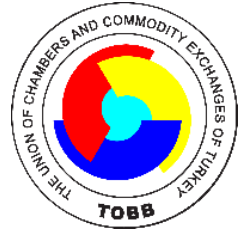




Economic Cooperation Organization
Chamber of Commerce and Industry
(ECO CCI)



REPORT OF THE 28TH EXECUTIVE COMMITTEE & 18TH GENERAL ASSEMBLY MEETING of Economic Cooperation Organization Chamber of Commerce and Industry

(Online Meeting, 19th October 2020)

1. The 28th Executive Committee and 18th General Assembly Meeting of the Economic Cooperation Organization of Chamber of Commerce and Industry (ECO-CCI) was held on 19th October 2020 between at 2:00 p.m. – 5:00 p.m local Time in Turkey via video conference and hosted by the Union of Chambers and Commodity Exchanges of Turkey (TOBB).
2. The meeting was attended by the following member organizations of the ECO-CCI:
 - i. Afghanistan Chamber of Commerce and Investment (ACCI)
 - ii. Azerbaijan Chamber of Commerce and Industry
 - iii. Iran Chamber of Commerce, Industries, Mines and Agriculture (ICCIMA)
 - iv. The National Chamber of Entrepreneurs of the Republic of Kazakhstan “ATAMEKEN”
 - v. Chamber of Commerce and Industry of the Kyrgyz Republic (CCI-KG)
 - vi. The Federation of Pakistan Chambers of Commerce & Industry (FPCCI)
 - vii. Chamber of Commerce & Industry of the Republic of Tajikistan (CCI RT)
 - viii. Union of Chambers and Commodity Exchanges of Turkey (TOBB)
 - ix. Chamber of Commerce and Industry of Turkmenistan
 - x. Chamber of Commerce and Industry of the Republic of Uzbekistan (CCI UZ)

(A copy of the List of Participants of the 28th EC and 18th GA meetings attached as **Annex 1**)

Inaugural Session of the Meeting

3. The meeting was inaugurated by recitation of the Holy Koran
4. The meeting was moderated by the Secretary General of ECO-CCI, Mr. Adem Kula.

During the meeting, all member countries expressed their solidarity with the people of Azerbaijan who loss their life in war with Armenia.

Opening Speeches

1. Mr. M. Rifat Hisarcıkhoğlu, President TOBB, Turkey (Host)

While welcoming the delegates, Mr. Rifat Hisarciklioglu, President TOBB stated that trade has been a major driver of the economic development and private sector has always assumed leading role in boosting economic activities in national, regional and global economies. He added that ECO countries possesses one third of world's hydro carbon and other resources which need to be utilized for economic prosperity and joint ventures.

ECO countries are located on the historical Silk Road which provides opportunities for enhancement of trade with the European countries. At present, the total trade of the ECO Region is only 806 billion dollars which is below the potential. As the business world, we must insist free trade among the member countries and must encourage our government for this. ECOTA has not been put into effect. If we open the way for trade, we will make it possible for our countries to receive more investments, to increase employment especially for our youth and to enrich our people. However, transportation is a serious problem in our region which needs to be eliminated and pave the way for the movement of goods and people. Therefore, we must continue to improve the business conditions and provide an attractive environment for investors.

He also highlighted the importance of Arbitration institution for resolution of disputes. In this context, he invited the member countries to benefit from the Arbitration Center of the Organization of Islamic Cooperation, which is still being established in Istanbul. He underlined the need of legal system for member countries compatible with international arbitration.

2. Mr. Azarakhsh Hafizi, President of ECO CCI

Mr. Azarakhsh Hafizi, President of ECO CCI mentioned following necessary measures to promote business in ECO region.

- To build a coherent economic goal, free of contrasting political incentives,
- To integrate our economies and improve necessary infrastructures to let the goods, talents, technical assistances, machineries, and capital investments move easily in the region,
- To sign more bilateral and multilateral MoUs and agreements,
- To work on a mechanism to ensure that commitments are fulfilled,
- To exchange more business delegation between the countries,

- To work on a mechanism of issuing ECO Visa Stickers for all businesses operating in the ECO region enabling them to travel easily in the region and seek the investment opportunities.

Also:

- Governments should simplify and harmonize their trade and investment procedures and set trade friendly custom tariffs.
- The private sectors should be given their proper role in developing a viable regional economic cooperation, with direct and growing relations between the chambers of commerce.
- We need to pave the way for establishment of free trade zones in this region.

3. Dr. Hadi Soleimanpour, Secretary General of ECO

In his speech, **Dr. Hadi Soleimanpour**, Secretary General of ECO updated the participants about the measures taken at Government levels for the promotion of trade relations. While talking about **ECOTA**, he mentioned that we do not limit ourselves to it and looking for any other viable ways and means to achieve implementation of preferential trade agreement. ECO secretariat is launching studies on trade facilitation to enhance trade through removing Technical Barriers to Trade like: Non Tariff Barriers (NTBs), Para Tariff Barriers (PTBs) etc., and save cost and time in the trade transactions. We believe that such initiatives would help to promote trade and investment and addressing tariffs and non tariffs barriers of trade in the region.

The Agreement on Promotion and Protection of Investment (APPI) will help increase trade and economic activities. So far, only three Member States have signed and ratified it. It will come in to force upon ratification by four Member States. He requested the national chambers to pursue their governments to sign and ratify this agreement to promote Regional Value Chain (RVC) in the region.

The Agreement on Establishment and Operation of ECO Smuggling and Customs Offences Databank signed by six Member States and ratified by four Member states, has started its operation in Ankara. The establishment of the Data Bank is a landmark achievement aiming to help boost revenue of the Member States and reducing its pilferages.

The Articles of Agreement of the Economic Cooperation Organization Reinsurance Company signed by three Member States has entered into force in December 2017. National Chambers may persuade their respective governments to early operationalize it and join these new Forums for increasing secure commercial activities in the region.

As you are aware, the ECO's recent approach is project oriented. While we are following the full implementation of core agreements in the area of trade and trade related issues such as ECOTA, TTFA (Transit Transport Framework. Agreement), APPI etc, we are also working on small size projects to prove that regional cooperation is possible, feasible and beneficial in different sectors.

Facilitation of trading animal and animal products by establishing reference laboratories and standard salutary houses in veterinary sector, regulating, marketing and trading bio-organic products in and outside the ECO region, modelling of medicine and medical equipment trading in the region, regional tour operators chain, designing regional tourism routes and destinations are some examples. We are already in the process of finalization of a few of this kind of projects, including visa facilitation for drivers or test run projects in some ECO corridors and shift to next

phase of them. We welcome any practical and beneficial ideas or initiatives from ECO-CCI to put in our Agenda.

He also suggested that the ECO -CCI may set up a regional task force to coordinate across the ECO region, including businesses, to identify policy and production gaps, that exist in the current pandemic, for increasing the responsiveness of current policies and support the longer term development of RVCs in the region and their linkages with Global Value Chain (GVCs) round the globe. Moreover, the task force may study and give its recommendations on how to adopt a uniform and standard testing and certification policy for Covid-19 to remove the uncertainties and variance in testing/certifications to regulate trade in services in sectors like travel and tourism, hospitality, education etc, as well as the harmonization of measures on Sanitary and Phyto-Sanitary (SPS) and Technical Barriers to Trade (TBTs) for regulating trade of agricultural and industrial products in the region.

4. Mr. Gholam Hussein Shafeiee, President ICCIMA and Vice President ECO-CCI

Mr. Gholam Hussein Shafeiee, President ICCIMA and President ECO-CCI stated that the global trade volume of ECO member states stood at 780 billion dollars in 2019, with intraregional trade constituting no more than 7.6 percent (about 59 billion dollars), which is almost unchanged from the same period last year. It seems that one of the main reasons for the intra-organizational trade is the lack of bilateral preferential trade agreements among member states and their failure to implement the ECO Trade Agreement (ECOTA) as the most important trade agreement at the ECO level. The founding countries must therefore work to eliminate this shortcoming and remove the obstacles to the implementation of these agreements.

There are also potential areas for enhancing cooperation among ECO member states including tourism (particularly health tourism), transit using existing and rail and land corridors, energy, oil, gas, petrochemical production, especially in the private sector.

Another untapped area for the development of collaboration among ECO member states, especially in the private sector, is cooperation through industrial investment and joint production using the technical knowhow and raw materials available in the region. Furthermore, promotion of e-commerce and e-trade as well as preparation of the necessary infrastructures is also among the measures which should be paid special attention by the member states.

5. Mr. Anjum Nisar, President of FPCCI

In his speech, **Mian Anjum Nisar, President FPCCI** emphasized on the need of early implementation of ECOTA for the promotion of intra regional trade and investment among the ECO member countries. Intra-regional ECO trade accounts 7.8 percent of total trade of world which is far below the potentials available. He also highlighted intra ECO tariff and non-tariff issues hampering the trade and investment opportunities in the region. Expanding trade volumes require trade liberalization, harmonization of policies, reducing the cost of doing business, financial infrastructure, and institutional capacity building.

Land connectivity is the main issue, and we expect that after completion of China Pakistan Economic Corridor, the trade between Pakistan and Central Asian land locked countries will be flourished. He also called upon the ECO member countries for implementation of Transit Trade Agreement, TIR conventions, Agreement on Protection and Promotion of Investment, ECO Visa

and White card scheme for development of border trade, sharing of knowledge and transfer of technology etc. He also highlighted the promotion of tourism prospects and development of transportation mechanism by road and rail among ECO countries. He invited the member countries to invest in CPEC related projects and utilize all natural resources of ECO for the sustainable prosperity of region.

He also highlighted the potential of trade between ECO countries. To illustrate, Azerbaijan, Iran, Kazakhstan, and Turkmenistan are oil and gas producing and exporting countries while Pakistan and Turkey are oil importing countries. These trade opportunities can be materialized by giving trade concession through ECOTA. For the establishment of intra-regional investment, the Agreement on Promotion and Protection of Investment (APPI) has been signed by five member nations, (i.e. Pakistan, Iran, Turkey, Azerbaijan and Afghanistan) but so far ratified by only Pakistan and Iran. For the enforcement of Agreement at least ratification of two more members are required.

He also emphasized on the improvement of transportation through implementation of infrastructural project such as the North-South Transport Corridor, the Trans-Caspian Transportation Route, the China - Pakistan Economic Corridor, Chabahar and Gwadar ports complement each other. All these projects have the potential to function better in parallel with the wider and more comprehensive initiative, namely, China's One Belt One Road (OBOR).

He added that ECO Region still lacks a comprehensive regional strategy for sustainable tourism development. The ECO Visa Sticker Scheme is already under consideration of ECO Secretariat however, he suggested that all member countries should be allowed landing visa to businessmen, traders and exporters until the ECO Visa Sticker Scheme is implemented.

He also underscored the need of the TIR Convention to be implemented speedily in all member countries and requested Turkey to share the experience of border gates with neighbouring countries for enhancement of border and barter trade. He suggested training sessions to be arranged in all countries for the traders and transporters of the region under the patronage of ECO Secretariat on TIR conventions.

6. Mr. Jumakhonzoda Jamshed Jurakhon, President of Tajikistan Chamber of Commerce and Industry

Mr. Jumakhonzoda Jamshed Jurakhon, President of Tajikistan Chamber of Commerce and Industry updated the participants about the pandemic COVID-19 and believed that we will minimize negative effects of Covid-19 through cooperation. He informed the participants about holding of joint activities with Turkey like Business forum etc. He urged the member countries to develop road map in order to minimize the crisis. Trade should continue for keeping standards of our people. We should improve e-commerce. Economic digitalization in our countries should be improved. We should be more active in digital world.

7. Sayed Jawed Burhan, Afghanistan Chamber of Commerce & Investment

Afghanistan Chamber of Commerce and Investment believed that the regional cooperation and economic integration will happen when:

- The private sector is encouraged and supported domestically by improving the doing business environment,
- The regional connectivity infrastructures are improved,

- Cross border businesses are encouraged,
- Supportive customs and investment policies are fostered.

Particularly, improving institutional relationships between the private sectors of the region, maintaining better market linkages, and increasing access to information on business opportunities would be the most promising initiative and would best serve the ECO CCI objectives.

8. Vugar Zeynalov, Azarbaijan ASK Vice President

The representative of the Azerbaijan Chamber of Commerce and Industry expressed thanks to Turkish and Pakistani friends for supporting in hard time in war with Armenia that UN Convention has been violated.

9. Rima Apasova, Vice President of Kyrgyz Chamber of Commerce and Industry

Ms Rima Apasova, Vice President of Kyrgyz Chamber of Commerce and Industry stated that we must come together to improve our economies. Covid-19 is globally affecting all economies and we have to take steps and realize some measures for intra region. We have to find solutions like video conferences and it is very important to maintain dialogue. Business community needs to go on. We should find solutions and this platform is important.

10. Islam Jasimov, First Deputy Chairman of Uzbekistan Chamber of Commerce and Industry

Mr. Islam Jasimov, First Deputy Chairman of Uzbekistan Chamber of Commerce and Industry stated that we should make effort for successful business environment. This meeting will be important to fulfil trade among us. He added that the President of TOBB deserves appreciation for his role and many opportunities which he created for this organization. Despite all of challenges, we continue to work together and exchange students to boost our relations. We are ready to hold Business Forum and gain experiences in this area. We need joint initiatives to improve trade. We should continue cooperation in technical areas and science. We are ready to improve multilateral relations.

Statutory Session:

1. The house **Adopted** the Agenda of the 28th Executive Committee and 18th General Assembly meeting of the Economic Cooperation Organization Chamber of Commerce and Industry and rapporteur was appointed.
2. *The house appointed the following rapporteurs to prepare the draft Report of the Meeting:*
 1. *Mr. Mahdi Razzaghshoar (Iran)*
 2. *Ms. Sila Kozanlı (Turkey)*
 3. *Ms Amber Fatima (Pakistan)*
3. **Took note and adopted** the activity report presented by the Secretary General of ECO CCI.
 - *The Secretary General of ECO CCI gave information about the Activity Report.*

4. The Chairman/Chairperson of the Specialized Committees and Women Entrepreneurship Council presented report of the meeting of Specialized Committees and Women Entrepreneur Council to the house and unanimously adopted. The brief of the reports of *each ECO CCI Specialized Committees is given below;*

a. Women Entrepreneurs Council

Achievements in 2020:

- Submitting a business trip report to the Islamic Council of Tehran, the Women's Faction of the Parliament and the Vice President for Women and Family Affairs
- Organizing virtual training workshops and seminars
- Establishing permanent virtual tink thanks
- Signing a Memorandum of Understanding on Study and Research Cooperation on the Intrinsic Quality of Women

b. Tourism

The conversion of the ECO region with a population of more than 450 million as a global tourist destination requires the provision of the necessary infrastructure and tools to meet the global standards of the tourism industry. Nevertheless, during the past several months all these figures have been heavily affected by the COVID-19 crisis and we are now in urgent need for the shared efforts and initiatives in order to save the economies of the ECO region from the adverse effects and ramifications of the disease spread throughout the region. We all want to collaborate to remove visa barriers, especially for Silk Road Tourists, patients, and health tourists in the ECO region.

c. Transportation

We held our committee meetings in video conference on 5th May 2020 in the extraordinary meeting of ECO CCI and our transportation committee met online on 30 June 2020. We discussed ECO Practical Guidelines on Cross Border Facilitation Measures under conditions of COVID-19 to make an effective and efficient regional response for countering the unpleasing effects of COVID-19, maintain regular supplies of goods in the ECO region.

In this context, we have also shared our opinion regarding the implementation and development of Ro-Ro, intermodal and multimodal networks. This also makes sense for ECO's corridor projects and even trans-Caspian trade. Also, digitalization is another aspect of high importance.

Annex 11 to the TIR Convention has been approved in February as a legal basis for eTIR. The long-term endgame should be the implementation eTIR all along ECO countries instead of bilateral applications. Public-Private-Partnership is vital for what we desire to achieve. Real and tangible actions to build up this cooperation are needed to provide sustainable solutions.

d. Industry, Investment and SMEs

Given the common border lines shared among the ECO member states which will decrease the costs of transportation and transit, the member states have not managed to grow their intra organizational trade.

Given the fact that, a great part of the industrial backbone of our economies is composed of the Small and Medium Enterprises (SME's), collaborations and joint investments in this area among the ECO member states is a must and has to be seriously addressed by the chambers of commerce of our member countries and the governments.

In the video conference meeting of 29 June 2020, we proposed the joint production of goods among the ECO member states namely a car whether in part or as a whole jointly by the member countries. Hence, technical committee is needed to discuss these matters and propose the exact areas in which the ECO countries can have such collaborations. We have proposed that parts manufacturing for cars can be promoted among member states by focusing on SME's production factories and plants to give SME's another boost in the region.

e. Trade Facilitation

For improving the trade relations, this region signed many agreements like ECOTA but ECO's performance has remained below potentials. Pakistan, Iran, Turkey, Afghanistan and Tajikistan agreed in 2008 to operationalize ECOTA, it has yet to be implemented due to disagreement between members on the interpretation of its core provisions and non-ratification of the agreement. The Chairman emphasized on early implementation of ECO TRADE AGREEMENT (ECOTA) which was signed in 2008 and issuance of VISA STICKERS to bonafide Businessmen for easy travel as in the case of SAARC. real challenges of trade facilitation in order to minimize transaction costs and the resolving of complexity of international trade for businesses, without compromising efficient and effective levels of collection of customs revenues and other border controls.

Apart from ECOTA, there are other agreements like ECO Transit Trade Framework Agreement (ETTFA) and ECO Trade Facilitation Agreement (ETFA) for the facilitation of trade, which are also not yet implemented. In order to increase the linkages among the business community, it is suggested that ECO Trade Fairs and Exhibition should be organized regularly.

ECO-CCI also submitted the draft of ECO Visa Sticker Scheme to ECO Secretariat to facilitate the businessmen and traders. The diplomatic channels of ECO region must investigate the possibility of providing landing visa for the traders, manufacturers, and businessmen on arrival till the ECO Visa Sticker Scheme is implemented.

5. Adopted the Presidency and Vice Presidency of ECO CCI

Secretary General informed the house that according to Article 2 of the Statute of ECO CCI, the Presidency shall rotate among ECO CCI members for two years as per sequence given in annex of statute. Therefore, Iran, as a founding member, is eligible for Presidency of ECO-CCI for the next two years. Furthermore, according to Statute of ECO CCI, Vice Presidency shall be from Azerbaijan.

The House welcomed the new President 4. Mr. Gholam Hussein Shafeiee, President ICCIMA, Iran and Vice President Mr. Mr Niyaz Ali-zada, President of The Azerbaijan Republic Chamber of Commerce and Industry

6. Any other business

- a. *ICCIMA presented proposal of “ECO Car” and stated that the draft proposal was already sent to the member countries for their comments and input. Production of manufacturing of the car advanced the member countries and they will get closer and form the partnership by exchanging production. We should make committee to discuss the proposal of a car.*
- b. *Mr. Seyed Hossein Salimi, Board Member INC of ECO CCI, reiterated the proposal for joint manufacturing of a car by the ECO member states namely ECO car which was already distributed among the member chambers and called for formation of a joint technical committee to discuss the details and implementation of this plan which was highly welcomed by the house.*
- c. *Mr. Mohammad Reza Karbasi, Secretary General of the Iranian Committee of the ECO CCI and Deputy for International Affairs of the ICCIMA added that Trade and Investment especially implementation of the intra ECO agreements ECOTA in particular with a new approach, Tourism in the ECO region, especially health tourism, and the development of rail and road transport corridors, including KTAI and ITI, and their expansion and marketing with the help of the private sector were the most important issues facing the ECO Chamber in the new era.*

7. Date and venue of the next meeting

- *The house **Decided** that the 29th Executive Committee meeting will be held in Turkey if the pandemic is over.*

8. Adoption of the report, vote of thanks

The Secretary General ECO-CCI thanked all the members Chamber of Commerce and Industry for active participation in the Specialized Committees, Women Entrepreneur Council, Executive Committee and General Assembly meeting of ECO-CCI held virtually due to pandemic COVID-19.

All Member Chambers also appreciated the services of Secretary General ECO-CCI for organizing such meetings regularly in befitting manner and making excellent arrangement.

The Draft Report of the meeting will be adopted later by circulating via email.