DECLARATION

BY THE HEADS OF THE MEMBER STATES OF THE SHANGHAI COOPERATION ORGANIZATION

The heads of the member states of the Shanghai Cooperation Organization (hereinafter referred to as the SCO or the Organization) - the Republic of Kazakhstan, the People's Republic of China, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan and the Republic of Uzbekistan – having met in Moscow at a crucial moment, when the SCO is completing its organizational establishment and beginning to function as an independent factor of international affairs, and they declare the following:

Ι

The course of events in the world demonstrates that the decision to establish the Organization adopted on June 15, 2001 in Shanghai, was timely and in line with major trends of regional and world developments.

The SCO Charter signed on June 7, 2002 in St. Petersburg provided a solid legal framework for the development of the Organization and enabled it to become an important factor of ensuring peace and stability in the region and promoting peace and development worldwide.

Having reviewed progress in accomplishing the task set by the last year's SCO summit - an early possible launch of all the SCO mechanisms envisaged by the Charter, the heads of state believe that a lot of useful work has been done in that direction over the past period.

The heads of state approved the draft regulations governing the operating procedures of the SCO bodies, including permanent ones as the Secretariat in Beijing and the SCO Regional Antiterrorist Structure (RATS) headquartered in Bishkek – and also establishing the emblem and flag of the Organization.

Upon submission by the Council of Foreign Ministers of the SCO member states the decision was taken to endorse Zhang Deguang (People's Republic of China) as the SCO Executive Secretary.

The Organization budget formation and execution procedure has been agreed and, to this end, the heads of state signed the respective agreement.

The heads of states stress the need to make sure that the SCO permanent bodies start operating not later than January 1, 2004.

In this regard, it is important to ensure the timely entry into effect of the SCO Charter and the RATS Agreement and the adoption of the first budget of the Organization at the meeting of the Council of Heads of Government (Prime Ministers) scheduled to take place in the autumn of this year in China and the completion of the elaboration of the Organization's financial provisions and rules, as well as of the draft documents stipulated in the RATS Agreement during 2003.

It has also been found necessary to expedite the establishment of the RATS Council to address issues arising from the RATS Agreement.

The heads of state have thought it advisable to instruct the Council of National Coordinators, with the assistance of appropriate experts of the parties, to continue working on the harmonization of specific issues related to the launch of the SCO mechanisms.

Π

The SCO aims to jointly develop partnerships over the extensive area shared by our countries and on a broad agenda that would include cooperation in the political, trade, economic and humanitarian spheres and in countering current threats and challenges.

While appreciating the institutionalization process and more specific substantive collaboration within SCO in various fields since the St. Petersburg summit, the heads of state take notice of the need to ensure effective cooperation between the foreign policy, defense and law enforcement agencies, emergency services, ministries of foreign economic relations, transport, culture and other government bodies.

The forthcoming meeting of the Council of Heads of Government (Prime Ministers) will be of considerable importance. Its preparation should facilitate intensifying the negotiation process already underway on ways of creating favorable conditions for trade and investment, finalizing the long-term program of multilateral trade and economic cooperation in accordance with the Memorandum between the governments of SCO member states of September 14, 2001.

The heads of state emphasize the importance of intensifying contacts between the foreign ministries on topical international issues, *inter alia*, in international organizations, primarily the UN.

The heads of state confirm that the SCO today, at the stage of its establishment and launch of its permanent bodies and in line with the principle of openness, is ready to establish contacts with other international organizations and states regardless of their geographical location under the Interim Scheme approved by the foreign ministers on November 23, 2002.

III

The Heads of state note that the modern world with all its diversity of political and economic systems is changing rapidly. This change is not only about the political structure, but also the entire international security system. It is necessary to develop and implement a new security concept based on mutual trust, mutual benefit, equality and cooperation.

They reaffirm the need to respect and fulfill the basic purposes and principles of the UN Charter and universally recognized norms of international law.

It is necessary to respect and promote civilizational diversity of humankind. Various cultures should progress together, borrowing the best each of them has to offer, and strive for the common, putting differences aside.

It is important to promote equitable and sustainable development of the world economy in order to achieve prosperity for all nations.

IV

The heads of state note that recognition of the important role of the United Nations and the UN Security Council in addressing major international problems is of fundamental importance. The United Nations can and must be reformed to keep abreast of the fast changing situation in the world and with due regard primarily for the needs to find effective solutions to problems of global politics and security.

The SCO member states hold that adoption of pre-emptive measures to avert conflicts in accordance with the UN Charter and international law should be one of the main areas of UN activities.

The SCO member states believe that the UN should have an important role to play in the reconstruction of Iraq. One precondition of this country's transition to peaceful life and to the building of a prosperous democratic society is respect for the national interests and sovereign rights of the Iraqi people and concrete and effective aid on the part of the international community.

V

The SCO member states believe that no country can fence itself from modern terrorism, drug threat and other cross-border challenges in the environment of increasing globalization of political, economic and social processes. In this regard, there is no doubt regarding the urgent need for broad cooperation between all countries at both the regional and global levels and for actual contribution of each state to the solution of these truly global problems.

Recognizing the transnational nature of today's terrorism and being in the forefront of the fight against its practical manifestations, the SCO member states, are following a course of mutual cooperation and vigorous participation in the efforts of the world community in the struggle against terrorism, in particular, in stopping its financing channels. In this matter they assign an important role to close collaboration between the law-enforcement agencies and secret services, and also the defense agencies of the SCO member states. Along with promoting collaboration within the SCO, the member states of the Organization intend to actively cooperate with the Counter-Terrorism Committee of the UN Security Council. They attach great importance to the early finalization in the UN of the draft International Convention for the Suppression of Acts of Nuclear Terrorism and Comprehensive Convention on Combating International Terrorism.

At the same time, the SCO member states consistently and invariably hold that the fight against terrorism should be waged on the basis of norms and principles of international law, and it may not be identified with the struggle against any religion, individual countries or nationalities.

The problem of illicit trafficking in narcotic drugs, psychotropic substances and precursors is becoming increasingly alarming. It calls for the most effective measures on the part of the international community, not the least because drug trafficking is one of the financial pillars of international terrorism. The SCO member states are making practical efforts to arrange for collaboration within the Organization in fighting illicit trafficking in narcotic drugs, psychotropic substances and precursors, and to this end will conclude an appropriate multilateral agreement before the end of 2003.

The goal of intensifying multilateral cooperation in countering the drug threat arising from Afghanistan – a threat that is already acquiring global dimension - is particularly acute today. In this context the SCO member states believe it a timely measure that an international strategy for comprehensive neutralization of the Afghan drugs threat be drawn up under the UN aegis and reiterate their firm commitment to close cooperation with the UN and other international organizations under the UN Drug Control Program.

The SCO member states voice support for the efforts of Afghanistan's transition government to stabilize the situation in the country. The SCO countries believe that the latest world developments should not detract from the efforts of the world community in favor of the economic reconstruction of Afghanistan.

The SCO member states are firmly convinced that success in the fight against present dangers depends in large measure on solutions to socioeconomic problems, among them the eradication of poverty, mass unemployment, illiteracy and discrimination on the grounds of race, ethnicity or faith. The drafting under the aegis of the UN of a Global Strategy for Countering New Threats and Challenges seems to offer a key in the search for effective solutions to security problems.

VI

The SCO member states are convinced that the Organization can and must make a tangible contribution to safe and sustainable development not just on its own expanses, but in the world as a whole. SCO is ready to actively participate in building a regional security system that would equally respect the interests and

approaches of all participants, and it will constructively cooperate with all nations and alliances in this major matter.

The SCO member states believe that at a time of globalization the role of such factor as the maintenance and strengthening of strategic stability, including the problem of non-proliferation of weapons of mass destruction, far from diminishing, is, on the contrary, growing more important in many respects.

Today it is more important than ever to pool the efforts of the international community in a search for ways of jointly building a structure and architecture of international security for the 21st century that would be acceptable to all nations.

The SCO member states are confident that the imperative of collaborative actions in the face of common dangers will prevail in the world and that humankind will opt in favor of a democratic world order that would guarantee ongoing progress and equal security for all nations in the world.

Moscow, May 29, 2003