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REPORT OF

The “OIC High Level Forum on Trade Facilitation & Single Window Initiatives for Enhanced Regional Economic Cooperation”

**Casablanca, Kingdom of Morocco
25-26 February 2013**

PRESENTED BY

THE ISLAMIC CENTRE FOR DEVELOPMENT OF TRADE

TO THE

**29TH SESSION OF THE STANDING COMMITTEE FOR
ECONOMIC AND COMMERCIAL
CO-OPERATION OF THE OIC
(COMCEC)**

**Istanbul – Republic of Turkey
18th – 21th November 2013**

REPORT OF

The “OIC High Level Forum on Trade Facilitation & Single Window Initiatives for Enhanced Regional Economic Cooperation”

1. Background:

With a view to facilitating trade among the OIC Member Countries and accelerating the achievement of the target consisting of increasing intra-OIC trade share in total trade of Member States to 20% by 2015 as recommended in the OIC Ten Year Programme of Action adopted by the 3rd OIC Extraordinary Summit, held in Makkah Al-Mukarrama in December 2005;

And in compliance with the resolution n° 26 of the 28th session of the Standing Committee for Economic and Commercial Cooperation (COMCEC), relating to the organization of an OIC High Level Forum on Trade Facilitation and Single Window, which urges Member Countries to actively participate in the Forum and requests the organizers to submit a report to the next session of the COMCEC,

The Ministry of Industry, Commerce and New Technologies of the Kingdom of Morocco, the International Islamic Trade Finance Corporation (ITFC - Member of the Islamic Development Bank Group) and the Islamic Centre for Development of Trade (ICDT) organized in Casablanca, Morocco, the “OIC High Level Forum on Trade Facilitation & Single Window Initiatives for Enhanced Regional Economic Cooperation” in Casablanca (Kingdom of Morocco) from 25-26 February 2013.

Objectives:

The objectives of the forum are as follows:

- Sharing knowledge and experiences, best practices among the participants on the implementation of national trade facilitation programs as well as promoting the use of international standards and applications in single window & paperless trade projects;
- Strengthen cooperation and collaborations amongst Customs Administrations and Trade Ministries and across the borders in order to harmonize, simplify trade and customs procedures, enhance information and data exchange in trade related areas towards the objective of enhancing regional economic integration and cooperation;
- Discuss various trade facilitation projects to be implemented at national and regional level, which includes:
 - 1) The Feasibility Study on Establishing OIC Single Window System (at the initial stage for 10 OIC MCs which signed and ratified OIC PRETAS Agreement);
 - 2) Establishing regional single windows at sub regional levels to promote intra trade;
 - 3) Establishing regional trade information portal/market access websites;
 - 4) Replication of successfully implemented trade facilitation measures in other OIC MCs through twining projects, institutional capacity development programs and reverse linkages.

Axes of the Forum:

- Policies, Procedures and Mechanism for the Implementation of Single Window (SW)
- From Customs Automation Programs towards implementation of National Single Window Systems
- Cross border information exchange for regional integration
- Institutional Cooperation towards Paperless Trade : OIC Perspective
- Roundtable and open discussion on the possibility of developing OIC level - Sub Regional Single Window Applications; Challenges & Opportunities & the Way Forward
- Institutional Cooperation towards Paperless Trade : Perspective of Regional Economic Organizations

(The Work Programme of the HLF is attached as Annex I.)

2. Participants:

Representatives of the following Member States attended the High Level Forum:

The Kingdom of Bahrain, Republic of Benin, Burkina Faso, Republic of Cameroon, Republic of Côte d'Ivoire, Republic of Djibouti, Arab Republic of Egypt, Republic of Gabon, Republic of Guinea, Republic of Iraq, State of Kuwait, Libya, Malaysia, Republic of Mali, Kingdom of Morocco, Islamic Republic of Mauritania, Republic of Niger, Federal Republic of Nigeria, Sultanate of Oman, Islamic Republic of Pakistan, Kingdom of Saudi Arabia, Republic of Senegal, Republic of Sudan, Republic of Tunisia, Republic of Turkey and The Republic of Yemen.

Representatives of the following Non Member States: Republic of the Congo and Singapore.

The High Level Forum was also attended by the following OIC Institutions:

1. The OIC General Secretariat;
2. COMCEC Coordination Office,
3. Islamic Development Bank Group (IDB Group),
4. International Islamic Trade Finance Corporation (ITFC)
5. Islamic Chamber of Commerce Industry and Agriculture (ICCIA),
6. Islamic Center for the Development of Trade (ICDT).

Representatives from:

1. United Nations Economic Commission for Europe (UNECE),
2. United Nations Development Programme (UNDP),
3. United Nations Conference on Trade and Development (UNCTAD),
4. United Nations Economic and Social Commission for West Asia (UNESCWA),
5. United Nations Economic Commission for Africa (UNECA),
6. Arab Bank for Economic Development in Africa (BADEA),
7. League of Arab States (LAS)
8. Dagang Net Technologies
9. West African Economic and Monetary Union (WAEMU)
10. Global Coalition for Efficient Logistics (GCEL)
11. International Road Transport Union (IRU),
12. African Alliance for e-Commerce (AAACE).

(The list of participants is attached as Annex II.)

1. Opening Ceremony:

Following the recitation from the Holy Qur'an, Dr. El Hassane HZAINÉ took the floor and expressed his thanks to all the participants for their attendance in this important event and particularly the valuable efforts made by the Government of the Kingdom of Morocco and the Islamic Development Bank Group for supporting the organization of this forum.

H.E Dr. Abdelkader AMARA, Minister of Industry, Commerce and New Technologies of the Kingdom of Morocco inaugurated the Meeting. In his opening statement Dr. AMARA underlined the importance of south-south cooperation in enhancing international trade within the framework of the WTO rules.

H.E the Minister mentioned that the OIC Single Window is an efficient tool to boost intra-OIC trade and facilitate the OIC trade negotiation committee under the TPS/OIC Agreement and its protocols.

Lastly Dr. AMARA mentioned the importance of the PORTNET to facilitate Moroccan international trade transactions and stressed the availability of the Moroccan government to share its experience to all OIC Member Countries.

His Excellency Prof. Ekmeleddin IHSANOGLU, the OIC Secretary General, addressed a message to participants, which was read out by Mr. Gholam Hossein DARZI. In his message, H.E conveyed his deepest thanks to the ICDT and ITFC for organizing this meeting and pointed out that this Forum is yet another significant initiative among the series of measures taken by the OIC in the fostering intra-OIC trade. This is in recognition of the enormous potentials of increased trade exchanges in reducing poverty and promoting economic growth and social welfare in our Member States.

With regard to tariff reduction activities, HE informed the floor that the Trade Preferential System of the OIC (TPS-OIC) has entered into force, and the preoccupation of General Secretariat is now to consolidate the processes of actual implementation of the system.

In light of the objective of attaining 20% of Intra-OIC Trade by 2015, Prof IHSANOGLU stressed OIC Member States and institutions to adopt and promote new mechanisms and initiatives to further facilitate trade exchanges among the Member States. In this regard, the removal of non-tariff barriers as represented by the creation of a single window is crucial to our objective of expanding intra-OIC trade with a better harmonization and simplification of trade procedures and an establishment for closer consultations with sub-regional trading blocs to enable OIC Member States in such parallel trade and tariff concessions arrangements.

Finally, H.E IHSANOGLU reiterated that the General Secretariat will continue to support this initiative and to ensure the smooth realization of its objectives.

H.E. Dr. Waleed Abdulmuhsen AL-WOHAIB, Chief Executive Officer of the International Islamic Trade Finance Corporation (ITFC), took the floor extending his warmest thanks and gratitude to the Kingdom of Morocco for hosting this Forum. He also conveyed his thanks to Dr. Abdelkader AMARA, the Minister of Industry, Commerce and New Technologies of the Kingdom of Morocco and to Dr. El Hassane

HZAINI, Director General of the Islamic Centre for Development of Trade and to all participants.

H.E Dr. WOHAIB highlighted the importance of the regional economic integration for IDB Group as south-south cooperation institution, which is the pioneer in using the trade finance as an engine for economic development of its MCs and enhancing regional economic cooperation among them.

Furthermore, given the triple mandate of the Group of developing economic cooperation, regional integration and trade promotion among member countries, the IDB Group has identified Trade and Transport Facilitation is one of its strategic thrust in its vision for 1440H (2020G).

In this regard, he pointed out that the challenge is to develop interconnectivity strategies and policies and mechanisms by which trade information & data can be collected and exchanged among concerned entities, which could be customs administrations, trade ministries, SW operators, port authorities through the establishment of an OIC single window.

At the end of his statement, HE Dr. WOHAIB reiterated ITFC's readiness and willingness to work on this very important subject collectively and collaboratively with esteemed OIC/IDB MCs, OIC institutions, regional and international organization to enhance regional economic integration and promote intra-trade among MCs.

Synthesis of deliberations:

After the opening ceremony, speakers from international, regional and Member States made presentations in plenary sessions on various fields dealing with single window issues.

They demonstrated how modernized customs and border infrastructure and procedures benefit the public administrations and private sector through more effective and efficient deployment of resources, efficient revenue collection, improved trader compliance, enhanced security, integrity & transparency and reduced transaction costs for imports and exports.

In addition to political will and commitment, the importance of having a lead agency, strong linkages with international institutions, sound and sustainable financing arrangements and well defined objectives and action plans were listed as conditions for the success of National Trade and Transport Facilitation Committees, the collaborative platform meant to manage trade and transport facilitation initiatives at a country level, in line with recommendations from international organizations.

OIC MCs are in different stages in implementing national Single window systems. Currently, one third of OIC MCs, around 20 countries, is implementing one form of single window system. It is worth to highlight that lessons learnt from the implementation explicitly has proven to us that National Trade and Transport Facilitation Committees are critical success factors to migrate to nationwide single window applications.

The establishment of the OIC Single Window for the benefit of economic operators of Member States will be an efficient tool of intra-OIC trade facilitation and enhancement through the involvement of customs administrations and financial institutions and will

contribute to achieve the goals of the Ten-Year Programme of Action (TYPOA) consisting of the increase of the share of the intra-OIC Trade to 20% by 2015.

In this regard, representatives from international organisations underlined the importance of:

- Developing a vision for the national Single Window - The Trade Facilitation Roadmap;
- integrating many different trade platforms;
- Identifying relevant national, regional and global trends that will affect national competitiveness in the future;
- establishing or increasing co-operation between Customs, Other Government Agencies and border control authorities in order to electronically share documents (data) and establish common procedures for processing and control;
- providing trade and transport operators with a single submission for trade documents and information to satisfy all import, export and transit regulatory requirements;
- Standardization of the single window data.
- Developing a master plan for the development of each trade platform:
 - Decomposition of challenge in sub projects
 - Structured approach to SW implementation:
 - Objectives and KPI
 - Process Analysis and simplification
 - Document and data harmonization standards
 - Legal framework
 - Define different implementation phases
 - Measure implementation progress
 - Ensure stakeholder and policy support.
- The implementation approach of the national electronic single window should not be a technical approach; it should imperatively and in the first place include the organizational aspect of the project so as to enable all the actors to advance at same speed. It should also take into account resistance to changes, which is far more important in this kind of dematerialization project than in other ordinary computerization projects.

Recommendations:

At the end of the HLF, in line with the content of the agenda and as an overview of the discussions and exchanges arising from the presentations, participants took part in a lively discussion aimed at defining a set of specific strategic actions to be taken in the short and medium term within the framework of the OIC High Level Forum on Trade Facilitation & Single Window Initiatives for Enhanced Regional Economic Cooperation.

In this regard, participants proposed the following recommendations:

- setting-up of a task force within the framework of the Consultative Group for Enhancing intra-OIC Trade to study the possibility and follow-up the issue of Single Window initiative and recommends that ICDT and ITFC to be as focal point and with partnership of the following :
 - General Secretariat of the OIC and COMCEC;
 - IDB (Infrastructure and Operations Departments);
 - UNECE/UNCTAD

- Representatives of the 3 regions of OIC
- The mission of the task force:
 - Elaboration of a roadmap for the implementation of the project;
 - Elaboration of the terms of references of the project (definition of the value/benefits and associated costs of the OIC Single Window and its impact on intra-OIC trade, design, legal framework, ...);
 - Fund raising for the feasibility study;
 - Selection of the consultancy cabinet for the feasibility study;
 - Preliminary validation of the feasibility study;
 - Transmission of the study to the OIC General Secretariat and COMCEC for dissemination to all Member States;
 - Holding of an Expert Group Meeting for the endorsement of the study;
 - Submission of the study to the COMCEC for final decision;
 - Implementation of the project (pilot project could start by the OIC Member States which signed and ratified the TPS/OIC and its protocols and those which have already a national single window);
 - Setting up of the OIC Single Window on a Sub-regional basis, as a first step towards a broad based implementation of this project.
- To Encourage Member States to establish National Single Window and adhere to TIR convention and UN Convention on the cross-border transactions facilitation in order to facilitate international road transportation;
- To Encourage the share of experience between advanced national single windows and late comers; and regional single windows;
- To Request the OIC Member States, which have not done so, to nominate their focal points to participate in the working groups on the cooperation areas of the COMCEC;
- The feasibility study and technical pilot project may include full-fledged implementation plan and governance structures that incorporate the inputs of the OIC Member Countries, including a multilateral sub-regional approach that acknowledges the diversity of the OIC Member Countries;
- To call on the relevant international trade finance institutions and trade facilitation and development organizations to play a greater role in urging an encouraging countries to adhere to the single window projects or trade networks. These institutions and organizations should also urge governments and relevant authorities to develop appropriate policies and strategies likely to facilitate trade and draw up suitable operational plans in this field;
- To request the relevant organizations and institutions specialized in the field of trade development to lay down programmes and guidelines that are required for the implementation of the single window of international trade by drawing on successful experiences. They should also provide technical assistance programmes for the establishment of the legal framework and the infrastructure required for the implementation of this project.

MOTION OF THANKS:

At the end of the forum, participants requested the Minister of Industry, Commerce and New Technologies of the Kingdom of Morocco Dr. Abdelkader AMARA, to convey to His Majesty Mohamed the Sixth, King of Morocco, their high esteem and profound

gratitude as well as to the Moroccan Government and people for the warm hospitality and facilities that were extended to them since their arrival to the beautiful city of Casablanca.

Participants also conveyed their deepest thanks to His Excellency Prof. Ekmeleddin IHSANOGLU, the Secretary General of the OIC, for the important message that His Excellency addressed to participants and for his sustained efforts to achieve the goals set by the 3rd Extraordinary Islamic Summit Conference.

Participants have also extended their deep gratitude to HE Dr. Ahmed Mohamed ALLI, President of IDB Group and to Dr. Birima SIDIBE, Vice President for their full support to this initiative and readiness to accompany actively the projects undertaken by member countries in line with the development of economic cooperation, regional integration.

Lastly, the delegates congratulated also, Dr Waleed Al Wohaib the Chief Executive Officer of the International Islamic Trade Finance Corporation (ITFC) and the Director General of the Islamic Centre for Development of Trade and their staff for the efforts they have made to provide the best conditions, which ensured the success of this Forum.