

**REPORT and RESOLUTIONS
OF THE EIGHTEENTH SESSION
OF THE COMCEC**

Istanbul, 22 - 25 October 2002

COMCEC Coordination Office
Ankara, October 2002

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PART ONE

RESOLUTIONS OF THE OIC FORMING
THE BASIS AND GUIDING ACTIVITIES
OF THE COMCEC

I

RESOLUTION ADOPTED AT THE THIRD ISLAMIC SUMMIT CONFERENCE ESTABLISHING THE STANDING COMMITTEES OF THE OIC CHAIRED BY HEADS OF STATE

Resolution No. 13/3-P(IS)

The Third Islamic Summit Conference (Palestine and Al-Quds Session), meeting in Mecca Al-Mukarramah, Kingdom of Saudi Arabia, from 19th to 22nd Rabi-Al-Awal, 1401 H. (25-28 January, 1981);

Having listened to the proposals by His Majesty King HASSAN II, Chairman of Al-Quds Committee, that three committees will be established and chaired by the Kings and Presidents of the Islamic States,

Proceeding from a firm belief that joint Islamic action needs to be consolidated in the scientific and technological field, and in the economic and trade sphere,

Prompted by the desire to give information and culture a fresh impetus to help world public opinion understand the basic issues of the Islamic nations, particularly those of Al- Quds and Palestine, and to confront the tendentious campaign launched against Islam and Muslims,

DECIDES:

I. To establish three Standing Committees, the first for scientific and technological cooperation, the second for economic and trade cooperation, and the third for information and cultural affairs;

II. These Committees shall undertake to follow up implementation of the resolutions passed, or about to be passed, by the Islamic Conference in those fields; to study all possible means of strengthening cooperation among Muslim States in those fields, and to draw up programmes and submit proposals designed to increase the Islamic States' capacity in those fields;

III. Each Committee shall consist of the representatives of ten Islamic States, at ministerial level, and shall be chaired by the Head of State of an Islamic State;

IV. Members of these Committees shall be elected by the Islamic Foreign Ministers' Conference for a renewable term of three years;

V. A Committee shall hold a meeting, if invited to do so by its Chairman or by a majority of its members; its meeting shall be valid if attended by a majority.

II

FINAL COMMUNIQUE OF THE FOURTH ISLAMIC SUMMIT CONFERENCE ENTRUSTING THE CHAIRMANSHIP OF THE STANDING COMMITTEE FOR ECONOMIC AND COMMERCIAL COOPERATION TO H.E. KENAN EVREN, PRESIDENT OF THE REPUBLIC OF TURKEY

Final Communique No. IS/4-84/E/DEC

".... The Conference decided to entrust H.E. Mr. Kenan EVREN, President of the Republic of Turkey, with the Chairmanship of the Permanent Committee on Economic and Commercial Cooperation..." (Page 18, para 40).

III

RESOLUTION NO. 31/9-EFIS
ON
ACTIVITIES UNDER THE AUSPICES OF THE
STANDING COMMITTEE FOR ECONOMIC AND
COMMERCIAL COOPERATION (COMCEO)

The Ninth Session of the Islamic Summit Conference, Session of Peace and Development "Al-Aqsa Intifada" held in Doha, State of Qatar, from 16 to 17 Shaban 1421H (12 - 13 November 2000),

Recalling Resolution No. 27/8-E (IS) adopted by the Eighth Session of the Islamic Summit Conference;

Also **recalling** Resolution No. 2/6-E(IS) of the Sixth Session of the Islamic Summit Conference, held in Dakar, Republic of Senegal on 9-11 December 1991 on the activities of the COMCEC mandating it to formulate new Strategies for the enhancement of the Plan of Action to Strengthen Economic and Commercial Cooperation Among OIC Member States and to take appropriate action for its implementation;

Recalling Resolution No. 8/7-E(IS) of the Seventh Session of the Islamic Summit Conference, held in Casablanca, Kingdom of Morocco, from 11 to 13 Rajab 1415H (13-15 December 1994) which endorsed the Strategy and the Plan of Action;

Recalling Resolution No. 30/27-E adopted by the Twenty-seventh Session of the Islamic Conference of Foreign Ministers;

Recalling the resolution of the Ministerial level meetings in different areas of cooperation held under the auspices of the COMCEC.

Also recalling the Resolutions adopted at the sixteen previous sessions of the COMCEC initiating effective action in economic cooperation among Member States, particularly in the area of trade;

Further recalling the deliberations of the World Food Summit held in Rome from 13 to 17 November, 1996 and considering the crucial importance for the survival of humankind including the well-being of the people of the Islamic Ummah, of the principles and commitments embodied in Rome declaration on World Food Security and the Plan of Action of the World Food Summit.

Noting with appreciation the efforts of the General Secretariat, subsidiary organs, affiliated and specialized institutions of OIC, working in the field of economy and trade, to implement the Resolutions of the COMÇEC;

Recognizing the importance for the Member States of the new economic configurations emerging at the global level particularly from the creation of regional economic groupings and signing of the Uruguay Round Agreements and creation of the World Trade Organization and its subsequent Agreements;

Appreciating that starting with its Eleventh Session, COMCEC serves as a platform where the Ministers of Economy could exchange views on current world economic issues and, that the topics "Implications of the Uruguay Round of trade Negotiations and the Establishment of the World Trade Organization on the external trade of OIC Member States", "Privatization Experiences in Member States", "Implications of Regional Economic Groupings particularly the European Union on the Economies of Member States", "Intra-OIC Trade and Investment and Economic Stabilisation and Structural Reforms in Member States" and "Human Resource Development for Sustained Economic Growth and Poverty Alleviation in the Member States of the OIC", "Strengthening of Small and Medium-Sized Enterprises Facing Globalisation and Liberalisation" were the themes for the 11th, 12th, 13th, 14th 15th and 16th Sessions of the COMCEC, respectively.

Having taken note of the report of the Secretary General,

1. Stresses the need for COMCEC to continue to pay utmost attention to coordination and cooperation among Member States with regard to the membership of new countries that wish to join the World Trade Organization, and to the clarification of positions on the new issues and agreements under consideration within the framework of the WTO, with a view to strengthening the negotiating position of these countries at the forthcoming multilateral trade negotiations especially with respect to the built in agenda and to the new ones.
2. Expresses satisfaction that the Islamic Development Bank has successfully carried out the mandate given by COMCEC to organise Coordination Meetings for Member States to consult among themselves and better prepare for the WTO Ministerial Meetings held in Singapore from 9 to 13 December 1996, in Geneva from 18-20 May 1998 and in Seattle from 30 November to 03 December 1999 respectively with a view to assisting them to adopt a common stand regarding the issues raised in the Agenda of those meetings.
3. **Appreciates** the technical assistance programmes being designed by the Islamic Development Bank to assist Member States which are either members of the WTO or in the process of accession to the Organization, and the role of the Bank in calling for consultative meetings of Member States and the Seminars and Workshops it organizes for this purpose.
4. Notes **with appreciation** that the Strategy for Economic and Commercial Cooperation adopted by the COMCEC allows for cooperation among sub-groups of Member States and is based on the principles giving emphasis to private sector, economic liberalization, integration with the world economy, sanctity of the economic, political, legal and constitutional structures of the Member States and their international obligations.

5. **Also notes with appreciation** that the revised Plan of Action is a general and flexible policy document open for improvement during its implementation in accordance with the provisions stipulated in its chapter on Follow-up and Implementation.
6. **Appreciates** the efforts of the Islamic Chamber of Commerce and Industry in organizing Private Sector Meetings as directed by the COMCEC for an effective implementation of the Plan of Action.
7. **Also appreciates** the efforts of the State of Qatar for organizing the Seventh Private Sector Meeting (15-18 October 2000) and to host the 8th Islamic Trade Fair on 15-20 October 2000.
8. **Welcomes** the offer of the Republic of Guinea to host the 8th and 11th Private Sector Meetings in 2001 and 2004 respectively and the offer of the State of the UAE to host the 9th Private Sector Meeting in 2002, and calls on Member States to encourage their private sectors to actively participate in these meetings.
9. **Takes note** of the request made by the State of United Arab Emirates to replace Senegal as host of the 9th Islamic Trade Fair together with the 9th Private Sector Meeting in 2002 and invites the two parties, as agreed, to complete their consultations and notify COMCEC Coordination Office and ICDDT the results of such consultations.
10. **Further welcomes** the offer of the Republic of Guinea to host the 10th Islamic Trade Fair in 2004 and calls upon Member States to actively participate in these Islamic Trade Fairs and welcomes initiatives of Member States to hold these Trade Fairs in future, to the extent possible, concurrently with some high level meetings.
11. **Emphasizes** the need to urgently implement the revised Plan of Action to Strengthen Economic and Commercial Cooperation Among Member States the OIC, in compliance with the principles and operational modalities of the Strategy and the procedures set forth in its chapter on Follow-up and Implementation.

12. **Requests** the Member States to take appropriate measures including necessary cooperation, coordination and consultation among themselves to make efforts with the required possible economic and technical support from the developed countries, international community and relevant international organizations and financial institutions to increase their food production capacity with a view to arriving at national food security as well as enhancing the purchasing power of their people.

13. **Invites** the Member States to host sectoral Expert Group Meetings in those priority areas of cooperation in the Plan of Action where no Expert Group Meeting has taken place so far.

14. **Welcomes** the offer of the Arab Republic of Egypt to host two sectoral Expert Group Meetings in the area of "Transport and Communications" and "Food, Agriculture and Rural Development" of the Plan of Action.

15. Notes **with appreciation** the hosting of the sectoral Expert Group Meeting in the area of "Money, Finance and Capital Flows" by the government of the Republic of Turkey, on 1-3 September 1997 in Istanbul.

16. **Notes with appreciation** the hosting of a sectoral Expert Group Meeting on Foreign Trade, within the framework of the implementation of the Plan of Action by the government of the Islamic Republic of Pakistan, on 24-25 October 1997 in Karachi.

17. Notes with appreciation the hosting of the sectoral Expert Group Meeting in the area of Technological and Technical Cooperation by the government of the Republic of Turkey from May 6-8, 1998.

18. **Thanks** the Islamic Republic of Iran for hosting the Third OIC Ministerial Conference on Posts and Telecommunications from 8-11 July 1996 and calls upon the Follow-up Committee to monitor implementation of the relevant resolutions and the Tehran Declaration.

19. **Thanks also** the Islamic Republic of Iran for hosting the First OIC Ministerial Conference on Tourism from 2-4 October, 2000 in Isfahan and welcomes the offer of Malaysia to host the Second OIC Ministerial Conference on Tourism.

20. **Invites** IDB to continue its active support in view of ensuring effective and urgent implementation of the revised Plan of Action.

21. **Welcomes** the hosting of Seminar-Workshop by the Republic of Senegal in cooperation with IDB to familiarize the African member states with the Plan of Action, and recommends that similar seminars be held in other regions and sub-regions of OIC.

22. **Notes with appreciation** the holding of an International Seminar on "Human Resources Development for Sustained Economic Growth and Poverty Alleviation in the Member States of the OIC" by the Islamic Institute of Technology (IIT) in collaboration with SESRTCIC, ICDT, ICCI. IDB and the Government of Bangladesh in Dhaka from 11-13 April 1999, report of which constituted a major input to the exchange of views on the subject that took place during the 15th Session of the COMCEC.

23. **Notes with appreciation** the holding of an international conference on "Strengthening Small and Medium-Sized Enterprises Facing Globalization and Liberalization" by SESRTCIC in collaboration with the Ministry of Economy and Commerce of the United Arab Emirates, the Abu Dhabi Chamber of Commerce and Industry and the Islamic Development Bank in Abr Dhabi, from 21 to 22 May 2000. ICDT, ICCI and IIT also participated actively by presenting papers. The outcome of the conference constituted a major input to the exchange of views' session on the subject during the 16th Session of the COMCEC held in Istanbul on 23-26 October 2000.

24. **Recognizes** that the Exchange of Views organized during the annual sessions of the COMCEC would be utilized to coordinate the positions of the Member States vis-a-vis major world economic issues.

25. **Notes with appreciation** the offer of the government of the Republic of Sudan to host sectoral Expert Group Meeting on "Energy and Mining" and "Human Resources Development."
26. **Notes with appreciation** the offer of the Republic of Gabon to organise a sub-regional seminar for the OIC States of Central and East Africa on "the role of IDB in the promotion of the private sector" in cooperation with IDB and the other concerned institutions of the OIC.
27. **Welcomes** the offer of Burkina Faso to host a regional workshop on Industry for East, West and Central African OIC member states in cooperation with the IDB and other related OIC institutions.
28. **Welcomes** the offer of the State of Palestine to host a sectoral Expert Group Meeting on "Labour and Social Issues" and a Workshop on "Environment and Population."
29. **Notes with appreciation** the offer of the government of the Islamic Republic of Iran to host an Expert Group Meeting in the area of Health and Sanitary Issues to be followed by a Ministerial meeting on the same topic.
30. **Notes with appreciation** the decision taken at the 16th Session of COMCEC to the effect that an open-ended expert group meeting will be convened before the 17th Meeting of the Follow-up Committee of COMCEC to explore all possible ways means of accelerating the implementation of the Plan of Action, to be hosted by the Republic of Turkey.
31. **Welcomes** the offer of Indonesia to host an International Workshop on Employment and Manpower Exchange.
32. **Welcomes** the offer of Arab Republic of Egypt to host a OIC Ministerial Meeting to promote intra-OIC trade.

33. Notes with appreciation that the 17th Session of the COMCEC and the 17th Meeting of the COMCEC Follow-up Committee will be held from 18-21 October, 2001 and 8-10 May, 2001 respectively in Istanbul and calls upon the Member States to effectively and actively participate in the session.

34. Requests the Secretary General to submit a report thereon to the Tenth Session of the Islamic Summit Conference.

PART TWO

LIST OF BASIC DOCUMENTS AND REPORT
OF THE EIGHTEENTH SESSION
OF THE STANDING COMMITTEE
FOR ECONOMIC AND COMMERCIAL COOPERATION
OF THE ORGANIZATION OF THE
ISLAMIC CONFERENCE

I

LIST OF BASIC DOCUMENT CONSIDERED
AND/OR PRESENTED AT THE EIGHTEENTH SESSION
OF THE COMCEC

(Istanbul, 22-25 October 2002)

Original : English

**LIST OF BASIC DOCUMENTS CONSIDERED
AND/OR PRESENTED AT THE EIGHTEENTH SESSION
OF THE COMCEC**

(Istanbul, 22-25 October 2002)

	<u>Document Code</u>
1. Draft Agenda of the Eighteenth Session of the COMCEC.....	OIC/COMCEC/18-02/A
2. Background Report by the OIC General Secretariat . . .	OIC/COMCEC/18-02/D(1)
3. World Economic Developments with Special Reference to OIC Member Countries by SESRTCIC.....	OIC/COMCEC/18-02/D(4)
4. Supporting the Reform of the International Financial Architecture by SESRTCIC.....	OIC/COMCEC/18-02/D(5)
5. Report of the Follow-up Committee by the COMCEC Coordination Office.....	OIC/COMCEC-FC/18-02/REP
6. Report by the OIC General Secretariat on the Review of the Implementation of the Plan of Action to Strengthen Economic and Commercial Cooperation Among OIC Member States.....	OIC/COMCEC /18-02/D(2)
7. Report by COMCEC Coordination Office on the Supplementary Mechanism for the Implementation of the Plan of Action to Strengthen Economic and Commercial Cooperation Among OIC Member States.....	OIC/COMCEC/18-02/ REP(SM)
8. Supplementary Mechanism by COMCEC Coordination Office for the Implementation of the Implementation of the Plan of Action to Strengthen Economic and Commercial Cooperation Among OIC Member States...	OIC/COMCEC/18-02/WP (SM)
9. Draft Project Profile Form by COMCEC Coordination Office.....	OIC/COMCEC/18-02/ REP(PPF)
10. Report by SESRTCIC, on a Stock Exchange Alliances and Possible Methods for Establishing an Islamic Stock Exchange and Clearing Union.....	OIC/COMCEC/18-02/D(6)
11. Report by ICDT on The Establishment of an International Islamic Stock Exchange Union.....	OIC/COMCEC/18-02/D(8)

Document Code

- 12 Report by IDB on the Establishment of a Clearing Union Among OIC member Countries.....OIC/COMCEC/18-02/D(20)
13. Report by IDB on the Expansion of Intra-Trade Among OIC/IDB Member Countries.....OIC/COMCEC/18-02/D(21)
14. ICDT'S Annual Report on Inter Islamic Trade.....OIC/COMCEC/18-02/ D(9)
15. Report by ICDT on The Ninth Islamic Trade Fair.OIC/COMCEC/18-02/D(10)
16. Report by ICDT on the First Tourism Fair.....OIC/COMCEC/18-02/D(11)
17. Reports by IDB on IDB Group's WTO Related Technical Assistance to the "OIC" Member Countries.....OIC/COMCEC/ 18-02/D(22)
- 18 Report by ICDT on Issues Relating to the Activities of the World Trade Organization.....OIC/COMCEC/18-02/D(12)
19. Report by ICCI on the Preparations for the Ninth Private Sector Meeting and Outcome of the Investment Seminars.....OIC/COMCEC/18-02/D(15)
- 20 Study by ICCI on the Monitoring Mechanism for the Implementation of the Recommendations of the Private Sector.....OIC/COMCEC/18-02/D(14)
21. Report of the Workshop on "Private Sector Investments in the Member Countries and the Role of IDB".....OIC/COMCEC-IDB/PSI-02/REP
22. Report by ICDT on "Private Sector Investment in the OIC Countries between Strategic Alliances and Trade Promotion".....OIC/COMCEC/18-02/D(13)
23. Report by the OIC General Secretariat on Matters Related to Economic Assistance to Some Islamic States.....OIC/COMCEC/18-02/D(3)
- 24 Report of the Sessional Committee.....OIC/COMCEC/18-02/D.SC
- 25 Report on the Activities of the Islamic Chamber to the 18* Session of COMCEC.....OIC/COMCEC/18-02/D(23)
26. Report by the Vice- Chancellor of the IUT on the Activities of the Islamic University of Technology.OIC/COMCEC/18-02/D(17)

	<u>Document Code</u>
27. Report of the Follow-up Committee of the Second Islamic Conference of Ministers of Tourism.....	OIC/COMCEC/18-02/D(19)
28. Report of the Third Islamic Conference of Ministers of Tourism of the OIC Member States.....	OIC/COMCEC/18-02/D(18)
29. Presentation of the OISA on the Activities of the Organization of the Islamic Shipowners Association	OIC/COMCEC/18-02/D(16)
30. Report by SESRTCIC on Implications of Establishing an Islamic Common Market: Gradual Integration and Possible Consequences	OIC/COMCEC/18-02/D(7)
31. Country Reports and/or written presentations on the "Private Sector Investments in the Member Countries and the Role of IDB".....	OIC/COMCEC/ 18-02/CR(....)
Burkina Faso	
Indonesia	
- Iraq	
- Jordan	
Malaysia	
Morocco	
Sudan	
Syria	
Tunisia	
Turkey	
Turkish Republic of Northern Cyprus	

II

REPORT
OF THE EIGHTEENTH SESSION
OF THE STANDING COMMITTEE FOR
ECONOMIC AND COMMERCIAL COOPERATION
OF THE ORGANIZATION OF THE
ISLAMIC CONFERENCE

(Istanbul, 22-25 October 2002)

Original : English

**REPORT
OF THE EIGHTEENTH SESSION OF THE STANDING
COMMITTEE FOR ECONOMIC AND
COMMERCIAL COOPERATION**

(Istanbul, 22-25 October 2002)

1. The Eighteenth Session of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Conference (COMCEC) was held from 22 to 25 October 2002. The Session was preceded by the Meeting of Senior Officials on 22-23 October, held under the Chairmanship of H.E. Dr. Akın İZMİRLİOĞLU, Undersecretary of the State Planning Organization of the Republic of Turkey, to consider items of the Draft Agenda and prepare Draft Resolutions for consideration by the Ministerial Session.

2. The Session was attended by the representatives of the following Member States of the Organization of the Islamic Conference (OIC):

1. Islamic State of Afghanistan
2. Republic of Albania
3. Peoples Democratic Republic of Algeria
4. Republic of Azerbaijan
5. Kingdom of Bahrain
6. People's Republic of Bangladesh
7. Negara Brunei Darussalam
8. Burkina Faso
9. Republic of Cameroon
10. Arab Republic of Egypt
11. Republic of Guinea
12. Republic of Indonesia
13. Islamic Republic of Iran

14. Republic of Iraq
15. Republic of Lebanon
16. Socialist People's Libyan Arab Jamahiriya
17. Hashemite Kingdom of Jordan
18. Republic of Kazakhstan
19. State of Kuwait
20. Kyrgyz Republic
21. Malaysia
22. Islamic Republic of Mauritania
23. Kingdom of Morocco
24. Mozambique
25. Federal Republic of Nigeria
26. Sultanate of Oman
27. Islamic Republic of Pakistan
28. State of Palestine
29. State of Qatar
30. Kingdom of Saudi Arabia
31. Republic of Senegal
32. Republic of Sudan
33. Republic of Suriname
34. Syrian Arab Republic
35. Republic of Tajikistan
36. Republic of Tunisia
37. Republic of Turkey
38. Republic of Uganda
39. State of the United Arab Emirates
40. Republic of Uzbekistan
41. Republic of Yemen

The Turkish Republic of Northern Cyprus, Bosnia-Herzegovina and Kingdom of Thailand participated in the Session as observers and the Republic of Macedonia as guest.

3. The Session was attended by the OIC General Secretariat, and the following subsidiary, affiliated and specialized OIC institutions:

1. Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRTCIC)
2. Islamic Center for Development of Trade (ICDT)
3. Islamic Research Center for History, Culture and Art (IRCICA)
4. Islamic University of Technology (IUT)
5. Islamic Development Bank (IDB)
6. Islamic Chamber of Commerce and Industry (ICO)
7. Organization of Shipowners Association (OISA)

4. The Session was also attended by the representatives of the following international organizations:

1. United Nations Industrial Development Organization (UNIDO)
2. Developing Eight (D-8)

(A copy of the List of Participants of the Eighteenth Session of the COMCEC is attached as Annex 1.)

Öpenine Session

5. The Opening Ceremony of the Eighteenth Session of the COMCEC was held on 24 October 2002 under the chairmanship of H.E. Ahmet Necdet SEZER, President of the Republic of Turkey and Chairman of the COMCEC.

6. H.E. Ahmet Necdet SEZER, in his Inaugural Statement, in welcoming the delegates to Istanbul, expressed his thanks and appreciation to the Member States, the OIC General Secretariat and other OIC institutions for their continuing interest and constructive contributions to the work of the COMCEC. H.E. SEZER, mentioning the problems faced by the less developed and developing countries such as poverty and foreign debt, stressed the importance

of joint efforts at the international level to alleviate these problems. H.E. SEZER, touching upon the vast opportunities offered by the cooperation under the umbrella of the COMCEC, expressed his satisfaction that Framework Agreement on Trade Preferential System Among OIC Member States has been ratified by more than 10 Member States paving the way for its entry into force. HE. SEZER, stressing the importance of the promotion of intra-OIC trade for the enhancement of the welfare of the OIC Member States, said in this connection that necessary measures should be taken for a freer and easier movement of manpower, capital and goods among the Member States of the OIC.

(A copy of the text of the Inaugural Statement of H.E. Ahmet Necdet SEZER is attached as Annex 2.)

7. H. E. Dr. Abdelouahed BELKEZIZ, Secretary General of OIC made a statement at the Opening Ceremony of the 18th Session of COMCEC. Expressing his profound gratitude to H. E. Mr. Ahmet Necdet SEZER, President of the Republic of Turkey, for his astute guidance of the work of the Standing Committee. He referred to the opening statement of the Chairman of COMCEC stated that it demonstrated effective ways to realize the objectives of joint Islamic Action in the area of economic and commercial cooperation. He also thanked the Government of the Republic of Turkey for hosting this meeting. Referring the ratification by over ten Member States of The Framework Agreement on Trade Preferential System, he thanked the Government of the Republic of Turkey for proposing to host the first round of negotiations on trade concession under this Agreement, which, he hoped, would pave the way for rapid expansion of intra-OIC trade. Terming the viability of the Islamic Common Market as indisputable, he said such a move would give considerable economic and political weight to the Islamic World. He stressed on the role of private sector investment in enhancing economic and commercial cooperation among the Member States and called for creating favourable conditions for the private sector to play its expected role.

(A copy of the address of H.E. Abdelouahed BELKEZIZ, Secretary General of the OIC is attached as Annex 3.)

8. The Heads of Delegation of the State of Kuwait, the Republic of Uganda and the Islamic Republic of Iran, made statements on behalf of Arab, African and Asian OIC groups of Member States respectively, in their statements, they expressed their thanks and appreciation to HE. Ahmet Necdet SEZER for his wise guidance as the Chairman of the COMCEC. The Heads of Delegation, referring to the importance of the implementation of the resolutions of the COMCEC, stressed the need for further strengthening economic cooperation among the Member States. They also thanked the President, the Government and People of Turkey for their continued support to the economic cooperation among the OIC Member States as well as for the warm welcome and excellent arrangements made for the Meeting.

(The texts of the Statements made on behalf of the Arab, Asian and African Member States are attached as Annexes 4, 5 and 6 respectively.)

9. H.F Ahmed Mohammed ALI, the President of the Islamic Development Bank, sent a message to the Session summarizing the activities of the Islamic Development Bank and highlighting the progress achieved by the Bank in terms of the tasks assigned to it by the COMCEC.

(The text of the Message of the President of IDB is attached as Annex 7.)

10. Following the Opening Ceremony, HE. Ahmet Necdet SEZER received the Heads of Delegation.

Ministerial Working Session

11. The Ministerial Working Session of the Eighteenth Session of the COMCEC was held on 24 October 2002 under the Chairmanship of H.E. Dr. Devlet BAHÇELİ, Minister of State and Deputy Prime Minister of the Republic of Turkey.

12. The Session adopted the Draft Agenda of the Eighteenth Session of the COMCEC.

(The Agenda of the Eighteenth Session of the COMCEC is attached as Annex 8.)

13. An Exchange of views on "Private Sector Investment in the Member Countries and the Role of IDB" was held under agenda item 8. This was initiated with a presentation by H.E. Dr. Akin İZMİRLİOĞLU, Undersecretary of the State Planning Organization of the Republic of Turkey and Chairman of the Senior Officials Meeting, who summarized the outcome of the deliberations of the Senior Officials on "Private Sector Investment in the Member Countries and the Role of IDB".

(The text of presentation of the Chairman of the Senior Officials is attached as Annex 9.)

14. Thereafter, the Heads of Delegation of the Republic of Turkey, Kingdom of Morocco, State of Kuwait, Republic of Iraq, Mozambique, Republic of the Sudan, Turkish Republic of Northern Cyprus, Syrian Arab Republic, Republic of Tunisia, Arab Republic of Egypt, Republic of Uganda, Socialist People's Libyan Arab Jamahiriya, People's Republic of Bangladesh, Republic of Indonesia, Hashemite Kingdom of Jordan, State of Palestine took part in the exchange of views, which included a number of country reports on private sector investment.

(Country reports, submitted in writing, are available separately).

15. The Session then adopted Resolution OIC/COMCEC/18-02/RES(1) and Resolution OIC/COMCEC/18-02/RES(2).

(Resolution OIC/COMCEC/18-02/RES(1) and Resolution OIC/COMCEC/18-02/RES(2) are attached as Annexes 10 and 11; within the context of the Resolution (1), the Resolution of the Third Islamic Conference of Ministers of Tourism and Riyadh Declaration that was taken note, Project

Profile Form that was endorsed, Recommendations of the Workshop *on Private Sector Investment in the Member Countries and the Role of the IDB* that was taken note, are attached, respectively, as Annexes 12, 13 and 14

16. Session adopted the Draft Regulations of the Trade Fairs of the Islamic Countries under Agenda Item 5. At the time of adoption. Republic of Turkey made the following observation.

For a better preparation and organization of the Islamic Fairs, it will be useful to incorporate the following topics in Article 10 of the Regulation.

1. Customs tariff rates and/or other regulations to be imposed by the host country on the products of the participants to be exhibited in the trade fairs.
2. Host country's established trade practices and marketing/distribution systems.
3. Host country's regulations for trade partnership, representation, investment and financing.
4. Circulation of the contact information on chamber of commerce and similar establishments among the participating countries, at least one month before the fair.
5. Providing the information on names, addresses and phone numbers of importer firms and companies.

Turkey also added that she may bring the issue to the attention of the COMCEC during one of its next Sessions.

(Regulations for Trade Fairs of the Islamic Countries is attached as Annex 15.)

17. The Session also reviewed the Report of the Meeting of the Sessional Committee, which was held during the present Session of the COMCEC on 23 October 2002.

(The Report of the Sessional Committee is attached as Annex 16.)

Closing Session

18. The Closing Ceremony of the Eighteenth Session of the COMCEC was held on 25 October 2002 under the chairmanship of H.E. Ahmet Kenan TANRIKULU, Minister of Industry and Commerce of the Republic of Turkey.

19. H.E. Qazi HÜMAYUN, Head of Delegation of Islamic Republic of Pakistan and Rapporteur of the Meeting, presented the Resolutions adopted at the Ministerial Session.

20. In his statement delivered at the Closing Session, H.E. Dr. Abdelouahed BELKEZIZ, Secretary General of OIC, stressed the significance of the outcome of the Eighteenth Session of COMCEC. He praised the keen interest and wise guidance of H.E. Ahmet Necdet SEZER in promoting economic cooperation among Member States. He said that discussions on the topic of "Private Sector Investment in the Member Countries and the Role of IDB" were held at a very appropriate time. He further expressed that the Session focused its attention on an important set of recommendations that are addressed to the Member States so that they could play a role in facilitating and attracting investments. He also assured the meeting of the full cooperation of the OIC General Secretariat in the implementation of the decisions of the COMCEC.

(The text of the Statement of the Secretary General of the OIC, is attached as Annex 17.)

21. In his statement made on behalf of all participating countries, H.E. Osama Bin Jaa'fer FAKIH, Minister of Commerce and Head of Delegation of Kingdom of Saudi Arabia expressed his deep appreciation for the significant results achieved at the Session and for the wise and able leadership of President Ahmet Necdet SEZER in achieving the objectives of the economic cooperation among the Member States. He also extended thanks to H.E. Devlet BAHÇELİ, Minister of State and Deputy Prime Minister of the Republic of Turkey and H.E. Ahmet Kenan TANRIKULU, Minister of Industry and

Commerce of the Republic of Turkey for the excellent manner they conducted the Meeting. He also thanked the General Secretariat, COMCEC Coordination Office and the subsidiary, affiliated and specialized institutions of the OIC for their contributions to the successful conclusion of the Meeting.

(The text of the Statement of H.E. FAKIH is attached as Annex 18.)

22. In his closing statement, H.E. Ahmet Kenan TANRIKULU, Minister of Industry and Trade of the Republic of Turkey, expressed his thanks and appreciation to the delegations and to the Rapporteur of the Session, the General Secretariat and the relevant OIC institutions for their valuable efforts and constructive contributions to the work of the Standing Committee as well as to the supporting staff and interpreters for their tireless efforts which contributed to the success of the Meeting. Highlighting the significance of promoting cooperation among the private sector of the Member States, he expressed his appreciation of for the holding of the Workshop on Private Sector Investment in the Member Countries and the Role of the IDB.

H.E. TANRIKULU also pointed out the increasing importance of the non-governmental organizations in international cooperation besides private sector organizations. He emphasized the considerable amount of technical as well as humanitarian aid provided or facilitated by the non-governmental organizations. Referring to the historical role of the voluntary foundations in the Islamic World, he drew attention to the potential role of these organizations in furthering cooperation among the Islamic countries. He also stated the importance of higher utilization of information technology and e-commerce in the promotion of intra-OIC trade. Stressing the significance of the decisions taken at the Session, H.E. TANRIKULU wished delegates a safe journey home.

(The text of the closing statement of H.E. TANRIKULU is attached as Annex 19.)

ANNEXES

- 1 -

LIST OF PARTICIPANTS
OF THE
EIGHTEENTH SESSION OF THE
COMCEC

(Istanbul, 22-25 October 2002)

Original: English

**LIST OF PARTICIPANTS OF THE
EIGHTEENTH SESSION OF THE
COMCEC**

(Istanbul, 22 - 25 October 2002)

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- Ms. VALBONA ZENELI
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- Ms. SILVANA MALAJ
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- Mr. RAMIZ FIKRETLI
Assistant Consul General, Istanbul

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NEGARA BRUNEI DARUSSALAM

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BURKINA FASO

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- Mr. MOUKTAR OUSMANE
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- Mr. MOHAMADOU TALBA
General Inspector, Ministry of Trade and Industrial Development
- Mr. ABANCHIME LIMANGANA
Head of Section, Ministry of External Relations

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- H.E. Ambassador, MOHAMED ASHRAF SEOUD
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- Mr. AHMED ELGWILY
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- Mr. AYMAN RIAD
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- Mr. ARGÜN EMİR
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- H.E. Ambassador, AHMED ALI GHAZALI
Assistant Secretary General for Information, Cultural and Social Affairs
- Ambassador, SADEDDINE TAIB
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- Mr. MUSTAFA ABDULHAQUE
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- Ms. GÜLCAN ÇAKIROĞLU
Secretary

- Mr. EBUBEKİR MEMİŞ
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- Mr. METİN EKER
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- Mr. ERDOĞAN CAFER
Treasurer
- Mr. SEYİT AMBARKÜTÜK
Technician

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INAUGURAL ADDRESS OF H.E. AHMET NECDET SEZER,
PRESIDENT OF THE REPUBLIC OF TURKEY AND
CHAIRMAN OF THE COMCEC
AT THE OPENING CEREMONY

(Istanbul, 24 October 2002)

Original: Turkish

**INAUGURAL ADDRESS BY H.E. AHMET NECDET SEZER,
PRESIDENT OF THE REPUBLIC OF TURKEY
AND CHAIRMAN OF THE COMCEC
AT THE OPENING CEREMONY
(Istanbul, 24 October 2002)**

Distinguished Ministers,
Distinguished Secretary General,
Honorable Delegates,

It gives me great pleasure to be with you once again on the occasion of the Eighteenth Session of the COMCEC. I greet all of you with my warmest feelings and hope that your efforts here will be beneficial for the entire Islamic community.

Rapidly changing international circumstances enhance the need to further develop the existing economic and commercial cooperation among our countries which share common historical, moral and cultural values and are bound to each other with sincere brotherly ties.

The Standing Committee for Economic and Commercial Cooperation is an outstanding organization which allows the development of the economic and commercial cooperation among our countries. It is one of our fundamental objectives that the activities of the COMCEC form the infrastructure and the framework of our regional cooperation. Important activities are carried out to realize some of the objectives of this organization. However, I think that we can make more efficient use of the opportunities provided by the COMCEC.

Joint efforts on the part of all Member States, undoubtedly, carry great weight in enhancing the efficiency of the COMCEC and further developing the cooperation among the Member States. We are pleased to observe that there is consensus and determination among the Member States in this respect.

I would like to take this occasion to thank the distinguished representatives of the brotherly Member States, the OIC, the affiliated institutions and all delegations participating in this Session for their valuable contributions to the work of the COMCEC.

The present Session, as the past Sessions, will also take up the topics which will make significant contributions to the economic and commercial cooperation among our countries vis-à-vis rapidly changing international economic conditions. We follow with great satisfaction the steps taken towards an effective implementation of the New Action Plan for Economic Cooperation adopted in 1994. I think that a more effective implementation of the Action Plan must be one of the basic objectives of the COMCEC, as emphasized by the resolutions of the Seventeenth Session of the COMCEC.

In the context of the implementation of the Action Plan, forty proposals for cooperation have been submitted in such important fields as foreign trade and money, banks, capital flow and technical cooperation during the Sectorial Expert Groups Meetings. I think that it would be beneficial to entrust more important tasks to the OIC institutions in the implementation of these proposals, thus making greater use of their experience and knowledge. I believe that during this process, the Member States will provide full support for the implementation of the projects.

Developing cooperation among the representatives of the private sector and businessmen, the real actors of the economy, has become a priority item of economic policies. Therefore, more emphasis is now put on cooperation among the private sectors in the COMCEC activities in the context of the Action Plan for Economic Cooperation.

I would like to state that the choice of, "Private Sector Investment in the Member Countries and the Role of Islamic Development Bank" as the theme of debate at the meetings of exchange of views to be held concurrently with the present Session of the COMCEC, is significant and appropriate. I believe that the exchange of views you will make will help in defining the policies and fields of cooperation for developing cooperation among the private sector firms, the motor of economic development.

I would like to take this occasion to offer my best wishes for the Twenty-fifth Anniversary of the foundation of the Islamic Chamber of Commerce and Industry, based in Karachi, to be celebrated in Istanbul tomorrow. I congratulate to the Chairman, Secretary General and all the personnel of the Islamic Chamber as well as the Turkish Union of Chambers and Capital Markets for their support of this activity. The Islamic Chamber of Commerce and Industry, supported by the valuable endorsement and close interest of the General Secretariat of the OIC and the Member States, has performed an important function in increasing cooperation among the private sectors of the Islamic States. I feel confident that this function will be maintained with increasing efficiency.

Distinguished Ministers,
Honorable Guests,

Despite the rich resources and cooperation potential of the Member States of the Organization of the Islamic Conference, the struggle against poverty is still an important item on the agenda of most of the Member Countries. The struggle against poverty remains indeed as a challenge for the whole international community.

Today, half of the world population is struggling to make a living on less than 2 dollars a day, while 1.2 billion people are trying to survive on less than one dollar a day.

A series of important goals has been defined regarding the struggle against poverty and issues related with development in the Declaration adopted during the United Nations Millennium Summit organized in September 2000. According to this Declaration, the target is to decrease by half until the year 2015 the number of people making a living on less than one dollar a day, those who are suffering starvation and those who have no access to clean water resources. However, failure in the realization of these identified targets may cause disappointment in communities in the long run. Therefore, it is necessary to back up these goals through concrete policies, additional resources and schemes.

The steps taken today by the international community are not yet sufficient to solve these global problems. I do hope that the resolutions of the World Summit on

Sustainable Development convened in Johannesburg last September will give an impetus to concrete developments in this field.

Distinguished Ministers,
Honorable Guests,

Foreign debts, another important problem of global dimension, have serious implications on the economies and social lives of developing countries. The total foreign debts of the developing countries rose from 1.718 billion dollars in 1994 to 2.171 billion dollars in 2001, with a %26 increase, while their annual foreign debt service increased from 240 billion dollars in 1994 to 344 billion dollars in 2001. In recent years, approximately 7% of the export earnings of the developing countries has been spent for foreign debt interest payments. These figures demonstrate dramatically the negative effects of the foreign debt problem on the economies of developing countries.

On the other hand, it is true that trade plays an important role as a tool in increasing global prosperity and bringing nations together. World trade has experienced a tremendous growth over the last fifty years. World trade has increased 22-fold between 1950 and 2000. Undoubtedly, GATT and its successor the World Trade Organization established in 1995 have played an important part in these developments. It is expected that trade will be increasing in the coming years and that by 2020, trade will account for approximately 45% of the world gross product.

In this environment it becomes imperative to expand the intra-OIC trade in order to raise the living standards of our nations and to further foster the cooperation among the Member States. For this purpose, while taking the necessary measures to facilitate for circulation of manpower, capital and goods among our respective countries, steps must be taken to increase product diversification, quality and productivity and to encourage regional trade and investment.

The World Trade Organization, which is the center of multi-lateral trade negotiations, held its Forth Ministerial Meeting under the chairmanship of the State of Qatar, in Doha, on 9-14 November 2001. During this conference, the role of the World Trade Organization in organizing and orienting world trade was reaffirmed. The initiation of a new tour of negotiations under the title of the "Doha Agenda for

Development" has been an important development of the conference. Negotiations have been started in various areas with the adoption of the Doha Agenda for Development.

The adoption of a balanced approach for the upcoming negotiations in the framework of the World Trade Organization that takes into consideration the special needs of the less developed and developing countries is very important for the establishment of a healthy and sustainable world trade system.

In this context, it gains importance for our organization to closely monitor the developments in the World Trade Organization which plays a significant role in the integration of the Member States of the Organization of the Islamic Conference with the World economy and which is a permanent item in the agenda of the COMCEC, and to increasingly expand the existing cooperation in this field. I would like to take this opportunity to thank once again the Islamic Development Bank for their technical assistance to the OIC Member States, and to emphasize the significance of the role of the Bank.

I am pleased to observe the efforts of the World Trade Organization and of the regional Development Banks to harmonize the trade agendas of the Member States with the WTO rules, in the context of the development plans of those states. It would be of advantage to sustain such efforts in the framework of the COMCEC activities.

I would like to bring to your attention the issue of the approval and ratification of some cooperation agreements opened to signature by the COMCEC in the past years. It gives me pleasure to share with you the information that the Framework Agreement for a Trade Preferential System among the OIC Member State, which will have a significant function in increasing trade among our Member States, has been ratified by 11 Member States and has reached the stage of enforcement. This Agreement can contribute to expanding info-OIC trade by eliminating tariff and non-tariff barriers.

Moreover, I would like to emphasize the importance of making maximum use of the Export Financing Scheme and the Export Credit Insurance and Investment Guarantee Schemes developed by the COMCEC as well as the Trade Information Network for Islamic countries, prepared by the Casablanca Center.

Distinguished Ministers,

Last but not least, I would like to refer to the recent developments which have deep impacts on the Middle East and caused great grief and concern in the entire Islamic World.

Failure in establishing the long wished-for peace and stability in the Middle East region, the cradle of Islam, prevents the people of this region with rich natural resources from attaining the level of economic and social development they deserve.

The acts of violence on Israeli and Palestinian lands have caused the loss of many lives. It is our common wish that the escalation of violence in the Middle East will stop, common sense will prevail and the peace process will be reactivated and an equitable and comprehensive peace will be achieved on the basis of the Security Council resolutions No. 242, 338 and 1397.

Turkey hopes that the problem in our neighbour, Iraq, will come to a peaceful solution within the framework of the United Nations. The possibility of a forceful intervention in this problem entails many threats for the stability and prosperity of the region. The economic and commercial activities that fall under the scope of the COMCEC will be adversely affected by any possible military operation in the region.

Turkey takes the stand, on every occasion, that the territorial integrity and political unity of Iraq must be preserved. It is our wish that the afflictions of the Iraqi people will soon end and this country will become re-integrated with the international community.

We are happy to see that a new government has come to power in the friendly and brotherly Afghanistan in the framework of the Bonn process, that there is improved peace and stability in the country and restructuring activities are under way. I would like to point out that it is extremely important that the OIC Member Countries should maintain their uninterrupted contributions to the re-structuring of Afghanistan. I believe that the people of Afghanistan will soon achieve national unity and once again attain peace and prosperity with the constructive contributions of the friendly and brotherly countries.

Distinguished Ministers,
Honorable Guests,

Turkey believes that an effective regional cooperation is the key to regional cooperation, international peace, stability and prosperity and endeavours to strengthen and diversify her relations with the world at large in every field. Turkey has always attached great importance to her relationship with the Islamic World, with which we are bound with historical, moral and cultural ties. I would like to emphasize that Turkey will continue to support the activities of the Organization of the Islamic Conference and the COMCEC, which bring together all the brotherly Islamic Countries, as it has done in the past.

In conclusion, hoping that your stay in Istanbul will be fruitful and pleasant, I wish you success in your work, which I believe will lead to good results in further developing the economic cooperation among our countries.

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ADDRESS OF H.E. DR. ABDELOUAHED BELKEZIZ,
SECRETARY GENERAL OF THE
ORGANIZATION OF THE ISLAMIC CONFERENCE
AT THE OPENING CEREMONY

(Istanbul, 24 October 2002)

Original: Arabic

**ADDRESS OF
H.E. DR. ABDELOUAHED BELKEZIZ
SECRETARY GENERAL OF THE ORGANIZATION
OF THE ISLAMIC CONFERENCE
AT THE OPENING CEREMONY**

(Istanbul, 24 October 2002)

Bismillahir-Rahmani Ar-Raheem

Your Excellency, President of the Republic of Turkey and
The Chairman of COMCEC,

Excellencies,
Distinguished delegates,
Ladies and Gentlemen,

Assalamu Alaykum W a Rahmatullahi W a Barakatuh

It is indeed a great pleasure for me to attend today the deliberations of this important 18th Session of the Standing Committee for Economic and Commercial Cooperation (COMCEC).

At the outset I am gratified to express my profound gratitude to H.E. Mr. Ahmet Necdet Sezer, President of the Republic of Turkey and Chairman of COMCEC for honouring this meeting with his presence. This reflects his sincere interest in the good functioning of this Committee and its guidance in a manner that would promote economic cooperation among members of the Islamic Ummah.

I also have the honour to commend the guiding statement kindly delivered by His Excellency. The said statement was characterized by determining the real objectives of the joint Islamic action in the area of economic and commercial cooperation . It also demonstrated the effective practical ways to reach the pursued objectives. This

statement will guide our deliberations. It will also provide an important reference by which the Committee will be directed during its deliberations within the next two days.

I also thank the government of the Republic of Turkey for the warm reception and generous hospitality extended to us and express my appreciation to the officials for the excellent organization of this meeting which was meant to create the best conditions for our deliberations to take place.

Mr. Chairman, my statement today will be confined to a few points, which, I believe, represent the pivot around which our objectives, activities and hopes turn in this vital sector of the joint Islamic action. This exceptional circumstances through which the Islamic world in passing require us all to display solidarity, interdependence and unity of action and words to face up to the crucial challenges confronting the Islamic Ummah at the political, economic and social levels. No one is oblivious of the conditions of Muslims in the world or in Palestine. Therefore, I would like to state the following.

This Eighteenth Session of COMCEC augurs a new ray of hope to turn into a genuine premise of a positive partnership action should we strive for it. If this committee has in the past succeeded in preparing a great number of necessary economic, scientific and technical studies, drawing up practical plans for their implementation by Member States and the OIC specialized institutions, it also succeeded in drawing up a plan for long term trade financing, for insurance and export credit and set up a basis for regular meetings of the private sector and the organization of trade fairs.

It is a pleasure for me to announce that the Framework Agreement on Trade Preferential System has been ratified by over ten Member States thus enabling multilateral negotiations among Member States as the Framework Agreement enters into force. I would like in this connection to express my deep appreciation to the Government of the Republic of Turkey for proposing to host the first session for said negotiations among Member States in accordance with the Agreement.

I am confident that the Islamic Center for the Development of Trade (ICDT) will not fail to exert all its efforts to achieve a sound preparation for these negotiations and lay down the practical basis for them to insure a speedy implementation of the Framework Agreement. We can then hope for a rapid increase in the volume of intra-OIC trade which, unfortunately, remains very limited despite the various factors

existing in its favour, such as the geographical vicinity of our States, the real opportunities for complementarity in the production field and the availability of a large consumer market.

The second point relates to the preceding one and is linked to the issue of agreements of an economic nature and their ratification. I sincerely hope that you will give due attention to the issue of signature and ratification of agreements and respond favourably. The General Secretariat never fails to remind in memoranda to Member States of the importance of signing and ratifying the concluded agreements so that we can embark on a real economic and commercial cooperation among Member States. I avail myself of this opportunity to appeal to Member States from this forum to kindly take urgent steps in this regard.

The third point is related to the role of the private sector in the promotion of the process of economic development in Islamic countries and the enhancement of commerce and economic cooperation among them. This matter depends on the need to create favourable conditions so that it may play the role expected of it. It also relies on the implementation of the recommendations adopted by the successive Private Sector Meetings held by the Islamic Chamber of Commerce and Industry in cooperation with the chambers of commerce and industry in each Member State.

In this context, I must refer to the growing importance of the investments of the private sector in the numerous projects available in many Islamic countries. The Islamic world is, without doubt, rich with the capital for internal and external investments. It is now one of the foremost duties within the framework of Islamic solidarity and interdependence, that Member States with capital to invest their funds put in lucrative and guaranteed projects in Member States instead of investing them outside the Islamic world . This would promote the economies of our countries. It will also contribute to the resolution of many of the problems of these states such as poverty, external debt and social imbalance.

The public sector in Member States should support such approach with all means and guide the policies and practices which would ensure the realization of this objective.

The fifth point is about the Islamic Common Market, the importance of which we have persistently underlined since the Eighth Islamic Summit Conference held in Tehran. It is incumbent upon us to take a decision thereon. The viability of

establishing this market is indisputable as the economic merger between Member States will give considerable economic and political weight to the Islamic world. You have before you a number of valuable recommendations put forward by the Expert Group Meeting on establishing an Islamic Common Market held in Doha in October 2000. These recommendations suggested that COMCEC play a leading role in the area of coordination of policies aimed at realizing this noble goal.

The sixth point which I would like to address is the need to follow-up the new developments relating to the World Trade Organization, and the importance, for those States which have not yet done so, to adhere to its membership, and the need to coordinate and harmonize the position of Member States regarding the important WTO issues.

Last but not the least, I should underline the importance of the Islamic Development Bank in the area of promoting the economic development of Member States, and to commend the valuable work and the continued effort it undertakes in this regard. We all hope that the IDB will have greater opportunity to promote many of the developmental sectors in Member States after the recent increase in its capital.

In conclusion, I pray to Allah to help us and guide us in the important and the great work which we are about to do and which is crucial for the members of the Islamic Ummah throughout the world.

Thank you,

Wassalamu alaykum

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STATEMENT BY H.E. DR. YOUSSEF H. AL-IBRAHIM,
MINISTER OF FINANCE, PLANNING AND
ECONOMIC DEVELOPMENT (INVESTMENT)
OF THE STATE OF KUWAIT
AT THE OPENING CEREMONY

(Istanbul, 24 October 2002)

Original: Arabic

**STATEMENT H.E. BY DR. YOUSSEF H. AL-IBRAHIM,
MINISTER OF FINANCE, PLANNING
AND ECONOMIC DEVELOPMENT (INVESTMENT)
OF THE STATE OF KUWAIT
AT THE OPENING CEREMONY**

(Istanbul, 24 October 2002)

*Al Hamdulillah Rabul Alamein wa alsalat wal salam ala Ashraf al
Mursaleen wa ala alihi wa sahbihi Ajam 'een*

Your Excellency Mr. President,
President of the Republic and Chairman of COMCEC,
Your Excellencies,
Honorable Guests,

*Al Salamu Alaikum wa Rahmetulah
wa Barakatuh*

It is an honour for me to take the floor, on behalf of the Arab Group, to express profound thanks to the Turkish Government **and** Turkish **People** for their **warm** welcome and generous hospitality. It is an equal pleasure to express my deep appreciation to president Ahmet Necdet Sezer, President of **the** Republic of Turkey and Chairman of COMCEC, for the great efforts he exerts **to** promote economic cooperation among OIC Member States.

Mr. President,

You are fully aware that we are meeting amidst accelerated world economic conditions as world economy is undergoing stagnation and a slow development following the events of September 2001 in the United States of America, events that have negatively affected the economies of industrial as well as developing countries. The main consequence was a slackening of economic development rates and a rise in

inflation rates together with a drop in main export prices, ensuing in a lower national product throughout the world, a situation that calls for close bonds and closed ranks with a view to promoting economic cooperation among our Member States.

Mr. President,
Distinguished Ministers,

Our choice of the topic "Investment in Member States and the role of IDB" acquires a great importance, under the present changing conditions, because it brings to mind the role that could be played by the private sector in building up the economy, bolstering economies, given its capacities and potentials that can cope with world changes and its dynamics which allow it a freedom of movement and the possibility to seize opportunities, thus dictating, that we lend it greater importance and provide it with the appropriate facilities to enable it to play the role required from it, the role of governments being limited to guidance , supervision and control. The State of Kuwait has prepared a working paper on the topic of this Session indicating the steps taken by the State of Kuwait to encourage the private sector and is available for circulation. In this connection, I wish to commend the efforts of the Islamic Chamber for Commerce and Industry in favour of the private sector, namely the organization of its annual meetings as well as of trade fairs and other activities which undoubtedly bring to our knowledge the available investment opportunities in Member States.

In this connection, I must refer to the Plan of Action to Promote Economic and Commercial Cooperation of our Islamic States and express my concern over the slow pace of its implementation. It should be given greater support and consolidation in its implementation, together with a political will for economic interests. The States owners of projects, must exerts efforts and take serious measures to advertise the projects they propose and encourage the greatest member of States possible to share in those projects, that will reflect positively on economic cooperation among Islamic Countries.

It gives me pleasure in this connection to commend the role of IDB for its determining role in socio-economic development in Member States and Muslim Communities through its various financing mechanisms, let alone its efforts to develop intra-OIC trade through the mechanisms created for this purpose, such as financing

exports and exports. Moreover, IDB is very active as regards matters related to the WTO, such as coordinating the stands of Members with regard the WTO agenda items.

In conclusion, I reiterate my thanks and appreciation to the Turkish Government for the efforts it has made to ensure the success of this meeting.

Wa Salamu Alaikum WA Rahmatullah wa Barakatuh

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**STATEMENT BY H.E. SEYED AHMAD MORTAZAVI,
DIRECTOR GENERAL OF OIETAI, MINISTRY OF ECONOMY
OF THE ISLAMIC REPUBLIC OF IRAN
AT THE OPENING CEREMONY**

(Istanbul, 24 October 2002)

Original : English

**STATEMENT BY H.E. SEYED AHMAD MORTAZAVI
DIRECTOR GENERAL OF OIETAI,
MINISTRY OF ECONOMY OF THE
ISLAMIC REPUBLIC OF IRAN
AT THE OPENING CEREMONY**

(Istanbul, 24 October 2002)

Your Excellency The President of The Republic of Turkey
Your Excellency The OIC Secretary General
Distinguished Delegates
Ladies & Gentlemen

May I, on behalf of The OIC Asian Group and the delegation from the Islamic Republic of Iran, express my thanks and gratitude to H.E. Mr. Necdet Sezer the President of the Republic of Turkey and to the Government of Turkey for hosting and excellent arrangements made for this important event.

Your Excellency,

We are here to explore ways and means of enhancing cooperation among Islamic countries. This has, to a low extent, been achieved and is not by any means, satisfactory. In the area of private sector investments among the OIC member countries, the figures are poor and discouraging. On the other hand the upward trend in private investment in developing countries reflects the world business conditions are changing in two fundamental and closely related ways. First, more and more activities are becoming worldwide in scope and, second, competitive pressures are increasing almost everywhere. These changes are creating new opportunities as well as problems for the private sector and for governments. Many developing countries are responding to changing world business conditions by encouraging private investment. This is shown through reforming and privatizing the public sector, removing price distortions, liberalizing foreign trade and payments, opening the markets up to foreign direct investment and strengthening the capacity of the financial system to mobilize domestic

savings and allocate financial resources, factors which have all contributed to increasing the share of private investment.

Study shows that the distribution of FDI inflows has been concentrated in a small number of OIC member countries. These countries are those which have more market-oriented economies, more liberalized and regulated markets, more privatized economic activities, a better quality of infrastructure and a greater size of existing stock of FDI.

Yet the sources of private investment which was traditionally sought through industrialized and capital exporting countries, is changing as well. Private investment scene has changed and the challenge for investors and investment promotion agencies is to understand the new game and learn how to play it. The old paradigm where FDI was about big companies from rich countries making greenfield investments in poor countries, in order to lower costs, is only part of the new situation.

Today's foreign direct investor could as well come from Turkey, Malaysia, Indonesia, Pakistan and Egypt as from Europe or Japan. Many smaller companies are looking to go overseas but they may move within their region, south to south rather than north to south.

Mr. Chairman,

The investment could well be technology-intensive as opposed to labour intensive. One major element that has been neglected and has hampered the diffusion of private investments within OIC member countries, is the lack of venture capital funds supporting high risk investments namely in the area of technology oriented activities. Today's private investment is more diverse in type by geographical source and in its requirements.

May be IDB by allocating part of its financing exposure would help potential venture capitalists to have access to venture capital funds under favourable terms and conditions. In the meantime host countries need to construct the legal and social conditions that allow investors to feel secure in all fronts, if they are to win new investments.

Mr. Chairman,

I would like to take this opportunity to emphasize, on behalf of the Asian Group, our firm desire and support for the deliberations underway toward the realization of the Islamic Stock Exchange and Clearing Union as well as establishment of the Islamic Common Market, and the like, as driving forces and essential instruments for the development of private sector involvement in the economies of the OIC member countries.

Finally, considering the aggression to the People of Palestine and the tragic events taken place in the occupied territories, while we condemn the aggression, we hope to witness the People of Palestine in peace and prosperity.

I also hope that all efforts and deliberations by all OIC member countries as well as OIC subsidiary institutions, including IDB group, would constantly serve for the prosperity of the Islamic Ummah.

Thank you.

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STATEMENT BY H.E. SAM K. KUTESA,
MINISTER OF STATE FOR FINANCE, PLANNING
AND ECONOMIC DEVELOPMENT (INVESTMENT)
OF THE REPUBLIC OF UGANDA
AT THE OPENING CEREMONY

(Istanbul, 24 October 2002)

Original: English

**STATEMENT BY H.E. SAM K. KUTESA,
MINISTER OF STATE FOR FINANCE, PLANNING
AND ECONOMIC DEVELOPMENT (INVESTMENT)
OF THE REPUBLIC OF UGANDA,
AT THE OPENING CEREMONY**

(Istanbul, 24 October 2002)

Your Excellency, Ahmet Necdet SEZER, President of the Republic of Turkey

Your Excellency, Dr. Devlet BAHÇELİ, Minister of State and Deputy Prime Minister
of the Republic of Turkey

Your Excellency Dr Abdelouahed BELKEZIZ, Secretary General of OIC

Distinguished Delegates

Ladies and Gentlemen

Assalam Alaikum Warahmatullah Wabarakatuh

1. It is with great pleasure and joy that I speak in this historic city of Istanbul, on behalf of the African Region Member States. I take this opportunity to thank H. E. Ahmet Necdet SEZER, President of the Republic of Turkey and Chairman of COMCEC, the Government and People of Turkey for the warm welcome and the generous hospitality accorded to our delegations from the time of arrival here, as well as for the excellent arrangements made for this meeting.

2. In addition I wish to express our appreciation to H. E. Dr. Abdelouahed BELKEZIZ, Secretary General of OIC for his dedication in the service of our organization. Allow me also to express our appreciation to COMCEC Coordination office and all OIC Institutions for having made very good preparations for the success of this meeting and for the good and elaborate documents provided.

3. The importance of COMCEC as Standing Committee for strengthening economic and commercial cooperation cannot be over-emphasized. It comes from the realization that we should determine our own destiny and call on the rest of the world

only to complement our efforts. It is in this regard that we must commend COMCEC for strengthening trade and economic cooperation among Member States. The most notable achievements to be proud of which Members should exploit are: the longer-term financing scheme; the Islamic corporation for the insurance of investment and export credit; and facilitating the networking of the private sector in the Member States, notably organizing trade fairs. We now look forward to the creation of a multilateral clearing union in which we have a lot of expectations.

4. In this same breath may I also recognize contributions made by the OIC Subsidiary, Specialized and Affiliated institutions in fostering the development of Member States, and call upon them to continue even further.

5. We are glad to note that the Framework Agreement on Trade Preferential System has now been ratified by the required 10 Member countries and will soon become effective. This is another instrument that we expect to augment the cooperation among our Member countries. We encourage Member States who have not yet done so to consider ratifying this and the other Agreements which were adopted many years ago but have either not been signed or ratified.

6. We urge the Secretariat to accelerate the implementation of the OIC Plan of Action, which, since its endorsement by the 7th Islamic Summit in 1994 has had limited tangible results. In this regard we support the initiatives aimed at developing an accelerated mechanism for the implementation of the Plan as it encourages the best usage of the available resources with a renewed understanding and effective coordination among OIC agencies. To this end we request for dept relief from OIC Member States and Institutions, especially IDB; more resources available through IDB or other OIC Institution, in form of grants or highly concessional loans; more private open access of our commodities to the markets of our more developed Member States.

7. As you all know, most of the African Member States are among the least developed countries in the world. They are characterized by high indebtedness, political instability, chronic poverty and disease, especially AIDS and malaria. It in this regard that African leaders initiated the New Partnership for Africa's

Development (NEPAD) which is a pledge that they have a pressing duty to eradicate poverty and to place their countries on the path to sustainable growth and development. This will mainly focus on six main sectoral priorities: bridging the infrastructure gap; human development; agriculture; environmental protection; culture, and, science and technology, Africa today recognizes that, while aid will assist our development in the short-run, sustainable development for us will be based on investment and trade. We are looking for investments in agriculture and agro processing industries, and access to markets for these products.

8. The African region therefore is a ready partner, with a lot of potential for trade and investment. We invite members to take advantage of these opportunities, and we assure you of a favourable incentive regime to composite for your initial investments.

9. I look forward to the fruitful deliberations and resolution of this 18th Session COMCEC.

I thank you.

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MESSAGE OF H.E. DR. AHMAD MOHAMED ALI
PRESIDENT OF
THE ISLAMIC DEVELOPMENT BANK
AT THE OPENING CEREMONY

(Istanbul, 24 October 2002)

MESSAGE OF
H.E. Dr. AHMAD MOHAMED ALI
PRESIDENT, ISLAMIC DEVELOPMENT BANK GROUP
IN THE 18TH SESSION OF THE OIC STANDING COMMITTEE
FOR ECONOMIC AND COMMERCIAL COOPERATION
(COMCEC)

Istanbul, Republic of Turkey
22-25 October 2002

All the praises and thanks be to Allah, Lord of the Worlds of Mankind, Jinn and all that exists, *salat* and peace be upon the most honourable among Prophets and Messengers, our Prophet and lord, Mohammed, and his Kinship and Companions.

Your Excellency,
President of the Republic of Turkey
Chairman of COMCEC

Your Excellency,
Secretary General of the Organization of Islamic Conference

Brothers and Sisters

Assalamu Alaikum wa Rahmatullahi wa Barakatuh

It is a great pleasure to extend, in the name of your organization, the Islamic Development Bank Group (IDB), our sincerest thanks and deepest appreciation to the Republic of Turkey, its President, Government and People, for the warm welcome and great hospitality with which the IDB delegation was received, as well as for the excellent arrangements made in preparation for this Meeting. Our hear-felt thanks go also to the Secretariat of your esteemed Committee for inviting the IDB Group to participate in this vital Conference, in order that we may all contribute to pushing forward the cause and course of cooperation and realize more achievements to serve the objectives to which our *Ummah* aspires.

Mr. President
Your Excellencies
Brothers and Sisters

This Meeting is being held under successive and rapid changes in conditions at the global level, changes that have been stemming from the repercussions of the events of the 11th of September 2001. It also comes in the midst of rapid global economic developments heading towards strengthening of economic relations and building of regional groupings. All these developments have been taking place within the framework of globalization, with all the challenges and effects it imposes, as well as the opportunities it creates in a number of fields. This makes it incumbent upon us to double our efforts, coordinate our positions, work towards surmounting difficulties and removing obstacles that might adversely affect the course and mechanism of our solidarity or the common action of members of the Organization of Islamic Conference and its affiliates, which are constantly striving to serve the *Ummah* and its various peoples.

Mr. President
Your Excellencies
Brothers and Sisters

Our Meeting is being convened after a short period from end of the works of the 29th Session of OIC Foreign Ministers Conference, which was held in Khartoum, Republic of Sudan, during the period 14-16 Rabi' II, 1423H (25-27 June 2002). It is my great pleasure to commend proudly the important and successful results reached in that Session, whether in the political or economic spheres, or in the areas of science and technology, the cultural or social fields, which all serve the causes and interests of the *Ummah* and its peoples.

The Final Communiqué issued at the conclusion of the Session, and its commendation of the role played by the IDB Group in supporting development programmes in member countries, extending technical assistance to the institutions operating in these member countries, as well as its praise of other services provided by the IDB is considered a positive sign that your organization, IDB, is striding on its way to achieve, with the grace of Allah, its mission to realize the sublime and noble objectives for which the IDB has been established. This mission is to meet the development requirements of member countries and to support development projects in all economic and social spheres in member countries and Muslim communities.

With the grace and support of Allah Almighty, and then with the constant material and moral support of member countries, your organization, the Islamic Development Bank, has been able to realize many good achievements in all fields, through its various programmes and windows.

Cumulative gross approvals of the Bank on all accounts reached to US\$ 31,32 billion till the end of 1422H. The net cumulative approvals at the end of year stood at US\$ 27,23 billion. Of these, nearly 29.4% financing was for ordinary operations, 5.4% for project financing under other schemes/institutions in the IDB Group, 63.2% for trade operations, and about 2% were for Waqf Fund (special assistance operations) for the benefit of member countries and Muslim communities in non-member countries in order to achieve a number of key objectives:

1. Promote the economic development and social progress of member countries and Muslim communities in non-member countries all over the world, especially through the building of institutional capacity and development in the sectors of education, health and social services, in addition to the building of capabilities that aim at promoting economic, financial and banking activities in accordance with the principles of Shari'ah.
2. Provide assistance and relief for member countries and Muslim communities all over the world in cases of natural disasters and famine.
3. Provide assistance to Muslim refugees all over the world.

Total financing approved by the IDB Group in 1422H within the framework of Project Financing, Technical Assistance, Waqf Fund and Trade Financing amounted to US\$ 2.9 billion.

In this context, and within IDB Group efforts aiming at assisting Muslim Afghani people and mitigating their suffering, the IDB Board of Governors decided in its 26th Annual Meeting held in Algeria during the period 7-8 Sha'ban 1422H (23-24 October 2001) to allocate US\$50 million, of which US\$ 10 million as a grant for Afghani refugees and displaced persons, whereas the remaining US\$ 40 million were in the form of soft loans to contribute to the re-building of the infrastructure, especially in the areas of education, health, water and other areas.

The IDB Group, out of its feeling of responsibility, will continue to implement the resolutions of the said meeting and submit its progress

reports on the work done and the developments related to the implementation of these resolutions.

Mr. President
Your Excellencies
Brothers and Sisters

Conscious of the on-going developments in the area of multilateral trade negotiations, and the other issues related to these negotiations within the World Trade Organization (WTO) and their economic implications, IDB Group established in 1977 a comprehensive programme to provide technical assistance to the OIC member countries. It aims at building and strengthening their institutional and human resource capacities that are related to the activities of the WTO and the Uruguay Round Negotiations, in implementation of your Committee's resolutions in its 18th Session. During this Session, the Committee entrusted the IDB to provide a forum for the exchange of viewpoints and consultation among member countries to coordinate their positions on the issues submitted to the Ministerial Conferences of the OIC.

This programme includes many activities, the total of which reached now 40 activities, such as organizing consultative meetings prior to, and after, those of the WTO Ministerial Meetings; providing direct consulting and technical services to member countries in addition to organizing seminars and training courses to familiarize participants with the agreements of the Uruguay Round. The Bank has also prepared five main sector studies that cover agriculture, trade in services, investments, in addition to trade-related intellectual property rights and electronic commerce.

Mr. President
Your Excellencies
Brothers and Sisters

As you know, the 4th Ministerial Conference of the WTO, which was held in Doha, State of Qatar, during the period 9-14 November 2002, resulted in many important resolutions. A separate Ministerial Resolution was issued relating to the vitalization of implementation of the agreements and resolutions of the Uruguay Round, which is one of the important demands of Islamic countries and developing countries alike. The Conference also adopted what was known as "Doha Development Agenda", which aims at giving the developmental dimension priority in the work programme of the WTO. The Conference also announced a new

comprehensive round of negotiations that would require a great deal of effort from the Islamic countries to protect their rights and realize their interests, and to avoid the imposition of new obligations that might further burden them when added to the last burdens resulting from the previous Uruguay Round, from the burdens of which many developing countries are still suffering and struggling to implement.

In this context, and in order to exchange views and consider what could be done vis-à-vis the Ministerial Meeting of the WTO, the IDB Group will hold at the end of this month (28-30 October 2002) at its Headquarters a consultative meeting of experts from OIC member countries to discuss and evaluate the results of the Doha Ministerial Meeting and their impact on the member countries, and to prepare for the next stage in the trade negotiations.

Mr. President
Your Excellencies
Brothers and Sisters

Success of multilateral cooperation in the framework of the New World Economic Order would depend on the results of benefits it yields to all parties concerned. Its benefits should not be limited to a specific group of countries; other parties should not be denied the fruits of such cooperation by marginalizing their roles. There is no use in any effort that does not take into consideration the realization of a balanced benefit to all the parties participating in such effort.

In order for the member countries to participate, on an equal footing, in reaping the fruits of the multilateral trading system, they have to re-build their own capabilities, improve their products and services and to employ the outputs of modern technology in their economies. This would require a great deal of cooperation and coordination effort among member countries on the one hand, and between these member countries and the developed countries on the other in order to provide more technical, financial and technological support to them to improve their infrastructure, build their diverse economic capabilities that are able to meet the challenge of global competition.

In this context, the Islamic Development Bank urges the OIC member countries to prepare their own programmes, in which each should declare its own stance on the issues resulting from Doha Ministerial Conference of the WTO. Most important among these issues are: agriculture, services, market access, intellectual property rights,

especially in the areas of health and medicine, subjects that are the object of current negotiations in the various committees and councils of the WTO. The objective is to enable our member countries strengthen their position, safeguard their developmental interests and to boost their national economies in its march towards comprehensive development.

The IDB Group will spare no effort to provide technical assistance and consultation services to its member countries in all WTO-related issues. The

Bank will continue its follow-up on the issues and subjects emanating from the 4th WTO Ministerial Meeting held in Doha, as well as the resulting new negotiations, to make possible the provision of technical support and enable its member countries to effectively participate in the multilateral trading system.

Mr. President
Your Excellencies
Brothers and Sisters

The subject of electronic commerce (e-commerce as more widely known) has captured much attention in the past millennium because of its prominent effects and the multiplicity of its implications for the multilateral trading system. Through the advancement of modern means of communication, the wide-spread use of the Internet, the importance of e-commerce has become very prominent at all levels; the efficiency of traditional commerce has increase; the concepts and methods that were used in business, marketing, dealings and conclusion of contracts have changed and new methods for conducting existing businesses have been discovered and new services and modern business windows have been introduced through the optimal utilization of the system of e-commerce.

Since communications infrastructure constitutes the backbone of e-commerce, the non-existence or weakness of this infrastructure in some member countries constitutes a basic challenge to any attempt at engaging in, or benefiting from e-commerce. Thus a basic requirement of member countries wishing to utilize, develop and benefit from e-commerce is to build their capabilities in this field, introduce the necessary legal and regulatory framework for such activity and to prepare the ground necessary for the success of e-commerce. Based on this belief, and due to the importance of this subject and in order to create the necessary ground for the success of e-commerce in member countries, IDB Group has recently prepared a study on e-commerce that covers the

basic requirements shown above in order to help member countries in this vital field.

In keeping with the global orientation toward strengthening and benefiting from systems of e-commerce, IDB Group intends to activate and encourage the utilization of such systems in its own activities, especially in its import and export trade financing schemes, and to strive constantly to increase the volume of intra-trade among its member countries.

Mr. President
Your Excellencies
Brothers and Sisters

Resolution of the 8th Islamic Summit Conference held in the Islamic Republic of Iran (December 1997) regarding Preparation of the *Ummah* for the 21st Century, urged increasing intra-trade among OIC member countries and gave a new dimension to the role of IDB in trade financing. The IDB has been given a major role in financing to lead the efforts being exerted to increase intra-trade among member countries from 10% to 13%. The Bank would seek realize this objective through its trade financing programme and the support of the member countries in this area. The IDB has intensified its efforts to promote the expansion of intra-trade among member countries through allocation of more financial resources to increase the volume of financing allocated for increasing intra-trade among OIC member countries.

Since the adoption of this Resolution, the IDB has been keen on implementing it; it undertook many initiatives in the area of trade finance and promotion (such as the establishment of the Import Financing Scheme, Export Financing Scheme, IDB Islamic Banks' Portfolio for Investment and Development and Unit Investment Fund) in line with the OIC Plan of Action. For achieving this purpose, the IDB has allocated additional resources through its trade finance and promotion programme. It has also increased the amounts allocated for the various financing activities, giving special priority to the financing of imports from member countries. Furthermore, the Bank has diversified its modes of financing by introducing a two-step Murabaha and syndicated loans and intensifying efforts to encourage intra-trade through the cooperation and trade promotion programme.

Total approvals for member countries for the sake of promoting intra-trade during the period from 1420H till mid-Rajab 1423H stood at US\$ 3031.04 million. This amount was distributed as follows:

US\$ 1177.29 million (ordinary operations).

US\$ 1010.75 (direct financing - new terms).

US\$ 200 million (syndicated loans), of which IDB contributed US\$ 40 million, whereas other banks contributed the remaining US\$ 160 million.

US\$ 643 million (two-steps Murabaha financing), of which the IDB contributed a share of US\$ 230, whereas the other banks contributed US\$ 413 million.

Up to mid Rajab 1423H, total approvals for intra-trade for the benefit of member countries have amounted to US\$ 532.50 million distributed as follows:

US\$ 211.50 million (ordinary operations).

US\$ 241 (direct financing - new terms).

US\$ 80 million (share of other banks in a two-step Murabaha financing).

Mr. President
Your Excellencies
Brothers and Sisters

The Islamic Development Bank Group appreciates the remarks and the valuable views expressed by some representatives of member countries during the 17¹ COMCEC Meeting held during the period 18-21 October 2002 in Istanbul, regarding the markup on import and export financing schemes. In this context, I am pleased to inform you that the IDB Management submitted a report on the issue to the Board of Executive Directors, in 207ⁿ Meeting, which was held during the period 21-26 Safar 1423H (4-9 May 2002). The Board decided to:

To keep the range of the percentage added to the markup on EFS operations as it is;

To keep the range of the percentage added to the markup on ITFO operations as it is, while being mindful that the percentage added should reflect the market conditions and the time the operation was approved.

To make the price of syndicated loans match that prevailing on the market.

To make the price of financing by a two-step Murabaha operation based on the results of the credit rating of the beneficiary entity.

To continue applying the discount given as incentive for repayment on, or before, the scheduled time; that is discounting 30% of the percentage added to the markup in case of ordinary operations and 65% of the percentage added to the markup in case of operations listed within the framework of the lines of financing.

The IDB Group is facing competition in some markets from financial institutions, both at the regional and international levels. The Bank will, by the grace of Allah, remain committed to the implementation of the task, which has been assigned to it by this Conference. It will continue its programmes to finance and develop trade, while taking the appropriate measures to limit risks normally associated with such operations.

Although the Bank plays the role of a catalyst in this area and is seeking to achieve the objectives it has been assigned to achieve, success of the OIC Action Plan would depend on the unity of the efforts of member countries, their positive interaction and constant support to the efforts of the IDB Group. It also depends on the complimentary measures that should also be taken by the other parties participating in this process. Among the measures member countries need to take are the following:

Take the necessary action in the field of public policy formation to support the efforts of the IDB, by removing tariff and non-tariff trade barriers, encouraging bilateral repayment agreements and ratifying the OIC Trade Preferential Agreement.

Some member countries should fully benefit from these facilities and they are expected to nominate their trade focal points in implementation of the recommendation of the said Plan of Action.

It is also hoped that these countries would help the Bank in implementing the various financing facilities it extends, through their mitigation or elimination of bureaucratic obstacles, such as the complex procedures imposed upon local banks concerning issue of the required guarantees to customers benefiting from IDB financing facilities. These bureaucratic obstacles cause delays in utilization of the facilities extended by IDB Group.

When these countries are the direct beneficiary party from the trade financing facilities provided, they should take the necessary action

to expedite their utilization. **For** instance, three or four years ago, some **IDB Group** facilities were extended **under** special circumstances but they have not been utilized fully until now, or their utilization period need to be renewed several times.

These countries should also help the Bank through their encouragement of local institutions that serve as the national agent for the IDB Exports Financing Scheme (EFS) to discharge their role of promoting the exports of their countries by aggressive marketing of these exports and utilization of the facilities offered by the IDB EFS.

In realization of the importance of the role of intra-trade for its member countries in the process of achieving economic growth and social progress, the IDB Group will continue exerting its efforts towards extending more financial facilities from its own financial resources, through resource mobilization from the market through syndicated financing and two-steps Murabaha.

Mr. President
Your Excellencies
Brothers and Sisters

Conscious of the importance of the role pinned upon the private sector in the process of economic growth in member countries, and its contribution in increasing the domestic product of these member countries, the Bank continued to exert intensified efforts to promote the private sector in its member countries. Such efforts aim at developing and strengthening solid economic relations among member countries; discovering new venues of cooperation among these countries and of new opportunities and mechanisms that would promote such cooperation; activation of private sector participation in the development process and social progress in these countries and enabling them to draw maximum benefit from the opportunities yielded by multilateral trade liberalization and the integration of the global financial system.

The IDB Group has intensified its efforts to serve the private sector and vitalize its role in the economic development process by establishing many windows for this purpose. Among these are: Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), Islamic Corporation for **the Development of the Private Sector (ICD) and the IDB Infrastructure Fund. The IDB also put at the disposal of the private sector many financing facilities through the IDB Islamic Banks' Portfolio, IDB**

Unit Investment Fund, in addition to other IDB Group activities aiming at promoting the private sector. These activities include: cooperation with the National Development Financing Institutions (NDFI's); establishment of the Union of Islamic Banks; promoting receipt of services from consultants and contractors, while giving priority to consultants and contractors of member countries; cooperation with the Islamic Chamber of Commerce, Industry and Commodity Exchange through support of the meetings organized by the private sector and efforts exerted to promote IDB Group activities and products for the benefit of the private sector.

In response to the decision of your esteemed Committee in its 17th Session, held in Istanbul during the period 18-21 October 2001, that the subject of discussion during the COMCEC 18th Session should be "Investment by the Private Sector in Member Countries and the Role of IDB", the IDB organized, in collaboration with the COMCEC Committee, a workshop on this subject in Istanbul, Turkey, during the period 14-16 September 2002. The workshop was organized in coordination with the other OIC affiliate organizations and other related international organizations. Representatives of 22 OIC member countries attended the workshop, 6 international and regional organizations interested in this subject, in addition to some OIC organizations. Many issues were discussed and papers presented on various related subjects, such as the challenges being faced by member countries in the form of little foreign investments received to help in the promotion of growth and sustainable development; evaluation of the role of private investments in member countries; the role of international financial institutions in financing and investing in the private sector; development of human capabilities and the role of OIC institutions in strengthening the capabilities of the private sector. This was in addition to other topics that covered financial issues, direct foreign investment, integration and complementarity, commercial alliances, the experience of member countries in developing the private sector, especially by creating the necessary legislative and regulatory frameworks for such development and government policies and incentives provided to encourage and strengthen investment in the private sector in member countries of the OIC.

The Islamic Development Bank Group hopes that member countries and the organizations affiliated with the OIC would consider the results of this workshop and to follow up on them in order to promote common economic and commercial action and increase its effectiveness. The Bank would exert every conceivable effort to implement any

directives coming from your esteemed Committee that relates to its mission as soon as it is approved by your esteemed Committee.

Mr. President

Your Excellencies

Brothers and Sisters

The efforts of the IDB Group to increase its capacity for mobilizing additional resources from the market has increased as a result of the resolution of the Board of Governors to increase the IDB subscribed capital to about US\$ 12 billion and the authorized capital to US\$ 20 billion. The resolution was made during the 26th Annual Meeting of IDB Board of Governors held in Algeria during the period 7-8 Sha'ban 1423H (23-24 October 2002). This Resolution should boost the Bank's financial position, help it increase the volume of its operations and render its diverse services aiming at meeting the developmental needs of its member countries.

On the other hand, the Bank intends to get into the international money markets and Islamic international markets through the issuance of *Sokouk*. City Group has been asked to act as the Lead Manager, and City Islamic Investment Bank, which is the arm responsible for Islamic Banking, as the Launch Adviser for these *Sokouk*. The IDB intends also to seek an international credit rating from Moody's Investors Service, and Standard & Poor and Fitch Ratings. The Citi Group will remain the Bank's adviser for credit rating.

Mr. President

Your Excellencies

Brothers and Sisters

Due to the role of Islamic Waqf, which is one of the best form alms-giving could take to seek Allah's pleasure, and which has been known and practiced by Muslim communities since the dawn of Islam, the Islamic Development Bank has lately embarked on the establishment of an international Waqf organization that has its own legal personality. The World Waqf Foundation (WWF) aims at expanding to expand the activities of Islamic Waqf, promoting the participation of Waqf in the building and advancement of the Muslim Ummah. This action on the part of the Bank came as a result of the decision of IDB Board of Executive Directors in its 196th Meeting held in Sha'ban 1420H (November 2000) to establish a charitable fund under the name "World Waqf Foundation". The internal by-laws of the Foundation were adopted by the IDB Board

of Executive Directors in their 204¹ Meeting held on 22 Jumada II, 1422H (10 September 2001), after a series of consultations with some prospective donors, experts and those interested in the field of waqf. Under these by-laws, a waqf fund was established under the name "World Waqf Foundation", which has been placed under the trusteeship of the Islamic Development Bank in accordance with the principles of Shari'ah related to the function of trusteeship of awqaf properties and the said by-laws.

The Foundation aims, inter alia, to achieve the following objectives in member countries and other Muslim communities in non-member countries:

1. Support the establishing of an awqaf network comprising of waqf institutions to implement the legal charitable objectives of waqf.
2. Sponsor and support waqf institutions, coordinate among them and supplying them with the required expertise.
3. Give assistance to students and offer scholarships to specialize in areas that satisfy the needs of the Ummah.
4. Establish and support educational, health and social institutions and their programmes.
5. Combat poverty to mitigate the suffering of peoples of the world and provide assistance to develop innate capabilities.
6. Provide means of support and relief and give the same in the form of commodities and services.
7. Help IDB member countries pass unified legislation for waqf.

Mr. President
Your Excellencies
Brothers and Sisters

The Islamic Development Bank Group is proud to cooperate with your esteemed Committee, and would continue to do so incessantly, in order to foster and support solidarity among member countries, work towards facing up to the challenges and overcoming obstacles on the way of our march towards achieving the sublime goals to which we all aspire, in order to achieve the desired economic development and social advancement objectives to all peoples of the Ummah.

In conclusion, I would like to repeat my thanks to Your Excellency Mr. President, and to Their Excellencies the Ministers for your kind support to your organization, the Islamic Development Bank Group. It gives me great pleasure also to express my sincerest thanks and deep

appreciation to the Republic of Turkey, its President, Government and People for their generosity and hospitality and the excellent and distinctive arrangements made for these meetings, which would contribute to their success and help them achieve their objective.

I pray to Allah Almighty to guide us all to that which is in the best interest of the peoples of our Ummah. I also pray to Him to crown the meetings of this Committee with success.

Was-salamu Alaikum wa Rahmatullahi wa Baraka tuh.

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AGENDA
OF THE EIGHTEENTH SESSION
OF THE COMCEC

(Istanbul, 22-25 October 2002)

Original: English

**AGENDA OF THE
EIGHTEENTH SESSION OF THE COMCEC
(Istanbul, 22-25 October 2002)**

1. Opening Session
2. Adoption of the Agenda
3. Background Reports
 - 3.1 Background Report by the OIC General Secretariat
 - 3.2 World Economic Developments with Special Reference to OIC Member Countries by SESRTCIC
 - 3.3 Supporting the Reform of the International Financial Architecture by SESRTCIC
 - 3.4 Report of the Follow-up Committee by the COMCEC Coordination Office
 - 3.5 Review of the Implementation of the Plan of Action
 - a) Report by OIC General Secretariat
 - b) Report by COMCEC Coordination Office
 - 3.6 Establishment of a Stock Exchange and Clearing Union Among the OIC Member Countries by SESRTCIC, ICDT and IDB
4. Reports by IDB and ICDT on the Expansion of Intra-OIC Trade
5. Report by the ICDT on:
 - 5.1 The Ninth Islamic Trade Fair
 - 5.2 Draft Regulations of the Trade Fair of Islamic Countries
6. Matters Related to the World Trade Organization Activities
7. Report by ICCI on the Preparations for the Ninth Private Sector Meeting Among OIC Member Countries
8. Exchange of Views on the "Private Sector Investment in the Member Countries and the Role of IDB"
9. Matters Related to Economic Assistance to Some Islamic Countries
10. Report of the Sessional Committee
11. Date of the Nineteenth Session of the COMCEC
12. Any Other Business
13. Adoption of the Resolutions of the Eighteenth Session of the COMCEC
14. Closing Session.

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**TEXT OF PRESENTATION BY H.E. DR. AKIN İZMİRLIOĞLU
UNDERSECRETARY OF THE STATE PLANNING ORGANIZATION
OF THE REPUBLIC OF TURKEY AND CHAIRMAN OF THE
SENIOR OFFICIALS MEETING,
ON THE OUTCOME OF THE EXCHANGE OF VIEWS
ON "THE EFFECTS OF NON-TARIFF BARRIERS
ON FOREIGN TRADE
OF MEMBER COUNTRIES"**

(Istanbul, 24 October 2002)

Original: English

**TEXT OF PRESENTATION H.E. DR. AKIN İZMİRLİOĞLU
UNDERSECRETARY OF STATE PLANNING ORGANIZATION
OF THE REPUBLIC OF TURKEY AND OLURMAN
OF THE SENIOR OFFICIALS MEETING ON THE OUTCOME OF THE
EXCHANGE OF NON-TARIFF BARRIERS ON
VIEWS ON "THE EFFECTS OF
FOREIGN TRADE OF MEMBER COUNTRIES"**

(Istanbul, 24 October 2002)

Mr. Chairman,
Excellencies,
Distinguished Delegates,

As the Chairman of the Senior Officials meeting, I will submit to your Excellencies a summary of the discussions we had on the subject of "Private Sector Investment in the Member Countries and the Role of IDB".

While deliberating on the subject, the Senior Officials have considered in detail, the observations and recommendations contained in the Report of the Workshop on "Private Sector Investment in the Member Countries and the Role of IDB" that was held on 14-16 September here in Istanbul. This workshop was hosted by the Government of Republic of Turkey and organized jointly by Islamic Development Bank and COMCEC Coordination Office.

The report of the workshop has already been distributed to the honorable delegates.

During their discussions on the subject, the Senior Officials have considered various aspects of promotion of the private sector investment in the member countries and made several valuable recommendations and observations on the subject. Now, I would like to submit to the august house a resume of these recommendations and points of agreement:

- Considering the possibility of establishing special funds, with government and private sector participation, to facilitate access of small and medium enterprises to financing.
- Further increasing the allocation of funds for private sector financing, especially through syndication and at the same time, augment the resource base of the IDB.
- Assisting private sector organizations in getting access to international markets through participation in international trade fairs, opening of overseas offices and consultancy support.
- Further expanding the scope of services offered by Islamic corporation for insurance of investments and export credit to cover different types of risks.
- Additional measures and incentives may be given for better utilization of the available capital within the OIC countries.
- IDB Group may consider opening up more regional offices and/or having field representatives in IDB Member Countries.
- IDB's procedures may be further streamlined to ensure greater utilization of its various financial facilities by the private sector.
- Cooperation among the private sectors of Islamic countries can be further developed with the support of the OIC institutions in the following areas: cooperation among Islamic countries in the field of tourism, education, information technology, supporting innovative projects, quality assurance, simplifying travel, communication and transportation procedures, cooperation in production, banking procedures, technical cooperation and increased cooperation within the framework of the COMCEC.

- Member Countries of the OIC may pursue sound macroeconomic policies geared to the achievement of high rates of sustainable economic growth, through sound fiscal and monetary policies.
- Member countries may try to attract private capital flows by adapting their accounting and auditing systems to internationally accepted standards.
- The flow of financial resources, in particular, foreign direct investment flows among the member countries may be further facilitated through gradual removal of restrictions on capital movements and ensuring investment protection and guarantees.
- Member countries may cooperate to develop and expand the national infrastructure and human capital in order to expand capacities and efficiency in productive sectors since both domestic and foreign investors seek skilled workforce and efficient infrastructure.
- Establishment of free trade and export processing zones in the member countries may be encouraged so that entrepreneurs from other member countries may also invest in these zones.
- One key area of support may be the provision of concessional credits since the non-availability of credit is normally the greatest single impediment to the growth and diversification of industrial activities in the private sector.
- Private sector should have greater access to information technology such as electronic commerce, and such projects could be financed on concessional terms as well as by venture capital schemes supported by well-functioning industrial property rights.
- Capacity building and institutional development have a critical importance for economic cooperation.

- Some specific measures in other areas are also required, such as those related to physical, financial and institutional infrastructure and availability of dependable and comparable data.
- To call on those member countries, who have not yet done so, to allow the private sector to deal directly with the IDB, as it would yield positive and early result related to the realization of the projects.
- To further increase awareness in the private sector of member countries about the alternatives to bank guarantees, acceptable to IDB as security of its financing.

Mr. Chairman,
Excellencies the Ministers,
Distinguished Delegates,

In the same vein, we have also agreed:

- Product-wise trade fairs and exhibitions may also be frequently organized by the relevant associations in member countries.
- To further strengthen the relationship between ICCI and IDB Group through organizing private sector meetings. The ICCI can also contribute in identifying private sector projects for IDB financing.
- The countries where development took its initial roots were the ones having a vast supply of trained manpower. So manpower should be identified as a 'Thrust Sector' deserving focus of attention and highest allocation of resources.
- OIC Member Countries may utilize several methods to develop trade through investment subcontracting, franchising, licensing, concession, joint venture, mergers and acquisitions etc., which are of great importance for trade promotion.

- The development of partnership and linkages and spillovers between OIC enterprises relies on the creation and further development of an enabling business environment.
- Business associations need to play an important role in facilitating and enhancing the formation of enterprises networking and linkages.
- The international community can work towards achieving an equitable economic, social and political balance by:
 - a) Initiating and developing dialogue on elements for an international environment conducive to the creation of sustainable, equitable TNC-OIC enterprises linkages which are likely to have positive impacts;
 - b) Complementing national, regional and sub-regional efforts for investment promotion in general;
 - c) Increasing support for technical cooperation in entrepreneurship development and institutional capacity building.
- Further efforts may be made in privatization, development of domestic financial markets in OIC member countries and involvement of the private sector in overcoming financial crises.
- A compendium of incentives and concessions offered under their respective investment policies of OIC Member States may be prepared by ICDT on a periodical basis.
- In addition to holding of seminars and workshops, the IDB may periodically advertise about its financing and other facilities in leading publications in member countries.

The points of agreement which came out of the discussions, some of which I have just submitted to you, are included in the Draft Resolution Number One which is already made available to the honorable delegates in three OIC languages.

This completes my presentation of the summary of the deliberation on the subject of this year's exchange of views we held at the level of Senior Officials.

Thank you.

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RESOLUTION (1)
OF THE EIGHTEENTH SESSION OF THE COMCEC
(Istanbul, 22-25 October 2002)

Original : English

**RESOLUTION (1)
OF THE EIGHTEENTH SESSION
OF THE COMCEC**

(Istanbul, 22-25 October 2002)

The Eighteenth Session of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Conference (COMCEC), held in Istanbul from 22 to 25 October 2002,

Recalling the relevant Resolutions of the OIC Summit Conferences and the Islamic Conferences of Foreign Ministers;

Recalling the Strategy and Plan of Action to Strengthen Economic and Commercial Cooperation among the Member States of the Organization of the Islamic Conference (OIC), approved by the Tenth Session of the COMCEC and endorsed by the Seventh Islamic Summit Conference;

Taking into consideration the resolutions adopted at the previous Sessions of the COMCEC and the recommendations made at the Eighteenth Meeting of its Follow-up Committee;

Reaffirming the commitment to remove all obstacles to closer economic and commercial cooperation among OIC Member States;

Having considered the current international situation and its economic and financial repercussion on the OIC Member States;

Taking into consideration the Resolution adopted at the Tenth Session of the COMCEC calling for holding exchange of views, at the annual COMCEC sessions, on important world economic developments concerning Member States;

Taking cognizance of the need to follow up the outcome of the exchange of views sessions and coordinate the positions of Member States in relevant international fora in the areas covered at these sessions;

Reaffirming Member States' commitment to progressive trade liberalization and cooperation in strengthening the multilateral trading system specially for the development of their economic infrastructures, and **recalling** the related decisions of the COMCEC that have the subject on its agenda as a permanent item;

Recognizing in this respect the need for more cooperation and coordination among OIC Member States to ensure increase of their share in the world trade;

Desiring that the multilateral trading system provide equitable benefits for all members through trade liberalization and fair rules;

Bearing in mind the Doha Development Agenda that launched a new round of trade negotiations that will include services, agriculture, industrial tariffs, environment, implementation issues, intellectual property, dispute settlement and WTO rules and that it provides technical and financial assistance to integrate developing and Least-Developed Countries (LDCs) into the multilateral trading system.

Noting the background and progress reports, working papers, studies submitted by the OIC General Secretariat, the COMCEC Coordination Office, Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRTCIC), the Islamic Center for Development of Trade (ICDT), the Islamic Development Bank (IDB) and the Islamic Chamber of Commerce and Industry (ICCI) on the agenda items;

**I. Reports and Studies by the General Secretariat and Other OIC Bodies:
(Agenda Item: 3)**

*(i) Background Report by the OIC General Secretariat:
(Agenda Item: 3.1)*

1. Expresses appreciation for the Background Report by the OIC General Secretariat (OIC/COMCEC/18-02/D1) on the progress achieved by the Member States and OIC institutions in the field of economic and commercial cooperation;
2. Notes with satisfaction that the Export Financing Scheme (EFC) and the Islamic Corporation for the Insurance of Investments and Export Credit (ICIEC), established by the Islamic Development Bank, in pursuance of a decision of the First Session of COMCEC are functioning successfully, and **urges** Member States who have not yet done so, to join them as early as possible;
3. Notes with satisfaction that IDB is operating the OIC Information System Network (called "OIC-Exchange" which is accessible through the website www.OIC-Exchange.com), and **invites** Member States to make necessary arrangements to get maximum benefit out of it;
4. Appreciates that the ICDT has reviewed the structure of the Trade Information Network for Islamic Countries (TINIC) that is accessible through the Internet, and **recommending** to the Member States to make full use of it, **requests** Member States to provide ICDT with data relating to trade, investment statistic and regulations;
5. Urges the Member States that have not yet done so to sign and/or ratify at an early date the various OIC agreements and statutes in the field of economic cooperation; with a view to providing the necessary framework for such cooperation;

6. **Expresses** its appreciation to the Government of the Kingdom of Saudi Arabia for having hosted the Third Islamic Conference of Ministers of Tourism in Riyadh from 7 to 9 October 2002;
7. **Expresses** its appreciation to the Government of Malaysia for having hosted the Meeting of the Follow-up Committee of the Second Islamic Conference of Ministers of Tourism in Kuala Lumpur on 5-6 September 2002;
8. **Welcomes** the recommendations of the Second Islamic Conference of Ministers of Tourism requesting the ICDT to organize the Tourism Fair of the Islamic Countries on regular basis every two years;
9. **Takes note with appreciation** of the Report of the Third Islamic Conference of Ministers of Tourism (OIC/COMCEC/18-02/D18) together with the Resolution and the Riyadh Declaration adopted by the Conference, which are annexed herewith.
10. **Takes note** that OISA has set up three entities, namely (1) Islamic Protection and Indemnity (P&I) Club, (2) Cooperative Information System and (3) Bakkah Shipping Company, and **requests** Member States to benefit from these projects;
11. **Appreciates** the efforts made by the OIC institutions working in the area of economic and commercial cooperation, namely, the Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRTCIC), the Islamic Center for Development of Trade (ICDT), the Islamic University of Technology (IUT), the Islamic Development Bank (IDB), the Islamic Chamber of Commerce and Industry (ICCI), and Organization of Islamic Shipowners Association (OISA), and **appeals** to Member States to give the needed support and assistance, and to honor their financial commitments to these institutions so that they may continue to perform their functions effectively;

(ii) *World Economic Developments with Special Reference to OIC Member States: (Agenda Item: 3.2)*

12. Expresses thanks and appreciation to SESRTCIC for preparing, in accordance with the decision of the 12th Session of the COMCEC, annual economic report on the OIC countries (OIC/COMCEC/18-02/D4) containing recent information on economic and related developments concerning the Member States within the context of international economic developments;

13. Notes that world economic developments, as reported by SESRTCIC, indicates that the implications for the OIC countries in 2002 have not changed taking into account the continuity of the trends it had already identified in 2001 as follows:

- i. There have been increasing signs in the first half of 2002 that the global slowdown, which began in late 2000 and continued in 2001, may stabilise, and thus slight recovery may be expected in world economic activity in 2002.
- ii. Although, as a substantial part of the developing world, the OIC Member States followed in general similar trends, their economic growth and recovery remained on average below the levels attained by some other developing countries.
- iii. The overall picture indicates that a number of serious challenges, ranging from the high level of external debts to high level of poverty, are still confronting the OIC Member States in their efforts to further economic progress.
- iv. There is a need to devise ways and means to minimise the adverse effects of globalisation on the economies of the OIC countries as well as to enable them to harness opportunities provided by globalisation.

- v. There is a need to further strengthen economic cooperation and policy coordination among OIC countries so as to ensure expansion of intra-OIC trade, maximisation of the complementarities in their economies and avoiding the risk of marginalization at the global level.

14. **Entrusts** SESRTCIC to continue to monitor world economic developments and their implications for the OIC Member States and report to the annual sessions of the COMCEC and other fora;

*(Hi) Supporting the Reform of the International Financial Architecture:
(Agenda Item: 3.3)*

15. **Expresses thanks and appreciation** to SESRTCIC for preparing, in line with the Resolution No. 2/29-E adopted at the 29th Session of the Islamic Conference of Foreign Ministers held in Khartoum, Republic of Sudan, on 25-27 June 2002, the report on the International Financial Architecture, particularly from the point of view of its implications for the OIC Member States (OIC/COMCEC/18-02/D5);

16. Concerning international financial architecture, **notes** that;

- i. The reform of international financial architecture should aim at addressing the weaknesses prevailing in the current structure of the international financial system. For this purpose, measures need to be taken to strengthen the international financial system, through enhancing transparency and disclosure, improving international standards and developing new instruments for early prevention and resolution of the financial crises.
- ii. Monetary and financial cooperation among the OIC Member States needs to be expanded and intensified to achieve optimal use of resources that already exist in the OIC countries.

- iii. Strengthening direct cooperation among financial institutions in the Member States may help an effective and stable mobilisation of financial resources towards increased economic and commercial cooperation.
- iv. Developing countries and the OIC countries should be effectively represented in the consultations and decision-making on the reforms of the international financial architecture.

17. Entrusts SESRTCIC to continue to follow-up and study developments on the subject and their implications for the member states and report to the next Session of the COMCEC and other fora;

(iv) Report of the Follow up Committee: (Agenda Item: 3.4)

18. Expresses thanks and appreciation to the Government of the Republic of Turkey for hosting the 18th Meeting of the Follow up Committee as well as to the COMCEC Coordination Office for preparing, and disseminating the Report of the Follow up Committee (OIC/COMCEC-FC/18-02/REP) to the member states and the relevant OIC institutions;

19. Endorses the recommendations made by Follow up Committee at its 18th Meeting;

(v) Review of Implementation of the Plan of Action: (Agenda Item: 3.5)

a) -Report by the OIC General Secretariat

20. Appreciates the report containing Review of Implementation of the Plan of Action submitted by the OIC General Secretariat (OIC/COMCEC/18-02/D2) and requests the OIC General Secretariat to continue to submit to the Annual Sessions of the COMCEC a periodical review of the implementation of the Plan of Action;

21. **Reaffirms** the importance of expeditious implementation of the Plan of Action, and **urges** the Member States to take appropriate action;
22. **Requests** the Member States that had already offered to host sectoral expert group meetings to expedite the convening of the said meetings;
23. **Renews also** its appeal to the Member States who were the proponents of the projects to expedite the formation of the project committees as envisaged in the Plan of Action, with a view to implementing the projects proposed during the sectoral experts group meetings;
24. **Welcomes** the offers of the Member States to host the following meetings in connection with activities under the auspices of the COMCEC;
 - i. The offer of the Arab Republic of Egypt to host sectoral experts group meetings in the areas of "Transportation" and "Food, Agricultural and Rural Development", the dates for the meeting on Transportation being fixed on 7-9 January 2003.
 - ii. The offer of the Islamic Republic of Iran to host experts group meetings in the area of "Health and Sanitary Issues" and "Tourism", the dates for the meeting on Tourism being fixed on 23-25 May 2003.
 - iii. The offer of Sudan to host sectoral experts group meetings on "Energy and Mining" and "Human Resources Development".
 - iv. The offer of Indonesia to host in Jakarta an international workshop on "Employment and Manpower Exchange".
 - v. The offer of the Republic of Turkey to host the first round of negotiations to be held once the Framework Agreement on Trade Preferential System enters into force.

- vi. The offer of the Republic of Tunisia to host an expert group meeting on "Promoting the Activities of Small and Medium-Sized Enterprises" in the field of production and exports.

25. **Invites** Member States to host, where appropriate, sectoral or inter-sectoral experts group meetings in areas of cooperation listed in the Plan of Action;

26. **Calls upon** the concerned OIC institutions working in the field of economic and commercial cooperation under the auspices of the COMCEC to continue to extend the necessary assistance to Member States, and **appreciates** the assistance already offered by them;

b) Report by the COMCEC Coordination Office

27. **Stresses** in this connection the importance of the recommendations of the Expert Group Meeting (EGM) on Accelerating the Implementation of the Plan of Action which was held in Istanbul, on 6-7 May 2001;

28. **Thanks** the COMCEC Coordination Office for preparing a study in pursuance of Recommendations 21 and 23 of the 18th Meeting of the Follow up Committee, concerning the recommendations of the EGM, in collaboration with the concerned OIC institutions;

29. **Welcomes,** in principle, the supplementary mechanism as proposed by the COMCEC Coordination Office in its study (OIC/COMCEC/18-02/SM) on the modality of the involvement of the concerned OIC institutions in the process of the implementation of the OIC Plan of Action;

30. **Requests** that the proposed supplementary mechanism be further elaborated within the preview of the recommendations made by the EGM so as to define the scope and the content of the possible tasks to be assigned to the relevant OIC institutions in the process of implementation the OIC Plan of Action. In this context, due consideration should be given to the suggestion that the Sessional Committee of

the COMCEC may be utilized for elaborating the assignment of the concerned OIC institutions for ensuring effective coordination and streamlining their activities in this regard, together with the preparation of the required "rules of procedures" and "project cycle management";

31. **Requests** the COMCEC Coordination Office to finalise the required studies in coordination with the concerned OIC institutions as soon as possible and submit the results to the Member States to communicate their views and comments on the proposed supplementary mechanism to the COMCEC Coordination Office as soon as possible so as to enable it to submit the matter to the next meeting of the Follow Up Committee of the COMCEC;

32. **Expresses thanks and appreciation** to the COMCEC Coordination Office for preparing the project profile form (OIC/COMCEC/18-02/PPF) in pursuance of recommendation no 12 of the EGM on Accelerating the Implementation of the OIC Plan of Action;

33. **Endorses** the project profile form, and **requests** the COMCEC Coordination Office to make it readily available to the Member States whenever they wish to make project proposals within the framework of the OIC Plan of Action, and submit periodical reports to the COMCEC in this regard;

(vi) *Establishment of an Union of Stock Exchanges and Clearing Houses among the OIC Member States: (Agenda Item 3.6)*

34. **Expresses thanks and appreciation** to SESTRCIC and ICDT for preparing, in accordance with the Resolution No. 38/29-E of the 29th Session of the Islamic Conference of Foreign Ministers, the Report on the possible establishment of an Union of Stock Exchanges and Clearing Houses (OIC/COMCEC/18-02/D6);

35. **Takes note** of the Report of SESTRCIC on the possible establishment of an Union of Stock Exchanges, which drew the following conclusions:

- i. It is an important project for enhancing investment opportunities in the OIC countries. Through this project, existing stock exchanges, clearing houses and related financial institutions may co-ordinate and standardise their policies, rules, regulations and procedures in an effort to bring them in line with those of the rest of the world. Standardisation and harmonisation may help regulate OIC exchanges and capital markets to integrate and thus become a recognisable group and a force to reckon with in the international financial markets.
 - ii. A step-by-step approach may be undertaken for the establishment of the proposed alliance among the OIC stock exchanges and clearing houses in the private sector in the OIC Member States.
 - iii. An ad-hoc committee composed of senior experts and representatives from the OIC stock exchanges and clearing houses may be formed because the subject is highly technical and needs specialized knowledge and experience.
 - iv. The Committee may be mandated to study the project, discuss its level of integrity, and determine the phases of its implementation procedures within a time frame. The Committee may report in detail on these issues to the COMCEC.
36. **Also takes note** of the Report of the ICDT on the same subject, in which the following conclusions were drawn;
- i. The development of securities markets in the OIC Member States may be facilitated by harmonising procedures and the regulations of these markets and by facilitating transactions;
 - ii. A forum may allow its members to exchange their experiences and information relating to regulations issues and market techniques;

- iii. It may serve as a framework in which common positions are sought which are subsequently conveyed to concerned authorities and bodies at national and international level.

37. **Entrusts** SESRTCIC and ICDT to continue to follow-up and study jointly on the possible establishment of an Islamic Stock Exchange and Clearing Union, and submit a joint report to the next Session of the COMCEC and other fora;

38. Regarding the Report of IDB on the establishment of a Clearing Union, notes that the feasibility of its establishment depends on:

- i) whether the present national, regional and international conditions warrants the setting up of such mechanism;
- ii) Whether the economic characteristics and potentials of the countries of the OIC region in general would make the scheme viable, either on a regional or sub-regional scheme.
- iii) Whether the operational features or elements of a typical clearing mechanism would be fully compatible with the Shari'ah principles.

II. Reports by IDB and ICDT on the Expansion of Intra-OIC Trade: (Agenda Item 4)

39. **Notes with satisfaction** that the OIC General Secretariat has received the tenth formal notification of ratification of the Framework Agreement on the Trade Preferential System of the OIC Member States, upon which, under its Article 18, the Framework Agreement enters into force after three months;

40. **Resolves** to set up the Trade Negotiating Committee, as stipulated in its Article 13, composed of the Member States which have already ratified the Framework Agreement;

41. **Entrusts** the ICDT to organize an expert group meeting with a view to preparing for launching the first round of trade negotiations among the OIC Member States within the TPSOIC under the auspices of the COMCEC;
42. **Expresses its gratitude** to the Government of the Republic of Turkey for offering to host the first round of the Trade Negotiation Committee to initiate the negotiations on trade concessions under the Framework Agreement, and **urges** the Member States which have already ratified the Framework Agreement to participate actively to the forthcoming trade negotiations to be carried out under the auspices of the COMCEC;
43. **Appreciates** the reports submitted by IDB and ICDT on the expansion of intra-OIC trade (OIC/COMCEC/18-02/D21) and (OIC/COMCEC/18-02/D9);
44. **Appreciates** the decision of IDB to allocate US Dollars 1.06 billion in 1422H (2001/2002) from its own resources, to be used as a catalyst to raise an additional US Dollars 940 million through syndication and the Two Step Murabaha Financing mechanisms for the purpose of financing of intra trade among OIC/IDB member states;
45. **Appreciates** the approvals aggregating US Dollars 1.66 billion made by the IDB in 1422H (2001/2002) under its four trade financing schemes and windows;
46. **Invites** Member States to institute policy measures such as the removal of barriers to trade, promotion of bilateral payment arrangements, ratification of the Framework Agreement on Trade Preferential System among the OIC Member States and active promotion of direct trade, for instance, through their national procurement policies;
47. Urges the appointed focal points of trade to play a more active role in promoting the trade financing program of the IDB, and **requests** Member States, who have not done so, to expedite the nomination of focal points of trade;

48. **Requests** Member States to encourage the appointed National Agents for the Export Financing Scheme (EFS) to play a more active role in assisting IDB in promoting its trade financing facilities, in general, and the EFS, in particular;

49. **Urges** financial institutions, including insurance companies, in Member States to support IDB's efforts, among others, by according more favorable terms to transactions that promote direct trade among Member States;

50. **Thanks** Member States who have actively assisted in identifying viable trade operations for financing by the IDB, and **urges** other Member States, who have not done so, to actively support IDB in its efforts to increase intra trade financing;

51. **Requests** IDB to consider provision of technical assistance for capacity building of the focal points in Member States;

52. **Entrusts** IDB and ICDT to continue monitor the expansion of intra-OIC trade and report it to the COMCEC;

III. Report of the ICDT on (Agenda Item 5)

(i) The Ninth Islamic Trade Fair: (Agenda Item: 5.1)

53. **Appreciates** the Report submitted by ICDT on the organization of the forthcoming Ninth Islamic Trade Fair scheduled to be held in Sharjah, State of the United Arab Emirates from 21 to 26 December 2002 under the slogan "Islamic World-Free Trade and Sustainable Development", and **expresses its thanks** to the State of the United Arab Emirate for hosting this important event and to the Member States and institutions which indicated their readiness to participate in this Fair;

54. **Urges** the other Member States to actively participate in the Ninth Islamic Trade Fair;

55. **Welcomes** the offer made by the Republic of Guinea to host the Tenth Trade Fair in 2004, the offer of the Republic of Senegal to host the 11th Islamic Trade Fair in 2006, and the offer of the Republic of Iraq to host the 12th Islamic Trade Fair in 2008;

56. **Welcomes** the offer made by the Republic of Turkey to host the First Tourism Fair to be organized in 2003 in cooperation with ICDT, and **also welcomes** the offer of the Republic of Lebanon to host the Second Tourism Fair in 2005, and the offer of the Arab Republic of Egypt to host the Third Tourism Fair in 2007;

57. **Requests** ICDT to prepare regularly a progress report on the Islamic Trade Fairs and submit it under a separate agenda item to the COMCEC Sessions;

*(ii) Draft Regulations of the Trade Fair of the Islamic Countries:
(Agenda Item: 5.2)*

58. **Expresses thanks and appreciation** to the ICDT for the initiative to hold an Expert Group Meeting on 26-27 March 2002 to prepare the Draft Regulations for the Trade Fair of the Islamic Countries (TFOIC);

59. **Adopts** the Draft Regulations for the Trade Fair of the Islamic Countries (OIC/COMCEC/18-02/D10), **requests** the OIC Secretary General to circulate it among the Member States, and **asks** the ICDT to implement the Regulations;

IV. Matters Relating to WTO Activities: (Agenda Item 6)

60. **Expresses** thanks and appreciation to IDB and ICDT for preparing, in accordance with the decision of the 14th Session of the COMCEC, monitoring reports on the World Trade Organization (WTO) matters (OIC/COMCEC/18-02/D22) and (OIC/COMCEC/ 18-02/D12);

61 **Encourages** the Member States who are willing to become members of WTO to take necessary steps for their accession;

62. Regarding matters relating to the WTO, **notes** that:

- i. The OIC members should coordinate further their efforts with other developing countries to underline the urgent need for bringing about desirable reforms within the international trading system so as to make these reforms equally beneficial for the developed and developing countries.
- ii. Future agenda and work program of the WTO should focus on a process of "Review, Repair and Reform" aimed at transforming the WTO into a development-oriented Organization.
- iii. The WTO should take necessary measures to ensure transparency, full participation of developing countries at all stages of negotiations, and equitable representation of the developing countries, including OIC Member States, at the WTO Secretariat.
- iv. Special and differential treatment in favor of the developing countries as envisaged in the various WTO agreements should be clarified and be implemented.
- v. The imbalances in several WTO Agreements which have major implications for development policies and / or export interests of developing countries, should be corrected.
- vi. The OIC Member States should make efforts to establish effective consultative mechanisms amongst their governments and private sector representatives to determine common policies to be pursued during the multilateral trade negotiation.

63. **Appreciates** IDB efforts in organizing consultative meetings in order to prepare the Member States to exchange their views and coordinate positions on major issues in the context of WTO ministerial conferences as well as future negotiations, in addition to IDB's other technical assistance activities aimed primarily at capacity building such as preparation of sectoral studies on WTO agreements, conducting seminars, workshops, trade policy courses and specific technical assistance to Member States;
64. **Calls upon** IDB to continue its program of technical assistance to the OIC Member States seeking accession to WTO, as well as extending assistance to the OIC Member States which are already Members of WTO, in order to enable them to participate more effectively in the world trading system;
65. **Calls on** IDB, ICDT and other related OIC institutions to continue their assistance to the Member States in the context of future multilateral trade negotiations;
66. **Calls on** IDB and ICDT to pool and coordinate their efforts to reinforce the human and institutional capacities of OIC Member States, so as to facilitate their full integration into the multilateral trading system on equitable and fair basis;
67. **Welcomes** the proposal made by the WTO during the meeting of policy dialogue between the WTO and representatives of six major regional development banks, including IDB, which was held at the WTO Headquarters in Geneva, on 3 May 2002, that the regional development banks convene policy dialogues of trade and finance ministers at the regional level, to which the WTO and the World Bank may also be invited;
68. **Expresses** the view that the above policy dialogue meeting of the OIC ministers responsible for trade and finance could be convened in conjunction with the Sessions of the COMCEC, and requests the IDB and the COMCEC Coordination Office, in cooperation with the OIC General Secretariat and the other OIC institutions, to study possible format, composition and frequency of the said meeting as well as the technical preparations for such meeting taking into consideration the Doha Ministerial Declaration and the Doha Development Agenda, and to submit the results to the next Meeting of the Follow up Committee;

69. Entrusts IDB and ICDT to monitor matters relating to WTO activities and report them to the annual sessions of the COMCEC and other concerned fora;

V. Report by ICCI on the Ninth Private Sector Meeting among the OIC Member States: (Agenda Item 7)

70. Appreciates the efforts made by the ICCI to consolidate cooperation among the private sectors in Member States, and requests the ICCI to organize the private sector meetings preferably before the annual COMCEC sessions as stipulated in the relevant COMCEC resolution in order to submit the recommendations of the meetings to the COMCEC Session for further action;

71. Takes note of the preparations undertaken by the ICCI, the Chamber of Commerce and Industry of Sharjah and the Union of Chambers of Commerce and Industry of the United Arab Emirates for the organization of the 9th Private Sector Meeting to be held in Sharjah-UAE from 21-23 December 2002, and **requests** the Member States to encourage their private sector representatives to attend the meeting in large numbers;

72. Commends the efforts of the ICCI in initiating activities other than the private sector meeting such as Investment Conferences to provide platforms for the private sector to meet and to strengthen and expand their business ties;

73. Takes note of the paper prepared by ICCI on the Monitoring Mechanism for the Implementation of the Recommendations of the Private Sector Meetings (OIC/COMCEC/18-02/D14) in pursuance of the recommendation no 54 of 18th Meeting of the Follow-up Committee of the COMCEC, and **requests** the Member States and OIC institutions to give their views and comments to the ICCI by 15 December 2002 in order to finalize the monitoring mechanism;

74. **Takes note** that the ICCI will organize the 1st Forum on the Private Sector on Tourism in Saudi Arabia in 2003, in Mali in 2004, and the 10th Private Sector Meeting in the Islamic Republic of Iran in 2003 and also the 13th Private Sector Meeting in Senegal in 2006;

75. **Appreciates** the generous donation by the Custodian of the Two Holy Mosques and His Royal Highness Sultan Bin Abdul Aziz, Second Deputy Prime Minister of the Kingdom of Saudi Arabia to the ICCI to further strengthen its activities;

76. **Welcomes** the offer of the Islamic Republic of Iran to host an expert group meeting on Islamic Common Market in December 2003;

VI. Exchange of Views on "Private Sector **Investment in the Member States and the Role of IDB**" (Agenda Item 8)

77. **Expresses appreciation** to the IDB and the COMCEC Coordination Office for the preparation and submission of the report and recommendations of the Workshop on "Private Sector Investment in the Member States and the Role of IDB" (OIC/COMCEC-IDB/PSI-02/REP) hosted by the Government of the Republic of Turkey, and organized by the IDB in cooperation with the State Planning Organization (SPO) of the Republic of Turkey, and **expresses** appreciation for papers submitted by some Member States, ICDT, SESRTCIC, IDB, ICCI, IUT, OISA and other international Organizations namely IFC-World Bank, Asian Development Bank, Economic Cooperation Organization (ECO), UNCTAD, Industrial Development Bank of Turkey (TSKB) and OECD on various aspects of the subject;

78. **Takes note with appreciation** of the recommendations as contained in the Report of the Workshop, which is annexed herewith:

VII. **Report of the Sessional Committee (Agenda Item 10)**

79. **Takes note** of the Report of the Sessional Committee on the Activities of the OIC Subsidiary and Affiliated Organs (OIC/COMCEC/SC-02/REP) which was held during the Eighteenth Session of the COMCEC and the recommendations thereon;

80. **Notes** that the OIC subsidiary organs and affiliated institutions engaged in the activities under the purview of the COMCEC have taken tangible steps towards increased cooperation and systematic coordination among themselves to improve their methods of sharing information with each other and with Member States in order to avoid duplication of work with other OIC institutions;

81. **Renews its appeals** to Member States to take the measures needed for a greater involvement in the work of the OIC subsidiary and affiliated organs and specialized institutions;

VIII. Date of the Nineteenth Session of the COMCEC (Agenda Item 11)

82. **Decides** that the Nineteenth Session of the COMCEC be held from 20 to 23 October 2003, and the Nineteenth Meeting of the Follow-up Committee be convened from 12 to 14 May 2003, respectively in Istanbul;

83. **Decides** that "Impact of Electronic Commerce and Use of Information Technology in the Promotion and Development of Intra-OIC Trade" be the theme for the exchange of Views at the Nineteenth Session of the COMCEC, and **requests** SESRTCIC, ICDT and IUT to organize a workshop on this topic in collaboration with related OIC institutions, namely, IDB and ICO, and other international Organizations, prior to the Nineteenth Session of the COMCEC and submit its report to the Session;

84. **Welcomes** the offer made by the Republic of Tunisia to host the workshop on the "Impact of Electronic Commerce and Use of Information Technology in the Promotion and Development of Intra-OIC Trade" in coordination with the SESRTCIC, ICDT, IUT and with the other relevant OIC institutions;

85. **Invites** Member States to send to the OIC General Secretariat, sufficiently in advance of the Nineteenth Session of the COMCEC, country reports reflecting their experiences on the subject matter for the exchange of views;

86. **Requests** the Follow-up Committee, at its Nineteenth Meeting, to draw up the draft agenda of the Nineteenth Session of the COMCEC and recommend alternative themes on which exchange of views would take place during the subsequent COMCEC sessions;

87. **Requests** the OIC General Secretariat to communicate to Member States the dates of the Nineteenth Session of the COMCEC and the Nineteenth Meeting of the Follow-up Committee;

- 11 -

RESOLUTION (2)
ON MATTERS RELATED TO ECONOMIC ASSISTANCE
TO SOME COUNTRIES

(Istanbul, 22-25 October 2002)

Original. English

**RESOLUTION (2)
ON MATTERS RELATED TO ECONOMIC ASSISTANCE
TO SOME COUNTRIES**

(Istanbul, 22-25 October 2002)

The Eighteenth Session of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Conference (COMCEC); held in Istanbul, 22-25 October 2002;

A. Economic Measures in Support of Palestine

Recalling the resolutions adopted by OIC Summits in support of the Palestinian people;

Recalling also the previous resolutions adopted by the Standing Committee at Ministerial Meetings and at meetings of other committees;

Recalling further the resolutions adopted by the 29th Islamic Conference of Foreign Ministers in support of State of Palestine;

Condemning the repeated Israeli aggression against the Palestinian people and occupation of Palestinian territories in violation of the resolutions of international legitimacy and agreements signed and recognized internationally and demanding the cessation of all forms of aggression and the violation of the Muslim and Christian holy places and also demanding the immediate withdrawal of the Israeli occupying forces from all the Palestinian territories as well as of aggressions against the Palestinian people.

Noting the role played by the Palestine National Authority in all its cities, hamlets and camps, including East Jerusalem in order to improve the living conditions of the Palestinian people and build up national economy.

1. **Notes** with deep appreciation the assistance provided by some Member States and the OIC relevant institutions.
2. **Commends** the efforts made by the Palestine National Authority in the Palestinian Self-Rule regions and its camps in order to reconstruct what was destroyed, by Israeli occupation, as well as the Palestinian steadfastness in the face of Israeli aggression and **urges** Member States and other relevant parties to exert further efforts and provide greater assistance to build up a national economy, develop and consolidate it.
3. **Expresses** deep appreciation for the assistance provided by some Member States to the Palestinian people to build up their national economy and **urges** Member States and the relevant OIC bodies to provide as early as possible the required and approved assistance to enable the Palestine National Authority and the Palestinian people to build up a national economy and consolidate its national institutions as the infrastructure of these institutions was totally destroyed by the Israeli occupying forces.
4. **Reaffirms** the previous resolutions on providing all forms of support and assistance: economic, technical and material and moral to the Palestinian people and the Palestinian National Authority, recommending preference in import to Palestinian products, exempting them from taxes and customs duties.
5. **Urges** businessmen and investors of Member States to contribute to the implementation of economic, industrial, agricultural and housing projects in the Palestinian Self-Rule regions, with a view to building up the national economy and enabling the Palestine National Authority and its national institutions to implement their development programmes, during the coming period, in the various economic, social and health fields.
6. **Appeals** to Member States, to provide employment opportunities to the Palestinian labour force, given the harsh condition imposed by the Israeli occupation forces, with a view to enhancing the socio-economic condition of the Palestinian people and putting an end to unemployment.

7. **Urges** Member States to conclude bilateral agreements with the Palestine Liberation Organization and its National Authority in the economic, commercial and social fields, with a view to enhancing the socio-economic condition of the Palestinian people.
8. **Urges** all OIC Member States and affiliated institutions to provide urgent assistance to build up a Palestinian strong and independent national economy.
9. **Requests** the OIC Secretary General to pursue his efforts aimed at implementing the previous resolutions adopted in support of the State of Palestine and submit a progress report thereon to the next COMCEC Session.

B. Assistance to Lebanon

Noting the continued occupation by Israel of Lebanese territories and sites on the Lebanese frontiers and Israel's abstention from withdrawing from all of them to the internationally recognized frontiers, in accordance with Resolution 425 of 1978 and its repeated aggressions against Lebanon and its violation of Lebanese sovereignty in the seas air and land;

Reaffirming the right of Lebanon to compensation for human casualties, material damage and enormous economic loss sustained because of recurring Israeli aggression against citizens and infrastructure and the ensuing great loss in human lives and properties as well as repercussions on economic and social conditions in Lebanon;

Realizing the urgent need of Lebanon to finance the reconstruction of its infrastructure and develop its economic sectors;

Expressing the concern about the threats of Israel to wage war against Lebanon if it attempted to implement its project of channeling waters out of the Wazani river in south Lebanon towards some Lebanese hamlets so as to meet their vital, human and basic needs from these waters in an equitable and fair manner;

Bearing in mind that Lebanon exerts its natural right in using such waters which take their source from its territory and flow through it, in accordance with the rulings of international law without diverting the course of the river or harming Israel;

Appreciating the efforts exerted by the Lebanese government to ensure security and stability, exercise its authority, reconstruct and provide their needs to the Lebanese citizens living in the region occupied by Israel who are confronted with great difficulties;

1. **Strongly condemns** Israel for its continued occupation of Lebanese territories, including the Shaba'a plantations and sites on the Lebanese frontiers; Condemns as well Israel's repeated aggression against Lebanon and its people.

2. **Condemns** Israel's threats to wage armed aggression against Lebanon, in particular its recent threats with regard to the implementation of the project of channeling waters out of the Wazani river in south Lebanon towards some hamlets so as to meet their vital, human and basic needs in water.

3. **Reaffirms** the right of Lebanon to use waters which take their source in Lebanon's soil and flow across it according to its legitimate rights and the rulings of international law, whether for drinking, irrigation or development purposes, and declare that Israel shall bear the responsibility for any aggression against Lebanon should it deprive it from the right to benefit from its waters.

4. **Greatly appreciates** the assistance provided to Lebanon from some Member States and from the concerned OIC institutions.

5. **Reaffirms** its previous resolutions urging assistance to Lebanon, financial and humanitarian, as well as various development assistance in the light of its needs in the economic, technical and training fields and requests again the OIC Member States and other international and regional organizations to take urgent and active measures to contribute to the reconstruction of what was destroyed

by the Israeli occupation and respond to the proposal of holding a conference of donor countries for this purpose.

6. **Requests** the Secretary General to follow up this matter and report thereon to the next COMCEC Session.

C. Economic Assistance to the Republic of Albania

Recalling relevant resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th Session of the COMCEC;

1. **Expresses deep appreciation** for the assistance extended by some Member States and OIC relevant bodies.

2. **Expresses** its strong support to the people of Albania beset by major economic difficulties at the present phase of their transition towards a market economy.

3. **Urges** OIC Member States, Islamic institutions and international organizations to grant generous economic assistance to Albania so that the Government of Albania may successfully implement its development programme.

4. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

D. Economic Measures in Support of Uganda

Recalling relevant resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and the 17th session of the COMCEC;

1. **Invites** Member States, Islamic institutions and international organizations to grant urgent financial and economic assistance to Uganda so

that it may cope with the refugee problems and other related **consequences** as well as implement its economic, social and cultural programmes.

2. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

E. Economic Measures in Support of The Islamic State of Afghanistan

Recalling earlier resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and the 17th session of the COMCEC;

Recalling further the final communique of the 9th extraordinary session of the Islamic Conference of Foreign Ministers held in Doha on 10th October 2001;

Noting the extra-ordinarily grave situation prevailing in The Islamic State of Afghanistan:

1. **Recognizes** that The Islamic State of Afghanistan was on the verge of a great human tragedy and the impending humanitarian catastrophe calls for immediate emergency relief measures.
2. **Urges** the Member States and Islamic institutions to extend urgent and substantial assistance to the people of The Islamic State of Afghanistan.
3. **Commends** those Member States that have already provided assistance to the people of The Islamic State of Afghanistan.
4. **Expresses its deep appreciation** for the creation of a fund for the Afghan people by the 9th extraordinary session of the Islamic Conference of Foreign Ministers. This fund should be established as soon as possible.
5. **Expresses its gratitude and appreciation** to the OIC Member States for their generous contribution to the newly formed OIC Fund for the welfare

of Afghan refugees to return from neighbouring and other countries to their own country.

6. **Requests** the Secretary General to follow up this matter and report to the next COMCEC session.

F. Economic Measures in Support of the Republic of Somalia

Recalling resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th session of the COMCEC;

1. **Expresses appreciation** for the assistance extended by some Member States and OIC relevant bodies.
2. **Urges** OIC Member States, to provide material and other assistance on an emergency basis to Somalia.
3. **Commends** those Member States that have already provided aid and assistance to the people of Somalia.
4. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

G. Economic Assistance to the Kyrgyz Republic

Recalling relevant Resolution of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th Session of the COMCEC;

Expressing its understanding of the situation which has arisen in the Kyrgyz Republic after attainment of independence and sovereignty;

Taking into consideration the economic difficulties of the transitional period to the free market economy;

1. **Expresses deep appreciation** for the assistance extended by some Member States and OIC relevant bodies.
2. **Appeals** to all Member States and Islamic financial institutions to contribute generously to the process of overcoming the economic difficulties experienced by Kyrgyz Republic either on bilateral basis or through multilateral and regional organisations in order to enable Kyrgyz Republic to fulfil its economic programme.
3. **Appeals also** to the Islamic Development Bank to increase its financial and technical assistance to Kyrgyz Republic.
4. **Requests** the Secretary General to follow up this matter and to report to the next COMCEC Session.

H. Economic Measures **in Support of the Republic of Azerbaijan**

Recalling resolutions adopted by the Islamic Summit Conference and Islamic Conference of Foreign Ministers expressing support and assistance to the Republic of Azerbaijan;

Referring to the relevant UN Security Council Resolutions;

1. **Strongly condemns** continuous aggression by the Republic of Armenia against the Republic of Azerbaijan resulting in the occupation of the one fifth of its territory and in one million of refugees and displaced Azeri people.
2. **Reaffirms** its support of the sovereignty and the territorial the integrity of the Republic of Azerbaijan and full solidarity of the Member States of the OIC with the government and people of Azerbaijan at this grave and very critical time of the country's history.
3. **Recognizes** the need to reinforce concrete solidarity of the OIC Member States with the government and people of Azerbaijan.

4. **Welcomes and appreciates** the assistance extended by the OIC Member States and relevant bodies, the United Nations institutions and international organizations.
5. **Appeals** to the Member States and Islamic institutions to make available to the Government of Azerbaijan the much needed economic and humanitarian assistance with a view to alleviating the sufferings of the Azeri people.
6. **Calls upon** the international organizations to continue to grant humanitarian, and economic assistance to the Republic of Azerbaijan.
7. **Requests** the Secretary General to follow up the matter and submit a report thereon to the next COMCEC Session.

I. Economic Measures in Support of Bosnia-Herzegovina

Guided by the principles and objectives of the Charter of the Organization of the Islamic Conference emphasizing the common goals and destiny of the peoples of the Islamic Ummah and their commitment to the consolidation of international peace and security;

Recalling the previous resolutions adopted by the OIC expressing its Members' full solidarity with the Government and people of Bosnia-Herzegovina;

Taking also into account the resolutions adopted by the Extraordinary Sessions of the Islamic Conference of Foreign Ministers on the situation in Bosnia-Herzegovina, held in Istanbul and Jeddah and followed by the special Ministerial Meeting held in Islamabad as well as the 21st through 29th Islamic Conferences of Foreign Ministers, 9th Islamic Summit Conference and 17th session of the COMCEC;

Expressing its appreciation for the work of the Assistance Mobilization Group for Bosnia-Herzegovina, formed in 1995 during the Kuala Lumpur

meeting of the OIC Contact Group Ministers of Foreign Affairs and Defense towards providing humanitarian and economic assistance for concrete rehabilitation and reconstruction projects in Bosnia-Herzegovina;

1. **Expresses deep appreciation** for the assistance extended by Member States and OIC relevant bodies. It also stresses the importance of the continuation of the activities undertaken by the OIC Assistance Mobilization Group and noted with appreciation the Islamic Chamber of Commerce and Industry's special programme to assist the private sector of Bosnia-Herzegovina.
2. **Welcomes** the contributions of OIC Member States at the Donor Conference for the reconstruction of Bosnia-Herzegovina, held in Brussels in April 1996, encourages OIC Member States to pursue their efforts as regard financial contributions for the final return of refugees adopted at the OIC Conference held in Doha in May 2001 and expresses its satisfaction for the efforts exerted by the OIC Committee for the Reconstruction of Bosnia-Herzegovina.
3. **Appeals** to Member States, Islamic institutions and other donors to make generous donations as well as provide financial aid to enable the early implementation of the IDB programme aimed at providing humanitarian assistance to the Government and people of Bosnia-Herzegovina for the reconstruction of the country:
4. **Expresses its appreciation** for the assistance provided by the OIC Member States and for the commendable efforts of those Islamic and other international humanitarian bodies in providing relief and assistance to the victims of the aggression in Bosnia-Herzegovina.
5. **Urges** the International Community to take efficient measures to ensure the rehabilitation and reconstruction of Bosnia-Herzegovina.

6. Categorically demands that the sovereignty, territorial integrity and political independence of Bosnia-Herzegovina be safeguarded and protected within its internationally recognized frontiers and supports the Government of Bosnia-Herzegovina in its intent to proceed on this sound basis for a just and lasting solution to restore the confidence of its people just and lasting solution to restore the confidence of its people so that they may continue to live as a multi-ethnic, multi-cultural and multi-religious society.

7. Requests the OIC Member States, at the same time members of the Peace Implementation Council in Bosnia-Herzegovina and its Coordination Committee to seek directing the biggest part of international assistance for the reconstruction of Bosnia-Herzegovina and, in particular, the areas inhabited by Muslim Bosnians.

8. Requests the Secretary General to follow up this matter and report to the next COMCEC Session.

J. Assistance to the Republic of Guinea

Recalling earlier resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th Session of the COMCEC;

Considering the role played by the Republic of Guinea, within the framework of the Organization of the Islamic Conference, to establish peace and to ensure stability in some Member States;

Considering the presence of a huge number of refugees from Liberia and Sierra Leone constitutes an unbearable burden for the economy of the Republic of Guinea;

Being gravely concerned by the repeated aggressions against the Republic of Guinea on its borders with Liberia and Sierra Leone, resulting in loss of human lives, serious material damage and extensive displacement of the population within Guinea;

Considering the Declaration issued on 13 September 2000 by the UN Security Council, condemning these aggressions;

Considering the Final Communique of 13 September 2000 of the Coordination Meeting of the Foreign Ministers of the Member States of the Organization of the Islamic Conference condemning these aggressions and expressing its solidarity with the Republic of Guinea;

Considering the need for the Republic of Guinea to reconstruct its country, ensure the survival of the displaced population and the return of the refugees to their respective countries;

Noting with satisfaction that a joint mission OIC/IDB visited the zones affected by rebel attacks with a view to assessing the damage and destruction resulting from the attacks and prepare a reconstruction program.

1. **Expresses** its support to and solidarity with the people and the Government of Guinea.
2. **Invites** the international community and the OIC Member States to provide the Republic of Guinea with substantial financial and material assistance, so that it may cope with the difficulties caused by the aggressions waged against the Republic of Guinea and the presence of hundreds of thousands of refugees, who are Muslims in majority, on its territories.
3. **Appeals** to the Islamic Development Bank to increase its assistance, either as subventions or loans at favourable conditions, to the Republic of Guinea, so that it may create the social infrastructures needed for the displaced population and the refugees, and overcome the deterioration of the environment brought about by this massive human presence.
4. **Requests** the Secretary General to follow up the matter and report thereon to the following COMCEC Session.

K. Assistance to the Republic of Sierra Leone

Recalling the pertinent Resolutions adopted by the 9th Islamic Summit Conference, the 29th Islamic Conference of Foreign Ministers and the 17th COMCEC;

1. **Appeals** to the Member States and Islamic institutions of the Organization of Islamic Conference of which Sierra Leone has always been an active member, whose people have experienced the most brutal acts of violence, to urgently extend substantial financial and material assistance to the war ravaged country to enable its people to rebuild the infrastructure and to undertake the much needed rehabilitation, reconstruction and resettlement of returnees and displaced inhabitants of about 1,5 million.
2. **Requests** the Secretary General to use his good offices to accelerate the approval process of projects already identified for Sierra Leone.
3. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

L. Assistance to the Kashmiri People

Noting that the Kashmiri people have continued to suffer from grave atrocities and serious repression which have continued against them with greater intensity during the recent sham elections held in the Indian Held Kashmir and the consequent economic hardship;

1. **Recognizes** the need for immediate economic assistance to alleviate the suffering of the innocent displaced Kashmiris.
2. **Appeals** to all the Member States and Islamic institutions to grant immediate assistance.

3. **Also appeals** to all OIC Member States and the Islamic institutions to grant scholarships to the Kashmiri students in different universities and educational institutions in the OIC countries.
4. **Requests** the Secretary General to follow up the matter and report to the next COMCEC session.

M. Economic Assistance to the Republic of Yemen

Recalling the relevant resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th COMCEC;

Taking into consideration the economic difficulties faced by the Republic of Yemen, which arose from the burden of reunification and the big losses caused by the aborted secession attempt in June 1994 as well as the devastating flood which swept the Republic of Yemen in 1996;

Appreciating the efforts made and success achieved by the Government of Yemen in implementing the Comprehensive Programme of Administrative and Financial Reform;

Taking into consideration the heavy burden borne by the Yemeni Government to provide shelter for groups of refugees from neighboring African countries;

Recalling that Yemen is one of the least developed countries;

1. **Expresses** its appreciation for the efforts of the Yemeni Government in overcoming its economic difficulties and the implementation of the Comprehensive Programme of Administrative and Financial Reform and the success achieved in that regard.
2. **Also expresses** its appreciation for the assistance extended by some of the Member States and by the relevant organs of the Organization of the Islamic Conference.

3. **Renews its call** to the Member States and all regional and international organizations to extend all kinds of economic assistance to the Yemeni Government to support its efforts aimed at implementing the Comprehensive Programme of Administrative and Financial Reform and at alleviating the ravages suffered by Yemen as a result of the floods as well as the heavy burden of sheltering large number of refugees from neighbouring African countries.
4. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

N. Economic Assistance to Tajikistan

Recalling relevant resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th Session of the COMCEC;

Taking into account the objectives and principles of the OIC Charter as well as members' commitment to consolidate international peace and security;

Deeply concerned at the critical situation which Tajikistan has faced after six years of bloody civil war, which resulted in death, injury and displacement of thousands of people as well as destruction of its economic and social infrastructures;

Noting the return of about 200,000 Tajik refugees to their homeland which necessitates a great financial and technical support;

Recalling the report of the World Food Programme which estimates that 25 per cent of Tajikistan's population is in dire need of food aid;

Noting with concern the marked spread of infectious diseases such as tuberculosis and diarrhea, victims of which are especially infants, children and women;

1. **Expresses deep appreciation** to the assistance extended by some Member States.
2. **Appeals** to all members and Islamic financial institutions to make their generous contributions to the process of overcoming the economic difficulties experienced by Tajikistan either on bilateral basis or through multilateral and regional organisations to enable Tajikistan to fulfil its rehabilitation programmes.
3. **Urges** the Islamic Development Bank to increase its financial and technical assistance to Tajikistan.
4. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

O. Economic Assistance to Guinea Bissau

Recalling earlier resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th Session of the COMCEC;

Noting the political and social disorders that have recently erupted in Guinea Bissau and their consequences on the economic activities of the country, namely the loss of the agricultural and export products marketing campaign, the mass displacement of the population and the physical destruction of the basic socio-economic infrastructure, such as schools, -dispensaries, hospitals, markets, residential areas, etc;

1. **Urges** Member States and the International Community to provide Guinea Bissau with urgent aid to facilitate the reinsertion of its peoples in active life.
2. **Appeals** to Member States and to OIC institutions to participate in the rehabilitation and economic revival programme of Guinea Bissau.

3. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

P. Economic Assistance to Countries Affected by Drought and Natural Disasters

Recalling earlier resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th Session of the COMCEC;

Noting with concern the grave situation caused by drought and natural disasters, and their damaging effects on economic and social conditions specially in the agricultural, economic and social infrastructures, as well as public services and utilities;

Noting with satisfaction the efforts made by some Member States and the Islamic Development Bank which have extended and continue to extend technical and financial assistance as well as aid to Member States stricken by drought and natural disasters;

Fully aware that afflicted Member States, most of them belonging to the category of the Least Developed Countries, cannot by themselves, bear the growing burden of anti-drought and anti-desertification campaign and the implementation of major related projects;

1. **Expresses its gratitude** to Member States, which provided and are still providing assistance and food aid to the Member States affected by drought and natural disasters.
2. **Expresses also its gratitude** to IDB for its continuing assistance to Member States afflicted by drought and natural disasters and encourages the Bank to continue its assistance in this domain.
3. **Appeals** to the international community also to extend assistance to Member States struck by drought and natural disasters.

4. **Calls upon** the Member States and OIC Institutions to extend urgent assistance to OIC countries of Inter-governmental Authority for Development and the Campaign Against Drought (IGAAD) and Permanent Inter-State Committee for Drought Control in the Sahel (CILSS) to enable them to overcome the difficult situation which has been threatening them for a long time.

5. **Notes with appreciation** the meeting of donor countries and national and regional financial institutions convened by Kuwait at IDB Headquarters in June, 1998 to consider the appropriate mechanisms for financing the new programmes.

6. **Welcomes** the contribution of 30 million US\$ made by the State of Kuwait in the form of soft development loans as well as the 20 million US\$ contributed by the Islamic Development Bank for the new programme.

7. **Also notes with appreciation** that the Kingdom of Saudi Arabia has embarked upon the implementation of its new programme for the control of drought and desertification in the Sahelian African States.

8. **Also expresses** its appreciation to the Great Peoples Socialist Libyan Jamahinyah for the support and assistance it provides to the Islamic States to improve their infrastructure, alleviate the ills of extreme poverty, drought and natural disasters and ameliorate the health, social and cultural conditions through donations, soft loans and assistance in kind.

9. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

**Q. Assistance to Sahelian African States Afflicted by
Desertification, Drought and Locust Invasion**

Having taken cognizance of resolution (27/7-IS) of the 7th Islamic Summit on Islamic Solidarity with the Peoples of the Sahel;

Taking into account the need for the urgent implementation of the OIC/CILSS/IDB Programme for the Sahel, which could be compromised if not implemented as soon as possible;

Recalling resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th Session of the COMCEC;

1. Expresses deep appreciation for the assistance extended by some Member States and OIC relevant bodies.
2. Appeals to all Member States and Islamic institutions for an urgent special assistance to cope with a poor cereal crop in the CILSS countries as a result of weak rainfalls.
3. Expresses its appreciation of the efforts made by the OIC General Secretariat, CILSS and the IDB in the elaboration and finalization of the OIC/CILSS/IDB Programme for the Sahel.
4. Reaffirms the necessity of giving priority to the rapid implementation of the Special OIC/CILSS/IDB Programme for the Sahel.
5. Appeals urgently to Member States to contribute generously and substantially to the funding of the OIC/CILSS/IDB Programme in favour of the Sahel populations to crystalize the OIC Member States solidarity with these populations, alleviate their sufferings and ensure sustained development for the Sahel region.
6. Notes with appreciation the meeting of donor countries and national and regional financial institutions convened by Kuwait in June 1998 to consider the appropriate mechanisms for financing the new programme.
7. Welcomes the 30 million US \$ contribution made by Kuwait in the form of soft development loans as well as the 20 million US \$ provided by the Islamic Development Bank for the new programme.

8. **Also notes** with appreciation the initiation by the Kingdom of Saudi Arabia of the third phase of its program in favour of the Sahelian African States to combat drought and desertification.
9. **Urges** member states to announce their contributions to the new programme in favour of the Sahelian African States.
10. **Requests** the OIC General Secretariat to follow up this matter and report to the next COMCEC Session.

R. Economic Assistance to the Republic of Mozambique

Recalling earlier resolutions of the 9th Islamic Summit Conference, 29th Islamic Conference of Foreign Ministers and 17th Session of the COMCEC;

1. **Expresses** deep appreciation to assistance extended by OIC Member States to the victims of floods in Mozambique.
2. **Appeals** to Islamic Development Bank, all Islamic Institutions and the international community in general to render their material and financial support in order to ensure the reconstruction of socio-economic infrastructures and rehabilitation of the affected people in Mozambique.
3. **Emphasizes** the need to promote and encourage the role of the private sector particularly within the context of development of Small and Medium Enterprises.
4. **Urges** the developed countries to write off the external debt of Mozambique in the light of its current critical socio-economic situation.
5. **Urges** the international community to increase its assistance to Mine-clearance Programmes, taking into account the far reaching effects of the floods.

6. **Urges** the international community to render assistance for setting up national, sub-regional, regional and international disaster prevention, preparedness and management mechanisms, including early warning systems.
7. **Commends** the efforts of the Southern African Development Community (SADC) countries to address the devastating effects of the floods and thanks international community for the support, solidarity and humanitarian assistance rendered to Mozambique.
8. **Calls upon** all Member States to continue their support to the implementation of the programme of reconstruction of Mozambique.
9. **Requests** the Secretary General to follow-up the matter and submit a report thereon to the next COMCEC Session.

S. Economic Assistance to the Republic of Sudan

Recalling the previous resolutions of the Islamic Summit Conference, the Islamic Conference of Foreign Ministers and the Standing Committee at their previous sessions on assistance to Sudan,

1. **Expresses** deep concern over the sufferings of Sudan ensuing from the devastating war imposed upon it and its escalation despite its call for peace, as well as the influx of refugees resulting from the war, natural disasters, drought, desertification and floods;
2. **Urges** the Islamic Bank the relevant OIC institutions and states to provide urgent assistance to eliminate the effects of war on the social and economic infrastructure.
3. **Requests** the OIC Secretary General to follow-up this matter and submit a report thereon to the next Session of COMCEC.

-12-

RESOLUTION OF THE THIRD ISLAMIC CONFERENCE
OF MINISTERS OF TOURISM
AND THE RIYADH DECLARATION

RESOLUTION ON TOURISM DEVELOPMENT

The Third Islamic Conference of the Ministers of Tourism of the OIC Member States held from 1 to 3 Shaaban 1423H (7-9 October 2002), in Riyadh, Kingdom of Saudi Arabia,

Recalling the Resolution on Tourism adopted by the First Islamic Conference of Ministers of Tourism held from 3 to 4 October, 2000, in Isfahan, Islamic Republic of Iran;

Recalling also the Resolution on Tourism Development adopted by the Second Islamic Conference of Ministers of Tourism held from 25 to 26 Rajab 1422H (12-13 October 2001) in Kuala Lumpur, Malaysia;

• Recalling also resolution No. 28/9-E(IS) of the Ninth Islamic Summit Conference held in Doha, Qatar on November 12-13, 2000;

Further recalling resolution No.31/29-E of the 29* Islamic Conference of Foreign Ministers, held in Khartoum, Sudan, on 25-27 June 2002;

Recognizing that tourism plays a pivotal role in promoting economic, social and cultural interactions amongst nations contributing to international peace and security as well as international understanding;

Recognizing also that the promotion of tourism among the OIC Member States further enhances the solidarity of the Islamic Ummah;

Emphasizing that tourism is one of the priority areas identified in the Plan of Action to Strengthen Economic and Commercial Cooperation among OIC Member States;

Reaffirming the importance of publicizing the provisions of the Global Code of Ethics for Tourism adopted by the Thirteenth Session of the General Assembly of the World Tourism Organization;

Acknowledging the importance of the emphasis laid by WTO on tourism as a means of promoting peace and dialogue among civilizations;

Mindful of the current volatile international situation;

Taking note of the Background Report prepared by the General Secretariat of the OIC, the working papers presented by the SESRTCIC, ICDT, ICCI and IUT to the Conference as well as contributions made by the Member States during the deliberations of the Conference;

1. Reaffirms that the Kuala Lumpur Programme of Action for the Development and Promotion of Tourism in the OIC Member States elaborates a set of concrete actions in the field of tourism, which are based on the OIC Plan of Action to Strengthen Economic and Commercial Cooperation among the Member States.
2. Takes note of the report of the Meeting of the Follow-up Committee of the Second Islamic Conference of Ministers of Tourism, held in Kuala Lumpur, Malaysia on 5-6 September, 2002 and endorses the specific actions taken by some Member States or at individual or collective levels, as elaborated in the Matrix attached therewith.
3. Endorses the proposal made by Malaysia for the establishment of an OIC Centre for Tourism Development and submits the proposal to the 30th Islamic Conference of Foreign Ministers for an appropriate decision.
4. Calls for the urgent holding of an experts group meeting with a view to elaborating on the detailed means and modalities of implementation of the tourism section of the OIC Plan of Action to Strengthen Economic and Commercial Cooperation among the Member States and, in this connection, welcomes the offer of the Government of the Islamic Republic of Iran to organize the experts group meeting on 23-25 May 2003 and also notes with appreciation the willingness of the Islamic Development Bank to sponsor such an experts group meeting.
5. Decides to set up a follow-up committee for the purpose of pursuing the implementation of the resolutions and decisions of the ministerial meetings in line with the principles of composition adopted in the formation of the follow-up committee of the previous ministerial conference on tourism (details are in the Annex).
6. Affirms the necessity of settling crises and differences that impede tourism flow through peaceful and diplomatic means, on just and comprehensive bases and in such a manner as to ensure the preservation of the rights of people all over the world to exercise their right to free tourism, travel, air travel and movement in optimum conditions.
7. Expresses satisfaction at the signing of a Memorandum of Understanding on Cooperation between the World Tourism Organization and the OIC General Secretariat and encourages the two organizations to strengthen their cooperation to foster tourism industry in the Member States.
8. Welcomes the adoption of the Arabic Language as one of the official languages of the World Tourism Organization and calls for expediting measures to activate this decision.

9. Welcomes with appreciation the offer of the Republic of Senegal to host the Fourth Islamic Conference of the Ministers of Tourism in 2004 and invites the Member States to actively participate in the Conference.

10. Requests the Islamic Development Bank to place particular emphasis on tourism development by extending financial facilities for the development of tourism infrastructure in the OIC Member States, especially the least developed Islamic Countries. Also by preparing a specialized study about methods to activate this resolution.

11. Thanks the Governments of the Republic of Indonesia, Malaysia and the Islamic Republic of Iran for their respective roles as focal points, in collaboration with the appropriate OIC institutions, for tourism facilitation, tourism marketing and research and training in tourism respectively.

12. Invites officials of Tourism in Islamic States to participate in the Tourism activities of the private sector, and calls on the private sector, represented in tourist companies, bodies and investors to attend meetings of the Islamic Conference of Ministers of Tourism and to consider organizing fairs for tourism activities in conjunction with the sessions of the Conference.

13. Takes note that the ICCI proposes to hold symposia for the private sector working in the field of tourism development once every two years provided that the first symposium be held in the Kingdom of Saudi Arabia in 2003 in coordination with the Council of Saudi Chambers of Commerce and Industry. In this respect the Conference expresses its appreciation to the Government of the Kingdom of Saudi Arabia for the continuing support extended to the Islamic Chamber of Commerce and Industry in this field.

14. Reaffirms the role of the private sector in the development of tourism through the promotion of investment and, in this connection, welcomes the offer of the Republic of Mali to host the Second Private Sector Forum on Tourism in 2004.

15. Thanks ICDT for its efforts to organize, in cooperation with IDB, ICCI and other concerned institutions of the private sector, a Tourism Fair in the OIC Member States once every two years and recommends that the private sector meetings on tourism to be organized by ICCI be held alongside the private sector Tourism Fair at the same venue as far as possible. In this connection, it welcomes the offer of the Governments of the Republic of Turkey, the Republic of Lebanon and the Arab Republic of Egypt to host the First, Second and Third Tourism Fairs in 2003, 2005 and 2007 respectively.

16. Urges the use of information technology in the tourism sector on a wide scale. In this connection the following steps will be undertaken:

To establish a tourism portal on the Internet for Islamic States so as to connect and coordinate the electronic tourism websites of the Member States and of private companies operating in this field. The Syrian Arab Republic expressed its readiness to present an executive study on the establishment of this portal.

To set up an Image Centre for the civilization of Islamic States on the Internet in order to monitor the features of that image as perceived by the non-member states, and undertake the necessary measures to address any shortcomings that may affect the features of this image. Syria expressed its readiness to present a study in this field.

To utilize the Geographical Information System (GIS) in the processes of documentation and classification of the archaeological and historical sites as well as the urban heritage sites in all Islamic States. The Kingdom of Saudi Arabia and the Syrian Arab Republic expressed their readiness to make available their expertise in this field. The two States will present a study on this matter.

17. Welcomes the initiative recently taken by the Arab States to preserve their cultural and urban heritage through several measures, including the survey of cultural and urban heritage sites, the exchange of information and a project to prepare a Charter for the Arab Urban Heritage. It recommends the need to energize this activity at the Islamic level through:

Exploiting the urban heritage as a matrix for tourist and cultural activities in the Islamic States and to support the proposal of the Kingdom of Saudi Arabia and the Hashemite Kingdom of Jordan to prepare a Draft Islamic Charter for Urban Heritage. In this connection, the Conference welcomed the initiative recently taken by the Organization of Arab Cities to prepare the Arab Charter for the Preservation of Urban Heritage.

Promoting the production of intra-OIC joint tourist products to exploit the cultural and civilizational heritage of the Islamic States for the purposes of tourism marketing and also to support the proposal of the Syrian Arab Republic and the Kingdom of Saudi Arabia to present a study on this subject.

18. To organize and facilitate the movement of journalists and media professionals among Islamic States with the aim of exploiting the media outlets in those States to further tourism objectives.

19. Endorses the designation of Makkah Al-Mukarramah as the Cultural Capital of the Islamic World.

20. Expresses concern over the recent bloody events taking place in the Palestinian territories with their destructive effects on the Palestinian people and their economic infrastructure, particularly on the tourism sector; strongly condemns the aggressive Israeli actions; and invites the Member States to provide every possible material and technical

assistance to Palestine. The Conference also condemns all actions and attempts by Israel to judaize Al-Quds Al-Sharif and underlines the necessity of preserving its Arab and Islamic identity and maintaining it as the future capital of the independent State of Palestine.

21. Expresses the view that acts of terrorism create barriers to the development and promotion of tourism and condemns terrorism in all its manifestations since Islam rejects terrorism in all its forms as well as any action leading to it anywhere in the world. It also calls for the alleviation of all discriminatory measures against traveling Muslims at the borders of several countries.

22. Expresses its gratitude to the Government of the Kingdom of Saudi Arabia for hosting the Third Islamic Conference of Ministers of Tourism and organizing it in an exemplary manner. The Conference expresses its deep appreciation to His Royal Highness Prince Sultan bin Abdulaziz, the Second Deputy Premier and Chairman of the Administrative Council of the Supreme Commission for Tourism, for graciously hosting the Conference.

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Guidelines for the composition of the Follow-up Committee
for the Third Islamic Conference of Ministers of Tourism

Both in the resolution on tourism adopted by the First Islamic Conference of Ministers of Tourism and the Isfahan Declaration a decision is included "to set up a Follow-up Committee with a view to pursuing resolutions and decisions of the Ministerial Meeting and coordinating the activities of the Member States, as well as concerned specialized and affiliated institutions and subsidiary organs of the OIC on tourism." In pursuance of this decision, the General Secretariat circulated on 02 April 2001 a proposal to the Member States with the approval of the chairman (Islamic Republic of Iran). The proposed composition of the Follow-up Committee sought to include all members of the bureau of the First Islamic Conference of Ministers of Tourism; all members of the Follow-up Committee of the COMCEC; and the respective host country of the last and forthcoming Islamic Conference of Foreign Ministers as well as the last Islamic Summit Conference. The proposal also included several Member States having major tourism industry.

Based on the understanding that it should remain open-ended for any other Member states to join in and in the absence of any objection to the proposal, the Follow-up Committee of the First Islamic Conference of Ministers of Tourism was composed in the line stated above.

Accordingly, the Follow-up Committee of the Third Islamic Conference of Ministers of Tourism may be composed as follows:

- (i) The host country of the OIC: Kingdom of Saudi Arabia
- (ii) All Members of the Bureau of the Third Islamic Conference of Ministers of Tourism;
- (iii) All Members of the Follow-up Committee of the Standing Committee for Economic and Commercial Cooperation (COMCEC);
- (iv) The host country of the 29th and that of the 30th Islamic Conference of Foreign Ministers;
- (v) The host country of the 9th Islamic Summit Conference; and
- (vi) A few Member States having major tourism industry.

A proposal in line with the above may be circulated to the Member States by the OIC General Secretariat in consultation with the chairman of the Third Islamic Conference of Ministers of Tourism.

RIYADH DECLARATION

We, the Ministers in charge of Tourism and Heads of Delegations of the OIC Member States, gathered in Riyadh, Kingdom of Saudi Arabia, for the Third Islamic Conference of the Ministers of Tourism;

Recalling the Isfahan Declaration and the Resolution on Tourism adopted by the First Islamic Conference of Ministers of Tourism held in "Isfahan, Islamic Republic of Iran on 3-4 October, 2000;

Recalling also the Resolution on Tourism Development and the Kuala Lumpur Programme of Action adopted by the Second Islamic Conference of the Ministers of Tourism held in Kuala Lumpur, Malaysia, on 13-14 October, 2001;

Inspired by the sublime teachings of Islam which calls for promotion of solidarity, understanding and tolerance;

Committed to working for a better future for all nations by ensuring peace, security and economic development, through dialogue and popular participation;

Mindful of the objectives and purposes of the OIC Charter as well as provisions of the OIC Plan of Action to Strengthen Economic and Commercial Cooperation Among the Member States;

Recognizing the contribution of tourism to economic growth and development through provision of job and investment opportunities and alleviation of poverty;

Resolve:

1. . **to implement** the Kuala Lumpur Programme of Action on tourism marketing, tourism facilitation, and tourism research and development in an expeditious manner.
2. **to reaffirm our readiness** to facilitate development of tourism by adopting appropriate strategy and by removing any impediments, with due regard for the respective national laws of the Member States;
3. to **boost** cooperation among Member States on tourism, through promotion of public awareness, education, training, and marketing; creation of investment opportunities; and involvement of the private sector;
4. **to support** joint actions at bilateral and multilateral levels to strengthen and expand tourism activities among the Member States;
5. **to promote** the use of information technology in the tourism sector on a wide scale.

6. **to cooperate** jointly to develop tourism in the OIC countries, as an important means to present and preserve the richness of the Islamic civilization and culture;
7. **to stress** the need to preserve and protect the Islamic monuments, sites and places which constitute the common cultural heritage of the world; and to work to preserve the urban and cultural heritage.
8. **to condemn** the attempts and illegitimate actions by Israel to destroy or otherwise change the identity of holy Islamic and historical places, in particular Al-Quds Al-Sharif and, in this respect, call on the international community to take appropriate measures to put an end to these actions;

RIYADH-DECLARATION
Disk: 2/3-ICMT/2002.

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**PROJECT PROFILE FORM TO BE USED
FOR PROJECT PROPOSALS WITHIN THE FRAMEWORK
OF THE OIC PLAN OF ACTION**

(Istanbul, 22-25 October 2002)

PROJECT PROFILE FORM

**(to be used for the Project Proposals
within the Framework of the OIC Plan of Action)**

The purpose of this profile form is to gather brief and systematic information about the project proposals or cooperation ideas that can be submitted during the sectoral experts' group meetings or as well as in any other OIC fora or occasion.

A) *GENERAL INFORMATION*

1. PROJECT NAME:

2. OWNER OF THE PROJECT PROPOSAL

Country

Institution

Name

Address

Tel

Fax

E-mail

Contact Person

3. RELATED SECTOR / SECTORS OF THE OIC PLAN OF ACTION

4. OIC COORDINATOR INSTITUTION AND OTHER RELEVANT INSTITUTIONS

B) *INFORMATION ON PROJECT PROPOSAL*

5. PROJECT DESCRIPTION AND BACKGROUND
(Description of the size, outputs, capacity, inputs, etc.)

6. PROJECT RATIONALE

7. POSSIBLE PARTIES (OIC MEMBER COUNTRIES, OIC INSTITUTIONS, OTHERS) AND TARGET GROUP

- Possible Partners
- Direct Beneficiaries
- Directly or Indirectly Affected Parties
- Parties to Cooperate and Coordinate Project Activities

8. RELEVANCE OF THE PROJECT

- a) Relevance to OIC Objectives and Priorities
- b) Relevance to Regional and National Objectives and Priorities

9. OVERALL GOAL OF THE PROJECT

10. SPECIFIC PROJECT PURPOSE

11. PROJECT OUTPUTS

12. BASIC ACTIVITIES

13. POSSIBLE RISKS/ASSUMPTIONS

C) DETAILED INFORMATION ON THE PROJECT

14. DURATION OF THE PROJECT

- a) Investment Period:
- b) Expected Operating Period:
- c) Investment Implementation Plan (**Please attach, if available**):

15. ESTIMATED INVESTMENT COST OF THE PROJECT

- a) Fixed Investment
- b) Working Capital

16. MARKETING OPPORTUNITIES AND MARKETING STRATEGY

17. FOREIGN CO-OPERATION SOUGHT

(Cash Contribution, Joint Venture, Sub-contracting, Market Supply, Expertise etc.)

18. SOURCES OF FINANCE /FINANCING PLAN

- a) Equity
- b) Requested Contribution, Loan, Grant, etc.
- c) Other Sources

19. EXECUTING AGENCY
(Government Company, NGO, Firm, etc.)

20. ESTIMATED PROFITABILITY AND RETURN ON INVESTMENT
(If available)

Net Present Value (NPV)
Internal Rate of Return (IRR)
Cost-Effectiveness Ratios
Payback Period
Others

21. DOCUMENTATION AVAILABLE

Pre-feasibility Study..... ●
Feasibility Study..... **a**
Support Studies (Technical/economic reports, etc.) ●
Other _____

22. ANY OTHER REMARK

INVESTMENT COST AND FINANCING DETAILS (If available)

No.		Local Currency	Foreign Currency	Total
		Expressed in US \$)		
A.	Land			
1.	Pre-investment Costs (Studies, Engineering and Consultancies)			
2.	Site Preparation and Development			
	Construction			
4.	Main Equipment			
5.	Auxiliary Equipment, Vehicles and Office Stocks			
6.	Transport and insurance			
7	Training			
	Consultancies			
f ⁹	Overhead Costs			
i 10.	Contingencies			
! IS	Start-up and Commissioning			
! B.	Total Fixed Investment			
i 12.	(Working Capital			
' C.]Total Investment			

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RECOMMENDATIONS OF THE WORKSHOP ON
"PRIVATE SECTOR INVESTMENT
IN THE MEMBER COUNTRIES
AND THE ROLE OF IDB"

(Istanbul, 22-25 October 2002)

Original: English

**RECOMMENDATIONS OF THE WORKSHOP
ON "PRIVATE SECTOR INVESTMENT
IN THE MEMBER COUNTRIES
AND THE ROLE OF IDB"**

(Istanbul, 22-25 October 2002)

1. Further streamline procedures in member countries to establish small and medium scale enterprises and enhance technical and administrative support to these enterprises.
2. Consider the possibility of establishing special funds with government and private sector participation, to facilitate financing of small and medium scale enterprises.
3. Further increase the allocation of funds for private sector financing, especially through syndication and also augment the resource base of the IDB.
4. The private sector organizations may be assisted to have access to international markets through participation in international trade fairs, opening of overseas offices and consultancy support.
5. The scope of services offered by ICIEC may be further expanded to cover different types of risks.
6. Additional measures and incentives may be given for better utilization of the available capital within the OIC countries.
7. More resources need to be allocated by member countries for training and development of human resources.
8. More support needs to be given to the OIC institutions and organizations operating in the area of information in the member countries especially in the fields of trade and investments.

- ⁿ- The IDB Group may consider opening up more regional offices and/or having field representatives in IDB member countries
- 10 IDB's procedures may be further streamlined to ensure greater utilization of its various financial facilities by the private sector.
- 11 Cooperation among the private sectors of Islamic countries can be further developed with the support of the OIC institutions in the following areas:
1. *Cooperation among Islamic Countries in the field of Tourism*
 2. *Education*
 3. *Information Technology*
 4. *Supporting Innovative Projects*
 5. *Quality Assurance*
 6. *Simplifying Travel, Communication and Transportation Procedures*
 7. *Cooperation in Production*
 8. *Banking Procedures*
 9. *Technical Cooperation*
 10. *Increased Cooperation within the framework of the COMCEC*
 11. *Increasing the effectiveness of FCIC and FOCIC in disseminating information on the projects being implemented in the OIC Member countries.*
12. OIC Member countries may pursue sound macroeconomic policies geared to the achievement of high rates of sustainable economic growth, through sound fiscal and monetary policies
13. Member countries may continue to improve their attractiveness for private flows by adapting their accounting and auditing systems to internationally accepted standards thus giving more emphasis to such concepts as transparency and corporate governance.
- 14 The flow of financial¹ resources, in particular, foreign direct investment flows among the member countries may be further facilitated through gradual removal of restriction- on capital movements and ensuring investment protection and

guarantees. In this regard, Member States, which have not yet signed and/or ratified the Agreements and Statutes, aimed at strengthening economic and commercial co-operation, may do so, as soon as possible.

15. Member countries may introduce liberalization measures in appropriate circumstances. However, the process of gradual liberalisation should be well-managed, provided that preconditions to this final aim are determined and fulfilled according to a well defined programme for each member country.
16. The development impact of foreign direct investment flows among member countries may be enhanced, especially through strengthening technological capabilities and boosting export competitiveness.
17. Member countries may cooperate to develop and expand the national infrastructure and human capital in order to expand capacities and efficiency in productive sectors since both domestic and foreign investors seek a skilled workforce and an efficient infrastructure.
18. Establishment of free trade and export processing zones in member countries may be encouraged so that entrepreneurs from other member countries may also invest in these zones.
19. Regional and sub-regional cooperation and integration processes may be extended since they play a key role in fostering global trade and development by improving competitiveness and export diversification.
20. One key area of support may be the provision of concessional credits since the non-availability of credit is normally the greatest single impediment to the growth and diversification of industrial activities in the private sector. However, keeping the final aim of liberalisation and good use of resources, concessional credit should be evaluated on the grounds of a detailed cost-benefit analysis.

Member countries of the OIC have to encourage joint projects with a view to reinforcing and promoting economic complementarities of member countries and providing incentives to encourage capital and investments transfer among themselves.

The private sector should have greater access to information technology such as electronic commerce, and such projects could be financed on concessional terms as well as by venture capital schemes supported by well-functioning industrial property rights

Capacity building and institutional development have a critical importance for economic cooperation, especially in providing an investment climate in the OIC member countries, as they enhance the ability of member countries to effectively engage in economic cooperation. OIC institutions should step up the commendable efforts they have been deploying in this area through technical assistance and technical cooperation programs.

Some specific measures in other areas are also required, such as those related to physical, financial and institutional infrastructure and availability of dependable and comparable data.

To call on those member countries, who have not yet done so, to allow the private sector to deal directly with the IDB, as it would yield positive and early result related to the realization of the projects.

To further increase awareness among the private sector of member countries of the alternatives to bank guarantees, acceptable to IDB as security for its financing.

in order to utilize funds of the Islamic banks and institutions for the economic development of member countries, it would be essential that the major Islamic banks and financial institutions be involved and encouraged to actively participate in the economic development process. These institutions can also help in establishing joint venture projects in OIC member countries.

28. Product-wise trade fairs and exhibitions may also be frequently organized by the relevant associations in member countries. It is also recommended that workshops prior to and after these fairs and exhibitions would be organized where professional businessmen interested in the priority areas/sectors of cooperation especially, transport, housing, manufacturing, SMEs may be invited , where they could bring their own ideas or projects, and participate in the development of feasible projects.
29. It is also recommended that an exchange of trade delegations be initiated on a regular basis with the help of ICCI as this can create awareness of the countries' strength and weaknesses in the industrial and various economic sectors. It would also increase joint venture investment and direct foreign investment.
30. To further strengthen the relationship between the ICCI and IDB Group through the organisation of private sector meetings. The ICCI can also contribute by identifying private sector projects for IDB financing.
31. ICCI proposes to organize a meeting of the international institutions which attended this Workshop, in cooperation with the OIC General Secretariat and the OIC institutions and the member chambers, to study the possibility of coordinating the activities of the AsDB, World Bank Group, OECD, UNCTAD and others for the benefit of the private sector in member countries.
32. Member countries are called upon to take part in the projects initiated by the OISA, namely, Bakkah Shipping Company, Islamic Protection and Indemnity Club and Cooperative information system.
33. The countries where development took its initial roots were the ones having a vast supply of trained manpower. Hence manpower should be identified as a 'thrust sector' deserving a focus of attention and highest allocation of resources.
34. OIC member countries and institutions may continue to support the IUT as the only specialized University under the umbrella of the OIC.

35. OIC Member Countries may utilize several methods to develop trade through investment (subcontracting, franchising, licensing, concession, joint venture, mergers and acquisitions etc..) which are of great importance for trade promotion. The OIC affiliates may encourage such new promotional tools by designing the legal framework, if it is not available, or by accelerating the implementation of OIC agreements already adopted in this field.
36. The development of partnership and linkages and spillovers between OIC enterprises relies on the creation and further development of a favorable business environment.
37. Governments may also adopt a comprehensive set of selective support measures to promote linkages among OIC enterprises. Criteria for selection include the competitiveness of sectors in which potential partner firms operate, the dynamism of particular enterprises in that specific sector and their capacity to specialize in activities which complement that of potential partners.
38. Business associations need to play an important role in facilitating and enhancing the formation of enterprises networking and linkages through:
 - Advice to the governments on the formulation of appropriate policies and strategies;
 - Development of networks among suppliers, clients, business development support agencies, financial institutions, government offices, and NGOs,
 - Assistance in pre-selection of potential local firms as suppliers to foreign enterprises by preparing updated catalogs of enterprise profiles, supplying a maximum of clear and relevant information on the existing and potential capabilities of enterprises interested in partnership.
39. OIC institutions specialized in trade and investment should speed up and focus their efforts on encouraging partnerships and linkages between OIC enterprises, through,

inter alia, fostering partnership between OIC enterprises through improved contact between them, by organizing fairs, exhibitions, subcontracting and other trading events, facilitating participation in such events, and by disseminating information on the advantages of creating links as well as on existing support mechanisms and governmental programs;

40. The international community can aim at achieving an equitable economic, social and political balance by:
 - Initiating and developing dialogue on aimed at creating an international environment conducive to the creation of sustainable, equitable TNC-OIC enterprises linkages which are likely to have positive impacts-;
 - Complementing national, regional and sub-regional efforts for investment promotion in general;
 - Increasing support for technical cooperation in entrepreneurship development and institutional capacity building.
41. Further efforts may be made in privatization, development of domestic financial markets in OIC member countries and involvement of the private sector in overcoming financial crises.
42. In order to create awareness about the investment opportunities existing in the OIC Member States, a compendium of incentives and concessions offered under their respective investment policies may be prepared by ICDT on a periodic basis.
43. In addition to holding seminars and workshops, the IDB may periodically advertise about its financing and other facilities in leading publications in member countries.

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**REGULATIONS FOR THE TRADE FAIRS
OF THE ISLAMIC COUNTRIES (TFOIC)**

(Istanbul, 22-25 October 2002)

Regulations of the Trade Fair of Islamic Countries (TFOIC)

Aims:

The organisation of the Trade Fair of Islamic Countries (TFOIC), falls within the framework of resolutions and recommendations adopted *in* the field of economic cooperation, by the Islamic Summit Conferences or the Islamic Conferences of Foreign Ministers. In this context, the Standing Committee for Economic and Commercial cooperation (COMCEC) adopted a resolution requesting the OIC Member States to organise the Trade Fair of Islamic Countries every two years in a Member State.

The various editions of the fair registered a significant rate of participation. And given the increasing interest of Member States in this event, some optimistic ~ conclusions can be drawn on its development prospects.

However, it has been unavoidably noted that the organisation of trade fairs of Islamic countries has never been subject to any appropriate reflection in order to provide the Trade Fair of Islamic Countries with a legal framework that is required for its development nor to any definition of coordination structures at inter-Islamic level, or to any specific financing.

Any initiative concerning the fair's organisation has so far been taken by ICDT in cooperation with the valuable and kind cooperation of the host country.

Aware of the importance of this promotional tool of Inter-Islamic trade, the Islamic Centre for Development of Trade has submitted to the 17th Session of the COMCEC held in Istanbul from October 18th to 21st 2001, draft regulations of the Fair defining the framework in which the TFOIC should be held, specifying the procedures to be followed, the mechanisms to be implemented along with required information that would facilitate Member states' participation.

Having taken cognisance of these draft regulations, the COMCEC recommended to the OIC Member States to convey their observations within three months at the utmost after being notified of the Fair's draft regulations. ICDT will then convene an expert group meeting in charge of finalising these regulations.

Taking note of the observations and comments of Member States, the Islamic Centre for Development of Trade convened a meeting on 26th and 27th march 2002 in Casablanca, during which the draft regulations of the Trade Fair of Islamic Countries were finalised. The text of the finalised version is herewith attached.

GENERAL PROVISIONS

By virtue of the relevant resolutions aiming at strengthening the economic and commercial cooperation between the OIC Member States, and in pursuance of the resolutions of the Standing Committee for Economic and Commercial Cooperation (COMCEC) on this issue, the Trade Fair of Islamic Countries (hereinafter called (TFOIC) is organised every two years by the Islamic Centre for Development of Trade, in collaboration with the host country. The Islamic Development Bank, the Islamic Chamber of Commerce and Industry, the other organs of the OIC and the concerned organisations of Member States shall collaborate, each one in its own field, with the ICDT for the organisation of the fair.

Article 1: Objectives.

The main objectives of the fair are to:

1. Develop inter-Islamic economic and trade cooperation;
2. Make the economic potentialities of the Islamic countries known;
3. Concretely contribute to the development of trade and trade related investments, between Islamic countries;
4. Make the OIC Member States' products and services known;
5. Favour direct contacts between the economic operators of the OIC Member States;
6. Contribute to the development of partnership between the economic operators of the OIC Member States.
7. Develop economic integration of the OIC member States.
8. To make every effort for the development of Fairs and business congresses, which constitute important marketing tools between the OIC member States.

Article 2: Organisers.

The organisers are:

- The Islamic Centre for Development of Trade (ICDT), which has been duly entrusted with the organisation of the fair by the Standing Committee for Economic and Commercial Cooperation (COMCEC)
- The host country, represented by the relevant national authority in charge of organising fairs.

Upon consultations started by the ICDT to incite Member States to make offers, and after the selection of some candidates on the basis of a geographical rotation, the COMCEC appoints one organising country.

Article 3: Change of the host country.

Notwithstanding the provisions of article 2 of these regulations, the country-wishing to host the TFOIC exceptionally, instead of the already appointed host country, so as to make it coincide with the celebration of a major event for the Islamic UMMAH, must start consultations with organisers, in compliance with article 2 of these regulations.

The Islamic Centre for Development of Trade (ICDT) takes the necessary steps in this respect with the COMCEC.

In this case, the country that withdraws, reserves the right to host in priority the next fair.

Article 4: The fair's logo-

The enclosed TFOIC's logo has been selected as the official logo of the fair.

Article 5: The fair's theme -

Every edition of the TFOIC has a different theme, reflecting the major concerns of the Islamic Community at economic and trade levels. It is devised by a mutual agreement between the ICDT and the host country and adopted by the COMCEC.

Article 6: Distribution of tasks.

Upon the appointment of the host country, organisers establish contacts to hold coordination meetings to which are invited the previous host country, the host country of the present edition, the country that has been designated to host the next edition, the Islamic Development Bank (IDB), the Islamic Chamber of Commerce and Industry (ICCI) as well as other OIC concerned institutions.

Organisers sign an agreement defining the respective tasks of concerned parties. It mainly establishes the date and venue of the TFOIC, specifies the theme of the Fair, and appoints the technical body that would be in charge of the fair's material organisation, as well as the general commissioners.

Article 7: Terms and conditions.

ICDT and the organising country works out the terms and conditions that will regulate the relations between organisers and participants and services providers.

Article 8: The general commissioners.

Two general commissioners representing organisers cited in article 2 of these regulations are appointed to ensure coordination, and guarantee the respect of the agreement's provisions and the enforcement of the terms and conditions, cited in article 7 of these regulations.

Article 9: Participants.

The fair is open to the participation of all Member States of the Organisation of the Islamic Conference, to OIC institutions and to the various public and private operators of the Islamic countries.

States enjoying an observer status within the OIC can also participate in the fair as well as economic operators of the Islamic communities in non-Member States, as well as guests of honour, in consultation with concerned parties.

Article 10: Terms of participation.

In order to increase the chances of success of the Trade Fair of Islamic Countries -TFOIC-, a number of incentive measures are granted to participants, in consultation with the Islamic Centre for Development of Trade (ICDT).

These measures can be taken at different levels:

- While reflecting the specific situation of each Member State, the rental prices of exhibition spaces, should not exceed a limited amount agreed upon by the Islamic Centre for Development of Trade and the host country;
 - The host country should endeavour to simplify the administrative, fiscal and customs formalities, and offer incentives to exhibitors, including customs incentives to encourage participation, taking into account the regulations in force in the host country;
- > The host country and the Member States should do all their best to:
- Grant as far as possible, accommodation, transport and transit facilities,-
 - Favour the participation of their national companies, and ensure an appropriate dissemination of information and promotion of the TFOIC;
 - Work out an exhibitor's manual
- The host country shall take necessary measures to facilitate the visa granting to participants and exhibitors at the TFOIC.

Article 11: Direct sales.

The Fair shall be open for a week. The three first days shall be devoted to businessmen and in the remaining period, it will be open to the general public during which direct sales are authorised in compliance with the regulations in force in the host country.

Article 12: Least Developed Countries.

In order to favour the participation in the fair of the Least Developed Countries, OIC Member States, -classified as so by the United Nations-and Palestine, are granted an equipped exhibition space of at least 9 square meters free of charge by the host country in consultation with ICDT.

Article 13: Governmental and non-Governmental Organisations.

In consultation with ICDT, the host country may grant an exhibition space free of charge to the OIC institutions as well as to NGO that are involved in the economic and trade field.

Article 14: Exhibited goods.

Only products and services originating in the OIC Member States are accepted, as stipulated in the national regulations of the Member States and in compliance with the ethics and values of Islam.

Article 15: Certificates and trophies.

Trophies in gold, silver and bronze shall be awarded to the three best national pavilions in compliance with the decision of the Trophies Committee formed on the occasion of the Fair in order to nominate the best pavilions.

These awards shall be granted according to the following criteria:

1. The exhibition area
2. The Quality of exhibited products and services
3. The number of exhibiting companies
4. Importance of the trade delegation
5. Frequency of the participation in the Fair.

Certificates of participation signed by the concerned Minister of the host Country and the Director General of the Centre, shall also be delivered to all exhibitors.

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REPORT
ON THE SESSIONAL COMMITTEE MEETING
(Istanbul, 23 October 2002)

Original : English

**REPORT
ON THE SESSIONAL COMMITTEE MEETING**

(Istanbul, 23 October 2002)

The Sessional Committee of the 18th Session of COMCEC met on 23 October 2002 in Istanbul under agenda Item 10 of the Session.

The General Secretariat of OIC and the following OIC Institutions attended the meeting:

The Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRTCIC)

The Islamic Center for Development of Trade (ICDT)

The Islamic University of Technology (IUT)

The Islamic Development Bank (IDB)

The Islamic Chamber of Commerce And Industry (ICO)

Organization of Islamic Shipowners Association (OIS A)

The representatives of the COMCEC Coordination Office also attended the Meeting.

The Meeting was chaired by H.E. Ambassador Thierno Nabika Diallo, Assistant Secretary General for Economic Affairs of the OIC.

The Meeting adopted its agenda as follows:

1. Periodic evaluation of cooperation, including MOUs signed among the concerned institutions,
2. Review of the measures to be taken to promote Intra-OIC Trade,
3. Current theme of the exchange of views session of COMCEC ,

4. Supplementary Mechanism for implementation of the OIC Plan of Action proposed by the COMCEC Coordination Office,
5. WTO activities and the role of regional development banks,
6. Monitoring Mechanism proposed by the ICO.

A background on the purpose and objective of the Sessional Committee was presented by the representative of the COMCEC Coordination Office.

Following a discussion, the Committee reached the following conclusions and the recommendations:

Under agenda item 1, a list of MOUs, including those signed with various UN agencies, was agreed to be prepared by the OIC general Secretariat upon receipt of the necessary information from the OIC institutions. It was felt that such a list would be useful, particularly in cooperation and coordination of the activities of the OIC institutions. In this connection, the IUT informed the meeting of a MOU to be signed between the IUT and the IDB.

Under agenda item 2, IDB, ICDT and ICCI presented a summary of all their programmes and activities on promotion of intra-OIC trade. It was stressed that the successful promotion of intra OIC trade would hinge on complementary actions that had to be taken by member Governments and exporters/importers in member countries. Accordingly, it was felt that pertinent information on IDB's facilities needed to be disseminated to the potential users in member countries by more intensified cooperation among relevant OIC institutions. One important area of such cooperation was to inform the member countries including the private sector through internet about the facilities and services provided by the the OIC institutions.

It was also observed that a number of factors continued to obstruct trade expansion, namely, difficulties in market access, tariff and non-tariff barriers in particular; logistic problems such as high freight cost in the absence of direct shipping lines; financial limitations such as high cost of credit and insurance; and inadequate investment and entrepreneurship in many OIC countries.

Under agenda item 3, it was agreed that ICDT was designated as the coordinator in respect of organising the workshop on the theme adopted by the 18th session of the

COMCEC namely "electronic commerce and information technology in the promotion and development of intra OIC trade with special reference to the member countries". ICDT is to coordinate with the host country namely Tunisia and the OIC institutions in this regard.

Under agenda item 4, it was noted that the 18th Session of the COMCEC welcomed, in principle, the Supplementary Mechanism as elaborated in the paper presented by the COMCEC Coordination Office. It was agreed that it would prepare a revised document based on comments and observations received thus far and submit it to the coordination meeting on the sidelines of the 26th Session of the Islamic Commission to be held in Jeddah on 11-15 January 2003. Thereafter the revised document will be sent to the member countries for their comments in accordance with the resolution adopted by the 18th Session of the COMCEC.

Under agenda item 5, a general discussion was held on the various aspects of the possible meeting of the ministers responsible for trade and finance in conjunction with the COMCEC session on WTO issues.

Under agenda item 6, ICCI briefed about its paper on the monitoring mechanism for implementation of private sector recommendations. In this respect, as per the recommendation of the COMCEC session member countries and the OIC institutions are expected to give their views and comments to the ICCI by 15 December 2002.

The meeting concluded with thanks to the Chair.

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STATEMENT BY H.E. DR. ABDELOUAHED BELKEZIZ,
SECRETARY GENERAL OF THE
ORGANIZATION OF THE ISLAMIC CONFERENCE
AT THE CLOSING SESSION

(Istanbul, 25 October 2002)

Original: Arabic

**STATEMENT BY H.E. DR. ABDELOUAHED BELKEZIZ
SECRETARY GENERAL OF THE ORGANIZATION
OF THE ISLAMIC CONFERENCE
AT THE CLOSING SESSION**

(Istanbul, 25 October 2002)

H.E. Ahmet Kenan Tannkulu
Minister of Industry and Commerce
of the Republic of Turkey

Your Excellencies,
Ladies and Gentlemen,

Al Salamu Alaikum wa Rahmatullah wa Barakatuh.

It is a pleasure for me at the close of this 18th Session of the COMCEC to thank all my colleagues, Ministers and heads of delegation for the sincere efforts they exerted to enrich the general debate and raise the level of interventions to arrive at the best results possible as expected by the Islamic World from your important committee.

The promotion of inter-OIC trade is an objective we have sought to achieve and to which we attach great importance. What is a source of hope is that we rise from this session having gone a step forward on the right path through the entry into force of the Framework Agreement on Trade Preferential System: the first stage of practical implementation.

I do hope that this happy event will be followed by others as welcome as this one and we will close ranks in the coming negotiations on trade preferences that will take place in the near future, God willing, so that we may take concrete steps to promote intra-OIC trade.

I also wish to thank the Republic of Turkey for offering to sponsor the forthcoming round of negotiations, thus adding a new milestone to its consistent series of efforts deployed for the benefit of joint Islamic action.

I also wish to express my great satisfaction at COMCEC's adoption of the draft regulations of the Islamic Trade Fair, which, will provide the necessary legal framework for the Islamic Fairs to be held in a regular manner. We are all aware of the importance of international fairs. They help the businessmen and tradesmen to become acquainted with the products of other countries and to exchange information, while talking business and carrying out other activities.

I wish to convey thanks in this respect to the United Arab Emirates, especially the State of Sharjah, for its effort to host and organize the ninth Islamic Trade Fair from 21-26 December 2002 in cooperation with the Casablanca Center for the development of commerce. We hope that all the Member States will participate effectively in this fair.

Mr. Chairman,

During this Session, we have highlighted the process of implementation of the OIC Plan of Action for the development of economic and commercial cooperation among the Member States, and our consultations have provided further reinforcement to the follow-up of this Plan.

Likewise, our discussions on the topic of "Private Sector Investment in the Member Countries and the Role of IDB" were held at a very appropriate time. We focused our attention on an important set of recommendations that are addressed to the Members States so that they play a role in facilitating and attracting investments. The recommendations adopted by the Private Sector Meetings, sponsored by the ICO, must be taken into consideration, so that the contribution of the private sector might continue to be a fundamental element in the development of commercial and economic cooperation among the Member States.

I wish to emphasize that economic and commercial cooperation forms the real basis for solidarity, among states. The interwoven economic interests of Member States in International groups are the bond that reinforces their unity. Your work in

this Standing Committee, therefore, acquires a greater importance as it helps achieve the high and lofty goals of our Muslim Ummah, namely unity of rank and of goals.

As I recalled during the opening session, what we most urgently need is to convince Member States that they are undertaking a noble task, should they express their political will in favour of economic and commercial cooperation and solidarity, take the necessary measures to implement the proposals and recommendations they adopted.

Before I conclude, I wish to express again my thanks and appreciation to H.E. Ahmet Necdet Sezer, President of the Republic of Turkey and Chairman of COMCEC for the valuable efforts he exerts and for his wise directives that he never fails to give us in our deliberations in this Committee.

I also wish to thank H.E. Dr. Bahçeli for his smooth conduct of this session, on behalf of the President of the Republic and for having led it to a such a satisfactory conclusion. I address my appreciation and congratulations to the COMCEC Coordination Office, for its efforts in meticulously organizing the work of the session. I cannot fail to thank the supporting staff and technicians who truly contributed to the success of our work.

I wish to reaffirm to you all that the OIC General Secretariat does not spare any effort to implement all COMCEC resolutions, which we believes plays important role in laying down the real basis for joint Islamic action that leads to the development of the Islamic world and enhances its standing.

W a Salamu Alakium W a Rahmatulla Wa Barakatuh.

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STATEMENT BY H.E. OSAMA BIN JAA'FER FAKIH,
MINISTER OF COMMERCE OF THE
KINGDOM OF SAUDI ARABIA
AT THE CLOSING CEREMONY

(Istanbul, 25 October 2002)

Original : Arabic

**ADDRESS BY H.E. OSAMA BIN JAA'FER FAKIH,
MINISTER OF COMMERCE OF THE
KINGDOM OF SAUDI ARABIA
AT THE CLOSING SESSION**

(Istanbul, 25 October 2002)

*Al hamdulullah.RabulAlAlameen WalSalat.WalSalam
Ala AshrafAl Anbiya 'o Wal Morsaleem Sayedna
Mohamed Wa Alem Alihi Wa Bahbihi Ajma 'een*

Your Excellency, the President of the Republic of Turkey
And Chairman of the COMCEC
Your Excellency, the OIC Secretary General
Your Excellencies, the Heads of Delegation
Brothers and Sisters,

Al Salamu Alaikum Wa Rahmatullah Wa Barakatuh.

On behalf of the delegation of the Kingdom of Saudi Arabia, and in the name of the delegations of Member States participating in the Session, it is a pleasure for me, at the closer of our work, to express our profound thanks and appreciation to the Government and people of the Republic of Turkey for the warm welcome and generous hospitality accorded to us since our arrival in this beautiful historic city.

I wish, at this juncture, to commend the sustained efforts of the Turkish Government and the unflinching interest taken by H.E. the President of the Republic who watches over the activities of this committee to enable it assume the vital role assigned to it, namely the promotion of economic and commercial cooperation as well as of investments among OIC Member States since the adoption of the resolution establishing it at the Third Islamic Summit held in Makka al Makarrama in 1981. It

was entrusted with the responsibility of implementing the Plan of Action for the promotion of Economic and Commercial Cooperation among OIC Member States.

Since it is first session, this Committee endorsed an implementation timetable for the Plan of Action according to its various priorities and followed up its implementation to assess its course, with a view to coping with changes and developments occurring on the economic international scene.

Mr. President,

COMCEC has succeeded, with God benevolence, to lay down the bases for economic and commercial cooperation among Member States and set up the institutional framework for the implementation of the Plan approved by the Summit. It also draw up practical programs to implement recommendations and resolutions through the specialized OIC bodies, primarily the Islamic Development Bank. The practical approach of the COMCEC was supported by Member States as well as by the successive Islamic Summits in appreciation of the numerous achievements of this Committee over the past two decades.

Mr. President,

I had the honour of participating in laying the basis for the rules of procedure of this Committee since its first session, and have followed its unstinting endeavours to achieve the set goals in the fields of economic and commercial cooperation and the promotion of bonds of solidarity and of joint Islamic action to keep pace with the requirements of the age.

Mr. President,

As we assess the achievements and initiatives of the COMCEC, we do realize that the course of cooperation is still in need of further serious work and a commitment to the principles and values of solidarity among Member States to provide an impetus to the cooperation course, bolster the ability of our States to confront the challenges of overall socio-economic development and respond to the legitimate requirements of Islamic people and communities for a stable life and a life in dignity.

The achievement of such ends dictates that the OIC General Secretariat and its specialized institutions should exert further efforts to carry out the tasks entrusted to them, take serious initiatives, draw up practical programs likely to consolidate the economic and commercial components of Member States and enable them to serve their shared interests and enhance their ability to get their fair share of the yield of sustained development.

Al Salamu Alaikum Wa Rahmatullah Wa Barakatuh.

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STATEMENT BY H.E. AHMET KENAN TANRIKULU,
MINISTER OF INDUSTRY AND TRADE
OF THE REPUBLIC OF TURKEY
AT THE CLOSING SESSION

(Istanbul, 25 October 2002)

Original: Turkish

**CLOSING ADDRESS BY H. E. AHMET KENAN TANRIKULU,
MINISTER OF INDUSTRY AND TRADE
OF THE REPUBLIC OF TURKEY,
AT THE EIGHTEENTH SESSION OF THE COMCEC**

(Istanbul, 25 October 2002)

Distinguished Ministers,
Distinguished Secretary General,
Honorable Delegates,
Honorable Guests,

I would like to start by expressing my satisfaction for the successful conclusion of another session of the COMCEC.

I would like to take this occasion to thank the brotherly Member States, the affiliated organizations of the OIC and all delegates participating at this Session for their deep interest and valuable contributions.

We have noted during this Session with pleasure that the Framework Agreement for a Trade Preferential System has been ratified by 11 Member States and has reached the stage of enforcement. Effective implementation of this Agreement, which will play an important role in eliminating tariff and non-tariff barriers to promoting trade among the Islamic Countries, will give a significant impetus to our work. The Member States as well as the OIC institutions with their substantial expertise will have important functions during the process of implementation of the Agreement.

Distinguished Ministers,
Honorable Guests,

The latest developments in the world economy and economies of the Member States as well as the issue of restructuring the international financial system have been discussed during this Session.

It is a well-known fact that with the increasingly widespread use of high technology in the world, the economic structure is losing its raw materials intensive nature and the volume of the profit-yielding commercial goods is becoming downsized.

Such developments and trends define the direction of our cooperation during the coming years. In this context, I think that we must put special emphasis on economic and social development and on cooperation in this regard and endeavor to catch up with a production structure compatible with global trends. In this context, I believe that it would be beneficial to rapidly take the administrative, financial and structural measures to facilitate the circulation of persons, goods and capital among our countries.

Distinguished Ministers,
Honorable Delegates,

The one billion dollar additional Funds allocated by the Islamic Development Bank to the efforts of increasing trade among our countries is being deployed successfully. It is pleasing that the funds used in one year for financing trade has reached 1.66 billion dollars. In my opinion it would be of advantage if the Islamic Development Bank, in addition to financing trade, would allocate more funds to the investment projects which would serve to increase the trade capacities of our countries.

Distinguished Ministers,
Honorable Delegates,

Our cooperation in the framework of World Trade Organization has become more meaningful in the light of the recent developments. I find very significant the offer of the Islamic Development Bank, based on the WTO proposal in this regard, to have policy dialogues of the Ministers of Finance and Trade within the framework of the COMCEC on matters concerning the World Trade Organization.

I am of the opinion that such meetings will encourage our countries to participate more actively in the negotiations in the framework of the Doha Development Agenda.

The scheme prepared in relation to accelerating the Plan of Action was debated during this Session. An approach was adopted under by this scheme to give a more weighty role to the institutions of the Islamic Conference in the implementation of the projects proposed in the framework of the Plan of Action. Considering the recently increasing role of the international institutions in the world economy, I believe that this approach is very significant and apposite.

Distinguished Ministers,
Distinguished Delegates,

This august body has adopted a series of important resolutions concerning the economic assistance to be extended to the Member Countries. I believe it would be useful to actively monitor the implementation of these resolutions for assistance. The effective extension of this assistance could contribute globally to the solution of the problems of the less developed countries.

Today, approximately 50 countries in the world have the least developed status. Although the least developed countries account for 10.7 percent of the world population, they represent only 5 per thousand of world production.

Unfortunately the social indices of the least developed countries do not indicate any improvement in their status to lead us to be more optimistic for the near future. For example, while the per capita health expenditures in the rich OECD countries is

approximately 1700 dollars, this figure is around 11 dollars in the least developed countries.

Calculations made by the UNCTAD show that, in the light of the current trends, apart from a few exceptions, a minimum of 18 years must pass before the least developed countries can attain the level of 900 dollars per capita income and it will take 50-10 years, or even longer, for a big proportion of those countries to reach this level.

Distinguished Ministers,
Honorable Guests,

The importance of the private sector has been on the rise all over the world. These trends are based on the increasing role of the private sector in the economic environment. The establishment of a free market economy in the world, the increase in competition and the adoption by many countries of policies that redefine the role of the state have helped increase the importance of private sector investments. In this process, private sector is perceived as the motive power of development and the most important source of employment and productivity.

In this context, the exchange of views session on "Private Sector Investments and the Role of the Islamic Development Bank in Member States of the Islamic Conference" held concurrently with the COMCEC Session has been highly beneficial. I hope that the resolutions we have adopted on this topic will yield important progress in developing the current level of cooperation among our private sector institutions.

I would like to take this opportunity to congratulate the Islamic Chamber of Commerce and Industry in Karachi on their twenty-fifth anniversary, which we have been celebrating throughout these meetings. No doubt, in the near future, this important organization of ours will continue to develop their successful endeavors geared towards achieving cooperation among private sectors.

Distinguished Ministers,
Honorable Guests,

Recently, alongside the private sector, non-governmental organizations have been increasingly involved in international cooperation initiatives.

A dramatic increase in the number of nongovernmental organizations and their efficacy on the international platform have been observed since the late 1980s. The number of international NGO organizations currently stands at around 30.000.

The escalation rate in the number of these organizations can be put into better focus when we consider that whereas their number had barely reached 5000 during the thirty year period between 1956-86, it has reached 30.000, during the thirteen year period between 1987-2000.

The number of NGOs active on a national level can be expressed in millions. There are more than 2 million active NGOs registered in the US and more than 1 million in India.

The amount of humanitarian aid raised by the NGOs is more than what can be secured within the framework of the UN. It is estimated that the amount raised by the NGOs both in the humanitarian and the developmental and technical areas makes up a resource of 8 billion US dollars per year.

Although caution should be exercised about some aspects of the roles played by the NGOs in the economic and social development in the world, there is a general acceptance that they have a positive function.

At this point, I would like to emphasize the historical role played by volunteer organizations in the resolution of social problems in Islamic countries. The positive effect that volunteer organizations and foundations have had in the past continues to inspire many current practices in this respect. Therefore, I think that it would be highly beneficial to encourage the participation of NGOs alongside the private sector in the development of cooperation among our countries.

Distinguished Ministers,
Honorable Guests,

I find the choice of "Electronic Commerce and the Employment of Information Technologies to Increase Trade Among Member States of the Islamic Conference Organization" very appropriate for exchange of views meeting during the Nineteenth COMCEC session. Information technologies are being increasingly applied in many areas extending from medicine, education and industry to commerce.

Research indicates that the electronic trade transaction volume from company to company and company to customer will be expressed in trillions of dollars in the near future. I think that we have to endeavor to form a national base for information economy in our respective countries in order to allow for intensive use of information technologies.

Distinguished Ministers.
Honorable Guests,

I would like to conclude by conveying my deepest gratitude to the General Secretariat of the Organization of Islamic Conference, and to the distinguished directors and representatives of the relevant Institutions of the Islamic Conference and to H. E. Gazi Hümayun, our distinguished rapporteur, for their dedicated and successful efforts.

In addition, I would also like to thank our colleagues who took part in the organization of this meeting as members of the secretariat, the supporting staff and the interpreters, for their dedicated work.

Looking forward to being together again at the Nineteenth COMCEC Session, I wish all of you success and a safe trip home.