

Report on the Activities of the Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) for submission to the $33^{\rm rd}$ Meeting of the COMCEC

20-23 November 2017 Istanbul, Republic of Turkey

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Introduction:

Striving to attain greater economic cooperation, has been the focus and objectives of the programmes and activities of the ICCIA. Towards this end, it has diversified its programmes in line with the needs of the Private Sector and the fast-moving economic challenges.

The activities undertaken by the ICCIA are providing a common platform to the Private Sector to interact, have B2B meetings, expand their business & investment ties. Furthermore, Training Programmes, Workshops, Forums and Private Sector Meetings are being held, which deal with topics that can enable the Private Sector to enhance their overall businesses.

The Private Sector of the 57 OIC Countries, varies from country to country, as per their economic potentials, knowledge, and business acumen. Therefore, the Islamic Chamber, organizes customized Training Programmes, which would help them upgrade their business, adopt best practices and make their business more competitive, as per International Standards and add more value.

Till date, the areas where focus has been given are capacity building, commodity exchange forums, business leadership development, promotion of tourism, poverty alleviation, upgrading marketing and managing skills, value-addition, gender development, promotion & development of Small & Medium Enterprises, utilization of microfinance, developing Entrepreneurship through IT, particularly in women and the youth.

The ICCIA has also been collaborating with some of the UN Agencies, with similar objectives. In this context, several initiatives have been taken with the UNDP, UN Special Unit for South-South Cooperation and the Perez-Guerrero Trust Fund (PGTF). These have been result oriented, as they brought about a more focused cooperation between the private sector of the South and at the same time triangular cooperation involving the South-South Countries with the North.

In its endeavours, to further expand its scope of work, the ICCIA is also keeping the Sustainable Development Goals (SDGs), as its guidelines in its programmes and activities. Of particular reference are those related to food security, economic empowerment of women and promotion of inclusive growth.

In undertaking its programmes, the ICCIA is working in close collaboration with the General Secretariat of the OIC and its Institutions as well as other related International Organizations on common goals & objectives. As part of a mechanism to further enhance its activities, hereunder are the broad areas and salient aspects of the ICCIA activities:

ENHANCING THE ROLE OF PRIVATE SECTOR:

The Islamic Chamber has been holding Private Sector Meetings and Businesswomen Forums to provide a common platform for the business community to interact and conduct B2B Meetings. In addition, the Islamic Chamber has also been organizing Sector-wise Commodity Exchange Forums, Business Leadership Workshops.

These activities have shown concrete results as business deals have been conducted, exchange of expertise has taken place, best practices have been learnt and skills have been developed. The ICCIA has so far, held sixteen (16) Private Sector Meetings and nine (9) Businesswomen Forums.

ICCIA will organize the 10th Businesswomen Forum either in Sudan or Egypt in 2018 and the 17th Private Sector Meeting for the OIC Member States in one of the Member Countries and the 18th Private Sector Meeting for the OIC Member States will be held in the State of Kuwait, alongwith the Islamic Trade Fair in the year 2018.

Study on Textile and Garment Industry in OIC Countries:

Taking into consideration that textile is playing an important role in the economies of the OIC Countries, the Islamic Chamber has also initiated a study on Textile and garment industry in OIC Countries. The study deals with an overview of the textile and garment industry and covers numerous opportunities and markets that can be tapped. It further mentions the key initiatives undertaken by the OIC Countries to promote the textile and garment industry.

The textile and clothing market is a key sector of international trade that provides significant growth opportunities particularly in developing countries. The global clothing market is expected to increase at a CAGR of 2.9%, from USD2,119bn in 2014 to USD2,515bn in 2020. The textile and readymade garment is a major industry in many countries and contributes greatly to the economic growth of the respective countries. Within the OIC Countries the textile industry is mostly concentrated in Turkey, Pakistan, Egypt, Bangladesh and Indonesia. Globally the industry is mostly concentrated in China, India and other countries. However, a large portion of textile manufacturing in China is moving to very low-cost countries in Africa, as well as Bangladesh, Cambodia, Indonesia, Mauritius, Malaysia, Pakistan, the Philippines, Sri Lanka, Vietnam and others. Currently, there is growing demand for clothing for men and women in the thriving OIC economy. In 2014, the 57 Countries that form the OIC accounted for 7.9% of global value sales of apparel and footwear. This share is expected to grow up to 8.4% in 2016, up to 8.8% in 2017 and up to 9.1% in 2018.

The Islamic Corporate Masfaq for Growth & Job Creation:

Al-Masfaq is an initiative of the Islamic Chamber focusing on facilitating the private sector to conduct businesses from one common platform. It is a model for collaboration between the Chambers of Commerce and the ICCIA. The first implementation of the idea commenced in Saudi Arabia, with the collaboration of Jeddah Chamber of Commerce & Industry (JCCI). The ICCIA hopes to replicate this model with numerous OIC Member States and Chambers of Commerce.

Its main goal is to develop the economy and to provide job opportunities by way of developing an investment map of the city, where Al-Masfaq operates, so as to give a clear picture to the potential investors to explore the real and feasible investment opportunities. It also aimed at being the one-stop-shop that provides all the needful permission, licensees and NOCs that are needed from all the investment concerned governmental authorities. Al-Masfaq will be a place where youth with creative ideas can meet entrepreneurs who are willing to assist in investment and wellbeing of the community. The major role of Al-Masfaq is not only the investment, but also to gather people under one roof and to facilitate procedures and create development in the various fields of economic activities.

Formation of OIC Arbitration Centre as per the Recommendation of COMCEC:

During the 24th Meeting of the ICCIA Board of Directors, held in Konya, Turkey on September 2016, the representative of the Union of Turkish Chambers (TOBB) made a detailed presentation on the proposed Formation of OIC Arbitration Centre as per the Recommendation of COMCEC. It will be hosted by the Republic of Turkey and TOBB in Istanbul, as an affiliated organization of ICCIA. The Center may also be equipped to extend training to the Member Countries.

The initial study has been prepared by TOBB, however, since it is an important matter, further in-depth study is being done for the establishment of the Center.

ICCIA Website:

ICCIA endeavors to utilize the information technology and the internet by operating a dynamic portal that interacts with the locals and international clients, taking into consideration the various categories/interests of users/clients in accordance to the services that are provided to them in an interactive and user-friendly approach. ICCIA's portal is a comprehensive source of updated contents that highlight the economic affairs in the Islamic World, which aims to play a major role in enhancing the intra OIC-trade through the information and services that it offers. The portal also provides detailed investment profiles about the members. This will help the potential investors to make right decisions about their investment options. The goals and objectives of the website are:

- o To be a reference point for the key economic information related to the member countries
- o To be a source of statistics and related reports, covering the member countries
- o To be a platform for launching new projects and ideas
- o To be a communication medium between members while fostering their common grounds and interest
- o To introduce the chambers, their countries and projects
- o To be a platform for marketing and advertising
- o To Facilitate communication between ICCIA and the general public.

Cooperation with International Organizations:

ICCIA continues to explore new avenues of cooperation with international organizations, such as:

- Perez-Guerrero Trust Fund (PGTF);
- ➤ United Nations Office for South-South Cooperation (UNOSSC);
- ➤ United Nations Industrial Development Organization, Investment & Technology Promotion Office (ITPO), Bahrain

As a result of this cooperation, the above Institutions, whenever possible, extend technical support in organizing Training Programs and Workshops and by sponsoring the participants and resource persons.

The ICCIA as a representative of the private sector contributes in their programmes and provides solutions for creating avenues for South-South cooperation, for the achievement of the Sustainable Development Goals in the areas of trade, industry, agriculture and commodity exchange. ICCIA's cooperation with the United Nations South-South Cooperation Office (UNSSCO) focus on the areas private sector, through programs that deal with capacity building, promoting women's entrepreneurship, job creation, developing creative economies and commercial tourism, establishing computerized trade information networks and so forth.

Taking into consideration that SMEs play a major role in the economies of the OIC Countries, the ICCIA has undertaken numerous initiatives in this respect. In this context, the ICCIA has signed a Memorandum of Understanding with the Bahrain SMEs Society. The objectives of the MOU, is to serve as a framework for technical cooperation and strengthen all possible joint efforts that are aimed at enhancing SMEs in the member countries in general and the Kingdom of Bahrain in particular.

Activities in Promotion of Tourism:

Tourism has been playing an important role in the economic environment of the Member Countries. The OIC has been organizing the Ministerial Meetings on Tourism and efforts are being deployed to promote tourism among the OIC Countries.

Forum/Workshop for Public and Private Investors in the area of Tourism Development

In pursuance of the mandate given by OIC, through Executive Program for the implementation of the Framework for Development and cooperation in the domain of Tourism among Member States, adopted by the 9th Islamic Conference of Tourism Ministers, held in December 2015 in Niger, called upon the ICCIA to join efforts with Islamic Centre for Development of Trade (ICDT), Islamic Corporation for the Insurance of Investment and Export Credit (ICIEC), Iran & Bangladesh to organize the "Forum for Public and Private Investors in the area of Tourism Development". The objectives of the Forum will be to strengthen the role of Public Private Partnerships for the Development of the Tourism Sector in OIC Member States, as well as to highlight the ample investment opportunities in the Tourism sector of OIC Countries.

It was decided during the 1st Meeting of Trade and Investment Sub-Committee of the Annual Coordination Meeting of the OIC Institutions, that the Forum on Tourism to be held concurrently with the 3rd Tourism Fair of OIC, which was scheduled to be held from 18-21 October 2017 in Cairo, Arab Republic of Egypt, has been postponed to a later date.

Establishment of an "Islamic Tourism Portal"

Executive Program for the implementation of the framework for development and cooperation in the domain of Tourism among Member States, which was approved by the 9th Islamic Conference of Tourism Ministers, held in Dec. 2015 in Niger called upon ICCIA and ICDT to create an "OIC Tourism Portal" or "OIC Internet Guide for Tourism" in three languages for the dissemination of information on tourism related issues in the OIC Countries.

In this respect, ICCIA has prepared a section on Islamic Tourism, which has been launched on 20th October 2017.

The portal will facilitate in increasing public awareness about the OIC Countries. This information would focus on existing tourist attractions, resources and facilities in the Islamic

world with a view to encouraging tourists' visits to other Islamic countries by providing full information to potential visitors. The Section covers information related to various aspects of tourism of the OIC Member countries. The link is as follows:-

http://tourismar.iccia.com; http://tourism.iccia.com

Workshop on Key Infrastructure Development for Rural Growth for OIC:

Economies of the majority of the OIC Countries are largely rural based. But overall, the performance of rural economies spurred by agriculture sector is not promising. The challenge for OIC Countries, rural development strategy is to increase profitability, competitiveness and income earning capacity in a market-driven system for a large size of population, dependent upon agriculture for their livelihoods. In view of the above, the Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) had organized a Workshop on "Key Infrastructure Development for Rural Growth for OIC Countries". The Workshop was held in collaboration with the Perez-Guerrero Trust Fund for South-South Cooperation (PGTF), Food & Agriculture Organization of the UN (FAO) and Union of Chambers and Commodity Exchanges of Turkey (TOBB) in Istanbul, Turkey on 24-26 April 2017.

The objective of the Workshop was to provide an overall review of problems, issues and strategic option in developing a backbone and supporting infrastructure for rural development. The thrust of the workshop was on Cold Chain System and other related infrastructure in developing a competitive rural economy. The Workshop aimed to highlight the importance to facilitate the development of clusters of profitable small-medium-and large-scale farms and associated agribusinesses in selected Corridors from OIC region.

The Workshop was attended by the 23 participants from 14 countries, representing all regions of the OIC, namely Arab, Arica, Central Asia and South-East Asia. The participating countries were from Afghanistan, Cote d'Ivoire, Indonesia, Iran, Jordan, Kyrgyzstan, Malaysia, Pakistan, Palestine, Niger, Sudan, Tajikistan, Tunisia, Uganda and Turkey. In addition, representatives of Food and Agriculture Organization of the United Nations (FAO) and Statistical, Economic & Social Research and Training Centre for Islamic Countries (SESRIC) were also participated.

<u>Training Program on Entrepreneurship Development through IT for OIC Countries</u> 7-9 August 2017, Sharjah – U.A.E.

The ICCIA is undertaking activities that would directly or indirectly lead to develop the economies of the OIC Member Countries. In this context, using IT to develop Entrepreneurship is an important tool for improvement in the economic well-being of individuals and societies. The business community from OIC Developing Countries needs to be more conversant with the benefits of IT to have a common platform to promote entrepreneurship. Eventually, this can become a key to poverty alleviation, self-reliance & prosperity as well as to contribute in achieving Sustainable Development Goals (SDGs) through the development of entrepreneurship culture among the development countries.

In view of the above, the ICCIA organized the Training Program on Entrepreneurship Development through IT for OIC Countries, on 7-9 August 2017, in Sharjah – U.A.E. The program was held in collaboration with the Perez-Guerrero Trust Fund for South-South Cooperation (PGTF) and the Sharjah Chamber of Commerce & Industry.

The objectives of the Training Program on Entrepreneurship Development through IT for OIC Countries was to make entrepreneurs aware of the use of technology to promote their enterprise as well as to create opportunities for self-employment and to provide employment. The

program aimed to contribute in the economic wellbeing of individuals & societies and combating poverty, moving towards self-reliance and prosperity and to provide a platform for participating Member Countries to come together and draw a roadmap to have a stable & sustainable economic growth and to develop a system that contributes to bridge the gap between the education received and the needs of the productive sector. The Training Program discussed and helped the participants to achieve online presence and increase their market reach via various online marketing strategies. This Training Program focused on the utilization of IT in promoting businesses among youth and women entrepreneurs, particularly start-ups.

The Training Program was attended by 24 participants from 19 Countries, representing African Region, Middle East, Gulf, Europe, Central Asia and South-East Asia. The participating Countries were from Azerbaijan, Bosnia, Djibouti, Egypt, Guinea, Iran, Jordan, Kazakhstan, Malaysia, Mali, Niger, Pakistan, Palestine, Sudan, Turkey, Uganda and United Arab Emirates. In addition, representatives of Sharjah Chamber of Commerce & Industry and Young Leaders Network of World Islamic Economic Forum also participated.

The program called upon the relevant Member Chambers having the expertise, to share their knowledge, experiences and training resources in strengthening the training capacities of National Chambers of other countries, which requires such assistance. It also requested the ICCIA and relevant agencies / organizations, to aim at higher level of training activities by organizing programmes for Training of Trainers, which could in turn be engaged by the National Chambers to conduct local training and development programmes.

Workshop on Development of SMEs in OIC Countries:

The economies of today are focusing on SMEs as a viable and feasible option for growth, innovation and prosperity for the developing countries. However, despite the fact that SMEs are such an important sector of the economy, yet their growth and development is not in proportion to their importance.

Taking into consideration that SMEs form the backbone of the economies of the OIC Countries, the ICCIA is working on programs for the development of SMEs. In this context, ICCIA, in collaboration with the SMEs Development Authorities of the OIC Countries, will be organizing the Specialized Workshops on the Development of SMEs in OIC Countries in 2017.

ICCIA is also looking into the possibility of setting-up an Incubation Center in its premises in Karachi, Pakistan. It is intended to be a self-financed project that would serve in supporting startups and would extend training services to some youth on how to set-up their own businesses. It will be a pilot project and if required, similar projects can be suggested for replication in other interested Member Countries.

<u>Training Program on "Technology Entrepreneurship Advocacy and Management of Business Incubation & Technology Parks"</u>

Business incubation is one of the most popular SME support system being used around the globe. With ever increasing technology startups, these incubators have transformed into purpose specific technology parks that are specially designed for technology based startups. Governments, academia, and business chambers need to contribute to the cause of entrepreneurship development by setting up more and more SME support systems including innovation centers supported by business incubators, technology parks, ITC centers, and industrial parks etc.

The most relevant of above mentioned SME support systems today is the incubation centers, innovation centers, and technology parks that need to be set up by government organizations, universities, and business chambers to facilitate young startups. However, it is felt that these institutions need expert support and guidance to conceive, develop, and successfully run self-sufficient incubation centers and technology parks.

The Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) as per its mandate is striving for promotion of trade, poverty alleviation and capacity building in the OIC Member States.

In view of the above, a 3-day Training Program on "Technology Entrepreneurship Advocacy and Management of Business Incubation & Technology Parks" has been planned next year to be organized in collaboration with the Perez-Guerrero Trust Fund for South-South Cooperation (PGTF).

The key objectives of the Training Program will be the following:

- To highlight the importance of developing entrepreneurial culture in OIC countries;
- To emphasize the policy advocacy for initiating technology based startups and creating ecosystem for such startups;
- ➤ To understand the conceptualization, development process, management, and importance of business incubators and technology parks as key components of SME support systems and ecosystem with a special focus on OIC countries;
- ➤ To learn cross-country best practices for the management of business incubators and technology parks;
- > To understand the process of converting the startups into commercial organizations;
- To combat poverty and move towards self-reliance and prosperity.

Sharing of Best Practices for the Benefit of the Private Sector:

Taking into consideration, the expertise available in the OIC countries, the ICCIA has also undertaken efforts to enable the private sector of the Member States to take advantage of each other, and learn best practices. In this context, the ICCIA has viewed with great interest the latest State of the Art facilities and best practices of Konya, for the exchange of commodities and development of industrial zones to achieve commercial and industrial growth. Therefore, the Islamic Chamber seeks to introduce these initiatives, in collaboration with the Union of Turkish Chambers (TOBB) and the Konya Chamber of Commerce and Konya Commodity Exchange, in other OIC Countries.

During the joint meeting of the 25th Board of Directors and 33rd General Assembly of the ICCIA held on 12th April 2017, in Muscat, Sultanate of Oman, the representative of Sudan requested for delegation of group for training in commodity exchanges and to benefit from Turkey. In this regard, progress is being achieved for Sudan to benefit from the rich Turkish expertise in this respect, hence, Sudan is known to be one of the major producers of main crops such as gum Arabic, sesame and peanuts. The President of TOBB, welcomed and offered to host the trainees and facilitate their mission.

Chambers of Commerce Forum:

In continuation with the concept of learning from other Chambers, the ICCIA will hold Forums for the Chambers of Commerce. The aim is to grant opportunity to the Chambers of Commerce to project their success stories, global experiences, so that the other Chambers may benefit from their best practices. To grant awards in the name of the Islamic Chamber for successful experiences of each Member Chamber in its area of expertise.

Upcoming Activities:

- 1. The 17th Private Sector Meeting of the OIC Countries.
- 2. The 18th Private Sector Meeting for the OIC Member States, State of Kuwait 2018.
- 3. 10th Businesswomen Forum in Islamic Chamber, Sudan /Egypt 2018.
- 4. Training Program on "Technology Entrepreneurship Advocacy and Management of Business Incubation & Technology Parks", 2018
- 5. Trade Exchange Forum/Exhibition (Sector-wise) 2018.
- 6. Specialized Workshop/Training Program on (Development of SMEs / Skill Development / Food Security/ Textile & Garments/ Renewable Energy and Tourism).
- 7. Chambers of Commerce Forum
- 8. Conference on Muslim Business-Owners
