



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



COMCEC

Annual Progress Report 2018

COMCEC Coordination Office
November 2018



COMCEC

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

**COMCEC
ANNUAL PROGRESS REPORT
2018**

COMCEC COORDINATION OFFICE
November 2018

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EXECUTIVE SUMMARY

The Standing Committee for Economic and Commercial Cooperation of the Organization of Islamic Cooperation (COMCEC) has been continuing its efforts towards enhancing economic and commercial cooperation among the 57 OIC Member Countries since 1984. The main objective of the COMCEC is to address the economic challenges of the Islamic Ummah, to contribute to their development efforts and to enhance trade among the Member Countries. In this regard, COMCEC serves as a policy dialogue forum for producing and disseminating knowledge, sharing experience and best-practices, developing a common understanding, and approximating policies among the Member Countries.

In order to make the COMCEC a more fruitful platform to meet the growing needs of the OIC Member States, the 4th Extra-ordinary Islamic Summit Conference held on 14-15 August 2012 in Mecca, Kingdom of Saudi Arabia, has adopted the COMCEC Strategy. The 13th Session of the Islamic Summit Conference hosted by the Republic of Turkey on 10-15 April 2016 in İstanbul, Turkey, *“expressed its profound appreciation for the successful implementation of the COMCEC revised statute and strategy adopted at the 4th Extraordinary Summit. It called on Member States to enhance the implementation of the revised COMCEC statute and strategy, in close coordination and cooperation with the General Secretariat and in accordance with the OIC Charter, and requested Member States to continue to actively participate in the work of the COMCEC under the chairmanship of H.E. Recep Tayyip ERDOĞAN, President of the Republic of Turkey.”* Moreover, the 45th Session of the Council of Foreign Ministers, held on 5-6 May 2018 in Dhaka, the People’s Republic of Bangladesh *“commended the COMCEC for its efforts for enhancing cooperation among the OIC member states in the fields of trade, agriculture, transport and communications, tourism, finance, poverty alleviation and private sector development in the light of the COMCEC Strategy coordinated by COMCEC Coordination Office and in collaboration with various OIC Institutions in the economic domain.”*

In order to realize its objectives, COMCEC has initiated many programs and projects. Since the operationalization of the COMCEC Strategy, the efforts under the COMCEC have gained a new dynamism and visibility. The Annual Progress Reports are submitted to the COMCEC Ministerial Sessions to present the progress in the implementation of the COMCEC Strategy. This progress report provides an

overview of the major achievements in the implementation of the COMCEC Strategy, since the 33rd Session of the COMCEC. Accordingly, for each cooperation area, the Report provides the outcomes of the most recent meetings of the relevant COMCEC Working Group. Moreover, the progress in the implementation of the COMCEC Ministerial Policy Recommendations is included in this report. Furthermore, the activities of the OIC Institutions serving to the mission of the Strategy are also highlighted.

Since the 33rd Session of the COMCEC, held in İstanbul, on 20-23 November 2017, 12 Working Group (WG) Meetings have been held successfully. For these meetings, 12 research studies and 6 sectoral outlook documents have been published by the COMCEC Coordination Office. After each WG Meeting, a proceedings document was published in order to reflect the outcomes of the meetings including the summaries of the presentations and discussions made during the meeting. All publications regarding the working group meetings namely the research studies, sectoral outlooks and the meeting proceedings are available in e-book format on the COMCEC website: (<http://ebook.comcec.org>)

The working groups have continued to conduct policy debate sessions in their deliberations. The Member Country experts discuss policy recommendations on the theme of the meeting based on intensive research as well as the responses by Member Countries to the policy questions, which are communicated to the focal points before each WG meeting. These policy recommendations are then referred to the Ministerial Session for consideration and adoption. Accordingly, the recommendations of the 11th and 12th rounds of WG meetings will be submitted to the 34th Session of the COMCEC for consideration and necessary action.

Through the COMCEC Project Funding, other instrument of the Strategy for the realization of the COMCEC Policy Recommendations, the institutional and human capacity of the Member Countries and the relevant OIC Institutions is mobilized towards the implementation of the COMCEC Strategy. The projects conducted under this mechanism are closely linked with the COMCEC Ministerial Policy Recommendations. Thus, this mechanism provides an important policy support instrument for the project owners and beneficiaries.

During its fourth implementation year, 13 projects were successfully implemented in 2017 and 29 countries have reaped the benefits of COMCEC Project Funding. Moreover, this year, the fifth year of the implementation of COMCEC Project

Funding, 17 projects are being implemented. With the partner countries, more than 35 member countries are benefiting from the COMCEC Project Funding. The Sixth Project call has been made in September 2018 and final list of successful projects is going to be announced at the end of January 2019 through the COMCEC web site.

Furthermore, the 6th Annual Meeting of the COMCEC Focal Points was held in 3-5 July 2018 to discuss the substantive issues pertaining the COMCEC Working Groups and COMCEC Project Funding Mechanism with the Member Country focal points. During this meeting, the participants had the chance to discuss the ways and means for active involvement of the member countries to the knowledge production efforts under the COMCEC. Moreover, the participants elaborated on the issues and challenges in the implementation of the policy recommendations and their effective follow-up. On the sidelines of the Meeting, a training session on the COMCEC Project Funding was also conducted, whereby the participants were informed on the details of the project submission under the fifth project call, which would to be made in September 2018.

The activities of the OIC institutions aligned with the COMCEC Strategy play a crucial role for the effective and successful implementation of the Strategy. This report also gives information regarding various activities held over the course of last year that are in line with the COMCEC Strategy and organized by the relevant OIC Institutions, namely, COMCEC Coordination Office, ICCIA, ICDT, IDB Group, SESRIC, SMIIC and OISA. The list of activities of the OIC institutions aligned with the COMCEC Strategy for the period December 2017- November 2018 is provided as a separate document.

CHAPTER I: COOPERATION AREAS

1. Trade

1.1. Trade Working Group in 2018

Trade facilitation has become one of the important topics in the global economic agenda. The COMCEC Trade Working Group (TWG) has been focusing on trade facilitation issues in its recent meetings, which is also one of the important output areas of the COMCEC Strategy.

Trade facilitation can reduce trade costs prominently. According to OECD estimations, harmonizing trade documents, streamlining trade procedures, making trade-related information available and using automated processes can reduce total trade costs by 14.5 % for low-income countries, 15.5 % for lower-middle-income countries and 13.2 % for upper-middle-income countries.¹



In this respect, Trade Working Group, in its 11th Meeting, has elaborated on an important instrument of trade facilitation, which is Customs Risk Management Systems. The TWG has convened on March 7-8, 2018, in Ankara, Turkey with the theme of “Facilitating Trade: Improving Customs Risk Management Systems in

the OIC Member States.” During the Meeting, the participants deliberated on the conceptual framework, global practices and trends in customs risk management and the status of the OIC Member Countries regarding the implementation of the customs risk management systems. In line with the relevant resolution of the 33rd Session of the COMCEC, **this meeting also served to the preparations for the Exchange of Views Session of the 34th COMCEC Ministerial Meeting.**

Improving customs risk management (CRM) systems is of particular importance for the Member Countries for ensuring optimal balance between trade facilitation

¹ COMCEC Coordination Office, Single Window Systems in the OIC Member Countries, 2017.

and customs control. Through these mechanisms, customs administrations can allocate their resources more effectively and efficiently through focusing on high-risk areas. Therefore, these systems provide an enhanced decision-making process during the customs control, while ensuring the security.

According to the research report prepared for the Meeting, the OIC member states are positioned at different stages regarding the level of CRM. While 17 (29.8%) of the 57 OIC Member Countries have fully implemented CRM, 4 (7%) of them have CRM Systems at the advanced stage, 25 (43.9%) have CRM Systems with medium performance. On the other hand, 2 (3.5%) Member Countries have CRM systems at basic level, and 9 (15.8%) Member States have no CRM². Moreover, within the framework of the report, field visits were conducted to three OIC member countries namely Albania, Senegal and Turkey to get insights about the policy environment on the subject.

The research report also highlighted that some member countries have limited coordination among the relevant stakeholders with respect to customs risk management and there is a need for a sound risk management strategy. Moreover, inadequate IT infrastructure and insufficient use of audit-based controls and risk assessment techniques are the main challenges faced by the Member Countries in operating customs risk management.

In this regard, the Trade WG has come up with a set of policy recommendations for improving customs risk management systems, among others:

- Establishing a risk management committee and developing an efficient and effective risk management strategy for improving the CRM performances and modernization efforts;
- Maintaining adequate IT support for the electronic submission of pre-arrival/pre-departure information for risk assessment;
- Utilizing Integrated CRM system including Data Warehouse, Business Intelligence, and Data Mining;
- Using advanced techniques and tools for risk assessment; such as usage of appropriate statistical models etc;

² COMCEC Coordination Office, Facilitating Trade: Improving Customs Risk Management Systems in the OIC Member States, 2018.

- Enhancing customs audit based controls; including post-clearance.

Moreover, the TWG has also considered the other aspects of the trade facilitation and come up with policy recommendations, which will be submitted to the 34th COMCEC Session, under the following six headings:

- ✓ Simplifying trade procedures and documentation
- ✓ Legal and regulatory framework
- ✓ Physical infrastructure and modernization
- ✓ Harmonization and alignment of standards and conformity
- ✓ Adopting measures to facilitate transit trade
- ✓ Regional/international cooperation

Furthermore, Authorized Economic Operator Programs are also utilized for ensuring a smoother and safer movement of goods across borders. They provide streamlined and efficient border processes for certified low-risk traders and enhancing security of supply chains. In this regard, the 12th Meeting of the COMCEC Trade Working Group was held on November 6th, 2018 under the theme of “Improving Authorized Economic Operators Programs in the OIC Member States.”

According to the research report prepared for the meeting, 12 OIC Member Countries have AEO Programs, whereas 9 Member Countries have customs compliance programs (CCP). Moreover, 3 member countries, namely Bahrain, Bangladesh and Cote d’Ivoire are developing new AEO programs. The research report highlighted some challenges of the Member Countries for improving AEO programs as well as establishing a new program, among others:

- Lengthy AEO approval times
- Difficulties in communication of Customs Authority with private sector and other government agencies



- Need for human resources for managing AEO Programs
- Lack of sustainable and regular training programs
- Low participation of SMEs to the AEO programs
- Limited number of Mutual Recognition Agreements

The 12th Meeting of Trade Working Group has come up with the following policy recommendations:

POLICY RECOMMENDATIONS OF THE 12TH MEETING OF THE TRADE WORKING GROUP
<ul style="list-style-type: none"> • Encouraging the design of an attractive package where benefits provided by the AEO program to the private sector outnumber costs borne by firms and traders in order to attract companies to participate in the program, • Promoting an integrated approach in the legislative, organizational and operational dimensions with other government agencies during the design phase of AEOs in order to eliminate duplications and redundancy as well as burdensome procedures, • Encouraging the adoption of and increasing the number of mutual recognition agreements (MRAs) as they enable AEO holders to enjoy trade facilitation benefits provided by the partner countries, • Enhancing the communication with the private sector with AEOs through utilizing client relations management, • Supporting the participation of SMEs in the supply chain in order to benefit from the AEO programs to their full extent.

1.2. COMCEC Funded Projects in Trade Area for the Realization of the Policy Recommendations

Through its Project Funding Mechanism, the CCO provides grants to the selected projects of the Member States and the OIC institutions in order to realize the Ministerial Policy Recommendations adopted in trade domain.

For the 2018 implementation period, four projects were selected for the financing under the COMCEC Project Funding. The first project is ‘The Feasibility Study on

the Interoperability of Selected Single Window Systems” in the OIC Member Countries which is being carried out by the Ministry of Foreign Trade of Morocco. This project aims to facilitate the single window systems in Morocco, Tunisia and Cameroon to communicate with each other without depending on a particular actor. At the beginning of the research, surveys will be conducted and questionnaires will be distributed to the various actors of the trade to better frame the perimeter of the study. Study visits to Indonesia, Tunisia and Cameroon will be organized and prepared in advance. These visits will allow the establishment of a diagnosis of each single window and thus determine the levels of interoperability. In the preliminary focus, the levels and issues of interoperability will be analyzed based on the case study of interoperability scenarios as well as the comparative simulations. After these steps, a draft of the approach and the implementation plan will be published on how to proceed for interoperability of single windows in the OIC.

The second project being implemented by the Federal Ministry of Industry, Trade and Investment of Nigeria is titled “Boosting Intra-OIC Trade through Improvement of Trade Facilitation Measures” in the OIC Member Countries. The project involves a study visit to Indonesia, and a workshop which would develop specific, measurable, achievable, reliable and target oriented plans as well as the strategies to the identified thematic areas aimed at boosting Nigeria’s intra OIC trade. The study visit to Indonesia will precede the workshop to broaden the knowledge on those thematic areas and serve as insight towards preparing action plan for boosting intra OIC Trade. The proposed workshop on boosting intra OIC trade is aimed at constituting and inaugurating four Sub-Committees that will develop action plan & strategies for boosting intra OIC trade. The workshop shall be for five days and the Action Plan developed accordingly will be validated on the last day of the Workshop.

Ministry of Trade of Sudan implemented the third project under the 2018 implementation period of the COMCEC Project Funding. The project which is titled ‘Strengthening Institutional Capacity for Single Window Systems in the OIC Member States’, aims at sharing experiences and best practices among the project stakeholders to promote the development and implementation of electronic single window systems in the OIC Member states. The project included a training program in collaboration with four project partner countries namely; Jordan, Morocco, Turkey and Uganda and a study visit to Turkey.

The fourth project in 2018 is owned by the SMIIC. The project is titled 'Harmonization of National Halal Standards with the OIC/SMIIC Halal Standards'. Purpose of the project was to increase the know-how and knowledge of the use and implementation of the OIC/SMIIC Halal Standards, which in turn facilitates the use of the standards as national standards and in the harmonization of the Halal standards across the OIC. The project included a training on (i) the implementation and use of the Series of 3 OIC/SMIIC Halal Food Standards; (ii) OIC/SMIIC 1 Halal Food Auditors; (iii) on-site audit training. Each sections of the training were completed together with an evaluation test and issuing of a certificate. The trainings were preceded with a pre-training monitor questionnaire to assess the eligibility of candidates for the training and followed by a post-training monitor questionnaire to track the use of the knowledge and skills acquired and the effect of the trainings.

1.3. Member Countries' Efforts for the Realization of the COMCEC Trade Policy Recommendations

In order to improve the follow-up of the policy recommendations, the CCO has prepared and circulated an evaluation form to the COMCEC Trade Focal Points before the 6th Annual Meeting of the COMCEC Working Group Focal Points. The evaluation form aims to facilitate the reporting of the developments in the Member States regarding the implementation of the policy recommendations adopted by the 32nd and 33rd COMCEC Ministerial Meetings.

According to the feedbacks received from the Member Countries, the following national efforts in line with the COMCEC Policy Recommendations have been reported.

- Regarding the Ministerial Policy Recommendations on strengthening the compliance of the OIC member states to international standards;
 - Afghanistan is implementing the standardization law for strengthening the compliance to the international standards. Moreover, Afghanistan has initiated some bilateral cooperation efforts with the relevant bodies of the other countries, namely Turkey, Kazakhstan, Iran and India. Afghanistan is also planning to submit a project proposal on the subject to the COMCEC Project Funding.

- In line with the policy recommendations, Nigeria has been contributing to the efforts of international bodies (such as the workshops and conferences of the World Customs Organization regarding the standards).
- Palestine established a national committee to realize the goals indicated in the National Quality Infrastructure Strategy.
- Turkey has organized a workshop regarding the problems of the conformity assessment sector and recommendations to overcome these problems with the participation of the relevant stakeholders, including public authorities, testing and certification bodies and producer associations. The results of the workshop have been utilized by Conformity Assessment Association of Turkey to prepare an extensive report on the sector. Moreover, Turkey has established the Halal Accreditation Council (HAK) recently. Law on the Establishment and Duties of The Halal Accreditation Council has entered into force on November 18th, 2017. The halal accreditation system that will be established under SMIIC will be the main area of activity, priority and objective for HAK, which will accredit the halal conformity assessment bodies from all over the world based on OIC/SMIIC 3:2011 standard.
- Regarding the Ministerial Policy Recommendations on improving the border agency cooperation;
 - Afghanistan has initiated the post-accession strategy to the World Trade Organization and extended its efforts for enhancing border agency cooperation via many bilateral and trilateral trade and transit agreements.
 - Nigeria has been intensifying its efforts for the implementation of mutual recognition agreements for the authorized economic operators. Moreover, for enhancing border agency cooperation, a series of workshops and trainings were held in collaboration with INTERPOL and other countries' border units.
 - Palestine is working on the customs strategy for the next 3 years with the perspective of reflecting the relevant COMCEC Policy Recommendations on border agency cooperation.
- Regarding the Ministerial Policy Recommendations on single window systems;

- Nigeria has developed a road map for establishing a single window system and has taken the interoperability and cross-border connectivity factors into consideration for its success.
- Regarding the Ministerial Policy Recommendations on special economic zones (SEZ);
 - Nigeria has a regulatory framework, which grants some tax benefits to the special economic zones.
 - Turkey amended the Free Zone Law to improve the complementarity of free zones with General Investment Promotion Scheme of Turkey in light of the COMCEC Policy Recommendations. Moreover, new incentive schemes including special economic zones have been introduced for certain investments which are considered big scale or strategic for Turkey's economic growth targets in accordance with the relevant COMCEC Policy Recommendation and member country SEZ practices have been investigated through the process.

1.4. Other Trade-Related Developments and Activities Organized by OIC Institutions

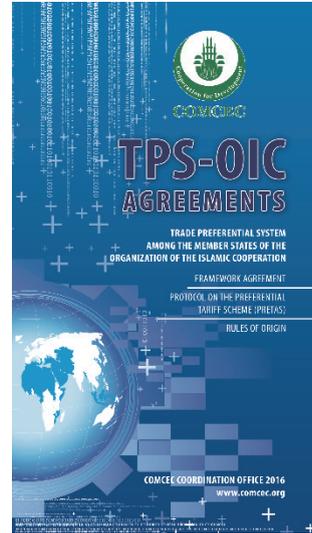
TPS-OIC:

TPS-OIC is the most important project of the COMCEC in the field of trade, based on three agreements, namely the Framework Agreement, the Protocol on Preferential Tariff Scheme (PRETAS) and the Rules of Origin. With the ratification of all three agreements by at least 10 Member States, the legal basis of the System was completed in August 2011.

In order to make the TPS-OIC system operational, 10 Member States have to fulfill two conditions at the same time: The ratification of the three TPS-OIC Agreements and the submission of the list of concessions to the TNC Secretariat. In this regard, the required number of member countries for the operationalization of the System has been reached by the end of 2014.

However, for the entry into force of the System, there are some practical steps need to be taken by the participating member states. The most important step in this context is updating the concession lists. As of September 2018, 7 Member Countries, namely Turkey, Malaysia, Pakistan, Jordan, Bangladesh, Iran and

Morocco have conveyed their updated concession lists to the TNC Secretariat. Moreover, following the submission of the updated concession lists by the required number of the Member Countries, the preferential trade will start under the TPS-OIC with some arrangements to be made in the customs authorities of each participating state in accordance with the relevant provisions of TPS-OIC Rules of Origin. The List of the Member Countries signed/ratified TPS-OIC Agreements can be reached at: <http://www.comcec.org/en/wp-content/uploads/2018/09/TPS-OIC.pdf>



The 33rd COMCEC Ministerial 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 concerned participating Member Countries to convey their updated concession lists at their earliest convenience to the TNC Secretariat with a view to operationalize the TPS-OIC.

Islamic Trade Fairs:

Islamic Trade Fairs are organized for increasing intra-OIC trade and promoting the products, industries and services of the OIC member countries. The 15th Islamic Trade Fair was held in Riyadh, Saudi Arabia on 22-26 May 2016 under the auspices of the Custodian of the Two Holy Mosques. The 16th Islamic Trade Fair will be held on 7-13 April 2019 in Baghdad, Iraq.

Moreover, Exceptional Edition of the OIC Trade Fair was held on 6-10 February 2018 in Kuwait City, Kuwait with the participation of approximately 300 companies and 3,000 Businesspeople from 23 OIC Member Countries as well as other countries seeking for business opportunities and partnership.

In addition to the Islamic Trade Fairs, sector specific fairs and exhibitions are also organized by the Member Countries in cooperation with ICDT. In this regard, in line with the relevant resolution of the 33rd Session of COMCEC, the “2nd Exhibition of Furniture and Interior Design of the OIC Member States” was held on 13-16 March 2018 and “11th Exhibition of Agribusiness Industries of the OIC Member States” was held on 20-23 March 2018 in Jeddah, Saudi Arabia.

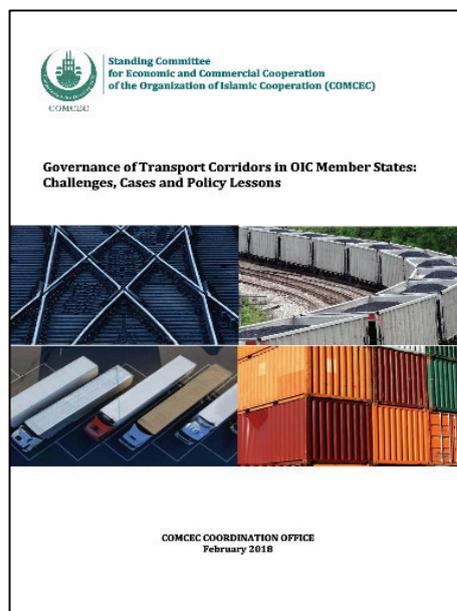
2. Transport and Communications

2.1. Transport and Communications WGs in 2018

Transnational transport corridors are as of particular importance for trade facilitation, enhancing cooperation among the public and private sector agencies of the relevant countries and thereby regional integration.

Considering its importance, the COMCEC Transport and Communications Working Group (TCWG) has devoted its two consecutive meetings to transnational transport corridors. While the 10th Meeting of TCWG focused on the conceptual framework and case analysis of transnational transport corridors, 11th Meeting was devoted to the governance dimension of transnational transport corridors.

The 11th Meeting of TCWG was held on March 15th, 2018 in Ankara, Turkey with the theme of “Governance of Transport Corridors in OIC Member States: Challenges, Cases and Policy Lessons”. During the meeting, the representatives of the Member States discussed and shared their views and experiences on how to enhance the governance of transnational transport corridors in the OIC Member States. Moreover, they discussed the global trends and best practices in the world in order to draw concrete lessons from them.



According to the research report prepared specifically for this meeting, there are four types of corridor governance development levels: information exchange level, cooperation level, collaboration level and integration level. The levels move progressively towards a higher level of integration. The report examined the current governance practices of seven corridors in the OIC Member Countries namely; Abidjan-Lagos Corridor (ALC), Northern Corridor, Maputo Corridor Logistics Initiative, Transport Corridor Europe-Caucasus-Asia (TRACECA), UNESCAP Central Corridor, ASEAN Maritime Corridor, UN ESCWA-M40 and Jordan

Transit Corridor³. Within the framework of the above-mentioned research report, field visits were conducted to Azerbaijan, Jordan, Kazakhstan and Mozambique.

The research report highlighted the following major setbacks related to corridor governance practices in the OIC geography:

- Inadequate cooperation and coordination among the enroute countries.
- Need for accurate information about the operations take place on the transnational transport corridors and effective data collection system
- Lack of corridor performance monitoring and dissemination.
- Lack of pertinent platforms, international secretariats for corridor promotion and stakeholder consultation.
- Low usage of the facilities provided by the relevant international organizations.
- Need for developing legal and institutional framework.

In light of the main findings of the aforementioned research report and the deliberations during the 11th TCWG, the Working Group has come up with the following policy recommendations:

**POLICY RECOMMENDATIONS OF THE 11TH MEETING OF
THE TRANSPORT AND COMMUNICATIONS WORKING GROUP**

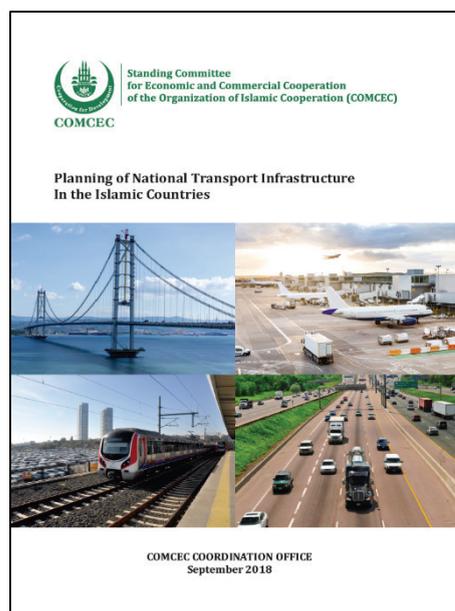
- Developing/Improving an enabling legal, institutional and regulatory framework for ensuring effective coordination and cooperation among the relevant countries and for achieving reform-demanding objectives,
- Establishing a dedicated corridor secretariat/coordination unit for facilitating corridor governance through ensuring permanent communication and coordination among the relevant countries,
- Promoting the development of transport corridor governance in a holistic way, combining hard measures such as infrastructure and soft measures such as political support, stakeholder consultation and capacity building,

³ COMCEC Coordination Office, Governance of Transport Corridors in OIC Member States: Challenges, Cases and Policy Lessons, 2018.

- Seeking support of the related international organizations in carrying forward corridor governance, especially in the initial phase of corridor development.

Transport is one of the main economic sectors affecting the price of goods, the cost of labor, and the general well-being of a society. The efficient planning of the national transport infrastructure is the first step to achieve a better transport sector, which will in turn contribute to the economic and social development. In this regard, considering the importance of planning of transport infrastructure, the 12th Meeting of the TCWG was held on October 11th, 2018 in Ankara with the theme of “Planning of National Transport Infrastructure (NTI) in OIC Member States”.

According to the research report prepared specifically for this meeting, many OIC Member States do not have a national transport policy. However, this situation provides an opportunity for structured stakeholder and transport user engagement to discuss a wide range of issues in the dynamic and rapidly changing transport sector. Among the OIC subgroupings, the Asian countries mainly do not have a long-term national transport master plan (NTMP), while the NTI planning in Asia is a part of medium-term plans that covers all types of infrastructure including transport. However, Asian Countries seem to perform better than their African and the Middle Eastern counterparts who have an NTMP.



The research report highlighted the major challenges faced by the OIC member countries as follows:

- Lack of national transport policy to provide a strategic direction towards common objective and goals to be followed by sectoral plans and programs.
- Lack of institutional capacity to increase the effectiveness of the current planning procedures and techniques.
- Need for common guidelines for data collection, and project appraisal as well as assessment for the OIC members.
- Limited usage of new technologies

In light of the main findings of the aforementioned research report and the deliberations during the 12th TCWG, the Working Group has come up with the following policy recommendations:

**POLICY RECOMMENDATIONS OF THE 12TH MEETING OF
THE TRANSPORT AND COMMUNICATIONS WORKING GROUP**

- Developing guidelines for the preparation and implementation of national transport master plans by taking into consideration international best practices towards having more integrated and sustainable land and transport plans and solutions.
- Identifying comprehensive and relevant Key Performance Indicators for the effective monitoring and evaluation of the performance of transport plans and their outcomes, and sharing the results with the relevant public and private sector stakeholders.
- Improving the planning capacity of the OIC member states through applying contemporary methods such as setting a vision with a set of social and economic objectives.
- Improving national transport infrastructure planning process and encouraging public private partnerships particularly for needs assessment, encouraging investments, well-functioning operations and maintenance.

2.2. COMCEC Funded Projects in Transport and Communications Area for the Realization of the Policy Recommendations

Regarding the COMCEC Funded Projects for the realization of the COMCEC Policy Recommendations, four projects in the Transport and Communications cooperation area has been implemented in 2018 by the Gambia, Iran, Jordan and Nigeria under the COMCEC Project Funding. The Gambia has implemented the project, “Analysis of the Road Database Management Systems in the Selected OIC Countries”. The partner countries in the project are Senegal and Nigeria. The aim of the project is to analyze the current situation regarding the establishment of a Road Transport Database Management System in the Gambia and to share experiences and best practices among the partner countries. The project has included a workshop, in which partner countries have delivered presentations about their country experience and recommendations for the Gambia has been given in a road map. The road map is the outcome that supports national transport policy making and planning capacity for the Gambia and partner countries.

Iran is implementing the project, “Feasibility Study of Iran-Caucasus Transport Corridor” with the partner countries Azerbaijan and Turkey. The aim of the project is to improve transnational transport corridor between Asia and Europe in order to enhance the functioning, effectiveness and sustainability of transport in member states. In the project, a research report will be produced based on study visits to the partner countries and desk-based analyses. The report will mainly consist of current situation of transnational transport corridors in the world and in the OIC, detailed analysis of the respective countries, concrete strategies and policy recommendations for the OIC Member Countries.

Jordan is implementing the project, “the Feasibility Study for Reconstructing the Old Ottoman Hejaz Railway Line” with the partner countries Iraq and Turkey. The aim of the project is to study the rail line from the far north until the far south of Jordan to determine the potential points in the infrastructure to be developed. In the project, a research report will be produced. The respective report will be based on study visits to the partner countries and desk-based analyses. The expected output is a list of recommendations, which will identify the added value, cost, the procedure of the reconstruction processes, PPP possibilities.

Lastly, Nigeria is implementing the project, “Promoting the Use of Broadband in Research and Education among the OIC Member States”. The partner countries are

Malaysia, the Gambia and Turkey. The aim of the project is to promote the utilization of broadband connectivity in education and the use of digital technologies in content delivery among the member states. The project includes a feasibility study and a workshop. Within the framework of the feasibility study, study visits will be organized to the partner countries to assess their existing infrastructure facilities, identify their infrastructure and service gaps and propose solutions to address such gaps. In the workshop, the feasibility study document will be discussed among the participants from the partner countries and will be finalized.

2.3. Member Countries' Efforts for the Realization of the COMCEC Transport and Communications Policy Recommendations

According to the feedbacks of the Member Countries to the evaluation form concerning the implementation of the Policy Recommendations of the 32nd and 33rd COMCEC Sessions in transport and communications domain, the following efforts have been reported by the Member Countries:

- Regarding the Ministerial Policy Recommendations on enhancing the road maintenance in the OIC Member Countries,
 - Bangladesh formulated the Road Maintenance Fund Board Act 2013 under the National Land Transport Policy 2004. A draft policy framework for the operation of such entity has also been developed.
 - Morocco had a strategy for the maintenance and safeguarding of national road assets and it was reinforced with the relevant COMCEC Policy Recommendations. Moreover, Morocco plans to apply for COMCEC Project Funding for the implementation of the policy recommendation on “making use of performance-based contract in road maintenance”.
 - The Gambia has received technical assistance from the related international institutions to enhance the maintenance management of the road network. Moreover, a road condition survey is being conducted to develop a Five Year Infrastructure Maintenance Programme.
 - Uganda established an effective and well-functioning road crash data system for utilization of the different stakeholders in road safety. The system assists in understanding the causes of road accidents and planning

appropriate mitigation actions to reduce the number and severity of accidents.

- Regarding the Ministerial Policy Recommendations on improving the road safety in the OIC Member Countries,
 - Bangladesh developed the National Road Safety Action Plan 2018-2020. Road Safety Day is also initiated in Bangladesh to increase awareness on this issue.
 - Morocco has set up a national road safety strategy 2017-2026 to reduce road accident in all its forms. In view of the implementation of this strategy, Morocco has set up a national road safety agency whose mission is, inter alia, to participate in the elaboration of the national road safety strategy and its evaluation as well as the preparation of the relevant legislative drafts.
 - The Gambia utilizes media channels for increasing road safety education and awareness. Moreover, the Gambia is an active member of the West African Road Safety Association, which aims to share experiences and good practices in the area of road safety and also work together towards the attainment of the UN Declaration on road safety.
 - Uganda developed the Road Safety Policy and Strategy. Moreover, Uganda amended the Traffic and Road Safety Act to incorporate the emerging trends in Road Safety Legislation.
- Regarding the Ministerial Policy Recommendations on increasing broadband internet penetration,
 - The Gambia has prioritized improving internet access and connectivity in its National Development Plan.
 - Uganda developed Broadband and Spectrum Management Policies for improving broadband penetration. Moreover, training programmes were held for increasing digital literacy in the education system.
- Regarding the Ministerial Policy Recommendations on improving transnational transport corridors,

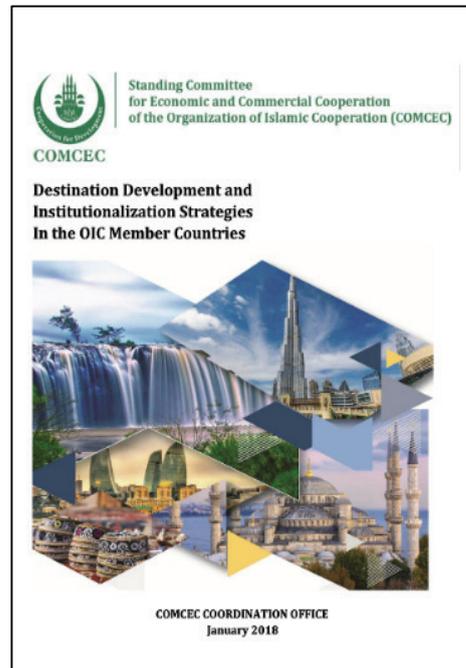
- The Gambia is forming a Committee on Improving Transnational Transport Corridors.
- Uganda developed Five Year Strategic Plan as well as an Action Plan for the implementation of its provisions of the Strategic Plan.

3. Tourism

3.1. Tourism WGs in 2018

Tourism destinations can be seen as amalgam of attractions, services, facilities, infrastructure, landscapes, culture, hospitality and events. Considering various actors and factors involved in creation of the overall tourist experience, destinations need a holistic approach in planning, development, marketing and management that would coordinate and lead various stakeholders and integrate their efforts effectively. Therefore, there is a need for the establishment of well-organized Destination Management Organizations (DMOs) and well-designed destination development strategies which are particularly important for destinations at both at the introduction and growth stages of their lifecycle.

Considering the importance of the issue of destination management, COMCEC has devoted three WG Meetings (11th, 12th and 13th) to the theme of tourism destination governance. In this regard, the 11th Meeting of the Tourism Working Group was held on February 15th, 2018 in Ankara, Turkey with the theme of "Destination Development and Institutionalization Strategies in the OIC Member Countries."



According to the research report submitted to the Meeting, it is estimated that there are more than 10,000 DMOs in the world today which were formed by governmental and private entities or through public private partnerships. However, DMOs are shifting away from being predominantly government entities

over the past 40 years to public-private partnerships. Product development is a critical function of DMOs and is oftentimes the first step in building an enduring tourism proposition.

Furthermore, within the framework of the above-mentioned research report, field visits were conducted to Azerbaijan, United Arab Emirates and Turkey as the OIC Member Countries' practices and Spain as a non-OIC example. On the other hand, desk-based studies were fulfilled for Nigeria, Australia, Italy and the United States of America.

In light of the findings of the research report, the following challenges were highlighted by the Working Group:

- Centralization of destination management
- DMOs focusing primarily on destination promotion and not enough on product development
- Lack of guaranteed funding
- Need to strengthen and formalize stakeholder engagement
- Need to strengthen resource stewardship

The 11th Meeting of Tourism Working Group has come up with the following policy recommendations:

POLICY RECOMMENDATIONS OF THE 11TH MEETING OF THE TOURISM WORKING GROUP
<ul style="list-style-type: none"> • Encouraging the establishment of/Strengthening local and regional public-private Destination Management Organizations (DMOs) with the assignment of responsibilities related to destination planning, development, marketing and management. • Planning supply and demand as well as identifying and monitoring KPIs for ensuring sustainable tourism development at the destination. • Encouraging self-funding of DMOs and improving efficiency as well as transparency in utilization and management of resources. • Promoting destinations through forming OIC country alliances and the alliances with external stakeholders.

An effective marketing strategy is of particular importance for a destination's overall success in the long term. Without a well-designed marketing strategy and stakeholder engagement; individual marketing activities and actions might overlap, become fragmented and result in waste of valuable resources as well as efforts. The effectiveness of destination marketing depends on the institutional structures and processes that integrate different stakeholder perspectives.

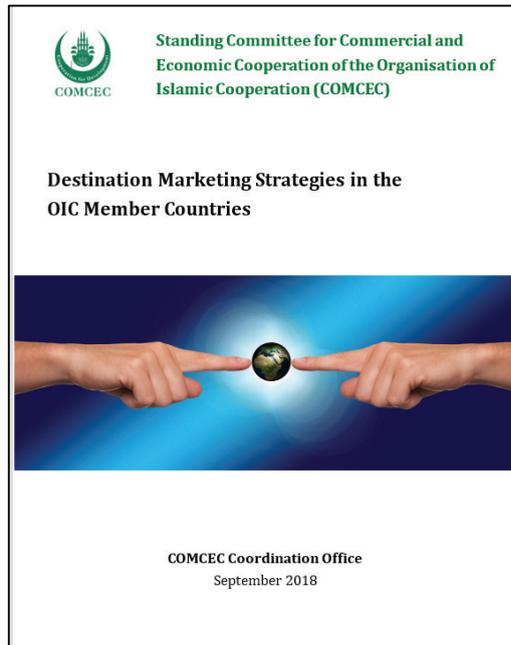
Considering the importance of the subject, the 12th Meeting of the Tourism Working Group was held on September 13th, 2018 in Ankara, Turkey with the theme of "Destination Marketing Strategies in the OIC Member Countries" and a research report on the subject was considered by the TWG.

According to the report, four key areas of destination marketing are of particular importance: competitiveness, destination management organizations (DMOs), destination market planning process and cross-cutting themes based upon technology, market research and collaboration. In this regard, the utilization of a range of tools including digital marketing activities, social media, mobile phone applications and public relations (PR) are required for ensuring effective marketing and branding.

Within the framework of the above-mentioned research report, field visits were conducted to Mozambique, Lebanon and Turkey as the OIC Member Countries' practices. On the other hand, desk based studies were fulfilled for Canada and the United Kingdom as non-OIC examples.

In light of the findings of the research report, the following challenges were highlighted by the Working Group:

- Inadequate funding over the long term
- Lack of holistic approach including relevant stakeholders' cooperation
- Ring-fence resources for DMOs



- Weak innovation and digitization
- Need for increasing competitiveness among suppliers
- Need for increasing demand seasonality

The 12th Meeting of Tourism Working Group has come up with the following policy recommendations:

POLICY RECOMMENDATIONS OF THE 12TH MEETING OF THE TOURISM WORKING GROUP

- Establishing/Empowering a central body (i.e. DMO) to position the destination at a desirable place among the competing destinations, to create the brand image of the destination, and to promote the destination through utilizing such tools as social media, digital marketing, trade fairs, public relations, and fam-trip organizations.
- Encouraging new product development (i.e. events, festivals and other suitable products) to mitigate the adverse effects of seasonality and the risks related to dependence on one product or a single market.
- Managing and regulating existing distribution channels, developing new distribution channels to prevent dependency and minimize power asymmetry between destination stakeholders as well as international intermediaries, and establishing strategic alliances with external stakeholders that would create synergies for the destination and other collaborators (i.e. airlines, event organizers etc).
- Promoting collection, storage, analyses and dissemination of market data on visitor characteristics, seasonality, distribution channels performance, source markets, trends etc., while respecting confidentiality and privacy of individuals, to improve the marketing effectiveness of the destination stakeholders as well as DMOs.
- Utilizing digital platforms, mobile applications and allocating special attention on social media channels for improving tourist experience, information credibility and interaction among visitors in destination marketing

3.2. COMCEC Funded Project in Tourism Area for the Realization of the Policy Recommendations

Regarding the COMCEC Funded Projects for the realization of the COMCEC Policy Recommendations in tourism area, four projects have been final-listed in the tourism cooperation area to be supported within the context of the COMCEC Project Funding in 2018. The first project titled “Strengthening the Resilience of Tourism Sector against Crises through Communication”, which implemented by the Ministry of Culture and Tourism of Burkina Faso, aims at benefitting from communication in order to minimize the impact of the crises to the tourism sector. The project, designed in light of the “Improving risk and crisis management in tourism sector” sectoral theme, consisted of a five-day training program by which the participants acquired skills to define risks and use tools in order to invert the impact of the crisis. The project held in the province of Ouagadougou with the participation of 30 experts from Côte d'Ivoire, Niger and Burkina Faso.

The second project is “Training on Crisis Communication in Tourism for the Selected OIC Member Countries” which is also designed in accordance with the “Improving risk and crisis management in tourism sector” sectoral theme. The purpose of this project was to enable five OIC Member States to be better equipped for dealing with any crisis in order to contribute not only to more effective crisis management but also to mitigate the impact, to shorten the period of recovery and to reinforce the brand image once the crisis has passed. The training program, which included ten far-reaching modules, held in the province of Bamako. With training program, 25 trainees from Burkina Faso, Mali, Niger, Mauritania and Senegal trained on how to develop and implement a crisis communication plan and how to set up a recovery plan.

The third project titled “the Community-Based Tourism through the Promotion of Heritage Sites for Poverty Alleviation” implemented by the Ministry of Culture and Tourism of Mozambique with the partnership of Sudan, Malaysia, Gambia and Uganda. The aim of this project was to enhance the capacities of the local communities, guides and relevant stakeholders in order for local communities to increase their tourism incomes thanks to the World Heritage Sites. In this context, a training program and a workshop, which aim to enhance local communities’ skills in making quality tourism products, were implemented with 32 participants.

The final project, designed as a continuation of the project titled “the Training Program on the Development and Promotion of Muslim Friendly Tourism” in the OIC Member Countries” which was implemented in 2017 by the SESRIC, is called “Improving Islamic Tourism Ecosystem in OIC Member Countries: Destination and Industry Development”. The content of the project, which aimed at increasing the capacity of the relevant government officials from Tourism Ministries/Departments of 13 selected OIC Countries via capacity building training program, was determined by giving a focus on destination and industry development. Within the context of the project, a training program and a study visit were organized. The study visit took place in Malatya, Turkey in order to explore the opportunity of being an Islamic tourism destination and identify the needs of industry development. The two-day training program together with a panel discussion focused on planning process, identifying tourism and product development areas, developing an investment plan and human resource development.

3.3. Member Countries’ Efforts for the Realization of the COMCEC Tourism Policy Recommendations

According to the feedbacks of the Member Countries to the evaluation forms on the national efforts of the Member Countries towards the implementation of the COMCEC Policy Recommendation in tourism domain;

- Regarding the Ministerial Policy Recommendations on Muslim Friendly Tourism,
 - Azerbaijan reported that standard on “Halal management system in hotels” has been drafted and submitted to the respective government bodies for their agreement. Moreover, Azerbaijan received increasing number of Muslim tourists from GCC countries, Iran and Iraq in 2016 and 2017.
 - In line with the policy recommendations on MFT, Bangladesh has developed a strategy to promote MFT and plan to incorporate a specific action plan in the Tourism Master Plan of Bangladesh to improve the basic MTF related services as well as organize motivational activities to inspire Bangladeshi Tour Operators to work on MFT.
 - Islamic Tourism Center in Malaysia together with International Institute for Halal Research and Training, international Islamic University Malaysia

has developed the Muslim Friendly Tourist Guide Training Program. The training currently confined to Malaysian licensed tourist guide.

- Sudan has a strategy and action plan on muslim friendly tourism and organizes workshops as well as business meetings on muslim-friendly tourism and participates in the events organized by the successful MFT destinations.
- Turkey has organized Vocational Tourism Training Programs to improve the quality of service of the personnel working in accommodation and food and beverage facilities. Since the 32nd Session of the COMCEC, the number of tourism training programs organized by Turkey is 290 and the number of tourism personnel that joined these programs is 6990.
- Regarding the Ministerial Policy Recommendations on “Risk and Crisis Management in Tourism Sector: Recovery From Crisis in the OIC Member Countries”,
 - Azerbaijan established a task force on security issues in tourism under the Tourism Council. Moreover, the measures such as developing different tourism products, increasing awareness about the destination, improving the image and brand of the destinations were included on the Strategic Road Map of the Republic of Azerbaijan.
 - Bangladesh reported that a Strategy has been prepared for ensuring market awareness and positive destination perception, and developing new market and products.
 - Sudan has a work plan regarding the Crisis management and there is an early warning section that helps to respond quickly to any crisis. Moreover, Sudan has taken administrative measures to counter disasters in coordination with the relevant bodies and to overcome the challenges in the several sectors, including tourism.

3.4. OIC/COMCEC Private Sector Tourism Forum

OIC/COMCEC Private Sector Tourism Forum provides a regular communication channel for the private sector representatives of the Member Countries. In this regard, Ministry of Culture and Tourism of the Republic of Turkey, which serves as the Secretariat of the Forum, organized the 6th Meeting of the OIC/COMCEC Private Sector Tourism Forum on March 6th, 2018 in İstanbul, Turkey with the theme of “Cultural Heritage as a Tool for Sustainable Tourism in the OIC Member Countries”. The Forum emphasized the importance of raising the awareness about cultural heritage and sustainable tourism within the Islamic World and beyond.

3.5. The Islamic Conference of the Ministers of Tourism

The 10th Session of the Islamic Conference of Tourism Ministers (ICTM) was held on 5-7 February 2018 in Dhaka/Bangladesh. ICTM approved the selection of Dhaka (Bangladesh) as the OIC City of Tourism for 2019, and Gabala (Azerbaijan) as the OIC City of Tourism for 2020. The session also welcomed the offer by the Republic of Azerbaijan host the 11th Session of the Islamic Conference of Tourism Ministers (ICTM) in 2020.

4. Agriculture

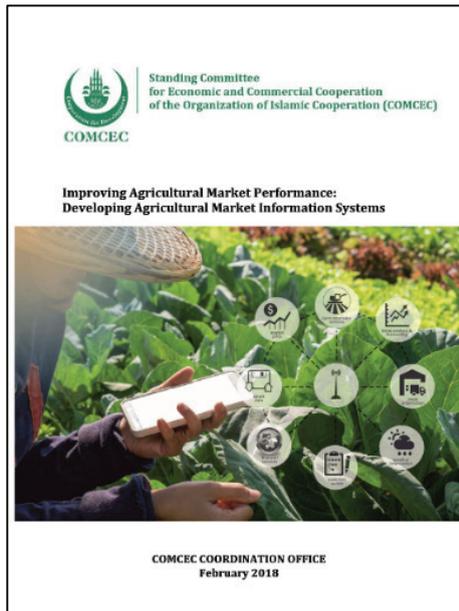
4.1. Agriculture WGs in 2018

Agriculture is of strategic importance in many OIC Member Countries. Agriculture sector in the OIC accounts for 21% of total agricultural production in the world and employs 23% of the global agricultural labor force. Market organizations and market information systems are of particular importance for well-functioning agriculture markets. When farmers experience challenges in accessing output markets due to the lack of market information, they become more vulnerable to volatility in output prices. For this reason, agricultural Market Information Systems (MIS) are set up to collect, process/analyze and disseminate market-related information to actors in agricultural value chains, including farmers, traders, processors and financiers.⁴

Given the importance of MIS, the COMCEC Agriculture Working Group has held its 11th Meeting of the Agriculture WG on February 22nd, 2018 with the theme of

⁴ COMCEC Coordination Office, Improving Agricultural Market Performance: Developing Agricultural Market Information Systems, 2018.

“Improving Agricultural Market Performance: Developing Agricultural Market Information Systems”.



The research report conducted for the Meeting indicates that the OIC member countries, relying on food imports for their staples have MISs that tend to focus on enabling policy makers to manage food security while others having a relatively more balanced agricultural sector in terms of its nature and size have MIS functioning both for policy makers as well as market participants of farmers, traders. Most of the Arab Group countries are among the first group of countries while African and Asian Group countries have relatively mixed types of MIS.

According to the said report, in the most of the Arab Group of the OIC member countries, public-run MIS is the most dominant while in the Asian and African Groups of the OIC member countries, in addition to the public-run, MIS there are also supporting public institutions for the purposes of assuring national food security. Within the framework of the research report field visits were conducted in Egypt, Indonesia and Uganda.

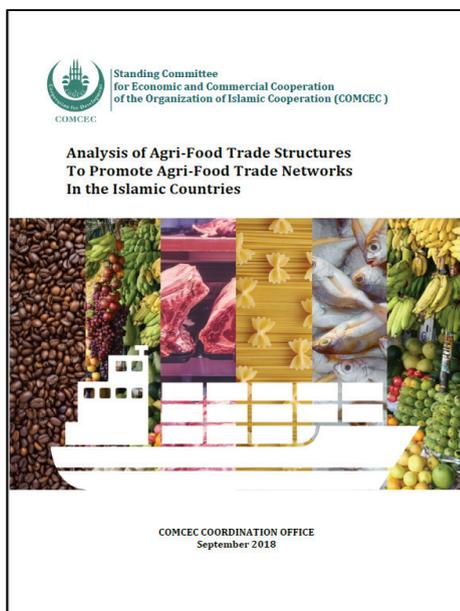
The report also revealed some challenges regarding the MIS operations as follows:

- Challenges in collecting data,
- Divergence between the type of the information provided and expected,
- Lack of capacity of farmers to interpret data provided by MIS,
- Lack of effective governance of MIS,
- Sustainability of MIS.

In line with the main findings of the aforementioned report and the discussions during the 11th Meeting, the Agriculture Working Group put forward the following policy recommendations:

POLICY RECOMMENDATIONS OF THE 11TH MEETING OF THE AGRICULTURE WORKING GROUP

- Designing Market Information Systems (MIS) through assessing and reviewing targeted stakeholders with a sustained budget support and an effective monitoring and evaluation framework,
- Building sufficient capacity for stock monitoring, trend analysis and forecasting as well as other relevant subjects beyond providing price information for a better functioning MIS,
- Linking MIS to other market-supporting institutions and/or other risk-management tools to increase the mutual benefits,
- Forming the necessary mechanisms/platforms for an improved coordination among the key stakeholders and ensuring the effective review of the quality of information provided.



Many OIC Member Countries are located in destinations with insufficient agricultural production capacity to meet the food demand of their rapidly growing populations. Accordingly, they rely heavily on agricultural imports, particularly food products. Therefore, it is of vital importance to understand the evolving structure and dynamics of agricultural trade around the world and in the member countries. In this respect, the COMCEC Agriculture Working Group held its 12th Meeting on September 20th, 2018 with the theme of "Analysis of Agri-food Trade Structures to Promote Agri-food Trade Networks among the Member Countries" and considered the research report on the same subject.

The research report highlighted that global agricultural markets remain more distorted than global markets for manufactured goods. Tariffs are a driving force behind it but Non-Tariff Measures (NTMs) also play a key role in keeping trade costs high. The OIC Member Countries account for a modest, but growing, proportion of total world trade in agricultural products. In 1995, the OIC Member Countries accounted for 6.7% of global agricultural exports; while in 2016 that proportion had increased to 8.0%. Consistent with this result, OIC agricultural exports grew at an average annualized rate of 5.9% over that time period, compared with 5.0% for non-OIC exports.

The report pointed out that rather than a single trade network, there are largely separate networks within the OIC based on intra-regional trade. Characterization of these networks is difficult due to the role played by the extra-OIC trade for many countries and products. Trade flows are the result of a complex interplay between policy, geography, and productivity. According to the report, this interplay displays distinct characteristics in the OIC region such as the role of Turkey and Saudi Arabia as hub countries for some products. However, in some other cases, trade links are relatively dispersed due to the tendency for agricultural trade to be in dissimilar goods and influenced by trade policies including regional and cross-regional trade agreements. Within the framework of the research report, field visits were conducted in Bangladesh, Cameroon and Morocco.

In line with the main findings of the aforementioned report and the discussions during the 12th Meeting, the Agriculture Working Group put forward the following policy recommendations:

POLICY RECOMMENDATIONS OF THE 12TH MEETING OF THE AGRICULTURE WORKING GROUP
<ul style="list-style-type: none">• Developing and implementing preferential market access schemes and intra- as well as cross-regional trade agreements (e.g. TPS-OIC (Trade Preferential System among the Member States of the OIC)) with a view to contributing to collaborative and sustainable agricultural trade development,• Building supply-side capacity and improving demand side capacity through rationalizing non-tariff measures (NTMs) for a sustained agricultural trade structure among OIC Member Countries,

- Developing and increasing economic connectivity as well as physical and information connectivity to reduce trade costs in agricultural trade markets for a sustainable agricultural trade development.

4.2. COMCEC Funded Projects in Agriculture Area for the Realization of the Policy Recommendations

Under the Fifth Project Call, which was made in September 2017, two projects have been selected for funding in agriculture cooperation area of the COMCEC Project Funding. The first project implemented by Indonesia and titled “Developing Agricultural Market Information System for Horticulture Farmers”. Project partners for this project are Malaysia, Bangladesh, Brunei Darussalam, Egypt, Pakistan and Jordan. The project aims at facilitating the marketing of agricultural products, especially horticulture in the OIC member countries through capacity building activities on marketing management information systems. In this regard, study visits to Australia and Morocco were conducted by the project team for data collection on best marketing practices for agricultural products. In addition, an international workshop was organized in order to share experiences on market access strategies and best practices for global competitiveness adopted and promoted by advanced countries. Lastly, a training program with the participation of experts from the partner countries was held in Indonesia. In the training program, which includes onsite training, participants were trained on theoretical and practical aspects of the marketing management information systems.

The second agriculture project titled “Improving Agricultural Irrigation Extension Services” is being implemented by Turkey with the participation of Morocco and Tunisia. The project purpose is improving knowledge and experience of technical staff who are employed in agricultural irrigation extension and training services. Within the scope of the project, project team conducted study visits to the partner countries for investigating current situation in the irrigated fields and good practices on agricultural irrigation. After the study visits, in the workshop, which will be held in Turkey with the participation of experts from the partners, difficulties and opportunities of improving the irrigation extension services will be elaborated in detail. Immediately after the workshop, a training program, which focuses on innovative approaches for the effective use of limited water resources,

new irrigation techniques, alternative irrigation water resources such as saline or drainage water and water harvesting techniques, will be organized.

4.3. Member Countries' Efforts for the Realization of the COMCEC Agriculture Policy Recommendations

With regards to the implementation of policy recommendations in agriculture domain, the national efforts below have been reported:

- Concerning the Ministerial Policy Recommendations on reducing post-harvest losses;
 - The Ministry of Agriculture of Afghanistan, in its five year Strategic Plan, has targeted to reduce post-harvest losses from 30% to 12 % by 2021.
 - In Cameroon, strategic studies to identify the causes of post-harvest losses were conducted under the National Food Security Program (PNSA) of the Ministry of Agriculture and Rural Development of Cameroon. In order to better combat with post-harvest losses, the Government of Cameroon has initiated the National Post-Harvest Loss Reduction Project for ensuring country-level effective coordination.
- Regarding the Ministerial Policy Recommendations on reducing food waste:
 - The Government of Cameroon has launched a rural development strategy and an industry master plan to handle food waste in a holistic way.
- With regards to the Ministerial Policy Recommendations on Improving Agricultural Market Performance:
 - The Ministry of Agriculture of Lebanon has the Strategy 2015-2019 and a set of regulations is currently adopted in order to control import of agriculture inputs including pesticides, fertilizers and seeds.

4.4. OIC Ministerial Conference on Food Security and Agricultural Development

Another important platform where common problems of the OIC Member Countries are discussed in field of agriculture is the OIC Ministerial Conference on Food Security and Agricultural Development. The 7th OIC Ministerial Conference on Food Security Agricultural Development held on 26-28 April 2016 in Astana,

Kazakhstan has deliberated on the common constraints and challenges of agricultural development and food security in the OIC Member States, especially the agricultural production and productivity, trade in agriculture commodities, water resources and their use in agriculture. Moreover, 8th Ministerial Conference will be organized in İstanbul, Turkey in the last quarter of 2019.

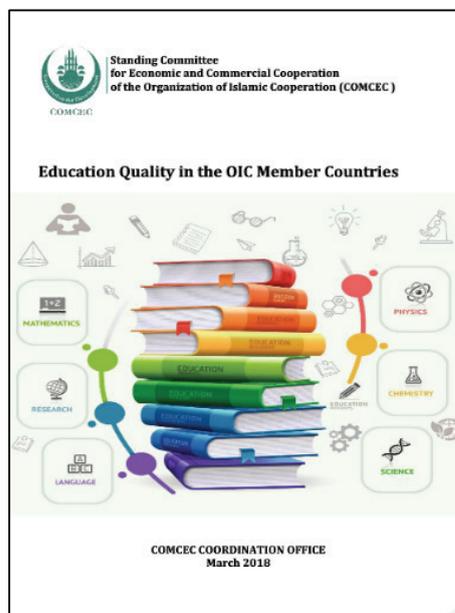
5. Poverty Alleviation

5.1. Poverty Alleviation WGs in 2018

Education is a key pathway for poverty reduction and sustainable development worldwide. Moreover, at the national level, education is one of the fundamental determinants of economic productivity. An illiterate population imposes significant social and economic costs while an educated workforce is a valuable resource in today's globalized economy. The double burden of low level of school enrollment and learning often coexists and contribute to unemployment, economic stagnation and mass poverty.⁵

Given the importance of the issue, the 11th Meeting of the Poverty Alleviation Working Group was held on April 5th, 2018 in Ankara, Turkey with the theme of "Quality of Education in the OIC Member Countries".

The research report, which was specifically prepared for this meeting, highlighted that learning correlates mostly with household income, early childhood education, teachers' abilities, quality of the curriculum and its update. Underlining the importance of international student assessment exams such as PISA and TIMSS, the report also indicated that the OIC member countries as a group lag behind other groups in all major international assessments. Nevertheless, the OIC Member Countries have been showing an increasing trend with respect to participation in the international assessments as well as their performances in the results of these



⁵ COMCEC Coordination Office, Quality of Education in the OIC Member Countries, 2018.

exams. In this respect, OIC's average mathematics, reading and science scores in PISA grew by 8.02%, 10.83% and 8.07% respectively between 2003 and 2015. During the preparation of the research report, Jordan, Malaysia, Nigeria and Pakistan were studied in detail as field visit case countries.

As highlighted in the report and during the discussions in the Meeting, the following challenges were identified:

- Lack of/insufficient pre-primary education,
- Low levels of teacher quality,
- Making teaching a choice of profession,
- Crowded classes,
- Rich-poor gap.

To overcome these challenges, the Working Group came up with the following policy recommendations:

POLICY RECOMMENDATIONS OF THE 11TH MEETING OF THE POVERTY ALLEVIATION WORKING GROUP
<ul style="list-style-type: none">• Increasing both the quantity and quality of teachers, particularly who teach in schools serving the most excluded and poorest through improving wage rates, pedagogical interventions, performance incentives, training and curricula reforms• Increasing teaching and learning effectiveness through adoption of Information and Communication Technology (ICT) based new models• Promoting better early-childhood learning opportunities through accessible and affordable pre-primary schooling• Designing effective pro-poor education models for closing the rich-poor gap in learning outcomes.

In the increasingly knowledge-based and competitive global economy, depriving people of opportunities for skills development is a prescription for wastage of talent and opportunities for innovation and economic growth. Building skills is of crucial importance for eradicating poverty since students from poor and/or

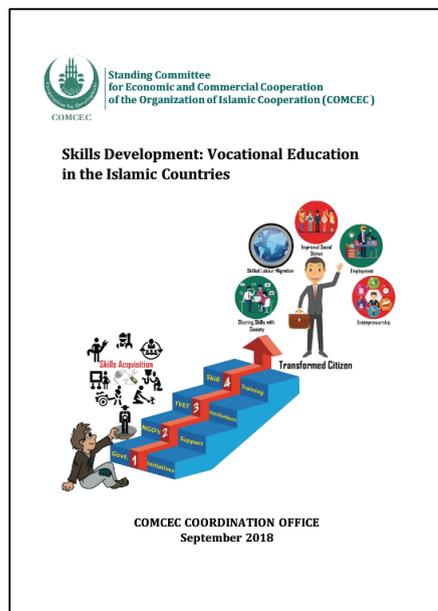
disadvantaged families mostly prefer vocational route compared to a purely academic one in order to enter into labor market in a smooth manner. For skills development to actively reduce poverty in OIC member countries, vocational schools need to respond to the requirements of industry and use modern learning approaches. Apprenticeships, internships, and other work-based learning opportunities for youth are also quite important in this sense.

Considering the importance of vocational education, COMCEC Poverty Alleviation Working Group focused on this subject in its 12th Meeting held on October 4th, 2018.

During the meeting, the research report titled “Skills Development: Vocational Education in the OIC Member Countries” was considered by the participants. Representatives of the participating member states, the international organizations and the local authorities had presentations and they shared their experiences in improving the skills development and vocational training programmes.

The aforementioned research report revealed that many young people could not enter into skills trainings due to school fees and other related costs. It also highlighted that there is a lack of industrial linkage with TVET institutions in many OIC member countries. Furthermore, level of competency and knowledge of the teachers in TVET sectors as well as their practical industrial experience need to be increased in many OIC member countries. Evidence also shows that due to lack of knowledge and awareness on TVET and relatively low social status of TVET graduates, parents mainly send their children to general education institutions instead of TVET institutions.

Taking these challenges into consideration, the 12th Meeting of the Poverty Alleviation Working Group has come up with the following policy recommendations:



POLICY RECOMMENDATIONS OF THE 12TH MEETING OF THE POVERTY ALLEVIATION WORKING GROUP

- Improving access of poor student/youth to vocational education through eliminating/reducing school fees, offering monthly scholarship schemes and providing adequate facilities (i.e. accommodation) for students coming from remote areas,
- Matching the skills thought in TVET institutions with the industrial requirements through job-oriented and demand-driven curriculum update and improving facilities of TVET institutions as well as establishing a training centre inside industrial area,
- Increasing both the quantity and quality of teachers in TVET sector through providing professional development programs, industrial attachment, and recognition of their work based on performance,
- Increasing awareness about TVET and social recognition of its graduates in order to increase enrolment in TVET sectors and create new job opportunities for skilled graduates.

5.2. COMCEC Funded Projects in Poverty Alleviation Area for the Realization of the Policy Recommendations

There are two projects in the poverty alleviation cooperation area in 2018 under the COMCEC Project Funding. Indonesia implemented the project, “Improving the Single Window Service System for Social Protection and Poverty Reduction in the OIC Countries”. The partner countries are Pakistan, Bangladesh, and Azerbaijan in this project. The aim of the project is to improve the capacity of local facilitators and mentoring community regarding social protection and poverty alleviation program. The project included a conference, a workshop and three training programs. In the conference, the participants from the partner countries shared ideas and country experiences on the project topic. In the workshop, the content and the modules of the training program was prepared with the contribution of the partner countries. In the training programs, which were in training of trainers format, local facilitators acquired necessary knowledge and skills regarding the integrated data analysis for planning and budgeting; communication and

advocating skills in the context of community assistance and empowerment; case management skills related to social protection and poverty alleviation programs.

The Gambia is implementing the project, “Training on Entrepreneurship for Teachers in the Selected OIC Countries” with Senegal and Cameroon. The aim of the project is to introduce the teachers to the entrepreneurship skills, in order for them to further enhance the productive capacities of the students. The project includes a training program, which will lead to modernization and integration of the entrepreneurship modules in the school curriculum of the Gambia and partner countries.

5.3. Member Countries’ Efforts for the Realization of the COMCEC Poverty Alleviation Policy Recommendations

Regarding the efforts of the Member Countries towards the implementation of the COMCEC Ministerial Policy Recommendations on Poverty Alleviation, the Member Countries reported the following:

- Regarding the Ministerial Policy Recommendations on accessibility of vulnerable groups to social protection,
 - In Tunisia, a framework note has been drafted by a steering committee for the introduction of a cash transfer program for children. Tunisia has also developed a program to support the economic inclusion of young people from poor households with a \$ 60 million loan funded by the World Bank and got also its support for the technical design of this program.
- Concerning the Ministerial Policy Recommendations on “Education of Disadvantaged Children in the OIC: The Key to Escape from Poverty”,
 - Algeria has issued a regulation for enabling needy pupils to have meals free of charge in the schools. In case of temporary closure of the school canteen during the school year, the municipality provides school feeding to the beneficiary pupils.
 - Tunisian government has recently announced a \$200 cash grant per student to cover their transportation costs.

5.4. Other Efforts under the COMCEC by the OIC Institutions

Other ongoing programs for alleviating poverty under the COMCEC are: Special Program for the Development of Africa - SPDA (within the Islamic Development Bank), Islamic Solidarity Fund for Development - ISFD (within the Islamic Development Bank) and OIC Vocational Education and Training Program - OIC-VET (within SESRIC).

The Islamic Solidarity Fund for Development (ISFD) is a special fund established with the purpose of reduction of poverty focusing on human development, agriculture, rural development and basic infrastructure. The targeted budget of the Fund is US\$ 10 billion. As of April 2018, total amount of the contributions received was US\$ 2.584 billion. Cumulative approvals has reached US\$ 734,2 million for 117 operations in 33 Member Countries. 3 new grants-based programs have been adopted by the ISFD namely, Second Generation of the Alliance to Fight Avoidable Blindness, Scholarship Program for the Poor in IDB Member Countries, Coalition to Stop Obstetric Fistula Program.

The Special Program for the Development of Africa (SPDA) is another program developed to alleviate poverty in the Member States in Africa through increasing economic growth, enhancing the productivity of agriculture sector and creating employment opportunities. The target capital of the SPDA is \$12 billion. The amount of total approvals has reached 5.5 billion USD since the beginning of the Program. The disbursements against SPDA approvals is US\$ 2.248 billion or 46% of total approvals.

The Vocational Education and Training Program for the OIC Member Countries (OIC-VET) is implemented by SESRIC in order to strengthen the member countries' capacities in the field of technical and vocational education and training. TVET Teacher Education Program, Certification and Modular Training Programs and Occupational Standards and Qualification and Quality Assurance System are some of the important programs within the framework of the OIC-VET.

5.5. Implementation of the SDGs

Given its crucial place in the global development agenda, the 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs) have been taken into the agenda of the COMCEC.

Following the reports prepared in previous years under the COMCEC such as “The Critical Success Factors in the Implementation of the Post-2015 Development Agenda and Sustainable Development Goals: Current Situation and Prospects for the OIC” and “Contributions of the OIC Institutions in Achievement of the Sustainable Development Goals (SDGs)”, the 32nd COMCEC Session requested the CCO to compile the activities of the OIC Institutions, which are conducted on the implementation of the SDGs in the member countries and submit a report to the 33rd COMCEC Session. Accordingly, the CCO compiled the activities of the OIC Institutions, which were conducted for contributing to the implementation of the SDGs in the member countries, and submitted a report to the 33rd COMCEC Session. The CCO will submit a similar compiled list of activities to the 34th COMCEC Session.

Moreover, SESRIC conducts a tendency survey on the priorities of the Member Countries regarding the SDGs. So far, 33 member countries provided inputs to the survey. According to the answers of the respondent countries the top three goals identified by the Member Countries are SDG3: Good Health and Well-being, SDG2: Zero Hunger, SDG1: No Poverty. SESRIC will submit a revised report on the results of the tendency survey to the 34th COMCEC Session.

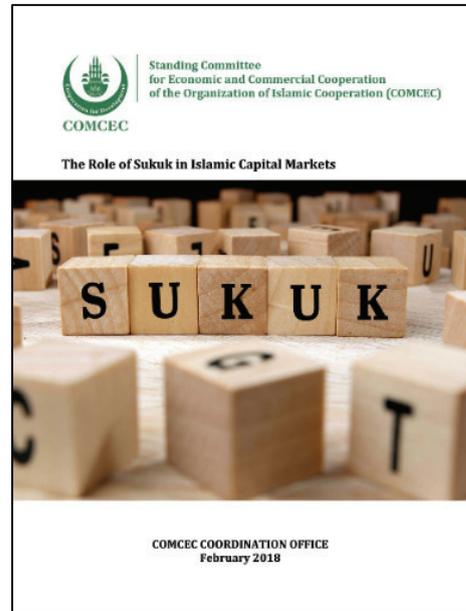
6. Financial Cooperation

6.1. Financial Cooperation WGs in 2018

Islamic finance has been one of the fastest-growing components of international financial system over the last decades. It has been globalized by spreading to almost 90 countries in the world. As one of the segments of Islamic finance, the Sukuk market is seen as a key driver behind the growth of the Islamic finance industry and the state of the Sukuk market is seen as a barometer for the health of the wider Islamic finance market.

Taking the growing interest to Islamic Finance and Sukuk market into consideration, the 10th Meeting of the Financial Cooperation Working Group

(FCWG) was held on March 29th, 2018 in Ankara with the theme of “The Role of Sukuk in Islamic Capital Markets.” During the Meeting, the representatives of the Member States have shared their experiences, achievements and challenges in the development of Sukuk market in their respective countries. The research report prepared for this meeting reveals that Sukuk provides a platform to manage liquidity, asset and infrastructure financing in the real economy. Within this context, the Sukuk market is an important platform to support Shariah-compliant long-term financing. It may also contribute significantly to the economic development of a country. Nevertheless, with an almost 15% share, the size of the Sukuk market is quite limited.



On the other hand, essential building blocks for sustainable growth of a Sukuk market are (i) a robust legal and regulatory framework including Shariah governance, (ii) a tax framework that promotes a level playing field between bonds and Sukuk (i.e. tax neutrality and tax incentives), (iii) market infrastructure and technology (e.g. Islamic money market, electronic trading platform), (iv) regulation and supervision, and (v) cornerstone institutional investors that create the demand for Sukuk issuances.

According to the report, as of 2017, the total outstanding Sukuk was USD 396.0 billion. The global Sukuk issuance increased by 45.4% in 2017 compared to 2016 and reached USD 105.6 billion in 2017 from USD 72.6 billion in 2016. As of 2017, Malaysia dominated the sector with a 60.0% (or USD 26.3 billion) share and followed by Saudi Arabia at 16.2% (or USD 7.1 billion) and UAE at 9.0% (or USD 3.9 billion) of total private sector issuance.

Within the framework of the report, field visits were conducted to four OIC member countries namely Indonesia, Malaysia, Nigeria and Turkey to get insights about the policy environment on the Sukuk market. On the other hand, desk based studies were fulfilled for United Arab Emirates and Hong Kong.

Some of the main challenges faced by member countries highlighted by the report are:

- Lack of necessary legislative framework,
- Lack of tax framework to support development in the Sukuk market,
- Lack of Shari'ah governance framework,
- And inadequate investor base.

To overcome these challenges, the Working Group has come up with the following policy recommendations:

POLICY RECOMMENDATIONS OF THE 10TH MEETING OF THE FINANCIAL COOPERATION WORKING GROUP
<ul style="list-style-type: none"> • Developing an Enabling Legal and Regulatory Framework for Islamic Capital Markets and Promoting Solid Collaboration among the Key Market Stakeholders to improve the ecosystem for Sukuk issuance. • Improving Market Infrastructure and, where needed, the Existing Tax Framework for Enhancing Sukuk Issuance. • Developing a Sustainable Liquidity Base to Support Demand for Shariah-Compliant Assets, and Facilitating Diversification of Market Players on the Demand Side of the Sukuk Market. • Promoting a Sustainable Supply of Sukuk Issuance from the Private Sector in order to Foster Diversification of Industry Participants on the Supply Side and Expand the Benchmark Yield Curve. • Developing a Seamless Shariah Governance Process for Facilitating Faster Turnaround Time for Sukuk Issuance, Improving Clarity of Sukuk Structures, Promoting Product Innovation, Building Market Confidence and Increasing Market Awareness among the Industry Practitioners.

Moreover, Financial Cooperation WG touched upon the topic of Islamic Fund management, which plays an important role for the Islamic finance industry as it provides opportunities for Muslims as well as non-muslims to invest in Shariah compliant portfolios and securities. Considering its significance, the Financial

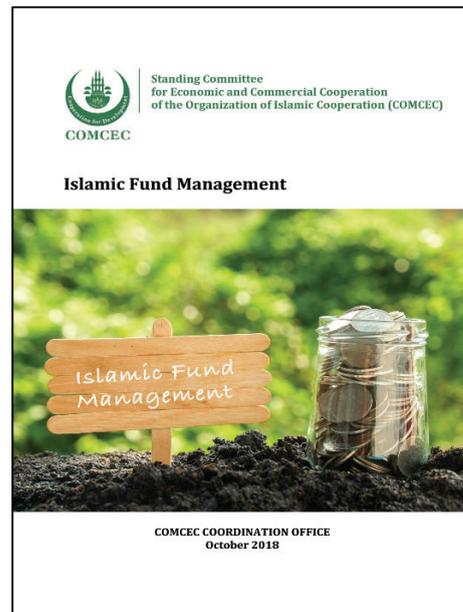
Cooperation Working Group in its 11th Meeting held on October 25th, 2018, has focused on “Islamic Fund Management.”

The research report submitted to the Working Group highlighted that Islamic Fund management industry; provides access to capital markets to the retail investors via standardized asset management, contributes to financial market efficiency, and provides an efficient avenue for capital recycling. Nonetheless, Islamic fund management is at infancy level in most of the OIC member countries and the operations of Islamic funds are still limited. Accordingly, the share of Islamic Funds in the sector is just 3.3% as of 2017.

The research report highlighted some of the main challenges faced by member countries, among others:

- Lack of regulations
- Lack of human capital
- Inadequate investment opportunities and Shariah-compliant investible assets
- Higher transaction costs.

To overcome these challenges, the Working Group has come up with the following policy recommendations:



POLICY RECOMMENDATIONS OF THE 11TH MEETING OF THE FINANCIAL COOPERATION WORKING GROUP

- Development of Key Measures (developing masterplans, promotional activities, etc.) to Support a Viable Ecosystem for Islamic Funds
- Development of a Robust Regulatory, Supervisory and Shariah Frameworks to Ensure Compliance, Growth and Protection of all Stakeholders’ Interest particularly Investors’.

- Encouraging Establishment of Institutional Funds to Increase Demand for Islamic Funds.
- Encouraging the Development of a Facilitative Tax Framework to Secure Strong Commitments from Supply and Demand Sides to Promote Competitive Positioning for Islamic Funds.

6.2. COMCEC Funded Projects in Financial Cooperation Area for the Realization of the Policy Recommendations

In 2018, two financial cooperation projects are being supported under the COMCEC Project Funding. The owner of the first project titled “Training and Guidelines on Sukuk Issuance” is Nigeria and their partners are Gambia and Togo. Within the scope of the project, a training program and a workshop were organized in Nigeria. During the training program, key people from agencies related to the Sukuk will be trained on effective issuance of a SUKUK from the issuance to its resale on the secondary market. Also, in the workshop, which was held in Abuja with the participation of the representatives from issuing agencies, financial regulators, participants will discuss effective issuance of the Sukuk. After the completion of the project activities, project team will prepare a project report, in which findings of the workshop and training program will be presented.

The project titled “Improving Financial Consumer Protection in the OIC Countries” is being implemented by Turkey with the participation of 18 member countries. The project aims at achieving a better functioning financial consumer protection for the OIC countries by evaluating and standardizing best practices, administrative experiences and rising trends in financial consumer protection policy field. In this regard, an international workshop with the participation of the project partners was held in İstanbul, Turkey. During the workshop, participants focused on determining a comprehensive financial consumer protection strategy by evaluating and standardizing best practices, cross-border trade and dispute resolution, administrative experiences, joint/coordinated actions, and the other rising trends in consumer protection policy field. Also, a project completion report including the results of the workshop will be prepared by the project team.

6.2. Member Countries' Efforts for the Realization of the COMCEC Financial Cooperation Policy Recommendations

According to the feedbacks received from the Member Countries, the following national efforts in line with the relevant COMCEC Policy Recommendations in the area of financial cooperation have been reported.

- Regarding the Ministerial Policy Recommendations on “National and Global Islamic Financial Architecture ”,
 - The Road Map on Perspectives of National Economy of the Republic of Azerbaijan, which evaluates the role of Islamic Finance in the development of the real sector and investments, was approved by the Presidential Decree No 1138 dated 06.12.2016.
 - Jordan has organized workshops and training on developing a legal framework for Islamic Finance and launched a regulation/law/administrative measures on the legal framework for Islamic Finance. Jordan also organized workshops and training activities on Shariah governance framework.
 - Senegal has organized the 5th Forum on the Islamic Finance with the theme of “Establish a Bridge between the Investors of the Countries of the Gulf and the Financing of Infrastructures in Western Africa.
- Regarding the Ministerial Policy Recommendations on “Diversification of Islamic Financial Instruments”
 - Azerbaijan is working on new amendments to the relative laws for the financial operations that in many points coincides with “Islamic” and regulating mutual insurance. The draft law has been prepared and will be submitted to the relevant authorities for its consideration and necessary action.
 - Jordan has initiated a regulation/law/administrative measures.

6.3. Other Efforts under the COMCEC Financial Cooperation

OIC Member States' Stock Exchanges Forum

The OIC Member States Stock Exchanges Forum, established in 2005, aims to enhance cooperation among the stock exchanges of the OIC Member Countries and

relevant institutions and focuses on the harmonization of the rules and regulations governing market operations. Since its establishment, the Forum has also developed some important projects including S&P OIC/COMCEC 50 Shariah Index. The 12th Meeting of the Forum was organized on September 11th, 2018 in Turkey.

Moreover, the Forum has been working on the establishment of a gold exchange/platform for the OIC Member Countries in line with the relevant resolutions of the COMCEC. The Forum Secretariat is expected to report the progress to 34th COMCEC Session. Details regarding the Forum activities are available on the Forum website. (www.oicexchanges.org)

COMCEC Capital Markets Regulators Forum

The COMCEC Capital Markets Regulators Forum was founded in 2011 to develop a cooperation mechanism for capital markets regulatory bodies of the Member States. The Forum undertakes its work under four task forces namely, “Capacity Building”, “Market Development”, “Islamic Finance” and “Financial Literacy”. The Task Forces produced eight reports on various issues including, Islamic finance, financial literacy improvement in securities markets, and public disclosure systems etc. The 7th Meeting of the Forum was organized on November 8th, 2018 in Turkey.

In addition to the existing efforts to boost cooperation among the capital markets regulatory bodies of the Member State, the Forum has also been working on “COMCEC Real Estate Initiative” in light of the relevant resolutions of the COMCEC. The Forum Secretariat will finalize necessary legal, administrative and technological preparations for establishment of the COMCEC Real Estate electronic platform before the 34th Session of the COMCEC and present a report on the subject to the 34th Session of the COMCEC.

Detailed information regarding the Forum activities are available on the Forum website. (www.comceccmr.org)

Meetings of the OIC Central Banks and Monetary Authorities

The Central Banks and the Monetary Authorities of the OIC Member Countries have been convening regularly with a view to sharing experiences and enhancing institutional and human capacity in this field. The 16th Meeting of the Central Banks and Monetary Authorities was held on 23-25 September 2018 in Ankara, Turkey. During the Meeting, in line with the relevant decision of the 15th Meeting of the Central Banks and Monetary Authorities, two technical background papers were

presented by the co-chairs of the OIC Economic Outlook Working Group and Financial Inclusion Working Group. The final communique of the meeting will be reported to the 34th Session of the COMCEC.

7. Private Sector Cooperation

The private sector is an important driver of economic growth and sustainable development. It is the major source of income generation, job opportunities and poverty eradication. As the OIC Member Countries have a wide range of development levels, some member countries have a dynamic and resilient private sector, whereas others do not fully benefit from the opportunities generated by the private sector. Therefore, there is a primary need for developing private sector in the member countries to enable them to be incorporated into the development endeavours.

Considering the importance of the private sector for the economies of the Member Countries, some important events, fairs and exhibitions are organized by the ICDT and ICCIA in order to strengthen the private sector cooperation under the OIC. These activities are reviewed during the COMCEC annual Meetings.

Private Sector Meetings/ Businesswomen Forum

The strong involvement of the private sector to the COMCEC and other relevant fora under the OIC is very crucial for enhancing intra-OIC trade and investments. In this respect, Private Sector Meetings, organized by the Islamic Chamber of Commerce, Industry and Agriculture (ICCIA), serves as a platform for the private sector of the 57 OIC Member Countries to communicate with each other, explore new markets and learn about best practices. Up to now, 16 private sector meetings have been held. Apart from private sector meetings, the ICCIA also organizes Businesswomen Forums.

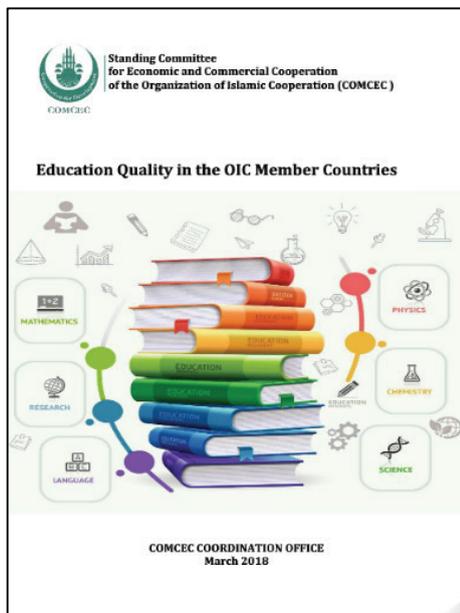
Preparations for the Establishment of the OIC Arbitration Center

During the 13th Islamic Summit held in 10-15 April 2016 in İstanbul, Turkey, H.E. Recep Tayyip ERDOĞAN, the President of the Republic of Turkey and the Chairman of the COMCEC proposed to set-up an arbitration center in İstanbul for the benefit of the OIC Member Countries. Upon this proposal, the COMCEC has taken some actions to start the preparations for establishing the OIC Arbitration Center in İstanbul.

In line with the relevant resolutions of the COMCEC, the ICCIA and TOBB organized the 1st task force meeting on setting-up the OIC Arbitration Center on 13th April 2018 in İstanbul, Turkey. The Meeting was attended by the high level international experts and the representatives from some member chambers from the some member countries. Moreover, the 2nd Task Force Meeting was held on 9th July 2018 in İstanbul, Turkey. During the Meeting, there has been intensive deliberations on the draft statute of the OIC Arbitration Center with the participation of the world-wide known arbitration experts as well as the representatives from the some member chambers of the ICCIA. In accordance with the relevant resolution of the 33rd COMCEC Session, the ICCIA and TOBB will finalize technical preparations for the establishment of the Center and submit a report to the 34th Session of the COMCEC.

CHAPTER II: KNOWLEDGE PRODUCTION EFFORTS: COMCEC PUBLICATIONS

The COMCEC aims to produce and disseminate knowledge, share experiences and best-practices, develop a common understanding and approximate policies in cooperation areas to find solutions to the challenges faced by the Member Countries. To this end, the COMCEC Working Group was designed as an instrument for realizing this mission of the COMCEC. In this regard, research studies are prepared specifically for each WG meeting, to form a basis for the discussions made during the Meetings.



Each research report focuses on the specific theme of the Working Groups and is prepared by world-class consulting firms, international organizations having experience on the specific theme or academicians from high-ranking universities around the world. The COMCEC Coordination Office conducts the reports in close cooperation with the consultants to ensure high-quality research studies. The studies begin with a conceptual framework and an overview of the specific theme in the world and the member countries, followed by an in-depth analysis of a few member countries based on field visits, surveys and interviews. At

the end of each report, some policy recommendations are given for the Member Countries as well as international cooperation efforts under the umbrella of the COMCEC.

During the preparation of each research report, the active involvement of the Member Countries is of vital importance. In this regard, the research topics are identified with the Member Countries during the Annual Coordination Meetings of the COMCEC Focal Points. In light of the views of the COMCEC Focal Points, the themes of each working group as well as research report are determined for the next three years. Moreover, during the preparation of the research reports, surveys are conveyed to the focal points for enriching the empirical data presented

CHAPTER III: POLICY SUPPORT INSTRUMENT FOR THE REALIZATION OF THE COMCEC POLICY RECOMMENDATIONS: COMCEC PROJECT FUNDING

The COMCEC Project Funding, one of the two instruments of the COMCEC Strategy, aims to mobilize the capacity and expertise of the Member States and OIC institutions to accomplish the goals and objectives of the Strategy. COMCEC Project Funding facilitates the realization of the COMCEC Policy Recommendations as each funded project should be linked with one of the policy recommendations adopted by the COMCEC Ministerial Sessions.

This instrument enables the Member Countries and OIC Institutions to engage in cooperation efforts to overcome the common challenges. It provides an opportunity for the Member Countries to propose multilateral projects in priority areas identified by the COMCEC Strategy, COMCEC Working Groups and the Ministerial Policy Recommendations. The mechanism also enables the realization of respective recommendations by enriching the policy environment in the Member Countries.

COMCEC Project Funding is a valuable tool to assist member countries in their policy making endeavors. It turns COMCEC policy recommendations into practice while improving the institutional and human capacity of the Member Countries. Each funded project is implemented in cooperation with at least three OIC Member Countries. In doing so, it not only enables sharing knowledge and experience in a specific theme, but also improves the ability of the Member Countries to work together in addressing the common problems through the implementation of multilateral projects.

Project proposals can be submitted by the relevant ministries of the Member Countries, which are registered to the relevant Working Groups. OIC Institutions working in the economic domain are also eligible to submit proposals.

Project proposals are required to serve the principles, objectives and output areas of the COMCEC Strategy as well as policy recommendations, which are formulated by the COMCEC Working Groups and adopted by the COMCEC Ministerial Sessions.

In 2017, the fourth implementation year of the COMCEC Project Funding, thirteen projects were financed by the COMCEC (Table 1).

Table 1: Projects Funded in 2017

	Project Owner	Project Partners	Cooperation Area	Project Title
1	Gambia	Indonesia and Nigeria	Agriculture	Reduction of Post-Harvest losses in Cereals for Improving Rural Livelihood
2	Indonesia	Brunei Darussalam, Egypt, Malaysia and Sudan	Agriculture	Improving Income of Small and Medium Scale Farmers through Reducing Losses of Livestock Production
3	Albania	Azerbaijan and Turkey	Poverty Alleviation	Creation of a Road Map for an Integrated Social Service for Housing
4	Gambia	Senegal and Sierra Leone	Poverty Alleviation	Training on Entrepreneurship and Management of Small Business for Women
5	Indonesia	Malaysia and Turkey	Poverty Alleviation	Strengthening Community-Based Sustainable Livelihood for Activating Poor by Opening Marketing Channel through E-Commerce
6	Suriname	Guyana and Nigeria	Poverty Alleviation	Professionalization of Childcare in Selected OIC Countries
7	Gambia	Nigeria and Senegal	Tourism	Developing a Training and Certification Program for the Muslim Travel, Tourism and Hospitality Industry
8	Mozambique	Mali and Senegal	Tourism	Enhancing Capacity of Muslim Friendly Tourism Workforce
9	Sudan	Chad and Djibouti	Tourism	Enhancing The Capacity of Craft Producers & Customers service
10	SESRIC	18 Member Countries	Tourism	Training Program on the Development and Promotion of Muslim Friendly Tourism in OIC Member Countries
11	Suriname	Guyana and Turkey	Trade	Strengthening of SME Support Services in Suriname and Guyana to Enhance Participation in Global Value Chains
12	ICDT	Morocco, Senegal and Egypt	Trade	Facilitating Trade: Identifying Non-Tariff Barriers among the OIC Member States
13	Ivory Coast	Burkina Faso and Mali	Transport and Communications	Improving the Capacity on Road Safety in Côte d'Ivoire, Burkina Faso and Mali

Source: COMCEC Coordination Office

Taking into account both the project owners and their partners, more than 50 member countries have benefited from the COMCEC Project Funding in 2017. In this respect, one analytical report was drafted along with twenty eight training programs and four workshops. These activities were made possible by the

feedback, data and information gathered during six study visits conducted by project owners and partners alike (Table 2).

Table 2: Activity Breakdown of 2017 Projects

	PROJECT OWNER Project Partners	Cooperation Area	Training	Workshop	Analytical Report	Study Visit
1	GAMBIA Indonesia and Nigeria	Agriculture	1			2
2	INDONESIA Brunei Darussalam, Egypt, Malaysia and Sudan	Agriculture	1			4
3	ALBANIA Azerbaijan and Turkey	Poverty Alleviation		1		
4	THE GAMBIA Senegal and Sierra Leone	Poverty Alleviation	1			
5	INDONESIA Malaysia and Turkey	Poverty Alleviation	18	1		
6	SURINAME Guyana and Nigeria	Poverty Alleviation	1			
7	THE GAMBIA Nigeria and Senegal	Tourism	1			
8	MOZAMBIQUE Mali and Senegal	Tourism	1	1		
9	SUDAN Chad and Djibouti	Tourism	1			
10	SESRIC 18 Member Countries	Tourism	1			
11	SURINAME Guyana and Turkey	Trade	1		1	
12	ICDT Morocco, Senegal and Egypt	Trade		1		
13	COTE D'IVOIRE Burkina Faso and Mali	Transport and Communications	1			
Total			28	4	1	6

Source: COMCEC Coordination Office

In 2018, 17 projects are being supported under the COMCEC Project Funding. These projects are expected to address the common development challenges of over 35 member countries (Table 3).

Table 3: Projects Funded in 2018

	Project Owner	Project Partners	Cooperation Area	Project Title
1	Turkey	Morocco, Tunisia	Agriculture	Improving Agricultural Irrigation Extension Services
2	Indonesia	Malaysia, Bangladesh, Brunei Darussalam, Egypt, Pakistan, Jordan	Agriculture	Developing Agricultural Market Information System for Horticulture Farmers
3	Gambia	Senegal, Cameroon Morocco	Poverty Alleviation	Training on Entrepreneurship for Teachers in the Selected OIC Countries
4	Indonesia	Pakistan, Azerbaijan, Bangladesh	Poverty Alleviation	Improving the Single Window Service System for Social Protection and Poverty Reduction in the OIC Countries
5	Burkina Faso	Niger, Côte d'Ivoire	Tourism	Strengthening the Resilience of Tourism Sector Against Crises through Communication
6	Mozambique	Sudan, Malaysia, Gambia, Uganda	Tourism	Community-Based Tourism through The Promotion of Heritage Sites for Poverty Alleviation
7	Mali	Burkina Faso, Niger, Mauritania, Senegal	Tourism	Training on Crisis Communication in Tourism for Selected OIC Member Countries
8	SESRIC	13 Member Countries	Tourism	Improving Islamic Tourism Ecosystem in OIC Member Countries: Destination and Industry Development
9	Sudan	Jordan, Morocco, Turkey, Uganda	Trade	Strengthening Institutional Capacity for Single Window Systems in the OIC Member States
10	Morocco	Cameroon and Tunisia	Trade	The Feasibility Study on the Interoperability of Selected Single Window Systems in the OIC Member Countries
11	Nigeria	Morocco, Indonesia	Trade	Boosting Intra-OIC Trade Through Improvement of Trade Facilitation Measures in the OIC Member Countries

	Project Owner	Project Partners	Cooperation Area	Project Title
12	SMIIC	21 Member Countries	Trade	Harmonization of National Halal Standards with the OIC/SMIIC Halal Standards
13	Gambia	Senegal, Nigeria	Transport and Communication	Analysis of the Road Database Management Systems in the Selected OIC Countries
14	Iran	Azerbaijan, Turkey	Transport and Communication	Feasibility Study of Iran- Caucasus Transport Corridor
15	Jordan	Iraq, Turkey	Transport and Communication	Feasibility Study for Reconstructing the Old Ottoman Hejaz Railway Line
16	Nigeria	Gambia, Togo	Financial Cooperation	Training and Guidelines on SUKUK issuance
17	Turkey	18 Member Countries	Financial Cooperation	Improving Financial Consumer Protection in the OIC Countries

Source: COMCEC Coordination Office

For the year of 2019, the CCO called for project proposals for the sixth time in September 2018. After the preliminary evaluations, the CCO has announced the short-list for the 6th Call for Project Proposals of the COMCEC Project Funding in November. After the final submission period is over, the final list of successful projects is going to be announced at the end of January 2019 through the COMCEC web site.

CHAPTER IV: 34th MEETING OF THE COMCEC FOLLOW-UP COMMITTEE

The Follow-up Committee is one of the organs of the COMCEC to review the progress in the implementation of the programmes and projects approved by the COMCEC Ministerial Sessions. The Committee also prepares the draft agenda of the COMCEC Sessions. The Follow-up Committee of the COMCEC convenes annually, in May, in the Republic of Turkey.

The 34th Meeting of the COMCEC Follow-up Committee was held on 9-10 May 2018 in Ankara, Turkey with the participation of current Members of the COMCEC Follow-up Committee under the chairmanship of the Deputy Minister of Development of the Republic of Turkey, H.E. Yusuf COŞKUN.

H.E. Recep Tayyip ERDOĞAN, President of the Republic of Turkey and Chairman of the COMCEC, sent a message to the Meeting. In his message, H.E. Recep Tayyip ERDOĞAN underlined that the Islamic world is going through a hard period and witnessing a number of developments that will shape the future of the member countries. H.E. President highlighted the need of the Muslim world to stand together and support people facing tragically destructive conflicts and even genocide. President ERDOĞAN also drew the attention of the Committee to the need of structural and fundamental steps that can help bring out the commercial potential of Islamic countries. The President underlined the importance of the implementation of the TPS-OIC and he invited the member states that have not yet completed ratification processes of the TPS-OIC agreements to complete the ratification processes, and those that have ratified the agreements to update the concession lists.

Moreover, the Committee reviewed the progress implementation in the COMCEC Strategy and its mechanisms, namely the Working Groups and COMCEC Project Funding. Moreover, the Committee elaborated on the programs, projects and activities in the COMCEC agenda.

The Committee has prepared a set of recommendations to be submitted to the 34th COMCEC Session. Accordingly, the Committee welcomed, among others, the Progress Report submitted by the COMCEC Coordination Office particularly highlighting the progress achieved in the implementation of the Strategy, and commended the Member States and OIC Institutions for their valuable contributions to the implementation of the COMCEC Strategy. The Committee also requested the Member States and OIC Institutions to further their full support to the implementation of the Strategy.

All reports and documents submitted to the 34th Meeting of the COMCEC Follow-up Committee are available at the COMCEC website (www.comcec.org).

CHAPTER V: 32nd MEETING OF THE SESSIONAL COMMITTEE

The Sessional Committee, which consists of the OIC Institutions working in the economic domain, meets on the sidelines of each COMCEC Ministerial Session and Follow-up Committee meeting to review and coordinate the activities and programs of the relevant OIC institutions. Along with the OIC General Secretariat and the COMCEC Coordination Office, the Sessional Committee Meetings are attended by the relevant OIC Institutions, namely ICCIA, ICDT, IDB Group, SESRIC, SMIIC and OISA.

In this regard, on the sidelines of the 34th Meeting of the COMCEC Follow-up Committee, 32nd Sessional Committee Meeting was held on 8th May 2018. During the Meeting, the OIC Institutions discussed their planned activities aligned with the COMCEC Strategy and the COMCEC policy recommendations. Moreover, the possible roles and responsibilities of the OIC Institutions for the implementation of the economic cooperation section of the OIC-2025 and enhancing cooperation with other regional and international organizations were also discussed during the 32nd Sessional Committee Meeting.

Furthermore, the SESRIC briefed the Committee regarding the results of “the Tendency Survey on SDG Priorities of OIC Member Countries” circulated to the Member Countries in line with the relevant resolution of the 33rd COMCEC Session. Accordingly, the SESRIC informed that the survey results demonstrate that the top three priority areas of the Member Countries among the SDGs are as the following:

- SDG-3: Ensure healthy lives and promote well-being for all at all ages,
- SDG-2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture,
- SDG-1: End poverty in all its forms everywhere.

In this regard, the Committee highlighted that the OIC Institutions should give due regard to the needs and priorities of the Member Countries while planning their activities on the SDGs.

CHAPTER VI: 6th ANNUAL MEETING OF THE COMCEC FOCAL POINTS

Since the launch of the COMCEC Strategy in 2013, the CCO has been organizing annual focal points meetings with a view to providing a regular platform for interaction and consultation between the COMCEC Secretariat and the Member Countries with the aim of improving the overall work of the COMCEC, as well as the implementation of both instruments of the COMCEC Strategy: Working Groups and COMCEC Project Funding Mechanism. These meetings provide an opportunity for the member countries to share their feedbacks and observations on the implementation of these instruments. Through these interactive gatherings, communication and collaboration is improved between the CCO and the Member States, resulting in better realization of the goals and objectives of the Strategy. Therefore, these meetings have proven themselves as important gatherings, demonstrating the member-driven character of the COMCEC.

In this respect, the 6th Annual Focal Points Meeting of the COMCEC Working Groups was held on 3-5 June 2018 in Ankara. The Meeting was attended by COMCEC Working Group Focal Points and COMCEC National Focal Points from 36 Member States which have notified their focal points for the COMCEC Working Groups.

During the meeting, the participants were informed about the main achievements of the COMCEC and the progress in the implementation of the COMCEC Strategy during the 2013-2018 period. In this regard, the CCO shared some figures related to the endeavors under the WGs, including registration and participation status of the Member Countries to the WGs, number of COMCEC meetings and publications, coverage level of output areas and expected outcomes of the Strategy in its six cooperation areas, the number of countries which were subject to case analysis.

Moreover, during the meeting, a panel discussion was made on “From Shared Goals to Concrete Actions: Implementation of COMCEC Ministerial Policy Recommendations at the National Level”. During the panel discussions, three Member Countries namely, Indonesia, the Gambia and Malaysia shared their country experiences in the implementation of the COMCEC Policy Recommendations at the national level. The participants highlighted that the COMCEC Ministerial Sessions may be better utilized for acquiring the high level support for the implementation of COMCEC Ministerial Policy Recommendations.

Moreover, it was stressed that the COMCEC Policy Recommendations are elaborated on evidence based formulations that can be basis for several success stories in the member countries. Policy Recommendations may be brought to the attention of policy makers / planners during the preparation process of the National Development Plans / Sectoral Strategies and other guiding documents in the Member Countries for their insertion in these documents as deemed appropriate.

Furthermore, during the next session called “Ensuring Active Contributions of the Focal Points to the COMCEC Activities”, the participants divided into six groups for each cooperation area and discussed the ways and means for improving the focal points engagement in the COMCEC activities. Accordingly, it was highlighted that the focal points should be actively involved in the knowledge-related works of the COMCEC through timely conveying the filled-out research-related surveys, questionnaires and policy questions as well as providing feedbacks to the drafts of the research reports.

In addition, the participants discussed and exchanged their views on the themes of the WGs for 2019-2021 for each cooperation area. Accordingly, the focal points identified WG themes for 2019-2021.

On the sidelines of the Meeting, the COMCEC Coordination Office has organized a training program on the COMCEC Project Funding. At the training, COMCEC WG Focal Points had the opportunity to make an exercise on project the preparation.

CHAPTER VII: PREPARATIONS FOR THE EXCHANGE OF VIEWS SESSION

Exchange of views sessions are held regularly at the COMCEC Ministerial Sessions. The Ministers from the OIC Member Countries have a chance to discuss their country experiences as well as the ways and means for enhancing cooperation among the Member Countries on a specific theme, which was determined by the previous COMCEC Ministerial Session.

In this regard, the 33rd Session of the COMCEC determined the theme of the Ministerial Exchange of Views of the 34th COMCEC Session as **“Facilitating Trade: Improving Customs Risk Management Systems in the OIC Member States”** and requested the COMCEC Trade Working Group, in cooperation with the relevant OIC Institutions, to come up with concrete policy recommendations on this topic and report it to the 34th COMCEC Session. In this regard, the 11th Meeting of the COMCEC Trade Working Group (TWG) held on 7-8 March 2018 in Ankara served as a preparatory event towards the said session.

Accordingly, the TWG, in its 11th Meeting, deliberated on the preparations regarding the Exchange of Views Session and has come up with a set of policy recommendations, which will be submitted to the 34th COMCEC Session. The details of the policy recommendations to be submitted to 34th COMCEC Session are available on the COMCEC website (www.comcec.org).

Moreover, during the Exchange of Views Session, a keynote address will be made in this session by Dr. Mohammed SAEED, Senior Advisor from the International Trade Center.

CHAPTER VIII: SPECIAL SIDE EVENTS OF THE 34th COMCEC SESSION

On the sidelines of the 34th Session of the COMCEC, a number of high-level panels will be organized on different aspects of trade facilitation, which is also the theme of Ministerial Exchange of Views Session. In this regard, to raise awareness on the trade facilitation and to discuss the ways and means of addressing the challenges faced by the Member Countries in this regard, five special sessions will be organized on the sidelines of the 34th Session of the COMCEC. These special sessions will take place on 29 November 2018 with the following topics:

- Harnessing the Potential of Trade Facilitation for Regional Integration
- Challenges in Customs Modernization and Possible Solutions
- Private Sector Involvement in Trade Facilitation
- Facilitating Trade in the Digital Era: Challenges and Opportunities for Increasing Cross-border E-commerce
- Forum on Trade Facilitation

The main objective of these events is to complement the discussions of the Exchange of Views Session with different aspects from the relevant stakeholders of trade facilitation. The speakers of the panels will include dignitaries from the Member States, representatives of International and OIC Institutions, civil society and private sector organizations, think-tanks and the academia. All delegations of the OIC Member States participating the 34th COMCEC Ministerial Session, as well as representatives of civil society, media, academia and private sector are expected to attend these events.

Moreover, the Side Event on “COMCEC Project Funding: Experiences of the Project Owners” will also be held on 27 November 2018, on the sidelines of the 34th Session of COMCEC.

More information about these events can be found on the COMCEC website, <http://www.comcec.org>



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