

**Statement of the ECO Secretary General Mr. Khusrav Noziri
at the Plenary Session of the 34th Meeting of the ECO
Regional Planning Council (RPC)
January 22, 2024, ECO Secretariat, Tehran**

**H.E. Mr. Rahim Mombeini, the Honourable Chairman,
Distinguished Heads of Delegations,
Dear Participants,**

السَّلَامُ عَلَيْكُمْ and Good Morning,

It is indeed a privilege to welcome you to the Plenary Session of the 34th Meeting of the ECO Regional Planning Council. I thank you all for your participation and extend sincere gratitude to the distinguished delegates to take on their tasks within the Sectoral Committees for drafting ECO Work Program and Calendar of Events for 2024, to be adopted by this esteemed Council.

Also, I thank and congratulate the Republic of Azerbaijan for their successful ECO Chairmanship in 2023, and warmly welcome the Islamic Republic of Iran as the ECO Chair for 2024.

Distinguished Delegates,

Despite the emerging global political and economic challenges, the Organization has remained persistent with its cooperation framework based on the earlier recommendations of RPC and the ECO decision-making bodies.

We successfully organized very important high-level events in 2023, including the two meetings of the Council of Ministers (COM) in January and October in Tashkent and Shusha, respectively; an informal COM meeting on the sidelines of the UN General Assembly in September in New York; and most significantly the 16th ECO Summit on November 9 in Tashkent. We are extremely honoured that these events have received increased attention from our Foreign Ministers and Heads of State, along with their renewed validation to ECO as a most relevant forum to promote regional economic cooperation.

I avail this opportunity to briefly highlight our prioritized activities in different development sectors.

Our region comprises more than half a billion people, covering about 6.6 percent of the global population. The region's **contribution to world trade** crossed 1 trillion USD mark in 2022 for the first time and reached 1 trillion 138 billion USD, contributing around 4.1 percent to the total global trade. On the other hand, the ECO region has recorded a trade deficit of 89 billion USD, which shows that the region's exports are far below its true potential.

Our **intra-regional trade** increased to 96 billion USD in 2022, which is still only 9.1 percent of the region's total trade with the rest of the world. These figures respectively were at 76 billion USD and 8.2 percent in the previous year. Moreover, the inflow of Foreign Direct Investments (FDI) to the ECO countries has shown a 20 percent increase in 2022, reaching 25.7 billion USD against 21.4 billion USD in 2021.

Although the trade figures show a steady improvement since the containment of COVID-19 pandemic, we consider the same still below their potential, keeping in view the region's vast natural and human resource endowments. The primary reasons for our low shares in the world trade, intra-regional trade and low FDI inflows include, *inter alia*, absence of preferential trade regime under ECOTA, high costs of intra-regional trade and doing business, as well as lack of complementarities among the regional economies.

It is pertinent to recall that the ECO Trade Agreement (ECOTA) has been ratified by only five ECO countries. ECOTA's operationalization is awaited due to some difference of opinions amongst the Parties to the Agreement. The Ninth Meeting of the ECOTA Cooperation Council is pending since 2019 due to lack of interest among the Contracting Parties. Besides, the five remaining countries have yet to join the Agreement. In order to realize the ECO Vision Goals concerning tariff reduction under ECOTA and expansion of its coverage to a Free Trade Agreement (FTA), the Contracting Parties to ECOTA must organize the Ninth Meeting of its Cooperation Council to figure out a feasible way forward to this end.

In the meanwhile, we are focusing on trade expansion through trade facilitation and customs cooperation rather than customs tariff reductions. Efforts are also being made for regional trade facilitation through finalization of the Draft Trade Facilitation Strategy and the Draft ECO Trade Facilitation Agreement. We also aim at enhancing customs cooperation in the region by starting operations of the Customs Offences Data Bank, Mutual Administrative Assistance in Customs Matters and Digital Trade and Capacity-Building in priority areas. In this context, the Ninth Meeting of ECO Council of Heads of Customs Administrations (CHCA), held in July 2023 in Baku, has achieved encouraging results. I believe that regular interactions amongst the ECO customs authorities will effectively help expand regional cooperation in customs affairs.

Our other important trade & economic development activities include the (i) study on roadmap to institutionalize a Comprehensive Joint Action Plan among the Sovereign Wealth and National Development Funds (SW/NDFs); (ii) sequel ECO-UNIDO Trade Capacity-Building project; (iii) ECO Clearing Union and implementation of the Regional Payment System; (iv) roadmap for creating Network of Specialized Economic/Free Trade Zones; (v) Agreement on Protection and Promotion of Investment; and (vi) strengthening the ECO Trade and Development Bank through expansion of its membership and mandate.

We look forward to the continued support of our member countries for the smooth and expedited materialization of our trade expansion and trade facilitation efforts in 2024 under the Chairmanship of Iran which has introduced a quite relevant theme for this year that is “*Enhanced and Resilient ECO Region through Expansion of Intra-Regional Trade*”.

Dear Participants,

Based on the recommendations of 33rd RPC as well as in line with our conceptual theme for 2023 “*Year of Green Transition and Interconnectivity*”, we continue to focus on regional connectivity through digital modes of transportation. To this end, the Third ECO Ministerial Meeting on ICT, held in July 2023, supported our efforts for digital connectivity in the region. Furthermore, the 12th Transport Ministerial Meeting in November and the 10th Meeting of the Transit Transport Coordination Council appeared to be very productive for enhancing regional connectivity cooperation.

Our main focus is to develop and expand various corridors, such as Trans-Caspian and Almaty-Tehran-Istanbul Corridors, ensure the extension of Islamabad-Tehran-Istanbul (ITI) Rail Corridor to Bulgaria which is our debut initiative to link South Asia with Europe through railways.

Another important aspect of ECO’s connectivity approach is to support our landlocked countries by improving their intra-regional and inter-regional linkages. In this regard, designation of Gabala and Samarkand Airports as ECO Air Hubs during the 12th Ministerial Meeting on Transport has been a major achievement.

To achieve all such ends, we maintain strong collaboration with our global partners, especially the UN Agencies. Particularly, the cooperation between ECO and UNECE on Trans-Caspian and Almaty-Tehran-Istanbul Corridors continued effectively with three Committee Meetings in 2023. We further organized in September the First High-Level Working Group Meeting on the newly proposed Tajikistan-Uzbekistan-Turkmenistan-Iran-Türkiye (TUTIT) Multimodal Corridor in Dushanbe.

Our efforts for increased regional connectivity are persistent and will remain continued in the pursuit of greater integration of our peoples and the region.

Distinguished Delegates,

Energy sector also occupies central position in our regional cooperation agenda. An effective implementation of the ECO Energy Strategy and its Action Plan 2030 primarily depends on the resolve of ECO Member States.

This Strategy is to mainstream sustainable energy transition across the ECO Region. In this vein, the joint ECO-UNIDO Project on establishment of ECO Clean

Energy Center (CECECO) in Baku is our flagship project. The key objective of this project is to create an enabling environment for renewable energy and energy efficiency markets and investments. In 2023, the Charter of CECECO was signed by the host country - Republic of Azerbaijan, as well as the Republic of Türkiye. Meanwhile, an Interim Director was appointed by Azerbaijan to facilitate the affairs of the Center. To ensure full operationalization of the Center, three Member States are required to sign and ratify its Charter. Availing this opportunity, I once again encourage all Member States to expedite their internal processes for signing/ratifying the Charter of the Center.

In the energy sector, another ECO flagship project is the Regional Electricity Market (ECO-REM). This project aims at mobilizing energy resources, opening a regional umbrella for an associated power trade, leading to enhanced investments, advanced and integrated electricity market in the region. We are collaborating with the Energy Charter and UNESCAP for its early launching. This year, we may organize the next Energy Ministerial and the Experts Group Meetings, especially to expedite the materialization of this important project.

Dear Delegates,

In **environment**, we adhere to the global principles and policies. The 16th ECO Summit highlighted the importance of our transition to low-carbon development and adaptation to climate change. As such, the proclamation of 2023 as the year of “*Green Transition and Interconnectivity*” by Azerbaijan reflected ECO’s devotion to environmental cooperation, and in this context, the ECO Council of Ministers approved in January 2023 the establishment of a High-Level Dialogue Platform on Environmental Cooperation with the participation of international scientists and experts. The Republic of Uzbekistan as the initiator of this Platform announced its readiness to host its first meeting, as well as the Sixth ECO Ministerial Meeting on Environment in Samarkand this year. We hope this new Platform could further pave the way for knowledge sharing, policy coordination, capacity-building, and leveraging finance for environment.

In addition, the Regional Initiative on Resource Efficiency, Sustainability and Circular Economy in the ECO Region (RESCUE) was jointly put forward by the Republic of Azerbaijan and ECO Secretariat in 2023. The purpose of this initiative is to address climate change, pollution, biodiversity loss as well as more sustainable management of natural resources in the region.

In December 2023, we also convened an Informal ECO Ministerial Meeting on Environment on the sidelines of the UN Climate Change Conference (COP28). The event provided an interactive opportunity for enhancing regional environmental cooperation. At this point, I recall that the next UN Climate Change Conference (COP29) will be held in Baku this year, and will stage another occasion to come across and jointly promote our climate change agenda.

Distinguished Delegates,

As regards **regional agriculture cooperation**, we are highly focused on this important development sector in special consideration of food security challenges in our region which include climate shocks, loss of biodiversity, marine and coastal ecosystems as well as the global water crisis.

To meet such challenges, the usage of biotechnology in agriculture is inevitable. The ECO Secretariat and the ECO Agricultural Biotechnology Network are closely collaborating to promote the use of biotechnology for supporting the agricultural development in the region.

Moreover, a project for “Transformation of the ECO Regional Coordination Center for Food Security (ECO-RCCFS) from a program-based organization into a self-sustainable institution” was concluded in June 2023. This project aims at strengthening capacity to provide systematic and useful support, necessary advice, guidance and knowledge for improving food security and nutrition policies and programs.

ECO Regional Institute for Standardization, Conformity Assessment, Accreditation and Metrology (ECO-RISCAM) is an important body of the Organization to strengthen the quality infrastructure in the region. The basic documents of the Institute are expected to be approved by the First General Council Meeting of ECO-RISCAM in 2024, along with the designation of its President and Executive Director which will accelerate the activities of the Institute.

Dear Delegates,

Tourism cooperation is a pivotal sector on our agenda. Despite the ongoing challenges, more than 70 million tourists visited the ECO region in 2022. Türkiye (50.4 million), Uzbekistan (5.2 million), Kazakhstan (4.7 million) and Iran (4.1 million) were the leading ECO Member States. Yet, considering our region's abundant natural, historical and cultural treasures, we believe that the current outlook of tourism is far away from its true potential.

The concept of ECO Tourism Capital which aims at displaying the tourism potentials of the Member States and promoting regional tourism has remained very successful. The Fifth Tourism Ministerial Meeting was held last October in the beautiful Ardabil city of Iran - the ECO Tourism Capital for 2023. While reviewing the implementation status of its previous decisions, the Meeting adopted the Ardabil Declaration, along with the selection of Shusha city of Azerbaijan as the ECO Tourism Capital for 2026.

Now we are set to inaugurate the Uzbekistan's city of Shahrizabz as the ECO Tourism Capital for 2024. Let me recall that during 16th Summit, the President of the Republic of Uzbekistan proposed the formation of a Consultative Committee on

Tourism and to hold in 2024 its first meeting in Shahrizabz. In this connection, I request all Member States to actively contribute to the realization of this important initiative.

We are making multifarious efforts for the continued promotion of tourism sector in our region. In this regard, we organized in Baku the First Meeting of Tourism Specialized Educational Institutes in collaboration with the State Tourism Agency of Azerbaijan. The event adopted a Baku Declaration, lining up some very effective measures to encourage regional higher education on tourism.

Moreover, the Secretariat has successfully implemented a project titled “ECO Tour Operators Network” which aims at establishing a network among major tour operators in the region. The Network is operational, uniting more than 350 major tour operators from eight ECO Member States through its regular meetings.

Dear Participants,

Human Resources and Sustainable Development is another area of our prime concern. I would like to recall that the 33rd RPC recommended the formation of a High-Level Sustainable Development Working Group to facilitate the preparation of an Action Plan for Enhancing Policy Coherence for Sustainable Development. To establish the Group, we are waiting for the nominations from Member States, except Türkiye, Azerbaijan and Kazakhstan. This year, we plan to hold the First ECO Forum on Sustainable Development in the modern city of Arkadag in Turkmenistan.

Furthermore, in May 2023 the Fifth ECO Ministerial Meeting on Health was organized on the sidelines of the 76th World Health Assembly in Geneva, and the Fourth ECO Experts Group Meeting on Disaster Risk Reduction was held in November 2023 in Tehran.

Dear Delegates,

About our **Judicial & Parliamentary Cooperation**, there have been some significant developments in 2023, including the holding of Fourth Meeting of the Attorneys/Prosecutors General hosted by Azerbaijan in September last year. In line with the Meeting’s given task, the Secretariat is in process of preparing a Program for Cooperation among the Attorneys/Prosecutors General Offices of the ECO Member States. This year in May Dushanbe is going to host the Fifth Meeting of the ECO Attorneys/Prosecutors General.

Further, the First General Assembly of the State Parties to ECO-Regional Center for Cooperation of Anti-Corruption Agencies and Ombudsmen was virtually organized by Pakistan in last September. During the meeting, the Islamic Republic of Iran reiterated its commitment for preparation of necessary documents during the first half of 2024. The operationalization of this Center in Iran is expected soon.

The parliamentary dimension is also important for the Organization since it will give legislative backing to the growing regional cooperation. In this context, I would like to thank the Republic of Azerbaijan for hosting the Third General Conference of the Parliamentary Assembly of the ECO (PAECO) in May 2022. The event yielded quite productive outcomes. The next Fourth General Conference of PAECO to be hosted by Iran in 2024 is expected to make further advancements in our regional parliamentary cooperation.

Dear Participants,

Stabilization in **Afghanistan**, which is an important Member of the ECO, has always been a priority for the Organization. The latest regional developments forced the ECO to hold on its projects implementation in the country. During the 15th and 16th ECO Summits, our highest leadership expressed their deep desire for the restoration of normal economic and humanitarian activities in Afghanistan. In this regard, we are ready to liaise with all regional and international stakeholders in order to provide all possible assistance to the Afghan people and society in their period of sufferings.

Dear Delegates,

Enhancing Organization's **international visibility** also remains one of the most important tasks as recommended by ECO leadership, especially under ECO Vision 2025. Based on this, the Organization maintains close collaboration with several regional and international organizations, in particular the United Nations system.

I would like to emphasize the importance of the biennial resolution on UN-ECO cooperation adopted on August 25, 2023 by the United Nations General Assembly in its 77th session. The revised document invites various specialized agencies, as well as other organizations and programmes of the UN system and relevant financial institutions, to join the ECO efforts for promoting regional economic development and integration.

Also, the 15th ECO-ASEAN Joint Ministerial Meeting was organized on the sidelines of the 78th UNGA session in New York after nine-years break. Reviewing the current status of ECO-ASEAN collaboration, the meeting agreed for enhancing cooperation in all areas of mutual interest and adopted the Framework of Cooperation between the two Organizations.

In 2023, the ECO was granted the status of Observer in the Organization of Turkic States (OTS) on the principle of reciprocity. The last year also witnessed consolidation in our mutual relationship with the Shanghai Cooperation Organization (SCO), Conference on Interaction and Confidence Building Measures in Asia (CICA), Asia Cooperation Dialogue (ACD), the UN Office for Landlocked Developing Countries (UN-OHRLLS), International Road Transport Union (IRU)

and etc. We believe that ECO strong connections with its global partners will yield long-term benefits for our region.

Distinguished Delegates,

I also take this opportunity to brief on some **project-based and research-related activities** of the Organization.

The last 19th Meeting of the Project Monitoring Group (PMG) held in September 2023 discussed and evaluated our ongoing projects. The Meeting also urged the Member States to make their contributions expeditiously for smooth implementation of up to 20 small-size projects on annual basis. Currently, ECO has 37 projects. Some of them have been recently completed which require further joint and practical actions. Our ongoing projects are in initial stages of progress.

The Secretariat, in cooperation with the ECO Trade and Development Bank mobilized some funding for the “Transformation of the ECO Economic Journal”. Now after several years of interval, the Journal has published its editions for the years 2022 and 2023. Since its Editorial Board is located in Baku, the ECO Economic Journal can be an associative part of the ECO Research Center that, we hope, will be operational soon. Both ECO Research Center and ECO Economic Journal can jointly provide the Organization with valuable information and in-depth researches.

Another important project is “Agricultural Statistics and Land Cover Statistics from Earth Observations for Selected ECO Countries” which is in progress in collaboration with the Statistical Division of Food and Agriculture Organization (FAO). The project’s cost is 500 thousand USD and FAOSTAT has included financing of this project in its budget for 2024. The goal of the project is to enhance the capacity of our National Statistics Offices in production of agricultural statistics using alternative data sources.

In statistics, the Secretariat held three training workshops. Also, the Secretariat is about to sign a fresh Memorandum of Understanding with the Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRIC).

In economic research, the Secretariat issued in 2023 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. To this end, any proposals/feedbacks received from the Member States are duly considered and circulated amongst them.

Dear Delegates,

Before concluding, I may note that any tangible achievement in our activities is linked very much to a sincere ownership and strong support by all our Member

States. In the past, many significant initiatives and events could not be realized due to the lack of quorum. To secure maximum outcomes and meet our collectively envisioned targets, we encourage all member countries to ensure their active participation in every event and activity organized by ECO in the greater interest of our region.

The 34th RPC is kindly set to adopt the ECO Work Program and Calendar of Events for 2024, along with the Sectoral Committees which will finalize these important annual guiding documents.

The current year is of particular importance in the sense that it precedes the target year of **Vision 2025**. In this regard, the Secretariat in close collaboration and with full involvement of the Member States will have to initiate a final review process of this strategic document. I believe that the deliberations and outcomes of this RPC Meeting will also give necessary inputs and a sense of direction to the next Vision.

While expressing my best wishes for our joint success, I am confident that the productive results of this road-mapping event will drive us further forward in the pursuit of our regional economic targets.

Thank you all.