

Secretary General

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**In the Name of Allah**

**Speech by H.E Gholamhossein Shafei**

**President**

**ECO Chamber of Commerce and Industry (ECO CCI)**

**At**

**19<sup>th</sup> Executive Committee Meeting of the ECO CCI**

**Karachi, I.R Pakistan**

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**Honorable Guests**

**Ladies and Gentlemen**

At the outset I would like to extend my sincere thanks and appreciation to the esteemed authorities of Federation of Pakistan Chambers of Commerce and Industry (FPCCI) for the excellent arrangements and meritorious hosting of this event as well as the honorable ECO secretariat for the coordination to hold the 13<sup>th</sup> General Assembly, 19<sup>th</sup> Executive Committee as well as the Meetings of the Specialized committees of the ECO CCI in the city of Karachi and express hope that holding this meeting can play an efficient role in awareness raising on the barriers and problems of promotion of trade, commercial and economic relations of ECO member countries and finding suitable solutions to these problems.

Collaboration in the framework of the regional organizations with respect to the current circumstances of the world economy and the risen crises in the recent years can be evaluated as a safe pathway for boosting the convergences and staying off the harms of global fluctuations of the economy.

The ECO member countries are of very significant specifications and are able to rely on them to promote their collaborations in all areas.

ECO is among the potentially resourceful organizations on the globe having 450 millions of population and over 7 million square kilometers of area, containing huge mineral, oil and gas resources as well as strategic geographical situation as well as being situated in the North-South and east-west corridors as it is counted among one of the most resourceful regional organizations in the world.

On the aspect of figures and statistics, the member countries in 2012 traded US\$ 817 b with the world out of which 10.3 % that is US\$ 83 b was the share of the intra ECO trade meanwhile the member states exchanged US\$ 817 b worth of trade with the world out of which US\$ 70 b was the share of intra organizational trade which stood at 8.6% of the total foreign trade of the ECO member states showing a 1.7% decrease compared to the previous year.

In 2012 out of the total US\$ 1.4 Trillion of the Foreign Direct Investment (FDI) on the globe, the ECO had US\$ 39 b which is 3% of the world figure.

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Generally the current status of the ECO member countries given their population, area and the various potentials existing in these countries is far from their suitable global position and their ideal status in the intra regional collaborations as in order to achieve the elevation of the level of intra regional collaborations, it is necessary that the removal of problems and barriers existing and the implementation of agreements endorsed within the ECO framework be given due attention.

Regular holding of the trade fairs ,business forums , the buyers-sellers meetings and exchange of trade delegations among the member countries has to be put on the agenda and followed with first priority , of course in this respect the role of the private sector and the ECOI CCI is of supreme importance and it is necessary that the private sector be seriously supported by the governments for development of trade cooperations.

Up till now various agreements have been signed in this organization in the areas of trade, commerce and investment of which one can mention the “agreement on Simplification of Visa to ECO Businessmen”, “Establishment of the ECO Trade and Development Bank (ECO TDB)”, “the Transit Trade Framework Agreement (TTFA)”, “the ECO Trade Agreement (ECOTA)” as well as “the Agreement on Promotion and Protection of Investment (APPI)”.

Unfortunately despite the endorsement of these agreements and the fact that more than a decade has passed over ratification of some of the ECO agreements , major agreements such as the ECOTA and the Visa Simplification are not still implemented , therefore it is necessary that a plenipotentiary working group be formed for facilitating their implementation.

Thus as for the special case of the Visa simplification Agreement it has to be stated that currently the ECO region is not in a suitable manner in this respect as given non issuance of visa to the official delegation of the ECO CCI which was aiming to participate at the ECO Ministerial Meeting on Economy, it cannot be expected that the visa issuance to the economic ,trade and investment operators be addressed as one of the major Non Tariff Barriers (NTB's) of promotion of collaborations in the region and this topic should be properly addressed by cooperation and resolute will of the ECO Member States officials.

Simplification of the trade visa issuance, creating suitable facilities for opening L/C's through banking collaborations and implementation of the ECOTA are the three sides of a triangle which can improve the economic situation of the region. As by adopting such measures we will be able to achieve one of the strategic goals of the ECO Vision which is annual raise of 1% in the intra ECO /total foreign trade ratio.

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With regard to lack of the banking system among the member states and the potential effect of the activities of the ECOBANK on development of the trend of intra ECO trade , it is necessary that measures

be sought for delivering trade services to member states by the ECOBANK including the L/C opening and the Bank Guarantees.

In line with development of trade among the member states, the free trade zones of each member country being of a superior position for production and export having the special possibility of access to Caspian Sea and the Persian Gulf as an export corridor to other countries are of very valuable advantages for which we propose the increasing collaboration among the free trade zones of the member states.

The tourism industry is also of the advantages of the ECO as there are huge potentials in the region and in ethnic, lingual , cultural and religious terms, the member states share many common points making them very gifted in promotion of tourism cooperation , thus by launching combined packages (tours) it is possible to make revenues and create jobs as well as preparing the grounds for blooming of the tourism industry in the ECO region as a hotbed for development of economic and cultural ties among the member states.

On the other hand the Health Tourism as a necessity has to be given special focus by the member countries as annually huge amounts of capital of the region is transferred to other countries for remedy while this is available in the ECO region with better quality and lower price.

Investment is among the very desirable areas for boosting the collective economies of the member countries thus in spite of the efforts conducted the joint investments among the ECO member states is far from satisfactory .

One of the problems on the way to promotion of the intra ECO investments is lack of joint investment projects . It is possible to release the ECO region from being bound to selling raw materials resulting in processing of these materials to the added value and make it possible for transfer of technical know how, increasing the intra regional trade, creating jobs and training of the specialized human resources .

In this area the ECOBANK as the sole institution involved in offering joint financial services in the Eco region is expected to deliver special financial services to joint industrial investment projects which are being implemented with participation of more than three member countries.

The ECO Chamber of Commerce and Industry in the new round of administration by forming the specialized committees of Trade Arbitration, Tourism, Trade Facilitation, Industry and Investment ,Transportation and Women Entrepreneurs Council (WEC) and consideration of the dimensions of the

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regional potentials in the relevant fields of these committees has offered its proposals to relevant authorities through the ECO Secretariat and hopes that with due attention of the officials, the grounds be paved for the efficient presence of the private sector in the economic activities of the region.

In this regard below suggestions which are an excerpt of the comments of the 10 member chambers are being presented for the attention of the honorable ministers and officials of member countries and due instructions for follow up as below:

1. In line with either elimination or alleviation of the tariff and non tariff barriers of trade among the member countries it is necessary that the governments help to implement the ECO Trade Agreement ( ECOTA) on the fast track approach.
2. The ECO Trade and Development Bank (ECO TDB) is proposed to prioritize the L/C opening and trades services in order to facilitate the intra trade transactions and devise its relevant implementation mechanisms .
3. Facilitating the trade visa issuance and implementation of the Agreement of Visa Facilitation for the merchants and businessmen of the region in order for movement of the economic operators of the region would be prioritized by the relevant authorities.
4. It is deemed appropriate that the Economic Cooperation Organization (ECO) in collaboration with the ECOBANK pave the way for launching the first joint investment project in the region with collaboration of at least four member countries and I assure you that the private sector will be seriously participating in the respect.

In the end in view of the potentials and possibilities of the region I affirm that development of trade-economic ties among the ECO member states requires the resolute will and efficient follow up for solving the problems and removal of barriers which will come true with sheer determination of the honorable officials in collaboration with the private sector and I hope that in the future we will be witnessing the realization of the aims and objectives of the ECO and increasing development of the intra regional economic transactions .

Again I would like to thank the efforts made by the honorable FPCCI H.E Usman Zakaria and his honorable colleagues for the meretricious hosting and excellent arrangements to hold this meeting and hope success for this major event.

Thank You

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