

**6<sup>TH</sup> MEETING OF THE COMCEC TRADE WORKING GROUP**  
*Establishing Well Functioning National Trade Facilitation Bodies (NTFBs)*  
*in the OIC Member States*  
September 17<sup>th</sup> 2015, Ankara, Turkey



**IDB Group Activities in Facilitating Trade and Promoting Regional Economic Cooperation Among the OIC Member Countries**

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Islamic Development Bank Group

# OUTLINE

1

**Trade Is Priority For IDB Group**

2

**Examples from IDB GROUP's Trade Related Technical Assistance**

3

**Building Blocs for Enhanced Regional Economic Cooperation**

4

**Recommendations**

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# PIONEER IN SUPPORTING TRADE LED ECONOMIC GROWTH



Develop Key Economic Infrastructure

- More than US\$ 60 billion group trade financing since inception (**≥ 50% of total financing**)



Enhance regional economic cooperation

- Half of the trade finance approval **extended for intra-OIC TRADE**



Foster trade promotion and cooperation

- **Over US\$ 25 billion development financing of trade-related infrastructure:** roads, ports, border posts, construction of dams, etc.



Competitive trade financing solutions

- **Over US\$ 22 billion business covered** through export credit and reinsurance of trade operations and private sector investments by ICIEC



Build capacity in member countries

- **Trade related technical assistance (TRTA)** for institutional capacity development



Support Private Sector Investments



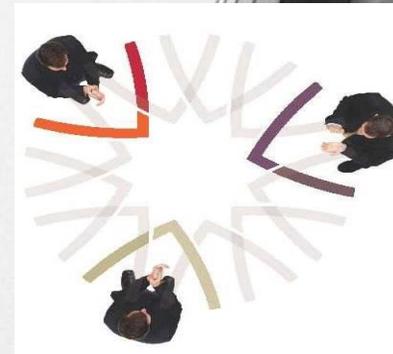
Enhance trade through export credit

# TRADE FINANCE AND TRADE DEVELOPMENT WINDOW OF IDBG

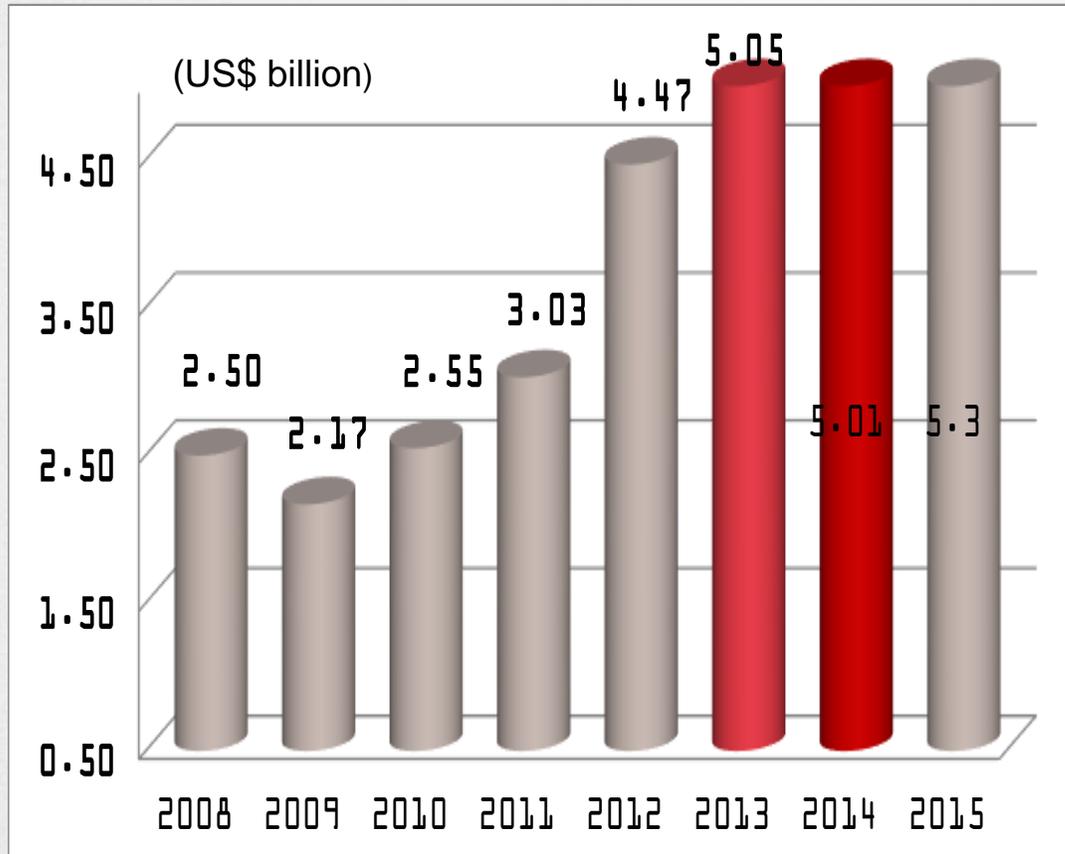
Established in January, 2008 with the objective of encouraging **more intra-trade among OIC Member Countries (MCs)**

ITFC **helps businesses** in member countries gain better access to trade finance, which prompt more production and trade in and among MCs.

ITFC manages Trade Cooperation and Promotion Program- **T CPP** - **providing Trade Related Technical Assistance (TRTA)** to promote trade and trade cooperation among MCs and with the rest of the World.



# TRADE APPROVALS



- > Authorized Capital of US\$3 billion;
- > Subscribed Capital of US\$750 million;
- > Total Trade financing of the Group US\$60 billion
- > US\$15 billion in last 3 years

## EXAMPLES OF TRADE RELATED TECHNICAL ASSISTANCE EXTENDED BY ITFC/IDB



### Analysis of Trade Procedures in Central Asia

August 2015



**Workshop on Paperless Trade Facilitation  
4-6 May, 2015, Almaty, Kazakhstan**

- Study on Road Transport facilitation and implementation of TIR in Arab States (with AULT and IRU)
- **IsDB-WB Capacity Building Program on Trade and Competitiveness**
- Seminar on TF among Arab countries and their Integration into the MTS
- **OIC Workshop/EGM on Roles of Transport Corridors in Trade and Tourism**
- Workshop On the impact of Economic Partnership Agreements on Regional Integration in Africa
- **OIC Regional Workshop on Trade Facilitation & Single Window for Enhanced Economic Cooperation**

# EXAMPLES OF TRADE RELATED TECHNICAL ASSISTANCE EXTENDED BY ITFC/IDB



- Arabic Translation of Trade Facilitation Implementation Guide (TFIG) & Training on the TF Measures
- **TA Grant to ECO for the implementation of Transit Transport Framework Agreement**
- Study & Seminar on identifications of NTMs in the Arab Region
- **The Regional Review Seminar on Reducing Trade Cost for Inclusive Sustainable Growth**
- Technical Assistance Grant for Development of Quality/Standardization Infrastructure
- **Study on the OIC Transport Corridors**

# SUSTAINABLE RESULTS FOR NATIONAL AND REGIONAL TRADE FACILITATION

## Lessons Learnt

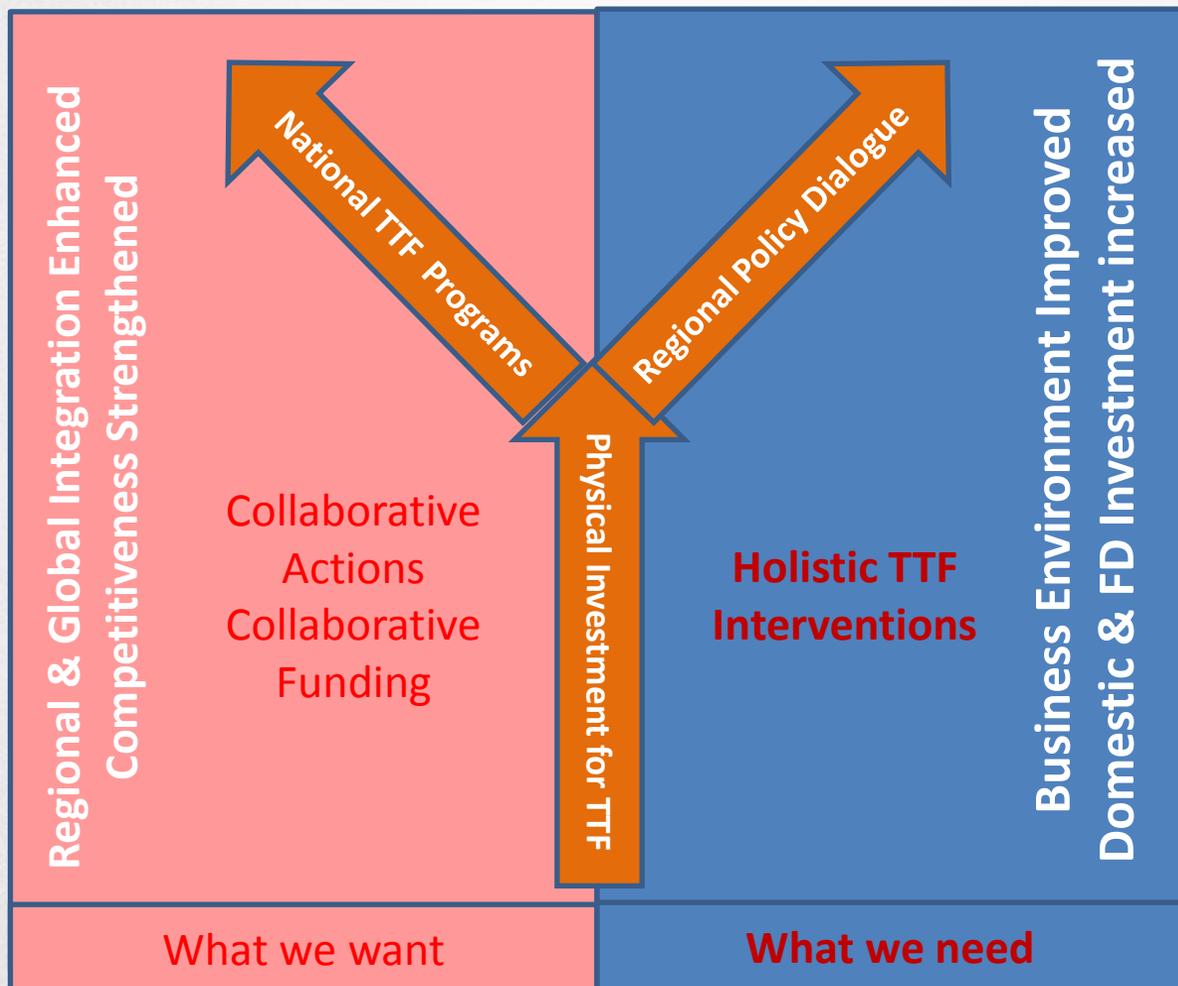
- **Ad-hoc, one-off activities are not producing sustainable-high impact for trade facilitation**
- **Mostly Activities limited to awareness raising, experience sharing, but not supplementing each other towards pre-set objectives**
- **Absence of dedicated national and regional/OIC level Working Groups/Task Team for Trade Facilitation**
- **Absence of Long-term planning and resource allocation for National & Regional Initiatives**

## New Dimensions

- **Be more proactive in design and implementation of Regional TTF Programs**
- **Formulize Partnership by establishing dedicated TF Foras**
- **Pool Resources under an OIC TF Fund for Result and Resource Oriented TF Programs**

# BUILDING BLOCS FOR ENHANCED REGIONAL ECONOMIC COOPERATION

## Growth & Employment



## Objective & Mandate

- Assist MCs to design and implement their National TTF Program
- Assist MCs to identify (and eliminate where possible) regulatory and procedural obstacles to trade
- Assist MCs to accede to relevant TTF agreements and to simplify and harmonize national trade and transport procedures
- Promote and support knowledge sharing and cooperation across MCs
- Enhance cooperation among OIC Institutions and International Organization to prepare Regional TTF Programs

## Integrated Regional TTF Program

### Country-Led Programs

1. Establishment of NTTFCs and Formulation of NTTF Programs
2. Capacity Development Support for the implementation of National TTF Programs
3. Design and implementation National Quality Infrastructure Program
4. Harmonization of standardization, trade and customs rules, regulation with international practices
5. Establishment of Trade Information/Market Access website
6. Establishment/Enhancement of Electronic Single Window Application through better usage of progress in ICT solutions

**Key For Competitiveness, Economic Growth & Employment**

### Regional Policy Dialogue

1. Establishment of interagency intergovernmental coordination platforms & technical groups for regional TTF Dialogue; removal of NTMs, harmonization of rules, regulations, standards,
2. Establishment of Regional Market Access website and/or Regional Electronic Single Window Application for enhanced information & data exchange
3. Joint Border Gate Management Initiatives

**Key for Regional and Global Integration**

### Physical Investment for TTF

1. **Completion of missing link in land and maritime transport**
2. **Construction of Logistical Centers**
3. **Customs Gate Modernization, ICT Upgrading for Enhanced Regional Integration**

**Key for Physical & Electronic Connectivity**

## RECOMMENDATIONS & WAY FORWARD

### For MCs

- **Legalize coordination and cooperation framework**
- **Start from establishing the Secretariat**
- **Ensure allocation of financial resources from national budget**
- **Prepare National Trade Facilitation Program first in consultation with stakeholders**
- **Give priority at the initial stage to knowledge development**

### For OIC Institutions

- **Establish a dedicated Task Team under COMCEC TWG with a mandate to prepare an OIC TF Program**
- **Pool the financial resources under a fund to support national/regional TTF Initiatives**
- **Establish inter-agency forum with expert UN institutions and regional organizations to coordinate OIC efforts to support national and regional TTF initiatives**
- **Support the implementation of WTO TFA by Member Countries**

# THANK YOU

QUESTIONS, COMMENTS?

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**Islamic Development Bank Group**  
Together We Build A Better Future



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