



**Standing Committee
for Economic and Commercial Cooperation
of the Organization of Islamic Cooperation (COMCEC)**

COMCEC TRADE OUTLOOK 2017



**COMCEC COORDINATION OFFICE
October 2017**



COMCEC

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For further information please contact:

Ms. Vildan BARAN
Expert

COMCEC Coordination Office
Necatibey Caddesi No: 110/A
06100 Yücetepe
Ankara/TURKEY
Phone : 90 312 294 6101
Fax : 90 312 294 6177
Web : www.comcec.org
e-mail : comcec@comcec.org
ybaran@comcec.org

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The COMCEC Trade Outlook is a contribution of the COMCEC Coordination Office to enrich the discussions during the Trade Working Group Meetings.

Trade Working Group is established in accordance with the COMCEC Strategy, adopted during the 4th Extraordinary Islamic Summit held in Makkah on 14-15 August 2012, which envisages Working Group Meetings as one of the instruments for its implementation. Trade Working Group Meetings aim at providing the country experts with the chance to elaborate trade cooperation issues thoroughly and share their good practices and experiences.

The COMCEC Trade Outlook 2017 has been prepared by Ms. Vildan BARAN expert at the COMCEC Coordination Office, with the objective of providing an overview of international trade of the Organization of the Islamic Cooperation (OIC) Member States. It focuses on trends and characteristics of intra-OIC trade and attempts to identify the major common obstacles hindering trade.

The views expressed and conclusions reached in this publication do not necessarily reflect the official views of the COMCEC Coordination Office, COMCEC or the governments of OIC Member Countries.

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INTRODUCTION

International trade is considered as an important driver of economic growth, job creation, and prosperity. However, many countries fail to benefit from international trade due to their undiversified economies and high trade costs. Moreover, world trade remained stagnant in the aftermath of the global crisis. Furthermore, recent weakness in global trade is characterized by rising trade barriers in particular non-tariff measures and maturation of global value chains. These trends pose further challenges in terms of integration into the global trade. In such a global trading environment, countries seeking to benefit from trade should pursue to create an enabling trade environment by implementing necessary domestic policies and undertaking reforms. Moreover, strengthening bilateral and regional integration efforts ultimately aimed to integrate at multilateral level and harmonizing national standards with international standards become feasible policy options.

In terms of OIC Countries, they vary substantially in terms of geography, size, population and economic development. Although remarkable expansion has been observed in the volume of trade between the OIC and the rest of the world, as well as in the intra-OIC trade, differences in trade performance across member countries remained stubbornly significant. While some OIC members depend solely on oil as the source of export revenues, Least Developed OIC members depend mainly on primary commodities exports. Furthermore high trade costs hinders OIC countries from accessing the international markets. Thus diversifying exports and reducing trade costs remain main challenges for many OIC Members. In order to be able to integrate into global markets efficiently and overcome these challenges, the importance of policy coherence at the national and regional level comes to the forefront.

The Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation (COMCEC) is the responsible platform within the OIC for enhancing economic and commercial cooperation among the Member States. Since the commencement of its activities in 1984, COMCEC has initiated numerous programs and projects towards increasing intra-OIC trade (trade among the Member States), addressing the problems faced in trade liberalization, trade facilitation, trade promotion and trade financing in the Member States. Among these programs and projects, the Trade Preferential System among the OIC Member States (TPS-OIC), which is the flagship project of the COMCEC on trade liberalization, is close to become operational.

In order to address the development challenges of the Member Countries more efficiently, the COMCEC Strategy was adopted by the Fourth Extra-Ordinary Islamic Summit Conference held on 14-15 August 2012 in Makkah Al-Mukarramah. Trade is one of the cooperation areas in the Strategy, with the strategic objective of increasing trade among the Member States. Identifying trade liberalization, trade facilitation, trade promotion and trade financing as the output areas, COMCEC aims at achieving strategy's targets through its implementation instruments namely Trade Working Group and COMCEC Project Funding.

The present document aims at providing a general outlook of the trade of OIC Member States and identifying common challenges they face in increasing their trade. Despite their economic and social differences, these countries also face some similar obstacles such as protectionist trade regimes, dependency on commodity exports, burdensome procedures increasing the cost

of trade, limited access to overseas markets, inadequate financial resources and underdeveloped financial systems.

Besides giving background information on the activities of the COMCEC for increasing intra-OIC trade, the document also introduces the COMCEC Strategy for increasing trade and addressing the common obstacles faced by the Member States towards reaching this goal.

This Outlook has six sections: The First Section provides the latest trends and developments in global trade.

The Second Section gives a general overview of the total trade of the OIC Member States. It outlines the characteristics of trade between the Member States and the rest of the world by highlighting the composition, direction and the volume of the OIC Member States' trade and by evaluating the degree of openness of the OIC Member States.

In the Third Section a general overview of the intra-trade of the OIC Member States is provided in terms of composition and origin.

The Fourth Section provides a general overview of the trade environment in the OIC Member States. It summarizes the basic challenges commonly faced by many Member States regarding trade liberalization, trade facilitation, trade promotion and trade financing.

The Fifth Section concentrates on the role of the COMCEC in improving the trading environment in the Member States and enhancing intra-OIC trade.

Finally, the Sixth Section concludes.

1. DEVELOPMENTS IN GLOBAL TRADE

World merchandise trade (in dollar terms) grew at an annual average rate of 12.2 per cent between 2000 and 2008 period. Although world trade rebounded rapidly following the global crisis, it has been weak since 2012. World trade declined by 3.3 per cent in 2016 following the sharp decline of 13 percent in 2015 thus falling to 16.0 trillion US dollars down from 16.5 trillion US dollars in 2015.

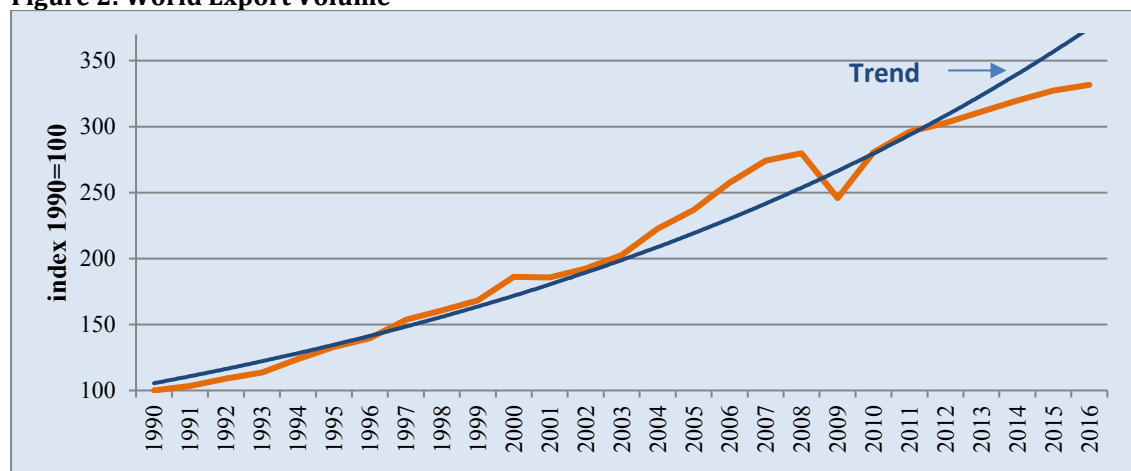
Figure 1: Global Trade



Source: IMF Direction of Trade Statistics

World trade volume (accounted for changes in prices and exchange rates) slowed to 1.3 per cent in 2016 from 2.6 per cent in 2015. This was the weakest growth recorded since the global crisis and the growth rates of world trade were below the pre-crisis average of 6 percent (1990-2007) in the last five years as shown in Figure 2.

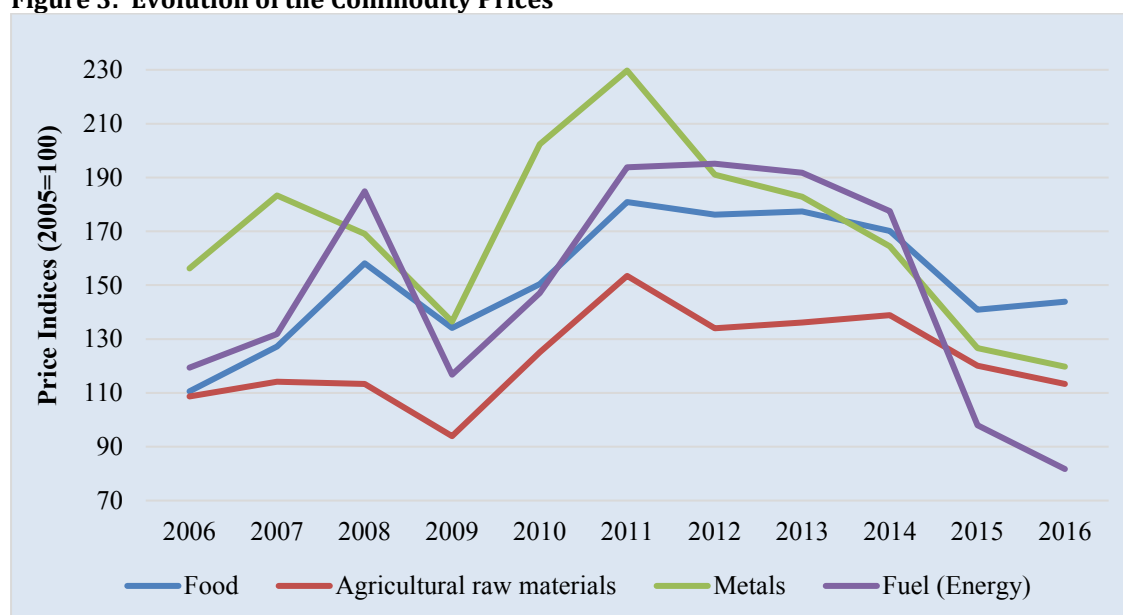
Figure 2: World Export Volume



Source: WTO

The decline in the dollar value of world trade despite the slow growth in volume terms was mostly due to the falling commodity prices and the depreciation of currencies against the US dollar in 2016¹. Commodity prices which have been on a declining trend since 2012 fell by 10 per cent in 2016. Fuels continued to decline by 16.6 per cent in 2016 following the collapse (44.8 per cent) in 2015. While metals prices and agricultural raw materials fell by 5.4 per cent and 5.7 per cent respectively in 2016, food prices increased by 2.1 per cent year on year.

Figure 3: Evolution of the Commodity Prices



Both cyclical and structural factors accounted for the weak performance of world trade in 2016 including ongoing weakness in global economy, falling oil and other commodity prices, and China's rebalancing of demand composition. Import demand of both developed and developing countries slowed in 2016, but it was the stagnation in developing countries imports demand which accounted mainly for the weakness in world trade in 2016. Developed economies imports grew by 2 per cent in 2016 down from 4.7 per cent in 2015 whereas developing economies import demand further weakened to 0.2 per cent in 2016 down from 0.5 per cent in 2015. Structural factors are estimated to have larger effect on recent slowdown in world trade. Among the structural changes that contributed to global trade weakness are changes in the composition of economic activity away from import-intensive investment, the maturation of global value chains and slower pace of trade liberalization. China's slower growth compared to previous decade and shift away from investment and manufacturing to consumption and services resulted in a lower import demand especially for minerals and metals. Moreover, investment spending in the United States also declined in 2016. The decline in the import content of investment in China and the US in turn led to lower import demand.²

¹ WTO 2017

² WTO World Trade Statistical Review 2017

Table 1: Trade Volume and GDP, Annual % change

	2014	2015	2016
Volume of world merchandise trade	2.7	2.6	1.3
Exports			
Developed Economies	2.4	2.7	1.4
Developing Economies	3.0	2.0	1.3
North America	4.2	0.7	0.5
Europe	2.0	3.6	1.4
Asia	4.3	1.1	1.8
Imports			
Developed Economies	3.6	4.7	2.0
Developing Economies	1.7	0.5	0.2
North America	4.8	6.7	0.4
Europe	3.2	4.3	3.1
Asia	3.0	2.9	2.0
World output (real GDP at market exchange rates, 2005)			
Developed Economies	1.7	2.2	1.6
Developing Economies	4.2	3.5	3.5
North America	2.4	2.5	1.6
Europe	1.6	2.2	1.9
Asia	4.0	4.2	4.1

Source: WTO

Among the structural factors the slowing pace of global value chains was found to be an important determinant of the trade slowdown rather than increasing protection or the changing composition of trade and GDP³.

IMF⁴ discusses also in detail structural factors that might have affected the world trade. It points to a structural shift in the relation between the growth of world GDP and world trade as observed in the income elasticity of trade (the ratio of trade growth to GDP growth). While the income elasticity of world trade was 2.0 (i.e. the volume of world merchandise trade has tended to grow 2 times faster than world output) for the period 1986 to 2000, it declined to 1.3 for the period 2001 to 2014. This means world trade became less responsive to GDP growth. The decrease in income elasticity of trade is explained partly by the slowing pace of fragmentation of production into global value chains. According to WTO⁵ income elasticity of world trade fell below to 1 (0.6) in 2016 for the first time since 2001⁶. This weakening relationship between global trade and global economic output resulted in lower trade levels in 2016 compared to pre-crisis years.

³ For a more detailed discussion see Constantinescu, Cristina; Mattoo, Aaditya; Ruta, Michele. 2016. The Global Trade Slowdown: Cyclical or Structural? 2016. Washington, D.C.: IMF Working Paper. <https://www.imf.org/en/Publications/WP/Issues/2016/12/31/The-Global-Trade-Slowdown-Cyclical-or-Structural-42609>

⁴ IMF WEO 2015 Chapter 1.

⁵ WTO 2017 press release

⁶ WTO 2017, World Trade Statistical Review

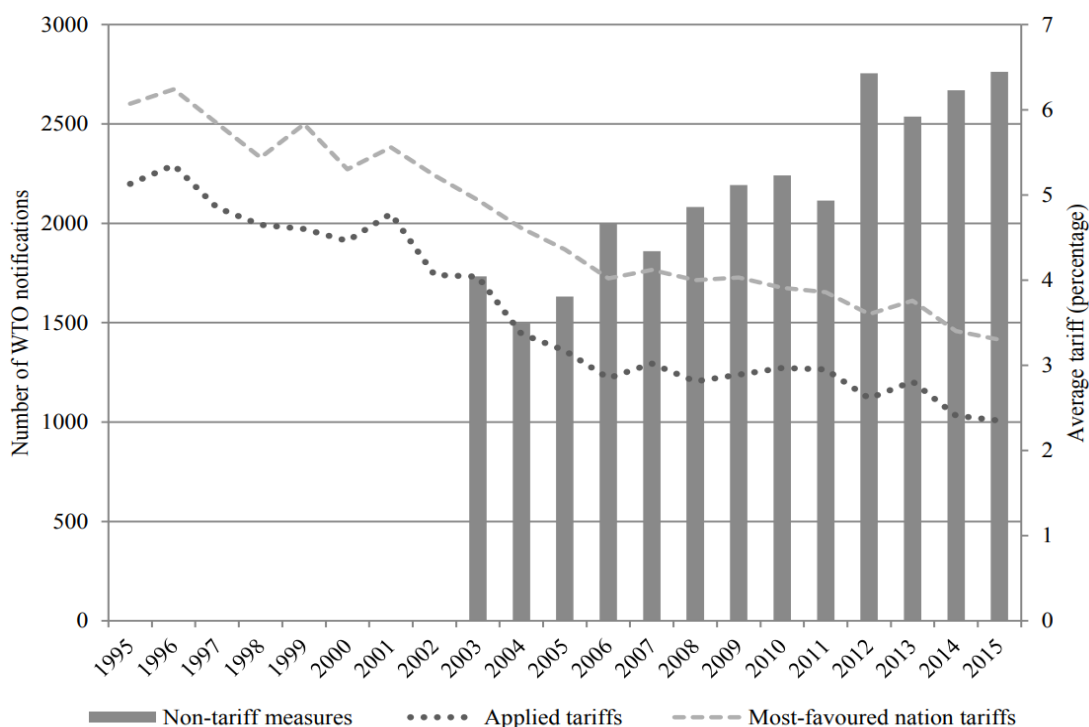
1.2. RECENT TRENDS IN WORLD TRADE

“Global trading environment has changed

World trade witnessed rapid growth rates prior to the global crisis. The upward trend in the world merchandise trade in this period was characterized by four main patterns⁷ which were the changes in the composition of trade towards commodities mainly due to surging commodity prices, increasing participation in global value chains, rising share of the developing countries and the proliferation of regional trade agreements. However there have been some emerging patterns shaping the global trading environment recently.

Slower pace of trade liberalization and increased protectionist measures were considered among factors affecting the weak performance of world trade. The Figure below which is taken from UNCTAD (2017) illustrates that while tariffs have declined considerably in the 2000s, little progress was achieved in terms of further declines in tariffs since the global crisis. Furthermore the number of non-tariff measures continue to rise especially in the aftermath of the crisis.

Figure 4: Tariffs and Non-tariff Measures



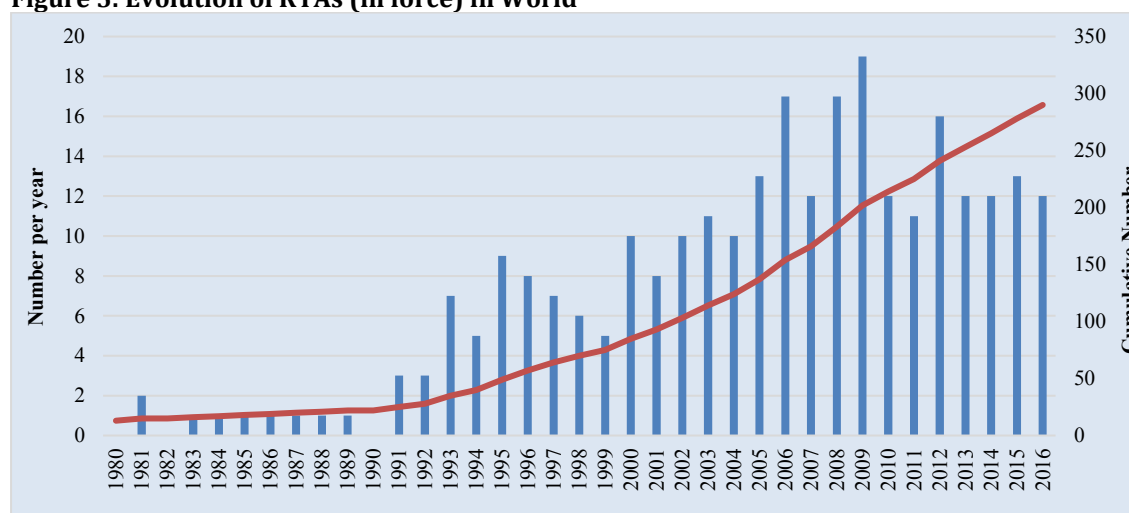
Source: Reprinted from “Evolution of the International Trading System and Its Trends from a Development Perspective” UNCTAD, Trade and Development Board, TD/B/64/5, Sixty-fourth session, 3 July 2017. Retrieved from http://unctad.org/meetings/en/SessionalDocuments/tdb64d5_en.pdf.

Second major pattern is the continuation of the proliferation of Regional Trade Agreements (RTAs). While the World Trade Organization (WTO) expanded, reaching 164 Members by July

⁷ For detailed information please visit COMCEC Trade Outlook, 2016.

2016, all members participate to the existing RTAs or initiate new ones. The European Union, The European Free Trade Association (EFTA), The North American Free Trade Agreement (NAFTA), The Southern Common Market (MERCOSUR), The Association of Southeast Asian Nations (ASEAN) Free Trade Area (AFTA), and the Common Market of Eastern and Southern Africa (COMESA) are among the best known RTAs. WTO notes that most of both the existing RTAs in force and the new negotiations are bilateral. However there is a new trend for plurilateral RTAs involving several WTO members. Among these are the Asia-Pacific Region for a Trans-Pacific Partnership (TPP) Agreement, the Pacific Alliance in Latin America and the Tripartite Agreement between parties to COMESA, EAC and SADC in Africa⁸. As of July 2017, the number of RTAs in force reached 293. Figure 5 shows the increasing number of RTAs since 1980.

Figure 5: Evolution of RTAs (in force) in World



Source: WTO database

Box 1: Regional Trade Agreements

Table-A below could be used to evaluate whether the steady increase in the number of regional agreements in recent years affected the trade between member countries. As may be observed from the table, the EU has the largest intra-trade shares, with intra-export and intra-import shares were 64 per cent and 60 per cent respectively. For NAFTA, intra-export was 50 per cent while intra-imports was 33 percent. However in ASEAN, most of the trade (77 per cent) was with the countries out of the agreement. On the other hand, when some RTAs in the OIC region evaluated; intra-export shares in total trade remained small for GCC, ECO, ECOWAS and WAEMU ranging between 8 to 14 per cent.

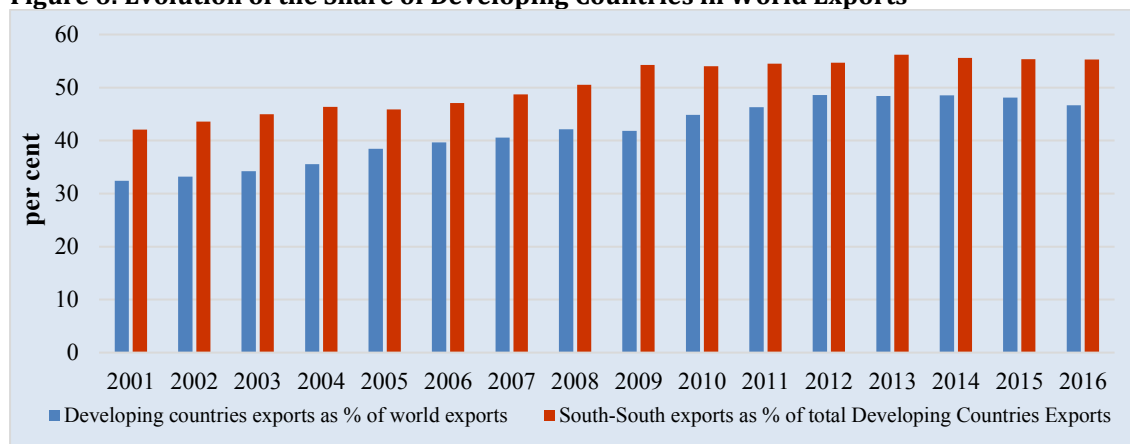
⁸ https://www.wto.org/english/tratop_e/region_e/regfac_e.htm

	World (billion dollars)		Intra-PTA share in total (%)		Extra-PTA share in total (%)	
	Export	Import	Export	Import	Export	Import
ASEAN (Association of South-East Asian Nations)	1,138	1,077	24.0	22.6	76.0	77.4
CEMAC (Economic and Monetary Community of Central Africa)	18	19	2.9	3.9	97.1	96.1
Commonwealth of Independent States (CIS)	419	316	16.5	21.0	83.5	79.0
Common Market for Eastern and Southern Africa (COMESA)	69	146	9.9	5.6	90.1	94.4
EAC (East African Community)	14	32	21.7	7.1	78.3	92.9
Economic Co-operation Organization (ECO)	300	359	10.5	7.7	89.5	92.3
Economic Community of West African States (ECOWAS)	73	87	11.7	10.0	88.3	90.0
European Free Trade Association (EFTA)	398	347	0.5	0.6	99.5	99.4
European Union (28)	5,358	5,220	63.7	59.7	36.3	40.3
Gulf Cooperation Council (GCC)	579	451	10.5	9.7	89.5	90.3
Southern Common Market (ME RCOSUR)	283	224	14.0	15.2	86.0	84.8
North American Free Trade Agreement (NAFTA)	2,216	3,040	50.2	33.2	49.8	66.8
SAARC (South Asian Association for Regional Cooperation)	327	487	7.0	5.4	93.0	94.6
WAEMU (West African Economic and Monetary Union)	24	28	13.5	8.1	86.5	91.9

Source: UNCTADSTAT

The rising share of developing economies in world trade was the third dominant pattern in the world trade. The share of developing countries in global exports increased from 32.7 percent in 2001 to 46.5 percent in 2016. The rising share of developing countries in world trade was driven by the rapid growth in South-South trade (trade between the developing countries) and especially by the exports of Brazil, Russia, India and China. The high growth of Developing countries trade is considered as a major driver of the global trade growth in the past decade and a major factor contributing to recovery from the global crisis. However, since 2013 growth in developing countries share in world exports has slowed down.

Figure 6: Evolution of the Share of Developing Countries in World Exports



Source: ITC Trademap

Increasing participation to the global value chains (GVCs) in particular of the developing countries was a key factor driving the dramatic increase in developing countries trade and in turn the world trade in the period prior to the global crisis. However, a recent trend has been the slowing pace of global value chains, which have negative impacts on world trade growth. The shift to domestic production of intermediate inputs by China, Japan and US firms contributed to the slowdown in GVCs.

2. TRADE BETWEEN OIC AND THE WORLD

“Total OIC exports continued to fall in 2016, 38 per cent down from their 2012 peaks ”

Total OIC exports have been on a downward trend over the last four years. Thus, the total OIC exports continued to fall by 9.2 per cent in 2016, albeit at a smaller pace when compared to the fall in 2015 (27.7 per cent). Thus total OIC exports which hovered around 2.2 to 2.1 trillion dollars between 2012 to 2014 period fell to 1.4 trillion dollars in 2016. On the other

hand total OIC imports which continued to increase modestly over the 2012 and 2014 period, fell by 6.6 per cent in a second consecutive year in 2016 to USD 1.6 trillion. Thus total OIC trade fell by 7.8 per cent to 3.0 trillion dollars in 2016 down from 3.2 trillion dollars in 2015.

Figure 7: Total OIC Exports and Imports



Source: IMF Direction of Trade Statistics

Several factors accounted for the decline in total OIC exports in 2016 including the weak world demand growth, fall in commodity prices in particular downward trend in oil prices, US dollars appreciation and ongoing political transition in many countries in Middle East.

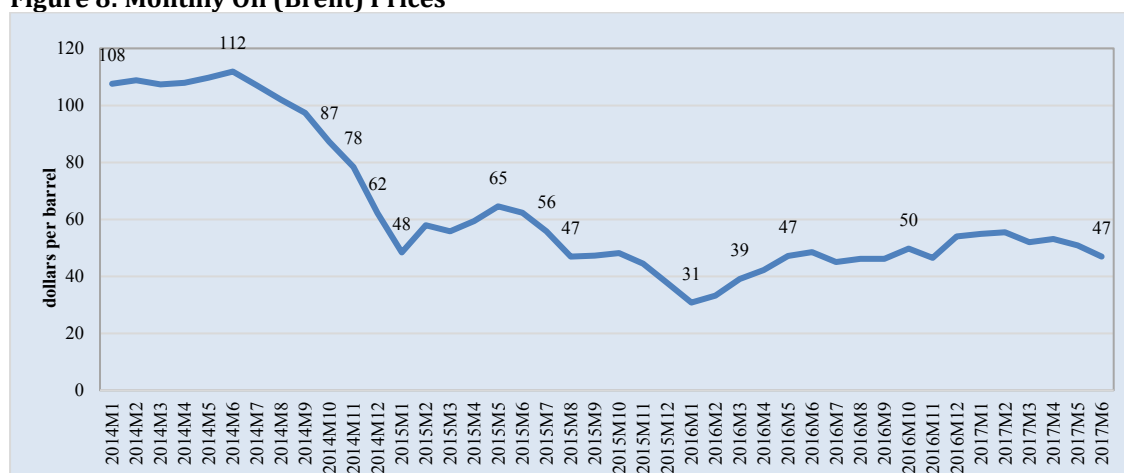
On the other hand, import demand of especially oil exporters of OIC declined mainly due to the negative impacts of low oil prices on economic activity. The fall in the imports of Saudi Arabia alone accounted for 30.3 per cent of the decline in total OIC imports in 2016.

Growth performance and rebalancing of Chinese economy away from manufacturing and investment to services and consumption being the main export market for OIC countries is particularly important as further slowdown in Chinese growth might have negative implications on OIC exports. Chinese economy maintained a remarkable growth by growing 10.3 per cent annually between 2000 and 2011 which led the surge in commodity prices in 2000s. However the pace of growth has slowed down since 2012 averaging to 7.3 per cent in this period. It is estimated to be slowing further in the coming years⁹. This could have negative spillovers on OIC exports via downward pressure on commodity prices and lower import demand.

⁹ IMF WEO Database. <http://data.imf.org/?sk=388DFA60-1D26-4ADE-B505-A05A558D9A42&slId=1479329328660>

Commodity prices, in particular fuels, declined sharply starting from June 2014. Oil prices (Brent) declined by almost 50 percent from 98.9 dollar per barrel in 2014 to 52.4 dollar per barrel 2015 mainly due to the shale oil production in US and oversupply in global oil markets. Although oil prices bottomed out 30 dollars per barrel in January 2016, they recovered partially in the second half of the year and ended the year 54 dollars per barrel owing to the agreement by the Organization of the Petroleum Exporting Countries (OPEC) and other producers to cut oil production and expectations for stronger future global demand.¹⁰ Oil prices averaged 44 dollars per barrel in 2016 down from 52.4 dollars per barrel in 2015.

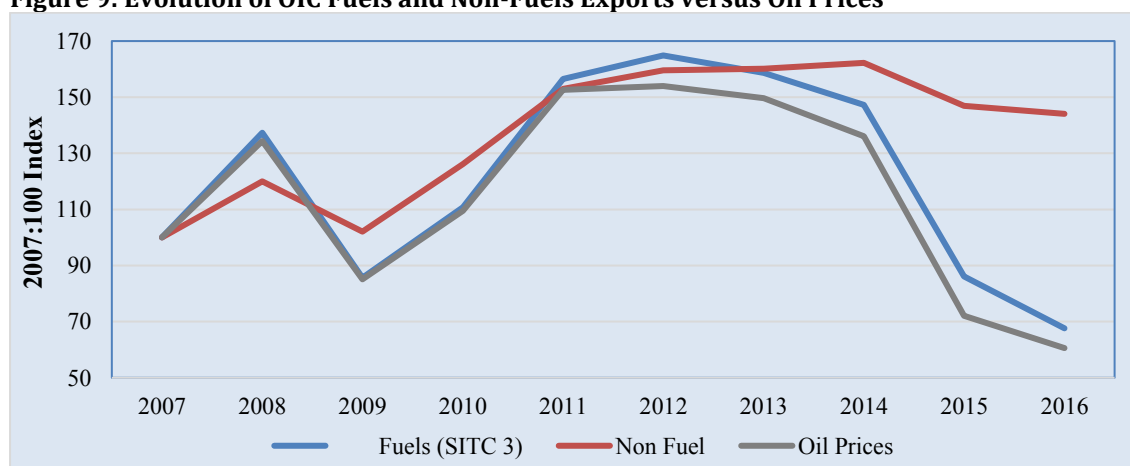
Figure 8: Monthly Oil (Brent) Prices



Source: IMF Commodity Prices database

Figure 9 shows the evolution of total OIC fuels and non-fuels exports versus oil price developments. Fuels exports are highly volatile depending on the oil price movements. As a result, OIC fuels exports have been contracted severely over the last three years. OIC non fuels exports have been weak in the same period however the magnitude of fall being quite smaller.

Figure 9: Evolution of OIC Fuels and Non-Fuels Exports versus Oil Prices

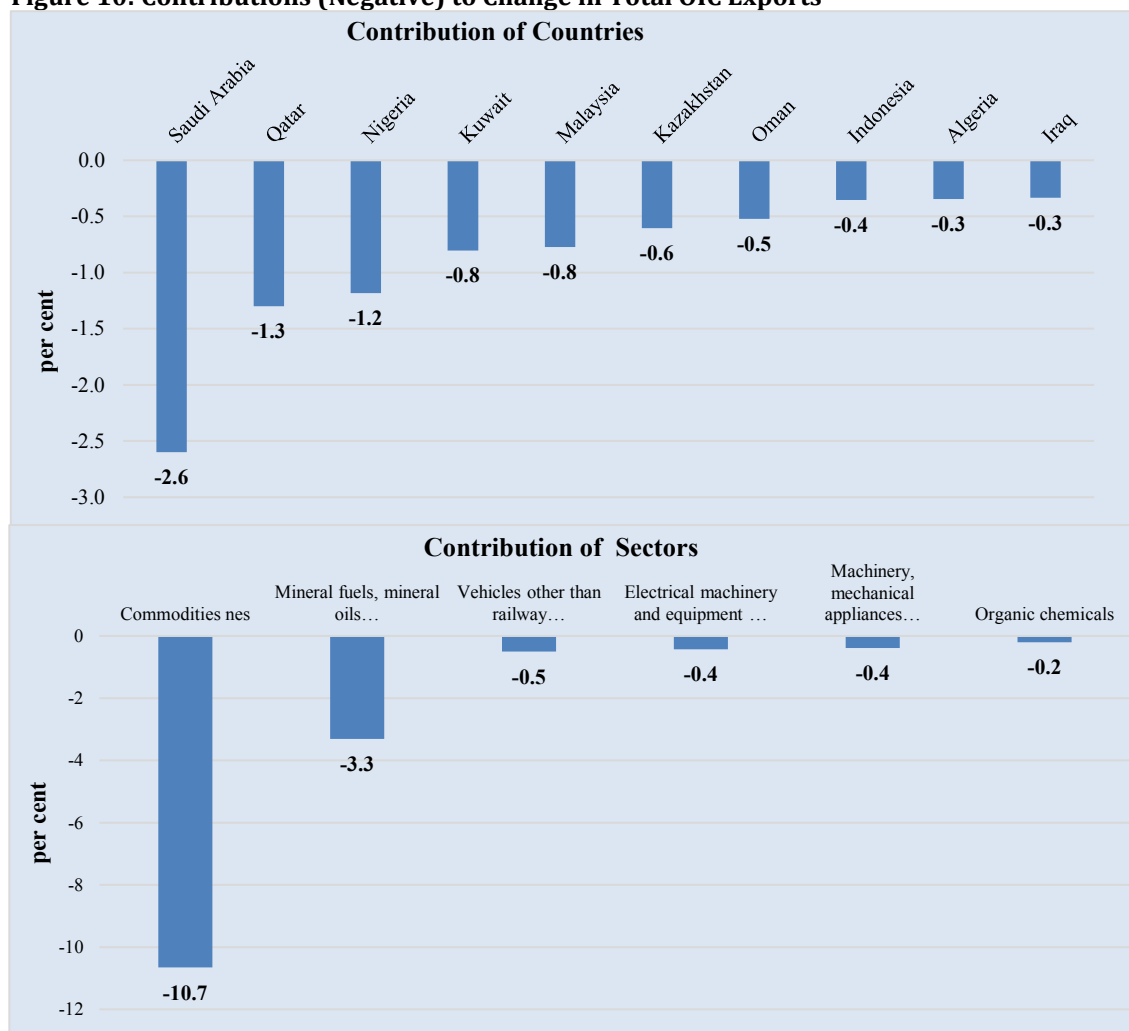


Source: UNCTAD STAT database

¹⁰ IMF, World Economic Outlook, April 2017: Gaining Momentum?

Figure 10 below shows on the left hand side the OIC countries having the largest negative impact on the percentage fall in the total OIC exports in 2016 in descending order. The fall in exports of Saudi Arabia accounts for the 28 per cent of the fall in total OIC exports. On the right hand side of the Figure sectors having the largest negative impact on the fall in total OIC exports takes place. Accordingly while commodities nes¹¹ was responsible for the 63 per cent, mineral fuels and oils were accounted for 19.6 per cent of the decline in total OIC exports.

Figure 10: Contributions (Negative) to Change in Total OIC Exports



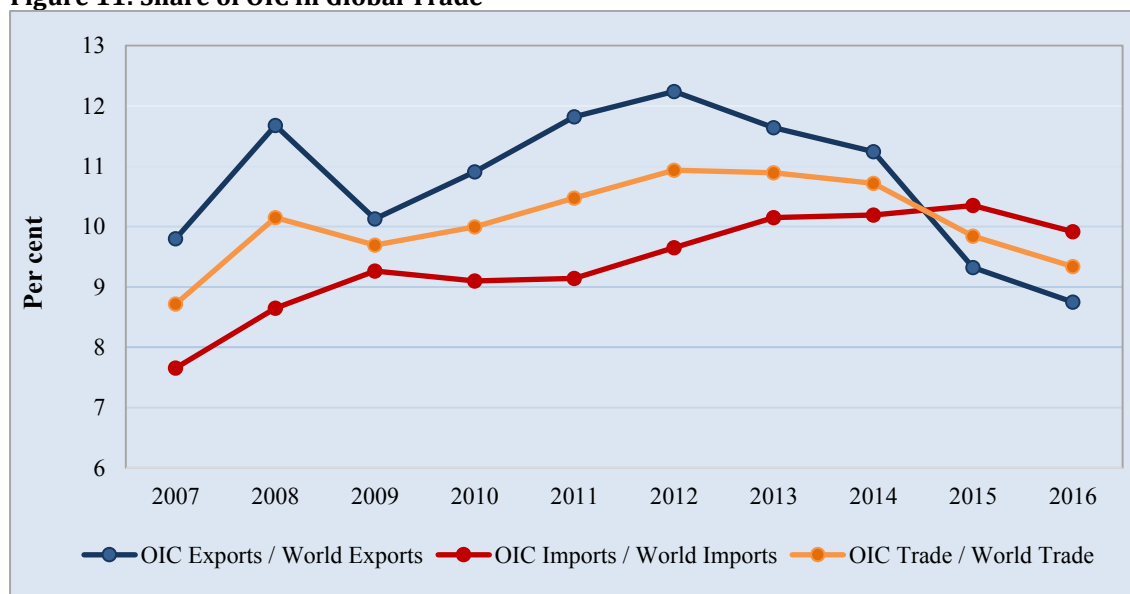
Source: ITC Trademap

¹¹ Commodities and transactions not classified elsewhere in the SITC includes 91 - Postal packages not classified according to kind 93 - Special transactions and commodities not classified according to kind 96 - Coin (other than gold coin), not being legal tender 97 - Gold, non-monetary (excluding gold ores and concentrates)

“OIC countries’ share in global trade receded to 9.3 per cent in 2016”

Although the share of OIC countries in world exports peaked at 12.2 per cent in 2012, it has been declining since then. Along with the decline in OIC’s share in world imports the share of OIC countries in global trade further declined to 9.3 per cent in 2016 down from 9.8 per cent in 2015.

Figure 11: Share of OIC in Global Trade

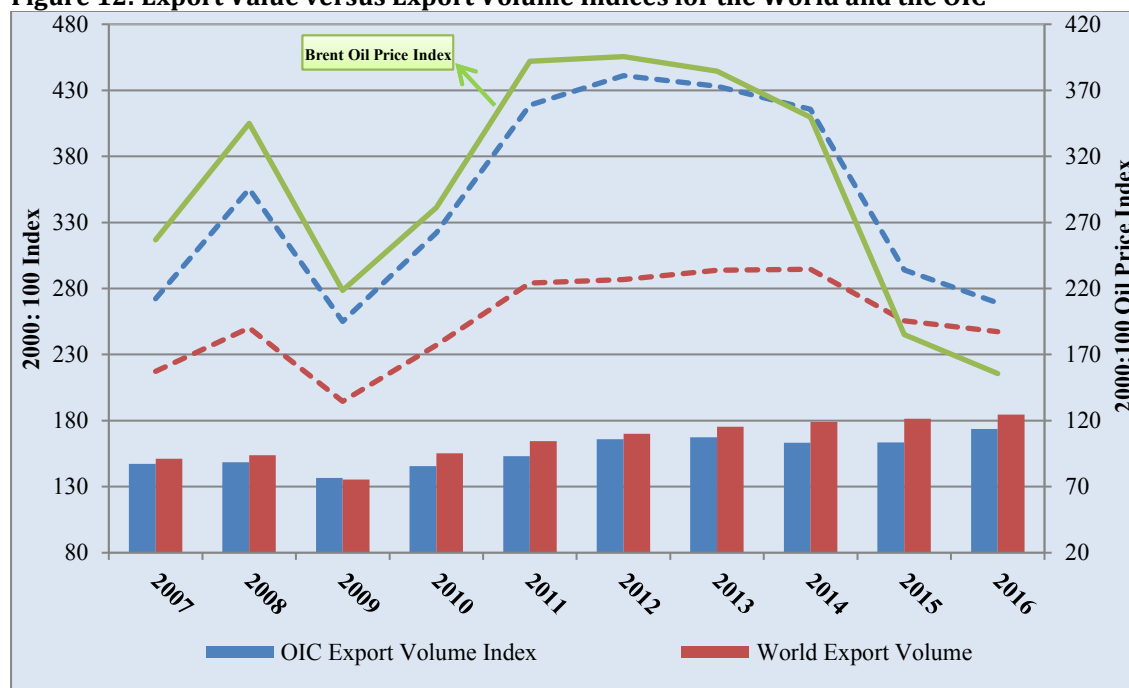


Source: IMF Direction of Trade Statistics

“Due to increased supply in oil, OIC export volume increased despite fall in export values in 2016”

Figure 12 below demonstrates evolution of the value versus volume (i.e. eliminating the effects of prices and exchange rates) developments in total OIC and world exports. In value terms (i.e. in US dollars), OIC exports yielded higher growth rates than that of world exports which was more prominent during the oil price boom period between 2003 and 2012. Total OIC exports

moves closely with oil prices owing to heavy dominance of oil in OIC exports. As a result OIC exports have been on a declining trend mainly due to the recent slump in oil prices. On the other hand thanks to the increased supply especially in fuels, the total OIC exports in volume terms (i.e. eliminating the effects of prices and exchange rates) increased by 6.2 per cent in 2016.

Figure 12: Export Value versus Export Volume Indices for the World and the OIC

Source: IMF, UNCTADSTAT

Table 2 illustrates that Saudi Arabia, Iran, Iraq and Kuwait were among the major oil exporting OIC countries that increased their oil production in 2016 compared to the previous year.

Table 2: Oil Production thousand barrels daily

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Growth Rate Annual (%) 2016	Share (%) 2016
Saudi Arabia	10268	10663	9663	10075	11144	11635	11393	11505	11986	12349	3.0	13.4
Iran	4359	4421	4292	4417	4465	3819	3615	3725	3897	4600	18.0	5.0
Iraq	2143	2428	2452	2490	2801	3116	3141	3285	4031	4465	10.8	4.8
UAE	3002	3027	2725	2895	3320	3401	3627	3674	3928	4073	3.7	4.4
Kuwait	2660	2784	2498	2560	2913	3169	3129	3101	3068	3151	2.7	3.4
Nigeria	2314	2109	2185	2471	2408	2370	2270	2347	2329	2053	-11.9	2.2
Qatar	1267	1438	1421	1638	1834	1931	1906	1886	1890	1899	0.5	2.1
Kazakhstan	1415	1485	1609	1676	1684	1664	1737	1710	1695	1672	-1.4	1.8
Algeria	1992	1969	1775	1689	1642	1537	1485	1589	1558	1579	1.4	1.7
Oman	710	757	813	865	885	918	942	943	981	1004	2.4	1.1
Indonesia	972	1006	994	1003	952	918	882	852	841	881	4.8	1.0
Azerbaijan	856	895	1014	1023	919	872	877	849	840	826	-1.6	0.9
Total World	82334	82894	81222	83251	84026	86183	86606	88826	91704	92150	0.5	100.0
of which: OPEC	35269	36303	33997	35086	35988	37480	36561	36573	38133	39358	3.2	42.7
Non-OPEC	47065	46591	47225	48166	48038	48703	50045	52254	53572	52792	-1.5	57.3
memo item:												
US	6860	6784	7263	7549	7862	8894	10073	11779	12757	12354	-3.2	13.4
Canada	3290	3207	3202	3332	3515	3740	4000	4271	4389	4460	1.6	4.8
Russian Federation	10044	9951	10140	10367	10519	10642	10780	10838	10981	11227	2.2	12.2

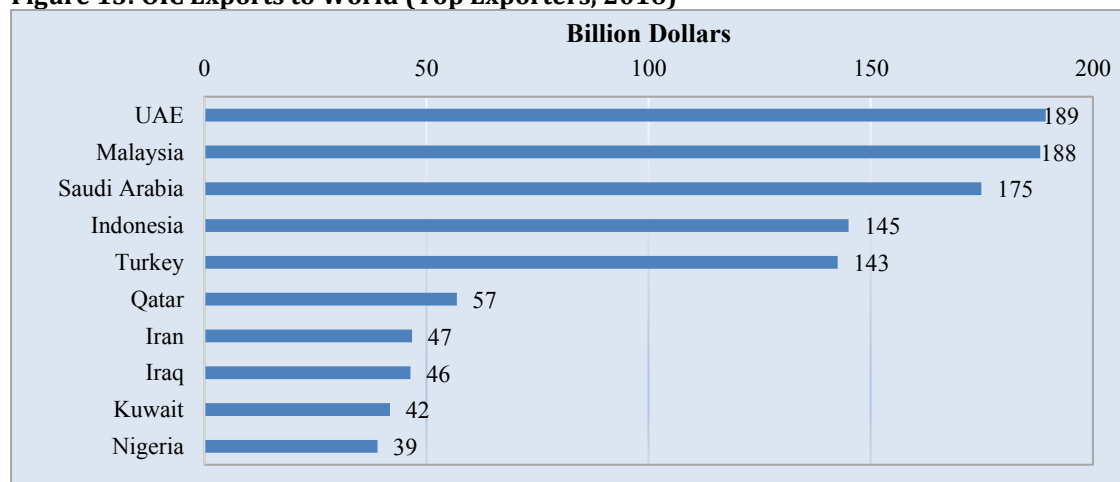
Source: Reproduced from BP Statistical Review of World Energy 2017 Note: Oil production includes crude oil, shale oil, oil sands and natural gas liquids

<http://www.bp.com/en/global/corporate/energy-economics/statistical-review-of-world-energy/downloads.html>

2.1. MAIN CHARACTERISTICS OF TOTAL OIC EXPORTS

The top performers in total OIC exports were United Arab Emirates, Malaysia, Saudi Arabia, Indonesia and Turkey together accounting for 61 per cent of total OIC exports.

Figure 13: OIC Exports to World (Top Exporters, 2016)



Source: IMF Direction of Trade Statistics

“The country concentration of total OIC exports is high”

The OIC export markets are highly concentrated (Table 3). Although the share of China is declining in extra-OIC exports in recent years, China is the top export destination with 10.3 per cent of extra-OIC exports destined to China in 2016. Apart from China OIC exports are mainly shipped to developed countries in recent years. The top ten countries accounts for 52.3 per cent of extra-OIC exports. This points to a high country concentration in total OIC exports which makes OIC countries vulnerable to external shocks that might result from decreasing demand in these countries and/or falling commodity prices.

Table 3: Major Destinations of Total Extra-OIC Exports

Countries	(Billion Dollars)			Share %		
	2014	2015	2016	2014	2015	2016
China	234.0	161.0	140.3	11.1	10.6	10.3
India	175.9	119.2	104.7	8.3	7.9	7.7
United States	143.9	98.0	97.3	6.8	6.5	7.1
Japan	202.6	120.2	92.0	9.6	7.9	6.7
Korea	133.4	79.2	62.9	6.3	5.2	4.6
Singapore	96.0	66.2	61.5	4.6	4.4	4.5
Italy	71.4	49.1	46.5	3.4	3.2	3.4
France	57.4	41.8	38.1	2.7	2.8	2.8
Germany	42.9	36.0	35.5	2.0	2.4	2.6
Netherlands	55.4	39.6	33.6	2.6	2.6	2.5
European Union	395.5	301.0	278.0	18.8	19.9	20.4
Total of Top Ten Countries	1212.9	810.3	712.5	57.5	53.6	52.3

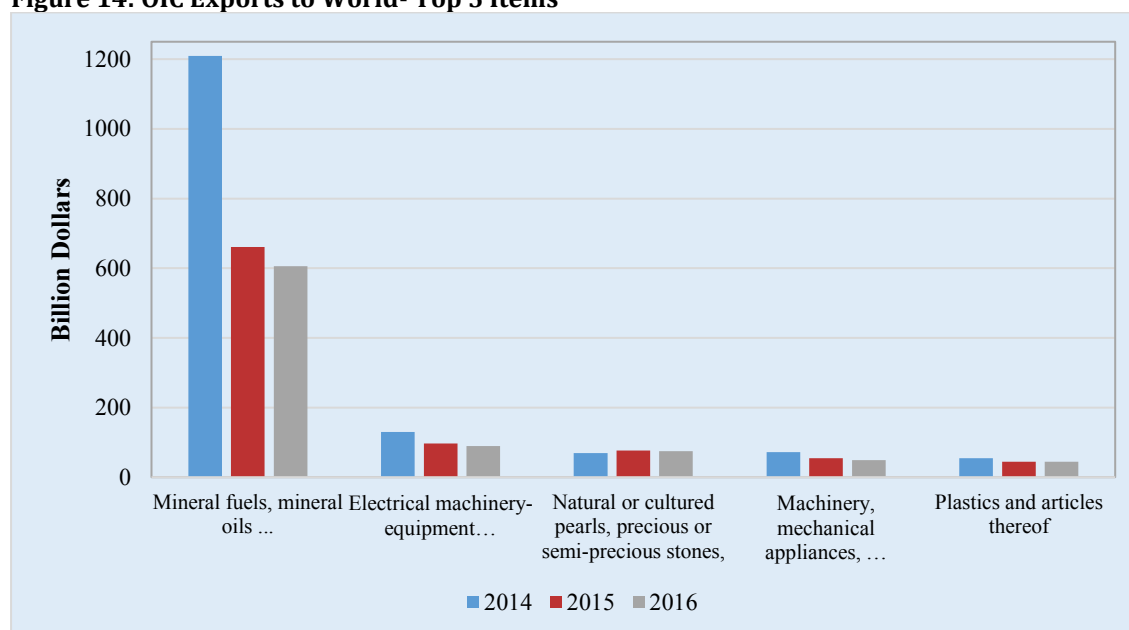
Source: IMF Direction of Trade Statistics

“OIC exports are dominated by mineral fuels and oils”

This is followed by electrical machinery and equipment, pearls, precious stones, machinery, mechanical appliances and plastics and articles thereof. These five sectors as a whole account for 63 per cent of total OIC exports. (Figure 14)

Total OIC exports are highly concentrated. The share of mineral fuels, oils and distillation products in total OIC exports was down by 13 percentage points between 2012 and 2016 due to falling oil prices. However mineral fuels, oils has still the highest share with 43.9 percent in 2016.

Figure 14: OIC Exports to World- Top 5 Items



Source: ITC Trade map

The resilience of a country against external economic shocks varies depending on among others the degree of export diversification. One common measure of concentration is Herfindahl-Hirschmann Index (HHI)¹² which can take values between 0 and 1 where being close to 0 indicates well diversified exports while a higher value indicates greater concentration of exports on a few commodities. Figure 15 illustrates the evolution of product diversification in the OIC compared to world and developed and developing countries for the period 2007-2015 measured by HHI. Developed countries export product diversification has not changed much as these countries have more stable and mature export structures¹³. This measure shows a little tendency towards increasing product diversification in the OIC countries whereas developing countries achieved a more diversified exports structure in the same period. Moreover, the product concentration in the OIC countries exports are well above than those of world and developed countries. OIC has a HHI of 0.25 whereas developed and developing countries have HHI of 0.07 and 0.09 respectively in 2015.

¹² The Herfindahl-Hirschmann Index (HHI) is calculated by taking the square of export shares of all export categories in the market: This index gives greater weight to the larger export categories and reaches a value of unity when the country exports only one commodity. <http://unctadstat.unctad.org/wds/TableViewer/tableView.aspx?ReportId=120>

¹³ WTO World Tariff Profiles, 2017

Figure 15: Evolution of Herfindahl-Hirschmann Index (Product HHI)

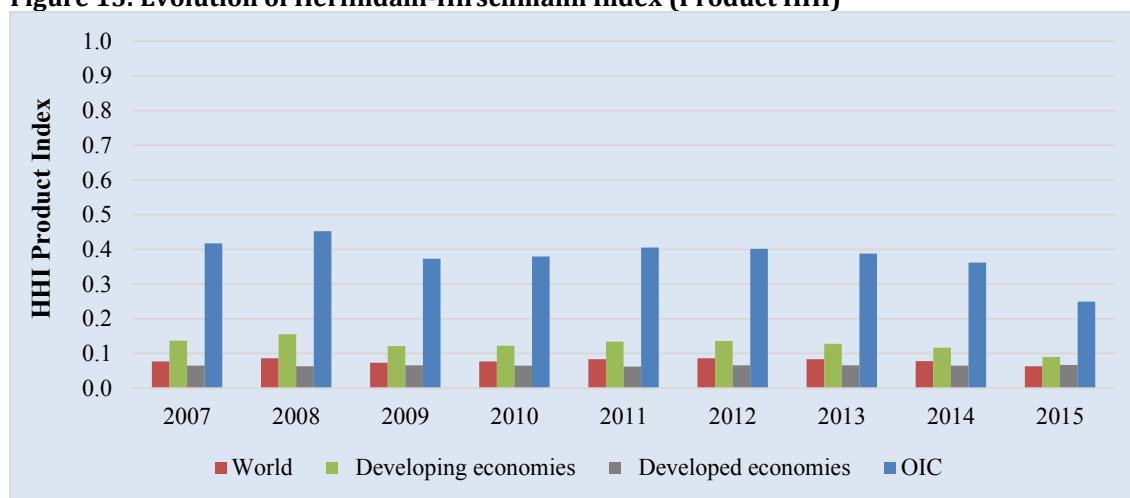
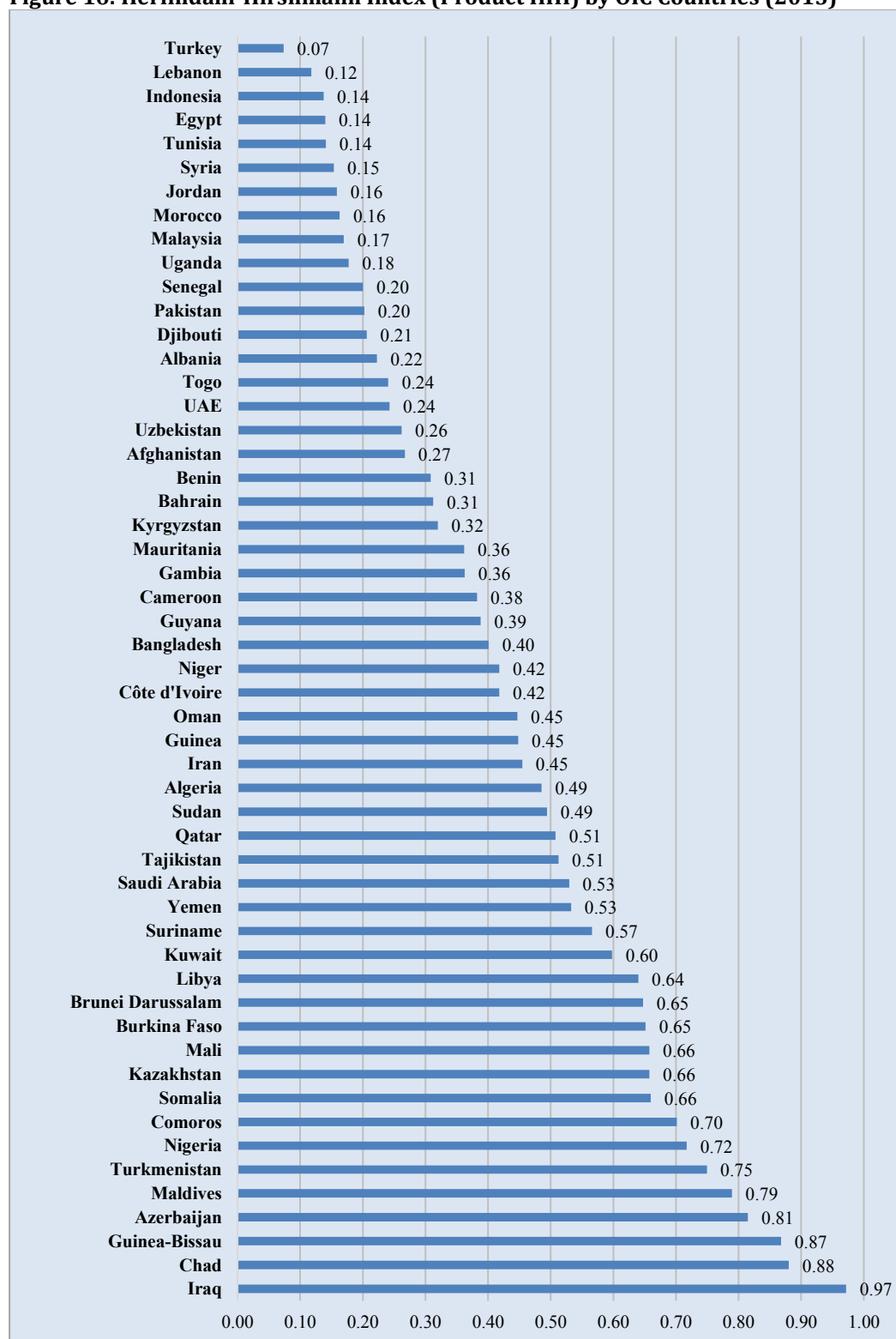


Figure 16 illustrates product diversification of OIC countries' exports in 2015 measured by Herfindahl index. All OIC countries has a more concentrated export product structure compared to world averages. According to the Herfindahl index Turkey has the most diversified export product structure amongst the OIC countries with a HHI of 0.07 followed by other manufactures exporters of OIC as Lebanon, Indonesia, Egypt and Tunisia. On the other hand some major commodity exporters have a very concentrated export product structure such as Iraq (0.97), Libya (0.64) Saudi Arabia (0.53) and Kuwait (0.60).

Figure 16: Herfindahl-Hirshmann Index (Product HHI) by OIC Countries (2015)

Source: UNCTADSTAT database

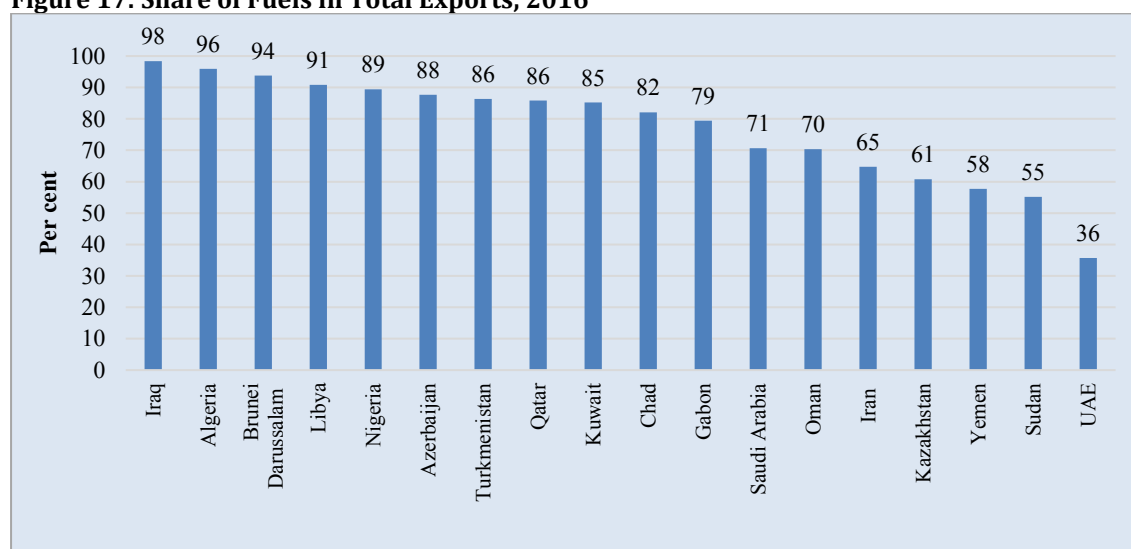
“Dependence on a single commodity is common among OIC members”

foreign demand and/or commodity price shocks or drought for agricultural commodity exporters. Recent oil price collapse and fall in other commodity prices underlies the importance of policies aiming to step up export diversification to enhance resilience to commodity price volatilities.

The commodity concentration could also be observed when countries looked into specifically. Due to their undiversified economic structure many OIC countries rely upon a few primary products for their exports or depend heavily on natural resources which might result in a severe export revenue loss in case of either

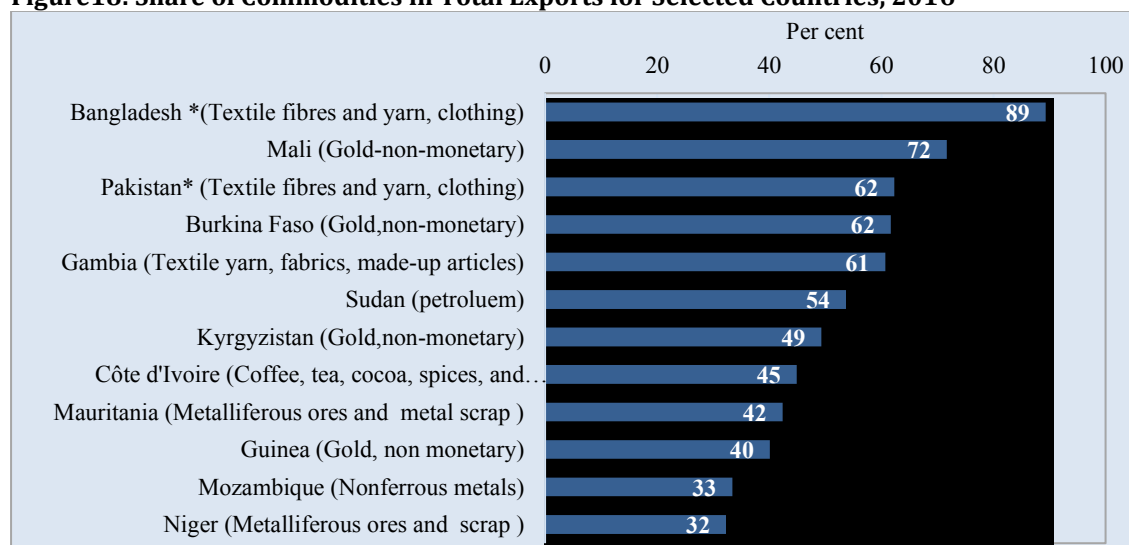
Figures 17 and 18 illustrate the share of the basic commodities in total exports of some member states. Fuels (SITC 3) was the main exported item in many members ranging between 36 to 98 per cent of total exports. On the other hand, the share of non-monetary gold reached more than half of total exports in Sudan, Mali and Burkina Faso. The share of textile related items in exports reached 88 per cent in Bangladesh, 61 per cent in Gambia and 58 per cent in Pakistan. Basic metals constituted a noticeable place in exports of some member states such as Guinea, Mauritania and Niger where the share of metalliferous ores and metal scrap constituted around half of exports.

Figure 17: Share of Fuels in Total Exports, 2016



Source: UNCTADSTAT

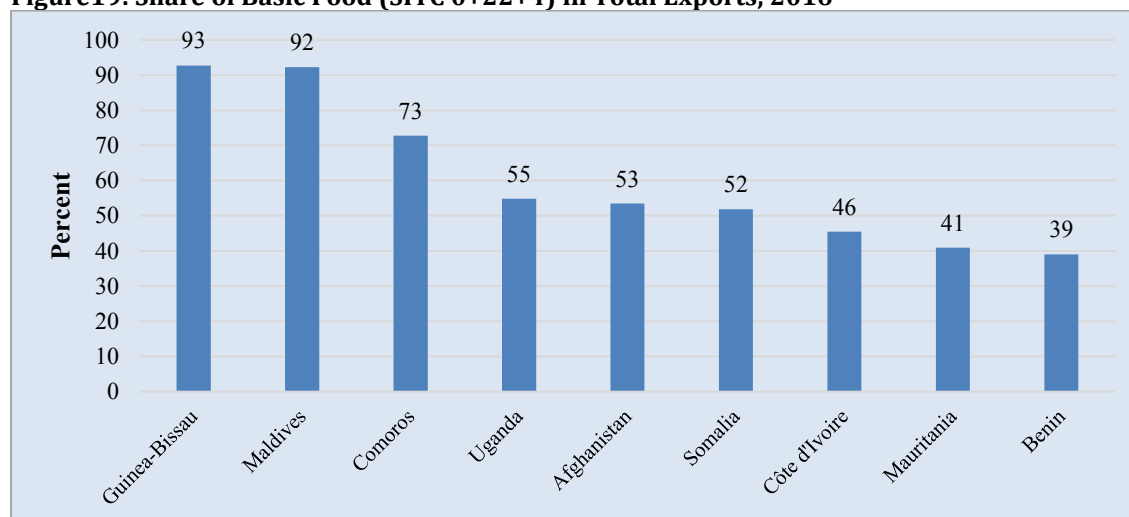
Note: Fuels includes Petroleum, petroleum products, natural gas, coke and electric current

Figure18: Share of Commodities in Total Exports for Selected Countries, 2016

Source: UN Comtrade <https://comtrade.un.org/db/mr/daReportersResults.aspx?bw=G>

Note: Latest available data were used. * Includes SITC Rev 3 sectors 65 and 84

As shown in Figure 19 the share of basic food items such as food and live animals, oil seeds and animal and vegetable oils constitutes as much as 52 to 93 per cent of exports in Guinea Bissau, Maldives, Comoros Uganda, Afghanistan and Somalia.

Figure19: Share of Basic Food (SITC 0+22+4) in Total Exports, 2016

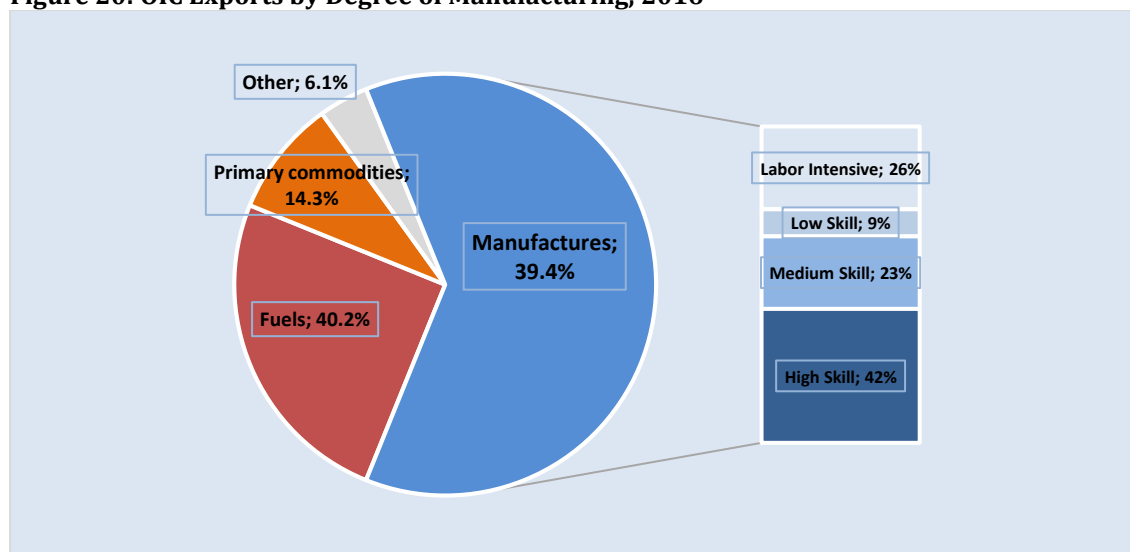
Source: UNCTADSTAT

Although the share of manufacturing in total OIC exports is 39.4 per cent in 2016, manufactured products constitute a considerable part of exports in some OIC countries such as Bangladesh, Pakistan, Turkey, Malaysia and Morocco where the share of manufactured goods exports in total exports ranges between 67 to 95 per cent (see Table 4).

Figure 20 illustrates the sectoral breakdown of OIC exports along with the breakdown of manufacturing exports by degree of manufacturing in 2016. Of the total OIC manufacturing

exports 42 per cent is high-skill and technology-intensive manufactures, 26 per cent is labor-intensive and resource-intensive manufactures, 23 per cent is medium-skill and technology-intensive manufactures and 9 per cent is low-skill and technology-intensive manufactures.

Figure 20: OIC Exports by Degree of Manufacturing, 2016



Source: UNCTADSTAT

“High technology manufactures account for 42 per cent of OIC manufactured goods exports”

exports in Bangladesh and Pakistan. The share of high-skill and technology-intensive manufactures in Saudi Arabia, Iran and Malaysia ranges between 66 to 86 per cent. When looked into detail of the manufacturing exports the share of chemical products is 83 per cent and 69 per cent in Saudi Arabia and Iran respectively whereas share of machinery and transport equipment is 63.5 per cent in Malaysia.

Table 4 provides the details of the largest manufactured goods exporters of OIC by degree of manufacturing in 2016. Malaysia, Turkey, United Arab Emirates and Indonesia as being the largest manufactured goods exporters realized as a whole 68 per cent of total OIC manufactured goods exports. Labor-intensive and resource-intensive manufactures make up 98 per cent of the manufactured exports in Bangladesh and 85 per cent in Pakistan. This is due to the high share of textile fibers, yarn, fabrics and clothing in total manufacturing

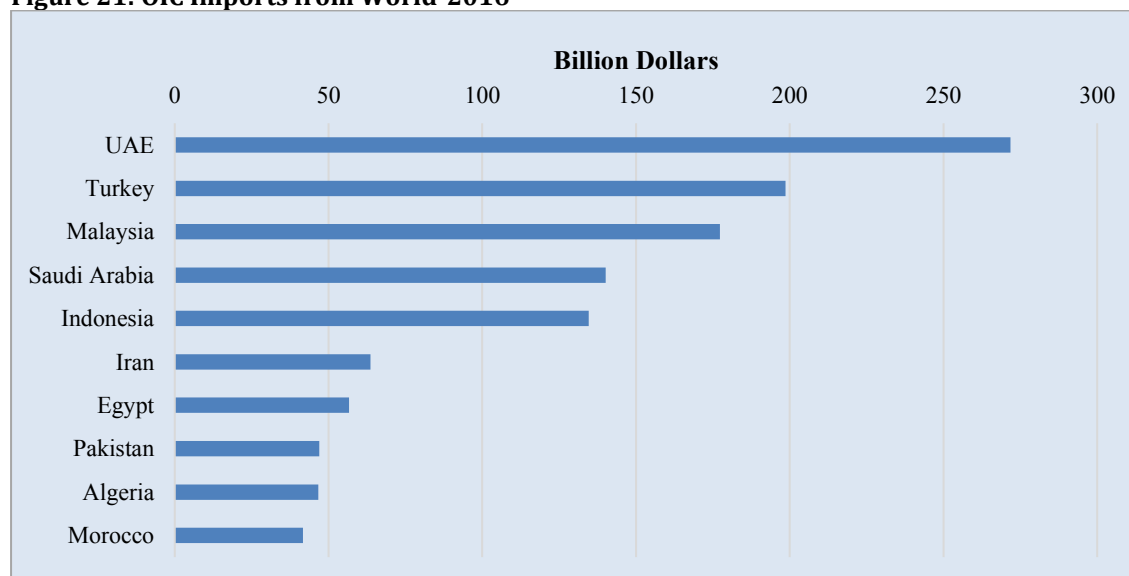
Table 4: Top Ten Manufactures Exporters by Degree of Manufacturing¹⁴, 2016 (per cent)

	Share of Manufacturing in Total OIC Manufacturing	Share of Manufacturing in Country's Total Exports	Manufactured goods by degree of manufacturing	Labour- intensive and resource- intensive manufactures	Low-skill and technology- intensive manufactures	Medium-skill and technology- intensive manufactures	High-skill and technology- intensive manufactures
Malaysia	21.9	68.0	100.0	10.2	4.4	19.8	65.6
Turkey	18.3	75.5	100.0	32.7	13.5	39.5	14.4
UAE	16.1	35.6	100.0	10.9	10.5	29.7	48.9
Indonesia	11.5	46.8	100.0	37.7	9.0	24.4	28.9
Saudi Arabia	7.5	25.3	100.0	4.4	4.9	5.2	85.5
Bangladesh	5.5	94.6	100.0	97.5	0.7	0.8	1.0
Pakistan	2.6	75.6	100.0	84.9	2.0	4.3	8.8
Morocco	2.6	66.5	100.0	30.6	1.7	36.4	31.3
Egypt	2.0	45.6	100.0	38.2	8.6	15.9	37.3
Iran	1.9	16.8	100.0	12.4	9.8	7.1	70.7

Source: UNCTADSTAT

2.2. MAIN CHARACTERISTICS OF TOTAL OIC IMPORTS

The leading five exporters in total OIC exports were at the same time the main importers.

Figure 21: OIC Imports from World-2016

Source: IMF Direction of Trade Statistics

As in the case with total extra-OIC exports, total extra-OIC imports originated mainly from developed countries except China. China was in the first place as 14.7 percent of extra-OIC

¹⁴ Classification of products by degree of manufacturing is available at UNCTADstat, <http://unctadstat.unctad.org/EN/Classifications.html>

imports made from this country in 2016. Top ten countries accounted for almost half of total extra-OIC imports in this year (Table 5).

Table 5: Major Countries of Origin of Total Extra-OIC Imports

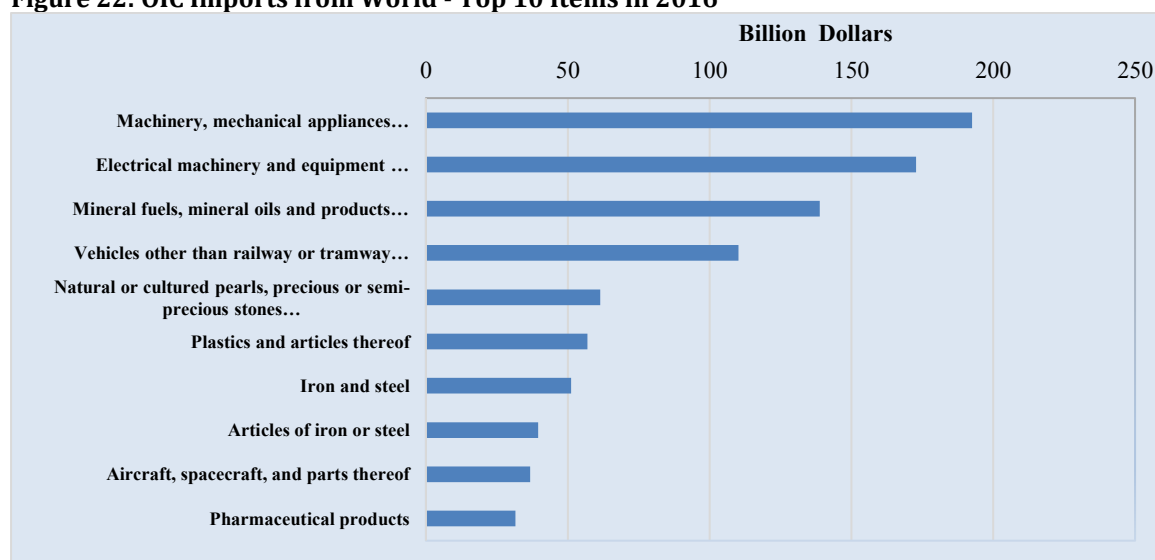
Countries	(Billion Dollars)			Share %		
	2014	2015	2016	2014	2015	2016
China	270.1	242.1	232.7	14.0	14.2	14.7
United States	128.2	112.5	105.8	6.7	6.6	6.7
Germany	96.5	86.8	79.5	5.0	5.1	5.0
Japan	83.0	69.9	63.9	4.3	4.1	4.0
India	74.6	63.5	61.0	3.9	3.7	3.8
France	59.2	50.8	50.1	3.1	3.0	3.2
Korea	71.6	58.1	48.9	3.7	3.4	3.1
Italy	58.5	51.2	47.0	3.0	3.0	3.0
Russian Federation	72.0	56.9	46.3	3.7	3.3	2.9
Singapore	63.4	48.9	40.9	3.3	2.9	2.6
European Union	423.5	370.1	348.3	22.0	21.8	22.0
Total of Top Ten Countries	977.2	840.8	776.3	50.8	49.4	48.9

Source: IMF Direction of Trade Statistics

"The total OIC imports is more diversified than the total OIC exports"

Total OIC imports is more diversified than the total OIC exports in that manufactured items such as machinery, nuclear reactors, boilers, electrical and electronic equipment, vehicles other than railway, tramway, and plastics also constitute an important part of total imports.

Figure 22: OIC Imports from World - Top 10 Items in 2016



Source: ITC Trade map

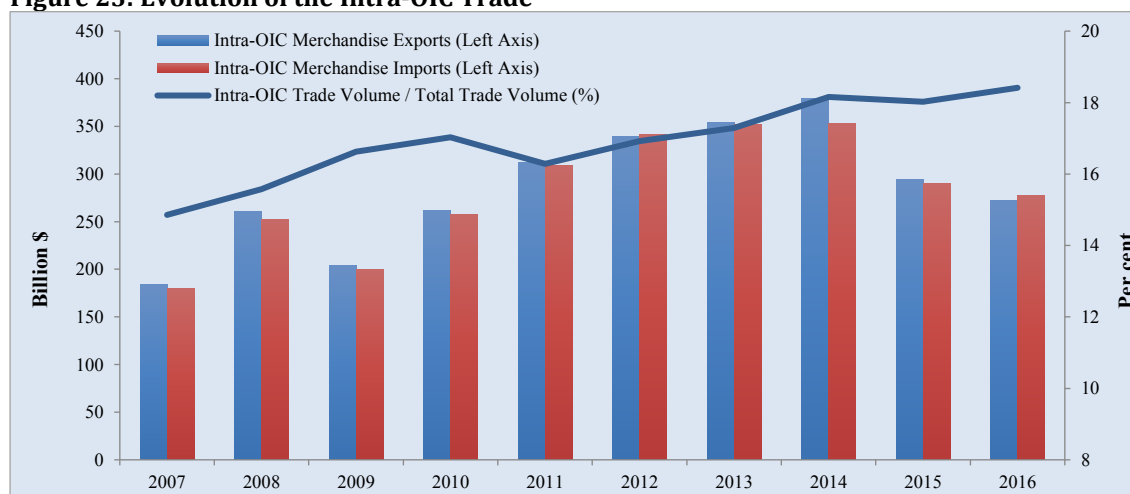
3. INTRA-OIC TRADE

“Share of Intra-OIC trade in total OIC trade peaked at 18.4 in 2016”

Although the intra-OIC trade (average of intra-OIC exports and intra-OIC imports) peaked at 366 billion dollars in 2014, it has been declining since then. Intra-OIC trade fell markedly by 20.2 per cent in 2015 and further declined by 5.8 per cent in 2016. Thus intra-OIC trade receded to 275 billion dollars in 2016 which was 91 billion dollars down from its peak levels.

The share of intra-OIC trade in total trade peaked at 18.4 per cent in 2016. Intra-OIC exports accounted for 19.7 percent of total OIC exports while intra OIC imports accounted for 17.3 percent of total OIC imports.

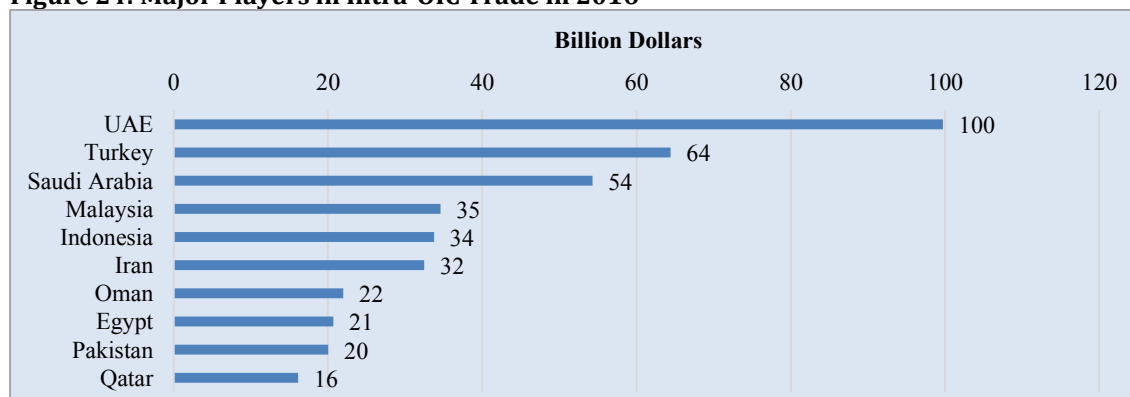
Figure 23: Evolution of the Intra-OIC Trade



Source: IMF Direction of Trade Statistics

Among the leading countries in intra-OIC trade in 2016, United Arab Emirates ranked first followed by Turkey, Saudi Arabia, Malaysia and Indonesia. Top ten countries accounted for the 72.2 per cent of the intra-OIC trade.

Figure 24: Major Players in Intra-OIC Trade in 2016

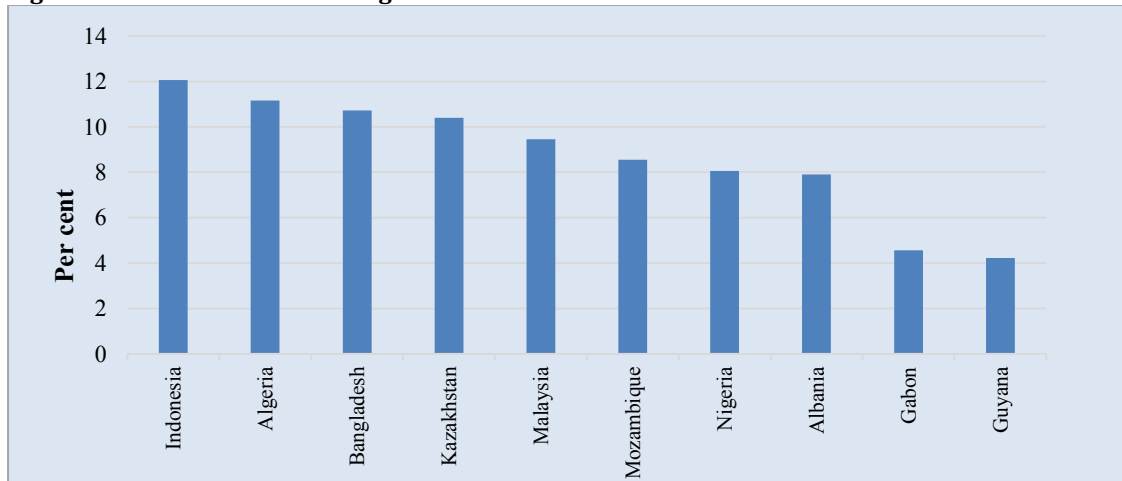


Source: IMF Direction of Trade Statistics

“There is a great diversity among the OIC countries in terms of intra trade shares.”

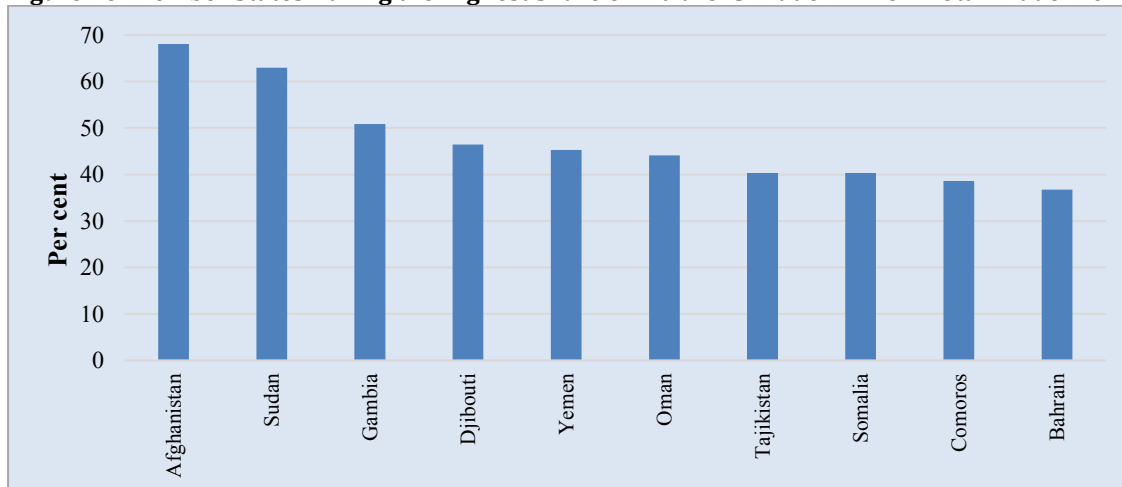
On the other, there is a great diversity among the Member States with regards to the share of intra-OIC trade to their total trade. For example the share of intra-OIC trade was 68.1 percent in Afghanistan, followed by Sudan (63 percent) and Gambia (51 percent). On the other hand, the share of intra-OIC trade was as low as 4.2 to 8.1 per cent in Guyana, Gabon and Albania.

Figure 25: Member States Having the Lowest Share of Intra-OIC Trade in Their Total Trade- 2016



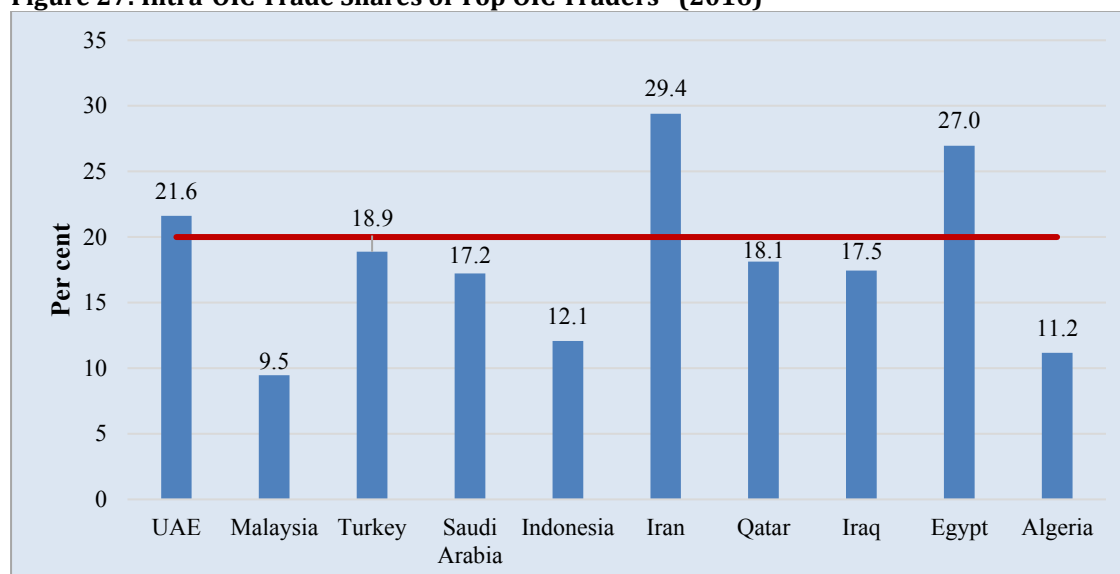
Source: IMF Direction of Trade Statistics

Figure 26: Member States Having the Highest Share of Intra-OIC Trade in Their Total Trade- 2016



Source: IMF Direction of Trade Statistics

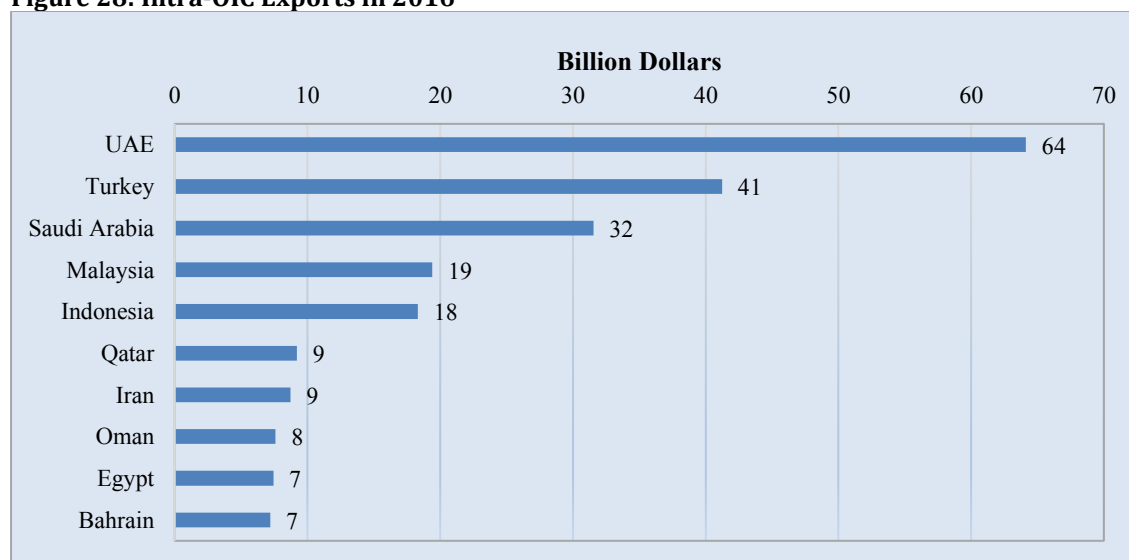
With regards to the top 10 leading Members in total OIC trade, intra-OIC trade shares of United Arab Emirates, Iran and Egypt have already exceeded 20 percent. Turkey, Qatar, Iraq and Saudi Arabia have intra trade shares between 17 to 18 per cent while share of intra-OIC trade remained relatively low in Malaysia, Indonesia and Algeria.

Figure 27: Intra-OIC Trade Shares of Top OIC Traders* (2016)

Source: IMF Direction of Trade Statistics (*): Countries are ranked based on their share in total OIC trade.

3.1. INTRA-OIC EXPORTS

The United Arab Emirates took the lead in intra-OIC exports in 2016 by realizing 23.5 percent of the total intra-OIC exports and was followed by Turkey (15.1 per cent) and by Saudi Arabia (11.6 per cent). These three countries as a whole accounts for half of intra-OIC exports.

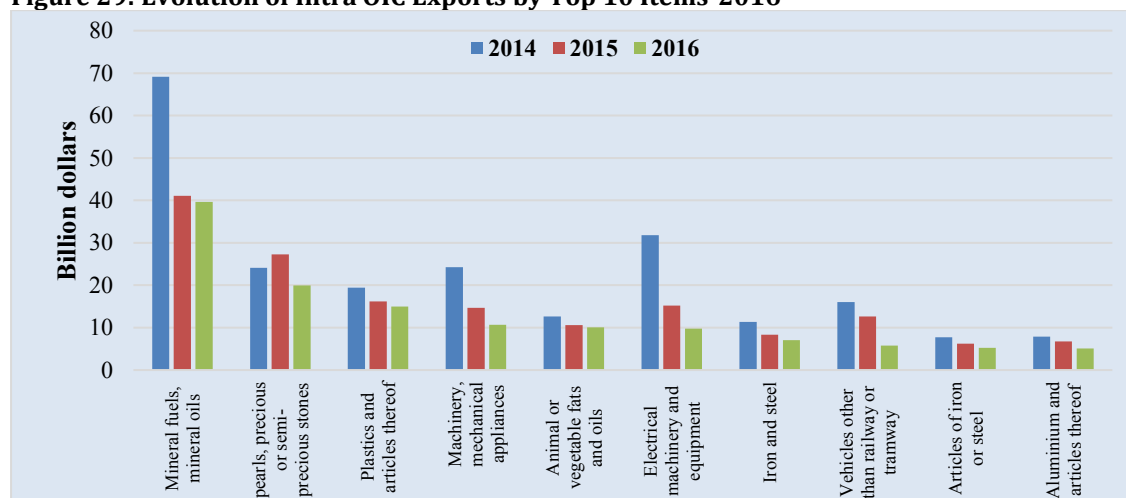
Figure 28: Intra-OIC Exports in 2016

Source: IMF Direction of Trade statistics

Although the sectorial breakdown of intra-OIC exports is similar to that of total OIC exports being dominated by mineral fuels, its share is not as high as in total exports (Figure 29). Of the

total intra-OIC exports, share of mineral fuels, oils and related products was 17.8 per cent, followed by pearls, precious stones (8.9 per cent), plastics and articles (6.7 per cent), and machinery and nuclear reactors with 4.8 per cent. In 2016 intra OIC exports declined in most sectors but the decline in the intra exports of natural or cultured pearls, precious stone, vehicles other than railway or tramway, electrical machinery and equipment and machinery as a whole account for half of the decline in intra-OIC exports.

Figure 29: Evolution of Intra OIC Exports by Top 10 Items-2016



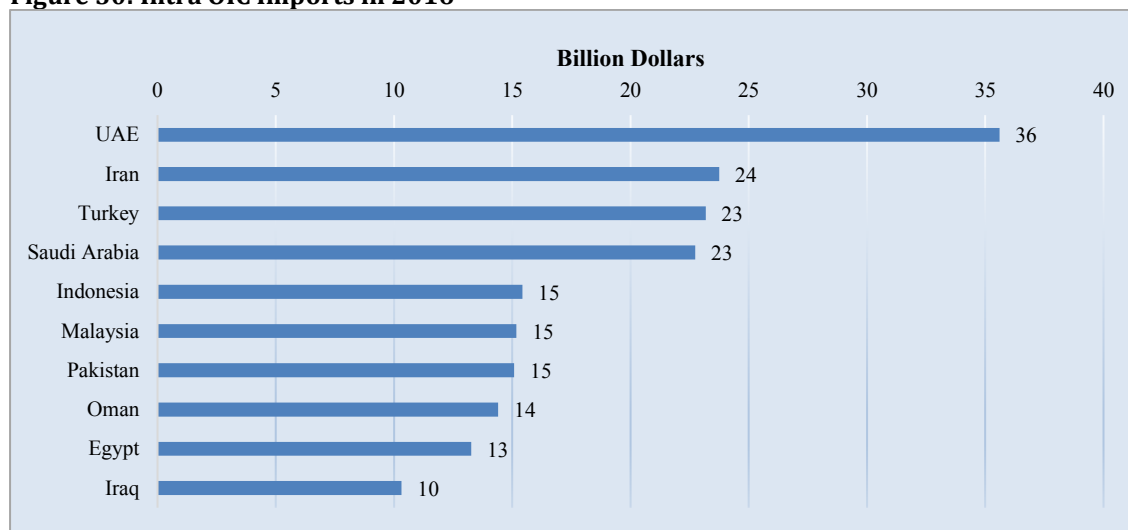
Source: ITC Trade map

The country breakdown of intra OIC trade which is provided in Appendix 4 reveals that intra trade is highly concentrated as the sum of top three trading partners to total intra trade has a very high ratio both in intra exports and intra imports. Moreover, it is observed that the geographical proximity seems to be a major determinant of intra trade. Trade costs gets higher with the distance between countries. This could be one of the factors accounting for the high concentration of intra trade with the nearby countries.

3.2. INTRA-OIC IMPORTS

The intra-OIC imports of UAE had the highest share in total intra OIC imports with 12.8 percent followed by Iran (8.6 per cent) and Turkey with 8.3 per cent.

Figure 30: Intra OIC Imports in 2016

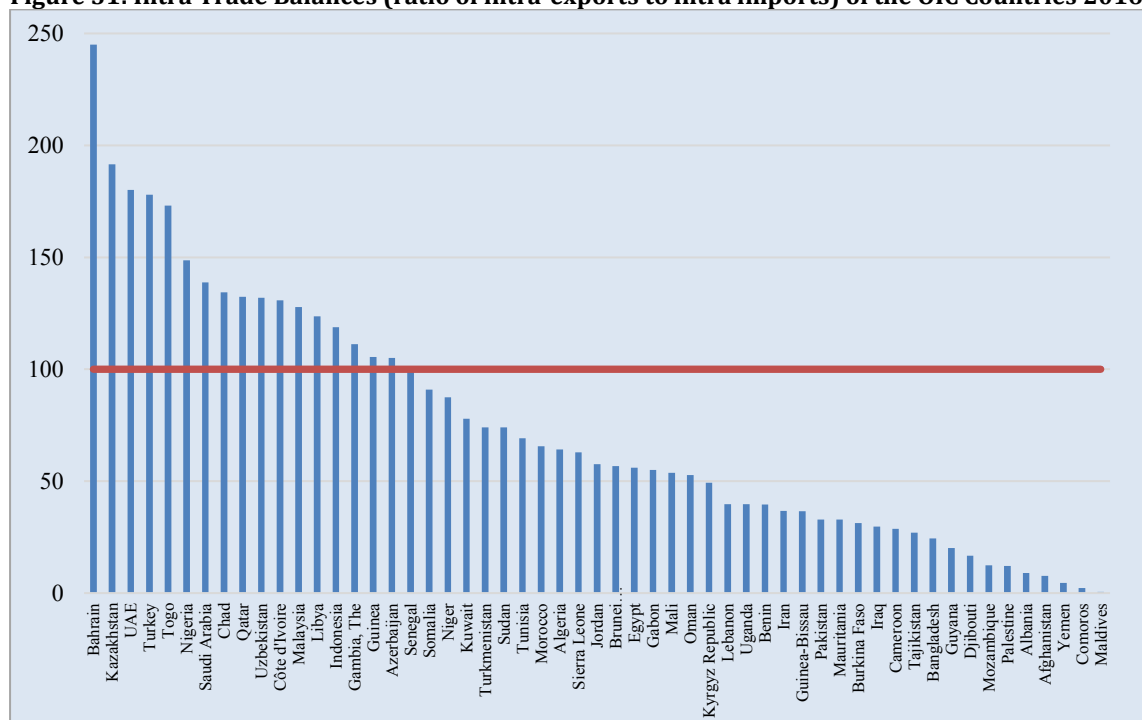


Source: IMF Direction of Trade Statistics

3.3. INTRA TRADE BALANCE

Comparison of countries whether they are net intra-exporters or net intra-importers could provide some insights. Since there is great variation in terms of absolute values of trade across OIC countries, the ratio of intra exports to intra imports could be used in order to compare the value of imports against exports. According to this ratio those countries with a value less than 100 per cent are net intra-importers (i.e. they import more goods from OIC than they export to other OIC countries) while those with a value more than 100 per cent are net intra-exporters. Figure 31 depicts that seventeen OIC countries have a ratio over 100 implying that they are net intra exporters. Bahrain, which has the largest intra-trade surplus ranks first followed by Kazakhstan, UAE and Turkey, Togo, Nigeria and Saudi Arabia. On the other hand 39 OIC countries with a ratio below 100 are net intra importers. Among these net intra-importers Maldives ranks first followed by Comoros, Yemen and Afghanistan.

Figure 31: Intra Trade Balances (ratio of intra-exports to intra imports) of the OIC Countries 2016



Source: IMF Direction of Trade statistics

4. TRADE ENVIRONMENT IN THE OIC MEMBER STATES

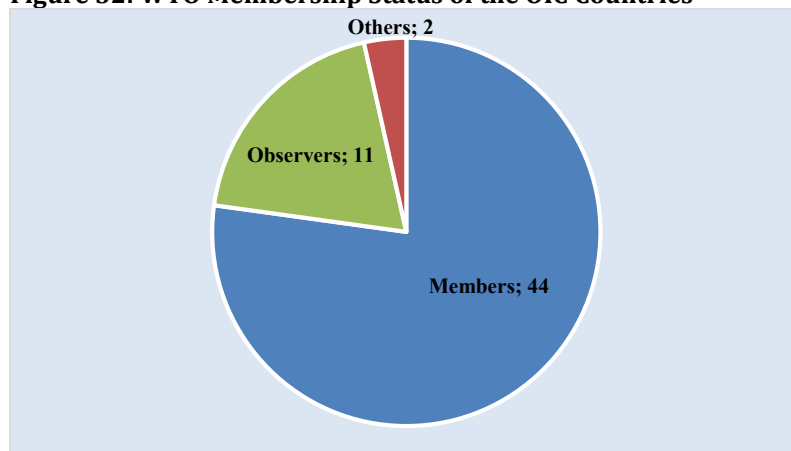
In this section, the trading environment in the OIC Member States will be brought into focus with more in-depth analysis of the current state of affairs in terms of trade liberalization, facilitation, promotion and financing.

Trade Liberalization:

Trade liberalization aims at eliminating the tariffs and other trade barriers hindering the flow of goods and services among the countries. Recent studies such as OECD (2011), Pavcnik (2009) and IMF (2001) have found that trade liberalization increases trade, supports production, job creation and poverty alleviation, prevents illegal trade and contributes to economic growth. The existing literature has found strong correlation between openness to trade and economic growth. For example, Panagariya (2005) concludes that it's unlikely to find an example of a developing country that has grown rapidly while maintaining high trade barriers.

Trade liberalization has been on top of the agenda of the international economic relations since the Second World War. General Agreement on Tariffs and Trade (GATT) was initiated in 1947 for multilateral trade negotiations to liberalize trade. Since then, the number of countries joining the GATT has increased dramatically. In 1994, World Trade Organization (WTO) was established to continue these negotiations. The WTO negotiations aim at eliminating the tariffs, non-tariff barriers and other barriers to international trade in goods and services among its members.

Figure 32: WTO Membership Status of the OIC Countries



Source: WTO

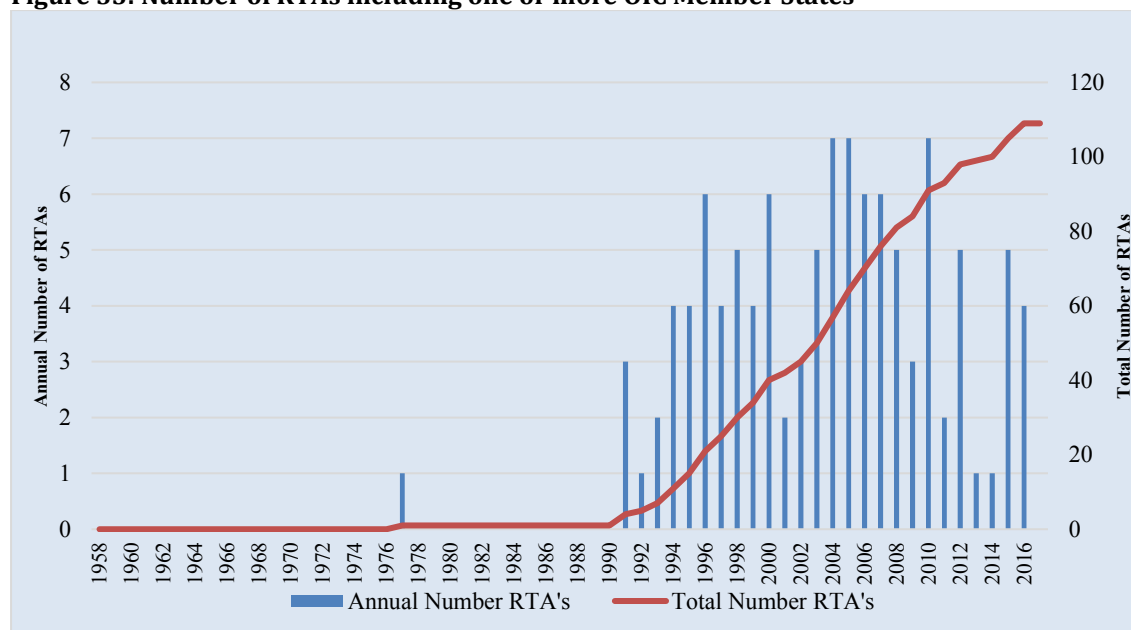
“OIC Member States have a growing interest on the RTAs”

Regional Trade Agreements (RTAs) is another approach for trade liberalization. Two or more countries initiate trade arrangements to liberalize trade among themselves. Members of RTAs get the advantage of exporting to the other parties to the RTAs than the others. The European Union which was first initiated in

1950s made a domino effect on the expansion of the RTAs worldwide. Today, many countries, including the developed ones are party to one or more RTAs.

Most of the OIC Member States also took part in one or more RTAs over time. The number of RTAs, which include one or more OIC Member States, has reached 109 by September 2017. Most of these RTAs are in the form of FTAs. Most of the RTAs signed by the OIC Member States are bilateral and concluded with the developed countries.

Figure 33: Number of RTAs including one or more OIC Member States

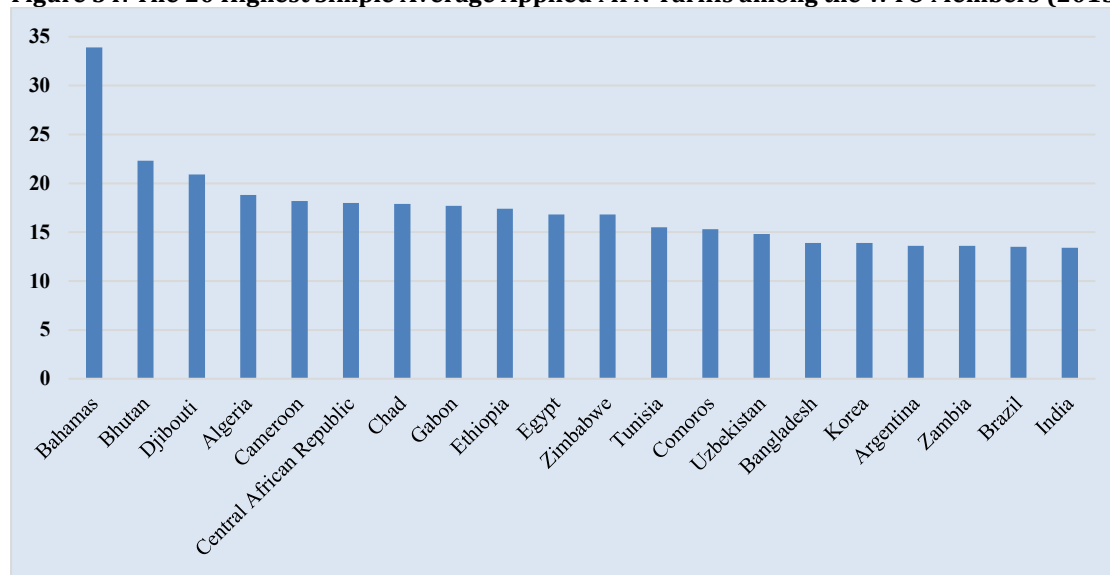


Source: WTO <http://rtais.wto.org/UI/PublicAllRTAList.aspx>

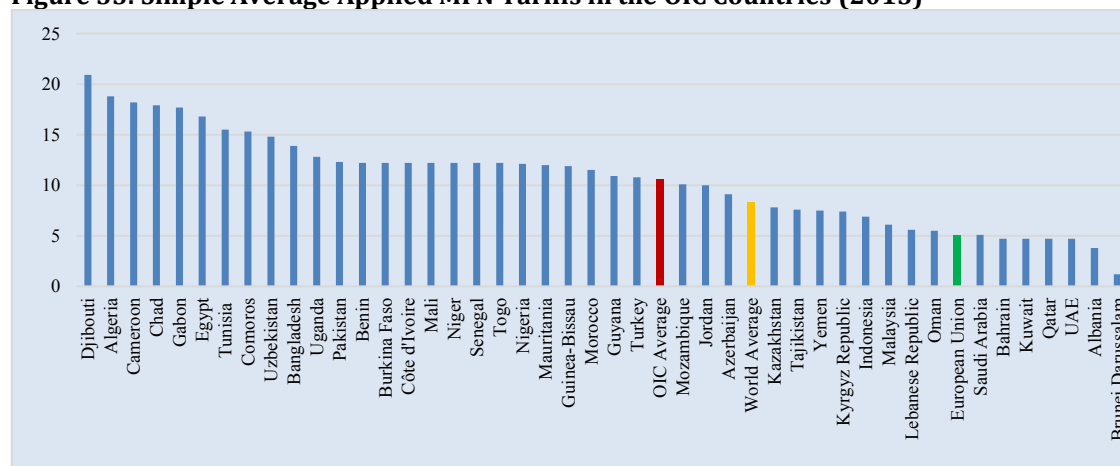
“Many OIC countries apply higher tariffs than the WTO average”

There are also other approaches for liberalizing trade. Some of the countries which realized that freer trade boosts economic growth also liberalized their trade unilaterally especially the ones who previously experienced the generation of exports from a less restricted trade. Many countries have diversified their economies and enriched the goods subject to export in their countries. To export, countries do not need to produce all the inputs within their borders any more. Imported inputs which are cheaper than domestically produced ones are used by the firms to compete in export markets. For example Nordas, Groli and Grosso (2006) state that in 2001 the import content of export value in the electronics sector was 32% in China, 55% in Ireland, 65% in Thailand and 72% in the Philippines. In many cases countries apply lower tariffs to these kinds of goods.

Application of high tariff rates is common in many OIC Member States. Countries apply high tariffs for various reasons such as protecting domestic industry, preventing unemployment, providing government revenue through customs duties etc. Figure 34 illustrates the highest simple average tariff-applying WTO Members. As shown in the figure, 10 out of these 20 countries are OIC countries.

Figure 34: The 20 Highest Simple Average Applied MFN Tariffs among the WTO Members (2015)

Source: WTO Tariff Profiles 2017 database

Figure 35: Simple Average Applied MFN Tariffs in the OIC Countries (2015)

Source: WTO Tariff Profiles 2017 database

Agriculture sector is one of the crucial sectors for many countries in the world. In this regard, countries apply higher tariffs on agricultural products than on the manufactured products. Figure 36 and 37 below show the simple average applied MFN Tariffs on the agricultural and non-agricultural products in the OIC Countries. OIC countries apply higher tariffs to agricultural products. Countries that have inadequate agricultural production and need agricultural imports apply lower tariffs on agricultural imports. On the other hand, the countries in which agricultural production constitutes a significant part of the economy apply higher tariffs to agricultural imports.

Figure 36: Simple Average Applied Tariffs on Agricultural Products in OIC Countries-2015

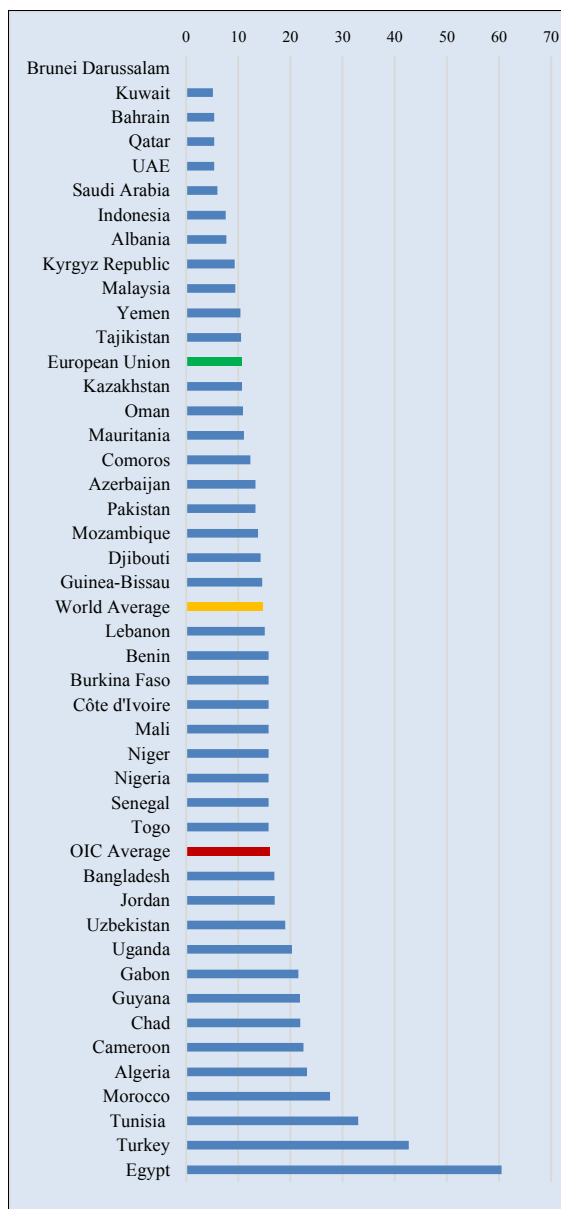
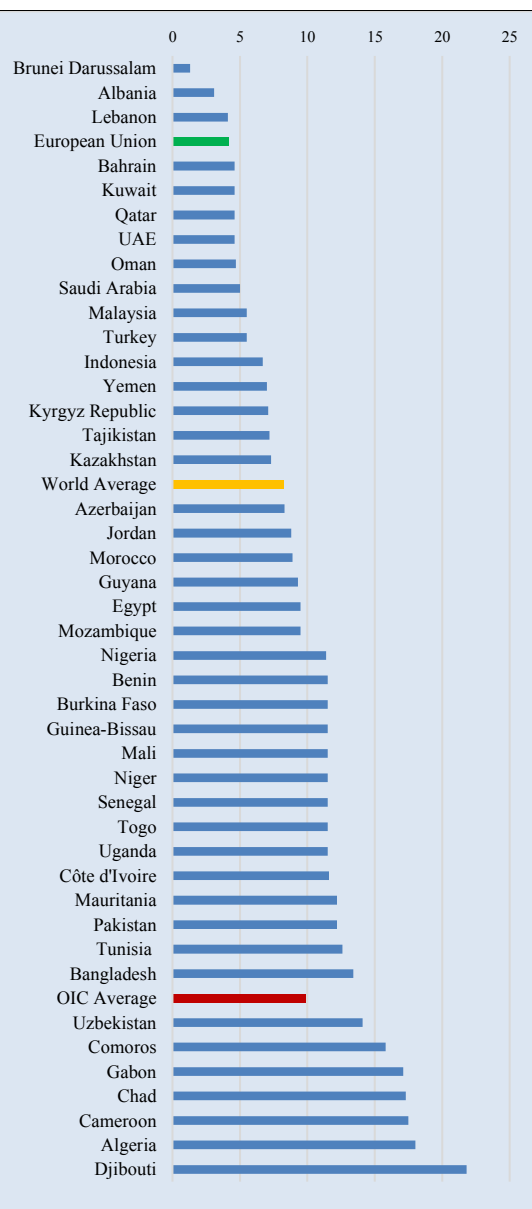


Figure 37: Simple Average Applied Tariffs on Non-Agricultural Products in OIC Countries- 2015



Source: WTO Tariff Profiles 2017 database

Note: Includes countries where data is available

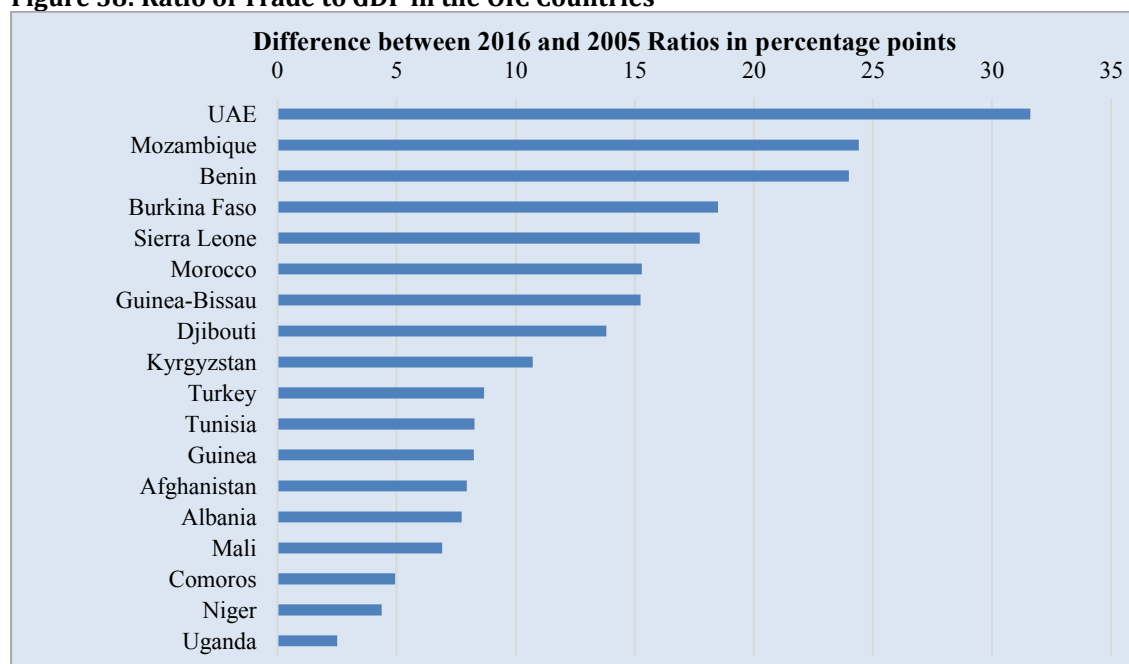
Trade Openness in the OIC

One of the most common measure of openness is to evaluate the ratio of trade (the sum of value of exports and imports of goods) to the gross domestic product (GDP). This could be interpreted as the relative importance of trade to the economy.

Figure 38 shows the difference between the trade to GDP ratios in percentage points between 2005 and 2016. As it could be observed from the Figure, the importance of trade has risen in

many OIC member states in the last decade and trade has become one of the most important sources of growth. The countries which have realized the highest increase in the trade to GDP ratio were United Arab Emirates, Mozambique, Benin, Burkina Faso, Sierra Leone and Morocco.

Figure 38: Ratio of Trade to GDP in the OIC Countries

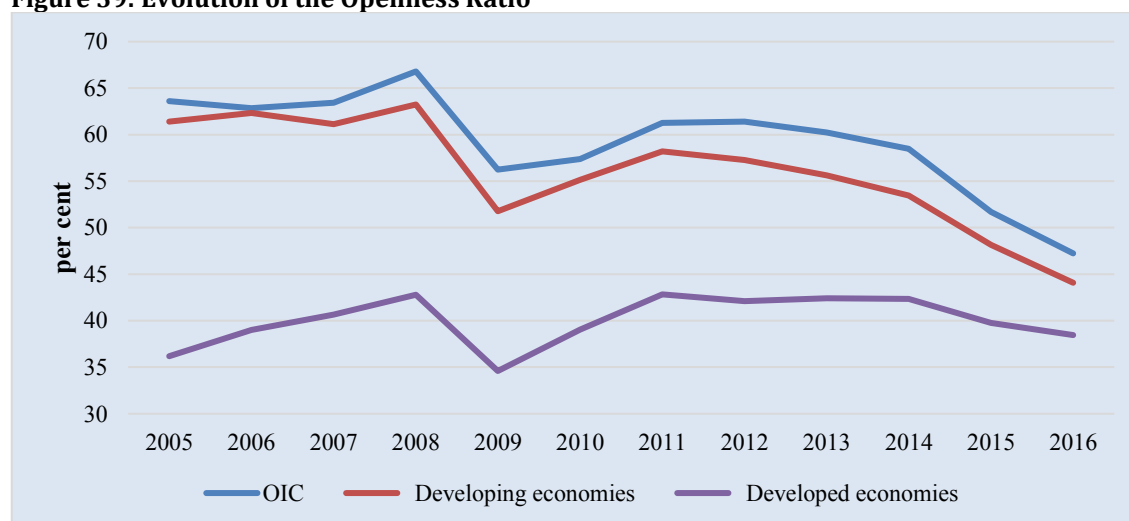


Source: UNCTADSTAT

Note: Those countries which have the data and positive difference were included.

The trade to GDP ratio in total OIC decreased from 64.1 per cent in 2005 to 47.2 per cent in 2016. Openness ratio fell significantly in the aftermath of the global crisis both in developing and developed countries.

Figure 39: Evolution of the Openness Ratio

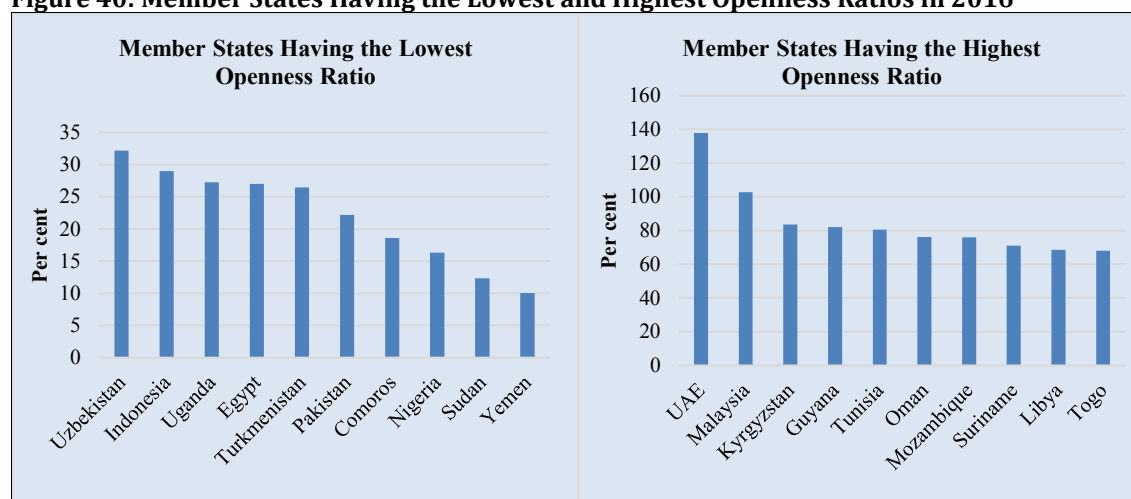


Source: UNCTADSTAT

Figure 40 shows top ten countries having the lowest and highest trade to GDP ratios in 2016. United Arab Emirates had the highest share of trade in GDP with 138 per cent in 2016. On the other hand, countries having the lowest trade to GDP ratios were Yemen, Sudan and Nigeria where trade to GDP ratios ranged between 10 to 16 per cent. Some caution is needed in interpreting the share of trade to GDP ratios. Because the importance of trade is higher for small countries (in terms of geographic size and population) than for the large, relatively self-sufficient countries or those that have geographical disadvantage and high transport costs.

Moreover, several factors such as trade policy, economic structure, and the multinational firms may account for the differences in this ratio (Love and Lattimore, 2009). On the other hand, as a result of the undervaluation of local currencies in low and middle-income countries, the GDP calculated on the basis of purchasing power parities is usually two to three times larger than that calculated on the basis of current market exchange rates. Thus, the share of trade in GDP may be biased and tend to be high in low and middle income countries (ICC Open Markets Index, 2013). This could explain why the ratio of trade is quite high in some LDCs of the OIC like Mauritania.

Figure 40: Member States Having the Lowest and Highest Openness Ratios in 2016



Source: UNCTADSTAT

Trade Facilitation:

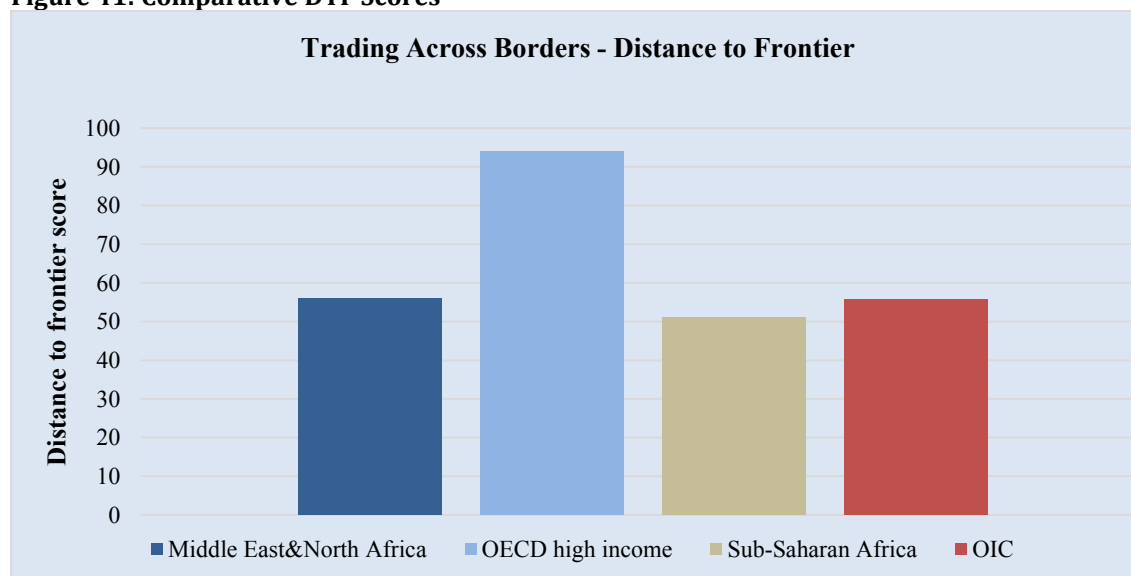
“Trade Costs are higher in Landlocked Member States”

Trade Facilitation aims at easing the trade among the countries through decreasing the burden of procedures and trade costs. Firms face various costs when trading internationally. Issues including export and import procedures, customs formalities, transportation and logistics problems may increase trade costs. Studies, such as WTO (2004) and De (2009) suggest that higher transport costs is in many cases more restrictive to trade than high tariffs.

Various studies have been conducted to measure the impact of transport constraints on international trade. For example, based on their research on Middle East and North Africa (MENA) region, Bhattacharya and Hirut (2010) suggest that reducing the transport constraint

from the average in the region to the world average could have a significant impact on trade volumes, raising exports by 9.5 percent and imports by 11.5 percent, while all other determinants are constant (*ceteris paribus*). There are several indices or reports developed by the international institutions to identify the bottlenecks in countries which hinder international trade. The World Bank Doing Business Report is one of these reports. World Bank introduced a new methodology for measuring ease of trading across borders in 2015. Trading across borders, measures the time and cost (excluding tariffs) for documentary compliance and border compliance within the overall process of exporting and importing a shipment of goods.¹⁵ The distance to frontier score shows how far on average an economy is from the best performance achieved by any economy on Trading Across Borders indicator. Figure below shows the DTF scores for OIC compared to other regions. OECD high income countries are very close to the frontier while OIC countries are around 50 per cent below the frontier. This underlies the importance of policies to facilitate trade in the OIC countries.

Figure 41: Comparative DTF Scores

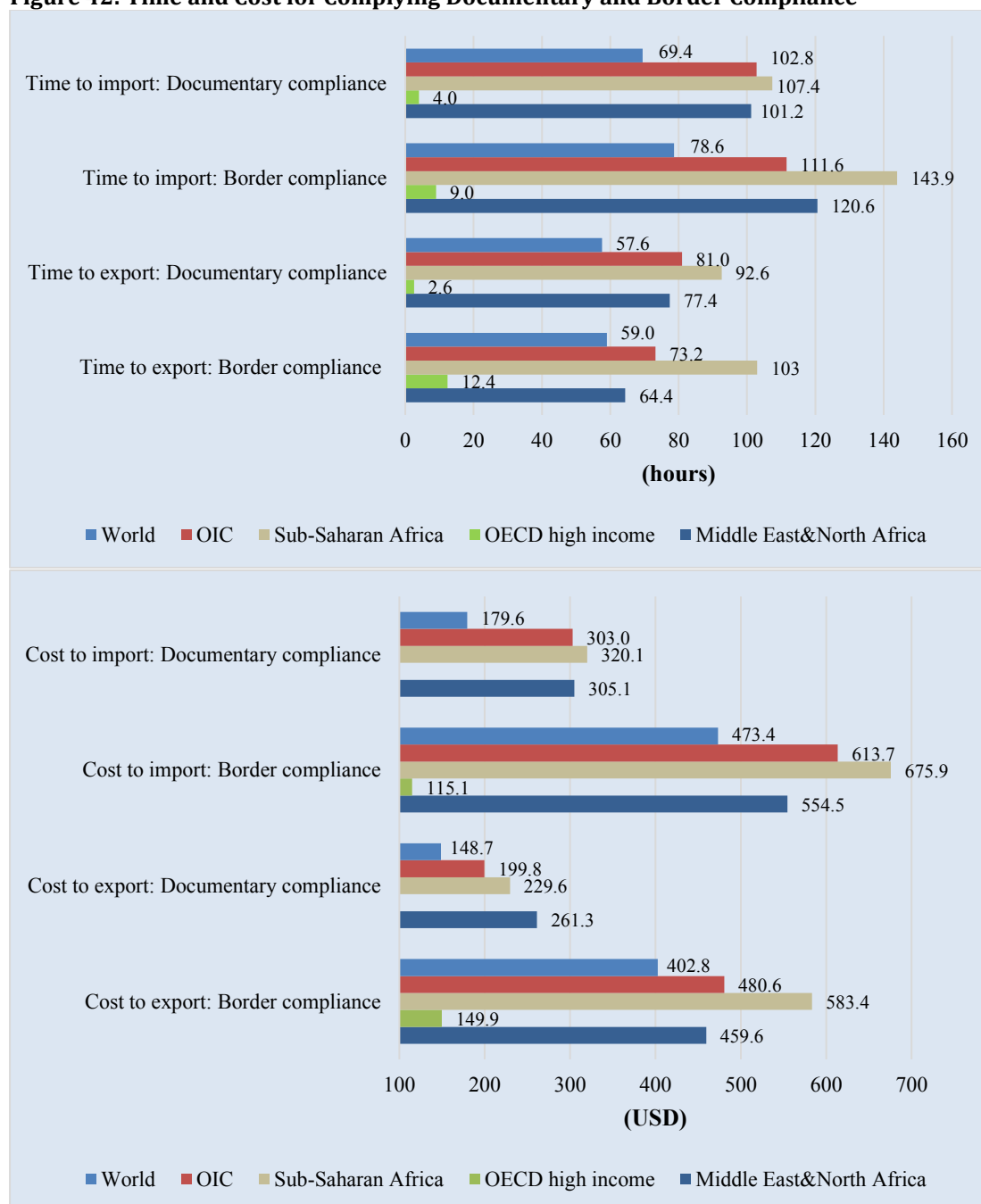


Source: Authors' calculation based on WB Doing Business data

In many OIC countries, excessive delays at customs and the resulting costs are one of the most important non-tariff barriers affecting international trade. As shown in Figure 42 the cost and time associated with submitting the necessary documents to clear the goods is above the world average in the OIC countries. While world average for time needed for documentary compliance in imports is 70 hours, the OIC average is 103 hours. On the other hand while average costs encountered for documentary compliance in imports is 180 US dollars in world, it is 303 US dollars in the OIC on average.

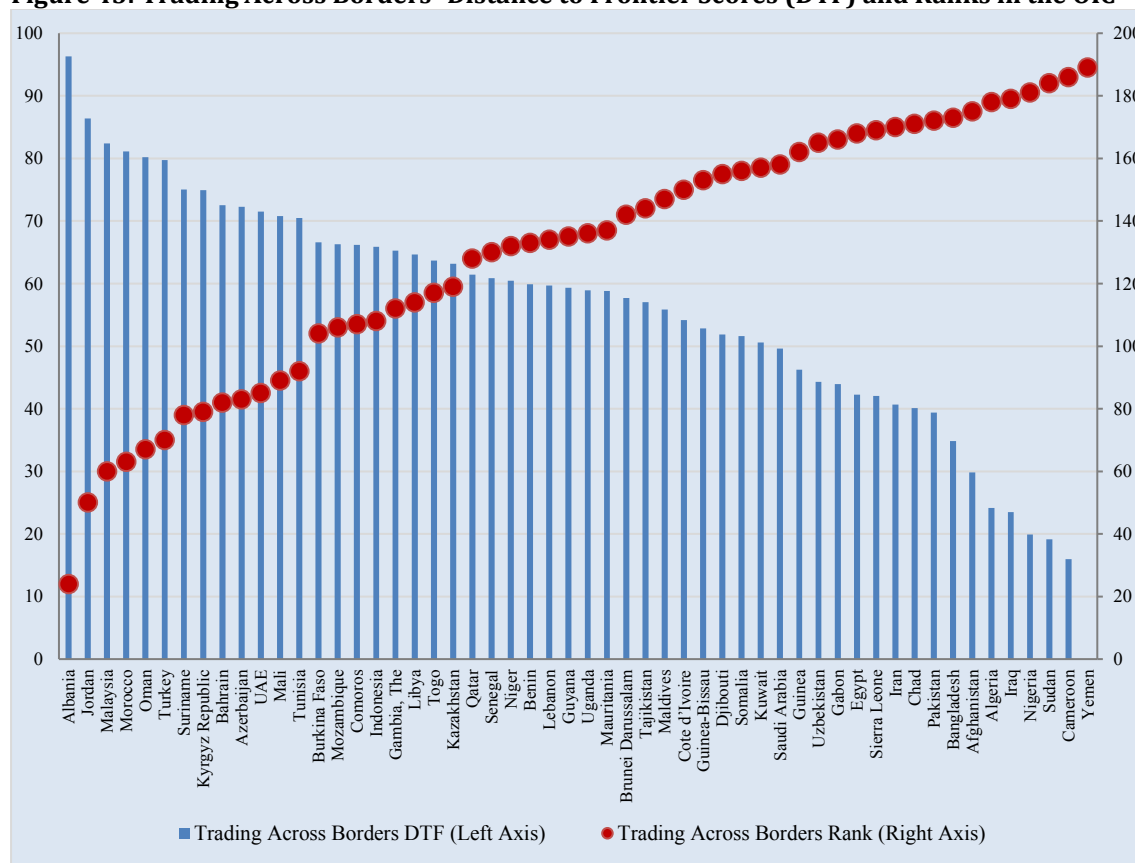
¹⁵ For detailed information on the methodology please visit World Bank <http://www.doingbusiness.org/methodology/trading-across-borders>

Figure 42: Time and Cost for Complying Documentary and Border Compliance



Source: WB Doing Business data

Figure 43 depicts the rankings of OIC countries based on the distance to frontier scores in WB Doing Business 2017. Out of the 190 countries covered by the WB Doing Business although there are a few OIC countries such as Albania (rank 24), Jordan (rank 50), and Malaysia (rank 60) which ranked relatively better, many OIC countries are ranked at the last places.

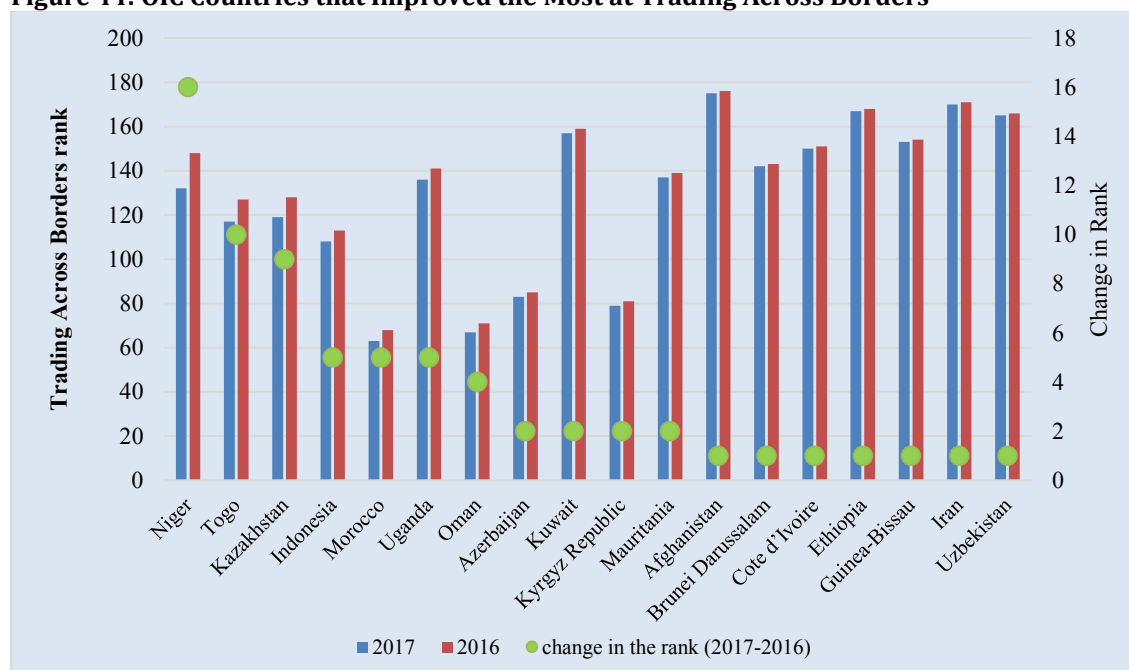
Figure 43: Trading Across Borders- Distance to Frontier Scores (DTF) and Ranks in the OIC


Source: World Bank Doing Business

Note: The countries are ranked according to their 2017 DTF scores

As shown in Figure 44 when the Trading Across borders ranks compared between WB Doing Business 2017 and 2016 (which are the only comparable years due to the methodological change) there are some OIC countries improving in Trading Across Borders indicators and moving up in the rank. Nigeria (up 16) is the most improving country followed by Togo (up 10), Kazakhstan (up 9), Indonesia, Morocco and Uganda (up 5) and Oman (up 4). While 20 OIC countries experienced no change at rank, 19 OIC countries worsened.

Figure 44: OIC Countries that Improved the Most at Trading Across Borders

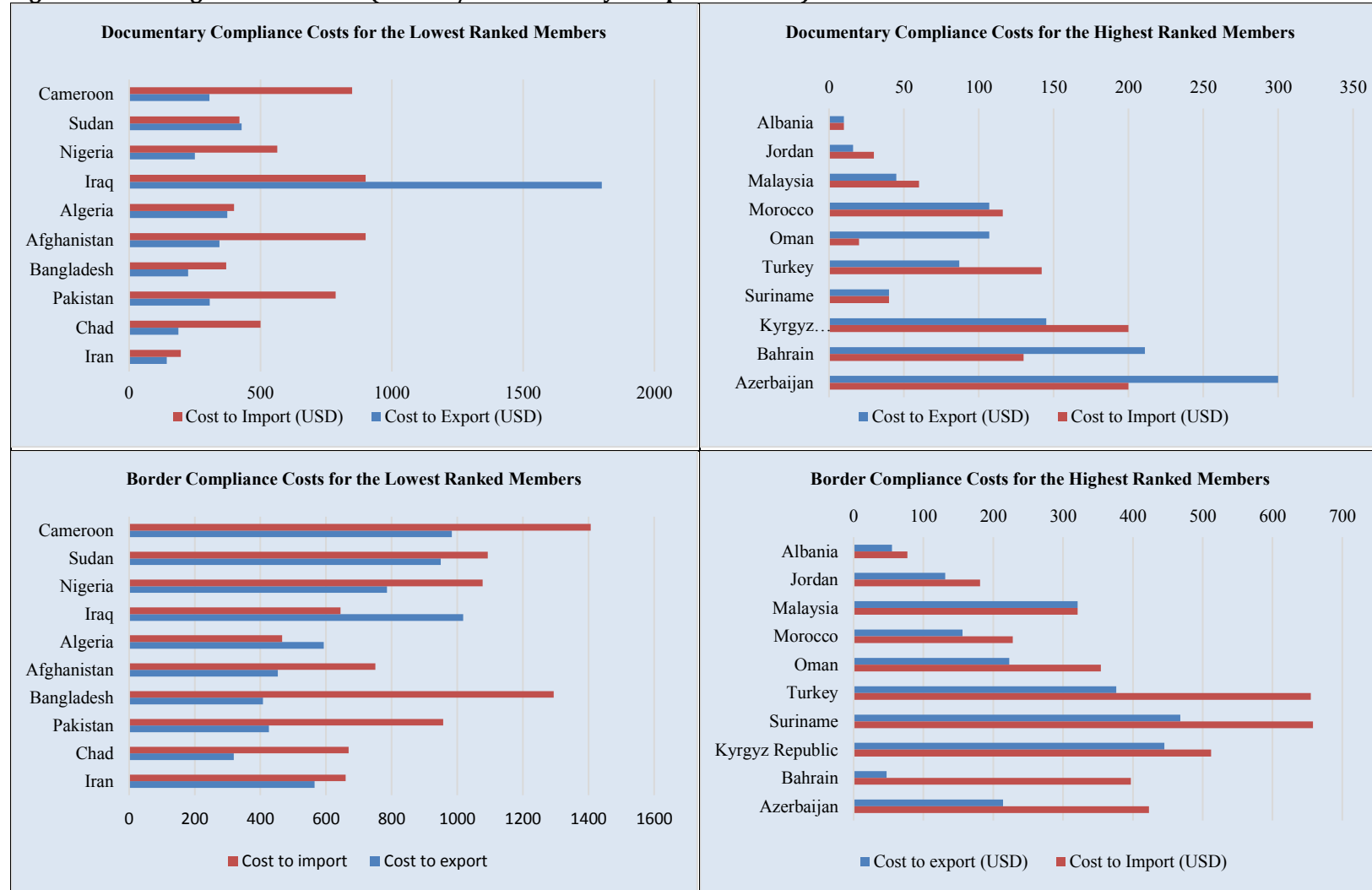


Source: World Bank Doing Business data

Figures 45 and 46 illustrate border and documentary compliance costs and times for the lowest and highest ranked OIC member states according to the distance to frontier scores for trading across borders¹⁶. The figures reveals that the cost and times for trade substantially vary among the OIC Member States. For instance, while in Albania, ranking first in trading across borders amongst the OIC, the cost of border compliance in exporting is 55 dollars, it goes up to 1633 dollars in Gabon. On the other hand, in terms of border compliance times in exporting, it takes 9 hours for border compliance in Albania while it takes 202 hours in Cameroon. Reducing trade costs in the OIC member states is important to gain access and to be more competitive in the international markets.

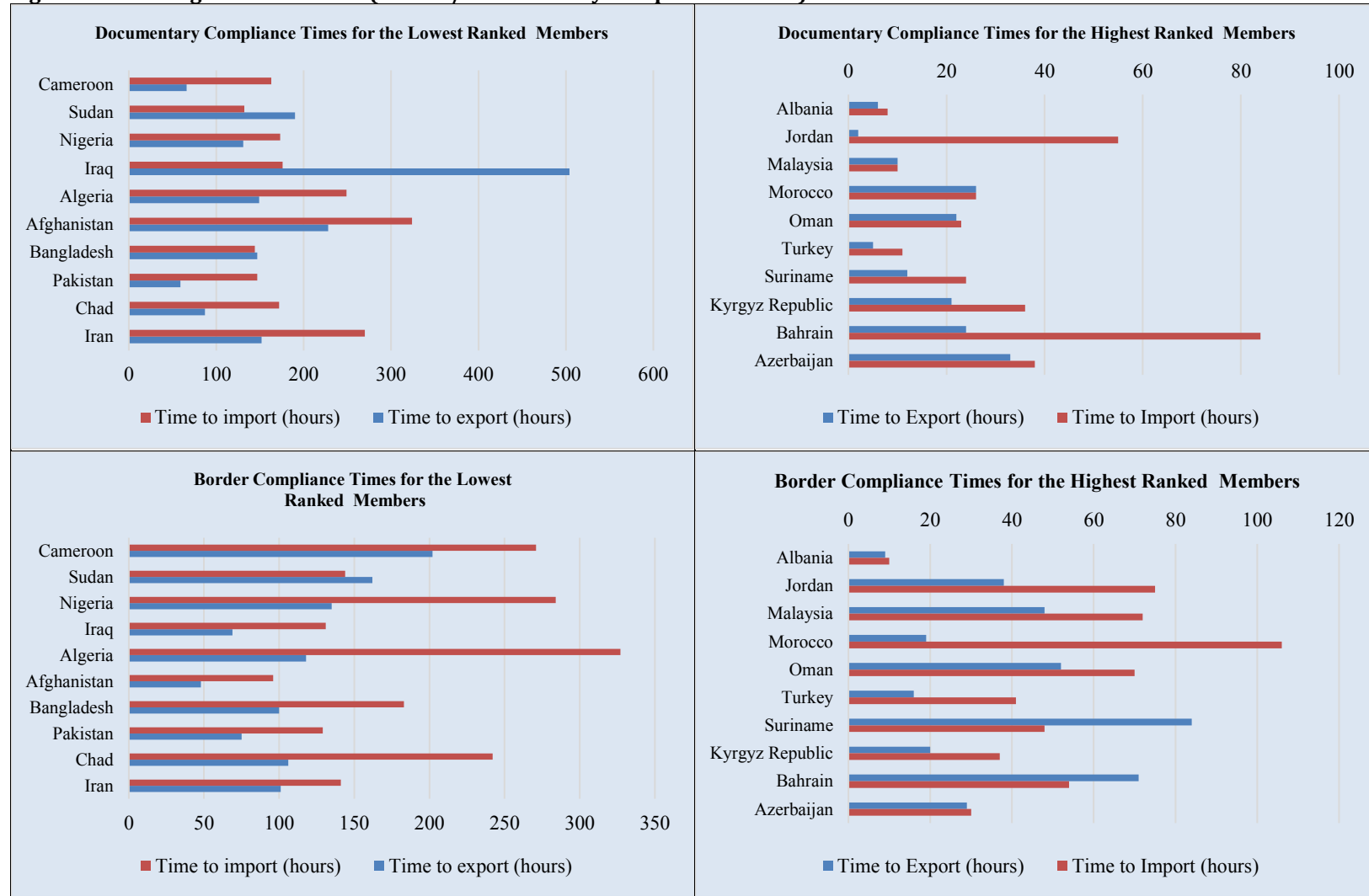
¹⁶ The distance to frontier score shows how far on average an economy is from the best performance achieved by any economy on WB-Trading Across Borders indicator.

Figure 45: Trading Across Borders (Border / Documentary Compliance Costs)



Source: World Bank Doing Business Data

Figure 46: Trading Across Borders (Border/Documentary Compliance Times)



Source: World Bank

According to OECD (2010), IMF (2010) and Teravaninthorn and Raballand (2009), restricted logistics services, lack of adequate infrastructure, inefficiency of the ports are major problems of transport which lead to high transport costs. Logistics Performance Index (LPI), developed by the World Bank¹⁷ measures the efficiency of logistics sector in 160 countries. The World Bank's LPI is the weighted average of six components: The efficiency of customs and border management, clearance, the quality of trade and transport infrastructure, the ease of arranging competitively priced shipments, the competence and quality of logistics services, the ability to track and trace consignments and the frequency with which shipments reach consignees within scheduled or expected delivery times. The LPI is used for comparative analysis and has a score between 1 and 5. The LPI was conducted in 2007, 2010, 2012, 2014 and 2016. Tables 6 and 7 illustrate the OIC Countries with the highest and lowest LPI scores for the last three periods. The figures illustrate that there is a wide gap between countries. Furthermore, according to World Bank (2016) Germany is the best performing country with an LPI score of 4.23. Among the OIC countries UAE is the best performing country and has a score of 3.94 which is 92 percent of Germany's score on a scale from 1 to 5 whereas the lowest performing OIC country is Somalia¹⁸ with an LPI of 1.75 which is 41 per cent of Germany's score.

Table 6: Best Performing OIC Countries According to the LPI 2016

Country	2012 LPI		2014 LPI		2016 LPI	
	Ranking	Score	Ranking	Score	Ranking	Score
UAE	17	3.78	27	3.54	13	3.94
Qatar	33	3.32	29	3.52	30	3.60
Malaysia	29	3.49	25	3.59	32	3.43
Turkey	27	3.51	30	3.50	34	3.42
Bahrain	48	3.05	52	3.08	44	3.31
Oman	62	2.89	59	3.00	48	3.23
Egypt	57	2.98	62	2.97	49	3.18
Saudi Arabia	37	3.18	49	3.15	52	3.16
Kuwait	70	2.83	56	3.01	53	3.15
Uganda	N.A.	N.A.	N.A.	N.A.	58	3.04
<i>memo item (first three best performing country in the world)</i>						
Germany	4	4.03	1	4.12	1	4.23
Luxembourg	15	3.82	8	3.95	2	4.22
Sweden	13	3.85	6	3.96	3	4.20

Source: Word Bank

¹⁷ World Bank, Connecting to Compete 2016 Trade Logistics in the Global Economy, The Logistics Performance Index and Its Indicators

Table 7: OIC Countries with the Lowest LPI Scores According to the LPI 2016

Country	2012 LPI		2014 LPI		2016 LPI	
	Ranking	Score	Ranking	Score	Ranking	Score
Gabon	131	2.30	150	2.20	143	2.19
Chad	152	2.03	113	2.53	145	2.16
Kyrgyz Republic	130	2.35	149	2.21	146	2.16
Cameroon	106	2.53	142	2.30	148	2.15
Iraq	145	2.16	141	2.30	149	2.15
Afghanistan	135	2.30	158	2.07	150	2.14
Tajikistan	136	2.28	114	2.53	153	2.06
Sierra Leone	150	2.08	N.A.	N.A.	155	2.03
Mauritania	127	2.40	148	2.23	157	1.87
Somalia	N.A.	N.A.	160	1.77	158	1.75

Source: World Bank

The Enabling Trade Index produced by World Economic Forum and the Global Alliance for Trade Facilitation is another indicator, which measures the performance of countries in enabling trade. According to this measure, performance of some of the OIC countries¹⁹ is below average while some OIC countries such as UAE, Malaysia, Bahrain, Qatar, Jordan and Oman performed better.

Box 3: WTO Agreement on Trade Facilitation

One of the main outcomes of the Doha Development Round is the adoption of Bali Package which comprises 10 Ministerial decisions/declarations on trade facilitation, development and agriculture.

Trade Facilitation Agreement (TFA) mainly brings measures to eliminate barriers against international through streamlining and simplification of customs procedures. The Agreement has two sections which include provisions for expediting the movement, release and clearance of goods and differential treatment provisions for developing and least-developed countries respectively.

In regards to differential treatment, TFA enables developing and least-developed countries to select three categories for provisions namely A, B and C based on their readiness for implementation. WTO also aims to provide technical assistance and capacity building programs to developing and least-developed countries through collaboration with donor Member States to facilitate implementation of the Agreement. Some of the important arrangements of the Agreement are as follows:

Publication and Availability of Information: Agreement requests each Member States to publish information in a non-discriminatory and easily accessible manner related to Customs Procedures such as applied rates of duties/taxes, laws, regulations and administrative rulings, import/export restrictions, appeal procedures, rules of classifications etc.

Advance Rulings: Member States are expected to issue advance ruling, which in brief is a written decision provided by Customs Authority to an applicant prior to importation of goods, in a reasonable, time bound manner while containing all necessary information.

¹⁹ Please see Appendix Table 7

Right to Appeal or Review: Agreement envisages that each Member States shall enable any person, whom has a legal case with the Customs Authority, to appeal or request a review of the case by an upper administrative authority. It is also requested from Member States to ensure that appeal/review procedures are carried out in a non-discriminatory manner.

Pre-Arrival Processing: Member States are requested to have procedures allowing submissions of import documentation (such as manifests or other required information) prior to arrival of goods to Customs for the sake of expediting release of goods upon arrival.

Electronic Payment: Moreover, Member States are expected to have electronic payment systems for duties, taxes, fees and charges incurred upon importation and exportation.

Freedom of Transit: Agreement requests Member States to not seek, take or maintain any voluntary restraints or any other similar measures on traffic transit. Moreover it is expected that traffic in transit shall not be conditioned upon collection of any fees or charges imposed in respect to transit excluding charges for transportation or administrative expenses related to transit.

According to the WTO²⁰ full implementation of the TFA is estimated to increase global merchandise exports by up to \$1 trillion per annum and reduce trade costs by an average of 14.3 per cent. Moreover, the implementation of TFA will provide benefits in terms product and market diversification. Developing countries estimated to increase the number of new products exported by up to 20 per cent while increase the number of foreign markets by 39 per cent. Gains from the TFA is estimated to be much bigger for LDCs.

TFA entered into force on 22 February 2017 when the Agreement has been ratified domestically by the two-thirds of the WTO members. As of 6 October 2017, 27 OIC member states have ratified the TFA. These are Afghanistan, Albania, Bahrain, Bangladesh, Brunei Darussalam, Chad, Côte d'Ivoire, Gabon, Gambia, Guyana, Jordan, Kazakhstan, Kyrgyzstan, Malaysia, Mali, Mozambique, Niger, Nigeria, Oman, Pakistan, Qatar, Saudi Arabia, Senegal, Sierra Leone, Togo, Turkey, and United Arab Emirates.

Trade Promotion:

Trade promotion, in particular export promotion, is one of the instruments used by the governments to increase their exports. The policies focus on two major areas, namely, SME support and diversification of economic production.

The majority of the firms operating in the world, especially the developing countries are Small and Medium Sized Enterprises (SMEs). SMEs are usually producing in traditional way and focus on local markets. They need to be supported by the government agencies, chambers and business associations to make exports and compete in international markets. In this regard, export promotion strategies focus on the SMEs in many countries.

²⁰ WTO World Trade Report 2015: Speeding up trade: benefits and challenges of implementing the WTO Trade Facilitation Agreement

The SMEs of the OIC Member States also face challenges in exporting. The Workshop held on 12-14 June 2012 in Ankara, Turkey²¹ defined the major common obstacles faced by the SMEs in exporting as the following:

- Obtaining reliable foreign representation and maintaining control over foreign middlemen
- Identifying foreign business opportunities
- Limited information to locate/analyze markets
- Inability to contact potential overseas customers
- Keen competition in overseas markets
- Lack of home government assistance
- Offering satisfactory prices to customers
- Accessing export distribution channels
- Difficulties in enforcing contracts
- Lack of knowledge on foreign market requirements
- Limited business development services, marketing and branding
- Excessive transportation / insurance costs

Government agencies, chambers and business unions provide consultancy services, business development assistance, tax advantages, financial support etc. to promote exports in their countries. However due to limited financial resources, underdeveloped human and institutional capacities, many member states could not provide adequate support to their firms.

The undiversified economic structure also constitutes an important obstacle for many OIC Member States in increasing their exports. The dependence on few products in exports also makes these countries vulnerable to foreign demand or price shocks.

Attracting foreign direct investment (FDI) is considered a vital instrument for diversifying the exports. Many empirical studies have examined the impact of FDI inflows on export diversification and reached positive results. Focusing on the Low Income Countries, Jayawera (2009) found that the cumulative effect after four years of a US\$1bn increase in FDI is estimated to be the creation of 83.5 new export lines for the host countries. Iwamoto and Nabeshima (2012) have tested the impact on 175 countries. They found out that, FDI inflows have positive impact on export diversification of the developing countries, but no significant effect on developed countries. The reason according to the studies is that the Multinational Corporations (MNCs) are more diversified and developing countries are affected by the spill-over effects of the FDI brought by the MNCs. Another study by Hailu (2010), examined the impact of FDI inflows on Sub Saharan Africa countries. The study found out that a 1 percent increase in FDI in the previous year brings about 0.043 percent increase in exports of the following period.

***“FDI Inflows are
inadequate for export
diversification
in many OIC Countries”***

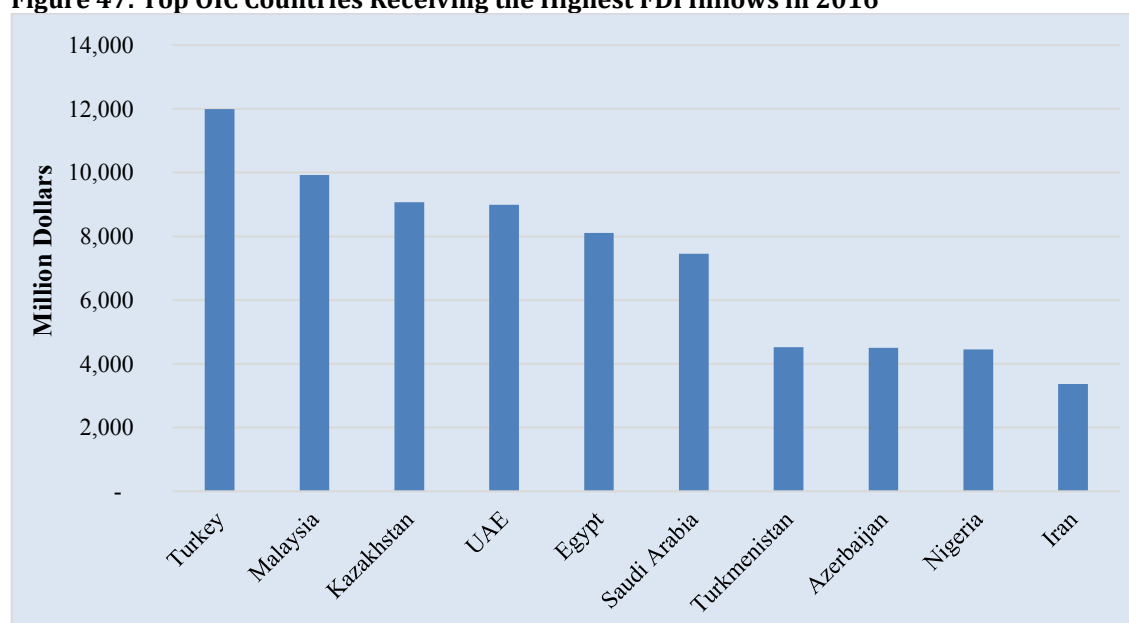
Several studies concentrated on how the FDIs lead to export diversification. Lipsey (2004) and Hailu (2010) suggest that FDIs main contribution is knowledge of the international markets. FDIs also result in indirect inter and intra-industry spillovers to host nation firms which improve their productivity and reduce the fixed costs

associated with exporting, thereby increasing the number of firms which are export competitive (Jayawera 2009). Spalla (2010) also suggests that FDIs contribute to international competitiveness of the domestic firms through transfer of the know-how and technology.

The performance of the OIC countries, except for a few countries in attracting the FDI, is low. Figure 47 below gives the FDI inflows to top ten OIC Member States. FDI inflows to these countries amounted to USD 72.4 billion in 2016 according to the UNCTAD, representing 75 percent of the total FDI inflows to the OIC Member States. The other remaining 47 countries attracted nearly USD 24 billion FDI in 2016.

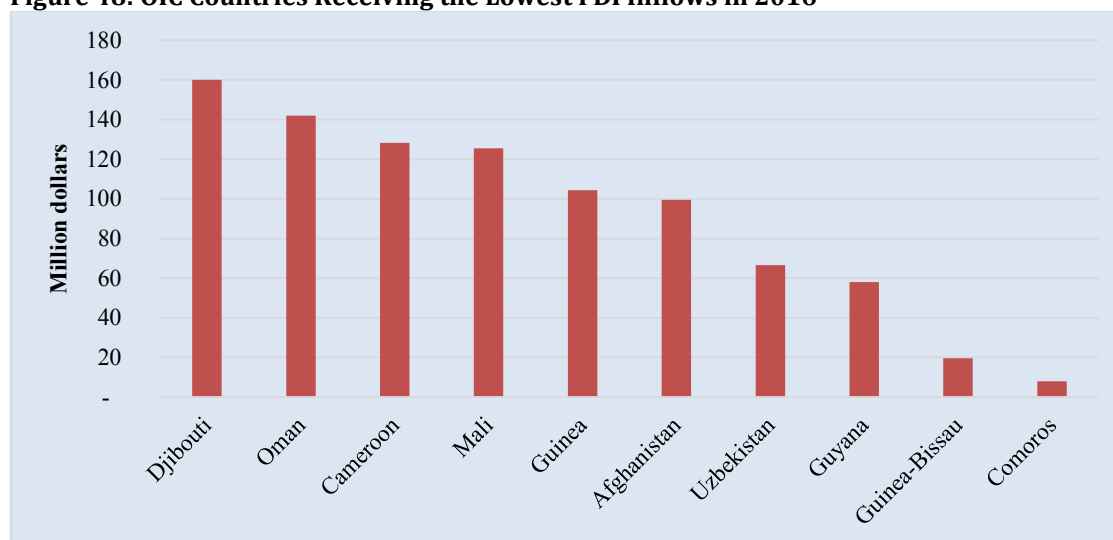
Another obstacle faced by most of the Member States is the concentration of the export oriented FDIs on traditional sectors. Harding and Javorcik (2011) underlined that, if the FDI exports are only products that the host country already exports intensively, the efficiency-seeking FDI could move towards more specialized rather than more diversified exports. Thus, FDI does not contribute too much to export diversification. For example according to UNCTAD (2011), which investigated the sectorial distribution of the FDIs in LDCs, many large projects are in the form of greenfield and expansion projects prospecting for reserves of base metals and oil. The study also cited the lack of political stability and unavailability of skilled workers as main reasons for low performance of investment in the manufacturing sector in Africa.

Figure 47: Top OIC Countries Receiving the Highest FDI Inflows in 2016



Source: UNCTADSTAT

Figure 48: OIC Countries Receiving the Lowest FDI Inflows in 2016



Source: UNCTADSTAT

Trade Financing:

Trade finance is a general term used for financing of the international trade. Some 80 to 90 percent of the world trade relies on trade finance (trade credit and insurance/guarantees), mostly of a short-term nature (WTO 2013).

Exporters usually get payments after delivering the goods to the importers. During this period, which may take several months, the exporter may need financing for delivering the orders on a timely manner. Therefore, financing is needed not only for the import-export process itself, but also for the production of the goods and services to be exported, which often includes imports of machinery, raw material and intermediate goods (UNCTAD 2012).

Available trade financing within a country increases the competitiveness of firms to compete in international markets and encourages the firms especially the SMEs to export. Thus, it helps to diversify the exports of the country. UNESCAP (2005) classified the trade finance methods and instruments into the following three categories:

- 1) Methods and Instruments to raise capital,
- 2) Methods and Instruments to mitigate risk,
- 3) Methods and instruments to effect payment.

“Firms face difficulties in financing trade in many developing countries”

With regards to raising capital, firms need financing to ensure adequate production to meet the orders of the commercial transactions on time. They may need to import inputs, hire more workers and etc. In this context pre-shipment and post-shipment financings provide the exporting firms with the ability to cover their expenses until they get the payments from the importers.

There are various risks faced during the international trade such as political and commercial risks. These risks are covered by export credit insurance and export guarantee programs. While export credit insurance protects exporters, guarantees protect banks offering the loans (UNESCAP 2002: 61).

Another issue in trade financing is the type of payment. There are several types of payments in international trade such as open account, Letters of Credit (L/C), payment in advance and documentary collection. Most common type is L/C, which is the most secure way for both exporters and importers. This instrument is particularly suitable for international contracts that are difficult to enforce and riskier than domestic contracts because the creditworthiness of the foreign counterparty is hard to evaluate (Contessi and de Nicola 2012). L/C's are commonly used in trade among the developing countries including the LDCs. Another instrument, namely open account is mostly used in trade among the developed countries and in exports of SMEs to large firms. Malouche (2009) cites SMEs weaker bargaining power position versus large firms as the reason for their use of open account in exports.

Trade finance, provided by commercial banks, export credit agencies, multilateral development banks, suppliers and purchasers, has grown by about 11 per cent annually over the last two decades (UNESCAP 2002: 4). However, in many developing countries, firms still face difficulties in getting trade finance. The trade financing gap is especially noticeable in the least developed countries, where the financial sector tends to be heavily transnationalized and strongly risk-averse, and where a significant share of deposits are invested in very low-risk instruments, including short-term liquid assets and foreign government bonds (UNCTAD 2012).

The situation worsens during the crisis periods. For example during the global economic crisis in 2008, getting trade finance for exporters in the developing countries became more expensive and harder. The results of the survey conducted by the World Bank in 2009 on 14 developing countries demonstrated how difficult the situation was. Overall trends from the survey indicate that trade finance has been noticeably constrained post-September 2008 as illustrated by the increased pricing of the trade loans and short-term financing, shortened payment terms, requests for more guarantees, and tightened counterparty bank requirements. (Malouche 2009: 22).

Trade finance opportunities in many OIC Member States are underdeveloped. Firms, in particular the SMEs face difficulty in accessing trade finance opportunities in competitive terms. For the Middle East and North African Countries (MENA), AMCML (2012) cites the reasons for the unwillingness of the Banks to engage in trade finance business as low revenue margins and identifies the factors leading to lower profit margins as the following:

- *Shift of global trade from traditional trade finance products, such as L/Cs and guarantees, to open accounts that require less banking intervention.*
- *Reduction in the average value of trade finance transactions due to increased activity of small- and medium-sized enterprises (SMEs) in the international trade.*

In many OIC Member States, the SMEs play an important role in total exports. However, they face more difficulties than larger firms to get finance. Firms have not traditionally relied too much on traditional trade finance instruments for export finance because either the local banking sector and institutions are poorly developed to start with, or banks find it difficult to find creditworthy customers (Malouche 2009: 19). This Situation is similar in most of the

Member States in MENA. MENA banks quote the lack of SME transparency and the weak financial infrastructure (weak credit information, weak creditor rights and collateral infrastructure), as the main obstacles for further engagement in SME finance (Rocka, Farazi, Khouri and Pearce 2011:3).

Out of 57, only 23 OIC Member States have established national export-import banks to provide trade finance for their firms. On the other hand, for even these countries, due to inadequate financial resources, shorter maturity and limited types of products, many firms still face difficulties in exporting and competing in the foreign markets.

5. THE ROLE OF THE COMCEC IN INCREASING INTRA-OIC TRADE

The COMCEC was established in 1981 and became operational in 1984. Trade is one of the major cooperation areas, identified with the objective of enhancing trade among the OIC Member States. The COMCEC has initiated many programs and projects towards reaching this objective.

The Fourth Extra-ordinary Islamic Summit Conference held on August 14-15, 2012 adopted the COMCEC Strategy. The Strategy defines six cooperation areas and trade is one of them. Enhancing Mobility, Strengthening Solidarity and Improving Governance are the three principles of the Strategy.

“COMCEC Strategy gives special emphasis to improving trade environment”

The Strategy defines the strategic objective of cooperation in the area of trade as “Expansion of Trade among the Member States”. In order to reach the strategic objective, the Strategy defines four output areas, namely trade liberalization, trade facilitation, trade financing and trade promotion. For each output areas, the Strategy defines the COMCEC’s role as well as the expected outcomes. As it was discussed earlier, many

OIC Member States face obstacles in the output areas defined in the Strategy. Through the new implementation instruments, the Strategy aims at contributing to the improvement of the current situation towards increasing intra-OIC trade. To reach these objectives, the Strategy brings two new well defined implementation instruments, namely Trade Working Group and the COMCEC Project Funding Mechanism.

Trade Working Group convenes regularly twice in Ankara on different specific themes that possess crucial importance for the Member Countries. Main objective of the Trade Working Group meetings are; producing and disseminating knowledge, sharing experience and good practices among the Member Countries. The Working Group also aims to serve as an effective intermediary for creating a common understanding and approximating policies among the Member Countries to respond to their common development problems. To enrich discussions during the Working Group Meetings, analytical studies on the theme of the respective meetings and Sectoral Outlook report are prepared by the CCO and conveyed to the Member Countries at least one month prior to each meeting. As of October 2017, nine rounds of Working Group Meetings were successfully organized.

Trade Liberalization:

As many international organizations, COMCEC has initiated a RTA, called Trade Preferential System among the OIC Member States (TPS-OIC). TPS-OIC is based on three agreements, namely the Framework Agreement, the Protocol on Preferential Tariff Scheme (PRETAS) and the Rules of Origin.

The Framework Agreement, which sets out the general rules and principles for the negotiations toward the establishment of the TPS-OIC, entered into force in 2002 after reaching 10 ratifications. Following the entering into force, the COMCEC Coordination Office organized First Round of Trade Negotiations to develop a more specific agreement laying out the concrete reduction rates in tariffs in accordance with a time-table for implementation. After four meetings, the Member States agreed on the PRETAS. After the finalization of the PRETAS, the

Trade Negotiating Committee, which is the responsible body for the TPS-OIC conducted another round of negotiations for finalizing the Rules of Origin. The round of negotiations closed successfully after the finalization of the deliberations on the Rules of Origin in 2007. The PRETAS entered into force in February 2010, and the Rules of Origin entered into force in August 2011. Therefore, the legal basis of the system was completed.

In order to make the TPS-OIC system operational, 10 Member States have to fulfill two conditions at the same time, namely the ratification of the three TPS-OIC Agreements and the submission of the list of concessions to the TNC Secretariat. As of December 2014, required number of countries having met necessary requirements of the System has been reached. The Member Countries having met the two conditions are; United Arab Emirates, Bangladesh,

***“TPS-OIC, which promises
more intra-OIC trade
is close to
implementation”***

Bahrain, Qatar, Kuwait, Malaysia, Oman, Pakistan, Saudi Arabia, Turkey, Jordan, Iran and Morocco. Afterwards, in the 31st Session of the COMCEC, the Ministers agreed to undertake necessary measures to finalize the procedures of TPS-OIC. In this regard, 31st COMCEC Session invited the participating states to update the previously submitted concession lists by March 1st,

2016 for the full implementation of the TPS-OIC. Moreover, 32nd COMCEC Session called upon the Member States which have not yet signed or ratified TPS-OIC Agreements, namely the Framework Agreement, PRETAS and Rules of Origin, to do so at their earliest convenience and invited the GCC Secretariat, on behalf of its six member states, to convey their updated concession lists at their earliest convenience to the TNC Secretariat with a view to early utilizing market access opportunities to be brought by the TPS-OIC. So far, Turkey, Malaysia, Pakistan, Jordan, Bangladesh and Iran submitted the updated concession lists to the TNC Secretariat.

On the other hand, for successful implementation of the System, there are some measures required to be undertaken by the Member Countries such as; printing TPS-OIC Certificate of Origin documents, conveying specimen impressions of stamps to the Trade Negotiating Committee Secretariat and completing the necessary internal legislative and administrative measures. After completion of the mentioned measures, the System is expected to be operational in the near future.

Islamic Centre for Development of Trade (ICDT) which is an OIC Institution based in Morocco, Casablanca, has also been organizing raising awareness activities for the TPS-OIC under its capacity as the co-secretariat for the Trade Negotiating Committee (TNC). Beginning with January 2015, ICDT has successfully organized seminar on TPS-OIC in Turkey, Qatar, Suriname and Indonesia. The last training workshop on TPS-OIC was organized by ICDT in cooperation with the COMCEC Coordination Office on 13-14 September 2017 in Jakarta, Republic of Indonesia in line with the relevant resolution of the 32nd COMCEC Session.

Table 8: Timeline of the TPS-OIC Negotiations

1988	•COMCEC adopted the basic principles (Declaration of Intent) that should guide the efforts for the establishment of a trade preferential system
1990	•The Framework Agreement was adopted by the COMCEC, and presented to the signature and ratification by the Member States
2002	•The required number of 10 ratifying states for the entry into force of the Framework Agreement was reached.
2003	•Ministerial declaration of the COMCEC for the launching of the First Round of TPS-OIC Negotiations.
2004-2005	•First Round of Negotiations (Antalya round, 4 meetings) producing the Preferential Tariffs Scheme (PRETAS)
2006	•Ministerial Declaration for the launching of the Second Round of Negotiations.
2006-2007	•Second Round of Trade negotiations (Ankara Round, 4 meetings) producing the TPS-OIC Rules of Origin.
2007	•Ministerial Declaration for submitting the Rules of Origin for signing and ratification, and adopting the date of January 1st, 2009 for the operationalization of the System.
2010	•The required number of 10 ratifying states for the entry into force of the PRETAS was reached.
2011	•The required number of 10 ratifying states for the entry into force of the Rules of Origin was reached.
2014	•The required number of at least 10 member states that have both ratified all the three agreements and submitted their concessions lists was reached.
2015-2016	•COMCEC took consecutive resolutions for the full operationalization of the System.

Furthermore, in order to contribute to the liberalization of trade in the Member States, COMCEC also encourages the OIC Member States to join the WTO. In this regard, the Islamic Development Bank (IDB) and the ICDT have been organizing several capacity building programmes in cooperation with the Member States.

Trade Facilitation:

An important project developed by the COMCEC towards facilitating trade among the Member States is the Standard and Metrology Institute for Islamic Countries (SMIIC). SMIIC entered into force in May 2010 following the ratification of its Statute by the tenth Member State.

SMIIC is an affiliated institution of the OIC which is responsible for contributing to the development of standards in the OIC Member States. SMIIC aims at realizing harmonized standards and eliminating any standard related factor that adversely affects the trade among the member countries.

After the ratification of its Headquarters Agreement by the Republic of Turkey on March 31st, 2011, headquarters of SMIIC was formally established. As of October 2017, number of SMIIC Member States was reached to 33.

Till today, SMIIC has successfully accomplished a series of events including capacity building programs, forum, seminars and visits to the relevant organizations in the Member States in the area of standards and metrology. One of the important activities of the SMIIC was trainings. SMIIC Information System (IS) Training was held on 19-21 April 2016 in Istanbul. Also the Committee on Standards for Conformity Assessment (SMIIC/CCA) has been established to prepare guides/standards on criteria for bodies involved in testing, calibration, certification, inspection, accreditation, their operation and assessment, and other related standards and especially halal conformity assessment and accreditation guidelines or standards. First meeting of SMIIC Committee on Standards for Conformity Assessment (SMIIC/CCA) was held on 23-24 March 2016, in Istanbul.

To enrich the depth of the efforts, Financial, Terminology and Technical Committees were established under the SMIIC which dwell upon technical aspects of the relevant topics. The Technical Committees are Halal Food Issues, Halal Cosmetic Issues, Service Site Issues, Renewable Energy, Tourism and Related Services, Agriculture Processes and Transportation. A mechanism with great future potential for cooperation, SMIIC Metrology Committee works actively towards achieving uniformity in metrology and laboratory testing amongst OIC Member States since its first convention on 23-24 September 2013 in Dubai, UAE.

Regarding trade facilitation, the COMCEC Trade Working Group has devoted its several meetings to its different aspects and for each meeting, a research report has been prepared for producing and disseminating knowledge on the current status of trade facilitation in the Member Countries. These reports also provides policy recommendations for the member countries for facilitating trade by utilizing a set of tools and policies. In this regard, the study titled "Facilitating Intra-OIC Trade: Improving the Efficiency of the Customs Procedures in the OIC Member States" was prepared specifically for the 3rd Meeting of the COMCEC Trade Working Group suggests that following factors are important in implementing the customs reforms in the Member States in order to improve their trade performances:

- Political will
- Establishment of well-functioning coordination mechanism among the relevant government agencies and private sector,
- Improving the legal framework,
- Institutional arrangements,

- Human resources management and,
- Allocation of necessary financing.²²

Recognizing the importance of reducing trade costs, effective implementation of trade facilitation measures is important. This in turn requires close cooperation and coordination among the customs administrations, other relevant government agencies and the private sector. For the last forty years, international institutions such as UNECE and the UNCTAD encourage countries to establish coordination mechanisms for trade facilitation among the stakeholders within each country. Most recently, article 23/2 of the WTO Agreement on Trade Facilitation stated that “Each Member shall establish and/or maintain a national committee on trade facilitation”, making national trade facilitation bodies (NTFBs) a requisite of the global trading regime²³.

In this respect, the Sixth Meeting of the COMCEC Trade Working Group was held on September 17th, 2015 in Ankara, Turkey with the theme of “Establishing Well-Functioning National Trade Facilitation Bodies in the OIC Member Countries”. After detailed deliberations, the Working Group came up with the following policy recommendations for trade facilitation bodies in the Member Countries;

- *Establishing effective communication systems within the framework of the work of the NTFBs*
- *Involving the private sector in the activities of the NTFBs*
- *Extending technical assistance to the member states for establishing/maintaining NTFBs*
- *Designing Performance Evaluation Criteria for the Existing NTFBs*

The Seventh Meeting of the COMCEC Trade Working Group was held on February 25th, 2016 with the theme of “Strengthening the Compliance of the OIC Member States to International Standards”. During the Meeting, the participants deliberated on standards as non-tariff barriers, development of quality infrastructure, and strengthening the compliance of member countries with international standards. The research study prepared for the meeting, highlighted the importance of compliance with international standards for the OIC Member Countries, especially for improving export competitiveness and trade facilitation through the elimination of barriers on trade. In this respect, active membership of the Member Countries to the relevant international standards organizations is of particular importance. The study indicated that, at present, there is a varying degree of involvement on the part of the Member Countries; 55 OIC Member Countries are members of Codex, while this figure is 35 and 11 for the ISO and IEC respectively. However, the study highlighted that there is still need for more active participation of the Member Countries to the technical work of international standardization bodies for increasing inclusiveness and large-scale adoption of international standards.²⁴

The following challenges, among others, have been identified by the above-mentioned research as well as the participants of the 7th Meeting of Trade WG:

- Low level of trade integration
- Inefficient standards related national infrastructure
- Low level of conformity assessment and mutual recognition

²² COMCEC Coordination Office, 2014.

²³ COMCEC Coordination Office, 2015b.

²⁴ COMCEC Coordination Office, 2016a.

After the deliberations, the Working Group has come up with the following policy recommendations:

- Developing/Strengthening a National Quality Infrastructure.
- Supporting the Member States' Efforts for their Active Participation in the work of International Standardization Bodies.
- Strengthening SMIIC for the Adoption of Harmonized Standards for the development of Quality Infrastructure in the OIC for Enhancing Intra-OIC Trade.

In addition to compliance to the international standards, border agency cooperation (BAC) is another important aspect of trade facilitation in global agenda. According to the WTO Trade Facilitation Agreement, which was also ratified by 27 OIC Member Countries, the concerned countries committed to cooperate in the following issues regarding cross border cooperation:

- ✓ alignment of working days and hours,
- ✓ alignment of procedures and formalities
- ✓ development and sharing of common facilities
- ✓ joint controls
- ✓ establishment of one stop border post control

The level of border agency cooperation of the OIC Member Countries varies according to the several indices measuring the countries' level of border agency cooperation. According to World Bank's Logistics Performance Index (LPI), which measures the efficiency of the clearance process scaling from 0 to 5, the Asian Group countries have the highest average score of 2.53 in the efficiency of the clearance processes, followed by the Arab Group Countries with the score of 2.46. On the other hand, African Group Countries have the lowest average with the score of 2.30.

Moreover, OECD External Border Agency Cooperation (BAC) Indicator, scaling from 0 to 2, measures the border agency cooperation with neighbouring and third countries. Accordingly, the average of external cooperation for the Arab Group is 1.15, followed by the Asian and African Group countries with the score of 1.11 and 0.82, respectively²⁵.

Considering the importance of BAC for trade facilitation as well as increasing intra-OIC trade, the 8th Meeting of the COMCEC Trade Working Group held on October 6th, 2016, was devoted to "Improving the Border Agency Cooperation among the OIC Member States for Facilitating Trade." The research study and the participants of the working group highlighted the major challenges faced by the Member Countries, among others:

- Lack of coordination and cooperation among border agencies
- Long, costly and inefficient customs procedures
- Lack of harmonized working hours among the countries
- Inadequate information exchange among the border agencies

²⁵ COMCEC Coordination Office, 2016b.

The Working Group has come up with the following policy recommendations in order to address the challenges faced by the Member Countries regarding the border agency cooperation:

- Promoting the adoption of international standards in customs and other relevant cross border trade and logistics matters as well as accession to the relevant international conventions for harmonizing and simplifying rules and procedures related to the cross border trade and logistics operations,
- Promoting mutual recognition arrangements/agreements for border controls and trusted traders,
- Enhancing information exchange among the border agencies of the Member Countries through enhancing connectivity of information and communication technology systems, providing regular knowledge exchange platforms and participating in relevant international networks,
- Improving the infrastructure of land border crossing points and transport connectivity through the joint efforts of the neighboring countries e.g. through establishing joint technical/working committees, which include relevant stakeholders to identify the factors which cause bottlenecks.

Finally, the 9th Meeting of the Trade Working Group has elaborated on an important instrument of trade facilitation, which is Single Window Systems. The TWG has convened on March 9th, 2017, in Ankara, Turkey with the theme of “*Single Window Systems in the OIC Member Countries.*” During the Meeting, the participants deliberated on the conceptual framework, global practices and trends in single windows and the current status of the OIC Member Countries regarding the implementation of the Single Window Systems.

Single window systems serve as the platforms for the exchange and processing of electronic information between traders, government agencies, and private operators. The research report prepared for the meeting highlighted the importance of single window systems for facilitating trade by offering a single point of contact and single submission for import, export and transit relevant formalities. The report indicated that, at present, 23 Member Countries have been benefiting from the single window systems, whereas 4 member countries are in the process of establishment of a system. Furthermore, 11 member countries have a vision to establish their single window systems²⁶.

There are major challenges faced by the Member Countries during the initiation and implementation processes of the single window systems. In this regard, weak quality of preparatory work, non-implementation of necessary legal and regulatory changes, inflexibility and lack of interoperability of the systems, and insufficient IT architecture and infrastructure are some of the main challenges faced in this field. In order to address these challenges, the Working Group has come up with the following policy recommendations:

- Strengthening Single Window efforts in OIC Member States by developing integrated Single Window strategies that reflect national and regional requirements and actively engage the stakeholders in this process

²⁶ COMCEC Coordination Office, 2017a.

- Improving the effectiveness of Single Window projects by identifying and implementing necessary changes in the laws and regulatory framework and operational practices,
- Prioritizing flexibility, scalability, safety and interoperability of IT architecture of Single Windows Systems,
- Promoting cross-border interconnectivity and interoperability of the national Single Window Systems in the OIC Region towards establishing Regional Single Window Systems

Trade Promotion:

One of the challenges facing the Member States in enhancing intra-OIC trade is the inadequate flow of information among exporters and importers. Firms in some of the Member States have very limited opportunities to raise awareness on their products. They need extra support from national and international promotion agencies.

The COMCEC initiated several projects up to date to promote trade among the Member States. One of these initiatives is the Trade Information Network for Islamic Countries (TINIC). The First COMCEC Session, held in 1984, adopted a resolution recommending the establishment of a Trade Information Network for Islamic Countries to facilitate the collection, processing, analysis and propagation of trade information for the benefit of users. The Islamic Center for the Development of Trade (ICDT) prepared a feasibility study on the modality of the network. The TINIC became operational in 1996. It was restructured in 2001 in order to meet the growing needs of the private sector of the Member States.

COMCEC also initiated Islamic Trade Fairs which are organized biannually in one of the Member States. Islamic Trade Fairs bring together the producers from the Member States together to increase awareness and support intra-OIC trade. In recent years, ICDT is also organizing sectorial trade fairs and exhibitions in accordance with the relevant resolutions of the COMCEC.

Moreover, COMCEC initiated the Private Sector Meetings, organized annually in one of the Member States. The Private Sector Meetings bring the business owners, firm representatives and chambers to discuss their common challenges, needs and cooperation opportunities. These meetings also present opportunities for partnership and trade.

Furthermore, COMCEC Trade Working Group deliberated on the Trade Promotion Organizations (TPOs), which are one of the most important institutions utilized by governments to support SMEs exports. Most of the OIC Member States now have newly established institutions or existing governmental bodies that serve as TPOs. The research report titled "Promoting the SMEs Exports in the OIC Member Countries: The Role of the TPOs" commissioned by the COMCEC Coordination Office for the 1st Meeting of the COMCEC Trade Working Group, designates following actions as the main services provided by TPOs;

- Provision of information about overseas markets,
- Business consultancy for new exporters or companies that intend to expand their international business,
- Networking with potential business partners in foreign markets,

- Support in participation to trade fairs and organization of mission tours to foreign markets,
- Seminars and training courses to enhance the managerial ability of exporters and/or mentoring services,
- Financial support to exporters.

The study recommends several strands of actions for policy development to OIC Member States such as;

- Greater emphasis on intra-OIC trade activities through the development of multilateral agreements or possible free trade zone agreements,
- Institutional focus on developing soft infrastructure of skills development and of entrepreneurship,
- Strengthening and development of an exclusive front on new Technologies,
- Promotion of public-private partnerships,
- Development of a data infrastructure, to monitor business dynamics and performance by size of firms²⁷.

Trade Financing:

The COMCEC Trade Working Group also touched upon the trade financing issues in its Meetings. In its fifth meeting held on March 26th, 2015, the TWG evaluated the present situation in the Member Countries with respect to Export Credit Agencies (ECAs). After detailed deliberations, the Working Group came up with the following policy recommendations in order to improve the role of ECAs in the Member Countries²⁸;

- *Member States are encouraged to examine and assess the financing needs of their exporters*
- *Member States are invited to enhance transactional cooperation among their ECAs*
- *Member States are encouraged to review the soundness of their ECAs with the aim of improving the overall performance of the ECA*
- *Member states are called on to promote public-private dialogue within the ECA context*
- *Member states are encouraged to initiate capacity building activities for strengthening institutional and human capacities of their ECAs*

Despite all odds, especially for SMEs, trade finance promises prospects in future. The analytical study titled “Improving the SMEs Access to Trade Finance in the OIC Member States” commissioned by the COMCEC Coordination Office for the 2nd Meeting of the COMCEC Trade Working Group envisages that through appropriate policy and regulatory treatment of trade finance, coupled with recent innovations like supply chain finance and the key role of ECAs and IFIs in supporting access to trade finance, a far more positive view of the immediate future in terms of SMEs access to finance and trade finance is possible. Moreover developments in Islamic Finance and adaptation of Islamic Finance Tools would offer great opportunities for COMCEC Countries²⁹.

²⁷ COMCEC Coordination Office, 2013a.

²⁸ COMCEC Coordination Office, 2015a.

²⁹ COMCEC Coordination Office, 2013b.

Furthermore, the COMCEC has initiated the Export Financing Scheme (EFS) and Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) to contribute to financing trade among the Member States.

The Export Financing Scheme (EFS) was first initiated by the COMCEC as the Longer-Term Trade Financing Scheme. IDB was entrusted with the implementation of the EFS. The 10th IDB Annual Meeting, held in March 1986 in Amman, Jordan, approved the Longer-Term Trade Financing Scheme. The title of the Scheme was later changed to Export Financing Scheme (EFS) and it became operational in 1988.

The EFS aims at promoting exports of non-conventional commodities by providing the necessary short and long-term funds. The repayment periods under the Scheme were originally between 6 and 60 months for the intra-OIC export. This period has now been extended to ten years for capital goods, such as ships, machinery etc. Each Member State participating in the EFS had one or more national agencies for the Scheme. The role of the national agencies was to coordinate the promotion of the EFS in their countries. Since its inception in 1988, cumulatively over an amount of USD 3 billion of approvals were made under the Scheme.

After the establishment of the International Islamic Trade Finance Corporation (ITFC), in 2005, all trade financing activities of the IDB, including the EFS, were brought under the ITFC. The ITFC commenced business at the beginning of 2008. Most common modes of trade financing provided by the ITFC are murabaha, installment sale and istisna'a.

Since its establishment, the ITFC has increased the volume of operations and business portfolio. In this regard, total cumulative approvals and disbursements reached US\$35.4 billion and US\$26.8 billion, respectively. In order to have greater impact, it also gives more emphasis on providing finance to Least Developed Member Countries (LDMC's), SMEs and strategic commodities produced in the Member States such as oil, cotton, wheat etc.

The Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC) is a subsidiary organ of the IDB. It was established in 1994 with an authorized capital of ID 100 million (about USD 127 million) and become operational in 1995. ICIEC has 42 Member Countries. The objective of the ICIEC is to expand the scope of trade transactions and the flow of investments among Member Countries of the OIC.

6. CONCLUSION

World trade in dollar terms declined by 2.9 per cent in 2016 following the sharp decline of 12.5 percent in 2015 thus falling to 16.0 trillion US dollars down from 16.5 trillion US dollars in 2015. World trade witnessed the weakest growth in volume terms (accounted for changes in prices and exchange rates) in 2016 since the global crisis. It should also be noted world trade volume growth has been below pre crisis trend levels.

World trade slowdown in 2016 was attributed to several factors including ongoing weakness in global economy, falling oil and other commodity prices, and China's rebalancing of demand. The stagnation in developing countries imports demand accounted mainly for the weakness in world trade in 2016. There are both cyclical and structural factors weighing on world trade. However structural factors are estimated to have larger effect on recent slowdown in world trade. The structural changes that contributed to global trade weakness includes changes in the composition of economic activity away from import-intensive investment, the maturation of global value chains and slower pace of trade liberalization. The slowing pace of global value chains was found to be the main structural factor affecting world trade negatively.

China's growth prospects is crucial in particular as China being ranked first among the major export markets for OIC countries. China's demand for commodities was also an important driver of prices of many commodities besides oil as China emerged as a key importer for many commodities in the last decade.

Total OIC exports hovered around 2.1 to 2.2 trillion dollars between 2012 and 2014 period. However total OIC exports fell sharply by 27.7 per cent in 2015. Total OIC exports declined further by 9.2 per cent in 2016. Thus total OIC exports' share in world exports further declined to 8.7 per cent in 2016. On the other hand total OIC imports which continued to increase modestly over the 2012 and 2014 period, fell by 6.6 per cent in a second consecutive year in 2016 to USD 1.6 trillion. Thus total OIC trade fell to 3.0 trillion dollars in 2016 down from 3.2 trillion dollars in 2015.

Several factors accounted for the decline in total OIC exports in 2016 including the sluggish pace of world demand growth, downward trend in commodity prices in particular the oil prices, US dollars appreciation and ongoing political transition in many countries in Middle East.

The share of intra-OIC trade in total trade peaked at 18.4 per cent in 2016. However, there is a substantial variation amongst the OIC countries in terms of the share of intra-OIC trade to total.

Total OIC exports are highly concentrated. Although the share of mineral fuels, oils and distillation products in total OIC exports declined in recent years it has still the highest share with 43.9 percent in 2016. Commodity concentration is even more apparent when countries examined specifically. Fuels in particular petroleum was the main exported item in many members ranging between 40 to 98 per cent of total exports. Yet some other member states heavily depend on specific primary commodities such as metalliferous ores, or agricultural commodities. Examination of export product diversification using Herfindahl index in the OIC yields that there a little tendency towards increasing product diversification and there is a wide variation among OIC countries. Moreover, the product concentration of the OIC countries exports is above world averages.

Market concentration of OIC exports is also high. Although OIC exports are mainly destined to developed countries. China alone accounted for 10 per cent of total extra-OIC exports. The high

commodity and country concentration in total OIC trade is a major drawback as this increases the exposure of OIC countries to external economic shocks resulting from either a fall in commodity prices and/or demand slowdown in major export destinations.

Recent oil price shock underscores the need and case for policies to reduce reliance on oil revenues and to diversify exports. Commodity prices fell further by 10 per cent in 2016 following the sharp decline of 35.4 per cent in 2015. Slowing demand especially in developing economies, weak economic recovery in advanced economies, ample oil supply, and US dollars appreciation were mainly accounted for the fall in commodity prices. Oil prices continued to decline by 15.4 per cent to 44 dollars per barrel in 2016 down from 52.4 dollar per barrel in 2015.

There are great differences among the member states in terms of economic development and the structure of trade. Creating an enabling environment for trade remains one of the main challenges for the OIC Countries. To this end, policies towards trade liberalization, trade promotion, and trade finance and trade facilitation become priority areas in policy reform agendas of the OIC Countries.

During the recent decade, most of the OIC Member States have liberalized their trade. 44 out of 57 Member States have acceded to the WTO. Moreover most of them have joined one or more RTAs. However, many of the Member States still apply higher tariffs to the imports than the world averages.

Higher transport costs and cumbersome customs procedures in international trade also constitute significant problems in some of the Member States, hindering not only their foreign trade but also their economic and social development. According to World Bank Trading Across Borders measures the OIC countries are 50 percent below the best performing countries measured by distance to frontier. The cost and time associated with submitting the necessary documents to clear the goods is above the world averages in the OIC countries. Reducing trade costs and adapting trade facilitation measures are major challenges for the OIC countries. Moreover, access to trade finance also constitutes an obstacle in some of the Member States. Inadequate financial resources limit the SMEs export capabilities to export in several Member States.

COMCEC aims at enhancing economic and commercial cooperation among the 57 OIC Member States. Since 1984, COMCEC has initiated many cooperation programs and projects towards increasing intra-OIC trade and addressing the common challenges. Some of these programs and projects have been realized successfully. Taking into consideration the diversity a trade patterns of the Member States and the common challenges faced by them, the COMCEC Strategy has identified trade as one of its cooperation areas.

Under this cooperation area, the Strategy defined trade liberalization, trade facilitation, trade promotion and trade financing as the output areas in order to reach its strategic objective, which is "enhancing trade among the Member States". Furthermore, the Strategy brought two new implementation instruments, namely Trade Working Group and COMCEC Project Funding to reach its target.

The implementation of the Strategy with the active participation of the Member States will contribute to improving the trade environment in the Member States and enhancing intra-OIC trade.

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8. APPENDIX:

Table A.1: The Official 3 Regional Groups of the OIC Member States

Arab Group	Asian Group(*)	African Group
Algeria	Afghanistan	Benin
Bahrain	Albania	Burkina Faso
Comoros	Azerbaijan	Cameroon
Djibouti	Bangladesh	Chad
Egypt	Brunei	Cote d'Ivoire
Iraq	Indonesia	Gabon
Jordan	Iran	Gambia
Kuwait	Kazakhstan	Guinea
Lebanon	Kyrgyz Republic	Guinea-Bissau
Libya	Malaysia	Mali
Mauritania	Maldives	Mozambique
Morocco	Pakistan	Niger
Oman	Tajikistan	Nigeria
Palestine	Turkey	Senegal
Qatar	Turkmenistan	Sierra Leone
Saudi Arabia	Uzbekistan	Togo
Somalia		Uganda
Sudan	Guyana	
Syria	Suriname	
Tunisia		
United Arab Emirates		
Yemen		

(*) Guyana and Suriname which are geographically located in Latin America are included in Asian Group.

Table A-2: Total Trade of the OIC Countries

	Table 1.1: Total Trade of the OIC Countries												Share in OIC (%)			
	Total Exports (million \$)				% Change 2016/ 2015	Total Imports (million \$)			% Change 2016/ 2015	Total Trade (million \$)			% Change 2016/ 2015	Total Exports	Total Imports	Total Trade
	2014	2015	2016	2014		2015	2016	2014		2015	2016	2016				
Afghanistan	424	577	611	5.9	7,707	7,751	6,559	-15.4	8,132	8,328	7,170	-13.9	0.0	0.4	0.2	
Albania	2,550	2,016	1,961	-2.7	5,507	4,365	4,666	6.9	8,057	6,381	6,628	3.9	0.1	0.3	0.2	
Algeria	60,132	34,564	29,309	-15.2	59,764	52,627	46,723	-11.2	119,897	87,191	76,032	-12.8	2.1	2.9	2.5	
Azerbaijan	21,826	11,477	9,143	-20.3	9,173	9,200	8,532	-7.3	30,999	20,676	17,675	-14.5	0.7	0.5	0.6	
Bahrain	23,327	16,512	12,765	-22.7	20,150	16,446	14,811	-9.9	43,476	32,958	27,577	-16.3	0.9	0.9	0.9	
Bangladesh	28,434	29,925	30,195	0.9	41,635	39,476	41,261	4.5	70,069	69,401	71,456	3.0	2.2	2.6	2.4	
Benin	968	625	441	-29.5	3,654	2,475	2,630	6.3	4,623	3,101	3,072	-0.9	0.0	0.2	0.1	
Brunei Darussalam	10,432	6,354	5,221	-17.8	3,650	3,230	2,664	-17.5	14,083	9,584	7,885	-17.7	0.4	0.2	0.3	
Burkina Faso	2,870	2,193	2,437	11.1	3,581	2,987	3,351	12.2	6,450	5,180	5,788	11.7	0.2	0.2	0.2	
Cameroon	5,147	4,058	3,216	-20.7	7,538	6,042	5,745	-4.9	12,685	10,100	8,961	-11.3	0.2	0.4	0.3	
Chad	2,974	2,223	1,582	-28.8	1,398	889	650	-26.9	4,373	3,112	2,232	-28.3	0.1	0.0	0.1	
Comoros	10	9	16	70.1	134	141	176	24.9	144	150	192	27.8	0.0	0.0	0.0	
Côte d'Ivoire	12,809	11,948	11,846	-0.8	11,070	9,577	9,208	-3.9	23,879	21,525	21,055	-2.2	0.9	0.6	0.7	
Djibouti	259	347	348	0.3	1,151	1,443	1,544	7.0	1,411	1,790	1,892	5.7	0.0	0.1	0.1	
Egypt	26,693	21,120	20,021	-5.2	68,188	69,788	56,706	-18.7	94,881	90,908	76,727	-15.6	1.4	3.5	2.6	
Gabon	8,437	6,995	6,026	-13.9	3,972	2,932	2,412	-17.8	12,408	9,927	8,437	-15.0	0.4	0.2	0.3	
Gambia, The	104	130	154	18.8	388	306	310	1.3	493	436	464	6.5	0.0	0.0	0.0	
Guinea	2,092	1,748	2,918	66.9	2,513	2,143	2,235	4.3	4,605	3,892	5,153	32.4	0.2	0.1	0.2	
Guinea-Bissau	247	306	337	10.1	272	230	255	10.5	519	536	592	10.3	0.0	0.0	0.0	
Guyana	1,173	1,283	1,451	13.1	1,787	2,189	1,629	-25.6	2,960	3,472	3,080	-11.3	0.1	0.1	0.1	
Indonesia	176,292	150,393	145,015	-3.6	178,179	142,695	134,641	-5.6	354,471	293,088	279,655	-4.6	10.5	8.4	9.4	
Iran, I.R. of	63,964	39,374	46,745	18.7	71,093	58,264	63,684	9.3	135,057	97,638	110,429	13.1	3.4	4.0	3.7	
Iraq	81,986	51,501	46,422	-9.9	41,542	36,171	30,313	-16.2	123,529	87,672	76,735	-12.5	3.4	1.9	2.6	
Jordan	7,267	6,757	5,416	-19.8	22,914	20,466	16,716	-18.3	30,182	27,223	22,131	-18.7	0.4	1.0	0.7	

	Total Exports (million \$)			% Change 2016/ 2015	Total Imports (million \$)			% Change 2016/ 2015	Total Trade (million \$)			% Change 2016/ 2015	Share in OIC (%) Total Exports Total Imports Total Trade		
	2014	2015	2016		2014	2015	2016		2014	2015	2016			2016	
Kazakhstan	79,433	45,952	36,737	-20.1	41,486	30,600	25,377	-17.1	120,920	76,552	62,114	-18.9	2.7	1.6	2.1
Kuwait	97,144	54,031	41,786	-22.7	31,710	32,127	31,466	-2.1	128,854	86,158	73,252	-15.0	3.0	2.0	2.5
Kyrgyz Republic	997	1,435	1,435	0.0	4,690	4,160	3,957	-4.9	5,686	5,595	5,392	-3.6	0.1	0.2	0.2
Lebanon	3,313	2,952	2,977	0.8	20,494	18,069	18,705	3.5	23,807	21,021	21,682	3.1	0.2	1.2	0.7
Libya	14,140	8,157	6,531	-19.9	12,433	8,213	6,588	-19.8	26,573	16,370	13,118	-19.9	0.5	0.4	0.4
Malaysia	234,249	199,958	188,164	-5.9	208,961	175,977	177,335	0.8	443,210	375,935	365,499	-2.8	13.6	11.1	12.2
Maldives	145	148	143	-3.4	2,002	1,909	2,138	12.0	2,148	2,057	2,281	10.9	0.0	0.1	0.1
Mali	798	935	2,845	204.4	3,516	3,124	3,854	23.4	4,315	4,059	6,699	65.1	0.2	0.2	0.2
Mauritania	2,013	1,574	1,626	3.3	3,644	2,258	2,175	-3.7	5,658	3,833	3,802	-0.8	0.1	0.1	0.1
Morocco	23,599	21,140	22,826	8.0	45,611	37,030	41,686	12.6	69,211	58,170	64,512	10.9	1.6	2.6	2.2
Mozambique	4,790	3,291	3,339	1.4	9,080	8,146	6,690	-17.9	13,870	11,437	10,029	-12.3	0.2	0.4	0.3
Niger	984	788	927	17.7	2,152	2,461	1,865	-24.2	3,136	3,249	2,792	-14.1	0.1	0.1	0.1
Nigeria	97,117	56,979	38,949	-31.6	52,447	38,758	31,702	-18.2	149,563	95,737	70,651	-26.2	2.8	2.0	2.4
Oman	53,221	34,733	26,776	-22.9	29,305	29,007	23,111	-20.3	82,526	63,740	49,887	-21.7	1.9	1.4	1.7
Pakistan	25,176	22,603	21,050	-6.9	47,545	43,990	46,998	6.8	72,720	66,593	68,048	2.2	1.5	2.9	2.3
Palestine	944	958	937	-2.2	5,683	5,226	5,597	7.1	6,627	6,184	6,534	5.7	0.1	0.3	0.2
Qatar	126,287	76,618	56,808	-25.9	29,380	31,691	32,232	1.7	155,667	108,309	89,040	-17.8	4.1	2.0	3.0
Saudi Arabia	339,205	214,534	174,904	-18.5	169,619	174,383	140,172	-19.6	508,824	388,917	315,076	-19.0	12.6	8.7	10.5
Senegal	2,573	2,322	2,537	9.3	6,049	5,234	5,480	4.7	8,622	7,555	8,017	6.1	0.2	0.3	0.3
Sierra Leone	369	121	509	322.3	2,068	1,768	965	-45.4	2,437	1,889	1,474	-21.9	0.0	0.1	0.0
Somalia	608	683	647	-5.3	2,292	2,146	2,369	10.4	2,900	2,830	3,016	6.6	0.0	0.1	0.1
Sudan	4,350	3,168	2,599	-18.0	9,211	9,509	5,662	-40.5	13,562	12,677	8,261	-34.8	0.2	0.4	0.3
Suriname	1,917	840	1,235	46.9	1,828	1,365	1,176	-13.8	3,745	2,205	2,411	9.3	0.1	0.1	0.1
Syria	948	853	797	-6.6	8,360	6,794	6,108	-10.1	9,307	7,647	6,904	-9.7	0.1	0.4	0.2
Tajikistan	986	1,043	809	-22.4	4,240	3,739	3,755	0.4	5,226	4,782	4,564	-4.6	0.1	0.2	0.2

													Share in OIC (%)		
	Total Exports (million \$)			% Change 2016/ 2015	Total Imports (million \$)			% Change 2016/ 2015	Total Trade (million \$)			% Change 2016/ 2015	Total Exports	Total Imports	Total Trade
	2014	2015	2016		2014	2015	2016		2014	2015	2016			2016	
Togo	771	717	722	0.6	1,855	1,733	1,717	-0.9	2,626	2,450	2,439	-0.5	0.1	0.1	0.1
Tunisia	16,013	13,442	12,893	-4.1	25,039	20,414	18,982	-7.0	41,052	33,856	31,875	-5.9	0.9	1.2	1.1
Turkey	157,610	143,844	142,530	-0.9	242,177	207,236	198,618	-4.2	399,787	351,080	341,148	-2.8	10.3	12.4	11.4
Turkmenistan	11,369	9,560	7,544	-21.1	8,350	6,051	5,209	-13.9	19,720	15,610	12,753	-18.3	0.5	0.3	0.4
Uganda	1,982	1,999	2,297	14.9	6,074	5,528	4,830	-12.6	8,055	7,527	7,127	-5.3	0.2	0.3	0.2
United Arab Emirates	256,911	190,681	189,397	-0.7	299,742	288,009	271,755	-5.6	556,653	478,691	461,152	-3.7	13.7	17.0	15.4
Uzbekistan	6,805	6,540	7,750	18.5	13,303	10,844	10,128	-6.6	20,109	17,383	17,879	2.8	0.6	0.6	0.6
Yemen, Republic of	2,521	466	150	-67.9	12,080	6,580	7,116	8.1	14,601	7,046	7,266	3.1	0.0	0.4	0.2
OIC TOTAL	2,108,762	1,525,501	1,384,771	-9.2	1,923,706	1,715,913	1,602,940	-6.6	4,032,468	3,241,414	2,987,712	-7.8	100.0	100.0	100.0

Source: IMF Direction of Trade Statistics

Note: The membership status of Syria has been suspended since 2012.

Table A 3: Intra Trade of the OIC Countries

	Share of Intra Trade in Total Trade	Share in the OIC (%)														
		Intra-OIC Exports (million \$)			% Change	Intra-OIC Imports (million \$)			% Change	Intra-OIC Trade (million \$)			% Change	Intra Exports (%)	Intra Imports (%)	Intra Trade (%)
		2016	2014	2015		2016	2014	2015		2016	2014	2015		2016/2015	2016	2016
Afghanistan	68.1	226	337	348	3.2	2,826	5,453	4,532	-16.9	3,052	5,790	4,880	-15.7	0.1	1.6	0.9
Albania	7.9	136	86	43	-49.9	507	454	480	5.8	643	541	524	-3.1	0.0	0.2	0.1
Algeria	11.2	6,467	4,431	3,320	-25.1	5,307	5,030	5,170	2.8	11,774	9,461	8,489	-10.3	1.2	1.9	1.6
Azerbaijan	19.5	3,789	1,582	1,762	11.4	1,822	1,561	1,677	7.4	5,611	3,143	3,439	9.4	0.7	0.6	0.6
Bahrain	36.6	12,946	10,584	7,165	-32.3	10,747	7,009	2,933	-58.2	23,694	17,594	10,097	-42.6	2.7	1.1	1.8
Bangladesh	10.7	1,465	1,492	1,504	0.8	8,644	6,739	6,154	-8.7	10,109	8,231	7,658	-7.0	0.6	2.2	1.4
Benin	26.4	524	314	230	-26.8	797	585	581	-0.8	1,321	900	811	-9.9	0.1	0.2	0.1
Brunei Darussalam	13.3	1,022	458	378	-17.4	866	796	667	-16.2	1,888	1,254	1,045	-16.7	0.1	0.2	0.2
Burkina Faso	15.5	636	236	214	-9.5	1,755	634	684	7.8	2,391	871	898	3.1	0.1	0.2	0.2
Cameroon	21.6	621	493	431	-12.6	2,240	1,566	1,500	-4.2	2,861	2,059	1,931	-6.2	0.2	0.5	0.4
Chad	18.8	202	126	240	90.6	256	220	179	-18.8	458	346	419	21.1	0.1	0.1	0.1
Comoros	38.5	1	1	2	54.2	51	57	72	26.4	52	58	74	26.9	0.0	0.0	0.0
Côte d'Ivoire	25.0	3,301	2,950	2,989	1.3	3,487	2,534	2,285	-9.8	6,788	5,484	5,273	-3.8	1.1	0.8	1.0
Djibouti	41.7	69	108	108	-0.3	428	616	681	10.4	497	724	788	8.8	0.0	0.2	0.1
Egypt	26.9	11,406	9,776	7,407	-24.2	13,101	13,460	13,258	-1.5	24,507	23,235	20,665	-11.1	2.7	4.8	3.8
Gabon	4.6	270	251	137	-45.5	448	359	248	-30.8	718	610	385	-36.8	0.1	0.1	0.1
Gambia. The	50.9	88	111	124	12.3	149	99	112	13.1	237	210	236	12.7	0.0	0.0	0.0
Guinea	14.5	446	224	385	71.7	395	420	365	-13.3	841	645	750	16.3	0.1	0.1	0.1
Guinea-Bissau	20.4	17	40	32	-19.9	109	75	88	18.6	126	115	121	5.1	0.0	0.0	0.0
Guyana	4.2	21	19	22	15.9	141	53	108	105.6	163	72	130	82.0	0.0	0.0	0.0
Indonesia	12.0	24,613	20,504	18,161	-11.4	31,518	19,384	15,424	-20.4	56,131	39,888	33,585	-15.8	6.7	5.6	6.1
Iran. I.R. of	29.4	13,980	10,097	8,711	-13.7	25,791	21,101	23,754	12.6	39,771	31,198	32,464	4.1	3.2	8.6	5.9
Iraq	17.5	3,158	2,426	3,072	26.6	16,812	12,674	10,320	-18.6	19,970	15,100	13,392	-11.3	1.1	3.7	2.5
Jordan	35.5	4,091	3,805	2,844	-25.2	8,140	6,615	5,016	-24.2	12,231	10,420	7,861	-24.6	1.1	1.8	1.4

	Share of Intra Trade in Total Trade													Share in the OIC (%)				
		Intra-OIC Exports (million \$)				% Change	Intra-OIC Imports (million \$)				% Change	Intra-OIC Trade (million \$)			% Change	Intra Exports (%)	Intra Imports (%)	Intra Trade (%)
		2016	2014	2015	2016	2016/2015	2014	2015	2016	2016/2015	2014	2015	2016	2016/2015	2016			
Kazakhstan	10.4	6,620	4,455	4,246	-4.7	3,205	2,304	2,217	-3.8	9,826	6,759	6,464	-4.4	1.6	0.8	1.2		
Kuwait	18.8	13,216	7,850	6,031	-23.2	7,736	7,853	7,754	-1.3	20,952	15,703	13,785	-12.2	2.2	2.8	2.5		
Kyrgyz Republic	26.1	575	580	465	-19.9	1,188	951	942	-1.0	1,763	1,532	1,406	-8.2	0.2	0.3	0.3		
Lebanon	25.2	2,106	1,890	1,549	-18.0	3,580	3,356	3,917	16.7	5,686	5,246	5,466	4.2	0.6	1.4	1.0		
Libya	22.5	691	696	1,631	134.4	2,652	1,755	1,318	-24.9	3,343	2,451	2,949	20.3	0.6	0.5	0.5		
Malaysia	9.4	23,832	19,846	19,258	-3.0	21,352	17,186	15,168	-11.7	45,183	37,032	34,425	-7.0	7.1	5.5	6.3		
Maldives	26.3	2	3	3	7.8	769	559	598	6.8	771	562	601	6.8	0.0	0.2	0.1		
Mali	35.1	179	166	822	395.7	1,463	1,103	1,531	38.8	1,642	1,268	2,353	85.5	0.3	0.6	0.4		
Mauritania	19.0	260	184	179	-3.1	1,008	574	544	-5.2	1,268	758	723	-4.7	0.1	0.2	0.1		
Morocco	13.5	3,078	3,005	3,431	14.2	8,212	5,486	5,251	-4.3	11,290	8,491	8,683	2.3	1.3	1.9	1.6		
Mozambique	8.6	247	95	95	-0.5	1,575	990	763	-22.9	1,821	1,085	858	-20.9	0.0	0.3	0.2		
Niger	25.4	356	210	331	57.2	459	401	378	-5.6	815	611	709	16.0	0.1	0.1	0.1		
Nigeria	8.0	7,341	4,989	3,406	-31.7	3,167	2,462	2,279	-7.4	10,508	7,451	5,685	-23.7	1.3	0.8	1.0		
Oman	42.2	11,872	8,872	6,967	-21.5	13,343	14,992	14,102	-5.9	25,215	23,864	21,069	-11.7	2.6	5.1	3.9		
Pakistan	29.3	6,682	5,690	4,866	-14.5	20,717	15,944	15,074	-5.5	27,399	21,634	19,940	-7.8	1.8	5.4	3.7		
Palestine	14.1	115	125	99	-20.3	619	738	824	11.8	734	862	924	7.1	0.0	0.3	0.2		
Qatar	18.1	12,183	9,897	9,193	-7.1	6,665	7,084	6,942	-2.0	18,848	16,981	16,135	-5.0	3.4	2.5	3.0		
Saudi Arabia	17.1	67,766	38,128	31,085	-18.5	25,049	26,618	22,672	-14.8	92,815	64,746	53,757	-17.0	11.5	8.2	9.8		
Senegal	30.6	1,279	1,025	1,233	20.3	1,407	1,156	1,220	5.6	2,685	2,181	2,453	12.5	0.5	0.4	0.4		
Sierra Leone	31.4	92	25	179	614.9	1,092	834	285	-65.9	1,184	859	464	-46.0	0.1	0.1	0.1		
Somalia	39.4	502	604	558	-7.7	691	626	632	0.8	1,193	1,231	1,190	-3.3	0.2	0.2	0.2		
Sudan	63.0	2,368	1,874	2,211	18.0	3,331	3,156	2,989	-5.3	5,699	5,030	5,200	3.4	0.8	1.1	1.0		
Suriname	21.0	563	76	477	528.0	26	78	30	-61.5	589	154	507	229.4	0.2	0.0	0.1		
Syria	40.7	789	631	599	-5.1	3,142	2,526	2,210	-12.5	3,931	3,156	2,809	-11.0	0.2	0.8	0.5		

	Share of Intra Trade in Total Trade													Share in the OIC (%)			
		Intra-OIC Exports (million \$)				% Change	Intra-OIC Imports (million \$)				% Change	Intra-OIC Trade (million \$)		% Change	Intra Exports (%)	Intra Imports (%)	Intra Trade (%)
		2016	2014	2015	2016	2016/2015	2014	2015	2016	2016/2015	2014	2015	2016	2016/2015	2016		
Tajikistan	40.3	408	392	390	-0.5	1,770	1,305	1,450	11.2	2,178	1,697	1,840	8.5	0.1	0.5	0.3	
Togo	33.0	501	473	510	7.9	308	327	295	-10.0	808	800	805	0.6	0.2	0.1	0.1	
Tunisia	15.3	2,449	2,021	1,995	-1.3	4,596	2,900	2,887	-0.5	7,045	4,920	4,882	-0.8	0.7	1.0	0.9	
Turkey	18.7	47,981	42,344	40,697	-3.9	29,102	22,396	23,178	3.5	77,083	64,740	63,875	-1.3	15.1	8.4	11.7	
Turkmenistan	21.3	1,127	1,430	1,156	-19.2	2,820	2,141	1,560	-27.1	3,946	3,571	2,716	-23.9	0.4	0.6	0.5	
Uganda	21.8	182	213	442	107.1	1,213	1,082	1,114	2.9	1,395	1,296	1,556	20.1	0.2	0.4	0.3	
United Arab Emirates	21.4	67,319	60,424	63,267	4.7	37,717	28,621	35,313	23.4	105,036	89,044	98,580	10.7	23.5	12.8	18.0	
Uzbekistan	23.7	2,809	2,540	2,409	-5.2	2,051	1,763	1,826	3.6	4,860	4,303	4,235	-1.6	0.9	0.7	0.8	
Yemen	45.8	1,044	347	111	-68.0	3,533	2,626	3,220	22.6	4,577	2,973	3,331	12.0	0.0	1.2	0.6	
OIC TOTAL	18.3	376,029	291,552	269,519	-7.6	351,893	289,389	276,772	-4.4	727,922	580,940	546,291	-6.0	100.0	100.0	100.0	

Source: IMF Direction of Trade Statistics

Note: The membership status of Syria has been suspended since 2012.

Table A-4: Top Three Trading Partners in Intra Trade

Top 3 Destinations of Intra-Exports				Sub Total	Top 3 Origins of Intra-Imports				Sub Total
Afghanistan	Pakistan 81.3%	Iran 5.4%	Turkey 3.5%	90.2%	Afghanistan	Iran 27.9%	Pakistan 26.5%	Kazakhstan 13.7%	68.1%
Albania	Turkey 52.2%	United Arab Emirates 14.6%	Libya 11.5%	78.2%	Albania	Turkey 76.6%	Egypt 6.4%	Indonesia 2.7%	85.6%
Algeria	Turkey 39.1%	Tunisia 18.2%	Morocco 14.7%	72.0%	Algeria	Turkey 37.4%	Saudi Arabia 12.5%	Egypt 9.3%	59.2%
Azerbaijan	Turkey 64.3%	Tunisia 11.1%	Turkmenistan 6.5%	81.8%	Azerbaijan	Turkey 70.4%	Iran 9.6%	Kazakhstan 5.8%	85.9%
Bahrain	Saudi Arabia 32.6%	United Arab Emirates 31.2%	Qatar 8.5%	72.4%	Bahrain	United Arab Emirates 37.2%	Saudi Arabia 27.6%	Turkey 8.1%	72.9%
Bangladesh	Turkey 36.6%	United Arab Emirates 22.2%	Saudi Arabia 10.6%	69.4%	Bangladesh	Indonesia 17.7%	Malaysia 15.6%	United Arab Emirates 11.1%	44.4%
Benin	Malaysia 23.5%	Bangladesh 18.2%	Nigeria 11.8%	53.5%	Benin	Togo 32.9%	Malaysia 11.4%	United Arab Emirates 11.1%	55.5%
Brunei Darussalam	Malaysia 73.4%	Indonesia 22.6%	United Arab Emirates 3.2%	99.2%	Brunei Darussalam	Malaysia 84.4%	Indonesia 12.5%	Turkey 1.5%	98.4%
Burkina Faso	Cote d'Ivoire 26.3%	Mali 20.3%	Togo 19.9%	66.5%	Burkina Faso	Cote d'Ivoire 39.8%	Togo 13.6%	Morocco 8.6%	62.1%
Cameroon	Chad 21.6%	Malaysia 17.2%	Bangladesh 14.4%	53.2%	Cameroon	Nigeria 45.4%	Togo 16.1%	Morocco 6.3%	67.7%
Chad	United Arab Emirates 66.2%	Bangladesh 21.4%	Turkey 9.3%	96.9%	Chad	Cameroon 55.1%	Senegal 13.9%	Turkey 11.0%	79.9%
Comoros	Bahrain. Kingdom of 30.5%	Pakistan 24.4%	Algeria 12.5%	67.4%	Comoros	United Arab Emirates 73.2%	Pakistan 18.0%	Saudi Arabia 1.7%	92.9%

Top 3 Destinations of Intra-Exports				Sub Total	Top 3 Origins of Intra-Imports				Sub Total
Côte d'Ivoire	Mali 18.3%	Burkina Faso 18.0%	Nigeria 14.4%	50.7%	Côte d'Ivoire	Nigeria 51.6%	Morocco 8.7%	Senegal 5.7%	66.0%
Djibouti	Somalia 57.6%	Qatar 30.5%	United Arab Emirates 4.8%	92.9%	Djibouti	United Arab Emirates 57.6%	Saudi Arabia 18.6%	Oman 6.2%	82.4%
Egypt	United Arab Emirates 40.3%	Saudi Arabia 14.6%	Turkey 10.6%	65.5%	Egypt	United Arab Emirates 24.3%	Saudi Arabia 19.7%	Turkey 15.2%	59.2%
Gabon	Malaysia 25.5%	Benin 15.7%	Guinea 11.5%	52.6%	Gabon	Cameroon 21.4%	Morocco 12.7%	United Arab Emirates 11.8%	45.8%
Gambia. The	Mali 44.9%	Guinea 30.2%	Senegal 15.1%	90.1%	Gambia. The	Senegal 33.9%	Cote d'Ivoire 32.8%	Indonesia 7.6%	74.3%
Guinea	United Arab Emirates 61.8%	Lebanon 9.1%	Mali 9.0%	79.9%	Guinea	United Arab Emirates 33.2%	Senegal 13.6%	Lebanon 11.7%	58.5%
Guinea-Bissau	Nigeria 50.7%	United Arab Emirates 15.6%	Togo 10.9%	77.2%	Guinea-Bissau	Senegal 49.1%	Pakistan 19.4%	Morocco 6.3%	74.7%
Guyana	Suriname 53.3%	United Arab Emirates 42.6%	Nigeria 1.2%	97.1%	Guyana	Suriname 82.2%	Turkey 6.8%	Malaysia 4.8%	93.9%
Indonesia	Malaysia 39.2%	Pakistan 11.1%	United Arab Emirates 8.9%	59.2%	Indonesia	Malaysia 46.7%	Saudi Arabia 17.7%	United Arab Emirates 8.5%	72.9%
Iran	Turkey 50.9%	Afghanistan. Islamic Republic of 13.7%	United Arab Emirates 10.5%	75.1%	Iran	United Arab Emirates 73.7%	Turkey 20.8%	Pakistan 1.1%	95.6%
Iraq	United Arab Emirates 52.5%	Turkey 25.7%	Egypt 12.5%	90.7%	Iraq	Turkey 78.4%	Oman 7.9%	Jordan 3.8%	90.1%
Jordan	Saudi Arabia 27.1%	Iraq 13.0%	United Arab Emirates 10.7%	50.9%	Jordan	Saudi Arabia 39.3%	United Arab Emirates 14.7%	Turkey 10.9%	64.9%

Top 3 Destinations of Intra-Exports				Sub Total	Top 3 Origins of Intra-Imports				Sub Total
Kazakhstan	Uzbekistan 21.8%	Turkey 20.0%	Iran. Islamic Republic of 13.0%	54.8%	Kazakhstan	Turkey 27.9%	Uzbekistan 26.5%	Kyrgyz Republic 10.4%	64.8%
Kuwait	Pakistan 19.9%	Egypt 19.6%	United Arab Emirates 14.4%	53.9%	Kuwait	United Arab Emirates 32.9%	Saudi Arabia 18.9%	Oman 13.3%	65.1%
Kyrgyz Republic	Kazakhstan 32.5%	Uzbekistan 26.9%	Turkey 19.4%	78.8%	Kyrgyz Republic	Kazakhstan 67.5%	Turkey 20.3%	Uzbekistan 7.4%	95.2%
Lebanon	Saudi Arabia 17.2%	United Arab Emirates 15.4%	Syrian Arab Republic 12.8%	45.5%	Lebanon	Egypt 19.8%	Turkey 17.0%	Kuwait 14.0%	50.7%
Libya	Egypt 85.1%	Turkey 6.6%	Morocco 2.9%	94.6%	Libya	Turkey 51.0%	Egypt 15.1%	Tunisia 13.4%	79.4%
Malaysia	Indonesia 34.6%	United Arab Emirates 15.7%	Turkey 9.0%	59.3%	Malaysia	Indonesia 46.8%	Saudi Arabia 16.9%	United Arab Emirates 15.4%	79.0%
Maldives	Nigeria 56.4%	United Arab Emirates 17.7%	Bangladesh 8.4%	82.4%	Maldives	United Arab Emirates 55.8%	Malaysia 20.2%	Indonesia 7.7%	83.7%
Mali	United Arab Emirates 26.4%	Cote d'Ivoire 20.7%	Burkina Faso 13.4%	60.5%	Mali	Senegal 48.8%	Cote d'Ivoire 24.7%	Benin 6.6%	80.1%
Mauritania	Nigeria 37.7%	Cote d'Ivoire 30.4%	Turkey 9.0%	77.1%	Mauritania	United Arab Emirates 47.5%	Morocco 25.2%	Turkey 9.1%	81.7%
Morocco	Turkey 22.1%	Egypt 8.0%	Algeria 6.9%	36.9%	Morocco	Turkey 35.2%	Saudi Arabia 15.2%	United Arab Emirates 12.6%	63.1%
Mozambique	United Arab Emirates 34.6%	Turkey 30.7%	Bahrain. Kingdom of 14.1%	79.3%	Mozambique	Bahrain. Kingdom of 44.7%	United Arab Emirates 35.6%	Pakistan 6.8%	87.1%
Niger	Malaysia 31.2%	Nigeria 26.5%	Mali 15.8%	73.4%	Niger	Nigeria 28.7%	Malaysia 14.4%	Cote d'Ivoire 9.4%	52.5%

Top 3 Destinations of Intra-Exports				Sub Total	Top 3 Origins of Intra-Imports				Sub Total
Nigeria	Indonesia 38.2%	Cote d'Ivoire 32.3%	Senegal 16.3%	86.9%	Nigeria	United Arab Emirates 23.4%	Indonesia 19.0%	Togo 11.1%	53.6%
Oman	United Arab Emirates 43.9%	Saudi Arabia 15.4%	Iraq 11.0%	70.2%	Oman	United Arab Emirates 80.1%	Saudi Arabia 5.9%	Iran. Islamic Republic of 4.6%	90.6%
Pakistan	Afghanistan. Islamic Republic of 28.2%	United Arab Emirates 16.1%	Bangladesh 13.5%	57.8%	Pakistan	United Arab Emirates 41.1%	Indonesia 13.9%	Saudi Arabia 12.2%	67.2%
Palestine	Jordan 42.4%	United Arab Emirates 15.9%	Saudi Arabia 12.6%	70.9%	Palestine	Turkey 52.0%	Jordan 19.9%	Saudi Arabia 9.2%	81.2%
Qatar	United Arab Emirates 40.9%	Egypt 12.1%	Pakistan 7.6%	60.6%	Qatar	United Arab Emirates 42.0%	Saudi Arabia 19.9%	Turkey 7.8%	69.7%
Saudi Arabia	United Arab Emirates 27.6%	Bahrain. Kingdom of 14.5%	Pakistan 7.5%	49.7%	Saudi Arabia	United Arab Emirates 33.7%	Turkey 14.2%	Egypt 9.3%	57.2%
Senegal	Mali 37.4%	Cote d'Ivoire 11.0%	Gambia. The 7.0%	55.3%	Senegal	Nigeria 34.8%	United Arab Emirates 12.9%	Turkey 11.5%	59.3%
Sierra Leone	Cote d'Ivoire 90.2%	Saudi Arabia 5.7%	Turkey 2.2%	98.1%	Sierra Leone	United Arab Emirates 24.5%	Senegal 20.9%	Turkey 18.5%	63.9%
Somalia	Saudi Arabia 51.7%	Oman 25.5%	United Arab Emirates 12.4%	89.7%	Somalia	Oman 29.7%	Turkey 19.4%	Malaysia 13.9%	63.0%
Sudan	United Arab Emirates 50.5%	Saudi Arabia 22.9%	Egypt 18.6%	92.0%	Sudan	United Arab Emirates 29.1%	Egypt 19.8%	Saudi Arabia 17.5%	66.4%
Suriname	United Arab Emirates 85.5%	Guyana 14.0%	Bangladesh 0.2%	99.8%	Suriname	Guyana 34.2%	Malaysia 24.9%	Turkey 22.3%	81.4%

Top 3 Destinations of Intra-Exports				Sub Total	Top 3 Origins of Intra-Imports				Sub Total
Syria	Lebanon 44.9%	Jordan 14.7%	Iraq 14.1%	73.7%	Syria	Turkey 54.2%	Saudi Arabia 9.2%	Lebanon 8.3%	71.8%
Tajikistan	Turkey 55.2%	Iran. Islamic Republic of 12.9%	Algeria 12.9%	81.0%	Tajikistan	Kazakhstan 47.5%	Uzbekistan 13.9%	Iran 13.8%	75.1%
Togo	Benin 24.7%	Burkina Faso 22.5%	Mali 10.2%	57.4%	Togo	Cote d'Ivoire 17.8%	Saudi Arabia 13.8%	Nigeria 10.2%	41.7%
Tunisia	Algeria 33.4%	Libya 22.2%	Morocco 8.6%	64.1%	Tunisia	Turkey 29.7%	Algeria 25.0%	Azerbaijan. Republic of 8.9%	63.7%
Turkey	Iraq 18.8%	United Arab Emirates 13.3%	Iran 12.2%	44.3%	Turkey	Iran. Islamic Republic of 20.3%	United Arab Emirates 16.0%	Malaysia 8.6%	44.9%
Turkmenistan	Turkey 34.5%	Afghanistan. Islamic Republic of 29.0%	Kazakhstan 17.5%	81.0%	Turkmenistan	Turkey 84.4%	Azerbaijan 7.7%	Kazakhstan 4.7%	96.8%
Uganda	United Arab Emirates 69.1%	Sudan 14.0%	Malaysia 5.7%	88.9%	Uganda	United Arab Emirates 37.2%	Saudi Arabia 22.4%	Indonesia 17.1%	76.7%
United Arab Emirates	Iran. Islamic Republic of 26.1%	Oman 16.8%	Saudi Arabia 11.4%	54.3%	United Arab Emirates	Turkey 13.2%	Saudi Arabia 12.7%	Libya 7.9%	33.8%
Uzbekistan	Turkey 27.8%	Kazakhstan 23.0%	Bangladesh 17.3%	68.1%	Uzbekistan	Kazakhstan 53.7%	Turkey 30.9%	Kyrgyz Republic 7.3%	91.9%
Yemen	Oman 39.1%	Egypt 24.5%	Saudi Arabia 15.8%	79.4%	Yemen	United Arab Emirates 28.2%	Saudi Arabia 17.5%	Turkey 17.3%	63.0%

Source: Direction of Trade statistics

Table A-5: Trading Across Borders

Economy	Trading Across Borders DTF	Trading Across Borders rank	Time to export: Border compliance (hours)	Cost to export: Border compliance (USD)	Time to export: Documentary compliance (hours)	Cost to export: Documentary compliance (USD)	Time to import: Border compliance (hours)	Cost to import: Border compliance (USD)	Time to import: Documentary compliance (hours)	Cost to import: Documentary compliance (USD)
Albania	96.29	24	9	55	6	10	10	77	8	10
Jordan	86.39	50	38	131	2	16	75	181	55	30
Malaysia	82.38	60	48	321	10	45	72	321	10	60
Morocco	81.12	63	19	156	26	107	106	228	26	116
Oman	80.17	67	52	223	22	107	70	354	23	20
Turkey	79.71	70	16	376	5	87	41	655	11	142
Suriname	75.02	78	84	468	12	40	48	658	24	40
Kyrgyz Republic	74.91	79	20	445	21	145	37	512	36	200
Bahrain	72.5	82	71	47	24	211	54	397	84	130
Azerbaijan	72.28	83	29	214	33	300	30	423	38	200
United Arab Emirates	71.5	85	27	462	6	178	54	678	12	283
Mali	70.79	89	48	242	48	33	98	298	77	375
Tunisia	70.5	92	50	469	3	200	80	596	27	144
Burkina Faso	66.58	104	75	261	84	86	102	265	96	197
Mozambique	66.31	106	78	602	70	220	14	354	24	171
Comoros	66.18	107	51	651	57	124	70	765	29	93
Indonesia	65.87	108	53	254	61	139	99	383	133	164
Gambia. The	65.27	112	109	381	61	183	87	326	32	152
Libya	64.66	114	72	575	72	50	79	637	96	60
Togo	63.66	117	67	163	11	25	168	612	180	252
Kazakhstan	63.19	119	133	574	128	320	2	0	6	0
Qatar	61.41	128	30	382	10	150	88	754	72	617

Economy	Trading Across Borders DTF	Trading Across Borders rank	Time to export: Border compliance (hours)	Cost to export: Border compliance (USD)	Time to export: Documentary compliance (hours)	Cost to export: Documentary compliance (USD)	Time to import: Border compliance (hours)	Cost to import: Border compliance (USD)	Time to import: Documentary compliance (hours)	Cost to import: Documentary compliance (USD)
Senegal	60.85	130	61	547	26	96	53	702	72	545
Niger	60.48	132	48	543	51	39	78	462	156	457
Benin	59.89	133	78	487	48	80	82	599	59	529
Lebanon	59.71	134	96	410	48	100	180	695	72	135
Guyana	59.33	135	72	378	200	78	84	265	156	63
Uganda	58.9	136	71	287	64	102	154	489	138	296
Mauritania	58.82	137	72	749	51	92	84	582	64	400
Brunei Darussalam	57.69	142	117	340	163	90	48	395	140	50
Tajikistan	57.05	144	75	313	66	330	108	223	126	260
Maldives	55.87	147	42	596	48	300	100	981	61	180
Cote d'Ivoire	54.15	150	110	387	120	136	125	456	89	267
Guinea-Bissau	52.86	153	67	677	60	316	72	755	36	384
Djibouti	51.87	155	109	944	72	95	78	1209	50	100
Somalia	51.6	156	44	495	73	350	85	952	76	300
Kuwait	50.57	157	72	602	32	191	215	646	120	332
Saudi Arabia	49.62	158	69	264	90	105	228	779	131	390
Guinea	46.24	162	72	778	139	128	91	909	156	180
Uzbekistan	44.31	165	112	278	174	292	111	278	174	292
Gabon	43.94	166	96	1633	60	200	84	1320	120	170
Egypt. Arab Rep	42.23	168	48	258	88	100	240	554	265	1000
Sierra Leone	42.07	169	55	552	134	227	182	782	137	387
Iran. Islamic Rep	40.66	170	101	565	152	143	141	660	270	197
Chad	40.12	171	106	319	87	188	242	669	172	500
Pakistan	39.41	172	75	426	59	307	129	957	147	786

Economy	Trading Across Borders DTF	Trading Across Borders rank	Time to export: Border compliance (hours)	Cost to export: Border compliance (USD)	Time to export: Documentary compliance (hours)	Cost to export: Documentary compliance (USD)	Time to import: Border compliance (hours)	Cost to import: Border compliance (USD)	Time to import: Documentary compliance (hours)	Cost to import: Documentary compliance (USD)
Bangladesh	34.86	173	100	408	147	225	183	1294	144	370
Afghanistan	30.63	175	48	453	228	344	96	750	324	900
Syria	29.83	176	84	1113	48	725	141	828	149	742
Algeria	24.15	178	118	593	149	374	327	466	249	400
Iraq	23.51	179	69	1018	504	1800	131	644	176	900
Nigeria	19.93	181	135	786	131	250	284	1077	173	564
Sudan	19.16	184	162	950	190	428	144	1093	132	420
Cameroon	15.99	186	202	983	66	306	271	1407	163	849
Yemen. Rep	0	189	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
OIC Average	55.1		73.4	492.3	80.4	209.5	112.1	617.6	103.6	311.1

Source: World Bank Doing Business database

Note: The membership status of Syria has been suspended since 2012

Table A-6: Performance of the OIC Countries at World Bank's Logistics Performance Index and Key Dimensions

	Overall LPI score	Overall LPI rank		Customs		Infrastructure		International shipments		Logistics quality and competence		Tracking and tracing		Timeliness	
Country	score	rank	% of highest performer	score	rank	score	rank	score	rank	score	rank	score	rank	score	rank
United Arab Emirates	3.94	13	91.2	3.84	12	4.07	13	3.89	7	3.82	18	3.91	18	4.13	18
Qatar	3.60	30	80.6	3.55	21	3.57	28	3.58	26	3.54	29	3.50	35	3.83	35
Malaysia	3.43	32	75.2	3.17	40	3.45	33	3.48	32	3.34	35	3.46	36	3.65	47
Turkey	3.42	34	75.1	3.18	36	3.49	31	3.41	35	3.31	36	3.39	43	3.75	40
Bahrain	3.31	44	71.7	3.14	41	3.10	48	3.33	41	3.38	33	3.32	44	3.58	51
Oman	3.23	48	69.3	2.76	61	3.44	34	3.35	40	3.26	38	3.09	57	3.50	57
Egypt. Arab Rep.	3.18	49	67.7	2.75	65	3.07	50	3.27	45	3.20	43	3.15	54	3.63	48
Saudi Arabia	3.16	52	66.8	2.69	68	3.24	40	3.23	48	3.00	54	3.25	49	3.53	53
Kuwait	3.15	53	66.7	2.83	56	2.92	56	3.62	24	2.79	70	3.16	53	3.51	55
Uganda	3.04	58	63.3	2.97	51	2.74	67	2.88	74	2.93	57	3.01	59	3.70	45
Indonesia	2.98	63	61.5	2.69	69	2.65	73	2.90	71	3.00	55	3.19	51	3.46	62
Jordan	2.96	67	60.7	2.55	83	2.77	62	3.17	49	2.89	61	2.96	62	3.34	71
Pakistan	2.92	68	59.6	2.66	71	2.70	69	2.93	66	2.82	68	2.91	67	3.48	58
Brunei Darussalam	2.87	70	58.0	2.78	57	2.75	66	3.00	62	2.57	93	2.91	68	3.19	84
Algeria	2.77	75	54.9	2.37	108	2.58	80	2.80	77	2.91	59	2.86	72	3.08	91
Kazakhstan	2.75	77	54.3	2.52	86	2.76	65	2.75	82	2.57	92	2.86	71	3.06	92
Burkina Faso	2.73	81	53.7	2.55	84	2.67	71	2.73	83	2.78	71	2.49	103	3.13	88
Lebanon	2.72	82	53.2	2.73	66	2.64	74	2.84	75	2.45	108	2.75	78	2.86	111
Mozambique	2.68	84	52.2	2.49	88	2.24	116	3.06	58	2.44	109	2.75	79	3.04	97
Guyana	2.67	85	51.7	2.40	98	2.24	118	2.66	89	2.66	85	2.90	69	3.12	90
Morocco	2.67	86	51.6	2.22	124	2.46	90	3.09	54	2.59	91	2.34	122	3.20	83
Bangladesh	2.66	87	51.6	2.57	82	2.48	87	2.73	84	2.67	80	2.59	92	2.90	109
Nigeria	2.63	90	50.5	2.46	92	2.40	96	2.43	118	2.74	74	2.70	82	3.04	95

Country	Overall LPI score	Overall LPI rank	% of highest performer	Customs		Infrastructure		International shipments		Logistics quality and competence		Tracking and tracing		Timeliness	
	score	rank		score	rank	score	rank	score	rank	score	rank	score	rank	score	rank
Togo	2.62	92	50.1	2.49	89	2.24	117	2.62	93	2.46	106	2.60	91	3.24	76
Côte d'Ivoire	2.60	95	49.7	2.67	70	2.46	89	2.54	105	2.62	87	2.62	89	2.71	128
Iran. Islamic Rep.	2.60	96	49.6	2.33	110	2.67	72	2.67	88	2.67	82	2.44	111	2.81	116
Comoros	2.58	98	49.0	2.63	75	2.36	98	2.58	98	2.60	88	2.44	113	2.82	115
Niger	2.56	100	48.4	2.59	81	2.22	121	2.63	91	2.50	100	2.35	121	3.02	98
Sudan	2.53	103	47.4	2.23	122	2.20	126	2.57	100	2.36	118	2.49	104	3.28	75
Maldives	2.51	104	46.9	2.39	102	2.57	81	2.34	132	2.44	111	2.49	102	2.88	110
Mali	2.50	109	46.6	2.45	94	2.30	109	2.48	112	2.46	105	2.36	120	2.93	106
Tunisia	2.50	110	46.4	1.96	147	2.44	93	2.33	133	2.59	90	2.67	84	3.00	99
Benin	2.43	115	44.3	2.20	130	2.39	97	2.55	104	2.47	104	2.23	129	2.69	130
Albania	2.41	117	43.8	2.23	121	1.98	148	2.48	110	2.48	102	2.15	135	3.05	94
Uzbekistan	2.40	118	43.5	2.32	114	2.45	91	2.36	130	2.39	116	2.05	143	2.83	114
Guinea-Bissau	2.37	128	42.5	2.44	95	1.91	152	2.57	99	2.07	148	2.41	114	2.74	123
Guinea	2.36	129	42.1	2.28	117	2.01	145	2.38	124	2.54	97	2.54	97	2.38	148
Senegal	2.33	132	41.2	2.31	115	2.23	119	2.25	143	2.39	115	2.15	136	2.61	138
Djibouti	2.32	134	41.0	2.37	106	2.30	110	2.48	111	1.96	152	2.09	139	2.69	132
Libya	2.26	137	39.2	1.88	153	2.04	142	2.40	123	2.50	101	1.85	153	2.83	113
Turkmenistan	2.21	140	37.6	2.00	143	2.34	103	2.37	127	2.09	145	1.84	154	2.59	142
Gabon	2.19	143	36.9	2.07	134	2.05	141	2.28	141	2.12	142	2.07	142	2.52	144
Chad	2.16	145	36.1	2.08	133	2.07	136	2.41	121	2.06	149	2.07	141	2.25	155
Kyrgyz Republic	2.16	146	35.8	1.80	156	1.96	150	2.10	152	1.96	151	2.39	115	2.72	126
Cameroon	2.15	148	35.7	2.09	132	2.21	125	1.98	155	2.32	124	2.04	145	2.29	154
Iraq	2.15	149	35.6	2.01	139	1.87	153	2.33	134	1.97	150	1.98	149	2.66	135

Country	Overall LPI score	Overall LPI rank	% of highest performer	Customs		Infrastructure		International shipments		Logistics quality and competence		Tracking and tracing		Timeliness	
	score	rank		score	rank	score	rank	score	rank	score	rank	score	rank	score	rank
Afghanistan	2.14	150	35.4	2.01	138	1.84	154	2.38	125	2.15	139	1.77	155	2.61	137
Tajikistan	2.06	153	32.9	1.93	150	2.13	130	2.12	151	2.12	143	2.04	144	2.04	159
Sierra Leone	2.03	155	31.8	1.91	152	2.07	137	2.31	138	1.85	155	1.74	157	2.23	156
Mauritania	1.87	157	26.8	2.14	131	1.54	157	2.00	154	1.74	158	1.54	159	2.14	157
Somalia	1.75	158	23.2	1.29	159	1.57	156	1.86	157	1.85	156	1.51	160	2.35	152
Syrian Arab Republic	1.60	160	18.5	1.11	160	1.24	160	1.36	160	1.39	160	2.10	138	2.40	147
OIC Average	2.61		50.0	2.425		2.46		2.67		2.554		2.547		2.981	
memo item (top three best performing countries in the world)															
Germany	4.23	1	100.0	4.12	2	4.07	13	3.86	8	4.279	1	4.265	3	4.45	2
Luxembourg	4.22	2	99.8	3.90	9	3.57	28	4.24	1	4.01	10	4.123	8	4.80	1
Sweden	4.20	3	99.3	3.92	8	3.45	33	4.00	4	4.247	2	4.378	1	4.45	3

Source: World Bank

Table A-7: World Economic Forum Enabling Trade Index

Economy	2016		Pillar 1: Domestic market access 2016		Pillar 2: Foreign market access 2016		Pillar 3: Efficiency and transparency of border administration 2016		Pillar 4: Availability and quality of transport infrastructure 2016		Pillar 5: Availability and quality of transport services 2016		Pillar 6: Availability and use of ICTs 2016		Pillar 7: Operating environment 2016	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score
United Arab Emirates	23	5.23	70	5.09	131	2.12	25	5.72	2	6.34	13	5.57	19	6.09	9	5.58
Malaysia	37	4.90	43	5.35	107	3.35	47	5.00	17	5.02	29	4.98	35	5.51	26	5.10
Bahrain	42	4.79	59	5.22	109	3.30	58	4.81	40	4.04	36	4.78	22	5.99	23	5.15
Qatar	43	4.78	71	5.05	134	2.00	46	5.01	25	4.63	24	5.18	29	5.69	10	5.43
Jordan	45	4.73	80	4.90	22	4.86	42	5.22	65	3.59	55	4.29	75	4.36	36	4.76
Oman	46	4.67	25	5.46	118	2.69	48	5.00	32	4.50	50	4.44	54	4.97	30	4.95
Morocco	49	4.60	91	4.57	30	4.59	54	4.89	33	4.33	67	3.99	63	4.67	46	4.59
Turkey	59	4.52	87	4.69	88	3.91	45	5.06	27	4.54	45	4.53	74	4.38	73	4.23
Albania	60	4.51	8	6.00	52	4.36	50	4.99	111	2.64	95	3.59	78	4.28	59	4.38
Saudi Arabia	67	4.33	81	4.89	125	2.33	83	4.26	31	4.50	47	4.49	40	5.36	39	4.67
Indonesia	70	4.30	30	5.41	92	3.83	79	4.35	64	3.59	56	4.24	90	3.89	64	4.32
Azerbaijan	71	4.30	102	4.30	114	2.85	65	4.73	42	3.99	97	3.58	48	5.19	44	4.63
Brunei Darussalam	72	4.27	7	6.02	74	4.13	107	3.89	74	3.39	77	3.90	80	4.23	69	4.29
Uganda	84	4.11	86	4.73	3	6.02	101	3.97	114	2.57	70	3.97	121	2.60	84	4.07
Kuwait	87	4.07	66	5.16	132	2.08	90	4.12	71	3.43	65	4.00	42	5.30	68	4.29
Kazakhstan	88	4.05	111	3.85	116	2.74	88	4.15	67	3.53	68	3.98	46	5.25	53	4.49
Lebanon	90	4.03	96	4.47	61	4.28	84	4.20	83	3.19	96	3.58	72	4.39	108	3.83
Tunisia	91	4.02	73	4.98	62	4.27	115	3.75	96	2.96	90	3.64	67	4.58	95	3.99
Senegal	96	3.97	118	3.75	11	5.36	106	3.89	91	3.00	115	3.32	106	3.35	78	4.21
Gambia. The	99	3.95	126	3.41	23	4.84	91	4.11	81	3.22	107	3.42	110	3.13	65	4.32
Mozambique	104	3.88	79	4.91	7	5.71	111	3.85	110	2.64	101	3.54	129	2.34	124	3.53
Côte d'Ivoire	105	3.87	115	3.79	83	4.03	99	3.98	60	3.67	106	3.43	104	3.38	82	4.09
Kyrgyz Republic	113	3.76	122	3.62	91	3.84	77	4.40	132	2.18	123	3.13	96	3.76	102	3.89

Economy	2016		Pillar 1: Domestic market access 2016		Pillar 2: Foreign market access 2016		Pillar 3: Efficiency and transparency of border administration 2016		Pillar 4: Availability and quality of transport infrastructure 2016		Pillar 5: Availability and quality of transport services 2016		Pillar 6: Availability and use of ICTs 2016		Pillar 7: Operating environment 2016	
	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score
Tajikistan	114	3.74	97	4.45	119	2.67	103	3.94	89	3.01	127	3.02	120	2.75	51	4.54
Egypt	116	3.72	113	3.83	54	4.36	128	3.05	56	3.73	54	4.30	86	3.96	118	3.74
Mali	118	3.71	104	4.26	46	4.45	108	3.88	112	2.63	113	3.34	114	2.97	122	3.62
Algeria	121	3.51	121	3.69	97	3.70	127	3.18	92	3.00	84	3.74	108	3.30	111	3.82
Pakistan	122	3.51	133	3.01	101	3.57	105	3.92	70	3.49	64	4.02	124	2.50	130	3.49
Bangladesh	123	3.48	127	3.37	12	5.33	130	2.98	109	2.66	100	3.55	112	3.07	128	3.50
Benin	124	3.48	116	3.78	78	4.09	122	3.28	106	2.69	120	3.22	126	2.47	101	3.90
Nigeria	127	3.25	120	3.70	123	2.43	121	3.32	117	2.55	118	3.27	102	3.42	126	3.52
Sierra Leone	128	3.25	131	3.06	85	3.97	126	3.19	118	2.55	136	2.51	127	2.46	117	3.76
Gabon	129	3.24	125	3.51	128	2.20	119	3.38	119	2.49	130	2.90	107	3.31	110	3.82
Cameroon	130	3.20	132	3.02	63	4.27	133	2.71	121	2.42	129	2.92	123	2.52	109	3.83
Mauritania	131	3.18	119	3.75	81	4.04	125	3.20	130	2.22	135	2.62	125	2.49	133	3.19
Iran	132	3.16	136	2.39	136	1.77	123	3.22	69	3.49	86	3.71	100	3.46	116	3.77
Yemen	134	2.95	95	4.47	15	5.11	136	1.70	134	2.12	126	3.04	131	2.28	136	2.83
Chad	135	2.93	130	3.28	76	4.12	131	2.81	124	2.42	134	2.68	136	1.53	134	3.01
OIC Average		3.95		4.29		3.78		3.98		3.34		3.75		3.82		4.14
<i>memo item (best performing countries in world)</i>																
Singapore	1	5.97	2	6.97	84	4.02	1	6.40	3	6.28	3	5.90	13	6.28	2	5.81
Netherlands	2	5.70	62	5.19	35	4.55	2	6.40	9	6.04	4	5.88	3	6.49	11	5.39
Hong Kong SAR	3	5.66	1	7.00	130	2.15	12	6.02	1	6.40	2	5.91	14	6.26	1	5.86

Source: World Economic Forum