



Original: **English**

OIC/COMCEC-32/2016

REPORT
OF
THE OIC GENERAL SECRETARIAT
TO
THE 32ND SESSION OF STANDING COMMITTEE FOR ECONOMIC
AND COMMERCIAL COOPERATION OF THE OIC (COMCEC)

ISTANBUL, REPUBLIC OF TURKEY
21-24 November 2016

-: INDEX :-

SL NO.	CONTENTS	PAGE NUMBER
I.	Introduction	3
II.	Intra-OIC Trade and Investment	3
III.	Enhancing the Role of Private Sector	8
IV.	Cooperation in the Domain of Transport	8
V.	Tourism Sector Development	10
VI.	Agriculture, Food Security and Rural Development	12
VII.	Employment and Productivity	14
VIII.	Cooperation in the Financial Sector	16
IX.	Special Funds and Regional Economic Programmes	18
X.	Assistance to OIC Member States and Muslim Communities in Non OIC Countries	21
XI.	Cooperation with other Regional and International Organizations	22
XII.	OIC-2025 Programme of Action	23
XIII.	Conclusions	27

I. INTRODUCTION:

1. During the year under review, the activities of the OIC in the economic domain focused mainly on the consolidation of the various projects on agriculture development, trade financing and facilitation as well as infrastructure development. The convening of the 13th Islamic Summit in Istanbul, Turkey on 14-15 April 2016 and the inaugural General Assembly of the Islamic Organisation for Food Security (IOFS), as well as approval of executive programme for the implementation of the OIC Framework on Tourism for 2016-2017, selection of Madinah Al Munawwarah (Kingdom of Saudi Arabia) and Tabriz (Islamic Republic of Iran) as OIC City of Tourism for 2017-2018 respectively, and the elaboration of Special Programme for Central Asia (SPCA), have featured prominently on the agenda of the OIC since 31st Session of COMCEC held in Istanbul, Republic of Turkey on 23-26 November 2016.
2. The adoption of the new programme of action under OIC-2025 led to the setting of a new target of 25% for inter-OIC trade, while the Summit's directive for the elaboration of a comprehensive infrastructural policy have informed the various actions and activities being carried out in the socio-economic domain. These activities were geared towards ensuring that the existing special regional programmes for Africa and Central Asia were expanded to other regions of the OIC, even as due emphasis is placed on the execution of integrated projects to ensure the fast-tracking of the objective of an OIC common economic community.
3. In addition to the various activities conducted by the General Secretariat during the year under review, this Report would dwell on the various actions and activities accomplished by all OIC institutions towards the implementation of the various OIC resolutions. Similarly, the convening of the maiden session of the Annual Coordination Meeting of OIC Institutions (ACMOI) in Jeddah, Saudi Arabia on 7-8 December 2015 has afforded the Secretary-General to closely follow-up the implementation of OIC resolutions, in line with his statutory responsibilities.

II. INTRA-OIC TRADE AND INVESTMENT:

4. The upward review of the trade target to 25% in the new OIC Programme of Action: OIC-2025 has propelled further actions on the implementation of the OIC strategy on promotion of intra-OIC trade and investment. In this regard, various activities and initiatives envisaged under the various OIC programmes and projects for enhancing intra-OIC trade and investment were carried out during the year, under the sub-heading of trade financing, trade facilitation, trade and investment promotion, development of halal industry, strategic commodities and capacity building. Accordingly, the intra-OIC trade exchanges have continued to grow since last decade. The total trade volume of OIC Member States has recorded a slight decrease of 7.7% from US\$ 4,162.25 trillion in 2014 to US\$ 4,482.08 trillion in 2015. Similarly, the total value of intra-OIC trade in 2015 amounted to US\$ 878 billion, compared to US\$ 802.25 billion in 2014, thereby recording an increase of 9.44%. At the same time, the share of intra-

OIC trade in the total trade of Member States increased from 19.33% in 2014 to 19.78% in 2015, which represents an increase of 2.33%.

Trade Promotion:

5. Accordingly, the OIC, through its relevant institutions organized the following trade fairs and specialized exhibitions, aimed at promoting trade exchanges and increasing access to goods and products from OIC member states:
 - *The First Organic and Local Products Exhibition of the OIC Member States, Tunis, Republic of Tunisia, 28 October – 1 November 2015:* the Exhibition Fair was attended by 405 companies from 12 OIC Member States and recorded 162000 visitors.
 - *The Second OIC Tourism and Travel Fair: Promoting Family Tourism, Sharjah, United Arab Emirates, 8-10 December 2015:* The Fair was attended by 125 Companies. Thirteen OIC Member States attended the Fair. Fair provided a platform for participating companies to promote Islamic tourism, exchange information on latest development in this sector.
 - *The 15th OIC Trade Fair, Riyadh, Kingdom of Saudi Arabia on 22-26 May 2016.* The OIC biennial general Trade Fair was held at the Riyadh International Convention and Exhibition Center on 22-26 May 2016 and witnessed the active participation of 81 enterprises from 30 OIC Member States. The Opening Ceremony was attended by Governor of Riyadh, His Royal Highness Prince Faisal Bin Bandar Bin Abdulaziz, H.E. Mr. Majed Bin Abdallah Al Qassabi, Minister of Commerce and Investment of the Kingdom of Saudi Arabia and the Secretary General of the OIC attended the Opening Ceremony of the Fair, held in Riyadh on 22 May 2016.. The major exhibiting countries were: Kingdom of Saudi Arabia, Arab Republic of Egypt, Kingdom of Morocco, State of Kuwait, People’s Republic of Bangladesh, Republic of Indonesia, Malaysia, Islamic Republic of Pakistan, United Arab Emirates, State of Qatar, Sultanate of Oman, Republic of Senegal, Burkina Faso, Republic of Tajikistan, Republic of Tunisia, Republic of Uganda and Hashemite Kingdom of Jordan. Patronised by more than 4000 visitors, the Fair showcased an array of manufactured and industrial products, featuring notably agriculture and agro-food, trading and home appliances, chemical products, real estate, construction materials, textile products, perfumes/cosmetics and automobiles.
 - Saudi Arabia, Morocco and Bangladesh won the first, second and third prizes respectively for staging the best pavilions in terms of quality of exhibits, number of participating companies and level of trade delegation.

Forum of the Trade Promotion Organs (TPOs)

6. The General Secretariat and ICDT, in coordination with the Ministry of Commerce and Investment of the Kingdom of Saudi Arabia, organized the Second Forum of the Trade Promotion Organs (TPOs) of the OIC Member States in Riyadh, on 23 May 2016, on the sideline of the 15th OIC Trade Fair. The representatives of the Trade Promotion Organs from 31 Member States as well as OIC General Secretariat, ICDT, SESRIC, IDB Group (ITFC and ICIEC), ICCIA, the International Trade Center (ITC), and International Islamic Center for

Reconciliation and Arbitration (IICRA) attended the Forum. The Forum adopted various recommendations on trade financing, trade promotion, single window modalities, trade facilitation, public-private partnership, strategic commodities and capacity building in order to promote intra-OIC trade.

7. The Forum recommended, among others, the launching of TPOs Virtual Network; intensification of capacity building programmes, establishment of trade information activities, conduct of market studies and assessment and evaluation of export trade potential and trade facilitation in 2017-2019. The meeting also agreed to conduct a survey of the existing National Single Window modalities in OIC Member States, the feasibility of introducing regional or OIC-wide single window modalities based on inter-operability, and to identify best practices on staging of trade fairs, exhibitions and investment forums in the Member States.

Trade Financing and Export Credit Insurances:

8. The steady increase in trade financing interventions by the relevant OIC organs has contributed greatly to stimulating productivity and appreciable growth among the beneficiary enterprises of the OIC member states. The major preoccupation is to put in place a robust modality for ensuring access of Micro, Small and Medium Enterprises (MSME) to trade financing, particularly in the various sub-regions of the Organisation.
9. During the year under review, the Islamic Trade Financing Corporation (ITFC) has continued to expand its operations in developing intra-OIC trade, through implementation of various initiatives, such as Trade Cooperation and Promotion Programme (TCPP), Africa Trade Support Initiative (2015-2019), Supporting Strategic Commodities, Access to SMEs and Least Developed Member Countries (LDMCs), as well as regional Trade Development Programmes such as Aid for Trade Initiative for Arab States.
10. Africa Trade Support Initiative is the ITFC's 5-year strategy for Sub-Saharan Africa (The Africa Initiative). It is designed to provide a roadmap for the Africa Team and serve as the guiding framework under which the Team will operate in the 5 years and implement its strategy towards reaching yearly approval target of US\$ 1 billion by the end of 2019, while contributing to the developmental goals of the Sub Saharan Africa economies.
11. In 2015, ITFC's trade finance approval increase 16% and reached to US\$ 6.047 billion. In the same year, total disbursement was US\$ 4.5 billion. Breakdown of the approvals by region was as following: Asia/CIS US\$ 3.2 billion (53% of total approvals), MENA US\$ 2.2 billion (37% of total approval, and Sub-Saharan Africa US\$ 590 million (10% of total approval).
12. ITFC interventions in the agriculture sector continued to cover a wide range of commodities, which helped to create jobs, improving productivity, alleviating poverty, and bolstering food security. In 2015, approvals for the sector amounted to US\$733 million, which received the second largest allocation after energy. During the year of 2015, ITFC approved 16 operations in eight Member Countries. The bulk of the financing is towards support of key export commodities such as cotton, groundnuts and wheat. Africa accounts for the largest share in this portfolio with Burkina Faso, Cameroon and the Gambia being the main beneficiaries.

13. Sustainable access to energy is a key driver of economic and social development and has a multiple impacts on productivity, food security, education and so on. In this context, ITFC considers supporting the energy sector as one of the main pillars of its strategy in its interventions in MCs. As of 1436H, energy products financing represented 574 of total approval, with %34 for crude oil and %40 for petroleum products financing.
14. In order to reach a larger number of SMEs in MCs, ITFC provides Murabaha Financing to local financial institutions and commercial banks, which in turn extend the financing to SMEs. In 1436H, ITFC approved a total of US\$144 million in Two-Step Murabah financing in Sub-Saharan Africa. ITFC currently providing Murahaba Financing to eight Intermediary Financial Institutions in five countries; Nigeria, Cote D'Ivoire, Mozambique, Burkina Faso and Togo. Similarly, in 1436H, ITFC concluded a landmark export syndication for US\$350 million in favor of Turk Eximbank. The facility is utilized to support the exports of Turkey by providing financing to SMEs.
15. Similarly, the Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) has increased its trade expand transactions through encouraging investment flows among Member States. It fulfils this by providing Shariah compliant export credit and investment insurance services to exporters, financial institutions, and investors, to cover the risk of non-payment of export receivable resulting from commercial or non-commercial and political risks. It also provides re-insurance services to the export credit agencies of Member States.
16. ICIEC business insurance operations increased by 22% from US\$4.32 billion in 2014 to US\$5.29 billion in 2015. Similarly, new commitments increased by 8% from US\$3.56 billion in 2014 to US\$3.83 billion in 2015. Cumulatively, since inception, insurance approvals issued reached US\$27.75 billion and business insured amounted to US\$27.49 billion. The overall claims ratio (claims paid over premium earned) – the main indicator of credit insurance operations performance – stood at 19%, which was significantly lower than the industry's ratio. The top 6 Member Countries that benefited most from ICIEC services since the inception of business through to 1436H were Saudi Arabia (24.00%), UAE (12.77%), Bahrain (10.92%), Egypt (7.50%), Pakistan (7.15%), and Turkey (5.25%).

Trade Facilitation:

17. The General Secretariat renewed its invitation to Member States to give effect to the various multilateral trade instruments in force among the OIC Member States.
18. During the year under review, the Kingdom of Bahrain and the State of Kuwait ratified the TPS-OIC Rules of Origin. On its part, the Kingdom of Morocco submitted its List of Products under the TPS-OIC on 18 July 2014. Accordingly, the Trade Negotiating Committee (TNC) on TPS-OIC can now convene to ensure the immediate operationalisation of this OIC trade facilitation mechanism. The status of signing and ratification of OIC economic agreements as of 30 February 2014 is annexed to this Report. In this regard, the COMCEC Coordination Office, in collaboration with Union of Chambers of Commerce of Turkey (TOBB) organized a seminar for participating member states in the TPS-OIC in Ankara, Turkey on 26-27 January 2015 to examine new developments with regard to the operationalization of this system.

19. It is, therefore, appropriate to renew invitation to Member States, which are yet to complete the signing, and ratification processes of OIC Economic Agreements to endeavour to do so at their earliest convenience. In the same vein, Member States who have signed and ratified the TPS-OIC may wish to forward their lists in line with the relevant provisions of CFM and COMCEC resolutions. This includes the submission of their specific annual installments of reduction along with the list of products (schedules of concessions), sample of certificates and specimen impression of stamps used in their customs and to complete internal legislative, and administrative measures.
20. Similarly, and in line with the objective of facilitating trade exchanges among OIC Member States, the Workshop on the “OIC Single Window Initiative and the Electronic Commerce and their Role in Promoting Intra-OIC Trade” was held in Casablanca, Kingdom of Morocco on 9-10 November 2010. The major aim of the workshop was to share knowledge, experiences and best practices among the participants on the implementation of national trade facilitation programs and promote the development and implementation of single window and paperless trade projects in the OIC Member States. The Workshop requested ICDT and ITFC to elaborate a roadmap, and Terms of Reference (ToR) for the implementation of the Single Window initiative in the Member States.

Forum of the Investment Promotion Agencies (IPAs)

21. The General Secretariat in cooperation with the Ministry of Commerce and Investment of the Kingdom of Saudi Arabia, ICDT and IDB Group (ICIEC) organized a Forum of the Investment Promotion Agencies (IPAs) of the OIC Member States in Riyadh, on 24 May 2016, on the sideline of the 15th OIC Trade Fair. A total of 82 participants from 18 OIC Member States and 7 OIC institutions attended the Forum. The Forum adopted several recommendations, including, among others, regular meetings of the Forum as a permanent mechanism for consultation among the Investment Promotion Agencies of the OIC Member States, the review of common challenges and opportunities on investment issues; and the elaboration of an OIC Investment Cooperation Framework with a view to boosting intra-OIC FDI flows. The meeting also recommended the convening of annual regional investment forums in key OIC regions; the creation of a permanent body for the purpose of settlement of arbitration of investment disputes among investors or corporate bodies operating in OIC member states; and providing technical assistance and capacity building to OIC IPAs.

OIC Halal Food Standards and Procedures:

22. In line with the Resolution of the 42nd Session of the Council of Foreign Ministers held in Kuwait City, State of Kuwait, on 27-28 May 2015, the General Secretariat, in coordination with the relevant OIC institutions, organized the OIC Stakeholders’ Forum on Unified Halal Standards and Procedures in OIC Headquarters, Jeddah, Kingdom of Saudi Arabia, on 9-10 December 2015. Around 78 participants from 23 Countries and OIC institutions attended the Forum.
23. The Forum secured the agreement of the various stakeholders on unified Halal standards, while incorporating all variations in an annexure to the agreed OIC Halal Standards. It also agreed on the need for an independent accreditation body to operationalize the approved OIC Guidelines for Halal Accreditation Bodies Accrediting Halal Certification Bodies. This is in

addition to the need for a mechanism for ensuring mutual recognition of Halal certificates among OIC countries.

III. ENHANCING THE ROLE OF PRIVATE SECTOR

24. The 24th Meeting of ICCIA Board of Directors was held in Konya, Turkey on 19-20 September 2016. The meeting was organized in Konya in commemoration of its selection as OIC City of Tourism for 2016. The meeting reviewed the on-going activities of ICCIA in such areas as ICCIA's project on Excellence Awards, formation of Arbitration Center, and unified Halal certificates.
25. Earlier in the year, the 32nd General Assembly and 23rd Board of Directors meetings of the Islamic Chambers of Commerce, Industry and Agriculture (ICCIA) were held in Jeddah, Kingdom of Saudi Arabia on 30-31 March 2016. On the whole, the major activities of ICCIA during the year under review included: 17th Private Sector Meeting for OIC Countries; 8th and 9th Businesswomen Forum of OIC Countries; Trade Exchanges Exhibition; Chambers of Commerce Forum; Business Owners Conference; and Launching of Awards of Excellence.

Businesswomen Forums:

26. The ICCIA organized the 8th Forum for Businesswomen in Islamic Countries in Kampala, Uganda on 26-27 October 2015. The said event was organized in collaboration with the Islamic Development Bank (IDB) and the Uganda National Chamber of Commerce and Industry under the theme of "Empowering Women Enterprises for Inclusive Growth". The Forum emphasized on the need for providing financing on favourable terms for women-led enterprises and start-ups, assistance in finding new markets, and opportunities for enhancing the existing high skilled training as well as exchange of knowledge and expertise. Similarly, the 9th Forum for Businesswomen in Islamic Countries was held in Riyadh, Kingdom of Saudi Arabia on 25 May 2016.

IV. COOPERATION IN THE DOMAIN OF TRANSPORT

27. The 43rd Session of Council of Foreign Ministers (CFM) supported the execution of the Dakar-Bamako-Sikasso-Bobo-Dioulasso rail loop on Dakar-Port Sudan Railway corridor and urged OIC Member States and Institutions to mobilize necessary funding for the said project. It also urged the concerned OIC Member States to include their respective national segments along the OIC Dakar-Port Sudan Railway corridor in their national development plans and to submit the relevant documents to facilitate the mobilization of necessary support by the OIC and its development partners. It further invited OIC Member States to strengthen cooperation for developing the International East-West Trans-Caspian as well as North-South multimodal transport corridors.
28. On its part, the General Secretariat has initiated arrangements with IDB to promote the implementation of OIC Dakar-Port Sudan Railway project, through mobilization of funds for the Dakar-Bamako-Sikasso-Bobo Dioulasso rail loop. Upon its requests to Senegal, Mali and Burkina Faso to formally submit this cross-border project to the IDB to enable further necessary actions thereon, Senegal has submitted its detailed bankable project to IDB.

29. While the submission of the detailed bankable projects from Mali and Burkina Faso for the Dakar-Bamako-Sikasso-Bobo Dioulasso rail loop is still being awaited, the General Secretariat will continue to sensitize the concerned OIC Member States on the need to include the respective national segments along the OIC Dakar-Port Sudan Railway corridor in their national development plans and submit their well designed feasibility studies for securing adequate technical support and financing from OIC Member States and its development partners. Based on the declared interest of the Government of Turkey to assist the Republic of Mali through implementation of OIC-sponsored projects, the General Secretariat has forwarded the project on the Dakar-Bamako-Bobo Dioulasso to Ankara for its consideration.

Financing of Transport Sector Projects by IDB:

30. Considering the role that transport sector plays in accelerating growth and economic development, developing adequate transport infrastructure in OIC Member States remains a strategic priority for OIC and its relevant institutions. During 2015 IDB approved US\$1.6 billion for 19 transport sector projects from 12 OIC Member States, thus bringing the total amount of IDB's approvals for transport sector projects in OIC Member States to US\$ 11.7 billion. These projects include: the Arlit-Assamakka road project in Niger, which is a critical section of the Trans-Sahara highway that runs from the Mediterranean coastline in Algeria to the Atlantic coastline in Nigeria; the reconstruction of the Taraz–Talas–Suusamyr Road in Kyrgyz Republic; Nema-Bassikounou road in Mauritania; Kazakhstan-Turkmenistan-Iran railroad project; and Pendembu-Kailahun road project in Sierra Leone, among others.
31. In the same vein, transport sector development has received due attention under the two major regional programmes of the OIC. The various transportation projects executed under the Special Programme for the Development of Africa feature, among others: construction of airports in Dakar, Senegal, and Khartoum, Sudan; construction of Koudougou-Dedougou road in Burkina-Faso; Arboutchatak-Bitkine road in Chad; Singrobo-Yamoussoukro highway in Cote d'Ivoire; and construction of Akieni-Okondja road in Gabon, among others.
32. On its part, the Special Programme for Central Asia, which was officially launched in May 2016, has prioritized transportation as one of its key sectors of cooperation. The objective of this initiative is to develop quality transport network, provide adequate maintenance policies and safety, modernizing border gates and transport equipment, as well as promoting regional institutional partnership and implementation of regional and international transport facilitation agreements, among other.
33. In view of the foregoing, the OIC Member States can support their national development actions through this regional OIC framework, thereby promoting intra-OIC trade, increase competitiveness of OIC products and accelerating growth of OIC economies.

Activities of the Organization of the Islamic Ship-owners Association:

34. The 36th Executive Committee and 27th Session of the General Assembly of the Organization of the Islamic Ship-owners Association (OISA) were held in Dubai, United Arab of Emirates (UAE) on 12 November 2014. The outcome of the Meeting was the signing of Memoranda of Understanding with three Maritime and Ship Building Companies, such as Emirates Classification Society (TASNEEF); Arab Ship Building and Repair Yard (ASRY) and Arab

Federation of Shipping (AFS). The MoUs envisaged the promotion of cooperation between these organisations and members of the OIC in the area of ships classification, technical consulting, training services, and maritime certificates as well as shipbuilding. Similarly, the annual meeting of OISA for 2016 is scheduled to be held in Dubai, United Arab Emirates on 23 October 2016.

V. TOURISM SECTOR DEVELOPMENT

The Ninth Session of the Islamic Conference of Tourism Ministers

35. The Ninth Session of the Islamic Conference of Tourism Ministers (ICTM) was held in Niamey, Republic of Niger on 21-23 December 2015. The Conference was attended by 17 member states, comprising Ministers in charge of Tourism and heads of delegation as well as representatives of relevant OIC institutions and regional organizations. The Conference approved the Resolution on Tourism Development and, the Executive Programme for the Implementation of the OIC Framework on Tourism for 2016-2017.
36. The 9th ICTM considered the decision of the 5th Coordination Committee Meeting on Tourism, held in Niamey, Niger, on 22 December 2015, on the selection of the Madinah Al Munawwarah (Saudi Arabia) and Tabriz (Islamic Republic of Iran) as OIC City of Tourism for 2017 and 2018, respectively.
37. The Conference reviewed the activities on the commemoration of the OIC City of Tourism 2015 (Al-Quds Al Sherif) as well as took note the Report and Recommendations of the Workshop on Improving Tourism Potential of Al-Quds Al-Sherif City, held in Istanbul, Turkey, on 24-25 November 2015. While commending the various projects submitted by SESRIC, ICDT, and IRCICA in commemoration of Konya as OIC City of Tourism 2016, the ICTM urged all member states to submit their respective plans for the commemoration of this City to the General Secretariat.
38. The Conference also adopted various resolutions on how to accelerate the implementation of the OIC Framework for Development of Tourism, including the activities of the various OIC institutions working in the domain of tourism promotion. The Conference agreed the establishment of a Working Group on Islamic Tourism as well as a Working Group on Tourism Marketing. The Republic of Indonesia will chair the Working Group on Islamic Tourism and Malaysia will chair the Working Group on Tourism Marketing as the focal points.
39. The Conference also examined a number of issues concerning the implementation of the OIC Framework on Tourism, reiterating the need for tourism infrastructure development; promoting of Shariah-compliant tourism products; branding Islamic tourism in the international for a elaboration of Programme of Action of tourism marketing strategy; encouraging and facilitating private sector investment in tourism; and facilitation of movement of tourists among the OIC Member States. Conference welcomed the offers of Egypt and Iran to host the 3rd and the 4th OIC Tourism Fairs in 2017 and 2019, respectively. The People's Republic of Bangladesh will host the next 10th Islamic Conference of Tourism Ministers in 2017.

OIC City of Tourism for 2016 – Konya, Republic of Turkey

40. During the 15th Islamic Trade Fair and in the presence of the OIC Secretary-General, the Governor of Riyadh, His Royal Highness Prince Faisal Bin Bandar Bin Abdulaziz, delivered the Certificate of Award to Dr. Mujahid Sami, the representative of the Turkish Government in commemoration of Konya as the OIC City of Tourism, 2016.
41. In the same vein, a special pavilion on Konya City was also staged, showcasing the various landmarks and heritage tourist attractions of the awardee city. Similarly, the Republic of Turkey organized a “Promotion Programme of Konya, the OIC City of Tourism for 2016” in Konya, on 22 April 2016. In line with the Programme of Activities in commemoration of Konya, the Islamic Chamber of Commerce, Industry and Agriculture (ICCIA) has organized its 24th Meeting of the Board of Directors in Konya on 19-20 September 2016.

Regional Project on Sustainable Tourism Development in a Network of Cross-Border Parks and Protected Areas in West Africa

42. The 13th Steering Committee Meeting of the “Regional Project on Sustainable Tourism Development on a Network of Cross-border Parks and Protected Areas in West Africa” was held in Casablanca, Kingdom of Morocco, on 15-17 February 2016. The Meeting was attended by delegates of members of the Committee and representatives of the ICDT and IDB Group. The meeting adopted programme of activities for 2016 and urged participating Member States to submit their national projects in bankable format for further necessary action. The ICDT and SESRIC have jointly organize a Workshop on “Setting up Tourism Projects.

2nd OIC Tourism Fair

43. In compliance with the resolution adopted by the 8th Session of the ICTM, the 2nd OIC Tourism Fair was held in Sharjah, United Arab Emirates on 8-10 December 2015, under the patronage of H.H. Sheikh Dr. Sultan Bin Mohammed Al Qassimi, Member of the Supreme Council of the State of the United Arab Emirates and Ruler of Sharjah. The Fair was attended by approximately 125 companies representing the 13 Member States.

First Meeting of the Working Group on Islamic Tourism

44. In line with the Resolution of the 9th ICTM, held in Niamey, Republic of Niger, in December 2015, the Republic of Indonesia, in its capacity as Coordinator on Islamic Tourism, has organized the First Meeting of Working Group on Islamic Tourism in Padang, Indonesia, on 29 September 2016. The Meeting considered and adopted, among other issues, an Executive Programme for the Development of Islamic Tourism in the Member States featuring such activities as: Promotion of Islamic Tourism Branding in the Global Market; Promotion of Islamic Tourism through the Tourism web portals; Convening of the 2nd OIC International Forum of Islamic Tourism; Facilitating Capacity Building and Research Programmes for the development of Islamic Tourism in the Member States; Inviting sharia-based hotels and tour agencies to the 3rd OIC Tourism Fair; Creating appropriate standards for the development of

expanded Islamic Tourism activity among the Member State; Conducting studies on investment opportunities in Islamic tourism; and etc.

45. The Meeting also requested the SESRIC to prepare a first draft of the Strategic Roadmap in collaboration with members of the Working Group by February 2017. In addition, the Meeting requested the Republic of Indonesia to make a presentation on Islamic Tourism in the 10th ICTM in 2017 as its capacity of Coordinator on Islamic Tourism. The Meeting also agreed to invite the current Chair of ICTM, some leading countries (Malaysia and UAE), and relevant OIC institutions (ICDT, IRCICA, ISESCO and ICCIA) to participate at the next Working Group Meetings on Islamic Tourism.

VI. AGRICULTURE, FOOD SECURITY AND RURAL DEVELOPMENT

46. Since the 31st Session of COMCEC was held in Istanbul, Turkey in November 2015, the consolidation of the structures of the new OIC specialized institution, the Islamic Organisation for Food Security (IOFS), with its headquarters in Astana, Kazakhstan, was given a boost by the landmark convening of the inaugural General Assembly of the new executive institution during the year under review. The convening of the seventh edition of the OIC Ministerial Conference on Food Security and Agricultural Development during the year has also galvanized OIC cooperation activities during the year.

Inaugural General Assembly of Islamic Organization for Food Security (IOFS) in Kazakhstan

47. The inaugural General Assembly of IOFS was held in Astana, Kazakhstan on 26-28 April 2016. The inaugural General Assembly elected an eight-member Executive Board of the IOFS for a term of three years. These members are: Bangladesh; Burkina Faso; Turkey; Saudi Arabia; Sudan; Kazakhstan; Niger; and Director General (IOFS). The meeting also elected Dr. Saad A.Khalil Esa, Director-General of Department of International Cooperation and Overseas Agricultural Investment, Ministry of Agriculture of the Kingdom of Saudi Arabia, as Chairman of the Executive Board of IOFS.
48. The General Assembly also appointed Mr. Yerzhan Jalmukhanov, a national of Kazakhstan, as the Director General of IOFS for a term of four years. In addition, the General Assembly considered and approved Rules of Procedure; Financial Regulations; Personnel Regulations; Budget of Secretariat for 2016-2018; and a 5-year Plan of Action of the IOFS.
49. The 5-year Plan of Action will seek to implement quick-win programmes, aimed at fast-tracking exchanges and cooperation among IOFS Member States. Such programmes include, among others: creation of a comprehensive database and conducting research on all aspects of the food security; establishment of Agriculture SME Fund; establishing the Agricultural and Scientific-Research Fund; elaboration of the IOFS Investment Program; and development of Regional Food Security Programmes (RFSP).
50. It is encouraging to note that since last November seven more OIC Member States, namely Bangladesh, Egypt, Cameroon, Cote d'Ivoire, Qatar, Mozambique and Tajikistan have signed the Statute of IOFS. In addition, Niger, Burkina Faso and Kuwait ratified the Statute, bringing the number of IOFS signatories to 30 and four ratifying member states.

7th OIC Ministerial Conference on Food Security and Agricultural Development

51. The Seventh OIC Ministerial Conference on Food Security and Agricultural Development (MCFSAD) was held in Astana, Kazakhstan on 26-28 April 2016, concurrently with the inaugural General Assembly of IOFS. The 7th MCFSAD examined the practical modalities for the implementation of the various decisions of the previous Ministerial Conferences and relationship between the Conference and the new specialized institution, IOFS.
52. The Astana Conference reiterated the need for the OIC Member States to allocate more resources from their national budgets to agricultural development and food security programmes in line with the relevant decision of OIC on allocation of 6% national budgets for this purpose. It also urged OIC Member States to continue to support cross-border and regional projects aimed at enhancing intra-OIC cooperation in the area of agriculture, rural development and food security.
53. OIC Agriculture ministers also requested the IOFS to further study the creation of OIC Food Security Reserve as recommended by the 4th MCFSAD and conduct a detailed study with regard to creation of an OIC cooperation framework in this domain.

OIC Cotton Action Plan

54. The relevant MCFSAD and CFM resolutions on OIC Cotton Action Plan requested Member States to resubmit their respective cotton projects in a comprehensive bankable format, while calling on SESRIC and the IDB Group to encourage capacity-building projects in cotton and cotton related sectors among cotton producing Member States.
55. Notwithstanding this, the concerned Member States, owners of cotton projects approved under the OIC Cotton Action Plan, have yet to resubmit their respective cotton projects in a comprehensive bankable format to IDB for financing through the official channels. In this context, the 7th MCFSAD again called on the concerned Member States to resubmit their respective cotton projects in a comprehensive bankable format, and to show considerable interest in the new projects being identified to enhance cooperation in this vital economic sector.
56. It should be also mentioned that within the framework of development of the cotton sector in OIC Member States, the IDB has provided US\$ 17 million to 17 OIC Member States, in the form technical assistance grants for capacity building and project preparation (feasibility studies) as well as project financing. Furthermore, ITFC has, during the period 2009-2013, provided US\$ 414 million to OIC Member States to support cotton value chain (production, marketing and trade).
57. On its part, SESRIC has continued to organize, within the framework of its capacity building programmes, training courses on cotton related issues. For example, during the reporting period SESRIC has organized two training programmes in Turkey (Mitigating the Devastating Effect of Lepidopteron Insect through Molecular and Conventional Breeding Approaches) and Bangladesh (Cotton Biotechnology: Advance Crop Management Technologies).

VII. EMPLOYMENT AND PRODUCTIVITY

3rd OIC Labour Ministers Conference

58. The 3rd OIC Labour Ministers Conference, which was held in Jakarta, Indonesia on 28-30 October 2015, expressed support for the continued implementation of the Executive Programme for the OIC Framework for Cooperation on Labour, Employment and Social Protection. It also adopted the Statute of OIC Labour Center in Baku and requested the Secretary General to submit the same to Council of Foreign Ministers for approbation.
59. Similarly, the Conference underscored the need to further strengthen the implementation of occupational safety and health of the workers and to promote fair, safe and orderly labor migration through relevant national laws and regulations. To this end, the Conference endorsed the General Guidelines on Occupational Safety and Health (OSH), aimed at protecting workers from occupational hazards and risks while improving productivity.
60. Other decisions of the Conference include the call on IDB to expand its Youth Employment Support (YES) Programme to all OIC Member States; the determination of OIC Member States to improve conditions and reduce obstacles faced by the youth, women and people with disabilities in finding and maintaining decent work as well as to enhance technical cooperation and exchange good practices in the domain of labour, employment and social protection.

Statute of the OIC Labour Centre

61. The 43th CFM, which was held in Tashkent, Uzbekistan on 18-19 October 2016, approved the Statute of the OIC Labour Centre and invited all OIC Member States to sign and ratify the same at their earliest convenience in order enable early take-off of the Centre.

OIC Framework for Cooperation on Labour, Employment and Social Protection

62. In the light of the 3rd OIC Labour Ministers Conference resolution, the General Secretariat has requested the members of the Steering Committee for the Implementation of the OIC Framework for Cooperation on Labour, Employment and Social Protection to communicate their programme of activities in 2016 for the implementation of the Executive Programme for the OIC Framework. The activities in the Executive Programme include: development of programmes on occupational health safety and health at workplace; establishment of an OIC Labour and Professional Training Observatory; legal protection for employees and labour market legislations; social security protection for workers; and exchange of information and best practices on labour issues, among others.
63. In a related development, SESRIC, in collaboration with the Ministry of Labour and Social Security of the Republic of Turkey, organized a technical training on “Occupational Hygiene and Safety” in Ankara, Turkey on 14-18 December 2015. The event brought together technical experts of OSH authorities of the OIC Member States, namely from Bahrain, Brunei Darussalam, Malaysia, Morocco, Oman, Pakistan, Palestine and Sudan. The SESRIC also organized, in collaboration with the National Social Security Fund of Tunisia, a training

course on “Pension System” in Lome, Togo on 11-12 July 2016 for the benefit of experts from the Pension Fund of Togo.

Workshop on Research and Studies of Islamic Concepts and Practices related to employment issues

64. The 3rd OIC Labour Ministers Conference welcomed the offer of Indonesia to organize a Workshop on Research and Studies of Islamic Concepts and Practices related to employment issues in 2016. Presently, the General Secretariat is working with the relevant Indonesian Authorities on necessary arrangements for convening of the said workshop by the first quarter of 2017.

Venue of 4th OIC Labour Ministers Conference

65. The 3rd OIC Labour Ministers Conference requested the Secretary General to consult with Member States on the venue and date of the 4th Islamic Conference of Labour Ministers (ICLM) scheduled for 2017. Subsequently, the Government of the Kingdom of Saudi Arabia has graciously offered to host the 4th ICLM in 2017.

The 3rd meeting of the OIC-OSHNET

66. SESRIC, in collaboration with the Ministry of Labour and Social Security of the Republic of Turkey (MoLSS), organized the 3rd meeting of the OIC Occupational Safety and Health Network (OIC-OSHNET) in Istanbul, Turkey on 10 May 2016 on the sidelines of the Eight International Conference on Occupational Safety and Health held on 8-11 May 2016. The meeting reviewed the activities undertaken since the creation of the network in 2011. The meeting also discussed the implementation of the General OSH Guidelines, which was endorsed by the 3rd OIC Labour Ministers Conference in Jakarta, Indonesia. The meeting also agreed to convene OIC-OSHNET meetings biennially.
67. At the end of its proceedings, the meeting agreed on a set of recommendations to further enhance intra-OIC cooperation on OSH matters. These recommendations include:
- Strengthening cooperation and optimizing the use of available expertise with a view to supporting efforts by individual countries for promotion of OSH;
 - Strengthening OSH capacities of OIC Member States through exchange of experts, training programmes, joint projects, field and study visits;
 - Supporting proposal of Turkey to establish OIC OSH Center in Ankara, Turkey; and
 - Increasing participation in elaboration and implementation of OSH policies at OIC level, among others.

VIII. COOPERATION IN THE FINANCIAL SECTOR

Central Banks and Monetary Authorities of OIC Countries:

68. The Annual Meeting of the Central Banks and Monetary Authorities of the OIC Member States, which was initially scheduled to take place in Paramaribo, Suriname on 23-24 October 2015, has been postponed. This postponement was made due to the low number of

confirmations from Member States. Presently, the SESRIC, as convener of the meeting, is presently working with host authorities for rescheduling the said event.

Development of Microfinance Institutions:

69. The OIC has been pre-occupied with addressing the problem posed by inadequate investment and paucity of resources to support development efforts in its Member States, particularly among its poor and vulnerable segments. In this regard, the diversification of funding sources has become crucial, more so considering the ever increasing demand for financial resources.
70. Keeping in view the importance of microfinance for poverty alleviation and empowerment of poor and low-income people, the OIC and its relevant institutions have initiated several microfinance development programmes. These include IDB Microfinance Development Programme (IDB-MDP); and a US\$ 500 million Microfinance Support Programme (MFSP) of the Islamic Solidarity Fund for Development (ISFD), among others. Under IDB Microfinance Development Programme, a number of microfinance related projects are being implemented in Bangladesh, Indonesia, Sudan, Senegal, Tunisia, Egypt, Pakistan and Tajikistan. In a similar way, up to date, ISFD within the framework of MFSP has approved US\$111.47 million for financing a number of projects in the various OIC countries.
71. In order to overcome the impediments to the expansion of microfinance services and to promote sustainable development of microfinance in OIC Member States, the OIC General Secretariat and IDB organized a Seminar on Islamic Microfinance for Poverty Alleviation in OIC Member States, in Bogor, Republic of Indonesia on 14-15 May 2016, on the sidelines of the 41st Annual Meeting of IDB Group. The Seminar was attended by 120 delegates from 13 OIC member countries and experts from local banks, academicians and representatives of SMEs from Indonesia. The objective of the event was to kick-start a platform to share and deepen the understanding on the Islamic Microfinance models, good practices, governance and standards developed by the Central Bank and Islamic Microfinance Institutions in OIC Member States. One of the main objectives of this event was also to review and complete a 3-year Program on Islamic Microfinance for Poverty Alleviation and Capacity Transfer (IMPACT). This program will provide a platform for information sharing, networking, advocacy, research, and capacity building on financial inclusion in OIC Member Countries and beyond.
72. The goal of the IMPACT is to create a platform for experts to share and deepen the understanding on the Islamic Microfinance models as well as to create tools and infrastructure in order to share best practices, governance and standards. The program consists of five key pillars, such as: 1) Technology; 2) Operations; 3) Monitoring and Evaluation; 4) Policies and Standards; and 5) Advocacy.
73. The specific programmes for all the pillars feature, among others, the development of a one-stop portal of Islamic microfinance; and an operational toolkit that includes standard operating procedures, policies, contractual document templates, feasibility study templates and other operational documents. It also includes developing of a monitoring and evaluation framework, including a rating system combining areas of financial sustainability, governance, social performance as well as identifying and promoting of a key policies and standards (including accounting and governance standards) that facilitate the growth of Islamic Microfinance.

Development of Islamic Finance

74. IDB Group, for more than four decades, has successfully pioneered and promoted the development of the Islamic finance industry for financing long- and short-term development projects in various sectors of the economies of OIC member states. The activities of IDB Group include developing the enabling environment for Islamic finance, establishing and supporting Islamic financial institutions, developing Islamic microfinance sector, and enhancing awareness about Islamic finance.
75. Islamic Research and Training Institute (IRTI) is playing key role in promoting Islamic finance. During 2015, IRTI produced 30 new publications covering different areas of Islamic Economics and Finance and conducted 25 training programmes on various aspects of Islamic Economics and Finance. In addition, IDB approved 5 technical assistance projects to both new and existing Islamic finance institutions to enhance the infrastructure support and also build their capacity.

Development of Islamic Social Finance

76. Islamic social finances such as zakah and awqaf are also assuming great significance within the OIC development agenda, as an effective tool for mobilizing funds to address the problem of financial exclusion faced by Micro, Small and Medium Enterprises in OIC Member States, within the framework of its poverty alleviation initiatives.
77. Within this context, the Islamic Research and Training Institute (IRTI) has produced second report on Islamic Social Finance in 2015. This report presents the historical trends, future challenges and prospects for the various segments of the Islamic social finance sector in six African countries, namely Sudan, Nigeria, Kenya, Mauritius, South Africa and Tanzania. According to these reports, Islamic social finance has generally shown an increasing trend in all countries under review. For example, the value of Islamic social finance amounted to US\$ 2.3 billion in some OIC Member States in South and South-East Asia. Similarly, Islamic social finance has an estimated market value of US\$225 million in some OIC Member States in Sub-Saharan Africa. In addition, IRTI has continued to organize training activities in various OIC Member States with regard to development of the Islamic social finance sector.
78. In a similar vein, the 1st Annual Coordination Meeting of OIC institutions (ACMOI), which was held in Jeddah on 7-8 December 2015, has initiated the process of convening of a Workshop on Islamic Social Finance as well as a Forum of Zakat Institutions and Providers in OIC member states during the current year. The latter is in light of the need to implement the existing ruling of the IIFA on investment of Zakat funds in profit-generating projects. The First Meeting of the Finance, Development and Private Sector Sub-Committee of the ACMOI, which was held at the OIC Headquarters in Jeddah on 25 July 2016 agreed to merge two events into one under the title: Forum on Islamic Social Finance. It also established a Task Force comprising the representatives of IRTI, SESRIC, OIC General Secretariat and IIFA to make necessary arrangements for the proposed forum.

IX. SPECIAL FUNDS AND REGIONAL ECONOMIC PROGRAMMES

79. The emphasis on regional integration through infrastructure development has continued to inform the cooperation strategies of the OIC. This regional policy has further received a boost, thanks to the Communique of the 13th Islamic Summit held in Istanbul, Turkey on 14-15 April 2016. The support for the elaboration of a comprehensive blueprint for infrastructure development through the expansion of the two regional programmes of the OIC to other regions has also been echoed by the proposal of the President of Kazakhstan for the development of a “Triple I’s”: Islamic Infrastructure and Integration Initiative. This proposal will see to the development of regional programmes along major sectoral cooperation pillars, such as trade, transportation, energy and telecommunication. This segment will dwell on the implementation of the Special Programme for the Development of Africa, and the recent validation and launching of the Special Programme for Central Asia. It will also provide updates on the implementation of the Islamic Solidarity Fund for Development within the framework of the poverty alleviation strategies of the Organisation.

Islamic Solidarity Fund for Development (ISFD):

80. The 13th Islamic Summit held in Istanbul, Republic of Turkey on 14-15 April 2016 expressed its appreciation for the numerous contributions by Member States to the Islamic Solidarity Fund for Development (ISFD) and commended the various interventions under the Fund, which have reached US\$ 562 million cumulatively. The meeting also considered the need to increase the impact of ISFD interventions on scaling-up micro-finance support, vocational training and food security; improving social and economic services to vulnerable segments in OIC countries; as well as attaining its target capital of US\$ 10 billion. Accordingly, the meeting called on Member States to redeem their pledges and announce new commitments, including allocation of Waqf (endowment project) in favor of ISFD. The meeting also called for the participation of private sector foundations and high net-worth individuals in OIC Member States in the Fund. Accordingly, the meeting renewed its commitment to mobilize intra-OIC investment through support for Islamic financial products and Islamic social finance.

81. The ISFD, since its establishment by 3rd Extraordinary Islamic Summit in 2005, has executed various programmes and projects in the area of poverty eradication and capacity building in OIC member states. During its Five-Year Strategy, the ISFD created such flagship programmes as Vocational Literacy Programme (VOLIP), Microfinance Support Programme (MFSP) and Sustainable Villages Programme (SVP).

82. So far, a number of projects have been approved under these two programs with a total value of US\$247.52 million (US\$136.05 million for VOLIP, and US\$111.47 million for MFSP). ISFD contributions amount to US\$74.53 million (US\$50.01 million for VOLIP, and US\$24.52 million for MFSP). The bulk of the approvals have been allocated to African countries.

83. The main sectors of focus have been (i) Agriculture (incl. Rural Development), which accounted for around 43 percent of the ISFD financing, and (ii) Education (incl. VOLIP), which accounted for around 24 percent of the ISFD financing. The Least Developed Member Countries (LDMCs) have been the main beneficiaries of these operations, enjoying more than

80% of the Fund's financing. In fact, 61% of these approvals were made for Africa, 15% to the CIS countries, and 12% to Asia and Middle-Eastern countries.

84. The cumulative ISFD approvals up to the end September 2015 amounted to US\$ 562.2 million. Out of this amount, US\$ 19.6 million was disbursed on a grant basis. It is worth noting that the value of the projects financed by ISFD approvals amounted US\$ 2.7 billion, thus attaining a leverage ratio of 1 to 5 (i.e. every US\$1.00 provided by ISFD has mobilized almost US\$ 5.00 from external funding).
85. Similarly, the cumulative disbursements so far have reached US\$97.33.0 million, compared to US\$81.9 million as at the end of 2014. As the number of approved ISFD, projects which fulfill the disbursement criteria increases, disbursements are expected to keep their rising trend.
86. Although eight years have passed since the commencement of the ISFD operations in 2008 and the conclusion of its Five-Year Strategy (2008-2012), the Fund is still constrained by the low level of mobilized resources, compared to its approved target capital of US\$10.0 billion. As of 15 October 2015, the level of pledged capital contributions to the ISFD stood at US\$2.68 billion, with US\$1.68 billion, committed by 44 member countries, and US\$1.0 billion by IDB. The total amount of received contributions thus far is US\$2.42 billion, of which US\$850 million was paid by the IDB and US\$1.57 billion by Member States.
87. In the light of the above-mentioned constraints, ISFD is urgently in need of funds to expand its activities towards alleviating poverty and improving social services and infrastructures. In this regard, member states are kindly invited to redeem their respective pledges and to make additional financial commitments. Similarly and in line with the resolution of 11th OIC Summit, member states are also requested to provide landed property in their respective countries for wakf projects as in-kind contribution to ISFD resources. This is in addition to the request for encouraging Private Sector establishments in OIC Member States to contribute to ISFD funds.
88. In line with the objective of mobilizing resources for the Fund, the General Secretariat has organized an awareness session on the activities of ISFD during the 39th Islamic Commission for Economic, Cultural and Social Affairs (ICECS) held at OIC headquarters in Jeddah, Kingdom of Saudi Arabia on 23-25 July 2016. The presentation included achievements of ISFD in various areas as poverty alleviation, micro finance and vocational training.

Special Programme for Development of Africa (SPDA):

89. As reported to the 31st Session of COMCEC, the approval phase of SPDA was accomplished in November 2012, resulting in the approval of a total of 480 projects in 22 OIC African Member States. The successes achieved in the course of implementation of SPDA indicate that economic regionalism for advancing intra-OIC cooperation should be further mainstreamed as a means of achieving rapid integration in OIC Member States.
90. Consequently, the 13 Islamic Summit Conference, which was held in Istanbul, Turkey on 14-15 April 2016, expressed satisfaction with the implementation of the SPDA and reiterated the need for the implementation of OIC regional programmes within a comprehensive OIC

infrastructure development policy in order to realize the vision of an integrated OIC economic community. The Conference also welcomed the proposal of H.E. Nursultan Nazarbayev, President of the Republic of Kazakhstan, on “Islamic Infrastructural Integration” Initiative, aimed at advancing sustainable and inclusive economic growth, regional integration, connectivity and cooperation among the OIC Member States. To end, it called on the OIC Member States and institutions to support and develop a comprehensive strategic roadmap for the next decade on the practical implementation and resource mobilization for the above initiative.

91. On its part, the 43rd CFM requested the Secretary General, in collaboration with Member States and relevant OIC institutions, to submit a draft OIC policy paper for infrastructure development and regional integration, taking into account the achievements realized under the SPDA. It also invited Member States to actively participate in the development of an OIC framework for infrastructure development and regional integration;
92. In view of the foregoing, the General Secretariat, in collaboration with relevant OIC institutions, is presently working on preparation of OIC infrastructure development and regional integration policy, which will provide a general framework for elaboration of OIC regional economic programmes for OIC Member States in Africa, Asia, and Middle East and North Africa (MENA) as well as national level alignment with such initiatives. Thus, this policy is expected to be based on two mutually reinforcing pillars: the first is supporting cross-border and integrative projects, and the second, enhancing trade and investment among OIC Member States. It is, therefore, expected that elaboration of a successor programme to SPDA will be one of the central components of proposed OIC infrastructure development and regional integration policy.

OIC Plan of Action for Cooperation with Central Asia:

93. The 42nd Session of Council of Foreign Ministers while approving the recommendations of the First Investment Forum of the OIC Plan of Action for Cooperation with Central Asia , endorsed the initiative to organize an Investment Forum for Central Asia every two years and requested the Secretary General to consult with Central Asian Member States on the hosting of 2nd Investment Forum in 2016. The Session called upon the OIC Member States and institutions to identify relevant implementation modalities for expeditious implementation of identified projects by the First OIC Investment Forum in Central Asia.
94. In line with the foregoing, the General Secretariat made necessary consultation with relevant esteemed authorities of Uzbekistan on organizing the OIC Trade and Investment Forum in Tashkent, Uzbekistan on 14-15 May 2016, on the sidelines of the 43rd Session of Council of Foreign Ministers.
95. In the same vein and within the framework of OIC Plan of Action for Cooperation with Central Asia (OIC-PACCA), the Special Programme for Central Asia (SPCA) was prepared by Islamic Development Bank (IDB) in close coordination with General Secretariat. The SPCA is anchored on three of the seven priorities of the OIC PACCA namely: Trade & Transport, Agriculture, and Energy. This five-year (2016-2020) programme aims at supporting projects with high regional impact by using various resources. The total financing estimate for the programme amounts to US\$ 6 billion including US\$ 2.500 million from IDB

Ordinary Capital Resources (OCR), US\$ 375 million Regional Concessional Allocation, US\$ 1.250 million Trade Finance, US\$ 500 million Private Sector Financing and US\$ 1.375 through Resource Mobilization and financing.

96. In this contexts, a Regional Consultation Workshop was held in Istanbul, Republic of Turkey on 14-15 March 2016 and deliberated on the priority sectors identified by draft SPCA, the issue of resource mobilization, institutional and operational modalities for implementation of the projects, as well as monitoring and evaluation arrangements. The Workshop was attended by Central Asian Member States, OIC institutions as well as relevant regional and international organizations.
97. The SPCA was launched at the 41st IDB Board of Directors in Jakarta, Indonesia on 17-19 May 2016 and will be presented, for its eventual validation, to the 2nd edition of the High Level Meeting on OIC Plan of Action for Cooperation with Central Asia and the 43rd Council of Foreign Ministers (CFM) in Uzbekistan in October 2016.

X. ECONOMIC ASSISTANCE TO OIC MEMBER STATES AND MUSLIM COMMUNITIES IN NON-OIC COUNTRIES

98. In line with the objectives of promoting partnership, mutual assistance and solidarity among OIC Member States, the OIC Member States and institutions continued to provide assistance to some OIC Member States and Muslim communities in non-OIC countries. These countries and communities include: Benin, Guinea, Cote d'Ivoire, Comoros, Somalia and people of Jammu and Kashmir. In addition, the following projects were submitted for the purpose of mobilizing funding from OIC Member States. The projects include:
- Equipping Technical and Vocational Training Institutions in 120 days (Government of Benin);
 - Establishment of a Micro-Finance Office in the three provinces (Government of Burkina Faso);
 - Construction of a Training Center (Government of Burkina Faso);
 - Improvement of Cattle Breeding (Government of Burkina Faso);
 - Development of Women Entrepreneurship in Comoros (Government of Comoros);
 - Design of a Fenton Oxidative Waste Water Treatment Plant (Government of Nigeria);
 - Construction and Equipment of a Vocational Training Facility for Somali Youth (Government of Somalia);
 - Joint OIC-UNOSSC project on Livelihoods Improvement and Economic Regeneration through South-South Cooperation in Somalia.
99. In view of the foregoing, the OIC Member States are kindly requested to provide the General Secretariat with information about their respective assistance to OIC Member States and Muslim communities in non-OIC countries as well as consider the possibility of making resource or in-kind contributions for the implementation of the above mentioned projects.

Malaysian Capacity Building Programme for OIC Countries (CBP4OICC)

100. As it was reported to the 31st Session of COMCEC, following consultations with the Government of Malaysia, the latter indicated its desire to implement the next phase of

the CBP4OICC. Meanwhile the General Secretariat has been notified that the relevant authorities in Malaysia have been working on the preparation of the Status Report for the implementation of the 3 pilot projects executed under the first phase of CBP4OICC in Mauritania, Bangladesh and Sierra Leone. Based on the Status Report, the modalities for the operationalisation of next phase of the programme will be elaborated.

XI. COOPERATION WITH OTHER REGIONAL AND INTERNATIONAL ORGANIZATIONS

101. During the year under review, the General Secretariat has continued to interface with international organisations for the sake of widening partnership for the implementation of OIC resolutions in the following manner:

13th General Meeting on Cooperation between the UN and OIC:

102. The 13th biennial General Meeting on Cooperation between the organizations and agencies within the United Nations system and the various institutions of the Organization of Islamic Cooperation was held in Geneva, Switzerland on 11-13 May 2016. The meeting provided an opportunity for review of the various bilateral projects between OIC and UN agencies and institutions. These include cooperation on conflict prevention and resolution, peacemaking and peace building; combating terrorism and countering radicalism and violent extremism; promoting electoral partnership; health; environment; disaster risk reduction; water issues as well as strengthening intercultural dialogue; empowerment of women; supporting displaced persons and refugees; population and migration; among others.
103. In the economic domain, the meeting reviewed the status of implementation of their joint projects on trade facilitation, agriculture and food security, investment promotion, transportation development, poverty alleviation, as well as enhancing south-south cooperation and mobilization of funds for joint projects, capacity-building programmes for trade and agriculture related activities.
104. The participants commended the MoUs signed on various socio-economic cooperation activities between UN and OIC and called for their speedy implementation through elaboration of necessary action plans.
105. The meeting adopted its Report and Updated Matrix of Activities for 2016-2018, which under 41 objectives contains 197 activities and timelines for their implementation in the next biennium. The economic components include such activities as capacity-building for trade negotiations, Aid for Trade, organization of trade fairs and specialized exhibitions, organizing regional investment forums, carry out a survey on Single Window status in OIC Member States, creation of network of SMEs in OIC countries, enhancement of regional trade capacities in food products, Private Sector meetings, capacity building programmes in agricultural sector, and Resource mobilization for project owners of the OIC Dakar-Port Sudan Rail way Road Project, among others.

Collaboration between OIC General Secretariat and UN Office for South-South Cooperation

106. A Memorandum of Cooperation between the Department of Economic Affairs of the General Secretariat and UN Office for South-South Cooperation has been concluded at OIC Headquarters in Jeddah, Saudi Arabia on 24 January 2016. In addition, a Strategic Framework for Cooperation between UNOSSC and Department of Economic Affairs during 2016-2018 has also been agreed by the both sides.
107. On the basis of the Memorandum, a regular mechanism of cooperation between Department of Economic Affairs of the General Secretariat and UNOSSC has been created to execute the Strategic Framework, which includes projects in the domain of rail transportation, tourism, cotton rehabilitation, capacity building as well as assistance to Somalia and Yemen.
108. In a related development, the General Secretariat and relevant OIC institutions (ICDT, ICCIA) participated in the Global South-South Development Expo, which was held in Dubai, UAE from 31 October to 3 November 2016. The event provided OIC and its institutions a good opportunity to showcase various OIC cooperation projects in the area of trade, agriculture, tourism and transportation that are aimed at promoting socio-economic development of OIC Member States through the consolidation of South-South cooperation among its Member States and other multilateral bodies.

XII. OIC-2025 PROGRAMME OF ACTION:

109. The 13th Islamic Summit held in Istanbul, Republic of Turkey on 14-15 April 2016 expressed its satisfaction for successful conclusion of the OIC Ten Year Programme of Action (TYPOA), which provided the Islamic Ummah with a forward looking blueprint with a view to enhancing Joint Islamic Action in various domains and reiterated its commitment to working together for a better tomorrow and enhancing the well-being of our people. It also affirmed commitment to address the shortcomings in the previous decade and to introduce the necessary improvements for the effective implementation of the new OIC Programme of Action (2016-2025).
110. The Summit Conference adopted the OIC-2015: Programme of Action for the next decade and called upon the Member States, the OIC organs and institutions, international partners as well as other stakeholders to undertake all necessary measures for its effective implementation.
111. The OIC-2025: Programme of Action comprises 17 priority areas in such domain as peace and security, Palestine and Al-Quds, poverty alleviation, science, technology and innovation, education, health, environment, climate change and sustainability as well as culture and interfaith harmony and humanitarian action among others. The economic component includes poverty alleviation, trade, investment and finance; agriculture and food security; employment, infrastructure and industrialization; transport; energy; tourism as well as entrepreneurship and SMEs development. Each priority area has specific goals and actions. The identified goals and actions in the domain of economic issues are:

1. Poverty Alleviation

Goals:

- Implement nationally appropriate social protection systems and measures for all and by 2025 achieve substantial coverage of the poor and the vulnerable.
- Decrease by two-thirds the prevalence of extreme poverty in the Member States, currently measured as people living on less than US\$1.25 a day.
- Reduce at least by one-third the proportion of population of all ages living in poverty in all its dimensions.
- Promote equitable share to economic resources for men and women, particularly the poor and the vulnerable, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance.
- Create sound policy frameworks, at national, regional and international levels, based on pro-poor and gender-sensitive development strategies to support accelerated investments in poverty eradication actions.

2. Trade, Investment and Finance

i. Intra-OIC Trade and Investment

Goals:

- Promote trade exchanges among the OIC Member States.
- Promote and establish free trade and export processing zones in OIC Member States, and facilitate intra-OIC investments, including inward FDI flows by the public and private sectors.
- Enhance partnership among public and private companies within and among OIC countries.
- Develop partnerships between the productive sectors of the Member States in order to strengthen the competitiveness of the production and exporting entities.
- Increase production and competitiveness of products in the Member States.
- Further increase intra-OIC trade by 6% up from the current percentage in 2015.
- Implement the Trade Preferential System of the OIC (TPS-OIC), and encourage OIC Member States in other Regional Trade Agreements (RTA) areas to join TPS-OIC and intensify efforts to ensure its success.
- Implement vigorously the General Agreement on Economic, Technical and Commercial Cooperation among the OIC Member States and similar multilateral instruments on trade and investment.

- Continue implementing the COMCEC Strategy for Building an Interdependent Islamic World, in its entire sectors towards increasing the intra-OIC trade and investment with a view to be overarching goal of enhancing the economic and commercial cooperation among the Member States.

ii. Islamic Finance Development

Goals:

- Develop sound and well-regulated Islamic financial system and related prudent institutions to ensure orderly development of Islamic finance.
- Facilitate the flow of financial resources and direct foreign and portfolio investment flows among the OIC Member States.
- Develop and promote Islamic financial products to advance socio-economic development in OIC Member States.
- Promote cooperation in Islamic Banking and Finance such as regulations, adoption of standards, sharia governance mechanism and product development.

3. Agriculture and Food Security

Goals:

- Increase agricultural productivity and profitability of farming systems to achieve sustainable food and nutrition security in the OIC Member States.
- Develop food production systems based on agricultural diversification, conservation of water, and efficient use of land.
- Improve the policy environment and regulatory framework to develop agricultural sector and food production.
- Promote the optimization of utilization of land and other natural resources for agricultural sector and food production.
- Promote and support intra-OIC investment in agricultural sector and food production.
- Consolidate the structures of the Islamic Organization for Food Security to achieve its objectives of coordinating intra-OIC food security operations.

4. Employment, Infrastructure and Industrialization

i. Industry

Goals:

- Increase local productive and export capability of OIC Member States with a focus on value added sectors in agriculture, manufacturing, maritime and services.
- Increase the value addition in natural resource-based industries paying special attention to employment generation, Science, Technology and Innovation development, and the sharing of technology.
- Develop and facilitate green industry and industries based on blue economy.

ii. Transport

Goals:

- Reduce costs of export/import and improve services through development of adequate transport corridors and networks so as to increase the competitiveness of OIC Member States.
- Establish safe, secure and interconnected multimodal transport corridors and networks among the Member States to facilitate trade, social and cultural exchanges among them.

iii. Energy

Goals:

- Enhance capacities of OIC Member States in energy production, trade and distribution with the aim of ensuring access to energy for all.
- Ensure access to affordable, reliable, sustainable, and modern energy for all.
- Increase the share of electricity generation through alternative renewable energy sources.

iv. Tourism

Goals:

- Publicize and highlight the opportunities and possibilities of investment which exist in OIC Member States and the best practices of some Member States in tourism sector.
- Establish alliances between tourism stakeholders with a view to strengthening joint tourism marketing and promoting cooperation efforts at the sub-regions level as well as at the level of the OIC region as a whole.
- Enhance the role of Public-Private Partnerships (PPPs) in the expansion and upgrading of the existing tourist capacities and activities and for the construction of new facilities of appropriate quality and service standards, using up-to-date technologies.
- Promote regional and cross-border tourism projects in the Member States to attract investments.

- Promote awareness about Islamic tourism services in the Member States and beyond.

v. Labour, Employment and Social Protection

Goals:

- Promote the exchange of information and best practices as well as strategies, policies and experiences in the area of occupational safety and health, employment, social protection and migration, with a view to promoting a culture of prevention and control of occupational hazards.
- Promote labour protection, which comprises decent conditions of work, including wages, working time and occupational safety and health, essential components of decent work.
- Improve information transparency on employment statistics and promote vocational training programmes.

vi. Entrepreneurship and SMEs development

Goals:

- Develop a dynamic and well-functioning private sector for increasing investment and trade, economic growth, industrialization and structural transformation.
- Increase the contribution of SMEs to the overall economic growth and development of OIC Member States and enhance their competitiveness and dynamism by facilitating their access to information, market, human resource development and skills, finance as well as technology.
- Promote and encourage women's SMEs.

112. Before the specific goals are defined the Programme identified certain principles for the implementation of OIC-2025 as: reflective of the aspirations of the peoples of the Member States; Islamic Solidarity, partnership and cooperation; country ownership and leadership; collective approach for identification of targets and implementation of projects; good governance; effective coordination and synergy. The goals in the Programme will be implemented in harmony with the existing OIC agreements/strategies/plans of action, including those of the OIC Standing Committees, namely Al-Quds Committee, COMIAC, COMCEC, and COMSTECH, and other framework documents between the Member States.

XIII. CONCLUSION:

113. The inauguration of the Islamic Organisation for Food Security as the newest OIC specialised institution in Astana, Kazakhstan during the year under review has created a new vista for a rewarding OIC cooperation in the domain of agriculture, rural development and food security. In the same vein, the adoption of quick-win projects for immediate implementation have the potentials of rejuvenating intra-OIC projects aimed at increasing competitiveness, youth and

women employment and infrastructure development in OIC member states. Equally significant is the expected multiplication of activities for enhanced OIC cooperation with the OIC member states in Central Asia, a situation that will promote regional integration within the OIC within the framework of the eventual creation of a wholly integrated OIC community.

114. Furthermore, the annual celebration of the OIC City of Tourism is gradually creating a popular awareness within the OIC, such that would be consolidated by the progressive development of Islamic Tourism. In this regard, the various activities carried out during the year on the popularization of Islamic finance products, notably the expected outcome of the Workshop on Islamic Microfinance being held in Bogor, Indonesia on 14-15 May 2016, will contribute greatly to the core priority of OIC for poverty reduction and investment promotion within OIC.
115. In this regard, it is gladdening to acknowledge the various support and cooperation received from OIC Member States both in the form of early accession to the various OIC multilateral agreements, and commitments to the funding of relevant OIC projects. However, it is necessary to underscore the importance of increased ownership of, and early feedback on, various OIC projects and programmes by the esteemed member states. In the same breadth, the contributions of the various OIC institutions to the implementation of OIC resolutions, programmes and projects are very commendable. It is expected that this fruitful collaboration would continue in leaps and bounds during the coming years, considering the positive results demonstrated by the new coordination mechanism involving the OIC General Secretariat and the various OIC institutions.

OIC General Secretariat
Department of Economic Affairs,
15 October 2016