

## JOINT COMMUNIQUÉ following the 16th Meeting of the SCO Heads of Government Council

The 16th Meeting of the Heads of Government Council of the Shanghai Cooperation Organisation (hereinafter referred to as "SCO" or "Organisation") took place in Sochi between 30 November and 1 December, 2017. It was attended by The Minister of External Affairs of India Sushma Swaraj, Prime Minister of Kazakhstan Bakytzhan Sagintayev, Prime Minister of China Li Keqiang, Prime Minister of Kyrgyzstan Sapar Isakov, Prime Minister of Pakistan Shahid Khaqan Abbasi, Prime Minister of Russia Dmitry Medvedev, Prime Minister of Tajikistan Kokhir Rasulzoda, Prime Minister of Uzbekistan Abdulla Aripov.

The Meeting was chaired by Russian Prime Minister Dmitry Medvedev.

The Meeting was attended by SCO Secretary-General Rashid Alimov; Yevgeny Sysoev, Director of the Executive Committee of the SCO Regional Anti-Terrorist Structure (RATS); Raimbek Batalov, Chairman of the Board of the SCO Business Council, and Bolat Zhamishev, Chairman of the Council of the SCO Interbank Consortium in 2016-2017 and Board Chairman of the Development Bank of Kazakhstan.

Among the attendees were representatives of the SCO observer states, including, Chief Executive of the Islamic Republic of Afghanistan Abdullah Abdullah; Prime Minister of Belarus Andrei Kobyakov; First Vice President of Iran Eshaq Jahangiri; Deputy Prime Minister of Mongolia Enkhtuvshin Ulziisaikhan, as well as UN Under-Secretary General and Executive Secretary of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) Shamshad Akhtar; Chairman of the Executive Committee and Executive Secretary of the Commonwealth of Independent States Sergei Lebedev; Executive Director of the Secretariat of the Conference on Interaction and Confidence-Building Measures in Asia Gong Jianwei, and Chairman of the Board of the Eurasian Economic Commission Tigran Sarkisyan.

In the spirit of friendship and cooperation, the heads of delegations exchanged views on the current economic situation in the region and the world, and also discussed a wide range of economic and humanitarian cooperation issues within the SCO. Subsequently, they agreed on specific measures to enhance the efficiency of cooperation in these areas.

The heads of delegations affirmed their common interest in effectuating the outcome of the Meeting of the SCO Heads of Government Council on June 9 in Astana, and expressed their support for China's SCO presidency in 2017-2018. They emphasised their willingness to employ the additional potential brought by India's and Pakistan's full membership in the SCO.

The heads of delegations welcomed the successful outcome of the presidential elections in Kyrgyzstan on 15 October 2017.

The heads of delegations noted profound transformation that continues in global politics and economy. In these circumstances, it is particularly important to build a multipolar and fair world order that would respond to the needs of each and every state, and develop a new type of international relations that will be based

on international law, mutual respect and consideration for each other's interests, mutually beneficial cooperation, refraining from confrontation and conflict, equal and undivided security, and the relations that will contribute to the creation of a community who all share the same destiny.

The heads of delegations agreed that the world economy shows signs of recovery while its development is becoming increasingly diverse although still unstable. The risks associated with international terrorism, escalation of conflicts in a number of regions, as well as natural disasters have an additional negative impact on the global economic prospects.

The heads of delegations noted the importance of extensive equitable international cooperation in order to boost the world economy's recovery, ensure economic and financial stability, and support sustainable, dynamic, balanced and inclusive growth. They expressed a common understanding of the fact that all participants of international economic relations must have equal opportunities and participate in global trade and economic activities on a fair basis. Moreover, they noted the negative effect of unilateral restrictive measures that contradict international law and distort the competitive environment.

The heads of delegations emphasised the importance of further concerted action in addressing emerging global economic issues that significantly affect the development of all member states. They believe that fragile stability of financial and commodity markets, the volatility of the exchange rates, the growing protectionist trends in international trade, make it become more urgent to further develop the international monetary and finance system. The participants expressed support for G20's efforts regarding quota agreements and the International Monetary Fund management reform, as well as creating more favourable conditions for completing the 15th General Quota Review in time for the 2019 Spring Meeting and not later than the 2019 Annual Meeting.

The heads of delegations proceed from the premise that the World Trade Organisation is the key forum for discussing the international trade agenda and adopting the multilateral trade system regulation. To support the authority and efficiency of the WTO regulation, the delegation heads advocate for consistent strengthening of an open, inclusive, transparent, non-discriminating and rule-based multilateral trade system, as well as preventing breaking up of international trade relations and fighting protectionism in trade of any kind.

The heads of delegations emphasised that one of the SCO's priorities is to improve people's wellbeing and living standards. In this context, they spoke out for consistent implementation of the 2030 Sustainable Development Goals by strengthening cooperation in trade, production, energy, transport (including railway), investment, finances, agriculture, customs, telecommunications and other sectors of mutual interest. They supported the promotion of innovative technology, sharing experience in the development and implementation of national development strategies and programmes, economic growth stimulation, as well as the creation of a favourable investment and business climate.

Acknowledging the importance of innovation and digital economy as a key factor in medium- and long-term economic growth and global sustainable development,

the heads of delegations intend to promote cooperation in science, technology and innovation, joint scientific research, exchange of experience between scientists, competitions within the SCO aimed at finding new sources for economic growth.

The heads of delegations believe that progress in the services and service trade industries is very important for the economic growth and transformation. They noted the need to promote cooperation among the SCO member states in service trade and electronic commerce based on mutual benefit. The participants pointed out that it is necessary to analyse prospects and possible formats of enhancing cooperation in the said areas. In particular, it will be necessary to review the framework agreement on cooperation in services trade drafted by China, as well as the development of a cooperation mechanism in electronic commerce.

The heads of delegations support creating favourable conditions for trade and investment with a purpose of gradual transition to free movement of goods, capital, services and technology as stipulated by the SCO Charter. They spoke in favour of further enhancing trade facilitation and instructed the Special Working Group on Trade Facilitation to review China's draft trade facilitation agreement.

The heads of delegations welcomed China's intention to hold the China International Import and Export in November 2018 in Shanghai.

The heads of delegations stressed the importance of focusing efforts on practical implementation of specific joint projects, in accordance with the Multilateral Trade and Economic Cooperation Programme. Consistent implementation of the 2016-2020 Action Plan that is part of the the SCO Development Strategy Towards 2025, as well as the List of Measures to Promote Project Activities within the SCO in 2017-2021.

The heads of delegations spoke out for continuing joint work on implementation of the Council of Heads of Government's statement on regional economic cooperation (Zhengzhou, 15 December 2015). They confirmed their willingness to bring implement the SCO member states' multilateral initiatives that promote mutually beneficial regional partnerships, accelerate economic growth, expand transport links, increase investment, implement innovations and secure employment.

The heads of delegations of Kazakhstan, Kyrgyzstan, Pakistan, Russia, Tajikistan and Uzbekistan confirmed their support of China's One Belt and One Road Initiative. Welcoming the outcome of the Belt and Road Forum for International Cooperation on 14-15 May 2017 in Beijing, they backed the implementation of the outcome, including through coordination of international, regional and national projects aimed at cooperation for sustainable development based on the principles of mutual respect, equality and mutual benefit.

The heads of delegations ation welcomed Tajikistan's initiative to host an international conference towards implementation of the International Decade of Action "Water for sustainable development, 2018-2028", in 2018 under the auspices of the United Nations.

The heads of delegations believe it is necessary to enhance the work of sectoral meetings and working groups within the SCO, as well as other SCO cooperation institutions.

They approved the outcome of the 16th Meeting of SCO Member States' Ministers for Foreign Trade and Economy that took place on 15 November 2017 in Moscow. The heads of delegations approved the initiative to hold the SCO industrial and trade forum in China in 2018.

The heads of delegations believe that it is important to strengthen cooperation in professional training and to consider a possibility of establishing a cooperation framework between SCO member states' research and analytical centers on economic matters.

The heads of delegations stressed the importance of expanding multilateral cooperation in the transport sector, including through construction of new and upgrade of existing international transport corridors for road and rail transport, designing high-speed motorways, creating combined logistics centers and implementing other joint infrastructure projects that provide for efficient use of the member states' transit potential. They pointed out the significance of building common and efficient transit system which would comply with the member states' laws and regulations, employ electronic document management systems and have a cargo tracking system.

The heads of delegations welcomed the enforcement of the agreement between the SCO governments on favourable conditions for international road transport (Dushanbe, 12 September 2014). They approved the outcome of the Joint Commission on Favourable Conditions for International Road Transport's constituent meeting on 23-24 May 2017 in Beijing. The delegation heads believe that the adoption of the SCO Road Development Programme will be an important contribution to the expansion of transport links between the member states.

The heads of delegations welcomed the success of a high-level special event between the SCO and UN ESCAP entitled Towards Regional Transport Connectivity (Bangkok, 23 November 2017).

The heads of delegations stressed the importance of continued multifaceted cooperation in energy, the aim of which is wider use of renewable and alternative energy sources as well as developing efficient and environmentally safe technologies for production, delivery and consumption of traditional energy resources that would reduce adverse environmental impact and facilitate the transition to a low-carbon economy.

The heads of delegations expressed their support for enhancing cooperation in economy and finance in order to create conducive environment for trade and investment. They think it necessary to build a network of financial institutions and services as well as to strengthen financial control exchanges. They underlined the importance of taking full advantage of the potential of interbank cooperation, as well as existing and newly established financial mechanisms in the SCO. The member states will continue consultations at the expert level with a view to developing common approaches to the establishment of the SCO Development Bank and the SCO Development Fund (Special Account), to promote economic cooperation in priority areas, such as investment.

The heads of delegations noted the relevance of using national currencies in mutual trade and investment in order to reduce transaction costs, to make transactions

faster, and to strengthen the positions of the member states' currencies in the international capital market.

The heads of delegations stressed the importance of more active engagement of the SCO Business Council and the SCO Interbank Consortium in the development of overarching economic cooperation. In this regard, they endorsed the adoption of the SCO Interbank Consortium's further development strategy for 2017-2021. The parties agreed that it would be reasonable to involve government bodies and business communities of the observer states and the SCO dialogue partners in the activities of these organisations.

The heads of delegations support further cooperation in agriculture — particularly, in the framework of the Agreement between the governments of the SCO member states on cooperation in agriculture (Tashkent, 11 June 2010). The parties expressed their willingness to explore possibilities for enhancing the cooperation in this area, specifically, with regard to food security, adaptation of agriculture to the climate change, development and implementation of innovative agricultural technology, joint projects in livestock breeding, crop production and produce processing, land reclamation, irrigation, agricultural trade and investment in farming, as well as developing cooperation between SCO member states' major universities in professional training of agricultural workers, cooperation in veterinary projects, plant quarantine and food safety, as well as participation in seminars, forums and specialised exhibitions held in the SCO member states.

The heads of delegations discussed cooperation between the regions and constituent entities, welcomed the initiative of establishing the SCO Regional Heads' Forum, and recommended to continue efforts in the area.

The heads of delegations pointed out the importance of supporting small and medium-sized businesses in order to stimulate economic growth and increase employment. In this context, they approved the memorandum of understanding on encouraging cooperation in the area of small and medium businesses between the SCO ministries for foreign trade and economy, and welcomed the annual Small Business Forum of the SCO and BRICS Regions in Ufa.

The heads of delegations supported further implementation of the Agreement between the SCO governments on cooperation and mutual assistance in customs affairs (Tashkent, 2 November 2017), other customs-related documents aimed at facilitating mutual trade and developing economic cooperation, as well as the SCO Customs Cooperation Programme for 2016-2021. They noted the results of the 31st and the 32nd sessions of the SCO Special Working Group on Customs Cooperation held in Almaty on 26-27 April 2017 and in Moscow on 1-2 November 2017.

The heads of delegations spoke in favour of expanding mutually beneficial and diverse cooperation between the SCO member states in communications and information technology, as well as in favour of discussing specific aspects of cooperation within the SCO Special Working Group on Modern Information and Telecommunication Technology.

The heads of delegations highly assessed SCO's participation in EXPO 2017 in Astana, which was particularly important for strengthening the Organisation's

international position as well as for compliance with the provisions of the SCO Development Strategy Towards 2025 and respective Action Plan for 2016-2020. They expressed confidence that this experience would give a fresh impetus to further promotion of interaction among the member states in the field of science, culture and innovations.

The heads of delegations stressed the importance of closer cooperation in culture, education, science and technology, environmental protection, healthcare, mass media, sports, tourism, study and preservation of SCO's cultural and natural heritage.

The heads of delegations welcomed the events organised during China's SCO Presidency to promote the Shanghai Spirit and youth partnership. They supported further expansion of interaction, contacts and exchanges between youth associations and young people in the member states.

The heads of delegations commended the outcome of the Meeting of SCO Culture Ministers (Astana, 2 June 2017) aimed at implementation of the Agreement Between the Governments of the SCO Member States on Cooperation in Culture (Bishkek, 16 August 2007). They will continue to promote cultural links within the SCO, strengthening of mutual understanding between the peoples, respect for member states' traditions and customs, preservation and encouragement of cultural diversity, international fairs, festivals and competitions, participation of performance groups and individual performers in the Organisation's events, extraction of historical records from archives and libraries, intense cultural exchange and cooperation between the countries, mutual study of our cultures and civilisations, as well as preservation of the region's cultural and natural heritage, including along the historical Great Silk Road.

The heads of delegations welcomed Kyrgyzstan's intention to hold the Third World Nomad Games in 2018.

The heads of delegations supported more intense implementation of the Action Plan for Implementation of the SCO Intergovernmental Agreement on Cooperation in Science and Technology for 2016-2020 (Bishkek, 13 September 2013), and developing practical measures to unlock potential of the SCO science and technology partnership concept.

The heads of delegations stressed the need for increasing multilateral and bilateral cooperation in the field of healthcare, medical services, pharmaceutical services, prevention of communicable and chronic diseases, training and professional development of medical workers.

Acknowledging the threats posed by communicable diseases, the heads of delegations noted the importance of building collaboration in prevention, control and response to infections, as well as exchange of best practices within the framework of the Meeting of the Heads of SCO Member States Services in Charge of Ensuring Sanitary and Epidemiological Wellbeing. They called for extending cooperation in the area based the programme to inform the population about epidemiological situations caused by infectious diseases on the territory of the SCO member states (Tashkent, 29 November 2013).

The heads of delegations approved the outcome of the Fifth Meeting of the Heads of SCO Member States Services in Charge of Ensuring Sanitary and Epidemiological Wellbeing (Sochi, 31 October 2017) that produced proposals on further strengthening of the SCO's potential in responding to threats and challenges related to life-threatening infections and on drafting the SCO Heads of State Council joint statement on cooperation in preventing epidemics within the SCO, in 2018.

The heads of delegations appreciated the outcome of the first WHO Global Ministerial Conference on tuberculosis control in the context of sustainable development (Moscow, 16-17 November 2017).

The heads of delegations attach importance to further progress in the cooperation between the member states' mass media, including finding new methods of facilitating contacts and exchanges between the SCO mass media.

The heads of delegations noted the significance of cooperation sports to promote traditional sports and building friendships between the member states' peoples. In this context, the participants highly estimated the SCO and CICA International Marathon on 27 August 2017 in Astana during the SCO Day at EXPO 2017, and welcomed the upcoming SCO-2017 Marathon in Kunming on 31 December 2017.

The heads of delegations lay emphasis on fulfilling the Action Plan for Implementation of the SCO Member States Programme for the Development of Cooperation in Tourism (Astana, 9 June 2017) and agree that the rapid expansion of tourist exchanges will serve further improvement of mutual understanding and friendship between the SCO nations.

Stressing the common objective of maintaining a safe environment for present and future generations, the heads of delegations spoke in favour of advancing environmental cooperation within the SCO. Specifically, they noted the importance of sooner approval of the draft concept of SCO member states' cooperation in environmental protection.

The heads of delegations pointed out the significance of the Global Snow Leopard Forum that took place in Bishkek on 25 August 2017. The participants confirmed that joint efforts will help maintaining the snow leopard population and its invaluable ecosystem.

The heads of delegations expressed their high appreciation for the outcome of the Extraordinary Meeting of the Council of Ministers of Foreign Affairs of the Shanghai Cooperation Organisation (New York, 20 September 2017) on the sidelines of the 72nd Session of the United Nations General Assembly.

The heads of delegations acknowledged the 31st meeting of the SCO Regional Anti-Terrorist Structure's Council (Beijing, 17 September 2017) and stressed the relevance of efficient practical cooperation in combating terrorism, separatism and extremism in the current international and regional climate.

The heads of delegations welcomed the meeting of the SCO-Afghanistan Contact Group at the level of deputy foreign ministers (Moscow, 11 October 2017) and stressed the importance of supporting the efforts of Afghanistan's government and people for settling the conflict through political consultations and dialogue, in order to restore peace, stability and economic prosperity in the state. The parties

expressed support of the plan to hold the Contact Group's meeting involving deputy foreign ministers, in early 2018 in China.

The heads of delegations approved the outcome of the 9th SCO Meeting of Heads of Emergency Prevention and Relief Agencies (Cholpon-Ata, 24-25 August 2017) and welcomed the proposal to hold the 10th meeting in India in 2019. The participants noted the significance of the action plan to implement the intergovernmental SCO agreement on emergency relief cooperation in 2018-2019 (Moscow, 26 October 2005).

The heads of delegations approved the results of the Meeting of the SCO Justice Ministers (Tashkent, 20 October 2017), including the agreements on establishing working groups of experts in forensic activities and legal services, as well as on continuing the work to provide access to the SCO member states' legal databases, to the public, businesses and interested organisations.

The heads of delegations positively assessed the results of the Meeting of SCO Supreme Court Chief Justices (Tashkent, 25-27 October 2017), which contributed to further development of cooperation between the SCO member states' judicial bodies in strengthening rule of law, order and justice in the SCO.

The heads of delegations noted the results of the 15th Meeting of SCO Prosecutors General (St. Petersburg, 28-30 November 2017) aimed at consolidating efforts to counter new challenges and threats, including crimes committed using modern information and communication technology.

The heads of delegations called upon the observer states and the dialogue partners to extensively use the opportunities provided to them for expanding mutually beneficial cooperation within the SCO. In this context, the participants noted the importance of employing practical cooperation mechanisms and joining the SCO legal framework.

The heads of delegations stand for developing cooperation with international and regional organisations, including those dealing with economic and humanitarian cooperation issues. Therefore, it is particularly important to set up practical cooperation with the United Nations and its specialised agencies.

The heads of delegations approved the SCO Secretariat's report on the progress of the Programme of Multilateral Trade and Economic Cooperation of the SCO Member States, and approved the Organisation's 2018 budget. Decisions were taken regarding finances and operation of the SCO's permanent bodies.

The heads of delegations noted the SCO's participation in the Belt and Road Forum for International Cooperation (Beijing, 14-15 May 2017), the St Petersburg International Economic Forum (St. Petersburg, 1 June 2017), the 10th Astana Economic Forum (Astana, 16-17 June 2017), EXPO 2017 (Astana, 10 June to 10 September 2017), the Eastern Economic Forum (Vladivostok, 6-7 September 2017), the Organisation of Islamic Cooperation's Summit on Science and Technology (Astana, 10-11 September 2017) and the Eurasian Economic Forum-2017 (Xi'an, 21-23 September 2017).

The heads of delegations thanked Russia for hospitality and the efficient organization of the SCO Council of Heads of Government Meeting.



The next SCO Council of Heads of Government Meeting will take place in Tajikistan in 2018.