JOINT COMMUNIQUE

Meeting of the Council of Heads of Government (Prime Ministers) of the Member States of the Shanghai Cooperation Organization

A regular meeting of the Council of Heads of Government (Prime Ministers) of the Member States of the Shanghai Cooperation Organization (hereinafter referred to as the SCO or the Organization) was held on September 23, 2004 in Bishkek.

The meeting was attended by Prime Minister D. Akhmetov of the Republic of Kazakhstan, Premier of the State Council Wen Jiabao of the People's Republic of China, Prime Minister N. Tanaev of the Kyrgyz Republic, Prime Minister M. Fradkov of the Russian Federation, Deputy Prime Minister A. Gulomov of the Republic of Tajikistan, Deputy Prime Minister U. Sultanov of the Republic of Uzbekistan.

As part of the meeting, President A. Akaev of the Kyrgyz Republic met with the heads of governments of the SCO member states.

Held in a constructive and friendly atmosphere, the meeting has addressed a wide range of issues on further development and deepening of the SCO cooperation in trade, economic, investment, transport, environmental, humanitarian and other fields in the context of the implementation of the agreements reached at the Tashkent meeting of the Council of Heads of the SCO Member States of June 17, 2004.

The heads of government have concluded that since the full launch in 2004 of the SCO Secretariat in Beijing and the Executive Committee of the SCO Regional Antiterrorist Structure in Tashkent, the Organization acquired effective instruments to fulfill the tasks set forth in the SCO statutory documents related to the implementation of multidisciplinary cooperation in order to ensure stability, security and economic development of the states in the region.

The meeting has underscored the urgency to fully tap the SCO potential - vast and diverse economic space, rich in natural and human resources, considerable scientific, technical, cultural and educational potential — in order to facilitate early achievement of mutually beneficial tangible results in economic and trade areas while pursuing the objective of the steady improvement of the living standards the SCO member states' population.

In general, the heads of government have positively assessed the efforts by the ministries and departments of the six countries to establish, in the framework of the SCO, cooperation in practical areas during the intervening period since the previous meeting of the Council. It has been noted particularly that during 2004 two meetings of the ministers responsible for foreign economic and trade activities were held that analyzed the problems of the SCO member states' economic collaboration, concrete next steps have been outlined and the relevant Memorandum signed.

In accordance with earlier decisions, ad hoc working groups on e-commerce, customs cooperation, cooperation in the field of technical regulations, standards and conformity assessment, development of transit potential, and investment facilitation have started to operate assigned to review the practical aspects of the policy documents to be adopted.

1. The heads of government have approved the Plan of Actions in support of the implementation of the Program of Multilateral Trade and Economic Cooperation of the Member States of the Shanghai Cooperation Organization endorsed by the Beijing meeting of the Council on September 23, 2003. The Plan that covers the most important areas of economic, scientific, technical and humanitarian cooperation, includes more than one hundred specific projects, themes and areas of cooperation, and it includes their implementation mechanisms based on the incremental principle. The SCO member states will focus their efforts on gradually creating

conditions for free movement of goods, capital, services and technologies, shaping the necessary normative and regulatory framework and harmonizing relevant legislation.

The heads of government have noted the need to promote cooperation in the field of oil and gas field development and construction of oil and gas pipelines, development of petrochemical industry, hydropower, mining, and other areas of cooperation. Major attention will be given to agriculture, development of food processing industry and cooperation in the field of high information and telecommunication technologies.

- 2. The heads of government have emphasized the importance of cooperation in transport, coordination of transit policies and creation of international transport corridors. In this regard, it is necessary to ensure comprehensively preparation of the meeting of ministers of transport and communications of the SCO member states scheduled to take place in Dushanbe, and, in the first half of 2005, finalize the draft intergovernmental Agreement on creating favorable conditions for international road transportation.
- 3. An agreement has been reached to develop cooperation in environmental protection and preservation of ecological balance in the region, rational and efficient use of water and energy resources, prevention of desertification and other degradation processes.
- 4. It has been recognized expedient to strengthen the SCO cooperation in the field of culture, education, health, sports, and thus further build friendly relations between the peoples of the member states of the Organization.
- 5. A number of issues have been reviewed that relate to the Organization's financing. The SCO budget for 2005 has been approved.
- 6. The heads of government have recognized expedient for the SCO Secretariat, jointly with the member states' experts, to accelerate elaboration of proposals regarding the establishment procedure and operational principles of the SCO Development Fund and the Business Council.
- 7. The heads of government expressed their satisfaction with the signing at the Moscow meeting of the SCO ministers responsible for foreign economic and trade activities on September 14, 2004, of the Memorandum of Understanding on creating the SCO web-site on regional economic cooperation. During the meeting of the Council the web-site was officially presented, and its operation is expected to further contribute to the development of regional economic cooperation.
- 8. The heads of government have expressed their willingness to establish the SCO relations with international economic fora and organizations in order to coordinate efforts in addressing the challenges it faces.
- 9. The Council of Heads of Government strongly condemned the recent terrorist acts committed in the SCO region and it stressed the importance of strengthening cooperation in the fight against international terrorism and other new challenges and threats to security.

The Council of Heads of Government has expresses its conviction that the expansion and deepening of the SCO cooperation will enable to more efficiently address terrorism, separatism and extremism.

The heads of government have agreed that the next meeting of the Council of Heads of Government (Prime Ministers) of the SCO member states will be held in the second half of 2005 in Moscow.