



FINAL REPORT

**ARBITRATION COMMITTEE
MEETING**

ECO CHAMBER OF COMMERCE AND
INDUSTRY

November 19 ,2011 , Karachi I R Pakistan



**Final Report
of the
Arbitration Committee Meeting of
ECO Chamber of Commerce and Industry (ECO CCI)
November 19, 2011, Karachi I R Pakistan**

The Second meeting of the Arbitration Committee of ECO Chamber of Commerce and Industry, hosted by the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) was held on November 19, 2011, in Karachi_ I R Pakistan. The representatives of the Arbitration Committee from Chambers of Commerce and Industry of the Islamic Republic of Iran, Republic of Turkey, Islamic Republic of Pakistan, Republic of Tajikistan, Republic of Kazakhstan, and the Islamic Republic of Afghanistan, as well as (a) representative(s) from the ECO Secretariat participated in the meeting. (List of participants is at Annex-I)

Agenda Item No – 1: Inauguration of the Meeting

Dr. Mohammad Reza Karbasi, Secretary General of ECO Chamber of Commerce and Industry delivered his welcome address.

Agenda Item No – 2: Adoption of the Agenda

The draft agenda of the meeting, as here under was unanimously adopted.

1. Inauguration of the Meeting;
2. Adoption of the Agenda;
3. Appointment of the Drafting Committee;
4. Statement by the Chairman of the Arbitration Committee;
5. Brief Report on the latest implementations made with respect to ECO CCI Arbitration Affairs
6. Remarks by ECO CCI Member Chambers on the Internal Regulations of the ECO CCI Arbitration Center for approval
7. Any other Business;
8. Date and venue of the next Meeting;
9. Adoption of the Report;
10. Vote of Thanks;

Agenda Item No – 3: Appointment of the Drafting Committee

1. A Drafting Committee consisting of following members of ECO CCI Arbitration Committee was formed to prepare the Draft Report of the Meeting:
 - Dr. Mohsen Mohebbi – I. R. of Iran
 - Mrs Arjumand A. Qazi – Pakistan
 - Mrs. Tatyana Zhdanova – Kazakhstan
 - Mr Yasin Ekmen – Turkey

Agenda Item No – 4: Statement by the Chairman of Arbitration Committee

The Chairman of the Arbitration Committee, Dr. Mohsen Mohebbi, delivered his speech in which he talked about the history of the ECO CCI Arbitration Committee and the trends in this relation. He expressed the hope that by establishment of the ECO CCI Arbitration Center it can compete with similar international arbitration Centers. He added that proper procedure and arbitration rules and qualified and efficient organization are the two main ingredients for the establishment of ECO CCI Arbitration Center for which ECO CCI has prepared and adopted its own arbitration rules and also the Internal Regulations of the ECO CCI Arbitration Center. He added the Arbitration Centre will not interfere with the parties free choices during arbitration proceedings but will merely supervise proper conduct of arbitrations in the cases referred to the Centre.

He accounted the rules, cost and confidentiality as the three most important factors of any efficient arbitration organization which shall be covered by the ECO CCI Arbitration Center. He described the Regional Planning Council (RPC)'s approval of the Internal Regulations of the ECO CCI arbitration Center in it's 21st Session on May 17-19,2011 in Tehran as a great achievement and as a green light of RPC to Arbitration Centre to proceed.

The Chairman of the ECO CCI Arbitration Center also thanked the Federation of Pakistan CCI's (FPCCI) as well the Union of Turkish Chambers and Commodity Exchanges (TOBB) for presenting the ECO CCI Secretariat with their comments on the Internal Rules of the ECO CCI Arbitration Center. He confirmed that the comments received from each ECO-CCI member chamber have already been incorporated into the Internal Regulations of the Center.

Agenda Item No – 5: Brief Report on the latest implementations made with respect to ECO CCI Arbitration Affairs

The Secretary General of ECO CCI presented a report on latest implementations made with respect to ECO CCI Arbitration Affairs (Annex I). He said that the ECO Chamber of Commerce and Industry Secretariat is striving to dispose concerted efforts and create convergence among the chambers of commerce of ECO member countries and their respective countries' Arbitration agencies and organizations through the ECO Secretariat .

He stated that as per the decision of last session of the ECO CCI Arbitration Committee held in January 2011 in Tehran, the Member Chambers were requested to consider the Internal Regulations of the Arbitration Center and convey their amendment proposals, if any, within 3 months to the ECO CCI Secretariat. Pakistan and Turkey have forwarded their comments, suggestions and notes to the ECO CCI Secretariat. He proposed to approve the amended draft Internal Regulations at this session to further precipitate the establishment of the ECO CCI Arbitration Center.

He informed that the meeting in line with suggestions made by some chamber members in Tehran meeting a workshop on arbitration is planned to be held in Tehran in the near future by the ECO Secretariat in collaboration with the ECO CCI and the United Nations Commission on International Trade Law (UNCITRAL).

He also proposed that the Member Chambers shall at the earliest convey to ECO CCI Secretariat , their respective reports of legal infrastructures for faster processing of the implementations for establishment of the ECO CCI Arbitration Center as a major pillar of the intra-ECO trade enhancement initiatives.

Agenda Item No – 6: Remarks by ECO CCI Member Chambers/Delegates on the Internal Regulations of the ECO CCI Arbitration Center

Members of the Arbitration Committee of the ECO CCI made remarks and posed questions on the Internal Regulations of the ECO CCI Arbitration Center which were answered by the Chairman of the ECO CCI Arbitration Committee.

The delegates from Kazakhstan, Afghanistan, Turkey and Pakistan made comments and presented their speeches on the importance of arbitration for the trade life.

The Meeting asked the ECO CCI Secretariat to follow up the studies carried out by the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) to establish a dispute settlement mechanism among the OIC Member Countries.

The Meeting taking into consideration the inadequacy of comments received from the Member Chambers on the Internal Regulations of the ECO CCI Arbitration Center called the Member Chambers to relegate their views and comments on the draft text; and within this context the Meeting requested the ECO CCI Secretariat to circulate once more the amended Internal Regulations of the ECO CCI Member Chambers in line with the views and comments of Member Chambers.

The Meeting requested the ECO CCI Secretariat, in cooperation with the ECO Secretariat, to work on an international arbitration convention to provide a legal framework for dispute settlement among Member Countries to be relegated for the considerations of Heads of States/Governments of ECO CCI member states.

The Meeting mandated the ECO CCI Secretariat to submit the establishment of ECO CCI Arbitration Center and the need for signing an International Arbitration Convention among ECO member states to the agenda of 22nd Regional Planning Council for the considerations of all ECO member states.

The Meeting decided to submit the establishment of the ECO CCI Arbitration Center and the signing of an international arbitration convention among ECO member states to the decision/approval of the next Council of Ministers Meeting (COM) and the next ECO Summit.

All the proposals and suggestions were clearly explained and answered by the Chairman. He told that our respective Governments have put the responsibility on the shoulders of ECO CCI and while they appreciated and supported the establishment of ECO CCI Arbitration Center, they have asked us to provide them with our expectations of the nature of support we need. So it is now our responsibility to follow suit.

He informed to the meeting about Para 50 of the Report of the 21st Meeting of the Regional Planning Council (RPC) and requested that in compliance with the resolution of RPC, the member chambers shall specify within 3 months the nature of support they may require from

the RPC for the promotion of the ECO CCI Arbitration Center. The Chairman also requested the member chamber to advise ECO CCI Secretariat if they are prepared to organize educational and promotional seminars on international commercial arbitration in their home country, for further coordination by secretariat.

Further, the Chairman indicated that we must move ahead and we will always have the possibility to amend our Rules and Regulations. He applied that each member Chamber considers the organization of similar seminars in their own country and inform the secretariat.

Agenda Item No – 7: Any other Business

There were no other issues to be discussed.

Agenda Item No – 8: Date and Venue of the next Meeting

It was decided that the date and venue of the 3rd Meeting of Arbitration Committee of ECO CCI would be decided on the sidelines of the next EC Meeting.

Agenda Item No – 9: Adoption of the Report

The Meeting unanimously adopted the Draft Report of Second Arbitration Committee Meeting of ECO Chamber of Commerce and Industry (ECO CCI) and presented the Report to the 16th Executive Committee of ECO CCI.

Agenda Item No – 10: Vote of Thanks

The participating Heads of delegations/members offered their thanks to the Federation of Pakistan Chambers of Commerce and Industry for the excellent arrangements made to hold this important meeting and for the warm hospitality extended to the participants during their stay in Karachi. The participants also appreciated the contribution of the ECO Secretariat for providing the necessary assistance and support.