REPORT

OF THE SPECIAL SESSION OF THE TRADE NEGOTIATING COMMITTEE FOR ESTABLISHING THE TRADE PREFERENTIAL SYSTEM AMONG THE MEMBER COUNTRIES OF THE OIC (TPS-OIC)

(Istanbul, 23 November 2005)

- 1. The Special Session of the Trade Negotiating Committee set up under the Framework Agreement on Trade Preferential System among the Member Countries of the OIC (TPS-OIC), was held in Istanbul, Turkey, on 23 November 2005.
- 2. Representatives of the following Member States that have ratified the Framework Agreement on Trade Preferential System among the Member Countries of the OIC attended the meeting:
 - People's Republic of Bangladesh
 - Republic of Cameroon
 - Arab Republic of Egypt
 - Republic of Guinea Hashemite Kingdom of Jordan
 - Republic of Lebanon
 - The Great Socialist People's Libyan Arab Jamahiriya
 - Malaysia
 - Islamic Republic of Pakistan
 - Republic of Senegal
 - Arab Republic of Syria
 - Republic of Tunisia
 - Republic of Turkey
 - Republic of Uganda
 - United Arab Emirates

- 3. Representatives of the following OIC Member States that have not yet signed or ratified the Framework Agreement on TPS-OIC attended the meeting as observers:
 - People's Democratic Republic of Algeria
 - Republic of Azerbaijan
 - Brunei Darussalam
 - Republic of Gambia
 - Republic of Indonesia (Signatory)
 - Republic of Iraq (Signatory)
 - State of Kuwait (Signatory)
 - Republic of Mali
 - Kingdom of Morocco
 - Federal Republic of Nigeria (Signatory)
 - Sultanate of Oman
 - State of Qatar (Signatory)
 - Kingdom of Saudi Arabia (Signatory)
 - Republic of Sierra Leone
 - Republic of Sudan (Signatory)
 - Republic of Yemen
- 4. Representatives of the General Secretariat of OIC and the following organizations also attended the meeting:
 - COMCEC Coordination Office (as a member of the TNC Secretariat)
 - Economic Cooperation Organization (ECO)
 - Islamic Centre for Development of Trade (ICDT) (as a member of the TNC Secretariat)
 - Islamic Development Bank (IDB)
 - Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRTCIC)
- 5. Representatives of the following states that have observer status at OIC also attended the meeting.

- Turkish Republic of Northern Cyprus
- Macedonia
- Russia

(Copy of the List of Participants is attached as Annex I.)

Opening Session

- 6. The Meeting was inaugurated by H.E. Dr. Ahmet TIKTIK, Undersecretary of State Planning Organization of the Republic of Turkey.
- 7. Welcoming all the delegates, H.E. Ahmet TIKTIK stated that the OIC community had recognized the importance of economic and commercial cooperation in promoting the welfare of the Member States H.E. TIKTIK also congratulated the Arab Republic of Syria and the State of United Arab Emirates for becoming, by ratifying the Framework Agreement on TPSOIC, the new members of TNC. He pointed out that, having reached the end of the first round, Member States need to finalize the Draft Protocol on Preferential Tariff Scheme for TPSOIC and called on the Member States of the TNC to work at the Special Session towards this end.
- 8. The meeting was chaired by H.E. Tevfik MENGÜ, General Director at the Undersecretariat of Foreign Trade of Turkey.

Adoption of Agenda

9. The TNC adopted the agenda of the Special Session as proposed by the Secretariat.

Presentation by the Secretariat of the TNC

10. In its presentation addressed to the meeting the TNC Secretariat summarized the recent developments in the area of TPSOIC trade negotiations, and drew attention to some important decisions taken by the TNC at its fourth

meeting. The Secretariat also proposed that the TNC would meet in 2006 to tackle aspects of PRETAS pertaining to its implementation, such as rules of origin paratariffs, non-tariff barriers and other trade-related issues.

Consideration of the Draft Protocol on the Preferential Tariff Scheme for the TPS-OIC (PRETAS)

- 11. The TNC, at the Special Session, worked on finalizing the Protocol on the Preferential Tariff Scheme for TPS-OIC (PRETAS), deliberating on the issues left in the previous meeting. Taking into considerations the concerns expressed by the LDCs for a longer transition period and the need to harmonize trade remedy measures, the TNC modified the Articles 5, 6, 7, 8, 9, 10, 12 of the PRETAS drafted in the 4th TNC Meeting.
- 12. The TNC took note of the view expressed by the delegation of Senegal concerning its difficulties in signing the PRETAS because of their country's membership of the West African Economic and Monetary Union (WAMEU), which is a customs union with an external common tariff. Therefore, they need to make the necessary consultations with the members of WAMEU regarding the signature of PRETAS.

Adoption of the Protocol on the Preferential Tariff Scheme for the TPS-OIC (PRETAS)

- 13. The TNC adopted the final version of the PRETAS, and decided to submit it to the 21st Ministerial Session of the COMCEC for signing.
- 14. The TNC decided that the countries that would sign the PRETAS expedite its ratification and notify the Secretariat of their specific annual installments of reduction along with the list of the products within three months from the date of entry into force of the PRETAS.

Any Other Business

- 15. The TNC decided to hold meetings on regular basis to finalize the remaining trade-related issues in order to operationalize the PRETAS. However, the representative of the Republic of Turkey urged that rules of origin should be negotiated on priority.
- 16. The TNC called upon the OIC Member States that have not yet done so to sign and ratify the Framework Agreement on TPS-OIC.

Date and venue of the next meeting of TNC

- 17. The TNC decided that the Secretariat would communicate with the TNC Members regarding the date and venue of the next meeting of the TNC.
- 18. The member countries that wish to host the next round of trade negotiations are invited to inform the Secretariat by the end of 2005.

Closing Remarks

19. At the end of the Special Session of the TNC, the Participating States conveyed their thanks and appreciation to the Republic of Turkey for the excellent arrangements made for this Meeting and the warm hospitality provided to them during their stay in the historical city of Istanbul.