

Draft Report
of the 11th Meeting of the
Council of Permanent Representatives of ECI (ECI-CPR)
(ECI Headquarters, 3rd June, 2013)

The Council of Permanent Representatives of ECO Cultural Institute (ECI) convened its 11th meeting at the ECI Headquarters on 3 June 2013, under the Chairmanship of H.E. Dr. Naseer Ahmad Noor, distinguished Ambassador of the Islamic Republic of Afghanistan. The Meeting was attended by the distinguished representatives of the Islamic Republic of Iran, the Islamic Republic of Pakistan and Republic of Tajikistan as well as delegations of the ECO Secretariat and ECO Cultural Institute. (List of Participants is enclosed as Annex. I).

Agenda item 1
Adoption of the Agenda

Agenda of the Meeting had been circulated among Member States vide Urgent Note No. ECI/524/308 dated 27May 2013.

At the outset, Chairman congratulated H.E. Mr. Iftikhar Husain Arif on his assumption of duties as ECI President as well as Ambassador Mohammad Reza Haji Karim Jabbari on his assumption as ECI Executive Director and hoped for ECI to experience considerable achievements under its new leadership. He also expressed his gratitude for efforts and accomplishments made by Dr. Ayyoubi, the ECI ex- president.

Agenda item 2
Consideration and Adoption of the Draft Report of the Previous ECI-CPR Meetings

Representative of the Islamic Republic of Pakistan stated that since the Embassy had not received the 8th ECI-CPR report, his delegation was not in a position to adopt the said report. He added that the Embassy had sent a verbal note and a reminder note to ECI conveying the matter but there had been no response from the Institute.

Executive Director of ECI assured that the 8th ECI-CPR report had been circulated to all ECI member states in due time and handed over to the representative of Pakistan a copy of the Note enclosed to the aforesaid report together with a supporting document bearing the signature of the staff from

Embassy of Islamic Republic of Pakistan acknowledging receipt of the report. In addition, a copy of the 8th meeting report was submitted to all delegations as one of the documents of the 11th CPR meeting.

The CPR adopted reports of its 9th and 10th meetings. Upon the request by the delegation of Pakistan, report of the 8th CPR meeting will be considered for adoption in the next CPR meeting.

Agenda item 3

Report by ECI President on the ECI Activities

President of ECI expressed his sincere gratitude to the meeting for appointing him as ECI President. He asserted that he will do his best to fulfill ECI goals and objectives. He briefed the meeting on ECI new programs and strategies as well as financial challenges.

Agenda item 4

Budgetary Issues:

- Status of settlement of the Audit observations for the year 2011 and the previous year,

Executive Director of ECI explained that the Audit Report for the year 2012 has been submitted to the Institute just 2 weeks ago and due to time constraint, ECI had circulated the Audit Report to the member states with no comments or explanations by the Institute. Nevertheless, the edition of the report which bears ECI comments is enclosed with the current meeting draft agenda for consideration and deliberation by the meeting.

Representative of the Islamic Republic of Pakistan requested a comprehensive briefing by ECI on the status of the settlement of the audit observations for the year 2010 and 2011. He clarified that in certain Paras of the report, the Audit Board had recommended the recovery of the expenditures relating to establishment of Coordination Unit in Dushanbe, Tajikistan. He requested the settlement certificate of the case.

Executive Director averred that although the new management started its functions one month ago, he had studied very carefully and thoroughly the Audit Reports and examined, together with the financial officer of the ECI, all recommendations made by the Audit Board. He emphasized that the Institute will take into account all those recommendations in 2013 and already started to implement relevant observations and recommendations of the Audit Board. He also added that the Audit Report of 2012 contains a considerable number of

mistakes which is due to the fact that the Audit Board spent less than 6 hours for auditing ECI accounts and ECI, in the document submitted to distinguished delegations has made its comments on those mistakes.

Representative of ECI re-cited the comment made by the Institute regarding the case and explained that the vouchers have been endorsed by ECI President. He further clarified that since the matter has not been raised in Audit Report for the year 2012, it conveys that the Audit Board has adopted the case as settled.

Representative of the Islamic Republic of Pakistan stressed that the absence of the issue in the Audit Report 2012 does not allude to the settlement of the case. He reiterated his request for the settlement certificate if the aforesaid had been submitted to the Audit Board.

Acknowledging that consideration of the Audit Report 2012 was not on the agenda of the Meeting, Representative of Islamic Republic of Iran made some initial comments on the Report and referred to article 18 of the ECO Financial Regulations which limits the composition of the Audit Board to three members. He sought clarification on why four auditors (one Iranian, one Turkish and two Pakistanis) had served on the Audit Board 2012 which affected the validity of the Report.

He further asserted that since the tenure of the Audit Board is 3 years, the Board itself shall evaluate implementation of its recommendations. However, he referred to article 21 of the ECO Financial Regulations that approval of the Audit Report by the Council of Ministers (COM) upon the recommendation of CPR shall authorize the closing of the accounts of the Secretariat for the financial year in question.

Referring to some of the recommendations of the Board in its Report 2012, representative of the Islamic Republic of Iran concluded that the Audit Board had prepared a biased Report for the accounts of the ECI in 2012 by making recommendations which were beyond its mandate as well as using improper language as regarded the ECI management in 2012.

In response, Representative of the Islamic Republic of Pakistan asserted that the adoption of the Audit Report by the COM shall by no means be interpreted as the settlement of the observations inserted in the report. It is the responsibility of the Institute to pursue those audit observations with the Audit Board. He further requested the Institute to present the copy of any correspondences with

the Audit Board for the settlement of the audit observations of previous years, if available.

With regard to the comments of ECI in para 14 of the Audit Report for the year 2011, Executive Director of ECI reiterated that the Institute furnished the Audit Board with the required vouchers and obtained their consent. He clarified that the case has not been raised in the Audit Report for the year 2012.

He stated that the "certificate of settlement" that has been raised by the Representative of the Islamic Republic of Pakistan is unprecedented in financial regulations of ECI. He stressed that the competent authority which has the mandate to settle the financial issues is the Audit Board.

He added that:

- According to the Charter of ECI, establishment of the Coordination Units is the prerogative of the ECI President.
- The former ECI President briefed the CPR-ECI meeting on 23 May 2010 about this issue and the ECO representative supported the establishment of Coordination Units by ECI and the representative of Pakistan "congratulated ECI for the opening of its offices in Tajikistan and Afghanistan and asked the ECI that due to the planned visit of ECI's President to Pakistan, relevant information on the establishment of the said offices would be provided to his embassy."
- The recommendations of the Audit Reports of 2010 and 2011 and the none existence of the issue in the Audit Report of 2012 clearly shows that firstly, the concern of the Audit Board on the non-approval of competent body was taken care of once it has been explained by ECI that such a decision has been taken on the basis of the provisions of ECI Charter and, secondly, the main concern of the Audit Board was the vouchers and they have been submitted to the Audit Board on 2012 and therefore, this matter has also been solved and not referred to in the 2012 Audit Report.

With reference to para 14 of the Audit Report for the year 2011, Representative of the Islamic Republic of Pakistan asserted that since the amount has not been recovered yet, they consider it as a pending issue. He clarified that what they request is in compliance with the observations of the Audit Board.

The Meeting decided to seek legal opinion from the ECO Secretariat on the issues raised under this agenda item.

- Status of payment of budgetary contributions by the Member States for the year 2012 and their arrears,

Executive Director of ECI stated that Institute had circulated a table indicating the financial situation of the Institute and the arrears as of 2013.

He clarified that ECI has not yet received any contribution from the member states for the year 2013. He added that Iran has pledged an amount of 250,000,000 Iranian Rials, equivalent to USD 200,000 in official exchange rate, for the salaries in the local currency of the ECI staff in the first half of the 2013, to be received on a monthly basis.

He requested the member states to expedite payment of their contributions to facilitate the activities of the Institute.

Representative of Islamic republic of Afghanistan announced that his country had already paid its budgetary contribution for the year 2012 and the Institute has been notified vide a note. He stressed that Islamic Republic of Afghanistan will endeavor to pay its contribution for the year 2013 at the earliest.

Executive Director of ECI acknowledged receipt of annual contribution of the Islamic Republic of Afghanistan for the year 2012 and appreciated the efforts made by the Embassy of the Islamic Republic of Afghanistan for this purpose.

Agenda item 5

Consideration and Adoption of proposed ECI Work Program for 2013

Representative of the Islamic Republic of Pakistan proposed that non-ECO events should be deleted from the program and the Institute should participate only in the events which take place in its member states.

ECI President stressed that a policy on the matter should be formulated. He referred to the cultural quarterly magazine which is planned to cover all ten ECO member states, and stated that this is a way to encourage the remaining ECO countries to join ECI.

Representative of the Islamic Republic of Afghanistan supported the idea and noted that since ECI's activities are on the basis of common cultural heritage, its interaction with other international organizations and non-member countries is considered expedient and in compliance with its planned aims and objectives.

Representative of the Islamic Republic of Iran appreciated ECI for providing its proposed work program, including cooperation with other ECO member states. He reminded the Meeting that RPC had already mandated ECI to expand its activities to the whole ECO Region.

With respect to cooperation with UNESCO, Executive Director of ECI referred to the recommendation of the 5th ECI BoT meeting and the 22nd RPC meeting and explained that such cooperation should be realized in the framework of the MoU between ECO and UNESCO 1995, and United Nations General Assembly resolution. ECI should seize the opportunity to cooperate with UNESCO and promote its activities not only at regional but also international levels which is in conformity with the ECI Charter.

Regarding cooperation with other ECO member states, he again referred to the recommendation of the 5th ECI-BoT meeting, and stated that many projects must be carried out with the cooperation of the cultural authorities of all ECO members. Furthermore, this policy will encourage them to accede to ECI Charter. He asserted that the Institute's regular budget will not be expended on such cooperation.

Representative of the Islamic Republic of Pakistan argued that due to the small budget allocated to cultural activities, the Institute should limit its programs only to its member states. He expressed their agreement over the participation of ECI in the events with no financial burden on the Institute.

Executive Director noted that the Institute has reduced its staff by 20 to 25 percent and still continues the same process for the promotion of efficiency of the staff. He further explained ECI premises expenditures have been recently cut by about 75 percent.

He also referred to the poetry night to be held by ECI and stated that the Institute will share the expenditures with local authorities and organizations.

Agenda item 6
Any Other Business

Under this item, representative of the Islamic Republic of Pakistan referred to his delegation's dissatisfaction over the re-organization of the ECI premises leaving part of the building under the authority of the ECI ex-president.

Referring to Mr. Ayoubi's own words, he quoted that "the Islamic Republic of Iran transferred the ownership of a large new building as the permanent headquarters of the ECI, the building is located in the prestigious part of Tehran, is fully equipped with states-of-art facilities and has a special hall to host different cultural events by ECO member states" which was part of his speeches as ECI then President at the 21st RPC and 19th COM meetings. He stressed that we request the government of the Islamic Republic of Iran to return the whole building to the ECI for its effective working.

The President of ECI giving the point of view of ECI, mentioned that the issue is brought up to the notice of Ambassador Bizmark, distinguished representative of Iran to ECI and we are assured that it would be sorted out amicably.

Representative of the Islamic Republic of Iran informed the Meeting that as ECI distinguished President was fully aware of, the Ministry of Foreign Affairs was pursuing the case with the national focal point for ECI, namely the Ministry of Culture and Islamic Guidance.

Executive Director of ECI explained that the nomination of official members of the staff shall be forwarded by the member states, and according to the ECI Staff Regulations and practice, be approved by the CPR.

Regarding Dr. Zaidi, from the Islamic Republic of Pakistan, the ECI Executive Director added that his case had not been forwarded by the Embassy hence no decision by the CPR. However, ECI has signed a new contract with Dr. Zaidi and Mrs. Bakhtiyari from Islamic Republic of Afghanistan, an official member of the staff, and started to pay their emoluments in US dollar.

Representative of the Islamic Republic of Pakistan stressed that they fulfill all the formalities required to equalize the salary of their national in the Institute with the nationals of other member states.

ECI President requested the CPR to allocate an amount of USD 10,000 for the running costs of the Institute, including changing an old car and some other urgent needs of the Institute. The Council so decided.

Agenda item 7

Date and Venue of the next Meeting

The Council decided to convene its next meeting towards the end of August 2013.

**The 11th Meeting of the
ECI Council of Permanent Representatives (CPR)**

List of Participants

Embassy of the Islamic Republic of Afghanistan:

- H. E. Dr. Naseer Ahmad Noor, Ambassador of the Islamic Republic of Afghanistan
- Mr. Asadullah Amiri, Cultural Councillor

Ministry of Foreign Affairs of the Islamic Republic of Iran:

- Dr. Seyed Jalaledin Alavi, Director, ECO Affairs Bureau, MFA
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Embassy of the Islamic Republic of Pakistan:

- Mr. Sohail Seddiqui, Charge d'Affaires
- Mr. Muhammad Zeeshan Ahmed, Counsellor

Embassy of the Republic of Tajikistan:

- H. E. Mr. Davlatali Hotamov, Ambassador of the Republic of Tajikistan

ECO Secretariat:

- Mr. Jehanzeb Khan, ECO Assistant Director, International Relations

ECO Cultural Institute:

- H.E. Mr. Iftikhar Husain Arif, President
- H.E. Ambassador Mohammad Reza Haji Karim Jabbari, Executive Director
- Mr. Seyed Majid Ghafelebashi, External Relations
- Mr. Hossein Ali Samadi, Financial Officer