

Report of the
16th Private Sector Meeting for OIC Member Countries
“Benefits of Trade Preferential System TPS-OIC
for the Promotion of Intra-Islamic Trade”
Sharjah, United Arab Emirates, 19-20 March 2014

Preamble:

The Islamic Chamber of Commerce, Industry & Agriculture (ICCIA), as an affiliated Institution of the Organization of the Islamic Cooperation (OIC) was given the mandate by the 9th Session of Standing Committee for Economic and Commercial Cooperation of OIC Countries (COMCEC) held in September 1993 in Turkey to organize Private Sector Meetings. Thus ICCIA regularly organizes Private Sector Meetings in different OIC Countries with the objective of bringing the Private Sector in the forefront of economic development.

The Private Sector Meeting is one of the most important programs of the ICCIA. It provides a common platform for the private sector of the 57 member OIC countries to network, explore new markets and at the same time learn about best practices. In addition, the private sector also gets an opportunity to meet with the representatives of the Financial Institutions, to discuss how best the financial support can be obtained.

16th Private Sector Meeting for OIC Member Countries:

On the kind invitation of the Sharjah Chamber of Commerce & Industry (SCCI), the Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) has jointly organized the 16th Private Sector Meeting for OIC Member Countries in Sharjah, United Arab Emirates from 19th to 20th March 2014 at the Headquarters of the Sharjah Chamber of Commerce & Industry.



From Right: H.E. Alioune SARR, Minister of Trade, Republic of Senegal, His Highness Sheikh Sultan bin Mohammed bin Sultan Al Qassimi, the Crown Prince & Deputy Ruler of Sharjah, H.E. Ahmed Mohammed Al Midfa , Chairman of Sharjah Chamber of Commerce & Industry, Vice Chairman, Federation of U.A.E. Chambers of Commerce & Industry, and H.E. Mukhisa Kituyi, **Secretary General**, United Nations Conference on Trade and Development (UNCTAD)

The Meeting was held under the kind patronage of His Highness Shaikh Dr. Sultan Bin Mohammed Al Qassimi, Member of the **Supreme Council & Ruler of Sharjah** and was personally inaugurated by His Highness Sheikh Sultan bin Mohammed bin Sultan Al Qassimi, the Crown Prince & Deputy Ruler of Sharjah. The Meeting was attended by the representatives of the Private Sector from 21 Countries, Organisation of the Islamic Cooperation (OIC), COMCEC Coordination Office, Islamic Corporation for the Insurance of Investment & Export Credit (ICIEC), International Islamic Trade Finance Corporation (ITFC) of the Islamic Development Bank Group, Islamic Centre for Development of Trade (ICDT), International Finance Corporation (IFC) of the World Bank Group, United Nations Conference on Trade and Development (UNCTAD), Federation of GCC Chambers and the Ministry of Trade of the Republic of Senegal.



From Left: H.E. Engr. Mohammed Ahmed Bin Abdulaziz Al-Shai'hai, Undersecretary, Ministry of Economy, the United Arab Emirates, Mr. Nael Raja Kabariti, President of the Jordan Chamber of Commerce, Mr. Abdul Raheem Hasan Naqi, Secretary General of the Federation of GCC Chambers of Commerce & Industry (FGCC), H.E. Dr. El Hassane HZAINI, Director General of the Islamic Centre for Development of Trade (ICDT) Mr. Ahmed Al-Wakeel, President, Federation of Egyptian Chambers of Commerce.

The theme of the Meeting was **“Benefits of Trade Preferential System TPS-OIC for the Promotion of Intra-Islamic Trade”**. The Meeting discussed and highlighted the benefits of Trade Preferential System TPS-OIC for the promotion of Intra-Islamic trade, so as to contribute in attaining the set target of 20% for the intra-OIC trade by 2015, which would be achieved with the contribution of the Private Sector. The significance of this meeting was further underlined by providing an opportunity to give detailed information to the private sector on the utility and benefits of the Trade System, which could facilitate the free flow of goods and services within the OIC region.

Sharjah Chamber of Commerce and Industry also held its **International Trade Week** to celebrate, its status as the **Islamic Cultural Capital**. It may also be mentioned that it was the 3rd gathering of the Private Sector held in Sharjah. The first two were the 9th and 14th Private Sector Meetings held in 2002 and 2011 respectively. In addition, the First Forum for Businesswomen in Islamic Countries was also held in Sharjah – U.A.E. from 1st to 3rd March 2005.

Inaugural Session:

The Inaugural Session of the 16th Private Sector Meeting was held on 19th March 2014 at the Headquarters of the Sharjah Chamber of Commerce & Industry. The Meeting was inaugurated by **His Highness Sheikh Sultan bin Mohammed bin Sultan Al Qassimi, the Crown Prince & Deputy Ruler of Sharjah** and started with the recitation from Holy Quran.



A general view of the audience during the Inaugural Session.

H.E. Ahmed Mohammed Al Midfa, Chairman of Sharjah Chamber of Commerce & Industry, Vice Chairman, Federation of U.A.E. Chambers of Commerce & Industry welcomed the participants of the 16th Private Sector Meeting. He said that this event is part of UAE celebrations for selecting Sharjah Emirate as the capital of Islamic Culture this year (2014). He said that the economic challenges that are facing the OIC Member States necessitate activation of joint work and granting opportunities for expanding private sector participation in enhancing the size of commercial exchanges and developing SMEs and removing the hurdles that impede the flow of investments, capital and expertise. He appreciated the efforts of OIC and its institutions, particularly ICCIA, which continues its cooperation with the chambers of commerce by organizing Forums such as this, which certainly would contribute effectively in exchanging views and devising supporting mechanism that would help



partnership amongst the business community of the Member Countries. He said he looks forward to the contribution of the 16th Private Sector Meeting to the success of the World Trade Week that is currently embraced by Sharjah so as to be a solid platform for launching practical initiatives and joint ventures for the benefit of the various participating countries and business sector representatives. He hoped that this would make a truly successful model for constructive and fruitful cooperation, for benefiting from various investments in the commercial, industrial and services spheres.



The message of **H.E. Dr. Ahmed Mohammed Ali, President IDB Group** was delivered by **H.E. Dr. Abdel-Rahman Taha, Chief Executive Officer, The Islamic Corporation for the Insurance of Investment & Export Credit (ICIEC), IDB Group**, in which he emphasized the significance of economic cooperation among OIC States in line with the Islamic Shariah. He highlighted the efforts exerted by the IDB for supporting intra-Islamic Trade by way of providing finance to its imports and exports and supporting infrastructure projects. As part of the program of the IDB he mentioned the development of an independent institution, which is International Islamic Trade Financing Corporation (ITFC) with the objective of strengthening the economic development among the Member States. The

ITFC has provided finances amounted to US\$ 21.4 billion. He also mentioned about the ICIEC, which was established in 1994 to contribute in expanding intra Islamic Trade by providing insurance against risks of export credit, the ICIEC has provided since its inception, US\$ 16 billion of insurance coverage in support to the trade of the Member States. He also urged for the necessity of accelerating the implementation of the Trade Preferential System (TPS-OIC), which is based on reduction of custom tariff among the Member State with the aim of gradually expanding the commercial exchanges. He concluded by thanking ICCIA for its effective contribution to the development of the Islamic Countries, through annual Private Sector Meetings.

H.E. Dr. El Hassane HZAINÉ, Director General of the Islamic Centre for Development of Trade (ICDT) delivered his speech in which he said that the Private Sector Meeting, is being convened at a time when major changes are taking place in the business climate at both the global and Islamic level. It is becoming apparent that the Public-Private Partnership is the best model for managing the economic and commercial affairs of our countries. He further said without having strong national private sector, no country can have a say at the global economic arena.



Perhaps the best evidence for that is the pioneering experiment of the United Arab Emirates. He also said the 19th COMCEC has entrusted the ICDT and the COMCEC Cooperation Office with the secretariat of the Trade Negotiations Committee. The preparation of necessary mechanism for implementation of this agreement commenced since April 2004, after the launching of the First Round of Trade Negotiations in Antalya, Turkey. The implementation of this agreement is a basic foundation for removing hurdles that still impede the flow of intra-Islamic trade and investment, so that we can all be able to give a qualitative leap for the economic and commercial cooperation among the OIC Member States. He said that as a result of the coordination between the ICCIA and ICDT the second day sessions of the Private Sector Meeting will focus on TPS-OIC. The objective is to create awareness about the TPS-OIC and enable Member States to have information about the new development of the Trade Negotiations among the Member States and to encourage those countries that are not signatories through their National Chambers to do so.



In his speech **H.E. Mukhisa Kituyi, Secretary General, United Nations Conference on Trade and Development (UNCTAD)** thanked the organizers for inviting him to this event and mentioned his good relationship with the OIC and IDB and pledged to continue interaction and cooperation and to strengthen the partnership between UNCTAD and OIC, ICCIA and IDB. He gave an overview of the global trade and investment flows and UNCTAD's support for the OIC Countries to increase intra-Islamic trade by 20%. He then suggested how the Public Private Partnership

could work to harness trade and investment for the overall economic development. For this he mentioned to ensure that trade and investment policies are coherent, foster regional infrastructure development and enable sustainable codes of conducts and business practices of transnational corporation in FDI policies. He said trade and investment trends have changed drastically over the past decade, with many developing countries becoming major players globally. South-South trade has expanded rapidly and Southern investors are no longer the exception, but the norm, in this new geography of the world economy. He further said that part of what has held back intra-OIC trade is limited intra-regional investment. Closer trade linkages and trade agreements must go hand in hand with closer investment cooperation. This means the alignment of policies for the favourable treatment of foreign investors in order to permit direct cooperation on investment projects at the regional level. He said as part of the efforts to promote synergies between investment and regional integration, UNCTAD is dedicating a high-level dialogue to the investment and regional integration nexus at the forthcoming World Investment Forum taking place from 13 to 16 October 2014. He concluded by emphasizing the importance of the OIC as a block that has not only political strength, but huge economic and trade potential as well. He believed that intra-OIC cooperation can stand as a model of "strengthen-thy-neighbor" policies for the rest world.

The speech of **H.E. Shaikh Saleh Abdullah Kamel, President of Islamic Chamber of Commerce, Industry & Agriculture (ICCIA)** was delivered by **H.E. Ahmed Al-Wakeel, President, Federation of Egyptian Chambers of Commerce**. He conveyed the greetings of H.E. Shaikh Saleh Kamel and his sincere regret for his inability to attend due to sudden unavoidable circumstances. He appreciated the selection of Sharjah as a capital of Islamic Culture, a status which is duly deserved for the wise leadership and far sightedness of His



Highness Shaikh Dr. Sultan Bin Mohammed Al Qassimi, Member of the Supreme Council & Ruler of Sharjah, who practically expressed his great and continuous consideration for all aspects of Islamic Culture in its broader concept, whether at the level of Islamic Architecture, fine arts and theater. He mentioned Sharjah being known to all about its theatrical nights, calligraphy, abstract, books and regular events through which Sharjah emphasizes the beauty and continuity of the unique Islamic culture. He said that the theme “Benefits of Trade Preferential System TPS-OIC for the Promotion of Intra-Islamic Trade” bears a significant meaning and reflects the increased significant of the Trade Protocols and Agreements in accelerating the economic process and increasing the benefits of TPS-OIC to the maximum possible level. He said that the ICCIA focuses its activities on major areas that include providing job opportunities, increasing intra-Islamic tourism, emphasizing the role of Zakat, Al-Masfaq and spreading the culture of Waqf, capacity building and value addition etc. Perhaps, Al-Masfaq is the most important model for cooperation between ICCIA and Member Chambers. The first implementation of this idea is taking place in Jeddah, in collaboration of Jeddah Chamber of Commerce. ICCIA aims at replicating this experiment with the other OIC States. Its major objective is to provide employment and develop the member states. He thanked the people and government of UAE for their hospitality and he thanked the Chairman and Board Members of the Sharjah Chamber of Commerce & Industry for hosting the Private Sector Meeting and for their contribution in making this significant Islamic economic demonstration a success.

The message of **H.E. Iyad bin Amin Al-Madani, the Secretary General of the Organization of the Islamic Cooperation (OIC)** was read by **H.E. Ambassador, Hameed A. Opeloyeru, Assistant Secretary-General for Economic Affairs, OIC**. He said that this Forum is a clear evidence to the resolution and willingness of the Private Sector Organizations, of the Islamic Countries to take part in realizing the objectives of the OIC by transforming the huge potential for making the socio-economic growth and development. He mentioned, the preparation of a program of Islamic Solidarity Fund whose capital is US\$ 10 billion. These areas are; agriculture, food security, small projects financing, vocational training and sustainable villages. He appreciated the contribution of Private Sector and the strong and solid contributions by the virtue of ICCIA’s activities which is always keen to motivate the Chambers of Commerce to take active part in achieving the noble developmental goals. He



expressed pride with the pioneer projects that is implemented by ICCIA in collaboration with the civil society institutions of the Member States and ICCIA's strategy for development of SMEs. He also applauded ICCIA's efforts with regard to improvement of subsidiary sectors related to Zakat and Awqaf, which could strengthen the financial integration among the member states, alleviate poverty, develop investment, enhance competitiveness of the products of the Member States. He said the Organisation has revitalized many aspects of intra-OIC trade as evident in the elaboration of crucial instruments for the take-off of a regime of trade preferences among OIC member states. He highlighted another area, which is the current partnership for the implementation of comprehensive standards for Halal food within the OIC. He said, we are aiming at issuing a unified certification of Halal food. Such a project would strengthen commercial exchanges and so is the common desire in consuming foods that are Sharia compliant. In this context, he underlined the effective cooperation between ICCIA and the other OIC institutions and stressed upon their joint cooperation.



The Keynote address of **H.E. Sultan bin Saeed Al-Mansour, Minister of Economy of the United Arab Emirates**, was delivered by **H.E. Engr. Mohammed Ahmed Bin Abdulaziz Al-Shai'hai, Undersecretary, Ministry of Economy, the United Arab Emirates**. He highlighted the role of Private Sector and its significant partnership with the public sector in developing the economies of the Islamic Countries. He emphasized that UAE is upholding fast its Islamic identity and culture in all its affairs. The global economic order necessitates the cooperation and integration amongst Islamic Countries, since there is no influence for smaller entities. He said the Islamic economy becomes the refuge from the global economic crises and this

motivated Dubai Emirate to launch the initiative of (Dubai The Capital of Islamic Economy). The Minister drew the attention to the fact that the size of the commercial exchanges between UAE and the OIC Member States is not more than 10% present of the total trade of the UAE and this is short of our ambition. He appreciated the Private Sector efforts in enhancing the intra-Islamic trade which would help in tackling all the pressing issues and would be a accomplishment to be proud of in the future. He mentioned that UAE has a large share in the intra-trade for 2012 by US\$ 15.3 billion. He said that the message of the Private Sector Meeting of Sharjah is to sharpen the will towards more transparency, development infrastructure, extending institutional facilities and providing trade financing and exchange of information and lastly devising legislation and laws that would facilitates the implementation of TPS-OIC.

[Working Sessions:](#)

As per its Theme of the Meeting; “Benefits of Trade Preferential System TPS-OIC for the Promotion of Intra-Islamic Trade”, the 16th Private Sector Meeting discussed and highlighted the benefits of Trade Preferential System TPS-OIC for the promotion of Intra-Islamic trade. Four Working Sessions were held during the Meeting and expert speakers gave their views on the subject of each session.

First Session:

The First Session discussed the Role of Chambers and Private Sector in Maximizing the Level of Intra-Islamic Trade by utilizing the Agreements of TPS-OIC. The Session was chaired by Mr. Hussain Mohamed Al Mahmoudi, Director General, Sharjah Chamber of Commerce & Industry and the heads of the following Chambers gave their views on how the Chambers can play an active role in maximizing the current level of intra-Islamic trade through utilization of OIC Trade Agreements.

- Mr. Nael Raja Al-Kabariti, President, Jordan Chamber of Commerce
- Mr. Ahmed Al-Wakeel, President, Federation of Egyptian Chambers of Commerce.
- Dr. Abdulrahman Bin Abdullah Al-Zamil, President, Riyadh Chamber Of Commerce
- Mr. Mohammed bin Jauhar Al-Mohammed, Board Member, Qatar Chamber of Commerce & Industry
- Mr. Abdul Raheem Hasan Naqi, Secretary General of the Federation of GCC Chambers of Commerce & Industry (FGCC)



Second Session:

The Second Session highlighted the Role of OIC Trade Organizations, Financial Institutions & other Stakeholders in Enhancing Intra-Islamic Trade. The Session was chaired by Dr. Ahmed Mohiddin Ahmed, Secretary General, Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) and the expert speakers from the following renowned International Institutions made presentations on their role in enhancing intra-Islamic Trade.

- Mr. Basel As'ad Al-Hussein, CSF Manager, MENA Corporate & Structured Finance, International Islamic Trade Finance Corporation (ITFC), IDB Group
- Mr. Kaiser H. Naseem, Head, Bank Advisory Services, MENA Region, International Finance Corporation (IFC) World Bank Group
- Dr. Imran Usmani, Shariah Advisor & Member Shariah Supervisory Board of Meezan Bank Limited, Pakistan
- Dr. Abdelaziz Chazi, Associate Professor of Finance, School of Business and Management, American University of Sharjah
- Dr. Abdulhasan Al-Dairi, Chairman, Bahrain SMEs Society

Third Session:

Third Session was dedicated for introduction of the TPS-OIC, Outcome of the 1st and 2nd Round Trade Negotiations. This very important session gave the participants an insight of the benefits and utilization of the TPS and about the outcome of two rounds of Trade Negotiations. The Session was chaired by Dr. El Hassane HZAINÉ, Director General, Islamic Centre for Development of Trade (ICDT) and the following were the speakers:

- H.E. Ambassador, Hameed A. Opeloyeru, Assistant Secretary-General for Economic Affairs, Organisation of the Islamic Cooperation (OIC)
- Mr. Ali ISLER, Ministry of Development of the Republic of Turkey, Foreign Economic Relations, (COMCEC Coordination Office)
- Mr. Houcine Rahmouni, Islamic Centre for Development of Trade (ICDT)
- Dr. Mustafa Alalli, Expert, Islamic Centre for Development of Trade (ICDT)



Fourth Session:

The theme of the Fourth Session was “Impact of the TPS-OIC on the Economies of the OIC Member States and the Legal Implications of the TPS-OIC”. The session was chaired by H.E. Ambassador, Hameed A. Opeloyeru, Assistant Secretary General for Economic Affairs, Organisation of the Islamic Cooperation (OIC) and the following expert speakers contributed in the deliberations of the said Session:

- H.E. Dr. Bachir Messaitfa, Ex. Minister of Planning and Statistics, Algeria
- Dr. El Hassane HZAINÉ, Director General, Islamic Centre for Development of Trade (ICDT)
- Dr. Abdel Gadir Warsama, Professor in the American University, Bahrain
- Dr. Abdessattar Khouildi, Director General of the International Islamic Centre for Reconciliation and Arbitration

Each of above four sessions was followed by question & answer as well as in-depth discussions. Participants took great interest in the subject and were satisfied with the clarification made by the expert speakers.



Closing Session:

At the end of the Forum, the closing session was held in the afternoon of 20th March 2014. Dr. Ahmed Mohiddin Ahmed, Secretary General, Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) read the Sharjah Economic Declaration, which were unanimously adopted. The SHARJAH ECONOMIC DECLARATION IS ATTACHED AS ANNEX.

The Declaration covered the important issues discussed during the two day deliberations. The common obstacles being faced by the private sector were focused on, such as obtaining finance in easy terms, facilitation of procedures, support services for the SME sector, exchange of technology, diversification of products, legislative and institutional support. In certain instances the Declaration also covered the possible recommendations to address the said issues.

Thereafter, the Secretary General thanked the Government and people of the Emirates of Sharjah for their warm hospitality and welcome extended to all the delegates since their arrival and throughout their stay in the beautiful Emirate of Sharjah, the capital of Islamic Culture for 2014. He also thanked the Sharjah Chamber and Organizing Committee for the excellent arrangements for the meetings and also thanked all the delegates and honorable speakers for their active participation and valuable contributions during the deliberations of the Forum.

The participants expressed their thanks and gratitude to H.E. Ahmed Mohammed Al Midfa, the Chairman of Sharjah Chamber of Commerce & Industry and to all the Board Members of the Sharjah Chamber and to Mr. Hussain Mohamed Al Mahmoudi, Director General and the senior Executives as well as all their personnel for the hospitality extended to the delegates and for the excellent arrangements.

The participants also endorsed to send a letter of thanks to His Highness Shaikh Dr. Sultan Bin Mohammed Al Qassimi, Member of the Supreme Council and Ruler of Sharjah for his kind patronage of the 16th Private Sector Meeting and to His Highness Sheikh Sultan bin Mohammed bin Sultan Al Qassimi, the Crown Prince & Deputy Ruler of Sharjah for gracing the inaugural session with his presence.

On behalf of the participants, Ms. Sabiha Shahzad, Chairperson, All Muslim Women Chambers of Commerce & Industry UK thanked the organizers namely, Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) and Sharjah Chamber of Commerce & Industry (SCCI) for successfully organizing the said event in Sharjah. She also thanked the delegates and the expert speakers for delivering their valuable presentations during the sessions.

In his closing remarks, Mr. Mohammed Ahmed Amin, Assistant Director General of Economic Affairs, Sharjah Chamber of Commerce & Industry extended thanks and appreciation to the Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) and especially to its Secretary General, Dr. Ahmed Mohiddin Ahmed, Mr. Mohamed ELBanna, Deputy Secretary-General and Mrs. Attiya Nawazish Ali, Assistant Secretary General, for their kind cooperation in the organization of this important economic activity. He concluded by expressing best wishes to all the delegates for a safe journey back home and thanked the media personnel for the coverage of the Forum.

