low credit risk or the credit risk has not increased significantly since initial recognition, it is classified under Stage 1.

Stage 2; includes performing exposures for which there has been a significant increase in credit risk since initial recognition. Stage 2 also includes exposures for which the credit risk has improved, and the exposure has been reclassified from Stage 3. Lifetime expected credit losses are recognized for the financial instruments under Stage 2. The financial instruments which meet at least one of the criteria below fall under Stage 2:

- ICR score equal or above 6.5;
- 2-notch downgrade in ICR score;
- Overdue by more than 30 days; and
- Evidence of weakening which is subjective and is conducted on a case by case basis.

Stage 3; includes non-performing / credit-impaired exposures. Lifetime expected credit losses are recognized for the financial instruments under Stage 3. Non-performing operations are regarded as an expected loss. All operations overdue by more than 90 days are in this category.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basic parameters, assumptions and techniques used for calculating ECL

The Expected Credit Losses are the product of the probability of default ('PD'), the exposure at default ('EAD'), and loss given default ('LGD'), defined as follows:

Probability of default

The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months, or over the remaining lifetime of the obligation.

Usual practices for deriving PD values for credit exposures often focus on mapping mechanisms to bank-wide master scales or external ratings. However, the Bank's credit exposure is with an overall good quality of borrowers and composed of high-volume-low-number transactions.

As the Bank does not have sufficient default experience over years, zero or close to zero PD estimates would not reflect the Bank's prudent risk management practice. In order to overcome this issue, the Bank benefitted from the results of the low-default portfolio research which is widely recognized as the industry best practice.

The Bank assigns credit rating to each financial instrument at inception based on the internal scorecard methodologies for financial institutions, corporates, project finance and leasing sector. All borrowers are subject to annual credit review through supervision process. The ICR score of the borrower is the primary input to the PD which is calculated based on a statistical model and is not affected from collaterals held. Considering the Bank's portfolio to be of kind of zero default portfolio, 'Pluto and Tasche Methodology' is used to calculate the PDs currently with 3 slices.

Exposure at default

EAD represents the sum of expected portion of the undrawn commitment that will be drawn down and the carrying amount of the financial instrument over the next 12 months as at reporting date, in fact total value that Bank is exposed to at the time of a borrower's default.

Loss given default

LGD represents the Bank's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral and other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default.

Taking into account the Bank's preferential treatment among member states and lower risk of lost in case of a default of a financial institution compared to a customer; the Bank calibrated different LGD estimates for sovereigns, financial institutions and other clients. Based on the type and coverage of collateral, LGD is adjusted in order to reflect probable loss in case of default.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Presentation of allowance for ECL in the statement of financial position

Loss allowances for ECL are presented in the statement of financial position as follows:

- Financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- Loan commitments and financial guarantee contracts: generally, as a provision;
- Where a financial instrument includes both a drawn and an undrawn component, and the Bank cannot identify the ECL on the loan commitment component separately from those on the drawn component: the Bank presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component. Any excess of the loss allowance over the gross amount of the drawn component is presented as a provision; and
- Debt instruments measured at FVOCI: no loss allowance is recognized in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognized in the fair value reserve.

Restructured financial assets

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognized, and ECL are measured as follows:

- If the expected restructuring will not result in derecognition of the existing asset then the expected cash flows arising from the modified financial asset are included in calculating the cash shortfalls from the existing asset.
- If the expected restructuring will result in derecognition of the existing asset then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its derecognition. This amount is included in calculating the cash shortfalls from the existing financial asset that are discounted from the expected date of derecognition to the reporting date using the original effective interest rate of the existing financial asset.

Credit-impaired financial assets

At each reporting date, the Bank assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired (referred to as 'Stage 3 financial assets'). A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the restructuring of a loan or advance by the Bank on terms that the Bank would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

A loan that has been renegotiated due to deterioration in the borrower's condition is usually considered to be credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Write-off

Loans and debt securities are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Bank determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in 'Impairment (loss)/gain for credit risks' in the statement of profit or loss and OCI.

7.6. Cash and cash equivalents

Cash and cash equivalents include cash and balances with banks repayable on demand and money market placements with original maturities of less than three months, which are subject to insignificant risk of changes in their fair value, and are used by the Bank in the management of its short-term commitments.

Cash and cash equivalents are carried at amortised cost in the statement of financial position (Note 11).

7.7. Derivatives

Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at their fair value. The fair values of derivative financial instruments that are quoted in active markets are determined from quoted market prices in active markets including recent market transactions. The fair values of financial derivatives that are not quoted in active markets are determined by using valuation techniques, including discounted cash flow models. Where valuation techniques (for instance, models) are used to determine fair values, they are validated and periodically reviewed. Fair values of derivatives are carried as assets when positive and as liabilities when negative. The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received). Derivative financial instruments are classified as held for trading (Note 12).

7.8. Due from banks

'Due from banks' in the statement of financial position are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method (Notes 13).

7.9. Loans and advances

'Loans and advances' in the statement of financial position are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method (Notes 14 and 15).

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7.10. Investment securities

The 'Investment securities' in the statement of financial position are debt investment securities measured at amortised cost; these are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortised cost using the effective interest method.

7.11. Tangible and intangible assets

7.11.1. Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. If significant parts of an item of property or equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment. Any gain and loss on disposal of an item of property and equipment is recognised within other operating income or other operating expenses in the statement of profit or loss and OCI.

Subsequent expenditure is capitalised only when it is probable that the future economic benefits of the expenditure will flow to the Bank. Ongoing repairs and maintenance are expensed as incurred.

Depreciation is calculated to write off the cost of items of property and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss. The estimated useful lives of significant items of property and equipment are as follows:

	Useful lives
Equipment	4-5 years
Motor vehicles	5 years
Furniture and fixture	10 years
Buildings (Shell and core)	50 years
Buildings (Interior fit-out)	15 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate (Note 17).

7.11.2. Investment property

Items of investment property are measured at cost, less accumulated depreciation and impairment losses. Land and buildings that are held to earn rentals or for capital appreciation or both rather than for use in production, supply of goods or services, administrative purposes or sale in the ordinary course of business are classified as investment property.

Depreciation is calculated to write off the cost of items of investment property less their estimated residual values using the straight-line method over their estimated useful lives, and is recognised in profit or loss (Note 17).

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimated useful lives of investment property are as follows:

	Useful lives
Investment property (Shell and core)	50 years
Investment property (Interior fit-out)	15 years

7.11.3. Intangible assets

Intangible assets consist of computer software program and licenses. Intangible assets are measured at cost, less accumulated amortization and any accumulated impairment losses. Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Intangible assets are amortised on a straight-line basis in profit or loss over its estimated useful life, from the date on which it is available for use. The estimated useful life of intangible assets for the current and comparative periods is four to five years. Amortisation methods, useful lives and residual values are reviewed at each reporting period and adjusted if appropriate (Note 17).

7.12. Impairment of non-financial assets

At each reporting date, the Bank reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that is largely independent of the cash inflows of other assets or cash-generating units ('CGU'). A cash-generating unit is the smallest identifiable group of assets that generates cash inflows which are largely independent of the cash flows from other assets or group of assets.

The 'recoverable amount' of an asset or CGU is the greater of its value in use and its fair value less costs to sell. 'Value in use' is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised under other operating expenses in profit or loss. An impairment loss recognized in prior periods for an asset is reversed if the subsequent increase in the asset's recoverable amount is caused by a specific event since the last impairment loss was recognized. Such a reversal amount cannot be higher than the previously recognized impairment and is recognized as other operating income in profit or loss (Notes 25 and 26).

7.13. Deposits

Deposits from banks are the Bank's source of debt funding. Deposits are initially measured at fair value minus incremental direct transaction costs, and subsequently measured at their amortised cost using the effective interest method.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7.14. Provisions, commitments and contingencies

Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Where the effect of the time value of money is material, the amount of provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate reflects current market assessments of the time value of money and the risks specific to the liability. The discount rate shall be a pre-tax rate and shall not reflect risks for which future cash flow estimates have been adjusted.

Possible assets or obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank are not included in these financial statements and are treated as contingent assets or liabilities (Note 27).

7.15. Loan commitments

'Loan commitments' are firm commitments to provide credit under pre-specified terms and conditions. The Bank has not provided any commitment to provide loans at a below-market interest rate, or that can be settled net in cash or by delivering or issuing another financial instrument. The Bank has not issued loan commitments that are measured at FVPL. Liabilities arising from loan commitments are included within provisions.

7.16. Employee benefits

7.16.1. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided and recognised as personnel expense in profit or loss. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. The Bank pays contributions to Turkish State Social Security Plan on a mandatory basis for the local employees who are not participant to the first pillar of the Bank's pension plan. The Bank has no further payment obligations once the contributions have been paid.

7.16.2. Pension plan

The Bank operates a pension plan implemented beginning from 1 October 2008, which includes first pillar as hybrid plan that is comprised of a defined benefit plan and defined contribution plan, second and third pillars as defined contribution plans. The employees who are not subject to Turkish State Social Security Plan are enrolled in the first pillar whereas participation in the second pillar is at their will. All employees are eligible to participate in the third pillar where participation in the first and/or second pillar is not a pre-requisite.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The requirements for the defined benefit part of the first pillar are attaining normal retirement age (which is 60 in accordance with the pension plan policy of the Bank), participating in the second pillar and transferring at least the amount equal to 90% of the first pillar contributions from the second pillar account to the first pillar account. If these requirements are met then the (participant) employee shall be entitled to the following benefits:

- Immediate pension equal to the amount of 1% of the annual average net basic salary of the employee during his/her eligible service period multiplied by number of years in service of the Bank;
- One twelfth of the immediate pension according to the previous paragraph that shall be paid to the employee every month.

The benefit provided will be as a lump sum but with respect to the rates that are linked to the length of the eligible service period for an employee not fulfilling the requirements described above. In case of death before normal retirement age, the benefit will be provided to employee's legal beneficiary as a lump sum up equal to the balance of employee's account.

According to the pension plan policy, an employee shall become entitled to a disability pension from the first pillar if the employee suffers a disability before attaining normal retirement age. If such a disability occurs the employee shall become entitled to disability pension in monthly amounts equals to 25% of the employee's last salary immediately before becoming disabled until the employee's normal retirement age. Nevertheless, the Bank shall continue its contribution for the first pillar for the disabled employee, until reaching normal retirement age on the basis of his/her last salary immediately before becoming disabled. After reaching the employee's normal retirement age the disability pension will cease and, upon the employee's choice it can be replaced by the pension benefits in accordance with the pension plan policy. The time during which the disability pension has been paid will be included in the employee's service at the Bank when calculating the total pension benefits of the employee after reaching normal retirement age.

The pension plan is funded by contributions from employees and by the Bank depending on the type of the plan and with respect to the provisions of the pension plan policy. Contribution rates to the pension plan are as follows:

Pension contributions of basic salary	Bank %	Employee %
First pillar	12	-
Second pillar ⁽¹⁾	up to 7	up to 7
Third pillar	-	up to 10

(1) The Bank contributes to the second pillar if and only if employee contributes but at the same matching rate up to 7%.

For the defined benefit part of the hybrid plan and disability pension, the pension liability is calculated by using the 'projected unit credit method'. Under this method, the cost of providing pensions is charged to the statement of profit or loss and OCI so as to spread the regular cost over the service lives of employees.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Actuarial valuations for the pension plan have been performed by an independent actuarial firm in accordance with the methods and estimations determined in International Accounting Standard for Employee Benefits ('IAS 19'). The pension liability is measured at the present value of the estimated future cash outflows using interest rates of government securities that have terms to maturity approximately the terms of the related liability. All actuarial gains and losses are recognized in statement of profit or loss and OCI over the average remaining service lives of the employees. Accounting has been made according to appraisals in the actuarial report as of 31 December 2022 (Note 20.1).

The Bank keeps; assets of the pension plan under its treasury investment portfolio and liabilities related to first, second and third pillars separately for each participant under employee benefits (Note 20.1). The Bank accrues interest on its liabilities to the pension plan which is calculated using the average return of the Bank's treasury investment portfolio and investments made on behalf of the pension plan (Note 23).

7.16.3. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Bank has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Bank provides annual leave pay provision for the employees. Full-time professional staff members are entitled to an annual leave of fifteen workdays per year with service of less than and including ten years and twenty workdays per year with service after ten years and more. New employees are eligible for annual leave after six months of service (Note 20.2).

7.16.4. Reserve for employee severance indemnity – Defined benefit plan

Provision for employee severance indemnity represents the present value of the estimated total provision of the future probable obligation arising from the retirement of the employees calculated in accordance with the Turkish Labour Law. In accordance with Labour Law in Türkiye, entities are required to make lump-sum termination indemnities to each employee whose employment is terminated due to retirement or for reasons other than resignation or misconduct and who has completed at least one year of service.

Provision is made for the present value of the defined benefit obligation calculated using the projected unit credit method. Actuarial gains/losses are recognized under other comprehensive income.

These financial statements include provision for severance payment only for the service staff employed by the Bank according to Turkish Labour Law (Note 20.3).

7.17. Earnings per share

Since the Bank's shares are not traded in a public market and the Bank's financial statements are not filed or not in the process of filing with a securities commission or other regulatory organization for the purpose of issuing shares in a public market, the Bank is not required to disclose basic earnings per share information in accordance with IAS 33 Earnings Per Share.

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NOTE 7 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

7.18. Segment reporting

An operating segment is a component of the Bank that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses relating to transactions with any of the other components of the Bank. All operating segments' operating results are regularly reviewed by the Management to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available (Note 28).

7.19. Comparatives

Comparative figures are reclassified, where necessary, to conform to change, in presentation of the 31 December 2022 financial statements.

NOTE 8 – THE NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

The accounting policies adopted in preparation of the financial statements as of 31 December 2022 are consistent with those of the previous financial year, except for the adoption of new and amended IFRS and IFRIC interpretations effective as of 1 January 2022 and thereafter. The effects of these standards and interpretations on the Bank's financial position and performance have been disclosed in the related paragraphs.

8.1. The new standards, amendments and interpretations which are effective as of 1 January 2022

Amendments to IFRS 3 – Reference to the Conceptual Framework

In May 2020, the IASB issued amendments to IFRS 3 Business combinations. The amendments are intended to replace to a reference to a previous version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing requirements of IFRS 3. At the same time, the amendments add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date. The amendments issued to IFRS 3 must be applied prospectively.

The amendments did not have a significant impact on the financial position or performance of the Bank.

Amendments to IAS 16 – Proceeds before intended use

In May 2020, the IASB issued amendments to IAS 16 Property, plant and equipment. The amendments prohibit entities from deducting from the cost of an item of property, plant and equipment ('PP&E'), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and costs of producing those items, in profit or loss. The amendments must be applied retrospectively only to items of PP&E made available for use on or after beginning of the earliest period presented when the entity first applies the amendment.

The amendments did not have a significant impact on the financial position or performance of the Bank.

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**NOTE 8 – THE NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS
(Continued)**

Amendments to IAS 37 – Onerous contracts – Costs of Fulfilling a Contract

In May 2020, the IASB issued amendments to IAS 37 Provisions, Contingent Liabilities and Contingent assets. The amendments specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making and also apply a "directly related cost approach". Amendments must be applied prospectively to contracts for which an entity has not fulfilled all of its obligations at the beginning of the annual reporting period in which it first applies the amendments (the date of initial application).

The amendments did not have a significant impact on the financial position or performance of the Bank

Annual Improvements – 2018–2020 Cycle

In May 2020, the IASB issued Annual Improvements to IFRS Standards 2018–2020 Cycle, amending the followings:

- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter: The amendment permits a subsidiary to measure cumulative translation differences using the amounts reported by the parent. The amendment is also applied to an associate or joint venture.
- IFRS 9 Financial Instruments – Fees in the "10 per cent test" for derecognition of financial liabilities: The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either borrower or lender on the other's behalf.
- IAS 41 Agriculture – Taxation in fair value measurements: The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring fair value of assets within the scope of IAS 41.

The amendments did not have a significant impact on the financial position or performance of the Bank.

8.2. Standards issued but not yet effective and not early adopted

Standards, interpretations and amendments to existing standards that are issued but not yet effective up to the date of issuance of the financial statements are as follows. The Bank will make the necessary changes if not indicated otherwise, which will be affecting the financial statements and disclosures, when the new standards and interpretations become effective.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting. Early application of the amendments is still permitted.

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**NOTE 8 – THE NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS
(Continued)**

The amendments are not applicable for the Bank and will not have an impact on the financial position or performance of the Bank.

IFRS 17 - The new Standard for insurance contracts

The IASB issued IFRS 17, a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 model combines a current balance sheet measurement of insurance contract liabilities with the recognition of profit over the period that services are provided. IFRS 17 will become effective for annual reporting periods beginning on or after 1 January 2023; early application is permitted.

The amendments are not applicable for the Bank and will not have an impact on the financial position or performance of the Bank.

Amendments to IAS 1- Classification of Liabilities as Current and Non-Current Liabilities

In January 2020, the IASB issued amendments to IAS 1 Presentation of Financial Statements. The amendments issued to IAS 1 which are effective for periods beginning on or after 1 January 2023, clarify the criteria for the classification of a liability as either current or non-current. Amendments must be applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Early application is permitted.

The Bank is in the process of assessing the impact of the amendments on financial position or performance of the Bank.

Amendments to IAS 8 - Definition of Accounting Estimates

In February 2021, the Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments issued to IAS 8 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, the amended standard clarifies that the effects on an accounting estimate of a change in an input or a change in a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors. The previous definition of a change in accounting estimate specified that changes in accounting estimates may result from new information or new developments. Therefore, such changes are not corrections of errors. This aspect of the definition was retained by the Board. The amendments apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of the effective date. Earlier application is permitted.

The Bank is in the process of assessing the impact of the amendments on financial position or performance of the Bank.

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

9.2. Credit risk

Credit risk is the risk of financial loss to the Bank if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from due from banks, loans and advances, investment securities and derivatives. For risk management reporting purposes, the Bank considers and consolidates all elements of credit risk exposure – e.g. individual obligor default risk, country risk and sector risk.

9.2.1. Management of credit risk

The Bank's primary exposures to credit risk arise through its loans and advances. The amount of credit exposure in this regard is represented by the carrying amounts of these assets on the statement of financial position. In view of the Bank's philosophy of prudent lending, the function of credit risk management has become a critical fulcrum of the Bank's long term vision and success. Credit analysis is conducted by using various information sources and applying qualitative and quantitative methodologies.

The Bank reviews lending operations and manages the main areas of credit risk which are inherent to the lending activities of the Bank in order to ensure that decisions are made in line with the Bank's strategy and that loan applications are prudently reviewed. Lending decisions are made to clients by following the guidelines laid down in various policies and through coordination with other business units to ensure that the loans are made in line with the Bank's overall risk appetite and strategy. All credit applications are evaluated by the Credit Committee which in case of approval elevates the same to the Board of Directors for final approval.

In addition to compliance function, the Bank's Management also provides oversight and direction to the activities of risk management to ensure that the Bank's risk profile is in line with its strategy and operating environment, in a manner which ensures protection to the shareholders.

9.2.2. Exposure to credit risk

The Bank's exposure to credit risk as of 31 December 2022 and 31 December 2021 are as follows:

	31 December 2022	31 December 2021
Loans and advances to customers	162,002	140,780
Loans and advances to banks	148,475	97,485
Due from banks	89,023	161,895
Investment securities	65,750	59,130
Derivative financial instruments	854	1,229
Total	466,104	460,519

As of 31 December 2022, the Bank has no assets held for resale (31 December 2021: None).

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

9.2.3. Segment analysis of credit risk exposures

The following table breaks down the segment distribution of credit risk exposures.

	31 December 2022	31 December 2021
Treasury portfolio		
Due from banks	89,023	161,895
Investment securities	65,750	59,130
Derivative financial instruments	854	1,229
Total treasury portfolio	155,627	222,254
Loan portfolio		
Financial institutions-Trade finance	101,181	66,788
Customers-Trade/Corporate finance	95,891	71,380
Project finance	66,111	69,400
Financial institutions-SME support program	47,294	30,697
Total loan portfolio	310,477	238,265
Total	466,104	460,519

9.2.4. Credit quality analysis

The Bank uses internal credit risk grading that reflects its assessment of the probability of default of individual counterparties. The Bank assigns its internal risk rating to all counterparties including borrowers and sovereigns in the loan and treasury portfolios and reflects the credit worthiness of counterparties. The Bank's internal risk rating depicts the credit worthiness of borrowers on a scale of 1 to 10 with a score of 1 denoting the lowest expectation of default while a score of 10 denotes non-performing. The table below shows the Bank's internal risk ratings, definitions and respective categories.

ETDB risk Rating category	Broader category	ETDB definition	ETDB risk rating
1	Standard	Excellent	1.00
2	Standard	Very strong	1.01 to 2.40
3	Standard	Strong	2.41 to 3.40
4	Standard	Good	3.41 to 4.40
5	Standard	Fair	4.41 to 5.40
6	Watch	Weak	5.41 to 6.50
7	Sub-standard	Special attention	6.51 to 7.40
8	Sub-standard	Expected loss/Impaired	7.41 to 7.60
9	Doubtful	Expected loss/Impaired	7.61 to 8.60
10	Non-performing	Expected loss/Impaired	8.61 to 10.00

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

The following table sets out information about the credit quality of financial assets measured at amortised cost. Unless specifically indicated, for financial assets, the amounts in the table represent gross carrying amounts. Explanation of the terms 'Stage 1', 'Stage 2' and 'Stage 3' is included in Note 7.5.7.

	31 December 2022				31 December 2021
	Stage 1	Stage 2	Stage 3	Total	Total
Due from banks					
3: Strong	33,340	-	-	33,340	48,260
4: Good	17,242	-	-	17,242	45,488
5: Fair	39,485	-	-	39,485	69,513
	90,067	-	-	90,067	163,261
Loss allowance	(1,044)	-	-	(1,044)	(1,366)
Carrying amount	89,023	-	-	89,023	161,895
Loans and advances to banks at amortised cost					
3: Strong	45,108	-	-	45,108	47,767
4: Good	79,364	-	-	79,364	34,831
5: Fair	24,171	-	-	24,171	14,271
6: Weak	1,571	-	-	1,571	1,452
	150,214	-	-	150,214	98,321
Loss allowance	(1,739)	-	-	(1,739)	(836)
Carrying amount	148,475	-	-	148,475	97,485
Loans and advances to customers at amortised cost					
1: Excellent	104,057	-	-	104,057	71,528
3: Strong	-	-	-	-	18,636
4: Good	20,708	-	-	20,708	4,020
6: Weak	16,685	-	-	16,685	17,864
10: Non-performing	-	-	22,726	22,726	31,112
	141,450	-	22,726	164,176	143,160
Loss allowance	(633)	-	(1,541)	(2,174)	(2,380)
Carrying amount	140,817	-	21,185	162,002	140,780
Debt investment securities at amortised cost					
1: Excellent	11,621	-	-	11,621	8,801
3: Strong	18,742	-	-	18,742	25,625
4: Good	34,497	-	-	34,497	23,729
5: Fair	1,538	-	-	1,538	1,411
	66,398	-	-	66,398	59,566
Loss allowance	(648)	-	-	(648)	(436)
Carrying amount	65,750	-	-	65,750	59,130

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

The following table sets out information about the overdue status of loans and advances to banks and loans and advances to customers in Stages 1, 2 and 3.

	31 December 2022				31 December 2021
	Stage 1	Stage 2	Stage 3	Total	Total
Loans and advances to banks at amortised cost					
Current	150,214	-	-	150,214	98,321
Overdue ≤30 days	-	-	-	-	-
Overdue <60 days	-	-	-	-	-
Overdue ≤90 days	-	-	-	-	-
Overdue > 90 days	-	-	-	-	-
Total	150,214	-	-	150,214	98,321
Loans and advances to customers at amortised cost					
Current	141,450	-	-	141,450	106,171
Overdue ≤30 days	-	-	-	-	5,877
Overdue <60 days	-	-	-	-	-
Overdue ≤90 days	-	-	-	-	-
Overdue > 90 days	-	-	22,726	22,726	31,112
Total	141,450	-	22,726	164,176	143,160

9.2.5. Collateral held and other credit enhancements

Loans and advances to customers

The general creditworthiness of a customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional security and the Bank generally requests that corporate borrowers provide it. The Bank may take collateral in the form of a sovereign guarantee issued by a member state, bank guarantee, first charge over real estate, floating charges over all corporate assets and other liens and guarantees.

Because of the Bank's focus on corporate customers' creditworthiness, the Bank does not routinely update the valuation of collateral held against all loans to corporate customers. Valuation of collateral is updated when the loan is put on a watch list and the loan is monitored more closely. For credit-impaired loans, the Bank obtains appraisals of collateral because it provides input into determining the management credit risk actions.

In addition to the collaterals included in the tables below, the Bank holds other types of collateral and credit enhancements, such as corporate guarantees, second charges and floating charges for which specific values are not generally available.

Sovereign guarantees are held as collateral against loans to customers that are classified under Stage 3.

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

The following table sets out the percentage of total exposure that is secured with different types of collaterals.

	31 December 2022		31 December 2021	
	Customers- Trade/Corporate finance	Project finance	Customers- Trade/Corporate finance	Project finance
Sovereign loans	83%	36%	77%	23%
Sovereign guarantee	-	33%	-	43%
Letter of credit from an FI	-	30%	-	31%
Corporate guarantee	17%	-	23%	-
Charge on fixed assets	-	1%	-	3%
Total	100%	100%	100%	100%

9.2.6. Amounts arising from ECL

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Due from banks:

	31 December 2022			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January	1,366	-	-	1,366
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remasurement of loss allowance	-	-	-	-
New financial assets originated	1,044	-	-	1,044
Financial assets that have been derecognised	(1,366)	-	-	(1,366)
Foreign exchange movements	-	-	-	-
Balance at period end	1,044	-	-	1,044

	31 December 2021			
	Stage 1	Stage 2	Stage 3	Total
Balance at 1 January	1,339	-	-	1,339
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remasurement of loss allowance	-	-	-	-
New financial assets originated	1,366	-	-	1,366
Financial assets that have been derecognised	(1,331)	-	-	(1,331)
Foreign exchange movements	(8)	-	-	(8)
Balance at period end	1,366	-	-	1,366

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

Loans and advances to banks at amortised cost:

	31 December 2022			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January	836	-	-	836
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remasurement of loss allowance	34	-	-	34
New financial assets originated	1,278	-	-	1,278
Financial assets that have been derecognised	(409)	-	-	(409)
Foreign exchange movements	-	-	-	-
Balance at period end	1,739	-	-	1,739

	31 December 2021			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January	784	-	-	784
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remasurement of loss allowance	(31)	-	-	(31)
New financial assets originated	323	-	-	323
Financial assets that have been derecognised	(230)	-	-	(230)
Foreign exchange movements	(10)	-	-	(10)
Balance at period end	836	-	-	836

Loans and advances to customers at amortised cost:

	31 December 2022			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January	444	-	1,936	2,380
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remasurement of loss allowance	164	-	(352)	(188)
New financial assets originated	48	-	-	48
Financial assets that have been derecognised	(23)	-	(43)	(66)
Foreign exchange movements	-	-	-	-
Balance at period end	633	-	1,541	2,174

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

	31 December 2021			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January	88	-	2,446	2,534
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remasurement of loss allowance	(22)	-	(476)	(498)
New financial assets originated	412	-	-	412
Financial assets that have been derecognised	(35)	-	-	(35)
Foreign exchange movements	1	-	(34)	(33)
Balance at period end	444	-	1,936	2,380

Investment securities at amortised cost:

	31 December 2022			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January	436	-	-	436
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remasurement of loss allowance	251	-	-	251
New financial assets originated	32	-	-	32
Financial assets that have been derecognised	(71)	-	-	(71)
Foreign exchange movements	-	-	-	-
Balance at period end	648	-	-	648

	31 December 2021			Total
	Stage 1	Stage 2	Stage 3	
Balance at 1 January	285	-	-	285
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remasurement of loss allowance	25	-	-	25
New financial assets originated	233	-	-	233
Financial assets that have been derecognised	(110)	-	-	(110)
Foreign exchange movements	3	-	-	3
Balance at period end	436	-	-	436

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

9.2.7. Concentration of credit risks

The Bank monitors concentration of credit risk by geographic location and by sector. Analyses of concentrations of credit risk by geographic location and sector are shown below.

Concentration by sector:

	31 December 2022		31 December 2021	
	Outstanding	Undrawn commitments	Outstanding	Undrawn commitments
Financial sector				
Financial institutions-Trade finance	101,181	-	66,788	-
Due from banks	89,023	-	161,895	-
Investment securities	54,138	-	50,333	-
Financial institutions-SME SP	47,294	-	30,697	-
Derivative financial instruments	854	-	1,229	-
	292,490	-	310,942	-
Energy				
Customers-Trade/Corporate finance	71,049	-	43,270	-
Project finance	27,959	-	32,131	-
	99,008	-	75,401	-
Public sector management				
Project finance	23,958	7,981	16,130	16,162
Investment securities	11,612	-	8,797	-
	35,570	7,981	24,927	16,162
Industry and Trade				
Customers-Trade/Corporate finance	15,863	-	16,013	-
	15,863	-	16,013	-
Water, Sanitation, Flood Protection and other Urban Infrastructure Services				
Project finance	14,194	-	20,440	-
	14,194	-	20,440	-
Health and Social Protection				
Customers-Trade/Corporate finance	8,979	-	12,097	-
	8,979	-	12,097	-
Agriculture, natural resources and rural development				
Project finance	-	-	699	-
	-	-	699	-
Total	466,104	7,981	460,519	16,162

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

Concentration by geographic location:

	31 December 2022		31 December 2021	
	Outstanding	Undrawn commitments	Outstanding	Undrawn commitments
Türkiye				
Treasury portfolio	140,933	-	204,147	-
Loan portfolio	212,108	7,981	157,944	16,162
	353,041	7,981	362,091	16,162
Pakistan				
Treasury portfolio	2,174	-	799	-
Loan portfolio	75,630	-	49,706	-
	77,804	-	50,505	-
Iran				
Treasury portfolio	6	-	12	-
Loan portfolio	21,186	-	29,176	-
	21,192	-	29,188	-
Azerbaijan				
Loan portfolio	1,553	-	1,439	-
	1,553	-	1,439	-
Other				
Treasury portfolio	12,514	-	17,296	-
	12,514	-	17,296	-
Total treasury portfolio	155,627	-	222,254	-
Total loan portfolio	310,477	7,981	238,265	16,162
Total	466,104	7,981	460,519	16,162

9.3. Liquidity risk

Liquidity risk is defined as the risk that the Bank will encounter difficulty in meeting its obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to the Bank's operations and investments.

9.3.1. Management of liquidity risk

Liquidity risk is managed by Treasury Department under the guidelines provided by ALCO which are in line with the policies approved by the Board of Directors. According to the ALCO approved procedures at all times, the Bank has at its disposal a liquidity pool large enough to finance new assets or refinance existing assets. Under stressed conditions, liquidity risk is managed within the contingency liquidity plan framework approved by ALCO.

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

The Bank's approach to managing liquidity risk is to have sufficient amount of liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's reputation. The key elements of the Bank's liquidity strategy are as follows.

- Carrying a portfolio of highly liquid assets, diversified by currency and maturity.
- Minimizing maturity mismatches.
- Stress testing of the Bank's liquidity position against various exposures.

Treasury Department receives information from other business units regarding the liquidity profile of their financial assets and details of other projected cash flows arising from projected future business. Treasury Department then maintains a portfolio of short-term liquid assets, largely made up of money market placements, to ensure that sufficient liquidity is maintained.

Daily liquidity stress testing is conducted under stress testing scenarios covering both normal and more severe market conditions. The scenarios are developed taking into account payment defaults on assets.

9.3.2. Exposure to liquidity risk

The key measure used by the Bank for managing liquidity risk is the ratio of liquid assets to net cash requirements (including projected loan disbursements). Ratios are maintained at a minimum of;

- 100% for the next 1 month,
- 100% for the next 3 months, and
- 75% for the next 12 months.

Details of the reported ratio of liquid assets to net cash requirements for the next 12 months at the reporting date and during the reporting period were as follows.

	31 December 2022	31 December 2021
At period end	2106%	533%
Average for the period	616%	1995%
Maximum for the period	3311%	25987%
Minimum for the period	177%	207%

Additionally, the Bank's liquidity is maintained at a minimum of 12% of the total equity plus long term borrowing with remaining time to maturity greater than six months.

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

9.3.3. Maturity analysis for financial liabilities and financial assets

The amounts in the following tables have been compiled as follows.

Type of financial instrument	Basis on which amounts are compiled
Non-derivative financial liabilities and financial assets	Undiscounted cash flows, which include estimated interest payments
Undrawn loan commitments	Earliest possible contractual maturity.
Derivative financial liabilities and Derivative financial assets	Contractual undiscounted cash flows. The amounts shown are the gross nominal inflows and outflows for derivatives that have simultaneous gross settlement (e.g. forward exchange contracts and currency swaps).

The following table sets out the remaining contractual maturities of the Bank's financial liabilities and financial assets.

	31 December 2022						
	Carrying Amount	Gross Nominal inflow/ (outflow)	Less Than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years
Financial liability by type							
<i>Non-derivative liabilities</i>							
Deposits from banks	36,473	(37,080)	(12,305)	-	(24,775)	-	-
Unrecognized loan commitments	-	(7,981)	(7,981)	-	-	-	-
- Banks	-	-	-	-	-	-	-
- Customers	-	(7,981)	(7,981)	-	-	-	-
Total	36,473	(45,061)	(20,286)	-	(24,775)	-	-
<i>Derivative liabilities</i>							
Trading FX derivatives	2,062						
- Outflow		(94,320)	(10,278)	(75,362)	(8,680)	-	-
- Inflow		92,452	9,803	74,045	8,604	-	-
Total	2,062	(1,868)	(475)	(1,317)	(76)	-	-
Financial asset by type							
<i>Non-derivative assets</i>							
Due from banks	89,023	90,378	70,419	19,959	-	-	-
Loans and advances to banks	148,475	158,628	1,802	12,379	77,760	66,687	-
Loans and advances to customers	162,002	181,590	1,107	32,612	74,227	48,819	24,825
Investment securities	65,750	78,923	3,988	684	3,706	70,545	-
Total	465,250	509,519	77,316	65,634	155,693	186,051	24,825
<i>Derivative assets</i>							
Trading FX derivatives	854						
- Outflow		(39,926)	(8,344)	(18,084)	(13,498)	-	-
- Inflow		40,632	8,528	18,329	13,775	-	-
Total	854	706	184	245	277	-	-

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

	31 December 2021						
	Carrying Amount	Gross Nominal inflow/ (outflow)	Less Than 1 month	1 to 3 months	3 to 12 Months	1 to 5 years	More than 5 years
Financial liability by type							
<i>Non-derivative liabilities</i>							
Deposits from banks	48,108	(48,131)	(26,488)	(21,643)	-	-	-
Undrawn loan commitments	-	(16,162)	(16,162)	-	-	-	-
- Banks	-	-	-	-	-	-	-
- Customers	-	(16,162)	(16,162)	-	-	-	-
Total	48,108	(64,293)	(42,650)	(21,643)	-	-	-
<i>Derivative liabilities</i>							
Trading FX derivatives	73						
- Outflow		(19,652)	-	(14,625)	(5,027)	-	-
- Inflow		19,671	-	14,672	4,999	-	-
Total	73	19	-	47	(28)	-	-
Financial asset by type							
<i>Non-derivative assets</i>							
Due from banks	161,895	163,750	66,200	60,490	37,060	-	-
Loans and advances to banks	97,485	100,605	10,888	18,116	30,661	40,940	-
Loans and advances to customers	140,780	151,675	16,100	30,396	18,769	62,893	23,517
Investment securities	59,130	71,790	799	396	10,558	60,037	-
Total	459,290	487,820	93,987	109,398	97,048	163,870	23,517
<i>Derivative assets</i>							
Trading FX derivatives	1,229						
- Outflow		(91,706)	(25,440)	(56,530)	(9,736)	-	-
- Inflow		93,098	26,151	57,108	9,839	-	-
Total	1,229	1,392	711	578	103	-	-

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

The following table sets out the carrying amounts of non-derivative financial assets and financial liabilities expected to be recovered or settled less than 12 months after the reporting date.

	31 December 2022	31 December 2021
Financial assets		
Due from banks	89,023	161,895
Loans and advances to banks	85,302	57,622
Loans and advances to customers	100,819	60,500
Investment securities	5,201	12,715
Total	280,345	292,732
Financial liabilities		
Deposits from banks	36,473	48,108
Total	36,473	48,108

The following table sets out the carrying amounts of non-derivative financial assets expected to be recovered or settled more than 12 months after the reporting date (Financial liabilities: None).

	31 December 2022	31 December 2021
Financial assets		
Loans and advances to banks	63,173	39,863
Loans and advances to customers	61,183	80,280
Investment securities	60,549	46,415
Total	184,905	166,558

9.3.4. Liquidity reserves

The following table sets out the components of the Bank's liquidity reserves.

	31 December 2022		31 December 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Demand deposits	399	399	3,330	3,330
Money market placements	88,624	88,614	158,565	158,555
Investment securities	65,750	62,350	59,130	57,180
Total	154,773	151,363	221,025	219,065

As of 31 December 2022, the Bank does not have any financial asset recognised in the statement of financial position that had been pledged as collateral for liabilities (31 December 2021: None).

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

9.4. Market risk

Market risk is defined as the risk that changes in market prices will affect the Bank's income or the value of its holdings of financial instruments. The objective of the Bank's market risk management is to manage and control market risk exposures within acceptable parameters to ensure the Bank's sustainability while optimising the return on risk. Since the Bank's ordinary operations are inherently relatively risky, a conservative and comprehensive risk management framework addressing market risk has been established.

9.4.1. Currency risk

Currency risk is defined as the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Bank's risk management policies do not allow holding of significant foreign currency positions.

The main measurement currencies of the Bank's operations are SDR basket currencies namely; Euro, US Dollar, Chinese Yuan, British Pound and Japanese Yen. As the functional currency of the Bank is SDR, the financial statements are affected by currency exchange rate fluctuations against SDR.

Considering the appetite of clients in the member countries only for US Dollar and Euro in loan and treasury operations, the Bank mostly invests in these two currencies. To provide liquidity in US Dollar and Euro, currency swap and forward transactions are held against Chinese Yuan, British Pound and Japanese Yen.

By policies in place, the Bank monitors the current status of its assets and liabilities in contrast to SDR in order to ensure that it takes currency risk within the approved limits. For each currency, ALCO set a limit of $\pm 1.0\%$ of the equity for currency open positions. Treasury department is duly responsible to constantly monitor, to regularize any breach of the aforesaid limit and to report to ALCO on a weekly basis.

In order to monitor the foreign currency exposures, net foreign currency position figures are adjusted by the currency neutral position amounts for Euro, US Dollar, Chinese Yuan, British Pound and Japanese Yen which is calculated based on their respective weights in SDR basket as of reporting date.

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

As of 31 December 2022 and 31 December 2021 the foreign currency position of the Bank is as follows:

	31 December 2022					
	US Dollar	Euro	Other	Total foreign currency	SDR ('EU')	Total
Assets						
Due from banks	46,527	42,482	14	89,023	-	89,023
Loans and advances to banks	1,553	146,922	-	148,475	-	148,475
Loans and advances to customers	51,610	110,392	-	162,002	-	162,002
Investment securities	65,750	-	-	65,750	-	65,750
Derivative financial instruments	-	-	-	-	854	854
Tangible and intangible assets	-	-	-	-	4,714	4,714
Other assets	6	1	24	31	-	31
Total assets	165,446	299,797	38	465,281	5,568	470,849
Liabilities and Equity						
Deposits from banks	-	36,473	-	36,473	-	36,473
Derivative financial instruments	-	-	-	-	2,062	2,062
Employee benefits	3,382	-	31	3,413	-	3,413
Other liabilities	468	437	67	972	-	972
Equity	-	-	(19)	(19)	427,948	427,929
Total liabilities and Equity	3,850	36,910	79	40,839	430,010	470,849
Net balance sheet position	161,596	262,887	(41)	424,442	(424,442)	-
Off-balance sheet derivative instruments net notional position ⁽¹⁾	22,790	(134,029)	110,077	(1,162)	-	(1,162)
Net foreign currency position	184,386	128,858	110,036	423,280	(424,442)	(1,162)
Currency neutral position	(184,286)	(126,561)	(113,595)	(424,442)	424,442	-
FX exposure in notional Ccy⁽²⁾	100	2,297	(3,559)	(1,162)	-	(1,162)

(1) Off-balance sheet derivative instruments net notional position in Chinese Yuan, British Pound and Japanese Yen are EU 48,125 thousand, EU 31,092 thousand and EU 30,860 thousand, respectively.

(2) The total foreign currency exposure in Chinese Yuan, Japanese Yen, Turkish Lira, British Pound, Pakistani Rupee and Iranian Rial are EU (2,035) thousand, EU (1,466) thousand, EU (36) thousand, EU (15) thousand, EU (8) thousand and EU 1 thousand, respectively.

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

	31 December 2021					
	US Dollar	Euro	Other	Total foreign currency	SDR ('EU')	Total
Assets						
Due from banks	44,902	116,987	6	161,895	-	161,895
Loans and advances to banks	1,440	96,045	-	97,485	-	97,485
Loans and advances to customers	67,365	73,415	-	140,780	-	140,780
Investment securities	59,130	-	-	59,130	-	59,130
Derivative financial instruments	-	-	-	-	1,229	1,229
Tangible and intangible assets	-	-	-	-	3,993	3,993
Other assets	100	62	18	180	-	180
Total assets	172,937	286,509	24	459,470	5,222	464,692
Liabilities and Equity						
Deposits from banks	-	48,108	-	48,108	-	48,108
Derivative financial instruments	-	-	-	-	73	73
Employee benefits	3,114	-	14	3,128	-	3,128
Other liabilities	448	452	35	935	-	935
Equity	-	-	(4)	(4)	412,452	412,448
Total liabilities and Equity	3,562	48,560	45	52,167	412,525	464,692
Net balance sheet position	169,375	237,949	(21)	407,303	(407,303)	-
Off-balance sheet derivative instruments net notional position ⁽¹⁾	258	(108,763)	109,916	1,411	-	1,411
Net foreign currency position	169,633	129,186	109,895	408,714	(407,303)	1,411
Currency neutral position	(169,564)	(127,312)	(110,427)	(407,303)	407,303	-
FX exposure in notional Cey⁽²⁾	69	1,874	(532)	1,411	-	1,411

(1) Off-balance sheet derivative instruments net notional position in Chinese Yuan, British Pound and Japanese Yen are EU 45,982 thousand, EU 33,871 thousand and EU 30,063 thousand, respectively.

(2) The total foreign currency exposure in Chinese Yuan, Japanese Yen, British Pound, Pakistani Rupee and Turkish Lira are EU (507) thousand, EU (266) thousand, EU 265 thousand, EU (17) thousand and EU (7) thousand, respectively.

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

Sensitivity analysis

The basis for the sensitivity analysis to measure foreign exchange risk is an aggregate corporate-level currency exposure. The aggregate foreign exchange exposure is composed of all assets and liabilities denominated in foreign currencies.

The currency value of the SDR is determined by summing the US Dollar equivalents of pre-determined amounts of the US Dollar, Euro, Japanese Yen, British Pound and the Chinese Yuan, with market exchange rates. Therefore, any change in the US Dollar parity of the other currencies effect SDR parities of all the basket currencies. In this respect, foreign currency sensitivity is calculated based on appreciation/depreciation of the US Dollar against other SDR basket currencies with 10 percent. This would have increased/ (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

	<u>31 December 2022</u>		<u>31 December 2021</u>	
	<u>Appreciation</u>	<u>Depreciation</u>	<u>Appreciation</u>	<u>Depreciation</u>
US Dollar	9,995	(10,905)	9,507	(10,325)
Euro	(5,459)	5,744	(5,015)	5,782
Chinese Yuan	(2,103)	2,084	(1,866)	1,944
British Pound	(1,294)	1,412	(1,353)	1,474
Japanese Yen	(1,300)	1,386	(1,220)	1,283
Total	(161)	(279)	53	158

9.4.2. Interest rate risk

Interest rate risk is the risk of loss from fluctuations in the future cash flows or fair values of financial instruments because of a change in market interest rates. Bank is exposed to the interest rate risk to the extent that interest-earning assets and interest-bearing liabilities mature or re-price at different time periods or in different amounts. Interest rate risk is managed principally through monitoring interest rate gaps. The goal of interest rate risk management is to reduce effect of interest rate change on its Net Interest Income ('NII').

ALCO is the monitoring body for the interest rate risk and is assisted by Treasury Department in its periodical monitoring activities which is reviewed and discussed by ALCO during its monthly meetings and, if necessary, emergency ALCO Meetings which could be held at very short notice.

The interest rate repricing gap table analyses the full-term structure of interest rate mismatches within the Bank's balance sheet based on either (i) the next repricing date or the maturity date if floating rate or (ii) the maturity date if fixed rate.

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

As of 31 December 2022 and 31 December 2021 the interest rate gap position of the Bank is as follows:

	31 December 2022					Carrying amount
	Up to 1 month	1 to 3 months	3 to 12 months	Over 1 year	Non-interest bearing	
Assets						
Due from banks	69,487	19,536	-	-	-	89,023
Loans and advances to banks	17,575	23,872	107,028	-	-	148,475
Loans and advances to customers	4,825	37,633	119,544	-	-	162,002
Investment securities	3,883	429	1,537	59,901	-	65,750
Derivative financial instruments	-	-	-	-	854	854
Tangible and intangible assets	-	-	-	-	4,714	4,714
Other assets	-	-	-	-	31	31
Total assets	95,770	81,470	228,109	59,901	5,599	470,849
Liabilities						
Deposits from banks	12,286	-	24,187	-	-	36,473
Derivative financial instruments	-	-	-	-	2,062	2,062
Employee benefits	-	3,208	-	-	205	3,413
Other liabilities	-	-	-	-	972	972
Total liabilities	12,286	3,208	24,187	-	3,239	42,920
Net repricing gap	83,484	78,262	203,922	59,901	2,360	427,929
	31 December 2021					Carrying amount
	Up to 1 month	1 to 3 months	3 to 12 months	Over 1 year	Non-interest bearing	
Assets						
Due from banks	65,638	59,877	36,380	-	-	161,895
Loans and advances to banks	10,782	29,843	56,860	-	-	97,485
Loans and advances to customers	17,625	40,816	82,339	-	-	140,780
Investment securities	809	238	8,349	49,734	-	59,130
Derivative financial instruments	-	-	-	-	1,229	1,229
Tangible and intangible assets	-	-	-	-	3,993	3,993
Other assets	-	-	-	-	180	180
Total assets	94,854	130,774	183,928	49,734	5,402	464,692
Liabilities						
Deposits from banks	26,484	21,624	-	-	-	48,108
Derivative financial instruments	-	-	-	-	73	73
Employee benefits	-	2,853	-	-	275	3,128
Other liabilities	-	-	-	-	935	935
Total liabilities	26,484	24,477	-	-	1,283	52,244
Net repricing gap	68,370	106,297	183,928	49,734	4,119	412,448

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

Sensitivity analysis

The management of interest rate risk against interest rate gap limits is supplemented by monitoring the sensitivity of the Bank's financial assets and financial liabilities to various interest rate scenarios. For the assessment of the interest rate sensitivity of the Bank $\pm 0.25\%$ shift in the market interest rates were applied to the statement of financial position items which are subject to calculation.

As of reporting date, 0.25% shock is applied for US Dollar and Euro for the assessment of the changes in the fair value of balance sheet items which are subject to calculation. It is assumed that the interest rates are shifted. Hence, the calculated figures do not reflect the effect on current profit or loss and equity if the interest rates during the period would have been different.

	Applied shock	31 December 2022		31 December 2021	
		Profit or loss	Equity ⁽¹⁾	Profit or loss	Equity ⁽¹⁾
US Dollar	- 0.25%	(43)	(43)	(69)	(69)
US Dollar	+ 0.25%	43	43	69	69
Euro	- 0.25%	(166)	(166)	(11)	(11)
Euro	+ 0.25%	166	166	11	11
Total (for negative shocks)		(209)	(209)	(80)	(80)
Total (for positive shocks)		209	209	80	80

(1) Includes the profit or loss effect.

9.5. Compliance and Operational risk

Compliance risk is defined as the risk of legal or regulatory sanctions, material financial loss or loss to reputation that the Bank may suffer. Usually, this is the result of failure to comply with laws, regulations, rules, related self-regulatory organization standards, and codes of conduct applicable to banking activities. Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. The definition includes legal risk but excludes strategic and reputational risk.

The Management Committee of the Bank is responsible for the effective management of the Bank's compliance risk in care of the Bank's Policy and Compliance Department ('PCD') and operational risk under comprehensive risk management perspective. The PCD assists the Management Committee in effectively supervising and managing the compliance risk that the Bank can face. To this end, PCD identifies, assesses, and advises on; reviews and reports accordingly on the Bank's potential compliance risks.

Appropriate measures are taken by the Bank to achieve a high level of operational risk awareness and to enhance the operational risk management. The Bank adopts market best practices and methods to monitor and manage its operational risks. Key processes for the management of operational risk include, amongst others; establishing the necessary internal controls such as the 'four eyes principle' and proper segregation of duties within the Bank's departments; the purchase of corporate and property insurance policies to confront potential losses which may occur as a result of various events and natural disasters; and the approval process of new products to identify and assess the operational risk related to each new product, activity, process and system.

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NOTE 9 – FINANCIAL RISK REVIEW (Continued)

9.6. Capital management

As a multilateral financial institution, the Bank is not subject to regulatory capital requirements. However, the Bank preserves an actively managed capital to prudently cover risks in its activities. In this respect, the Bank follows sound standards as benchmarks for risk management and capital framework. As per Article 7 of the Agreement, the total amount of equity investment of the Bank shall not exceed 20 percent of the paid-in capital of the Bank.

The principal sources of capital increase are through payments of the subscribed capital by the shareholders and the retention of the undistributed element of the profit. Pursuant to Article 4 of the Agreement, the capital stock of the Bank can be increased by the vote of the Board of Governors. In accordance with Article 27 of the Agreement, the Board of Governors determine annually what part of the net income of the Bank from ordinary capital operations shall be allocated to reserves, provided that no part of the net income of the Bank shall be distributed to members by way of profit until the General Reserves of the Bank shall have attained the level of 25 percent of the subscribed capital. In substance, the primary objective of the Bank's capital management is to ensure adequate capital is available to expand the Bank's operations.

NOTE 10 – FAIR VALUES OF FINANCIAL INSTRUMENTS

Valuation models

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

- Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.
- Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between instruments.

Valuation techniques include net present value and discounted cash flow models, comparison with similar instruments for which observable market prices exist, and other valuation models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and foreign currency exchange rates.

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NOTE 10 – FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Bank uses widely recognised valuation models to determine the fair value of common and simple financial instruments, such as currency swaps, that use only observable market data and require little management judgement and estimation. Observable prices or model inputs are usually available in the market for listed debt securities and simple derivatives. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values. The availability of observable market prices and inputs varies depending on the products and markets and is prone to changes based on specific events and general conditions in the financial markets.

For more complex instruments, the Bank uses proprietary valuation models, which are usually developed from recognised valuation models. Some or all of the significant inputs into these models may not be observable in the market, and may be derived from market prices or rates or estimated based assumptions. Valuation models that employ significant unobservable inputs require a higher degree of management judgement and estimation in determination of fair value. Management judgement and estimation are usually required for the selection of appropriate valuation model to be used, determination of expected future cash flows on the financial instrument being valued, determination of the probability of the counterparty default and prepayments, determination of expected volatilities and correlations and selection of appropriate discount rates.

The following methods and assumptions were used to estimate the fair value of the financial instruments for which it is practicable to estimate fair value:

- The fair values of demand deposits denominated in other than presentation currency, which are translated at period-end exchange rates, are considered to approximate carrying values.
- The fair value of derivative financial instruments is estimated as the present value of future cash flows, using benchmark interest rates and yield curves.
- The fair values of due from banks are determined by discounting contractual cash flows with the sum of original spread and the respective benchmark interest rate as of the reporting date.
- The fair values of loans and advances are determined by discounting contractual cash flows with the sum of original spread and the respective benchmark interest rate as of the reporting date.
- The fair value of investment securities is estimated using the bid prices quoted as of the reporting date.
- The fair values of deposits from banks are determined by discounting contractual cash flows with the sum of original spread and the respective benchmark interest rate as of the reporting date.

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NOTE 10 – FAIR VALUES OF FINANCIAL INSTRUMENTS (Continued)

As of 31 December 2022 and 31 December 2021, the carrying amounts and fair values of financial instruments, by the level in the fair value hierarchy into which each fair value measurement is categorised, are as follows:

31 December 2022					
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Financial assets not measured at fair value					
Due from banks	-	-	89,012	89,012	89,023
Loans and advances to banks	-	-	147,788	147,788	148,475
Loans and advances to customers	-	-	161,560	161,560	162,002
Investment securities	62,350	-	-	62,350	65,750
Financial assets measured at fair value					
Derivative financial instruments	-	854	-	854	854
Total financial assets	62,350	854	398,360	461,564	466,104
Financial liabilities not measured at fair value					
Deposits from banks	-	-	36,247	36,247	36,473
Financial liabilities measured at fair value					
Derivative financial instruments	-	2,062	-	2,062	2,062
Total financial liabilities	-	2,062	36,247	38,309	38,535
31 December 2021					
	Level 1	Level 2	Level 3	Total fair values	Total carrying amount
Financial assets not measured at fair value					
Due from banks	-	-	161,886	161,886	161,895
Loans and advances to banks	-	-	97,555	97,555	97,485
Loans and advances to customers	-	-	141,010	141,010	140,780
Investment securities	57,180	-	-	57,180	59,130
Financial assets measured at fair value					
Derivative financial instruments	-	1,229	-	1,229	1,229
Total financial assets	57,180	1,229	400,451	458,860	460,519
Financial liabilities not measured at fair value					
Deposits from banks	-	-	48,108	48,108	48,108
Financial liabilities measured at fair value					
Derivative financial instruments	-	73	-	73	73
Total financial liabilities	-	73	48,108	48,181	48,181

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D. ASSETS

NOTE 11 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash and balances with banks repayable on demand and money market placements with original maturities of less than three months. Cash and cash equivalents as of 31 December 2022 and 31 December 2021, included in the accompanying statement of cash flows are as follows:

	31 December 2022	31 December 2021
Due from banks-demand	399	3,330
Due from banks-time (gross) (with original maturity less than three months)	66,350	78,877
Interest accrual	264	76
Less: ECL/Impairment losses	(776)	(674)
Total	66,237	81,609

NOTE 12 – DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments mainly consist of foreign currency swaps and foreign currency forward contracts.

Foreign currency forwards represent commitments to purchase or sell currency, including undelivered spot transactions.

Foreign currency swaps are commitments to exchange one set of cash flows for another. Swaps result in an economical exchange of currencies or interest rates. Currency swaps involve the exchange of the principal as well. The bank risks are represented by the potential cost of replacing the swap contracts if counterparties fail to perform their obligation. This risk is monitored on an on-going basis with reference to the current fair value and the liquidity of the market. To control the level of risk taken, the Bank assesses counterparties using the same techniques as for its lending activities.

The notional amounts of certain types of financial instruments provide a basis for comparison with instruments recognized on the balance sheet but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments, and therefore, do not indicate the Bank's exposure to credit or price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in foreign exchange rates and interest rates relative to their terms.

	31 December 2022		31 December 2021	
	Assets	Liabilities	Assets	Liabilities
Derivatives held for trading:				
Currency swaps	854	(2,062)	1,229	(73)
Total	854	(2,062)	1,229	(73)

The notional amounts of derivative transactions are explained in detail in Note 27.1.

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NOTE 13 – DUE FROM BANKS

As of 31 December 2022 and 31 December 2021, due from banks at amortised cost are as follows:

	31 December 2022	31 December 2021
Demand deposits	399	3,330
Money market placements	89,668	159,931
Due from banks, gross	90,067	163,261
Less: ECL/Impairment losses	(1,044)	(1,366)
Due from banks at amortised cost, net	89,023	161,895

NOTE 14 – LOANS AND ADVANCES TO BANKS

As of 31 December 2022 and 31 December 2021, loans and advances to banks at amortised cost are as follows:

	31 December 2022	31 December 2021
Trade finance	102,366	67,360
SME support program	47,848	30,961
Loans and advances to banks, gross	150,214	98,321
Less: ECL/Impairment losses	(1,739)	(836)
Loans and advances to banks at amortised cost, net	148,475	97,485

NOTE 15 – LOANS AND ADVANCES TO CUSTOMERS

As of 31 December 2022 and 31 December 2021, loans and advances to customers at amortised cost are as follows:

	31 December 2022	31 December 2021
Trade/Corporate finance	96,195	71,589
Project finance	67,981	71,571
Loans and advances to customers, gross	164,176	143,160
Less: ECL/Impairment losses	(2,174)	(2,380)
Loans and advances to customers at amortised cost, net	162,002	140,780

NOTE 16 – INVESTMENT SECURITIES

As of 31 December 2022 and 31 December 2021, investment securities are as follows:

	31 December 2022	31 December 2021
Debt investment securities measured at amortised cost:		
Bonds issued by financial institutions	54,997	51,483
Government bonds	11,401	8,083
Total debt investment securities measured at amortised cost	66,398	59,566
Less: ECL/Impairment losses	(648)	(436)
Investment securities, net	65,750	59,130

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NOTE 16 – INVESTMENT SECURITIES (Continued)

Movements in the investment securities are as follows:

	31 December 2022	31 December 2021
Balance at 1 January	59,130	36,839
Purchases during the year	11,168	34,606
Disposals through sales and redemption	(8,963)	(14,261)
ECL provision	(212)	(148)
Income accruals and rediscount	926	1,059
Foreign exchange movements	3,701	1,035
Balance at period end	65,750	59,130

NOTE 17 – TANGIBLE AND INTANGIBLE ASSETS

As of 31 December 2022 and 31 December 2021, tangible and intangible assets are as follows:

	31 December 2022	31 December 2021
Cost	8,597	10,928
Less: Accumulated depreciation	(1,636)	(1,811)
Less: Accumulated impairment loss	(2,247)	(5,124)
Net book value	4,714	3,993

Movements in tangible and intangible assets are as follows:

	Land and Buildings ⁽¹⁾	Motor vehicles	Furniture, fixture and equipment	Intangible assets	Investment property	Total
31 December 2022						
Net book value at 1 January	2,988	14	15	2	974	3,993
Additions	8	127	67	-	-	202
Disposals	-	(88)	(9)	-	(2,437)	(2,534)
Accumulated depreciation and impairment of disposals	-	88	9	-	1,467	1,564
Reversal of impairment	1,617	-	-	-	-	1,617
Depreciation and amortization	(93)	(22)	(8)	(1)	(4)	(128)
Net book value at period end	4,520	119	74	1	-	4,714
31 December 2021						
Net book value at 1 January	3,040	-	21	4	999	4,064
Additions	35	17	5	-	-	57
Depreciation and amortization	(87)	(3)	(11)	(2)	(25)	(128)
Net book value at period end	2,988	14	15	2	974	3,993

- (1) Land and buildings includes the asset usage rights of the real estates rented under the IFRS 16. As of 31 December 2022, net book value of asset usage rights is EU 15 thousand (31 December 2021: EU 24 thousand).

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NOTE 17 – TANGIBLE AND INTANGIBLE ASSETS (Continued)

Property and equipment

As of 31 December 2022, property and equipment excluding the motor vehicles were insured against fire, theft and damage to the extent of EU 792 thousand. Motor vehicles are insured against accident to the extent of their acquisition cost.

As of 31 December 2022, total impairment losses regarding the headquarters building of the Bank amount to EU 2,247 thousand (31 December 2021: EU 3,864 thousand).

As of 31 December 2022, there were no capitalised borrowing costs related to the acquisition of property and equipment (31 December 2021: None).

The Bank leases real estates for its representative offices in Iran and Pakistan. The leases typically run for a period of 1-3 years and do not contain extension options exercisable by the Bank. Movements in right-of-use assets are as follows:

	31 December 2022	31 December 2021
Net book value at 1 January	24	-
Addition	8	35
Depreciation charge	(17)	(11)
Net book value at period end	15	24

Investment property

The Bank disposed all of its investment properties by sale on 18 March 2022.

As of 31 December 2021, investment property comprised of four properties in the Bank's headquarters building. In the current period no rental income from investment property has been recognised in other operating income (31 December 2021: None). Direct operating expenses for investment property that did not generate rental income amount to EU 3 thousand (31 December 2021: EU 12 thousand). There were no direct operating expenses for investment property that generated rental income (31 December 2021: None).

NOTE 18 – OTHER ASSETS

As of 31 December 2022 and 31 December 2021, other assets are as follows:

	31 December 2022	31 December 2021
Pre-paid expenses	14	12
Vendor down payments	6	3
Receivables from clients ⁽¹⁾	1	155
Other	10	10
Total	31	180

(1) The Bank receives over-due interest, front-end fees, commitment fees over the undrawn loan commitments and expenses related with loan operations. As of 31 December 2022, the Bank has EU 1 thousand fee receivables (31 December 2021: EU 61 thousand fee and EU 94 thousand interest receivables).

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E. LIABILITIES AND EQUITY

NOTE 19 – DEPOSITS FROM BANKS

As of 31 December 2022 and 31 December 2021, deposits from banks are as follows:

	31 December 2022	31 December 2021
Money market deposits	36,473	48,108
Total	36,473	48,108

NOTE 20 – EMPLOYEE BENEFITS

As of 31 December 2022 and 31 December 2021, employee benefits are as follows:

	31 December 2022	31 December 2021
Pension plan liabilities	3,281	2,990
Annual leave pay liability	101	124
Reserve for employee severance indemnity	31	14
Total	3,413	3,128

20.1. Pension plan liabilities

As of 31 December 2022 and 31 December 2021, pension plan liabilities are as follows:

	31 December 2022	31 December 2021
First pillar	1,091	1,004
Second pillar	1,130	1,010
Third pillar	232	221
Investment returns	782	644
Actuarial (gain)/loss	46	111
Total	3,281	2,990

Movements in the pension plan liabilities are as follows:

	31 December 2022	31 December 2021
Balance at 1 January	2,990	3,376
Increase during the year	629	637
Benefits paid	(432)	(1,137)
Actuarial (gain)/loss	(70)	19
Foreign exchange movements	164	95
Balance at period end	3,281	2,990

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NOTE 20 – EMPLOYEE BENEFITS (Continued)

The movement in the actuarial loss due to defined benefit obligation (disability pension liability) over the period is as follows:

	31 December 2022	31 December 2021
Balance at 1 January	111	89
Current service cost	12	16
Interest cost	4	3
Actuarial (gain)/loss	(87)	-
Foreign exchange movements	6	3
Balance at period end	46	111

The principal actuarial assumptions used were as follows (denominated in US Dollar):

	31 December 2022 (%)	31 December 2021 (%)
Discount rate	5.26	3.5
Price inflation	2.30	2.3
Pay increase	3.50	3.5

Mortality rate:

EVK00 standard mortality rates for males and females are used for pre and after retirement mortality. The average life expectancy in years of a pensioner after retiring at age 60 for both men and women on the reporting date are as follows:

	31 December 2022	31 December 2021
Male	19.90	21.48
Female	22.50	24.40

The sensitivity analysis of defined benefit obligation of excess liabilities as of 31 December 2022 is as follows:

Assumption change	Pension excluding in-service disability	Salary continuation
Discount rate +1%	(14.7%)	(6.6%)
Discount rate -1%	18.4%	7.3%

20.2. Annual leave pay liability

The Bank's liability is the sum of the monetary values of each employee's annual leave entitlement which is calculated based on the monthly basic salaries. Movement in the annual leave pay liability is as follows:

	31 December 2022	31 December 2021
Balance at 1 January	124	114
Provision for the period, (net)	(23)	10
Balance at period end	101	124

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NOTE 20 – EMPLOYEE BENEFITS (Continued)

20.3. Reserve for employee severance indemnity

The reserve has been calculated by estimating the present value of the future probable obligation of the Bank. IAS 19 requires actuarial valuation methods to be developed to estimate the entity's obligation for such benefits. Accordingly, the following actuarial assumptions were used in the calculation of the total liability:

	31 December 2022	31 December 2021
Discount rate (%)	1.57	3.92
Turnover rate to estimate the probability of retirement (%)	100.00	100.00

The principal actuarial assumption is that the current maximum liability will increase in line with inflation. Thus, the discount rate applied represents the expected real rate after adjusting for the effects of future inflation. As the maximum liability is revised semi-annually, the lower of maximum amount of TL 15,371 (31 December 2021: TL 8,285) and gross monthly income of the staff member has been taken into consideration in calculating the reserve for employee termination benefits.

Because of being a multilateral development bank which is operative in different jurisdictions, the necessity of immunity from judicial proceedings has been recognized for the Bank by the Government of Türkiye under the provision of the Article 4 of the Headquarters Agreement. Therefore, provision for severance payment is not calculated for the professional staff of the Bank. These financial statements include provision for severance payment only for the service staff employed by the Bank according to Turkish Labour Law.

Movements in the reserve for employment termination benefits are as follows:

	31 December 2022	31 December 2021
Balance at 1 January	14	18
Current service cost	2	1
Interest cost	2	2
Actuarial (gain)/loss	15	(2)
Foreign exchange movements	(2)	(5)
Balance at period end	31	14

NOTE 21 – OTHER LIABILITIES

As of 31 December 2022 and 31 December 2021, other liabilities are as follows:

	31 December 2022	31 December 2021
Unearned income ⁽¹⁾	570	626
Payables	130	21
Lease liabilities	8	18
Other ⁽²⁾	264	270
Total	972	935

(1) The Bank defers the income from front-end commissions during the tenor specified in the loan agreements.

(2) Transitory liabilities amount to EU 259 thousand (31 December 2021: EU 261 thousand).

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NOTE 21 – OTHER LIABILITIES (Continued)

Lease liabilities

Lease liabilities relate to the leased real estates that are presented within tangible and intangible assets (see Note 17). Movement in the lease liabilities is as follows:

	31 December 2022	31 December 2021
Net book value at 1 January	18	-
Addition	8	35
Accretion of interest	-	1
Payments	(17)	(16)
Foreign exchange movements	(1)	(2)
Net book value at period end	8	18

NOTE 22 – EQUITY

22.1. Share capital

As of 31 December 2022 and 31 December 2021, issued share capitals are as follows:

	31 December 2022	31 December 2021
Authorized share capital	1,089,100	1,089,100
Less: unallocated share capital	-	-
Subscribed share capital	1,089,100	1,089,100
Less: callable share capital	(762,350)	(762,350)
Paid-in share capital	326,750	326,750

There is no share capital paid-in during 2022 (2021: None).

As of 31 December 2022, share capital structure of the Bank showing the number of shares, the amount subscribed by each member, including their respective callable and payable as well as the amount paid-in is as follows:

	Shares	Subscribed	Callable	Payable	Paid-in
Islamic Republic of Iran ⁽¹⁾	3,333	333,333	233,333	-	100,000
Islamic Republic of Pakistan ⁽¹⁾	3,333	333,333	233,333	-	100,000
Republic of Türkiye ⁽¹⁾	3,333	333,333	233,333	-	100,000
Islamic Republic of Afghanistan	500	50,000	35,000	-	15,000
Republic of Azerbaijan	325	32,500	22,750	-	9,750
Kyrgyz Republic	66	6,600	4,600	-	2,000
Total	10,891	1,089,100	762,350	-	326,750

(1) Total number of shares, subscribed capital and callable capital of the three founding members are equal and 10,000; EU 1,000,000 thousand and EU 700,000 thousand, respectively.

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NOTE 22 – EQUITY (Continued)

Out of the subscribed capital, EU 762,350 thousand may become payable (31 December 2021: EU 762,350 thousand), upon a unanimous decision of the Board of Governors, by the member countries in such manner and on such terms as deemed fit by the Board of Governors. The paid-in capital of EU 326,750 thousand (31 December 2021: EU 326,750 thousand) is reflected at its cost.

22.2. Reserves

As of 31 December 2022 and 31 December 2021, reserves are as follows:

	31 December 2022	31 December 2021
General reserves	85,702	76,648
Actuarial reserves	(19)	(4)
Total	85,683	76,644

In accordance with Article 27 of the Agreement, the Board of Governors determine annually what part of the net income of the Bank from ordinary capital operations shall be allocated to reserves, provided that no part of the net income of the Bank shall be distributed to members by way of profit until the general reserves of the Bank shall have attained the level of 25% of the subscribed capital.

F. PERFORMANCE FOR THE PERIOD

NOTE 23 – NET INTEREST INCOME

	31 December 2022	31 December 2021
Interest income		
Due from banks	2,737	2,591
Loans and advances to banks	3,290	2,315
Loans and advances to customers	5,028	3,373
Investment securities at amortised cost	5,008	2,649
Total interest income	16,063	10,928
Interest expense		
Deposits from banks	(495)	(299)
Pension plan liabilities ⁽¹⁾	(219)	(182)
Other	(1)	(1)
Total interest expense	(715)	(482)
Net interest income	15,348	10,446

(1) As the Bank keeps assets of the pension plan under its treasury investment portfolio, interest is accrued on the liabilities to the pension plan (Note 7.16.2).

The amounts reported above are calculated using the effective interest method.

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NOTE 24 – NET FEE AND COMMISSION INCOME

	31 December 2022	31 December 2021
Fee and commission income		
Front-end fees from customers	451	557
Commitment fees from customers	35	62
Front-end fees from banks	35	58
Total fee and commission income	521	677
Fee and commission expense	(8)	(4)
Net fee and commission income	513	673

NOTE 25 – OPERATING EXPENSES

	31 December 2022	31 December 2021
Personnel expenses		
Salaries and benefits	2,358	2,527
Contributions to defined contribution/benefit plans ⁽¹⁾	251	365
Other contributions ⁽²⁾	43	52
Other personnel expenses	3	10
Total personnel expenses	2,655	2,954
Other administrative expenses		
Operational subscriptions expenses	85	71
Office occupancy expenses ⁽³⁾	61	65
Consultant and third party fees	38	31
Travel and accommodation expenses	67	4
Equipment, maintenance and support	16	20
Other	54	42
Total other administrative expenses	321	233
Depreciation and amortization	128	128
Other operating expenses ⁽⁴⁾	130	1
Total operating expenses	3,234	3,316

- (1) Contributions are comprised of the contributions made by the Bank on behalf of the employees for the Bank's Pension Plan (Note 7.16.2) and Turkish State Social Security Plan (Note 7.16.1).
- (2) Other contributions are comprised of life insurance and medical insurance contributions made by the Bank on behalf of the employees, as well as income tax on emoluments.
- (3) Direct operating expenses for investment property that did not generate rental income amount to EU 3 thousand (31 December 2021: EU 12 thousand). There were no direct operating expenses for investment property that generated rental income (31 December 2021: None).
- (4) Other operating expenses are comprised of losses from the disposal of assets amounting to EU 130 thousand (31 December 2021: None) and write-off of receivables (31 December 2021: EU 1 thousand)

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NOTE 26 – OTHER OPERATING INCOME

	31 December 2022	31 December 2021
Gain from sale of tangible assets	29	7
Reversal of impairment loss ⁽¹⁾	1,617	-
Other	-	62
Total other operating income	1,646	69

(1) The Bank reversed EU 1,617 thousand of the impairment losses regarding the headquarters building of the Bank (31 December 2021: None).

G. OTHER INFORMATION

NOTE 27 – COMMITMENTS AND CONTINGENT LIABILITIES

In the normal course of business activities, the Bank undertakes various commitments and incurs certain contingent liabilities that are not presented in the financial statements.

27.1. Commitments under derivative instruments

As of 31 December 2022 and 31 December 2021, breakdown of notional amounts of derivative transactions are as follows:

	31 December 2022					Total
	US Dollar	Euro	Chinese Yuan	British Pound	Japanese Yen	
Derivatives held for trading						
Currency swaps	22,572	-	48,342	31,092	30,860	132,866
Currency forwards	218	-	-	-	-	218
Total purchases	22,790	-	48,342	31,092	30,860	133,084
Derivatives held for trading						
Currency swaps	-	(134,029)	-	-	-	(134,029)
Currency forwards	-	-	(217)	-	-	(217)
Total sales	-	(134,029)	(217)	-	-	(134,246)
Off-balance sheet net notional position	22,790	(134,029)	48,125	31,092	30,860	(1,162)

THE ECONOMIC COOPERATION ORGANIZATION TRADE AND DEVELOPMENT BANK

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

NOTE 27 – COMMITMENTS AND CONTINGENT LIABILITIES (Continued)

	31 December 2021					Total
	US Dollar	Euro	Chinese Yuan	British Pound	Japanese Yen	
Derivatives held for trading						
Currency swaps	2,501	-	46,158	33,871	30,063	112,593
Currency forwards	176	-	-	-	-	176
Total purchases	2,677	-	46,158	33,871	30,063	112,769
Derivatives held for trading						
Currency swaps	(2,419)	(108,763)	-	-	-	(111,182)
Currency forwards	-	-	(176)	-	-	(176)
Total sales	(2,419)	(108,763)	(176)	-	-	(111,358)
Off-balance sheet net notional position	258	(108,763)	45,982	33,871	30,063	1,411

27.2. Credit related and other commitments

As of 31 December 2022 and 31 December 2021, breakdown of commitments related to loan agreements and other commitments are as follows:

	31 December 2022	31 December 2021
Credit limit commitments ⁽¹⁾	7,981	16,162
Other commitments	14	5
Total	7,995	16,167

(1) The Bank has disbursement commitments as per the signed loan agreements.

NOTE 28 – SEGMENT ANALYSIS

The Bank is a multilateral financial institution dedicated to promoting and facilitating private and public sector investments, cooperation and development in member states and fostering the growth of intra-regional trade. The Bank operates in a specific geographical area and the primary reporting format for business segments includes Banking and Treasury operations. Banking activities represent loans to financial institutions for SME support and trade finance, loans to customers for projects, trade and corporate finance. Treasury activities include raising debt finance, investing surplus liquidity, managing the Bank's market risk.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

NOTE 28 – SEGMENT ANALYSIS (Continued)

31 December 2022	Banking	Treasury	Total
Interest income	8,318	7,745	16,063
Fee and commission income	521	-	521
Total segment revenues	8,839	7,745	16,584
Interest expense	(245)	(470)	(715)
Fee and commission expense	(3)	(5)	(8)
Net trading income/(loss)	-	1,810	1,810
Other operating income	1,097	549	1,646
Operating expenses	(2,361)	(873)	(3,234)
Segment income before impairment	7,327	8,756	16,083
Net impairment (loss)/reversal	(697)	110	(587)
Net income for the period	6,630	8,866	15,496
Segment assets	313,640	157,209	470,849
Segment liabilities	24,593	18,327	42,920
31 December 2021	Banking	Treasury	Total
Interest income	5,688	5,240	10,928
Fee and commission income	677	-	677
Total segment revenues	6,365	5,240	11,605
Interest expense	(149)	(333)	(482)
Fee and commission expense	(1)	(3)	(4)
Net trading income/(loss)	-	1,306	1,306
Other operating income	46	23	69
Operating expenses	(2,437)	(879)	(3,316)
Segment income before impairment	3,824	5,354	9,178
Net impairment (loss)/reversal	58	(182)	(124)
Net income for the period	3,882	5,172	9,054
Segment assets	241,047	223,645	464,692
Segment liabilities	8,704	43,540	52,244

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

NOTE 29 – RELATED PARTY TRANSACTIONS

For the purpose of this report, the Bank's key management personnel are referred to as related parties.

The Bank's key management personnel are comprised of the President and two Vice Presidents. They are entitled to a staff compensation package that includes salary, medical and life insurance, participation in the Bank's pension plan, and other short term benefits.

The salaries and other benefits paid to key management personnel amount to EU 590 thousand (31 December 2021: EU 593 thousand). This comprises salary and employee benefits of EU 510 thousand (31 December 2021: EU 516 thousand) and contributions made by the Bank on behalf of the management personnel of EU 80 thousand (31 December 2021: EU 77 thousand). Key management personnel do not receive post-employment benefits like termination benefits, any share-based payments or other long term benefits, except lump sum pension payment.

The members of the Board of Directors are not personnel of the Bank and do not receive any fixed term salaries nor any staff benefits.

NOTE 30 – SUBSEQUENT EVENTS

The regulation dismantling the retirement age requirement in Türkiye for employees who started their working life before 8 September 1999 was published in the Official Gazette on 3 March 2023. Accordingly, the employees who have completed the number of premium days and social insurance period are entitled to retirement. The regulation is expected to have an impact on the timing and probability of settlement of severance payments. The regulation is not expected to have a significant impact on the Bank's financial position and financial performance.

An earthquake occurred in the south-eastern part of Türkiye that affected many of cities, killing and injuring thousands of people. The disaster is not expected to have a significant impact on the Bank's financial position and financial performance.



REPORT OF THE ECO TRADE AND DEVELOPMENT BANK

27th Meeting of ECO Council of Ministers Meeting

(8-9 October 2023, Azerbaijan)

EXECUTIVE SUMMARY

- The Bank was established in 2008. The Articles of Agreement of the Bank was registered by the United Nations (UN) under the number 44939 on May 19, 2008, acknowledging the international legal status of the Bank.
- Headquarter of the Bank is in Istanbul. The Bank has two representative offices (Karachi and Tehran). The Bank is staffed with 32 employees from member states as end of December 2022.
- Bank is managed under best corporate principles.
- The total assets of the Bank amounted to SDR 471 million by the end of 2022 (2021: SDR 465 million).
- The Bank continues to attain positive income levels. The Bank posted a net profit of SDR 15,496 thousand in 2022 (2021: SDR 9,054 thousand), representing 71 percent increase compared to previous year.
- The total reserves and retained earnings of the Bank amounted to SDR 101.1 million by the end of 2022 representing an increase of 18 percent compared to 2021 end year figure.
- The Return on Assets (RoA) was 3.3 percent and the Return on Equity (RoE) stood at 3.7 percent as the end of December 2022 which was comparatively higher than 2021 end year figures (2021-RoA: 1.9 percent, RoE: 2.2 percent).
- Main focus of the Bank is in promoting trade and financing development projects in the member states with a special focus on supporting Micro & Small and Medium Enterprises development.
- Since 2008, when the Bank started its credit operations, the total loans disbursed to various operations in the member states amounted to SDR 1,726 million as the end of December 2022. In line with its mandate to support trade transactions of member states, about 65 percent of the total disbursed funds were extended for financing trade, making the Bank's involvement in the region's trade more inclusive.
- The Bank continues to finance successful projects in the member states in the areas of transport, wind power, health, solar energy, energy efficiency and rural/agricultural infrastructure.
- Bank's cooperation with other Multilateral Development Banks such as IFC, ADB, EBRD, BSTDB and IsDB on developing strategic synergies for the benefit of the ECO region has intensified, and culminated with several co-financing arrangements.
- Bank presently has 6 members with following shares; Türkiye (30.6%), Pakistan (30.6%), Iran (30.6%), Afghanistan (4.59%), Azerbaijan (2.98%) and Kyrgyzstan (0.61%). The other remaining four ECO member states namely Kazakhstan, Tajikistan, Turkmenistan and Uzbekistan are expected to join the Bank.

- The Bank has established itself professionally in last 14 years. For the Bank to perform more meaningful role there is need that the Bank should expand at this stage. Participation of Kazakhstan, Tajikistan, Uzbekistan and Turkmenistan as members would help the Bank to further expand its activities over the entire region. Re-capitalization by existing member states would also support the Bank to play a more effective developmental role in the region.

INTRODUCTION

The Economic Cooperation Organization (ECO) Trade and Development Bank (ETDB) was established by the decision of the Council of Ministers of ECO member states as a Multilateral Development Bank (MDB) for the purposes of initiating, promoting and providing financial facilities to expand intra-regional trade as well as accelerating economic development. The Bank is structured and operating under prudent policies, rules and regulations which are similarly adopted by other MDBs.

The Articles of Agreement establishing the Bank became effective on August 3, 2005 following the parliamentary approvals of the founding members of the Bank namely the Islamic Republic of Iran, the Islamic Republic of Pakistan and the Republic of Türkiye. The Articles of Agreement was registered by the United Nations (UN) under the number 44939 on May 19, 2008, acknowledging the international legal status of the Bank.

The Headquarters Agreement of the Bank was ratified by the Republic of Türkiye in July 2007 and the Bank started its operations in December 2008. Its headquarters is in Istanbul (Türkiye) and representative offices are in Karachi (Pakistan) and Tehran (Iran). The Bank is staffed with 32 professionals from member states as end of December 2022.

The Articles of Agreement establishing the ETDB define the governance structure which is managed through well-defined responsibilities of its Board of Governors (BoGs), Board of Directors (BoDs) and Management Committee. Accordingly, the corporate governance principals and standards adopted by the BoGs have been developed with close reference to best practices adopted by other peer institutions.

The vision of the Bank is to become the financial pillar of economic cooperation among ECO member states fostering sustainable economic development and integration. The Bank undertakes its activities within the framework of its Business Plan, country specific partnership strategy (CPS) documents and other operational policy documents. The primary target of the ETDB is to finance programmes and projects covering a wide range of socio-economic activities in line with national development plans. Sectors such as infrastructure, industry, agriculture, energy, transport and communications are given special attention. The Bank has a strategic business perspective defining a realistic road map to progress its operations efficiently. Accordingly, based on its competitive advantage and market niche in the region, the Bank's strategic goals are mainly as follows;

- Good asset quality with a well-diversified portfolio in terms of sector and country.
- Providing financial and technical services tailored to the needs of the member states
- Focusing on development of medium sized companies that are export oriented, transfer technology and know-how, generate high levels of value added and employment
- Cooperating with local financial institutions to support trade finance and development of Micro & SMEs

- Enhancing the co-financing operations
- Increasing the membership base
- Obtaining and maintaining a favourable external credit rating
- Mobilize resources at reasonable costs
- Further strengthening the risk management perspective
- Continue to invest in development of Bank's IT infrastructure to maintain an effective integrated system
- Enhancing the human resources and technical capabilities

Accordingly all operations that the Bank would conduct must be technically, economically, financially, legally, and environmentally sound, accord with its policies and represent an acceptable risk.

MAIN PRODUCTS AND SERVICES OFFERED BY THE BANK

The Bank offers a range of medium-to-long term loans directly and through financial intermediaries to private and state owned entities. The Bank is committed to deliver a strategic agenda through demand based, country-owned, and results-oriented partnership strategies and related technically viable programs of assistance. The main products and services offered by the Bank inter-alia include;

- | | |
|----------------------|---------------------------------|
| • Project Finance | • Co-financing and Syndication |
| • Corporate Finance | • Guarantees |
| • Trade Finance | • Soft Loans |
| • M-SMEs Finance | • Technical & Advisory Services |
| • Equity Investments | • Soft Loan Financing |

The primary target of the ETDB is to finance programs and projects covering a wide range of socio-economic activities in line with national development plans. Based on its Business Plan and country specific partnership strategy documents, the Bank mainly focuses on following sectors:

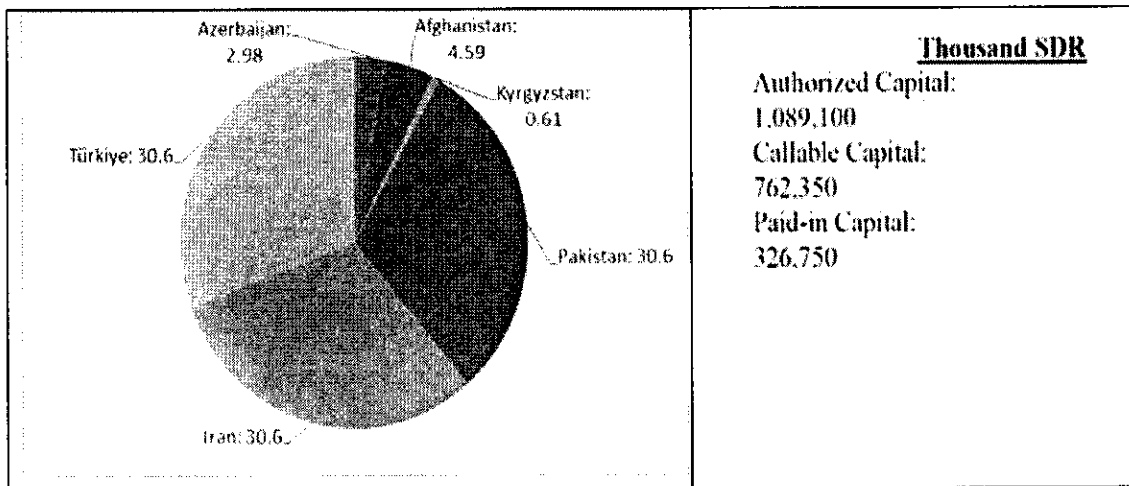
- | | |
|------------------|-----------------------------------|
| • Manufacturing | • Finance |
| • Energy | • Energy |
| • Trade | • Tourism |
| • Industry | • Transport and logistics |
| • Infrastructure | • Agriculture and food production |

CAPITAL RESOURCES AND MEMBERSHIP STRUCTURE

The unit of account of the Bank is ECO Unit (EU). Each EU is equivalent to one Special Drawing Right (SDR) of the International Monetary Fund (IMF). The authorized (subscribed) capital of the Bank is SDR 1,089,100 thousand and the size of the paid-in capital is SDR 326,750 thousand.

Kazakhstan, Tajikistan, Uzbekistan and Turkmenistan are still not members but are expected to become the member of the Bank.

Shareholder Structure (%)



In common with most MDBs, the ETDB has a share of its capital that is callable; an unconditional and full-faith obligation of each member country to provide additional capital whenever required. Out of the said authorized capital SDR 762,350 thousand may become payable, upon a unanimous decision of the BoGs.

According to "Articles of Agreement" establishing the Bank, the membership is open to all ECO member states. The current membership structure of the ETDB increased to six members namely Türkiye, Iran, Pakistan, Afghanistan, Azerbaijan and Kyrgyzstan covering majority of the ECO member states. The Bank is keen to have all ECO member states as the member of the Bank and benefit from its activities. Accession of new members would not only increase the resources of the Bank but would also allow the Bank to further expand its operations and influence in the region.

The Bank is committed to efficient use of its current resources with an aim at optimizing the allocation of funds to different asset classes in the member states without neglecting its purpose and objectives. The Bank has modest financial resources compared to other MDBs and even to some commercial banks in the member states. Therefore, through a recapitalization process, the Bank would enjoy improved prospects for dynamic growth of its operations. Also, Bank's contribution to the sustainable development of member states would be further enhanced.

CREDIT OPERATIONS

As a regional development financial institution, the Bank puts efforts to add value and mobilize resources to complement commercial lending in supporting regional cooperation and sustainable development. The Bank follows the strategy to pursue a dynamic business model focused on enhancement of regional trade, development of Micro & SMEs, meeting the financing and technical assistance needs of corporates and projects in the member countries.

Since 2008, when the Bank started its operations, the total amount of loans disbursed to various operations in the member states has exceeded USD 2.7 billion as end of July 2023.

Loan disbursements during 2008-July 2023 as per country (thousand USD)

	Iran	Pakistan	Türkiye	Azerbaijan	Total
M-SMEs Dev. Loans	52,13	62,50	333,68	3,00	451,31
Trade Finance	94,34	160,13	794,71	9,83	1,059,01
Corporate Finance	89,09	635,55	113,95	-	838,59
Project Finance	92,29	111,89	104,21	-	308,39
Total	327,85	970,07	1,346,55	12,83	2,657,30

(i) Micro & SMEs FINANCING

The SMEs play important role in economic growth, employment and expanding trade in the member states. In line with its main goals, promoting the production and innovation capacity of vibrant SMEs in the member states remains a priority for the Bank. Under SMEs facility, the Bank has been extending medium term funds to local financial institutions to be utilized for financing needs of the SMEs. Moreover, through micro-finance institutions, the Bank focuses to increase access to finance by micro-enterprises and lower-income groups. Cooperation with financial institutions ensures that Bank's funds are transmitted to the M-SMEs effectively and development of financial services is supported as well. During 2008-July 2022, the Bank disbursed USD 451 million M-SME facilities to the qualified customers in the member states. Based on the data provided by the partner financial institutions, SMEs which benefitted from these funds were mainly active in the manufacturing, energy, mining, agriculture and forestry, construction, textile, machinery & equipment sectors, thereby contributing to the economic development and job creation. In addition, it is considered that over 44,000 micro-entrepreneurs have benefitted from intermediated funds of the Bank.

(ii) TRADE FINANCING

The Bank has been expanding its trade finance facility as one of its main activities with aim to support the economic growth and intra-regional trade. The Bank provides supports to traders through financial intermediaries in member countries for diverse activities including line of credits, issuing guarantees, discounting, forfaiting, buyer's credit which all are designed to meet all different requirements in trade finance. During 2008-July 2023, total disbursed loans through this form of facility to member countries amounted to USD 1.1 billion. Considering other trade related loans, it may be stated that about 65 percent of Bank's disbursed funds are extended for financing trade, making the Bank's involvement in the region's trade more inclusive.

(iii) CORPORATE AND PROJECT FINANCING

The Bank provides short/medium to long term finance to corporates for trade finance and capacity development needs. The project finance loans are provided in line with Bank's overall objective of fostering economic development in the member states. The process of selecting projects is based on but not limited to the assessment of incremental and development impact with special attention given to the national priorities of the member states.

The total disbursement during 2008-July 2023 period including undisbursed commitments under corporate and project finance operations have been intensified and amounted to USD 1.1 billion. The Bank has been able to finance successful projects in the member states in the areas of transport, wind power, health, solar energy, energy efficiency and rural/agricultural infrastructure.

The Bank cooperates actively with other international development institutions such as IFC, EBRD, BSTDB, ADB, and IDB in order to conduct co-financing arrangements in the common member states.

Some of Corporate and Project finance operations in the member states

#	Name of Client	Operation	ETDB Loan Amount (USD)
1.	Istanbul Metropolitan Municipality /Türkiye	Procurement of subway vehicles for Metro Line Project	35,000,000
2.	Tehran Province Water and Wastewater Company / Iran	Shahriar Water and Waste Water System Project	21,900,000
3.	Regional Water Authority of Iran (KRWA)/ Iran	Siazakh Irrigation Project	20,500,000
4.	South Khorassan Waste Water Company / Iran	Birjand Waste Water Treatment Project	27,220,000
5.	Government of Pakistan	Trade Finance Facility	40,000,000
6.	Zorlu Energy Pakistan Limited/ Pakistan	Wind Power Farm Project	20,000,000
7.	DG Khan Cement Company Limited (DGKCC) / Pakistan	Waste heat recovery plant and refused derive fuel facilities Project	20,950,000
8.	Soft Loan to Government of Pakistan	Facility for supporting reconstruction and rehabilitation efforts following massive floods	10,000,000
9.	Mazandaran Power Transmission Project/Iran	Expansion and modernization of electric transmission and distribution infrastructure	24,300,000
10.	Harappa Solar (Pvt) Limited/Pakistan	Solar Power Farm Project	8,221,350
11.	Government of Pakistan	Trade Finance Facility-Syndication	50,000,000
12.	Government of Türkiye	Istanbul Seismic Risk Mitigation and Emergency Preparedness (ISMEP) Project	48,664,000
13.	Government of Türkiye	Soft loan (COVID-19 Recovery)	18,249,000
14.	Vestel Elektronik San. ve Tic. A.Ş./Türkiye	Corporate Finance -Trade Finance Facility	22,726,000
15.	Ulu Yenilenebilir Enerji Üretim A.Ş./ Türkiye	Wind Power Plant Project	25,000,000
16.	Government of Pakistan	Trade Finance Facility	93,110,000

The Bank incorporates strong financial, social and environmental safeguards in order to expand its operations sustainably. Although the Bank does not aim to maximize earnings but earn a

sufficient amount of return to maintain healthy financial ratios and safeguard its capital base. The Bank continued to raise positive net annual income and added to members' equity together with the capital contributions of its new member countries.

Return on assets (RoA) was 3.3% and Return on equity (RoE) stood at 3.7% as end of December 2022 which were higher than 2021 end year figures (2021; RoA-1.9 percent, RoE-2.2 percent). The Bank continues to attain positive income levels. According to audited financial results, the Bank posted a net profit of SDR 15,496 thousand in 2022 (2021: SDR 9,054 thousand), representing 71 percent increase compared to previous year. The total reserves and retained earnings of the Bank amounted to SDR 101.1 million by the end of 2022 representing an increase of 18 percent compared to 2021 end year figure. The total assets of the Bank amounted to SDR 471 million by the end of 2022 (2021: SDR 465 million).

(iv) TECHNICAL ASSISTANCE AND ADVISORY SERVICES

The Bank aims to assist member states in formulating and coordinating development strategies and plans; improving institutional capacities; undertaking sector and policy oriented studies; and improving knowledge about development, regional cooperation, and integration issues. The Technical assistance (TA) services have been determined as a key tool in meeting this objective and important element of the Bank's operational strategy. Overall, in view of its modest capital base, the Bank is allocating a certain amount to technical assistance activities within its annual budget.

The strategy of the Bank is to use this limited amount in order to co-finance and mobilize external grant sources from bilateral and multilateral donors. Accordingly, the activities subject to technical assistance operations include:

- Identifying, formulating, implementing, and operating development plans and projects;
- Improving institutional capabilities of government agencies, training establishments, and commercial enterprises;
- Formulating economic development and trade promotion policies;
- Enabling transfer of technology; and
- Fostering regional cooperation and integration.

In this respect, the Bank has sponsored the ECO/IRU Silk Road Truck Caravan project and a WTO workshop organized for ECO countries in cooperation with the ECO Secretariat, the Ministry of Economy of Türkiye and the Islamic Development Bank in Istanbul during July 2013.

The Bank also provided financial support to similar WTO-related workshops organized during 2-3 May 2016 and 25-26 October 2017 in Islamabad-Pakistan in coordination with the ECO Secretariat and the Ministry of Commerce of Pakistan. The Bank continued consultations with the ECO Secretariat to address the relevant technical assistance requests. Overall, in cooperation with potential partners, the Bank would continue to build-up its expertise and resources for providing more technical assistance services in the coming years.

In 2023, the ECO Secretariat's request for a technical assistance from ETDB for supporting the publication of the ECO Economic Journal (EEJ) by the Economic Scientific Research Institute of the Ministry of Economy of the Republic of Azerbaijan was welcomed and ETDB committed to provide USD 20,000-(Twenty Thousand Dollars) from the Bank's technical assistance budget resources for the said project.

Audited Financial Tables

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

	Notes	31 December 2022	31 December 2021
ASSETS			
Due from banks	13	89,023	161,895
Loans and advances to banks	14	148,475	97,485
Loans and advances to customers	15	162,002	140,780
Investment securities	16	65,750	59,130
Derivative financial instruments	12	854	1,229
Tangible and intangible assets	17	4,714	3,993
Other assets	18	31	180
Total assets		470,849	464,692
LIABILITIES			
Deposits from banks	19	36,473	48,108
Derivative financial instruments	12	2,062	73
Employee benefits	20	3,413	3,128
Other liabilities	21	972	935
Total liabilities		42,920	52,244
EQUITY			
Share capital	22.1	326,750	326,750
Reserves	22.2	85,683	76,644
Retained earnings		15,496	9,054
Total equity		427,929	412,448
Total liabilities and equity		470,849	464,692

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

Profit or Loss	Notes	31 December 2022	31 December 2021
Interest income	23	16,063	10,928
Interest expense	23	(715)	(482)
Net interest income before impairment for credit risks		15,348	10,446
Impairment (loss) gain for credit risks, net	9.2.6	(587)	(124)
Net interest income after impairment for credit risks		14,761	10,322
Fee and commission income	24	521	677
Fee and commission expense	24	(8)	(4)
Net fee and commission income		513	673
Net trading income		1,810	1,306
Other operating income	26	1,646	69
Total operating income		18,730	12,370
Personnel expenses	25	(2,655)	(2,954)
Other administrative expenses	25	(321)	(233)
Depreciation and amortization	17, 25	(128)	(123)
Other operating expenses	25	(130)	(1)
Total operating expenses		(3,234)	(3,316)
Net profit for the period		15,496	9,054
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss			
Re-measurement (loss) gain on defined benefit plans	20.3	(15)	2
Other comprehensive income		(15)	2
Total comprehensive income		15,481	9,056

Unaudited Financial Tables for the Six Months Period Ended 30 June 2023

Balance Sheet		
Expressed in thousands of SDR	31/12/2022	30/06/2023
Assets		
Repayable on demand	399	3,106
Money market placements, net	88,624	53,315
Balances and placements with banks, net	89,023	56,421
Other loans and advances to banks	150,214	145,229
Less impairment loss allowance	(1,739)	(1,407)
Other loans and advances to banks, net	148,475	143,822
Loans and advances to customers	164,176	218,408
Less impairment loss allowance	(2,174)	(2,005)
Loans and advances to customers, net	162,002	216,403
Investment securities, net	65,750	63,139
Tangible and intangible assets, net	4,714	4,683
Other assets	885	1,004
Total assets	470,849	485,472
Liabilities		
Deposits from banks	36,473	37,184
Other liabilities	6,447	8,858
Total liabilities	42,920	46,042
Members' equity		
Subscribed share capital	1,089,100	1,089,100
Less callable share capital	(762,350)	(762,350)
Paid-in share capital	326,750	326,750
Reserves	85,683	101,180
Retained earnings	15,496	11,500
Total members' equity	427,929	439,430
Total liabilities and members' equity	470,849	485,472

Income Statement		
Expressed in thousands of SDR	30/06/2022	30/06/2023
Interest income from		
Loans	2,825	8,817
- to banks	1,168	3,853
- to customers	1,657	4,964
Investment securities	2,471	2,223
Money market placements	1,167	1,647
Others	-	-
Total interest income	6,463	12,687
Interest expense on		
Deposits from banks	(106)	(649)
Pension plan	(98)	(128)
Other	(1)	-
Total interest expense	(205)	(777)
Net interest income	6,258	11,910
<i>% vs interest income</i>	<i>97%</i>	<i>94%</i>
Impairment (loss)/gain for credit risks	338	1,145
Fee and commission income	240	260
Fee and commission expense	(3)	(4)
Net fee and commission income	237	256
Net trading income/(loss)	590	140
Other operating income	19	-
Operating income	7,442	13,451
<i>% vs interest income</i>	<i>115%</i>	<i>106%</i>
Personnel expenses	(1,387)	(1,691)
Operational expenses	(69)	(101)
Administrative expenses	(58)	(85)
Depreciation	(63)	(73)
General and administrative expenses	(1,577)	(1,950)
<i>% vs interest income</i>	<i>24%</i>	<i>15%</i>
<i>% efficiency</i>	<i>21%</i>	<i>14%</i>
Other operating expenses	(130)	(1)
Operating expenses	(1,707)	(1,951)
Profit/(loss) for the period	5,735	11,500
<i>% vs interest income</i>	<i>89%</i>	<i>91%</i>
RoE - annualized	2.59%	4.96%

**Economic Cooperation Organization Science Foundation
(ECOSF)**



**Progress Report of ECO Science Foundation (ECOSF)
for the 27th Meeting of ECO Council of Ministers (COM)**

Shusha – Azerbaijan

(8-9 October 2023)

Introduction

The **ECO Science Foundation (ECOSF)** is a specialized agency of the Economic Cooperation Organization (ECO). Establishment of the Science Foundation was envisaged in the "Treaty of Izmir", the Charter of ECO. The Charter of ECOSF was signed in Islamabad in March 1995 by all the 10 member states of ECO; Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyz Republic, Pakistan, Tajikistan, Türkiye, Turkmenistan and Uzbekistan. However, Additional Protocol to the Charter was approved by the ECO Council of Ministers in its 17th meeting held at Herat- Afghanistan in 2007. Subsequently the Foundation was established in Islamabad, Pakistan on 20 December 2011, with holding of the 1st meeting of its Board of Trustees (BoT), the highest decision making body.

The Foundation is playing an active role in engaging key stakeholders and partners to bring meaningful impact in the economic development through scientific and technological ventures among its Member States. It serves as a platform to promote Science and Technology Policy & Research as well as the Science, Technology, Engineering and Mathematics (STEM) education through the implementation of Inquiry Based Science Education (IBSE) pedagogy with an end goal to strengthen the science base of future generations. ECOSF undertakes a number of programmes and initiatives to augment STI activities with the help of strategic partners to boost regional cooperation, socio-economic potential and cultural integration through science education and literacy in the region in line with ECO Vision 2025 and the UN SDGs.

ECOSF pursues the goal of promoting research and technological development for sustainable development and economic growth in the ECO region through the following key objectives

- Development of **Human Resource Capacity** in Science, Technology and Innovation as well as science education in the ECO region
- Strengthening **Institutional Capacity** in scientific research and technological development among its member state

- Scientific, Technological and Research **Collaboration and Cooperation** among its member states and the vibrant STI ecosystem in the world,
- **Exchange/ dissemination of Information** on Scientific and Technological Research and Development through workshops, conferences and meetings etc.
-

The progress of ECOSF activities undertaken during 2022 is briefly highlighted as under.

A. Administrative

1. **5th Meeting of ECOSF Board of Trustees (BoT):** In line with the decision of the ECOSF BoT taken during its 4th Meeting held in Isfahan-Iran, the 5th Meeting of ECOSF BoT was held on February 14, 2023 in Isfahan, Iran. The Meeting was Chaired by the Minister for Science, Research and Technology of Iran and attended by the Representatives of the Member States viz., Islamic Republic of Iran, Republic of Kazakhstan, Islamic Republic of Pakistan, Republic of Tajikistan and Republic of Uzbekistan. The ECO Secretariat was represented by the Secretary General. The delegation of ECO Cultural Institute (ECO CI) headed by its President and representative of ECO Educational Institute (ECO EI) also attended. The representatives of University of Isfahan, and Isfahan Chamber of Commerce, Industry, Mines and Agriculture (ICCIMA) and Isfahan Regional Center for Science Parks (IRIS) also attended as observers. The BoT meeting was preceded by the 7th Meeting of Executive Committee of ECOSF on February 13, 2023. ECOSF is thankful to the Iranian Authorities such as Ministry of Science, Research and Technology (MSRT), University of Isfahan, Iran and Isfahan Chamber of Commerce, Industry, Mines and Agriculture (ICCIMA) for hosting and organizing the meeting of ECOSF BoT in a very good manner. One of the major outcome of this BoT meeting was approval of ECOSF Strategic Plan and Organization's Restructuring Agenda. The Strategic Plan aims to strengthen ECOSF in developing a deep understanding of the specific challenges and needs of each Member Country to build the capacity to effectively carry out the organization's mandate.
2. **Joining of Executive Director:** In line with the decision of ECOSF BoT taken during its 4th Meeting held in Isfahan, Iran in July 2019, Pakistan nominated Dr. Ghulam Muhammad Memon for the post of Executive Director and same was approved by the BoT in its 5th Meeting held on February 14, 2023 in Isfahan, Iran. Accordingly, Dr. Memon joined the Foundation as Executive Director with effect from March 27, 2023.
3. **Ratification Process:** The ratification of the ECOSF Charter and its Additional Protocol has so far been completed by five member states; Afghanistan, Iran, Pakistan, Tajikistan and Turkmenistan. Other members have continuously been pursued in line with formal meetings/visits and the decisions of ECOSF BoT, RPC and ECO COM; whereby the non-ratifying Member States have been requested to ratify the ECOSF Charter and its Additional Protocol repeatedly.
ECOSF renews its requests to non-ratifying Member States, viz., Azerbaijan, Kazakhstan, Kyrgyzstan, Türkiye and Uzbekistan to expedite

the process of ratification of the ECOSF Charter and its Additional Protocol.

4. **The Meeting between the Heads of ECO Specialized Agencies:** A Consultation Meeting of the ECO Specialized Agencies was virtually held on 17 October 2022. Presidents of all three Specialized Agencies, i.e., ECO Science Foundation (ECOSF) Prof. Seyed Komail Tayebi, ECO Cultural Institute (ECI) Mr. Murodjon Buriboev and ECO Educational Institute (ECOEI) Prof. M. Akif Kireççi attended the meeting. Deputy Secretary General of ECO for the International Relations Section Dr. Hüseyin Avni Biçaklı also participated in the meeting on behalf of the ECO Secretariat. All three heads of Specialized Agencies assured their commitment to work very closely together to promote regional cooperation in education, science and culture to achieve the Sustainable Development Goals (SDGs) in line with the ECO Vision 2025. During the meeting, various programmes and initiative of respective agencies were discussed and were agreed upon with consensus.
5. **Nominations of Focal Points:** Seven Member Countries i.e., Afghanistan, Azerbaijan, Iran, Kyrgyzstan, Pakistan, Tajikistan and Türkiye have nominated their Focal Points (FPs), whereas. the nominations from other three member states (Kazakhstan, Turkmenistan and Uzbekistan) are still awaited. However, some FPs respond to ECOSF's communications actively. **In this conext, ECOSF renews the request to its member states for their nominations of active Focal Points for ECOSF from relevant organizations/institutes mandated for science and technology for effective communication.**
6. **Nominations for Executive Committee:** The nominations of Eminent Scientists for Executive Committee (EC) of ECOSF had been received from Seven Member States i.e., Afghanistan, Azerbaijan, Iran, Pakistan, Tajikistan, Turkmenistan and Uzbeksitan. Other Member States i.e., Kazakhstan, Kyrgyzstan and Türkiye are still awaited, though being pursued consistently. **ECOSF renews the request to its member states for their nominations of Eminent Scientists for the Executive Committee of ECOSF.**

B. Financial Status:

1. **Budgetary Contributions by Member States:** So far, only one ratifying Member State i.e., Pakistan has been contributing the mandatory share of budget of the Foundation regularly. Due to dollar disparity, Pakistan started paying 75% of the budget share since 2018. While the I. R. of Iran has paid for the year 2012 and partial for the years 2013, 2017 & 2018 as support to ECOSF events in Iran. However, I.R. of Iran has not made any contribution since 2019. It is regret to infom that other three ratifying members viz., Islamic Republic of Afghanistan, Republic of Tajikistan and Turkmenistan have never paid their budgetary contribution.

Owing to non-payment of mandatory contribution by concerned Member States, ECOSF has been compelled to scale down its core activities and appointed less than 50% staff. Yet the Foundation finds it extremely challenging to manage its day to day administrative affairs including the

payment of staff salaries including President ECOSF. ECOSF requests the ratifying member states for early payment of budgetary contributions/arrears as per scale of assessment approved by the BoT so that the realization of ECOSF objectives can be achieved amicably.

2. I.R. of Iran is requested to Fulfill ECOSF Budget Commitments

The Government of the Islamic Republic of Iran committed to clearing all its arrears for its Mandatory Budgetary Contributions to ECOSF, contingent upon the appointment of an Iranian national as the President of ECOSF.

According to the decision of the ECOSF Board of Trustees, taken during the 4th Meeting held in Isfahan on July 9, 2019, countries that are in arrears for the payment of their contributions cannot nominate candidates for any vacant posts (as per Para 60 of the report).

It has been over a year since Prof. Seyed Komail Tayebi, Iran's nominee, assumed the position of President of ECOSF on August 11, 2022. However, Iran has yet to fulfill its binding commitment to pay the mandatory budgetary contribution to ECOSF, including the arrears, based on the decision of the 4th Board of Trustees.

Therefore, the Islamic Republic of Iran is kindly requested to settle its outstanding mandatory budgetary contributions to ECOSF, in accordance with the decision of the 4th Board of Trustees.

C. Scientific Activities

The Foundation was established in 2011 and started functioning in June 2013. Since then, the Foundation has transformed itself into a dynamic and agile vehicle to promote Science, Technology and Innovation (STI), STEM, sustainable development and Climate Change Education to help build the capacity of its Member States to respond to the emerging challenges of the future. During the reporting year (2023), despite financial constraints, the ECOSF made reasonable progress to pursue its goal of promoting scientific and technological research and innovation related activities especially for the youth with an end goal to raise socio-economic standing of its 10 Member States. This was made possible because of the collaboration and partnership developed by ECOSF with various global and regional organizations and programmes including under the Belt and Road Initiative of P.R. China.

The ECOSF has been coping with the scarcity of Funds since 2018, thus, it has become challenging for the Foundation, resultantly, many of its core programmes have been cut down. Nevertheless, the Foundation continued its programmes digitally/virtually and in hybrid mode. The scientific activities and collaboration developed during 2022 are reported in succeeding paragraphs.

1. Collaboration and Signing of MoUs:

Since its establishment, ECOSF has developed strong working collaborations with international and regional organizations.

a. The Foundation is proud to partner with many of most reputable organizations and development partners, which include the following:

- China Association for Science and Technology (CAST) and its Children and Youth Science Center (CYSC)
- Korea Institute of Science & Technology Evaluation and Planning (KISTEP)
- Turkic World Educational and Scientific Cooperation Organization (TWESCO), Astana
- Islamic Development Bank (IsDB)
- Federation of Engineering Institutes of Asia and the Pacific (FIEAP) Malaysia, and many other national and international organizations.
- Inter Academy Partnership on Science Education Programme (IAP SEP)
- MoU between "The Belt and Road Science and Technology Innovation (STI) Think Tank Cooperation Network" Member Institutes. ECOSF is the founding Member of the Network
- Establishment of BTBU-ECOSF Joint Training Center for Scientific, Technological and Economic Cooperation under Belt and Road Initiative.
- Partnership with Mustafa Science and Technology Foundation (MSFT) based in Iran
- Isfahan Chamber of Commerce, Industries and Mines and Agriculture (ICCIMA) – Iran
- The Union of Iranian Societies of Mathematical Sciences (UISMS) Iran
- University of Isfahan, Iran
- Islamic Azad University, Iran
- Kohsar University, Murree, Pakistan
- *La main a la pate* Foundation of France
- United Nations Educational, Scientific and Cultural Organization (UNESCO)
- International Science and Technology Centre (ISTC), Kazakhstan
- International Science, Technology and Innovation Centre for South-South Cooperation under the auspices of UNESCO (ISTIC), Malaysia
- Isfahan Regional Center for Technology Business Incubators & Science Parks Development (IRIS) under Auspices of UNESCO
- Isfahan Science & Technology Town (ISTT) of Iran
- MoU with Sukkur IBA University, Pakistan for promotion and capacity building in IBSE in ECO region
- The Foundation joined as a founder Member, Institute of Asian Research Policy (ARP) Journal, based in South Korea
- an accredited Observer/Stakeholder of the Intergovernmental Science Policy Platform for Biodiversity and Ecosystem Services (IPBES) based in Bonn, Germany and a founder member of Asian STI Think Tanks Network (ASTN) and the Asian Innovation Forum with its secretariat in South Korea.
- Allameh Tabataba'i University, Iran
- e-Learning Association of Iran (YADA)
- Union of Iranian Mathematics Societies (UIMS)
- Creative and Cultural Industries Park – Iran (ICCIP)

In addition, the Foundation also actively contributes towards promotion of **UNESCO Man and Biosphere (MAB)** program in the ECO region.

The perspective of the Foundation is to implement a networking of academia, industries/economic sectors and governmental institutions in the ECO region, to share their knowledge and challenges.

2. Organization of Scientific Conferences/Workshops/ Meetings

- a. **6th Training Report Powering Belt & Road – Lithium-Ion Batteries:** BTBU-ECOSF Joint Training Center with support of China Association for Science and Technology (CAST) organised the 6th joint Training Program on Powering Belt and Road - Lithium-ion batteries on September 28, 2022. The

training workshop brought together industrial experts, representatives of industrial corporations, policymakers and enterprises to understand and learn from China's expertise and capabilities about viable options for creating a strong lithium-ion manufacturing based in the ECO region. It also showcased best practices, success stories, and barriers on implementation of policies and programmes promoting low carbon development, and matched the potential cooperation among BRI counties in Lithium-ion Battery production.

- b. **ECOSF in collaboration with UNESCO, COMSTECH, COMSATS, PAS, and PSF commemorated the World Science Day:** In connection with commemoration of World Science Day (WSD) for Peace and Development, a joint event was organized by the ECO Science Foundation (ECOSF), United Nations Educational, Scientific and Cultural Organization (UNESCO), Standing Committee for Scientific and Technological Cooperation (COMSTECH), the Commission on Science and Technology for Sustainable Development in the South (COMSATS), Pakistan Academy of Sciences (PAS), and Pakistan Science Foundation (PSF) on the theme of importance of Basic Sciences for Sustainable Development. The theme of the WSD - 2022 was decided by UNESCO within the celebrations of the year 2022 as "International Year of Basic Sciences" kicked off on July 8, 2022.
- c. **KIEP and CEIE in collaboration with ECOSF hosted 10th Korea Iran Cooperation Forum in Dubai, UAE:** Korea Institute for International Economic Policy (KIEP) and Center of Excellence for International Economics (CEIE), University of Isfahan in collaboration with ECO Science Foundation hosted 10th Korea Iran Cooperation Forum on December 15, 2022 in Dubai, UAE. The 10th Forum on Korea and Iran Cooperation was held under the theme of 'Industrial Policies and Business Opportunities between Korea and Iran in the Era of Green and Digital Transformation'. A league of imminent Korean, Iranian and Pakistani experts contributed to the proceedings of the Forum.
- d. **The Sixth of "Belt and Road Teenager Maker Camp and Teacher Workshop" was held in Hybrid Mode from September – November 2022:** The Sixth "Belt and Road Teenager Maker Camp and Teacher Workshop" was held from September – November 2022 in hybrid mode. The Camp was formally opened in on 15 November 2022 in online and offline mode at Chongqing, China. The event was jointly organized by China Association for Science and Technology, Ministry of Science and Technology of the People's Republic of China, Chongqing Municipal People's Government and People's Government of Guangxi Zhuang Autonomous Region from September to November 2022. ECO Science Foundation (ECOSF) has been supporting the event since its inception in 2017. Other supporters from the world were InterAcademy Partnership Science Education Program (IAP SEP), and Network of African Science Academies (NASAC).

The Camp was a free international exchange event open to students and science teachers from both junior and senior high schools. The grand event included a series of exciting online activities including but not limited to Online Science Course, Scientist Lectures, VR Online Visit, Traditional Chinese Culture Exchange and Experience, "Dance to the Music" and "Youth and

Bridge". Online volunteers were in touch with every registered participant to offer help through the whole event. Online Science Course covers 3 themes including Sustainable Transportation, Intelligent Vehicle and Green Campus. Under each theme, there are interesting final tasks for students to explore with their peers while online guidance will also be provided by Chinese experts.

The Camp attracted over 7000 participants from 74 countries and regions, covering Asia, Europe, Africa, the Americas and Oceania. **With the efforts of ECOSF, a good number (195) of students and teachers from ECO countries such as Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Tajikistan and Türkiye also attended the Camp.**

- e. **"Iran's Action Plan in the European UNITEL Project: Lessons for the ECO region (Experiences of the University of Isfahan)":** ECO Science Foundation (ECOSF) in collaboration with e-Learning Association of Iran (YADA) and University of Isfahan hosted virtual session on January 18, 2023. This virtual event explored the means and strategies to promote the Technology Enhanced Learning in the ECO region with a theme entitled *"Iran's Action Plan in the European UNITEL Project: Lessons for the ECO region (Experiences of the University of Isfahan)"*

- f. **ECOSF hosted a Virtual Session on Technology Enhanced Learning: Experience of the ECO Member Countries:** ECOSF in partnership with the E-learning Association of Iran (YADA) organized a virtual session on Technology Enhanced Learning (TEL) during the 10th International Conference on e-Learning and e-Teaching (ICeLeT 2023) on March 1st, 2023. The conference was co-hosted by the University of Shiraz, Iran.

The virtual session aimed to provide a platform for experts from the ECO Member Countries to share their insights and experiences on the latest developments in TEL in their respective countries. The session also allowed policy makers, academicians, research scholars, and students to engage in dialogue and discussion on ideas related to the adoption of e-learning and the future of TEL in the ECO region. The virtual session was moderated by Engr. Khalil Raza, Programme Manager ECOSF.

- g. **ECOSF hosted Ambassador of Republic of Türkiye in Pakistan to discuss the potential ways to promote STI in Türkiye and other ECO Member Countries:** ECOSF hosted the Turkish Ambassador to Pakistan, H.E. Dr Mehmet Paçacı, at its Secretariat in Islamabad on March 29, 2023. The main focus of the meeting was to strengthen collaboration with Türkiye and explore potential ways to promote science, technology, and innovation (STI) in Türkiye and the ECO region. During the meeting, a briefing was given to H.E. Turkish Ambassador on various ongoing programmes and future plans or initiatives of the ECOSF to strengthen Science, Technology and Innovation (STI) in the ECO, particularly for Türkiye. In the presentation, some of the significant science education and training programs that have been focused on Türkiye towards development of a skilled workforce in science, technology, and innovation were highlighted. ECOSF side requested the Turkish Ambassador for his support towards the ratification process of ECOSF Charter and establish robust diplomatic channels between ECOSF and relevant Turkish authorities.

- h. **ECOSF Collaborated with the Delegation from Islamic Azad University to strengthen educational cooperation with Pakistani Academic Institutions & Universities:** ECOSF in cooperation with Cultural Counselor at Embassy of the Islamic Republic of Iran in Pakistan earlier facilitated the delegation from Islamic Azad University on signing MoU with Allama Iqbal Open University (AIOU) to strengthen collaboration through education and science on March 10, 2022 in Islamabad.
- i. **ECOSF hosted Delegation from Chinese Embassy in Pakistan to enhance scientific collaboration amongst China and ECO Member Countries:** ECOSF hosted a Two Member Delegation from the Chinese Embassy in Pakistan on April 18, 2023. The meeting served as an opportunity to introduce the new Science Counsellor, Mr. Yin Shengxin at the Chinese Embassy in Pakistan, while acknowledging the valuable contributions of the outgoing Science Counsellor, Mr. Cao Zhouhua, who was due to retire.
- j. **ECO Science Foundation Hosted Iftar Dinner for Ambassadors of ECO Member Countries:** President ECOSF, Prof. Seyed Komail Tayebi, held an Iftar dinner to honour the Ambassadors of ECO Member Countries on April 12, 2023. The event aimed to strengthen diplomatic relationships among ECO Member Countries and promote collaboration in the fields of science and technology.
- The distinguished guests, including Ambassadors, Diplomats, and Representatives from the Embassies of Iran, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Türkiye, and Uzbekistan, were warmly received by President Prof. Tayebi and the Executive Director of ECOSF, Dr. Ghulam Muhammad Memon. The gathering also witnessed the presence of officials from the Ministries of Foreign Affairs and Science and Technology, further adding to the significance of the occasion.
- The Iftar dinner served as a unique opportunity for fostering strong connections and partnerships among the ECO Member Countries. In an informal and cordial environment, the attendees had the chance to interact, exchange ideas, and explore potential avenues for collaboration in the realms of science and technology.
- The interaction showcased the commitment of the ECO Science Foundation towards fostering regional cooperation and creating a platform for knowledge sharing among member countries. Through such initiatives, the foundation aims to promote scientific research, innovation, and technological advancements in line with the United Nations Sustainable Development Goals.
- k. **ECOSF and UI with support of UNITEL Hosted a Successful Workshop on AI and e-Learning in Engineering Courses:** The ECO Science Foundation in collaboration with the University of Isfahan, Iran and the UNITEL Project organized an insightful workshop on 'Artificial Intelligence (AI)

and e-Learning in Engineering Courses'. The hybrid event was held on June 6, 2023 and brought together experts, scholars, students and academic leaders to explore the potential of AI in transforming the educational landscape.

The workshop featured two experts; Dr. Hamid Reza Marateb from the University of Isfahan and Engr. Jalil Raza from the Pak-Austria Fachhochschule - Institute of Applied Sciences & Technology (PAF-IAST) Pakistan who shared their insights and knowledge on various themes related to the integration of AI in online learning. The event was moderated by Dr. Azam Naghavi, an academic member of University of Isfahan.

i. ECOSF partnered with BTBU, CAREC Institute and BAST to host Symposium on China-Central Asia cooperation in Digital Economy Innovation Governance

The Beijing Technology Business University (BTBU) in collaboration with ECOSF, Beijing Association for Science and Technology (BAST) and CAREC Institute hosted a symposium on "China- Central Asia Cooperation on Digital Economy Innovation and Governance" in Beijing on July 5, 2023. The symposium was organized as part of the Global Digital Economy Conference 2023, themed "Data Driven Development, Intelligence Leading the Future," which aimed to create a platform for exchanges and cooperation for the advancement of the global digital economy development landscape with a particular focus on the Central Asia. Prof. Seyed Komail Tayebi, President ECOSF was invited as the keynote speaker as ECOSF was one of the partner organizations in the Symposium. Prof. Tayebi emphasized the significance of digital innovation and governance in today's rapidly evolving world. President Tayebi also underlined the strategic location of the ECO Member Countries, which makes them crucial partners in promoting economic integration, infrastructure development, and trade facilitation along the Belt and Road routes.

m. ECOSF contributed to the Global Digital Economy Conference 2023 to Promote International Collaboration and Innovation in Digital Governance

ECOSF contributed to the Global Digital Economy Conference 2023 was held in Beijing in Beijing, July 05, 2023 with a focus on fostering international collaboration and innovation in the digital economy sector. The three-day event, held from July 4 to July 7 aimed to promote an open innovation network that transcends national boundaries. GDEC was themed "Data Drives Development, Intelligence Leads the Future" which was co-hosted by several esteemed organizations, including the Beijing municipal government, the Ministry of Industry and Information Technology, the Ministry of Commerce, the Cyberspace Administration of China, the China Association for Science and Technology (CAST), and Beijing Technology and Business University (BTBU). It is important to highlight the ECOSF facilitated the virtual participation of Mayor of Isfahan. The President ECOSF was invited to the stage to inaugurate the initiative as representative of Mayor of Isfahan.

n. **Islamabad Science Camp – 2023:** Hands-on Islamabad Science Camp 2.0 was organized by ECO Science Foundation (ECOSF), Pakistan Science Club (PSC) and Allama Iqbal Open University (AIU) from 10-14 July 2023 at AIU Main Campus. The Students and young leaders were invited to attend the Camp. More than 120 participants attended the Camp. Four sessions were conducted every day and every session was comprised of 30 participants each. Every day, there was new project assigned to the participants. At the end of the event, the prize gifts were given to the winners of different sessions and the certificates were awarded to every participant. The objective of the Camp was to create healthy and competitive environment for the students to learn new techniques in STEM subjects and develop networking to share their thoughts, ideas and solutions to the problems. This will also help students to choose science as their career.

o. **ECOSF contributed to 11th Korea-Iran Cooperation Forum**

The 11th Korea-Iran Cooperation Forum on Exploring New Cooperation was successfully held on August 28, 2023, in a hybrid format with physical participation in Tehran, Iran. The Forum was Co-organized by esteemed institutions: the Korea Institute for International Economics Studies (KIEP), University of Tehran, University of Isfahan, Tehran Chamber of Commerce Industries, Mines and Agriculture, and ECO Science Foundation (ECOSF), Pakistan. The Forum provided an important platform for stakeholders from both countries, and highlighted the immense potential for collaboration in trade, investment, technology, and energy with a vision to foster innovation-driven development and sustainable growth between Korea and Iran. The 11th Korea-Iran Cooperation Forum successfully brought together leaders, experts, and stakeholders from Iran and Korea to explore new avenues of collaboration, foster sustainable development, and strengthen the bilateral ties between the two Countries.

D. **Participation/Contribution of ECOSF in the Scientific Meetings, Seminars, Workshops:** ECOSF has been contributing on various global scientific, technological, environmental and innovation forums. The forums provide opportunity to strengthen collaboration of the Foundation with international organizations and bodies and ensure access to development of newer and innovative approaches and technologies. During the report period (2022), ECOSF participated in over 45 major meetings and events; which have been highlighted in ECOSF Newsletters. In majority of events, the ECOSF presentation was also shared with senior officials and scientific communities.

E. **ECOSF Outreach through Website, Facebook Page and Twitter:** The ECOSF maintains and generates extensive online presence through its website and various social media tools i.e., Facebook, Twitter; and the E-newsletter, which is shared via emails to disseminate the vital information and updates related to various opportunities and activities undertaken by the Foundation to promote Science, Technology and Innovation (STI) in the ECO region. The information about all the ECOSF activities i.e.; meetings, conferences, programs,

updates etc. are regularly uploaded on its website (www.ecosf.org), FB Page (www.facebook.com/ECOScienceFoundation) & Twitter (@ECO4science).

ECOSF is partner/collaborator of International Organizations, Forums and Institutions; hence, many scientific invitations and announcements are received and are regularly shared with Member Countries and uploaded on the website under the tab of "Opportunities" and on the Facebook. In addition to the social media presence and its website updates, the Foundation strives to take full advantage of promoting STI through print media channels as well.



Economic Cooperation Organization

ECO

No: ACC/Audit Report of ECO 2021 & 2022 /2023/1410

Priority: Normal

Date: 12/9/2023

Attachment: Yes

The Secretariat of the Economic Cooperation Organization presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of the ECO Member States in Tehran, and has the honour to enclose the Audit Report on the accounts of ECO Secretariat for the years 2021 & 2022 prepared by the ECO Audit Board along with the Secretariat's comments.

The Secretariat has the further honour to state that the enclosed Report may be considered by the 280th Meeting of CPR under the agenda item of "Administrative & Budgetary Issues".

The Secretariat avails itself of this opportunity to renew to the esteemed Ministry and the esteemed Embassies the assurances of its highest consideration.



All ECO Member States - Tehran

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Observations of the Secretary General on the Audit Board Report for the financial years of 2021 and 2022

General Explanation on the Executive Summary of the Audit Report

The Secretariat expresses its thanks and appreciation to the Members of the audit board for their functions aimed at charging efficiency of financial procedures of the Secretariat and their efforts in performing the audit of ECO accounts for the financial years 2021 and 2022.

Regarding the recommendation of detailed audit of different projects and funds, the Secretariat is of the view that the auditors are supposed to be specific to their scope of duties as prescribed in the ECO Financial Regulation, performance evaluation and ascertaining the level of achievements of the organization fall within the jurisdiction of the decision-making bodies of the ECO i.e. Council of Permanent Representatives (CPR), Regional Planning Council (RPC) and the Council of Ministers (COM).

As for the recommendation of the board on the establishment of internal audit unit within the structure of the Secretariat, it requires the modification of organizational chart which is not recommendable. The internal financial control of the organization is based on the established practice for years, which has recently been further developed, digitalized and is traceable on the office automation system based on the recommendation of the audit board 2018.

The Audit Board's recommendation to extend Financial Regulation of the Organization aimed at enhancing the effectiveness of the audit report is a general idea which needs detailed deliberation by next audit board for further evaluation.

Comments on Review of Audit Report for the Year 2019-2020

In cases such as unpaid contributions of member states, tremendous efforts have been made and notable outcome is observed due to fulfillment of commitments by the ECO Member States in year 2022. The Secretariat appreciatively acknowledges the support of the COM for coming up with the decisions addressing the longstanding concerns on the budget deficit of the organization, most particularly approval for new scale of assessments 2020-2025. Hence, the issue of non-payment of contribution by the Member States is addressed.

As acknowledged by the Audit Board in the audit report of 2020 & 2021, *“ECO has made considerable efforts to resolve the majority of observations raised by previous audit board”*. These efforts play an important role in enhancing the efficiency and effectiveness of the financial and accounting system and thereby improving the performance of the financial management of the organization.

The Secretariat adopted a meticulous approach in observance of financial rules and regulations in its day to day activities. In its report for 2019-2020, the Audit Board also certified that considerable measures and efforts were made by the Secretariat to resolve the majority of the observation raised by previous Audit Board regarding efficiency of the financial procedure, accounting system and the internal financial controls.

Comments on Financial Statement for the year 2021 & 2022

As mentioned in the Audit report, the Secretariat prepared all financial statements and reports according to the related rules, regulations and financial standards for the years 2021 & 2022.

The comparison amount which is stated by the audit board as increasing the budget of year 2022 is due to the new salary scale for various grades (D & P) of the ECO Secretariat (Approved in COM Ashgabat).

Comments on Paragraph 1: Increasing Rate of Personnel Payments in the Budgets

The increasing rate of payments to staff members in the budget in the years 2020, 2021 and 2022 is the result of the reform of the organizational structure of the Secretariat and the relative stabilization of the overall budget of the Organization through adoption of new scale of assessments in 24th COM in 2019. In this regard salary scale of the staff of the Secretariat was updated in line with the new organizational structure and approved at 25th COM in 2021.

Since the Feasibility and General Purpose Fund (FGPF) is the significant stable funding source for development of ECO projects, the Secretariat in line with the emphasis on the effective functioning of ECO in the coming decades as a more project and result-oriented, innovative and inclusive organization, has proposed a budgetary reform which the current fixed rate of 5 % allocation to the Feasibility and General Purpose Fund may be doubled.

Comments on Paragraph 2: Lack of Information on the Achievements of Objectives of ECO Objectives

Article 19 of the ECO Financial Regulations delineates the scope of the function of the audit board, which is limited to the efficiency of the financial procedures and the accounting system. Assessing the achievements of the Organization is a process which certainly falls within the ambit of the principal organs of ECO. In accordance with the provisions of the Treaty of Izmir, the Council of Ministers is the highest policy and decision-making body of ECO, which is assisted by the Council of Permanent Representatives (CPR) and the Regional Planning Council (RPC), being responsible for the overall management of ECO's operational activities and evolving programs of action for realizing the objectives of the organization, along with a review of the past programs and evaluation of results achieved. Thus, the organization's performance evaluation is based on the annual work program of the organization under their respective authorities.

Nevertheless, the Secretariat is receptively ready to share the ECO's annual work program and relevant documents for better understanding of the auditors with regard to the organization's activities, performance and achievements.

Comments on Paragraph 3: Proper Maintenance of Budgeting (2021 & 2022)

Preparation of the yearly budget is based on the actual needs of the ECO in consideration of the all expenses and expenditures occurred in the previous years as well as forecasting the future needs and goals. However, more than 95% of the savings of the mentioned amounts in the years is observed owing to many vacant posts as well as delayed rotation of staff. Furthermore, the austerity measures applied on the running expenses and holding of some ECO Events virtually due to the COVID-19 pandemic in 2021, contributed to the noticed savings.

It is worth mentioning these amounts as surplus of the budgets must be kept for covering the large amount of arrears of Kazakhstan's contribution as well as compensate the deficit in the scale of assessment in annual calculations of the Member state contribution.

Comments on Paragraph 04: Un- paid Loan to Ministry of Foreign Affairs, Iran (2021 & 2022)

Regarding the Re-payment of the loan USD 605,363.00, if any recommendation/request/instruction is received from the Member States specially Islamic Republic of Iran, the Secretariat will take necessary measures. However based on liquidity limitations due to unpaid contributions more than 75% of the yearly budget, the Secretariat won't be able for settling this amount even in installments.

Comments on Paragraph 05: Trail of Income of USD 459,705.93.76 and USD 453,134.16- (2021 & 2022)

According to the recommendation of the audit board of 2017 & 2018, the title was changed from "Income" to "Deposit". The component of the source of this account are as follow:

- Interest of Bank Accounts

Based on the recommendation of the audit report, this account will transfer under the account of "General reserved fund" according to the "banking account source" of it.

It should be recalled that the only financial source of the Secretariat is the contributions of the Member States and the Interest of Bank Accounts is a kind of other incomes.

Comments on Paragraph 06: late payment of Contributions by the Member States (2021 & 2022)

The issue of delay in payment of contributions by the Member States, which was discussed under this paragraph, is related to the Member States, and the Secretariat makes every effort to receive the contributions on time by raising this issue in CPR Meetings or sending letters every two months to all member states with detail information of the balance of contributions. Furthermore the Secretary General and chief accountant through their contacts and communications make all possible efforts to ensure about timely payment of member states.

Comments on Paragraph 07: Un-Paid Contributions by the Member States (2022)

As in the audit report it is obvious due Contributions in 2022 approximately is equal to 94% of the budget of the ECO (US\$ 3,909,912.89), have already caused significant liquidity problems for the Secretariat in all kind of payments such as new projects, financing, holding meetings and events and also salary payments.

Comments on Paragraph 08: Non-opening of Special Bank Accounts

Unfortunately, due to significant liquidity restrictions caused by due contributions of member states, the organization cannot keep the amount of cash for provident fund in the bank in different accounts separately, so it is currently forced to use one account for all types of payments.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

**NOTE 8 – THE NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS
(Continued)**

Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies

In February 2021, the Board issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments issued to IAS 1 are effective for annual periods beginning on or after 1 January 2023. In the absence of a definition of the term 'significant' in IFRS, the Board decided to replace it with 'material' in the context of disclosing accounting policy information. 'Material' is a defined term in IFRS and is widely understood by the users of financial statements, according to the Board. In assessing the materiality of accounting policy information, entities need to consider both the size of the transactions, other events or conditions and the nature of them. Examples of circumstances in which an entity is likely to consider accounting policy information to be material have been added.

The Bank is in the process of assessing the impact of the amendments on financial position or performance of the Bank.

Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments issued to IAS 12 are effective for annual periods beginning on or after 1 January 2023. The amendments clarify that where payments that settle a liability are deductible for tax purposes, it is a matter of judgement (having considered the applicable tax law) whether such deductions are attributable for tax purposes to the liability recognised in the financial statements (and interest expense) or to the related asset component (and interest expense). This judgement is important in determining whether any temporary differences exist on initial recognition of the asset and liability.

The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for all deductible and taxable temporary differences associated with leases and decommissioning obligations should be recognized.

The amendments are not applicable for the Bank and will not have an impact on the financial position or performance of the Bank.

**THE ECONOMIC COOPERATION ORGANIZATION TRADE AND
DEVELOPMENT BANK**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

(Amounts expressed in thousands of ECO Unit ("EU") unless otherwise indicated.)

C. FINANCIAL RISK REVIEW AND FAIR VALUE

NOTE 9 – FINANCIAL RISK REVIEW

This section provides details of the Bank's exposure to risk and describes the methods used to manage those risks. The most important types of risk to which the Bank is exposed are credit risk, liquidity risk, market risk, and compliance and operational risk.

9.1. Risk management framework

The Bank is committed to actively identify and manage all risks inherent in its activities in order to support its sustainable profitability objective and safeguard its capital base. The Bank pays particular attention to managing credit risk in the course of its core activities and treasury operations, liquidity risk, market risk as well as compliance and operational risks in its organisation and activities.

By virtue of its mandate, the credit risk inherent in the Bank's ordinary operations is relatively high, due to the geographic concentration of its operational portfolio and the nature of the Bank's involvement in the projects it undertakes in conformity with the Agreement. The application of sound banking principles in the Bank's credit process seeks to ensure that these significant credit risks are properly identified and managed while other risks resulting from its ordinary operations should be mitigated to the extent possible. Since the Bank's ordinary operations are inherently relatively risky, the management of treasury activities is conservative. A comprehensive risk management framework for treasury activities, particularly addressing credit, liquidity, and market risk are established.

The Bank's risk management policies are established for the identification and assessment of the risks, which the Bank may be exposed to and also to set appropriate risk limit controls for monitoring the same. The Financial Policies of the Bank approved by the Board of Directors establish the guiding principles for sound financial management and provide the framework within which the Bank pursues its business objectives.

Audit Committee of the Bank is composed of three members from the different member countries, appointed by the Board of Governors. Audit Committee's purpose is to assist Board of Governors in fulfilling its oversight responsibilities.

The Board of Directors has established the Credit Committee which is responsible to guide the lending departments through the approval process from Concept Clearance to Final Review, in conformity with the Bank's Operations Cycle Policy. It considers all matters related to the lending operations of the Bank and expresses opinions with respect to the appropriateness of the due diligence and appraisal process.

The Board of Directors has established Asset and Liability Management Committee ('ALCO') which is responsible for setting strategic direction in market risk management and transfer pricing. ALCO establishes specific numerical limits, targets, and guidelines within which tactical and operational asset and liability management decision-making must take place.

Comments on Paragraph 09: Non-completion of Tenure and Insufficient Working Days for Audit Board

As pointed out by the Audit Board, the Secretariat is also of the view for allocation of sufficient time, if required, to conduct the annual auditing of ECO accounts. Having in mind that as per article 18.2 of ECO Financial Rules and Procedures, the Audit Board shall meet annually (once per year) at the Secretariat and audit the accounts of the previous financial year. The allocation of sufficient time will provide the Board an opportunity to audit the details of accounts and funds, when the Board meets annually. However the Secretariat in 3 letters in year 2022 called the related member states for Auditing but they refused for coordinating the proposed dates which had mentioned by the Secretariat.

It is worth mentioning the members of the audit board has elected by the member states themselves and the Secretariat only requests the members to send their representatives for auditing.

Comments on Paragraph 10: Necessity of Attaching the Explanatory Notes to some of the Financial Statements (2021 & 2022)

All The reports mentioned by the audit board has prepared by the Secretariat for 2021 and 2022 and submitted to the Board of Auditors in detail by head accounts, sub accounts and detailed trial balance.

Comments on Paragraph 11 & 13: Assets Not Shown in the Balance Sheet

From the beginning, the Secretariat does not involve in such practice due to the considerable charges of experts for making annual evaluation of the fixed assets of the Secretariat till year 2021. However, according to the accounts structure which is shown in the chapters of yearly budget these kind of expenditures (Fixed and current assets and inventory and stocks) must be shown in yearly cost.

Fixed and current assets and inventory and stocks of the Secretariat are registered and kept in books and Access Software. Furthermore the Secretariat is attempting to prepare a property registration system by cooperating IT section which is compatible with the existing accounting software based on the principle of cost-benefit, in order to follow

the international standards of accounting. The corresponding depreciation of fixed assets should be calculated and reflected in the balance sheet afterwards.

Comments on Paragraph 12: Non-conducting Audit of Specialized Agencies

Other Specialized Agencies and entities established by ECO has not financed through centralized annual budget (Even ECO Cultural institute) in the years 2021 & 2022 and the budget of ECO Secretariat is approved separately By COM annually.

Comments on Paragraph 14: Accounting for Gifts received in Kind (2021 & 2022)

The ECO Secretariat was provided with the appropriately equipped premises by the Islamic Republic of Iran (host country). The office furniture and equipment provided by the host country is duly registered in record and adequately labeled as assets of the Secretariat. Furthermore the majority of mentioned assets is depreciated after more than 10 years and book value of them is equal to zero.

Comments on Paragraph 15: Payment of advance Salary USD 15,945/- (2021)

As mentioned in the audit board report the amount of USD 7,772 is categorized as receivable of Mr. Qudrat (Afghan national due to balance of his advanced payment) and during these months the Secretariat has made efforts for settling it through different ways without any achievement. Thus the Secretariat is also of the view that if any employee takes advance payment and does not return the payment, then it may be the responsibility of the corresponding member country to return the payment in due contributions.

Comments on Paragraph 16: Staff Benefits Honorarium (2021)

There is an established practice as to the granting of special bonuses and honorariums to deserving staff members in Categories II and III. This practice has developed over the past years under the provisions of Article 14 of the Staff Regulations of ECO. According to the mentioned Article, the Secretary General, as the chief executive officer of the Secretariat, may grant a bonus once a year to deserving staff members in Category III up to one month's salary on the occasion of their national or religious festival. He may also grant a special honorarium up to one month's salary or an exceptional scale increase to any staff member or staff members in Category II in recognition of extraordinary services rendered, including research work relevant to the organization's activities and a special contribution to the work of the organization."

Comments on Paragraph 17: General Observations (2021 & 2022)

- All medical documents which is out of Iran has English translation and the other documents in Iran are in local language with adequate detail of payments according to Article 29 of Staff Regulations.
- The Secretariat's internet has officially purchased from the only operator in the host country and there is no competitive market for it.
- Since all the rules and regulations of different issues does not attached to the vouchers, so travelling allowances has registered and paid according to the Article 24.3 of Staff Regulations without any changes in the amounts of the table.
- All air tickets which have been bought after 2022 has attached quotations from different agencies for clarifying the economical chosen price.

Economic Cooperation Organization

Audit Report for the Years 2021 & 2022

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List of Acronyms

COM	Council of Ministers
CPR	Council of Permanent Representatives
ECO	Economic Cooperation Organization
GRF	General Reserve Fund
RPC	Regional Planning Council
IR	Iranian Rials
SG	Secretary General
SSF	Special Support Fund
USD	United States Dollars
DOCCU	Drug and Organized Crime Coordination Unit

Audit Board

Audit of Economic Cooperation Organization (ECO) Secretariat is conducted by an Audit Board appointed by the Council of Ministers (COM) in accordance with Article 18 of ECO Financial Regulations. For the year 2021 & 2022, the Audit Board consisted of Auditors from Member countries: Islamic Republic of Iran, Islamic Republic of Pakistan and Republic of Turkiye. Mr. Alireza Salimi from Islamic Republic of Iran is elected as Chairperson of the Audit Board.

The Audit Board conducted audit of ECO Secretariat for the years 2021 & 2022 from August 06 to August 08, 2023.

The Audit Board consisted of the following members:

1. Islamic Republic of Iran

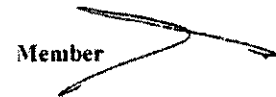
- i. Mr. Alireza Salimi



Chairperson

Senior Auditor, Ministry of Foreign Affairs, Islamic Republic of Iran

- ii. Ms. Shokoufeh Jafari



Member

Accounts Officer, Ministry of Foreign Affairs, Islamic Republic of Iran

2. Islamic Republic of Pakistan

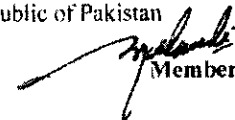
- i. Mr. Ubaid Ur Rahman



Member

Assistant Chief Accounts Officer, Ministry of Foreign Affairs, Islamic Republic of Pakistan

- ii. Mr. Syed Hassan Ali



Member

Assistant Accounts Officer, Ministry of Foreign Affairs, Islamic Republic of Pakistan

3. Republic of Turkiye

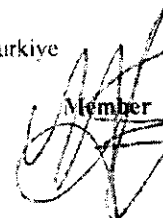
- i. Mr. Omer Kose



Member

Head of Audit Group, Principal Auditor, Turkish Court of Accounts, Republic of Turkiye

- ii. Mr. Yavuz Dag



Member

Principal Auditor, Turkish Court of Accounts, Republic of Turkiye

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Scope of Audit

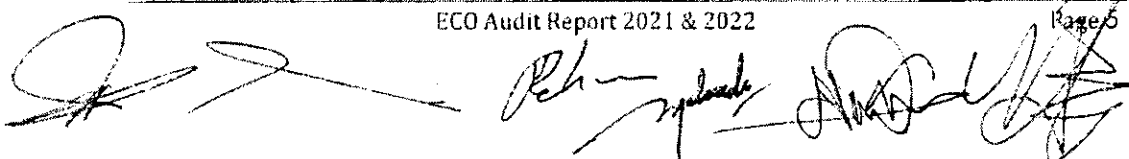
The scope of auditing is implied by ECO Financial Regulations, Section of Audit of Accounts, Article 19:

- The Audit Board shall jointly perform the audit.
- The audit shall consist of such review of the accounts of the Secretariat and the Related Institutions as may be necessary to certify:
- That the financial statements are in accordance with the books and records of the organization.
- That the financial transactions reflected in the statements have been under the rules and regulations, the budgetary provisions and other applicable decisions and directives.
- That the money on deposits and in hand has been verified by certificate/bank statements received directly from the organization's bank/depositaries.
- In addition to certifying the accounts, the Audit Board may make such observations as it may deem necessary, concerning the efficiency of the financial procedures, the accounting system, and the internal financial controls.
- The Audit Board shall submit their report to the Secretary General for onward submission to the member governments.

The above referred article shows that the rules and regulations of ECO like ECO Financial Regulations, Staff Regulations of the ECO Secretariat, etc. serve as the basis to conduct auditing of ECO and its Specialized Agencies by the Audit Board.

Moreover, according to the ECO Financial Regulations, Article 21:

- The Council of Ministers shall examine the Audit Board's report and observations that the Secretary General has made thereon. Approval of the report by the Council of Ministers upon the recommendation of the CPR shall authorize the closing of the accounts of the Secretariat for the financial year in questions.



Executive Summary

Audit Board is highly grateful for the gratitude and hospitality extended by His Excellency Amb. Khusrav NOZIRI, ECO Secretary General. Audit Board is also thankful to Ms. Zahra Shahrani, Chief Accountant, for extending cooperation during the course of audit.

It is pointed out that the Audit Board had a short time to audit the accounts of years 2021 & 2022 of ECO and due to the paucity of time, detailed audit of different projects and funds could not be conducted. It is therefore recommended that a special audit of all such projects may be planned to ascertain whether all rules, regulations, policies, procedures, and principles have been followed. Such a process would also help in giving assurance to stakeholders that all the assets are adequately safeguarded.

It is worth noting that the Audit Board was appointed to make sure that the financial statements are in accordance with the books and records of the organization and the financial transactions reflected in the statements are following the rules and regulations, the budgetary provisions and other applicable decisions and directives. However, as mentioned in financial regulation, the Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, concerning the efficiency of the financial procedures, the accounting system, and the internal financial controls. So, it is inevitable for the Audit Board to understand the internal procedures at first glance; maybe seemed non-financial, but indeed has financial consequences. Regarding pre-mentioned problem about the lack of the time, it recommends establishing an internal audit unit at the organization to ensure the appropriateness of internal controls.

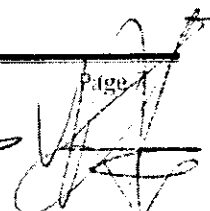
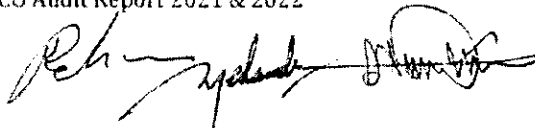
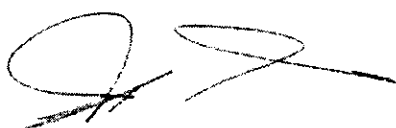
In the end, to enhance the effectiveness of audit report, it is recommended to extend Financial Regulations to contain principles for a standard audit report with the definition of a specified format for audit report and determination of the type of the audit opinion. It leads to a more reliable audit report.

Review of Audit Report for the Year 2019& 2020

The most important observation of the last year's audit was unpaid contributions by Member States; improper format of financial statements; improper maintenance of cash book; misclassified transaction flow and inadequate procurement guidelines.

Audit Board observed that ECO has made considerable efforts to resolve many observations raised by previous Audit Board, like procurement and staff related regulations, but Audit Board also observed that despite the lapse of considerable time, ECO has taken considerable actions to rectify the financial accounts but still some areas need to be improved. These audit exercise will become beneficial when the ECO works on some areas that need to be improved.

The Audit Board emphasis its concern over non-payment of contributions due by certain member states and failure of management to address other observations which are being repeated year after year. The Audit Board is of the opinion that a focused approach is required to address these recurring audit observations to avoid being raised repeatedly by the Audit Board. The Secretariat needs to make all out efforts to implement all the observations of the audit report.



Financial Statement for the year 2021& 2022

The ECO Secretariat budget for the year 2021 amounts to USD 4,013,993/- which is 0.24% lower than the budget of 2020 which was USD4,226,354/- and for the year 2022 amounts to USD 4,130,124/- which is 1.028% higher than the budget of 2021 which was USD 4,013,993/- **Annexure 1.** (this unavoidable rising in the budget of 2022 is due to increment of Salary and advances of the staff in category D & P). The Statement of Budget and Expenditure for the year 2021& 2022 are attached as **Annexure 2.** The Balance Sheet as on 31.12.2021& 31.12.2022 are enclosed at **Annexure 3.** The Statement of Income and Expenditure for the year 2021& 2022 are attached at **Annexure 4.** The cash flow statement and the statement of changes in equity for the year 2022 are attached **Annexure 5.**

Audit Observations

Paragraph 1: Increasing Rate of Personnel Payments in the Budgets

As per Article 19 of the ECO Financial Regulations:

- The Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls.

Audit Observation

A large part of the budget is spent on personal payments and ratio of personal payments in budget is increasing considerably.

The composition of the budgets for the financial years 2019, 2020, 2021 and 2022 is shown in table below:

Approved Budgets for the Year 2019, 2020, 2021 and 2022

Account Heads	Budget 2019		Budget 2020		Budget 2021		Budget 2022	
	Amount \$	% of Total	Amount \$	% of Total	Amount \$	% of Total	Amount \$	% of Total
Salary and Allowances	3,069,868	76.6	3,144,890	78.13	3,124,354	81.73	3,358,748	85.39
Staff Benefits	508,492	12.68	460,829	11.45	540,347	14.13	345,935	8.79
Travel Expenses	169,693	4.23	139,330	3.46	59,150	1.55	83,150	2.11
Transport	13,000	0.32	11,700	0.30	6,000	0.16	7,500	0.19
Reception & Dip. Obligations	14,500	0.36	14,000	0.35	3,000	0.08	7,500	0.19
Utilities	13,000	0.32	12,000	0.30	12,000	0.32	13,000	0.34
Publications	9,700	0.24	10,000	0.25	3,000	0.08	4,000	0.10
Post Telecommunications	5,500	0.13	5,000	0.12	5,000	0.13	6,000	0.15
Stationary	5,000	0.12	4,000	0.10	2,000	0.05	4,000	0.10
Contingencies	4,500	0.11	3,500	0.09	2,000	0.05	1,618	0.04
Furniture & Office Equipment	9,500	0.23	8,550	0.21	6,000	0.16	9,500	0.25
IT Expenses	35,000	0.87	38,000	0.94	20,000	0.52	23,000	0.58
Purchase of Cars	0	0	25,000	0.62	0	0	0	0
Special Support Fund	60,000	1.49	60,000	1.5	7,000	0.18	40,000	1.03
ECO Awards	50,000	1.24	50,000	1.24	0	0	0	0
Maintenance of Building & Equipment	19,500	0.48	20,300	0.50	20,000	0.52	17,500	0.44
Consumable Items & Other	20,000	0.49	18,000	0.44	13,000	0.34	12,000	0.30

Services								
Sub-total	4,007,253	100	4,025,099	100	3,822,851	100	3,933,451	100
Feasibility & General Purpose Fund (5% of the Budget)	200,363	5	201,255	5	191,143	5	196,673	5
Grand Total	4,207,616	105	4,226,354	105	4,013,994	105	4,130,124	105

As can be seen in the table, personnel payments constitute a quiet big part of the budget and this ratio is constantly increasing. The rate, which was 76.6% in 2019, has been increased to 85.39% in 2022. With staff benefits, the rate of personnel payments reaches 94.18% in 2022. The following highest rate (2.11%) in the budget is about travel expenses of the staff as well.

Although 196,673 USD (5% of the annual budget) has been allocated for the implementation of the projects within the scope of the Feasibility and General Purpose Fund (FGPF) according to the decision of CPR, 7,758.19 in cash and 115,000 USD as allocated to different projects in 2022.

This composition may pose a risk for the institution to continue its activities effectively.

Audit Board Recommendation

The General Secretariat should develop necessary strategies to increase the effectiveness of the Organization and submit to the COM in order to speed up the reform process.

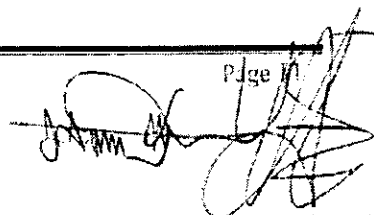
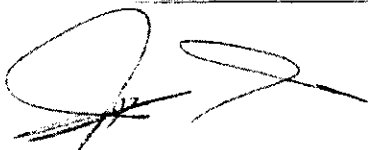
Paragraph 2: Lack of Information on the Achievements of Objectives of ECO Objectives

According to Treaty of Izmir, Article 2:

The objectives of the Organization shall be:

- (a) To promote conditions for sustainable economic development and to raise on this basis the standard of living and quality of life in the Member States through mobilization of economic and social potentials of the region.
- (b) To take measures towards progressive removal of trade barriers within ECO region and expansion of intra and inter-regional trade, keeping in view experiences in other regions and global economic trends.
- (c) To pursue, in line with the basic aspirations of the Member States, increased economic cooperation in order to secure greater role and contribution of ECO region to the growth of world trade and removal of iniquitous trading policies resulting in adverse terms of trade for the developing countries, particularly for the Member States.
- (d) To provide for gradual and smooth integration of the economies of the Member States with the World Economy to ensure their fuller participation in the globalization process.
- (e) To promote active regional collaboration and mutual assistance in economic, social, cultural, technical and scientific fields.
- (f) To accelerate development of transport and communications infrastructures linking the Member States with each other and with the outside world;
- (g) To promote integration of public and private sector activities with emphasis on economic liberalization and privatization towards increased participation of the private sector in the regional economic development through joint ventures and investments.
- (h) To develop joint programmes for human resource development in ECO region.
- (i) To intensify mobilization and utilization of ECO region's natural resources in particular energy resources.
- (j) To enhance efforts for effective utilization of the agricultural and industrial potentials of ECO region.
- (k) To develop regional cooperation to eradicate drug abuse.
- (l) To facilitate cooperation in the fields of ecological and environmental protection within the region.
- (m) To promote mutually beneficial interaction and cooperation between ECO and other regional and international organizations as well as financial institutions.
- (n) To further strengthen historical and cultural ties among the peoples of the ECO region as well as exchanges in the field of tourism.

ECO Secretariat Job Descriptions gives the different tasks to the management of the Organization to fulfill the aims and objectives enshrined in the Treaty of Izmir.

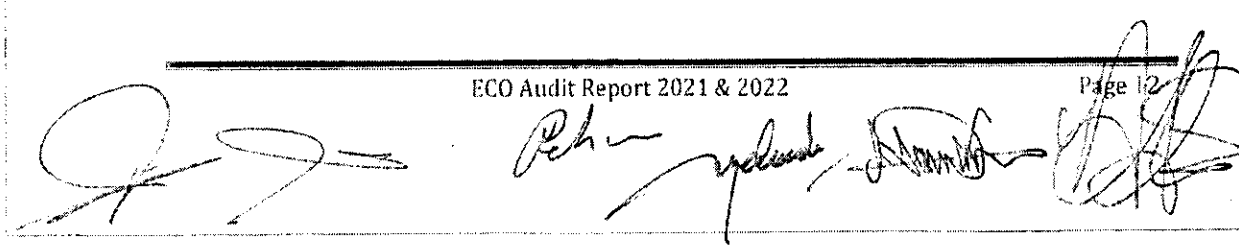


Audit Observation

Although very ambitious objectives have been set by the Treaty but there is no sound information on the achievements of each of them or the overall implementation performance.

Audit Board Recommendations:

The Organisation and each unit in charge to fulfill the objectives shall develop strategies for a proper implementation. To evaluate performance, key performance indicators (KPIs) should be determined. Periodical evaluations based on these indicators should be used as inputs to improve the performance and achieve greater successful results.



Economic Cooperation Organization Audit Report | 2021 & 2022

Paragraph 03: Proper Maintenance of Budgeting (2021 & 2022)

According to ECO Financial Regulations, Article 19.3:

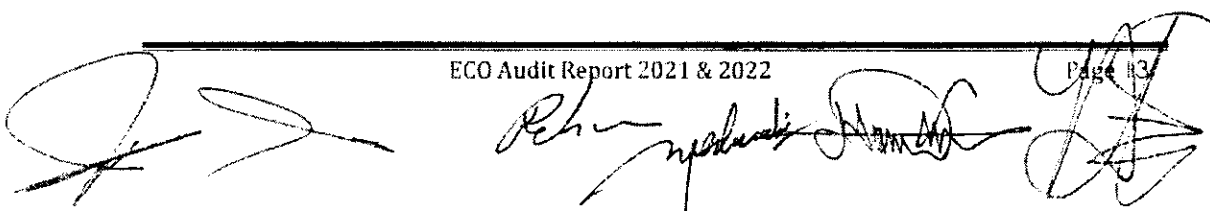
- The Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls.

Audit Observation

After thoroughly checking the Statement of Budget and Expenditure, it has been observed by the Audit Board that estimation of budget and expenditure is not forecasted and prepared by the Secretariat appropriately resulting in saving of heavy amount of US\$ 1,064,954/- in the year 2021 and US\$694,460.70 in year 2022.

Audit Board Recommendations

To present a true and fair presentation of budgeting in the financial statements, the Audit Board recommends that budgeting should be made more realistically keeping in view the budget of past years.



Paragraph 04: Un- paid Loan to Ministry of Foreign Affairs, Iran (2021 & 2022)

According to ECO Financial Regulations, Article 19 3:

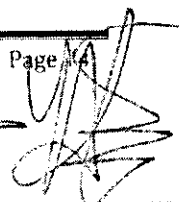
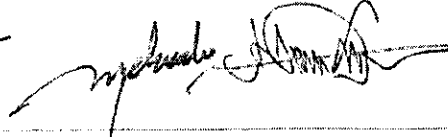
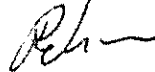
- The Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls.

Audit Observation

While going through the record it was found that an amount of USD 948,363/- was received as loan from Ministry of Foreign Affairs of Iran in 2010. After a lapse of more than 12 years a large part of the loan USD 605,363.72 as shown in balance sheet of 2022 as still outstanding against the ECO Secretariat.

Audit Board Recommendations

It is purposed by the Audit Board that the amount of loan may be restructured based on the contributions received from the Member states. This liability should be paid on priority to Ministry of Foreign Affairs of Islamic Republic of Iran for presenting a true and fair picture of Statement of Financial Position and to decrease the liability of the organization.



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Paragraph 05: Trail of Income of USD 459,705.93 & USD 453,134.16 (2021 & 2022)

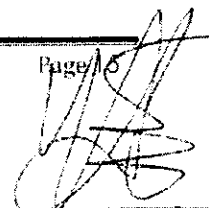
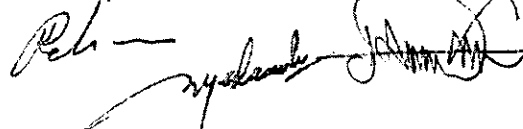
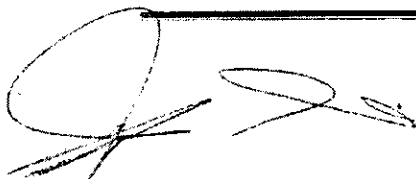
The Statement of Income and Expenditure of the ECO Secretariat (other deposits) as on 31.12.2021 & 31.12.2022 reflects an income of US\$459,705.09- & 453,134.16 respectively. A proper trail of the said amount needs to be established. In the income and expenditure statement surplus has been mentioned to equate the statement.

It was observed that a proper title and format has not been adopted by the Secretariat while writing the income and expenditure statement. The Chief Accountant is of the view that she will comply to it in future.

Recommendations of the Audit Board

The Audit Board has recommended that:

- A proper title of the statement should be written on top. First Revenue/Income should be recorded and after that Expenditure should be recorded.

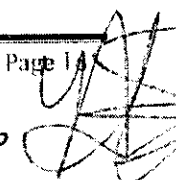
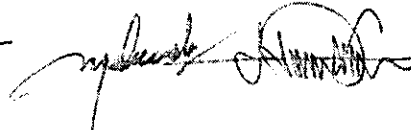
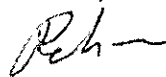
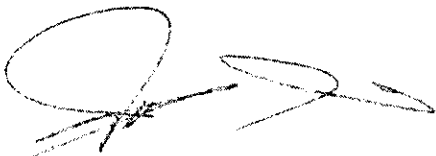


Paragraph 06: Late Payments of Contributions by the Member States (2021 & 2022)

According to ECO Financial Regulations, Provision of Funds section, Article 11.1, 11.3 and 11.5:

- The appropriations approved by the Council of Ministers shall be financed by contributions from Member States on equal or such proportionate basis as may be determined by the council of ministers.
- Contributions shall be considered due and payable in full within 30 days of the receipt of the letters of assessment. However, a program for the payments of contributions shall be prepared by the Secretary General in consultation with the Governments of the Member States and submitted to them.
- The Secretary General will report to the Council of Ministers concerning the Member States which are in arrears for two years and through his contact and communication will make all possible efforts to encourage the relevant country to pay all mandatory contribution.


Moreover, in the rest of the article, there are different provisions which deal with the cases of non-payment of contributions by the Member States for more than two years and more than five years. In case of delay in payments for more than two years, the member concerned will not be eligible for ECO award and cannot utilize special support fund of the ECO Secretariat. Also, such a member cannot be involved in any financial discussion and cannot be nominated for any vacant position in the Secretariat. In case of delay in payments for more than five years, all the above-mentioned measures and a suspension of the right to participate in decision making and to vote would be implemented. An analytical report for the details of contributions is presented in the table below:


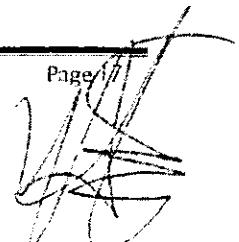


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Contribution of the ECO Member States and Payments in 2021

S.No	Country	Balance of Contribution at the end of 2020	Share of Contribution of member states in 2021 \$	Paid in 2021	Balance of contribution at the end of 2021	Date of contribution received.
1	Afghanistan	---	80,280.00	-----	80,280.00	-----
2	Azerbaijan*	---	160,560.00	128,273.00	32,287.00	24-06-2021
3	Iran	929,798.00	883,079.00	929,798.00	883,079.00	24-11-2021
4	Kazakhstan	2,010,281.33	722,519.00	722,519.00	2,010,281.00	07-07-2021
5	Kyrgyz Republic**	55,664.00	26,492.00	0	82,156.00	-----
6	Pakistan	443,043.56	883,079.00	1,210,384.00	115,739.00	In 3 parts 408,794 on 31-03-2021 500,000 on 09-08-2021 301,590 on 13-9-2021
7	Tajikistan	18,302.00	40,139.00	40,140.00	18,301	24-08-2021
8	Turkia	---	883,079.00	883,079.00	0	13-10-2021
9	Turkmenistan	137,829.00	160,560.00	137,300.00	161,089	28-02-2021
10	Uzbekistan	169,054.00	160,560.00	329,614.00	0	In 2 parts 168,962 on 31-03-2021 160,652 on 15-11-2021
Total		3,763,971.89	4,000,347.00	4,381,107.00	3,383,211.89	



Contribution of the ECO Member States and Payments in 2022

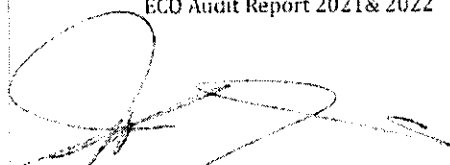
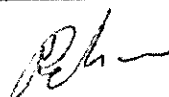
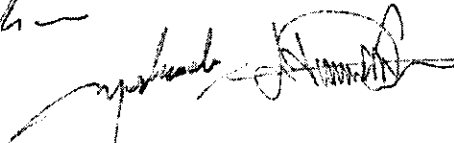
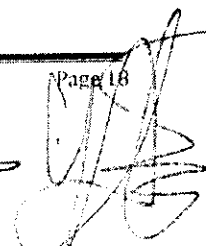
S.No	Country	Share of Contribution of member states in 2022 \$	Unpaid contribution of previous years as of January 2022	Total	Paid during 2022	Total unpaid contribution at the end of 2022
1	Afghanistan	76,357.00	80,280.00	156,637.00	0	156,637.00
2	Azerbaijan	122,554.00	576.00	123,130.00	122,007.00	1,123.00
3	Iran	839,931.00	883,079.00	1,723,010.00	1,000,000.00	723,010.00
4	Kazakhstan	687,216.00	2,010,281.33	2,697,497.33	687,216.00	2,010,281.33
5	Kyrgyz Republic	25,198.00	82,156.00	107,354.00	46,877.00	60,477.00
6	Pakistan	839,931.00	115,738.56	955,669.56	150,000.00	805,669.56
7	Tajikistan	38,178.00	18,301.00	56,479.00	56,479.00	0
8	Turkiye	839,931.00	0	839,931.00	839,931.00	0
9	Turkmenistan	152,715.00	161,089.0	313,804.00	161,089.00	152,715.00
10	Uzbekistan	152,715.00	0	152,715.00	152,715.00	0
	Total	3,774,726.00	3,351,500.89	7,126,226.89	3,216,314.00	3,909,912.89

Audit Observation

It has been observed from the table of contributions that late contributions have been made by the Member States resultantly expenditure has been incurred from the General Reserves. Due Contributions have already caused significant liquidity problems for the Secretariat.

Audit Board Recommendations

The Secretary General through his contact and communication shall make all possible efforts to ensure that all the member states pay their mandatory contribution in time.

Paragraph 07: Unpaid Contributions by the Member States (2022)

According to ECO Financial Regulations, Provision of Funds section, Article 11.1,11.5:

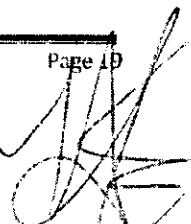
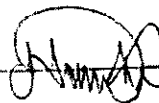
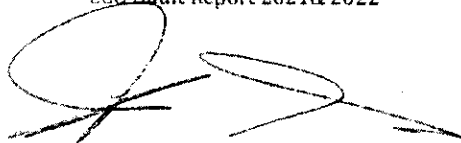
- The appropriations approved by the Council of Ministers shall be financed by contributions from Member States on equal or such proportionate basis as may be determined by the council of ministers.
- The Secretary General will report to the Council of Ministers concerning the Member States which are in arrears for two years and through his contact and communication will make all possible efforts to encourage the relevant country to pay all mandatory contribution.

Audit Observation

It has been observed that contributions of Member States have neglected to pay their due contribution of previous years 2020, 2021 and even after the closing of the financial year 2022. A total unpaid contribution by the member states in 2022 is US\$ 3,909,912.89 approximately equal to 94% of the budget of the ECO for the year audited.

Audit Board Recommendations

The Secretary General through his contact and communication shall make all possible efforts to ensure the respective country to pay all mandatory contribution. Due Contributions have already caused significant liquidity problems for the Secretariat.



Paragraph 08: Non-opening of Special Bank Accounts

Article 14.3 of ECO financial regulation states:

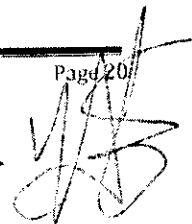
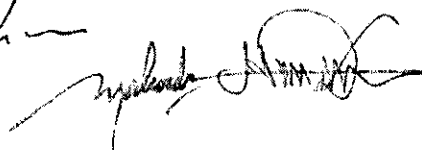
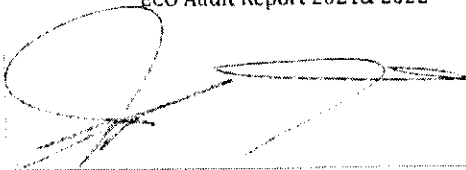
Special bank accounts shall be opened for the Termination Benefit account and the funds provided in the budget for these purposes shall be transferred to the special bank accounts as soon as possible after the budgets are approved.

Audit Observation

It was observed that ECO had not opened these special Bank Account even when the rule clearly directs it to do so. Instead, the funds provided for these purposes are being kept in the main account of ECO.

Recommendation of the Audit Board

ECO should open separate Termination Benefit account, and the Contingencies account as soon as possible and the funds provided in the budget for these purposes should be deposited in the new account.



Paragraph 9: Non-completion of Tenure and Insufficient Working Days for Audit Board

As per Article 18.11 of the Financial Regulations of the ECO:

The Tenure of the Audit Board shall be three years.

Audit Observation

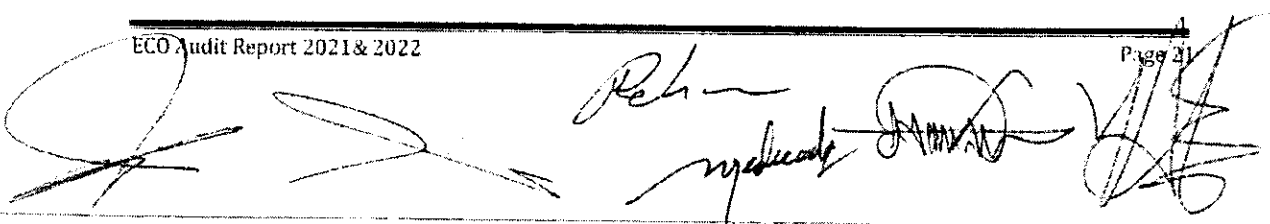
In contravention to the rules, a new Audit Board is constituted as per nominations by the Member States every year. Due to re-constitution of Audit Board every year based on new members, it becomes difficult for Audit Board to have a complete grasp over the general and financial understanding of ECO, a major reason for which is the paucity of time.

Also, the timeline given to Audit board for conducting the audit of ECO secretariat is too short as only three days from 06th August to 08th August, 2023 were provided to Audit Board to complete the audit, prepare the report and then discuss it with management. The Audit Board is of the view that it is not possible to conduct the audit of the ECO Secretariat, in such a short time.

Audit Board Recommendations

The Audit Board recommends that:

- The tenure of the Audit Board should be maintained for three years, and only in case of unavoidable circumstances, a member of the audit board should be replaced.
- A special audit should be planned for the major projects which are being run under the aegis of ECO to ascertain their financial health and to provide assurance to all the member states.
- In future, the number of working days for the audit of ECO Secretariat should be increased so that Audit Board has sufficient time to conduct the audit and give its opinion on the financial health of the organization/projects.



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Paragraph 10: Necessity of Attaching the Explanatory Notes to some of the Financial Statements (2021& 2022)

As per Article 19 of the ECO Financial Regulations:

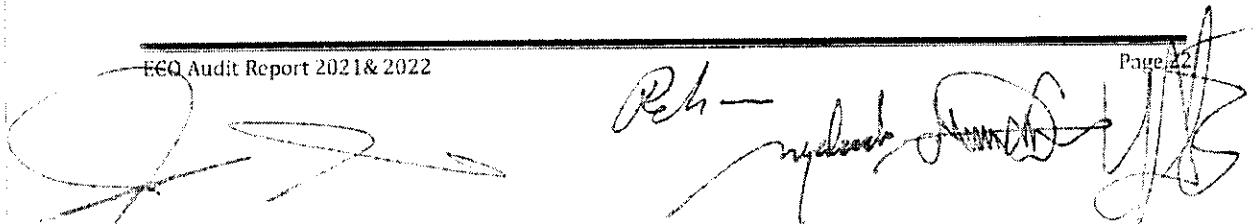
- The Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls.

Audit Observation

Additional explanations of financial statements would increase transparency and guide the users of the financial statements to understand the performance and position of the organization better. Explanatory notes are an integral part of the financial statements. It has been observed that the organization has not prepared the explanatory notes in some cases as an attachment to financial statements.

Audit Board Recommendations

To present a clear image of items in the financial statements, the Audit Board recommends the preparation of explanatory notes as an integral part of the financial statements. Details of the events that result in the balance of an item in the financial statements could be stated in explanatory notes and linked to the relevant item.

The bottom of the page features several handwritten signatures and initials. On the left, there is a large, stylized signature. In the center, there are initials that appear to be 'Rch'. To the right, there are several more signatures, including one that looks like 'S. Ahmad' and another that is more abstract. The signatures are written in black ink on a white background.

Paragraph 11: Assets Not Shown in the Balance Sheet

As per Article 19 of the ECO Financial Regulations:

- The Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls.

As per Article 14.1 and 14.1.5 of the Financial Regulation:

Accounts shall be kept to show:

Other assets and liabilities of the Organization.

Audit Observation


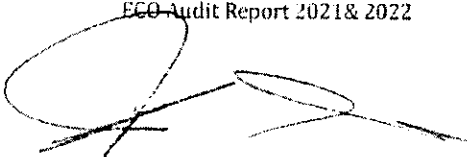
It has been observed while auditing by the Audit Board that the durable goods/fixed assets (computers, cars, furnitures, etc.) owned by the Secretariat were not followed in the financial statements, and these durable goods which should appear on the Assets side of the balance sheet, were directly subject to cost.

Furthermore, due to the fact that depreciation is not applied to these properties, the actual value of these cannot be determined.

Audit Board Recommendations

In accordance with Principle of Disclosure the balance sheet should be prepared in order to fully and accurately reflect the resources and the assets. Assets, current and fixed assets are divided into main account groups according to their liquidity status. Assets that can be converted into money within one year are shown in current assets in the balance sheet and assets that will be used for more than one year are shown in fixed assets.

Therefore, the assets of the ECO, which are directly subject to cost, must be followed on the Assets side of the balance sheet according to international standards.



Paragraph 12: Non-conducting Audit of Specialized Agencies

According to the ECO Financial Regulations, PREAMBLE section:

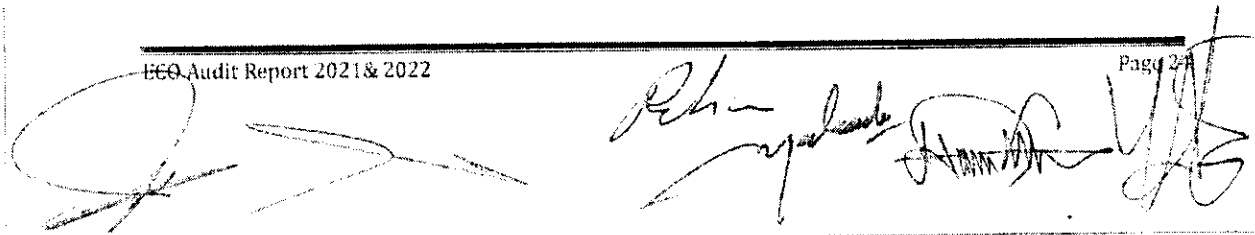
These Regulations shall govern the financial administration of the Economic Cooperation Organization Secretariat and Specialized Agencies established by ECO and financed through centralized annual budget contributed by the Member States.

Audit Observation

The Audit Board observed that the audit course is annually conducted only for the ECO Secretariat and ECO Cultural Institute. While there are two other Specialized Agencies which are financed through centralized Annual Budget contributed by the Member States, they have never been audited by any Audit Board.

Audit Board Recommendations

The Audit Board recommends that all Specialized Agencies and entities established by ECO and financed through centralized annual budget contributed by the Member States, should be audited annually. Systematic audit programs for all agencies under the umbrella of ECO, would facilitate the review and control of the accounts. Each agency under the umbrella of ECO should be held accountable and be audited by independent auditors.



Paragraph 13: Non-maintenance of Inventory and Stocks Record

As per Article 19 of the ECO Financial Regulations:

The Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls.

Audit Observation

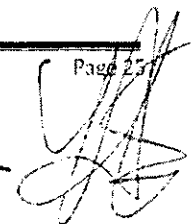
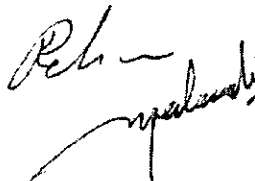
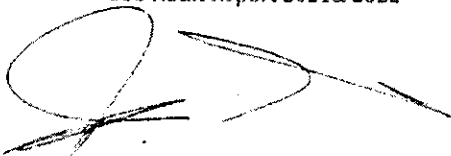
It has been observed by the Audit Board that the stock detail has not been properly maintained. Moreover, a dead stock register has also not been prepared which shows a lapse on the part of management. Non maintenance of stock records may lead to loss.

Audit Board Recommendations

The Audit Board recommends that:

The inventory stock should be completed in all respects by the Chief Accountant.

- Procurement price and date of procurement should also be mentioned in stock papers/register.
 - The dates on which specific item was issued to an officer should also be entered in the inventory record.
 - Detail of the items written off should also be provided in the inventory record papers.



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Paragraph 14: Accounting for Gifts received in Kind(2021 & 2022)

As per Article19 of the ECO Financial Regulations:

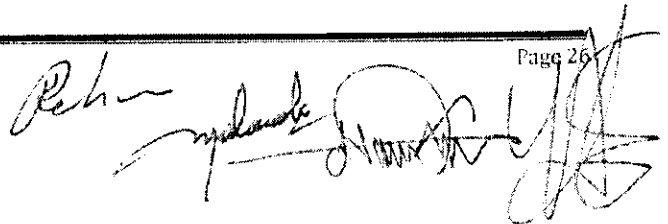
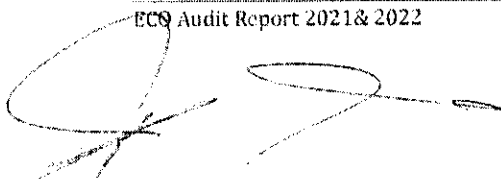
- The Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls.

Audit Observation

- According to ECO, most of the Secretariat assests have been provided by the host country Iran as gifts since the establishment of ECO.
- In accounting principles, Gifts in-kind are recorded at fair value as contribution revenue and an asset or expense in the period received. Contrary to the above the ECO has not reflected the gifts received by it in the financial statements.

Audit Board Recommendations

The audit board recommended that assests received as gifts by ECO should be recorded in financial statements as per International Accounting Standards at their fair market value.



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Paragraph 15: Payment of advance Salary USD 15,945/- (2021)

As per Article 19 of the ECO Financial Regulations:

- The Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls.

Audit Observation

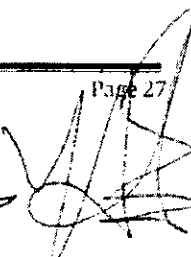
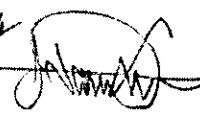
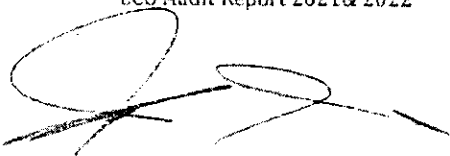
Three months advance salary paid to Mr. Qudrat vide voucher No.207 in the month of July, 2021. The amount paid was USD15,945. The following monthly deductions was made as detailed in the table:

Month	Deduction
August 2021	1772
October 2021	1772
November 2021	1772
December 2021	1772
December 2021	1085
Total deduction	8173

The total deduction comes to USD8173. The official left ECO Secretariat with USD 7.772/- outstanding against him.

Audit Board Recommendations

Audit Board is of the view that if any employee takes advance payment and does not return the payment, then it may be the responsibility of the corresponding member country to return the payment in due contributions.



Paragraph 16: Staff Benefits Honorarium (2021)

As per Article 14.2 of the ECO Staff Regulations:

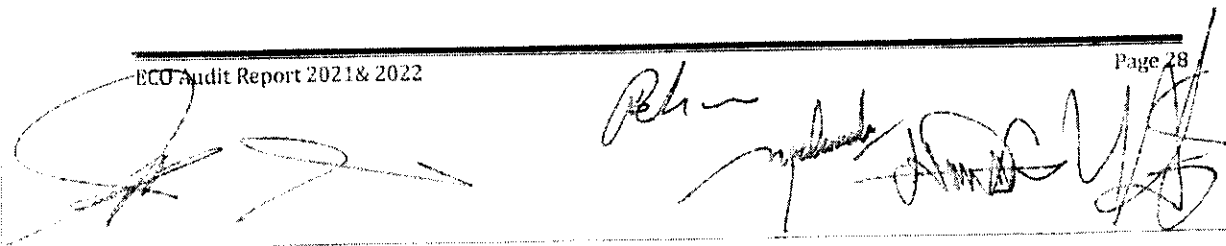
- The Secretary General may also grant special honorarium up to one month salary or an exceptional scale increase to any staff member or staff members in Category II in recognition of extraordinary services rendered including research work relevant to the Organization's activities and special contribution to the working of the Organization

Audit Observation

The audit board has observed that some of staff received reward payments/honorarium & Special Bonus from the ECO because of their special contribution to the working of the ECO. But there is no any criteria set by The organization to specify staff's special contribution.

Audit Board Recommendations

The Audit Board recommends that in order for the staff to be entitled the reward payment, targets should be set for the employees and they should be motivated to achieve these goals. These payments should be made if the staff reach the targets.



Paragraph 17: General Observations (2021 & 2022)

As per Article 19 of the ECO Financial Regulations:

The Audit Board, in addition to certifying the accounts, may make such observations as it may deem necessary, with respect to the efficiency of the financial procedures, the accounting system and the internal financial controls.

Audit Observation

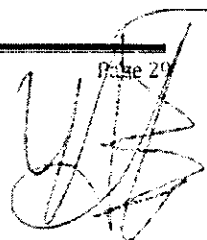
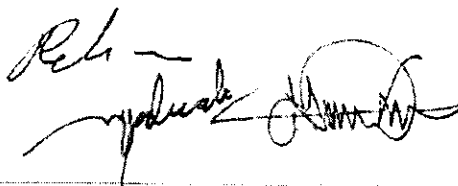
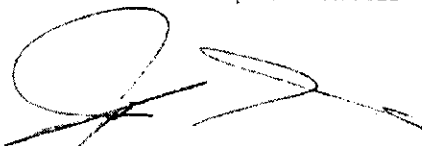
It has been observed by the audit board that;

- i. Some of the medical documents submitted before the audit board contained local language and not completely understood.
- ii. ECO has been using internet service but the vouchers of the payment for internet services do not mention any quotation invited from internet services provider.
- iii. Travelling allowance have been paid to the employees but the staff regulations and their entitlement are not attached with the voucher.
- iv. Air tickets have been bought for the foreign trips in 2021 but there is no proper procedure for buying tickets and inviting quotations from different airline services.

Audit Board Recommendations

It is proposed by the audit board that;

- i. The documents submitted before the audit board should be translated into English.
- ii. There is a clear lack of hierarchy in signing the documents. A clear hierarchy should be established for signing the documents in 2021.
- iii. If any Advance Salary is to be paid to any employee his /her last pay slip should be attached to the voucher.
- iv. To get clarity on traveling allowances, a complete list of different categories should be prepared and attached to the voucher.



No: LA/Treaty Event/2023/1208

Priority: Urgent
Date: 16/8/2023
Attachment: Yes

The Secretariat of the Economic Cooperation Organization presents its compliments to the Ministry of Foreign Affairs of the Islamic Republic of Iran and the Embassies of the Member States in Tehran and with reference to the standing agenda item of "Treaty Event" in draft agenda of 27th COM Meeting scheduled to be held in Shusha, Republic of Azerbaijan, on 9th October 2023, has the honour to state the following:

The ECO Member States, non-signatory to the Agreements concluded within the framework of ECO, may sign the Agreements to which they intend to be a party at the Treaty Event provided for to be held during the 27th COM Meeting under the aforesaid agenda item. To this end, the interested Member States are requested to inform the Secretariat of their intention, **not later than 28 September 2023**, for the required arrangements. A copy of the latest status of Agreements concluded within the framework of ECO is attached.

The instruments of ratification of the Agreements may also be deposited with the depositary at the said event by signatory states.

The Secretariat avails itself of this opportunity to renew to the esteemed Ministry and the Embassies the assurances of its highest consideration.

All ECO Member States, Tehran



Draft, as of October 4, 2023

27th Meeting of the ECO Council of Ministers (COM)
October 10, 2023, Shusha, Republic of Azerbaijan

Draft Shusha Declaration
Green Transition and Interconnectivity in the ECO Region

We, the Ministers of Foreign Affairs/Heads of Delegations of the ECO Member States, have met at the 27th Meeting of the ECO Council of Ministers (COM) on October 10, 2023 in Shusha under the Chairmanship of H.E. Mr. Jeyhun Bayramov, Minister of Foreign Affairs of the Republic of Azerbaijan, and while:

1. **Reaffirming** our resolve and commitment to the fundamental principles of the Treaty of Izmir and targets set forth in the ECO Vision-2025, as well as the guidance provided by ECO Heads of State/Governments in the Ashgabat Consensus for Action and our previously expressed assertions and iterations to enhance multifaceted cooperation for sustainable progress and economic development in the region; **(Ad-Ref)**
2. **Commending** the Republic of Azerbaijan for effectively continuing the ECO Chairmanship in 2023 under the vigorous yearly theme "*Green Transition and Interconnectivity*"; **(Ad-Ref)**
3. **Welcoming** the ECO Chairmanship 2024 of the Islamic Republic of Iran under an important regional theme ----- ; **(Ad-Ref)**
4. **Realizing** the importance of acceleration in trade and investment activities for boosting regional economic profile through productive measures, including removal of trade barriers in the region; **(Ad-Ref)**
5. **Acknowledging** the need to development and enhance of cooperation and removing barriers as relate to interconnection of oil and gas system of the Member States and facilitating the regional energy trade;
6. **Noting** the value of developing linkages for wider connectivity, including through all corridors under ECO Transit Transport Framework Agreement (TTFA) (May 9, 1998) and their further improvement and expansion to be linked with other regions in Europe, Asia, and the Persian Gulf; **Highlighting** the importance of digitalized transport, customs and border crossing procedures for enhanced regional connectivity and importance of strengthening cooperation on the Digital

Comment [s1]: Iran proposed to add new paragraph

Comment [s2]: Kazakhstan proposed to insert date

Economy and the Fourth Industrial Revolution among the ECO Member States;
(Ad-Ref)

7. *Understanding* the importance of energy security and sustainability in special consideration of the prevailing energy crisis that warrants a balanced, just and mutually resorted approach to facilitate smooth, efficient and sustainable regional energy transition with due consideration to different national circumstances, economic linkages and respective capabilities of the Member States;
(Ad-Ref)

8. *Realizing* the need to work collectively towards greater stability and security of energy supply and demand in the ECO Region and beyond; considering the critical role of enhanced cooperation among the Member States as well as among their private sectors in exploration and production, and trade of energy resources in the region;

Comment [s3]: New Paragraph proposed by Iran

9. *Recognizing* the need for regional oil and gas Markets for ECO Member States, increased energy productivity and efficiency, promoting joint investments and encouraging public and private companies to be involved, training and development of human resources of energy sector, considering the creation of common currency for oil and gas trade and investment among Member States;

Comment [s4]: New Paragraph proposed by Iran

10. *Stressing* the meaningfulness of North-South and South-South dialogue in imperative topics related to sustainable, just and climate resilient clean energy transition, including, but not limited to decarbonization, renewables, transitional fuels, energy efficiency, clean energy investments and technology transfer on preferential terms; (Ad-Ref)

11. *Reaffirming* our joint commitment to the implementation of the UN Sustainable Development Goals (SDGs) for improvement and development of various regional sectors; *Welcoming* the outcomes of the recent SDGs' Summit in New York, as well as organization of the 2023 High-level Dialogue on Financing for Development held back-to back with the SDG Summit; (Ad-Ref)

12. *Recognizing* the need of enhanced cooperation amongst the Member States on issues emanating from natural disasters in particular reference to the recent devastating earthquake in Türkiye and the catastrophic floods in Pakistan; (Ad-Ref)

13. *Acknowledging* that agriculture, as a steerer of national and regional economies, plays an instrumental role in generating wealth and employment

opportunities leading to the economic growth and sustainable development as well as collective welfare of our peoples; (Ad-Ref)

14. *Supporting* the initiative of the Republic of Uzbekistan to develop appropriate mechanisms to utilize Afghanistan's frozen international assets to solve acute social problems in that country;

Comment [s5]: Uzbekistan proposed to modify the working instead of the previous proposed and proposed to adjust this paragraph at para-13

15. *Underscoring* the significance of ECO Tourism Capitals for displaying the cultural and tourism potentials of the Member States, promotion of their tourism destinations, enhancing the involvement of local communities and private sector in the region's tourism activities; (Ad-Ref)

16. *Recognizing* the centrality of sustainable peace, stability and security in Afghanistan for regional development and prosperity; *Reiterating* our support and commitment, where appropriate, to providing continuous humanitarian and development assistance to Afghanistan to ease the suffering of the Afghan People;

Comment [s6]: Proposed by Türkiye

17. *Expressing* deep concerns over the transnational organized crimes and their impacts on regional economic development; *Reemphasizing* the need for early finalization of ECO relevant mechanisms on police, judicial and anti-corruption cooperation; (Ad-Ref)

18. *Realizing* the need to enhance parliamentary dialogue and interaction under the umbrella of PAECO as an effective tool for helping secure ECO's socioeconomic objectives; *Encouraging* the remaining Member States to sign/ratify the PAECO's Charter; (Ad-Ref)

19. *Emphasizing* the need for augmenting scientific, industrial and technological cooperation amongst the Member States; *Underscoring* the contribution of ECO Specialized Agencies, Regional Institutions, Affiliated Bodies and Observers and their supportive role and activities for materializing multifaceted cooperation; (Ad-Ref)

20. *Endorsing* the decisions and declarations made by all ECO Ministerial Meetings and other important high-level forums during 2023 and earlier, aimed at pursuing our mutual aims and objectives for greater economic integration in the region; (Ad-Ref)

21. *Supporting* the normalization of inter-state relations between Armenia and Azerbaijan based on mutual recognition of/and respect for each other's sovereignty and territorial integrity and inviolability of state borders; *Believing* that this development will pave the way for sustainable peace, social welfare and

economic prosperity in the Caucasus Region through establishment of good-neighborly relations; (Ad-Ref)

Alt. Para 21. *Supporting* the normalization of inter-state relations between Azerbaijan and Armenia based on mutual recognition of/and respect for each other's sovereignty and territorial integrity and inviolability of state borders; Believing that this development will pave the way for sustainable peace, social welfare and economic prosperity in the Caucasus Region through establishment of good-neighborly relations.

Comment [s7]: Kazakhstan proposed to replace this para with paragraph no. 21

Have agreed to:

Reached the following understanding:

Comment [s8]: Kazakhstan proposed to replace "have agreed to" with this

1. **Reconfirm** our commitment to implement Goals of ECO Vision 2025, including those related to enhancing cooperation in intra-regional connectivity, including trade, finance and investment, energy, tourism, food security, technology and innovation, protection of environment, disaster risk reduction capacity building, health, education and digitalization; (Ad-Ref)

2. **Pursue** trade liberalization in the region by encouraging development of consensus through setting up a framework of preferential trade under ECOTA by its operationalization to expand its coverage to a Free Trade Agreement (FTA) as specified in paragraph 6 of Ashgabat Consensus for Action and paragraph 3 of Tashkent Communiqué, aimed at, inter alia, improving trade facilitation by removing Non-Tariff Barriers (NTBs), including reduction in cost/time of regional trade transactions; (Ad-Ref)

Alt. Para 2. **Pursue** trade liberalization in the region by encouraging development of consensus through setting up a framework preferential trade under ECOTA [...]

Comment [s9]: Kazakhstan proposed to replace this para with paragraph no. 2

3. **Appreciate** the Republic of Azerbaijan for hosting the 9th Meeting of the ECO Council of Heads of Customs Administration and the 8th Meeting of Customs Transit Committee of Transit Transport Coordination Council in Baku, July 2023; **Task** the Secretariat to follow up implementation of all ECO trade-related agreements/frameworks and organize, on an urgent basis, 5th ECO Ministerial meeting on Commerce and Foreign Trade, 9th ECOTA Cooperation Council Meeting and other relevant events/meetings for ensuring smooth accomplishment of the targets for trade liberalization, trade facilitation and trade promotion to boost the regional trade profile, aimed at its enforcement and subsequent benefits from the unexplored trade and investment potentials of the ECO region; (Ad-Ref)

4. **Support** the initiative of the Islamic Republic of Iran to provide the modalities on Article 7 of the TTFA on combined and multimodal transport in the region; **Invite** the Member States to establish a mechanism for promoting multimodal transportation to supplement the region's contribution and diversity in global transportation; **(Ad-Ref)**

5. **Recommend** the Member States to consider reduction in the costs of procedures at their border crossing points and introduce additional measure to ensure fast border crossing of goods and services for enhancing regional trade and connectivity; and in that regard welcome the Online Visa System (POVS) introduced by the Pakistan extended to multiple entries for one year with certain exemption to facilitate business and trade in ECO region; **(Ad-Ref)**

6. **Emphasize** the need to propagate green transport through applying recognized international procedures and best practices on transit and transport for intra and inter-regional smooth movement of goods, including through digitalization of processes, use of digital platforms/solutions and emerging technologies; **(Ad-Ref)**

7. **Welcome** the active implementation of the Digital Silk Way Project, which aims to create a new telecommunication backbone route between Europe and Asia by utilizing the existing capabilities/infrastructure of ECO countries; **(Ad-Ref)**

8. **Pursue** the full implementation of ~~the ECO Transit Transport Framework Agreement~~ (TTFA) to facilitate the smooth operationalization of all ECO corridors; **Encourage** the Member States, who have yet to accede to the Agreement, to expedite their internal processes for accession to the TTFA; **Urge** all parties to the Agreement to adequately finance the TTFA Fund for ensuring smooth implementation of programs/projects within the envisaged framework; **(Ad-Ref)**

Comment [s10]: Kazakhstan proposed to delete these wordings

9. **Support** the regional and global expansion of the ECO transport corridors for greater intra-and-inter-regional connectivity; **Task** the Secretariat to take necessary measures and collaborate with all stakeholders for increasing coordination, harmonizing practices, digitalizing documents and procedures, infrastructure development, logistic improvement and securing necessary finances aimed at ensuring maximum connectivity in the region through developing, improving and commercializing all ECO road and rail corridors; **(Ad-Ref)**

10. **Welcome** the developments to establish transport and communication links between the Eastern Zangezur Economic Region and the Nakhchivan Autonomous Republic of the Republic of Azerbaijan, in line with the Trilateral Statements between the Republic of Azerbaijan, the Republic of Armenia and the

Russian Federation dated November 9/10, 2020 and January 11, 2021, and in this regard; **Appreciate** the MoU between the Republic of Azerbaijan and the Islamic Republic of Iran signed on March 11, 2022 to facilitate transport communications between the Eastern Zangezur Economic Region and the Nakhchivan Autonomous Republic of the Republic of Azerbaijan through the territory of Iran; **(Ad-Ref)**

11. **Commend** the joint efforts of the ECO Secretariat in cooperation with the United Nations Economic Commission for Europe (UNECE), aimed at developing transit and transport corridors in the region, including the Trans-Caspian East-West and North-South Corridors; the progress made on operationalization of the Trans-Caspian and Almaty-Tehran-Istanbul Corridors, and the endorsement of Terms of Reference (ToR) of the Corridor Coordination Committee and 2023-2025 programme of work; **(Ad-Ref)**

12. **Appreciate** the Islamic Republic of Iran to host the 3rd ECO Ministerial Meeting on Information and Communication Technology (ICT) held on July 13, 2023 at Tehran; **Emphasize** on the implementation of Tehran Declaration to raise the regional ICT cooperation and interaction in line with the emerging global ICT developments and trends; **(Ad-Ref)**

13. **Welcome** the holding 12th ECO Ministerial Meeting on Transport in the Republic of Uzbekistan on November 1-2, 2023 and make every effort to further deepen regional cooperation in the transport and transit sphere;

Comment [s11]: Uzbekistan proposal to add New Paragraph

14. **Support** the initiative of the Uzbek side to establish an Interregional Center of Connectivity in Uzbekistan under the auspices of the United Nations which will facilitate the interconnectedness of the ECO region with other regions of the world;

Comment [s12]: Uzbekistan proposal to add New Paragraph

15. **Highlight** the ECO Regional Strategy for Information Society Development as a framework for cooperation towards building an inclusive information society in ECO Member States by 2025; **Recognize** that achieving this goal and implementing its Action Plan is incumbent on utilizing new and emerging ICT-related technologies; **(Ad-Ref)**

16. **Urge** the Member States to make more concerted efforts for increasing energy security and sustainable energy development in the region, complementing the ECO Energy Strategy 2030; **Support** the operationalization of ECO Clean Energy Center by signing and ratification of its Charter; **Take necessary actions** towards the expeditious launching of ECO Regional Electricity Market; **(Ad-Ref)**

17. **Invite** the Member State to enhance cooperation in the field of production operations and distribution of crude oil, natural gas, petrochemical and petroleum products, expansion of energy transit by oil and gas pipelines, swap, in order to meet Region's energy requirements;

Comment [s13]: Iran proposed to add New Paragraph

18. **Request** the ECO Secretariat to maximize its efforts to establish and enhance cooperation with non-ECO Member organization as well as relevant international financial institutions including ECO Trade and Development Bank, Islamic Development Bank, etc., with a view to developing joint cooperation frameworks as well as raising financial resources of ensuring implementation of mutual oil and gas projects/activities and related studies in ECO Region;

Comment [s14]: Iran proposed to add New Paragraph

19. **Reiterate** the need for strengthening cooperation amongst the ECO Member States on environment issue and further consolidate their joint efforts to launch global partnership on climate issue and actions and finance for resilience-building with increase investment to improve and develop strong and sustainable mechanism in the region; **Support** climate adaption and mitigation measures including the efforts for reducing carbon emissions, combating deforestation and promoting energy efficiency and renewables, sustainable agricultural practices, sustainable management of natural resources, and encouraging resource efficiency and circular economy, etc; **(Ad-Ref)**

20. **Recognize** the importance of provision of financial, technical, technological and capacity-building support to the ECO Member States by relevant international partners to develop their adaptive capacity on and implement all pillars of mitigation, adaptation, means of implementation, including measures for averting, minimizing, and addressing loss and damage, climate change policies and actions to meet certain challenges, including draught, flooding as well as supporting actions on health and wellbeing, food security, biodiversity conservation, global warming, etc., etc.; **Invite** the relevant Ministers to attend ECO Informal Ministerial Meeting on environment and climate on the sidelines of the 28th UNFCCC Conference of the Parties (COP28) in Dubai on 9th December 2023; **(Ad-Ref)**

21. **Urge** for increased agricultural cooperation among the Member States focusing on regional food security and challenges through enhanced collaboration on implementation of ECO Regional Programme for Food Security (ECO-RPFS); **Facilitate** strong collaboration between the Member States and ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (ECO-RISCAM) for the promotion of desired quality management infrastructure and harmonization of standards in the region; **Encourage** the

Member States to sign and ratify (except Afghanistan, Iran, Türkiye and Pakistan) the relevant Statute and Protocol; **(Ad-Ref)**

22. **Encourage** the promotion of innovation and technology, exchange of experiences and knowledge sharing in order to ensure region's capacity-building in industrial sector especially in MSMEs, textiles, mining, energy oil, natural gas and petro-chemicals sectors to jack up regional economic growth; **Task** the Secretariat to organize, on urgent basis, the 4th ECO Ministerial Meeting on Industry; **(Ad-Ref)**

23. **Welcome** the results of the High-Level International Conference on Food Security held in Samarkand on September 7-8, 2023 with the participation of the ECO Secretary General and adopted Samarkand Declaration which is aimed at developing agriculture in the most environmentally friendly way;

Comment [s15]: Uzbekistan's proposal to add new paragraph

24. **Stress** an early implementation of the ECO Action Plan on Health for improving regional health services and development of medical sciences, as well as ECO Regional Framework on Disaster Risk Reduction (DRR) through execution of the roadmap to prevent/meet the possible natural threats and challenges; and in this regard, **Welcome** the initiative of the Republic of Azerbaijan for hosting the 5th ECO Ministerial Meeting on Health in Geneva on the sidelines of WHO General Assembly on May 24, 2023; **Encourage** the Member States to organize related training programs/workshops on health, education and DRR with a view to share and exchange their relevant knowledge and expertise with each other in these important areas; **(Ad-Ref)**

25. **Appreciate** the proclamation of Ardabil as ECO Tourism Capital for 2023 and the successful organization of a tourism festival in Ardabil; **Welcome** the declaration of Shahrisabz, Uzbekistan and Erzurum, Türkiye as ECO Tourism Capitals respectively for the years 2024 and 2025;--|

Comment [s16]: Need to mention outcome of the Ardabil meeting

26. **Emphasize** an early implementation of the ECO Road Map on Facilitating Accelerated Recovery, Safe and Sustainable Development of Tourism after COVID-19 in the region to achieve an all-inclusive realization of the objectives of the Samarkand Declaration; **(Ad-Ref)**

27. **Call** the Member States' attention and consideration to ensure early operationalization of the ECO Research Center (ECO-RC) in Baku; **Encourage** the non-signatory Member States to sign and ratify the Charter of the ECO-RC to make the Center fully and inclusively functional; **(Ad-Ref)**

28. **Urge** the Member States to accelerate the process of establishment/operationalization of the ECO Regional Center for the Cooperation of Anti-Corruption Agencies and Ombudsmen (RCCACO), Economic Cooperation Organization Police (ECOPOL), as well as an effective mechanism for judicial cooperation/legal assistance in the region, which will contribute to the security, sustainability and economic growth of the Member States; (Ad-Ref) **Emphasize** signing and ratification by all ECO Member States for the Asian Ombudsman Association (AOA) headed by Federal Ombudsman of Pakistan (except Azerbaijan, Iran, Kyrgyz, Türkiye and Kazakhstan). **Foster** cooperation among ombudsman institutions in ECO region to realize the ultimate goals of Good Governance, Rule of Law, Human Rights and Fundamental Freedom directly bearing the objectives of RCCACO. Pakistan is hosting first General Assembly Meeting of the State parties to the ECO (RCCACO) on 21 September, 2023;

Comment [s17]: Pakistan's proposal

29. **Appreciate** ECO Cultural Institute (ECI) for organizing various cultural events, programs and activities that showcase the rich and diverse cultural heritage of the ECO region. Encourage and appreciate ECI for promoting cultural cooperation and dialogue for further collaboration among ECO Secretariat and Member States;

Comment [s18]: Pakistan's proposal to add new paragraph

30. **Praise** the ECO Secretariat to continue deepening Organization's relations with the United Nations and other relevant regional and international institutions as well as with its Observers; **Welcome** the renewed biennial United Nations General Assembly resolution A/RES/77/330 entitled "Cooperation between the United Nations and the Economic Cooperation Organization adopted by United Nations General Assembly in its 77th Session on August 25, 2023; (Ad-Ref)

31. **Welcome** the outcomes of 25th ECO Informal COM and 15th ECO-ASEAN Joint Ministerial Meeting (s) held on 21st and 22nd of September 2023, respectively in New York on the sidelines of the 78th Session of UNGA under the Chairmanship of the Republic of Azerbaijan; (Ad-Ref)

32. **Urge** the Member States to vigorously engage with all ECO Specialized Agencies making them more vibrant and financially independent through their comprehensive membership by all ECO countries; (Ad-Ref)

33. **Task** the ECO Secretariat to devise a comprehensive action plan for the expeditious implementation of decisions as well as declarations made by ECO Ministerial Meetings and other important events in a way that objectively ensures the accomplishment of the organizational goals, particularly our development targets as perceived in the ECO Vision 2025; (Ad-Ref)

34. **Call** the High-Level Committee of ECO Deputy Foreign Ministers for meeting in 2024 and finalize the review process of the ECO Vision 2025, ascertaining appropriate recommendations for the possible extension of the implementation period of this policy document; **(Ad-Ref)**

35. **Extend** deep gratitude to the Republic of Azerbaijan and honorable Foreign Minister of the country for exquisitely chairing the ECO in 2023, meaningful and result-based proposals for further improvement of the Organization during its Chairmanship, hosting the 27th Meeting of the ECO Council of Ministers (COM) and making excellent arrangements to facilitate the visiting delegation in the beautiful city of Shusha; **(Ad-Ref)**

36. **Welcome** the holding of the upcoming 16th ECO Summit in Tashkent on November--- 2023, which will further consolidate our interaction and give a new powerful impetus to deepening regional ties; **(Ad-Ref)**

37. **Congratulate** the Islamic Republic of Iran as next ECO Chair; **Express** our best wishes for greater success of the Organization during the country's chairmanship in 2024; **(Ad-Ref)**

38. **Acknowledge**, with deep appreciation, the facilitative assistance rendered by distinguished ECO Secretary General and the members of his efficient team at the Secretariat in connection with ensuring smooth preparations and successful organization of this 27th Meeting of the ECO Council of Ministers (COM) in Shusha, Azerbaijan; **(Ad-Ref)**



Economic Cooperation Organization

Status of the Agreements Economic Cooperation Organization

2 July 2023

ECO Secretariat - Tehran

1- Treaty of Izmir 14 September, 1996 Izmir

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	No	24 September 2002 as per Art.16 (2) of the Treaty
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	
5	Kyrgyzstan	Yes	Yes	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	Yes	
10	Uzbekistan	Yes	Yes	
		10	9	

Depositary: The Government of the I. R. of Iran

- The Treaty of Izmir was originally signed at Izmir, Türkiye on 12 March 1977 by Iran, Pakistan and Türkiye and amended in 1990 and 1992 as the basic Charter of the Economic Cooperation Organization, later in early 1990s the membership of the Organization expanded to 10 and subsequently on 14th September 1996 the revised version of Treaty of Izmir was signed by 10 Member States. The Treaty of Izmir of 1996 superseded the agreement of 1977 and the aforesaid protocols.

2- Agreement on Legal Status of the ECO National Representatives and International Staff, 14 September 1996, Izmir

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	No	Not yet
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	
5	Kyrgyzstan	Yes	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	No	
10	Uzbekistan	Yes	No	
		10	5	

Depositary: The Government of the I. R. of IRAN

- As per Article XIV of the Treaty of Izmir the Agreement on the Legal Status of the Economic Cooperation Organization, National Representatives and International Staff shall be an annex to the Treaty of Izmir. This Agreement shall enter into force after two-thirds of the Member States deposit their instruments of ratification with the depositary.

3- Agreement on Simplification of Visa Procedures for Businessmen of the ECO Member States: Islamabad, 15 March 1995

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	The fourth instrument of ratification was deposited on 23 October 1997
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	No	
10	Uzbekistan	No	No	
		7	5	

Depositary: The ECO Secretariat

- As per Article VIII of the Agreement, the Agreement shall enter into force on the sixties day after the date on which more than three Member States deposited the instrument of ratification with ECO Secretariat. The fourth instrument of ratification was deposited on 23rd October 1997. However, problems such as lack of visa policies in some Member States have impeded effective implementation of the Agreement.

- At the 8th RPC Meeting held on 19-21 April 1998 (para 37), the RPC expressed its satisfaction regarding the entry into force of the Agreement on Simplification of Visa Procedures for the Businessmen of the Member States and requested that signatory Member States who have not yet ratified the Agreement (i.e. Azerbaijan & Turkmenistan) to expedite the process and also invited the Non-signatory Member States (i.e. Kyrgyzstan, Tajikistan & Uzbekistan) to join the agreement.

4- Additional Protocol on Simplification of Visa Procedures for Businessmen and Transit Drivers of the ECO Member States, Tehran, 9 March, 2009

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	No	Not yet
2	Azerbaijan	No	No	
3	Iran	Yes	No	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	No	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		3	1	

Depositary: The ECO Secretariat

-In order to bring in harmony implementation of the "Agreement on Simplification of Visa Procedures for Businessmen of ECO Member States" with the internal procedures the Additional Protocol was approved by the 18th COM meeting on 9th March, 2009 in Tehran.

- As per Article VIII, the protocol comes into force by Ratification of at least five States Parties.

-The Islamic Republic of Pakistan deposited the instrument of ratification of the Additional Protocol of the Agreement on Simplification of Visa Procedures for Businessmen and Transit Drivers of the ECO Member States (adopted at Tehran on 9th March, 2009) through the Note Verbale sent to the ECO Secretariat (No. ECO-7/12/2011 dated 26 January 2011).

**5- Articles of Agreement of the ECO Trade and Development Bank
(TDB) Islamabad, 15 March 1995**

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	3 August 2005
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	Yes	Yes	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		6	6	

Depository: Principal Office of the Bank

-The Agreement came into force in accordance with Article 44. The Bank became fully operational in 2008. The bank is located in Istanbul, Türkiye. The representative offices of the bank started functioning in Iran and Pakistan in 2009 and 2010 respectively.

6- The Charter of ECO Cultural Institute, Islamabad, 15 March 1995

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Entered into force upon signature
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	No	
10	Uzbekistan	No	No	
		8	5	

Depository: The Government of the I. R. of Iran

-The Institute became functional as per Article VIII of the Charter which provides that "Following its approval by the ECO Council of Ministers, the Charter of the Institute will

come into force for each country according to its ratification or approval procedure based on its national regulation."

-Some articles of the charter have undergone amendments and are considered as Annexes of the Charter, Annex I approved at the 10th Meeting of the ECO Council of Ministers held in Tehran on 8 June 2000 and Annex II approved by 18th COM held on 9th March 2009.

-The depositary through the Note Verbal No.531/1105449 dated 9 March 2022 informed the Secretariat on the deposit of the Instrument of Ratification of the Charter of ECOCI by the Republic of Türkiye.

7- The Charter of ECO Science Foundation Islamabad, 15 March 1995

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Yes
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	No	
5	Kyrgyzstan	Yes	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	No	
9	Turkmenistan	Yes	Yes	
10	Uzbekistan	Yes	No	
		10	<u>5</u>	

Depositary: Government of the I. R. of Pakistan

-The Charter ratified by required number of signatory States and entered into force. However, some amendments to the Charter were proposed by Azerbaijan, Iran, Tajikistan and Türkiye. The amended version was discussed and finalized at the 1st Experts Group Meeting (Sep 3-4, 2007, Islamabad). Subsequently the 17th meeting of the Council of Ministers (COM) approved the Additional Protocol to the Charter of the ECO Science Foundation.

-The 2nd Experts Group Meeting on establishment of the ECO Science Foundation (August, 2010-ECO Secretariat) inter alia finalized the draft Working Formula, draft Initial Budgetary estimates, draft Rules of Procedure and draft Staff Regulations of the Foundation.

-The First meeting of BoT of ECOSF preceded by a High Level Experts Group (HLEG) Meeting was held on 19-20 December, 2011 at Islamabad. The Meeting, inter alia, approved the Basic Documents (Draft Working Formula, Draft Budgetary Estimates for the year 2011/2012, Draft Rules of Procedure and Draft Staff Regulations) of the ECOSF and rendered the Foundation functional.

-The Embassy of Afghanistan in Tehran through Note verbal No.2823 dated 14 May 2015 provided the Secretariat with a copy of Instrument of Accession of Afghanistan to ECOSF.

- The Report of Second BoT under agenda item No. 7 concerning the status of ratification of the charter and protocol confirmed the ratification of the instruments by Afghanistan.

-Since the government of Pakistan is the depository of the charter and the additional protocol, the latest update is needed to be confirmed by the Government of Pakistan, or the Secretariat of the ECO Science Foundation, especially with respect to the ratification of the additional protocol.

8- The Charter of ECO Educational Institute, Almaty, 9 May 1998

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Yes
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	No	
5	Kyrgyzstan	Yes	Yes	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		8	6	

Depository: Government of Republic of Türkiye

-The Charter has been registered with the UN Secretariat as per Article 102 of the UN Charter on 1 July, 2009 under the registration Number 46360 by the Government of Türkiye.

- 1st Meeting of BoT of ECO Educational Institute (ECOEI) was held on April 3, 2012 in Ankara and it rendered ECOEI functional.

- By the note verbal No. 2823 dated 14 May 2015, the Embassy of Afghanistan provided the Secretariat with a copy of Instrument of Accession deposited with the Government of Türkiye as the Depository.

-2nd BoT meeting of the Educational Institute was also held in July 2017 in Istanbul.

9- Transit Transport Framework Agreement (TTFA), Almaty, 9 May 1998

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	19 March 2006
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	
5	Kyrgyzstan	Yes	Yes	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	No	
10	Uzbekistan	No	No	
		9	8	

Depository: ECO Secretariat

-TTFA came into force in March 2006. To facilitate the implementation of the TTFA a Fund was established to support the activities of under this framework agreement.

10- Framework Agreement on ECO Trade Cooperation, Tehran, 6 March 2000

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	No	Yes
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	Yes	Yes	
5	Kyrgyzstan	Yes	Yes	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	Yes	No	
10	Uzbekistan	No	No	
		9	6	

Depository: ECO Secretariat

- As per Article 14 of the Framework Agreement on ECO Trade Cooperation the agreement shall enter into force after the notification of approval of ratification by at least five ECO Member States to the ECO Secretariat.

- RPC at its 11th Meeting held on 1 March 2001 expressed satisfaction over the signing of the ECO Framework Agreement on Trade (ECOFAT) by eight Member States during the 1st ECO Ministerial Meeting on Commerce/Foreign Trade, held in Tehran from 4 to 6 March, 2000 and noted that out of the eight signatory Member States, only the Islamic Republic of Iran, the Islamic Republic of Pakistan, the Republic of Kazakhstan and the Republic of Türkiye had so far ratified the ECOFAT. The Council urged the remaining Member States to expedite the process of ratification in order to bring into effect the early implementation of the Agreement. The Council further urged the Republic of Kazakhstan to deposit the instruments of ratification/approval with the ECO Secretariat. The non-signatory Member States i.e. Turkmenistan and the Republic of Uzbekistan were requested by the RPC to consider, joining the Agreement so as to enhance its scope and effectiveness (para 35).

-At 12th RPC Meeting held on 6 March 2002 the it was mentioned that since its last meeting Kyrgyz Republic had also ratified the ECO Framework Agreement on ECO Trade Cooperation (FAT). However, the Council noted with concern the slow pace of the ratification process and requested those signatory Member States (i.e. Afghanistan, Azerbaijan and Tajikistan) who have not yet ratified the Agreement, to expedite the approval/ratification process of the subject Agreement. The Council also requested non-signatory Member States (Turkmenistan and Uzbekistan) to consider joining the FAT.

- RPC at its 13th Meeting held on 20-22 April 2003 while, recognizing the importance of early completion of the process of ratification in respect of ECO Framework Agreement on Trade Cooperation (ECOFAT), requested Afghanistan, Azerbaijan and Tajikistan to expedite the approval/ratification process. The Council also requested non-signatory member states i.e. Turkmenistan and Uzbekistan to consider joining the said Agreement.

-The framework agreement on ECO Trade Cooperation was signed by Turkmenistan on 30 may 2021 during the official visit of Secretary General to Turkmenistan.

11- ECO Trade Agreement (ECOTA), Islamabad, 17 July 2003

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	24 April, 2008
2	Azerbaijan	No	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	Yes	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		5	5	

Depositary: ECO Secretary General

- ECO Trade Agreement was concluded and signed in 2003. Subsequently in July 2005 a Protocol regarding Annexes to the ECOTA signed by signatory states of the agreement except for Tajikistan.

- Para I of Article 39 of the Agreement provides that the Agreement shall enter into force on the 30th day of the receipt of the fifth instrument of ratification. The fifth instrument of ratification deposited by Iran and the Agreement came into force on 24th April, 2008.

-Tajikistan has deposited its instrument of ratification with the ECO Secretary General before the adoption of the protocol regarding the Annexes in 2005.

12- Agreement on Promotion and Protection of Investment (APPI) Istanbul, 7 July 2005

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Entry into force takes place two months after the deposit of fourth instrument of ratification. The fourth instrument of ratification was deposited on 17 March 2022 .
2	Azerbaijan	Yes	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		5	4	

Depositary: ECO Secretary General

- Paragraph 7 of Article 9 of the APPI was amended at the 2nd Ministerial Meeting on Finance and Economy (5-7 April 2007 - Antalya).

-This Agreement shall come into force after two months of the date of deposit of fourth Instrument of Ratification (Article 12).

-The Protocol on amendment to Article 9(7) of the Agreement has so far been signed by the Islamic Republic of Afghanistan, the Islamic Republic of Iran, the Islamic Republic of Pakistan and the Republic of Türkiye.

-The Islamic Republic of Iran deposited the instruments of ratification of the Agreement and Protocol on 6 June 2010.

-The Embassy of the Islamic Republic of Pakistan deposited the Instrument of Ratification of the Agreement with the ECO Secretariat by the note verbal No. ECO-7/5/2016/51 dated 8 May 2016.

- Copy of the instrument of ratification of APP was sent to the depositary through the Note Verbale No.2328-5 dated 24 November 2019 by the Embassy of Afghanistan in Tehran).

- The Embassy of the Republic of Türkiye sent a copy of Instrument of Ratification of APPI and Protocol on Amendment to Article 9(7) of the APPI through the Note

Verbal No. Z-2022/99530379/34003254 dated 17 February 2022. Original Copy of the instrument of ratification was received on 17 March 2022 by the Note Verbal No. Z-2022/99530379/34125407 issued on 14 March 2022 by the Embassy of the Republic of Türkiye in Tehran.

*Protocol on Amendment to Article 9(7) of the APPI was done on 7 April 2007 and signed by Afghanistan, Iran, Pakistan and Türkiye.

13- Agreement on the Establishment and Operation of ECO Smuggling and Customs Offences Data Bank: Istanbul, 7 July 2005

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes*	Yes Entered into Force 30 December 2017
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		6	5	

Depositary: ECO Secretariat

- The Agreement shall come into force on the 30th day after the date at least four instruments of ratification deposited with the Secretariat (Article IX- 2).

-The Republic of Türkiye deposited its instrument of Ratification with the Secretariat by the Note verbal issued on 17th August 2009 which was received on 20 August 2009.-The Islamic Republic of Pakistan deposited the Instrument of Ratification with the ECO Secretariat through the Note verbal issued by the Embassy of Pakistan in Tehran on 19 February 2011. The Depositary received the Note verbal and the Original copy of the Instrument of Ratification on 20 February 2011.

-The Islamic Republic of Iran deposited the Instrument of Ratification of the Agreement with the depositary on 20 October 2015.

- The Embassy of the Republic of Azerbaijan has sent a copy of the instrument of ratification of Azerbaijan via the note verbale (4-628/17 dated 23 November 2017). The Original Copy received on 30th November 2017 through the Note Verbale No. 4-633/17 dated 28 November).

-The agreement came into force on 30th day after the deposit of fourth instrument of ratification by Azerbaijan, that is, 30 December 2017.

* On 29th June 2020, a copy of the instrument of ratification of the Agreement by Afghanistan was sent to the Secretariat through the Note Verbale No. 500-5 dated 29 June 2020. The Embassy was requested to send the original version to the depositary.

14- Articles of Agreement on the Establishment of ECO Reinsurance Company Islamabad, 10 February 2010

	States	Signature	Ratification	Entry into force
1	Afghanistan	No	No	<p style="text-align: center;">Yes Entered into Force 3 December 2017 after the deposition of the 3rd Instrument of ratification by Türkiye</p>
2	Azerbaijan	No	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		3	3	

Depositary: ECO Secretariat

- The HLEG/Trilateral Interim Committee Meeting, held in Islamabad, in May 2007, finalized the Articles of Agreement for the Establishment of the ECO Reinsurance Company.

- The Islamic Republic of Pakistan deposited the instrument of ratification on 30 August 2010.

- The Islamic Republic of Iran deposited the instrument of ratification on 12 October 2011.

- The Republic of Türkiye deposited the instrument of ratification on 3 December 2017.

- Article XXVI of the Articles of Agreement of ECO Reinsurance Company provides that the Agreement shall come into force when instruments of ratification or acceptance have been deposited and full subscription of the share capital have been paid by the three founding members of the Company. The Secretariat of the ECO shall inform the Members of the date of entry into force of the Articles of Agreement (Establishment Date).

15- The Statute of the ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (RISCAM) Tehran, 9 March 2009, and the Protocol Amending Article 5.4.1.10 of the Statute of RISCAM

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Entered into Force 10 November 2020
2	Azerbaijan	No	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	No	No	
8	Türkiye	Yes	Yes	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		4	4	

Depositary: ECO Secretariat/ Secretary General

- The Statute of ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (RISCAM) was approved at the 18th Meeting of the Council of Minister (COM) along with the Road Map for its provisional implementation. The Headquarters of RISCAM will be located in Iran. The Secretariats of the Technical Management Board (TMB) of Standardization and Accreditation will be located in Türkiye, Metrology in – Pakistan (as amended by the Protocol) and Conformity Assessment in Iran.

- As per Road Map for provisional Implementation of Statute of RISCAM, an Interim Coordination Unit (ICU) has been established at the ECO Secretariat under the Directorate of AIT.

- Article 17 of the Statute of the RISCAM provides that the Statute shall come into force after Four signatory states have deposited their instrument of Ratification with the ECO Secretary General/ECO Secretariat.

- Iran has deposited the instrument of ratification of the Statute with the Secretariat in 2012.

- on 3 October 2017 Türkiye deposited the instrument of ratification with the ECO Secretariat.

-During the 23rd Meeting of the Council of Ministers held on 17 April 2018 in Dushanbe, the Protocol Amending Article 5.4.1.10 of the Statute of RISCAM has been adopted by the Council. At the same meeting Pakistan signed both the Statute and Protocol and the

signatory states of the Statute (Afghanistan, Iran and Türkiye) signed the Protocol at Dushanbe after its adoption by the Council.

The Embassy of Pakistan provided the Secretariat with the original copy of the Instrument of Ratification of the RISCAM through the Note Verbale No. ECO-7/18/2018/14 dated 31 July 2018.

- The Instrument of Ratification by the Islamic Republic of Afghanistan was deposited with the depositary on 10 November 2020. By deposition of this instrument the Statute of RISCAM entered into Force on 10th November 2020 (Note Verbale. 1334-5 dated 9 November 2020).

- The Embassy of the Republic of Türkiye through Note Verbale No. Z-2022/99530379 /34003085 dated 17 Feb 2022 sent a copy of the instrument of ratification of protocol amending Article 5.4.1.10. The Original copy of the instrument of ratification was deposited on 17 March 2022 by the Note Verbale of Embassy of the Republic of Türkiye in Tehran No.Z-2022/99530379/34125407 issued on 14 March 2022.

- The Islamic Republic of Iran deposited the original copy of the Instrument of Ratification of the Protocol Amending Article 5.4.1.10 of the Statute of RISCAM with the Secretariat on 12 January 2023. Copy of the said instrument of ratification was sent to the Secretariat by the Note Verbale No.641/1405785 dated 2 January 2023.

16. The Statute of ECO Veterinary Commission (ECO-VECO)- Done at Istanbul, 23 December 2010

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes*	Yes**	Not Yet
2	Azerbaijan	No	No	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	No	No	
7	Tajikistan	No	No	
8	Türkiye	No	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		2	2	

Depositary: The Secretary General of ECO

-The Statute was approved at Istanbul-Türkiye on 23rd of December, 2010. Article XV(5) of the Statute of ECO Veterinary Commission (ECO-VECO), provides that the Statute shall enter into force 30 days after receiving the 5th instrument of ratification by the Secretary - General of the ECO.

- The Islamic Republic of Iran deposited the Instrument of Ratification of Iran with the depositary through the note verbal No. 643/2640736 dated April 28, 2014 receipt date (6 May 2014).

*On 9th November 2019 during the 24th Meeting of the Council of Ministers held in Antalya, the head of delegation of Afghanistan signed the Statute of ECO-VECO the instrument of accession of which had already been deposited with the depositary.

*The Embassy of Afghanistan provided the Depositary (Secretary General of ECO) with a copy of Instrument of Accession of Afghanistan to the Statute through the Note Verbale No.3250 dated 01/Feb/2017. On 6 November 2017 the ECO Secretariat was provided with the Original Copy of the Instrument of Accession to the Statute by the Embassy of Afghanistan in Tehran through the note verbale No. 2430 -5 dated 5/11/2017. The Instrument of accession was sent to the depositary prior to its entry into force.

17. The Statute of the ECO Regional Center of Anti Corruption Agencies and Ombudsmen (RCCACO), 21 November 2012, Dushanbe

	States	Signature	Ratification	Entry into force
1	Afghanistan	Yes	Yes	Entered into Force 22 September 2020
2	Azerbaijan	Yes	Yes	
3	Iran	Yes	Yes	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	Yes	
7	Tajikistan	Yes	No	
8	Türkiye	No	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		5	4	

Depositary: The ECO Secretariat

The Statute was approved in the Second Meeting of the Heads of Anti-corruption Agencies and Ombudsmen of ECO which was held on 21-22 November 2012 in Dushanbe, Tajikistan. Afghanistan, Iran and Tajikistan signed the Statute.

According to Article 15(2) of the Statute, "...Statute shall enter into force after four Member States deposit their instrument of ratification with the ECO Secretariat..."

The Islamic Republic of Iran has deposited its Instrument of Ratification under article 15(2) of the Statute of the ECO Regional Center for Anti Corruption Agencies and Ombudsmen (RCCACO) on 10 July 2016. The Instrument was sent to the Secretariat by the note verbal

No. 643/362/4200258 dated 26 June 2016. The Instrument of Ratification contains a reservation as regards article 14 relating to settlement of disputes and article 17 relating to amendments. The Member States have been informed on this development by the Depository (ECO Secretariat) through Note verbal No.LA/Treaties/ RCCACO/Depository/910 dated 19 July 2016.

- The representative of the Islamic Republic of Pakistan Mr. Zahir Shah, Director General Operations of National Accountability Bureau of the Pakistan has signed the Statute during the 3rd Meeting of the Heads of Anti -Corruption Organizations and Ombudsmen of the ECO Member States held on 6-7 June 2017 in Baku. In May 2018 the Islamic Republic of Pakistan deposited the instrument of ratification.

- The Republic of Azerbaijan after signing the Statute on 11 September 2018 deposited the instrument of ratification on 27 August 2019.

* The Original copy of the Instrument of ratification by Afghanistan was deposited on 22nd September 2020.

18. Charter of ECO Research Center, Done at Tehran, 26 November 2013

	States	Signature	Ratification	Entry into force
1	Afghanistan	No	No	Not Yet
2	Azerbaijan	Yes	No	
3	Iran	No	No	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	Yes	No	
7	Tajikistan	No	No	
8	Türkiye	Yes	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		3	0	

Depository: Government of Republic of Azerbaijan

The Council of Ministers approved the establishment of ECO Research Center in Baku and its charter at its 21st Meeting held in Tehran, Iran, 24-26 November 2013.

- The Charter was signed by Azerbaijan and Türkiye on 4 March 2021 during the virtual meeting of 14th Summit held on the said date hosted by the Republic of Türkiye.

-The Charter of ECO Research Center was signed by the H.E. Minister of Foreign Affairs fo the Islamic Republic of Pakistan during 26th COM Meeting held on 24 January 2023 in Tashkent.

19. Charter of the ECO Clean Energy Center, Done at Ashgabat, 27 November 2021

	States	Signature	Ratification	Entry into force
1	Afghanistan	No	No	Not Yet
2	Azerbaijan	Yes	No	
3	Iran	No	No	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	No	No	
7	Tajikistan	No	No	
8	Türkiye	No	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		1		

Depositary: Secretary General

Depositary: ECO Secretary General

The Charter of ECO Clean Energy Center was concluded at 25th Meeting of COM held on 27 November 2021 in Ashgabat.

Article IX of the Charter of ECO Clean Energy Center was amended at 26th COM Meeting held on 24 January 2023 as per the proposal of the Republic of Azerbaijan.

The Charter was not signed by the Member States during the COM Meeting in which it was concluded. The Charter is open for signature at the ECO Secretariat.

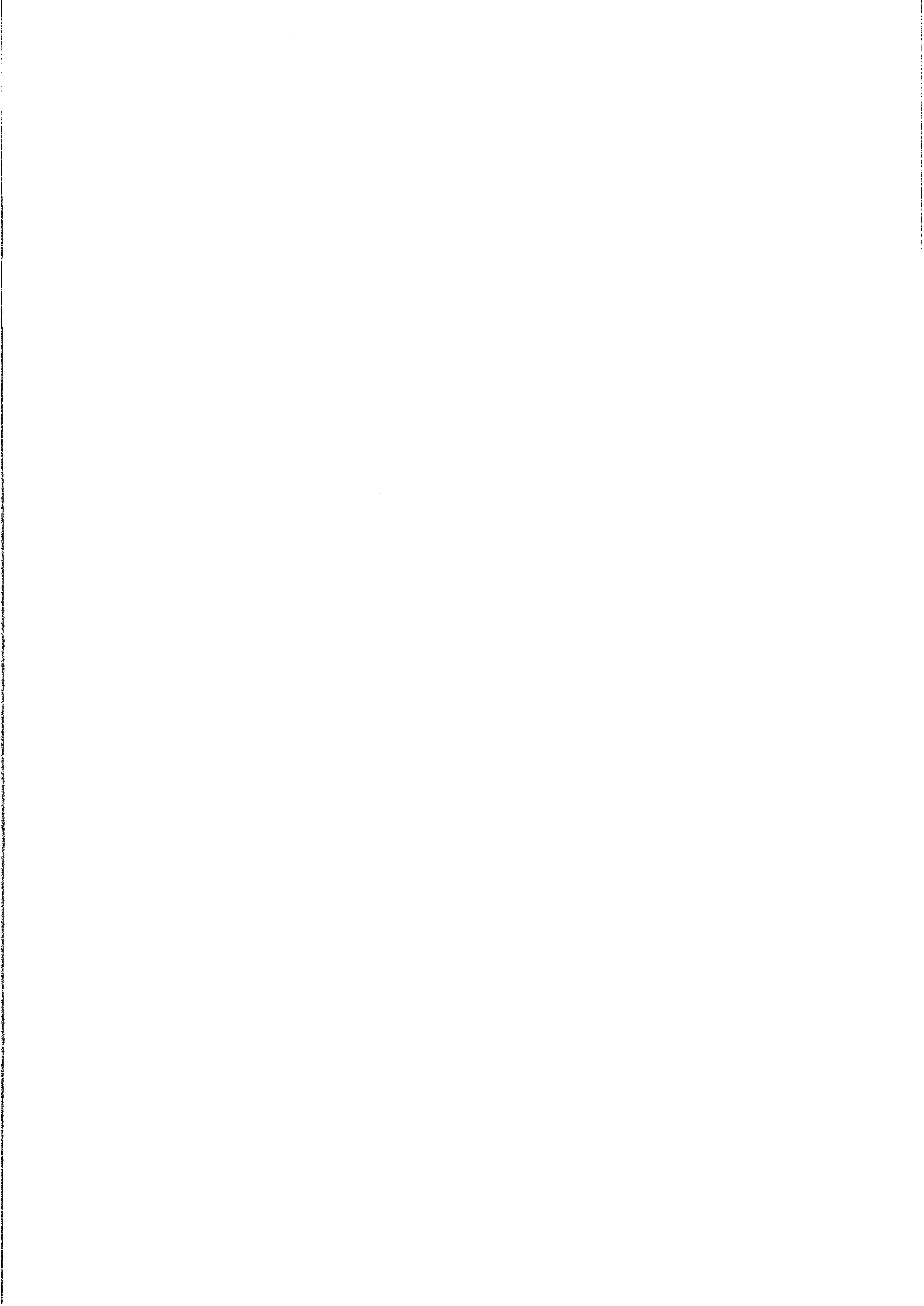
In February March 2023 the Charter of Clean Energy Center was signed by the Minister of Energy of Azerbaijan in Baku.

20. Statute of the ECO Regional Center for Risk Management of Natural Disasters (ECO-RCRM), Done at Tashkent, 24 January 2023

	States	Signature	Ratification	Entry into force
1	Afghanistan	No	No	Not Yet
2	Azerbaijan	No	No	
3	Iran	Yes	No	
4	Kazakhstan	No	No	
5	Kyrgyzstan	No	No	
6	Pakistan	No	No	
7	Tajikistan	No	No	
8	Türkiye	No	No	
9	Turkmenistan	No	No	
10	Uzbekistan	No	No	
		1	0	

The Statute of ECO Regional Center for Risk Management of Natural Disasters (ECO-RCRM) was adopted at 26th COM Meeting held on 24 January 2023 in Tashkent.

The Statute of the ECO Regional Center for Risk Management of Natural Disasters (ECO-RCRM) was signed by the Honourable Minister of Foreign Affairs of the Islamic Republic of Iran during 26th COM Meeting.



Agenda Item No.5

Closing

