

**Working Paper by the Secretariat
On
A “Structured Mechanism” to identify the most promising areas
of
Economic Cooperation through out Asia,
As called for by Document: EC/2007/07 Dated September 11,
2007, about Asian Monetary Fund**

The Executive Council of the Asian Parliamentary Assembly in its meeting held in Tehran on 9-11 September 2007 considering the complexity of the issue of establishment of Asian Monetary Fund and the necessity to prepare the ground for such institution and to promote economic cooperation among all Asian countries resolved that a "Structured Mechanism" is necessary to identify the most promising areas of cooperation throughout Asia. For the said purpose the Secretariat was requested to study the mission, objectives and framework of such "Structured Mechanism" in the form of a working paper.

1-The recognition of the complex and multi-faceted issue of economic cooperation among Asian countries emanates mainly from the fact that Asian is a vast continent housing billions of people with diverse historical, cultural, social and economic backgrounds. In spite of this great diversity of the Asian nations, the common denominator in this region is their tremendous enthusiasm and efforts they have put to foster the pace of their economic development for improvement of the standards of living and welfare of their people. These efforts, though diverse in approach and method, in recognition by each government of the geopolitical advantages and capabilities of their respective countries have yet not been helped, to the extent which seems possible by a trans-continental inward-looking approach to recognize and exploit the natural, technological and human endowments of the countries throughout the region to faster the overall pace of economic advancement through much closer and expansive cooperation.

2-The creation, up to now, of a number of sub-regional economic groupings like ECO, GCC, SAARC and ASEAN which are all assisting to a remarkable extent, their member states to have a common understanding of the existing potentials within their regions and to join forces to make use of these potentials for enhancement of their growth must be viewed as first, though momentous and valuable, steps towards recognition and realization of regional cooperation potentials.

3-In view of the above, the mission of a "Structured Mechanism" shall, first and foremost, be to identify, on a step by step basis, the potentials and obstacles not only for expansion of economic cooperation among all regional states but also to find out what could be the best possible road to converge valuable activities of the existing groupings in order to move towards a cooperative arrangement with the largest possible coverage of the whole continent.

4-To accomplish the said mission, very gradual steps should be taken towards the final objective of establishment of a permanent central organization with as large membership of Asian countries as possible, adapting positive and constructive strategies of similar organizations of groupings in other regions while trying to avoid their damaging mistakes. Such organization not only shall continue to carry the mission of identification of regional potentials but shall also act as the central body to discuss , monitor and supervise the implementation of the actual policies to materialize cooperative arrangements among the member states, but also make the necessary investigations and research, and put forth rules to expand such arrangements.

5-The Secretariat is very much aware of the necessity of the gradual approach, as emphasized by the Executive Council, in moving towards formation of a "structure" to carry out the said mission in order to reach the above mentioned final objective. In view of this, the Secretariat does not wish to propose creation of any separately structured entity to embark upon the tasks referred to in the report of the last meeting of the Council. Instead what seems to be feasible and practical as well as cost-effective at this juncture is to avoid rigidly structured mechanisms and make use, as much as possible, of the existing resources and institutions available at present, to the members of our Assembly.

6-With such strategy in mind the Secretariat shall, with the blessing of the Assembly, commence preliminary studies for identification of possible potentials in limited number of areas which, at first, seem to offer more accessible possibilities for creation of much needed synergy in the inter-regional economic relationships. These areas shall cover trade, investment, energy as well as monetary cooperation among regional states. The Secretariat shall, for this purpose, make use of all resources available to it including, but not limited to, the knowledge and experience of the specialized agencies and organizations of all member states. Such task could, of course, not be achieved without practical and ready-to-use assistance of the professionals of the said specialized agencies. To this end, the Secretariat wishes to call upon the members of our Assembly to make all the necessary arrangements for asking their governments to issue the necessary directives to their specialized agencies and research institutions to extend their valuable assistance to the Secretariat. To make the communications and contacts

between the Secretariat and such institutions and their professional staffs as time-saving as possible there is a need to have an appropriate official of each member state's government to be appointed as the national project officer (NPO) to coordinate activities , within each member states and act as the contact person with the Secretariat. In the course of its studies the Secretariat shall need to have meetings with professionals from the agencies of the member states to exchange views with them and make much-needed use of their knowledge and insights to adjust and improve the outcomes of the deliberations of the Secretariat. For this purpose and save the valuable time of the professionals, much use shall be made of the possibilities of the virtual meeting technologies but the Secretariat expect to have the understanding of the member government to make such professionals available as the need arises for orientational and strategic meetings.

7-The outcome of the Secretariat's studies and investigations with the help of member countries' specialized agencies shall be periodically reported to the Executive Council in order to receive comments and guidelines of the Council for continuation of the deliberations and studies to be submitted, at an appropriate stage, to the President of the Asian Parliamentary Assembly for discussion by the members.
