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ANNOTATED DRAFT AGENDA

29th Meeting of the Follow-up Committee of the COMCEC

(Ankara, 14-15 May 2013)

COMCEC Coordination Office

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**DRAFT AGENDA OF THE 29TH MEETING OF THE
FOLLOW-UP COMMITTEE OF THE COMCEC**

(Ankara, 14-15 May 2013)

1. Opening of the Meeting and Adoption of the Agenda
2. Brief on the COMCEC Strategy and its Implementation
3. Brief on the Implementation of the OIC Ten-Year Program of Action
4. Expansion of Intra-OIC Trade
5. Improving Transport and Communication
6. Developing a Sustainable and Competitive Tourism Sector
7. Increasing Productivity of Agriculture Sector and Sustaining Food Security
8. Eradicating Poverty
9. Deepening Financial Cooperation
10. Enhancing the Role of Private Sector in Economic Cooperation
11. Preparations for the Exchange of Views on “Increasing FDI Flows to the OIC Member Countries”
12. Presentation on the New COMCEC Project Funding
13. Draft Agenda of the 29th Session of the COMCEC
14. Any Other Business
15. Adoption of the Report

INTRODUCTION

The purpose of this document is to give background information and the current status on the cooperation areas, programs and projects of the COMCEC for its 29th Meeting of Follow-up Committee, to be held on 14-15 May 2013 in Ankara, Turkey.

The document provides background information and the required actions on the Draft Agenda Items from 2 to 13. As Agenda Items 1, 14 and 15 are self-explanatory; they are not included in the Document.

The reports and studies to be submitted under each agenda item will be placed on the COMCEC's website (www.comcec.org).

ANNOTATED DRAFT AGENDA ITEMS

AGENDA ITEM 2

Brief on the COMCEC Strategy and Its Implementation

In line with the mandate given by the COMCEC Economic Summit, held in November 2009 in İstanbul, the COMCEC Strategy has been prepared under the kind guidance of H.E. Abdullah GÜL, the President of the Republic of Turkey and the Chairman of the COMCEC. The Strategy was submitted by H.E. the President to the 4th Extraordinary Session of the Islamic Summit Conference held in Makkah Al-Mukarramah, Saudi Arabia on 14-15 August 2012 and was adopted by the Summit.

The COMCEC Strategy is based on three principles, namely Enhancing Mobility, Strengthening Solidarity and Improving Governance. These principles will guide cooperation efforts in 6 cooperation areas, namely trade, transport and communications, tourism, agriculture, poverty alleviation and finance.

The Strategy has a well-defined implementation mechanism. The first instrument for its operationalization is the Working Group mechanism. The Strategy ensures active and direct involvement of the Member Country experts in the COMCEC cooperation areas through the regular Working Group meetings in each cooperation area. Working Groups aim at producing and disseminating knowledge, and sharing experience and good practices. They provide a suitable ground for creating a common understanding and approximating policies among the Member Countries to respond to their common development problems.

The second instrument for the implementation of the COMCEC Strategy is the Project Cycle Management (PCM). The Strategy has a viable project cycle management through which member countries participating in the working groups submit projects to be financed through grants by the COMCEC Coordination Office.

Implementation phase of the COMCEC Strategy has already commenced. The first Working Group Meetings are scheduled to be held in the first half of 2013. In this framework, the 1st Meeting of the Transport and Communications Working Group was held on March 28th, 2013 in Ankara with the theme of "Transport Infrastructure Modalities: Public Private Partnerships in the OIC Member States."

Besides, the 1st Meeting of the Tourism Working Group was held on April 25th, 2013 with the theme of "A New Trend in Sustainable Tourism Development: Community Based Tourism in the COMCEC Region."

The remaining Working Groups are scheduled as follows:

- 1st Meeting of the Agriculture Working Group will be held on June 6th, 2013 with the theme of "Increasing Agricultural Productivity in the COMCEC Region: Improving Irrigation Capacity."

- 1st Meeting of the Trade Working Group will be held on June 20th, 2013 with the theme of “Promoting the SMEs Exports in the OIC Member States: The Role of Trade Promotion Organizations (TPOs)”
- 1st Meeting of the Poverty Alleviation Working Group will be held on June 27th, 2013 with the theme of “Enhancing Productive Capacity of the Poor in the COMCEC Member Countries through Improving the Human Capital.”
- 1st Meeting of the Finance Working Group is planned to be held in September 2013.

Under the new COMCEC Project Cycle Management, the first project call will be made in September 2013.

Required Action(s): COMCEC Coordination Office will brief the Follow-up Committee on the COMCEC Strategy and the instruments for its implementation.

*(CCO Brief on COMCEC Strategy and its implementation is available.
Ref: OIC/COMCEC-FC/29-13/D(1))*

AGENDA ITEM 3

Brief on the Implementation of the OIC Ten-Year Program of Action

The OIC General Secretariat regularly submits review reports on the implementation of the OIC Ten Year Programme of Action (TYPOA), adopted by the 3rd Extraordinary Session of the Islamic Summit Conference held in 2005.

The OIC General Secretariat was requested by the 28th Session of the COMCEC to highlight the challenges and progress achieved in its review reports.

Required Action(s): The OIC General Secretariat is expected to brief on the progress in the implementation of the OIC Ten Year Programme of Action to the 29th Meeting of the Follow-up of the COMCEC.

AGENDA ITEM 4

Expansion of Intra-OIC Trade

As being one of the major cooperation areas stated in the new COMCEC Strategy, trade can serve as an engine in social and economic development in the COMCEC Region if efficiently utilized. The COMCEC Strategy envisages the establishment of Trade Working Group for sharing experience and good practices among the Member States and deliberating on the common issues of concern in this field. In this respect, the first Trade Working Group Meeting is expected to convene on June 20th, 2013 in Ankara with the theme of “*Promoting the Small and Medium Enterprises’ (SME) exports in the OIC Member States.*”

Till now, COMCEC has coordinated many important programs and activities to enhance the level of trade cooperation among the OIC Member States. Some of the ongoing programs and

activities are; TPS-OIC, Islamic Trade Fairs, Road Map for Enhancing Trade, WTO Related Technical Assistance, Trade Financing Activities, Trade Related Activities of SMIIC and the study on the relevance of establishing an arbitration mechanism.

(CCO Brief on Trade is available. Ref: OIC/COMCEC-FC/29-13/D(3))

- **TPS-OIC**

Trade Preferential System among the Member States of the OIC (TPS-OIC) is the most important project of the COMCEC to foster intra-OIC trade. This system 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 towards the establishment of the TPS-OIC, entered into force in 2002. The PRETAS, which complements the Framework Agreement by laying out the concrete reduction rates in tariffs, entered into force in February 2010. The Rules of Origin, which will be applied for the identification of the origin of products eligible for preferential concessions under the TPS-OIC, entered into force in August 2011. Therefore, the legal basis of the system was completed.

For the operationalization of the TPS-OIC, however, at least ten Member States which have signed and ratified the TPS-OIC agreements should submit the concession lists to the TNC Secretariat. The number of the Member States that have ratified the three agreements and submitted the concession list is currently nine. In this respect, the COMCEC in its 28th Session reiterated its request to the Member States which have ratified the TPS-OIC Agreement to submit their concession lists to the TNC Secretariat to make this System operational.

Furthermore, the Session also requested the relevant OIC Institutions to further their efforts with a view to raising awareness of the Member Countries, as well as the regional trading blocs comprising the member countries, on TPS-OIC. In this regard, the ICDT has organized a Training Seminar on TPS-OIC on 17-19 March 2013 in the Republic of Iraq.

Moreover, since the 28th Session of the COMCEC, Benin, Sudan and Mauritania have signed three TPS-OIC agreements. Islamic Republic of Iran has ratified the Rules of Origin.

Required Action(s): On behalf of the TNC Secretariat, COMCEC Coordination Office will brief the Follow-up Committee on the progress regarding the operationalization of the TPS-OIC.

Questions for Discussion:

- i) Successful implementation of TPS-OIC will be very instrumental for the realization of 20% intra-OIC trade target. In addition to ongoing efforts, what other measures can be taken to expedite the implementation of the System as well as to attract more OIC countries to participate in the System?

- **Islamic Trade Fairs**

Trade fairs are held every two years in one of the OIC Member Countries by the Islamic Centre for Development of Trade (ICDT) with a view to promoting intra-OIC trade. The ICDT has organized thirteen Islamic Trade Fairs to date. The 13th Islamic Trade Fair was held on 24 - 29 April 2011 in Sharjah, United Arab Emirates (UAE). The 14th Islamic Trade Fair will be held from 28 October to 1 November 2013 in Tehran.

In addition to the Islamic Trade Fairs, sector specific exhibitions are also organized by the ICDT in several Member States. In this respect, the 1st OIC Halal Food Middle East Expo was held on 10-12 December 2012 in Sharjah, United Arab Emirates. Furthermore, 1st OIC Trade Handicraft Exhibition was held on 11-14 April 2013 in Casablanca, Kingdom of Morocco.

Upcoming sector specific trade fairs are the following:

- 1st Fair on Furniture, Decoration and Household Electrical Appliances, 12-16 May 2013 (Medina, the Kingdom of Saudi Arabia)
- 6th Exhibition of Agribusiness Industries of OIC Member States, 13-16 May 2013 (Muscat, the Sultanate of Oman)

Required Action(s): The ICDT is expected to report the recent developments on the Islamic Trade Fairs to the 29th Follow-up Committee.

Questions for Discussion:

- i) In line with the needs and capacities of the Member States, which sectors should be prioritized in Islamic Trade Fairs?

- **Road Map for Enhancing Intra-OIC Trade**

In accordance with the recommendation of the Experts Group Meeting (EGM) on Enhancing Intra-OIC Trade, held in Turkey in July 2008, the Road Map for Enhancing Intra-OIC Trade was adopted by the 24th Session of the COMCEC. In line with the relevant resolutions, the OIC Institutions working in the economic domain meet as the Consultative Group to review the implementation of the Executive Program of the Road Map and submit recommendations to the Follow-up Committee Meetings and to the COMCEC Sessions.

Till now, the Consultative Group has held five meetings. The last meeting was held on 27-28 February 2013 in Casablanca, Morocco. Furthermore, prior to the Fifth Consultative Group Meeting, the OIC High Level Forum on Trade Facilitation and Single Window was held in Casablanca on 25-26 February 2013.

Required Action(s): The ICDT as the coordinator of the Executive Program of the Road Map is expected to report on the implementation status of the Road Map as well as the outcomes of the Forum to the 29th Follow-up Committee of the COMCEC.

Questions for Discussion:

- i) For complementing the efforts under the Road Map, does your country have specific policies and programs for enhancing trade with the other Member Countries?

- WTO Related Technical Assistance

COMCEC encourages its members to join the WTO in order to benefit from the international trade system on an equitable and fair basis. For this purpose, the IDB Group and ICDT organize training courses, seminars and workshops on the WTO related issues for the benefit of the Member Countries.

In this framework, a “Training Seminar on the WTO Related Matters and the Accession of the Member States to this Organization” was organized by the ICDT on 17-19 March 2013 in Baghdad, the Republic of Iraq.

Required Action(s): The IDB and ICDT are expected to report their activities in this field to the 29th Follow-up Committee Meeting.

Questions for Discussion:

- i) What are the challenges faced by your country in implementing the WTO provisions or acceding to the WTO? In this framework, what are your country’s technical assistance requirements on the WTO-related matters?

- Trade Financing Activities

Trade financing was mainly carried out by the IDB under the Export Financing Scheme (EFS) until the operationalization of the International Islamic Trade Finance Corporation (ITFC) within the IDB Group. Since its operationalization, all trade financing issues within the IDB Group have been incorporated into the ITFC. The IDB Group regularly reports its trade financing activities to the Follow-up Committee Meetings and the COMCEC Sessions.

Regarding the export credit and political risk insurance services, which are also provided by the IDB Group (ICIEC), the 28th Session of the COMCEC called upon the OIC Member States to encourage their public and private sectors to benefit from these services in order to further increase intra-OIC trade and investment flows. Furthermore, in line with the relevant resolution of the COMCEC, the Islamic Republic of Iran is planning to host the conference on “Cooperation and Collaboration among Export Credit Agencies of OIC Member States” in 2013 in Tehran.

Required Action(s): The IDB Group is expected to report its activities on trade financing and export credit risk insurance to the 29th Follow-up Committee Meeting.

Questions for Discussion:

- i) What are the trade financing mechanisms implemented in your country? Does your country have specific policies/programs for better utilization of trade financing services provided by the ITFC by the business community in your respective country?

- **Trade Related Activities of SMIIC**

Standard and Metrology Institute of Islamic Countries (SMIIC), as one of the affiliated institution of the OIC, aims at realizing harmonized standards and eliminating technical barriers for enhancing trade among the Member Countries.

In line with its mandate, SMIIC has intensified its cooperation efforts and activities. Recently, eight Technical Committees ranging from Halal Food issues to Service Site issues have been established under SMIIC. Moreover, SMIIC Forum 2012 and the 5th Board of Directors Meeting were held on 6-9 November 2012 in Antalya, Turkey. The 6th Board of Directors Meeting and the 4th General Assembly Meeting were held on 15-17 April 2013, in İstanbul.

There has been a growing interest by the Member States to SMIIC. The number of its members has increased to 20 as of March 2013.

Required Action(s): The General Secretariat of SMIIC will inform the Committee of the recent developments of SMIIC's trade related activities.

Questions for Discussion:

- i) SMIIC has successfully completed its institutionalization and set-up eight technical committees for fulfillment of its mandate. What measures can be taken to enhance the visibility of SMIIC and its services in the Member States?

- **Arbitration Mechanism**

The 26th COMCEC Session requested the IDB Group to prepare a study on the relevance of establishing an Arbitration Mechanism by considering the existing mechanisms. The study has been prepared by the IDB Group (ICIEC) and submitted to the 27th Session of the COMCEC. In line with the relevant resolution of the 27th Session of COMCEC, the study has been circulated to the Member States to get their views. The 28th Session of the COMCEC reiterated its request to the Member States, which have not done so, to send their views on the Study to the OIC General Secretariat at the earliest convenience.

Required Action(s): The OIC General Secretariat is expected to brief the 29th Follow-up Committee on the views and comments of the Member Countries on the Study of the IDB Group (ICIEC).

AGENDA ITEM 5 Improving Transport and Communication

COMCEC gives particular importance to the development of transport cooperation among the Member States. The COMCEC Economic Summit held in 2009 has identified transport as one of the three priority sectors. Furthermore, transport and communications has been identified as one of the main cooperation areas by the COMCEC Strategy.

Within the framework of the implementation of the COMCEC Strategy, the 1st Meeting of the COMCEC Transport and Communications Working Group was held on March 28th, 2012 in

Ankara, Turkey, with the theme of "Transport Infrastructure Modalities: Public Private Partnerships in the OIC Member States". The Meeting brought together relevant experts from 13 Member States which have notified their focal points for the Transport Working Group. The relevant international and OIC institutions and the private sector have also attended this Meeting.

Required Action(s): The COMCEC Coordination Office will brief the 29th Follow-up Committee on the outcomes of the 1st COMCEC Transport and Communications Working Group Meeting and the recent developments regarding the cooperation in this field.

(CCO Brief on Transport is available. Ref: OIC/COMCEC-FC/29-13/D(13))

Questions for Discussion:

- i) Is it possible for the Member States to finance their transport infrastructure needs through traditional financing mechanisms? What are the other modalities implemented in your country such as Public-Private Partnerships (PPPs) for financing transport infrastructure projects/programs?

AGENDA ITEM 6

Developing a Sustainable and Competitive Tourism Sector

As an increasingly important source of income, employment and wealth in many countries, tourism has been defined as one of the priority sectors by the COMCEC Economic Summit in 2009. In line with this prioritization, in addition to the ongoing activities in this field such as the Islamic Conference of Tourism Ministers (ICTMs), Tourism Coordination Committee Meetings and tourism fairs, "the OIC/COMCEC Private Sector Tourism Forum" was established in 2011 with the aim of providing a regular platform for the private sector representatives of the member countries to identify their common issues of concern and the ways to address them in the field of tourism. The 1st Meeting of the Forum was held on 7-8 December 2012, in İzmir, Turkey.

Furthermore, the 3rd Conference on Health-Tourism in Islamic Countries was organized on 18-19 December 2012 in Mashhad, Islamic Republic of Iran. The 2nd Tourism Fair of the OIC Member States was held on 19-22 March 2013 in Cairo, Arab Republic of Egypt. The Training Program on "Hotel Management and Travel Agency Business" was held on 16-20 April in Antalya, Turkey. Moreover, the 8th Meeting of the Tourism Ministers is planned to be held on 3-5 December 2013 in Banjul, Gambia.

Tourism is also defined by the COMCEC Strategy as one of its cooperation areas. In this framework, the 1st Meeting of the COMCEC Tourism Working Group was held on April 25th, 2013 in Ankara, Turkey with the theme of "A New Trend in Sustainable Tourism Development: Community Based Tourism in the COMCEC Region." The Meeting was attended by the representatives of 15 Member States, which have notified their focal points for the Tourism Working Group. The relevant OIC institutions and some academicians have also attended the Meeting.

Required Action(s): The COMCEC Coordination Office will brief the Committee on the outcomes of the 1st Meeting of the COMCEC Tourism Working Group as well as the recent developments regarding the ongoing activities under the COMCEC tourism cooperation.

(CCO Brief on Tourism is available. Ref: OIC/COMCEC-FC/29-13/D(15))

Questions for Discussion:

- i) What are your country experiences in Community Based Tourism? Do you consider Community Based Tourism as an effective tool for enhancing rural development and alleviating poverty?
- ii) How can we utilize the OIC/COMCEC Private Sector Tourism Forum more efficiently and ensure the active participation of the private sector in the Forum?
- iii) What is the role of tourism fairs in enhancing intra-OIC tourism and how can their efficiency be improved?

AGENDA ITEM 7

Increasing Productivity of Agriculture Sector and Sustaining Food Security

Cooperation in the area of agriculture occupies an important place in the agenda of the COMCEC. The COMCEC Economic Summit, held in 2009, prioritized the cooperation in this field. The COMCEC Strategy has also identified the agriculture as one of the main cooperation areas of the COMCEC. Within the framework of the operationalization of the COMCEC Strategy, the 1st Meeting of the COMCEC Agriculture Working Group will be held on June 6th, 2013 in Ankara, Turkey with the theme of “*Increasing Agricultural Productivity in the COMCEC Region: Improving Irrigation Capacity.*”

Concerning the ongoing activities in this cooperation area,

- In line with the decision of the 28th Session of the COMCEC, the Workshop on “Enhancing the Capacity of the Member States in Wheat Production” was organized by the Ministry of Food, Agriculture and Livestock of the Republic of Turkey and the COMCEC Coordination Office on 15-16 January 2013 in İzmir, Turkey.
- The 7th OIC Ministerial Conference on Food Security and Agricultural Development will be held in Senegal in December 2013.
- The COMCEC Task Force, established in 2009 in line with the relevant decisions of the COMCEC Economic Summit and the 25th Session of the COMCEC, has prepared the Draft Framework for Cooperation in Agriculture, Rural Development and Food Security in the OIC Member States and submitted it to the 28th Session of the COMCEC. The Session welcomed the Draft Framework and requested the Member States to convey their views on the document. Meanwhile, some Member States have conveyed their views.

Required Action(s): The COMCEC Coordination Office will brief the Committee on the recent developments in this cooperation area.

(CCO Brief on Agriculture is available. Ref: OIC/COMCEC-FC/29-13/D(18))

Questions for Discussion:

- i) What are your country experiences for increasing agricultural productivity and sustaining food security?
- ii) What are the policies/programs implemented in your country to improve irrigation systems?

AGENDA ITEM 8 Eradicating Poverty

Poverty is one of the main challenges faced by the member countries. It has been occupying an important place in the COMCEC agenda. Poverty Alleviation is defined by the COMCEC Strategy as one of its cooperation areas. The Poverty Alleviation Working Group envisaged by the COMCEC Strategy will convene its first meeting on June 27th, 2013 in Ankara.

Furthermore, the Islamic Solidarity Fund for Development (ISFD), Special Program for Development of Africa (SPDA), the OIC Cotton Program and the Vocational Education and Training Program for the OIC Member Countries (OIC-VET) are the ongoing cooperation efforts for addressing poverty under the auspices of the COMCEC.

(CCO Brief on Poverty Alleviation is available. Ref: OIC/COMCEC-FC/29-13/D(20))

- Islamic Solidarity Fund for Development (ISFD) and Special Program for Development of Africa (SPDA)

ISFD is a Special Fund within the IDB, which was officially launched in 2007 with the aim of reducing poverty in the COMCEC region through focusing on human development, agriculture and rural development, basic infrastructure and micro enterprises. The principle target capital of the Fund is USD10 billion. Until now, 29 projects have been approved by the IDB within the ISFD framework. The total allocation amount of these projects is USD 1 billion and 5 out of the 29 projects have been funded so far.

The SPDA is another Special Program within the IDB, which was initiated in 2008 with a view to spurring economic growth, reinvigorating agricultural production and creating employment opportunities in the African Member Countries. The average level of funding for the SPDA is set as USD 12 billion for a five-year period. As of April 2013, the IDB Group has approved USD 5 billion for 480 operations and disbursed approximately half of the total approvals.

Required Action(s): The IDB Group is expected to submit a report on the implementation of the ISFD and SPDA to the 29th Follow-up Committee Meeting.

- **OIC Cotton Program**

Within the framework of the OIC cotton initiative in 2005, the OIC Five-Year Cotton Action Plan (2007-2011) was prepared. The Plan was endorsed by the 22nd Session of the COMCEC. The period of the Plan was extended for a further five years by the 26th Session of the COMCEC (2011-2016).

Under the Cotton Action Plan, the Project Committee and Steering Committee were formed. The IDB was designated as the Chairman of the former while the Ministry of Customs and Trade of Turkey of the latter. Until now, Six Steering Committee and four Project Committee meetings have been held. The 6th Steering Committee Meeting was held on April 3rd, 2013 in Ankara, Turkey.

Under the OIC Cotton Action Plan, twenty-seven projects were proposed by the Member States. The proposals were submitted to the IDB and other possible donors for funding. Till now, two projects have been implemented. The IDB Group has approved financing six projects, the remaining ones are under consideration. The 28th Session of the COMCEC requested the IDB Group to finalize its consideration of the projects which have already been submitted for financial support.

Required Action(s): The Ministry of Customs and Trade of Turkey, as the Chairman of the Steering Committee, and the IDB Group, as the Chairman of the Project Committee, are expected to report the current status of the implementation of the Cotton Action Plan.

- **OIC-VET Program**

Vocational Education and Training Program for the OIC Member Countries (OIC-VET) was initiated by the SESRIC in 2009 with a view to improving the quality of vocational education and training in the Member Countries.

Three capacity building programmes have been initiated within the framework of the OIC-VET Programme namely, Agriculture Capacity Building Programme, Information and Communications Technology Capacity Building Programme and Capacity Building Programme on Poverty Alleviation.

The Monitoring and Advisory Committee (MAC) of the OIC-VET Program, which monitors the implementation status of the projects and programs under the OIC-VET Program, has convened its Fourth Meeting on 26-28 November 2012 in Yaoundé, Republic of Cameroon.

Required Action(s): SESRIC is expected to submit a report to the 29th Meeting of the Follow-up Committee of the COMCEC on the implementation of the OIC-VET Program.

Questions for Discussion:

- i) Does your country have a strategy, master plan or program for eradicating poverty?
- ii) What are your country experiences in enhancing the productive capacity of the poor?
- iii) Investing in human capital is an efficient method for poverty alleviation. What kind of specific programs, such as vocational education programs, does your country have to this end?

AGENDA ITEM 9

Deepening Financial Cooperation

The recent financial crises demonstrated the interconnectivity of financial markets and the increasing need for international cooperation among financial institutions and regulatory authorities. In this respect, the COMCEC has intensified its efforts for enhancing cooperation among the member states to mitigate the adverse effects of the recent global economic and financial crisis.

The COMCEC Strategy has identified the finance as one of its cooperation areas. The COMCEC Strategy also envisages the establishment of the Finance Working Group, which will serve to the realization of the strategic objective and the expected outcomes defined in its Finance section. The Finance Working Group is planned to convene its first meeting in September 2013.

On the other hand, the ongoing activities in the area of finance have been carried out under the Cooperation among Stock Exchanges, Cooperation Among Capital Markets' Regulatory Bodies and Cooperation Among Central Banks and Monetary Authorities.

(CCO Brief on Finance is available. Ref: OIC/COMCEC-FC/29-13/D(25))

- Cooperation Among Stock Exchanges

The cooperation among Stock Exchanges has been initiated by the COMCEC in 2005. Accordingly, the OIC Member States' Stock Exchanges Forum was established. The Forum focuses on the harmonization of the rules and regulations governing market operations, as well as opening communication channels for the stock exchanges of the OIC Member Countries and relevant institutions.

The Forum has convened six times till now. The 7th Meeting of the Forum will be held in September 19th, 2013 in İstanbul.

The Forum has achieved remarkable progress in deepening cooperation among the Stock Exchanges of the Member States. It has successfully finalized the S&P OIC/COMCEC Index, which has been launched on June 22nd 2012, in İstanbul. The official launching ceremony of the S&P OIC/COMCEC Index, however, was held during the 28th Session of the COMCEC. The Index was designed to measure the performance of 50 leading companies from the 19 Member States.

The 28th Session of the COMCEC welcomed the launching of the S&P OIC/COMCEC Index and requested the Member States and the IDB to lend their support for the promotion of the S&P OIC/COMCEC Index in the Member Countries.

Required Action(s): As the Secretariat of the Forum, Borsa İstanbul (formerly İstanbul Stock Exchange) is expected to inform the 29th Follow-up Committee Meeting of the recent developments regarding the activities of the Forum.

Questions for Discussion:

- i) The S&P OIC/COMCEC Index has successfully been launched in 2012. How can the visibility of the S&P OIC/COMCEC Index be enhanced in the member states as well as worldwide?

- Cooperation Among Capital Markets' Regulatory Bodies

In line with the relevant resolutions of the COMCEC, the COMCEC Capital Markets Regulators Forum was established in 2011 to increase coordination and cooperation in regulatory and legal infrastructure with a view to achieving more harmonized policies and regulations among the Member Countries. In line with this objective, the 1st Meeting of the COMCEC Capital Market Regulators Forum was held on 26-27 September 2012 in İstanbul. The 2nd Meeting of the COMCEC Capital Market Regulators Forum will be held in September 19th, 2013 in İstanbul.

The 28th Session of the COMCEC welcomed the establishment of the Forum website (www.comceccmr.org) by the Capital Markets Board of Turkey and called upon the Member States to contribute to the work of the Forum and its Task Forces.

Required Action(s): As the Secretariat of the Forum, Capital Markets Board of Turkey is expected to brief the Committee on the recent developments regarding the activities of the Forum.

Questions for Discussion:

- i) What are the challenges in your country for enhancing capital market development and diversifying products in compliance with international standards?
- ii) What are your country experiences in providing a viable alternative to bank funds, such as presenting equity finance?

- Cooperation Among Central Banks and Monetary Authorities

In line with the relevant resolution of the COMCEC, the cooperation among the Central Banks and Monetary Authorities of the Member Countries has been revitalized. Since 2009, the Central Banks and Monetary Authorities of the member states have regularly convened with a view to sharing experiences and enhancing institutional and human capacity in this field.

The 12th Meeting of the OIC Central Banks and Monetary Authorities was held on 14-15 May 2012 in İstanbul, Turkey. The Meeting decided to establish three working groups to prepare technical background papers in the following areas: Payment Systems, Macro-Prudential Regulations, and Liquidity Management in Islamic Finance. The 13th Meeting of the Governors of the Central Banks and Monetary Authorities of the OIC Member States will be held in 2013 in Saudi Arabia.

Required Action(s): SESRIC is expected to brief the Committee on the recent developments regarding cooperation among the Central Banks and Monetary Authorities of the Member Countries.

Questions for Discussion:

- i) What are the policies/programs implemented in your country for ensuring the financial sector stability?
- ii) What are your country experiences in enhancing the institutional and human capacity of the Central Banks/Monetary Authorities?

AGENDA ITEM 10
Enhancing the Role of Private Sector in Economic Cooperation

- Private Sector Meetings

The Islamic Chamber of Commerce, Industry and Agriculture (ICCIA) organizes Private Sector Meetings and report their outcomes to the COMCEC Sessions. One of the main objectives of the private sector meetings is to provide a platform for the private sector representatives of the Member States to explore new opportunities and create new linkages among themselves. Up to now, 14 private sector meetings have been held. The last one was held on 24-26 April, 2011 in Sharjah, UAE. The 15th Private Sector Meeting will be held in the Islamic Republic of Iran in 2013.

Required Action(s): The ICCIA is expected to submit a report on the recent developments regarding private sector meetings.

Questions for Discussion:

- i) In addition to ongoing efforts, what other additional steps can be taken for more active involvement of the private sector in economic cooperation efforts under the COMCEC umbrella?

AGENDA ITEM 11
Preparations for the Exchange of Views on “Increasing Foreign Direct Investment (FDI) Flows to the OIC Member Countries”

Exchange of views sessions are held regularly at the COMCEC Ministerial Sessions. The 28th Session of the COMCEC decided the theme of the Ministerial Exchange of Views of the next COMCEC Session as “FDI Flows to OIC Member Countries.”

In this respect, a Preparatory Workshop on “FDI Flows to the OIC Member Countries” will be organized by the COMCEC Coordination Office and SESRIC in cooperation with the IDB Group (ICIEC) on 24-25 September 2013 in Ankara, Turkey.

Required Action(s): SESRIC is expected to inform the 29th Session of the COMCEC regarding the preparations for the aforementioned Workshop.

- Possible Themes for the Exchange of Views Session of the 30th COMCEC Session

The Committee will also discuss the possible themes of the Exchange of Views Session of the 30th Session of the COMCEC.

Required Action(s): The COMCEC Coordination Office will brief the Committee on the possible themes for the exchange of views session to be held during the subsequent COMCEC session.

**AGENDA ITEM 12
Presentation on the New COMCEC Project Funding**

The COMCEC Strategy introduces a well defined Project Cycle Management (PCM) as a new instrument for its implementation. Within the framework of the new COMCEC PCM, the multilateral cooperation projects of the member states as well as the OIC institutions working in the field of economy will be financed through grants by the COMCEC Coordination Office.

Required Action(s): COMCEC Coordination Office is expected to brief the Follow-up Committee regarding the new COMCEC Project funding.

**AGENDA ITEM 13
Draft Agenda of the 29th Session of the COMCEC
(İstanbul, 18-21 November 2013)**

The draft agenda of the 29th Session of the COMCEC will be considered by the Follow-up Committee under this agenda item.

