

# REPORT ON THE IMPLEMENTATION OF THE COMCEC STRATEGY

May 2018

COMCEC COORDINATION OFFICE

## **PROGRESS REPORT ON THE IMPLEMENTATION OF THE COMCEC STRATEGY**

### **1. Introduction:**

The Standing Committee for Economic and Commercial Cooperation of the Organization of Islamic Cooperation (COMCEC) has been continuing its efforts towards enhancing economic and commercial cooperation among the 57 OIC Member Countries since 1984. The main objective of the COMCEC is to address the economic challenges of the Islamic Ummah, and to contribute to their development efforts. In this regard, COMCEC serves as a policy dialogue forum for producing and disseminating knowledge, sharing experience and best-practices, developing a common understanding, and approximating policies among the Member Countries.

In order to make the COMCEC a more fruitful platform to meet the growing needs of the OIC Member States, the 4<sup>th</sup> Extra-ordinary Islamic Summit Conference held on 14-15 August 2012 in Mecca, Kingdom of Saudi Arabia has adopted the COMCEC Strategy. The 13<sup>th</sup> Session of the Islamic Summit Conference hosted by the Republic of Turkey on 10-15 April 2016 in İstanbul, Turkey, *“expressed its profound appreciation for the successful implementation of the COMCEC revised statute and strategy adopted at the 4th Extraordinary Summit. It called on Member States to enhance the implementation of the revised COMCEC statute and strategy, in close coordination and cooperation with the General Secretariat and in accordance with the OIC Charter, and requested Member States to continue to actively participate in the work of the COMCEC under the chairmanship of H.E. Recep Tayyip ERDOĞAN, President of the Republic of Turkey.”*

The COMCEC Strategy brought a new dynamism in the efforts for enhancing economic and commercial cooperation among the OIC Member States. The Strategy does not only put forward a clear vision for the Islamic Ummah, but also define implementation instruments for reaching its objectives. The Member States showed a great interest and support to the implementation instruments of the Strategy namely the COMCEC Working Groups and the COMCEC Project Funding during the five years of Strategy’s implementation.

The COMCEC Working Groups offer a policy dialogue platform for sharing knowledge and experience among the OIC Member Countries. Research reports are conducted for each Working Group Meeting to reveal the situation related to the specific theme of the Meeting. Some of the member countries are studied in detail in these reports through field visits, surveys and interviews. Moreover, sectoral Outlooks are prepared annually and submitted to these Meetings to explore global trends and current situation in the member countries.

COMCEC Working Groups are held in the six cooperation areas defined by the COMCEC Strategy, namely trade, transport and communications, tourism, agriculture, finance and poverty alleviation. Since the 33<sup>rd</sup> Session of the COMCEC, six Working Group Meetings were held in the February-April period. All the publications regarding the working group meetings namely the analytic studies, sectoral outlooks and the proceedings of the meetings are available on the COMCEC website in e-book format (<http://ebook.comcec.org/>).

The COMCEC Project Funding, the second implementation instrument of the COMCEC Strategy, provides an opportunity for the Member Countries as well as the OIC institutions to

implement multilateral projects in line with the goals and targets set by the COMCEC Strategy. Moreover, the policy recommendations, which are produced by the Working Groups and adopted by the Ministerial Sessions, are transformed into concrete projects. These projects serve to the ultimate aim of improving institutional and human capacity within the OIC Member Countries.

The Member States and OIC Institutions have shown great interest to the COMCEC Project Funding. In 2017, 13 projects have been implemented successfully by the Member Countries and OIC Institutions. Through these projects, more than 30 member countries benefited from the COMCEC Project Funding. Moreover, 19 new projects have been found eligible for funding for 2018. The Sixth Project Call will be made in September 2018.

This report summarizes the progress achieved since the 33<sup>rd</sup> Session of the COMCEC towards the implementation of the COMCEC Strategy.

## **2. Resolutions of the 33<sup>rd</sup> Session of the COMCEC on the Implementation of the Strategy**

The 33<sup>rd</sup> Session of the COMCEC was held on 20-23 November 2017 in İstanbul, Republic of Turkey. The Session was informed by the COMCEC Coordination Office on the progress achieved towards the implementation of the COMCEC Strategy. After fruitful deliberations, the 33<sup>rd</sup> Session of the COMCEC adopted the following resolutions for ensuring the effective implementation of the COMCEC Strategy:

The Session welcomed the Progress Report submitted by the COMCEC Coordination Office highlighting the progress achieved in the implementation of the Strategy; commended the Member States and OIC Institutions for their valuable contributions to its implementation and requested the Member States and OIC Institutions to further their full support to the implementation of the Strategy.

The Session commended the efforts of the Working Groups towards approximating policies among the Member States in their fields of competence and welcomed the policy recommendations made by the Working Groups in their meetings held in February-April and September-November 2017. The Session welcomed the finalization of the nine projects funded under the COMCEC Project Funding in 2016 and the progress achieved in the implementation of the fourteen new projects under the fourth project call in 2017, and also welcomed the fifth project call, made by the COMCEC Coordination Office in September 2017.

Furthermore, the Session encouraged the Member States, which have registered to the COMCEC Working Groups to actively participate in the upcoming Meetings of the relevant Working Groups and benefit from the COMCEC Project Funding for realizing their cooperation projects. The Session invited the Member Countries to utilize the COMCEC Project Funding to implement the policy recommendations developed in the COMCEC Working Groups and adopted by the COMCEC Ministerial Sessions.

The Session welcomed the holding of the Fifth Annual Coordination Meeting of the COMCEC Working Group Focal Points, organized by the COMCEC Coordination Office on 23-25 May 2017 in Ankara, Turkey and called upon the Member States concerned to respond to the “Evaluation Forms” circulated each year by the COMCEC Coordination Office with a view to following-up the implementation of the COMCEC Policy Recommendations. Moreover, the

Session also calls upon the working group focal points to be actively involved in the knowledge production efforts of the COMCEC through, among others assisting in collection and verification of country specific data and providing feedbacks to research studies.

The Session requested the COMCEC Coordination Office to regularly report the progress in the implementation of the COMCEC Strategy to the COMCEC Sessions, the Follow-up Committee Meetings and other relevant OIC fora.

### **3. Implementation of the COMCEC Strategy**

#### **3.1. Meetings of the COMCEC Working Groups**

In line with the relevant resolutions of the 33<sup>rd</sup> Session of the COMCEC, the 11<sup>th</sup> round of COMCEC Working Group Meetings was held in February-April 2018 (10<sup>th</sup> for the Financial Cooperation Working Group). Apart from the relevant public institutions, representatives from the private sector and NGOs of the Member Countries, as well as relevant international organizations are also invited to working group meetings for enabling the reflection of a wide range of stakeholders' perspective during the discussions.

For these meetings, 6 research reports have been published by the COMCEC Coordination Office. After each WG Meeting, a proceedings document was published in order to reflect the outcomes of the meetings including the summaries of the presentations and discussions made during the meeting. All the publications regarding the working group meetings namely the research studies, sectoral outlooks and the proceedings of the meetings are available in e-book format on the COMCEC website: (<http://ebook.comcec.org>).

In line with the regular practice for each WG Meeting, the working groups have continued to conduct a policy debate session in their deliberations. The participants discussed policy recommendations on the theme of the meeting derived from the research studies as well as the responses by Member Countries to the policy questions, which are communicated to the focal points before each WG meeting. These policy recommendations will be submitted to the Ministerial Session for consideration and adoption.

All the documents and presentations made during the WG Meetings are available on the COMCEC website. ([www.comcec.org](http://www.comcec.org))

##### **3.1.1. COMCEC Trade Working Group**

Trade facilitation has become one of the important topics in the global economic agenda. The COMCEC Trade Working Group (TWG) has been focusing on trade facilitation issues in its recent meetings, which is also one of the important output areas of the COMCEC Strategy.

Trade facilitation can reduce trade costs prominently. According to OECD estimations, harmonizing trade documents, streamlining trade procedures, making trade-related information available and using automated processes can reduce total trade costs by 14.5 percent for low-income countries, 15.5 percent for lower-middle-income countries and 13.2 percent for upper-middle-income countries.<sup>1</sup>

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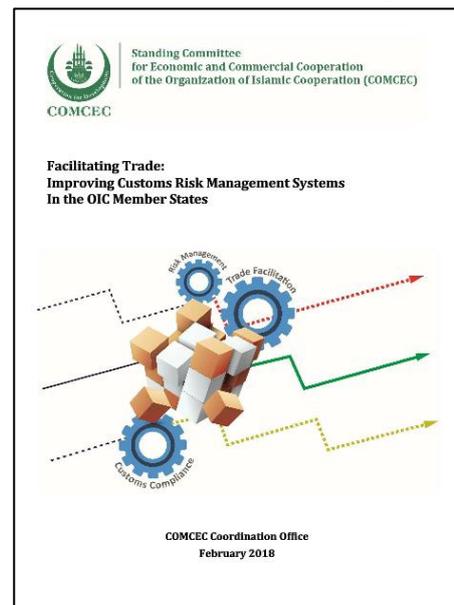
<sup>1</sup> COMCEC Coordination Office, Single Window Systems in the OIC Member Countries, 2017.

In this respect, the 11<sup>th</sup> Meeting of the Trade Working Group has elaborated on an important instrument of trade facilitation, which is Customs Risk Management Systems. The TWG has convened on March 7-8, 2018, in Ankara, Turkey with the theme of “Facilitating Trade: Improving Customs Risk Management Systems in the OIC Member States.” During the Meeting, the participants deliberated on the conceptual framework, global practices and trends in customs risk management and the status of the OIC Member Countries regarding the implementation of the customs risk management systems. In line with the relevant resolution of the 33<sup>rd</sup> Session of the COMCEC, **this meeting also served to the preparations for the Exchange of Views Session of the 34<sup>th</sup> COMCEC Ministerial Meeting to be held under the same theme.**

Improving customs risk management (CRM) systems is of particular importance for the Member Countries for ensuring optimal balance between trade facilitation and customs control. Through these effective mechanisms, customs administrations can allocate their resources more effectively and efficiently through focusing on high-risk areas. Therefore, these systems provides enhanced decision-making process during the customs control, while ensuring the security.

According to the report prepared for the Meeting, the OIC member states are positioned at different stages regarding the level of CRM. Accordingly, while 17 (29.8%) of the 57 OIC Member Countries have fully implemented CRM, 4 (7%) of them are at the advanced stage, 25 (43.9%) of them at medium performance. On the other hand, 2 (3.5%) Member Countries have CRM systems at basic level, and 9 (15.8%) Member States have no CRM<sup>2</sup>. Moreover, within the framework of the report, field visits were conducted to three OIC member countries namely Albania, Senegal and Turkey to get insights about the policy environment on the subject.

The research report also highlighted that some member countries have limited coordination among the relevant stakeholders with respect to customs risk management and there is a need for a sound risk management strategy. Moreover, inadequate IT infrastructure and insufficient use of audit-based controls and risk assessment techniques are the main challenges faced by the Member Countries in operating customs risk management.



In this regard, the Trade WG has come up with a set of policy recommendations for improving customs risk management systems, among others:

- Establishing a risk management committee and developing an efficient and effective risk management strategy for improving the CRM performances and modernization efforts;
- Maintaining adequate IT support for the electronic submission of pre-arrival/pre-departure information for risk assessment;

<sup>2</sup> COMCEC Coordination Office, Facilitating Trade: Improving Customs Risk Management Systems in the OIC Member States, 2018.

- Utilizing Integrated CRM system including Data Warehouse, Business Intelligence, and Data Mining;
- Using advanced techniques and tools for risk assessment; such as usage of appropriate statistical models etc;
- Enhancing customs audit based controls; including post-clearance.

Moreover, the TWG has also considered the other aspects of the trade facilitation and come up with policy recommendations, which will be submitted to the 34<sup>th</sup> COMCEC Session, under the following six headings:

1. Simplifying trade procedures and documentation
2. Legal and regulatory framework
3. Physical infrastructure and modernization
4. Harmonization and alignment of standards and conformity
5. Adopting measures to facilitate transit trade
6. Regional/international cooperation

The 12<sup>th</sup> Meeting of the COMCEC Trade Working Group will be held on November 1<sup>st</sup>, 2018 under the theme of “of “Improving Authorized Economic Operators Programs in the OIC Member States”

### **3.1.2. COMCEC Transport and Communications Working Group**

Transnational transport corridors are important for trade facilitation, regional integration, improvement of growth prospects and enhancing cooperation among public and private sector agencies of the relevant countries.

Considering its importance, the COMCEC Transport and Communications Working Group (TCWG) has devoted its two consecutive meetings to transnational transport corridors. While the 10<sup>th</sup> Meeting of TCWG focused on the conceptual framework and case analysis of transnational transport corridors, 11<sup>th</sup> Meeting was devoted to the governance dimension of transnational transport corridors.

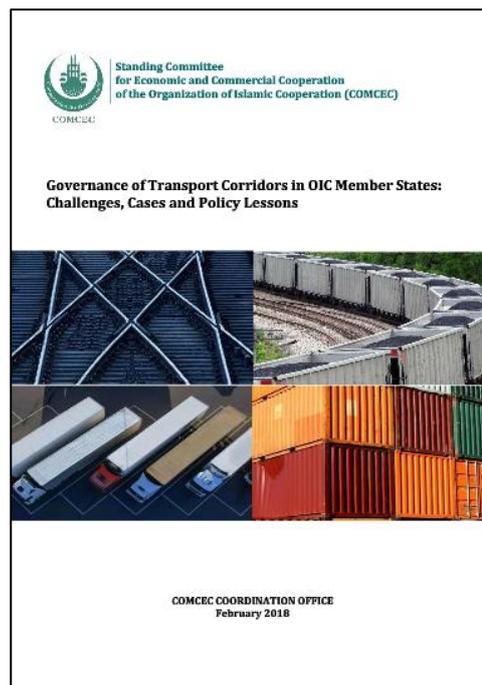
The 11<sup>th</sup> Meeting of TCWG was held on March 15<sup>th</sup>, 2018 in Ankara, Turkey with the theme of “Governance of Transport Corridors in OIC Member States: Challenges, Cases and Policy Lessons”. During the meeting, the representatives of the Member States discussed and shared their views and experiences on how to enhance the governance of transnational transport corridors in the OIC Member States. Moreover, they discussed the global trends and best practices in the world in order to draw concrete lessons from them.

According to the research report prepared specifically for this meeting, there are four types of corridor governance development levels: information exchange level, cooperation level, collaboration level and integration level. The levels move progressively towards a higher level of integration. The report examined the current governance practices of seven corridors in the

OIC region namely; Abidjan-Lagos Corridor (ALC), Northern Corridor, Maputo Corridor Logistics Initiative, Transport Corridor Europe-Caucasus-Asia (TRACECA), UNESCAP Central Corridor, ASEAN Maritime Corridor, UN ESCWA-M40 and Jordan Transit Corridor<sup>3</sup>. Within the framework of the above-mentioned research report, field visits were conducted to Azerbaijan, Jordan, Kazakhstan and Mozambique.

The research report highlighted the following major setbacks related to corridor governance practices in the OIC geography:

- Inadequate cooperation and coordination among the enroute countries.
- Need for accurate information about the operations take place on the transnational transport corridors and effective data collection system
- Lack of corridor performance monitoring and dissemination.
- Lack of pertinent platforms, international secretariats for corridor promotion and stakeholder consultation.
- Low usage of the facilities provided by the relevant international organizations.
- Need for developing legal and institutional framework.



In light of the main findings of the aforementioned research report and the deliberations during the 11<sup>th</sup> TCWG, the Working Group has come up with the following policy recommendations:

- Developing/Improving an enabling legal, institutional and regulatory framework for ensuring effective coordination and cooperation among the relevant countries and for achieving reform-demanding objectives.
- Establishing a dedicated corridor secretariat/coordination unit for facilitating corridor governance through ensuring permanent communication and coordination among the relevant countries.
- Promoting the development of transport corridor governance in a holistic way, combining hard measures such as infrastructure and soft measures such as political support, stakeholder consultation and capacity building.
- Seeking support of the related international organizations in carrying forward corridor governance, especially in the initial phase of corridor development.

The 12th Meeting of the COMCEC Transport and Communications Working Group will be held on October 11<sup>th</sup>, 2018 in Ankara with the theme of “Planning of National Transport Infrastructure in OIC Member States”.

<sup>3</sup> COMCEC Coordination Office, Governance of Transport Corridors in OIC Member States: Challenges, Cases and Policy Lessons, 2018.

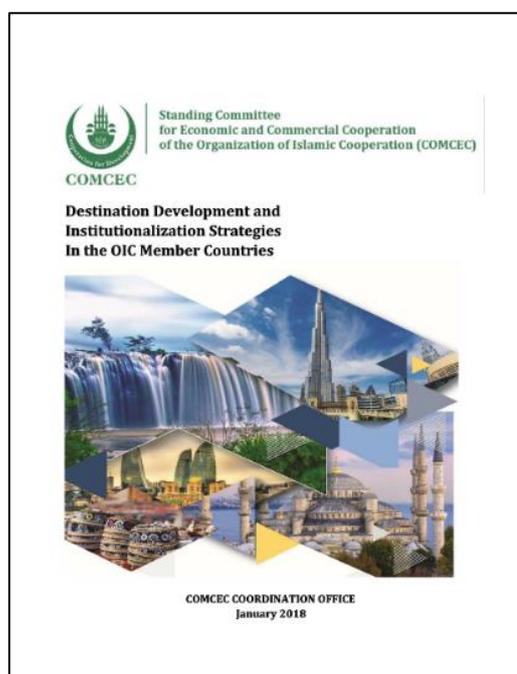
### 3.1.3. COMCEC Tourism Working Group

Tourism destinations can be seen as amalgam of attractions, services, facilities, infrastructure, landscapes, culture, hospitality and events. Considering various actors and factors involved in creation of the overall tourist experience, destinations need a holistic approach in planning, development, marketing and management that would coordinate and lead various stakeholders and integrate their efforts effectively. Therefore, there is a need for the establishment of well-organized Destination Management Organizations (DMOs) and well-designed destination development strategies which are particularly important for destinations at both at the introduction and growth stages of their lifecycle.

Considering the importance of the issue of destination management, COMCEC has devoted three WG Meetings (11th, 12th and 13th) to the theme of tourism destination governance. In this regard, the 11th Meeting of the Tourism Working Group was held on February 15<sup>th</sup>, 2018 in Ankara, Turkey with the theme of "Destination Development and Institutionalization Strategies in the OIC Member Countries."

According to the research report submitted to the Meeting, it is estimated that there are more than 10,000 DMOs in the world today which were formed by governmental and private entities or through public private partnerships. However, DMOs are shifting away from being predominantly government entities over the past 40 years to public-private partnerships. Product development is a critical function of DMOs and is oftentimes the first step in building an enduring tourism proposition.

Furthermore, within the framework of the above-mentioned research report, field visits were conducted to Azerbaijan, United Arab Emirates and Turkey as the OIC Member Countries' practices and Spain as a non-OIC example. On the other hand, desk based studies were fulfilled for Nigeria, Australia, Italy and the United States of America.



In light of the findings of the research report, the following challenges were highlighted by the Working Group:

- Centralization of destination management
- DMOs focusing primarily on destination promotion and not enough on product development
- Lack of guaranteed funding
- Need to strengthen and formalize stakeholder engagement
- Need to strengthen resource stewardship

The 11th Meeting of Tourism Working Group has come up with the following policy recommendations:

- Encouraging the establishment of/Strengthening local and regional public-private Destination Management Organizations (DMOs) with the assignment of responsibilities related to destination planning, development, marketing and management.
- Planning supply and demand as well as identifying and monitoring KPIs for ensuring sustainable tourism development at the destination.
- Encouraging self-funding of DMOs and improving efficiency as well as transparency in utilization and management of resources.
- Promoting destinations through forming OIC country alliances and the alliances with external stakeholders.

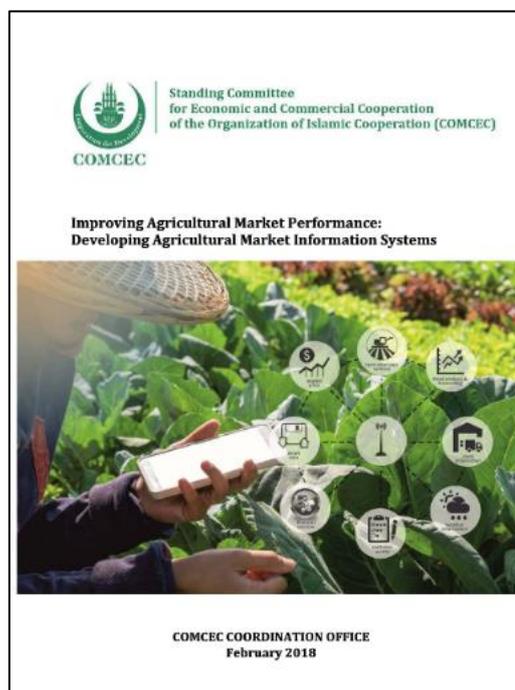
Moreover, the 12<sup>th</sup> Meeting of the Tourism Working Group will be held on September 13<sup>th</sup>, 2018 in Ankara with the theme of “Destination Marketing Strategies in the OIC Member Countries”.

### 3.1.4. COMCEC Agriculture Working Group

Agriculture is of strategic importance in the OIC Member Countries, which account for 21% agricultural production in the world and employs 23% of the global agricultural labour force. Market organizations and market information systems are of particular importance for well-functioning agriculture markets. When farmers experience challenges in accessing output markets due to the lack of market information, they become more vulnerable to volatility in output prices. For this reason, agricultural Market Information Systems (MIS) are set up to collect, process/analyze and disseminate market-related information to actors in agricultural value chains, including farmers, traders, processors and financiers.<sup>4</sup>

Given the importance of MIS, the COMCEC Agriculture Working Group has held its 11<sup>th</sup> Meeting of the Agriculture WG on February 22<sup>nd</sup>, 2018 with the theme of “Improving Agricultural Market Performance: Developing Agricultural Market Information Systems”.

According to the research report conducted for the Meeting, MIS have been in use in response to both food insecurity crises and commercial agri-food production and marketing. MIS seek to collect, process and disseminate information on the situation and the dynamics of agri-food markets, (i) to provide market monitoring indicators and decision-making support to devise and/or steer agricultural and trade policies (for informing public policies), and (ii) to improve transparency and market efficiency by providing operators with information on prices and market conditions (for improving market performance). Within the framework of the research report field visits were conducted in Egypt, Indonesia and Uganda.



<sup>4</sup> COMCEC Coordination Office, Improving Agricultural Market Performance: Developing Agricultural Market Information Systems, 2018.

The report also revealed some challenges regarding the MIS operations as follows:

- Challenges in collecting data,
- Divergence between the type of the information provided and expected,
- Lack of capacity of farmers to interpret data provided by MIS,
- Lack of effective governance of MIS,
- Sustainability of MIS.

In line with the main findings of the aforementioned report and the discussions during the 11<sup>th</sup> Meeting, the Agriculture Working Group put forward the following policy recommendations:

- Designing Market Information Systems (MIS) through assessing and reviewing targeted stakeholders with a sustained budget support and an effective monitoring and evaluation framework
- Building sufficient capacity for stock monitoring, trend analysis and forecasting as well as other relevant subjects beyond providing price information for a better functioning MIS
- Linking MIS to other market-supporting institutions and/or other risk-management tools to increase the mutual benefits
- Forming the necessary mechanisms/platforms for an improved coordination among the key stakeholders and ensuring the effective review of the quality of information provided

The 12<sup>th</sup> Meeting of the COMCEC Agriculture Working Group will be held on September 20<sup>th</sup>, 2018 with the theme of “Analysis of Agri-food Trade Structures to Promote Agri-food Trade Networks among the OIC Member Countries”.

### **3.1.5. COMCEC Poverty Alleviation Working Group**

Education is a key pathway for poverty reduction and sustainable development worldwide. Moreover, at the national level, education is one of the fundamental determinants of economic productivity. An illiterate population imposes significant social and economic costs while an educated workforce is a valuable resource in today’s globalized economy. The double burden of low level of school enrollment and learning often coexists and contribute to unemployment, economic stagnation and mass poverty.<sup>5</sup>

Given the importance of the issue, the 11<sup>th</sup> Meeting of the Poverty Alleviation Working Group was held on April 5<sup>th</sup>, 2018 in Ankara, Turkey with the theme of “Quality of Education in the OIC Member Countries”.

The research report, which was specifically prepared for this meeting, highlighted that learning correlates mostly with household income, early childhood education, teachers’ abilities and quality of the curriculum and its update. Underlining the importance of international student assessment exams such as PISA and TIMSS, the report also indicated that the OIC member countries as a group lag behind other groups in all major international assessments. Nevertheless, the OIC Member Countries have been showing an increasing trend with respect

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<sup>5</sup> COMCEC Coordination Office, Quality of Education in the OIC Member Countries, 2018.



Taking the growing interest to Islamic Finance and Sukuk market into consideration, the 10<sup>th</sup> Meeting of the Financial Cooperation Working Group (FCWG) was held on March 29<sup>th</sup>, 2018 in Ankara with the theme of “The Role of Sukuk in Islamic Capital Markets.” During the Meeting, the representatives of the Member States have shared their experiences, achievements and challenges in the development of Sukuk market in their respective countries. The research report prepared for this meeting reveals that Sukuk provides a platform to manage liquidity, asset and infrastructure financing in the real economy. Within this context, the Sukuk market is an important platform to support Shariah-compliant long-term financing. It may also contribute significantly to the economic development of a country. Nevertheless, with an almost 15% share, the size of the Sukuk market is quite limited.

On the other hand, essential building blocks for sustainable growth of a Sukuk market are (i) a robust legal and regulatory framework including Shariah governance, (ii) a tax framework that promotes a level playing field between bonds and Sukuk (i.e. tax neutrality and tax incentives), (iii) market infrastructure and technology (e.g. Islamic money market, electronic trading platform), (iv) regulation and supervision, and (v) cornerstone institutional investors that create the demand for Sukuk issuances.

According to the report, as of 2017, the total outstanding Sukuk was USD 396.0 billion. The global Sukuk issuance increased by 45.4% in 2017 compared to 2016 and reached USD 105.6 billion in 2017 from USD 72.6 billion in 2016. As of 2017, Malaysia dominated the sector with a 60.0% (or USD 26.3 billion) share and followed by Saudi Arabia at 16.2% (or USD 7.1 billion) and UAE at 9.0% (or USD 3.9 billion) of total private sector issuance.

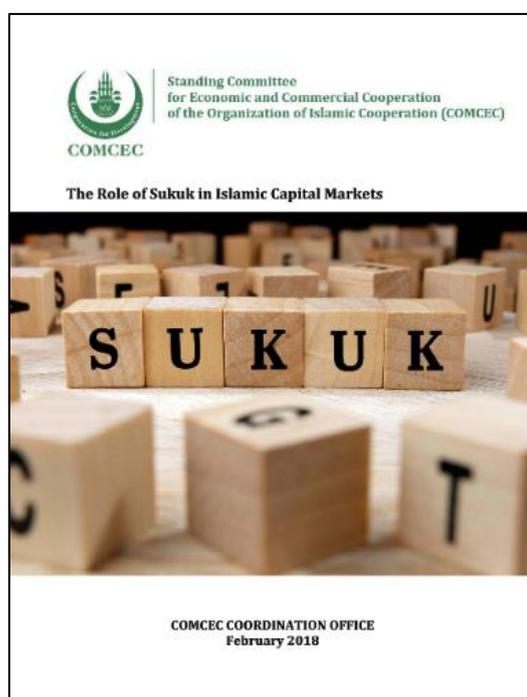
Within the framework of the report, field visits were conducted to four OIC member countries namely Indonesia, Malaysia, Nigeria and Turkey to get insights about the policy environment on the Sukuk market. On the other hand, desk based studies were fulfilled for United Arab Emirates and Hong Kong.

Some of the main challenges faced by member countries highlighted by the report are:

- Lack of necessary legislative framework,
- Lack of tax framework to support development in the Sukuk market,
- Lack of Shari’ah governance framework,
- And inadequate investor base.

To overcome these challenges, the Working Group has come up with the following policy recommendations:

- Developing an Enabling Legal and Regulatory Framework for Islamic Capital Markets and Promoting Solid Collaboration among the Key Market Stakeholders to improve the ecosystem for Sukuk issuance.



- Improving Market Infrastructure and, where needed, the Existing Tax Framework for Enhancing Sukuk Issuance.
- Developing a Sustainable Liquidity Base to Support Demand for Shariah-Compliant Assets, and Facilitating Diversification of Market Players on the Demand Side of the Sukuk Market.
- Promoting a Sustainable Supply of Sukuk Issuance from the Private Sector in order to Foster Diversification of Industry Participants on the Supply Side and Expand the Benchmark Yield Curve.
- Developing a Seamless Shariah Governance Process for Facilitating Faster Turnaround Time for Sukuk Issuance, Improving Clarity of Sukuk Structures, Promoting Product Innovation, Building Market Confidence and Increasing Market Awareness among the Industry Practitioners.

The 11<sup>th</sup> Meeting of the Financial Cooperation Working Group will be held on October 25<sup>th</sup>, 2018 with the theme of “Islamic Fund Management.”

### **3.2 The COMCEC Project Funding**

The COMCEC Project Funding is one of the two implementation instruments of the COMCEC Strategy, which aims at providing funding to the COMCEC Projects in the form of grants. The Strategy introduces a well-defined project cycle management with a clearly identified financial mechanism. The COMCEC Funded Projects to be submitted by the Member States and the OIC institutions under the COMCEC Project Funding serve to the realization of the objectives of the Strategy and of the policy recommendations adopted by COMCEC Sessions as well as to the mobilization of human and institutional resources of the Member States.

This instrument enables the Member Countries and OIC Institutions to get involved in cooperation efforts to overcome the common challenges of the Member States in cooperation areas. It provides an opportunity to the Member Countries to propose multilateral projects in priority areas identified by the COMCEC Strategy, the working groups and the policy recommendations.

COMCEC Project Funding also improves the institutional and human capacity of the relevant institutions and ministries of the Member Countries working on the cooperation areas of the COMCEC Strategy. Each project is implemented through the cooperation of at least three member countries. From this point of view, this mechanism not only enables sharing knowledge and experience in a specific theme, but also improves the ability of the Member Countries to work together in addressing the common problems through the implementation of multilateral projects.

In 2017, 13 projects within the framework of this instrument have been successfully implemented. Through the COMCEC Project Funding, considering the fact that at least two or more Member Countries participate as partners, not only the project owners, but also the project partners benefit from the services provided. In this regard, 29 member countries in 2017 have reaped the benefits of COMCEC Project Funding.

The implementation phase of the 19 final-listed projects have begun in April 2018 under the Fifth Project Call made in September 2017. Through these projects, 36 member countries will benefit from the COMCEC Project Funding. Table 1 below shows the List of Projects that are financed by the COMCEC Coordination Office for the year 2018.

**Table 1: Final List of Projects to be financed through the COMCEC Project Funding in 2018**

No	Project Owner	Project Partners	Cooperation Area	Project Title
1	Indonesia	Malaysia, Bangladesh, Brunei Darussalam, Egypt, Pakistan, Jordan	Agriculture	Developing Agricultural Market Information System for Horticulture Farmers
2	Turkey	Algeria, Morocco, Tunisia	Agriculture	Improving Agricultural Irrigation Extension Services
3	Nigeria	Malaysia, Mozambique	Financial Cooperation	Training and Guidelines on SUKUK Issuance
4	Turkey	Saudi Arabia, Suriname, Qatar, Egypt, Iran, Pakistan, Algeria, Azerbaijan, Gambia, Iraq, Tunisia, Uganda, Nigeria, Côte d'Ivoire, Mali, Malaysia, Jordan, Indonesia	Financial Cooperation	Improving Financial Consumer Protection in the OIC Countries
5	Gambia	Malaysia, Morocco	Poverty Alleviation	Training on Entrepreneurship for Teachers in the Selected OIC Countries
6	Indonesia	Turkey, Pakistan, Azerbaijan, Malaysia	Poverty Alleviation	Improving the Single Window Service System for Social Protection and Poverty Reduction in the OIC Countries
7	Burkina Faso	Niger, Côte d'Ivoire	Tourism	Strengthening the Resilience of Tourism Sector Against Crises through Communication
8	Iran	Turkey, Kyrgyzstan	Tourism	Inclusion of Local Communities in Sustainable Muslim Friendly Tourism Parks in Selected OIC Member Countries
9	Mali	Burkina Faso, Niger, Mauritania, Senegal	Tourism	Training on Crisis Communication in Tourism for Selected OIC Member Countries
10	Mozambique	Tunisia, Malaysia, Gambia, Uganda	Tourism	Community-Based Tourism through The Promotion of Heritage Sites for Poverty Alleviation
11	SESRIC	Gambia, Azerbaijan, Tunisia, Mozambique, Indonesia, Nigeria, Senegal, Malaysia, Bangladesh, Iran, Maldives, Qatar, Turkey	Tourism	Improving Islamic Tourism Ecosystem in OIC Member Countries: Destination and Industry Development
12	Morocco	Cameroon, Tunisia	Trade	The Feasibility Study on the Interoperability of Selected Single Window Systems in the OIC Region
13	Nigeria	Morocco, Indonesia	Trade	Boosting Intra-OIC Trade Through Improvement of Trade Facilitation Measures in the OIC Region
14	Sudan	Jordan, Morocco, Turkey, Uganda	Trade	Strengthening Institutional Capacity for Single Window Systems in the OIC Member States
15	SMIIC	Turkey, Tunisia, Gambia, Afghanistan, Algeria, Burkina Faso, Cameroon, Côte d'Ivoire, Djibouti, Gabon, Guinea, Iraq, Libya, Mali, Mauritania, Morocco, Niger, Pakistan, Senegal, Sudan	Trade	Harmonization of National Halal Standards with the OIC/SMIIC Halal Standards
16	Gambia	Senegal, Nigeria, Turkey	Transport and Communication	Analysis of the Road Database Management Systems in the Selected OIC Countries

No	Project Owner	Project Partners	Cooperation Area	Project Title
17	Iran	Azerbaijan, Turkey	Transport and Communication	Feasibility Study of Iran- Caucasus Transport Corridor
18	Jordan	Iraq, Turkey	Transport and Communication	Feasibility Study for Reconstructing the Old Ottoman Hejaz Railway Line
19	Nigeria	Malaysia, Turkey, Gambia	Transport and Communication	Promoting the Use of Broadband in Research and Education Among the OIC Member States

Furthermore, COMCEC Project Funding Training Program was organized by the COMCEC Coordination Office and the Development Bank of Turkey on 22-23 March 2018 in Ankara, Turkey. The Sixth Project Call will be made in September 2018.

#### **4. The Role of COMCEC National and Working Groups Focal Points in the Implementation of the COMCEC Strategy**

Focal points play a crucial role for the realization of the COMCEC Strategy. The Member States wishing to participate in the COMCEC Working Groups need to register and notify their focal points for each working groups. The number of the Member Countries which registered to at least one working group is 50.

Successful implementation of the COMCEC Strategy is only possible with the invaluable contributions and active support of the Member Countries. In this respect, the COMCEC Working Group Focal Points have a crucial role, through the Working Groups and the COMCEC Project Funding, in mobilizing the Member Country's institutional and human resources to the implementation of the COMCEC Strategy. Additionally, COMCEC National Focal Points have a vital role in coordinating the relevant Ministries/ Institutions in their respective Countries.

In this regard, since the launch of the COMCEC Strategy in 2013, the CCO organizes annual focal points meetings with a view to providing a regular platform for interaction between the COMCEC Secretariat and the Member Countries with the ultimate aim of improving the implementation of the COMCEC Strategy. In each Meeting, the focal points have provided invaluable feed-back, which contributed to the success of the Strategy's implementation. These meetings have proven themselves as important gatherings, demonstrating the member-driven character of the COMCEC.

In this regard, COMCEC Coordination Office will organize 6<sup>th</sup> Annual Coordination Meeting of the COMCEC Working Group Focal Points on 3-5 July 2018, in Ankara, Turkey. This meeting will provide an opportunity for the member countries to provide their comments and observations regarding implementation of the Strategy: The Working Groups and COMCEC Project Funding as well as other issues pertaining to the COMCEC. Through this interactive gathering, the COMCEC Focal Points will discuss, among others, the following topics:

- The COMCEC Strategy and the status of progress in its implementation through the mechanisms, namely Working Groups and COMCEC Project Funding,
- The challenges regarding the implementation of the COMCEC Ministerial Recommendations at the Ministerial level and the issues related to their effective follow-up,

- Ensuring the contribution of the member countries to the "knowledge production" efforts of the COMCEC, particularly their feedbacks to the research reports including the field visits and surveys conducted during their preparation.
- The themes of the Working Groups for the period of 2019-2021.

Furthermore, a training session on the COMCEC Project Funding will be provided, whereby the participants will be informed on the details of the project submission under the Sixth Project Call to be made in September 2018.

### **5. Activities by the OIC Institutions Serving to the Objectives of the Strategy**

Apart from the Working Group meetings and COMCEC Projects, relevant OIC Institutions are also undertaking programs, projects and activities which serve to the objectives of the Strategy. Some of the projects and activities held since the 33<sup>rd</sup> Session of the COMCEC are provided below.

In this regard, various fairs and exhibitions are hosted by the Member Countries in cooperation with the ICDT in line with the relevant resolutions of the 33<sup>rd</sup> Session of the COMCEC. In this regard, the following sector specific fairs and exhibitions have been organized since the last COMCEC Session:

- ✓ "5<sup>th</sup> OIC Halal Expo" in Istanbul/Turkey on 23 – 25 November 2017 in collaboration with SMIIC,
- ✓ "Exceptional Edition of the Trade Fair of the OIC Member States" in Kuwait-City/Kuwait on 6-10 February 2018,
- ✓ "2<sup>nd</sup> edition of the Exhibition of Furniture and Interior Design of the OIC Member States" on 13-16 March 2018 and "11<sup>th</sup> Exhibition of Agribusiness Industries of the OIC Member States" on 20-23 March 2018 in Jeddah;

In the area of tourism, The 10<sup>th</sup> Session of the Islamic Conference of Tourism Ministers (ICTM) was held on 5-7 February 2018 in Dhaka/Bangladesh. The meeting approved the selection of Dhaka (Bangladesh) as the OIC City of Tourism for 2019, and Gabala (Azerbaijan) as the OIC City of Tourism for 2020. The session also welcomed the offer by the Republic of Azerbaijan host the 11<sup>th</sup> Session of the Islamic Conference of Tourism Ministers (ICTM) in 2020.

Moreover, the OIC/COMCEC Private Sector Tourism Forum provides a regular communication channel for the private sector representatives of the Member Countries. In this regard, Ministry of Culture and Tourism of the Republic of Turkey, which serves as the Secretariat of the Forum organized the 6<sup>th</sup> Meeting of the OIC/COMCEC Private Sector Tourism Forum on March 6<sup>th</sup>, 2018 in İstanbul, Turkey with the theme of "Cultural Heritage as a Tool for Sustainable Tourism in the OIC Member Countries". The Forum emphasized the importance of raising the awareness about cultural heritage and sustainable tourism within the Islamic World and beyond.

ICCIA also organizes important capacity building activities for increasing the entrepreneurial spirit in the member countries. In this regard, ICCIA will organize "Training Program on Technology Entrepreneurship" in Istanbul on 23-25 April 2018.

## **6. Knowledge Production**

The COMCEC aims to produce and disseminate knowledge, share experiences and best-practices, develop a common understanding and approximate policies in cooperation areas to find solutions to the challenges faced by the Member Countries. To that end, the COMCEC Working Group are designed as an instrument for the realization of this mission of the COMCEC. In this regard, research studies are prepared specifically for each WG meeting to form a basis for the discussions made during the Meetings.

Each research report focuses on the specific theme of the Working Groups and is prepared by world-class consulting firms, international organizations having experience on the specific theme or academicians from high-ranking universities around the world. The COMCEC Coordination Office conducts the reports in close cooperation with the consultants to ensure high-quality research studies. The studies begin with a conceptual framework and an overview of the specific theme in the world and the member countries, followed by an in-depth analysis of a few member countries based on field visits, surveys and interviews. At the end of each report, some policy recommendations are given for the Member Countries as well as international cooperation efforts under the umbrella of the COMCEC.

Moreover, sectoral outlooks are prepared annually for each cooperation area. These documents are prepared by the COMCEC Coordination Office with a view to exploring the global trends and current situation in the OIC Member Countries in the respective area and enriching the discussions during the Working Groups Meetings by providing up-to-date data.

Furthermore, Proceedings documents are produced after each Working Group Meeting to reflect the discussions including the summaries of the presentations made during the Meetings. These documents are circulated to all the focal points and participants.

Since the 33<sup>rd</sup> Session of the COMCEC six research reports on the themes of the working groups and six proceeding documents have been prepared. All these publications are available on the COMCEC website accessible in e-book format at COMCEC E-book Website: <http://ebook.comcec.org/>

## **7. Conclusion**

The COMCEC Strategy has brought a new dynamism to economic and commercial cooperation efforts under the auspices of the COMCEC. The COMCEC Working Groups, being one of the implementation instruments of the Strategy provided the opportunity for the Member States to discuss important issues at the technical level in the cooperation areas. During the past meetings of the Working Groups, the discussions focused on identifying the common obstacles, sharing the success stories and exchanging views on possible policy options for addressing common problems in the respective fields.

Since the 33<sup>rd</sup> Session of the COMCEC, six Working Group Meetings have been held in Ankara, Turkey. The Meetings which have been attended by the representatives from the Member States, OIC Institutions, relevant international institutions, NGOs and the private sector, focused on important issues in the six cooperation areas of the COMCEC. The Meetings considered thematic research reports and sectoral outlooks prepared for the meetings and experiences of the Member States and international institutions. In total, 6 research reports and 6 proceedings were published by the COMCEC Coordination Office since the 33<sup>rd</sup> Session of

the COMCEC. The 12<sup>th</sup> round of the Working Group Meetings will be held in September and October 2018.

Within the implementation of the COMCEC Project Funding, 13 projects implemented in 2017 under the COMCEC Project Funding have served for increasing cooperation among the member countries as well as contributing to the capacity development in project owner and partner countries. The projects were implemented by 7 countries and 2 OIC institutions and 29 member countries have benefited from them. In this context, 29 training programs, 5 workshops and 5 study visits were successfully conducted.

Moreover, the Fifth Project Call was made in September 2017 and after the evaluation of submitted project proposals from the Member Countries and OIC Institutions, 19 projects have been selected for funding. Finally, the Sixth Project Call will be made in September 2018.