

Agenda Item 8

Pre-feasibility Study for Establishing Joint Trade Zones in the ECO Region

35. The Representative of Turkmenistan, Mr. Merdan Bayjanov, informed the Council about his country's experience in establishing a joint border trade zone with Uzbekistan, namely the "Shavat–Dashoguz" zone, launched in November 2025, aimed at enhancing trade, investment and business cooperation between the two countries. He noted that the initiative could be replicated in other areas, including the "Alat–Farab" zone, and highlighted its economic significance and facilitation measures, including visa-free access within the designated area. He recalled that, following earlier interest expressed by the former Secretary General, Turkmenistan had submitted a formal request in October 2025 for a pre-feasibility study on the establishment of joint border trade zones within the ECO region, along with a draft concept note. He noted that the proposal had been circulated amongst Member States and that no comments were received within the set deadline. Emphasizing the importance of such a study in assessing the economic, legal, infrastructural and financial feasibility of establishing similar zones across the ECO region, he requested the Council's consent for the Secretariat to proceed with the development of an appropriate project to undertake the study. His detailed remarks are enclosed as Annex-II.

36. The ECO Secretary General emphasized that the experience of the Turkmenistan–Uzbekistan and Turkmenistan–Iran joint trade zones could serve as useful models for replication across the region, taking into account the specific circumstances of contiguous neighboring countries. He noted that a model agreement was circulated to facilitate similar bilateral arrangements and highlighted the importance of conducting a feasibility or prefeasibility study to advance transport connectivity and support the development of a regional free trade area. He urged the Council to consider the proposal positively and endorse the study as a practical initiative for regional cooperation.

37. The Representative of Iran expressed appreciation to Turkmenistan for introducing the proposal. He stated that Iran fully supports the initiative in principle, noting its positive experience in border trade cooperation with Turkmenistan. He emphasized that such arrangements not only facilitate trade among ECO Member States but also ease visa procedures, thereby strengthening regional connectivity.

38. The Chair emphasized the long-term strategic significance of joint border free trade zones, noting that the coming decades would be consequential for the future of regional cooperation within ECO. He described such initiatives as potentially large-scale and transformative if pursued collectively by Member States. Referring to the importance of taking gradual yet decisive steps toward deeper integration, he expressed Pakistan's support in principle for the proposal. He also highlighted the vast population and economic potential of the ECO region, citing major connectivity initiatives such as the China–Pakistan Economic Corridor as examples of the scale of cooperation that could be achieved through collective commitment.

39. Talking all aspects of the proposal into account and given the significance of the project, the Council endorsed the proposal and authorized the Secretariat to take further appropriate action.

Annexure-II

Mr. Chairman, Mr. Secretary-General, Dear Colleagues,

Allow me at the outset of my statement to share Turkmenistan's experience in establishing joint border trade zones. In November of last year, the "Shavat-Dashoguz" border trade zone was successfully launched on the border between Turkmenistan and Uzbekistan. Construction of this facility began in October 2022. This project represents an important step toward expanding trade and economic cooperation between our countries.

The establishment of this zone opens up new opportunities to increase trade turnover, attract investment, and facilitate the exchange of experience between the business communities of Turkmenistan and Uzbekistan. The launch of the border trade zone promotes the development of trade and strengthens economic ties between neighboring regions. Moreover, an agreement has been reached to replicate this experience in other areas, in particular in the "Alat-Farab" zone.

The total area of the joint trade center amounts to 6 hectares, of which 3 hectares belong to Uzbekistan and 3 hectares to Turkmenistan. If necessary, the territory may be expanded on the basis of a separate international agreement. Citizens of both countries may freely visit the zone without visa formalities.

In 2023, during one of his visits to Turkmenistan, the former Secretary-General expressed interest in our country's experience and proposed extending it to other regions, expressing readiness to support the conduct of a relevant study. In follow-up to this initiative, in October of last year we submitted a request (No. 28/3-1689, dated 30.10.2025) to conduct a pre-feasibility study on the establishment of joint border trade zones in the ECO region.

A draft concept note for the study was also presented, reflecting our vision for the further development of this process. This information was circulated to all Member States with a and proposals comments request to provide their (TC/2025/1671, dated 02.11.2025).

We understand that to date no comments have been received from Member States, which confirms that all the proposed ideas have been received positively (the deadline for submitting proposals was 20 December).

In this regard, we would like to emphasize that the pre-feasibility study plays a key role in assessing the feasibility of establishing joint border trade zones within the ECO region. The study will enable a comprehensive assessment of the economic, legal, infrastructural, and financial factors that will serve as the basis for informed decision-making.

We expect that the outcome of the study will be a comprehensive report providing a clear understanding of the opportunities and conditions for establishing such zones. It will also propose optimal locations for their placement, taking into account infrastructure and logistics requirements, assess investment strategies, and prepare financial projections.

Dear colleagues, in light of the above, we kindly request your consent to conduct this study through the development of an appropriate project by the Secretariat. We are confident that this will be an important step toward further strengthening economic cooperation and deepening ties among our countries and regions.

Thank you for your attention.