



ENERGY SECURITY, SHANGHAI COOPERATION ORGANISATION AND CENTRAL ASIA

Süreyya YİĞİT



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**ENERJİ GÜVENLİĞİ, ŞANGHAY İŞBİRLİĞİ
ÖRGÜTÜ VE ORTA ASYA**



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Ortadoğu Stratejik Araştırmalar Merkezi

مركز الشرق الأوسط للدراسات الاستراتيجية

Mithatpaşa Caddesi 46/6 Kızılay-Ankara

Phone: 0 (312) 430 26 09 Fax: 0 (312) 430 39 48

www.orsam.org.tr, orsam@orsam.org.tr

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Dr. Süreyya Yiğit

Süreyya Yigit studied for his undergraduate degree at the Department of International Relations, London School of Economics. His postgraduate degree is from Cambridge University and he holds an Honorary Doctorate in Pedagogical Science. He has lectured at the following universities; Aalborg University, Samarkand State University, Samarkand State Institute of Foreign Languages, Kyrgyz-Turkish Manas University, Kyrgyz-Russian Slavonic University, American University of Central Asia and the International Ataturk Alatau University. He has many publications relating to the fields of the European Union, Turkish Foreign Policy, British Politics and Central Asia. He is currently a lecturer at Istanbul Aydın University, as well as the Eurasian Advisor to ORSAM.

Presentation

International attention has been focused on the Middle East and North Africa for the past year and a half, following the “Arab Spring”. The collapse of authoritarian regimes in Tunisia, Egypt, Yemen and Libya have rightfully attracted many to speculate whether other authoritarian regimes will suffer from the same fate as the stability offered by the ancien regimes has been replaced by the instability of the new pro-democratic forces. Amidst such turbulence is the bleeding wound of Syria, which affects not only the region, but further afield.

That area is Eurasia. Conflict can also be found there, though of a different sort. There is no physical confrontation, but plenty of economic competition and commercial rivalry. The growing economic prowess of China is matched by increasingly powerful Russian military capabilities in greater Central Asia. All neighbouring states pay close attention to the developments that are occurring in Afghanistan. Policy-makers as well as entrepreneurs desire to get more closely entwined into the energy nexus of Central Asia. Therefore, the region is a frontier in terms of both opportunity and instability.

Given this fact, it is very timely that Dr. Süreyya Yiğit has researched the undercurrents determining the economic and political waves surrounding Eurasia. Relying on his prior personal knowledge of the region and extensive network of academic and commercial contacts, he has been able to provide a first-class, extensive insight into the activities and developments affecting all the actors - be they states or international organisations - involved in greater Central Asia.

Dr. Yiğit, in his painstakingly researched book, comes to the conclusion that energy security is gaining in importance with energy firms and countries fiercely competing with another, therefore, cementing the fact that energy security will maintain its pre-eminence for the foreseeable future. He reveals the competitive environment, highlighted by the Chinese-Russian duopoly, as encouraging all the remaining actors to seek new pathways to uninterrupted energy supply, wealth and stability. It is through publicising such an exemplary book, which is both informative and meticulous in detail that ORSAM hopes to continue providing insightful analyses, drawing the attention of its followers to the ongoing important developments that are taking place in Central Asia.

Assoc. Prof. Dr. Hasan Ali Karasar
Black Sea International Coordinator

Hasan Kanbolat
ORSAM Director

Executive Summary

Eurasia has historically played an extremely significant part in world history. In the Twentieth Century, the region was essential with regard to the outcome of the Second World War. The Post-Cold War era ushered in a new dimension with regard to greater Central Asia, that of energy. Gone were the concerns with military bases and listening posts of the Cold War by the western allies, to be replaced by interest in unexplored oil and gas fields by western energy firms.

In the globalising world of the twenty-first century, energy has become extremely valuable, a strategic resource. There is intense competition to seek and possess scarce resources such as oil and gas. Given that five of the largest seven gas fields are located in Russia and Turkmenistan, as well as one of the largest oil fields discovered in the last decade or so is the Kashagan Field in Kazakhstan, greater Central Asia looms large on the energy map of the world.

Whilst the countries of the region are divided into energy exporters and importers, they are united in their form of regime: authoritarian. Nevertheless, they have organised themselves into the Shanghai Cooperation Organisation, which has become the pre-eminent regional body within greater Central Asia. The summer of 2012 witnessed the annual summit of the SCO which culminated in the approval of a development strategic plan as well as enhancing cooperation in finance, transportation, energy, telecommunications and agriculture sectors, in line with furthering regional economic development.

Eurasia continues to be the venue where energy security issues crop up. Energy hungry actors such as the EU, China, India and Turkey desire to diversify their energy supplies and look to various Central Asian countries to achieve this policy aim. Major actors such as Russia, quite naturally wish to hold onto their prized market share in the distribution of oil and gas, whereas European energy companies and countries propose new channels of distribution which aim to provide alternatives for the energy-poor countries of Eurasia.

Needless to say, Russia and China are the two major actors in all fields, especially in energy. Whilst this is not in doubt, the interesting question remains: which one will be the role model for the Central Asian countries in the years and decades ahead.

1. Introduction

2012 began with elections and will end on November 6th, with the most significant election of the year: the U.S. presidential election. January started off with parliamentary elections in Kazakhstan taking place with the ruling Nur Otan party winning more than 80 per cent of the votes cast. The election result reflected the massive popularity that President Nazarbayev enjoys throughout this vast country, sending a message that the gradual reform strategy remains on course.

January/February saw the Finnish presidential elections, followed by the Turkmen President Berdymukhammedov being re-elected in February. March witnessed the much expected victory of Vladimir Putin in the Russian presidential election as well as the Slovakian parliamentary election. During April and May all eyes were focused on the French presidential election, which saw the French socialists return to the Élysée Palace after almost two decades. May was also the month for the Armenian, Greek and Serbian parliamentary elections with June being the month when the Mongolian. French and a second Greek parliamentary elections took place.

1.1 Greater Central Asia

The first half of the year observed Russia blocking a U.S. initiative to build a network of U.S.-supported counter-narcotics centres in Central Asia. The Russian attitude has traditionally been one of questioning the effectiveness of such programs, very much preferring to concentrate on fighting opium poppy cultivation in Afghanistan itself. The massacre of 16 civilians by a U.S. soldier and the burning of the Koran worsened the precarious security situation in Afghanistan during this time.

In March, an accidental explosion of a homemade bomb led the Chinese police to raid a farm near the city of Korla, killing four Uyghurs who, the authorities later admitted had nothing to do with the explosion. This was another episode of Uyghur unrest in China's Xinjiang province which was followed by the Chinese Ministry of Public Security publishing a list, in April, of six Uyghurs wanted for terrorist acts as part of an extremist group that had recruited and trained members to carry out terror attacks.

President Putin's strategy to increase Moscow's influence in the "near abroad", especially in Central Asia included plans to enhance the Collective Security Treaty Organization's role in responding to diverse security threats facing the region. Such desires had to be put on hold with Uzbekistan's decision to withdraw from the Collective Security Treaty Organisation (CSTO), highlighting the dilemma confronting Russia's desire to strengthen her pre-eminence among the states of the ex-USSR.

Mongolia held parliamentary elections in June and a new coalition government was elected. Shortly thereafter, U.S. Secretary of State Hillary Clinton visited Ulaanbaatar underlining the democratic and mining credentials of the country. Soon afterwards, in August, ex-president Enkhbayar was sentenced to jail for four years for abuse of office. A couple of months on, the resource-rich country has been able to weather this storm, at least in the short term.

2. The Vitality of Energy

The Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline project saw the light of day in late spring which was portrayed by the United States as a way to isolate Iran from regional integration efforts, demonstrating the potential of its preferred New Silk Road Initiative. India, a major player within this context, considered TAPI more as an incubator for energy projects



which involved Pakistan, as well as a way to contract cheaper gas supplies from Central Asia before they ended up being locked in by China. The TAPI pipeline project was one of several developments that took place in 2012 that highlighted the importance of energy.

Concerning the prominence of energy in international politics, six years ago, Daniel Yergin, the founder of Cambridge Energy Research Associates, was reminded that Europe remained dependent on Russian gas, that Venezuela and Bolivia had nationalized their oil industries and

Iran was threatening to use oil as a weapon. His answer to the question of how secure the world's energy supply was correct then and remains true today: "We are living in a new age of energy supply anxiety.....What we see is the rebirth of 1970s-style resource nationalism that is riding on this crest of high energy prices. The balance of power has changed; the exporting countries are in a much stronger position today"¹. Globalisation is often equated with change and dynamism and in this regard energy producing countries have certainly gained greater capabilities and influence in the last couple of decades.

2.1 Energy Security Defined

According to the IEA, energy security, can be described as "the uninterrupted physical availability at a price which is affordable, while respecting environment concerns"². It also has many aspects: "long-term energy security is mainly linked to timely investments to supply energy in line with economic developments and environmental needs. On the other hand, short-term energy security is the ability of the energy system to react promptly to sudden changes in supply and demand"³.

Energy security can be measured in terms of noting the different energy sources (coal, oil, gas, and renewables), intermediate means (electricity, refineries) and transportation modes (grids, pipelines, ports, ships). All of these have risks of supply interruptions or failures, challenging the security of undisturbed energy supply.

The IEA considers energy security can be improved through⁴:

- * promoting diversity, efficiency and flexibility within energy
- * remaining prepared collectively to respond to energy emergencies
- * expanding international co-operation with all global players in the energy markets.

Just as other regions of the world are divided into energy exporting and importing countries, so is greater Central Asia. Kazakhstan, Russia and Turkmenistan lead this prestigious group and Kyrgyzstan, China, Tajikistan, Afghanistan and to a certain extent Uzbekistan form the energy dependent collective.

For any given country, energy is the most vital resource in terms of sustainable economic and social development. Energy security in this respect becomes an indispensable part of economic security located within the wider realm of national security. This is very much the case for both a giant in terms of territory and national economy, such as China, as well as dwarves in terms of land and economic output, such as Tajikistan and Kyrgyzstan.

Energy therefore, becomes important for both producers such as Kazakhstan and consumers such as Afghanistan, because it is the most important resource required to initiate vital services such as transport, electricity, heating, cooking and preserving food, lighting, communication as well as a multitude of commercial and industrial processes. As energy is so important, it becomes paramount that it needs to be procured in a secure manner. By this what is meant is that it should be sufficient, affordable, reliable, secure, continuously available, ecologically friendly and sustainable.

The headline goal of the less endowed in energy or the resource poor countries of greater Central Asia is for energy to be uninterrupted, secure, cheap, clean and imported from a diversified range of producers. An additional aim of course, which is becoming exceedingly relevant, is for energy to be used as productively as possible.

Energy has become not only important for the Central Asian countries but also for the various multi-billion dollar energy companies and their national governments. The U.S. as well as the EU look with interest toward the energy riches of the greater Central Asian region and have been clamouring to import in greater numbers the oil and gas of Eurasia. The region, hence, is aware of in greater amounts, the attractiveness of its resources and the attention it receives on the international stage. In this vein, various countries have attempted to establish differing regional fora to meet the demands and challenges of the region in terms of security, energy, trade, migration, integration, ecology and language just to name a few.

3. Shanghai Cooperation Organisation

One of the, more successful regional institutions that have been set up is the Shanghai Cooperation Organisation. In Shanghai on June 15, 2001 China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan established the Shanghai Five which later evolved into a permanent intergovernmental international organization renamed as the Shanghai Cooperation Organisation (SCO)⁵. The SCO member states occupy a territory of around 30 million square kilometers, which makes up three fifths of the Eurasian continent; they have a population of 1.5 billion - which makes up a quarter of the planet's population.



The goals of the SCO have been identified as fourfold:

- * strengthening mutual confidence and good-neighbourly relations among the member countries;
- * promoting effective cooperation in politics, trade and economy, science and technology, culture as well as education, energy, transportation, tourism, environmental protection and other fields;
- * working together to maintain regional peace, security and stability;
- * moving towards the establishment of a new, democratic, just and rational political and economic international order.

The SCO has declared that in terms of internal policy it is based on the principles of mutual trust, mutual benefit, equal rights, consultations, respect for the diversity of cultures and aspiration towards common development, its external policy is conducted in accordance with the principles of non-alignment, non-targeting anyone and openness⁶.

The highest decision-making body in the SCO is the Heads of State Council (HSC). It meets annually to take decisions and give instructions with regard to all important issues. The Heads of Government Council (HGC) also meets annually to discuss a strategy for multilateral coop-

eration and priority directions within the Organisation's framework, to solve important and pressing issues of cooperation in economic and other areas as well as finalising the Organisation's annual budget.

Apart from the HSC and the HGC, there are mechanisms of meetings at the level of Speakers of Parliament, Secretaries of Security Councils, Foreign Ministers, Ministers of Defence, Emergency Relief, Economy, Transportation, Culture, Education, Healthcare, Heads of Law Enforcement Agencies, Supreme Courts and Courts of Arbitration, Prosecutors General.

The Organisation has two permanent bodies – the Secretariat in Beijing and the Regional Counter-Terrorism Structure in Tashkent. SCO Secretary-General and RCTS Executive Committee Director are appointed by the HSC for a period of three years.

4. SCO Summit

The SCO 2012 annual meeting was a very important one, which took place in Beijing⁷ as the Chinese held the chair of the organisation for the past year. While the Chinese newspapers devoted front-page coverage to the summit, the Western media and Turkish political analysts largely ignored the developments that took place. The summit was quite an active one not only because of the member states' particular agendas, but also due to the interest shown by external actors such as Turkey towards the organisation.

One important backdrop to the summit that took place in Central Asia concerned a new agreement signed in Turkmenistan concerning the TAPI (Turkmenistan, Afghanistan, Pakistan and India) gas pipeline. This major infrastructural project is designed to transport Turkmen gas through Afghanistan and Pakistan to India.

The agreement to build such a pipeline was signed in December 2010, intended to become the new silk way. A year earlier, the so called Central Asian pipeline was built from Turkmenistan via Uzbekistan, Kazakhstan to China with the help of CNPC – the Chinese oil and gas company, to meet the exponential energy demand of China.

The central question that needs to be answered concerning the viability of the TAPI project remains the security of the pipeline, especially the 750 kilometer section passing through the territory of Afghanistan. The pipeline will pass through dangerous provinces of Afghanistan where the Taliban are active. In response to this suggestions have been made that this particular section of the pipeline should run underground. The Afghan authorities have also indicated that NATO and the US could be convinced to protect the pipeline.

The TAPI project is important as it is very profitable for Pakistan and Afghanistan. Pakistan supports TAPI as it would diminish the energy crisis prevalent in the country. Additionally, Afghanistan and Pakistan both hope to get vital transit fees. India, on the other hand is interested in the TAPI project due to the potential profit its national oil and chemical industries can look forward to.

Within the confines of the summit, energy, greater Central Asia, military cooperation and future direction of the organisation all appeared quite prominently. The Chinese appeared to be spearheading the organisation, perhaps in lieu of the fact that they were the hosts.

4.1 Afghanistan



Afghanistan, not surprisingly, was at the heart of the summit discussions. Given the fact that NATO has confirmed troop withdrawals would be completed by 2014, the Russians and the Chinese primarily have been concerned about what the future holds for Afghanistan and more importantly, what impact it will have on their respective bilateral political and economic relations.

They have been considering whether a major regional shift will take place because of this. Therefore, both countries have sought a dialogue with Afghanistan as well as Pakistan, with the dual aim of firstly ensuring the security of their respective southern and western borders from any potential fundamentalist threats and secondly, of increasing their economic and trading links.

While it is a given that both Russia and China will be relieved to see the United States exit the Afghan stage, lingering doubts remain concerning the Taliban spreading its wings over the region. In the particular case of China, this focuses on the fear of potential extremist groups infiltrating Xinjiang and assisting the Uyghur people in their struggle for greater autonomy or independence. Within such a threat perception, the Chinese still attach great importance to what they regard as the “three evil forces” of terrorism, separatism and extremism. President Hu reiterated the fact that he considered them to pose a real threat to regional security and prosperity.

Narcotics trafficking have been a pressing issue and an ongoing problem in the country and the wider region for many decades. The Chinese continue to be concerned with extremist organisations, particularly religious terrorists. Due to these factors the two leading states, namely China and Russia have sought a larger role for the SCO to play in Afghanistan.⁸

Chinese President Hu expressly stated that the organisation needs to be involved in the “peaceful reconstruction” of Afghanistan.⁹ This idea was developed later in an interview that he gave to a Chinese newspaper whereby he indicated that the larger role to be played in Afghan economic development would focus on mining concessions alongside large infrastructure projects with a particular focus on energy. This was one of many references made during the summit to the topic of energy.

In the interview published in the People's Daily, President Hu identified his preference for what the SCO's future role ought to be concerning Afghanistan. Washington was singled out as he made it clear that actors from beyond the region would not be welcome by stating "we will continue to follow the concept that regional affairs should be managed by countries in the region, that we should guard against shocks from turbulence outside the region, and should play a bigger role in Afghanistan as peaceful reconstruction".¹⁰

Concerning the stability of Afghanistan and the organisation, he expressly reiterated the fact that they would not be replacing NATO after 2014. The Global Times published a bilingual editorial which addressed this issue claiming that "everything appears to be a challenge in the eyes of American elites who are showing a hegemonic fragility....They see the rise of China is a threat, and are highly alert to China-Russia Cooperation, and are even uneasy toward regional cooperation among Central Asian countries".¹¹

In fact, the Chinese Foreign Ministry spokesman expressly denied the allegations made in the media that the SCO was emerging as an "Eastern NATO". Spokesman Liu Weimin reminded everyone that the organization's charter did not target any third country or organisation and was open to all outside parties. He determined that the SCO was not an alliance based on confrontation and ended by referring to the SCO as an institution which sought a new model of partnership for a regional organisation.¹²

The Russian point of view was made by President Putin's envoy, when he stated that none of the member states was "talking about the Shanghai group assuming responsibility for security in Afghanistan".¹³ Afghan President Karzai who attended the summit had tried to encourage closer Chinese links by stating that China could "play a very significant role in bringing Afghanistan and Pakistan together towards a corporate environment in the war on terror and radicalism".¹⁴

Overall, President Karzai was pleased with the summit as the SCO accepted Afghanistan as an observer state welcoming "the development of an independent, neutral, peaceful and prospering state free from terrorism and drug crime....National reconciliation in Afghanistan should be accompanied under the leadership of Afghans themselves".¹⁵

The Afghan President was hoping that the vast untapped natural resources of his country would be developed by the SCO member states. According to the United States Defence Department, the mineral reserves of Afghanistan are valued at \$1 trillion.¹⁶ As vast as this may sound, this is one of the more conservative estimates as others have evaluated it at three times this figure.

Kabul is rightfully concerned with the potential loss of revenue after 2014, when foreign troops will have left the country. When this is coupled with the expected reduction in foreign aid, the Afghans must find a way to offset this precarious financial situation. It is China that is already playing a part in developing the Afghan economy.

This was seen in December, when the state-owned China National Petroleum Cooperation became the first foreign company to sign an exploration deal in terms of exploiting oil and gas reserves.¹⁷ It should also be borne in mind that in 2008 the China Metallurgical Construction Company signed a very large contract to develop a copper mine in Afghanistan.¹⁸ The \$3.5 billion stake in this mine is to date, the largest single foreign investment in Afghanistan.

4.2 Russia – China



Pursuing the theme of security, it was interesting to note President Putin reinforce the close relations Russia has with China. He told reporters “China is Russia’s strategic partner. We enjoy mutually beneficial, mutually trusting, operation in all fields”¹⁹. In a joint declaration with President Hu, it was agreed that the military presence along the Sino-Russian border would be reduced as well as significantly enhancing cooperation in the fields of energy, space exploration and civil aviation.

Furthermore, the areas of cooperation were expanded upon at a meeting with the Chinese Vice President Xi Jinping, with President Putin stating that “With global and European finances in such a turbulent state right now, our economic cooperation is a key factor in international economic stability. Russian-Chinese relations are important not just economically, however, but are also a big stabilizing factor in international affairs and global security, and ultimately contribute to our countries’ steady development. This is in the interests of both peoples. I hope very much that today’s visit and the high-level contacts we have planned in China and in Russia, including through our defence agencies, will give impetus to our all-round strategic partnership’s continued development. We will continue our cooperation. We held successful military exercises just recently in the Yellow Sea. These were the first joint Russian-Chinese naval exercises. Yesterday, we agreed with President Hu Jintao to continue our cooperation in this area”²⁰

President Putin in his address at the meeting of the SCO Council of Heads of State declared that “Our priorities include stepping up economic cooperation. The SCO’s focus is promoting large-scale joint projects; therefore it is vital to accelerate the preparation of a clear and comprehensive list of activities for expanding SCO projects”²¹.

The economic dimension between China and Russia that President Putin had mentioned was further highlighted by the CEO of Gazprom, Alexey Miller who stated that Gazprom’s “strategic partnership with the Chinese party will last for years. Gas consumption in China is expected to grow by more than 2.5 times in the next five years. Our long-term cooperation in the gas industry has a great potential”²² This relationship is an ongoing one, a good example of which is the fact that Gazprom has for quite some time been negotiating with the Chinese over a gas pipeline.

Russian Foreign Minister Sergei Lavrov emphasised the highly significant energy dimension of the economic relationship. Lavrov indicated his hopes for specific proposals to be prepared looking into oil and gas issues before a heads of government summit scheduled to take place in the autumn whilst confirming the presence of concrete plans intended to develop interaction in energy, including oil, gas, coal, nuclear energy and new renewable energy sources.

President Putin revealed his ultimate hope for the China-Russia bilateral relationship in becoming a “comprehensive strategic partnership”.²³ This was echoed by the Chinese Vice President who stated that “we are deeply convinced that we have a lot of potential for further development of Chinese-Russian relations”.²⁴ It was noticeable that President Putin focused heavily on the SCO looking towards enhancing security cooperation, as well as deepening economic and trading links.

4.3 India



The Indian Foreign Minister, Krishna was another participant at the summit who indicated that India was looking forward to playing a larger

and more significant role within the SCO as a member state.²⁵ In terms of applying to the SCO the Foreign Minister declared that “as we have emphasised at various SCO fora, India would be happy to play a larger, wider and more constructive role in the six-nation Shanghai Cooperation Organisation as a full member, as and when the organisation finalises the expansion modalities”.²⁶ He also agreed that the organisation was helping to stabilise Afghanistan as “a promising alternative regional platform”.²⁷

Looking into the future, the Foreign Minister announced that India welcomed “the general trajectory of the SCO towards expansion and re-definition of its role. We feel a wider more representative SCO will be able to deal more effectively with the common challenges of security and development in our region....India, on its part, has been participating constructively at all if you’re meeting is open to the observers....By doing so, we have shown our strong willingness to be meaningfully associated with this grouping....We will be happy to share with SCO countries our unique experience in specific areas of economic endeavour, such as banking, capital markets, micro-finance, small and medium enterprises”.²⁸

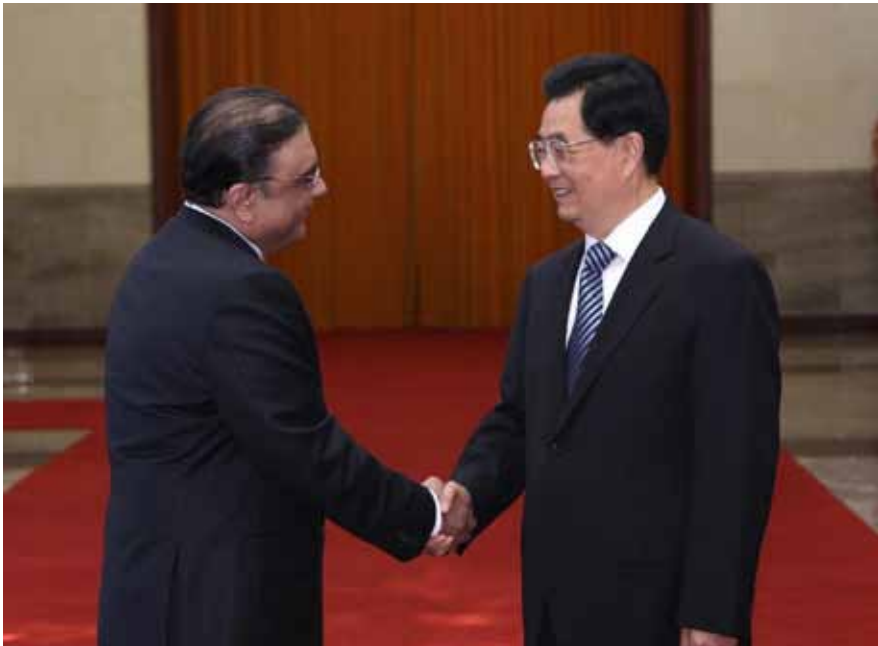
In terms of a security role, Mr. Krishna reminded his audience that “India is a long-standing victim of terrorism emanating from our region and believes that there is need for stronger resolve, efforts in tackling this scourge”.²⁹ Underlining the fact that Afghanistan was the “most important security challenge”³⁰ he foresaw that “the economic development projects of the SCO can be a meaningful additional effort for Afghanistan’s reconstruction”.³¹ In this regard it should not be forgotten that India has pledged more than \$2 billion for the development and reconstruction of Afghanistan. The Indian Foreign Minister underlined this by referring to it as “a reflection of our commitment to the prosperity of the Afghan people. Will be unwavering in our support to discourse”.³²

4.4 Pakistan

Within the SCO, China has been quite concerned with Pakistan.³³ This was demonstrated by the unprecedented high level discussions that Beijing has had with Washington concerning how they could both encourage the Pakistani leadership to effectively halt internal insurgencies

including any potential secessionist movements. Related to this one can see that throughout this year China has made several very strong statements criticising Pakistan for not being diligent with regard to the training of what it regards as Uyghur radicals with extremist groups located within Pakistan possibly fighting alongside the Taliban in Afghanistan.

Pakistani President Zardari was present in Beijing and met with the Chinese President on the sidelines of the summit. He emphasised the need for greater Chinese investment in infrastructure, especially in major energy projects. This idea was developed further by putting forward a proposal to establish an energy fund for major energy projects. The Pakistani President's spokesperson later drew attention to building mega energy pipelines which would straddle the whole region.³⁴ Once again, energy was placed high on the SCO agenda.



4.5 Kazakhstan

During the summit, Chinese President Hu Jintao and President of Kazakhstan Nursultan Nazarbayev agreed to enhance the strategic partnership between their respective nations.



President Hu stated that “Boosting neighborly friendship and comprehensive strategic cooperation between China and Kazakhstan is in the fundamental interests of the two nations and has won the most extensive support by the people of the two nations,” adding that China attached great importance to developing the comprehensive strategic partnership with Kazakhstan³⁵.

The central theme that was espoused concerned concerted action and cooperation as witnessed by President Hu identifying various actions the two nations should focus on:

- * strengthen their mutual trust with more bilateral interactions
- * greater political dialogues,
- * boost cultural and people-to-people exchanges
- * strategically expand consensus
- * more joint efforts to fight the “three evil forces” of terrorism, separatism and extremism
- * combat drug trafficking and other cross-border organized crime more effectively

- * support each other on major issues of common concern in order to safeguard their strategic security situation and development.

- * strengthen their coordination in international affairs.

In terms of the economy, President Hu announced that:

- * two sides should deepen energy cooperation

- * initiate cooperation in new areas, including nuclear energy, solar energy and wind energy, as soon as possible.

- * expand their mutual investment

- * step up sub-national cooperation

President Nazarbayev pursued the theme of cooperation by vowing to continue to carry out outstanding petroleum and gas projects as well exploring new key areas of cooperation in the spheres of agriculture, technology and bio-medicine. Furthermore, the Kazakh President welcomed Chinese investment in his country's transport infrastructure, adding that he desired the trans-border railway and highway projects between the two countries would quickly come to fruition³⁶.

4.6 Uzbekistan



Before attending the SCO summit in Beijing President Putin had visited Tashkent to meet with President Karimov. Whilst there, Putin declared: “We are constantly maintaining an interstate dialogue. Uzbekistan is one of our highest-priority partners in the region. We have special relations with Uzbekistan. We are well aware of your nation’s potential and we will build relations with Uzbekistan in accordance with its potential and in accordance with the deep roots of the relations between our people. I am grateful to you not only for the invitation, but also for the questions that were prepared and included today by our colleagues, our advisers, as well as the documents that will be signed today. I am happy for the opportunity to speak not just about our bilateral relations, but also international issues on which, as the diplomats would say in this case, we have very similar or even concurrent, views. I fully agree with your assessments on Afghanistan. Here, we certainly have much to think about, because all this is happening in close proximity to our borders”³⁷

That potential is currently being realized as Uzbek-Russian trade relations have improved remarkably from the beginning of this year, demonstrating a 40% increase in bilateral trade. Apart from closer commercial relations, threat perceptions were also very similar as demonstrated by President Karimov who stated that “we have serious concerns that the withdrawal of peacekeeping troops – and I doubt this can be denied – will result in an increase in terrorist and extremist activities and drug trafficking, that their volume and scale will increase, and that terrorist and extremist activities will not remain in Afghanistan, spilling out beyond its borders. For me, personally, in Uzbekistan, this raises serious concerns, because we have a direct border with Afghanistan and we have already seen several times through our own hard experience what kind of ‘surprises’ can occur and how seriously we must take these issues”³⁸

A complementary view was expressed with regard to a mutual perspective concerning Afghanistan, highlighted by President Putin telling President Karimov “I fully agree with your assessments on Afghanistan. Here, we certainly have much to think about, because all this is happening in close proximity to our borders”³⁹

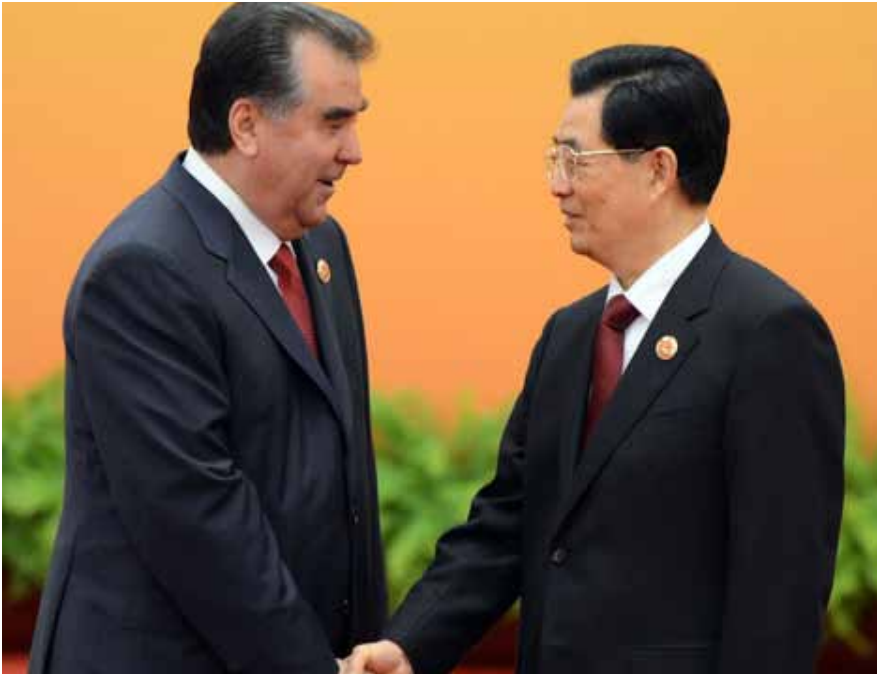
Uzbekistan also announced an important future development to take place within the field of energy in Central Asia: the third line of a gas

pipeline to China would be completed by January 2015.⁴⁰ This project referred to the 7000 km long Central Asia-China pipeline which had begun to be constructed in 2008 transporting natural gas from Turkmenistan via Kazakhstan and Uzbekistan to China.

The first line was completed in December 2009 and the second, a year later. The combined capacities of both lines are 30 bcm of gas per year. The third line will firstly involve constructing a 318 km section stretching from the Kazakh border into Gazli. The second phase will involve the construction of a 212 km section from the Turkmen border to Gazli, which is expected to be completed in January 2015.

When the third line becomes fully operational it will have a capacity of 25 bcm per year. As for the costs, which are approximately \$2.2 billion, they will be financed by loans from the China Development Bank as well as direct investment coming from the China National Petroleum Cooperation.

4.7 Tajikistan & Kyrgyzstan



Despite signing all the SCO summit declarations Uzbekistan refused to contribute militarily to the SCO anti-terrorist exercise held on northern Tajik territory from June 7-14. The Tajik Defense Ministry spokesman informed journalists before the exercise took place that all other SCO member states would participate and that “the exercises will involve more than 2000 soldiers and officers from SCO countries, military command centres and special operations forces of these countries..... Army and frontline aviation heavy armored military hardware and artillery will be used during the exercises....The exercises are aimed at perfecting the common principles of military command centres functioning during preparations for joint anti-terrorist exercises in the mountains”.⁴¹ It was not lost on observers and analysts that the Tajik-Uzbek border is mined with citizens of both countries requiring visas to visit which are unfortunately still hampered by the fact that there are no direct air links.⁴²



Closer relations between Russia and Uzbekistan were not the only one highlighted before the SCO summit. Kyrgyzstan also announced its friendly relations with Moscow when President Atambayev referring to the new concept of national security declaring a strategic partnership with Russia and aspiring for regional strategic partnership with other countries.⁴³

Greater Central Asian cooperation in the field of narcotics was evidenced before the SCO summit. At a tripartite meeting attended by Afghanistan, Kyrgyzstan and Tajikistan a declaration was signed which aimed at better coordination of national efforts to combat drug trafficking. Yuri Fedotov of the United Nations Office on Drugs and Crime expressed support for this combined effort by declaring “The First Tripartite AKT Ministerial Meeting between Afghanistan, Kyrgyzstan and Tajikistan was held in Dushanbe on 31 May 2012. In a ministerial declaration issued at the end of the meeting, the three countries agreed to strengthen their commitment and cooperation....the adopted declaration is of great importance of stepping up the fight against illicit drug trafficking in the region. I am hoping for the consistent implementation of the reaching agreements”.⁴⁴ Given that this has been a bleeding wound for the whole region, news that the three frontline states had agreed to try and foster a common approach was very much welcome.

4.8 Turkmenistan



Whilst the SCO summit was taking place, the Turkmen state-owned gas company Turkmen gas signed a framework cooperation agreement with China National Petroleum Cooperation whereby China would receive increased amounts of natural gas.⁴⁵ According to Turkmen television reports this figure would rise to 65 bcm. It has been estimated that from 2010 until now, 30 bcm of Turkmen gas has been exported to China with plans to increase this to 44 bcm by the end of 2012.

According to analysts, the gas pipeline between Turkmenistan China is exporting approximately 20 bcm, which is half of what its maximum capacity is.⁴⁶ To put these figures into perspective, it should be noted that the annual gas demand of China currently stands at approximately 81 bcm. Of this consumption only 5 bcm is imported. Within the next decade, China is forecast to more than double its annual gas demand to 200 bcm, with domestic sources expected to only cover 120 bcm.⁴⁷ That would leave a deficit of 80 bcm which Turkmenistan would be well placed to fill.

Turkmen President Berdymukhammedov emphasised the importance of reliable and sustainable transitive energy resources by declaring that “our countries well understand that the uninterrupted operation of the energy system, including pipelines of the pumping of oil and gas, is one of the most important tasks ensuring a sustainable economic development of the most diverse regions of the world”.⁴⁸ Chinese President Hu responded by acknowledging that “China, paying increasing attention to relations with Turkmenistan, considers your country a sincere friend, a close brother, and a reliable partner”.⁴⁹

4.9 Turkey

Historically and ethnically Turkey has had a very close relationship with Central Asia and the wider region beyond. Viewed from a geopolitical standpoint, Turkey has followed events developing in Eurasia closely. The SCO has been the primary international institution in Eurasia and due to this, Ankara has paid special attention to it.⁵⁰

After the collapse of the Soviet Union, greater Central Asia changed itself into a region within which Turkish foreign policy could be active in. Since the economic reforms of 24 January 1980, Turkey had preferred

a policy of export led growth which sought out new export markets. Therefore, Turkey had transformed itself into a “trading state”.⁵¹ By the mid-2000s Turkey paid great attention to coordinating a greater independent path in its foreign relations. It was able to progress in some regions and regress in others.



Until the Arab Spring, relations with the Middle East were improving but Ankara had to implement a volte-face over Libya and more recently a complete turnaround with its neighbour Syria. Turkey's relations with the European Union over the last five years also regressed. During the last decade or so, Turkey has become dependent on Russia in terms of energy, importing most of its natural gas, as well as granting the Russian company Atomstroyexport the \$20 billion contract to build Turkey's first nuclear power plant.⁵²

Turkey has pursued closer relations with its ethnic hinterland, namely the Central Asian Republics as well as China. President Gül became the first Turkish president to visit China in 14 years with his official visit in 2009.⁵³ During this visit, seven cooperation agreements were signed, the most noteworthy of which were in the fields of energy, banking and finance. The next year, in 2010, Turkey signed a further eight cooperation

agreements with China focusing on marine cooperation, trade as well as technical exchanges. Both prime ministers pledged to increase bilateral trade to \$50 billion by 2015. After these agreements were signed, Chinese Premier Wen Jiabao whilst visiting Turkey acknowledged that the China-Turkey relationship had ascended to a “strategic partnership”.⁵⁴

In April 2012, Erdoğan became the first Turkish Prime Minister to visit China for 27 years, following a trip two months earlier by the Chinese vice-president Xi Jinping to Ankara and Istanbul, where the two countries signed deals worth billions of dollars. Xi had declared that “As two important developing nations, China and Turkey share extensive common interests in safeguarding world peace, promoting common development and meeting global challenges,”⁵⁵ adding that China was willing to strengthen its ties with Turkey in a bid to further push forward their strategic partnership.

During Erdoğan’s visit, Xi stated that “To respect and support each other on issues regarding core concerns is not only a manifestation of political trust between China and Turkey, but also the foundation for healthy growth of our strategic cooperative ties.”⁵⁶ Deepening economic ties, especially in the areas of energy, construction, automotive, banking, technology and telecommunications industries were on the Turkish Prime Minister’s mind as he had brought a delegation of 300 business people, seeking greater Chinese investment in Turkey as well as an increase in Turkish exports.⁵⁷

According to Sakaoğlu,⁵⁸ it was on this visit that Erdoğan was notified of an invitation for Turkey to become a Dialogue Partner of the SCO. Therefore, one can argue that the initiatives taken by Turkey towards the territories encompassed by the SCO member states demonstrate a desire to realign and the re-orientate Turkish foreign policy towards the growing East.

4.10 Dialogue Partner⁵⁹

At the SCO Summit, President Hu Jintao said the dialogue partner status for Turkey was unanimously approved during the summit in Beijing by Chinese, Russian, Kazakh, Kyrgyz, Tajik and Uzbek presidents. The Turkish Foreign Ministry stated that the SCO had “approved Turkey’s

application to become a Dialogue Partner at the Summit of the Heads of State of the SCO....Turkey welcomes this decision and would like to express its appreciation to the members of the SCO for their support. Within the framework of its close relations with the countries of the Asian region with which Turkey enjoys historical and cultural ties, the peace, tranquility and stability of Asia is of importance to Turkish foreign policy. In compliance with this understanding, Turkey actively contributes to the political, security, economic and cultural cooperation initiatives in the region and also attaches importance to the establishment of institutional dialogue mechanisms with the regional cooperation organisations in line with the rising influence of Asia. The Dialogue Partner Status will contribute to the strengthening of our multi-dimensional foreign policy and allow us to follow the developments in the SCO and to convey our views to the member states on issues as regards regional cooperation. As a Dialogue Partner, Turkey, in line with the principle of indivisibility of security, will make significant contributions to the SCO in such areas as the combating of terrorism and separatism, narcotics trafficking, human smuggling, border security, illegal immigration and the prevention of the proliferation of weapons of mass destruction in a geography where the strengthening of the regional, institutional and effective cooperation mechanisms is a matter of utmost importance”⁶⁰



The dialogue partner status provides Turkey with an opportunity to continue to sustain and deepen its secular democracy in a peaceful manner as well as developing its dual identity as both a European and Asian country. Turkey, quite uniquely, does not fit into any one specific region. It is a European, Black Sea, Balkan, Middle Eastern, Caucasus and a Eurasian actor - all at the same time. As Turkish foreign policy has become more proactive in the 2000s, it has endeavoured to become more constructive, multi dimensional and more soft power based. Therefore, becoming a Dialogue Partner of the SCO could provide opportunities to deepen relations with the SCO member states through greater use of Turkish soft power.

4.11 Mongolia



The Mongolian President was also in Beijing attending the SCO summit. The Chinese President meeting his Mongolian counterpart expressed his desire to deepen cooperation whilst “promoting the triad of Cooperation on mineral resources exploitation, infrastructure construction and financing”.⁶¹ Given the fact that China’s energy requirements are increasing year by year, month by month, it was not surprising that President Hu had his sights set on the financing and exploitation of Mongolian mineral resources. In terms of political relations, the Chinese President said “politically, the two countries should continue keeping mutual trust and grasp the overall direction of the ties from a strategic heights and a long-term angle”.⁶²

Within this perspective, Chinese-Mongolian trade relations have improved greatly in recent times, especially so in the past year when both countries established a strategic partnership. Mongolian President Elbegdorj referred to the strategic partnership as a “milestone” between two countries reaffirming Mongolia’s commitment to long-term friendly cooperation with China.⁶³

Since the strategic partnership, China has become Mongolia's largest trading partner as well as its largest source of foreign investment. Bilateral trade increased by almost 85% in one year to reach more than \$6.3 billion in 2011. Within the trading relationship, Mongolian exports to China were also a sizeable \$4.37 billion consisting mainly of coal, copper, iron ore and crude oil which accounted to almost 92% of total Mongolian exports. It looks likely that as the Mongolian economy continues to boom, according to the Mongolian Parliament the growth rate is expected to be an incredible 19 per cent in 2013; China will have a larger market to export to.

5. SCO Future

At the summit, the Chinese President identified the need to set new goals for the new decade. In this regard, his country took the lead in offering to lend to other member states. \$10 billion in loans were offered although no details were given with regard to how the money would be distributed and for what ends they would be given.⁶⁴

Continuing with the theme of setting new aims, President Hu put forward a four-point proposal concerning the SCO's future development.⁶⁵

These were:

- i. transforming the SCO into a harmonious community
- ii. ensuring the region became more secure and stable
- iii. boosting regional economic development
- iv. establishing a platform for increasing international exchanges and influence

The Chinese Ministry of Commerce identified several key infrastructure networks to connect regional energy, transportation and telecommunications as well as financial cooperation as projects that were in progress and foreseen to take place in the future.⁶⁶ In terms of garnering consensus, the SCO summit can be considered to have been a productive one whereby 10 documents were signed by the member states.⁶⁷ Some of the more notable ones included the following:

- * Presidential declaration pledging to promote lasting peace and prosperity in the region

- * resolution endorsing the main aspects of the SCO's mid-term development strategy

- * resolution on the organisation's political-diplomatic measures and mechanisms to respond to situations jeopardizing peace, security and stability in the region

- * resolution endorsing a program of cooperation in combating terrorism, separatism and extremism for 2013-2015

- * resolution confirming the SCO secretary general's report on the organisation's functioning

- * decision confirming a report of the SCO regional anti-terrorist structure detailing the results of its work in 2011

The Chinese president noted that in order for the SCO to promote mutual prosperity further cooperation needed to take place in four fields⁶⁸, which he identified as:

- + Energy
- + Finance
- + Food
- + Transportation

All the SCO member states agreed that further cooperation was both desirable and required. Heading the list of areas where improved cooperation ought to take place was energy security. Other areas such as trade, infrastructure, food, law enforcement security and new means of financing were also listed.

5.1 SCO: Intra-Trade Increases

During the summit, the Chinese Ministry of Commerce released data concerning trade.⁶⁹ Total trade volume of the SCO member states had

grown by more than 25% in 2011, reaching a level of \$4.65 trillion. As for China's trade with other member states, over the ten-year period from 2001 - 2011 this had increased from \$12.1 billion to \$113.4 billion. China had become the largest trading partner of Russia and the second largest of Kazakhstan, Kyrgyzstan and Tajikistan.

Furthermore, the Chinese vice-Premier declared that China had invested more than \$20 billion in the SCO member states in the past decade.⁷⁰ It was interesting to note the special attention he gave when speaking of the progress that the SCO had made in the area of energy and mining, promoting the completion of large-scale projects which included cross-border oil and gas pipelines. This is indicative of the fact that the Chinese as well as other SCO member states are paying ever greater attention to the field of energy.

One needs to recall that in 2001 when the SCO was established, total GDP volume of all member states amounted to \$1.67 trillion. 10 years later, despite the negative impact of the global financial crisis, this figure had reached \$9.39 trillion. In 2001, the member states accounted for only 4.8 percent of the global economy. This figure has grown to 13 percent over the past decade.⁷¹

5.2 Competitor on the Horizon



The summit declaration stated “The member states are of the view that regional affairs should be solved through consultation between relevant countries in the region and international organizations. The specific means and mechanism for maintaining regional security and stability should be decided by the countries of that region”.⁷² Despite this sentiment to widen the SCO -which has in the past included Iran⁷³ - it remains the same in terms of members after the Beijing summit; which consist of China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. States which possess observer status currently number five as Afghanistan has been added to Iran, Pakistan, India and Mongolia. Turkey was added as a state possessing dialogue partner status, thus joining Belarus and Sri Lanka. Kyrgyzstan took over the chairmanship of the organisation and will host the next annual summit.

The Russians whilst giving support to the direction offered by the Chinese concerning the SCO have expressed great interest in developing the Eurasian Union, which was especially supported by Putin whilst he was Prime Minister.⁷⁴ Should the Eurasian Union develop as originally intended, it will become a powerful economic entity encompassing most of the post-Soviet territories. Such an economic actor which borders China will mean that trade and tariff matters are likely to become highly prickly issues between Moscow and Beijing.

5.3 Role of Turkey

Pursuing this trail of thought, there are voices in Russia who consider enticing Turkey to halt its European Union aspirations and instead to become a member of the Eurasian Union. Given the fact that Turkey has been accepted as a dialogue partner to the SCO, some observers have been heartened by this recent development. One of these, Stanislav Tarasov was quoted by the Voice of Russia: “Turkey has been sticking to pro-Western policies. It has been trying to join the EU for 10 years, but it was in vain. So now it has to developing new scenarios drifting to the East, which implies changes



in Turkey's foreign policy".⁷⁵ This topic was also addressed by a former Chinese ambassador to Turkey, Yao Kuangyi, who believes that "Turkey's participation will contribute to the security and stability of the Eurasian region".⁷⁶

It is no secret that both Russia and China prefer a multipolar world rather than unipolar world.⁷⁷ As globalization deepens the possibility of the former being realized, the role of the SCO becomes even more important. Given the fact that global security risk areas are geographically closer to Turkey, for example instability in Afghanistan, the democratization of Russia and the possibility of a nuclear Iran, Ankara has welcomed closer ties, such as the Dialogue Partner status with the SCO.

Turkey has considered itself as a pivotal state as well as a regional power, possessing a democratic society with a *weltanschauung* that could be considered as an alternative modernity that has successfully achieved the coexistence of Islam, alongside modernity, democracy and a successfully functioning free-market. Deepening relations with the SCO in this respect could assist Eurasia to become - rather than an organization promoting authoritarian norms - a multicultural and cosmopolitan model for deeper regional integration.⁷⁸ In fact, Kissinger has also identified that East Asia as a whole needs to consider establishing a "Pacific Community" so as to ensure friendlier American relations with China, thus reducing the potential for military conflict.⁷⁹



5.4 Energy + Security = Energy Security?

In the last analysis, the SCO was firmly focused on Central Asia at the Beijing Summit. Two specific dimensions attracted the greatest attention, namely security and energy. These interrelated themes⁸⁰ were perhaps best demonstrated by the prominence Afghanistan received in the Chinese capital.

A circular logic prevails within the SCO appreciation and comprehension of this situation: without security, uninterrupted access to energy resources is not possible. Precious metals cannot be mined, oil cannot be drilled, nor gas fields discovered. Thus, security becomes paramount in order to satisfy growing energy appetites.

If the energy resources were not of such a magnitude, then the maintenance of security for Afghanistan and similar countries would be relegated to the lower tiers within the political agenda. Therefore, the higher the demand for energy and the potential to satisfy this demand, then the greater the urgency to provide security. Hence, it is energy that demands security and security that increases the supply of energy, which again reinforces the need for greater security.

To conclude, it is highly likely that energy security will be at the centre of attention between Russia and China in the forthcoming months and years as Moscow desires to maintain a virtual monopoly on the transportation infrastructure, while Beijing seeks greater diversification. Within such a context it will be interesting to note which direction the Central Asian states will veer towards - whether to the west or to the east - at next year's summit.

6. Intensive Economic and Diplomatic

Developments in Central Asia

Whilst the start of summer witnessed most of the world's attention focusing on the aftermath of the annual summit of the SCO held in Beijing at the beginning of June, the summit was not, however, the only noteworthy event that took place in greater Central Asia. Quite important diplomatic maneuvers were also witnessed. Significant developments within the field of energy were noted. Practically all the actors on the Central Asian stage were active in one dimension or another.

6.1 Russia

Perhaps not surprisingly, the Russian Federation was the most active in the region. President Putin met with President Nazarbayev of



Kazakhstan and signed a protocol, amending a treaty that was celebrating its 20th anniversary: Agreement of Friendship, Cooperation and Mutual Assistance⁸¹. The protocol extended this agreement for another 10 years. Five other documents were also agreed to, with most attention being directed towards the joint construction of hydropower plants in Kazakhstan. Russian and Kazakh citizens

can now visit each other's country for 30 days without having to register. For citizens who live in the border areas, another useful agreement was signed. Looking at all the agreements that were signed, it was clear to see that both parties want closer relations. The energy dimension, not surprisingly, led the way in this bilateral agreement, closely followed by the social dimension.

President Putin had met Afghan President Karzai at the SCO summit. One of his aides, Yuri Ushakov reported that Afghanistan would offer privileged terms to potential Russian investors. The Russian Foreign Minister Sergei Lavrov also reminded observers that in the past approximately 150 Afghan companies had been established with the help of the Soviet Union⁸². He confirmed that Russian companies were already working on hydroelectric power facilities in Afghanistan. This once again demonstrated the importance of the energy sector in Russian foreign policy.

Concerning relations between Moscow and Kabul, Lavrov said both would cooperate more closely in combating terrorism and drug production now that Afghanistan had become an Observer of the SCO. Later, at a regional conference on Afghanistan held in Kabul, seven working groups were established⁸³. Some of them included working groups to promote confidence building measures and cooperation. Lavrov considered the new working mechanisms would work well with the SCO and the CSTO. Pursuing the theme of the SCO, Lavrov sounded quite certain that the organisation would definitely expand. The leading candidates were identified as India and Pakistan.

The Russian Foreign Minister believed that the International Security Assistance Force in Afghanistan should improve the efficiency of its anti-terrorist efforts. Furthermore, that it ought to report to the UN Security Council. This was indicative of the fact that the UN had not been as involved as much as the Russians had hoped. Lavrov also declared that Russia was willing to invest \$500 million in building a power transmission line connecting Central Asia with South Asia⁸⁴. Moreover, Russia would also join in the construction of the TAPI gas pipeline. Once again, these measures highlighted the high value given to the energy field by Moscow.

In a related vein, Russia also announced that the United States ought to provide an explanation as to why it needed to maintain a military presence in Afghanistan after 2014. Clarity was called for in this instance, given the fact that 2014 had been identified as the date when the coalition forces would pull out of Afghanistan. The question was raised whether the stabilisation efforts would be completed by the allied states.

The CSTO launched an international counter-narcotics operation. The organisation claimed this was the first time that the drug control agencies of both the CSTO and SCO had cooperated⁸⁵. The result of the operation was a success. In the previous year 200 firearms and more than 35,000 bullets were confiscated. More than 4000 drug-related crimes were uncovered. The operation involved almost 45,000 law officers from Belarus, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan. Officers from China, Afghanistan and Mongolia participated as observers.

In July, President Putin in a speech at a meeting of Russian ambassadors and permanent representatives, called on them to acknowledge the importance of economic relations within the totality of Russian foreign policy and to redouble their efforts to secure and entrench foreign markets: "There is increasing competition for access to resources, and this provokes abnormal fluctuations on the raw materials and energy markets.... Russia must have a dynamic, constructive, pragmatic and flexible range of diplomatic instruments at its disposal, in particular as concerns promoting our country's economic interests, which is a particularly important and far from easy task"⁸⁶.

Putin criticized Russian diplomacy and his displeasure at the lack of slow progress in trading and commercial ventures by admitting “We have been talking about the importance of economic diplomacy since the start of the 2000s. It was something we discussed at our first meeting, but little change has been achieved since then. Of course there have been steps in the right direction – I can see them myself – but there has not been any radical change yet”⁸⁷. His observations were a testament to the importance that economics plays in Russia’s foreign relations, especially within the “near abroad”.

The energy dimension of economic relations was further in evidence when President Putin signed a decree to form a Presidential Commission for the strategic development of the fuel and energy sector and environmental safety⁸⁸. The president would personally chair this commission and the Chairman of Rosneft, Igor Sechin would become the executive secretary, in charge of supporting the work of the commission. The commission, which includes big business and state power company representatives, aims to coordinate activity in developing a fuel and energy complex.

All decisions made by the new presidential commission are to be binding on all government agencies. The presidential decree referred to the commission being established to coordinate the activities of all government agencies and organisations with regard to developing the industrial, energy sectors and the environmental safety and rational use and effective renewal of mineral resources. It was interesting to note that one of the main areas identified for developing pipeline transport would be in taking into account the existing capacity and prospects for developing other types of transport and considering proposals to use it more effectively.

Prime Minister Medvedev declared that Russia would give assistance to Belarus and Kazakhstan in their WTO accession journey. He was joined by his Belarusian and Kazakh counterparts in establishing a consultative council at the Eurasian Economic Commission. The importance Russia attached to the two countries becoming part of the WTO stemmed primarily from the possibility of such a development constituting an important dimension within the common economic space and customs union between Russia, Belarus and Kazakhstan.

Pursuing this trail of thought with regard to Belarus, Sergei Lavrov, the Russian Foreign Minister reiterated his government's opposition towards unilateral western sanctions against Belarus⁸⁹. The futility of sanctions was mentioned, highlighting the fact that they never achieved the goals that had been set by the initiator. Furthermore, rather than succeeding, unilateral sanctions usually ended up with a single detrimental result, whereby the country in question was driven into an isolated corner. Russia announced that it was very much in favour of dialogue, irrespective of how difficult the questions and topics encountered were and that isolation was always counter-productive. According to Moscow, dialogue should always be the first choice of action. In late June, both the Belarus and Russian Foreign Ministers issued a joint statement whereby they reaffirmed their respective country's desire for deeper integration.

Related to this theme, Premier Medvedev announced that since the establishment of the customs union, trade between the three countries had increased by 36% reaching about \$125 billion. He added that this increase was largely due to changes in the prices of energy and fuel. This naturally sheds some light on to which sectors are important in the Eurasian Union: energy.

It was also revealed by Alexander Medvedev, the deputy CEO of Gazprom that the company was discussing the use of the trans-Austria gas pipeline for the South Stream project. The South Stream pipeline is planned to start in December 2012. Related to this, President Putin held a meeting with the heads of global energy companies in St Petersburg. The participants raised the issue of liberalisation in the Russian energy sector. Western companies drew attention to their concerns about the Russian electricity sector. The meeting demonstrated once again the importance President Putin attaches to energy in terms of its production, transportation infrastructure and distribution.

In addition, the Russian media reported that Gazprom was considering prepayment for deliveries of gas as a means of lowering Russian gas prices⁹⁰. Alexander Medvedev declared that prepayment was being considered as one way to adjust the prices downwards. Furthermore, it was reported within this context that discussions had taken place concerning a \$40 billion prepayment concerning future gas supplies from Russia to China.

Finally, at a meeting in St. Petersburg in June, the energy ministers of the APEC countries signed a joint declaration which concerned energy security⁹¹. The energy ministers agreed that given the heightened importance of new and innovative sources of energy, fossil fuels would continue to play a key role on the APEC energy market for the foreseeable future. Stepped-up production and trade of natural gas could ease the transition to a more low-carbon economy.

The ministers agreed that it was important to assess production volumes, the potential for trade and environmental impact of shale gas and other unconventional natural gas reserves as well as promoting the idea of uninterrupted investment in natural gas infrastructure, which would include facilities to liquefy gas in order to raise the level of energy security and rates of economic growth in the APEC region. Furthermore, the ministers also welcomed progress in relation to the initiatives of smart energy communities, the elements of which were “smart” modes of transport, buildings, power grids, jobs and education for exchanging best practices which all economies could use to raise energy efficiency. These statements were indicative of policy-makers being aware of the shadow of the future in terms of technological developments in the energy field having an impact on current policy decisions and the necessity to bear these in mind when planning infrastructural developments.

6.2 Kazakhstan

The past few months have witnessed important economic developments taking place in Kazakhstan. One of these concerned the North Caspian Operating Company's (NCOC) negotiations with the Kazakh government to examine developing the second phase of the Kashagan field. The external relations director of the NCOC declared that they were planning to start early engineering design for the phase of the project⁹². At the end of the design stage, the final investment decision would be taken.



Within this context it must be remembered that in January, the Kazakh Prime Minister, Karim Masimov had forecast that the talks about the second phase were coming to an end. The commercial production in the Kashagan field is expected to begin during December 2012-June 2013. The first phase of production is expected to produce approximately 370,000 barrels a day, possibly reaching 450,000.

According to the Ministry of Oil and Gas, Kazakhstan would compensate duty-free delivery of Russian oil products with a crude oil swap⁹³. Depending on the range of petroleum products imported from Russia, the amount in unpaid customs duties would be estimated and subsequently compensated with a crude oil swap which is estimated to continue until January 2014; an agreement lasting for a year and a half.

In the first week of June, Kazakhstan suffered from a reduction of LNG in the western part of the country because a gas refinery having to be shut down due to a fire⁹⁴. Gas for communal services to the region, emergency medical services as well as passenger transport resources had to be urgently organised.

KazMunayGas (KMG) the national operator for hydrocarbon exploration, production, refining and transportation announced that it intended to spend approximately \$3.5 billion on geological exploration in the next five years⁹⁵. The deputy chairman of the KMG announced that recoverable proven reserves in Kazakhstan totaled 5 billion tons of oil and 3 billion cubic meters of gas. Kazakhstan's perspective projected resources are estimated at 17 billion tons. Within the oil and gas sector KMG represents the interests of the Kazakh government. In this respect the news emphasised Kazakhstan's desire to maintain its energy position in the world.

President Putin identified the priority areas of Kazakh Russian co-operation. Heading the list was energy followed by engineering and the space industry⁹⁶. President Putin identified oil and gas cooperation between the two countries as being very efficient. During the Kazakh-Russian high-level meetings that were taking place, it was announced that a uranium enrichment centre would be established in Kazakhstan. This would be a commercial project. It was announced that all terms had been agreed to and the new centre would be based at the pre-existing Novouralsk facility.

Kazakhstan announced that an oil storage facility in Aktau, situated in the western part of the country would begin operating in December 2012⁹⁷. The cost of the project was estimated to be at more than \$300 million.

Directly related to this energy development was an announcement made by President Nazarbayev concerning a new nuclear power plant. He said that Russia and Kazakhstan could start building a new nuclear power plant in Kazakhstan next year⁹⁸. Given the fact that the Kazakh economy is growing rapidly, there is sufficient demand to warrant a 1000 MW reactor. The previous project to construct a nuclear power plant had been abandoned by the Kazakh government in February 2009. There had been disagreement with Russia concerning the guarantee of technical risks as well as the costs of power generation.

Concerning collaboration in another technologically advanced sector, namely space, President Nazarbayev confirmed that the cosmodrome at Baikonur had been discussed⁹⁹. The cosmodrome would be further developed with Kazakh specialists' assistance. Special mention was made of developing the infrastructure in the town of Baikonur. These details highlighted the fact that highly technological issues could not be separated from pressing social demands. In the context of space exploration these two areas were happily resolved.

During the Putin-Nazarbayev summit both parties agreed to encourage greater bilateral trade. President Nazarbayev announced that the volume of this trade had recently reached a record \$25 billion. He indicated that he would like to see it expand to \$40 billion. He reminded listeners that more than 3500 joint ventures were operating in Kazakhstan¹⁰⁰. These would play an important role in increasing the scope of cooperation.

President Nazarbayev made several announcements concerning the domestic economy¹⁰¹. Firstly, he insisted that government officials must be promoted on the basis of merit. He openly advocated the principle of meritocracy. He said only through promotions based on merit could there be transparency and objectivity in government. He said this was vital when hiring and promoting government workers.

He went on to warn the government that they should prepare for a bleak scenario in terms of economic development¹⁰². He asked the government to make contingency plans. They should consider what Kazakhstan needs to do if it will suffer from negative growth. He believed that if the oil price would go down to perhaps \$50 per barrel this would be a major problem for Kazakhstan. Such scenarios had to be thought of, and preparations made.

The Kazakh Prime Minister urged the establishment of a joint transport container company within the framework of the customs union of the Eurasian Union. He argued that such a venture would give the three Railways of Russia, Kazakhstan and Belarus a good opportunity to transport freight all the way from the Kazakh-Chinese border to the Belarusian-Polish border¹⁰³. His Belarusian counterpart proposed establishing a customs union Rating Agency. The Kazakh Prime Minister further declared that his government had reached an agreement with Russia for a special scheme for Kazakhstan compensating Russia for potential losses resulting from duty exempt export supplies of crude oil for a refinery in Pavlodar¹⁰⁴.

These statements and developments were indicative of the fact that both Belarus and Kazakhstan have been paying much greater attention to the Eurasian Union. It should not be forgotten that President Putin, whilst as Prime Minister, had personally advocated the strengths of the Eurasian Union.

The Kazakh President paid specific attention to small and medium enterprises. He believed that they had not been active enough. He shared some statistics with the nation. He announced that the share of small and medium businesses within Kazakh GDP grew last year from 17 to 21%¹⁰⁵. He found this rate of growth too little. The previous year the number of small and medium enterprises had increased by 24% to 840,000¹⁰⁶. They employed 2.7 million people, or 30% of the economically active population¹⁰⁷. He warned entrepreneurs to not look to the government to solve all of their problems. The government was there to help but could not help them with everything. He believed the government was doing everything it could to help businesses, but business was not booming. He wanted to know the reasons why.

He did offer a solution to the economic dilemmas being faced in Kazakhstan. He asked the government and the national bank to look at giving low-interest loans to small and medium enterprises. Related to this, the president also suggested redirecting part of tax revenues from these businesses to support the regions. He offered a proposal whereby half of all tax revenues from small businesses would remain in the local budget¹⁰⁸. This would be an incentive for the regions to develop. All of these statements demonstrated how closely President Nazarbayev is following developments in Kazakhstan and the particular attention he is paying to a vibrant diversified economy. It was noticeable how much attention he is paying to employment, growth and more equitable regional redistribution.

6.3 Kyrgyzstan

Given the fact that the second anniversary of the Osh/Jalal-Abad tragedy was approaching in June, public opinion and the government focused heavily on this issue. Ahead of the second anniversary of the ethnic clashes in the south of the country, there were rumours that destructive forces were trying to destabilise the situation. There were fears that provocateurs would try to recreate ethnic tensions. There were many who were fearful of Islamist groups.



Around this time a report investigating the events of two years ago was publicised¹⁰⁹. This was the result of a working group set up by the Kyrgyz state national security committee, the Interior Ministry and the prosecutor general's office. In an analysis of the causes and circumstances of the tragedy the report blamed provocation by some supporters of the ex-president Bakiev. Separatist leaders, the mafia, drug-narcotics criminals and external forces were also identified as provoking the tragedy.

President Atambayev said that all problems could only be resolved by uniting the ethnic groups that lived in Kyrgyzstan¹¹⁰. He accepted that ethnic conflicts between the Kyrgyz and Uzbeks had broken out three times in half a century. The lesson to draw from these conflicts was to

bring the communities together. They should not be divided into Kyrgyz and Uzbeks. He advocated everyone uniting around the theme of common citizenship. This was the only way to prevent ethnic tragedy. He said that if confrontation continued there could be future conflicts. He reminded citizens that peace and stability was something they were also responsible for. All citizens should be aware of this fact.



He said the main lesson that should be learnt from the terrible events of two years ago was that politicians should keep away from nationalists and separatists. Playing with citizens ethnic feelings were unacceptable. He urged ethnic communities to become the spine of a multi-ethnic nation. He criticised those who tried to divide the nation through ethnic origins. He echoed Atatürk's philosophy by saying that everybody should be proud to call themselves a Kyrgyz citizen. This was another indication of the high regard the Kyrgyz President has of Atatürk and the Turkish Republic.

The Kyrgyz authorities were fearful of future violence in another dimension and took measures to prevent it. One of these was the anti-terrorist exercise held at Manas International airport. A week after this exercise took place a new commander for the transit centre was appointed. The outgoing commander James Jacobsen declared that he thought the former airbase would stay in Kyrgyzstan until the end of the anti-

terror operations in Afghanistan¹¹¹. The new commander, Corey Martin announced that he did not expect the personnel to increase in the transit centre and that the scale of future cargo traffic would depend on Afghan operations¹¹².

Kyrgyz deputy energy industry minister stated that there were no reasons to be concerned about fuel shortages in the country for 2012 as agreement had been reached with Russia resolving the issue of how much fuel would be delivered to Kyrgyzstan for the next twelve months.

The Kyrgyz authorities appealed for international assistance to help them with protecting the borders. As the Kyrgyz economy was experiencing hardships, protecting external borders was becoming difficult. Whilst Russia was continuing to provide assistance, Bishkek pointed out the importance of the help given by the EU and China to the Kyrgyz border guards and soldiers. President Atambayev lowered the conscription age limit from 27 to 25¹¹³. The call-up age is at 18. This measure was announced as trying to optimise conscription and to form an efficient reserve for the Armed Forces. Their aim was to have university graduates as well as other young men to man the military units.

Kyrgyzstan alongside Kazakhstan, Afghanistan, Tajikistan and the United States held the “Regional Cooperation 2012 exercise”. This multinational exercise was led by the Kyrgyz Armed Forces and the US Central command¹¹⁴. The exercise aimed at practicing inter-operability in preparing for and conducting joint operations. The hypothetical scenarios looked at the after-effects of natural disasters. A total of 300 people were involved in the exercise. Similar exercises had been held in United States in 2004, in Germany in 2005, in Kyrgyzstan in 2006 and 2008, in Kazakhstan in 2007, and in Tajikistan in 2009.

6.4 Tajikistan

During the summer, Tajikistan and India discussed bilateral issues such as trade, energy and counter-terrorism strengthening the strategic importance of the Tajik-Indian partnership.

India's close cooperation with Dushanbe started in the late 1990's, when both countries supported the anti-Taliban resistance in Afghanistan.



Dushanbe assisted Indian military advisers by providing access to the ethnic Tajik leadership of the Northern Alliance, as well as hosting a medical facility set up by the Indian army. The two countries security ties further strengthened after they signed a bilateral defence agreement in 2002¹¹⁵.

Based on that particular arrangement, India refurbished a Soviet-era airfield at Ayni at a cost of approximately \$70 million, which included the upgrading of the runway and the construction several other buildings. The refurbished facility was handed over to the Tajik defence ministry in 2010, but New Delhi's support for this military venture was interpreted as signalling intent to use the facility as its first ever foreign military base.

India's desire to possess geopolitical influence over Tajikistan stems from the fact that this would be very useful to curtail Pakistan, especially if New Delhi could come to an arrangement with Iran concerning the establishment of an Indo-Persian consortium in Afghanistan, following the withdrawal of US forces. Being well aware of the geopolitical importance it has for India, Tajikistan has also looked to New Delhi as a potential ally in case of a conflict with neighbouring Uzbekistan.

Despite the apparent complementarity between the two countries, relations between Dushanbe and Tashkent have been worsening over the years due to disputes concerning natural gas and water supplies. The latter in actual fact triggered the Tajik government in constructing the world's biggest hydro-electric power plant, Rogan¹¹⁶.

The decision to build naturally resulted in a sharp protest from Uzbekistan, fearing a decrease in water flow which is, extremely important for its cotton industry. Due to such an action, using the pretext of contractual natural gas supply commitments to China, Tashkent halted all gas supplies to Tajikistan, creating further instability in the region.

According to the Tajik Energy and Industry Ministry, it was reported that Tajikistan was willing to increase electricity exports to Afghanistan from the current 4,000,000 kWh per day to 14,000,000 kWh¹¹⁷. Furthermore, the price would remain the same. Tajikistan had been offering to increase the export of electricity since the spring.

Tajikistan announced that a change had been made to its strategy concerning combatting terrorism. The Tajik President advocated the fight against terrorism to be spearheaded by the Tajik State National Security Committee and his proposed amendments were approved unanimously by parliament in late June¹¹⁸.

In September, Russia negotiated a deal reported to extend its lease on a military base for more than 20 years in exchange for discounted weaponry and training for the Tajik armed forces¹¹⁹. The current 10-year lease on the base was due to expire on January 1, 2014. A formal agreement is expected to be signed in October by Russian President Vladimir Putin and Tajik President Imomali Rakhmon.

At present approximately 6,000 Russian soldiers are stationed across three towns in Tajikistan, with the 201st base being Russia's largest troop deployment abroad, seen by Moscow as a vanguard against a potential spillover of Islamist fundamentalism into Central Asia.

6.5 Turkmenistan

The country's proven gas reserves at the end of 2011 were 24.3 trillion cubic meters. This was almost double the previous year's appraisal of 13.4 trillion cubic meters. The Turkmen Minister of Oil and Gas of Turkmenistan Kakageldy Abdullayev announced at a conference on Oil and Gas of Turkmenistan in Ashgabat that the total hydrocarbon resources of the country amounted to 71.6 billion of oil equivalent, including 20.8 billion tons of oil and 50.8 trillion cubic meters of gas¹²⁰.



He noted that hundreds of prospective oil and gas structures revealed in Turkmenistan, about 160 deposits were opened and about 60 of them have been developed.

Moreover, there are 11 billion tons of oil and 5.5 trillion cubic meters of gas in the Turkmen sector of the Caspian Sea, excluding the already contracted blocks. Total resources of the Turkmen sector of the Caspian Sea are estimated at 12 billion tons of oil and 6.5 trillion cubic meters

of gas. Related to this, BP noted that the country ranks fourth in the world after Russia, Iran and Qatar in terms of gas reserves. BP has stated that the Turkmenians control approximately 12% of global gas reserves¹²¹. Whilst this is significant it is still much behind Russia. Russia controls approximately 22% of global gas reserves.

The head of the EU delegation to Kazakhstan, Aurelia Bouchez declared that the construction of the trans-Caspian gas pipeline could begin before the legal status of the Caspian Sea is determined¹²². Pipelines could still be built across borders that existed. If the legal status was unclear this would not be a problem. The EU had encountered such problems as this in the North Sea.

Bouchez stressed that the EU wanted to diversify the roads and sources of natural gas supplies. The more diversified they were, the more stable and predictable the market would be. The trans-Caspian gas pipeline affects Turkmenistan greatly because it is proposed to run along the Caspian seabed from its territory to Azerbaijan.

Diplomatic tensions between Azerbaijan and Turkmenistan intensified when Baku accused Ashgabat of breaking a promise not to explore the Caspian for oil¹²³. The Azeris stated that until a treaty had been signed that divided the landlocked sea between the five littoral countries; no exploration was to take place. They accuse Turkmenistan of violating the treaty. The Turkmen ambassador was invited to the Azerbaijan Foreign Ministry where he received a strong protest. The Turkmenians declared that they would go ahead with their current exploration of the disputed offshore oilfield in the Caspian Sea despite these protests. This was not, however, the first dispute between the two countries. In July 2009 the Azeris had begun operations in disputed offshore oil and gas fields in the central Caspian as well as questioning Turkmenistan's alleging jurisdiction in other areas¹²⁴.

Whilst this news was being digested NATO announced that it was pleased with the level of relations it had with Azerbaijan¹²⁵. The liaison officer of NATO in Azerbaijan, William Lahue, made a note of Azerbaijan contributing to the peacekeeping operation in Afghanistan. He mentioned that both parties were interested in further promoting and expanding their relations¹²⁶.

The Turkmen President had identified the energy sector as a main priority at the SCO summit. He drew attention to the proposed TAPI gas pipeline. He identified another key priority as greater cooperation of the SCO countries in transportation and communications¹²⁷. The president indicated that the transport network could be made much more efficient running both North-South and East-West. He thought the opportunity existed of connecting the Pacific Ocean to the Baltic and from Northern Europe to the Indian Ocean.

Apart from energy, technological development was an area that attracted the attention of many Turkmens. Their president signed a decree proposing the building near the capital of a technical park¹²⁸. This would house research establishments, educational institutions, business centers as well as an exhibition centre. In another presidential proposal, the state of research institutes was addressed. More assistance will be given to improve the physical infrastructure of the institutes including the Turkmen Academy of Sciences.

6.6 Uzbekistan

A Vietnamese energy exploration and production company PVER, announced they would invest more than \$60 million in a geological survey searching for Uzbek oil and gas¹²⁹. The five-year agreement between Uzbekneftegaz and PVER was approved by presidential decree. This provided the Vietnamese company with customs reductions and



low tax rates. This will be the Vietnamese company's second geological survey for oil and gas in Uzbekistan. Two years ago they had signed another agreement whereby PVER committed to investing almost \$30 million in exploration over five years. The Uzbek national holding company, Uzbekneftegaz, declared that by 2016 it would be investing \$150 million in energy projects focusing on petroleum and gas¹³⁰.

President Putin visited President Karimov in Tashkent before the SCO Summit and they discussed the upcoming departure of NATO forces from Afghanistan¹³¹. President Putin paid special attention to relations with Uzbekistan drawing attention to the fact that the two countries shared similar security threats. President Karimov also identified the increase in terrorist and extremist activities as being very worrying and threatening. A few days after the summit-meeting Uzbek customs officers announced that they had captured 28 kg of heroin from transit trains travelling from Tajikistan to Russia and Lithuania¹³². Narcotics trafficking are another major problem that affects Uzbekistan and all of its neighbours.

Having met President Putin, President Karimov also hosted the US Deputy Secretary of State William Burns in the Uzbek capital¹³³. Areas of cooperation were discussed as well as the relevant aspects of bilateral relations. President Karimov announced that problems arising from Afghanistan were affecting the two countries similarly. Common problems had to be addressed together and this idea was growing, gathering support according to the Uzbek President.

President Karimov whilst in China for the SCO summit signed more than 40 trade, economic, investment and financial agreements and contracts totaling \$5.2 billion¹³⁴. A joint declaration was signed whereby a strategic partnership was established. The Chinese President Hu stressed the importance of preserving bilateral good relations¹³⁵. He announced that the Chinese Uzbek relationship was developing in a stable and healthy manner.

After meeting China's vice-premier Hui Liangyu in the Uzbek capital Tashkent, President Islam Karimov declared that Uzbekistan had begun to supply gas to China through a pipeline mentioning that "August 2012 marked the start of regular gas supplies to the People's Republic of China"¹³⁶.

In a statement that was released, it was noted that "Construction and launch of the third [or "C"] line of the Uzbekistan-China pipeline will allow [us] to further expand gas exports and transit from Central Asia to China"¹³⁷, indicating that Uzbekistan desired to further enhance its energy relationship with China.

7. Conclusion

The whole summer of 2012, especially the month of June, has been a hectic one. The Central Asian countries have all been active on the diplomatic front. Several have had bilateral meetings with President Putin - with Afghanistan heading the agenda in all the Central Asian Foreign Ministries. The SCO summit held in June, whilst headlining energy security, concluded with:

- * Afghanistan and Turkey included as observer and dialogue partner respectively

- * Pledges to foster and facilitate trade and investment.

- * Intent to enhance cooperation in the finance, transportation, energy, telecommunications

- and agriculture sectors in line with furthering regional economic development

- * Pursue the establishment of a Special Account and Development Bank

- * Approval of a development strategic plan.

- * Pledges to increase capacity to deal with crises situations such as terrorism, separatism, extremism and transnational crime and turning the SCO into a capable guarantor of regional security.

- * Agreement on the necessity to enhance cultural and educational exchanges and create opportunities for more people-to-people contact.

- * Further cooperation with observer states and dialogue partners, the UN and other affiliates, including international and regional organisations.

Amineh correctly observed that with the ending “of Soviet control over [Central Asia] and Caspian region natural and human resources, there emerged a New Great Game amongst the many players interested in access to the region’s oil and gas reserves....This mixture of changing world politics suggest that the post-Soviet New Great Game for the influence and control of [Central Asia] and the Caspian resources is far more complex than the 19th century competitive colonization of the region by the Anglo-Russian Powers”¹³⁸.



The continuation of this new rivalry has also been confirmed by Yergin through his acknowledgment that a shift in power has definitely taken place: “We are living in a different world now. You can see it everywhere in international relations....there is a significant re-orientation. The Russians are turning east to the Chinese -- to the Europeans’ surprise”¹³⁹. Adding to this he reveals that “it always seemed to me that the relationship between Russia and China would shift from being based in Marx and Lenin to being based in oil and gas..... The Chinese are new players in the world economy and they have a high degree of urgency to obtain resources”¹⁴⁰. Needless to say these resources are based in the Russian Far East and Central Asia. Moreover, it must not be forgotten that China has been a net importer of oil products since 1993 and energy demand and imports have been steadily increasing since.

Whilst there is agreement over rivalry and competition for resources, this is less than so concerning policy responses to energy security. According to Stern, the issue of “energy security has been debated since at least 1973, generating much policy heat, but little light”¹⁴¹. Through offering different definitions of the problem, Stern has also unintentionally or not highlighted four important challenges facing Central Asia:¹⁴²

*Inadequate investment in energy supply and infrastructure to meet future demand;

*Developed countries becoming increasingly dependent on imported energy from unstable countries or regions (such as Middle East oil or Russian gas);

*China and India needing such a huge volume of energy for future industrialisation that it puts an intolerable strain on resources;

*Rising oil and gas prices threatening to deprive the poorest countries of affordable energy.

In terms of energy security, it is not only states that are contemplating policy responses but international organisations. In June 2007, NATO Secretary-General Jaap de Hoop Scheffer confirmed the salience of crucial energy issues by declaring that “NATO troops have to guard pipelines that transport oil and gas that is directed for the West,” as well as protecting sea routes used by tankers and other “crucial infrastructure” of the energy system¹⁴³.

Given such remarks indicating NATO is becoming more and more interested in the provision and maintenance of energy security, Partnership for Peace countries such as Kazakhstan and Turkmenistan, could well seek ways to associate themselves more closely with NATO, partly to diminish Russian influence on their soil, also in part to develop reliable partners in an unstable region. In this vein, it is possible that NATO could seek ways to provide security for the energy infrastructure of such countries, possibly assisted by EU financial contributions. Though when one bears in mind the economic crisis the Eurozone continue to suffer from and the prevalence of the Pacific in US foreign policy, such a development is relatively unlikely.

The concept of energy security does indeed, as Stern¹⁴⁴ has identified, possess different dimensions which can range from the political and military, to the technical and economic. In this respect, for economists, the primary concerns are the macroeconomic impacts of high energy prices

as well as the danger of economic losses resulting from potential short-falls in energy supply. Furthermore, energy security entails various time dimensions and can be divided into the short and long-term. Short-term security broadly covers the risks of disruption to existing supplies mainly due to technical problems, extreme weather conditions or political disruptions. Long-term security on the other hand, focuses on the risks that new supplies may not be brought on stream on time to meet the growing demand. This could be due to economic, financial or political factors that hinder necessary investments in production and transport capacity.

Therefore, bearing in mind the abovementioned, one can argue that the major questions the Central Asian countries face are broadly the same, namely:

- * The availability of supplies of gas
- * The availability of supplies of electricity and fuels used for electricity generation
- * The adequacy of generating capacity
- * The adequacy of national gas and electricity infrastructure
- * To assess whether appropriate market-based mechanisms are bringing forward timely investments to address any weaknesses in the anticipated supply chain
- * To identify relevant policy issues and consider their implications

In the final analysis, energy security continues to be at the forefront of all interest in the greater Central Asian region. This passion is shared by both energy producers as well as external actors. Brzezinski, who has been following the Central Asian power struggles since the collapse of the Soviet Union considers the Turkic Republics as vital in terms “of importance from the standpoint of security and historical ambitions to at least three of their most immediate and more powerful neighbours, namely Russia, Turkey and Iran, with China also signaling an increasing political interest in the region. But the Eurasian Balkans are infinitely more important as a potential economic prize: an enormous concentra-

tion of natural gas and oil reserves is located in the region, in addition to important minerals, including gold”¹⁴⁵.



Brzezinski of course is alluding to energy security when identifying the main power struggle taking place in what he terms as the Eurasian Balkans. Whilst one may object to Brzezinski's redefinition of the region, there is consensus with regard to the prevalence of energy security in the regional political agenda.

Currently; the energy-poor of Central Asia are attempting to diversify their imports, whereas the energy-rich of the region are trying to maintain their high market share. Russia and Kazakhstan to note have been particularly active in 2012, throughout the energy sector. The challenges between the region's energy providers and both local and global consumers look set to continue in the future - in an enhanced condition.

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Annexes:

Annex A

CHARTER OF THE SHANGHAI COOPERATION ORGANIZATION

The People's Republic of China, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan and the Republic of Uzbekistan being the founding states of the Shanghai Cooperation Organization (hereinafter SCO or the Organization),

Based on historically established ties between their peoples;

Striving for further enhancement of comprehensive cooperation;

Desiring to jointly contribute to the strengthening of peace and ensuring of security and stability in the region in the environment of developing political multipolarity and economic and information globalization;

Being convinced that the establishment of SCO will facilitate more efficient common use of opening possibilities and counteracting new challenges and threats;

Considering that interaction within SCO will promote the realization of a huge potential of good neighborliness, unity and cooperation between States and their peoples;

Proceeding from the spirit of mutual trust, mutual advantage, equality, mutual consultations, respect for cultural variety and aspiration for joint development that was clearly established at the meeting of heads of six States in 2001 in Shanghai;

Noting that the compliance with the principles set out in the Agreement between the People's Republic of China, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation and the Republic of Tajikistan on Strengthening Confidence in the Military Field in the Border Area of 26 April, 1996, and in the Agreement between the People's Republic of China, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation and the Republic of Tajikistan on Mutual Reductions of

Armed Forces in the Border Area of 24 April, 1997, as well as in the documents signed at summits of heads of the People's Republic of China, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan and the Republic of Uzbekistan in the period from 1998 to 2001, has made an important contribution to the maintenance of peace, security and stability in the region and in the world;

Reaffirming our adherence to the goals and principles of the Charter of the United Nations, other commonly acknowledged principles and rules of international law related to the maintenance of international peace, security and the development of good neighborly and friendly relations, as well as the cooperation between States;

Guided by the provisions of the Declaration on the Creation of the Shanghai Cooperation Organization of 15 June, 2001,

Have agreed as follows:

Article 1

Goals and Tasks

The main goals and tasks of SCO are:

- to strengthen mutual trust, friendship and goodneighborliness between the member States;

- to consolidate multidisciplinary cooperation in the maintenance and strengthening of peace, security and stability in the region and promotion of a new democratic, fair and rational political and economic international order;

- to jointly counteract terrorism, separatism and extremism in all their manifestations, to fight against illicit narcotics and arms trafficking and other types of criminal activity of a transnational character, and also illegal migration;

- to encourage the efficient regional cooperation in such spheres as politics, trade and economy, defense, law enforcement, environment protection, culture, science and technology, education, energy, transport, credit and finance, and also other spheres of common interest;

to facilitate comprehensive and balanced economic growth, social and cultural development in the region through joint action on the basis of equal partnership for the purpose of a steady increase of living standards and improvement of living conditions of the peoples of the member States;

to coordinate approaches to integration into the global economy;

to promote human rights and fundamental freedoms in accordance with the international obligations of the member States and their national legislation;

to maintain and develop relations with other States and international organizations;

to cooperate in the prevention of international conflicts and in their peaceful settlement;

to jointly search for solutions to the problems that would arise in the 21st century.

Article 2

Principles

The member States of SCO shall adhere to the following principles:

mutual respect of sovereignty, independence, territorial integrity of States and inviolability of State borders, non-aggression, non-interference in internal affairs, non-use of force or threat of its use in international relations, seeking no unilateral military superiority in adjacent areas;

equality of all member States, search of common positions on the basis of mutual understanding and respect for opinions of each of them;

gradual implementation of joint activities in the spheres of mutual interest;

peaceful settlement of disputes between the member States;

SCO being not directed against other States and international organizations;

prevention of any illegitimate acts directed against the SCO interests;

implementation of obligations arising out of the present Charter and other documents adopted within the framework of SCO, in good faith.

Article 3

Areas of Cooperation

The main areas of cooperation within SCO shall be the following:

- maintenance of peace and enhancing security and confidence in the region;

- search of common positions on foreign policy issues of mutual interest, including issues arising within international organizations and international fora;

- development and implementation of measures aimed at jointly countering terrorism, separatism and extremism, illicit narcotics and arms trafficking and other types of criminal activity of a transnational character, and also illegal migration;

- coordination of efforts in the field of disarmament and arms control;

- support for, and promotion of regional economic cooperation in various forms, fostering favorable environment for trade and investments with a view to gradually achieving free flow of goods, capitals, services and technologies;

- effective use of available transportation and communication infrastructure, improvement of transit capabilities of member States and development of energy systems;

- sound environmental management, including water resources management in the region, and implementation of particular joint environmental programs and projects;

- mutual assistance in preventing natural and man-made disasters and elimination of their implications;

- exchange of legal information in the interests of development of cooperation within SCO;

- development of interaction in such spheres as science and technology, education, health care, culture, sports and tourism.

The SCO member States may expand the spheres of cooperation by mutual agreement.

Article 4

Bodies

1. For the implementation of goals and objectives of the present Charter the following bodies shall operate within the Organization:

The Council of Heads of State;

The Council of Heads of Government (Prime Ministers);

The Council of Ministers of Foreign Affairs;

Meetings of Heads of Ministries and/or Agencies;

The Council of National Coordinators;

The Regional Counter-terrorist Structure;

Secretariat.

2. The functions and working procedures for the SCO bodies, other than the Regional Counter-terrorist Structure, shall be governed by appropriate provisions adopted by the Council of Heads of State.

3. The Council of Heads of State may decide to establish other SCO bodies. New bodies shall be established by the adoption of additional protocols to the present Charter which enter into force in the procedure, set forth in Article 21 of this Charter.

Article 5

The Council of Heads of State

The Council of Heads of State shall be the supreme SCO body. It shall determine priorities and define major areas of activities of the Organization, decide upon the fundamental issues of its internal arrangement and functioning and its interaction with other States and international organizations, as well as consider the most topical international issues.

The Council shall hold its regular meetings once a year. A meeting of the Council of Heads of State shall be chaired by the head of State organizing this regular meeting. The venue of a regular meeting of the Council shall generally be determined in the Russian alphabetic order of names of the SCO member States.

Article 6

The Council of Heads of Government (Prime Ministers)

The Council of Heads of Government (Prime Ministers) shall approve the budget of the Organization, consider and decide upon major issues related to particular, especially economic, spheres of interaction within the Organization.

The Council shall hold its regular meetings once a year. A meeting of the Council shall be chaired by the head of Government (Prime Minister) of the State on whose territory the meeting takes place.

The venue of a regular meeting of the Council shall be determined by prior agreement among heads of Government (Prime Ministers) of the member States.

Article 7

The Council of Ministers of Foreign Affairs

The Council of Ministers of Foreign Affairs shall consider issues related to day-to-day activities of the Organization, preparation of meetings of the Council of Heads of State and holding of consultations on international problems within the Organization. The Council may, as appropriate, make statements on behalf of SCO.

The Council shall generally meet one month prior to a meeting of the Council of Heads of State. Extraordinary meetings of the Council of Ministers of Foreign Affairs shall be convened on the initiative of at least two member States and upon consent of ministers of foreign affairs of all other member States. The venue of a regular or extraordinary meeting of the Council shall be determined by mutual agreement.

The Council shall be chaired by the minister of foreign affairs of the member State on whose territory the regular meeting of the Council of Heads of State takes place, during the period starting from the date of the last ordinary meeting of the Council of Heads of State to the date of the next ordinary meeting of the Council of Heads of State.

The Chairman of the Council of Ministers of Foreign Affairs shall represent the Organization in its external contacts, in accordance with the Rules of Procedure of the Council.

Article 8

Meetings of Heads of Ministries and/or Agencies

According to decisions of the Council of Heads of State and the Council of Heads of Government (Prime Ministers) heads of branch ministries and/or agencies of the member States shall hold, on a regular basis, meetings for consideration of particular issues of interaction in respective fields within SCO.

A meeting shall be chaired by the head of a respective ministry and/or agency of the State organizing the meeting. The venue and date of a meeting shall be agreed upon in advance.

For the preparation and holding meetings the member States may, upon prior agreement, establish permanent or ad hoc working groups of experts which carry out their activities in accordance with the regulations adopted by the meetings of heads of ministries and/or agencies. These groups shall consist of representatives of ministries and/or agencies of the member States.

Article 9

The Council of National Coordinators

The Council of National Coordinators shall be a SCO body that coordinates and directs day-to-day activities of the Organization. It shall make the necessary preparation for the meetings of the Council of Heads of State, the Council of Heads of Government (Prime Ministers) and the Council of Ministers of Foreign Affairs. National coordinators shall be appointed by each member State in accordance with its internal rules and procedures.

The Council shall hold its meetings at least three times a year. A meeting of the Council shall be chaired by the national coordinator of the member State on whose territory the regular meeting of the Council of Heads of State takes place, from the date of the last ordinary meeting of the Council of Heads of State to the date of the next ordinary meeting of the Council of Heads of State.

The Chairman of the Council of National Coordinators may on the instruction of the Chairman of the Council of Ministers of Foreign Affairs represent the Organization in its external contacts, in accordance with the Rules of Procedure of the Council of National Coordinators.

Article 10

Regional Counter-Terrorist Structure

The Regional Counter-terrorist Structure established by the member States of the Shanghai Convention to combat terrorism, separatism and extremism of 15 June, 2001, located in Bishkek, the Kyrgyz Republic, shall be a standing SCO body.

Its main objectives and functions, principles of its constitution and financing, as well as its rules of procedure shall be governed by a separate international treaty concluded by the member States, and other necessary instruments adopted by them.

Article 11

Secretariat

Secretariat shall be a standing SCO administrative body. It shall provide organizational and technical support to the activities carried out in the framework of SCO and prepare proposals on the annual budget of the Organization.

The Secretariat shall be headed by the Executive Secretary to be appointed by the Council of Heads of State on nomination by the Council of Ministers of Foreign Affairs.

The Executive Secretary shall be appointed from among the nationals of member States on a rotational basis in the Russian alphabetic order of the member States' names for a period of three years without a right to be reappointed for another period.

The Executive Secretary deputies shall be appointed by the Council of Ministers of Foreign Affairs on nomination by the Council of National Coordinators. They cannot be representatives of the State from which the Executive Secretary has been appointed.

The Secretariat officials shall be recruited from among nationals of the member States on a quota basis.

The Executive Secretary, his deputies and other Secretariat officials in fulfilling their official duties should not request or receive instructions from any member State and/or government, organization or physical persons. They should refrain from any actions that might affect their status as international officials reporting to SCO only.

The member States shall undertake to respect the international character of the duties of the Executive Secretary, his deputies and Secretariat staff and not to exert any influence upon them as they perform their official functions.

The SCO Secretariat shall be located at Beijing (the People's Republic of China).

Article 12

Financing

SCO shall have its own budget drawn up and executed in accordance with a special agreement between member States. This agreement shall also determine the amount of contributions paid annually by member States to the budget of the Organization on the basis of a cost-sharing principle.

Budgetary resources shall be used to finance standing SCO bodies in accordance with the above agreement. The member States shall cover themselves the expenses related to the participation of their representatives and experts in the activities of the Organization.

Article 13

Membership

The SCO membership shall be open for other States in the region that undertake to respect the objectives and principles of this Charter and to comply with the provisions of other international treaties and instruments adopted in the framework of SCO.

The admission of new members to SCO shall be decided upon by the Council of Heads of State on the basis of a representation made by the Council of Ministers of Foreign Affairs in response to an official request from the State concerned addressed to the acting Chairman of the Council of Ministers of Foreign Affairs.

SCO membership of a member State violating the provisions of this Charter and/or systematically failing to meet its obligations under international treaties and instruments, concluded in the framework of SCO, may be suspended by a decision of the Council of Heads of State adopted on the basis of a representation made by the Council of Ministers of Foreign Affairs. If this State goes on violating its obligations, the Council of Heads of State may take a decision to expel it from SCO as of the date fixed by the Council itself.

Any member State shall be entitled to withdraw from SCO by transmitting to the Depositary an official notification of its withdrawal from this Charter no later than twelve months before the date of withdrawal. The obligations arising from participation in this Charter and other instruments adopted within the framework of SCO shall be binding for the corresponding States until they are completely fulfilled.

Article 14

Relationship with Other States and International Organizations

SCO may interact and maintain dialogue, in particular in certain areas of cooperation, with other States and international organizations.

SCO may grant to the State or international organization concerned the status of a dialogue partner or observer. The rules and procedures for granting such a status shall be established by a special agreement of member States.

This Charter shall not affect the rights and obligations of the member States under other international treaties in which they participate.

Article 15

Legal Capacity

As a subject of international law, SCO shall have international legal capacity. It shall have such a legal capacity in the territory of each member State, which is required to achieve its goals and objectives.

SCO shall enjoy the rights of a legal person and may in particular:

- conclude treaties;
- acquire movable and immovable property and dispose of it;
- appear in court as litigant;
- open accounts and have monetary transactions made.

Article 16

Decisions-Taking Procedure

The SCO bodies shall take decisions by agreement without vote and their decisions shall be considered adopted if no member State has raised objections during the vote (consensus), except for the decisions on suspension of membership or expulsion from the Organization that shall be taken by “consensus minus one vote of the member State concerned”.

Any member State may expose its opinion on particular aspects and/or concrete issues of the decisions taken which shall not be an obstacle to taking the decision as a whole. This opinion shall be placed on record.

Should one or several member States be not interested in implementing particular cooperation projects of interest to other member States, non-participation of the abovesaid member States in these projects shall not prevent the implementation of such cooperation projects by the member States concerned and, at the same time, shall not prevent the said member States from joining such projects at a later stage.

Article 17

Implementation of Decisions

The decisions taken by the SCO bodies shall be implemented by the member States in accordance with the procedures set out in their national legislation.

Control of the compliance with obligations of the member States to implement this Charter, other agreements and decisions adopted within SCO shall be exercised by the SCO bodies within their competence.

Article 18

Permanent Representatives

In accordance with their domestic rules and procedures, the member States shall appoint their permanent representatives to the SCO Secretariat, which will be members of the diplomatic staff of the embassies of the member States in Beijing.

Article 19

Privileges and Immunities

SCO and its officials shall enjoy in the territories of all member States the privileges and immunities which are necessary for fulfilling functions and achieving goals of the Organization.

The volume of privileges and immunities of SCO and its officials shall be determined by a separate international treaty.

Article 20

Languages

The official and working languages of SCO shall be Russian and Chinese.

Article 21

Duration and Entry into Force

This Charter shall be of indefinite duration.

This Charter shall be subject to ratification by signatory States and shall enter into force on the thirtieth day following the date of the deposit of the fourth instrument of ratification.

For a State which signed this Charter and ratified it thereafter it shall enter into force on the date of the deposit of its instrument of ratification with the Depositary.

Upon its entering into force this Charter shall be open for accession by any State.

For each acceding State this Charter shall enter into force on the thirtieth day following the date of receiving by the Depositary of appropriate instruments of accession.

Article 22

Settlement of Disputes

In case of disputes or controversies arising out of interpretation or application of this Charter member States shall settle them through consultations and negotiations.

Article 23

Amendments and Additions

By mutual agreement of member States this Charter can be amended and supplemented. Decisions by the Council of Heads of State concerning amendments and additions shall be formalized by separate protocols which shall be its integral part and enter into force in accordance with the procedure provided for by Article 21 of this Charter.

Article 24

Reservations

No reservations can be made to this Charter which contradict the principles, goals and objectives of the Organization and could prevent any SCO body from performing its functions. If at least two thirds of member States have objections the reservations must be considered as contradicting the principles, goals and objectives of the Organization or preventing any body from performing its functions and being null and void.

Article 25**Depositary**

The People's Republic of China shall be the Depositary of this Charter.

Article 26**Registration**

Pursuant to Article 102 of the Charter of the United Nations, this Charter is subject to registration with the Secretariat of the United Nations.

Done at Saint-Petersburg the seventh day of June 2002 in a single original in the Chinese and Russian languages, both texts being equally authoritative.

The original copy of this Charter shall be deposited with the Depositary who will circulate its certified copies to all signatory States.

Source: <http://www.sectsco.org/EN/show.asp?id=69>

Annex B

SCO SECRETARIAT

The Secretariat is the main permanent executive body of the SCO and fulfills the following duties:

1. Coordinates and provides informational, analytical, legal, organisational and technical support of the activity of the Organisation, in conjunction with the SCO RCTS formulates proposals concerning the development of cooperation in the SCO framework and external ties of the Organisation, oversees the fulfillment of decisions adopted by the SCO bodies.

2. In interaction with Permanent Representatives composes draft documents based on proposals of the member states and with the consent of the Council of National Coordinators circulates them among the member states for further consideration by the SCO institutions, including draft agendas of forthcoming meetings and/or sessions of the SCO institutions, as well as necessary materials; agrees dates and venues of meetings and/or sessions of the SCO institutions.

Materials and documents mentioned in the given paragraph are forwarded to the member states not later than 20 days before the start of meetings and/or sessions of the SCO institutions, if no other date is specified.

3. In interaction with the Council of National Coordinators arranges consultations of experts of the member states on draft documents submitted to meetings and/or sessions of the SCO institutions for their consideration.

4. Provides organisational and technical support of meetings and/or sessions of the SCO institutions in accordance with the relevant regulations and in interaction with the state hosting such meeting.

5. Carries out the duty of a depositary of documents adopted in the SCO framework, certifies and forwards to the member states certified copies of such documents, as well as to the SCO RCTS (if the latter concerns it).

Certified copies of documents adopted in the SCO framework are handed out to Permanent Representatives within 7 days after the Secretariat has received original documents.

6. Prepares and publishes Secretariat information catalogues, manages the website of the Secretariat and coordinates its contents with that of the website of the SCO RCTS and the SCO Regional Economic Cooperation website.

Holds regular briefings for representatives of print and internet media.

7. Carries out preliminary legal and financial assessment of draft treaties and regulations drawn up in the SCO framework.

8. In conjunction with the SCO RCTS composes a general plan of the Organisation's activities for the following six months.

9. Has the right to request the member states to provide reference books and other open materials for working needs of the SCO institutions.

10. Ensures protocol support of the Secretary-General's activity.

11. In interaction with the SCO RCTS conducts contacts with states and international organisations with regard to issues of the Organisation's activity, and with the consent of the member states concludes respective documents to that end.

12. With the consent of the Council of National Coordinators and in interaction with the SCO RCTS coordinates the Organisation's cooperation with observers and dialogue partners in line with the legal documents of the SCO.

13. Interacts with non-governmental structures in the SCO framework in accordance with the legal documents regulating their activity and the Secretariat Regulations.

14. With the consent of the member states and within budgetary limits recruits experts on the basis of single term contract for conducting a research activity on issues of specific concern to the SCO, as well as organises workshops and conferences.

15. Arranges and coordinates the activity of the SCO Observer Mission in accordance with the Regulations on SCO Observer Mission in presidential and/or parliamentary elections, as well as referendums.

Source: http://www.scosummit2012.org/english/2012-04/28/c_131558661.htm

Annex C

THE BUSINESS COUNCIL OF THE SHANGHAI COOPERATION ORGANISATION

The Council was created in accordance with the decision of the SCO Heads of State Council. It is a non-governmental body which brings together the most influential members of the business communities of the six countries with the aim of boosting economic cooperation in the framework of the Organisation, establishing direct links and dialogue among business and financial circles of the SCO member states, assisting practical promotion of multilateral projects determined in 2003 by the heads of government in the Programme of Trade and Economic Cooperation.

Annual Session is the highest body of the Business Council which sets priorities and formulates main targets for its activity, decides on important issues concerning links with business associations from other states.

The SCO Business Council is an independent institution capable of taking advisory decisions and giving expert assessments on the involvement of members of the business communities of the SCO member states in trade, economic and investment interaction in the framework of the Organisation.

Another important feature of the Business Council is that alongside the priority areas of multilateral cooperation such as energy, transportation, telecommunications, credit and banking the Council pays special attention to interaction of the SCO member states in education, science, new technology, healthcare and agriculture. It means that the newly created body takes responsibility for both economic and social aspects of the interaction, and regards the latter a no less important part of economic development.

Proceeding from the dynamism and interest of the business communities the BC closely cooperates with economic ministries and departments of the Government and in no way duplicates their work.

Harmonisation of national legislations in economic field is an essential part of the activity of the Business Council. In this regard the BC intends

to prepare necessary recommendations and even proposals concerning consideration of draft laws. This work meets the approaches expressed at the first meeting of speakers of parliament of the SCO member states in Moscow on 30 May 2006.

During Shanghai summit in June 2006 the heads of state underlined the significance of founding the Business Council for further development of the SCO and were confident that it would become an effective mechanism for the promotion of business partnership in the SCO region.

Expectations are that the Business Council will be doing a fairly effective job meant to have a pivotal effect on the activity of the Shanghai Cooperation Organisation as a whole.

Working meetings of the heads of the national branches of the SCO Business Council were held on 22 September 2006 in Irkutsk and on 6 December 2006 in Moscow. The parties discussed proposals concerning joint projects that could be carried out under the auspices of the Business Council. The meetings resulted in a decision to set up special working groups in charge of cooperation in healthcare and education as well as interaction in creating SCO Energy Club.

Currently the special working group on healthcare is conducting selection of projects aimed to set up a structure in the SCO framework similar to the World Health Organisation (the working title is “SCO WHO”) which would work in the interest of improving medical services in the SCO member states, developing disease-prevention capabilities, satisfying the needs of population in high-tech medical treatments.

The Business Council puts special emphasis on the following projects aimed at providing help to population – through compulsory and voluntary medical insurance, elimination of the consequences of emergency situations (envisaging creation of a Joint Centre for Catastrophe Medicine), prevention of the spread of infectious diseases on the territory of the SCO member states (bird flu, SARS, tuberculosis), launch of a special high-tech project “Telemedicine” for population of remote and outlying regions of the member states, creation of a system of doctor’s assistant and obstetrician aid posts, recreational facilities and spa resorts on the territory of SCO member states, primarily in Russia, Kazakhstan, China and Kyrgyzstan.

The special working group on education is considering the formation of a coordinating centre on the basis of existing national universities which will assist the efforts of higher education institutions in every SCO member state to open training and refresher courses for specialists in various economic sectors. Discussion is underway on the prospects for creation of SCO University using the facilities of Moscow State University, Moscow State Institute of International Relations, new regional universities such as Siberian Federal University as well as involving specialists from other SCO member states. The development of cooperation in this field will promote mutual understanding, social and cultural interaction, further modernisation of science and education in the SCO member states.

The SCO Business Council attaches special importance to its active participation in the work on creation of SCO Energy Club, since many chief executives of Russian fuel and energy companies are members of the Russian branch of the SCO BC.

The SCO BC views its role in establishing interaction between governmental departments and business communities mainly for creation of a discussion platform in the framework of SCO Energy Club that would conduct regular practical deliberations on the Organisation's energy strategy, opportunities for implementation of joint projects in prospecting, production, processing, transportation and transit of energy resources.

At the same time the Russian branch of the SCO Business Council is discussing the prospects for creating several research institutions under the auspices of SCO BC and its regional offices, and started the drafting of an agreement on potential cooperation between the SCO Business Council and SCO Interbank Consortium.

The Business Council of the Shanghai Cooperation Organisation was founded on 14 June 2006 in Shanghai. The founding session of the Business Council was attended by representatives of the Council's national branches from 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. During the session the parties signed the documents which regulate activities of the Council and its permanent body – the SCO BC Secretariat based in Moscow.

Source: http://www.scosummit2012.org/english/2012-04/28/c_131558680.htm

Annex D

THE EXECUTIVE COMMITTEE OF THE REGIONAL COUNTER-TERRORISM STRUCTURE

The Executive Committee of the Regional Counter-Terrorism Structure (RCTS) of the Shanghai Cooperation Organisation (SCO) is the permanent body of the SCO RCTS based in Tashkent, the capital of Uzbekistan. Its main tasks and duties are as follows:

1. Maintaining working relations with competent institutions of the member states and international organisations tackling issues of fighting terrorism, separatism and extremism;
2. Assistance in interaction among the member states in preparation and staging of counterterrorism exercises at the request of concerned member states, preparation and conduct of search operations and other activities in the field of fighting terrorism, separatism and extremism;
3. Joint drafting of international legal documents concerning the fight against terrorism, separatism and extremism;
4. Gathering and analysis of information coming to the RCTS from the member states, formation and filling of RCTS data bank;
5. Joint formation of a system of effective response to global challenges and threats;
6. Preparation and holding of scientific conferences and workshops, assistance in sharing experience in the field of fighting terrorism, separatism and extremism.

Director is the chief administrative officer of the RCTS Executive Committee. The nominee, a citizen of an SCO member state, is appointed by the Council of Heads of State upon the recommendation of the RCTS Council for a period of three years.

The Regional Counter-Terrorism Structure operates in accordance with the SCO Charter, the Shanghai Convention on Combating Terrorism, Separatism and Extremism, the Agreement among the SCO member states on the Regional Anti-Terrorism Structure, as well as documents and decisions adopted in the SCO framework.

Source: http://www.scosummit2012.org/english/2012-04/28/c_131558669.htm

Annex E

THE INTERBANK CONSORTIUM OF THE SHANGHAI COOPERATION ORGANISATION

On 26 October 2005 the SCO Heads of Government (Prime Ministers) Council officially announced the creation of SCO Interbank Consortium and signed the Agreement on the IBC.

The members of the IBC are as follows: the Development Bank of Kazakhstan, the State Development Bank of China, the Bank for Development and Foreign Economic Affairs (Vnesheconombank) of Russia, the National Bank of Tajikistan and the National Bank for Foreign Economic Activity of Uzbekistan.

During the second SCO IBC Council meeting on 14 June 2006 in Shanghai the Settlement & Savings Company of Kyrgyzstan was admitted as a Consortium member.

On 15 June 2006 in Shanghai in the presence of the heads of the SCO member states the governors of the member banks signed the Action Plan in support of regional economic cooperation which reflects the strategy for IBC activities in the immediate future.

At Shanghai summit of 2006 initial agreements were signed on credit granting and funding for joint investment projects to the tune of 742 million dollars.

On 16 August 2007 at Bishkek summit the Agreement on interaction between the SCO IBC and SCO Business Council was signed.

The regular SCO IBC Council meeting on 15 August 2007 in Bishkek approved the Regulations on interaction among the SCO IBC member banks in project selection, assessment and implementation.

The Governor of the State Development Bank of China Chen Yuan and the President of the State Corporation “Bank for Development and Foreign Economic Affairs” of Russia V. Dmitriev were the chairmen of the SCO IBC Council of the 1st and 2nd convocations in 2005-2006 and in 2006-2007 respectively.

The SCO IBC Council is currently headed by the President of the Governing Board of the Development Bank of Kazakhstan M. Sagindykov.

Source: http://www.scosummit2012.org/english/2012-04/28/c_131558682.htm

Annex F

Regulations on the Status of Dialogue Partner of the Shanghai Cooperation Organisation

The present Regulations on the status of dialogue partner of the Shanghai Cooperation Organisation (hereinafter referred to as the SCO or the Organisation) in accordance with Article 14 of the SCO Charter of 7 June 2002 (hereinafter referred to as the Charter) determine the legal status of dialogue partner (hereinafter referred to as the Partner), as well as the order and procedure of its granting to an interested state or an international intergovernmental organisation (hereinafter referred to as a state or an organisation).

I. General provisions

1.1. The status of Partner is granted to a state or an organisation who shares the goals and principles of the SCO and wishes to establish relations of equal mutually beneficial partnership with the Organisation.

1.2. The status of Partner is granted to a state or an organisation who cooperates with the SCO in specific areas of activity envisaged by the Charter and other treaty documents in the framework of the Organisation.

II. Legal status of Partner

2.1. The procedure of granting the status.

2.1.1. A state or an organisation who wishes to obtain the status of Partner forwards a letter addressed to the SCO Secretary-General which contains a request to be granted such status and is signed by the minister of foreign affairs or the head of the executive body of an organisation.

The letter outlines areas in which a state or an organisation intends to interact with the SCO.

2.1.2. The SCO Secretary-General notifies the Council of national coordinators of the SCO member states (hereinafter referred to as the CNC) of receiving such letter. The CNC submits the issue with relative proposals to the Council of ministers of foreign affairs of the SCO member states (hereinafter referred to as the CMFA) for consideration.

2.1.3. The letter containing the request to be granted the status of Partner is considered at a CFMA meeting. If necessary, official representatives of a respective state or an organisation can be invited to attend the meeting.

2.1.4. A decision to grant the status of Partner is taken by the Council of heads of member states of the SCO (hereinafter referred to as the CHS) on the recommendation of the CFMA.

2.1.5. Granting of the status of Partner is finalised in the form of a Memorandum between the SCO and a state or an organisation on conferring the status of Partner on a state or an organisation (hereinafter referred to as the Memorandum). The Memorandum outlines areas in which a state or an organisation will interact with the SCO.

2.2. The rights of Partner.

2.2.1. The Partner is entitled to participate in:

a) Meetings of heads of ministries and/or departments of the SCO member states responsible for areas of cooperation outlined in the Memorandum;

b) Meetings of working groups, commissions of senior officials and other mechanisms set up by the SCO member states with the aim of conducting cooperation in areas being the subject of partnership;

c) Scientific and expert meetings (forums, conferences, workshops), days of culture, festivals, exhibitions, contests, sports competitions and other activities related to areas being the subject of partnership.

2.2.2. During the activities envisaged by Paragraph 2.2.1. of the present Regulations the Partner is entitled to make statements on issues being the subject of partnership, to receive documents and materials circulated among participants of the activities (provided these documents and materials are not for limited circulation), to circulate their materials and documents with the consent of the SCO member states.

2.2.3. At the Partner's request and with the consent of the member states of the Organisation the text of a statement of its official representative or documents envisaged by Paragraph 2.2.2. of the present Regulations can be posted on the website of the SCO Secretariat, the SCO Regional Economic Cooperation website and/or the website of the Regional Antiterrorist Structure of the SCO (hereinafter referred to as the RATS) together with other materials of a relevant activity.

2.3. The order of interaction with the Partner.

2.3.1. Upon mutual agreement of the SCO member states and the Partner(s) meetings can be held in the format "SCO member states + Partner(s)" at the level of ministers or plenipotentiary representatives.

Upon completion of meetings a Protocol is adopted which is signed by relevant representatives of the SCO member states and the Partner(s).

2.3.2. The SCO Secretariat and/or the Executive Committee of the SCO RATS sends the Partner on a regular basis copies of open documents of the activities mentioned in Paragraph 2.2.1. of the present Regulations. A relevant decision takes effect on the day of its signing.

The Partner has a right to request the SCO Secretariat to be given documents and decisions of the SCO bodies mentioned in Article 4 of the Charter, provided they are not for limited circulation.

2.3.3. The status of Partner does not give the right to participate in preparation and signing of documents of the Organisation. The Partner does not participate in formulation of decisions of the SCO bodies and does not bear responsibility for such decisions. During the activities envisaged by Paragraph 2.2.1. of the present Regulations the Partner is entitled to an advisory vote on issues of cooperation enlisted in the Memorandum.

2.3.4. The Partner can maintain regular contacts with the SCO Secretariat and/or the Executive Committee of the SCO RATS through official correspondence.

III. Financial issues

3.1. The Partner bears all expenses with regard to its participation in activities in the SCO framework.

3.2. Issues of financial involvement of the Partner in staging exhibitions, days of culture, festivals, contests, sports competitions and other activities of this kind are regulated by the Memorandum.

3.3. Expenses related to conducting an expert assessment of joint multilateral projects in the SCO framework with the Partner's involvement as well as for other purposes agreed by the parties are covered in accordance with the Memorandum.

3.4. Allocation for partnership purposes of the funds of non-governmental institutions operating in the SCO framework is conducted in accordance with basic documents of such institutions.

3.5. Financial involvement of the Partner in the implementation of joint economic projects in the SCO framework is regulated by respective documents which are concluded separately in each particular case.

IV. Termination of the status of Partner

4.1. A state or an organisation who intends to abandon the status of Partner forwards respective notification to the SCO Secretary-General. The status of Partner becomes invalid on the day of receiving the mentioned notification by the SCO Secretary-General.

4.2. If a state or an organisation with the status of Partner commits actions targeted against the Organisation as well as contradicting decisions of the SCO bodies or the principles set out in the Charter, such a state or an organisation can be stripped of its status of Partner in accordance with the decision of the CHS, the Memorandum can be terminated by the SCO unilaterally.

The SCO Secretary-General notifies a state or an organisation of a relevant decision.

V. Final provisions

5.1. The present Regulations take effect on the day of their approval by the CHS.

5.2. Changes and/or additions can be made to the present Regulations in accordance with the decision of the CHS. A respective decision takes effect on the day of its signing.

Source: <http://www.sectsko.org/EN/show.asp?id=64>

Annex G

Address at the meeting of the SCO Council of Heads of State, 7 June 2012.

PRESIDENT OF RUSSIA VLADIMIR PUTIN: Mr. President, ladies and gentlemen, The Shanghai Cooperation Organisation has achieved a resounding success: it has established itself as an authoritative international organisation and has become an important player in international politics.

However, new challenges in global politics and the economy, which all of us are aware of, require that we take a deep and thoughtful approach and optimise the activities of the Shanghai Cooperation Organisation.

A shared vision of priorities and solutions is fixed in the main objectives of SCO's development strategy, which we are to adopt today. Based on the results of this document's implementation, we will prepare an ambitious programme of SCO's future efforts.

Our key focus remains on regional security and stability. That is the main objective of the 2013-2015 SCO member states' programme for cooperation in combating terrorism, separatism and extremism and the new draft provisions on political and diplomatic measures and response mechanisms in situations that threaten peace, security and stability in the region. Both these documents are to be adopted today.

Good results have been demonstrated by the mechanism of consultations between the foreign ministries with the participation of SCO member states and observers.

The Regional Anti-Terrorist Structure remains the main platform for strengthening cooperation in the fight against new challenges and threats. There is also untapped potential in the most active involvement of observer states and dialogue partners.

"New challenges in global politics and the economy require that we take a deep and thoughtful approach and optimise the activities of the Shanghai Cooperation Organisation."

We have drafted and approved the Regulations and the Standard Protocol of Intent. However, competent observer authorities have not joined in the efforts of the Regional Anti-Terrorist Structure. I think that the crucial challenges facing this structure require that we accelerate our efforts and make the transition to practical cooperation with our partners.

Our defence agencies have much experience in counter-terrorism cooperation. They began by holding annual meetings, and have progressed to fieldwork, as they say in the military. The joint exercises Peace Mission are a good example of such cooperation. They will be held again in Tajikistan one week from today.

The 2011-2016 SCO Anti-Drug Strategy adopted a year ago at a summit in Astana serves as a basis for regional cooperation in combatting drugs.

Last year, at Russia's initiative, a prevention operation was held jointly with China and Kazakhstan, as a result of which over four hundred drug-related crimes were solved. The SCO Secretariat has established contacts with the International Narcotics Control Board and the UN Office on Drugs and Crime. The importance of stepping up efforts in this sphere was noted at the narrow-format meeting yesterday.

I believe that this can be achieved, including by establishing a universal centre for combating terrorism, drug trafficking and organised crime within the Shanghai Cooperation Organisation. We already have an agency for combatting terrorism, which I have already mentioned: it is RATS. That agency could be made universal and given additional functions of coordinating the fight against drugs.

The prevention of terrorism and extremism is an equally important task, and public institutions, the media, religious groups, nongovernmental organisations, education, science and business must all become involved in the effort. We need an inter-faith dialogue, and in the context of the Shanghai Cooperation Organisation, a dialogue between civilisations. This is stated in the main provisions of the SCO Development Strategy and the final Declaration, which we will sign today. Since we have reached a consensus on this issue, we could instruct our Foreign Ministries to work out the principles of launching such a dialogue and its format.

Our priorities include stepping up economic cooperation. The SCO's focus is promoting large-scale joint projects; therefore it is vital to accelerate the preparation of a clear and comprehensive list of activities for expanding SCO projects.

"The Regional Anti-Terrorist Structure remains the main platform for strengthening cooperation in the fight against new challenges and threats. There is also untapped potential in the most active involvement of observer states and dialogue partners."

The SCO Business Council makes a significant contribution to the development of economic cooperation. It has been headed for six years by a Russian national, Mr. Mezentsev, whose candidacy we would like to propose for the post of SCO Secretary-General. I am certain that he will continue to pay close attention to continued improvement of the SCO's economic dimension.

The Business Council has submitted an interesting proposal on the establishment of transport and logistics systems, in particular in Russia's Chelyabinsk Region, as well as a network of technoparks in the regions of Russia and Kyrgyzstan. There are other promising proposals.

We have high hopes for the activities of the inter-bank association. Recently, an agreement was signed by SCO members' banks on cooperation in the implementation of environmental protection and energy conservation projects. Another crucial document will be signed today: the agreement between the inter-bank association members on providing services to and promoting the development of the economy's real sector.

Cooperation in the humanitarian sphere has been developing dynamically as well. Important events in the fields of culture and education were held as part of the good-neighbourly relations and friendship year, and strong contacts were established between SCO states' youth organisations. I will single out China's initiative to convene the Forum of Young Leaders in August 2011 and the Russian proposal to meet in Russia's Altai Region in November for a youth forum on entrepreneurship and cross-border cooperation.

The SCO Network University has been developing successfully, as my colleagues have already mentioned here today. The administration of this institution will be based in Moscow, and 65 leading universities of SCO member states are already involved in the project.

We have always advocated closer cooperation between the SCO and Afghanistan. The organisation has already made a considerable contribution to addressing the Afghan problem. President of Afghanistan Hamid Karzai has been taking part in our annual summits since 2004.

The International Conference on Afghanistan was held in Moscow in March 2009 under the SCO aegis. Consultations at the level of deputy foreign ministers focused on the Afghan problem take place on a regular basis, twice a year. Today, we will discuss the issue of granting SCO observer status to Afghanistan. We hope that this will allow our Afghan friends to make an even greater contribution to the development of regional cooperation.

“Our priorities include stepping up economic cooperation. The SCO’s focus is promoting large-scale joint projects; therefore it is vital to accelerate the preparation of a clear and comprehensive list of activities for expanding SCO projects.”

SCO is an open organisation, which advocates expanding cooperation with multilateral bodies and states. We welcome everyone who seeks to cooperate with the SCO, and there is no doubt we made the right decision when we granted Turkey the status of dialogue partner.

Many of you here know about the joint efforts of Russia, Kazakhstan and Belarus to establish the Eurasian Economic Union. We have created a Customs Union and Common Economic Space. Today the SCO should upgrade its contacts with regional organisations established by the former Soviet states, such as EurAsEC, the Eurasian Economic Commission and Organisation of the Collective Security Treaty Organisation (CSTO) in the security sphere.

In 2004 at the initiative of the Russian Federation, heads of SCO states addressed international organisations in the Asia-Pacific region with a proposal to form a partnership network of multilateral organisations. Much has been done in this respect: we have established fruitful cooperation with ASEAN, the CSTO and CIS, we will soon sign a memorandum with the UN Economic and Social Commission for Asia and the Pacific (ESCAP). It would be beneficial to establish relations with such an influential structure as BRICS.

We are aware that some countries in the region wish to work more closely with the SCO. I propose that we instruct our Foreign Ministries to study this issue and prepare for the next year's summit in Kyrgyzstan a decision on universal financial, legal and administrative conditions for the admission of new members. Naturally, the basic interests of the founding states must be respected, and such decisions should always be adopted by a consensus.

In conclusion, I would like to thank President of China Hu Jintao for the extensive work done by him personally and all our Chinese friends and partners during China's presidency.

The functions of the presidency in the SCO now pass to Kyrgyzstan. I wish our Kyrgyz friends every success in this demanding and responsible mission. On our part, we are ready to provide you with all necessary assistance and support.

Thank you for your attention.

Source: <http://eng.kremlin.ru/transcripts/3979>

Annex H

President Putin's address at the meeting of Russian Ambassadors and Permanent Representatives

I greet today the senior members of Russia's diplomatic service. Our first meeting took place in 2002, when we celebrated the Foreign Ministry's 200th anniversary. The decade that has passed since then has shown how useful and needed these regular and substantial discussions are. It is you and the people working under you who promote and defend our country's interests abroad on a daily basis, defend Russia's position, and help to increase its influence on the processes taking place in the world.

The diplomatic service's current priorities were set out in the Executive Order On Measures to Implement the Russian Federation Foreign Policy of May 7, this year. The fast-changing situation in international relations makes it more imperative than ever to improve the work of the Foreign Ministry and other agencies involved in this area. What is important now is to provide rapid and professional analysis of events taking place and make timely forecasts. But let me add here that it is not enough to simply be passive observers and 'follow developments', as the traditional bureaucratic parlance has it. You need to be more active in trying to influence the situation in circumstances when Russian interests are directly concerned, pre-empt developments, and be prepared for all possible turns of events, even the most unfavourable scenarios.

International relations are growing more complex in nature all the time, and this is something you sense in your day-to-day work. Sadly, international relations today cannot be said to be balanced and stable. On the contrary, they are becoming tenser and more uncertain, and, regrettably, there often seems to be less place for trust and openness.

The international community is still a long way away from building the foundations of a universal and indivisible security system. Everybody supports the idea in theory, but when it comes to putting it into practice a number of our partners want to ensure their own security first, forgetting that in today's world we are all interdependent. Most of today's threats and challenges are transnational in nature. They are all

well-known: proliferation of weapons of mass destruction, terrorism, religious extremism, drug trafficking, environmental pollution, shortages of food and fresh water.

We are forced to admit that no reliable solution for overcoming the global economic crisis has been found yet. Indeed, the prospects are looking more and more worrying. The debt problems in the Eurozone and its slide towards recession are just the tip of the iceberg as far as the global economy's unresolved structural problems go. The traditional powerhouses of global development - the USA, the EU, and Japan – are seeing their leadership erode, but the absence of new development models is putting a brake on global growth. There is increasing competition for access to resources, and this provokes abnormal fluctuations on the raw materials and energy markets. The traditional Western economic powers are being weakened by the crisis, which has exacerbated social and economic problems in the developed economies, and by the multi-vector nature of global development today. We can already see this for a fact now.

Colleagues, this is no cause for joy. We should not take delight in this turn of events, and much less feel malicious glee. On the contrary, we cannot but worry over these developments, because the consequences of these tectonic shifts in the global economy are not yet clear, nor are the inevitable shifts in the international balance of power and in global policy that will follow.

We are all the more worried when we see attempts by some actors in international relations to maintain their traditional influence, often by resorting to unilateral action that runs counter to the principles of international law. We see evidence of this in so-called 'humanitarian operations', the export of bomb and missile diplomacy, and intervention in internal conflicts.

We see how contradictory and unbalanced the reform process is in North Africa and the Middle East, and I am sure that many of you still have the tragic events in Libya before your eyes. We cannot allow a repeat of such scenarios in other countries, in Syria, for example. I believe that we must do everything possible to press the parties in this conflict into negotiating a peaceful political solution to all issues of dispute. We

must do all we can to facilitate such a dialogue. Of course this is a more complex and subtle undertaking than intervention using brute force from outside, but only this process can guarantee a lasting settlement and future stable development in the region, and in Syria's case, in the country itself.

Collective effort with the emphasis on peaceful negotiations and the search for compromise solutions should become the imperative in general in international life today. This applies to all of the world's sore points, including the Iranian and North Korean nuclear programmes, Afghanistan, and other regional and sub-regional problems.

Over the upcoming years, Russia will host summits of some of the world's biggest multilateral organisations and forums, such as APEC, the G20 and G8, the Shanghai Cooperation Organisation, and BRICS. Russia's presidency of these groups and forums will give us not only the chance to boost Russia's influence on the international stage, but also to be more energetic in promoting the indisputable priority of political and diplomatic means of resolving the various serious problems in the world.

We continue to stand firm by the principles of the United Nations Charter as the foundations of the modern world order, and will do all we can to ensure that everyone respects the principle whereby in cases where outside intervention is necessary, only the UN Security Council has the power to make such decisions. Adding unilateral sanctions to such decisions is counterproductive in effect.

Colleagues,

Russia's foreign policy has always been independent and it will remain so. We follow a consistent policy based on continuity and the unique role our country plays in world affairs and in global civilisation's development, a role that has taken shape over the course of centuries. Russia's policy has nothing in common with isolationism or confrontation and is based on integration in global processes. Russia must have a dynamic, constructive, pragmatic and flexible range of diplomatic instruments at its disposal, in particular as concerns promoting our country's economic interests, which is a particularly important and far from easy task.

We are forced to admit that we often lose out here to many of our foreign partners, who know how to lobby their business interests in more competent and resolute fashion.

We have been talking about the importance of economic diplomacy since the start of the 2000s. It was something we discussed at our first meeting, but little change has been achieved since then. Of course there have been steps in the right direction – I can see them myself – but there has not been any radical change yet.

Russian business continues to run up against unjustified restrictions on foreign markets. This is particularly noticeable now, when metastases from the crisis have spread throughout the global economy and protectionism is becoming the norm. I had the pleasure and honour just recently of discussing this issue directly with my G20 colleagues. There is a lot of discussion on the issue, but unfortunately we have yet to see any effective instruments for fighting protectionism. We are to take a more vigorous stand. Russian business needs our persistent diplomatic support. Of course, business itself should keep the Foreign Ministry and its offices, including our diplomatic missions abroad, informed of its plans, and our diplomatic missions should be more active in helping our companies in operating in foreign markets and in carrying out promising economic initiatives. All cases of discrimination against Russian goods, services and investment should meet with a suitable response. We must not allow unfair competition, and in any case, should be energetic in fighting and responding to such practices.

We should not be shy about promoting our defence industry's goods abroad. Our partners such as the USA, France, Israel, and others have long since made such activity part of their state policy and pursue it very effectively and energetically.

It is important to make use of the opportunities opened up by Russia's accession to the World Trade Organisation. We realise that there are risks involved, but there are advantages too, and we must make good use of the new opportunities before us.

Let me stress again that deepening the integration process in the CIS is the core of our foreign policy and is our strategic objective. It is Russia, Kazakhstan, and Belarus, of course, who together form the driving force

of this integration, having already formed the Customs Union and now starting to work together within the common economic space. We will continue to move towards establishing the Eurasian Economic Union, which will take us to a deeper stage of integration and give us a common market of 165-170 million consumers, common economic legislation, and free flow of capital, services, and labour.

We regret greatly that fraternal Ukraine has not joined us in this process. The most independent and objective expert analyses show that Ukraine would indisputably stand to benefit from joining this group, as indeed would the whole integration process. It would be advantageous for all in economic and social terms, for Ukraine itself, and for the entire group.

As I just said, the grouping of Russia, Kazakhstan and Belarus gives us a common market of around 170 million consumers, but adding Ukraine would take us to 210-220 million consumers. The synergy effect would be tremendous. But we fully realise of course that matters such as integration and joining integration organisations are the sovereign choice of Ukraine's people and Ukraine's state headed by the current leadership. We will respect these choices and will look for all possible forms of cooperation, try to find the best and most suitable means of working together so to keep our cooperation from fading and ensure its active development.

Russia will continue to strengthen its positions in the Asia-Pacific region. The global crisis has affected this region too of course, but overall, it continues to build up its economic power, has kept up its growth rate for the most part, and is becoming a new centre of global development. I believe that our participation in the integration processes underway in this region will boost socioeconomic growth in Siberia and the Russian Far East.

Strategic and practical cooperation with China is a major priority. We will continue to pay particular attention to deepening all forms of cooperation with our Chinese partners, including coordination of our efforts on the international agenda. The same applies to the other fast-growing Asian countries that are rapidly acquiring political weight, and above all, of course, to India, our longstanding partner and friend.

We will continue our policy of expanding our cooperation with Latin America and Africa. These directions in our foreign policy were still not getting enough attention a few years ago.

Of course we will work in all areas to develop our traditional ties with Europe. I remind you that more than a quarter of our foreign trade is with Germany, Italy, France, and the Netherlands. The EU-Russia summit in June reaffirmed the priority nature of our strategic dialogue. Incidentally, through additional contributions to the IMF, Russia is taking part in providing financial aid to the Eurozone economies currently in crisis. But at the same time, we think that our cooperation with the EU does not measure up to its full political and economic potential.

As I have said before, Russia and the EU could set far more ambitious goals than those we have today. We could build a common market from the Atlantic to the Pacific, a market worth trillions of euros. Let me stress that life itself, especially in today's turbulent global economy, demands that we move in this direction.

There are also more down to earth tasks that we must resolve in order to achieve greater rapprochement. In particular, we are to simplify the visa regime and ultimately abolish visas altogether. Russia is ready now to take this step, and in our meetings with EU businesspeople we hear more and more often from our colleagues that European business would also like to settle this matter and the sooner the better.

I had a substantive discussion with President of the United States Barack Obama in Los Cabos recently. We reiterated our desire to build on the progress we have made over recent years and develop a constructive, predictable, and mutually advantageous bilateral cooperation model. As the world's biggest nuclear powers, Russia and the USA play a vital part in resolving many global and regional problems, and at a time when international relations are so complex, on-going and trusting dialogue between our two countries becomes even more important.

The USA, as we all know, is in the middle of an election campaign, and it is very tempting at such times to notch up some points by making hardline statements and playing on old ideological stereotypes and phobias that it is high time we abandoned. We see what is going on. We do not dramatize the situation, but we are aware of it. It is long since time to

give up such practices as a means of settling domestic political problems if all they do is worsen the international situation or harm international relations.

We cannot but feel concerned when we see attempts to replace the anti-Soviet Jackson-Vanik amendment with an anti-Russian law, or upset the strategic balance by building a missile defence system. We have voiced these concerns on many occasions and at various forums.

Colleagues, our diplomats are well versed in the traditional and familiar methods of international relations, if not masters in this field, but as far as using new methods goes, 'soft power' methods, for example, there is still much to reflect on.

Let me remind you that 'soft power' is all about promoting one's interests and policies through persuasion and creating a positive perception of one's country, based not just on its material achievements but also its spiritual and intellectual heritage. Russia's image abroad is formed not by us and as a result it is often distorted and does not reflect the real situation in our country or Russia's contribution to global civilisation, science and culture. Our country's policies often suffer from a one-sided portrayal these days. Those who fire guns and launch air strikes here or there are the good guys, while those who warn of the need for restraint and dialogue are for some reason at fault. But our fault lies in our failure to adequately explain our position. This is where we have gone wrong.

We have not made full use of the Russian language and the opportunities it offers as an official UN language and a language used in many countries. I know that the Foreign Ministry, the Federal Agency for the CIS Affairs, Compatriots Living Abroad, and International Humanitarian Cooperation, and the Russian Geographical Society have plans in this respect, and I ask you to be more active in carrying out these plans and ideas.

Let me stress the point that Russia's embassies and consulates must be ready round the clock to protect the rights and interests of our citizens and compatriots abroad. You must respond to people's needs immediately, providing all necessary help and support. Respect for a country is determined in large part by the way it looks after its citizens, who for whatever reason have found themselves in unexpected or difficult cir-

cumstances in a foreign land. The role played by our compatriots permanently living abroad should also be rethought. Many of them want to be of use to their historic homeland, want to support Russia, but our diplomatic missions sometimes, to put it cautiously, underestimate this desire and the possibilities it offers. I think we also should take another look at making it easier for former Soviet citizens and the direct descendants of people born in the Soviet Union or even the Russian Empire to obtain Russian citizenship.

Colleagues, we place demands on our diplomats, but we are also looking after your financial welfare. As you know, I have instructed the Government to draft a policy document for strengthening the Foreign Ministry's financial and human resources. This document will be approved. I have also signed an executive order on instituting a flag for the Foreign Ministry. A number of particularly outstanding diplomats have been awarded state decorations, and I offer these colleagues my sincere congratulations.

Source: http://www.bsr-russia.com/en/politics/item/2355-president-putins-address-at-the-meeting-of-russian-ambassadors-and-permanent-representatives.html?goback=.gde_4037394_member_134647049

Annex I

SCO MAIN DEVELOPMENTS 2007 – 2011

On 08 January 2007, the SCO Secretary-General Bolat Nurgaliev was received by the Assistant Foreign Minister of the PRC, China's National Coordinator for SCO affairs Li Hui. Officials from the Department of Eastern Europe and Central Asia of China's MFA and Secretariat officers participated in the meeting. In the course of the talks the parties exchanged opinions on various directions of further activity of the SCO, including preparations for this year's summit due to be held in Bishkek.

On 19 January 2007, the SCO Secretary-General Bolat Nurgaliev met with representatives of the Asia Development Bank and other organisations involved in the Central Asia Regional Economic Cooperation Programme.

In the course of the meeting the parties exchanged opinions on issues of regional economic cooperation in Central Asia and interaction among organisations operating in the region.

On 22 January 2007, the SCO Secretariat held a solemn ceremony and a reception on the occasion of Bolat Nurgaliev's assuming the duties of Shanghai Cooperation Organisation Secretary-General.

The Foreign Minister of the PRC Li Zhaoxing, the National Coordinators of SCO member states, the Director of SCO RATS Executive Committee Myrzakan Subanov, heads of ministries and departments of the host country, as well as representatives of foreign diplomatic missions in Beijing attended.

The head of China's Ministry of Foreign Affairs Li Zhaoxing, the first SCO Secretary-General Zhang Deguang, the Director of SCO RATS Executive Committee Myrzakan Subanov, the SCO Secretary-General Bolat Nurgaliev and the National Coordinators of SCO member states delivered speeches during the ceremony.

January 22-25 2007, a regular meeting of the Council of National Coordinators of SCO member states was held at the Secretariat.

The Council adopted decisions concerning preparations for annual conferences of the governing bodies of the Shanghai Cooperation Organisation and further development of cooperation in political, economic and cultural areas.

On 29 January 2007, the SCO Secretary-General Bolat Nurgaliev received the European Union's Special Representative for Central Asia Pierre Morel. During the talks the two sides discussed issues of implementation of the EU programmes in Central Asia, prospects of creating hydrocarbon export routes from the region, economic and financial cooperation of the SCO with other states and international organisations, including maintaining regular contacts between the permanent bodies of the SCO and the EU.

The first Secretary-General of the Shanghai Cooperation Organisation Zhang Deguang became one of the winners of the Outstanding Worker of China 2006 Contest. Results were announced the other day in Beijing. Among the winners are 100 representatives of different professions including foreigners working in China.

February 6-7, 2007 the SCO Secretariat hosted a meeting of the expert working group on cooperation in the field of education.

The experts considered issues of implementing the Agreement among the governments of SCO member states on cooperation in the field of education signed on 15 June 2006, as well as other aspects of interaction among the member states in the field of education.

February 7-8, 2007 a regular meeting of the expert working group on cultural cooperation took place at the SCO Secretariat.

The experts considered the process of execution of the Programmes of multilateral cultural cooperation among SCO member states for 2005-06 and 2006-07. The parties noted a coherent fruitful activity of the member states on the execution of the Programmes.

The group also discussed preparations to the upcoming meeting of the Council of Culture Ministers of SCO member states and the third SCO Arts Festival.

On 08 February 2007, the SCO Secretary-General Bolat Nurgaliev held a meeting at the Public Security Department of the PRC with the

Deputy Minister Meng Hongwei. The talks were focused on the issues of further development of cooperation on combating the three evil forces in the framework of the SCO Regional Antiterrorist Structure. The parties also touched on the subject of intensifying interaction among the law enforcement agencies of SCO member states in the cause of fighting illegal circulation of narcotics, arms and explosives. Common opinion was expressed over the need to deepen cooperation among the member states in the field of maintaining security and stability in the region.

On 08 February 2007, the SCO Secretary-General Bolat Nurgaliev held a meeting at the Ministry of Commerce of the PRC with the Deputy Minister Yu Guangzhou. After an exchange of opinions the parties reached common understanding over the issues of further economic development in the SCO framework. It was stated that the SCO played an important role in stimulating economic development and ensuring stability and security in the region. The parties stressed the need to make further efforts so that the economic activity in the SCO framework could reach a new level in the interests of the peoples of SCO member states.

On 09 February 2007, the SCO Secretary-General Bolat Nurgaliev held a meeting at People's Congress Hall with the Deputy Chairman of the Standing Committee of the National People's Congress of the PRC Simayi Aimati.

During the meeting the parties discussed issues of SCO development and emphasised the need to strengthen interparliamentary contacts and establish active interparliamentary interaction. It was noted that boosting interparliamentary ties could benefit the Organisation's development, ensure peace and stability in the region and promote economic cooperation among SCO member states. The parties stressed that interaction among the parliaments of the six states was an essential component of cooperation within the SCO framework. The parties take the view that the parliaments of SCO member countries should play an important role in providing legal assistance in different areas of cooperation; interparliamentary contacts may also help speed up a process of ratification of SCO documents.

On 13 February 2007, the SCO Secretary-General Bolat Nurgaliev met with the President of China Institute of International Studies, Head of SCO Research Centre Ambassador Ma Zhengang.

During the talks the parties exchanged opinions on the issues of SCO development and the role of research bodies of the member states in promoting cooperation in various fields. They agreed that in the framework of the SCO Forum scholars and political experts could make a considerable contribution to the cause of developing long-term directions of the Organisation's activity.

On 15 February 2007, the SCO Secretary-General Bolat Nurgaliev held a meeting at the Ministry of Communications of the PRC with the Deputy Minister Feng Zhenglin.

During the meeting the parties exchanged opinions on the issues of deeper interaction in the field of transportation in the SCO framework. They discussed the possibility of reaching an agreement on the creation of transportation corridors, construction of transportation facilities and further development of cooperation among the relevant ministries and departments of SCO member states.

On 01 March 2007, the SCO Secretary-General Bolat Nurgaliev met with the Head of the East Asia Regional Delegation of the International Committee of the Red Cross Denis Allistone.

In the course of the meeting the Secretary-General briefed ICRC officials on the history of SCO's development, main directions of its activity and interaction with other states and international organisations.

Denis Allistone was thankful for the opportunity to visit the SCO Secretariat and spoke of the main goals, duties and current tasks of the ICRC.

During the talks the two sides expressed their intention to maintain regular contacts between the SCO and the ICRC.

28 February - 02 March 2007 a meeting of experts from the Regional Antiterrorist Structure chaired by the Russian side took place at the SCO Secretariat. During the meeting designed to make preparations for the upcoming session of the RATS Council experts from SCO member states and representatives of the RATS Executive Committee discussed documents to be submitted to the RATS Council for consideration.

On 06 March 2007, the SCO Secretary-General Bolat Nurgaliev held talks with the Chairman of Chinese branch of the Shanghai Cooperation Organisation Business Council Zhang Yujing.

Zhang Yujing spoke of the work that had been done by the SCO Business Council since its creation in June 2006.

The parties exchanged opinions over the issues of deepening understanding and promoting cooperation among the business circles of SCO member states, agreed to stay in close contact and increase interaction, jointly contribute to the progress of trade and economic cooperation, in particular, the implementation of concrete projects within the framework of the Organisation.

13-16 March 2007 the Secretariat hosted a regular session of the Council of National Coordinators of SCO member states.

In the course of the meeting the NCs considered the ongoing preparations to various events in the SCO scheduled for 2007, including this year's summit of SCO leaders, and discussed the progress of cooperation in politics, economy and people-to-people exchange.

19-22 March 2007 Beijing hosted a second meeting of the SCO Expert Group on International Information Security, which was created in accordance with the mission set forth in the Statement of Heads of SCO Member States on International Information Security signed on 15 June 2006. Representatives of relevant ministries of SCO member countries participated in the meeting.

In a friendly and constructive atmosphere the experts considered and agreed the Draft Action Plan of SCO Member States on Ensuring International Information Security.

The Draft Action Plan is to be submitted for approval by the Heads of State Council in 2007.

27-28 March 2007 the Shanghai Cooperation Organisation Secretary-General Bolat Nurgaliev was on a visit in Tashkent, the Republic of Uzbekistan.

The Secretary-General's visit included a meeting with senior officials from the Foreign Ministry of Uzbekistan as well as participation in a ceremony of assumption by Myrzakan Subanov of the duties of Director of Executive Committee of the SCO Regional Antiterrorist Structure.

During his stay in Tashkent Bolat Nurgaliev saw the sights of the Uzbek capital including the Museum of History of Timurids. This is the first foreign visit of Bolat Nurgaliev in his capacity of SCO Secretary-General.

On 03 April 2007 SCO Deputy Secretaries-General Gao Yusheng and Vladimir Zakharov received at the Secretariat a delegation from US-Asia Institute composed of assistants to senators and members of the U.S. House of Representatives from the Republican and Democratic Parties.

During the meeting Gao Yusheng and Vladimir Zakharov briefed their guests on the history of SCO development, main areas of the Organisation's activity as well as its interaction with other states and international organisations.

The Deputy Secretaries-General also took questions from members of the delegation.

On 03 April 2007 the SCO Secretary-General Bolat Nurgaliev held talks in Berlin with the Minister of State at the Federal Foreign Office Gernot Erler. The parties discussed prospective areas of developing co-operation between the SCO and the EU in the context of the European Union's strategy for Central Asian states being prepared by the German presidency of the EU.

On the same day the German Council on Foreign Relations held a wide discussion with participation of members of German public, political, business circles and media. The SCO Secretary-General Bolat Nurgaliev, the Minister of State Gernot Erler and the Chairman of the Committee on Eastern European Economic Relations Klaus Mangold took questions from the audience.

During his stay in Berlin Bolat Nurgaliev gave an exclusive interview to the Die Welt – one of Germany's leading daily newspapers. The interview focused on main directions of the Organisation's activity and prospects for its cooperation with the EU.

On 03 April 2007 Berlin hosted an international conference "Shanghai Cooperation Organisation: EU partnership opportunities", which took place on the initiative of the German Council on Foreign Relations and the Committee on Eastern European Economic Relations.

The Shanghai Cooperation Organisation Secretary-General Bolat Nurgaliev, EU Special Representative for Central Asia Pierre Morel, experts from SCO member states, representatives of German political organisations and foundations as well as foreign diplomats accredited in Berlin took part in the conference.

The delegates held interesting discussions over the current state and future prospects of the SCO, opportunities for cooperation with international organisations including the European Union. The Secretary-General told the audience about the main stages of SCO evolution, its mechanisms and objectives, prospective directions of development. Representatives from the member states in their statements underlined that the SCO was an organisation of a new type, which rejected bloc mentality and aspiration towards development of political and military components. The basic tasks facing the Organisation are strengthening stability and security in a vast region uniting the member states, struggle against terrorism, separatism, extremism, drug trafficking, development of economic cooperation, energy partnership, scientific and cultural interaction. In this regard the SCO is quite a transparent organisation ready to establish interaction with other international structures and countries. Many delegates take the view that Central Asia is a top region for SCO's interests. In light of a special strategy for Central Asia being prepared by the German presidency of the EU there are good prospects for establishing cooperation between the Shanghai Cooperation Organisation and the European Union.

In the EU Special Representative for Central Asia Pierre Morel's opinion issues of fighting terrorism, narcotic production and narcotic trafficking may become key areas of shared concern in the activity of the two organisations. The Chairman of the Committee on Eastern European Economic Relations Klaus Mangold emphasised the great interest of German and European business communities in developing partnership with SCO countries in economic domain and energy projects. European experts put forward various ideas on possible formalisation of cooperative relations between the EU and the SCO including the EU's status as dialogue partner of the SCO. The parties noted mutual interest in holding further meetings in such format and giving them permanent character.

Upon completion of the conference the SCO Secretary-General Bolat Nurgaliev held talks with the Minister of State at the Federal Foreign Office Gernot Erler. The parties discussed prospective areas of developing cooperation between the SCO and the EU in the context of the European Union's strategy for Central Asian states being prepared by the German presidency of the EU.

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On the whole the Berlin conference allowed the German public, political and business circles to deepen their understanding of SCO activity, determine areas of shared concern and forms of interaction between the EU and the SCO. An important outcome of this dialogue is the agreement to hold it on a regular basis.

On 05 April 2007 after talks in Moscow with the SCO Secretary-General Bolat Nurgaliev the CSTO Secretary-General Nikolai Bordyuzha told journalists that the Shanghai Cooperation Organisation and the Collective Security Treaty Organisation faced great prospects for interaction in combating terrorism in Central Asia.

“We have made a good start, and there is a very interesting prospect for joint action on combating political, religious extremism and terrorist activity especially in Central Asia” said Nikolai Bordyuzha. The CSTO Secretary-General noted that during the talks he and his counterpart had discussed a range of practical issues such as joint action against challenges and threats.

Asked whether the SCO would change its external policy following the appointment of its new Secretary-General Bolat Nurgaliev explained that “my appointment does not imply any change in the Organisation's

goals and tasks because they are determined by the Heads of State Council”.

On 06 April 2007 the Minister of Foreign Affairs of the Russian Federation Sergey Lavrov met the Shanghai Cooperation Organisation Secretary-General Bolat Nurgaliev during his working visit in Moscow.

In the course of the meeting S.Lavrov and B.Nurgaliev discussed issues of further enhancement of the SCO Secretariat's activity as well as the Organisation's current affairs in particular the ongoing preparations for a Heads of State Council Meeting due this summer. The talks were held in a constructive and trustful manner.

The Shanghai Cooperation Organisation Children Paint Tales mobile exhibition opened on 11 April 2007 at the Centre for Aesthetic Upbringing “Museyon” of the Pushkin State Museum of Fine Arts in Moscow. The exhibition was organised with the support of the Russian Ministry of Foreign Affairs, the Russian Ministry of Culture, with the participation of representatives from ministries and departments of the Russian Federation as well as the embassies of SCO member and observer states.

The Museum Director Irina Antonova, the SCO Deputy Secretary-General Vladimir Zakharov, the Chairman of the Board of the Russo-Chinese Centre for Trade and Economic Cooperation Sergei Sanakoyev and the Cultural Counsellor of the Chinese Embassy in Moscow Zhou Liqing delivered speeches at the opening ceremony. The Director of the Pan Asian Issues Department of the Russian Foreign Ministry Bakhtiyor Khakimov read up a welcoming statement from the Foreign Minister of Russia Sergei Lavrov. Ambassadors, diplomatic officials from the Embassies of Kazakhstan, China, Kyrgyzstan, Tajikistan, Uzbekistan, India, Iran, Mongolia and Pakistan as well as children of the embassies' staff attended the exhibition. The opening ceremony included a show featuring fairy tales of SCO member and observer states, improvised lessons organised by teachers and artists from Moscow theatres, during which hundreds of young visitors had a chance to draw the characters from their favourite fairy tales.

In the last two years the exhibition has taken place in Beijing (May-June 2005), Astana (July 2005), Tashkent (January 2006), and in a number

of Chinese cities - Changzhi (September 2005), Shanghai (June 2006), Guangzhou (August 2006), Hangzhou (October 2006). There are plans for it to be held in Bishkek, Dushanbe, New Delhi and Teheran.

Its main aim is to cultivate friendship and respect of younger generation for other cultures, foster in children interethnic and international tolerance, promote a desire to have a deeper understanding of their national and foreign folklore.

To achieve the stated goals the organisers worked with children under the family education programme initially introduced by Russian and Chinese teachers of aesthetics.

The project, author of which is Irina Zakharova, senior researcher at the Pushkin State Museum of Fine Arts, started in autumn 2004 from lessons with family groups at the Centre for Aesthetic Upbringing and Vatagin Children's Art School in Moscow as well as in centres of aesthetic education at Beijing Pedagogical University, Dong Cheng House for Schoolchildren and five schools in Beijing.

The positive experience of Russian and Chinese pedagogues led the SCO Secretariat to consider the great prospects of this project and its likely expansion by encouraging teachers and children from other SCO member states. Following the creation of the Exhibition Organising Committee composed of the SCO Secretariat, Pushkin State Museum of Fine Arts, China Artists Association and China National Museum of Fine Arts, the SCO Executive Secretary circulated a letter among the National Coordinators of SCO member states proposing to start work on the Children Paint Tales project with the aim of holding the first in a series of exhibitions in May 2005 in Beijing.

Hard effort resulted in the involvement of around five thousand children and teachers from both the capitals and provincial cities of Kazakhstan, China (Taizhou and Shanghai) and Uzbekistan in preparations for the exhibition.

The Organising Committee selected about two thousand drawings out of the five thousand it had received. They were put on display as the first exhibition was held on the premises of China National Museum of Fine Arts and SCO Secretariat. It opened on 29 May 2005 in the presence of officials from ministries and departments of the host state, foreign

diplomats and members of art community. Within a week around 60 thousand people attended the exhibition, which included a cartoon show featuring fairy tales, special programmes for disabled children as well as children from poor families and children of migrant workers. Walking through the exhibition hall children had an opportunity to take part in improvised drawing lessons.

Local media was widely involved in covering the follow-up exhibitions that took place in other cities, art colleges and academies gave lectures and held seminars.

The total number of visitors at all the exhibitions that were held over a period of two years is put at around 200 thousand. The organisers published four catalogues, issued invitation cards, placards, posters and table calendars. They held seven press conferences and briefings, gave numerous interviews.

The following is the text of a welcoming statement from the Russian Minister of Foreign Affairs Sergei Lavrov to the participants of the SCO Children Paint Tales exhibition:

I sincerely welcome the participants of the Children Paint Tales exhibition set up in Moscow by the Pushkin State Museum of Fine Arts and the Secretariat of the Shanghai Cooperation Organisation.

This exhibition featuring more than two thousand children's drawings is a joyous and outstanding event. Through the children's creation remarkable for its ingenuousness, we begin to understand the richness and diversity of cultures and civilisations, and learn to respect their originality and uniqueness.

I am confident that your exhibition in the Russian capital will prove to be as successful as in the other SCO member states, and make a noticeable contribution to the cause of developing cultural ties among our states and our peoples.

Let me wish you all the best and new successes in your creation.

On 12 April 2007 the SCO Secretary-General Bolat Nurgaliev met with the Deputy Chairman of China Association for International Exchange of Personnel Xia Bing.

Xia Bing spoke of the work led by the Association in promoting personnel exchange between China and other countries. The parties agreed to share information and increase communication, jointly promote cooperation among the SCO member states in the areas of personnel exchange and management training.

On 13 April 2007 the SCO Secretary-General Bolat Nurgaliev held talks at the State Development Bank of China with the Governor of the Development Bank Chen Yuan.

During the meeting the parties exchanged views on further development of SCO trade and economic cooperation, in particular ways of solving the issue of financing multilateral projects. They agreed that the Organisation must effectively fulfill the Action Plan on execution of the SCO Programme of multilateral trade and economic cooperation, at the earliest possible start implementing the pilot projects in order that cooperation in the framework of the SCO could yield practical results.

On 18 April 2007 during his visit to the People's Republic of China the Prime Minister of the Islamic Republic of Pakistan Shaukat Aziz held talks with the SCO Secretary-General Bolat Nurgaliev at the government residence Diaoyutai. In the course of the meeting the parties exchanged opinions on a wide range of issues concerning the prospective areas of cooperation between the SCO and Pakistan. The Secretary-General briefed the Prime Minister on the activities of the SCO in the fields of ensuring security, struggle against terrorism and illegal circulation of narcotics. He also spoke about potential plans for development, economic ties and people-to-people exchange.

On 18 April 2007 the Foreign Minister of Hungary Kinga Góncz met with the SCO Secretary-General Bolat Nurgaliev. The Secretary-General told the Minister about the work led by the Organisation on developing economic cooperation and people-to-people exchange as well as its efforts on combating terrorism, separatism, extremism and illegal circulation of narcotics. He emphasised that the SCO conducted a policy of peace, friendship and openness; it stood ready to maintain multifaceted contacts and cooperation with the European Union member states and other international organisations in order to bring a joint contribution to the cause of peace and development in the region and in the world.

24-25 April 2007 Dushanbe hosted a regular meeting of the Council of Ministers of Culture of SCO Member States. The Minister of Culture and Information of the Republic of Kazakhstan Ermukhamet Ertysbayev, the Deputy Minister of Culture of the People's Republic of China Zhao Weisui, the Minister of Culture and Information of the Kyrgyz Republic Sultan Rayev, the Minister of Culture and Mass Media of the Russian Federation Alexander Sokolov, the Minister of Culture of the Republic of Tajikistan Myrzoshokhrukh Asrorov and the First Deputy Minister for Cultural and Sport Affairs of the Republic of Uzbekistan Bakhtyor Sayfullayev took part in the meeting. The SCO Deputy Secretary-General Anvar Nasyrov represented the Secretariat.

The Minister of Culture of the Republic of Tajikistan chaired the meeting.

On the sidelines of the Council meeting on 24 April the Prime Minister of Tajikistan Akil Akilov held talks with the heads of culture departments of SCO member states. In a welcoming address the Tajik Premier expressed gratitude for the contribution that had been made to the cause of developing cultural exchanges among the SCO member states. Akil Akilov noted that the leadership of the Republic of Tajikistan raised great hopes for the boosting of mutual cooperation in the framework of the SCO, which in recent years had become an influential international organisation.

In a friendly atmosphere and an environment of full understanding the Ministers of Culture discussed the current state and prospects for cultural cooperation among the parties as well as other issues of mutual concern.

The Ministers considered the process of fulfilling the Plans for Multilateral Cultural Cooperation of SCO Member States for 2005-06 and 2007-08. They agreed to take necessary measures aimed to ensure timely organisation of the activities provided by the Plans. The parties expressed support for further development of multilateral cultural cooperation within the Organisation and increasing cultural interaction with the SCO observer states.

The Ministers approved an agreement among the governments of SCO member states on cultural cooperation. The agreement is recom-

mended for signing at a meeting of the Heads of State Council due in August 2007 in Bishkek. The Ministers considered other issues like preparations for the third SCO Art Festival in August 2007 in Bishkek, the fourth Melodies of the East International Music Festival in Samarkand, the Pearls of the Silk Road photo exhibition. They also discussed the publishing of an album “The dialogue among civilisations – cultural insight into the SCO member states”.

The parties agreed to provide much wider coverage of cultural and public cooperation in the framework of the Organisation and decided to hold the next meeting of the Council of Ministers of Culture of SCO Member States in the first half of 2008 in Kyrgyzstan.

The Ministers were confident that holding the entire set of cultural activities would help deepen mutual understanding and promote friendly, good-neighbourly relations and beneficial cooperation among the SCO member states.

25-28 April 2007 the SCO Secretary-General Bolat Nurgaliev made an official visit to Mongolia at the invitation of the Foreign Minister Nyamaa Enkhbold.

During the visit the Secretary-General met with the Mongolian President Nambaryn Enkhbayar, Deputy Prime Minister Mendsayhany Enhsayhan, held talks with heads of various ministries and departments.

Issues of increasing interaction between Mongolia and the SCO on energy, economy, transportation and tourism dominated the talks.

The SCO Secretary-General also held a press conference for Mongolian media during which he spoke about the results of his visit.

On 10 May 2007 the National Coordinator of the Kyrgyz Republic Tolendy Makeyev gave an interview to the Kyrgyz media. The interview was focused on the issues of preparations for the upcoming summit of heads of SCO member states in Bishkek.

14-16 May 2007 the Council of National Coordinators held a regular session at the Secretariat. Preparations for the upcoming summit of SCO leaders and SCO MFA Council meeting due in Bishkek this year were on top of the agenda.

The National Coordinators discussed organisational issues as well as a package of documents to be submitted to the Heads of State and Foreign Ministers for their consideration at the mentioned meetings.

The CNC will meet next in Bishkek in July 2007.

On 25 May 2007 in Bishkek the Kyrgyz side chaired a regular (third) meeting of Secretaries of Security Councils of SCO member states. The Secretary of the Security Council of the Republic of Kazakhstan Berik Imashev, the Deputy Public Security Minister of the People's Republic of China Meng Hongwei, the Secretary of the Security Council of the Kyrgyz Republic Tokon Mamytov, the Secretary of the Security Council of the Russian Federation Igor Ivanov, the Secretary of the Security Council of the Republic of Tajikistan Amirkul Azimov and the Secretary of the National Security Council under the President of the Republic of Uzbekistan Murat Atayev participated in the meeting.

In a businesslike and constructive atmosphere the parties discussed a wide range of issues concerning the activity of the SCO. Special emphasis was laid on security cooperation in the SCO region. Concrete steps aimed at enhancing the effectiveness of interaction in the given area were outlined.

The parties exchanged opinions on the pressing issues surrounding regional and international security. The Secretaries considered the proposals with regard to measures and mechanisms of joint reaction by the SCO member states to situations threatening the peace, stability and security in the Organisation's area of responsibility.

The parties discussed the state of cooperation among the SCO member states in the fight with illegal trafficking of narcotics, psychotropic substances and their precursors.

The meeting heard a report on preparing a single list of terrorist, separatist and extremist organisations whose activities on the territory of the SCO member states are prohibited, as well as a single list of individuals wanted by the special services and law enforcement agencies of the SCO member states for committing or being suspected of committing the crimes of terrorist, separatist and extremist nature.

The parties welcomed the measures of the Kyrgyz side on organising a seventh meeting of the SCO Heads of State Council in Bishkek and expressed readiness to extend every possible assistance with the aim of providing security during the Bishkek summit.

At their third meeting the Secretaries of the Security Councils of the SCO member states unanimously reaffirmed their aspiration towards expanding the areas of joint cooperation in the framework of the Organisation and conducting their work with the aim of yielding practical results.

On 28 May 2007 the Secretariat hosted consultations on the issues of interaction among the press departments of the foreign ministries of SCO member states.

The officials in charge of the press departments discussed organisational, technical and financial aspects of forming an information coverage system for the SCO activity. They considered and recommended for further approval the Plan for information coverage of the Bishkek summit. The consultations also included the issues of holding media briefings, using internet sites and conducting interaction among the press departments of the foreign ministries of the member states with the aim of assisting preparations for important political activities.

The experts gave their advice on how to improve the contents of the SCO related websites.

28-31 May 2007 the Secretariat hosted a third meeting of experts in charge of preparations for the first conference of heads of environmental protection agencies of SCO member states.

Experts from Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan and Uzbekistan as well as Secretariat officers participated in the meeting.

It was noted that in the recent months a great deal of work had been done on implementing the agreement, which was reached at the second meeting of SCO experts (Beijing, 13-15 November 2006), and further development of cooperation on environmental protection in the SCO framework.

The parties discussed a draft Concept on cooperation among the SCO member states in the field of environmental protection.

30-31 May 2007 the Secretariat hosted a first meeting of experts from state tourism agencies of SCO member states.

Experts from Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan and Uzbekistan as well as Secretariat officers participated in the meeting.

The parties exchanged opinions on a range of issues, including drawing up a Programme on development of cooperation among the SCO member states in the field of tourism, setting up a permanent SCO expert working group on tourism cooperation and holding the first conference of heads of state tourism agencies of SCO member states.

The parties underlined the need to hold further consultations with the aim of promoting mutually beneficial cooperation on tourism in the framework of the Organisation.

On 01 June 2007 the SCO Deputy Secretary-General Vladimir Zakharov gave a lecture to students of Beijing Foreign Studies University concerning the history of creation of the Shanghai Cooperation Organisation.

On 04 June 2007 the SCO Secretary-General Bolat Nurgaliev gave an interview to the French television company CAPA. The interview was focused on the SCO activity in political, economic and public areas.

05-06 June 2007 the Secretariat hosted a meeting of healthcare experts from SCO member states.

Experts from Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan and Uzbekistan as well as Secretariat officers participated in the meeting.

The parties considered necessary to study the possibility of formulating a plan of cooperation among the healthcare departments of SCO member states designed to outline priority areas of healthcare interaction in the framework of the Organisation, forming a permanent SCO expert working group on healthcare issues, creating a legal framework for multilateral healthcare cooperation under the auspices of the SCO, as well as holding a meeting of heads of healthcare departments of SCO member states.

The experts noted the expediency of establishing interaction with the SCO Business Council over issues of healthcare cooperation.

05-07 June 2007 the Secretariat hosted a regular meeting of SCO experts on cooperation in the field of education.

Experts from Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan and Uzbekistan as well as Secretariat officers participated in the meeting.

The parties discussed and basically accepted the consolidated draft Agreement among the governments of SCO member states on mutual recognition of documents of education.

The meeting approved the structure of an annual report on cooperation in the field of education submitted to the ministers of education of SCO member states and the final version of the first edition of Information Bulletin on cooperation among SCO member states in the field of education.

The experts also considered other issues dealing with the fulfillment of the Agreement among the governments of SCO member states on cooperation in the field of education signed in Shanghai on 15 June 2006.

11 June 2007: “The member states of the Shanghai Cooperation Organisation will sign a treaty on long-term good neighbourliness, friendship and cooperation in Bishkek on 16 August this year” - the State Secretary of the Kyrgyz Republic Adakhan Madumarov told an international conference dedicated to the prospects for SCO development.

He was quoted as saying that currently coordinated work was underway to agree the agenda of the Bishkek summit and put together a list of documents to be signed during the summit. “The efforts to formulate the main political document Bishkek Declaration are at a stage of active preparation, preliminary programme and scenario of the summit have been worked out, content, organisation and protocol related issues are being expedited at this point” – Madumarov said.

According to the State Secretary’s information, ministers of defence and ministers of foreign affairs would meet in June and July in the run-up to the summit.

On 14 June 2007 the Renmin Ribao website hosted an online press conference of the Ambassador Extraordinary and Plenipotentiary of the Kyrgyz Republic to the PRC Kamil Sultanov. The online briefing was dedicated to the upcoming celebration on 15 June of the Shanghai Cooperation Organisation Day.

Speaking to the audience of the Renmin Ribao website the Kyrgyz Ambassador touched on the pressing issues of multilateral cooperation in the SCO framework in political, economic and social areas, told about

the ongoing preparations for the approaching Bishkek meeting of the SCO Heads of State Council.

The Ambassador Sultanov congratulated the leaders and citizens of the SCO member states, the leadership and personnel of the Organisation on the sixth anniversary marking the creation of the SCO, and expressed confidence in its subsequent progressive development.

On 14 June 2007 on the occasion of the sixth anniversary of the SCO a roundtable “Issues of forming Eurasian single information space” was held in Moscow in the framework of the third Eurasian forum “International aspects of information security”. The workshop was organised by the regional public organisation “Information Civilisation – XXI century”, the Public Coordinating Council in support of the SCO, with the financial support of the Federal Press and Mass Media Agency of the Russian Federation, with the information support of the InfoRos news agency, the Infoshos.Ru website, the website for Russians abroad Russkie.org and the independent internet journal Peacekeeper.Ru.

The experts discussed information aspects of integration processes in the post-Soviet region, ideas of forming a single Eurasian information space, issues of developing a national information policy, modern challenges and threats to the information security of the Eurasian countries, as well as the role of the international organisations (CIS, SCO, CSTO, EurAsEC) and the regional media in covering integration processes in Eurasia.

Diplomats from India, Kazakhstan, Belarus, Ukraine, members of parliament, representatives of Russian public organisations and heads of leading media outlets participated in the roundtable.

On 15 June 2007 a second session of the SCO Forum organised by Kazakhstan International Institute of Modern Politics (KIIMP) took place in Almaty. Besides KIIMP, the following national research centres of the member states took part in the Forum:

- Institute for International Studies of the Chinese MFA;
- International Institute for Strategic Studies under the President of the Kyrgyz Republic;
- Centre for East Asia and SCO Studies of Moscow State Institute of International Relations of the Russian MFA;

- Far Eastern Studies Institute of the Russian Academy of Sciences;
- Russian Institute for Strategic Studies;
- Centre for Strategic Studies under the President of Tajikistan;
- Institute for Strategic and Interregional Studies under the President of Uzbekistan;

Scholars, political experts and diplomats discussed the issues of the Organisation's expansion, membership criteria, mandates of observer and dialogue partner status, the SCO's cooperation with other international organisations, as well as main areas of interaction among the Business Council, Energy Club and Interbank Consortium of the SCO.

It was agreed that KIIMP will sum up the results of the forum discussion and put forward recommendations in a report to be submitted to the member states before the Bishkek summit.

The delegates from the national research centres unanimously supported the idea of holding a third session in Beijing in spring 2008. China as the next chair of the SCO forum will draw up a draft agenda of the next session and present the other sides with a list of important subjects for expert research.

On 15 June 2007 a reception on the occasion of the sixth anniversary of creation of the Shanghai Cooperation Organisation was held at the Kempinski Hotel in Beijing. The SCO Secretary-General Bolat Nurgaliev, the Foreign Minister of China Yang Jiechi, the ambassadors of the member and observer states, representatives of international organisations in China, as well as government officials, media and scholars from the host state attended the event.

On 18 June 2007 the SCO Secretary-General Bolat Nurgaliev received at the Secretariat the Undersecretary of the Italian Ministry of Foreign Affairs Gianni Verneti. During the meeting the parties discussed issues of the SCO activity in political and economic areas, fight against terrorism and trafficking of narcotics. The parties stated the increasing contacts between the SCO and the EU, as well as mutual interest in conducting a constructive dialogue.

18-19 June 2007 the Secretariat hosted a meeting of the Commission of senior officials from the departments of external trade and economy of the SCO member states.

The Commission discussed the progress in fulfilling the Action Plan on implementation of the main decisions adopted by the Heads of Government Council meeting on 15 September 2006 in Dushanbe.

The Commission heard a report on the activities of the special working groups on customs cooperation, modern information and telecommunication technology, as well as development of transit potential.

The senior officials took into consideration the information about the activities of the SCO Business Council and Interbank Consortium, as well as the work of the SCO Regional Trade and Economic Cooperation website.

The parties also considered other issues of general interest.

On 21 June 2007 the SCO Secretary-General Bolat Nurgaliev received the Deputy Foreign Minister of the Kyrgyz Republic Kadyrbek Sarbayev. In the course of the meeting they discussed various aspects of preparations for the Bishkek summit.

On 25 June 2007 a board meeting at the Foreign Ministry of the Kyrgyz Republic discussed the issues concerning preparations for the SCO summit in Bishkek.

The SCO National Coordinator from Kyrgyzstan Tolendy Makeyev told that preparations for the most important external political event of 2007 with regard to its organisation and its programme had entered a final stage. The NC noted that the Working Group of the MFA had been working closely with their SCO partners to draw up an agenda and a list of concrete multilateral documents due to be signed during the SCO summit in Bishkek.

The Ministry board also announced that official invitations on behalf of the President of the Kyrgyz Republic had been forwarded to the heads of the SCO member states and the observer states (Mongolia, Iran, Pakistan, India). Besides that, the President of Turkmenistan Gurbanguly Berdymukhammedov, the President of Afghanistan Hamid Karzai and the Secretary-General of the United Nations Ban Ki-moon were invited to attend the SCO summit as guests of honour.

At this point the participation of Iran, Mongolia and Turkmenistan at the presidential level, as well as of India and Pakistan at the level of foreign ministers has been confirmed. Replies from Afghanistan and the UN Secretary-General are expected to come in shortly.

The Treaty on long-term good-neighbourliness, friendship and cooperation among the SCO member states designed to strengthen the legal base for the existing constructive partnership relations among the member states will become the key document of the Bishkek summit. The Bishkek Declaration of the Heads of the SCO member states will become the final document of the summit.

The Ministry Board took into consideration the report of the NC Makeyev and decided to step up the activity of the Working Group on Kyrgyzstan's presidency of the SCO in 2006-07 in order to ensure high-quality preparations for the Bishkek summit of the SCO (16 August 2007), SCO MFA Council meeting (09 August 2007) and SCO CNC Council meeting (5-7 July 2007).

On 27 June 2007 a meeting of the ministers of defence of the Shanghai Cooperation Organisation member states was held in Bishkek.

The defence minister of Kyrgyzstan Ismail Isakov told a news conference that in an open and friendly atmosphere the parties had discussed issues surrounding the situation in the region, as well as cooperation on defence and security.

In his words, the ministers unanimously stressed the need to step up the efforts of the defence ministries of the SCO member states to jointly respond to new challenges and threats for the sake of preserving peace and stability in the region.

"The highlight of the meeting was the signing of the agreement among the SCO member states on conducting joint military exercise, which will lay long-term organisational and legal foundations for such activities in the future" — Isakov noted.

The defence minister of Kyrgyzstan added that the meeting had discussed the concept of the Peace Mission – 2007 exercise and other issues concerning its preparation and conduct. The exercise is scheduled to take place in August this year on Russian territory.

Isakov said that the defence ministers had signed a joint communiqué. "It contains key results the meeting has achieved, as well as further measures on deepening and increasing military cooperation. This became possible due to the active work of the defence ministries of the parties and constructive cooperation in the cause of ensuring stability and security in our region".

The defence ministers from Kazakhstan (Danial Akhmetov), China (Cao Gangchuan), Kyrgyzstan (Ismail Isakov), Russia (Anatoly Serdukov), Tajikistan (Sherali Khayrulloev) and the deputy defence minister of Uzbekistan Rustam Niyazov participated in the meeting.

The 17 joint exercises of the People's Liberation Army (PLA) with foreign troops in the past five years are a sign of the increasing foreign exchanges of the force and enhancing its capabilities to deal with non-traditional threats like terrorism, the PLA Daily reported on 02 July 2007.

The increasing joint military drills are closely linked with growing non-traditional threats that pose a greater danger to China's national security, the report quoted Tian Yixiang, an officer with the PLA's Department of General Staff as saying.

The report comes before next month's "Peace Mission 2007", the largest joint anti-terrorism exercise in which all the six Shanghai Cooperation Organisation member states will take part.

About 5,000 personnel will participate in "Peace Mission 2007" at Chelyabinsk in the Ural mountainous region of Russia.

The planned drill shows the SCO cooperation over security has gone beyond the issues of regional disarmament and borders, for it includes how to deal with non-traditional threats such as terrorists, secessionist forces and extreme religious groups.

"It's a practical way to improve the Chinese army's capability to tackle terrorist threats," said officer Guo Wenhui, also with the PLA's Department of General Staff.

According to Ministry of Public Security's figures, the country saw more than 260 terrorist incidents in which over 160 people were killed and more than 440 injured.

“China has always abided by the UN Charters and international laws while holding joint military drills.

“This shows its respect for other countries’ sovereignty and territorial integrity,” said Sun Haiyang, an officer with the PLA’s Strategic Missile Force.

“Such exercises have never targeted a third country or interfered with other countries’ interests. Nor have they constituted a threat to any country,” Sun said.

“That’s why Chinese military exercises have won the support and praise of the international community.”

Sun said joint military exercises could help foreign armies learn more about the PLA and understand that the talk of “Chinese threat” is baseless.

The PLA, on the other hand, could learn about advanced military theories, weapons and equipment from its foreign counterparts.

Zhang Zhian, of the Chinese General Logistics Department, said joint military exercises could help the PLA speed up reforms.

And Shijiazhuang Army Command Academy’s Cui Yafeng wants the Chinese army to set up special training courses for joint military exercises.

Around 6.5 thousand military personnel and 80 aircraft will be involved in the “Peace Mission 2007” counterterrorism exercise of the Shanghai Cooperation Organisation member states, - the first deputy commander of the Russian land forces, lieutenant-general Vladimir Moltensky told a news conference on 03 July 2007.

He specified that Russia would deploy 2 thousand personnel and 36 aircraft. Another 2.7 thousand will be in charge of logistics. China will be represented by 1.7 thousand personnel and 46 aircraft. Tajikistan and Kazakhstan will send air assault companies, Kyrgyzstan – an air assault platoon, officers from Uzbekistan will take control of the whole exercise.

According to Moltensky, the SCO observer states (Iran, India, Mongolia and Pakistan) will not take part in the drills. The general reminded that the exercise was due to take place from 09 till 17 August

at the Chebarkulsk training ground in the zone of responsibility of the Privolzhsko-Uralskiy military district. The maneuvers will be conducted in three stages. The first stage provides holding military-political consultations at the level of chiefs of general staffs in the Chinese city Urumqi, while the second stage consists of preparations and the third is the drills proper.

Moltenskiy stressed that “Peace Mission 2007” was not targeted against a third state. Its scenario was composed within the framework of SCO documents and in accordance with the norms of international humanitarian law. Moltenskiy noted that “in the process of drawing up the concept of the exercise they had taken into consideration tactics used by terrorists in fighting whom there was no front and rear”. “Special groups will be formed with the aim of planning counterterrorism operations of special purpose detachments and air assault elements. Sniper units will also demonstrate their capability, - said the general. – At the same time we will teach personnel how to follow the norms of international humanitarian law”.

Regarding representation of each member state in the drills the general noted that Russia had offered each country to determine its role in the exercise. Besides the drills, an exhibition of military arsenal and special devices used in counterterrorism operations will be held. The maneuvers will conclude with the parade of the participants. The drills will be watched by defence attaches from around 80 states accredited in Moscow and covered by around 400 journalists.

On 05 July 2007 the Foreign Minister of the Kyrgyz Republic Ednan Karabayev held talks with the SCO Secretary-General Bolat Nurgaliev.

During the talks they exchanged opinions on some issues regarding the development of the Organisation.

Bolat Nurgaliev affirmed that nowadays the SCO was a regional organisation enjoying a high authority on the international stage and attracting an ever growing interest on the part of the international community.

The Secretary-General was confident that the Bishkek summit of the SCO (16 August 2007) hosted by Kyrgyzstan would meet high standards and add a glorious page to the history of the Organisation.

The Foreign Minister underlined that a unique feature of the SCO was that most of its members had been developing along with the Organisation itself. “While faced with a task of strengthening the SCO we need to do all we can in order to promote development in every member state”, - Karabayev said.

The Minister noted that Kyrgyzstan highly rated Mr. Nurgaliev’s activity at the post of SCO Secretary-General.

These days Bishkek is hosting a session of the Council of National Coordinators of SCO Member States.

On 06 July 2007 the Prime Minister of the Kyrgyz Republic Almazbek Atambayev held a meeting with the Secretary-General of the Shanghai Cooperation Organisation Bolat Nurgaliev.

During the meeting the Prime Minister stressed that “Kyrgyzstan attaches huge significance to the interaction in the framework of the SCO. The whole country is looking forward to the upcoming SCO summit in Bishkek due on 16 August this year. We are making best preparations for hosting this important conference”.

“We are seeing that Kyrgyzstan has been conducting intense preparations for the Bishkek summit in terms of its organisation and its contents. Our joint efforts in this cause give us every reason for optimism”, — Nurgaliev noted.

In the course of the conversation the Premier and the SCO Chief exchanged opinions on the joint vision of the Kyrgyz Republic and the SCO Secretariat over the future of the Organisation in the context of the approaching SCO summit in Bishkek. It was noted that boosting trade and economic cooperation in the SCO framework for the benefit of all the member states was regarded a top priority on the agenda of the Organisation.

It was emphasised that everything possible would be done to ensure that results of the Bishkek summit in all spheres of interaction would have a practical and positive effect both in the SCO countries and on the international stage.

On 09 July 2007 the capital of Kyrgyzstan hosted a meeting of the Council of Ministers of Foreign Affairs of the Shanghai Cooperation Organisation member states.

The Kyrgyz Foreign Minister Ednan Karabayev told a news conference that the meeting had approved the agenda and made decisions on a number of issues concerning the conference of the Heads of State Council due in Bishkek on 16 August.

“The Treaty on long-term good-neighbourliness, friendship and co-operation among the SCO member states is a key document to be signed during the summit” – Karabayev noted.

The Ministers also discussed the progress of executing the instructions and decisions of the anniversary summit of the Organisation, which was held in Shanghai last year.

The meeting approved an annual report prepared by the SCO Secretary-General Bolat Nurgaliev. The report indicates that the reform of the Secretariat structure has by and large helped enhance the effectiveness of the Organisation.

In the course of the meeting the Ministers exchanged opinions over prospects for further development of the SCO. “Nowadays the SCO has already become an influential new-type international organisation, which is based upon new values and goals. Therefore the Shanghai Cooperation Organisation is destined to play a vital role in ensuring international security” — Karabayev stressed.

In his words, the Ministers favoured a closer partnership with the SCO observer states, as well as with Afghanistan in the framework of the SCO-Afghanistan Contact Group, and positively assessed the ongoing preparations for the SCO summit in Bishkek on 16 August 2007.

“On the whole today’s meeting has become yet another step in strengthening the SCO and developing its potential on geopolitical and geoeconomic levels” — the Kyrgyz Foreign Minister underlined.

The Foreign Minister of Kazakhstan Marat Tazhin, the Foreign Minister of China Yang Jiechi, the Foreign Minister of Kyrgyzstan Ednan Karabayev, the Foreign Minister of Russia Sergey Lavrov, the Foreign Minister of Tajikistan Khamrokhon Zarifi, the Foreign Minister of Uzbekistan Vladimir Norov and the SCO Secretary-General Bolat Nurgaliev took part in the SCO MFA Council meeting.

On 09 July 2007 the President of the Kyrgyz Republic Kurmanbek Bakiyev received at the Presidential Palace the Foreign Minister Marat Tazhin of Kazakhstan, the Foreign Minister Yang Jiechi of China, the Foreign Minister Ednan Karabayev of Kyrgyzstan, the Foreign Minister Sergey Lavrov of Russia, the Foreign Minister Khamrokhon Zarifi of Tajikistan and the Foreign Minister Vladimir Norov of Uzbekistan. The foreign affairs chiefs of the SCO member states arrived in Bishkek to participate in the SCO MFA Council meeting.

The SCO Secretary-General Bolat Nurgaliev, the Director of the RATS Executive Committee Myrzakan Subanov and the ambassadors of the SCO member states to Kyrgyzstan also attended the meeting with the President.

In his welcoming speech the President congratulated everybody on successful completion of the SCO MFA Council meeting and noted that it was viewed as an important final session in the run-up to the SCO summit in Bishkek, which the Kyrgyz Republic was organising in the framework of its presidency of the Organisation.

Bakiyev noted with satisfaction that the results of their work along with the results from the meetings of secretaries of security councils and ministers of defence would set the stage for the upcoming Heads of State Council meeting due in Bishkek on 16 August.

The President went on to say that Kyrgyzstan's current presidency of the SCO was one of the top priorities in the country's foreign policy. "Kyrgyzstan attaches huge importance to increasing interaction in the framework of the Shanghai Cooperation Organisation and is deeply interested in active cooperation with all its members. It is extremely important that we ensure the continuity of work within the Organisation while bringing a new contribution. It is obvious that such approach will help augment the positive achievements the SCO has made in recent years", - the President stressed.

Bakiyev noted that the people of Kyrgyzstan attached great significance to the upcoming international event and expected a positive outcome from the forum.

17-20 July 2007 Bishkek hosted the sixth round of expert-level negotiations on the formulation of the Draft Agreement among the governments of the SCO member states on road transportation facilitation.

During the negotiations, which took place in a friendly and constructive spirit, experts from six SCO member countries continued to discuss and agree the Draft Agreement. The participants expressed hope for an early agreeing of the text of the draft framework agreement and its initial approval.

The Shanghai Cooperation Organisation and the Collective Security Treaty Organisation are about to sign a memorandum of understanding, the CSTO Secretary-General Nikolai Bordyuzha told on 01 August during a telebridge linking the Moscow headquarters of RIA-Novosti news agency and the Russian Press Centre in Beijing.

"The MoU between SCTO and SCO due to be signed in the coming weeks will outline areas of cooperation between the two organisations", - Bordyuzha said. These include not only military cooperation as such, but also all kinds of security issues facing the states in our region that we must tackle together", - he stressed.

At the same time Nikolai Bordyuzha thinks it would be expedient to conduct a joint military exercise within the SCO-CSTO framework. "This would be an interesting activity. This would not only enable us to carry out tasks of strictly military cooperation during such drills, but also to set up a good interaction between the two organisations operating in the security field in the same region", the CSTO chief explained.

Speaking of the SCO-sponsored Peace Mission 2007 counterterrorism exercise due to be held in Chelyabinsk region in the first half of August, Bordyuzha noted: "The exercise that is being prepared by all the members of the SCO is a very interesting activity designed not only to carry out tasks of joint activity, but also to deepen contacts among the military at all levels".

In his words, "the CSTO stands ready to bring its interaction with the SCO to the highest possible level". More than 5 thousand personnel and 500 pieces of military equipment from the armed forces of Russia, Kazakhstan, Tajikistan, Kyrgyzstan, China and Uzbekistan will be involved in the Peace Mission 2007 counterterrorism exercise. Russia is to dispatch 2 thousand strong personnel.

On 08 August 2007 the SCO Secretary-General Bolat Nurgaliev held talks at the Secretariat with the Ambassador of Pakistan to the PRC Salman Bashir.

The Ambassador said that the leadership of Pakistan attached great importance to the Shanghai Cooperation Organisation and believed that its international prestige kept constantly increasing. Pakistan is ready to actively cooperate in the SCO framework, not least in the areas of economic integration, fight against terrorism and drugs trafficking.

Bolat Nurgaliev highly appreciated Pakistan's desire to get actively involved in SCO affairs. He briefed the Ambassador on the Organisation's activities scheduled for this year, particularly on the ongoing preparations for the Bishkek summit of SCO heads in mid August. The Secretary-General is confident that Pakistan's participation in the SCO activity will become more efficient as the Organisation gains more experience in developing its contacts with the observers and improves its legal basis.

On 10 August 2007 in the run-up to the SCO summit in Bishkek the capital of Kyrgyzstan hosted the 10th SCO mobile art exhibition Children Paint Tales, which put on display 500 children's drawings and works of decorative and applied arts. The exhibition is set up at the Aytiev Kyrgyz State Museum of Fine Arts. The SCO Secretary-General Bolat Nurgaliev and famous artists of Kyrgyzstan delivered welcoming statements at an opening ceremony.

"The United Nations is committed to interaction with the Shanghai Cooperation Organisation", - the UN Deputy Secretary-General Linn Pasko said on 15 August following talks with the Kyrgyz Foreign Minister Ednan Karabayev.

Linn Pasko noted that the world was full of many threats and we needed to protect ourselves against them. "Regional organisations such as the SCO may well take on this duty", - he stressed.

According to the UN's deputy chief, as far back as 2005 it was decided that the United Nations should launch such interaction. Currently the organisation is cooperating with the African Union, ASEAN, the League of Arab Nations and the European Union. "The interaction between the UN and the SCO is a normal process", - Linn Pasko concluded.

On 16 August the UN Deputy Secretary-General will take part in the Bishkek summit of the Shanghai Cooperation Organisation as a guest of honour.

A series of bilateral agreements were signed at a third session of the Council of the SCO Interbank Consortium, which opened in the Kyrgyz capital on 15 August. The deals were approved by chief executives of the OJSC Settlement and Savings Company (Kyrgyzstan), the state corporation Bank for Development and Foreign Economic Activity Vneshekonombank (Russia), the National Bank for Foreign Economic Activity of Uzbekistan and the Development Bank of Kazakhstan.

The three agreements were signed between the Vneshekonombank and the OJSC SSC, the National Bank of Uzbekistan and the Development Bank of Kazakhstan respectively. They provide collaboration on sharing experience in the field of strategic partnership on the international financial market and development of long-term cooperation in the field of financial investment.

During a second day (16 August) of the Council session an agreement will be signed between the SCO Interbank Consortium and the Business Council. The Vneshekonombank chief Vladimir Dmitriev of the Interbank Consortium and the chairman Dmitry Mezentsev of the Business Council will put their signatures on the document. The agreement sets a framework for long-term partnership between the two leading economic institutions of the Shanghai Cooperation Organisation and provides creation of a single data bank on investment projects, recommended for joint implementation in the SCO framework.

A meeting of the Council of Heads of Member States of the Shanghai Cooperation Organisation opened on 16 August 2007 in the Kyrgyz capital Bishkek. President Nursultan Nazarbaev of Kazakhstan, President Hu Jintao of China, President Kurmanbek Bakiev of Kyrgyzstan, President Vladimir Putin of Russia, President Emomali Rakhmon of Tajikistan, President Islam Karimov of Uzbekistan are in attendance at the seventh summit of the SCO.

Leaders of two SCO observer states – President Nambaryn Enkhbayar of Mongolia and President Mahmud Ahmadi-Nejad of Iran – are also taking part in the meeting. The other two observer states are repre-

sented by Foreign Minister Khurshid Kasuri of Pakistan and Minister of Petroleum and Natural Gas Shri Murli Deora of India.

President Hamid Karzai of Afghanistan, President Kurbanguly Berdymukhamedov of Turkmenistan and UN Deputy Secretary-General Linn Pasko are attending the Bishkek summit as guests of honour. SCO Secretary-General Bolat Nurgaliev and Director Myrzakan Subanov of the SCO RATS Executive Committee are also participating in the meeting.

The SCO leaders are expected to sign the Treaty on good-neighbourly relations, friendship and cooperation, the Bishkek Declaration and a series of other documents, including Joint Communiqué, which will specify a venue for SCO summit in 2009 in Russia, a source in Kremlin revealed.

During the summit meeting special focus will be put on issues of increasing cooperation on ensuring the security and stability in the SCO zone.

Considering the growing importance of the issue of international information security (IIS) the Council is set to approve the Action Plan in the SCO framework on ensuring IIS.

The SCO heads will also discuss issues of deepening economic partnership with a focus on formation of a joint vision of ways of strengthening interaction in energy sector, including creation of SCO Energy Club, as well as further development of SCO mechanisms such as the Business Council and the Interbank Consortium. The summit is expected to sign an agreement on cooperation between these non-governmental structures of the Organisation.

On 16 August 2007 upon completion of the enlarged session of the Council of Heads of SCO Member States in Bishkek a signing ceremony of summit documents adopted by the Council took place.

The main documents signed by the heads of the SCO member states are the Treaty among the member states of the Shanghai Cooperation Organisation on good-neighbourliness, friendship and cooperation and the Bishkek Declaration of the Shanghai Cooperation Organisation. The Joint Communiqué of the Heads of the Shanghai Cooperation Organisation member states was issued.

A series of other important documents were also signed during the Bishkek summit of the SCO.

At the official invitation of the Ministry of Foreign Affairs of the Republic of Kazakhstan and in accordance with the Regulations on Observer Mission from the Shanghai Cooperation Organisation at presidential and/or parliamentary elections and referendums approved by the Foreign Ministers Council of the SCO member states on 15 May 2006, the SCO Observer Mission (hereinafter – the Mission) monitored the conduct of election of deputies of the Mazhilis of the Parliament of the Republic of Kazakhstan from 15 till 18 August 2007.

The decision to dispatch the Mission to monitor the election of deputies of the Mazhilis of the Parliament of the Republic of Kazakhstan was taken by the SCO Secretary-General according to the order outlined in the Regulations on Observer Mission from the Shanghai Cooperation Organisation at presidential and/or parliamentary elections and referendums. The Observer Mission from the SCO was composed of four Secretariat officers and nine representatives from SCO member states. The SCO Secretary-General conferred the responsibilities of Head of the Mission on the Deputy Secretary-General Political Gao Yusheng.

I. The legal base for election of deputies of the Mazhilis of the Parliament of the Republic of Kazakhstan

The present elections are conducted in accordance with Subparagraph 2 of Article 44, Paragraph 1 of Article 63 of the Constitution of the Republic of Kazakhstan, Articles 85, 87 of the Constitutional law of the Republic of Kazakhstan “On elections in the Republic of Kazakhstan”, the Decree of 20 June 2007 of the President of the Republic of Kazakhstan “On dissolution of the Mazhilis of the Parliament of the Republic of Kazakhstan of the third convocation and calling of pre-term election of deputies of the Mazhilis of the Parliament of the Republic of Kazakhstan”.

According to Article 89 of the Constitutional law of the Republic of Kazakhstan “On elections in the Republic of Kazakhstan”, the Central Election Commission of the Republic of Kazakhstan registered the following seven political parties of the Republic of Kazakhstan:

The Aul Social Democratic Party of Kazakhstan headed by Gany Kaliev;

The Nur Otan People's Democratic Party headed by Nursultan Nazarbayev;

The Ak Zhol Democratic Party of Kazakhstan headed by Alikhan Baymenov;

The Rukhaniyat Party headed by Altynshash Zhaganova;

The Communist People's Party of Kazakhstan headed by the first secretary Vladislav Kosarev;

The National Social Democratic Party headed by Zharmakhan Tuyakbay;

The Patriotic Party of Kazakhstan headed by Gany Kasymov.

The Mission notes that the legal base for elections has improved significantly and provided the necessary conditions for participants of electoral process. It guarantees the right and opportunity of free voting or non-voting, electing or being elected on fair terms on the basis of universal equal expression of the voters' will by secret ballot.

Introduction to the electoral legislation of a practice allowing citizens to vote on absentee certificates conforms to basic democratic principles and provides additional opportunities for the exercise of the constitutional rights of citizens, who for certain reasons cannot cast their vote on voting day at the place of their residence.

The Mission gives a positive assessment of the opportunity of election campaigning both in Kazakh and Russian languages. Ballot papers were also drawn up in both languages.

The Mission notes the high organisational level of electronic voting and the cooperativeness of members of election commissions, who provided clear explanation to voters about the principles of operating the system of electronic voting.

The activity of the SCO Observer Mission received wide coverage in the national media. The Head of the Mission gave a series of interviews and released the present statement.

II. The conduct of election and vote counting

Members of the Mission familiarised themselves with the activity of the campaign headquarters of all the political parties involved in the election of deputies of the Mazhilis of the Parliament of the Republic of Kazakhstan.

With the aim of making a more realistic assessment of the conduct of voting and counting of ballots, and in accordance with the national legislation of the Republic of Kazakhstan and its international agreements, the Mission inspected the activity of 14 precinct election commissions in the electoral district of the city of Almaty.

All the electoral precincts visited by the Mission provided printed materials containing information on the political parties and their candidates participating in the elections. According to Article 40 of the Constitutional law of the Republic of Kazakhstan “On elections in the Republic of Kazakhstan”, on the voting day of the election of deputies of the Mazhilis of the Parliament of the Republic of Kazakhstan the chairmen of the mentioned precinct election commissions began preparations for balloting at 6 a.m. on August 18, 2007, i.e. an hour before their opening.

In accordance with Article 41 of the Constitutional law “On elections” ballot papers were issued to voters included in the voters lists upon presentation of their identity cards.

Voting at the polling stations observed by the Mission was conducted from 7 a.m. to 20 p.m. local time on 18 August 2007 in a free, calm, businesslike and well organised environment.

The Mission also visited three closed electoral precincts (two hospitals and one detention centre), which in accordance with Article 38, Paragraph 3 of the Constitutional law “On elections” had already finished voting and drawn up protocols of vote returns, prior to our arrival. The Mission did not note any violation of the relevant procedures in the mentioned electoral precincts.

Observers from political parties, public institutions, non-profit organisations of the Republic of Kazakhstan were present at all the electoral precincts visited by the Mission, which fully conforms to provisions

of Article 20-1 of the Constitutional law “On elections”. Members of the Mission did not receive complaints or criticism from these observers over the conduct of election.

Members of the Mission were present during the vote counting and drawing up of protocols of vote returns in three electoral precincts of the city of Almaty. In the course of vote counting members of the Mission and other observers from political parties, public institutions, non-profit organisations of the Republic of Kazakhstan did not report any violations.

III. Preliminary conclusions

The Mission believes that the election of deputies of the Mazhilis of the Parliament of the Republic of Kazakhstan in the election district monitored by the Mission have been legitimate, free and open, and basically conformed to the requirements of the national legislation of the Republic of Kazakhstan and its international obligations.

The Mission notes that technical deficiencies exposed during the polls could not have had a significant effect on the overall results.

The SCO Observer Mission expresses gratitude to the Ministry of Foreign Affairs, CEC, as well as other organisations and institutions of the Republic of Kazakhstan for their assistance and aid provided during our work.

The Head of the Observer Mission from the Shanghai Cooperation Organisation

Gao Yusheng

On 22 August 2007 the Beijing-based Russian Information Centre hosted a news conference of the SCO Secretary-General Bolat Nurgaliev on the achievements of recently held SCO summit in Bishkek. The SCO Chief answered media questions concerning the Bishkek summit and the activity of the Organisation.

The news conference was organised by the SCO Secretariat jointly with the RIA Novosti news agency.

Celebrations marking the 2750-year anniversary of the city of Samarqand and the opening of the 6th music festival Sharq Taronalari (Melodies of the East) took place on 25 August 2007 in Registan, the city's main square and home to the world's famous Ulugh Beg, Tilla-Kari and Sherdar madrassas.

The President of Uzbekistan Islam Karimov started the celebrations by congratulating the participants and the whole nation on the 2750-year jubilee of Samarqand. He noted that these festivities and the renewed splendour of the ancient city of Samarqand had resulted from the independence, peace and stability in Uzbekistan. Reforms taking place across the country and great restorations completed in Samarqand have demonstrated the immense intellectual potential, talent and mastery of the Uzbek people.

During the celebrations the President of Uzbekistan also greeted the participants of the upcoming international music festival Melodies of the East (scheduled for 25-31 August 2007), and wished the festival to achieve great successes in the noble cause of inviting people to a beautiful world of culture, spreading across the globe the art of music, a unique treasury of human thought and a symbol of spiritual perfection.

The Melodies of the East has become one of the main cultural events in the framework of the Shanghai Cooperation Organisation, which involves all six member states. Apart from the SCO members, representatives from more than 50 countries take part in this international festival held under the initiative of the President of Uzbekistan since 1997.

In a welcoming speech the President of the UNESCO General Conference Musa Bin Jaafar Bin Hassan highly valued the role of Samarqand in the history of human civilisation, its contribution to the progress of science and culture, and noted the significance of the international music festival Sharq Taronalari (Melodies of the East) in familiarising people with music and songs from various cultures.

Public figures, foreign diplomats, representatives of international organisations in Uzbekistan, participants and guests of the Melodies of the East Music Festival, art workers, as well as foreign journalists and tourists all came to enjoy the festivities.

At the invitation of the Government of Uzbekistan the SCO Secretary-General Bolat Nurgaliev attended the celebrations.

During a telebridge between Beijing and Moscow on 28 August officials from the Central Military Commission of the People's Republic of China and the General Staff of the People's Liberation Army gave a high assessment of the Peace Mission 2007 counterterrorism exercise held at the Chebarkul training ground, Russia. They underlined that the drills had enabled the member states to share the experience in fighting terrorism, setting up mechanisms of joint response to terror threats and improving ways of efficient interaction.

On 02 September 2007 at the invitation of the Ministry of Commerce of the People's Republic of China and the People's Government of Xinjiang Uygur Autonomous Region, the SCO Secretary-General Bolat Nurgaliev took part in the Central, West and South Asia Regional Economic Cooperation High-level Forum and the international conference 'Cooperation among the SCO member states in priority economic sectors' held in the framework of the 16th Urumqi Foreign Economic and Trade Fair.

Over 300 delegates from more than 10 countries, including officials from economic departments, representatives from business community, leading enterprises and companies (SCO member states, Turkey, Mongolia and others), were in attendance at these events. Reports delivered by participants of the conference focused on the following topics: 1) the state and prospects for trade and economic cooperation in the SCO framework; 2) investment potential of the member states and possible areas of cooperation in bilateral and multilateral frameworks in the SCO region; 3) assistance in the improvement of transport, customs, financial and logistical services, creation of favourable conditions for regional economic cooperation.

On 06 September 2007 the SCO Secretary-General Bolat Nurgaliev received at the Secretariat an Israeli delegation led by the Head of the National Security Council of Israel Ilan Mizrahi.

In the course of the meeting the parties discussed issues of security, counterterrorism and drugs trafficking.

Movies of Azerbaijani, Kyrgyz and Uzbek directors have been declared the winners of the First SCO Issyk Kul Cinema Festival.

On 10 September the Organising Committee of the Festival announced that the jury composed of well known cinematographers led by Vladilen Arsenyev had decided not to award the Gold Tunduk Grand Prix. In Kyrgyz language the word “tunduk” means the upper part of a yurt. Three Silver Tunduks were awarded to young Azerbaijani director Yusif Guliev (documentary *Transition*), Kyrgyz director Ernest Abdyzhaparov (full length feature film *Boz Salkyn*) and Uzbek director Mansur Abdukhalikov (short length film *Rabiya*) respectively. The movie *Graffiti* directed by Russia’s Maxim Khusayinov and Igor Aposyan received a special prize. All participants of the Festival were decorated with silver medals featuring the emblem of the cinema forum.

60 films in total, including full length – 11, short length – 29 and documentaries – 20, were selected for competing in the First SCO Issyk Kul Cinema Festival held 03-09 September in the Kyrgyz town Cholpon Ata. Alongside the movies from the member states of the SCO Kazakhstan, Kyrgyzstan, China, Russia, Tajikistan and Uzbekistan, the Festival also showed pictures from Azerbaijan, Armenia, Iran, Latvia and Ukraine. The Organising Committee of the Issyk Kul Cinema Festival has officially applied for it to be upgraded to an international cinema forum. The Kyrgyz authorities decided to hold it annually.

On 13 September 2007 the Ambassador Extraordinary and Plenipotentiary of the Republic of Cyprus to the PRC Marios Ieronymides paid a courtesy call on the SCO Secretary-General Bolat Nurgaliev.

During the conversation the Secretary-General told the Ambassador about the main goals of the Organisation and prospects for its further development.

The Cypriot diplomat expressed interest in further development of cooperation between the EU and the SCO.

On 13 September 2007 the SCO Deputy Secretaries-General Vladimir Zakharov and Anvar Nasyrov received Ambassador Joao Gualberto Marques Porto, Special Advisor for Asian Affairs of the Ministry of Foreign Affairs of Brazil. In the course of the meeting the parties discussed integration processes in Eurasia and Latin America, as well as issues of cooperation among regional organisations.

On 27 September 2007 the SCO Secretary-General Bolat Nurgaliev visited the Institute of Russian, East European and Central Asian Studies of the Chinese Academy of Social Sciences and delivered a lecture “SCO an organisation of multilateral cooperation. Bishkek summit achievements. Prospects for SCO’s development”.

After the lecture Bolat Nurgaliev took questions from the audience. Chinese scholars expressed their views on the prospects for SCO’s development.

The Secretary-General was received by the Institute’s Director Xing Guangcheng and the Deputy Directors Meng Qinghai and Zhang Jianguo.

22-28 September 2007 Hangzhou hosted an international art forum Paintings of West Lake, which brought together 60 outstanding artists from the SCO member states.

The event was organised by the Government of the city of Hangzhou and the SCO Secretariat.

The SCO Secretary-General Bolat Nurgaliev, the President of China Foundation for International Studies and Academic Exchanges Zhang Deguang, the famous Chinese artist, Director of the Hangzhou Institute of Chinese Painting and Chairman of the Organising Committee of the Forum Gu Hong delivered welcoming statements at the opening ceremony.

On 28 September 2007 the SCO Secretary-General Bolat Nurgaliev received a delegation of journalists from Xi’an. He was interviewed by the city’s largest internet and print media organisations.

On 05 October 2007 the SCO Secretary-General Bolat Nurgaliev and the CSTO Secretary-General Nikolai Bordyuzha signed in Dushanbe the Memorandum of Understanding between the Secretariat of the Shanghai Cooperation Organisation and the Secretariat of the Collective Security Treaty Organisation.

The document envisages joint efforts for the establishment and development of equal and constructive interaction between the SCO and

CSTO Secretariats on the following issues:

- ensuring regional and international security and stability;
- counteraction against terrorism;
- fight against drugs trafficking;
- fight against arms trafficking;
- counteraction against transnational organised crime;
- other areas of mutual concern.

The MoU provides that the Secretariats of the two Organisations and their other permanent bodies shall hold consultations and share information by mutual consent over issues of mutual concern.

On 05 October 2007 the SCO Secretary-General Bolat Nurgaliev was interviewed by correspondents from the Chinese Liaowang magazine.

Bolat Nurgaliev answered the magazine's questions about the recently held Bishkek summit of SCO heads, SCO cooperation in security, economy, trade and other fields.

On 19 October 2007 the SCO Secretary-General Bolat Nurgaliev was interviewed by the UK's Emerging Markets news agency. The interview was given in preparation of an International Monetary Fund bulletin.

On 19 October 2007 the SCO Secretary-General Bolat Nurgaliev held a meeting at the Secretariat with the Political Director and Undersecretary Ilgvars Klava of the Foreign Ministry of Latvia and accompanying officials.

The Secretary-General briefed his guests on the activity of the Shanghai Cooperation Organisation, the recently held Bishkek meeting of the Heads of State Council as well as the forthcoming scheduled events in the SCO framework.

22 October 2007: At the official invitation of the Central Commission on Elections and Referendums of the Kyrgyz Republic and in accordance with the Regulations on Observer Mission from the Shanghai Cooperation Organisation at presidential and/or parliamentary elections and referendums (hereinafter – the Regulations on SCO Observer Mission) approved by the Foreign Ministers Council of the SCO mem-

ber states on 15 May 2006, the SCO Observer Mission (hereinafter – the Mission) monitored the preparation and conduct of the referendum (popular vote) in the Kyrgyz Republic (hereinafter – the referendum) held on 21 October 2007 with the aim of getting the approval by citizens of the Kyrgyz Republic of the draft Law of the Kyrgyz Republic “On the new edition of the Constitution of the Kyrgyz Republic” and the draft Law “On the new edition of the Code of the Kyrgyz Republic on Elections in the Kyrgyz Republic”.

The decision to dispatch the Mission to monitor the preparation and conduct of the referendum in the Kyrgyz Republic on 21 October 2007 was taken by the SCO Secretary-General according to the order outlined in the Regulations on SCO Observer Mission. The Observer Mission from the SCO was composed of two Secretariat officers and three representatives from SCO member states (two from the Republic of Kazakhstan and one from the Republic of Tajikistan). The SCO Secretary-General conferred the responsibilities of Head of the Mission on the Deputy Secretary-General Sherali Djononov.

The referendum was conducted in accordance with Articles 1, 7, 42, 46, 96 of the Constitution of the Kyrgyz Republic, the Law of the Kyrgyz Republic “On referendum in the Kyrgyz Republic” and Decree № 410, 19 September 2007, of the President of the Kyrgyz Republic “On the conduct of referendum in the Kyrgyz Republic”.

Members of the Mission familiarised themselves with the preparation and conduct of the referendum in the Kyrgyz Republic held on 21 October 2007.

In order to make a fair assessment of the conduct of the referendum and in accordance with the national legislation of the Kyrgyz Republic and its international obligations, the Mission visited 14 polling stations located in the city of Bishkek, Alamudun and Sokuluk districts of Chuysk region.

All the polling stations visited by the Mission provided printed materials containing information on the draft laws submitted to the referendum.

On the voting day of the referendum members of the Mission were present at the start of the work of precinct referendum commissions of Bishkek. Members of the referendum commissions had arrived at poll-

ing stations at 5 a.m. on 21 October 2007, i.e. one hour before the voting began.

In accordance with Article 31 of the Law of the Kyrgyz Republic “On referendum in the Kyrgyz Republic”, ballot papers were issued to voters included in the voters lists upon presentation of their identity cards.

Voting at the polling stations observed by the Mission was conducted in accordance with Article 28 of the Law of the Kyrgyz Republic “On referendum in the Kyrgyz Republic” from 6 a.m. to 20 p.m. local time on 21 October 2007 in a free, calm, transparent and well-organised environment.

Observers from political parties, public organisations, mass movements of the Kyrgyz Republic were present at all the polling stations visited by the Mission, which fully conforms to provisions of Article 5 of the Law of the Kyrgyz Republic “On referendum in the Kyrgyz Republic” and Paragraph II of “the Regulations on the status of persons empowered to act for candidates, observers, including the foreign ones, in the period of conducting elections and referendums in the Kyrgyz Republic” approved by the Central Commission on Elections and Referendums of the Kyrgyz Republic, Resolution № 21, 02 September 2007. Members of the Mission did not receive complaints or criticism from these observers over the conduct of the referendum.

Members of the Mission were present during the vote counting and drawing up of protocols of vote returns at polling stations of the city of Bishkek. In the course of vote counting members of the Mission and other observers from political parties, public organisations, mass movements of the Kyrgyz Republic did not report any violations.

The activity of the SCO Observer Mission was covered by the mass media. The Head of the Mission gave a series of interviews and released the present Statement.

The Mission believes that the referendum in the Kyrgyz Republic was free and open.

The Mission notes that the referendum took place in a democratic environment, which allowed citizens of the Kyrgyz Republic to express freely their attitude to the issues put to the referendum, and basically

conformed to the requirements of the national legislation of the Kyrgyz Republic and its international obligations.

The Mission believes that some deficiencies exposed during the referendum were basically of little significance and could not have had a considerable effect on its overall results.

The SCO Observer Mission expresses gratitude to the Central Commission on Elections and Referendums, the Ministry of Foreign Affairs, as well as other organisations and institutions of the Kyrgyz Republic for their assistance and aid provided during its work.

The Head of the Observer Mission from the Shanghai Cooperation Organisation

Sherali Djononov

On 24 October 2007 Astana hosted a regular meeting of Ministers of SCO member states in charge of foreign trade and economic affairs.

The meeting was chaired by the Minister for Industry and Trade Galym Orazbakov of the Republic of Kazakhstan. Heads of relevant ministries and departments from the SCO member states, as well as the SCO Secretary-General Bolat Nurgaliev were in attendance.

In a friendly and businesslike spirit the parties exchanged opinions over the pressing issues of further development of multilateral economic cooperation in the SCO framework.

The heads of delegations noted the dynamic development of interaction among the SCO member states in trade, economic and investment sectors, and underlined the significance of practical implementation of the main agreements reached at the previous meetings of the SCO Heads of State and Heads of Government Councils, first and foremost, the Action Plan on execution of the Programme for multilateral trade and economic cooperation.

Taking into account the decisions made by the SCO Heads of State Council on 16 August 2007 in Bishkek, the parties discussed the state of multilateral economic cooperation in priority sectors. An agreement was reached to further step up the activity of the special working groups

on selection and implementation of pilot projects, as well as to take concrete measures designed to further expand trade, economic and investment links in the framework of the Organisation.

The heads of delegations heard a report in preparation of a regular meeting of the SCO Heads of Government Council due 02 November in Tashkent. The parties attach great importance to the upcoming conference of SCO prime ministers.

The parties decided to hold the next ministerial meeting in 2008 in the People's Republic of China. Upon completion of the meeting the Ministers signed a protocol.

On 31 October 2007 the SCO Secretary-General Bolat Nurgaliev met in Tashkent with the Prime Minister of the Republic of Uzbekistan Shavkat Mirziyoyev. Issues on the agenda of the forthcoming meeting of the SCO Heads of Government Council as well as the current state and future prospects of the Organisation's activity were discussed.

During the talks the Uzbek Premier noted that decisions to be made at the HGC meeting would give the essential impetus to further strengthening of interaction among the SCO member states in achieving the determined goals and tasks, with particular focus on the issues of maintaining security and stability as well as steady development of trade and economic interaction in the SCO region.

Agreement was reached over the need to increase work on the development of cooperation in such key areas as trade and investment, transportation and communications, fuel and energy sector, agriculture, tourism, telecommunications etc. The parties emphasised the importance of more effective supervision over the implementation of the Programme for multilateral trade and economic cooperation adopted four years ago.

On 31 October 2007 the SCO Secretary-General Bolat Nurgaliev met in Tashkent with the Minister of Foreign Affairs of the Republic of Uzbekistan Vladimir Norov. The parties exchanged views over the current state and future prospects of the Organisation's activity.

The Minister noted that since the creation of the SCO the situation in the region had become more predictable, for stability is the key to successful economic development and social well-being of every coun-

try. Strengthening of economic cooperation remains one of the essential conditions for progressive development of the SCO as an influential organisation of multifaceted cooperation.

The parties also underlined the importance of enhancing the effectiveness of mechanisms set up in the SCO framework for the sake of practical implementation of the concluded agreements and adopted decisions.

In the course of the meeting various organisational aspects of the SCO activity were discussed, including strengthening of the Secretariat's role in ensuring effective coordination of efforts among the SCO institutions.

On 02 November 2007 Tashkent hosted the sixth meeting of the Heads of Government Council of the Shanghai Cooperation Organisation member states. Upon completion of the meeting the Prime Ministers signed a Joint Communiqué.

On 02 November 2007 the SCO Secretary-General Bolat Nurgaliev met in Tashkent with the First Vice President of the Islamic Republic of Afghanistan Ahmad Zia Masood. The parties discussed issues of interaction between the Shanghai Cooperation Organisation and Afghanistan.

During the talks Ahmad Zia Masood congratulated the Secretary-General on successful staging of the SCO Heads of Government Council meeting. He noted that Afghanistan was interested in further development and strengthening of cooperation with the SCO, particularly in economic sector and in getting assistance in tackling the issues of the country's socioeconomic reconstruction. The Afghan side stands ready to step up interaction in the framework of the SCO – Afghanistan Contact Group.

Agreement was reached over the need to intensify work on the development of cooperation in accordance with the Bishkek summit decisions and the Tashkent meeting of the SCO Heads of Government Council.

05 November 2007: In a statement on behalf of the Shanghai Cooperation Organisation made during the plenary session of the General Assembly on the situation in Afghanistan, the Permanent Representative of Tajikistan at the United Nations Sirodjidin Aslov expressed concern over the increasing activity of Taleban and Al Qaeda in Afghanistan. He

called to prevent terrorists from involvement in the country's governmental institutions and to cut off their sources of funding coming mainly from drugs trafficking, the UN News Centre reports.

"The subject of our concern is a sky-rocketing growth in illegal drugs production with financial means obtained from their sale being spent, among other purposes, on purchasing weapons and ammunition", — the Ambassador said. He called to step up counterterrorism efforts not only on the territory of Afghanistan, but also through the creation of a network of antiterrorist and financial security belts under the coordination of the United Nations and with the involvement of neighbouring states.

Sirodjidin Aslov stressed that all the SCO member states support the idea of creating antinarcotic security belts along the Afghan border, proposed by Tajikistan and Russia. He reminded that in the follow-up to this idea Moscow had put forward an initiative to set up a financial security belt around Afghanistan, and called on the financial intelligence units to join this work.

The Tajik PR emphasised the need to enhance the capacity of Afghanistan's armed forces so that they could be able to ensure the security of their citizens on their own. At the same time he noted that military measures alone would not be enough to settle all the problems facing that country, and appealed to focus on reviving the Afghan economy.

The Ambassador noted that SCO member states were already actively involved in a number of projects aimed to rebuild the energy, transport and social infrastructure of Afghanistan. For example, Kazakhstan announced the launch of a special programme aimed to carry out investment and humanitarian projects in Afghanistan.

The SCO was granted observer status at the UN's General Assembly in December 2004. This gives the SCO the right to participate in the work of this United Nations body.

On 07 November 2007 the SCO Deputy Secretary-General Vladimir Zakharov received at the SCO Secretariat a delegation from the Dutch United Nations Student Association of the University of Leiden, the Netherlands. During the meeting the Dutch student delegates were

briefed on the history of SCO formation, the state and prospects of SCO cooperation in political, economic, social fields and, in particular, the process of creating the SCO Youth Association.

On 09 November 2007 the SCO Secretary-General Bolat Nurgaliev was interviewed during the 2nd session of the Eurasian Economic Forum in Xi'an:

“For the time being the member states of the Shanghai Cooperation Organisation do not have a united position over the common strategic energy concept, however initial results may well be yielded next year.

Initiatives were put forward to form an Asian Energy Concept and an SCO Energy Club. During a meeting, held in June in Moscow, heads of energy ministries and departments from the six states discussed issues of formulating a single energy policy. As a result, the parties agreed to continue this work at the expert level.

However a single concept has yet to appear, work is under way to bring closer the parties' positions. A second ministerial conference is scheduled to take place in 2008, but this time around with the involvement of the Organisation's observer states – India, Iran, Mongolia and Pakistan. The initial results may be expected by then.

The prospects of creating the Energy Club is one of the topics being debated at the Eurasian Economic Forum in Xi'an. This conference is also providing an opportunity to exchange views and bring closer positions over the EC, which in future could balance the interests of energy producing, consumer and transit states.

The effectiveness of funding joint projects being carried out on the territory of SCO member states should be enhanced. The issues of financing must be settled in a more effective way. There are different approaches. One of them, for instance, is granting preferential loans, a wide spread practice in China, or providing loans in the framework of the SCO Development Fund and SCO Business Council. The practice of granting preferential loans should be extended, especially by the countries, which possess free financial resources.

As far as economy is concerned, at present the Organisation is faced with the task of yielding concrete achievements on a number of pilot

projects in energy, transportation, telecommunications. The new motorway stretching across the territory of four states is the example of practical achievement. We have already laid solid legal foundations, now it is time to get down to business.

The Heads of Government Council, which met at the start of November in Tashkent, reached an agreement to make an assessment of the process of implementing the joint projects and to put more effort into the projects, which are showing signs of progress”.

20-21 November 2007 Dushanbe hosted consultations among the Ministries of Foreign Affairs from the Shanghai Cooperation Organisation member states on the issues of cooperation with Afghanistan and the Organisation’s international contacts.

The consultations took place in a spirit of openness and understanding.

The parties reaffirmed their interest in strengthening security and stability in the Islamic Republic of Afghanistan, as well as in its economic reconstruction.

The parties underlined the importance of developing a constructive cooperation between the SCO and other interested states and international organisations.

On 28 November 2007 the SCO Secretary-General Bolat Nurgaliev was interviewed by the Infoshos.Ru analytical website.

27-29 November 2007 under the initiative of the Ministry of Agriculture of the People’s Republic of China, the SCO Secretariat hosted the first meeting of senior officials from the ministries of agriculture of the SCO member states. The meeting was held in compliance with the agreement reached by the SCO Heads of Government Council (Tashkent, 02 November 2007) as well as with the aim of establishing and developing contacts among the SCO member states in the field of agriculture.

The SCO Secretary-General Bolat Nurgaliev was in attendance.

In the course of the meeting the parties informed each other on the state of agricultural development in their states. In a spirit of practical

cooperation, equality and mutual benefit they considered proposals and initiatives concerning mechanisms, priority directions, forms and methods of future cooperation among the SCO member states in the field of agriculture, as well as the prospects for further development and deepening of cooperation in this area.

According to Russian media reports, on 29 November 2007 the Head of the Central Election Commission of the Russian Federation Vladimir Churov received members of the Observer Mission from the Shanghai Cooperation Organisation to discuss preparations and conduct of the election of deputies of the State Duma of the Federal Assembly of the Russian Federation of the fifth convocation.

The SCO was represented by the head of the observer mission Gao Yusheng (China), the Deputy Secretary-General; Li Haijun (China), officer of the SCO Secretariat; Zhao Xidi (China), ambassador of the Foreign Ministry of the PRC; Mao Wenchong (China), deputy head of section of the Foreign Ministry of the PRC; Zulaykho Zokirova (Tajikistan), member of the Central Election Commission of the Republic of Tajikistan; Alexander Potapenko (Russia), officer of the SCO Secretariat.

At the official invitation of the Ministry of Foreign Affairs of the Russian Federation, on the instructions of the President of the Russian Federation and in accordance with the Regulations on Observer Mission from the Shanghai Cooperation Organisation at presidential and/or parliamentary elections and referendums (hereinafter – the Regulations on SCO Observer Mission) approved by the Foreign Ministers Council of the SCO member states on 15 May 2006, the Observer Mission from the Shanghai Cooperation Organisation (hereinafter – the Mission) from 27 November till 03 December 2007 monitored the preparation and conduct of the election of deputies of the State Duma of the Federal Assembly of the Russian Federation of the fifth convocation.

The decision to dispatch the Mission to observe the election of deputies of the State Duma of the Federal Assembly of the Russian Federation of the fifth convocation was taken by the SCO Secretary-General according to the order outlined in the Regulations on SCO Observer Mission. The Observer Mission from the SCO was comprised of three Secretariat officers and ten representatives from SCO member states. The SCO

Secretary-General conferred the responsibilities of Head of the Mission on the Deputy Secretary-General Political Gao Yusheng.

The election was conducted in accordance with Article 96 and Paragraph 1 of Article 97 of the Constitution of the Russian Federation, Article 6 of the Federal Law of the Russian Federation “On the election of deputies of the State Duma of the Federal Assembly of the Russian Federation” and the Decree of the President of the Russian Federation “On the calling of election of deputies of the State Duma of the Federal Assembly of the Russian Federation of new convocation”.

The Mission notes that the legal base for elections provides the necessary conditions for participants of electoral process. It guarantees the right and opportunity of free voting or non-voting, electing or being elected on fair terms on the basis of universal equal expression of the voters’ will by secret ballot.

Introduction to the electoral legislation of a practice allowing citizens to vote on absentee certificates conforms to basic democratic principles and provides additional opportunities for the exercise of the constitutional rights of citizens, who for certain reasons cannot cast their vote on voting day at the place of their residence.

The activity of the SCO Observer Mission received wide coverage in the national media. The Head of the Mission gave a series of interviews and released the present statement.

Members of the Mission familiarised themselves with the activity of the campaign headquarters of the political parties involved in the election of deputies of the State Duma of the Federal Assembly of the Russian Federation of the fifth convocation, held a number of meetings with leaders of main political parties, as well as shared experience in monitoring elections with international observers from the CIS. The Mission was received by the Head of the Central Election Commission of the Russian Federation and the Deputy Head of the Election Commission from the Ministry of Foreign Affairs of the Russian Federation.

With the aim of making an objective assessment of the conduct of voting and counting of ballots, and in accordance with the national legislation of the Russian Federation and its international agreements, the Mission inspected 30 precinct election commissions in the electoral district of the city of Moscow.

All the electoral precincts visited by the Mission provided printed materials containing information on the political parties and their candidates participating in the election. According to Article 75 of the Federal Law of the Russian Federation “On the election of deputies of the State Duma of the Federal Assembly of the Russian Federation”, on the voting day of the election of deputies of the State Duma of the Federal Assembly of the Russian Federation of the fifth convocation, before the start of voting, the chairmen of the mentioned precinct election commissions declared the polling stations open and produced for inspection to members of the precinct election commissions, present voters and persons, mentioned in Part 5 of Article 29 of the Federal Law of the Russian Federation “On the election of deputies of the State Duma of the Federal Assembly of the Russian Federation”, empty portable and stationary ballot boxes, which were then sealed by the stamp of the precinct election commission. The chairmen of the precinct election commissions also paraded before the mentioned persons sealed portable ballot boxes with ballot papers filled by voters, who went to the polls ahead of time, in accordance with parts 2-9 of Article 76 of the Federal Law of the Russian Federation “On the election of deputies of the State Duma of the Federal Assembly of the Russian Federation”.

In accordance with Paragraph 6 of Article 75 of the same Federal Law, ballot papers were issued to voters included in the voters lists upon presentation of their identity cards.

Voting at the polling stations observed by the Mission was conducted from 08 a.m. to 20 p.m. local time on 02 December 2007 in a free, calm, transparent and well-organised environment.

Observers from political parties, public bodies, non-governmental organisations of the Russian Federation were present at all the polling stations visited by the Mission, which fully conforms to provisions of Article 30 of the Federal Law of the Russian Federation “On the election of deputies of the State Duma of the Federal Assembly of the Russian Federation”. Members of the Mission did not receive complaints or criticism from these observers over the conduct of the election.

Members of the Mission were present during the vote counting and drawing up of protocols of vote returns at three polling stations of the

city of Moscow. In the course of vote counting members of the Mission did not report any violations.

The Mission believes that the election of deputies of the State Duma of the Federal Assembly of the Russian Federation of the fifth convocation in the election district observed by the Mission was legitimate, free and open, and basically conformed to the requirements of the national legislation of the Russian Federation and its international obligations.

The SCO Observer Mission expresses gratitude to the Ministry of Foreign Affairs, the Central Election Commission as well as other organisations and institutions of the Russian Federation for the assistance provided during its work.

04 December 2007: The Secretaries-General of the Shanghai Cooperation Organisation and the Collective Security Treaty Organisation are due to sign a joint near-term plan of action during a meeting in Beijing at the start of 2008.

“We are approaching the second stage of fulfillment of the Memorandum of Understanding signed between our organisations in October. It apparently will be launched at the start of the New Year in Beijing. The Secretaries-General of the CSTO and SCO will meet for consultations, after which they will sign a plan of action and set about its implementation”, - Nikolai Bordyuzha told a news conference following talks with the SCO Deputy Secretary-General Gao Yusheng.

In his words, before approving the plan for future activities the heads of the two organisations have to agree the positions of the CSTO and SCO on matters of external political activity, exclude duplication of actions of the two organisations, as well as to determine other areas of joint cooperation.

According to Bordyuzha, the plan would envisage cooperation in tackling drugs trafficking from Afghanistan, its post-war reconstruction, coordination of positions on the work in the United Nations Organisation and other actions.

“Today we have completed the first stage of consultations that will in future enable us to develop various directions and areas of our cooperation and sign other documents on cooperation”, - Gao Yusheng told the news conference.

The SCO attaches great importance to cooperation with the CSTO, because the joint activity of the two organisations leads to stability and security in the region. “I think, we can well develop our potential for ensuring security in the region”, - Gao Yusheng said.

On 04 December 2007 the Deputy Secretary-General of the Shanghai Cooperation Organisation Gao Yushen and the Secretary-General of the Collective Security Treaty Organisation Nikolai Bordyuzha held consultations in Moscow over issues of developing interaction between the two organisations.

In the course of consultations, on the basis of the Memorandum of Understanding between the Secretariats of the two organisations, the parties agreed to develop cooperation in various areas, including maintenance of regional and international security and stability. Due attention will be paid to issues of joint struggle against terrorism, drugs trafficking, as well as prevention of arms trafficking and other types of transnational criminal activity.

On 11 December 2007 the Deputy Secretaries-General Vladimir Zakharov and Anvar Nasyrov held a meeting with diplomatic officials from the Embassies of the SCO observer states in Beijing. They were briefed on the main achievements of the Organisation in 2007 and the schedule of activities planned for 2008.

16 December 2007: During the ballot counting the Observer Mission from the Shanghai Cooperation Organisation discovered no violations.

The pre-term election of deputies of the Zhogorku Kenesha of the Kyrgyz Republic were free, open and transparent, the SCO OM Head Sherali Djononov told a news conference.

The Mission notes that the election was held in a democratic environment and basically conformed to requirements of the national legislation of Kyrgyzstan and its international obligations. The Mission visited a number of electoral precincts in Bishkek, Tokmak, Kant, Kara Balta, as well as in Moskovskiy District, the Chuysk Region.

“Voting at 10 polling stations observed by the Mission was conducted from 08 a.m. to 20 p.m. local time on 16 December 2007 in a free, calm, transparent and well-organised environment. Members of the Mission

did not receive complaints or criticism from observers from political parties over the conduct of the election”, – Djononov concluded.

On 18 December 2007 the constituent assembly of the Chinese Association for Friendship with Central Asian States was held in Beijing.

The Vice Chairman of the Standing Committee of the National People's Congress Ismail Amat was invited to take the post of the Association's Honourable Chairman, and the former SCO Executive Secretary, former Deputy Foreign Minister Zhang Deguang was elected the Association's Chairman.

The Chinese Association for Friendship with Central Asian States was founded on the initiative of the Chinese People's Association for Friendship with Foreign Countries. It is meant to facilitate people-to-people exchanges between China and Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, strengthen the social basis of centuries-old friendship between China and the five states of Central Asia, promote common development and prosperity.

Ismail Amat in his statement expressed confidence that the Association would actively promote official contacts, play the role of a crucial link between people's organisations, make its contribution to the cause of deepening understanding and traditional friendship between the peoples of China and the Central Asian states, facilitate exchanges and cooperation in various fields.

The CPAFFC invited ambassadors of the five Central Asian states to China to a reception on the occasion of the founding of the Chinese Association for Friendship with Central Asian States. The ambassadors delivered welcoming statements and expressed readiness to extend their support and assistance to the Association.

Around 150 guests attended the reception, including members of the Association and representatives from various people's organisations.

18-21 December 2007 Beijing hosted the seventh round of expert-level negotiations on the draft Road Transportation Facilitation Agreement among the Governments of the SCO Member States.

During the negotiations held in a friendly and constructive spirit, experts from the six member states continued to discuss and agree the draft Agreement, and reached a unanimous opinion on most of its articles. The experts expressed hope for the earliest possible agreeing of the text of the draft framework Agreement.

21 December 2007: The Russian President Vladimir Putin approved a list of ministries and agencies responsible for interaction with the Shanghai Cooperation Organisation in the framework of the Agreement on Countering Drugs Trafficking.

The Federal Drug Control Service, the Foreign Ministry, the Ministry of Interior, the Ministry of Health and Social Development, the Ministry of Education and Science, the Ministry of Justice, the Federal Security Service, the Federal Customs Service and the Public Prosecutor's Office are designated as the central competent bodies of the Russian Federation responsible for cooperation with the SCO in this field.

The FDSC is the authorised agency of the Russian Federation charged with coordination of cooperation in the framework of the Agreement. It forms delegations for participation in meetings, conferences, seminars and other activities held in the context of the Agreement on Countering Drugs Trafficking, and in coordination with the MFA and other competent departments issues instructions for Russian delegations.

The MFA was tasked to notify the Agreement's depository of the central competent bodies of the Russian Federation responsible for cooperation in the framework of the Agreement, as well as of the authorised agency of the Russian Federation responsible for coordination of this cooperation.

21 December 2007: Asked why the CSTO is currently engaged in such a close cooperation with the SCO, the Secretary-General of the Collective Security Treaty Organisation Nikolai Bordyuzha said: "Security in the region covered by the Treaty is one of the SCO's priorities. We mainly deal with security issues as well. The SCO has its relevant potential, so does the CSTO. Therefore we are convinced that we must combine our potentials".

“I’d like to say that prior to the start of our interaction with the SCO we had offered the North Atlantic Treaty Organisation a similar kind of interaction. At present the NATO is undoubtedly a real player in Central Asia, the NATO is present in Afghanistan and in CSTO member states. So we offered them to combine our potentials to tackle security issues, for instance, in Afghanistan and Central Asia. But our proposal was met, to put it mildly, with no response. Yet the SCO did respond”.

22 December 2007: Uzbekistan has carried out extensive work to ensure that elections are conducted in accordance with the principles of openness and pluralism, democratisation of the electoral system. Free expression of the voters’ will is fully guaranteed. This indicates that the presidential election in Uzbekistan is set to be held in strict accordance with international standards. Such is the opinion of the SCO Secretary-General Bolat Nurgaliev.

“We have familiarised ourselves with the ongoing work on the preparation and conduct of election of the President of the Republic of Uzbekistan, particularly, with the activity of the Central Election Commission, a number of precinct and district election commissions, – Nurgaliev told an Uzbekistan National News Agency correspondent. – We have met with presidential candidates, learnt about their election campaign and their programme”.

“I would note, – the Secretary-General went on to say, – that the Law “On the election of the President of the Republic of Uzbekistan” and other electoral rules fully conform to international standards. International observers have been provided with all the necessary conditions for their work, in particular, for immediate monitoring of the conduct of the presidential election”.

Bolat Nurgaliev believes that since gaining independence Uzbekistan has achieved huge successes in various fields, in particular, in economy. The people’s welfare is improving, the country’s international authority is increasing. This is yet another example of the correctness of the path of national development the country has chosen. Uzbekistan is going firmly down the road towards building a democratic state with the rule of law and a strong civil society.

At the official invitation of the Central Election Commission of the Republic of Uzbekistan, from 20 till 23 December 2007, the Shanghai Cooperation Organisation Observer Mission (hereinafter – the Mission) monitored the preparation and conduct of the election of the President of the Republic of Uzbekistan.

The decision to send the Mission to monitor the preparation and conduct of the election of the President of the Republic of Uzbekistan was taken by the SCO Secretary-General according to the order outlined in the Regulations on Observer Mission from the Shanghai Cooperation Organisation at presidential and/or parliamentary elections and referendums approved by the Foreign Ministers Council of the SCO member states on 15 May 2006. The Observer Mission headed by the SCO Secretary-General Bolat Nurgaliev was composed of Secretariat officers.

Based on the assessment of the national electoral legislation with regard to the election of the President of the Republic of Uzbekistan, conducted by Secretariat experts, the Mission notes that it conforms to generally accepted international electoral standards and provides the necessary democratic and legal preconditions for free expression of the voters' will by secret ballot.

The current election was conducted in accordance with Article 117 of the Constitution of the Republic of Uzbekistan, the Law of the Republic of Uzbekistan “On the election of the President of the Republic of Uzbekistan” and other electoral laws. All the candidates for the President of the Republic of Uzbekistan registered by the CEC had equal opportunities for conducting their election campaigns and familiarising the voters with their programmes.

The Head of the Central Election Commission of the Republic of Uzbekistan Mirzo-Ulugbek Abdusalomov received members of the Mission and briefed them on the conduct of the presidential election campaign in the Republic of Uzbekistan and the working order of the CEC, as well as precinct and district election commissions. On 23 December 2007 members of the Mission visited Precinct Election Commission № 4 in the city of Bukhara and familiarised themselves with its activity.

20-21 December 2007 members of the Mission held meetings with the heads of the campaign headquarters of the following candidates for

the President of the Republic of Uzbekistan: Diloram Tashmukhamedova (the Social Democratic Party of Uzbekistan); Islam Karimov (the Movement of Entrepreneurs and Businesspeople – Liberal Democratic Party of Uzbekistan); Asliddin Rustamov (the People's Democratic Party of Uzbekistan); Akmal Sayidov (an initiative group of voters). The assessment of the activity of the campaign headquarters showed no evidence of restricting the right of the candidates to be elected. During the same period the Mission visited 2 polling stations in the city of Tashkent with the aim of monitoring their work with voters.

The activity of the SCO Observer Mission was covered by the mass media. The Head of the Mission gave a series of interviews and released the present Statement.

In order to make a fair assessment of the voting procedure, on 23 December 2007 the Mission visited polling stations located in the cities of Bukhara and Kagan, the Bukhara Region.

On the voting day members of the Mission were present at 6 polling stations open from 6 a.m. to 20 p.m. local time on 23 December 2007. The voting procedure was conducted in strict accordance with Articles 30, 31, 32 of the Law of the Republic of Uzbekistan "On the election of the President of the Republic of Uzbekistan" and the Law of the Republic of Uzbekistan "On the guarantees of the voting rights of citizens" in a businesslike, calm and well-organised environment, which ensured free expression of the voters' will.

Observers from political parties and public organisations of the Republic of Uzbekistan were present at all the polling stations visited by the Mission. Members of the Mission did not receive complaints or criticism from these observers over the conduct of the election.

Members of the Mission were present during the vote counting at 3 polling stations in the city of Bukhara and the Bukhara Region. In the course of vote counting members of the Mission reported no violations of the provisions of Article 33 of the Law of the Republic of Uzbekistan "On the election of the President of the Republic of Uzbekistan" and the Law of the Republic of Uzbekistan "On the guarantees of the voting rights of citizens".

The Mission believes that the election of the President of the Republic of Uzbekistan was legitimate, free and transparent, and fully conformed to the national legislation of Uzbekistan and international electoral standards.

The SCO Observer Mission expresses gratitude to the Central Election Commission, the Ministry of Foreign Affairs, as well as other organisations and institutions of the Republic of Uzbekistan for their assistance provided during its work.

31 December 2007: The SCO Secretary-General Bolat Nurgaliev issued a statement in connection with the terrorist act in Pakistan:

Fighting against terrorism is one of the key priorities of the Shanghai Cooperation Organisation, therefore we resolutely condemn this vicious act of terrorism. We express sincere condolences to the family of Benazir Bhutto as well as to the relatives of the victims of this crime.

On 02 January 2008: The Government of Sverdlovsk Region, the Russian Federation, is to draw up a decree by the end of January 2008 on the founding of a corporation charged with building a Major Eurasian University (MEU). The Governor of Sverdlovsk Region gave his backing to the idea, RIA Novosti reports. MEU will be built on the banks of the most beautiful lake in Yekaterinburg – Shartasha Lake, and occupy an area of 1,5 thousand hectares. Up to 200 thousand students are supposed to study there (at present there are 140 thousand students in Yekaterinburg). Among them will be youngsters from CIS countries, Japan, South Korea, China. Lectures will be given in Russian, however education in students' native language, for instance Chinese, is not ruled out as well.

The construction of the University will be funded from private, state and international sources. The total amount of investment has yet to be evaluated. The University will be built in three stages, the first one is to take eight years. All in all, the creation of Major Eurasian University is expected to take thirty years.

03 January 2008: The Russian Federation will hold presidency of the Shanghai Cooperation Organisation in 2008-2009. The key event during its presidency will be a Heads of State Council meeting. In accordance with the policy of the Russian President aimed to encourage the country's regions to actively participate in external political activity, the President and the Government of Russia backed the initiative of the Administration of Sverdlovsk Region to host a Heads of State Council meeting in Yekaterinburg in 2009. Successful fulfillment of this important mission requires coordinated efforts of government agencies, business communities and public organisations at federal and regional levels.

The President of the Russian Federation issued a decree to set up a Federal Organising Committee on Preparation and Ensuring of Russian Presidency of the SCO in 2008-2009, approved its Regulations and appointed Sergei Prikhodko, the current aide to the President, as the Committee Chairman.

The Government of Sverdlovsk Region adopted a resolution "On measures in preparation of Meeting of the SCO Heads of State Council in 2009". The relevant Decree and Resolution contain a list of main activities to be staged in Sverdlovsk Region in the run-up to and during Russian presidency of the SCO.

On 20 June 2007 the Federal Organising Committee on Preparation and Ensuring of Russian Presidency of the SCO in 2008-2009 gathered for its first meeting at the Residence of the Governor of Sverdlovsk Region.

The meeting's agenda included issues surrounding the concept, schedule of activities and financial provision of Russian presidency of the SCO in 2008-2009, as well as preparation of facilities for hosting an SCO summit in 2009 in Yekaterinburg. Expansion of trade and economic ties is vital to the development of international cooperation. The trade volume between Sverdlovsk Region and the SCO member states reached 1,8 billion US dollars in 2006, which is 17 percent higher on the previous year. Taking into account the amount of trade with the observer states Iran, India, Mongolia and Pakistan, the total figure exceeds 2 billion US dollars. This group of countries accounts for 20 percent of the foreign trade turnover of Sverdlovsk Region.

05 January 2008: The Foreign Minister of the Republic of Tajikistan Khamrokhon Zarifi gave an interview with the National Information Agency of Tajikistan “Khovar” concerning main achievements of the country’s foreign policy in 2007.

On 21 January 2008 the SCO Secretary-General Bolat Nurgaliev held talks at the Secretariat with the Executive Secretary of the United Nations Economic and Social Commission for Asia and the Pacific Noeleen Heyzer and her colleagues. During the meeting Bolat Nurgaliev briefed the UNESCAP officials on the history of SCO’s development, main areas of its activity, the practice of SCO’s interaction with countries in neighbouring regions and international organisations. Noeleen Heyzer expressed thanks for the opportunity to visit the SCO Secretariat, and also spoke of the main goals, tasks and current activity of the UNESCAP.

During the talks the parties reaffirmed their intention to maintain regular contacts between the two organisations. Exchange of opinions took place over issues of establishing interaction between the SCO and UNESCAP in such fields like economy and trade, transportation and communications, energy, environmental protection and sustainable development, use of information technology. At present the SCO and UNESCAP, with the assistance of the Asia Development Bank, are actively cooperating in drawing up the draft Agreement among the governments of the SCO member states on road transportation facilitation. Upon conclusion of the talks Bolat Nurgaliev and Noeleen Heyzer signed the Memorandum of Understanding between the Secretariat of the Shanghai Cooperation Organisation and the Secretariat of the United Nations Economic and Social Commission for Asia and the Pacific, which envisages concrete forms and areas of mutually beneficial cooperation, including expert-level consultations designed to review jointly conducted activities and discuss ways of further promotion of links, as well as sharing of information of mutual interest to both parties.

On 23 January 2008 the SCO Secretary-General Bolat Nurgaliev met with Thierry Meyrat, Head of Delegation, ICRC Regional Delegation for East Asia.

The SCO Chief briefed the official from the International Committee of the Red Cross on main areas of cooperation in the framework of the SCO and its practice of interaction with international and regional organisations.

Thierry Meyrat, in his turn, spoke of tasks and areas of the ICRC activity and those of the Regional Delegation, which he heads.

During the conversation mutual intention was expressed to maintain regular contacts between the SCO and ICRC on issues of common concern, including response to natural and technological emergencies.

24 January 2008: Vigorous joint activity between Kazakhstan and China in the framework of the Shanghai Cooperation Organisation is contributing to strengthening cooperation in all fields. Today “the SCO factor” is an important element of stability in the vast Eurasian region, therefore it is quite natural that other states and multilateral associations are becoming increasingly interested in the activity of the SCO, - Kasymzhomart Tokayev, the Speaker of the Senate of the Republic of Kazakhstan, said during a meeting in Beijing with Chinese political analysts.

Tokayev expressed confidence that parliamentarians from the SCO member states, including Kazakhstan and China, would bring their contribution to the cause of boosting cooperation in the framework of the Organisation. Currently the parties are working to agree the date and agenda of the second meeting of speakers of parliaments of the SCO member states, which is due to take place this year in Kazakhstan.

26-27 January 2008 the governing body of the Business Council of the Shanghai Cooperation Organisation held a meeting in Sanya, China.

The meeting heard the reports “Progress in implementing healthcare, ecology and tourism projects and further steps for their fulfillment, as well as prospects for insurance cooperation”, “Prospects for creating new air routes”. The parties paid special attention to the prospects and areas of bank-to-bank interaction in the SCO framework.

During the meeting the parties also considered issues of managing leasing, logistics, border trade, setting up joint enterprises, as well as opportunities for supporting small and medium size businesses.

The Head of Tajikistan's Chamber of Commerce and Industry Sharif Sayid suggested holding the next meeting of the SCO Business Council in August 2008 during a summit of SCO leaders in Dushanbe.

On 02 February 2008 the SCO Secretary-General Bolat Nurgaliev released a statement in connection with the natural disasters in China: The Secretariat of the Shanghai Cooperation Organisation is expressing sympathy to the families of those who have suffered from the unprecedented extreme weather conditions in southern and north-western regions of the People's Republic of China.

The major natural disaster disrupted the normal operation of factories, damaged transport networks, power lines and other life supporting facilities, severely compounded the movement of a large number of passengers by rail, road and air in the run-up to the Chinese New Year celebrations.

The urgent measures introduced by the leadership, ministries and departments of the PRC to provide emergency response, including the launch of a mechanism of eliminating consequences of natural disasters, ensuring the security of population in affected regions and restoring normal passenger traffic, are yielding positive results.

Against the backdrop of the continuing natural anomaly the vigorous efforts of the Chinese government to repair damaged parts of the transport, energy and industrial infrastructure and to bring the economy back to normal are deserving the recognition and moral support of all friendly states.

The relevant articles of the Treaty on Long-term Good-neighbourliness, Friendship and Cooperation among the SCO Member States signed in 2007 envisage provision of mutual assistance in eliminating consequences of natural disasters and technical emergencies.

As neighbours and friends, the SCO states are standing with the people of the People's Republic of China at the time of the major natural disaster.

On 20 February 2008 the SCO Secretary-General Bolat Nurgaliev released a statement in connection with the natural disasters in Tajikistan: The Shanghai Cooperation Organisation is gravely concerned about a worrying situation that has resulted from extremely difficult weather conditions in Tajikistan, and expressing sincere sympathy to the people and the government of Tajikistan.

The SCO member states are taking effective measures to provide urgent assistance to the brotherly nation and appealing to the international community to support Tajikistan at these harsh times.

18-19 February 2008 Urumqi hosted a meeting of the expert group on the SCO information superhighway construction project under the auspices of the Special Working Group on Modern Information and Communication Technologies.

In the course of the meeting experts from the six member states of the SCO exchanged views on the key issues surrounding the project in question, and agreed to expedite consideration of its concept with the aim of launching practical implementation of the SCO information superhighway project.

18-20 February 2008 Beijing hosted the fourth meeting of the Special Working Group on Electronic Trade under the Council of External Economy and Trade Ministers of the SCO Member States.

The meeting considered issues of providing and updating information for the SCO Regional Economic Cooperation website, as well as setting targets for its further work. The experts exchanged views on issues of establishing a cross border electronic trade in the SCO member states with the possible use of a digital signature.

The parties heard a report prepared by the Russian side on the need to introduce counterfeit prevention services in the cross border electronic trade, and expressed their interest in joining this project.

The parties expressed interest in practical implementation of the technologies used in the electronic trading space of the International Congress of Industrialists and Entrepreneurs (ICIE) with the aim of de-

veloping the international electronic trade of the SCO member states using the resources of the SCO Regional Economic Cooperation website.

The parties noted the expediency of holding a joint meeting with the Special Working Group on Modern Information and Communication Technologies.

On 24 February 2008 the SCO Secretary-General Bolat Nurgaliev received the European Union's Special Representative for Central Asia Pierre Morel. During the meeting the parties discussed prospects for developing contacts between the Shanghai Cooperation Organisation and the European Union.

26-28 February 2008 the Secretariat hosted a regular meeting of the SCO Expert Working Group on Cultural Interaction.

In the course of the meeting experts considered issues concerning the upcoming session of the Council of Culture Ministers of the SCO Member States due in Cholpon-Ata, Kyrgyzstan, and selected a set of draft documents to be submitted to the ministerial session for consideration.

The parties exchanged views on the draft Plan of implementation of the 16 August 2007 Agreement among the governments of the SCO member states on cooperation in the field of culture and the draft Working Plan of the Expert Working Group on Cultural Interaction.

The parties discussed issues concerning edition of the photo album "Dialogue among civilisations – Insight into the cultures of the SCO member states", staging of the Art Festival of the SCO Member States and other joint activities in the field of culture.

03 March 2008: Observers from the Shanghai Cooperation Organisation are satisfied with the way in which the presidential election in Russia was conducted. "We have not noted any complexities, the atmosphere is calm and benevolent, district and precinct election commissions are well prepared for this highly significant political event

in Russia”, – Russian media quoted the head of the SCO Mission, the SCO Secretary-General Bolat Nurgaliev as saying. The SCO Chief also stressed that the Mission had not received a single complaint from the public concerning violation of their voting rights.

Earlier Bolat Nurgaliev told journalists that members of the Mission, composed of 15 officials and divided into groups 2 to 5 persons each, visited dozens of polling stations in Moscow and the Moscow Region.

Over 230 observers from 32 countries came to watch the presidential election in Russia. Heads of main missions, in particular the Interparliamentary Assembly of the CIS, the SCO and a number of others, informed the Central Election Commission that they had no complaints or grievances concerning the polls. During their work the observers were free to move from one polling station to another, talked to voters, conducted video and photo coverage.

04 March 2008: On the sidelines of his visit to Moscow for participation in the observer mission at the Russian presidential polls, the SCO Secretary-General Bolat Nurgaliev met with the First Deputy Foreign Minister of Russia Andrei Denisov. The talks focused on prospects for SCO's development.

During a meeting with the Chairman of the CIS Executive Committee, CIS Executive Secretary Sergei Lebedev, the SCO Chief discussed issues of expanding cooperation between the two organisations in various areas.

During a meeting with the EurAsEC Secretary-General Tayir Mansurov, the SCO Chief discussed ways of further establishment of interaction between the SCO and EurAsEC, primarily in transportation and energy.

During a meeting with the CSTO Deputy Secretary-General Toktasyn Buzubayev, the SCO Chief discussed development of cooperation between the two organisations in priority areas.

During a meeting with the Deputy Chairman of the Federation Council of the Federal Assembly of Russia, Chairman of the Governing Board of the SCO Business Council Dmitry Mezentshev, the SCO Chief discussed issues of development of economic cooperation within the framework of the BC.

04 March 2008: At the official invitation of the President of the Russian Federation and in accordance with the Regulations on Observer Mission from the Shanghai Cooperation Organisation at presidential and/or parliamentary elections and referendums, in the period from 21 February till 02 March 2008, the Shanghai Cooperation Organisation Observer Mission (hereinafter – the Observer Mission) monitored the preparation and conduct of the election of the President of the Russian Federation.

The Observer Mission headed by the SCO Secretary-General Bolat Nurgaliev was comprised of 12 representatives from the member states of the Organisation as well as 2 Secretariat officers.

The presidential election was conducted in accordance with the Constitution of the Russian Federation, the Federal Law of the Russian Federation “On the guarantees of the voting rights and the right of citizens of the Russian Federation to participate in a referendum”, the Federal Law of the Russian Federation “On the election of the President of the Russian Federation” and other electoral laws.

The Observer Mission notes that the current national electoral legislation with regard to the election of the President of the Russian Federation conforms to generally accepted international electoral standards and provides Russian citizens with the necessary legal preconditions for universal, equal, direct and free expression of the voters’ will by secret ballot.

The Chairman of the Central Election Commission of the Russian Federation Vladimir Churov received the head and members of the Observer Mission, and briefed them on the conduct of the presidential election campaign in the Russian Federation and the working order of the CEC as well as regional, precinct and district election commissions. Members of the Observer Mission held meetings with the heads of the campaign headquarters of the following candidates for the President of the Russian Federation: Andrey Bogdanov, Vladimir Zhirinovskiy, Gennady Zyuganov, Dmitry Medvedev.

On the voting day members of the Observer Mission were present at 96 polling stations in Moscow and the Moscow Region open from 8 a.m. to 20 p.m. local time, 02 March 2008. The voting procedure was

conducted in strict accordance with Articles 66 – 69 of the Federal Law of the Russian Federation “On the election of the President of the Russian Federation” and the Federal Law of the Russian Federation “On the guarantees of the voting rights and the right of citizens of the Russian Federation to participate in a referendum” in a calm, benevolent and well-organised environment, which ensured free expression of the voters’ will.

Observers from political parties of the Russian Federation were present at a number of polling stations visited by the Observer Mission. The SCO Observer Mission received no complaints or criticism from them concerning the conduct of the election.

Members of the Observer Mission were present during the vote counting at 7 polling stations in the city of Moscow. In the course of vote counting the Observer Mission reported no violations of the requirements of Article 73 of the Federal Law of the Russian Federation “On the election of the President of the Russian Federation”.

The Observer Mission from the Shanghai Cooperation Organisation believes that the election of the President of the Russian Federation was legitimate, free, open and transparent, and basically conformed to requirements of the national legislation of the Russian Federation and generally accepted international electoral standards. No violations were found, which would question the outcome of the voting in the election of the President of the Russian Federation.

The SCO Observer Mission expresses gratitude to the Central Election Commission, the Ministry of Foreign Affairs, as well as other government institutions and public organisations of the Russian Federation for their assistance provided for the Mission during its monitoring of the election of the President of the Russian Federation.

Bolat Nurgaliev Head of the Observer Mission from the Shanghai Cooperation Organisation 03 March 2008, Moscow

04 March 2008: During his stay in Moscow on an international observer mission at the Russian presidential elections, the SCO Secretary-General Bolat Nurgaliev talked to various media representatives. The

SCO Chief held three briefings 01-03 March at the Media Centre of the Central Election Commission, a briefing with journalists following his visit 29 February to the OSCE Secretariat, gave separate interviews 26 February and 02 March with the Russia Today TV Channel (its Arabic and English Services), talked to reporters from the ITAR-TASS, KazInform, RIA Novosti News Agencies and a number of newspapers, including Rossiyskaya Gazeta and Ekonomicheskaya Gazeta. ,

11-12 March 2008 Tashkent hosted an international conference “Problems of Aral: impact on the gene pool of population, flora and fauna and international cooperation for mitigating consequences”.

The welcoming address by the President of Uzbekistan Islam Karimov to the participants was read out by the First Deputy Premier of Uzbekistan Rustam Azimov.

Officials from international and regional organisations, financial institutions, high-profile scientists and experts on ecology, climate change and water resources management from 20 countries, including Central Asian states, Germany, Israel, India, China, the Netherlands, Russia and Japan, attended the conference.

Statements at the opening ceremony were made by the SCO Secretary-General Bolat Nurgaliev, Chairman of the CIS Executive Committee Sergei Lebedev, Deputy Director of the UNDP Regional Bureau for Europe and the CIS Cihan Sultanoglu, Director of the ADB Agriculture and Natural Resources Department for Central and West Asia Katsuji Matsunami, Director of the World Bank Central Asia Regional Office Annette Dixon, Director of WHO Regional Health Programmes Nedret Emiroglu, UNICEF’s Regional Advisor for Health and Nutrition Sanjiv Kumar, UNFPA’s Regional Director for Europe and Central Asia Alen Mushiru, Director of the UNIDO Regional Bureau for Europe and the CIS Grzegorz Donocik, Deputy Managing Director of Region Department II of the Japan International Cooperation Agency Mitsuyoshi Kawasaki, GEF-UNDP Executive Coordinator Yanick Glemarek.

Two parallel sessions were held on the sidelines of the conference. They were focused on the prospects for improving water resources man-

agement in Central Asia, ecological impact on the population's gene pool and health, ways of tackling the relevant tasks, measures to raise living standards in the Transaral area.

Upon completion of the forum the delegates adopted the Tashkent Declaration of the International Conference "Problems of Aral: impact on the gene pool of population, flora and fauna and international cooperation for mitigating consequences".

On 11 March the delegates headed to the Republic of Karakalpakstan, where they visited the Muynaksk District located immediately along the former coastline of the Aral Sea, and familiarised themselves with projects being implemented in the Transaral area.

On 14 March 2008 the SCO Secretary-General Bolat Nurgaliev held a fresh meeting with Francesc Vendrell, the Special Representative of the European Union for Afghanistan, during which exchange of opinions took place on a wide range of issues surrounding Afghanistan. Francesc Vendrell expressed concern over an increase in drugs production in Afghanistan, underlined the need to tighten control along its borders and engage the Afghan authorities in international efforts to solve the country's socioeconomic problems such as healthcare, transport, telecommunications and banking.

On his part Bolat Nurgaliev noted that the set of issues related to Afghanistan received regular attention from various SCO structures. He mentioned in particular that those issues would be included in the agenda of the upcoming high-level inter-MFA consultations in Beijing.

From 14 March till 10 April 2008 Kazan (the Russian Federation) played host to the 12th mobile exhibition of the Shanghai Cooperation Organisation "Children Paint Tales". On 14 March the press centre of the Ministry of Culture of the Republic of Tatarstan held a news conference on the opening of the exhibition. The project was organised by the Shanghai Cooperation Organisation and the Pushkin State Museum of Fine Arts, assisted by the Ministry of Culture and the National Art Museum of the Republic of Tatarstan, as well as the Shigabutdin Mardjani Foundation for Scientific and Cultural Programmes.

The First Deputy Culture Minister of the Republic of Tatarstan Aydar Gaynutdinov, SCO Deputy Secretary-General Vladimir Zakharov, the author of the international project “Children Paint Tales” Irina Zakharova, Director of the National Art Museum of the RT Rosalia Nurgaleyeva and the spokesperson of the Mardjani Foundation answered media questions concerning the preparation of the exhibition, its participants from SCO member states, as well as the history of this unique international project.

The exhibition was staged at the Khazine National Art Gallery. The opening ceremony was led by the Vice Premier and Culture Minister of the Republic of Tatarstan Zilia Valeyeva, who noted in her welcoming statement: “This is a remarkable event. Today we are opening an exhibition, which is unusual in terms of its contents and its creators”. She thanked the SCO Secretariat and the author of the project, senior research fellow at the Pushkin State Museum of Fine Arts Irina Zakharova. “Through children’s works, which are always frank and ingenuous, we get to know different cultures and civilisations”, – the Minister underlined. “Children are acting here as diplomats, politicians and citizens, who represent their country at the international level. It gives them a lot of pleasure, and at the same time helps us understand all the beauty and glamour of this exhibition”, – she concluded.

Members of family groups from the Pushkin State Museum of Fine Arts came from Moscow to participate in the opening of the exhibition. They performed before the audience folk songs and dances of Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan, Uzbekistan, India and other nations. Mothers of the children involved in preparations for the exhibition staged a surprise performance for the guests – they made up riddles based on Tatar fairy tales. Children enjoyed the game a great deal, and winners received gifts. Despite the presence of high guests, there was a very relaxed atmosphere during the event, which encouraged children to communicate with each other, in keeping with the motto suggested by the exhibition organisers – “By learning fairy tales we get to know each other”.

The concept of the exhibition “Children Paint Tales” was initially created by the Pushkin State Museum of Fine Arts and then put into practice with the support of the Secretariat of the Shanghai Cooperation

Organisation, China Artists Association, China National Museum of Fine Arts. It is teachers who did a tremendous job working with the children. They did not restrict themselves to just telling tales, but also thought it was necessary that children learn more about national garments, decorations and traditional dwellings of different peoples, typical landscapes etc.

More than 5 thousand children were involved in preparations for the exhibition. Their bright and colorful paintings reflect the way, in which they learn different cultures. Ultimately the children not only deepened their knowledge of other cultures, but also learned to cherish more their own one. Three years on, since its first staging, the exhibition was seen by more than 200000 visitors.

On 17 March 2008 the Shanghai Cooperation Organisation issued a statement in connection with the Taiwanese authorities' referendum on joining the UNO: The member states of the Shanghai Cooperation Organisation oppose the intention of the Taiwanese authorities to make efforts for Taiwan to join the United Nations Organisation by holding a referendum on 22 March 2008.

This step contravenes the relevant provisions of the UN Charter, can exacerbate the situation across the Taiwan Strait, threaten stability in the region, well-being and security of millions of people.

Reaffirming that Taiwan represents an inseparable part of China, the SCO member states consistently support the position of the Government of the PRC on the Taiwan issue, resolutely oppose any form of "independence of Taiwan", and deem its attempts to join the United Nations Organisation and other international organisations to be counterproductive and dangerous.

Beijing, 17 March 2008

18-20 March 2008 a regular meeting of the Council of National Coordinators of the SCO Member States was held in Beijing.

Discussions were focused on the ongoing preparations for the forthcoming Foreign Ministers Council meeting and SCO summit in Dushanbe. The NCs considered a list of draft documents supposedly to be signed during those events.

In the course of the discussions emphasis was put on the issues of developing cooperation in areas such as transportation, environmental protection, interaction with Afghanistan, ties with other international organisations and academic exchange. The parties held a special debate on recent developments in the international and regional situation, of common concern to the six member states of the SCO.

Upon completion of the meeting the National Coordinators signed a protocol detailing the reached agreements.

On 20 March 2008 the SCO Secretary-General Bolat Nurgaliev met in Beijing with Brunson McKinley, the Director General of the International Organisation for Migration, during his working visit to the Chinese capital. The parties discussed various issues concerning the management of migration processes. They also confirmed mutual interest in further development of contacts and sharing of information on working plans and practical activities of the two organisations in the field of population migration.

On 21 March 2008 the SCO Secretary-General Bolat Nurgaliev issued a statement on the events in the Tibet Autonomous Region of China: The latest reports of disturbances in the Tibet Autonomous Region of the People's Republic of China cannot remain unnoticed by the Shanghai Cooperation Organisation. The government of the PRC is known to have taken the necessary measures to prevent unlawful actions and normalise the situation in this autonomous region.

The SCO member states consider Tibet to be an inalienable part of China, and proceed from the fact that settlement of the situation in the TAR is an internal affair of China. We oppose any attempts to use the events, which took place in Tibet, for improper political purposes, particularly with regard to the upcoming Olympic Games in Beijing. We are

confident that the government and people of the PRC have the capability to ensure the best possible staging of the Olympics, including provision of proper security for sportsmen and foreign guests.

On 26 March 2008 the Deputy Chairman of the Council of Federation of the Federal Assembly of Russia, Chairman of the SCO Business Council Dmitry Mezentsev met in Moscow with the Ambassadors of the SCO member states to the Russian Federation.

The Special Representative of the President of the Russian Federation for SCO Affairs, Russia's National Coordinator for SCO Affairs Leonid Moiseyev, Member of the International Affairs Committee of the Council of Federation Igor Rogachev, Director of the External Relations Office of the Apparatus of the Council of Federation Vitaly Litvin and officials from the Secretariat of the SCO Business Council were also in attendance.

"Judging by the outcome of the 2006 meeting of SCO parliamentary speakers we expected such meetings to be held on a regular basis, at least once a year. But the working schedule of our speakers of parliament makes it possible to meet only once every two years. Considering that the Russian Federation is to take over the SCO presidency next year, both Chambers of the Russian Parliament have already proposed to hold the next meeting in Russia in June 2009, in the run-up to SCO heads of state summit", - Dmitry Mezentsev said.

"The Russian side is suggesting holding in September-October 2008 a meeting of high-level experts to launch the necessary preparations for next year's conference of parliamentary speakers ahead of SCO summit. This conference if held could represent a certain stage in the work of the Shanghai Cooperation Organisation. Among the main issues to be discussed at the expert-level meeting are the activity of SCO institutions, regulations on parliamentary meetings, cooperation during inter-session period, time limit for parliamentary negotiations, as well as participation of the observer states".

Dmitry Mezentsev also spoke of the recent meeting of the BC Governing Board held at the end of January in Sanya.

“We had serious discussions on the concept of founding the Shanghai Organisation for Healthcare (SOH). The concept was backed last year by the heads of state and the heads of government. We bear in mind the initiative of the Premier of the State Council of China Wen Jiabao to set up a mechanism of regular meetings of health ministers”.

We heard additional proposals from the Kazakh side with regard to our further vision for the SCO Energy Club”, - the BC Chairman said.

“The parties agreed to expedite the drafting of the concept of founding the SCO University – SCO Centre for Education. Several Russian universities such as Moscow State University, Academy of National Economy under the Government of Russia, Academy of External Trade and Moscow Institute of International Relations pledged their support for the creation of SCO Centre for Education. We hope to use the potential of these universities in setting up the Centre, which could organise retraining courses for specialists in different sectors of economy”.

“We also backed the initiative of the Uzbek Branch of the Business Council to hold a conference on development of insurance cooperation. We are expecting a very high level of representation. The conference entitled ‘Insurance as a factor contributing to socioeconomic cooperation in the SCO region’ will be opened by the Russian Vice Premier Sergei Naryshkin, who is the Government’s Special Representative for CIS Affairs and is also in charge of economic cooperation in the SCO region. We understand the need to strengthen cooperation among insurance companies both for the sake of immigrants and guest workers in our countries. Besides, we also want to raise the issues of investment insurance and, possibly, political risk insurance”.

The conference is to take place 24-25 April in Moscow at the International Trade Centre. The Governing Board of the SCO Business Council will also meet in the same period.

Dmitry Mezentsev also told that the Tajik side had made a new request for Russia to send a group of its doctors and highly skilled specialists to work in some areas of the country. In his words, such agreement has already been reached, and the group is to begin its work in summer 2008.

The BC Chairman thanked the Kazakh side for supporting the work of the Russian “Health” Medicine Train on its territory. “I want to stress that it is not just the work of Russian doctors on the territory of SCO brotherly countries, it is the joint work of Tajik, Kyrgyz and Kazakh doctors aimed at raising treatment standards across the SCO’s single medical space. It firmly proves that the Shanghai Organisation for Healthcare as a public body will be based on state and private partnership and is set to work for many years”. Dmitry Mezentsev also confirmed that the agreement with the Uzbek side on cooperation in the same field reached last year remained in force.

In conclusion Dmitry Mezentsev invited the Ambassadors of the SCO member states and national delegations to take part in the 5th Baikal Economic Forum scheduled 08-11 September in Irkutsk.

In his words, the 11th of September is designated as “SCO Day” in the framework of the BEF. The Forum Chairman is Sergei Mironov, Head of the Upper Chamber of the Russian Parliament, the Co-Chairpersons are Elvira Nabiulina, Head of the Ministry of Economic Development and Trade, and Dmitry Kozak, the Minister of Regional Development. The forum motto is “Europe – Russia – Asia Pacific: Ways of Integration and Cooperation”.

On 26 March 2008 Tashkent hosted a regular meeting of the SCO Special Working Group on Transit Potential under the Council of External Economy and Trade Ministers of the SCO Member States. The SWG was set up under the initiative of the Republic of Uzbekistan.

Cooperation on transit potential is considered a top priority by the member states of the Organisation.

Experts discussed a series of urgent projects concerning construction and reconstruction of parts of the motorways, which constitute the E-40 Volgograd – Astrakhan – Beyneu – Kungrad and Aktau – Beyneu international transportation route. The parties approved the project of export cargoes from the Fergana Valley (Uzbekistan) to China along the route Andijan – Osh – Irkeshtam – Kashgar.

Exchange of opinions took place on the issues of further enhancement of the transit potential of the SCO member states concerning the major routes, which lie across the SCO region linking Europe with Asia, as well as bringing international logistics, infrastructure, communications and large foreign investment to the transportation sector.

On 27 March 2008 the 11th meeting of the Council of the Regional Anti-Terrorism Structure of the Shanghai Cooperation Organisation was held in Tashkent. Representatives from the six SCO member states took part in the meeting.

The parties approved the Council's draft report on the RATS activity in 2007 to be further submitted to the SCO Heads of State Council. Suggestions and recommendations were made with regard to the activities scheduled in 2008.

As regards the implementation of the Chinese initiative, the parties considered the process of carrying out joint activities to provide security during the 2008 Olympics in the People's Republic of China, and worked out further measures on coordination of efforts. The Council made a number of decisions concerning the struggle against terrorism, separatism and extremism.

The SCO Secretary-General Bolat Nurgaliev took part in a meeting of the Coordination Council of Heads of Counternarcotics Agencies (CCHCA) of the Member States of the Collective Security Treaty Organisation held in Astana **on 27 March 2008**.

In his statement Bolat Nurgaliev made an assessment of SCO's legal base in the field of counternarcotics, its experience in coordinating the efforts of the member states' law enforcement agencies to fight drugs trafficking, particularly against the backdrop of increasing flows of narcotics from Afghanistan. He noted the importance of establishing close cooperation between the SCO and CSTO on the basis of the Memorandum of Understanding signed in 2007.

The participation of SCO Secretary-General in the CCHCA meeting as observer is in line with the Bishkek summit's directive to increase counternarcotics cooperation among the six countries on the basis of the

2004 Agreement on fighting illegal circulation of narcotic drugs, psychotropic substances and their precursors.

01 April 2008: In a recent exclusive interview with Hong Kong's Phoenix Television Channel, the Deputy Chief of the General Staff of the People's Liberation Army Lieutenant-General Ma Xiaotian said that during the Beijing Olympics the Chinese military would take joint action in the framework of the Shanghai Cooperation Organisation as well as through other channels against the East Turkistan terrorist organisation and other forces of terrorism in order to ensure security at the Olympic Games.

2-4 April 2008 the Secretariat hosted a regular meeting of the SCO Expert Group on International Information Security.

9 April 2008: A third meeting of the Heads of the Supreme Courts of the SCO Member States is due to be held 19-21 May in Astana. The parties are to discuss the Courts' experience in enforcing legislation in the fields of environmental protection and human migration at the national and international levels.

The delegations of the member states led by the Heads of the Supreme Courts will arrive in Astana on 18 May. Speakers are scheduled to read papers on specific topics during 19-20 May.

On 21 May the parties are to sign final documents. The Heads of the Supreme Courts of the SCO Member States first met in Shanghai in 2006.

16-17 April 2008 the Secretariat hosted consultations among the press services of the Foreign Ministries of the SCO member states. The parties adopted the Plan on information coverage of the Dushanbe Heads of State Council meeting due this August. A wide range of issues was discussed, including increasing the information activity of the SCO, strengthening interaction among the press services of the Foreign Ministries and mass media of the SCO member states.

The parties approved the new design of the SCO Secretariat website, backed the Chinese initiative to stage an SCO Achievements photo exhibition, and deemed expedient to put more effort into the information coverage of the activities of the Business Council, Interbank Consortium and SCO Forum.

The parties heard Russian proposals concerning the staging of several media events scheduled during the Russian presidency of the SCO in 2008-2009.

The parties expressed support for the efforts of the government and people of the People's Republic of China to ensure successful staging of the Beijing Olympics. The Chinese side encouraged media representatives from SCO member states to go to China to cover the Beijing Olympics and expressed its readiness to provide necessary assistance and convenient environment for their work.

16-17 April 2008 Dushanbe hosted a fourth meeting of the SCO Special Working Group on Investment Encouragement.

In the course of the meeting the experts considered issues of drafting an agreement among the SCO member states on mutual encouragement and protection of investment, making an inventory of investment related projects included in the Action Plan on Implementation of the SCO Programme for Multilateral Trade and Economic Cooperation, as well as continuing the work on preparation of an Investment Bulletin of SCO Member States.

The parties approved the SWGIE Working Plan for 2008.

The SWGIE will also debate the possibility of staging an Investment Forum of SCO Member States on the sidelines of the International Urumqi Trade Fair due this autumn. Upon completion of the meeting the parties signed a protocol.

On 25 April 2008 the SCO Secretary-General Bolat Nurgaliev delivered a speech at the International Conference on Security for Beijing

Olympic Games, which took place in Beijing. The forum was organised by the Ministry of Public Security of the PRC and the Chinese National Olympic Committee.

Meng Jianzhu, Member of the State Council and Public Security Minister of the PRC, Ronald Noble, the Secretary-General of Interpol, as well as delegates from 106 states, including the six member countries of the Shanghai Cooperation Organisation, participated in the Conference.

On 07 May 2008 the SCO Secretary-General Bolat Nurgaliev received at the Secretariat Li Donghui, the first deputy chairman of the Organising Committee of the Urumqi Foreign Economic Relations and Trade Fair.

Li Donghui spoke of the ongoing preparations for the 17th Urumqi Foreign Economic Relations and Trade Fair due in Urumqi 1-5 September 2008. He invited the Secretary-General to participate in the opening ceremony of the Fair, as well as the Central, West and South Asia Regional Economic Cooperation High-level Forum.

Bolat Nurgaliev expressed hope that the Fair would not only promote further development of trade and economic cooperation among the SCO member states, but also boost their interaction with the observer states, as well as other countries neighbouring the SCO region.

On 12 May 2008 the SCO Secretary-General Bolat Nurgaliev attended the opening ceremony of the Meet in Beijing 2008 Arts Festival dedicated to the 29th Olympic Games. The Deputy Culture Minister of China Meng Xiaosi announced the start of a series of cultural events in the framework of the 2008 Olympics, which will last from May till September. During this period around 10 thousand artists from over 80 countries, including the SCO member states, are expected to perform in Beijing. An evening of SCO Culture is scheduled 18-19 July at the National Grand Theatre in Beijing.

On 13 May 2008 the SCO Secretary-General Bolat Nurgaliev issued a statement in connection with the earthquake in the Chinese province of Sichuan:

In connection with the strongest earthquake in Sichuan Province of the People's Republic of China, which has caused numerous human casualties and considerable damage, the Secretariat of the Shanghai Cooperation Organisation extends sincere condolences and sympathies to families and friends of the killed and injured.

At this difficult time for China the peoples of the member states reaffirm their solidarity with the Chinese people. SCO Secretary-General Bolat Nurgaliev Beijing, 13 May 2008 **13-15 May 2008** a regular meeting of the SCO Council of National Coordinators was held at the SCO Secretariat in Beijing.

The parties considered a set of issues concerning preparations for the upcoming meetings of the Heads of State Council and the Foreign Ministers Council (the latter due this July in Dushanbe). Exchange of views took place covering various issues of international and regional politics.

The meeting's agenda also included some other issues regarding the current activity of the Organisation.

The third session of the Shanghai Cooperation Organisation Forum opened in Beijing **on 19 May 2008**. Representatives from scientific communities and diplomatic missions of the SCO member and observer states, officials from the SCO Secretariat and other SCO bodies were in attendance.

The two-day session is expected to, , , , discuss a range of issues such as the development of the SCO and its future prospects, , , , enhancing the security and economic cooperation of the member states and , increasing interaction in the field of education. Another important topic will be the development of multifaceted cooperation with the SCO, observer states.

The constituent assembly of the SCO Forum took place in Moscow 22-23 May 2006, when it was agreed that the Forum would serve as a permanent multilateral consultative expert and scientific research structure, which decides for itself its agenda and working plans. The Forum conducts expert analysis and research, holds scientific conferences, seminars and other activities, and gives its priority attention to requests from the SCO permanent bodies. The Forum meets annually, the second session was held in Almaty 15-16 June 2007. , ;

On 19 May 2008 opening the third session of the Shanghai Cooperation Organisation Forum delegates from the SCO member and observer states honoured the memory of the victims of the devastating earthquake in Sichuan province, Southwest China, and expressed firm support for the relief effort of the Chinese government.

The Deputy Secretary-General Vladimir Zakharov noted that immediately after the earthquake the government of the PRC had taken quick, decisive and effective measures aimed to deal with the aftermath of the disaster. “The whole world is witnessing how the earthquake has made the Chinese people more united and stronger. Due to such solidarity and patriotism, the people and government of the PRC will undoubtedly win the battle against the natural disaster”, - Zakharov said. He also told that Russia as a member of the SCO had provided humanitarian assistance and sent professional rescuers to the disaster-struck areas. Other SCO member states also officially confirmed their readiness to provide assistance to China.

“These days the eyes of the whole world are set on the Chinese province of Sichuan, which a week ago was hit hardest by a devastating earthquake taking thousands of human lives. This enormous tragedy is being felt deep in the heart of every person on the planet”, - the Ambassador of Tajikistan to China Rashid Alimov said during the opening of the Forum. The Ambassador stressed that the governments of the SCO member states were the first to give a helping hand to the Chinese people. This once again demonstrated the strength of the Spirit of Shanghai and excellent level of interaction and cooperation among the member states. He expressed confidence that under the leadership of the Communist Party of China the people and government of China would cope with the consequences of the disaster within the shortest possible time, and life in Sichuan would return to normal.

On 19 May 2008 speaking at the opening of the third session of the Shanghai Cooperation Organisation Forum the Minister of Foreign Affairs of the PRC Yang Jiechi expressed hope that the Forum would create an objective and friendly scientific environment in order to assist the development of the Organisation.

The Minister noted that the Forum played a positive role in achieving the goals and principles of the SCO by providing intellectual support for its activity. China will continue to actively participate in the work of the Forum and consistently support its activities. Yang Jiechi put forward the following three proposals concerning the development of the Forum: Firstly, the Forum should strengthen strategic research taking into consideration the fast changing international situation. SCO's development has no precedents, therefore we need to rely both on the practice and intellectual support. The interested parties should have a deep understanding of the international and regional situation in politics, security and economy, and based on that knowledge generate ideas and give recommendations of strategic and long-term significance for SCO's development.

Secondly, the Forum should increase research vis-à-vis major projects and new areas of cooperation in the SCO framework. At the same time scientific exchange should be conducted not only within the SCO, but also between the Organisation and the rest of the international scientific community.

Thirdly, the Forum should bear responsibility for the global dissemination of the ideas of peace, openness and cooperation. Yang Jiechi explained that being quite a young organisation the SCO is still little known in the outside world, for this very reason voices of misrepresentation and even prejudice against the SCO may sometimes be heard from the international stage. In this regard all participants of the Forum must be committed to promoting mutual trust and understanding within the international scientific community.

On 19 May 2008 at 14 hours 28 minutes the staff of the Secretariat of the Shanghai Cooperation Organisation standing in front of the main building observed three minutes of silence for the victims of the earthquake in the Chinese province of Sichuan.

On 19 May 2008 in connection with the devastating earthquake in Sichuan province the SCO Deputy Secretary-General Sherali Djononov visited the Ministry of Foreign Affairs of the People's Republic of China, and on behalf of the Secretariat of the Shanghai Cooperation Organisation signed the book of condolences.

On 19 May 2008 the Speaker of the Senate of the Parliament of the Republic of Kazakhstan Kasym-Zhomart Tokayev received the SCO Secretary-General Bolat Nurgaliev, who took part in a roundtable discussion “The SCO: a new model for regional cooperation” held at the Upper Chamber of the Parliament in Astana.

The Senate Speaker expressed Kazakhstan’s interest in establishing active interparliamentary interaction in the framework of the SCO, which, in Tokayev’s opinion, had become an effective and multifaceted regional organisation.

Tokayev stressed that the SCO had become a significant factor in modern international relations and was drawing increasing attention from governments of various states, international organisations, diplomats and political analysts. Therefore interparliamentary cooperation assumes special significance.

Bolat Nurgaliev noted that the Secretariat of the Shanghai Cooperation Organisation is actively working on this issue and regards interparliamentary cooperation an important part of the multifaceted activity of the fast developing Organisation.

19-21 May 2008 Astana hosted a third meeting of the Heads of the Supreme Courts of the SCO Member States. The SCO Secretary-General Bolat Nurgaliev was in attendance. The parties signed a joint declaration, according to which they agreed to strengthen cooperation in the Courts’ practices of enforcing legislation in the fields of environmental protection and human migration.

The parties also approved the working order of meetings of Heads of Supreme Courts of the SCO Member States, which defines the status of such meetings.

On 21 May 2008 the SCO Secretary-General Bolat Nurgaliev attended the opening ceremony of the High-Tech Industry Finance Innovation Forum in the framework of the 11th Beijing International Science and Technology Fair, and delivered a speech.

On 23 May 2008 the SCO Deputy Secretary-General Sherali Djononov handed over to the Foreign Ministry of China donations for the survivors of the Sichuan earthquake collected by the staff of the SCO Secretariat.

24 May 2008: The MFA of the People's Republic of China on the humanitarian aid provided by the member and observer states of the SCO in connection with the earthquake in Sichuan province:

- Kazakhstan decided to send humanitarian aid (medicines, tents, clothes, provisions) worth 3,6 million U.S. dollars;

- Kyrgyzstan sent 120 tons of humanitarian aid worth 137 thousand U.S. dollars;

- Russia made 19 flights operated by the Emergency Situations Ministry with 400 tons of humanitarian aid on board (tents, blankets, provisions, canned food), 49 rescuers, 47 doctors and nurses, set up two makeshift hospitals;

- Tajikistan provided financial aid worth 100 thousand U.S. dollars, as well as 20 tons of drinking water, 1500 blankets, 150 tents;

- Uzbekistan sent 50 tons of humanitarian aid (tents, mattresses, pillows, provisions);

- India provided financial aid worth 5 million U.S. dollars;

- Iran sent 150 tons of humanitarian aid;

- Mongolia provided financial aid worth 50 thousand U.S. dollars;

- Pakistan provided 20 thousand tents.

Officials from the Embassies of Russia, Tajikistan and Pakistan in Beijing collected donations for the survivors of the earthquake in Sichuan province.

Humanitarian supplies and disaster relief funds continue to pour in.

On 29 May 2008 the SCO Secretary-General Bolat Nurgaliev received at the Secretariat a delegation of Tajik students studying in Chinese universities. Rashid Alimov, the Ambassador of Tajikistan to China, who

was present at the meeting, introduced the Secretary-General to the students and made a speech.

In his welcoming address Bolat Nurgaliev stressed that, alongside the increasing interaction in politics and economy, cooperation in social and cultural fields is regarded as one of the priority areas in the SCO framework. He noted that cooperation in such vital areas as science, culture, education and youth exchange had been developing particularly fast. The Secretary-General wished the students to study hard so that in future they could make their contribution to the cause of building and developing the Shanghai Cooperation Organisation.

3-5 June 2008 the Secretariat hosted a meeting of the SCO Commission of Senior Officials in Charge of Trade and Economic Cooperation.

The parties exchanged information on the progress in fulfilling the reached agreements in economic field, as well as the activities of the SCO Interbank Consortium and the Business Council.

The parties stressed the need to increase the activity of the relevant Special Working Groups for the sake of practical implementation of the reached agreements and selection of joint pilot projects.

The parties noted the successfully developing interaction in customs, modern information and telecommunication technologies, development of transit potential and other areas.

The parties were briefed on the outcome of a meeting of the Expert Working Group on preparation of proposals concerning the formation and functioning order of the SCO Development Fund.

The Senior Officials Commission discussed the continuing preparations for the next Meeting of External Trade and Economy Ministers of the SCO Member States, as well as other issues of common interest.

On 11 June 2008 the SCO Secretary-General Bolat Nurgaliev was interviewed by the Japanese Yomiuri Shimbun Newspaper. Questions ranged from the approaching summit of SCO heads in Dushanbe to co-

operation in the SCO framework in security, economy, trade and other fields. The Secretary-General also answered the Japanese reporter's question concerning the SCO's role in holding the Beijing Olympics.

On 17 June 2008 the SCO Secretary-General Bolat Nurgaliev met with the head of the permanent mission of the International Road Transport Union (IRU) in the CIS countries Igor Runov and accompanying officials.

The IRU officials were briefed on achievements of the SCO member states in various fields, including transportation.

Igor Runov spoke of the current progress in implementing the New Eurasian Land Transport Initiative (NELTI), which envisages arrangement of commercial road transportation and dissemination of the information on opportunities for road deliveries from Asia into Europe. In the course of the meeting the parties exchanged opinions on the issue of establishing cooperation between the SCO and IRU in the field of transportation.

On 19 June 2008 the SCO Achievements Photo Exhibition dedicated to the 7th anniversary of the founding of the Shanghai Cooperation Organisation opened in Beijing. It was staged under the auspices of the Ministry of Foreign Affairs of the PRC and the SCO Secretariat.

The opening ceremony was followed by a reception marking the SCO Day. The Assistant Foreign Minister of China Li Hui, Ambassadors of the SCO member and observer states, CIS member states and other countries, senior officials from ministries and departments of the PRC, representatives from business and banking circles as well as media representatives attended the event.

23-25 June 2008 Bishkek and Cholpon-Ata, the Kyrgyz Republic, hosted a regular meeting of the Culture Ministers of the SCO Member States.

In a spirit of friendship and understanding the parties discussed the state and prospects for cultural exchanges and other issues of common interest.

It was underlined that cultural interaction of the member states had reached a qualitatively new level and was conducted on a regular basis following the signing on 16 August 2007 the Agreement among the governments of the SCO member states on cooperation in the field of culture.

In compliance with the instruction of the 02 November 2007 SCO Heads of Government Council meeting, the Ministers approved the Action Plan on implementation of the 16 August 2007 Agreement among the governments of the SCO member states on cooperation in the field of culture for 2009-2011.

The parties discussed current preparations for the Fourth Arts Festival of the SCO Member States due in Dushanbe on 28 August 2008 on the sidelines of a regular SCO Heads of State Council meeting.

The Ministers agreed and approved the Regulations on the Arts Festival of the SCO Member States.

The parties supported further development of multilateral and bilateral cultural ties in the SCO framework that would serve to promote understanding among peoples, maintain the diversity of cultures and mutual respect, spread the knowledge about traditions and customs of the peoples of the SCO region.

The parties noted with satisfaction the Chinese publication of the Album "Dialogue Among Civilisations – Cultural Insight into the SCO Member States".

The parties highly rated the Exhibition of Arts and Crafts of the SCO Member States staged in Bishkek on the sidelines of the Culture Ministers meeting.

The parties noted the constructive work of the Expert Working Group on Cultural Interaction in the SCO Framework.

It was agreed that the next meeting of Culture Ministers would be held in the Russian Federation.

25-27 June 2008 the Secretariat hosted a meeting of senior officials from the health ministries of the SCO member states.

The parties considered a draft plan of multilateral cooperation in the field of healthcare, exchanged views on ways of fulfilling agreements in the field of healthcare.

The parties took into account a report by the SCO Business Council concerning its activity in the field of healthcare. The SCO BC Governing Board will provide detailed information about healthcare projects being discussed in its framework for further consideration at the level of the health ministries of the SCO member states.

Other issues of common concern were also discussed during the meeting.

24-27 June 2008 Cholpon-Ata, Kyrgyzstan, hosted the 8th meeting of experts from the SCO member states on the preparation of the draft Agreement among the governments of the SCO member states on road transportation facilitation.

During the negotiations the parties reached a united position on all the articles of the Agreement and expressed hope for the earliest possible formulation of Addenda to the Agreement after its initialling.

On 28 June 2008 during a working visit to Dushanbe the SCO Secretary-General Bolat Nurgaliev met with the President of the Republic of Tajikistan Emomali Rakhmon. Among the issues discussed were continuing preparations for the SCO Heads of State Council meeting due on 28 August in Dushanbe as well as ways of strengthening multifaceted interaction among the member states of the Organisation. The significance of the upcoming summit in terms of setting targets for SCO's future development was stressed.

On 26 June the SCO Chief held talks with the Foreign Minister of Tajikistan Khamrakhon Zarifi. Practical approaches to ensure perfect staging of the Dushanbe summit were discussed.

27-28 June the Secretary-General took part in the International Conference on Reduction of Water Related Natural Disasters. Officials, scientists and representatives of public organisations from many countries participated in the Conference hosted by the government of Tajikistan.

On 07 July 2008 the SCO Secretary-General Bolat Nurgaliev met at the Secretariat with the Ambassador of the Republic of India to the PRC Nirupama Rao.

The parties discussed issues of interaction between the SCO and India that has been an SCO observer state since 2005.

On 10 July 2008 the SCO Secretary-General Bolat Nurgaliev held talks in Beijing with the Deputy Foreign Minister of Russia Aleksey Borodavkin.

The SCO Chief and his colleague exchanged opinions over further strengthening of cooperation in the SCO framework and discussed practical issues of increasing work in the priority areas of cooperation.

In the light of the approaching SCO Foreign Ministers Council and Heads of State Council meetings in Dushanbe issues of preparation for these events, including organisational aspects and the process of agreeing the documents to be submitted to the SCO governing bodies, were also discussed.

The Russian Deputy Minister underlined the leading role of the Shanghai Cooperation Organisation in ensuring security and stability in the region and facilitating the socioeconomic development of the SCO member states.

30 June–11 July 2008 a second workshop “Management of reconstruction work in disaster affected areas” hosted by the Ministry of Civil Affairs, the Ministry of Commerce and the National Centre for Reduction of Consequences of Natural Disasters of the PRC took place in Beijing.

25 officials from the emergency ministries and departments of Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan took part in the workshop.

The participants acquainted themselves with the experience of Chinese colleagues in dealing with the aftermath of earthquakes in affected areas, discussed issues of developing cooperation in the SCO framework, visited MCA facilities in Beijing and Inner Mongolia, where they learnt of practical activities to reduce the impact of ecological disasters and fight drought.

On 14 July 2008 the Minister of Foreign Affairs of the People's Republic of China Yang Jiechi received the SCO Secretary-General Bolat Nurgaliev and his Deputies.

During the conversation the Minister inquired about some live issues concerning the activity of the SCO Secretariat, voiced his support for its initiatives and expressed hope for further growth of the Organisation's international prestige.

Issues of preparation for the SCO Foreign Ministers Council meeting due late July in Dushanbe were also discussed.

On 16 July 2008 the SCO Secretary-General Bolat Nurgaliev met with Miroslav Jenca, the Head of the United Nations Regional Centre for Preventive Diplomacy for Central Asia.

The parties discussed issues of interaction between the two organisations in the fight against terrorism, separatism and extremism, as well as development of political, economic and cultural cooperation in the Central Asian region.

On 18 July 2008 the SCO Secretary-General Bolat Nurgaliev received at the Secretariat a delegation of the Kyrgyz ruling party Ak-Zhol led by the Deputy Chairman Avtandil Arabayev. The delegation was visiting the People's Republic of China on the invitation of the Central Committee of the Communist Party of China.

During the meeting the parties discussed the current activity of the SCO, preparations for the SCO Heads of State Council and Foreign Ministers Council meetings in Dushanbe, initiatives of the member states concerning the development of interparliamentary cooperation in the SCO framework. With regard to the latter it was noted that the

parliaments of Kyrgyzstan and Russia had already ratified the Treaty on long-term good-neighbourliness, friendship and cooperation signed during the Bishkek summit in 2007.

Well-known singers and musicians from the SCO member states took part in a two-day Evening of SCO Culture concert staged **18 July 2008** at Beijing's National Grand Theatre as part of a series of important cultural events "Meet in Beijing 2008" dedicated to the Beijing Olympics.

The concert started with the traditional Chinese song "Jasmine" performed by a student chorus of Beijing's Bayi middle school. Then came the Kyrgyz folk melody "Shyryldak" performed by the folk ensemble Kambarkan of the National Philharmonic Society of Kyrgyzstan, the Kazakh folk song "Al Konyr" and "The waltz of Juliette" from the opera of Charles Cuno "Romeo and Juliette" to the accompaniment of the famous Kazakh pianist Sara Asabayeva, a folk Uzbek melody, an aria of Cavaradossi from the opera "Tosca" performed by the Kyrgyz baritone Kerim Turapov, a pot-pourri of Uzbek musical compositions performed by the Uzbek ensemble Ofarin, the songs "Olamafruz" and "I met my girl" performed by the Tajik singer Mirali Dostiev, the song "I bless you, forests" performed by the Russian singer Vladimir Matorin.

China was represented by the famous violinist Xue Wei, soprano Huang Ying, tenor Fan Jingma and pianist Chen Sa to the accompaniment of the National Symphonic Orchestra of China. In a written interview with the Xinhua news agency on the eve of the concert, the SCO Secretary-General Bolat Nurgaliev thanked the Chinese government for the opportunity to stage this festival which would allow the Chinese public and Beijing guests "to once again hear the collective voice of the SCO and get insight into the rich cultural heritage of our peoples".

The Evening of SCO Culture is part of a series of "Meet in Beijing 2008" cultural events staged under the initiative of the Ministry of Culture of the People's Republic of China and dedicated to the upcoming Beijing Olympics.

A regular meeting of the Council of Foreign Ministers of the SCO Member States took place **on 25 July 2008** in Dushanbe. In attendance were Nurlan Yermekbayev, Deputy Minister of Foreign Affairs of the Republic of Kazakhstan; Yang Jiechi, Minister of Foreign Affairs of the People's Republic of China; Ednan Karabayev, Minister of Foreign Affairs of the Kyrgyz Republic; Sergey Lavrov, Minister of Foreign Affairs of the

Russian Federation; Khamrokhon Zarifi, Minister of Foreign Affairs of the Republic of Tajikistan; Ilkhom Nematov, First Deputy Minister of Foreign Affairs of the Republic of Uzbekistan. Bolat Nurgaliev, SCO Secretary-General, and Myrzakan Subanov, Director of the Executive Committee of the SCO Regional Antiterrorist Structure, attended the session.

The session was held under the chairmanship of the Tajik party.

The Ministers considered the issues of preparation for the SCO Heads of State Council meeting due August 28 in Dushanbe, rated positively the efforts of the host state to ensure successful staging of the Dushanbe summit.

The parties noted with satisfaction that in the past year the tasks and decisions of the previous summit in Bishkek were being successfully fulfilled. Fruitful work has been done to deepen and expand multifaceted cooperation in the fields of security, politics, economy and culture.

Convergence or similarity of approaches to the key problems of modernity was noted as the parties exchanged opinions on some burning international issues, including main developments in the international situation, strengthening the regional stability and security. The Ministers reaffirmed the need to deepen practical cooperation with the SCO observer states in the areas of mutual interest.

The parties stressed that the SCO must continue to follow the policy of openness. They acknowledged the expediency of speeding up the creation of an SCO partner dialogue mechanism and establishment of contacts with the states and international organisations showing interest in the SCO.

A lot of attention was focused on the interaction with Afghanistan, particularly the issue of increasing the activity of the SCO-Afghanistan Contact Group.

The SCO Secretary-General delivered a report on the work of the Secretariat in the past year that was approved by the Ministers.

The parties made a number of decisions concerning organisational aspects of the work of the SCO permanent bodies.

The Foreign Ministers Council meeting was held in a spirit of friendship and understanding.

On 30 July 2008 the SCO Secretary-General Bolat Nurgaliev hosted a news conference at the Secretariat, over 20 media representatives as well as officials from the SCO observer states' embassies in China were in attendance.

The SCO Chief made a presentation on the outcome of 25 July meeting of the SCO Foreign Ministers Council and continuing preparations for 28 August meeting of the SCO Heads of State Council in Dushanbe. During the news conference journalists put questions concerning the prospects for development of cooperation in the fields of security, economy and expansion of multifaceted interaction with the observer states.

30-31 July 2008 the SCO Secretariat hosted a meeting of the SCO Senior Officials Commission for Trade and Economic Cooperation.

The parties considered the issue of making an inventory of the Action Plan on fulfillment of the Programme for Multilateral Trade and Economic Cooperation among the SCO Member States.

The parties also discussed issues of preparation to the next regular meeting of the SCO Trade and Economy Ministers.

In the course of the meeting the SOs discussed other issues of common concern.

On 01 August 2008 the SCO Secretary-General Bolat Nurgaliev was interviewed by Robert Karniol, a journalist with Singapore's Straits Times.

During the interview the Secretary-General answered a wide range of questions concerning SCO's history, current development and future prospects. With regard to the current situation around the SCO Bolat Nurgaliev spoke of the outcome of 25 July meeting of the SCO Foreign Ministers Council and ongoing preparations for 28 August Dushanbe Summit of the SCO, as well as the development of cooperation in security, economy and expansion of multifaceted interaction with the observers.

On 04 August 2008 the SCO Secretary-General Bolat Nurgaliev was interviewed by Anthony Yuen, chief editor of Hong Kong's Phoenix Television Channel. During the interview the SCO Chief answered various questions concerning the preparations for the SCO Heads of State Council meeting in late August, as well as the prospects for cooperation in security, economy and people-to-people exchange. The Phoenix viewer number amounts to 350 million.

A regular meeting of the Council of Heads of Member States of the Shanghai Cooperation Organisation (CHS SCO) took place **on 28 August 2008** in Dushanbe. President of the Republic of Kazakhstan N.A.Nazarbaev, Chairman of the People's Republic of China Hu Jintao, President of the Kyrgyz Republic K.S.Bakiev, President of the Russian Federation D.A.Medvedev, President of the Republic of Tajikistan E.Rakhmon, President of the Republic of Uzbekistan I.A.Karimov were in attendance.

President of the Republic of Tajikistan E.Rakhmon chaired the meeting.

Secretary-General of the SCO B.K.Nurgaliev and Director of the Executive Committee of the SCO Regional Antiterrorist Structure (RATS) M.U.Subanov participated in the meeting. Heads of delegations from the SCO observer states – President of the Islamic Republic of Iran M.Ahmadinejad, Minister of Petroleum and Natural Gas of the Republic of India M.Deora, Minister of Foreign Affairs of Mongolia S.Oyun, Advisor to the Prime Minister with the rank of Federal Minister of the Islamic Republic of Pakistan M.A.Durrani, as well as guests of the host state – President of the Islamic Republic of Afghanistan H.Karzai, Representative of the Secretary-General of the United Nations Organisation M.Jenca, Chairman of the Executive Committee – Executive Secretary of the Commonwealth of Independent States S.N.Lebedev, Deputy Secretary-General of the Collective Security Treaty Organisation T.I.Buzubaev were in attendance.

The heads of state exchanged opinions on international issues and the regional situation. Broad convergence or similarity of positions was noted which was reflected in the Dushanbe Declaration.

Plenipotentiary representatives of the member states of the Organisation signed the Agreement on the order of organisation and staging of joint counterterrorism exercises by the member states of the Shanghai Cooperation Organisation, the Agreement on cooperation among the governments of the member states of the Shanghai Cooperation Organisation on combating illegal circulation of weapons, ammunition and explosives. The Memorandum on partnership relations between the Interbank Association of the Shanghai Cooperation Organisation and the Eurasian Development Bank was also signed.

In the course of the meeting in a traditional spirit of friendship, mutual understanding and constructivism the achievements of the activity of the Organisation in the period following the Bishkek summit were considered, development priorities were set for the period until the next meeting of the CHS and longer term perspective.

It was stated that the tasks set at the CHS meeting in Bishkek as well as the reached agreements were being successfully fulfilled.

The heads of state approved the report of the SCO Secretary-General on the work of the Organisation in the past year and the report of the RATS Council on the work of the Regional Antiterrorist Structure in 2007.

The heads of state congratulated Chairman of the People's Republic of China Hu Jintao on successful staging of the Summer Olympic Games in Beijing. The Chinese side expressed gratitude to the SCO member states for extensive support in the period of their preparation and staging. Cooperation in the SCO framework in ensuring security at the Olympics was highly evaluated.

The heads of state were in attendance at the opening of the Fourth Art Festival of the SCO member states.

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The heads of state underlined the importance of the Treaty on Long-term Good-neighbourly Relations, Friendship and Cooperation signed in August 2007 in Bishkek in terms of strengthening interaction in the framework of the Organisation in joint counteraction against new challenges and threats, cementing international peace and security, maintaining global and regional stability.

Practical implementation of the Treaty will also promote the improvement of socioeconomic conditions and deepening of integration processes in the SCO space.

The heads of state noted a gradual increase in the activity of the SCO Regional Antiterrorist Structure in the field of fighting new challenges and threats as an effective mechanism of coordination of interaction among the competent agencies of the SCO member states and its information and analytical support. The process of practical implementation of the Cooperation Plan on combating terrorism, separatism and extremism for 2007-2009 was evaluated positively. The joint drills of the member states including the Peace Mission 2007 counterterrorism exercise staged in Chelyabinsk Region of the Russian Federation contributed to the enhancement of counterterrorism capabilities. The practice of conducting joint drills will be continued. The parties will consider at an early date a possibility of holding the first meeting of ministers of internal affairs and public security at the beginning of 2009.

The heads of state reiterated their concern over threats related to the possibility of using modern information and telecommunication technologies for purposes incompatible with the tasks of ensuring international stability and security. In this regard they noted the successful work of the SCO member states' International Information Security Expert Group on the fulfilment of the Action Plan on Ensuring IIS adopted in 2007. At the same time with the aim of creating legal framework for cooperation in this field it was considered expedient to draft an intergovernmental agreement in the SCO framework in the field of international information security.

In the process of implementing the Agreement among the SCO member states on cooperation in the fight against illegal circulation of narcotics, psychotropic substances and their precursors emphasis will be put on comprehensive fulfilment of the task of discovering and cutting off the channels of illegal movement of narcotics across the borders of the SCO member states, as well as on the earliest possible launch of practical cooperation in this field. Heads of counternarcotics agencies of the member states were instructed to hold in the first half of 2009 a special

meeting to consider issues of creating in the SCO framework a mechanism of fighting illegal circulation of narcotics, working out a strategy and a programme for stopping the trafficking of drugs from Afghanistan and precursors for their production in that country.

The need to enhance the activity of the SCO-Afghanistan Contact Group was noted.

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The heads of state expressed their support for further expansion of international ties of the Organisation. Work with the SCO observer states – India, Iran, Mongolia and Pakistan – will be lifted to a qualitatively new level and with due regard for their considerations.

For the sake of providing additional opportunities for mutually beneficial cooperation with interested states and international organisations the heads of states approved the Regulations on the Status of Dialogue Partner of the SCO.

A decision was taken to set up a special expert group to consider a whole range of issues related to the expansion of the Organisation.

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The heads of state welcomed the positive dynamics which had appeared in a number of areas of common interest in trade and economic cooperation, namely the creation of a favourable trade and investment conditions, development of transportation routes and transit potential, modern information and telecommunication technologies. Attention was drawn to the need of making greater use of the potential of the SCO Business Council and Interbank Association with the aim of consolidating in the SCO region a favourable investment environment and involving business communities in the implementation of major joint economic projects. The importance of cooperation in the field of customs was underlined in the context of promoting business partnership within the framework of the Organisation.

The heads of state expressed satisfaction at the start of dialogue in the SCO framework on agricultural issues.

The heads of state particularly stressed the significance of interaction in the field of people-to-people exchange as one of the key factors of steady consolidation and expansion of the social base for friendship, good-neighbourliness and mutual understanding among the peoples of the SCO member states. An intention to establish contacts among the legislative bodies of interested member states of the Organisation was noted.

The heads of state underlined the significance of establishing interaction in the framework of the Organisation in the field of healthcare, including the fight against infectious diseases, which is vitally important in terms of providing a suitable environment for steady economic development and raising the living standards of population in the region. An intention was expressed to continue cooperation in the fields of education and science, development of cultural and youth exchanges for the sake of strengthening understanding and friendship among peoples of interested member states of the Organisation. A positive development of cooperation in the field of ecology was noted. The importance of continuing the work on the preparation of an SCO concept on environmental protection was underlined.

The pace of cooperation among the departments responsible for emergency prevention and disaster relief was highly rated. It was opined that it is expedient to speed up the work on founding an SCO Centre for Prevention of Natural and Man-made Disasters.

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The heads of state highly appreciated the chairmanship of the Republic of Tajikistan at the SCO and expressed gratitude to the Tajik side for hospitality during the Dushanbe summit. The next meeting of the SCO Heads of States Council will be held in 2009 in the city of Yekaterinburg. According to the SCO Charter the duties of a state holding chairmanship of the Organisation in the coming period are to be taken over by the Russian Federation.

1-2 September 2008 on the invitation of the People's Government of Xinjiang Uygur Autonomous Region of the People's Republic of

China the SCO Secretary-General Bolat Nurgaliev took part in the 17th Urumqi Foreign Economic and Trade Fair and the 5th Central, West and South Asia Regional Economic Cooperation Forum.

The Regional Economic Cooperation Forum was co-organised by the SCO Secretariat and attended by over 300 persons – representatives of economic departments, business circles, leading enterprises and companies from more than 10 countries, including SCO member states, SCO observer states such as Mongolia and Pakistan, as well as Turkey, Armenia, USA, the Republic of Korea.

The SCO Secretary-General made a presentation on the main areas and prospects for economic cooperation in the SCO framework, interaction among the member states in investment, transportation, energy and modern technologies.

On 2 September the SCO Chief held talks with the Chairman of the People's Government of Xinjiang Uygur Autonomous Region Nuer Baikeli and other top officials. Ways of increasing the role of Xinjiang in developing border cooperation with the neighbouring states were discussed.

On 4 September 2008 the SCO Secretary-General Bolat Nurgaliev met at the Secretariat with the Ambassador of France to the People's Republic of China Herve Ladsous.

The parties discussed the agenda of the upcoming 1st EU-Central Asia Security Forum due 18 September in Paris.

The Secretary-General also briefed his guest on the outcome of SCO Heads of State Council meeting, which took place 28 August in Dushanbe.

8-11 September 2008 the Russian city of Irkutsk hosted the Fifth Baikal Economic Forum, the SCO Secretary-General Bolat Nurgaliev was in attendance. He delivered a speech at the opening ceremony.

The programme of the Forum included plenary sessions and an international conference "Europe – Russia – Asia Pacific: Integration and

Cooperation” which involved around 1500 officials, parliamentarians, businesspeople and bankers from the countries of the region. The BEF agenda covered issues of cooperation in energy, transport infrastructure, development of natural agglomerations, exploration of natural resources, development of timber industry, creation of special economic zones, development of human potential and other topics focusing on Siberia and the Far East in particular.

11 September 2008 the Forum held a Shanghai Cooperation Organisation Day and hosted a meeting of the SCO Business Council Governing Board. The SCO Secretary-General participated in the mentioned activities as well as in a press conference on the SCO Day. Among the topics discussed during the SCO BC meeting were its potential involvement in the process of founding an SCO Energy Club and the outcome of Dushanbe summit.

The heads of the Business Council national branches and the Chairman of the SCO BC Governing Board Dmitry Mezentsev discussed the work in the field of healthcare and social protection of the population of the SCO member states, interstate initiatives concerning development of insurance funds, creation of SCO University as well as innovation projects.

The SCO Chief gave a series of interviews to Russia’s central and regional media organisations.

On 12 September 2008 the internet forum Qiangguo Luntan of the Renmin Ribao Newspaper hosted an online briefing of the SCO Secretary-General Bolat Nurgaliev concerning the outcome of the SCO Heads of State Council meeting held recently in Dushanbe. The SCO Chief spoke of some burning issues related to multilateral cooperation in the SCO framework in politics, economy and culture, and took numerous questions from internet users.

The briefing generated a great deal of interest among internet users whose number exceeded 1 million.

On 18 September 2008 the SCO Secretary-General Bolat Nurgaliev took part in the 1st EU-Central Asia Security Forum in Paris.

The Forum was organised on the initiative of the Foreign Minister of France Bernard Kouchner who invited to Paris the ministers of foreign affairs of Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, as well as foreign ministers from EU member states, heads of international and regional organisations specialising in security issues in Central Asia. The agenda included discussions on concrete areas of joint activity in the fight against illegal circulation of narcotics and their precursors, weapons, sensitive materials, terrorism and extremism, as well as cooperation in energy and environmental protection.

The SCO Secretary-General made a presentation on the SCO's priorities in the follow-up to the recent Heads of State Council meeting in Dushanbe, as well as the Organisation's experience in the struggle against terrorism, separatism, extremism and drugs trafficking.

24-25 September 2008 Beijing hosted the 7th Meeting of External Trade and Economy Ministers of the SCO Member States.

The Vice Minister of Industry and Trade of the Republic of Kazakhstan E. Mamytbekov, the Minister of Commerce of the People's Republic of China Chen Deming, the Deputy Minister of Economic Development and Trade of the Kyrgyz Republic A. Mokenov, the Deputy Minister of Economic Development of the Russian Federation A. Klepach, the Minister of Economic Development and Trade of the Republic of Tajikistan G. Bobozoda and the Minister of External Economic Ties, Investment and Trade of the Republic of Uzbekistan E. Ganiev were in attendance.

The SCO Secretary-General B. Nurgaliev, the Executive Secretary of the SCO Business Council S. Kanavskiy, the managing director and head of China office of the Bank of Development of Kazakhstan N. Dutbaev as a representative of the Council of the SCO Interbank Consortium participated in the Meeting.

Representatives of the observer states of the Shanghai Cooperation Organisation – the Minister of Commerce of the Islamic Republic of Iran Masoud Mirkazemi, the Ambassador Extraordinary and Plenipotentiary of the Republic of India to the People's Republic of China Nirupama Rao, the Ambassador Extraordinary and Plenipotentiary of the Islamic Republic of Pakistan to the People's Republic of China Masoud Khan,

the Charge d'Affaires of Mongolia to the People's Republic of China Buyanbadrakh Tsedev as well as the Minister of Trade and Industry of the Islamic Republic of Afghanistan Amin Farhang as a guest of the host party attended the Meeting.

The Minister of Commerce of the People's Republic of China Chen Deming chaired the Meeting.

On 25 September 2008 the Vice Premier of the State Council of the People's Republic of China Wang Qishan received in Beijing the heads of delegations.

In a friendly, constructive and businesslike spirit the delegations of the SCO member states discussed a wide range of burning issues concerning the development of trade and economic cooperation in the framework of the Organisation.

The heads of delegations noted that the agreements reached during previous meetings of the Heads of State Council, Heads of Government Council, as well as meetings of External Trade and Economy Ministers were being actively implemented at present.

The parties agreed to work further towards the settlement of important issues of regional economic cooperation in the SCO framework, including the creation of a mechanism of investment encouragement to ensure sustainable socioeconomic development of the SCO member states, to step up efforts to study and implement beneficial multilateral projects, to take additional measures aimed to boost the activity of the Special Working Groups and the SCO Commission of Senior Officials in Charge of Trade and Economic Cooperation as well as to strengthen coordination of their activities with the work of the SCO Business Council and Interbank Consortium.

The parties welcomed the participation of representatives from the observer states of the SCO and its neighbouring countries in the work of the 7th Meeting of External Trade and Economy Ministers of the SCO Member States.

It was considered expedient to involve representatives from the observer states of the SCO and its neighbouring countries, with due regard for their interests, in future meetings of External Trade and Economy

Ministers of the SCO Member States, as well as in activities held in the framework of the SCO Business Council and Interbank Consortium.

The heads of delegations took note of the report by the Kazakh side on preparations for the next SCO Heads of Government Council meeting scheduled for 30 October 2008 in Astana, and considered the updated draft Action Plan on implementation of the Programme for multilateral trade and economic cooperation among the SCO member states.

In order to facilitate multilateral involvement and development of regional economic and investment interaction, the parties agreed to actively fulfill activities outlined in the Programme for multilateral trade and economic cooperation, and to pay priority attention to the implementation of joint projects in transportation, telecommunications, modern technologies, agriculture, energy and other fields.

The parties agreed to hold the next meeting of External Trade and Economy Ministers, of the SCO Member States in 2009 in the Kyrgyz Republic.

Upon completion of the Meeting the parties signed a protocol.

29 September – 04 October 2008 the Observer Mission from the Shanghai Cooperation Organisation monitored the preparation and conduct on 04 October 2008 of the election of deputies of the Senate of the Parliament of the Republic of Kazakhstan.

The Mission observed the election in the city of Almaty.

During their work the Mission held meetings with chairmen of the election commission of the city of Almaty, candidates for deputies of the Senate and mass media representatives.

On the voting day the total number of registered candidates for the Senate from the city of Almaty was 3.

The election in the city of Almaty took place during a joint session of deputies of the Maslakhit of the city of Almaty on election of deputies of the Senate which was held in accordance with Article 77 of the

Constitutional Law of the Republic of Kazakhstan on elections in the Republic of Kazakhstan.

According to Paragraph 2 of Article 51 of the Constitution of the Republic of Kazakhstan the election of deputies of the Senate was conducted on the basis of indirect voting right by secret ballot.

33 deputies of the Maslakhit of the city of Almaty participated in the session which amounted to 89 % of the total number of the deputies of this Maslakhit.

Besides the Mission, observers from political parties, public bodies, non-profit organisations of the Republic of Kazakhstan as well as observers from foreign states (Azerbaijan, Russia, Tajikistan and Uzbekistan) and international organisations (the CIS) were present at the scene of the election in the city of Almaty which conforms to provisions of Paragraphs 1 and 2 of Article 20 of the Constitutional Law of the Republic of Kazakhstan on elections in the Republic of Kazakhstan. The Mission did not receive complaints or criticism over the conduct of the election.

Members of the Mission were present during the vote counting and drawing up of protocols of vote returns at the election commission of the city of Almaty. In the course of vote counting the Mission reported no violations.

The Mission notes that the election took place in a democratic environment and basically conformed to the requirements of the national legislation of the Republic of Kazakhstan and its international obligations.

The SCO Observer Mission expresses gratitude to the Central Election Commission, the Ministry of Foreign Affairs, the election commission of the city of Almaty as well as other organisations and institutions of the Republic of Kazakhstan for the assistance provided during their work.

09 October 2008: The President of Uzbekistan signed an order to provide humanitarian aid to the population of the Kyrgyz Republic that suffered from the recent earthquake.

The order envisages supplies of building materials, including 120 tons of cement, bound for Alaysk District of Osh Region which was hit hardest by the disaster, the UzA Agency reports.

Apart from that, the affected region of Kyrgyzstan will receive various goods, including 60 tons of flour, 1 ton of vegetable oil, as well as blankets, knitted wear, children's clothes and other necessities.

The total value of the humanitarian aid will exceed 200 thousand dollars. The Ministry of Emergency Situations of Uzbekistan is charged with transporting the humanitarian supplies.

On 09 October 2008 a column of 27 trucks of the Emergency and Civil Defence Committee of the Government of Tajikistan loaded with humanitarian supplies left Dushanbe and headed to Southern Kyrgyzstan through Djirgatal. On 07 October the President of Tajikistan Emomali Rakhmon signed an order according to which the respective ministries and departments of the country were to collect and deliver in the shortest possible time humanitarian aid to Osh Region of Kyrgyzstan which was hit hardest by the powerful earthquake of 05 October.

Tajikistan will send 100 cubes of saw timber, 2000 zinc roofing sheets, 100 tons of cement, 100 aluminum pails, 100 cauldrons, 200 sets of clothing, as well as food supplies – 200 tons of flour, 5.2 tons of rice, 5 tons of vegetable oil, 10 tons of sugar. The humanitarian aid also includes 25 tons of diesel fuel.

On 10 October 2008 the Secretariat hosted a meeting between representatives from the SCO member states and the Islamic Republic of Afghanistan during which the parties exchanged opinions on a wide range of issues of common concern. The meeting confirmed the significance the SCO member states attached to a series of problems dealing with the situation in Afghanistan, in particular narcotics threat and terrorism.

On 14 October 2008 the SCO Secretary-General Bolat Nurgaliev received at the Secretariat a delegation of assistants to U.S. Congressmen who were on a visit in China at the invitation of China Institute of International Studies.

During the meeting the SCO Chief spoke of the current activity of the Organisation and the outcome of meeting of the SCO Heads of State Council held this August in Dushanbe.

Delegates from the U.S. Congress were briefed on the latest counterterrorism and counternarcotics operations in the SCO framework. It was noted that the struggle against terrorism, separatism, extremism and drugs trafficking, maintenance of security and stability in the region as well as facilitation of the socioeconomic development of the member states were the long-term priorities for the Organisation.

The Secretary-General answered questions posed by the American guests concerning external contacts of the Organisation in the context of ensuring peace and security in Eurasia as well as practical aspects of interaction with the SCO observer states.

On 23 October 2008 Astana hosted a meeting of education ministers of the SCO member states.

The SCO Secretary-General Bolat Nurgaliev was in attendance.

The minister of education and science of the Republic of Kazakhstan chaired the meeting. In a spirit of friendship and full understanding the ministers considered a wide range of issues concerning further development and deepening of multilateral cooperation in the field of education.

The parties paid priority attention to the fulfillment of decisions of the SCO Heads of State Council meeting (Dushanbe, 28 August 2008) concerning gradual boosting of integration ties in the field of education.

The parties considered and approved the Report on the state and development of the national educational systems and the prospects for cooperation in the field of education which was prepared by the Expert Working Group on Education Cooperation.

The parties noted with satisfaction that successful fulfillment of the List of activities on implementation of the Agreement among the governments of the SCO member states on cooperation in the field of education for 2007-2008 facilitated the settlement of tasks set at the highest level.

The parties instructed the Expert Working Group on Education Cooperation to draw up a draft List of activities on implementation of the Agreement for 2009-2010 taking into consideration the agreed priority areas of interaction.

The parties noted significant progress in the work on the creation of Shanghai Cooperation Organisation University designed to combine the intellectual potentials of leading national universities with the aim of training high-skilled specialists in scientific and economic sectors of the member states as well as implementation of major integration projects in the SCO framework.

The Protocol of Intent signed by the education ministries of the SCO member states endorsed the Concept of creation and management of SCO University and the relative action plan on its implementation. The opening of SCO University is scheduled in 2009-2010. The parties highly rated the achievements of the Education Week of the SCO member states-“Education Without Borders” held 30 September-03 October 2008 in Moscow in the framework of the Russian presidency of the SCO. Representatives of the SCO observer states- India, Iran, Mongolia and Pakistan also attended the event.

The Education Week was the largest ever gathering of education officials, scholars and academics from the SCO member states. The participants held comprehensive discussions on a number of burning issues concerning improvement of the quality of education, shared experience in the field of modernisation of the educational systems of the member states and on the basis of that put forward some recommendations aimed to create a single education space at the SCO.

The parties backed the Russian initiative to hold in 2009 in Moscow the first forum of rectors of leading universities of the SCO member states.

The parties noted constructive and fruitful work of the Expert Working Group on Education Cooperation.

The parties agreed to hold the next meeting of education ministers of the SCO member states in 2010 in the Kyrgyz Republic.

The prime ministers of the member states of the Shanghai Cooperation Organisation (SCO) met in Astana **on 30 October 2008** to discuss the promotion of cooperation within the Organisation.

At the meeting that gathered the prime ministers of the six SCO member states, a joint declaration was issued on the status quo of and

prospects for the pragmatic cooperation within the Organisation in such fields as politics, economy and trade, and culture.

The SCO members vowed to go all out to implement the consensus reached by SCO leaders at their Dushanbe summit in August in a bid to promote the steady and sustained development of multilateral cooperation within the Organisation.

The prime ministers are satisfied with the progress in cooperation on economy, trade and culture since their regular meeting last year in Uzbekistan's capital Tashkent, the declaration said.

They agreed to deepen cooperation in all fields in line with an amended guideline concerning the implementation of the multilateral economic and trade cooperation approved at the meeting.

Joint work should be done to provide a stable and predictable environment for trade and to strengthen the market mechanism, the prime ministers said.

The member states agreed to boost cooperation in enhancing energy efficiency, developing clean energy, utilising renewable energy and ensuring energy security.

They also vowed to enhance cooperation in transportation, customs supervision and health care.

The rational and efficient use of water resources is significant to the sustainable development of the Central Asian countries, the prime ministers noted, adding that an upcoming meeting of SCO environmental protection officials is of vital importance.

The prime ministers reiterated the importance of cooperation in disasters prevention and relief, adding a regular meeting of leading officials in charge of disaster relief will be held in the first half of 2009.

The prime ministers called for a meeting of agriculture ministers of the member states to coordinate policies on ensuring regional food security and promoting agricultural production.

They also noted the broad prospects for cooperation on modern information technology. In view of the need to strengthen links between

businesses and banks, the prime ministers proposed that an economic forum of major business leaders from member states be jointly sponsored by bank officials and entrepreneurs.

Participation of observer countries in member states' meetings is conducive to attracting these countries into the cooperation projects within the SCO framework, the prime ministers said.

On 13 November 2008 the Minister of Foreign Affairs of the Kyrgyz Republic Ednan Karabayev visited the Secretariat of the Shanghai Cooperation Organisation. During a meeting with the SCO Secretary-General Bolat Nurgaliev issues of further strengthening of Kyrgyzstan's political, economic and cultural interaction in the SCO framework were discussed.

E. Karabayev highly rated the work of the Secretariat on preparation and holding of meetings of the SCO administrative and working bodies.

Issues of preparation to the next session of SCO Forum in Kyrgyzstan as well as prospects for the implementation of infrastructural and energy projects in the SCO framework were also discussed.

On 13 November 2008 on the initiative of the SCO Secretary-General Bolat Nurgaliev and the Ambassador of the Republic of Tajikistan to China Rashid Alimov the Secretariat staged a concert of the Tajik duet "Foram" composed of popular artists from Tajikistan Nokhid Zeynalpur and Khasan Khaydarov.

In the Tajik language the word "foram" means "pleasure". The title of this gifted duet with a striking accuracy reflects a spirit of festivity and cordiality, inspiration and placidity which dominates the concerts by Nokhid Zeynalpur and Khasan Khaydarov. The stars of the Tajik variety art and chamber music for the first time presented their concert programme to a demanding audience in China.

Chinese officials, diplomats from the embassies of the SCO member and observer states as well as Tajik students from Beijing's universities attended the concert.

On 19 November 2008 the SCO Secretary-General Bolat Nurgaliev met at the Secretariat with the Deputy Secretary-General of the Association of Southeast Asian Nations Soeung Rathchavy who arrived in Beijing for working consultations with the SCO. During the meeting B.Nurgaliev briefed the ASEAN official on main areas of the activity of the Organisation, the practice of SCO's interaction with countries in the region and international organisations.

S.Rathchavy described current goals and tasks concerning further deepening of integration among the 10 member states of the ASEAN.

During the talks both sides expressed mutual intention to maintain regular contacts based on the MoU between the SCO and ASEAN signed in April 2005. Exchange of opinions took place over issues of regular interaction between the two organisations in such fields like economy and trade, transportation and communications, energy, environmental protection and sustainable development, information technologies and their implementation.

On 21 November 2008 the SCO Secretary-General Bolat Nurgaliev met at the Secretariat with the Deputy Minister of Foreign Affairs of the Russian Federation Alexey Borodavkin who came to Beijing on a working visit.

During the meeting a range of issues was discussed concerning the prospects for development of cooperation in the SCO framework in political, economic and cultural fields, measures on ensuring member states' involvement in joint projects, main areas of interaction with other states and international organisations as well as plans to hold under the auspices of the SCO a special international conference on Afghanistan.

A.Borodavkin spoke of preparations for an SCO summit in Yekaterinburg being made by the Russian side as current president of the SCO.

The Ambassador of the Russian Federation to the People's Republic of China Sergei Razov, Special Representative of the President of the Russian Federation for SCO Affairs Leonid Moiseyev and senior officials of the SCO Secretariat also attended the meeting.

On 28 November 2008 the SCO Secretary-General released a statement in connection with terrorist attacks in India:

The Shanghai Cooperation Organisation resolutely condemns the terrorist acts in India's largest city of Mumbai which caused numerous human casualties. Their masterminds and perpetrators must be punished in accordance with the law.

We reaffirm our solidarity with the Republic of India, an observer state at the SCO, and express sincere condolences to the families and friends of those who lost their lives in these atrocious terrorist attacks.

Beijing, 28 November 2008

On 03 December 2008 in connection with the demise of the former Indian prime minister Vishwanath Pratap Singh the SCO Deputy Secretary-General Vladimir Zakharov visited the Embassy of the Republic of India in Beijing, and on behalf of the Secretariat of the Shanghai Cooperation Organisation signed the book of condolences.

2-3 December 2008 on the invitation of the Minister of Foreign Affairs Manouchehr Mottaki of the Islamic Republic of Iran the SCO Secretary-General Bolat Nurgaliev went to Teheran on a working visit. Meetings were held with the first Vice President of the Islamic Republic of Iran Parviz Davoodi, the Minister of Foreign Affairs Manouchehr Mottaki and other senior officials from the Iranian Foreign Ministry. The parties exchanged opinions on the issues of increasing interaction between the Shanghai Cooperation Organisation and Iran in the capacity of SCO observer state in various areas, including counterterrorism and fight against drugs trafficking, participation of Iran in energy, transport, infrastructural projects.

Bolat Nurgaliev delivered a lecture at the Institute for Political and International Studies of the Iranian Foreign Ministry. He spoke of the main development priorities of the Organisation, its current activity, made an assessment of the regional and international situation.

The SCO Secretary-General also visited the Secretariat of the Economic Cooperation Organisation based in Teheran and during talks with senior officials from this partnership organisation exchanged opinions on potential areas of cooperation between the SCO and ECO envisaged by December 2007 MoU.

During his visit in Teheran the SCO Secretary-General held two press conferences for Iranian media and gave an exclusive interview to the IRNA News, Fars News Agency and the youth newspaper ISNA. He answered numerous media questions concerning the SCO activity, areas of common interest and forms of interaction between Iran and the SCO.

On 17 December 2008 the SCO Secretary-General Bolat Nurgaliev attended the exhibition “China’s 30 Years of Reform” which opened at the China World Trade Centre in Beijing. The exhibition organised by the Ministry of Commerce of China, the Department for International Relations of the Central Committee of the Communist Party of China, the CPC CC Party Literature Research Centre and Xinhua news agency put on display rich documentary archives concerning the achievements of the People’s Republic of China in the three decades of large-scale reforms initiated by Deng Xiaoping in a programme speech during the plenary session of the CC CPC in December 1978.

A special pavilion of the exhibition was dedicated to the development of China’s multilateral and bilateral links with countries and regions of Asia, Africa, Europe, America and Oceania. It also features a special theme section regarding the activity of the Shanghai Cooperation Organisation and the development of China’s economic ties with the SCO member and observer states.

16–17 December 2008 the Secretariat hosted consultations among representatives of the Ministries of Foreign Affairs of the SCO Member States on the issue of development of SCO’s links with the EU, OSCE and other extraregional organisations.

The parties exchanged views on the efforts of their states to establish interaction with interested international organisations on countering the

threats of terrorism and narcotics, in particular the expansion of SCO's dialogue with the EU and OSCE over the issue. The parties took note of the Secretariat report on the development of SCO's links with international organisations in 2007 – 2008.

The parties took into account the Russian proposal concerning a possibility of inviting the EU and OSCE to participate in a special SCO conference on Afghanistan.

Proceeding from the experience of bilateral interaction of their states with the European Union, the parties backed the idea to jointly outline potential areas of cooperation with the EU, including the economic field, with due consideration for the SCO mandate.

The parties heard a report of the representative of the Foreign Ministry of Kazakhstan concerning preparations for holding presidency of the OSCE in 2010 and formulation of its priorities, as well as a presentation of the Kazakh side of the state programme "Path to Europe" for 2009 – 2011.

The parties took note of a report of the Uzbek side concerning Uzbekistan's initiative on the expediency of resumption of the process of negotiations on achieving peace and stability in Afghanistan in the framework of the United Nations Group on Afghanistan "6+2".

The parties noted the importance of the consultations on the issue of interaction with the OSCE and European Union and backed the idea to hold more consultations in future.

16-18 December 2008 the Secretariat hosted a regular meeting of the Expert Working Group of the Shanghai Cooperation Organisation on International Information Security.

23-26 December 2008 the Secretariat hosted a meeting of the Council of National Coordinators of the SCO Member States during which a wide range of issues concerning the current and future activities of the Organisation was discussed.

2009

17 January 2009 Shenzhen hosted a regular meeting of the Governing Board of the Shanghai Cooperation Organisation Business Council. The SCO Secretary-General Bolat Nurgaliev participated in the meeting on the invitation of Dmitry Mezentsev, Chairman of the SCO BC Governing Board. The meeting discussed issues concerning the involvement of the SCO Business Council in practical implementation of the Action Plan on execution of the Programme of Multilateral Trade and Economic Cooperation the updated version of which was approved by the SCO Heads of Government Council on 30 October 2008.

The Secretary-General exchanged opinions with other participants over further development of cooperation in such areas as ensurance, agriculture, leasing, border trade, tourism, logistics, creation of joint companies, support for small and medium size businesses, and read a statement concerning the prospects for economic cooperation in the SCO framework.

20-21 January 2009 the SCO Secretariat hosted a regular meeting of the Expert Working Group in charge of preparation of proposals concerning the formation order and running principles of the SCO Development Fund.

In the course of the meeting experts of the parties exchanged opinions over the issues of formation order and running principles of the SCO Development Fund. The experts agreed that in order to assist the earliest possible settlement of the issue of creation of the SCO Development Fund it is expedient to set up an SCO Special Account at this stage.

The experts agreed the need to draw up draft Regulations on the SCO Special Account.

11-13 February 2009 the SCO Secretariat hosted a regular meeting of the Expert Working Group on cultural cooperation in the SCO framework.

In the course of the meeting experts of the parties considered issues of the fulfillment in 2008 of the Plan of Multilateral Cultural Cooperation of the SCO Member States for 2007-2008 and preparations for the next Meeting of Culture Ministers of the SCO Member States due in Kazan (Russian Federation).

The experts also discussed staging of a series of cultural activities in the framework of the Organisation in 2009 as well as other issues of common interest.

17-18 February 2009 the SCO Secretariat hosted a meeting of experts from the SCO member states on agricultural cooperation.

In the course of the meeting representatives of the parties exchanged opinions over issues of boosting multilateral interaction in the SCO framework and practical implementation of the Action Plan on execution of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States with the emphasis on joint agricultural projects.

The experts also exchanged views on issues of interaction in facilitating agricultural trade and sharing information about the development of agriculture in the member states.

18-19 February 2009 the SCO Secretariat hosted a regular meeting of heads of press services of the Ministries of Foreign Affairs of the SCO Member States.

The parties discussed issues of interaction among the press services of the foreign ministries of the member states with the aim of further strengthening of information propaganda at the Organisation.

The Russian party prepared a report on organisational and technical measures envisaging information support for the approaching meetings of the SCO Heads of State Council and SCO Foreign Ministers Council due in Yekaterinburg and Moscow respectively, as well as submitted proposals concerning staging of a series of activities scheduled in the second half of 2009 aimed to increase media support for the Organisation.

The parties approved the Plan of information support for Yekaterinburg summit.

The press services of the foreign ministries of the member states agreed to assist the provision of information support for the 4th session of SCO Forum due in Kyrgyzstan in mid May 2009.

On 19 February 2009 the SCO Secretary-General Bolat Nurgaliev received a delegation of political scientists headed by Xing Guangcheng, Director of the Institute of Russia, Eastern Europe and Central Asia Studies of the Academy of Social Sciences of the People's Republic of China.

During the conversation a broad range of issues was discussed including various aspects of the SCO activity, interaction between the SCO Secretariat and Chinese think tanks, joint plans of publishing and research activities.

The Secretary-General rated positively the Institute's remarkable role in spreading information concerning the state and prospects for the development of the Organisation. The Secretariat and the Institute agreed to maintain regular contacts.

26-28 February 2009 on the invitation of the Ministry of External Affairs of the Republic of India the SCO Secretary-General Bolat Nurgaliev made a working visit to New Delhi.

During his visit to the Indian capital the Secretary-General held talks with the External Affairs Minister Pranab Mukherjee and Secretary (East) Shri N. Ravi. Issues of increasing SCO's interaction with India in the fight against terrorism, extremism and drugs trafficking as well as matters of economic interaction in transport and energy were discussed.

The Secretary-General delivered lectures on the prospects for SCO's development at the Indian Council of World Affairs and the Institute for Defence Studies and Analyses.

On 02 March 2009 the SCO Secretary-General Bolat Nurgaliev received Thierry Meyrat, Head of Regional Delegation for East Asia of the International Committee of the Red Cross.

During the meeting a range of issues concerning various aspects of the SCO activity was discussed, including those lying within the competence of the ICRC.

The parties expressed mutual intention to maintain regular contacts between the SCO and ICRC on issues of common concern, including response to natural and manmade disasters.

10-13 March 2009 the SCO Secretariat hosted a meeting of the National Coordinators of the SCO Member States, a wide range of issues concerning the current and upcoming activities of the Organisation was discussed.

On 01 April 2009 the SCO Secretariat hosted a regular meeting of senior officials from the health ministries of the SCO member states.

The parties considered issues concerning the preparation of a plan of multilateral cooperation in the field of healthcare, the holding of a meeting of health ministers of the SCO member states and the possibility of creating a working group on healthcare cooperation.

The parties also exchanged opinions over the issue of establishing interaction in prevention and fight against the spread of infectious diseases in the SCO region.

14-15 April 2009 the SCO Secretariat hosted the fifth meeting of the SCO Special Working Group on Development of Transit Potential.

The parties discussed the progress of implementation of the pilot projects, namely the synchronous construction, reconstruction and restoration of parts of E-40 motorway stretching across Kazakhstan, Uzbekistan and Russia.

The parties noted the significance of the construction, reconstruction and restoration of parts of the motorways lying within the corridors

“Andijan – Osh – Sarytash – Irkeshtam – Kashgar”, “Bratstvo – Dushanbe – Djirgital – Karamyk – Irkeshtam – Kashgar” and the construction of a loading terminal in Kashgar for management of multimodal haulage.

During the meeting a presentation of international logistics centres along E-40 route was made, including:

- a centre for intermodal transportation and logistics at the international airport of the city of Navoi as part of the free industrial economic zone “Navoi”;

- new large logistics centres in SCO member states, including the Russian Federation and Kazakhstan’s international transit corridor “Western Europe – Western China”.

The parties considered the SWG Working Plan for 2009-2010 and other issues of mutual interest.

As part of the experience-sharing programme the SWG members acquainted themselves with the work of a new logistics centre in Beijing.

14-17 April 2009 the SCO Secretariat hosted a regular meeting of the Council of National Coordinators of the SCO Member States. The parties considered issues of preparations for the SCO Heads of State Council meeting due on 15 June in Yekaterinburg and the approaching meeting of the SCO Foreign Ministers Council. The NCs worked at the draft documents to be signed during the above mentioned meetings and discussed a series of issues concerning the current activity of the Organisation.

On 20 April 2009 on the initiative of the Norwegian side the SCO Secretary-General Bolat Nurgaliev met at the SCO Secretariat with Janis Kanavin, Deputy Director General of the Section for Afghanistan – Pakistan of the Foreign Ministry of Norway.

During the conversation the SCO Chief briefed his guest on current tasks of the SCO and the Secretariat. The parties also discussed issues concerning the situation in Afghanistan and Pakistan in the wake of the SCO Special Conference on Afghanistan which took place in Moscow in March 2009.

On 20 April 2009 the SCO Secretary-General Bolat Nurgaliev met at the SCO Secretariat with Pierre Lellouche, France's Special Envoy for Afghanistan and Pakistan.

During the meeting the parties exchanged views on the current state and further developments concerning the situation in Afghanistan and the surrounding region. The SCO Chief gave his assessment of the final documents adopted at the SCO Special Conference on Afghanistan.

P. Lellouche positively rated the outcome of the Special Conference and noted that all interested parties should work closer together to assist the settlement of the situation in Afghanistan.

21-23 April 2009 the SCO Secretariat hosted a meeting of experts from the SCO member states on the issues of migration.

During the meeting the parties exchanged views on the issues of formulating the member states' common approach to the problem of battling illegal migration, including the drafting of a relative multilateral agreement.

The experts also discussed other issues of common concern.

On 23 April 2009 the President of Turkmenistan Gurbanguly Berdymukhamedov met with the SCO Secretary-General Bolat Nurgaliev who arrived in Ashgabat to participate in the international high-level conference "The reliable and stable transit of energy reserves and its role in ensuring steady development and international cooperation".

Welcoming the head of Turkmenistan the SCO Chief underlined that it was great honour for him to take part in a large-scale forum like that dedicated to the important and acute issue of ensuring global energy security which nowadays concerned everyone. B. Nurgaliev noted that the SCO as one of the largest international organisations in the Eurasian region considered the maintenance of peace, stability and steady development in the region to be its main task, and in this regard Turkmenistan's initiative outlined in the UN Special Resolution and aimed to achieve a common goal had special significance.

G. Berdymukhamedov said that Turkmenistan treated respectfully the SCO's goals and tasks, and noted that interaction at regional and international levels was viewed as an effective factor in maintaining security and stability, facilitating mutually beneficial partnership, including the strategically important energy partnership. In this regard the parties discussed opportunities for advancing the energy partnership in the context of the Ashgabat forum's agenda.

Thanking the head of state for the spared time B. Nurgaliev was confident that the conference would become an important step towards formulating fresh, optimum approaches aimed to resolve the acute problems of modernity and put international dialogue on a path to open, beneficial mutual cooperation that satisfied everyone's interest.

On 23 and 24 April 2009 the SCO Secretary-General Bolat Nurgaliev participated in the international high-level conference "Reliable and stable transit of energy and its role in ensuring sustainable development and international cooperation", jointly held in Ashgabat by the Government of Turkmenistan and the United Nations.

The conference was opened by the President of Turkmenistan Gurbanguly Berdymukhamedov who made a statement on the state and prospects for the development of energy cooperation within the context of implementation of the Resolution on the role of secure delivery of energy to international markets, adopted by the UN General Assembly in December 2008.

The UN Under-Secretary-General Sha Zukang, senior officials from the OSCE, Energy Charter Secretariat, Economic Cooperation Organisation, Commonwealth of Independent States as well as high-ranking representatives from government agencies, energy companies and research institutions from more than 70 countries attended the conference.

On 29 April 2009 Moscow hosted a meeting of the defence ministers of the member states of the Shanghai Cooperation Organisation.

The Defence Minister of Russia Anatoly Serdyukov, the Defence Minister of China Liang Guangle, the Deputy Defence Minister of

Kazakhstan Mukhtar Altynbayev, the Defence Minister of Kyrgyzstan Bakytbek Kalyev, the Defence Minister of Tajikistan Sherali Khayrulloev and the Deputy Defence Minister of Uzbekistan Rustam Niyazov were in attendance.

During the meeting the parties assessed the situation in the field of international and regional security, discussed the issues of enhancing co-operation in the field of defence and security in the SCO framework, the Xinhua News Agency reports.

The parties approved the Plan of Cooperation among the Defence Ministries of the SCO Member States for 2010-2011 aimed to fulfill the Agreement on Cooperation among the Defence Ministries of the SCO Member States signed in 2008. It outlines main areas of cooperation among the defence ministries of the SCO member states within the next two years, including further strengthening of dialogue and consultations in the field of defence and security, preparation of joint counter-terrorism military drills, organisation of workshops aimed to share experience in fighting against terrorism, conducting peace-keeping operations, army building and development, as well as staging of relevant activities marking the 10th anniversary of the founding of the SCO.

Upon completion of the meeting the parties signed a joint communique.

A regular meeting of the Council of Foreign Ministers of the Member States of the Shanghai Cooperation Organisation was held in Moscow **on 15 May 2009**. Ministers of Foreign Affairs Yang Jiechi of the People's Republic of China, Marat Tazhin of the Republic of Kazakhstan, Kadyrbek Sarbaev of the Kyrgyz Republic, Sergey Lavrov of the Russian Federation, Hamrokhon Zarifi of the Republic of Tajikistan, and Vladimir Norov of the Republic of Uzbekistan took part.

Present at the meeting were SCO Secretary General Bolat Nurgaliev and Director of the Executive Committee of the SCO Regional Counterterrorism Structure Myrzakan Subanov.

The ministers were received by President Dmitry Medvedev of the Russian Federation.

The CFM meeting was held under the chairmanship of the Russian side.

A number of topical problems in the further strengthening of collaboration within the Organisation were examined in a constructive atmosphere, with emphasis on securing the all-round preparation for a meeting of the SCO Council of Heads of State to be held in Yekaterinburg on 15 and 16 June 2009. An exchange of views took place on the most important international problems and on the situation in the region.

The ministers stated that over the period since the Council of Heads of State meeting in Dushanbe on August 28, 2008 considerable work had been carried out in strengthening further the Organisation and in expanding practical collaboration in the political, economic and cultural fields. SCO activities facilitate tackling the socioeconomic problems of the region and ensuring regional security and stability. This role is to be solidified with regard for the extensive changes occurring in the world today.

In the security sphere, remaining one of the chief priorities, the antiterrorist and antinarcotics capabilities of the Organisation are consistently being increased. In this regard, the ministers noted the outcome of the special Afghanistan conference convened under the auspices of the SCO in Moscow on 27 March 2009; Norak-Antiterror-2009 joint counterterrorism command-and-staff exercise held on the Republic of Tajikistan territory 17-19 April 2009; and the SCO defence ministers' meeting in Moscow on 29 April 2009, as well as the importance of completing the work on an SCO Convention against Terrorism, a Programme of Cooperation among the SCO Member States in Combating Terrorism, Separatism and Extremism 2010-2012, and an Agreement on the Training of Personnel for Antiterrorist Units of SCO Member States. Efforts will continue to create within the Organisation an effective mechanism to combat illicit traffic in narcotic drugs, psychotropic substances and their precursors.

The ministers emphasised that a solution to the tasks of combating terrorism, drug trafficking, transnational organised crime and other new challenges and threats can be found only on a basis of dialogue and close collaboration with other concerned international associations and states, with the UN playing a coordinating role.

The ministers spoke for bolstering further the cooperative efforts in international affairs and for streamlining the mechanisms of operational coordination of positions on problems directly affecting the interests of the Organisation as a whole and of its individual members. Finishing the elaboration of an SCO Regulation on political diplomatic measures and mechanisms for responding to situations that may jeopardise peace, security and stability in the region will serve this objective in particular.

They deemed it necessary to maximally intensify the SCO work on an Agreement on Cooperation in the Field of International Information Security with a view to its preparation towards the summit in Yekaterinburg.

In conditions of the global financial crisis the task of minimising its adverse consequences for the countries of the region by an all-out effort to strengthen and develop economic cooperation in different fields has acquired special urgency. The Organisation will heighten its attention to energy and food security and global climate change.

The ministers spoke for expanding and deepening practical collaboration with the observer states, actively using the SCO cooperation mechanisms and programmes for this purpose.

SCO Secretary General Bolat Nurgaliev presented a Report on the Work of the Secretariat for the past year, which was approved by the ministers.

The heads of the foreign affairs agencies took a number of decisions on organisational and personnel matters.

18-19 May 2009 Cholpon Ata (Kyrgyzstan) hosted the fourth session of the Shanghai Cooperation Organisation Forum, the SCO Deputy Secretary-General Vladimir Zakharov attended. The agenda of the Forum included the following issues:

The global financial and economic crisis and the SCO's role in formation of a new economic order;

The SCO's role in offering solutions for rational and effective use of water and energy resources;

Prospects for cooperation in the field of culture and education;

The SCO's role in settling the situation in Afghanistan;

The involvement of the observer states in SCO cooperation.

Concrete proposals generated at the Forum will be submitted to the upcoming SCO Heads of State Council Meeting in Yekaterinburg.

22 May 2009: Approximately 400 children's drawings were displayed at the end of May in Dushanbe in an exhibition sponsored by the Shanghai Cooperation Organisation (SCO) entitled "Children Paint Fairy Tales". Also on display were many other works in a variety of artistic styles including tapestry, batik, metal engraving, painting, weaving, embroidery and beadwork.

The project was developed in 2004-05 at the Pushkin State Museum of Fine Arts in Moscow and received support from the SCO Secretariat, which approached the organisation's six member states (Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Russia and China) with a proposal to organise a permanent, mobile exhibition of children's drawings. The first exhibition took place in Beijing in 2005, with subsequent exhibitions in Astana, Tashkent, Bishkek and Moscow.

Children in the six SCO member states took up their artistic tasks under the motto: "We read stories; we draw stories; we understand each other". Mentors and teachers helped them imagine the cultures of other nations. They taught the children about the folk customs, clothing, jewellery and distinguishing characteristics of various ethnicities, as well as their traditional habitats, distinctive landscapes and ornamentation. Russian children, for example, drew scenes from Chinese and Kazakh folk tales while Chinese children drew scenes from Russian and Uzbek folk tales.

According to the project's creator and exhibition curator Irina Zakharova, 10,000 children in SCO countries are currently taking part in the project. "The exhibitions instil in children a love for other people's cultures", she said. "After all, folk tales are suited to children's consciousness and provide an understanding of the world and the interconnectedness of all things."

The next "Children Paint Fairy Tales" exhibitions will take place in June and July in the Russian city of Yekaterinburg and the Kazakh capital, Astana.

On 25 May 2009 the SCO Secretary-General Bolat Nurgaliev met at the SCO Secretariat with Miroslav Jenca, Special Representative of the United Nations Secretary-General and Head of the UN Regional Centre for Preventive Diplomacy for Central Asia.

During the meeting the parties discussed issues of strengthening regional stability and security, countering the threat of terrorism and extremism in the context of the United Nations Global Counter-Terrorism Strategy adopted in 2006.

The parties underlined the significance of the earliest possible fulfillment of practical measures on drafting a joint Action Plan on implementation of this strategy, and noted the role of the Shanghai Cooperation Organisation as an efficient mechanism of deepening multifaceted cooperation in the region.

26-27 May 2009 the SCO Secretariat hosted the fifth meeting of the SCO Special Working Group on Investment Encouragement.

During the meeting the parties exchanged views on the issues of implementation of the Action Plan on fulfilment of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States.

The experts discussed the preparation of an Investment Bulletin of the SCO member states, as well as the issues of establishment and expansion of cooperation with the SCO Interbank Consortium and Business Council with the aim of increasing interaction on concrete investment projects.

The parties exchanged views on other issues of common concern.

On 28 May 2009 the SCO Deputy Secretary-General Vladimir Zakharov took part in a telebridge Beijing-Moscow entitled “The SCO – a climate of trust and information security” organised by the RIA-Novosti News Agency.

Similar telebridges were held on the same day between Moscow and Astana, Moscow and Bishkek, Moscow and Dushanbe.

The telebridge participants adopted a resolution addressed to the SCO Heads of State Council which meets in Yekaterinburg in mid June this year.

27-29 May 2009 the SCO Secretary-General Bolat Nurgaliev participated in the 4th International Turkish-Asian Congress “Regional Organisations in Asia: Institutionalisation and Cooperation” held in Istanbul, he made statements during the opening of the Congress and the first plenary meeting on the role of the Shanghai Cooperation Organisation.

The OIC Secretary-General Ekmeleddin Ihsanoglu, Executive Director of the CICA Secretariat Dulat Bakishev, Iran’s Deputy Foreign Minister Ali Akhane, Qatar’s Deputy Foreign Minister Mohamed Abdulla M. Al-Rumaihi, Representative of the Turkish Prime Minister Hakan Fidan, officials from the OEC, EurAsEc, D-8, ADB, IDB, the Organisation of the Black Sea Economic Cooperation, League of Arab Nations, Ambassadors of India, Mongolia, Philippines, Vietnam, Yemen, Afghanistan and Iran, Consuls General of Russia, Pakistan and other states accredited in Turkey, as well as political experts and economists from Turkey, Russia, India, Malaysia and Afghanistan took part in the Congress.

On the sidelines of the Congress the SCO Chief held a separate news conference for the Turkish media, gave interviews to several Turkish newspapers, magazines, TV channels and radio stations. They were showing considerable interest in the SCO activity and the prospects for establishing partnership relations between Turkey and the SCO.

Bolat Nurgaliev held separate meetings with the OIC Secretary-General Ekmeleddin Ihsanoglu and Iran’s Deputy Foreign Minister Ali Akhane during which issues of mutual concern were discussed.

On 01 June 2009 the SCO Secretary-General Bolat Nurgaliev participated in the opening ceremony of the SCO Research Institute of China Oriental Pedagogical University in Shanghai. The SCO Chief made a presentation on the role of the Shanghai Cooperation Organisation in

maintaining peace, security and stability in the region, raised some important issues concerning the SCO development which might become the subject of studies of the newly created Institute.

The creation of the Institute was sponsored by the China Development Bank, its Governor Chen Yuan also attended the ceremony.

On 02 June 2009 the SCO Secretary-General Bolat Nurgaliev met at the SCO Secretariat with Sultan Ahmad Baheen, the newly appointed Ambassador of the Islamic Republic of Afghanistan to the People's Republic of China. The parties discussed issues of cooperation and interaction in the framework of the SCO and the SCO – Afghanistan Contact Group.

2-4 June 2009 Moscow hosted an expert-level meeting on the preparation of the draft Agreement among the governments of the SCO member states on international road transportation facilitation.

During the meeting the parties exchanged views over further work on the draft Appendices to the draft Agreement and discussed the issues of preparing for a regular Meeting of Transport Ministers of the SCO Member States.

The Transport Ministry of the Russian Federation held a round table on 05 June in Moscow entitled “Cooperation of the SCO member states aimed to assist the development of international transportation and simplify border crossing procedures in the region”, representatives of transport ministries and departments of the SCO member states, the SCO and UNESCAP Secretariats, as well as of other international transport organisations took part. The current state and prospects for cooperation in the field of transportation and development of road infrastructure in the SCO region were discussed.

On 05 June 2009 in the framework of the 13th Petersburg International Economic Forum in Saint Petersburg the SCO Business Council and Interbank Consortium staged a conference entitled “The SCO – a Space for Economic Interaction and Counteraction against the Global Crisis”.

The Head of the Administration of the President of the Russian Federation S.Naryshkin, the Deputy Chairman of the Federation Council of the Federal Assembly of the Russian Federation and the Chairman of the Governing Board of the SCO Business Council D.Mezentsev, the Chairman of the SCO Interbank Consortium V.Dmitriev, as well as heads of Petersburg Forum delegations from Kazakhstan, China, Kyrgyzstan and Tajikistan took part in the conference.

During the conference the SCO Secretary-General B.Nurgaliev delivered a report on the priorities of economic cooperation in the SCO region and the experience of the SCO member states in tackling the consequences of the global financial crisis.

The theme of the conference was chosen in accordance with the instruction of the heads of state at Dushanbe summit in 2008 on SCO's joint response to challenges and problems arising from the world economy and finances. The participation of heads of economic ministries and departments of the SCO member states, representatives of major financial industrial groups and banks, scholars and experts from SCO member and observer states in the SCO Petersburg conference provided an opportunity to discuss a set of pressing and complex issues of economic interaction in the SCO region.

On 05 June the SCO Secretary-General was interviewed by the Xinhua News Agency in the run-up to SCO Yekaterinburg summit.

B.Nurgaliev and D.Mezentsev also held a joint press conference for the RIA-Novosti News Agency.

On 15 June 2009 the SCO Secretariat held a reception marking the 8th anniversary of the founding of the SCO. Permanent representatives of the member states as well as representatives of state and public institutions of the host country acquainted themselves with two children exhibitions organised on the premises of the SCO Secretariat – an exhibition of paintings by children from Wenchuan County (Sichuan Province) and an exhibition of paintings by young artists from the Centre for Aesthetic Upbringing Bedel entitled “I love Beijing”.

15-16 June 2009 the Russian President Dmitry Medvedev chaired the ninth meeting of the SCO Heads of State Council in Yekaterinburg. The documents adopted at the summit include Yekaterinburg Declaration and Joint Communiqué.

The SCO Secretary-General Bolat Nurgaliev presented a report on the activity of the Organisation following the previous HSC meeting in Dushanbe.

Yekaterinburg Declaration of the Heads of the Member States of the Shanghai Cooperation Organisation

In accordance with the outcome of the Heads of State Council meeting held on 15 and 16 June 2009 in Yekaterinburg the heads of the member states of the Shanghai Cooperation Organisation state the following:

1. Serious changes are taking place in the contemporary international environment. Aspiration to peace and sustainable development, promotion of equal cooperation became the spirit of the times. The tendency towards true multipolarity is irreversible. There is a growing significance of the regional aspect in settling global problems.

The SCO member states, reaffirming their commitment to common development on the basis of the principles and provisions of the Charter of the Shanghai Cooperation Organisation and the Treaty on Long-Term Good-Neighbourly Relations, Friendship and Cooperation among the SCO Member States, consider as a priority task maintaining constructive dialogue and deepening close interaction and partnership to jointly seek effective ways of resolving global and regional problems with the use of the growing potential and international prestige of the SCO.

2. The SCO member states believe that international cooperation is a basic and efficient instrument for countering new challenges and threats, coping with the global financial crisis, ensuring energy and food security and settling such a pressing issue as climate change.

3. The current situation in the global economic and financial sector points to the need to increase cooperation of the international community in the field of controlling and managing international finances, mak-

ing joint efforts to prevent the growth and spread of financial crisis risks, maintaining economic stability.

The member states of the Organisation together with the international community intend to make efforts for the formation of a more just, equal, all-embracing and well-regulated international financial regime which takes into account a true balance of interests of all its participants and gives all States equal access to the advantages of globalisation.

To that end interaction and sharing of information must be strengthened as regards the international financial sector and the issues of tackling the consequences of the global financial crisis in the SCO region.

4. In current circumstances the SCO member states underline the growing significance of bolstering trade, economic and investment cooperation in the framework of the Organisation, including involving the potential of the observer states and dialogue partners.

The parties noted the need to speed up the implementation of major projects which are designed to ensure the expansion of transport communication capabilities of the region and access to world markets, development of social infrastructure, formation of modern international centres for logistics, trade and tourism, construction of new factories, introduction of innovative and energy-saving technologies, including renewable sources of energy.

The implementation of these projects, arrangement of international transport corridors, modernisation of railways and motorways will create preconditions for strengthening the potential of the region as a trans-continental bridge and giving a new impulse to the development of economic links between Europe and Asia.

5. The SCO member states, noting the key significance of energy sector for successful economic development and creation of favourable preconditions for improving the living standards of their citizens, express determination to further advance mutually beneficial cooperation in this field on the basis of equality with the aim of ensuring effective, reliable and environmentally safe energy supplies.

6. The Shanghai Cooperation Organisation proceeds from the need to further cement the legal foundations of international relations deter-

mined by generally accepted principles and norms of the international law and international obligations of States.

Strengthening the central and coordinating role of the United Nations Organisation in world affairs, enhancing the effectiveness of its mechanisms with the aim of adequately responding to modern challenges, changing political and economic reality remains an urgent task. The reform of the UN Security Council must gain as much wider consensus of members of the international community.

The SCO member states intend to strengthen coordination on the issues of reforming the UN and its Security Council.

7. The SCO member states stress the significance of the issue of ensuring international information security as one of the key elements of the common system of international security.

8. The SCO member states, reaffirming their commitment to a dialogue of civilisations, values of peace, tolerance, mutual respect and consent in international and interdenominational relations, irrespective of ethnic origin, religious and other beliefs, oppose drawing parallels between the fight against international terrorism and confrontation against any particular religion.

9. Maintenance of international peace is possible only in conditions of equal security for all States. The security of some states must not be achieved to the detriment of the security of others.

Settlement of international and regional conflicts must be conducted by political diplomatic means on the basis of the principles of equality and mutual respect, non-interference in internal affairs of sovereign states.

The attempts to achieve unilateral advantages in defence field are counterproductive as they undermine the strategic balance and stability in the world, do not benefit confidence building, reduction of arms and disarmament.

10. The SCO member states note that proliferation of nuclear weapons poses a serious threat to international peace and security.

The Treaty on the Non-Proliferation of Nuclear Weapons (NNPT) is the basic element of the international regime on the prevention of prolif-

eration of nuclear weapons. Threats of proliferation of nuclear weapons can and must be eliminated on the basis of the NNPT provided that its parties unconditionally fulfill their obligations. The SCO member states reaffirm their strong support for the NNPT, welcome the multilateral efforts on its reinforcement, and are determined to move towards raising the effectiveness of the Treaty on the basis of the unity of its three key components: non-proliferation, disarmament, peaceful use of nuclear energy.

The SCO member states reiterate their intention to assist further implementation of the Russia-U.S. initiative on fighting against acts of nuclear terrorism, and also welcome the coming into effect on 21 March 2009 of the Treaty on Establishing a Nuclear Free Zone in Central Asia.

11. The SCO member states welcome the start of Russo-American negotiations on drafting a Treaty on the Reduction of Offensive Strategic Arms.

12. The SCO member states stand up for resuming the process of negotiations on the denuclearisation of the Korean peninsula. They call to show restraint and continue the search for mutually acceptable solutions on the basis of the previously reached agreements.

13. The SCO member states express grave concern over the complicated situation in Afghanistan related to illicit drug trafficking, terrorism and transnational organised crime which pose a threat to the whole international community.

In this regard the parties acknowledged the need to increase interaction with the SCO observer states, Afghanistan and other states concerned, as well as with regional and international organisations, first and foremost, the UN and its specialised institutions.

The SCO member states in close interaction with other states and international organisations concerned intend to establish anti-narcotic and financial security belts in the region.

14. The SCO member states welcome the end of an internal military conflict in Sri Lanka, and express hope for establishing a firm peace, strengthening security and stability in the country on the basis of ensuring its state sovereignty and territorial integrity, guaranteeing the rights of all ethnic and religious groups.

15. The SCO member states consider as a priority task enhancing the effectiveness of interaction in the field of a timely joint response to natural and manmade emergency events, implementing a set of measures aimed to diminish their impact on society and economy.

16. The SCO member states attach special importance to strengthening cooperation in the field of effective counteraction against the threat of dangerous infections and other infectious diseases. To that end the parties acknowledged the need to mobilise available resources and launch joint work on preventing the spread of epidemic diseases.

17. The SCO member countries state that the Organisation has become an essential element of the fledgling system of security and cooperation in the Asia Pacific region.

Noting with satisfaction the growing interest of the international community in establishing ties with the SCO, they welcome the joining of the Republic of Belarus and the Democratic

Socialist Republic of Sri Lanka to cooperation in the SCO framework as dialogue partners.

The SCO member states stand ready to expand practical interaction with the United Nations Organisation, Commonwealth of Independent States, Association of South-East Asian Nations, Eurasian Economic Community, Collective Security Treaty Organisation, Economic Cooperation Organisation, United Nations Economic and Social Commission for Asia and the Pacific, other international and regional organisations, and to create on this basis a wide partnership network.

The SCO member states are open to dialogue aimed to bring States closer together and facilitate the building of a more just world order, to cement global stability and economic development.

Joint Communiqué of the Meeting of the Council of the Heads of the Member States of the Shanghai Cooperation Organisation

A regular meeting of the Council of Heads of Member States of the Shanghai Cooperation Organisation (SCO CHS) took place on 15 and 16 June 2009 in Yekaterinburg. President of the Republic of Kazakhstan

N.A.Nazarbaev, Chairman of the People's Republic of China Hu Jintao, President of the Kyrgyz Republic K.S.Bakiev, President of the Russian Federation D.A.Medvedev, President of the Republic of Tajikistan E.Rakhmon, President of the Republic of Uzbekistan I.A.Karimov were in attendance.

President of the Russian Federation D.A.Medvedev chaired the meeting.

Secretary-General of the SCO B.K.Nurgaliev and Director of the Executive Committee of the SCO Regional Counter-Terrorism Structure (RCTS) M.U.Subanov participated in the meeting.

Heads of delegations from the SCO observer states – Prime Minister of the Republic of India M.Singh, President of the Islamic Republic of Iran M.Ahmadinejad, First Vice Premier of the Government of Mongolia N.Altankhuyag, President of the Islamic Republic of Pakistan A.Zardari, as well as guests of the host state – President of the Islamic Republic of Afghanistan H.Karzai, United Nations Under-Secretary-General for Political Affairs L.Pascoe were in attendance and delivered statements. Chairman of the Executive Committee – Executive Secretary of the Commonwealth of Independent States S.N.Lebedev, Secretary-General of the Eurasian Economic Community T.A.Mansurov, Secretary-General of the Collective Security Treaty Organisation N.N.Bordyuzha were also in attendance.

For the first time the format of the summit, besides a restricted-attendance meeting of the heads of the SCO member states and a plenary session with the participation of the heads of all delegations, included a separate narrow-format meeting with the participation of the heads of the member states of the Organisation and leaders of the observer states.

Exchange of opinions took place on the issues of international and regional situation. Common approaches of the Organisation members to building a more just and rational system of interstate relations in conditions of the crisis of the traditional structures of ensuring security and financial stability are reflected in Yekaterinburg Declaration signed by the heads of the SCO member states. The Declaration also outlines priority areas of joint activity in the framework of the Organisation.

The heads of state signed the SCO Counter-Terrorism Convention which cements the legal base for counter-terrorism interaction in the SCO framework and its potential, cooperation in this field was taken to a new level.

The approval of the SCO Regulations on Political Diplomatic Measures and Mechanisms of Response to Events Jeopardising Regional Peace, Security and Stability will help further enhance a mechanism of consultations, agree positions and interaction in international affairs.

Plenipotentiary representatives of the member states of the Organisation signed the Agreement among the Governments of the SCO Member States on Cooperation in the Field of Ensuring International Information Security and the Agreement on Training of Officers for Counter-Terrorism Agencies of the SCO Member States.

During the meeting in an open and friendly atmosphere main achievements of the activity of the Organisation in the period following 2008 Dushanbe summit were considered, immediate and long-term areas of joint work on the development of multifaceted cooperation were determined.

It was stated with satisfaction that since the previous meeting targeted steps had been taken to enhance and, streamline the SCO activity, strengthen the international prestige of the Organisation.

The heads of state approved the report of the SCO Secretary-General on the work of the Organisation in the past year and the report of the RCTS Council on the work of the Regional Counter-Terrorism Structure in 2008.

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The heads of state underlined that in conditions of the global financial crisis ensuring security, and maintaining stability in the SCO region was assuming paramount significance.

The parties noted the outcome of the Special Conference on Afghanistan under the SCO auspices (Moscow, 27 March 2009) dedicated to the issues of joint struggle against terrorism, illicit drug trafficking and organised crime.

The parties approved the results of the 7th meeting of defence ministers (Moscow, 29 April 2009), 1st meeting of ministers of internal affairs and public security (Yekaterinburg, 18 May 2009) and the 4th meeting of secretaries of security councils (Moscow, 20 May 2009) of the member states of the Organisation.

A task was set to raise the level of coordination of cooperation of the SCO member states in fighting against terrorism and other threats in the field of security. The RCTS is to play a central role in this field.

Proceeding from the outcome of the command staff joint counter-terrorism exercise of the SCO member states “Norak-Anti-Terror-2009” held 17-19 April 2009 in the Republic of Tajikistan, the parties acknowledged the expediency of continuing the practice of regular staging of joint counter-terrorism drills.

Taking into account the exchange of opinions at the meeting of heads of counternarcotics agencies of the SCO member states (Moscow, 19 May 2009) an instruction was given to submit to the next meeting of the SCO CHS agreed proposals concerning mechanisms of counternarcotics cooperation in the framework of the Organisation.

The parties noted the importance of implementing the Plan of activities on interaction in providing assistance in emergency events, in the SCO framework for 2009-2010 which was approved at the 4th meeting of heads of departments of the SCO member states responsible for prevention and elimination of emergency events (5 June 2009, Aktau, the Republic of Kazakhstan).

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The heads of state noted with satisfaction the active participation of the SCO observer states in activities of mutual interest in the SCO framework.

A decision was taken to grant the status of SCO dialogue partner to the Democratic Socialist Republic of Sri Lanka and the Republic of Belarus.

The Special Expert Group was instructed to continue its work on the draft document on the order of admitting new members to the SCO.

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The parties stated that the economic component in the SCO activity was showing significant dynamics, the legal base and organisational structure of trade and economic cooperation were being improved, the updated Action Plan on implementation of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States approved by the Heads of Government Council (Astana, 30 October 2008) was being gradually carried out.

The parties acknowledged the expediency of taking effective measures aimed to minimise the consequences of the global financial crisis and encourage a closer regional trade, economic and investment cooperation in the SCO region.

The SCO Business Council and Interbank Consortium are designed to play an increasing role in this field and advised to proceed from the need of more active transition from the mainly bilateral cooperation to the implementation of multilateral projects.

The parties noted the importance of developing links in the social and cultural fields in the SCO framework that assists the strengthening of friendship and mutual understanding among peoples.

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The heads of state highly appreciated the chairmanship of the Russian Federation at the SCO and expressed gratitude to the Russian side for its hospitality during Yekaterinburg summit.

The next meeting of the SCO Heads of State Council will be held in 2010 in Tashkent. According to the SCO Charter the duties of a state holding chairmanship of the Organisation in the coming period are to be taken over by the Republic of Uzbekistan.

On 22, 24 and 25 June 2009 the SCO Deputy Secretary-General Vladimir Zakharov delivered lectures at the SCO Secretariat to students from the Diplomatic Academy of the Chinese Foreign Ministry, American and Australian political scientists, as well as diplomats from

the foreign ministries of the SCO member states who came to Beijing for a one-month training course.

On the invitation of the Minister of Foreign Affairs of the Republic of Kazakhstan Marat Tazhin the SCO Secretary-General Bolat Nurgaliev took part in the Security Forum of the Euro-Atlantic Partnership Council (EAPC) held in Astana **on 25 June 2009**.

For the first time the capital of a Central Asian country hosted the Forum which gathered delegates from 50 member states of the EAPC.

Discussions were held on the issues of global and regional security, including such topics as the growing influence of Central Asia, the situation in Afghanistan, as well as energy, food and environmental security.

During a roundtable discussion “Regional Prospects: Common Security Issues in Central Asia” the SCO Secretary-General delivered a statement on the potential and role of the Shanghai Cooperation Organisation in strengthening international peace, security and stability.

On 4 July 2009 the Forum of Science and Technology Cooperation among State Scientific Institutions of the Shanghai Cooperation Organisation Member States opened in Novosibirsk (Russia), the governor of the region Victor Tolokonnskiy participated in a solemn opening ceremony and extended his greetings to guests and participants of the Forum, the Regnum Novosti News Agency reports.

The Forum is being held for a second time. Representatives from scientific research institutions and organisations of the SCO member states gathered for their first meeting in June 2008 in Urumqi (China) during which a declaration was adopted on bolstering mutually beneficial cooperation among academies of sciences and higher educational institutions of the SCO member states in the field of science, technology and education.

The Forum in Novosibirsk has gathered noted scientists and researchers from academies of sciences of Russia, Kazakhstan, China, Kyrgyzstan, Tajikistan and Uzbekistan.

The two-day programme includes discussions on the prospects for expanding and strengthening cooperation in the field of science, innovation, education, economy and culture. The participants will attend the Exposition Centre of the Siberian Branch of the Russian Academy of Sciences and participate in the opening of Confucius School at Novosibirsk State University. The Forum will be concluded by the adoption of a final declaration.

On 10 July 2009 the SCO Secretary-General Bolat Nurgaliev issued a statement in connection with the events in the Chinese city of Urumqi:

With regard to the events that took place in the city of Urumqi, capital of the Xinjiang Uygur Autonomous Region (XUAR) of the People's Republic of China, we are conveying sincere condolences to the families and friends of the innocent victims, and expressing sympathy to those who suffered at the hands of the instigators of the clashes.

The SCO member states consider the XUAR to be an inalienable part of the People's Republic of China and believe whatever happens there is a solely internal affair of the PRC. We hope that the measures of the Chinese authorities to maintain public order in Xinjiang being taken within the framework of the law will bring calm and restore normal life there as soon as possible.

The SCO member states stand ready to further deepen practical cooperation in the field of fighting against terrorism, separatism, extremism and transnational organised crime for the sake of the regional security and stability.

On 13 July 2009 the SCO Secretary-General Bolat Nurgaliev issued a statement in connection with the earthquake in the province of Yunnan:

With regard to an earthquake in the province of Yunnan of the People's Republic of China which caused human casualties and considerable destruction, the Secretariat of the Shanghai Cooperation Organisation is expressing sincere condolences and sympathy to the families and friends of the victims.

On 22 July 2009 the SCO Secretary-General Bolat Nurgaliev delivered a lecture at the Diplomatic Academy of Vienna on the role and priorities of the Shanghai Cooperation Organisation.

During his stay in Vienna Bolat Nurgaliev held meetings with the ambassadors of the SCO member states to Austria and international organisations, as well as with officials from Austria's Federal Ministry for Foreign Affairs and the OSCE Secretary-General Marc Perrin de Brichambaut. The parties discussed the international and regional security, the situation in Afghanistan and other issues of common concern.

At the official invitation of the Central Commission on Elections and Referendums of the Kyrgyz Republic and in accordance with the Regulations on Observer Mission from the Shanghai Cooperation Organisation at presidential and/or parliamentary elections and referendums (hereinafter – the Regulations on SCO Observer Mission) approved by the Foreign Ministers Council of the SCO member states on 15 May 2006, the SCO Observer Mission (hereinafter – the Mission) **from 18 July till 23 July** monitored the preparation and conduct on 23 July of the election of the President of the Kyrgyz Republic.

The decision to dispatch the Mission to monitor the preparation and conduct of the election was taken by the SCO Secretary-General according to the order outlined in the Regulations on SCO Observer Mission. The Observer Mission from the SCO was composed of three Secretariat officers and five representatives from SCO member states (three from the Republic of Kazakhstan and two from the Republic of Uzbekistan). The SCO Secretary-General conferred the responsibilities of Head of the Mission on the Deputy Secretary-General Sherali Djononov.

The election was conducted in accordance with Article 58 of the Code of the Kyrgyz Republic on Elections in the Kyrgyz Republic and the Decision of Zhogorku Kenesha (the Parliament) of the Kyrgyz Republic (№ 1065-IV dated 20 March 2009).

Members of the Mission familiarised themselves with the election platform of the candidates for the President of the Kyrgyz Republic, and held meetings with the candidate Toktaym Umetalieva and the plenipotentiary representatives of the candidates Almazbek Atambayev, Nurlan Motuyev and Temir Sariyev.

During the mentioned meetings the Mission received reports on a number of violations in the course of the election process, however they proved to be unfounded.

The Mission also maintained working contacts with the Ministry of Foreign Affairs and the Central Commission on Elections and Referendums of the Kyrgyz Republic.

In order to make a fair assessment of the conduct of the election and in accordance with the national legislation of the Kyrgyz Republic and its international obligations, the Mission visited a number of polling stations located in the cities of Bishkek, Tokmak, Kant, Kara-Balta and a few settlements in Issykkatinski, Sokulukski and Moskovski districts of Chuysk region.

On the voting day of the election members of the Mission were present at the start of the work of precinct election commissions of the city of Bishkek. In accordance with Article 40 of the Code of the Kyrgyz Republic on Elections in the Kyrgyz Republic members of the Mission had arrived at polling stations at 7 a.m. on 23 July 2009, i.e. one hour before the voting began.

In accordance with the mentioned Article of the Code of the Kyrgyz Republic on Elections in the Kyrgyz Republic, ballot papers were issued to voters included in the voters lists or upon presentation of the absentee voter identification cards.

Voting at the polling stations observed by the Mission was conducted in accordance with Article 40 of the Code of the Kyrgyz Republic on Elections in the Kyrgyz Republic from 8 a.m. to 20 p.m. local time on 23 July 2009 in a free, calm, transparent and well-organised environment.

Observers from political parties, public organisations and non-profit groups of the Kyrgyz Republic were present at all the polling stations visited by the Mission, which fully conforms to provisions of Article 17 of the Code of the Kyrgyz Republic on Elections in the Kyrgyz Republic. Members of the Mission did not receive complaints or criticism from these observers over any confirmed cases of significant violations of the election process.

Members of the Mission were present during the vote counting and drawing up of protocols of vote returns at polling stations of the city of Bishkek. In the course of vote counting members of the Mission, representatives of the candidates and other observers from political parties, public organisations and mass movements of the Kyrgyz Republic did not report any violations.

The activity of the SCO Observer Mission was covered by the mass media. The Head of the Mission gave a series of interviews and released the present Statement.

The Mission notes that the election took place in a democratic environment, which basically conformed to the requirements of the national legislation of the Kyrgyz Republic and its international obligations.

The SCO Observer Mission expresses gratitude to the Central Commission on Elections and Referendums, the Ministry of Foreign Affairs, as well as to other organisations and institutions of the Kyrgyz Republic for their assistance provided during its work.

The Head of the Observer Mission from the Shanghai Cooperation Organisation

Sherali Djononov

On 19 August 2009 the SCO Secretary-General Bolat Nurgaliev issued a statement in connection with the terrorist act in Nazran:

In connection with the terrorist act in Nazran (the Republic of Ingushetia of the Russian Federation) which caused numerous human casualties, we are conveying sincere condolences to the families of the victims.

The member states of the Shanghai Cooperation Organisation support the action being taken by the Russian authorities to stop terrorist activity and to ensure security and stability in the country.

18-20 August 2009 the SCO Secretariat hosted a meeting of the Commission of Senior Officials from the Ministries of the SCO Member States responsible for external economic and trade activity.

During the meeting the parties exchanged views on the issues of implementing the updated Action Plan on fulfillment of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States.

The parties took into consideration a report on the work of the special working groups on customs cooperation, modern information and telecommunication technologies, development of transit potential, fuel and energy sector, electronic commerce, investment encouragement, cooperation in the field of implementing technical regulations, standards and conformity evaluation procedures, as well as on the work of the SCO Business Council and Interbank Consortium.

The parties noted the need to step up the efforts of the relevant SWGs to fulfill the reached agreements actively involving the potential of the SCO Business Council and Interbank Consortium in carrying out joint pilot projects and the Action Plan on fulfillment of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States.

The parties discussed the issues of preparing for the approaching meeting of the SCO Heads of Government Council and a meeting of the External Economy and Trade Ministers of the SCO Member States.

The parties also considered other issues of common interest.

18-20 August 2009 the SCO Secretariat hosted the 4th meeting of the Special Working Group on cooperation in the field of implementing technical regulations, standards and conformity evaluation procedures.

During the meeting the parties exchanged information on the work carried out by the SCO member states in the framework of the Package of Measures on implementing the Action Plan on fulfillment of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States in 2006-2007.

The parties considered and adopted the Plan of Activities and the Package of Measures on fulfillment of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States in 2009-2010.

18-20 August 2009 the SCO Secretariat hosted a regular meeting of the Expert Working Group in charge of preparation of proposals concerning the formation order and running principles of the SCO Development Fund.

During the meeting the experts exchanged views on the basically agreed draft proposals concerning the main principles of formation and management of the SCO Special Account. An agreement was reached to continue the work on the draft document and to consider an issue of drawing up draft Regulations on the SCO Special Account.

25-27 August 2009 on the initiative of the China Television Artists Association and the China Central Television the Television Forum of the SCO member states was held in Beijing. Delegations led by heads of television channels and news agencies from Kazakhstan, Kyrgyzstan, Russia, China, Tajikistan and Uzbekistan took part. The SCO Secretariat was represented by the SCO Deputy Secretary-General Vladimir Zakharov.

In the course of the Forum the participants presented their national and provincial television companies, shared experience in international cooperation, development of the television industry in the field of implementing latest information technology, put forward initiatives concerning establishment and development of cooperation in television and radio broadcasting, determined areas of mutual interest such as exchange of television programmes, joint TV production and future staging of bilateral and multilateral activities.

The General Director of the China Central Television Jiao Li received the heads of delegations from the SCO member states and had a lengthy conversation with them.

On 27 August 2009 the SCO Secretary-General Bolat Nurgaliev gave an interview to Hong Kong's Radio and Television Network (RTHK) in order to contribute to the preparation of a documentary on the 60th anniversary of the founding of the People's Republic of China.

The SCO Chief answered questions concerning the SCO's history, current priorities and future prospects, as well as the role of China at the Organisation, the SCO's relations with the observer states and its international links.

On 3 September 2009 the SCO Deputy Secretary-General Vladimir Zakharov received at the SCO Secretariat Zoltan Szenes, associate professor of National Defence University of Hungary and former Chief of the General Staff of the Armed Forces of Hungary. During the meeting the Deputy Secretary-General briefed his guest on the goals, tasks and areas of interaction among the SCO member and observer states with an emphasis on the Organisation's activity in the field of ensuring regional security.

31 August - 4 September 2009 the SCO Secretary-General Bolat Nurgaliev and other Secretariat officials took part in the 18th Urumqi Foreign Economic Relations and Trade Fair, the 6th Central, West and South Asia Regional Economic Cooperation High-level Forum and the 1st Investment Forum of the SCO Member States held in Urumqi, the capital of China's Xinjiang Uygur Autonomous Region.

During the mentioned activities the SCO Secretary-General held separate meetings with the Chairman of XUAR People's Government Nur Bekri and the Chairman of XUAR People's Congress Erkin Iminbakh. On behalf of the SCO he expressed gratitude to the Chinese side for supporting the efforts of the central and local authorities to maintain stability and security in XUAR and to ensure further socioeconomic development of Xinjiang. The leaders of Xinjiang expressed their readiness to assist in every possible way the development of trade, economic and social cooperation in the SCO framework, proceeding from Xinjiang's role as a firm bridge and a catalyst for the regional economy.

The SCO Chief delivered a statement at the Central, West and South Asia Regional Economic Cooperation High-level Forum and the Investment Forum of the SCO Member States.

Representatives from China, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Iran, Pakistan and Afghanistan in their statements stressed strong interest in further expansion of interaction in the economic and investment fields in the SCO framework. A special presentation was held of investment projects in Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

Major delegations from 25 countries, including all the SCO member states, observer states and Afghanistan, participated in the activities.

On 7 September 2009 the SCO Deputy Secretary-General Vladimir Zakharov received at the SCO Secretariat a representative of the Asian Development Bank Dr. Richard Pomfret at his request.

The Deputy Secretary-General briefed his guest on the current state of the SCO and its future prospects, certain aspects of the economic co-operation in the framework of the Organisation and the progress in the negotiations on the draft SCO Intergovernmental Road Transportation Facilitation Agreement and its Appendices.

The parties exchanged opinions over possible ways of interaction among the SCO, ADB and the CAREC Programme.

On 9 September 2009 the SCO Secretary-General Bolat Nurgaliev met at the SCO Secretariat with the Ambassador of Pakistan to China Masood Khan. The parties discussed the ongoing preparations for a meeting of the SCO Heads of Government Council due in October 2009 and possible participation of the Prime Minister of the Islamic Republic of Pakistan in the meeting.

5-9 September 2009 Hangzhou (the province of Zhejiang, China) hosted the annual Art Forum “Paintings of West Lake” attended by more than 100 artists from the member states of the Shanghai Cooperation Organisation and other countries. The activities held in the framework of the Forum included an exhibition of Chinese traditional and oil landscape paintings featuring over 500 works; seminars among art critics and artists on the subject of developing classical and modern art; onsite paintings and workshops on the banks of the charming West Lake.

The former SCO Secretary-General, the current Chairman of the International Studies Foundation and the President of the China – Central Asia Friendship Society Zhang Deguang, the Ambassadors of Kyrgyzstan and Tajikistan to China Zheenbek Kulubayev and Rashid

Alimov, the SCO Deputy Secretary-General Vladimir Zakharov participated in the opening of the Forum.

On 10 September 2009 the SCO Deputy Secretary-General Vladimir Zakharov received at the SCO Secretariat Asad Beg, desk officer, the Directorate-General for External Relations of the European Commission. During the conversation the parties discussed the issues of fighting against terrorism, extremism, separatism, spread of narcotics as well as the situation in Afghanistan. The European Commission official enquired about the development of interaction between the SCO member states and observer states in the economic and cultural fields.

On 10 September 2009 Bishkek hosted the eighth meeting of the external economy and trade ministers of the SCO member states.

Representatives from the SCO observer states were also in attendance.

On the same day the Prime Minister of the Kyrgyz Republic Igor Chudinov received the heads of delegations.

The meeting passed off in a friendly, constructive and businesslike spirit.

The heads of delegations exchanged opinions on the issues of multilateral economic and investment cooperation and the issues dealing with tackling the consequences of the global financial crisis, and put forward proposals about developing and stepping up cooperation in these fields in the SCO framework.

The heads of delegations noted that the agreements reached during meetings of the Heads of State Council and the Heads of Government Council, as well as during the seventh meeting of the external economy and trade ministers of the SCO member states were being actively implemented.

In order to facilitate the development of regional multilateral economic and investment cooperation the parties agreed to actively fulfill the Action Plan on implementation of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States giving priority attention to the implementation of joint projects in transport,

telecommunications, modern technology etc. The parties noted the expediency of continuing in the established order the work on the draft Proposals concerning the main formation and management principles of the SCO Development Fund (Special Account).

In this regard the parties will take measures to increase the work of the special expert groups and the SCO Commission of Senior Officials in Charge of Trade and Economic Cooperation, as well as to increase the coordination of their activities with the SCO Business Council and Interbank Consortium.

The heads of delegations took into account the report of representatives of the SCO Business Council and Interbank Consortium on their work in the past year.

The parties exchanged opinions on the issues of monitoring the economic development of the SCO member states.

In order to take joint measures aimed to tackle the consequences of the global financial crisis the parties considered and basically accepted the draft Joint Initiative on Increasing Multilateral Economic Cooperation with the Aim of Assisting Countering and Tackling the Consequences of the Global Financial Economic Crisis, Ensuring Further Economic Development of the SCO Member States.

A decision was taken to recommend the SCO Secretariat to submit this document in the established order to the SCO Heads of Government Council for consideration.

The parties noted that the involvement of the observer states and neighbouring countries in the economic activity of the SCO helped strengthen regional economic cooperation, facilitate the development of equal and beneficial links in economy, trade, investment, transport, agriculture etc.

In this regard the heads of delegations acknowledged the expediency of participation of representatives of the SCO observer states and neighbouring countries in future meetings of the external economy and trade ministers of the SCO member states, as well as in activities held by the SCO Business Council and Interbank Consortium.

The heads of delegations took into account the report of the Chinese side on the staging of Trade and Industry Forum on the sidelines of the regular SCO Heads of Government Council meeting due on 14 October 2009 in Beijing.

The parties agreed to hold the next meeting of the external economy and trade ministers of the SCO member states in the Russian Federation in 2010.

10-11 September 2009 the Ministry of Foreign Affairs of Uzbekistan hosted a meeting of the Council of National Coordinators of the SCO Member States.

On 11 September the President of Uzbekistan Islam Karimov received the heads of delegations and the heads of the SCO permanent bodies.

The President laid out his conceptual vision of the prospects for expanding and deepening multifaceted cooperation in the SCO framework during Uzbekistan's chairmanship and in the coming years.

The CNC meeting was chaired by the Foreign Minister of Uzbekistan Vladimir Norov. The SCO Secretary-General Bolat Nurgaliev and the Director of the SCO RCTS Executive Committee Myrzakan Subanov were in attendance. The next CNC meeting is scheduled in October 2009 in Beijing.

On 11 September 2009 the President of Uzbekistan I. Karimov received the Secretary-General of the Shanghai Cooperation Organisation B. Nurgaliev, the Director of the Executive Committee of the Regional Counterterrorism Structure M. Subanov and the National Coordinators of the SCO member states on the sidelines of their regular meeting in Tashkent.

During the eight years of functioning, the SCO has become an influential international organisation, playing an important role in forming the regional and global security architecture, I. Karimov said at the meeting.

Over this period, a significant work on expansion and strengthening cooperation in political, economic, social and cultural fields was car-

ried out, and steps to implement the most urgent goals and tasks the Organisation is facing have been made, he added.

The President stressed that during Uzbekistan's chairmanship at the SCO, one of the Organisation's priority activities will be developing measures to streamline its current mechanisms in accordance with the goals, tasks and principles of the SCO Charter.

In the course of the meeting priority areas and concrete plans of SCO activities for 2009-2010 were considered.

The SCO Secretary-General Bolat Nurgaliev highly rated the proposals aimed to increase the efficiency of the Organisation's activity.

The parties also noted that the meeting of the SCO National Coordinators Council held in Tashkent on 10-11 September was successful and that an open and constructive exchange of opinions on the SCO development took place.

15-17 September 2009 Almaty hosted a meeting of the working group on the issues of creating the SCO Centre for Prevention and Elimination of Emergency Situations. The meeting was chaired by the Kazakh side. The parties also discussed issues of creating a special heading on the SCO Regional Economic Cooperation website (**www.sco-ec.gov.cn**) about the activities on prevention and elimination of emergency situations in the SCO framework.

The Kazakh side jointly with the SCO Secretariat was tasked to work on the issue of creating a special heading on the REC website.

On 21 September 2009 the SCO Secretary-General Bolat Nurgaliev was interviewed by the CCTV Russian, international television channel broadcast in the Russian language. During the interview he answered questions concerning the role of the Shanghai Cooperation Organisation in ensuring security and stability in the Eurasian region, measures being taken by the SCO member states to tackle the consequences of the global financial crisis, SCO's priorities and development prospects, the expansion of its international links and preparations for the approaching meeting in Beijing of the SCO Heads of Government Council.

The SCO Chief congratulated CCTV viewers on the 60th anniversary of the People's Republic of China, and wished further successes in pursuing its socioeconomic reforms. He also noted that China was a generator of many major initiatives aimed to boost multifaceted cooperation in the SCO framework.

On 28 September 2009 the SCO Secretariat held consultations with a delegation of the United Nations International Civil Service Commission (ICSC) headed by Kingston Rhodes.

The parties exchanged opinions on the issues of recruitment and working conditions of international civil servants. The ICSC chairman gave recommendations on improving the relevant work of the SCO executive bodies. It was agreed to maintain further working contacts.

K. Rhodes handed over to the SCO Secretariat reference materials concerning the ICSC activity.

10 October 2009: The SCO Secretariat received a note from the Chinese Ministry of Foreign Affairs expressing gratitude for the congratulatory messages of the SCO Secretary-General Bolat Nurgaliev to the Chinese leadership on the occasion of the 60th anniversary of the People's Republic of China.

While highly appreciating the Secretariat's contribution to the development of the SCO, the Chinese side hopes that its coordinating role will benefit the growing prestige of the Organisation on the international arena and in the region. In its turn China will continue to support the SCO activity in this field.

9-12 October 2009 the SCO Secretariat hosted a meeting of the Council of National Coordinators of the SCO Member States which discussed the issues of preparing for the SCO Heads of Government (Prime Ministers) Council meeting due on 14 October in Beijing.

The parties agreed the agenda of the HGC meeting as well as draft decisions and documents to be signed by the Prime Ministers.

During the meeting exchange of views took place on a wide range of issues concerning the current and future activity of the Organisation.

A regular meeting of the Council of the Heads of Government of the Member States of the Shanghai Cooperation Organisation (hereinafter referred to as the SCO and/or the Organisation) took place **on 14 October 2009** in Beijing. The Prime Minister of the Republic of Kazakhstan K.K.Masimov, the Premier of the State Council of the People's Republic of China Wen Jiabao, the Prime Minister of the Kyrgyz Republic I.V.Chudinov, the Chairman of the Government of the Russian Federation V.V.Putin, the Prime Minister of the Republic of Tajikistan A.G.Akilov and the Prime Minister of the Republic of Uzbekistan S.M.Mirziyoev took part.

The Premier of the State Council of the People's Republic of China Wen Jiabao chaired the meeting.

The SCO Secretary-General B.K.Nurgaliev and the Director of the Executive Committee of the SCO Regional Counter-Terrorism Structure M.U.Subanov were in attendance.

Representatives of the SCO observer states – the Minister for Petroleum and Natural Gas of the Republic of India M.Deora, the First Vice President of the Islamic Republic of Iran M.R.Rahimi, the Minister of Foreign Affairs and Trade of Mongolia S.Batbold and the Prime Minister of the Islamic Republic of Pakistan Y.R.Gilani as well as the Vice President of the Islamic Republic of Afghanistan K.Khalili as the guest of the host state were in attendance and delivered statements.

The Chairman of the People's Republic of China Hu Jintao received the heads of delegations of the member states.

In a friendly and constructive spirit the heads of government considered the current international political and economic environment, assessed existing opportunities and challenges. A comprehensive discussion was held on the ways of deepening practical cooperation in various fields, as well as of jointly confronting the global financial economic crisis. After the exchange of opinions mutual understanding was reached on a wide range of issues.

1. The heads of government noted with satisfaction that since the previous meeting of the Council of the Heads of Government of the SCO Member States (CHG) in Astana (30 October 2008) cooperation among the member states of the Organisation in political, economic and cultural fields was characterised by steady progress; friendship, good-neighbourly relationship, mutual trust and multifaceted interaction continued to develop.

Under the current global and regional situation, in order to ensure steady development of the SCO and promotion of common interests of the member states, the parties underlined the importance of consecutive implementation of the Treaty on long-term good-neighbourliness, friendship and cooperation among the member states of the Shanghai Cooperation Organisation signed on 16 August 2007 and the agreements of Yekaterinburg summit (15-16 June 2009).

2. The heads of government noted that the SCO member states had been taking effective measures to ensure the stability of their national economies. Safeguarding them against emerging threats and risks, as well as strengthening economic cooperation in the SCO framework, including promotion of regional economic development and implementation of the Action Plan on Fulfillment of the Programme of Multilateral Trade and Economic Cooperation among the SCO Member States, is a vital task aimed to effectively confront the global financial economic crisis.

A timely step is the adoption during this CHG meeting of the Joint Initiative on increasing multilateral economic cooperation in the field of tackling the consequences of the global financial economic crisis and ensuring further economic development of the SCO member states.

Exchanges among the business communities of the member states are meant to play a growing role in boosting trade, economic and investment cooperation in the SCO framework.

The parties highly rated the outcome of the Trade and Industry Forum held in Beijing on the sidelines of the CHG meeting.

3. The parties acknowledged the need to increase financial cooperation in the framework of the Organisation. In accordance with the agreements of Yekaterinburg summit the financial departments will increase

sharing of information on the issues of tackling the consequences of the global financial economic crisis. The parties will study a possibility of holding a meeting of finance ministers and heads of central banks.

The relevant institutions of the SCO member states jointly with the Council of National Coordinators were instructed to expedite agreeing of the Main Principles of Formation and Management of the SCO Special Account.

4. The heads of government emphasised the role of the SCO Business Council and Interbank Consortium as an important platform for SCO economic and financial cooperation and in generating proposals concerning implementation of promising joint regional projects.

5. The heads of government instructed the relevant ministries and departments to take the necessary measures for more effective use of the existing transit potential of the SCO member states, further improvement of the transport infrastructure, strengthening the legal base for transport cooperation.

6. The heads of government, in turn, spoke for the earliest possible launch of the projects “SCO information superhighway” and, “Establishment of electronic transnational interaction with the use of electronic digital signature”.

7. Underlining the importance of establishing agricultural cooperation in the framework of the Organisation, the heads of government gave a task to speed up preparations for the first meeting of ministers of agriculture and consideration of the draft Agreement among the governments of the SCO member states on cooperation in this field.

8. The heads of government reaffirmed that in current conditions science and technology cooperation is contributing to enhancing the capability of the SCO member states in confronting global challenges and threats. In this regard there is special significance for agreed measures to draft and carry out joint science and technology programmes and projects in the priority areas of common interest such as science, technology and innovation development of the SCO member states. The first meeting of heads of science and technology ministries and departments of the SCO member states is meant to play an important role in forming common approaches.

9. The heads of government spoke for further deepening of customs cooperation, simplification of trading procedures, raising the traffic capacity and effectiveness of border posts, optimisation of border facilities with the aim of promoting regional trade and economic cooperation.

10. The parties acknowledged the need to enhance cooperation in the field of application of standards, metrology, technical regulations, conformity evaluation, check and control procedures, coordination and settlement of the issues of ensuring the safety and quality of goods in regional trade, facilitation of the growth of commodity turnover.

11. The heads of government noted the need to take agreed measures for joint counteraction against threats of natural and manmade disasters with the aim of enhancing emergency response capability.

12. Positively rating the achievements of cooperation in the social and cultural fields, the heads of government stand up for further strengthening and improvement of its mechanisms. The parties also acknowledged the expediency of continuing the practice of holding regular forums of university rectors and education weeks of the SCO member states.

13. Cooperation in the field of healthcare, establishing partnership ties among the relevant medical institutions of the SCO member states, taking stronger joint preventive measures to fight against infectious diseases is acquiring great importance. In this regard the parties noted the significance of the Joint Statement on fighting against infectious diseases in the SCO region adopted during this CHG meeting.

14. Stating the steady progress in practical cooperation between the SCO member and observer states, the heads of government welcome participation of the observer states and dialogue partners in economic and cultural cooperation in the framework of the Organisation with the aim of promoting common development and prosperity in the region.

15. The heads of government approved the Report of the SCO Secretariat on the process of fulfilling the Programme of Multilateral Trade and Economic Cooperation among the SCO Member States.

The parties also considered a series of issues concerning the financial and organisational activity of the SCO permanent bodies, and approved the budget of the Organisation for 2010.

During the meeting plenipotentiary representatives of the SCO member states signed the Protocol among the customs departments of the SCO member states on cooperation in the field of training and raising the professional skills of customs officers.

The heads of government highly appreciated the organisation and staging of the SCO CHG meeting and expressed gratitude to the Chinese side for its hospitality.

The next meeting of the Council of the Heads of Government (Prime Ministers) of the SCO Member States will be held in 2010 in the Kyrgyz Republic.

On 15 October 2009 the SCO Secretary-General Bolat Nurgaliev met with the First Vice President of the Islamic Republic of Iran M.R.Rahimi who came to Beijing to participate in the regular meeting of the SCO Heads of Government Council.

During the conversation the parties discussed the outcome of the HGC meeting held on 14 October as well as prospects for interaction between the Organisation and Iran that has been an SCO observer since 2005.

On 20 October 2009 the SCO Deputy Secretary-General Vladimir Zakharov received at the SCO Secretariat a delegation from the Norwegian National Defence University, and delivered a lecture on the SCO's role in ensuring security and stability in the region.

On 22 October 2009 the SCO Secretary-General Bolat Nurgaliev received at the SCO Secretariat members of the Military Attaches Corps in Beijing.

The SCO Chief briefed the military attaches on the state and prospects for cooperation in the SCO framework in the field of regional security and stability, as well as on the outcome of the SCO Heads of State and Heads of Government Council meetings held in June and October respectively.

On 23 October 2009 the SCO Secretary-General Bolat Nurgaliev had a ninety-minute online conversation with the audience of the Renminwang website. He answered numerous questions concerning the role of the Shanghai Cooperation Organisation in ensuring peace, security and stability in the region, the measures being taken by the SCO member states to tackle the consequences of the global financial crisis, the role of China in the SCO activity, the Organisation's priorities and development prospects, as well as the outcome of the Heads of Government Council meeting held in October. Around 1 million 400 thousand visitors attended the website during the online discussion.

The SCO Chief congratulated the Renminwang audience on the 60th anniversary of the People's Republic of China, and wished further successes in conducting the socioeconomic reforms in China, which is a generator of many important initiatives aimed to strengthen multilateral cooperation in the SCO framework.

To read the full version of the interview, please go to the *Renminwang* website.

On 3 November 2009 the SCO Deputy Secretary-General Vladimir Zakharov received Henk Swarttouw, Director of the Security Policy Department of the Foreign Ministry of the Netherlands. During the conversation the parties discussed the SCO policy in the field of security, including the member states' position on Afghanistan, and prospects for cooperation with a number of international organisations.

On 10 November 2009 representatives of top Chinese, Russian and Central Asian schools for government officials pledged to improve training and innovation of governance.

Chinese State Councilor Ma Kai met with delegates from the member states of the Shanghai Cooperation Organization (SCO), which groups China, Russia, Uzbekistan, Tajikistan, Kyrgyzstan and Kazakhstan.

The National School of Administration of China would enhance exchanges and cooperation with counterpart institutes in a bid to learn from each other and share experiences, said Ma, also president of the Chinese school.

The forum focused on governance innovation and was hosted by the Beijing-based National School of Administration of China on Monday and Tuesday.

On 10 November 2009 Beijing hosted the fourth Meeting of the Ministers of Transport of the Member States of the Shanghai Cooperation Organisation. Ministers of transport or their representatives from Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan and Uzbekistan were in attendance.

Ministers of transport and representatives of transport ministries from the SCO observer states – India, Iran, Mongolia, Pakistan, as well as a specially invited representative of Afghanistan participated in the Meeting.

Officials from the SCO Secretariat, the UN Economic and Social Commission for Asia and the Pacific, the Asian Development Bank, the SCO Business Council and Interbank Consortium also attended the Meeting.

The Meeting was chaired by the Chinese Minister of Transport Li Shenglin.

On 10 November the Vice Premier of the State Council of the PRC Zhang Dejian received the heads of delegations.

In a friendly, businesslike and constructive spirit the Ministers discussed the issues of deepening transport cooperation in the SCO framework.

The parties noted significant progress in transport cooperation of the member states which had played a positive role in developing economic cooperation in the SCO region.

The Ministers positively rated the process of carrying out SCO pilot projects in the field of transport – the China-Kyrgyzstan-Uzbekistan motorway and E-40 route, as well as other important projects of regional transport cooperation, including the construction of Tajikistan-Uzbekistan motorway.

The Ministers particularly noted that experts from the SCO member states with the technical and financial support of UNESCAP and ADB after 8 rounds of negotiations which took 4 years completed in June 2008 the preparation of a draft framework Agreement among the governments of the SCO member states on international road transportation facilitation. The experts were instructed to continue their work on preparing the relevant Appendices to the draft Agreement.

The parties noted the expediency of formulating a Programme (Main guidelines) for coordinated development of motorways in the SCO member states with the aim of strengthening cooperation in the field of automobile transport.

An agreement was reached to make an assessment of the main barriers in international road transportation and draw up an action plan on eliminating the existing barriers.

The Ministers decided to increase cooperation in the SCO framework in the field of railway and aviation transport and to determine possible areas of mutually beneficial cooperation.

Taking into account the model of cooperation between the SCO, UNESCAP and ADB, the Ministers welcome the intention of the relevant international financial institutions, international organisations, SCO Business Council and Interbank Consortium to participate in joint projects in the field of transport under the SCO auspices.

The parties decided to actively promote transport cooperation with the SCO observer states and encourage them to get involved in the process of developing SCO transport cooperation, e.g. concerning the formulation of programmes of development and construction of transport infrastructure, as well as to consider their opinions with the aim of assisting joint development of the transport sector in the SCO member and observer states.

16-17 November 2009 Xi'an hosted the third Eurasian Economic Forum co-organised by the SCO Secretariat, the Ministry of Commerce of China, the General Customs Administration of China, the State Development Bank of China, China National Petroleum Corporation,

the Export-Import Bank of China, the EurAsEC Secretariat, the UNDP, China Council for the Promotion of International Trade, the State Administration of Cultural Heritage of China and the People's Government of the city of Xi'an.

A delegation from the SCO Secretariat headed by the SCO Secretary-General Bolat Nurgaliev participated in the Forum.

Around 1200 government officials, businesspeople and experts from more than 20 countries, including the SCO member states, as well as Iran, Mongolia, Japan, South Korea, Ukraine, Sri-Lanka, Armenia, Azerbaijan, Belgium, Nepal and a number of international and regional organisations, were in attendance.

The Deputy Chairman of the People's Republic of China Xi Jinping made a welcoming address in which he noted that in recent years the SCO member states had shown impressive achievements in ensuring stability, economic revival and choosing a path of development consistent with their national realities. The Chinese leader stressed that in conditions of the current global economic crisis only by taking stronger joint efforts could we overcome it and find new opportunities for development.

The SCO Secretary-General delivered a statement at the plenary session of the Forum that focused on SCO activity in the economic field. He later made a presentation during a meeting of heads of customs departments from Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan, Uzbekistan and Mongolia held on the sidelines of the Forum (for more go to "Speeches").

The Forum held sessions on a variety of cooperation areas such as customs, energy, finance, education, and staged presentations of investment potential and projects initiated by different countries. Discussions took place in a spirit of pragmatism, a number of constructive ideas and initiatives were generated.

The statements of forum participants clearly showed a common understanding of the priority tasks facing the region's nations, such as ensuring a secure and stable development as the key precondition for economic prosperity, raising people's standard of living, further deepening of integration processes.

24-26 November 2009 the SCO Secretariat hosted a meeting of senior officials from the counternarcotics agencies of the SCO member states chaired by the Uzbek side.

The meeting became a fresh step towards creation of an SCO mechanism of practical cooperation in the field of fighting against drug trafficking in compliance with the relevant decision of the SCO Heads of State Council.

The parties focused on fulfilment of the decisions of the Meeting of Heads of Counternarcotics Agencies of the SCO Member States held in Moscow in May 2009.

The parties discussed the state and prospects for counternarcotics cooperation of the SCO member states, and unanimously noted that at present the SCO possessed a great potential for enhancing the effectiveness of interaction in this field. Work on the draft Counternarcotics Strategy of the SCO Member States for 2010-2015 was continued.

The parties debated organisational issues concerning the launch of SCO expert working groups responsible for improvement of the legal base for counternarcotics cooperation, law enforcement activity and fight against drug-related crime, precursor control and drug demand reduction.

On 4 December 2009 the Deputy Foreign Minister of the Russian Federation Grigory Karasin met in Moscow with the SCO Secretary-General B. Nurgaliev.

The talks focused on the new duties B. Nurgaliev would perform from 1 January 2010 in the capacity of a Personal Representative of the OSCE Chairman-in-Office on the Conflict.

Exchange of opinions took place on the process of settling the conflicts in Transdnister and Mountainous Karabakh, as well as on the situation in Southern Caucasus and the relevant role of the OSCE.

On 9 December 2009 the first meeting of finance ministers and heads of central banks of the SCO member states took place in Almaty.

The finance minister of the Republic of Kazakhstan B. Zhamishev, the finance minister of the People's Republic of China Xie Xuren, the finance minister of the Kyrgyz Republic M. Sultanov, the finance minister and deputy chairman of the government of the Russian Federation A. Kudrin, the finance minister of the Republic of Tajikistan S. Nadjmuddinov, the first deputy finance minister of the Republic of Uzbekistan R. Guliamov, the chairman of the National Bank of the Republic of Kazakhstan G. Marchenko, the deputy chairman of the People's Bank of the People's Republic of China Ma Delong, the deputy chairman of the National Bank of the Kyrgyz Republic Abdybaly tegin Suerkul, the chairman of the Central Bank of the Russian Federation S. Ignatiev, the deputy chairman of the National Bank of the Republic of Tajikistan D. Yusupov, the deputy chairman of the Central Bank of the Republic of Uzbekistan R. Abdukarimov were in attendance.

SCO Secretariat officials as well as representatives of the finance ministries and central banks of the SCO member states also took part in the meeting.

In a friendly and constructive spirit the parties exchanged opinions on the burning issues and prospects for cooperation among the SCO member states in the financial field.

Upon conclusion of the meeting the parties adopted a joint statement.

15-16 December 2009 a second meeting of senior officials from the ministries of agriculture of the SCO member states was held at the SCO Secretariat in Beijing.

During the meeting the parties exchanged opinions on the issues of increasing multilateral interaction in the agricultural field and practical implementation of the Action Plan on fulfilment of the SCO Programme of Multilateral Trade and Economic Cooperation with regard to its agricultural projects.

Representatives of the parties discussed the issue of preparing for a meeting of ministers of agriculture of the SCO member states and the draft Agreement on Cooperation in the Field of Agriculture.

Exchange of opinions also took place on the issue of sharing agriculture information in the SCO framework.

On 18 December 2009 introducing a plenary text on cooperation between the United Nations and the Shanghai Cooperation Organization (A/64/L.34), on behalf of the Shanghai Cooperation Organization, MURAD ASKAROV (Uzbekistan) said the organization aimed to strengthen trust and friendship among its member States, encourage efficient cooperation in politics, trade and economy, and science and technology, among other areas, and consolidate efforts to maintain peace and security. The Council of Heads, its governing body, determines priorities and decides on issues of internal functioning. The Council of National Coordinators coordinates cooperation between ministries and agencies of member States.

The Shanghai Cooperation Organization had enjoyed observer status with the General Assembly since 2004, he said, and cooperated closely with the United Nations in most major areas. Prospects for joint work looked promising in environmental protection, humanitarian issues and migration. To address common objectives, the relationship between the two bodies had to be placed on a more systematic basis. That was the purpose of the draft resolution, which noted that the Shanghai Cooperation Organization aimed to strengthen peace, security and stability in the region; counter terrorism and extremism, and promote regional cooperation in areas like trade and economic development, energy and transportation.

Further, the draft emphasized the importance of strengthening dialogue and cooperation between the two bodies, he said, and proposed that the United Nations Secretary-General hold regular consultations with the Shanghai Cooperation Organization's Secretary-General through existing inter-agency forums and formats. It proposed that United Nations specialized agencies, programmes and funds cooperate with the Shanghai Cooperation Organization with a view to implementing programmes to achieve their goals. He believed the draft text would be adopted by consensus.

Bolat Nurgaliev, Secretary-General of the Shanghai Cooperation Organization, said consideration of the draft resolution reflected Shanghai Cooperation Organization's increasing role in security in the Asian region. The Shanghai Cooperation Organization's activities aimed

to encourage regional cooperation in areas like trade, energy, transport, agriculture, finance, information and communication technologies, science, customs, education, healthcare, environmental protection, and natural disaster risk reduction.

He said Members had made significant contributions to ensuring post-conflict reconstruction in Afghanistan, efforts which he hoped to step up, with United Nations agencies, funds and programmes, in the interest of jointly carrying out projects in those areas. In closing, he expressed his appreciation to States that supported inclusion of the item on the Assembly's agenda.

The Assembly then adopted by consensus the resolution on cooperation between the United Nations and the Shanghai Cooperation Organization (A/64/L.34), by which it emphasized the importance of strengthening dialogue, cooperation and coordination between the United Nations system and that organization. Among other things, it proposed that the Secretary-General hold regular consultations with the Shanghai Cooperation Organization's Secretary-General through the existing inter-agency forums and formats.

On 23 December 2009 on the occasion of completing the mission of SCO Secretary-General Bolat Nurgaliev met with the Minister of Foreign Affairs of the People's Republic of China Yang Jiechi. During the meeting exchange of opinions took place on various issues, including further development of the Shanghai Cooperation Organisation and deepening of friendship and cooperation among its member states.

On 23 December 2009 the SCO Secretariat held a farewell reception on the occasion of completing the duties of the SCO Secretary-General B. Nurgaliev and his Deputies Gao Yusheng and V. Zakharov. The Deputy Foreign Minister of China He Yafei, the Ambassador of Kazakhstan I. Adyrbekov and the Ambassador of Uzbekistan, currently holding SCO presidency, A. Salakhutdinov were the guests of honour and delivered statements. Representatives from the embassies of the observer states and dialogue partners, the diplomatic corps of Beijing, as well as government institutions and public organisations of the host state attended the reception.

2010

10-14 January 2010 the SCO Secretary-General M. Imanaliev was on a visit in New York taking part in an informal meeting between the United Nations Secretary-General and the heads of regional and sub-regional organisations (11-12 January) and a UN Security Council session on the issue of UN cooperation with regional organisations (13 January). During the mentioned events the SCO Chief delivered brief statements outlining the main priorities of SCO activity and highlighting SCO's contribution to maintaining security and stability in the region.

During his visit M. Imanaliev also held talks with the UN Secretary-General Ban Ki-moon during which exchange of opinions took place on the prospects for strengthening SCO's partnership with the UN.

On 19 January 2010 the SCO Secretary-General M. Imanaliev met at the SCO Secretariat with the Deputy Foreign Minister of the Republic of Belarus S. Aleynik. Issues of completing the formalities concerning the granting of SCO dialogue partner status to Belarus were discussed.

The two sides reaffirmed their intention to reach working agreements in the shortest possible time and sign the relevant Memorandum.

The SCO Deputy Secretary-General M. Konarovskiy, the Ambassador of the Republic of Belarus to China A. Tozik and the Minister-Counsellor of the Embassy of the Republic of Belarus A. Baycharov were also in attendance.

19-21 January 2010 the SCO Secretariat hosted a meeting of the SCO Expert Working Group on Cultural Cooperation.

During the meeting the parties exchanged information on the process of implementing the Intergovernmental Agreement on Cooperation in the Field of Culture and discussed the issues of preparing for the 7th meeting of the culture ministers of the SCO member states.

The representatives of the SCO member states also exchanged opinions on other issues of common concern regarding cultural cooperation in the SCO framework.

On 25 January 2010 Moscow hosted regional consultations on Afghanistan under the auspices of the SCO at the level of deputy foreign ministers. Representatives from Afghanistan, India, Iran, Kazakhstan, Kyrgyzstan, China, Pakistan, Russia, Tajikistan, Uzbekistan and the SCO Secretariat were in attendance.

The consultations passed off in a spirit of mutual trust and reaffirmed a similarity of the parties' positions on the issues concerned.

On 28 January 2010 the SCO Secretary-General M. Imanaliev held talks at the SCO Secretariat with S. Shabistari, the Charge D'Affaires of the Islamic Republic of Iran to the People's Republic of China.

During the talks the two sides discussed the issues of further strengthening of SCO's interaction with Iran which has been an SCO observer state since 2005. S. Shabistari also congratulated M. Imanaliev on his appointment to the post of SCO Secretary-General, and passed a message by the Iranian Minister of Foreign Affairs M. Mottaki inviting the SCO Chief to visit Tehran this year.

On 3 February 2010 the SCO Secretary-General M. Imanaliev participated in a ninety-minute live telebridge Beijing-Moscow speaking to the media representatives from SCO countries.

The event was organised by the Russian News Agency RIA Novosti. He answered questions concerning the Organisation's working plans for 2010, the SCO's role in ensuring peace, security and stability in the region, cooperation of the member states on counterterrorism, the measures being enforced by the SCO countries to tackle the consequences of the global financial crisis, the SCO's priorities and prospects for development, as well as interaction with other international organisations.

The SCO Chief congratulated the audience on the approaching Lunar New Year and wished everyone good health, happiness and prosperity.

On 11 February 2010 the SCO Secretary-General M. Imanaliev received at the SCO Secretariat Ms. Fu Mingxin, the editor-in-chief of the

state-run monthly magazine China. The SCO Chief gave an interview in which he elaborated on the main objectives, priority areas and future plans of the SCO as well as gave his assessment of the international situation.

During the meeting prospects for cooperation between the SCO Secretariat and the editorship of the China magazine were discussed.

M. Imanaliev was handed a letter by the Renmin Huabao publishing house with an offer to contribute to the China magazine as a non-staff senior consultant.

The SCO Secretary-General congratulated the readers and staff of the China magazine on the approaching Lunar New Year, and conveyed his wishes of success, good health, happiness and prosperity.

On 22 February 2010 the SCO Secretary-General Muratbek Imanaliev held a meeting at the SCO Secretariat with the Minister of Foreign Affairs of the Islamic Republic of Pakistan Makhdoom Shah Mahmood Qureshi.

The Minister congratulated M. Imanaliev on his assumption of the post of SCO Secretary-General, and noted that Pakistan had been attaching great importance to its involvement in SCO activities as an observer state and regarded the Organisation to be an effective mechanism of regional cooperation.

In the course of the meeting the parties exchanged opinions on the issues of deepening interaction between the SCO and Pakistan in security, economy and culture.

On 3 March 2010 the SCO Secretary-General M. Imanaliev received at the SCO Secretariat a delegation from the Institute of World Economy and Policy under the Foundation of the First President of the Republic of Kazakhstan.

During the meeting the activity of SCO Forum was discussed, and exchange of opinions took place over the issues of security, regional cooperation and the current situation in Central Asia.

On 10 March 2010 the SCO Secretary-General M. Imanaliev held a meeting at the SCO Secretariat with M. Titarenko, academician of the Russian Academy of Sciences, professor, Director of the Far East Branch of the RAS.

During the meeting issues of cooperation between the FEB RAS and the SCO Secretariat were discussed. Exchange of views took place over the latest activity of the SCO and the Organisation's role in ensuring security, stability and peace in the region.

On 12 March 2010 the SCO Secretary-General M. Imanaliev held a meeting at the SCO Secretariat with K. Amunugama, the Ambassador Extraordinary and Plenipotentiary of the Democratic Socialist Republic of Sri Lanka to the People's Republic of China.

In the course of the meeting the parties discussed the issues of signing the Memorandum on granting the status of SCO dialogue partner to Sri Lanka as well as the prospects for cooperation between the SCO and Sri Lanka over some areas specified in the draft Memorandum.

On 15 March 2010 the SCO Secretary-General M. Imanaliev held a meeting at the SCO Secretariat with the EurAsEC Secretary-General T. Mansurov.

The parties exchanged opinions on the issues of cooperation between the two international organisations in the economic field, and noted positive dynamics in interaction between the Business Councils of the SCO and EurAsEC.

In accordance with the Memorandum of Understanding the parties are considering a possibility of boosting their partnership in cultural and social areas.

On 18 March 2010 the SCO Secretary-General M. Imanaliev held talks at the SCO Secretariat with S. Jaishankar, the Ambassador Extraordinary and Plenipotentiary of the Republic of India to the People's Republic of China.

During the talks the parties discussed the issues of further development of cooperation between the SCO and India which has been its observer state since 2005.

On the invitation of the Organising Committee of the Boao International Tourism Forum, the SCO Secretary-General M. Imanaliev visited Sanya **21-23 March 2010** and delivered a statement at the Forum's plenary session.

The Forum, which brought together delegates from more than 50 countries, heads of some international organisations, including the WTO, and chief executives of leading tourism companies in the Asia Pacific region, held two group sessions, a ministerial meeting and a roundtable discussion.

Upon conclusion of the Boao Tourism Forum the delegates adopted a declaration.

On 25 March 2010 the SCO Secretary-General Muratbek Imanaliev held meetings in Beijing with Carlo Krieger, the Ambassador Extraordinary and Plenipotentiary of the Grand Duchy of Luxembourg to the People's Republic of China, and Marija Adanja, the Ambassador Extraordinary and Plenipotentiary of the Republic of Slovenia to the People's Republic of China.

In the course of the meetings exchange of opinions took place over possible ways of cooperation between the SCO and the European Union.

26-29 March 2010 Sanya (China) hosted the 7th Meeting of Ministers of Culture of the SCO Member States. Ministers of culture of the member states and representatives of the observer states were in attendance.

In a spirit of friendship and mutual understanding the ministers discussed the state and prospects for cultural exchanges in the SCO framework, as well as the issues of developing cooperation in the cultural industry and other issues of common concern.

The parties declared for further development of multilateral and bilateral ties in the Organisation's framework with the aim of strengthen-

ing understanding among peoples, preserving the diversity of cultures, deepening mutual respect, spreading the knowledge about traditions and customs of nationalities populating the SCO region.

The parties noted the importance of active development of multilateral cultural cooperation with the SCO observer and dialogue partner countries.

The parties debated an initiative by the Chinese Ministry of Culture on staging in Sanya in the second half of 2010 the 1st SCO Forum on Cooperation in the Cultural Industry that would involve officials from cultural ministries and departments as well as cultural enterprises from SCO member states.

The parties will encourage mutual arrangement of cultural visits and exhibitions, and stimulate cooperation within the area of their competence in such areas as staging of art shows, cinema industry, animation, audio and video production, publishing, art design, modern technology in the field of culture.

The parties stated successful staging of the activities in the framework of the 7th Meeting of Ministers of Culture.

Noting that tourism represents an essential part of the cultural industry, the parties highly rated the project of transforming the Chinese island of Hainan into an international tourism centre.

The ministers noted the constructive work carried out by the SCO Expert Working Group on Cultural Cooperation.

The parties agreed to hold the next Meeting of Ministers of Culture of the SCO Member States in 2011 in Kazakhstan.

On 29 March 2010 the SCO Secretary-General M. Imanaliev issued a statement in connection with terrorist attacks in Moscow:

“The member states of the Shanghai Cooperation Organisation resolutely condemn the terrorist acts of 29 March 2010 on the Moscow metro system which have taken numerous human lives.

In the face of this tragic event the Shanghai Cooperation Organisation expresses its solidarity with the people and the government of the Russian Federation, conveys sincere sympathy and condolences to the families and friends who have lost their loved ones, and to all those who have suffered from this inhuman act.

Terrorism regardless of its motives cannot be justified under any circumstances. This position of the Shanghai Cooperation Organisation has been and remains unchangeable. The SCO member states are determined to further increase their fight against terrorism”.

The Shanghai Cooperation Organisation and the United Nations Organisation signed the Joint Declaration on Cooperation **on 5 April 2010** in Tashkent.

The declaration was signed by the SCO Secretary General, Muratbek Imanaliev, and the UN Secretary General, Ban Ki-moon.

The declaration assumes cooperation between the organisations in various areas, including security.

Ban Ki-moon noted that the partnership between the United Nations and SCO would give a new impulse, in particular, to the fight against terrorism, extremism, drugs and transnational crime.

On 18 December 2009 the UN General Assembly unanimously passed the cooperation resolution between the Shanghai Cooperation Organisation and the United Nations Organisation.

On 7 April 2010 the SCO Secretary-General M. Imanaliev held talks at the Foreign Ministry of China with Cheng Guoping, Assistant to the Foreign Minister. The talks focused on the issues of preparing for the approaching summit of SCO heads due in June in Tashkent.

Cheng Guoping assured that the Chinese side stood ready to provide its comprehensive support in order to guarantee a successful staging of the upcoming summit.

Exchange of opinions took place over the issues of regional security, international cooperation and the current activity of the SCO.

On 8 April 2010 the SCO Secretary-General M. Imanaliev issued a statement in connection with the events in the Kyrgyz Republic:

The Shanghai Cooperation Organisation is expressing concern over the recent events in the Kyrgyz Republic which have caused human casualties, and conveying sincere condolences to the families and friends who have lost their loved ones.

Peace, security and political stability in the Kyrgyz Republic, that is a member state of the SCO and a close neighbour to other SCO states, is of overriding importance for the whole region.

The Shanghai Cooperation Organisation is hoping for the earliest restoration of law and order, national harmony, and also believes that this matches the interests of the people of Kyrgyzstan and will benefit the maintenance of peace and stability in the SCO region.

On 15 April 2010 the SCO Secretary-General M. Imanaliev issued a statement in connection with an earthquake in the Province of Qinghai, China:

With regard to an earthquake in the Qinghai Province of the People's Republic of China which has caused numerous human casualties and considerable destruction, the Secretariat of the Shanghai Cooperation Organisation is expressing sincere condolences and sympathy to the families and friends of the dead and injured.

In this difficult moment for China the peoples of the member states reaffirm their solidarity with the people of China.

A fifth meeting of the heads of the departments in charge of prevention and elimination of emergency situations of the SCO member states was held in Tashkent **on 21 April 2010**.

Officials from China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan were in attendance.

The parties considered a report on major emergency situations in SCO member states in the past year and preventive measures.

The parties exchanged views on the prospects for cooperation in prevention and elimination of emergency situations.

Upon conclusion of the meeting the parties signed a protocol.

18-21 April 2010 the SCO Secretary-General M. Imanaliev was on a working visit in the Kyrgyz Republic with the aim of acquainting himself with the current situation in the country. During the visit the SCO Chief held meetings with the Chairperson of the Interim Government R. Otunbayeva and other members of the Interim Government.

The Interim Government confirmed its commitment to all the obligations by the Kyrgyz Republic in the SCO framework, and expressed readiness to fully participate in scheduled activities under the SCO auspices.

On 23 April 2010 Tashkent hosted a fifth meeting of the secretaries of security councils of the SCO member states. Representatives of the six parties were in attendance. The meeting was chaired by the Uzbek side.

During the meeting exchange of opinions took place over the issues of ensuring security and stability in the SCO region, prospects for further development and improvement of joint mechanisms in the field of combating terrorism, separatism and extremism, as well as fighting against illicit circulation of narcotics and internet terrorism. The parties declared for the development of cooperation between the SCO and other international organisations in the field of maintaining security.

The parties expressed conviction that the documents being submitted for approval during the upcoming session of the SCO Heads of State Council in Tashkent would facilitate further strengthening of legal foundations for the SCO activity and decision-making mechanisms based on the principle of consensus.

The parties considered a draft report by the SCO RCTS Council on the activity of the Regional Counter-Terrorism Structure in 2009.

Upon conclusion of the meeting the parties signed a protocol.

Islam Karimov, President of the Republic of Uzbekistan, met with the secretaries of security councils of the Shanghai Cooperation Organisation member states, SCO Secretary-General Muratbek Imanaliyev and Director of the SCO RCTS Executive Committee Dzhenisbek Dzhumanbekov in Oqsaroy **on 23 April 2010**, the President's press service said.

The head of state expressed satisfaction with the high level of interaction achieved in such areas of SCO activity as elaboration and implementation of complex multilateral actions to provide for regional security. The role of the national security councils of this reputable international organisation's member countries is invaluable as regards joint coordination of those measures.

Whilst emphasising the burgeoning credibility and significance of SCO efforts in the current circumstances, President Islam Karimov stressed its growing position in addressing regional and global security issues, combating international terrorism, separatism and extremism, drug trafficking and other challenges and threats in the strategically important Central Asian region.

Initiated by the leadership of Uzbekistan back in 2004, the mechanism of meetings by secretaries of security councils of the SCO member nations has become a vital mechanism in working out concerted measures and efforts to ensure peace and stability in the regional context.

As part of the activities related to the upcoming SCO summit due this June in Tashkent, prospects for raising the effectiveness of decision-making mechanisms by various bodies of the Organisation were discussed. The parties acknowledged particular significance of a constructive exchange of views on improving cooperation among the member states in many essential areas of regional development, especially in the context of interaction with the relevant UN counter-terrorism unit on the basis of the Joint Declaration on Cooperation between the SCO and UN Secretariats signed 5 April 2010 in Tashkent.

During the meeting in Oqsaroy the guests expressed sincere gratitude to the President for the warm welcome, noting in particular the special significance of the efforts by Uzbekistan's leadership to revitalize the SCO activity in various spheres of regional cooperation in the course of Uzbekistan's presidency of the SCO.

During the meeting the parties also discussed the ongoing preparations for the SCO Heads of State Council meeting and other topics of regional significance.

On 26 April 2010 the SCO Secretary-General M. Imanaliev held a meeting at the SCO Secretariat with Miroslav Jenca, Special Representative of the United Nations Secretary-General.

During the meeting the issues of regional security and cooperation between the SCO and UN were discussed.

On 26 April 2010 the SCO Secretary-General Muratbek Imanaliev met in Beijing with the Minister of Foreign Affairs of the Republic of Tajikistan Hamrokhon Zarifi. During the meeting the issues of preparing for the upcoming SCO Heads of State Council meeting due in June in Tashkent were discussed.

The Foreign Minister noted that Tajikistan attached great importance to the SCO considering the Organisation as an effective mechanism of regional cooperation. Exchange of opinions took place over the issues of regional security, international cooperation and the current activity of the SCO.

28-29 April 2010 the SCO Secretary-General M. Imanaliev paid a working visit to Belarus with the aim of signing the Memorandum on granting the Republic of Belarus the status of SCO dialogue partner.

In the course of the visit the SCO Chief held meetings with V. Makey, Head of the Presidential Administration, S. Martynov, Minister of Foreign Affairs, as well as with S. Lebedev, the Executive Secretary of the CIS.

On 3 May 2010 the SCO Secretary-General Muratbek Imanaliev received at the SCO Secretariat Robert Blake, United States Assistant Secretary of State for South and Central Asian Affairs.

During the meeting the parties discussed the issues concerning the current state and prospects for the development of SCO's links with other states and international organisations.

On 6 May 2010 the SCO Secretary-General M. Imanaliev visited Colombo, the capital of Sri Lanka, with the aim of signing the Memorandum on Granting the Democratic Socialist Republic of Sri Lanka the Status of SCO Dialogue Partner.

Prior to the signing ceremony the SCO Secretary-General was received by the President of Sri Lanka H.E. M. Rajapaksa.

In the course of his visit the SCO Chief held working meetings with G.L. Peiris, the Minister of External Affairs, and R. Bathiyutheen, the Minister of Industry & Commerce. The parties discussed the prospects for interaction between the SCO and Sri Lanka in the fields of security, counterterrorism, economy, trade and people-to-people contact.

11-14 May 2010 Beijing hosted the first meeting of heads of science and technology departments of the SCO member states. Representatives of the parties were in attendance.

The meeting was chaired by Wan Gang, Minister of Science and Technology of the People's Republic of China.

On 13 May on the sidelines of the meeting the heads of delegations were received by Liu Yandong, Member of the State Council of the People's Republic of China. During the meeting in a friendly and constructive spirit the parties discussed the prospects for establishing multilateral science and technology cooperation in the SCO framework and other related issues.

The parties unanimously confirmed that establishment and development of multilateral science and technology cooperation in the SCO framework matched the interests of the parties and would have a major significance for developing national economies and strengthening the member states' capability to confront global challenges and threats in the modern world.

It was also stated that in recent years, against the background of deepening practical interaction and developing bilateral cooperation among the SCO member states, the necessary preconditions had been created for launching multilateral science and technology cooperation in the

SCO framework. In this regard the parties agreed to set up a mechanism of regular meetings at the level of heads of science and technology departments of the SCO member states.

In order to ensure the mechanism efficiency and to coordinate the issues concerning multilateral science and technology cooperation, the parties decided to set up a permanent working group on science and technology cooperation in the SCO framework.

The parties agreed that multilateral science and technology cooperation could be carried out in such forms as joint scientific research, staging of joint seminars, conferences and exhibitions, joint training of specialists and creation of innovation units, laboratories and research centres, as well as in other forms to be determined by mutual consent.

The parties acknowledged that their cooperation must be based on the principles of mutual benefit and complementarity, rational division of labour, pragmatism, consideration of the interests of all parties for the sake of achieving the necessary practical results.

During the meeting the parties agreed that at the initial stage of multilateral science and technology cooperation in the SCO framework the member states would develop interaction, first and foremost, in such priority areas as protection and rational use of natural resources, agricultural technology, nanosystems and materials, information and telecommunication systems, energy and energy-saving. The venue and date of the next ministerial meeting will be agreed under the coordination of the SCO Secretariat.

The parties expressed deep gratitude to the Ministry of Science and Technology of the People's Republic of China for a warm reception and excellent staging of the first meeting of heads of science and technology departments of the SCO member states.

13-14 May 2010 Dushanbe hosted the fifth session of the Shanghai Cooperation Organisation Forum. It was prepared and staged by the SCO Research Centre of the Republic of Tajikistan, aka the Centre for Strategic Studies under the President of the Republic of Tajikistan. The CSS Director S. Sharipov opened the session. The State Advisor on

Foreign Policy E. Rakhmatulloyev read a welcoming statement by the President of Tajikistan E. Rakhmon, welcoming statements were also delivered by the SCO Deputy Secretary-General Hong Jiuyin, heads and representatives of the member states' SCO research centres.

Over 50 experts, including heads and representatives of the member states' SCO research centres, as well as SCO Secretariat officials, ambassadors and diplomats from the member and observer states, were in attendance.

In accordance with the Forum Regulations the fifth session was preceded by a working meeting of heads and representatives of the member states's SCO research centres.

The issues which dominated the Forum agenda are as follows:

1. The problem of Afghanistan and security issues in Central Asia.
2. Search for effective mechanisms of rational use of Central Asia's water and energy resources by SCO member states.
3. Struggle against the consequences of the global financial crisis, intensification of SCO economic cooperation.
4. Cooperation in the field of transportation and communications, potential involvement of SCO observer states and dialogue partners.
5. Development of SCO cultural and international cooperation.
6. The prospects for SCO expansion, practical implementation of the draft Regulations on Admission of New Members to the SCO.

Upon completion of the session the parties signed a protocol.

The session of the Foreign Ministers Council of the Shanghai Cooperation Organization (SCO) member states was held in Tashkent **on 22 May**.

State secretary and foreign minister of Kazakhstan K.Saudabayev, foreign minister of China Yang Jiechi, foreign minister of Russia S.Lavrov, foreign minister of Tajikistan H.Zarifi, foreign minister of Uzbekistan V.Norov, vice foreign minister of Kyrgyzstan - SCO National Coordinator of Kyrgyzstan T.Makeyev participated in the meeting.

SCO Secretary-General M.Imanaliev was in attendance.

The heads of the delegations were received by President of Uzbekistan Islam Karimov.

The session of the SCO Foreign Ministers Council was held under the chairmanship of the Uzbek side.

In the context of preparation to the SCO Heads of States Council session, planned for 10-11 June in Tashkent, the foreign ministers considered priority tasks of strengthening cooperation within the organization.

They considered important regional and global problems, situation in the world, issues of strengthening stability and security in Central Asia, and expansion of SCO contacts with multilateral organizations.

The heads of delegations expressed solidarity with the people of Kyrgyzstan in the current difficult situation. Security and stability on the SCO territory is closely linked to security and stability in each member state, the session participants said.

SCO member states, while being committed to the independence, sovereignty and territorial integrity of Kyrgyzstan, confirmed readiness to provide required assistance and support to the country.

The participants stated that over the period since the last SCO Heads of States Council on 15-16 June 2009 in Yekaterinburg, Russia, a significant work had been carried out to further strengthen the organization, expand practical interaction in the political, economic and social areas, as well as develop external contacts. The SCO activity helps solve socio-economic problems and ensure security and stability in the region.

It was emphasized that strengthening stability in Central Asia remained the most important task of the SCO member states in the area of security. The ministers confirmed their intention to expand cooperation in areas like joint counteraction to terrorism, separatism and extremism, illegal drug trade and organized transnational crime.

The meeting participants expressed serious concern over the complex situation in Afghanistan, which continues representing threats of terrorism, illegal drug trade and transnational organized crime. They stressed that ensuring security and stability in Central Asia was impossible without the solution of problems related to Afghanistan.

The SCO member states acknowledged the leading role of the UNO in coordinating efforts of international community in settling the situation in Afghanistan. They believe solution of the Afghan problem cannot be reached through only military methods and call for promotion of the negotiation process under the UN aegis with participation of the Afghans in the interest of making Afghanistan a peaceful and stable state.

The session participants agreed that deeper regional economic cooperation, creation of favorable conditions for trade and investments, strengthening practical interaction in trade, finance, energy, transport, communications, agriculture, science and technologies would help ensure security and stability in the whole region.

Proving the openness of the SCO for other countries of the region, the ministers approved the draft document on the terms of adoption of new members to the organization. Approval of the document at the upcoming Heads of States Council in Tashkent would become the start of the process of formation of the mechanism of expansion of the SCO.

The heads of delegations welcomed the signing of the Joint declaration on cooperation between the UN and SCO secretariats on 5 April in Tashkent. Initiated by Uzbekistan, the document outlines the main principles and directions of cooperation between the two organizations, as defined in the resolution A/64/183 of the UN General Assembly of 18 December 2009.

The permanent bodies of the SCO were recommended to boost cooperation with the UN, ASEAN and other international organizations and structures on issues of security and stability, as well as economic and social development.

The ministers called for fuller realization of the cooperation potential in various areas with SCO observers and dialogue partners.

SCO Secretary-General M.Imanaliev presented the report on the work of the SCO Secretariat over the past year, which was approved by the heads of the delegations.

The session of the Foreign Ministers Council of the Shanghai Cooperation Organization passed off in a traditional spirit of friendship and mutual understanding.

President of Uzbekistan Islam Karimov received members of the session of the Foreign Ministers Council of the Shanghai Cooperation Organization member states at Oqsaroy residence **on May 22**.

The current meeting of the council sums up all the preparatory work and defines the documents that would be included in the agenda of the upcoming SCO summit. Signing of these documents will serve to further development of the organization, President Islam Karimov said.

At the meeting in Oqsaroy, preparation to the SCO Heads of States Council session, scheduled for 10-11 June in Tashkent, was considered. Besides, important issues of strengthening regional security were also discussed.

The President of Uzbekistan drew the attention to the importance of optimization and improvement of mechanisms of adopting decisions by various structures of the SCO.

The meeting participants, in their turn, stressed the importance of the efforts of Uzbekistan in increasing the SCO authority and expansion of economic cooperation in the region.

The active position of Uzbekistan in defining the SCO development strategy and on a wide range of modern world policy issues is giving positive results, the guests said.

One of the important results of Uzbekistan's activity during its chairmanship in the SCO was unanimous adoption of the UN General Assembly Resolution on cooperation between the UN and the SCO, as well as signing of a Joint declaration on cooperation between the UN and SCO secretariats. These documents defined the legal bases and prospects of the two organizations' practical interaction.

The heads of the SCO foreign ministries' delegations sincerely thanked President of Uzbekistan for warm reception and expressed confidence that the upcoming SCO summit in Tashkent would be held on the highest level.

The 10th annual summit of the Shanghai Cooperation Organization (SCO) concluded **on 11 June 2010** with a declaration pledging to build an effective and open multilateral organization dedicated to regional peace, stability and prosperity.

Participants of six SCO member countries -- China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan -- discussed key regional and global issues at the gathering.

The declaration also pledged to strengthen mutual support on issues relating to each other's core interests, boost cooperation in the combat against terrorism, separatism and extremism and other destabilizing factors, enhance cooperation in overcoming the aftermath of the global financial crisis and in the development of infrastructure in the region.

The SCO has developed into a highly efficient and open multilateral organization, being an important factor in the international and regional security and cooperation structures, the declaration said.

The organization will stick to its practice of shunning ideological means, cliquing or confrontation in efforts to settle major problems emerging in the process of international and regional development.

SCO members are determined to carry out all-around cooperation within the SCO framework and develop the organization into a reliable guarantee of regional peace, stability and prosperity, the declaration said.

Nowadays, as security threats and challenges continue to emerge, SCO members should further enhance their cooperation in fighting all forms of terrorism and strengthen dialogue between different civilizations and cultures so as to prevent the growth of terrorism and extremism, it said.

The declaration stressed that Central Asia's initiative to build a nuclear-free zone is not only an important step in promoting regional peace and security but also will contribute greatly to regional and global peace and security.

The unrestricted deployment of anti-missile systems will possibly become a destabilizing factor menacing global security and may lead to the proliferation of missile weapons, the declaration warned.

On the economic front, the leaders agreed to strengthen coordination to better deal with the aftermath of the global financial crisis. Member countries will implement joint programs in the fields of transportation, communication and others to boost trade and investment with the aim to improve the economic competitiveness of all countries, said the declaration.

At the summit, the leaders approved Resolution of the Council of the Heads of the SCO Member States on the approval of the SCO Rules of Procedure and Resolution of the Council of Heads of the SCO Member States on approval of the regulations on procedure for admitting new members to the SCO, laying the foundation for its future expansion, the declaration noted.

Member states pledged to strengthen cooperation with observers and dialogue partners to attract their resources and markets, it said.

Observer countries of the SCO include Mongolia, Pakistan, Iran and India while Belarus and Sri Lanka are dialogue partners.

The declaration concluded that the SCO will carry on the spirit of peace, common development, cooperation on an equal footing, mutual respect and tolerance, and further strengthen its dialogue and cooperation with the international community to make great contribution to regional and global peace, stability and prosperity.

Founded in 2001, the SCO consists of China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. Next year, the SCO will hold a series of activities to celebrate its 10th anniversary.

Tenth Meeting of the Council of the Heads of the Member States of the Shanghai Cooperation Organisation (SCO CHS) took place in Tashkent **on 10-11 June 2010**, the capital of Republic of Uzbekistan. The meeting was attended by the President of the Republic of Kazakhstan N.A.Nazarbayev, Chairman of the People's Republic of China Hu Jintao, President of the Russian Federation D.A.Medvedev, President of the Republic of Tajikistan E.Rahmon, President of the Republic of Uzbekistan I.A.Karimov, Minister of Foreign Affairs of the Kyrgyz Republic R.A.Kazakbaev.

President of the Republic of Uzbekistan I.A.Karimov chaired the meeting. Secretary-General of the SCO M.S.Imanaliev and Director of the Executive Committee of the SCO Regional Counter-Terrorism Structure (RCTS) D.M.Djumanbekov participated in the meeting.

Heads of delegations from the SCO observer states – President of Mongolia T.Elbegdorj, President of the Islamic Republic of Pakistan A.Zardari, Minister of External Affairs of the Republic of India

S.M.Krishna, Minister of Foreign Affairs of the Islamic Republic of Iran M.Mottaki, as well as guests of the host state – President of the Islamic Republic of Afghanistan H.Karzai, President of Turkmenistan G.M.Berdimuhamedov were in attendance and delivered speeches. Meeting was also attended by the Deputy Secretary-General of the UN, Executive Secretary of United Nations Economic Commission for Europe J.Kubiš, Chairman of the Executive Committee – Executive Secretary of the Commonwealth of Independent States S.N.Lebedev, Secretary-General of the Collective Security Treaty Organisation N.N.Bordyuzha, Deputy Secretary-General of the Eurasian Economic Community M.H.Musataev, Deputy Secretary-General of the Association of Southeast Asian Nations S.Sisouvong.

In an open and friendly atmosphere profound exchange of opinions on wide range of issues of contemporary international and regional situation took place. During the meeting main outcomes the SCO performance since Yekaterinburg 2009 summit were considered, milestones of joint work on the development of comprehensive cooperation within the Organisation were outlined. The coincidence or closeness of views on discussed issues was noted. Common approaches of the SCO Member States were reflected in Declaration of the Tenth Meeting of the Council of the Heads of the Member States of the Shanghai Cooperation Organisation.

The Regulations on procedure for admitting new members to the Shanghai Cooperation Organisation and Rules of Procedure of the Shanghai Cooperation Organisation that are designed to assist to enhance the legal bases of Organisation's activity were approved. The reports of Secretary-General of the SCO and Director of the Executive Committee of the SCO RCTS on performance in 2009 had been heard and approved.

The Plenipotentiary representatives of the Member States of the Organisation signed the Agreement among the Governments of the SCO Member States on Cooperation in the Field of Agriculture and Combating Crime.

Member States intending to carry out close mutually beneficial cooperation in the framework of the SCO in all spheres in order to strengthen

the role of the Organisation as an effective mechanism to ensure security, stability and prosperity in the region and worldwide as a whole.

Member States reaffirmed their readiness to continue joint efforts in combating terrorism, separatism and extremism in all their dimensions, fight against illicit drugs trafficking, weapons smuggling, other transnational criminal activities as well as illegal migration. The parties agreed to deepen cooperation and coordination of activities for the effective implementation of the SCO Counter-Terrorism Convention, Cooperation Program on combating terrorism, separatism and extremism for 2010-2012 and other documents signed within the SCO.

The parties agreed to strengthen anti-terrorist activities with the SCO observer states, to continue active participation in the regional anti-terrorist efforts in the framework of partner network of regional organisations and their counter-terrorist structures. Results of the Fifth Meeting of the Secretaries of Security Councils of the SCO Member States had been approved (Tashkent, 23 April 2010).

The parties noted with satisfaction the beginning of establishing of the mechanism of counter-narcotics cooperation in the framework of the Organisation. The parties acknowledged the expediency of continuing of the cooperation on international information security. The implementation of the Agreement among the Governments of the SCO Member States on Cooperation in the Field of Ensuring International Information Security will be facilitated.

Member States highly appreciated cooperation on ensuring safety of large-scale joint events in the framework of the SCO and agreed on dissemination of this practice among observer states.

The parties also highly appreciated the efforts of China on preparation and holding of EXPO-2010 in Shanghai.

The SCO is still focused on coordination of activities to overcome the negative consequences of global financial crisis and ensuring sustainable development of the economies of its Member States. In this context they noted timely adoption by the Member States of the Organisation on national level of measures to stabilize the economy and financial system which will promote the increase of the Member States' anti-crisis capabilities and regional economic cooperation.

The parties acknowledged the necessity of consistent implementation of the goals outlined in the Joint Initiative on intensification the multilateral economic cooperation to overcome the consequences of the global financial economic crisis and ensure further development of the SCO Member States' economies, adopted in Beijing on 14 October 2009. In this context, the Parties stressed the importance of the First Meeting of Ministers of Finance and Heads of Central (National) Banks of the Shanghai Cooperation Organisation's Member States held in Almaty in December 2009.

The parties underlined the expediency of strengthening the role of the SCO Interbank Consortium and Business Council in intensification of contacts between banking and business communities in order to enhance the economic cooperation in the region.

The Member States welcome the holding of the first visiting meeting of the SCO Business Council in Ulan Bator and express their support for further extension of contacts between business communities of the member and observer states.

The Member States positively assessed the course of the implementation of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States and the Action Plan on its implementation. The respective agencies will go on with joint efforts to carry out particular projects on priorities outlined in these documents.

The Member States acknowledge the importance of cultural and legal cooperation to strengthen good-neighbourliness and friendship within the Organisation and stand ready to expand practical cooperation in this field in an active manner.

The Member States noted the positive outcomes of the First Meeting of Heads of Ministries and Agencies responsible for science and technology, the Meeting of Chairmen of Supreme Courts, as well as regular meetings of Ministers of Culture, Heads of Ministries and Agencies of the SCO Member States responsible for elimination and prevention of emergency situations.

The Members States are pleased to note that the adoption at the 64th Session of the United Nations General Assembly Resolution "Cooperation between the UN and the SCO" dated 18 December 2009

opens new opportunities for further strengthening of cooperation between two organisations on the issues of security and stability, economic, social and human development, as well as in other areas of mutual interest.

The Member States welcome the signing of the Joint Declaration on Cooperation between the SCO and the UN Secretariats (Tashkent, 5 April 2010), which determines the basic principles and priorities of the collaboration between two organisations. Expanding contacts with the United Nations, its agencies and institutions will have a systematic and practical nature and will be carried out within the interests of the SCO Member States.

The Member States stated for the strengthening cooperation with observer states and the SCO dialogue partners, large potential, resources and markets of which could be involved into the joint activity in the Organisation framework.

The Member States noted with satisfaction the active participation of SCO observer states – India, Iran, Mongolia and Pakistan in activities of mutual interest within the SCO, and welcome the signing of the Memorandums on granting the Republic of Belarus and the Democratic Socialist Republic of Sri Lanka the status of SCO dialogue partner.

The Member States stated for continuing the activity on developing legal framework on extending the number of participants in the Organisation. The Council of National Coordinators will prepare a standard Memorandum and other documents regulating legal, organisational and financial aspects of the membership to the Organisation for entering states.

In the view of forthcoming SCO tenth anniversary Member States deem it necessary to hold next year solemn events and to adopt Action Plan for 2010-2011, which will define Organisation's priority activities within that period.

The next meeting of the SCO Heads of State Council will be held in 2011 in Astana. According to the SCO Charter the duties of a state holding chairmanship of the Organisation in the coming period are to be taken over by the Republic of Kazakhstan.

The Heads of state highly appreciated the chairmanship of the Republic of Uzbekistan at the SCO and expressed gratitude to the Uzbek side for its hospitality during Tashkent summit.

International Exhibition of Artists of the SCO “Great Silk Road - Journey for Peace” opened **June 10** in the Gallery of Fine Arts of Uzbekistan. Organizers: Fund Forum, Chinese Foundation for the study of international issues, the Academy of Arts of Uzbekistan, Art Gallery of Uzbekistan. Opening day was preceded by the signing of the Memorandum of Cooperation between the Fund Forum and the China Foundation for the study of international problems, which took place during the visit of the delegation of China in Uzbekistan. The document provides for the development and strengthening of mutual cooperation between the two funds, in particular, mutual support in the field of culture, arts, education and research.

The exhibition is an international gathering of cultural and artistic exchange, the primary purpose of which is to re-think the spirit of “Silk Road”, to stimulate fusion of diverse civilizations of Eurasia and mutual respect between them, promote a harmonious world. And also to consolidate the creative members of the SCO, to acquaint visitors with the artistic traditions of different countries and cultures, to revive the traditions of the Great Silk Road. Each of the SCO has not only its unique historical and cultural heritage, but also a kind of contemporary art. The exhibition reflects the dialogue of cultures, traditions and arts of the Shanghai Cooperation Organization.

The exhibition, which runs until 13 June, attended by more than 50 artists of the SCO countries: Yu Limin, Gu Yan, Gu Zong, Han Yuylun etc. (China), Yu Suhovetskaya (Russia), A. Kaliola, VA Protsenko (Kazakhstan); Yu Shigaev, D. Nurgaliyev (Kyrgyzstan), D. Mihtodzhov (Tajikistan), as well as artists of the SCO observer states M. Muniruzzaman (Bangladesh), M. R. Michael Ibrahim (Egypt). From Uzbekistan to the “People’s Artist of Uzbekistan participated, academicians B. Jalal, People’s Artist of Uzbekistan, Academician L. Ibragimov, People’s Artist of Uzbekistan A. Mirsagatov, famous artists O. Kozokov, J. Shin, I. Valihodzhaev, BI Nazarov, A. Alikulov.

The exhibition displays over 100 paintings, ink drawings and silk paintings, which you can see the traditional motifs and contemporary subjects, portraits and landscapes, but, more importantly, they felt admiration for the world around you, pulsing national identities of the attitude.

Chinese fund study of international problems, is a public organization established in 1999 in Beijing. The Foundation brings together community leaders, diplomats, distinguished scholars and experts of China in international affairs. The organization aims at projects for the study of global international issues, analysis and forecasting of the international situation, strengthening international exchanges in science and culture.

It should be noted that the cooperation between the two funds is successfully developing since the beginning of the year. Members of Association of Artists, Art and Craftsmen «IJOD» Ortikali Kozokov and Alisher Alikulov participated in the “Great Silk Road - Journey for Peace” organized by the China Foundation for the study of international issues, passed on April 25 to May 1 in China. Artists from Kazakhstan, Kyrgyzstan, Russia, Egypt, Bangladesh, China and Uzbekistan during the creative tours visited the cities of Shanghai, Suzhou and Yangzhou which conducted master classes, as well as outdoors. These open-air artists had the opportunity to become acquainted with China, Chinese silk painting, exchanged experiences and wrote many works for the exhibition “Great Silk Road - Journey for Peace”. Most of the exhibition of works devoted to China, which has inspired artists of different countries.

The Shanghai Cooperation Organization (SCO) celebrated its Honor Day at the Shanghai World Expo 2010 **on 15 June**, which was also the ninth anniversary of the organization’s founding.

Addressing a ceremony at the World Expo park, Muratbek Sansyzbayevich Imanaliev, Secretary-General of the SCO, said the SCO has had a glorious history in the past nine years and at the 10th annual summit of the organization, which concluded on Friday, leaders of the member states issued a declaration and signed important documents pointing towards the direction of the SCO’s future development.

Leaders of the SCO member states met in Tashkent, Uzbekistan last week to discuss key regional and global issues. They pledged, in a declaration issued after the summit, to build an effective and open multilateral organization dedicated to regional peace, stability and prosperity.

Also at the summit, the SCO also approved regulations for admitting new members to the organization, thus laying the foundation for its future expansion.

The SCO currently has six member states including China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan. In recent years, the organization admitted India, Iran, Mongolia and Pakistan as observer states along with Belarus and Sri Lanka as dialogue partners.

The organization's member states encompass a territory of more than 30 million square kilometers, almost three-fifths of the Eurasian continent, with a population of 1.5 billion, about one-quarter of the planet's total.

Viewing the World Expo as a great stage for the entire human race to carry out exchanges, Imanaliev said the SCO hoped to take advantage of this stage to showcase the achievements of the SCO and its outlook for future developments and expand the organization's influence in the world.

"With the theme of 'World Harmony Begins in the Neighborhood' at the SCO Pavilion at the Shanghai Expo, we are aiming at building a harmonious region, and promoting the region's collective development, thus, realizing our aim to make the world more harmonious," said Imanaliev.

Imanaliev called for more people to visit the SCO Pavilion, which would help them better understand the organization.

Speaking at the ceremony, Zhou Xiaopei, deputy representative of the Chinese government, said the World Expo provided a great opportunity for the human race to promote exchanges and self-understanding and face up to its history and future.

Zhou said the SCO was born in Shanghai and its main goal is shared by the World Expo, through the platform of the World Expo, the SCO and its cause could still be better understood by the world.

The SCO is a permanent intergovernmental international organization founded on June 15, 2001 in Shanghai with the aim to strengthen member states' cooperation in politics, economics, security and culture.

20 June 2010: The Shanghai Cooperation Organisation is expressing deep concern in connection with the tragic events in southern Kyrgyzstan which have resulted in numerous human casualties and cruel acts of violence.

The SCO member states are appealing for an end to the rampant crime, chaos and lawless actions being instigated by the forces that aim to provoke a confrontation between nationalities and ethnicities who have for centuries been living side by side in Kyrgyzstan in a spirit of friendship and understanding.

While expressing hope for the earliest possible stabilisation of the situation, restoration of law and order as well as interethnic harmony, the Shanghai Cooperation Organisation is confident that the wise people of Kyrgyzstan will secure a peaceful and prosperous future for their country.

While underlining the importance of normalisation of the political situation in Kyrgyzstan for the sake of maintaining peace and security in the whole region of Central Asia, the SCO member states note the need to provide emergency humanitarian aid to the victims, including the refugees, most of whom have been staying on the territory of Uzbekistan.

International observers from the Organization for Security and Cooperation in Europe (OSCE), the Shanghai Cooperation Organization (SCO) and Russian Central Elections Commission were positive about the constitutional referendum held **on 27 June** in Kyrgyzstan.

A total of 189 international observers representing more than 30 countries and 17 international organizations came to Kyrgyzstan for monitoring the referendum.

The OSCE's Office for Democratic Institutions and Human Rights (ODIHR) recognized the outcome of the referendum, said monitoring mission chief Boris Frlec here on 28 June.

"We should note that the vote was not fully consistent with the standards and norms of local legislation, but the referendum itself and how it can be passed shall be recognized," he was cited by RIA Novosti news agency as saying.

The Kyrgyz government managed to create appropriate conditions for holding a peaceful referendum, and the general voter turnout was high, he added.

SCO observers have recognized the governance of the referendum, the Kyrgyz Foreign Ministry said on 28 June.

“The referendum was well organized, calm and transparent,” SCO observation mission chief, SCO Deputy Secretary General Hong Jiuyin told Kyrgyz Foreign Minister Ruslan Kazakbayev.

The SCO observers visited 47 polling stations in Bishkek, Kant, Karabalt, Tokmok and some other towns in the northern Chuy region.

Earlier on 28 June, Russian Central Elections Commission’s head Vladimir Churov said the referendum was up to standards.

“The organization of the referendum generally met the universally accepted standards and was better than expected, given the recent events in the country, from the April revolution to the clashes in the south, and the short time allowed for preparations,” Churov, who visited southern Kyrgyzstan with a group of Russian representatives, told a press conference on 28 June.

Churov reiterated that security at the referendum met the European standards.

According to the Kyrgyz Central Election Committee, the referendum had a voter turnout of 69.48 percent. The preliminary vote counting results showed over 90 percent voters have backed the new draft constitution.

On 2 July 2010 the SCO Secretary-General M. Imanaliev held talks at the SCO Secretariat with the Deputy Foreign Minister of the Republic of Kazakhstan N. Ermebayev. Exchange of opinions took place over the priority areas of the activity of the Shanghai Cooperation Organisation and the working plans during Kazakhstan’s presidency of the SCO.

Deputies of the SCO Secretary-General M. Konarovskiy, A. Nasyrov, Hong Jiuyin, P. Dodov, Ambassador Extraordinary and Plenipotentiary of the Republic of Kazakhstan to the PRC I. Ardybekov, SCO National

Coordinator from the Republic of Kazakhstan S. Nuryshev, Permanent Representative of the Republic of Kazakhstan to the SCO Secretariat B. Seytbattalov were in attendance as well.

As regards the referendum held **on 27 June 2010** in the Kyrgyz Republic over a new draft constitution and the formation **on 14 July 2010** of the government of the Kyrgyz Republic, the Secretariat of the Shanghai Cooperation Organisation notes with satisfaction that the voting was marked by a fairly high turnout, and the majority of voters supported the renewed Basic Law.

The Secretariat of the Shanghai Cooperation Organisation respects the choice of the people of Kyrgyzstan and welcomes the efforts of the government of the Kyrgyz Republic aimed to stabilise the situation in the country, rebuild the southern region of Kyrgyzstan for the sake of those left homeless, normalise the political life and ensure the social order, as well as conduct a just and objective investigation into the events which took place in the Osh and Jalalabad regions of the country.

The Secretariat of the Shanghai Cooperation Organisation notes the readiness of the member states to develop friendly and good-neighbourly relations with Kyrgyzstan with the aim of maintaining peace and stability in the region based on the common and indivisible interests of nationalities that have been living in southern Kyrgyzstan for many centuries, and to continue to extend the necessary assistance to Kyrgyzstan.

On 25 August 2010 the SCO Secretary-General M. Imanaliev held a meeting at the SCO Secretariat with the Ambassador Extraordinary and Plenipotentiary of the Islamic Republic of Pakistan to the People's Republic of China M. Khan.

The parties discussed the outcome of the regular SCO Heads of State Council meeting held on 11 June in Tashkent, as well as the prospects for interaction between the Shanghai Cooperation Organisation and its observer Pakistan.

The SCO Chief also conveyed his deepest condolences to the families of victims of the recent massive floods in Pakistan.

On 25 August 2010 the SCO Secretary-General M. Imanaliev met in Beijing with the Minister of Foreign Affairs of the Kyrgyz Republic R. Kazakbaev.

During the meeting a detailed discussion took place over the current state and prospects for cooperation between the SCO and Kyrgyzstan.

Minister Kazakbaev handed in an official invitation for the SCO to participate in the monitoring of his country's parliamentary elections due 10 October.

On 27 August 2010 the SCO Secretary-General M. Imanaliev met at the SCO Secretariat with the Ambassador Extraordinary and Plenipotentiary of the Islamic Republic of Iran to the People's Republic of China M. Safari. During the meeting the parties discussed the outcome of the regular SCO Heads of State Council meeting held on 11 June in Tashkent, as well as the issues of strengthening further interaction between the Shanghai Cooperation Organisation and its observer Iran.

1-3 September 2010 on the invitation of the People's Government of Xinjiang Uygur Autonomous Region the SCO Secretariat delegation headed by the SCO Secretary-General M. Imanaliev took part in the 19th Urumqi Foreign Economic Relations and Trade Fair, the opening ceremony of the Shanghai Cooperation Organisation Day and the SCO Interbank Consortium's seminar on financial cooperation and regional economic development.

Over 400 delegates – representatives from government departments, business community, leading companies and enterprises from more than 25 countries, including SCO member, observer states and dialogue partners, attended the SCO Day, the Regional Economic Cooperation Development Forum and the SCO IBC seminar co-organised by the SCO Secretariat.

On 13 September 2010 the SCO Secretary-General M. Imanaliev met at the SCO Secretariat with K. Tumysh, Deputy Executive Director of the Secretariat of the Conference on Interaction and Confidence Building Measures in Asia.

During the meeting the parties discussed the issues of increasing interaction between the SCO and CICA.

On 18 September 2010 a diplomatic football competition “SCO Secretariat Cup – 2010” took place in Beijing, six teams from the diplomatic missions of the SCO member states, Chinese MFA and the SCO Secretariat took part.

An intense battle resulted in the first place for the team of the Embassy of the Republic of Kazakhstan, the second place for the Embassy of the Russian Federation and the third place taken by the SCO Secretariat team.

The SCO Secretary-General M. Imanaliev attended the competition, made a speech and upon the outcome of the contest awarded the winners and best players.

23-24 September 2010 Novosibirsk, the Russian Federation, hosted the third Meeting of Education Ministers of the Shanghai Cooperation Organisation Member States. Relevant representatives from Kazakhstan, China, Kyrgyzstan, Russia and Tajikistan, as well as the SCO Deputy Secretary-General A. Nasyrov were in attendance.

The Russian Minister of Education and Science A. Fursenko chaired the Meeting. In a friendly and constructive spirit the Ministers discussed a wide range of issues concerning further strengthening of multilateral cooperation in the field of education.

The parties considered and approved the List of activities for 2011-2012 designed to fulfill the Intergovernmental agreement on cooperation in the field of education signed 15 June 2006, and the Report to the SCO education ministers entitled “The control and quality guarantees for higher professional education in the SCO member states” that had been prepared by the SCO permanent expert working group on cooperation in the field of education.

The mentioned documents are aimed to further increase interaction in the field of improving the quality of higher professional education in

the SCO member states, expanding scientific cooperation between universities, boosting student and teacher exchange in the SCO member states, strengthening the legal and information base for cooperation.

The parties noted with satisfaction the launch in 2010 of the pilot project “Shanghai Cooperation Organisation University (SCOU)” regarded as an innovative infrastructure for interaction among educational institutions of the SCO member states in a multilateral framework. To that end the parties approved a list of SCOU leading universities which will train specialists in designated areas such as regional studies, ecology, information technology, energy and nanotechnology.

Upon the outcome of the Meeting the parties signed the Protocol on further joint actions by the education ministries of Kazakhstan, China, Kyrgyzstan, Russia and Tajikistan on the creation of Shanghai Cooperation Organisation University.

The parties noted constructive and fruitful work of the SCO permanent expert working group on cooperation in the field of education.

The education ministers of the SCO member states participated in the opening of the International Youth Innovation Forum “Interra-2010” and the international seminar of SCOU leading universities “SCO University: from integration towards innovative development”, acquainted themselves with the work of the Siberian branch of the Russian Academy of Sciences.

The parties agreed to hold the next Meeting of Education Ministers of the SCO Member States in 2012. Concrete date and venue of the Meeting will be agreed in due course.

Kazakhstan, **25 September 2010** (Xinhua) -- “Peace Mission 2010,” an anti-terror military drill under the framework of the Shanghai Cooperation Organization (SCO), ended with a ceremony here Saturday, opening a new page for cooperation among the member states.

During the 16-day joint drill, 5,000 troops from five SCO members, Kazakhstan, China, Kyrgyzstan, Russia, and Tajikistan (the sixth, Uzbekistan, did not participate), had practiced a variety of maneuvers, deepened their friendship and improved their military cooperation.

From strategic negotiations to live military drills, from Almaty to the Matybulak Range, the participating troops revealed their determination and strength to combat the “Three Evil Forces” -- terrorism, separatism and extremism -- and maintain peace, security and stability in the region.

The drill advanced the cooperation in defense and security under the SCO framework to a higher level.

Despite the overall stable situation in Central Asia, the “Three Evil Forces” still make frequent appearances, with international illegal drug groups, external forces and terrorism organizations colluding to produce disturbances and destroy stability in the region, such as the Uzbekistan riots, which claimed 169 deaths in 2005, and the Urumqi riot in July 2009 in China’s Xinjiang region.

All of these show the “Three Evil Forces” remain a common threat to the member states, who need to make concerted efforts to fight them.

The SCO member states attached great importance to Peace Mission 2010, which Kazakhstan proposed to host when the leaders met to view Peace Mission 2007. It was ratified at a defense minister-level meeting in 2008.

It is the seventh joint drill held by SCO member countries and the fourth dubbed “Peace Mission”. It had a more mature exercise mechanism, more participation of the member states and exercise settings closer to live battle.

In Almaty, the chiefs of the general staff of the participating armed forces ordered the start of the drill on Sept. 10.

Later, Chen Bingde, chief of the general staff of the Chinese People’s Liberation Army, said at a press conference the SCO was not a military bloc and the drill would not aim at any specific country nor threaten any country.

The drill entered the second phase on Sept. 13 at the Matybulak Range, where the troops staged several live drills in which they practiced a variety of maneuvers aimed at giving participating troops a better understanding of the land, action sequences and methods of coordinated combat.

The command of the joint military exercises also organized a drill involving battle resolve. The directing department of the command analyzed methods used by ground commanders to determine battle resolve of the training troops and received briefings from them.

On Friday, the war games entered its third and last phase, the implementation of military campaigns.

Firepower readiness, suppressing enemies in residential areas, putting reserve forces into battle, a night drill on raiding “enemy bases,” the live drill provided a higher level of exercise in anti-terror cooperation involving strategy, tactics and implementation.

At the official invitation of the Central Commission on Elections and Referendums of the Kyrgyz Republic, the Observer Mission from the Shanghai Cooperation Organisation (hereinafter – the Mission) **06 through 10 October 2010** monitored the preparation and conduct of the election of deputies of the Zhogorku Kenesha (Parliament) of the Kyrgyz Republic (hereinafter – the parliamentary election).

The responsibilities of Head of Mission comprised of Secretariat officials and representatives from SCO member states were conferred on the SCO Deputy Secretary-General P. Dodov.

The election was conducted in accordance with the Constitution of the Kyrgyz Republic and the Law “On the entry into force of the Constitution of the Kyrgyz Republic” approved by the referendum (popular vote) of 27 June 2010, articles of the current Code of the Kyrgyz Republic on Elections consistent with the Constitution, as well as the Decree of the President of the Kyrgyz Republic from 10 August 2010 “On the conduct of election of deputies of the Zhogorku Kenesha”.

The invitation for observation is regarded by the Mission as the willingness of the leadership of the Kyrgyz Republic to ensure transparency and democratic style of the parliamentary election.

The Mission performed its duties in strict accordance with the legislation of the Kyrgyz Republic, abode by the principle of political neutrality and non-interference in the country’s internal affairs.

The Mission was provided with all the necessary conditions for monitoring the preparation and conduct of the election.

During its work the Mission held meetings with representatives of a number of political parties, senior officials from of the Central Commission on Elections and Referendums and the Ministry of Foreign Affairs of the Kyrgyz Republic.

Members of the Mission familiarised themselves with the election programmes of the political parties that were competing for seats in the Zhogorku Kenesha of the Kyrgyz Republic.

The Central Commission on Elections and Referendums registered lists of candidates for deputies of the Zhogorku Kenesha from 29 political parties of the Kyrgyz Republic which proves the presence of political pluralism in the country, an opportunity for citizens to make a conscious choice.

Representatives of the parties were provided with equal conditions for conducting the pre-election campaign which represented an important element of democratic election. Overall, mass media provided a comprehensive and objective coverage of the pre-election campaign.

On the voting day members of the Mission arrived at the polling stations one hour ahead of their opening, witnessed the preparation of ballot papers and ballot boxes. On the day of 10 October the Mission visited 44 polling stations located in the cities of Bishkek, Kara-Balta, Kant, Tokmok and other populated areas in the Alamedinskiy, Zhayilskiy, Issyk-Atinskiy, Moskovskiy and Sokulukskiy Districts of the Chuysk Region of the Kyrgyz Republic.

Voting at the polling stations visited by the Mission took place in a peaceful manner, without violation of the rights of political rivals, in the presence of observers from the political parties participating in the election, as well as public bodies and non-governmental organisations of the Kyrgyz Republic.

Ballot papers were issued to voters included in the voters lists upon presentation of their identity cards. Citizens who due to certain reasons did not find themselves in the lists were included in additional voters lists upon presentation of either a document proving their residence at the polling place or an absentee voting certificate.

Upon closure of the polling stations members of the Mission were present during the vote counting and drawing up of protocols of vote returns. In the course of vote counting the Mission reported no violations.

The Mission believes that the election of deputies of the Zhogorku Kenesha of the Kyrgyz Republic was free and open, conformed to the requirements of the national legislation of the Kyrgyz Republic and international election standards, and passed off in a democratic environment which enabled citizens of the Kyrgyz Republic to express their political preferences in an unimpeded manner. Some deficiencies observed at a number of polling stations were insignificant in nature and therefore could not have any noticeable impact on the outcome of the election.

The Mission states that the conduct of the election represents an important factor for ensuring stable development of the Kyrgyz Republic.

The SCO Observer Mission expresses gratitude to the Central Commission on Elections and Referendums, the Ministry of Foreign Affairs as well as other organisations and institutions of the Kyrgyz Republic for the necessary assistance provided during its work.

P. Dodov Head of SCO Observer Mission

At the invitation of the CSTO Secretary-General N. Bordyuzha, the SCO Secretary-General M. Imanaliev took part in a meeting between senior administrative officers of the EurAsEC, CSTO, CIS and SCO which took place in Moscow **on 12 October 2010**. In the course of the meeting the parties discussed issues of interaction in the fields of security and economy, and signed a Joint Statement.

A ninth meeting of the foreign trade and economy ministers of the SCO member states was held in Moscow **on 22 October 2010** under the chairmanship of E. Nabiullina, the minister of economic development of the Russian Federation.

Relevant representatives of the member states were in attendance.

The SCO Deputy Secretary-General M. Konarovskiy, the Chairman of the Governing Board of the SCO Business Council D. Mezentsev, a representative of the SCO Interbank Consortium T. Izbasarov also took part.

During the meeting in a constructive and friendly spirit the parties considered a wide range of issues concerning further development and deepening of regional economic cooperation in the SCO framework, concrete measures for achieving mutually beneficial results in the economic field were drawn up. The parties noted that currently the agreements on trade and economic interaction reached at the previous meetings of the Heads of State and Heads of Government Councils were being actively implemented.

In order to develop multilateral economic and investment cooperation, the parties agreed to consecutively carry out practical work on fulfilling the Action Plan on implementation of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States by focusing primarily on investment projects in concrete areas of cooperation.

The parties also agreed to continue their work on realising the SCO Joint Initiative on increasing multilateral economic cooperation in the field of tackling the consequences of the global financial economic crisis and ensuring further economic development of the SCO member states.

To that end the parties will adopt measures aimed to increase the activity of the special working groups set up under the auspices of the SCO Foreign Trade and Economy Ministerial Meeting.

The Heads of Delegations noted a positive contribution by the SCO Business Council and Interbank Consortium to the cause of developing cooperation among business and banking communities of the SCO member states as well as conducting project-related activities in the SCO framework.

The parties agreed to hold the next meeting of the foreign trade and economy ministers of the SCO member states in 2011 in Tajikistan.

Upon conclusion of the meeting the heads of delegations signed a protocol.

On 26 October 2010 Beijing hosted the first meeting of agriculture ministers of the SCO member states, relevant representatives of the six states were in attendance. Hui Liangyu, the deputy Premier of the State

Council of the People's Republic of China, and M. Imanaliev, the SCO Secretary-General, took part and delivered statements. The meeting took place under the chairmanship of Han Changfu, the minister of agriculture of the People's Republic of China.

In the course of the meeting in a friendly and constructive spirit the heads of the agricultural ministries discussed the issues of establishing multilateral cooperation in the SCO framework in the field of agriculture and its development prospects following the guidelines of the SCO Charter, the Treaty on Long-Term Good-Neighbourliness, Friendship and Cooperation among the SCO Member States and other documents signed between the SCO member states.

The parties noted that economic globalisation, constant progress of science and technology are providing great opportunities for developing agriculture in the SCO countries. At the same time the region's agriculture is having to face certain challenges such as competition, climate change and the need for rational use of natural resources, ensuring food security, escalation of pest epidemics as well as flora and fauna related diseases.

Ensuring food security both at national and regional levels underlines the need for resolving not only the problem of increasing food production, but also concerns a whole set of issues ranging from climate change and biofuel production to agricultural trade policies. Effective settlement of this task is impossible without coordinating efforts on the international level.

The parties noted the aspiration towards achieving major successes in the development of agriculture in the SCO member states and the region at large regardless of the differences in geographic location, natural environment, level of agricultural development, choice of agricultural produce, unique traditional national technologies and the presence of natural resources.

The parties stressed that sorting out the problems facing the agricultural sector of the SCO member states must be considered from a perspective of preserving the stability and development, effective increase in mutually beneficial cooperation in the field of agriculture with the aim of improving and ensuring the living standards of the population in the SCO countries.

The parties confirmed that at the current stage of developing agricultural cooperation in the SCO framework priority attention will be paid to implementation of joint projects in the areas outlined in the Agreement on Cooperation in the Field of Agriculture, facilitation of agricultural trade and investment as well as reinforcement of scientific and technological potential.

The parties noted the expediency of establishing agricultural cooperation with the SCO observer states – India, Iran, Mongolia and Pakistan, as well as the partner dialogue countries

- Belarus and Sri Lanka with the aim of ensuring a steady socio-economic development in the region.

The parties highly rated the activity of senior officials from the agricultural ministries of the SCO member states aimed to establish and launch a cooperation mechanism under the SCO auspices in the field of agriculture.

Upon outcome of the meeting the parties signed a Protocol and approved the Working Regulations for the SCO Permanent Expert Working Group on Agriculture.

The parties expressed deep gratitude to the Government and the Ministry of Agriculture of the People's Republic of China for a warm reception and excellent staging of the first meeting of agriculture ministers of the SCO member states.

On 18 November 2010 Astana hosted the first meeting of health ministers of the Shanghai Cooperation Organisation member states. Representatives from the six member states as well as the SCO Deputy Secretary-General Hong Jiuyin were in attendance. S. Kairbekova, the Health Minister of the Republic of Kazakhstan, chaired the meeting.

In a friendly and constructive spirit the heads of the health ministries discussed the issues of establishing multilateral cooperation in the SCO framework in the field of healthcare and its development prospects, in accordance with the SCO Charter and other documents signed by the SCO member states.

The parties agreed that cooperation in the field of healthcare contributes to further boosting of interaction among the SCO member states on a number of acute issues in the field of healthcare.

The parties approved the Plan of main activities on health cooperation in the SCO framework.

Upon outcome of the meeting the parties signed the Protocol and adopted the Working Regulations of the SCO Expert Working Group on Healthcare.

Kazakhstan submitted for the parties' consideration a draft Agreement among the governments of the SCO member states on cooperation in the field of healthcare.

China suggested hosting the next ministerial meeting in the first half of 2012.

The parties expressed deep gratitude to the Government and the Health Ministry of the Republic of Kazakhstan for a cordial reception and excellent staging of the first meeting of health ministers of the SCO member states.

On 22 November 2010 the President of the Republic of Tajikistan E. Rakhmon received the SCO Secretary-General M. Imanaliev.

During the meeting the issues of preparing for the approaching meeting of the SCO Heads of Government Council due on 25 November in Dushanbe were discussed.

“Cooperation within the SCO framework is considered a top priority for our country” – the Tajik leader noted at the beginning of the talks, and underlined that “Tajikistan stands up for strengthening the capability and potential of this Organisation, and is ready to support all beneficial efforts and initiatives”.

The SCO Chief expressed satisfaction at the level of Tajikistan's comprehensive preparedness to host the HGC meeting and special impor-

tance the country's leadership were attaching to this event. He reminded that in the last four years it was already a second meeting of the SCO Prime Ministers Council to be hosted by Dushanbe.

The Tajik leader and the SCO Secretary-General both expressed conviction that the prime-ministerial meeting would lay firm foundations for cementing security and stability in the region, removing the obstacles standing in the way of regional cooperation and implementing various beneficial programmes and projects.

On 23 November 2010 a meeting was held between the SCO Secretary-General M. Imanaliev and the Foreign Minister of the Republic of Tajikistan K. Zarifi.

The talks were focused on the issues of preparing for the approaching meeting of the SCO Heads of Government Council due on 25 November in Dushanbe. During the meeting the SCO Chief noted Tajikistan's high level of readiness for hosting such an important political event.

M. Imanaliev and K. Zarifi exchanged opinions on the issues of SCO activity, its further development and the implementation of specific projects with the aim of enhancing the effectiveness of economic cooperation of the SCO member states.

Regional cooperation, security challenges facing the region and the situation in Afghanistan were among other issues discussed during the talks.

On 25 November 2010 prime ministers from Shanghai Cooperation Organisation member states wrapped up an annual meeting by vowing to strengthen ties.

The session was attended by Prime Minister of Kazakhstan Karim Massimov, his Tajik counterpart Akil Akilov, Premier of the State Council of China Wen Jiabao, President of Kyrgyzstan Roza Otunbayeva, Chairman of the Russian Government Vladimir Putin, Vice Prime Minister of Uzbekistan Batyr Hodjayev and SCO Secretary-General Muratbek Imanaliev

“We propose creation of the road map of joint actions for coming decades where we define real steps on implementation of trade and economic cooperation,” Russian Prime Minister Vladimir Putin told attendees.

The meeting focused on discussions of Afghanistan, counterterrorism, combating drug trafficking, and the Organisation’s budget issues.

Upon completion of the session the SCO prime ministers signed a Joint Communiqué.

In accordance with the agreements of the 7th meeting of culture ministers of the SCO member states, **22-27 November 2010** the Chinese Ministry of Culture and the people’s government of the city of Nanjing hosted the SCO Forum on Cultural Industry Cooperation.

Delegations from the SCO member states, a number of observer and dialogue partner countries (Iran, Pakistan, Belarus, Sri Lanka) took part.

The event was aimed at fulfilling the task of strengthening international cooperation within the SCO framework in the field of cultural industry, increasing the scale and level of exchange among the SCO member states.

The delegates were given an opportunity to familiarise themselves with the Chinese government-approved Programme of promoting cultural industry, concrete activities of the Association of non-profit and specialised non-governmental organisations, as well as major cultural facilities of Nanjing. Huge practical interest was shown in the experience of creating and running one of China’s first technology industrial zones, animation, computer game, production, exhibition and other enterprises reflecting a creative approach towards the development of mass culture in the country. In this context the participants visited the Nanjing Yunjin Brocade Museum, Decorative Applied Arts Museum of the Province of Jiangsu and the Aitao Company.

In the framework of the Forum leading Chinese experts delivered the following lectures: “Cultural Industry – from industrial to postindustrial society”, “On the development of Chinese arts and crafts”, “Assisting the development of non-material heritage industry”, “Large-scale performances after the example of Beijing-2008 Summer Olympics” and others.

During a roundtable gathering at the Zijin Shanzhuang International Conference Centre the Forum participants spoke of main directions of cultural policies in their countries, shared experiences in the field of cultural industry, exchanged opinions on challenges and problems concerning the implementation of relevant programmes. The discussion generated concrete proposals aimed at improving the cultural industry in the SCO member states and intensifying sharing of experience. They will be summed up and considered by the delegations in the working order.

The participants expressed sincere gratitude to the Chinese side for organisation and staging of the Forum.

Fifty children and young adults from the Kyrgyz Republic arrived in Sanya, South China's Hainan province, **on 29 November** to recuperate from the riots that erupted in their city of Osh in June.

The children, aged 7 to 18, reportedly suffered mental aberrations after witnessing the June 10 ethnic riot, which claimed 261 lives and injured more than 2,000 people.

During their 15-day stay in Sanya, the children will enjoy Chinese medicinal cuisine, receive rehabilitation therapy of traditional Chinese medicine (TCM), and learn kungfu.

"I am very happy to be in Sanya. I had never seen the sea before," said 10-year-old Saparbeicyzy Begimai.

Nie Jiangang, from the department of international cooperation of the Ministry of Health, said: "These youngsters are in their best age to learn social behavior. We are hoping to help them using TCM methodology and by changing their environment, they can forget the past and move on."

According to Liu Dexi, head of the Traditional Chinese Medicine Hospital of Sanya, which is hosting the children, a number of rehabilitation therapies have been planned to help them recover from their psychological trauma.

"We have hired teachers to help them with drawing, kungfu and swimming so they can feel strong again," Liu said.

The children's visit follows a 122-million-yuan (\$18.29 million) aid granted to Kyrgyzstan by the Chinese government.

China is the second country among the member states of the Shanghai Cooperation Organization (SCO) to invite the riot-stricken children.

Kazakhstan received 100 Kyrgyz children earlier this year, and Tajikistan is also gearing up for their convalescence.

“This is exactly the role China should play in the SCO - we should help maintain stability in Kyrgyzstan,” said Mao Wenchong, from the department of European-Central Asian affairs under the Ministry of Foreign Affairs.

The TCM Hospital of Sanya has experience in curing post-traumatic stress disorder.

A group of Chechen militants seized a school in Beslan in Russia’s North Ossetia Republic on Sept 1, 2004, killing more than 300 children and teachers.

Chinese doctors looked after 10 children who survived the attack, with massage and acupuncture sessions in the morning and painting and kungfu lessons in the evening.

“There was a child named Hfnasii who suffered from enuresis after the incident,” Liu said. “In TCM theory, there was something wrong with his kidney channel.”

Liu cured Hfnasii in two weeks with massages, acupuncture and traditional Chinese medicine.

The hospital received and cured another 10 Beslan children in 2008, while Russian hospitals treated 1,573 Chinese children from the quake-stricken areas in Wenchuan, Sichuan province, between 2008 and 2009.

Different from the treatment plan of the Beslan children, the Kyrgyz children will take part in more “rich and colorful” activities focusing on alleviating their stress, Liu said.

Upon the invitation of Kazakhstan, current president of the Organisation for Security and Cooperation in Europe, **1-2 December 2010** the SCO Secretary-General M. Imanaliev participated in an OSCE summit in Astana.

On 7 December 2010 the SCO Secretary-General M. Imanaliev received at the SCO Secretariat Miomir Udovicki, the Ambassador

Extraordinary and Plenipotentiary of the Republic of Serbia to the People's Republic of China.

The parties discussed the outcome of the recent SCO Prime Ministers Council meeting held on 25 November in Dushanbe, and exchanged opinions on the security situation in the Eurasian region.

On 11 December 2010, on the invitation of the President of Turkmenistan G. Berdymukhamedov, the SCO Secretary-General participated in an international conference "Turkmenistan's Permanent Neutrality: Cooperation for Peace, Security and Development".

On 11 December 2010 the SCO Secretariat team won the first place at a diplomatic football tournament organised by the Embassy of the Republic of Kazakhstan to the People's Republic of China on the occasion of the Independence Day of the Republic of Kazakhstan.

The tournament was sponsored by the representative offices of the Kazakh national companies "Samruk-Kazyna" and "Kazatomprom" to China.

During the event officials from the Kazakh Embassy delivered welcoming statements, and upon outcome of the contest awarded the winners and most active participants with valuable prizes.

On 16 December 2010 the SCO Secretary-General M. Imanaliev met at the SCO Secretariat with the Ambassador Extraordinary and Plenipotentiary of the Republic of Mongolia to the People's Republic of China Ts. Sukhbaatar.

The parties discussed the outcome of the regular meeting of the SCO Heads of Government Council held on 25 November in Dushanbe, and the prospects for deepening interaction between the member states of the SCO and Mongolia as its observer.

On 21 December 2010 the SCO Deputy Secretary-General M. Konarovskiy received at the SCO Secretariat a student delegation from the Diplomatic Academy of the Russian Foreign Ministry.

During the meeting the guests were briefed on the SCO's principles and objectives, history of establishment and evolution, as well as the structure and functions of the SCO Secretariat. M. Konarovskiy answered questions the visitors were particularly interested about. The meeting passed off in a relaxed and warm atmosphere.

2011

25 January 2011: Statement of SCO Secretary-General in connection with terrorist act at Moscow's Domodedovo Airport

"Having learnt with deep indignation the news of a terror attack at Moscow's Domodedovo International Airport, we are resolutely condemning this barbaric crime which cannot be justified for any reason. We are offering sincere sympathy and condolences to the families and friends of the injured and dead, as well as to the people and the government of the Russian Federation.

Whilst attaching primary importance to the decisive struggle against any forms and manifestations of terrorism, the member states of the Shanghai Cooperation Organisation will continue to strengthen and expand their interaction on the issues of ensuring regional security and stability in every possible manner".

11 February 2011: Response of SCO Secretary-General to Kazakh President's 2011 State of the Nation Address

"President N. Nazarbayev's 2011 state of the nation address holds a special place amongst annual addresses of the Kazakh leader to his people, essentially representing a summary of Kazakhstan's development successes during its 20-year period of independence, as well as outlining a concrete development plan for the country.

The President's address, based on the general goals of the Kazakhstan – 2030 Strategy as well as taking into account the current reality and strategic prospects, without exaggeration, symbolises the start of the country's new development phase.

Under the leadership of President N. Nazarbayev, the government and the people of Kazakhstan have been steadily and gradually moving ahead; political, economic and social reforms are being carried out step by step; citizens' living standards are rising; Kazakhstan's international authority is growing.

The measures on tackling the consequences of the global financial crisis implemented by the country's leadership have brought about significant results.

It is worth noting that apart from stating the country's development successes since the time of gaining independence, the state of the nation address also sets down concrete tasks on further economic and social modernisation of Kazakhstan.

I believe that implementation of these plans fully echoes the efforts being taken in the framework of the Shanghai Cooperation Organisation on the formation of a common economic and politically stable space.

In this regard attention must be paid to the fact that the address particularly underlines Kazakhstan's resolve to take maximum efforts with the aim of strengthening the Shanghai Cooperation Organisation.

One knows that the Republic of Kazakhstan is to accomplish an honorable and at the same time highly responsible mission to hold presidency of the Shanghai Cooperation Organisation in the year 2011 marking its 10th anniversary. Kazakhstan's presidency will culminate in hosting an SCO summit in June 2011 in Astana commemorating the 10th anniversary of the founding of the Organisation.

I believe that Kazakhstan's presidency of the SCO will only help reinforce the successes the Organisation has achieved in the past 10 years, which in its turn will facilitate further progressive development of the states in the region.

In conclusion I would like to wish further successful implementation of the outlined plans on the comprehensive modernisation of Kazakhstan".

On 16 February 2011 the SCO Secretary-General M. Imanaliev received a delegation from Beijing Agricultural University headed by Deputy Rector Du Xiaolin.

During the meeting exchange of views took place on the issues of the SCO Secretariat's interaction with BAU academics.

The SCO Secretary-General M. Imanaliev participated in an international research-to-practice conference "10 years on Path of Security and Cooperation: Successful Experience of Counteracting Contemporary Challenges and Threats in SCO region" which took place on 22-23 February 2011 in Almaty.

The conference was staged by the Ministry of Foreign Affairs of the Republic of Kazakhstan as part of the activities designed to commemorate the 10th anniversary of the SCO founding.

Scholars and diplomatic officials from SCO member, observer and dialogue partner states as well as from Afghanistan and Turkmenistan were in attendance.

On 23 February 2011 on the sidelines of the international research-to-practice conference "10 years on Path of Security and Cooperation: Successful Experience of Counteracting Contemporary Challenges and Threats in SCO region", the SCO Secretary-General M. Imanaliev delivered a lecture to the academics and students of Al-Farabi Kazakh National University regarding the current activity and further development of the SCO.

During a meeting between the SCO Chief and the KNU Rector G. Mutanov exchange of opinions took place over the issues of education cooperation in the SCO framework.

On 1 March 2011 at the request of the American side, the SCO Deputy Secretary-General M. Konarovskiy received at the SCO headquarters a group of U.S. scholars headed by Karl D. Jackson, Director of the Asian Studies Program, Johns Hopkins University, and former senior director for Asia on the National Security Council. The scholars were visiting Beijing on the invitation of China Institute of Contemporary International Relations.

During the meeting the American guests were briefed on the main stages of SCO evolution, its basic documents and key areas of cooperation. Exchange of opinions also was held over security problems in Central Asia within the context of the current situation in Afghanistan, trafficking of drugs and terrorism.

4 March 2011: Statement of SCO Secretary-General in connection with Middle East events

“The Shanghai Cooperation Organisation member states maintain friendly relations with countries in the Middle East and North Africa, are closely watching the unfolding situation in the region, and hoping that the governments and peoples of the countries concerned will resolve current problems through dialogue and consultations, restore stability and order at the earliest possible time, follow the path toward development in accordance with their national reality, with due regard for the core interests of their peoples, strictly observing human rights, the international humanitarian law, ensuring the security of civilian population.

The Shanghai Cooperation Organisation believes that problems of a certain country must be solved through political means, through a national dialogue, and is calling on the international community to play an active and constructive role, facilitate peace, stability and development in the region”.

On 9 March 2011 the SCO Secretary-General M. Imanaliev held a meeting at the SCO Secretariat with the Deputy Minister of Foreign Affairs of the Russian Federation A. Borodavkin.

During the meeting the current state and prospects for cooperation in the SCO framework were discussed in practical terms, and exchange of opinions took place over the issues of preparing for the approaching SCO anniversary summit in Astana and the Heads of Government (Prime Ministers) Council meeting in Moscow.

15 March 2011: Statement of SCO Secretary-General in connection with natural disasters in Japan

“Regarding the devastating earthquake and tsunami in Japan which have caused catastrophic consequences, numerous human casualties and considerable property damage, the Shanghai Cooperation Organisation is conveying sincere condolences and deepest sympathy to the families of the dead and injured.

Expressing solidarity with the people and government of Japan, the Shanghai Cooperation Organisation member states will continue to as-

sist the Japanese side in overcoming difficulties and dealing with the aftermath of natural disasters”.

On 17 March 2011 Astana hosted a meeting of defence ministers of the SCO member states. The meeting was held under the chairmanship of A. Djaksybekov, the defence minister of Kazakhstan.

The national defence minister of China Liang Guanglie, the defence minister of Kyrgyzstan A. Kudayberdiev, the deputy defence minister of Russia A. Antonov, the defence minister of Tajikistan S. Khayrulloev, the SCO Secretary-General M. Imanaliev and the SCO RCTS Director D. Djumanbekov were in attendance.

During the meeting the ministers approved the cooperation plan among the defence ministries of the SCO member states for 2012-2013, and signed a joint communiqué.

Upon conclusion of the meeting the heads of the defence ministries held a news conference.

On 19 March 2011 a football competition between teams from the embassies of SCO and CIS member states took place in Beijing. The event was held on the occasion of the 10th anniversary of the SCO founding and the spring festival Nowruz.

The competition was organised by the Embassy of the Republic of Kazakhstan to China in the framework of Kazakhstan's presidency of the SCO, with the active support of the SCO Secretariat and representative offices of Kazakh companies in Beijing.

Eight teams took part in the event. The CIS team won the first place followed by the SCO Secretariat and the Kazakh Embassy teams.

The Ambassador of the Republic of Kazakhstan I. Adyrbekov, the SCO Deputy Secretary-General M. Konarovskiy, Kazakhstan's National Coordinator on SCO affairs S. Nuryshev and Permanent Representative to the SCO Secretariat B. Seytbattalov made welcoming statements to the participants.

On 30 March 2011 Astana hosted a regular Meeting of heads of counternarcotics agencies of the SCO member states.

The SCO Secretary-General M.Imanaliev was in attendance and delivered a statement. The meeting was held under the chairmanship of Kazakhstan's Minister of Internal Affairs S.Baymaganbetov.

In a friendly and constructive spirit the parties discussed the issues of developing international cooperation, exchanged information on the process of implementing in their respective countries the Agreement among the SCO member states on cooperation in the field of combating the illegal circulation of narcotics, psychotropic substances and their precursors signed on 17 June 2004.

Approval of the draft Counternarcotics Strategy of the SCO Member States for 2011-2016 and its Action Plan became the main outcome of the Meeting.

The Meeting also resulted in the formulation of measures on boosting practical cooperation through a launch of four working groups on improvement of the legal base for counternarcotics cooperation, on law enforcement operations and prevention of drug crime, on precursor control, on drug demand reduction.

30 March – 1 April 2011 Astana hosted a second expert-level meeting on the formulation of draft Appendices to the Agreement among the governments of the SCO member states on international road transportation facilitation.

In the course of the meeting exchange of opinions took place over the approaches to putting together a list of routes and border access points.

A. Bekturov, Kazakhstan's vice minister for transport and communications, delivered a welcoming address to the participating sides.

Officials from transport, customs departments, foreign ministries of Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan and Uzbekistan, the SCO Secretariat and the UN Economic and Social Commission for Asia and the Pacific were in attendance.

The election of the President of Kazakhstan held on 3 April 2011 was free and transparent. Head of the Observers' Mission of the Shanghai Cooperation Organisation M. Imanaliev considers so.

“The Mission believes that the presidential elections in Kazakhstan were free and open, meeting all requirements of the national legislation and international election standards”, M. Imanaliev said.

According to him, the Mission members had arrived at the polling stations an hour before they started working, and they could observe the course of preparation of the ballots and boxes. All in all, the observers visited 31 polling stations in Astana, Almaty and Karaganda.

On 7-8 April 2011 the SCO Secretariat hosted a regular meeting of the SCO Expert Group on International Information Security chaired by the Russian side.

During the meeting exchange of opinions took place over coordination of the SCO member states' positions on international information security issues in the framework of international organisations and fora.

In accordance with the Programme of consultations among the ministries of foreign affairs of the SCO member states, on 7-8 April 2011 the SCO Secretariat hosted a meeting of representatives from the press departments of the member states' MFAs.

During the consultations exchange of opinions took place over the issues of interaction among the press departments of the MFAs, and the Plan on media coverage of Astana summit was approved. The parties expressed readiness to maintain close interaction with the Kazakh side on media coverage of the approaching HSC meeting.

On 9 April 2011 Beijing Agricultural University staged an annual festival Apricot Recitations designed to commemorate the fifth anniversary of a solemn making of the Apricot Garden of Friendship.

The SCO Secretary-General M. Imanaliev, representative from the Chinese MFA's East Europe and Central Asia Department Gong Jianwei, secretary of the BAU party committee Wang Huimin delivered congratulatory statements during the event.

Ambassadors of Kazakhstan and Ukraine, charges d'affaires of Kyrgyzstan and Armenia, officials from the Embassy of Tajikistan, scholars from the East Europe and Central Asia Division of China State Council Development Research Centre, officials from Beijing's city government, Chinese media representatives and foreign journalists were also in attendance.

The festival was organised by the Embassy of Tajikistan to the People's Republic of China and Beijing Agricultural University. The Apricot Recitations concluded with a celebratory gala concert.

12 April 2011: Statement of SCO Secretary-General on terrorist act at Oktyabrskaya Station of Minsk metro system

"Having learnt with deep indignation the news of an explosion at Oktyabrskaya Station of the Minsk metro system, I resolutely condemn this terrorist act which does not have and cannot have any justification. My sincere condolences and sympathy go to the families of the dead and injured, as well as to the people and government of the Republic of Belarus".

On 19 April 2011 the SCO Secretary-General M. Imanaliev received E. Bajarunas, Ambassador at large and Director of Political Department of the Lithuanian Ministry of Foreign Affairs.

During the meeting the Lithuanian official whose country currently holds the presidency of the OSCE, discussed with the Secretary-General the prospects for interaction between the two organisations.

On 19 April 2011 the SCO Secretary-General M. Imanaliev received L. Backström, the Ambassador of Finland to China.

During the meeting exchange of opinions took place over the current situation in the SCO region regarding maintenance of security and economic cooperation.

On 22 April 2011 the SCO Secretary-General received at the SCO Secretariat Martin Marmy, Secretary-General of the International Road Transport Union.

During the meeting the two sides informed each other on the priority areas of IRU's and SCO's activity, and expressed hope for further development of mutually beneficial cooperation in the field of transport.

On 26 April 2011 the Academy of Fine Arts of Shanghai University launched an exhibition "Journey of Peace" which put on display works of artists from the Shanghai Cooperation Organisation member states. The art workers exchanged experience and discussed opportunities for expanding cultural cooperation.

A major art exhibition is scheduled during the 10th anniversary summit of the SCO to be held this June in Astana.

The “Journey of Peace” was attended by the SCO Deputy Secretary-General P. Dodov and art workers from the SCO member states – Kazakhstan, China, Kyrgyzstan, Russia, Tajikistan and Uzbekistan. At the solemn opening ceremony, the only representative from the six countries - Tajik artist S. Kurbanov, People’s Artist of the USSR, People’s Artist of Tajikistan, tree-time laureate of the State Rudaki Prize in the field of literature, art and architecture, was awarded the title of honorary professor of Shanghai University.

On 6 May 2011 Almaty hosted an international research-to-practice conference “Kazakhstan’s presidency of the SCO in 2010-2011”.

The SCO Secretary-General M. Imanaliev, representatives of the Administration of the President and the Ministry of Foreign Affairs of the Republic of Kazakhstan, leading experts from state and non-governmental research centres of the SCO member states, representatives of international organisations as well as diplomatic officials accredited in Kazakhstan were in attendance.

During the conference exchange of opinions took place over the current state and prospects for the SCO member states’ cooperation in the field of safeguarding the regional stability and security, and the opportunities for further expansion of trade and economic interaction were discussed.

On 28 April 2011 Astana hosted a second meeting of the ministers of internal affairs and public security of the SCO member states held under the chairmanship of the Minister of Internal Affairs of the Republic of Kazakhstan K. Kasymov. Relevant officials of the six parties, the SCO Secretary-General M. Imanaliev and the RCTS Executive Committee Director D. Djumanbekov were in attendance.

Representatives of the SCO observer states – the Republic of India, the Islamic Republic of Iran, Mongolia, the Islamic Republic of Pakistan, as well as of an SCO dialogue partner – the Republic of Belarus participated in the meeting.

The ministers discussed the issues of fighting against criminal activities and the prospects for further cooperation in the field of countering

organised crime, drug trafficking, illegal migration, as well as sharing the member states' best experience in uncovering and preventing crimes related to illegal use of information technology and the Internet.

The meeting passed off in a spirit of friendship, understanding and constructive dialogue.

Upon outcome of the meeting the ministers signed a protocol.

On 29 April 2011 Astana hosted a sixth meeting of the Secretaries of the Security Councils of the SCO Member States held under the chairmanship of the Kazakh side. Relevant officials of the six parties, the SCO Secretary-General M. Imanaliev and the RCTS Executive Committee Director D. Djumanbekov were in attendance.

In the run-up to the tenth anniversary meeting of the SCO Heads of State Council, in a friendly and constructive spirit the parties exchanged views on the security situation in the SCO region, deepening cooperation in the field of countering terrorism, separatism and extremism, fighting against trafficking of narcotics and arms at a new development stage of the Shanghai Cooperation Organisation.

The parties reaffirmed their intention to continue joint struggle against terrorism, separatism and extremism, trafficking of narcotics and arms, as well as other kinds of transnational crime and illegal migration in the framework of the SCO which is the firm guarantor of peace and stability in the region.

The parties stated that the continuing tension and confrontation in Afghanistan still remains one of the main sources of threat to security and stability in the SCO region. The parties noted that ensuring security and stability in Central Asia is directly linked to the settlement of the situation in Afghanistan. They underlined that relying on a military solution to the Afghan conflict alone would bear no fruit, and expressed a unanimous opinion on the primary need to resolve socioeconomic problems in Afghanistan.

The parties discussed the outcome of the meetings of ministers of defence, internal affairs and public security, heads of counternarcotics agencies, and the counterterrorism exercise "Peace Mission – 2010" staged in Kazakhstan.

The parties analysed the process of implementing the documents previously signed in the SCO framework, and declared for further deepening of cooperation and coordination of activities with the aim of their consecutive and effective realisation.

The parties discussed the issues of launching practical activities in the framework of the SCO cooperation mechanism in the field of fighting against illegal circulation of narcotic, psychotropic substances and their precursors in the SCO region, demand reduction and improvement of the relevant legal base.

The parties heard a report on the process of preparing the draft Counternarcotics Strategy of the SCO Member States for 2011-2016 and its draft Action Plan which are supposed to be approved during the SCO Heads of State Council meeting on 15 June in Astana. The Minister of Internal Affairs of Kazakhstan K. Kasymov and the SCO Secretary-General M. Imanaliev spoke on this issue.

The RCTS Executive Committee Director D. Djumanbekov presented a report on RCTS activity.

Upon outcome of the sixth meeting of the Secretaries of the Security Councils of the SCO Member States the parties signed a Protocol.

3-4 May 2011 the SCO Secretary-General M. Imanaliev participated in the 4th Astana Economic Forum.

The plenary session entitled “The new decade: challenges and prospects” was opened by the President of Kazakhstan N. Nazarbayev.

Heads of international organisations, noted scholars - winners of the Nobel Prize in Economic Sciences as well as business representatives were in attendance.

Discussions were held over the pressing issues of global economic development, such as the prospects for reforming the international currency regime, food security, innovative economy and alternative energy, interaction between the state and private sectors etc.

Upon outcome of the forum, the delegates adopted an open letter to the leaders of the G-20 countries containing recommendations on the recovery and development of world economy.

On 5 May 2011 in Astana, the SCO Secretary-General M. Imanaliev participated in a solemn ceremony of issuing a postage stamp dedicated to the 10th anniversary of the Shanghai Cooperation Organisation and Kazakhstan's presidency of the SCO.

The MFA of Kazakhstan, with the support of the SCO Secretariat and the assistance of the National Bank of Kazakhstan and the KAZPOCHTA joint-stock company, issued the commemorative coins and postage stamp to mark the approaching SCO anniversary summit and Kazakhstan's one-year presidency of the Organisation.

The postage stamp features the SCO logotype and the subtitle in Kazakh, Russian, English and Chinese languages. The face value is 210 tenge, the size is 28x40 mm, the number of printed copies - 50 thousand. The SCO anniversary stamp is the 729th in the collection of postage stamps of Kazakhstan.

The SCO is a regional international organisation founded in Shanghai in 2001 by the leaders of Kazakhstan, China, Russia, Kyrgyzstan, Tajikistan and Uzbekistan. Kazakhstan holds presidency of the SCO from 12 June 2010 till 15 June 2011.

An SCO summit commemorating the 10th anniversary of its creation is due on 15 June in Astana.

In accordance with SCO RCTS Council Decision №213 of 23 September 2010, 5-8 May 2011 Kashgar (Xinjiang Autonomous Region of the People's Republic of China) hosted a joint counterterrorism exercise "Tianshan-2-2011" with the participation of special services and law enforcement agencies of the SCO member states.

The SCO RCTS Director D. Djumanbekov, SCO Deputy Secretary-General Hong Jiuyin, heads of counterterrorism departments of the SCO member states, as well as representatives of SCO observer states – India, Pakistan and Mongolia watched the drills.

The counterterrorism exercise "Tianshan-2-2011" was organised by the Ministry of Public Security of the People's Republic of China.

On 13-14 May 2011 Almaty hosted a regular meeting of the Council of the Ministers of Foreign Affairs of the Shanghai Cooperation Organisation Member States (hereinafter the SCO or the Organisation).

The Minister of Foreign Affairs of the Republic of Kazakhstan E. Kazykhanov, the Minister of Foreign Affairs of the People's Republic of China Yang Jiechi, the Minister of Foreign Affairs of the Kyrgyz Republic R. Kazakbayev, the Minister of Foreign Affairs of the Russian Federation S. Lavrov, the Minister of Foreign Affairs of the Republic of Tajikistan K. Zarifi, the Deputy Minister of Foreign Affairs of the Republic of Uzbekistan B. Islamov took part.

The SCO Secretary-General M. Imanaliev and the Director of the Executive Committee of the Regional Counter-Terrorism Structure D. Djumanbekov were in attendance.

The Ministers were received by the President of the Republic of Kazakhstan N. Nazarbayev.

The meeting of the Council of the Ministers of Foreign Affairs of the SCO Member States was held under the chairmanship of the Kazakh side.

In preparation of the meeting of the Council of the Heads of the SCO Member States dedicated to the 10th anniversary of the SCO (Astana, 15 June 2011), the parties considered the issues of further enhancing the role and place of the Shanghai Cooperation Organisation in the global and regional environment. The common opinion was expressed on the need to continue multifaceted mutually beneficial cooperation in the framework of the SCO and to strengthen its position as a prestigious international structure.

During the meeting the parties noted with satisfaction that in the past year, following the previous meeting of the SCO Heads of State Council on 10-11 June 2011 in Tashkent, a considerable amount of work had been carried out to increase practical interaction in the SCO framework in the fields of politics, security, economy and cultural cooperation.

Exchange of opinions took place over the pressing international issues, recent developments in the world and in the SCO region. The prospects for SCO's cooperation with other multilateral organisations were discussed.

The heads of delegations believe that in current conditions strengthening cooperation with the aim of safeguarding the regional peace, se-

curity and stability, enhancing the Organisation's capability to make a timely and adequate response to emerging challenges and threats will be conducive to ensuring the core long-term interests and sustainable development of the SCO member states.

The parties noted the role of the Shanghai Cooperation Organisation member states in assisting the Kyrgyz side in normalising the situation in the country and providing Kyrgyzstan a great deal of humanitarian and financial aid.

The heads of delegations underlined the leading role of the United Nations in pushing forward the process of peaceful reconstruction in Afghanistan, expressed their support for the Afghan people to choose themselves their own development path, gradually take over the responsibility for all key areas of life in the country, including ensuring the security and socioeconomic development of the IRA, emergence of a friendly Afghanistan as an independent, peaceful and prosperous state.

The Ministers rated positively the efforts of the SCO member states contributing to the cause of economic reconstruction of Afghanistan, and called on the international community to provide further assistance to the government and people of Afghanistan.

The heads of delegations confirmed their intention to expand interaction in such areas as the joint struggle against terrorism, separatism and extremism, illicit circulation of narcotics and organised transnational crime. The adoption of the Counternarcotics Strategy of the SCO Member States for 2011-2016 and its Action Plan will become an important contribution to the fight against narcotic, psychotropic substances and their precursors.

The Ministers declared for further deepening of regional economic cooperation, creation of additional favourable conditions for trade and investment, establishment of effective interaction in the field of innovation, formation of a funding mechanism for joint projects.

The parties approved the draft Memorandum of Obligations of a Candidate Country with the aim of obtaining SCO member status.

The heads of delegations welcomed the adoption of UN General Assembly Resolution A/RES/65/124 "On cooperation between the UN and SCO" dated 13 December 2010.

The parties confirmed the need to comprehensively implement the potential for multifaceted interaction with the SCO observers and dialogue partners.

The SCO Secretary-General M. Imanaliev presented the Report on the work of the SCO Secretariat in the past year which was approved by the Council of the Ministers of Foreign Affairs of the SCO Member States.

The meeting passed off in a traditional spirit of friendship and understanding.

On 19 May 2011 Astana hosted the 8th Meeting of Ministers of Culture of the Shanghai Cooperation Organisation Member States. The Minister of Culture of the Republic of Kazakhstan M. Kul-Mukhammed, the Minister of Culture of the People's Republic of China Cai Wu, the State Secretary of Culture and Information of the Kyrgyz Republic M. Bektenaliev, the Minister of Culture of the Russian Federation A. Avdeyev, the Minister of Culture of the Republic of Tajikistan M. Asrori, the First Deputy Minister for Culture and Sport of the Republic of Uzbekistan B. Sayfullayev were in attendance.

The SCO Deputy Secretary-General A. Nasyrov, the Minister of Culture and Islamic Guidance of the Islamic Republic of Iran S. Hosseini, the Vice Minister of Education, Culture and Science of Mongolia K. Chonoy, the Deputy Minister of Culture of the Republic of Belarus V. Kurash, the Ambassador Extraordinary and Plenipotentiary of the Republic of India A. Sharma and the Ambassador Extraordinary and Plenipotentiary of the Islamic Republic of Pakistan M. Tufail also participated in the meeting.

The meeting was held under the chairmanship of the Minister of Culture of the Republic of Kazakhstan M. Kul-Mukhammed.

In a spirit of friendship and understanding the Ministers of Culture of the SCO Member States discussed the state and prospects for cultural exchanges in the SCO framework, cooperation in the field of preserving non-material cultural heritage, promoting national traditional culture and other issues of mutual interest.

The parties declared for further development of multilateral and bilateral ties in the framework of the Organisation aimed to deepen understanding among nations, preserve the diversity of cultures, promote mutual respect, and spread the knowledge of traditions and customs of peoples living in the SCO region.

The parties also noted the significance of active development of multilateral cultural cooperation with the SCO observers and dialogue partners.

Venue and date of the next Meeting of Ministers of Culture of the SCO Member States will be agreed through diplomatic channels.

The parties expressed deep gratitude to the Ministry of Culture of the Republic of Kazakhstan for its hospitality and excellent organisation of the Meeting.

On 25 May 2011 the SCO Secretary-General M. Imanaliev met at the SCO Secretariat with M. Safari, the Ambassador Extraordinary and Plenipotentiary of the Islamic Republic of Iran to the People's Republic of China.

During the talks the parties discussed the outcome of the SCO Foreign Ministers Council meeting held on 14 May 2011 in Almaty, as well as the issues of preparing for the approaching anniversary summit of the SCO due on 15 June 2011 in Astana.

On 26 May 2011 the SCO Secretary-General M. Imanaliev met with the Current President of the OSCE, the Minister of Foreign Affairs of the Lithuanian Republic A. Azhubalis.

During the meeting the parties exchanged opinions over the current situation in the field of maintaining security in the Eurasian region, and discussed the prospects for interaction between the SCO and OSCE.

27-28 May 2011 Tashkent hosted a sixth session of the SCO Forum organised by the Institute for Strategic and Interregional Studies under the President of the Republic of Uzbekistan. The ISIS holds presidency of the SCO Forum in 2010-2011, with the support of the Ministry of Foreign Affairs of Uzbekistan.

The ISIS Director S. Norgitov launched the 6th Forum, the Deputy Foreign Minister of Uzbekistan B. Islamov and the SCO Deputy Secretary-General Hong Jiuyin delivered welcoming statements.

Over 70 scholars, experts and diplomats from SCO member and observer states were in attendance.

In the course of the Forum exchange of views took place over the following issues:

1. The outcome of the SCO Heads of State Council meeting in Tashkent in 2010;
2. The priorities for further cooperation in the SCO framework (security, economy, social and cultural cooperation);
3. The maintenance of security and stability in the SCO region (the legal base and cooperation prospects).

On 1 June 2011, with the active assistance of the representative office of the Russian News Agency RIA Novosti in Beijing, the SCO Secretary-General M. Imanaliev took part in a press conference in the form of a telebridge “Beijing-Astana-Moscow”.

During the press conference questions were asked about the current preparations for SCO summit due 15 June in Astana, as well as cooperation in the field of security, economy and the prospects for further development of the Organisation.

On 14-15 June 2011 Astana hosted a meeting of the Council of the Heads of the Member States of the Shanghai Cooperation Organisation (hereinafter – the SCO or the Organisation) commemorating the 10th anniversary of the SCO. The President of the Republic of Kazakhstan N. Nazarbayev, the Chairman of the People’s Republic of China Hu Jintao, the President of the Kyrgyz Republic R. Otunbayeva, the President of the Russian Federation D. Medvedev, the President of the Republic of Tajikistan E. Rakhmon, the President of the Republic of Uzbekistan I. Karimov took part.

The President of the Republic of Kazakhstan N. Nazarbayev chaired the meeting.

The SCO Secretary-General M. Imanaliev and the Director of the Executive Committee of the SCO Regional Counter-Terrorism Structure (RCTS) D. Djumanbekov were in attendance.

The heads of delegations of the SCO observer states – the President of the Islamic Republic of Iran M. Ahmadinejad, the President of the Islamic Republic of Pakistan A. Zardari, the Minister of External Affairs of the Republic of India M. Krishna, the Head of the Office of the President of Mongolia D. Battulga, as well as the guest of honour of the host state – the President of the Islamic Republic of Afghanistan H. Karzai were present at the meeting and delivered statements.

The Deputy Secretary-General of the United Nations Organisation, Executive Director of the UN Office on Drugs and Crime Y. Fedotov, the Chairman of the Executive Committee – Executive Secretary of the Commonwealth of Independent States S. Lebedev, the Secretary-General of the Eurasian Economic Community T. Mansurov, the Secretary-General of the Collective Security Treaty Organisation N. Bordyuzha were in attendance as well.

In-depth exchange of opinions took place over the current situation in the region and the rest of the world, as well as the state and prospects for interaction in the SCO region. With regard to the 10th anniversary of the Organisation, the experience and results of its activity in the past period were summarised.

The parties noted that in the course of 10 years the Shanghai Cooperation Organisation, despite serious changes in the international and regional situation, bravely withstood the tests of time and established itself as an important mechanism of deepening good-neighbourly, friendly and partner relations among the SCO member states. The Organisation became an effective multilateral structure assisting in ensuring the regional security, socioeconomic development and prosperity, an example of developing intercultural dialogue and an active factor in the global efforts on the democratisation of international relations.

Assessments of the Organisation's activity and the member states' approaches to further enhancement of the mechanisms and forms of prag-

matic cooperation, as well as the guidelines for joint work in the immediate future are set forth in the Astana Declaration of the 10th anniversary of the Shanghai Cooperation Organisation.

The parties approved the Counternarcotics Strategy of the SCO member states for 2011-2016 and its Action Plan aimed to contribute to raising the effectiveness of joint efforts on confronting the narcotic threat in the SCO region.

The Memorandum of Obligations of a Candidate Country Applying for SCO Membership Status formulated on the basis of the Regulations on the Admission of New Members to the SCO is meant to further improve the legal base for the expansion of the Shanghai Cooperation Organisation. The Council of National Coordinators and the expert working group will continue to consider a set of issues concerning the SCO expansion, among others agreeing the necessary legal, administrative and financial conditions for accepting new members.

The plenipotentiary representatives of the member states of the Organisation signed the Agreement among the governments of the SCO member states on cooperation in the field of healthcare.

The Secretary-General of the Shanghai Cooperation Organisation and the Executive Director of the United Nations Office on Drugs and Crime signed the Memorandum of Understanding between the SCO Secretariat and the UN ODC.

The Report of the SCO Secretary-General on the activity of the Organisation in the past year and the Report of the RCTS Council on the work of the Regional Counter-Terrorism Structure in 2010 were submitted and approved.

The member states reaffirmed their intention to continue interaction in the field of countering terrorism, separatism and extremism in all their manifestations, fighting against illegal circulation of narcotics and weapons, other kinds of transnational crime and illegal migration.

With regard to the emerging real threats to information security, the parties confirmed the significance of cooperation of the SCO member states on advancing common rules of conduct in the international community in the field of safeguarding international information security.

The member states stated that the unresolved situation in Afghanistan coupled with the continuing tension and confrontation in the country remains one of the key sources of threats to the regional security and stability. Whilst underlining the impossibility of settling the Afghan conflict solely through military means, the member states are unanimous about the need to pay priority attention to sorting out the socioeconomic issues in Afghanistan, including the reconstruction of communications and public infrastructure. In this regard the SCO supports the efforts of the member states involved in the implementation of economic reconstruction projects in the IRA in conjunction with international institutions and other interested parties.

Within the context of fulfilling the tasks of fighting against new challenges and threats, in the period following the previous HSC meeting in 2010, the SCO held meetings of secretaries of security councils (Astana, 29 April 2011), public prosecutors (Xiamen, 22 October 2010 and Almaty, 8 June 2011), ministers of internal affairs and public security (Astana, 28 April 2011), ministers of defence (Astana, 17 March 2011), chiefs of staff (Shanghai, 25-26 April 2011), heads of counternarcotics agencies (Astana, 30 March 2011), counterterrorism drills “Peace Mission – 2010” (Zhambyl Region of the Republic of Kazakhstan, 9-25 September 2010) and “Tianshan – 2 – 2011” (Kashgar, 6 May 2011), as well as an international research-to-practice conference (Almaty, 22-23 February 2011) and the sixth session of the SCO Forum (Tashkent, 27-28 May 2011).

The parties noted with satisfaction the growing activity of the RCTS as an effective mechanism of coordinating pragmatic interaction among the competent services of the SCO member states. The parties rated positively the process of implementing the Programme of cooperation in the field of combating terrorism, separatism and extremism for 2010-2012.

The parties stressed the active role of the member states of the Shanghai Cooperation Organisation in assisting the Kyrgyz side in the normalisation of the situation in the country and providing a significant amount of humanitarian and financial aid to Kyrgyzstan.

The parties rated positively the outcome of the meeting of the Council of the Heads of Government (Prime Ministers) of the SCO Member States held in Dushanbe on 25 November 2010. The parties stated a

marked increase in the economic activity of the Shanghai Cooperation Organisation being conducted in the framework of competent ministries and departments. The Business Council and the Interbank Consortium are recommended to take concerted practical steps on the implementation of multilateral projects contributing to the socioeconomic development of the SCO member states and boosting their investment and financial cooperation. Consideration of possible funding mechanisms for such projects will be expedited.

The heads of state noted the positive outcome of the Meeting of ministers in charge of external economic and trade activity, the Meeting of ministers of agriculture and the Meeting of heads of financial control institutions. Based on the previous experience, the parties will continue the practice of staging special events under the SCO auspices, using various international economic platforms.

The member states noted the important role of cultural cooperation and people-to-people exchange in the SCO framework in strengthening the relations of good-neighbourliness, friendship and cooperation. In its future activity the Organisation will put greater emphasis on strengthening cooperation in the fields of culture, environmental protection, science, technology, innovation, healthcare, tourism and sport.

Regular activities in the field of education, the meeting of ministers of culture (Astana, 18-19 May 2011) and the first Meeting of ministers of healthcare (Astana, 18 November 2010) have contributed to achieving these goals.

The parties underlined the importance of gradual development of cooperation in the field of prevention and elimination of emergency situations in the SCO region.

The member states called for further expansion of cooperation with the SCO observer states – India, Iran, Mongolia and Pakistan, the dialogue partners – Belarus and Sri Lanka whose potential can give significant impetus to further intensification of the activity of the Shanghai Cooperation Organisation.

The heads of state note with satisfaction that the adoption on 13 December 2010 at the 65th session of the UN General Assembly of the Resolution on cooperation between the UN and SCO contributes to fur-

ther consolidation of interaction between the two organisations on the issues of ensuring security and stability, economic, social and cultural development as well as in other areas of common interest.

The parties underlined the positive tendency toward developing the SCO's links with the CIS, CSTO, EurAsEC, ASEAN, ECO and ESCAP on the basis of the concluded memoranda of understanding. Work will continue on further expansion of the SCO's international activity.

The heads of state highly rated the presidency of the Republic of Kazakhstan at the SCO, and expressed gratitude to the Kazakh side for the hospitality extended during the summit in Astana commemorating the 10th anniversary of the SCO.

The next meeting of the Council of the Heads of the SCO Member States is to be held in 2012 in the People's Republic of China. In accordance with the SCO Charter, the People's Republic of China is taking over the presidency of the Organisation in the coming period.

The parties backed the proposal of the Chinese side to declare the period of presidency of the PRC at the SCO in 2011-2012 "the Year of Good-neighbourliness and Friendship".

On 17 June 2011 the SCO Secretariat organised an official reception on the occasion of the 10th anniversary of the founding of the Shanghai Organisation held at the Westin Beijing Chaoyang Hotel.

The SCO Secretary-General M. Imanaliev and the Deputy Foreign Minister of the People's Republic of China Zhang Zhijun were in attendance and delivered statements.

During the reception the Chinese side staged an SCO photo exhibition and screened a documentary prepared by the Kazakh side on the Organisation's evolution in the past decade.

13 July 2011 Statement of SCO Secretariat in connection with sinking of Bulgaria cruise boat "Regarding a sinking of the cruise boat Bulgaria which took place on 10 July 2011 in the Volga River (the Russian Federation) and caused numerous human casualties, the Secretariat of the Shanghai Cooperation Organisation conveys sincere condolences and sympathy to families and friends of the victims as well as to the injured".

22 July 2011: Statement of SCO Secretariat in connection with earthquake in Uzbekistan

“Regarding a strong earthquake that happened in the early hours of 20 July in the Fergana Valley of the Republic of Uzbekistan and caused human casualties, the Secretariat of the Shanghai Cooperation Organisation conveys sincere condolences and sympathy to families and friends of the victims as well as to the injured”.

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