



Report of the 4th ACD High-Level Study Group Meeting Tehran, 28 February - 1 March 2011

The 4th High Level Study Group Meeting was held on 28 February - 1 March 2011, at the Institute for Political and International Studies (IPIS), Ministry of Foreign Affairs of the I.R. of Iran. The meeting was attended by the representatives of ACD Member States and chaired by H.E. Seyed Ali- Mohammad Mousavi, Director General for International Economic Cooperation Department. The list of the respective delegations is attached as Annex I.

The HLSG meeting was inaugurated by H.E. Dr. Dolatyar, the Vice Foreign Minister for Education and Research and President of IPIS. He delivered his opening speech which is attached as Annex II.

Agenda 1: Adoption of the Agenda

The agenda was adopted unanimously after inclusion of an additional item (Agenda 6) proposed by the Democratic Socialist Republic of Sri Lanka. The agenda is attached as Annex III.

Agenda 2: Appointment of the Rapporteur

Thailand was nominated to be the rapporteur of the 4th HLSG meeting which was welcomed by the meeting and accepted by Thai representative. The I.R. of Iran and the Democratic Socialist Republic of Sri Lanka helped Thailand as Friends of Rapporteur.

Agenda 3: Report on the outcome of the 3rd HLSG Meeting

Thailand as the coordinator of ACD presented its report on the outcome of the 3rd HLSG meeting which is attached as Annex IV.

Agenda 4: Criteria to introduce ACD new Projects and review of the existing projects

The HLSG had detailed deliberations under this agenda item, including the possibility of clustering and prioritizing of the existing 20 areas of cooperation, and decided to recommend the following to the Prime and Co-Prime Movers Consultation and the Annual Ministerial Meeting:

- A. Continuing the existing practice, three months prior to the ACD Annual Ministerial Meeting, the Prime and Co-Prime Movers of each area of cooperation submit the Progress Report to the ACD Coordinator as well as the current Chair containing the details of their activities undertaken and the intention of continuing their activities in future.

B. The member countries are required to observe the following criteria to propose a new Cooperation Area.

- Presenting a "Concept Paper" which includes proposed objectives, feasibility of executing of cooperation area, Justification for the necessity of performing the cooperation area, beneficial to the other members, implementation timetable as well as method of selecting Co-Prime Mover.
- Securing required financial resources for execution of a proposed cooperation area

Agenda 5: End Goals of ACD Cooperation

The HLSG had a wide-ranging discussion under this agenda item and agreed to recommend to the Prime and Co-Prime Movers Consultation and the Annual Ministerial Meeting the following:

ACD's end goals should be achieved in a gradual, step-by-step fashion, beginning in the short-term with creating "Asian Connectivity" to promote a sense of "Asian-ness." Once connectivity is achieved, then, in the long term, the building of an Asian Community that is not a supranational body may follow as a natural process.

Agenda 6: ACD key theme- Connectivity

As per the end goal to achieve a gradual step-by-step Asian Connectivity, it is essential to prioritize this area as the key theme of ACD. At present, ACD is a dialogue and project driven initiative. All dialogues and projects are aimed at improving / promoting connectivity among ACD member countries. Dialogues are promoted to increase people-to-people contact and networking in the Asian region.

Projects are promoted to share common interests and establish closer linkages among member countries. The ultimate outcome of ACD dialogue and projects is to promote more connectivity.

By examining the area of connectivity at ACD meetings, members can take stock of activities that have led to improving connectivity and thereby further promoting those activities for strengthening connectivity among member countries.

Stronger connectivity will lay the foundation, as per the end goal to "building of an Asian Community that may.. . follow as a natural process".

The HLSG welcomed Sri Lanka's offer to submit a concept note on Connectivity for consideration at the next Prime and Co-Prime Movers Consultation.

Agenda 7: ACD Secretariat

The HLSG felt the establishment of a permanent secretariat is premature at the moment. The HLSG reiterated the need for early operationalising the Virtual Secretariat. In this regard, the HLSG decided to refer the TOR for the ACD Virtual Secretariat, as devised at the 3rd HLSG Meeting for consideration by the Prime and Co-Prime Movers Consultation. The TOR is **attached as Annex V**.

Agenda 8: Funding and other Mechanism to Stimulate Progress and Activities

Having deliberated on the issue, the HLSG expressed the view that this issue is a matter of significance and reiterated the funding mechanism to be on voluntary basis and the funding of areas of cooperation is the direct responsibility of the Prime and Co-Prime Movers.

In this context, the HLSG welcomed India's offer to prepare a Reflection Paper on the funding mechanism as discussed at the 3rd HLSG.

Agenda 9: Membership Issues

The HLSG emphasized on the core value of inclusiveness of ACD process and there was a consensus that there is no need for maintaining a moratorium consistent with the decision of the 7th ACD Ministerial Meeting held in Astana in 2008.

Agenda 10: Track II participation in the ACD process

The HLSG underscored the need of involving academic, business and civil society in the ACD process.

The HLSG welcomed the offer by India to host a meeting of the ACD Think Tanks under the Track II Process before the next ACD Ministerial Meeting.

Agenda 11: Changing Prime and Co-Prime Movers Meeting to Senior Official Meeting

The HLSG had detailed deliberations under this agenda item and found that there was no consensus.

Agenda 12: ACD Think Tank Network Meeting

The HLSG underscored the importance of early convening of the second ACD Think Tank Network Meeting.

Agenda 13: Setting up National Focal Points

The HLSG agreed with the proposal of Iran to set up the National Focal Points of the ACD to facilitate the coordination and communication among member countries. In this connection, Iran as the Chair circulated the first list of ACD National Focal Points which will be uploaded into the ACD Website. The list of National Focal Points is attached as Annex VI.

The HLSG felt it is necessary for member countries to regularly update the list of institutional based National Focal Points.

Agenda 14: Any other business

14.1 The HLSG welcomed Thailand's offer to host a workshop on the topic "Community-Based Tourism in the Asian Region" in the first half of **2011**.

Thailand requested the Chair and member countries to regularly supply updated information on ACD upcoming events in the form of a soft file to the ACD Coordinator in order to upload these into the ACD Website.

14.2 The HLSG welcomed Malaysia's initiative to convene the **4th** ACD Roundtable Meeting on the Asian Credit Transfer System (ACTS) in Kuala Lumpur on **27 September 2011**.

Agenda 15: Closure of the Meeting

The HLSG thanked the Government of the Islamic Republic of Iran for the excellent arrangements made and the warm and gracious hospitality extended.

The meeting closed at **14.25 hrs.** on **1 March 2011**.

In the Name of God
4th ACD High Level Study Group Meeting, 28th February- 1st March 2011
Tehran, Islamic Republic of Iran

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In the Name of God

Statement by:

**H.E. Dr. Mostafa Dolatyar Vice Foreign Minister for Education
and Research Affairs, Islamic Republic Of IRAN
On the 4th HLSG Meeting
Tehran, 28 February-1st March 2011**

**Excellencies,
Distinguished delegates,
Ladies and gentlemen,**

At the outset, allow me to thank you for your participation in the 4th High Level Study Group (HLSG) meeting, which is going to be held within today and tomorrow in Tehran.

Your meaningful contribution in the meeting, just 4 months after the 9th ACD Ministerial meeting in Tehran, clearly indicates the importance of ACD gatherings as well as a solid proof of the seriousness of ACD the member countries in advancing ACD goals and objectives.

Definitely, Asia enjoys such strategic importance that has changed the old continent into an impressive entity affecting the world equations.

Asia, with almost 4 billion people, consisting 60 percent of the world population and covering 45 million sq. Kilometer equal to 30 percent of the earth, is the vastest and the most populated continent on the earth.

Asia as the cradle of world civilization enjoys rich history and diversified culture. The talented people, abundant natural resources, rapid economic growth, considerable share of the world trade, good command on the know-how and state of the art technologies are among the prominent features of the ongoing development of Asia. Huge oil and gas reservoirs and other fossil fuels with the vast market, the highest rates of investment, services and products are considered as value added assets of the old continent.

Distinguished delegates

Ladies and gentlemen

Asia's share in global growth will increase and the role of the continent as an economic center will be strengthened in the coming years. Based on current trends, Asia's economy is estimated to overtake the U.S. economy and the Europ Union, and the larger share of the regional gross domestic product (GDP) of Asia will be increased from the current 30 percent to 40 percent, in 2030.

Asia consists, of nearly 40 countries which are deeply entangled with each other either in the form of bilateral relations and collaborations or in the shape of regional arrangements. Asia has become the center of attention in the existing multi-polar world and is gradually gaining top positions in all global political, economic, cultural and artistic rankings. Therefore, Asia deserves to play more fitted and suitable role.

Ladies and gentlemen

As you are aware, the 9th ACD Ministerial Meeting on 8 and 9 November 2010 was held in Tehran. In this meeting, a number of Ministers and Heads of delegations emphasized on the prominent role of Asia in the twenty-first century and stressed on the greater unity and convergence in the continent, as the world is facing new opportunities and challenges.

It was also stressed that with current situation that totally differs from the one in the last decade, when the ACD was created, new sort of relations and collaborations should be defined.

The discussions went further into detail to the point that necessity of creating "Asian Union" was raised, a proposal made by the Islamic Republic of Iran and stressed by a number of Ministers and Heads of delegations as a program with a high possibility of fulfillment within ACD as the leading point.

In Asia, various Organizations, Associations and establishments have been set up in the sub-regional levels, and each one has been successful in advancing their organizational goals.

ASEAN, SAARC, ECO, SHANGHAI, D-8, IOR-ARC, the Persian Gulf Cooperation Council and the others are among the regional arrangements that need to expand their cooperation networks to develop and establish an effective synergy in the continental level and beyond.

Ladies and Gentleman

High Level Study Group Meeting is a proper opportunity and venue to address the issues, that has already been reflected on the Agenda items just before you, to discuss and consider all the substantial and key issues at stake.

One of the main issues that were actually proposed by I.R.of Iran, is to set criterion and pattern for new projects and evaluation of the existing ones.

First, the issue is important because the new projects, should be introduced based on the capabilities and possibilities of Prime Movers and Co-Prime Movers. Secondly, the current projects must be classified based on the level of their activities and incentives.

ACD's End Goals, Financing, Track II Participation, Think Tank Network and National Focal Points are amongst topics that will be discussed during these two days of current meeting which ■ hope your discussions and deliberations end up in finding the practical ways and means on how ACD goals and objectives are implemented.

Ladies and Gentleman

Islamic Republic of Iran maintains its confidence and conviction in achieving progress, prosperity and security of the member states through dialogue and regional cooperation.

In this line, I.R. of Iran spares no effort on enhancing multilateral and regional cooperation in ACD framework.

At the end, ■ wish you a pleasant stay in Tehran and ■ hope complete success and best wishes for you all.

AGENDA
4TH ACD HIGH LEVEL STUDY GROUP MEETING
28TH FEBRUARY – 1ST MARCH, 2011
TEHRAN-ISLAMIC REPUBLIC OF IRAN

Welcome Address by the Chairperson

1. Adoption of the Agenda
2. Appointment of Rapporteur
3. Report on the Outcomes of the 3rd HLSG Meeting
4. Criteria to introduce ACD New Projects and review of the existing projects
5. End Goals of ACD Cooperation
6. ACD Key Theme-Connectivity
7. ACD Secretariat
8. Funding and other Mechanism to Stimulate Progress and Activities
9. Membership Issues
10. Track II Participation in the ACD Process
11. Changing Prime & Co-Prime Mover Meeting to Senior Officials Meeting
12. ACD Think Tank Network Meeting
13. Setting up National Focal Points
14. Any other Business
15. Closure of the Meeting

PROGRAM WORK
4TH ACD HIGH LEVEL STUDY GROUP MEETING

28TH FEBRUARY – 1 MARCH, 2011
TEHRAN-ISLAMIC REPUBLIC OF IRAN

Sunday, 27 February 2011

Arrival and hotel accommodation of Delegations

Monday, 28 February 2011

08.30 – 09.00	Registration of the participants
09.00 – 09.30	Opening session - Statement by the Chairman - Adoption of the Provisional Agenda - Appointment of Rapporteur
09.30 – 10.00	Report on the Outcome of the 3 rd HLSG Meeting
10.00 – 11.00	Criteria to introduce ACD New Projects and review of the existing projects
11.00- 11:15	Teal Coffee Break
11.15 – 13.00	End Goals of ACD Cooperation
13.00-14.30	Prayer & Lunch
14.30 – 16.30	ACD Secretariat Funding and other Mechanism to Stimulate Progress and Activities

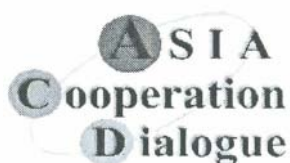
- 16.30 – 16.45 Tea/Coffee break
- 16.45 – 19.00 Membership Issues
Track II Participation in the ACD Process

Tuesday, 1 March 2011

- 09.00 – 10.30 Changing Prime & Co-Prime Mover Meeting to Senior Officials Meeting
ACD Think Tank Network Meeting
- 10.30- 10.45 Tea/Coffee break
- 10.45 – 12.00 Setting up National Focal Points
Any other Business
- 12.30- 14.00 Prayer & Lunch
- 14.00-1600 Adoption of the Report of the 4th HLSG
Closure of the Meeting

Wednesday, 2 March 2011

Departure of the Delegations



Summary Report and Recommendations of the ACD High-Level Study Group on the Future Directions of the ACD

In recent years, the ACD has progressed rapidly and dynamically in terms of membership (from 18 countries in 2002 to 30 by 2006), cooperation projects (in 19 areas) and dialogue (twice yearly at the Ministerial level for six years now). These developments have brought with them several challenges, i.e., member countries' sense of ownership in the ACD process, member countries' participation and achieving concrete deliverables. Member countries felt that the time had come to explore issues important to the future directions of the ACD.

The 6th ACD Ministerial Meeting in Seoul on 5 June 2007 endorsed the creation of the ACD High-Level Study Group to make recommendations on 4 issues of significance to the forum's future direction. This includes 1) End Goals of ACD Cooperation, 2) Desirability of Creating an ACD Secretariat, 3) Funding and other Mechanisms to Stimulate Progress and Activities of Different Project Areas and 4) Track II Participation in the ACD Process.

The High-Level Study Group (HLSG) met 3 times during 2007-2008 in Bangkok (20-21 August 2007), Seoul (17-18 April 2008) and Astana (18-19 August 2008). HLSG had a productive discussion on the above mentioned issues and agreed to propose the following recommendations to the 7th ACD Ministerial Meeting (ACD 7) to be held in Astana, Kazakhstan on 16 October 2008.

I. End Goals of ACD Cooperation

In considering the issue of end goals, HLSG was asked to consider the following: more clearly defining end goals, creating "Clusters of cooperation" (i.e., clustering cooperation areas), reviewing core values, the nature of the Annual Ministerial Meeting (AMM), an appropriate outcome document for the AMM, reviewing the effectiveness of the Prime and Co-Prime Movers' Consultation and membership. The HLSG had a wide-ranging discussion of the above and agreed to recommend to the Ministers the following:

o **On End Goals:**

- That the ACD's end goals should be achieved in a gradual, step-by-step fashion, beginning in the short-term with creating "Asian Connectivity" to promote a sense of "Asian-ness." Once connectivity is achieved, then, in the long term, the building of an Asian Community that is not a supranational body may follow as a natural process.

o **On ACD Core Values:**

- That all current core values be retained. However, it was proposed that the ACD consider adding another potential core value, i.e., respect for the fundamental principles of international relations as laid out in the United Nations Charter.
- It was also proposed that member countries consider changing the term "core values" (which suggests something that does not, and should not, change) to

"working principles" because the current core values would be more appropriate as principles that guide and shape the work of the ACD as it further evolves.

- **On the Nature of the ACD Forum (AMM):**
 - That HLSG preferred the ACD to remain as a dialogue forum on various issues.
- **On Creating "Clusters of Cooperation":**
 - That clustering cooperation areas by applying best practices and strengths in one cooperation area to another to maximize synergies and enhance effectiveness, e.g., through physical, human and resources clusters, would be a positive development for the ACD.
- **On the Prime and Co-Prime Movers' Consultation (P/CPM) Mechanism:**
 - That the Prime and Co-Prime Movers' Consultation mechanism was recognized as being effective and efficient.
- **On the Possibility of Developing the P/CPM Mechanism into a SOM:**
 - That there were diverse views on this issue and, as yet, no consensus was reached. On this, much depends on the further evolution of the ACD and, with it, a creation of mechanisms to serve the process leading to the end goals.
- **On an Appropriate Outcome Document for the AMM:**
 - That there were arguments in favor of both a Chair's Statement and a Declaration.

II. Desirability of an ACD Secretariat

- The HLSG reached a common understanding on the desirability of the ACD Secretariat with a Virtual Secretariat as a first step in this direction.
- The HLSG understood the need for a permanent secretariat in the long run as the ACD evolves and agreed to keep the issue open for future discussion when there is consensus on its practicability.
- The HLSG proposed that the host country of the AMM assumed the role of Virtual Secretariat, as specified in the Terms of Reference (TOR) for the ACD Virtual Secretariat. In parallel, the Coordinating Group (comprising past, present, future host of the AMM as well as the ACD Coordinator) will assist with the operation of the Virtual Secretariat to ensure continuity.
- The HLSG agreed to submit the TOR for the ACD Virtual Secretariat (Annex 1) for the ACD Ministers' endorsement at the ACD 7.

III. Funding and other Mechanisms to Stimulate Progress and Activities of Different Project Areas.

On issues related to the funding and other mechanisms to stimulate Progress and Activities of the Different Project Areas delegates discussed different optional mechanisms.

- On the basis of discussions, it was agreed to consider three main principal directions of funding:
 - funding of Virtual/Permanent Secretariat
 - centralized funding of the ACD activity
 - funding of the cooperation projects
- HLSG agreed that the host country of the AMM, which assumed the role of Virtual Secretariat, is responsible for its funding.
- HLSG noted that at this stage the issue of a centralized funding mechanism could not be resolved until consensus is reached. HLSG therefore recognized a need to conduct a further study on ACD funding mechanism.
- While HLSG expressed the general view that prime and co-prime movers are principally responsible for funding of the cooperation projects, there were a number of

opinions concerning the additional sources of funding i.e. contributions of such institutions as the Asian Development Bank, Islamic Development Bank etc. and Member countries and third parties interested in development of specific project area, which should not have any political prerequisites.

- There have also been discussions on the way to improving the efficiency of the cooperation projects such to enable assessment of the performance of the prime/co-prime movers.
- HLSG expressed its appreciation to the delegation of India for the paper on funding modalities existing in international organizations (Annex 2). HLSG also entrusted India to prepare a reflection paper on possible funding mechanism.

IV. Track II Participation in the ACD Process

- HLSG recognized the value of involving academia, business and civil society in the development of the ACD process via the Dialogue's Track II participation.
- HLSG agreed to recommend that meetings in the framework of the Track II should be held on annual basis with a reasonable time prior to the AMM in order to utilize their recommendations properly.
- HLSG expressed its appreciation for the proposal of India to hold the Track II Network Meeting in 2009 and decided that its further meetings should be hosted on voluntary basis by the AMM host country or any member countries.
- HLSG recommended member countries to assist the ACD Coordinator to renew and keep updated the List of ACD Academic Arm Contact Points to ensure efficiency of the Track II Network Meetings.

V. Cultural Cooperation

- HLSG recognized the necessity of development of cultural cooperation as the 20th ACD cooperation project and recommended the Islamic Republic of Iran as a Prime Mover and India as a Co-Prime Mover.
- HLSG expressed its appreciation for the efforts of the Islamic Republic of Iran in preparation of draft Concept Paper on Cultural Cooperation within ACD (Annex 3).
- HLSG expressed its appreciation for the ACD Coordinator, the Kingdom of Thailand for publishing the first edition of the ACD Cultural Compendium as a part of the ACD cultural cooperation.
- HLSG was requested to volunteer to publish further editions of the ACD Cultural Compendium on a biennial basis.

VI. Membership issues

- Considering the working principles of the ACD i.e. openness and inclusiveness, HLSG recommended the lifting of the current moratorium on the ACD membership at the ACD 7 in Astana.
- HLSG welcomed the official application of the Kyrgyz Republic for the ACD membership.
- HLSG recommended the acceptance of Morocco as an ACD Partner for Development, in accordance with the Guidelines for the ACD Partner for Development.

**Astana
August 19,2008**

Terms of Reference for the ACD Virtual Secretariat

1. Background and Purpose

In recent years, the ACD has progressed rapidly and dynamically in terms of membership (from 18 countries in 2002 to 30 by 2006), cooperation projects (in 19 areas) and dialogue (twice yearly at the Ministerial level for six years now). These developments have brought with them several challenges, i.e., member countries' sense of ownership in the ACD process, member countries' participation and achieving concrete deliverables. Member countries felt that the time had come to explore the possibility of setting up a secretariat or mechanism to deal with those challenges. This issue was discussed at the 1st High-Level Study Group Meeting held in Bangkok between 20-21 August 2007. The Study Group agreed to recommend to Ministers that **a rotating virtual secretariat be established to facilitate coordination and interaction** among member countries, **disseminate information** and updates as well as **provide support for the annual Ministerial Meeting (AMM) and related meetings**.

2. Functions of the ACD Virtual Secretariat

The ACD Virtual Secretariat (within the scope of its competence) shall:

- Provide administrative, organizational and technical support for AMM-related meetings, i.e., the annual Ministerial Meeting, the ACD Ministerial Meeting on the Sidelines of the United Nations General Assembly (UNGA), Coordinating Group meetings, Prime and Co-Prime Movers' Consultation, Ambassadorial meetings and any other meetings deemed relevant to the preparation of the AMM;
- Prepare and disseminate AMM-related meeting outcome documents and news to member countries (except for the Compilation of ACD Cooperation Areas Progress Reports, which will be collected together by the ACD Coordinator, as in previous years);
- Encourage ACD member countries to utilize the existing virtual platform, i.e., the member login section of the ACD website, as an alternative means of communication.
- Prepare and/or screen AMM-related meeting outcome documents and news for dissemination to the general public;
- In Collaboration with the ACD Coordinator, prepare articles for the ACD e-News;

3. Host of the ACD Virtual Secretariat

- The host of the AMM shall assume the role of the ACD Virtual Secretariat as well as provide the financial support needed for its operation.

Note - The ACD Coordinator will continue to:

- Act as a clearing house for documents and information provided by ACD member countries concerning the cooperation projects (includes compiling ACD Cooperation Areas Progress Reports to be discussed at the Prime and Co-Prime Movers' Consultation and presenting an overview of progress made to the AMM);
- Maintain the ACD website (by providing technical support for the host of the Virtual Secretariat, i.e., by ensuring the host has administrator access to the ACD website and establishing and maintaining an archive of ACD documents).

4. Term of the Host of the ACD Virtual Secretariat

The term of the host of the ACD Virtual Secretariat will coincide with the period of ACD Chairmanship.