

**AGREED MINUTES  
OF THE SECOND MEETING OF MINISTERS IN CHARGE OF ECONOMY OF  
THE COOPERATION COUNCIL OF TURKIC SPEAKING STATES**

**Baku, 14 August 2012**

1. Minister of Economic Development of the Republic of Azerbaijan H.E. Shahin Mustafayev, Minister of Economic Development and Trade of the Republic of Kazakhstan H.E. Bakytzhan Sagintayev, Minister of Economy and Antimonopoly Policy of Kyrgyz Republic H.E. Temir Sariev and Minister of Economy of the Republic of Turkey H.E. Zafer Çağlayan met in Baku, on 14 August 2012 to carry forward the economic agenda of the cooperation amongst Member States of the Turkic Council.

Reaffirming the purposes and tasks of the Turkic Council as set out in the Nakhcivan Agreement, recalling Article 10 of the Declaration of the First Summit of the Turkic Council, also the Communique of the First Meeting of Ministers in charge of Economy, appreciating the efforts of the Working Groups on Economic Cooperation and the Secretariat of the Turkic Council, and welcoming the report of the Working Groups on Economic Cooperation convened in Baku on 13-14 August 2012, the Ministers have agreed on the following decisions to be submitted to the Council of Heads of States:

2. The Ministers discussed the reports of the Working Groups on i) Improving the Investment Climate, ii) Diversification of Economy, iii) Development of Transport, and iv) Entrepreneurship as the Basis of Economic Relations. The Final Report of the Second Meeting of the Working Groups is attached herewith.

**Improving the Investment Climate**

3. The Ministers expressed their commitment to completing the legal framework for improving the investment climate in member countries, and to this end, the Ministers instructed the Working Groups to conduct required studies with a view to preparing the necessary background for the negotiations by appropriate Ministries and other bodies aiming at finalizing the relevant documents.

4. The Ministers instructed the Working Groups to conduct an Investment Climate Survey of the members of the Turkic Council, and to conduct a study to analyze the international trade complementarities among the members of the Turkic Council.

**Diversification of Economy**

5. The Ministers stressed the need to conduct an analysis on priority sectors in member countries.

6. They decided to hold a Business Forum and Exhibition of the Member States in the first half of 2013 in Istanbul to be organized by Union of Chambers and Commodity Exchanges of Turkey (TOBB).

7. They agreed to speed up the studies evaluating the establishment of a Development Fund of the Turkic Speaking States.

8. The Ministers agreed that necessary steps should be taken to stimulate the Turkic Business Council (TBC) to enhance its efficiency. These steps should include inviting the members of TBC to participate in the meetings of the Working Groups.

### **Development of Transport**

9. The Ministers resolved to strengthen the existing cooperation in transportation among member states.

10. They also expressed their commitment to taking practical steps to facilitate transportation among member states.

11. The Ministers called upon the Enlarged Working Group on Transport to prepare a study reviewing the existing transport infrastructure connecting Caspian ports to national and international transport networks.

12. The Ministers decided to prepare ground for the establishment of Turkic Sister Ports and twinning relationships amongst them through experience sharing, adoption of best practices and expert exchange.

### **Entrepreneurship as the Basis of Economic Relations**

13. The Ministers emphasized the importance of continuing to share best practices amongst private sectors of the member states and organizing training seminars to this end.

14. The Ministers decided to cooperate for the launch of the "Joint Investment Promotion Portal of the Turkic Council" which will enable both the public and private sectors of the member states to share information regarding investment opportunities and other areas of economic cooperation in their respective countries.

15. They encourage the negotiation of relevant agreements towards facilitation of economic relations based on entrepreneurship.

16. They agreed to promote, support and encourage women and young entrepreneurship.

### **Organizational Issues**

17. The Ministers will appoint senior officials preferably the same ones that participated in the previous meeting in order to follow up the decisions taken herewith.

18. Working Groups will hold their next round of meetings before the end of 2012 in Istanbul.

19. The Ministers agreed to meet again during the first half of 2013 in Turkey.

20. The Ministers thank the Government of Azerbaijan for organizing and hosting the Ministerial Meeting.

It is hereby certified that this Minutes reflects the true content of the discussions and is agreed upon by the Ministers.



**Halli Akinci**

**Secretary General of the Cooperation Council  
of Turkic Speaking States**

Annex:

- Final Report of the Second Meeting of the Working Groups on Economic Cooperation of the Turkic Council

**THE FINAL REPORT OF THE SECOND MEETING  
OF THE WORKING GROUPS ON ECONOMIC COOPERATION  
OF THE TURKIC COUNCIL**

**(Baku, 13-14 August 2012)**

The Working Groups on Economic Cooperation of the Turkic Council, namely the Working Groups on i) Improving the Investment Climate, ii) Diversification of Economy, iii) Development of Transport, and iv) Entrepreneurship as the Basis of Economic Relations, held their second meeting in Baku on 13-14 August 2012.

Based on the Final Report of the First Meeting of the Working Groups held in Istanbul on 15-16 March 2012, the Working Groups agreed to submit the following to the Ministers in Charge of Economy of the Member States of the Turkic Council:

**I. WORKING GROUP ON IMPROVING THE INVESTMENT CLIMATE**

1. The parties have agreed on launching a joint assessment survey on 1) investment climate of the Turkic Council member countries to identify difficulties and obstacles encountered in each member country, and provide recommendations to overcome them 2) international trade complementarities at the sectoral and regional level in order to improve international trade and enhance investment opportunities in member countries. The Secretariat will take responsibility for organizing this joint survey.
2. The parties have agreed on further study on feasibility of the «Multilateral Agreement on investment promotion and protection». In that respect the parties will submit to the Secretariat their proposals and official views on the Agreement. The Secretariat will prepare the review of existing bilateral agreements amongst Turkic Council member countries based on the information provided by each member states.
3. The parties have agreed on further study on feasibility of the draft «Agreement for the Avoidance of Double Taxation and Prevention of Fiscal Evasion» with the participation of the experts on double taxation. The Secretariat will prepare the review of existing bilateral agreements amongst Turkic Council member countries based on the information provided by each member states.
4. The parties will submit their official views through the Secretariat on the draft «Memorandum of Understanding amongst the member countries of the Turkic Council on cooperation in the field of investment statistics».
5. The parties will submit their official views through the Secretariat on the draft «Memorandum of Understanding among the Turkic Council member states for

exploring the possibilities regarding experience sharing on investment climate» and negotiate it.

## **II. WORKING GROUP ON DIVERSIFICATION OF ECONOMY**

1. In general, dates and places of business forums and exhibitions will be discussed and proposed by the Working Group (WG). The business forums and exhibitions will be organized by the relevant organization of the host countries. Business forum and exhibition is proposed to be held in the first half of 2013 in Istanbul. Union of Chambers and Commodity Exchanges of Turkey (TOBB) takes the responsibility for organizing the business forum and exhibition. The parties should submit sectors for business forum prior to the Forum to the Secretariat for their onward transmission to Member States.

2. Draft Memorandum of Understanding (MoU) among investment promotion agencies of Member States has been already submitted to Member States of the Cooperation Council of Turkic Speaking States. Turkey has submitted its modifications. Alongside with other modifications Turkey proposed that MoU should enter into force after completion of national procedures of all Member States. Other parties will submit their final amendments to MoU by 1<sup>st</sup> of October 2012 to the Secretariat for its forward transmission to the parties. MoU is recommended to be signed in the framework of Business Forum which could be held at the first half of 2013.

3. Azerbaijan has already distributed analysis on priority sectors for diversification of economy. Other parties should conduct and submit such analysis by 1<sup>st</sup> of October 2012 to the Secretariat for its forward transmission to the parties. These analyses will be posted on the joint investment promotion portal of the Turkic Council.

4. All parties reviewed the draft of Agreement of Establishing the Development Fund of Turkic Speaking Countries” submitted by the Kyrgyz Republic. Since there are some open issues such as status of the Fund, its mechanisms, source of financing and etc., the parties agreed on continuing to explore the possibility of establishing Development Fund.

5. To increase the productivity of the Working Group it is offered to keep the members of the WG stable.

6. In order to enhance the efficiency of Turkic Business Council (TBC), which was established during the first Summit of the Turkic Speaking States held in October 2011, it is recommended to stimulate the work of TBC. The members could be invited to participate in the meetings of WG.

### **III. WORKING GROUP ON DEVELOPMENT OF TRANSPORT**

The Parties have agreed on the following recommendations:

1. Taking necessary actions to establish a Joint Caspian Transport Information Network, by assigning key contact points from public-private institutions as well as relevant NGO's with the mandate of:

- Exchange of information
- Diagnosis of existing problems, their causes and proposing necessary measures to solve them
- Coordination among related authorities to improve transport efficiency

2. Exchange of information and/or statistics regarding the road infrastructure connecting Caspian ports to national/international road networks with a view to identifying sections in need of rehabilitation and measures to be taken to this end. In this connection, Azerbaijani side proposed that each member state would take the necessary measures to upgrade its own infrastructure to provide smooth and timely transport operations.

3. To consider the possibilities for member states to become a part of the ATA system, which would facilitate customs formalities for temporary admission of goods. In this respect, Turkish side informed the WG on the potential benefits of the ATA system.

4. Encouraging prompt conclusion of bilateral negotiations among member states for the liberalization of land transport that would contribute to increase foreign trade among them. In this connection, Turkish side proposed exemption of permits for trucks using the RO-RO lines across the Caspian ports, as part of gradual liberalization.

5. Preparing the ground for the establishment of "Turkic Sister Ports" and "twinning" relationships amongst them in order to provide the following:

- Experience sharing
- Adoption of best practices
- Expert exchange

6. Encouragement of undertakings and projects by the member states with a view to develop bilateral and international transport links, including those within the framework of already existing international schemes like TRACECA.

In this respect, the WG noted the presentation by Kazakhstan on the "Silk Wind Multimodal Transport Project" and decided to give it further consideration.

### **IV. WORKING GROUP ON ENTREPRENEURSHIP AS THE BASIS OF ECONOMIC RELATIONS**

1. At the First Meeting of the Working Groups on Economy which was held on 15-16 March 2012 in Istanbul, the parties "agreed on sharing best practices amongst member-states' firms and institutions and organizing training seminars. Emphasizing

the leading role of TOBB and its experience in organizing such kind of seminars, Working Group agreed to propose holding the first training program under TOBB's coordination.”

In this regard, The Working Group welcomed the seminar organized by TOBB and DEIK on 7-13 May 2012 in Ankara and Istanbul, Turkey.

Kazakh side informed the Working Group that Kazakhstan is currently working on the issue of compulsory membership of firms to Atameken. In this regard, the seminar organized by TOBB and DEIK gave the opportunity to study this issue based on the experience of Turkey in this area.

The Working Group recommended that similar seminars be organized in the future.

The Working Group recommended that the topic and the participants of future seminars be determined in coordination with the relevant Ministries and the respective members of the Turkic Business Council.

The Working Group recommended that after each seminar, the organizing institution submit a report –including views of the participants- to the Secretariat to be distributed to the Member States.

2. The parties expressed their views on signing a multilateral preferential trade agreement amongst Member States.

The Turkish side proposed to start the negotiations for signing a multilateral preferential trade agreement amongst Member States.

The Kazakhstan side proposed to form an enlarged group including representatives of relevant national institutions of the Member States in order to evaluate the possibility of signing a multilateral preferential trade agreement amongst Member States.

The Azerbaijani side expressed their position that signing a multilateral preferential trade agreement amongst Member States is not on their agenda for the time being. The Azerbaijani side will evaluate this proposal after completion of its WTO accession.

The Kyrgyz side will consider this proposal after its accession to the Customs Union among the Russian Federation, the Republic of Kazakhstan and the Republic of Belarus.

3. The Working Group discussed on signing a joint Memorandum of Understanding (MOU) in the field of cooperation among small and medium sized entrepreneurship associations.

The Parties agreed to inform their relevant institutions with a view to considering signing a joint MOU in the field of cooperation among small and medium sized entrepreneurship associations as well as evaluating other possible cooperation areas.

The Secretariat proposed the Turkish side to coordinate these efforts.

4. The Working Group held discussions on the possibility of signing a joint MOU on the establishment of the consultation and cooperation mechanism on technical regulations, standardization, metrology and conformity assessment among the Member States of the Turkic Council.

The parties agreed to inform their relevant institutions of the possibility of signing the abovementioned MOU for due consideration.

The parties will inform the Secretariat of the result of their assessment.

5. The Working Group welcomed the Turkic Council Investment Portal launched by the Secretariat.

The Working Group suggested that the Portal be available in Turkish and Russian languages along with English.

The parties agreed on appointing “Admins” who will be responsible for the contents of the website as well as approving company registrations to the Portal. The parties will submit the names and contact details of the Admin personnel to the Secretariat for authorization.

The parties agreed on promoting the Turkic Council Investment Portal in their respective countries.

6. The Turkish side briefed the Working Group on Turkish Commercial Counsellors abroad. The Turkish side expressed its readiness to give further information on request from other Member States.

7. The parties agreed on exploring the possibility of cooperating in the field of supporting, promoting and encouraging women and young entrepreneurship with a view to sharing best practices in this area.

The Working Groups agreed to continue their interaction through diplomatic channels, under the coordination of the Secretariat of the Turkic Council. The members undertook to inform each other of possible feedbacks and/or proposals from their respective national authorities.

Adopted on 14 August 2012 in Baku.

**Annex:** List of Participants of the Working Groups



**LIST OF PARTICIPANTS OF THE SECOND MEETING OF THE WORKING  
GROUPS ON ECONOMIC COOPERATION OF THE TURKIC COUNCIL**

*(Baku, 13-14 August 2012)*

**WORKING GROUP ON IMPROVING THE INVESTMENT CLIMATE**

**Azerbaijan:**

- 1. Ms. Saida KARIMOVA**  
Senior Advisor of the Department of Interstate Economic Cooperation, Ministry of Economic Development
- 2. Mr. Adil GURBANOV**  
Deputy of the General Secretary on International Issues, ASK
- 3. Ms. Gulustan HASANOVA**  
Expert of the International Relations and Business Development Division, ASK
- 4. Mr. Masim MAMMADOV**  
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- 5. Mr. Natig HASANOV**  
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- 6. Ms. Parvana ALIYEVA**  
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- 1. Ms. Guldana SADYKOVA (MODERATOR)**  
Deputy Director, International Cooperation Department, Ministry of Industry and New Technologies of the Republic of Kazakhstan;
- 2. Mr. Daniyar AKHMETOV**  
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- 3. Ms. Asem ZHOLDASPAYEVA**  
Chief Expert, Committee on Investment, Ministry of Economic Development and Trade of the Republic of Kazakhstan;

**Kyrgyzstan:**

- 1. Mr. Takhir TURDIEV**  
Head of the International Tax Relations Department of the Ministry of Economy and Antimonopoly Policy

**Turkey:**

1. **Mr. Serdar AKINCI**  
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2. **Mr. Hasan ASLAN AKPINAR**  
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4. **Mr. Mustafa OĞUZ**  
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**Turkic Council Secretariat:**

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**WORKING GROUP ON DEVELOPMENT OF TRANSPORT**

**Azerbaijan**

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2. **Azer Aliyev**  
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3. **Ilgar Ibrahimov**  
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4. **Vamik Mammadov**  
Head of Division, State Maritime Administration
5. **Sakit Malikov**  
Head of Service, State Caspian Shipping Company
6. **Rafail Mirgulamov**  
Deputy Head, Baku International Sea Trade Port
7. **Malik Aliyev**  
Head of Division, State Automobile Transport Service

8. **Arzu Safarli**  
Lawyer, Az Virt Company

**Kazakhstan**

1. **Gulden Gidebayeva**  
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2. **Botagoz Vaissova**  
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3. **Aigul Kurmankulova**  
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**Turkey**

1. **Fatma Kayhan**  
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2. **Emre Dinçer**  
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**Turkic Council Secretariat:**

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**WORKING GROUP ON MEASURES FOR DIVERSIFICATION OF ECONOMY**

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**WORKING GROUP ON ENTREPRENEURSHIP AS THE BASIS OF ECONOMIC RELATIONS**

**Azerbaijan**

1. **Mr. Zaur NURUYEV**  
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