

Islamic Chamber of Commerce, Industry & Agriculture La Chambre Islamique de Commerce, d'Industrie et d'Agriculture

Report on the Activities of the Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) for submission to the 30th Meeting of the Follow-up Committee of COMCEC

7-8 May 2014 Ankara, Republic of Turkey

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Introduction:

The Islamic Chamber of Commerce, Industry and Agriculture (ICCIA), an affiliated organ of the Organisation of Islamic Cooperation (OIC), marks its 35th year of establishment in 2014.

Realizing the challenging economic environment, the ICCIA focuses on those activities that can best address the needs of the private sector. It has its Work Plan, which is made in consonance with the OIC Program of Action and keeping in mind the global economic challenges.

As the ICCIA represents the private sector within the OIC countries, it advocates the interests of the private sector at the various OIC Foras. Private Sector is the vehicle of economic growth and hence the role of the ICCIA bears more importance. ICCIA is striving to assist the entrepreneurs of OIC countries in developing capacities for sustainable trade promotion and industrial development.

Within the framework of the implementation of its Work Plan and in its endeavors to serve the Private Sector, the Islamic Chamber has developed many goals and also has drawn up ethical and practical aspirations upon which the advanced nations lean to go ahead towards further progress.

The General Secretariat of ICCIA has been undertaking activities in line with its objective by holding the following activities:-

- Organization of business forums for private sector
- Workshops, Training programs on capacity building, poverty alleviation, upgrading
 marketing and managing skills, value-addition, gender development, economic
 empowerment of women, promotion & development of Small & Medium Enterprises,
 utilization of microfinance, developing Entrepreneurship, particularly in women and
 the youth.
- Playing a role for increasing the level of Intra Islamic Trade to 20% by 2015.
- Creating awareness about the various OIC agreements for enhancing economic cooperation, particularly the Trade Preferential System among the Member States of the Organization of Islamic Cooperation (TPS-OIC).
- Implementing the relevant aspects of the OIC Program of Action
- Cooperating with OIC & other related International Organizations for the development of SMEs
- Setting-up of a Business Development Centre (Al-Masfaq)
- New Website
- Halal Market Study

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Mentioned hereunder are the broad areas and salient aspects of the activities:

Private Sector Meetings/Businesswomen Forums:

- Given the resources, of the 57 member states of OIC, the level of economic cooperation, is not reflective of the potentials. This can be attributed to the geographical placement and the diverse and varied socio-economic level of development of the said member states. Perhaps a cross the board approach for the member states is not feasible and applicable. Therefore, member states are encouraged to work out bilateral arrangements on granting concessions for establishing businesses and expanding trade.
- In order to address the issue and bridge the gap of information, the ICCIA organizes Business Forums such as Private Sector Meetings and Businesswomen Forums. The ICCIA has so far, held sixteen (16) Private Sector Meetings and Seven (7) Businesswomen Forum..
- The 16th Private Sector Meeting for OIC Member Countries was held in collaboration with the Sharjah Chambers of Commerce & Industry in Sharjah, United Arab Emirates from 19th to 20th March 2014. The meeting was held under the kind patronage of His Highness Shaikh Doctor Sultan Bin Mohamed Al-Qasimi, Member of the Ruling Council of the UAE and Ruler of Sharjah Emirates, so as to mark the celebration of the occasion of Sharjah, being the Islamic Cultural Capital and the International Trade Week.
- The Theme of the 16th Private Sector Meeting was "Benefits of Trade Preferential System TPS-OIC for the Promotion of Intra-Islamic Trade". The Meeting discussed and highlighted the benefits of Trade Preferential System TPS-OIC for the promotion of Intra-Islamic trade. Two Sessions had been dedicated in this respect; namely; "Introduction of the TPS-OIC, Outcome of the 1st and 2nd Round Trade Negotiations" and "Impact of the TPS-OIC on the Economies of the OIC Member States and the Legal Implications of the TPS-OIC". The recommendations were adopted in the form of the Sharjah Economic Declaration. Some of the important recommendations called for:
 - ⇒ To call upon OIC member states who have not yet signed and ratified OIC-TPS to do so, and those who have, to kindly fulfill the requirements and thereafter create awareness of and encourage their private sectors to benefit from them and entrust ICCIA to formulate a specific training programs and courses that are directed to identified sectors.
 - ⇒ To implement the existing strategy on SMEs, which could develop the sector through nurturing entrepreneurship spirit and provide networking opportunities among SMEs and entrepreneurs in the Islamic World.
 - ⇒ Calls upon the ICCIA and other relevant stake holders to conduct regular training programmes focusing on knowledge sharing, adopting of best practices and exchange of technology. To call upon the Private Sector to emphasize the need of diversified products and find new markets in the Member States.

The Sharjah Economic Declaration is enclosed herewith.

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- The 8th Businesswomen Forum will be held in the second half of 2014. The ICCIA through the Businesswomen Forum has been focusing on the need to economically empower the women towards greater self-reliance and economic independence.
- The outcome of these meetings has been productive, in establishing two Banks in Pakistan and Sudan and Incubation Center & Buying House in Pakistan and in addition providing a common platform for the business community of the 57 member states to explore greater opportunities for trading and investment. The activities of the ICCIA, are being held with the support of the Islamic Development Bank and the UN Agencies etc. These activities are proving to be an important platform for the business community to interact and discuss on a bi-lateral and multi-lateral basis their avenues of cooperation. The share of intra-OIC trade in the Member States experienced an increase in 2012 to 18.45% from 17.80% in 2011. It is now hoped that this level of intra Islamic trade would further increase, with the coming into force of the Trade Preferential System among the Member States of the Organization of Islamic Cooperation" (TPS-OIC).

Business Development Centre (Al-Masfaq):

Al-Masfaq is an Arabic word for the place where transactions take place. It is a model for collaboration between the Chambers of Commerce and the ICCIA. The first implementation of the idea commenced in collaboration with the Jeddah Chamber of Commerce & Industry (JCCI). The ICCIA major objective is to replicate this model with numerous OIC Member States.

Al-Masfaq is a Business Development Center, presently established in Jeddah in collaboration with the Jeddah Chamber of Commerce & Industry. This model after its completion and successful implementation could be executed in collaboration with any of the Chambers of Commerce of OIC Member States. Its main goal is to develop the economy and to provide job opportunities by way of developing an investment map of the city, where Al-Masfaq operates, so as to give a clear picture to the potential investors to explore the real and feasible investment opportunities. It also aimed at being the one-stop-shop that provides all the needful permission, licensees and NOCs that are needed from the concerned governmental authorities. Al-Masfaq will be a place where youth with creative ideas can meet entrepreneurs who are willing to assist in investment and wellbeing of the community. The major role of Al-Masfaq is not only the investment, but also to gather people under one roof and to facilitate procedures and create development in the various fields of economic activities.

Consul General Meeting in Jeddah:

ICCIA had organized in February 2014, a wide range Meeting under the chairmanship of the H.E. Shaikh Saleh Kamel, President of the ICCIA. The Meeting was attended by Their Excellencies the Heads of the Diplomatic Missions as well as the Consul Generals based in Jeddah of 23 Islamic Countries.

Discussions were focused on the objective of how to enhance greater commercial exchanges among member countries and the activities of the ICCIA in this regard. The idea of Al-Masfaq had been presented as a practical model for realizing this objective.

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ICCIA prepared a questionnaire on the major import & exports of the Member Islamic Countries with the objective of collecting accurate information, study the same and implement activities for increasing the commercial ties among the Member States. It was decided to target Saudi Arabia during 2014 and an opportunity will be given to the businessmen in the field of food products (Importers/Exporters).

New Website:

- ICCIA endeavors to establish a new portal on the internet. The idea is to operate an interactive portal that interacts with the locals and international clients, taking into consideration the various categories/interests of users/clients in accordance to the services that are provided to them in an interactive and user-friendly approach. The objectives of the new website are:
 - o Means for introducing the ICCIA and its activities, accomplishments and news.
 - o Database providing information, figures, statistics and relevant reports on intra-Islamic trade and investments based on the status of the economy.
 - o Platform for launching new projects and ideas and publicizing investment and business opportunities.
 - o A place for introduction and interaction among members with mutual interests.
 - o Medium for publicizing the activities of the Member Chambers and their Countries as well as their projects.
 - o To provide a multi-lingual website.

The ICCIA has completed the phases of preparing a technical study and the envisaged contents, in addition to the major sections and identified the technical requirements. Offers have been collected from various specialized companies and studied their financial and technical aspects and the most suitable offer was accepted. Now ICCIA is about to sign the contract and start the implementation.

Halal Market Study:

- ICCIA is the authorized entity that is entrusted with the Halal Market from the perspective of the Private Sector of the Member Countries, as per the Resolutions of the Islamic Summit, as well as the Council of the Foreign Ministers.
- Upon the desire of the ICCIA to activate its role in the Halal Market in such a manner that adds real value to the Market and assist in improving the same without putting additional financial burden on the Chamber. The General Secretariat of the ICCIA entrusted one of the specialized consultancy companies to conduct study on Halal Market and to prepare working strategy that suits the status of the market and to provide a role that is appropriate to the ICCIA, and enable it to generate enough income that would ensure the contribution of its role.

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The work of the company covers three major phases:

- 1) To propose strategy to work in the Halal market;
- 2) To prepare work plan for the 1st year; and
- 3) To give estimations for the expected revenues and costs related to the implementation.
- In the year 2014 the ICCIA will sign MOU with THIQA of the IDB Group, in the area of exchange of information and implementation of projects in collaboration with the OIC Member States and to organize conferences and seminars for the benefit of the private sector of the OIC Member states.
- In the year 2014 the ICCIA will also sign MOU with Jeddah Chamber of Commerce, so as to host ICCIA Regional Office and to cooperate in the area of exchange of information on the investment opportunities that could be implemented jointly between the businessmen in the Kingdom of Saudi Arabia and their counterparts in the other OIC Member States, organizing training programs, exchanging trade delegations and also in the field of research and studies.

Cooperation with SS-Gate:

- In order to expand its activities to cover not only the OIC region but other regions, where there is a large Muslim population, the ICCIA is cooperating with South-South Global Assets and Technology Exchange (SS-GATE). It is a virtual and physical platform where entrepreneurs in developing countries can interact and obtain needed technology, asset and finance in a secure environment. SS-GATE facilitates realization of actual business transaction through a market mechanism, offering both on-line and off-line end-to-end supporting services.
- The ICCIA receives projects from the private sector of the member countries and uploads them on the SS-Gate System for possible financing or joint venture partners.
- The SS-Gate Website on projects is ready to receive any projects from the member chambers of ICCIA. It is also ready to impart training to the Chamber personnel as to how to upload projects as per their format on the SS-Gate system.
- Islamic Chamber of Commerce, Industry & Agriculture (ICCIA) being a Participating Organization of South-South Global Assets & Technologies Exchange (SS-GATE), is serving as gateway to the 57 OIC Member Countries. Through its expanding network of Country Centers (CCs), ICCIA is endeavoring to promote partnerships and joint ventures among business enterprises of the OIC Member Countries, and between them and business enterprises of other developing countries covered by the SS GATE network. Under this system, the CCs register partnership proposals of local business enterprises and, following initial screening, upload the proposals on to the SS GATE website. The staff of SS-GATE establishment in Shanghai then identify potential partners and facilitate the negotiations leading to the conclusion of mutually advantageous joint ventures or partnerships. Within the SS-GATE framework, ICCIA is promoting the United Nations Office for South-South Cooperation (UNOSSC) sponsored One Million Businesswomen of the Global South On-Line (OMBOL) Initiative in OIC Member Countries thereby involving, and benefitting, women-led businesses in the partnership process.

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- Under the present project, ICCIA, in collaboration with UNOSSC, seeks to strengthen the
 work of SS-GATE CCs and through them, the OMBOL Initiative, initially in 5 selected OIC
 Member Countries Egypt, Pakistan, Sudan, Turkey and Uganda to serve as models for
 others to follow in the future.
- In this context, a Training Program of the Country Centre was held during the "10th China International Small and Medium Enterprises Fair (CISMEF)" in Guangzhou, Guangdong Province, China on 24-28 September 2013, where representatives of the Country Centers from Egypt, Pakistan, Sudan and Uganda as well as ICCIA representative participated. The said Training Program was conducted by the South-South Global Assets & Technology Exchange (SS-GATE). The expert trainers from SS-GATE imparted training on the management principles to operate the Country Centers, the project management, registration process, online and off-line project matchmaking and project negotiation process.
- The ICCIA has also submitted 21 projects received from the Country Centers of Egypt, Pakistan, Sudan and Uganda. These projects were also displayed during the 10th China International SME Fair and now SS-GATE will be finding relevant partners.
- In its capacity as the Participating Organization (PO) of the SS-GATE, the ICCIA played an active role in the Global South-South Development Expo, which was held recently in Nairobi-Kenya from 28th October 2013 to 1st November 2013. ICCIA provided an opportunity to the private sector representatives to display their projects and services, in its booth. This was a very effective platform for the Country Centres to market their projects and discuss undertaking joint activities with interested counterparts. It is pertinent to mention that during the Business Matchmaking Sessions organized by the ICCIA and SS-GATE, four (4) MOUs for four projects from Uganda and one MOU for five projects for Egypt were signed in the presence of high officials of SS-GATE, UNDP and ICCIA. This initiative would facilitate in the setting up of projects, which would ultimately lead to the realization of the objectives for South-South Cooperation which ICCIA has undertaken under the aegis of United Nations Office for South-South Cooperation (UNOSSC).
- In view of the success of the Nairobi Expo, ICCIA also assisted and participated in the First Arab States Regional South-South Development Expo 2014 in Doha, Qatar from 18th – 20th February 2014. The event was organized by the United Nations Office for South-South Cooperation (UNOSSC) and the United Nations Development Programme Regional Bureau for Arab States and hosted by the Government of State of Qatar.
- As a representative of the OIC Private Sector, the UNOSSC invited the ICCIA to organize and coordinate a Special Plenary Session on the "Role of Private Sector in Scaling-up South-South Cooperation in People-Centered Investment", in the Arab region. The speakers highlighted the role of Private Sector in promoting South-South Cooperation and the contribution of their respective organizations in undertaking projects and programmes which focused on people centered investment for scaling-up the economies. They highlighted the challenges faced by the economies of countries of the Arab region and underlined that promotion of trade and development of SMEs was important for south-south cooperation. In addition, there was a need for private sector, to take-up a more proactive role, both locally and regionally.

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• To further promote the work of SS-GATE, Country Centers were also established in Bangladesh, Iran, Qatar, Turkey and Yemen. Training was imparted to the representatives from the Country Centers of the mentioned countries during the Expo held in Doha.

Cooperation with International Organizations:

- ICCIA continues to explore new avenues of cooperation with international organizations, such as:
 - Perez-Guerrero Trust Fund (PGTF);
 - ➤ United Nations Office for South-South Cooperation (UNOSSC));
 - ➤ Food and Agriculture Organization (FAO)
 - ➤ International Finance Corporation of the World Bank Group.
 - ➤ United Nations Industrial Development Organization, Investment & Technology Promotion Office (ITPO), Bahrain
- As a result of this cooperation, the above Institutions, whenever possible, extend technical support in organizing Training Programs and Workshops and by sponsoring the participants and resource persons.

SME Development among Member States:

- In the area of SMEs the ICCIA has several initiatives and is in the process of realizing them.
- In cooperation with Small and Medium Enterprise Development Organization of the Republic of Turkey (KOSGEB), a 2-day Training Program for the Development of SMEs was held in Astana, Republic of Kazakhstan on 2-4 July 2013. The program helped promoting, sharing of knowledge, expertise and capacity building, between Turkey and Kazakhstan in the area of SME Development.
- In view of the success of the Training Program in Kazakhstan, the ICCIA will be organizing a similar Training Program in Uganda in 2014 on the invitation of Uganda National Chamber of Commerce & Industry (UNCCI). Negotiations are going on for finalizing the dates of the program.
- The ICCIA is also in contact with the ICD of the IDB Group, who have programmes for SME developments in the OIC Member States. In addition the ICCIA is working with the Bahrain SME Society to work out a plan, to help promote and develop the sector of SMEs.

Creating awareness of the utility of the various OIC Agreements:

• The ICCIA also organized a Seminar for the private sector to explain to them the utility and benefits of the various OIC Agreements for the promotion of intra-Islamic trade. In this context, the ICCIA allocated two special sessions within the 16th Private Sector Meeting and the International Trade Week held in Sharjah on 19-20 March 2014. The Islamic Centre for Development of Trade (ICDT) and Sharjah Chamber of Commerce & Industry collaborated with ICCIA in this respect.

Promotion of Entrepreneurship in OIC Member States:

• Entrepreneurship is an important aspect of economic growth and the backbone of any country for its development. It is one of the most important vehicles for improvement in

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- the economic wellbeing of individuals and societies. Studies have shown a positive relationship between entrepreneurship and aggregate economic growth. Fostering entrepreneurship in the OIC Member States is part of ICCIA's capacity building policy that aims at by providing networking opportunities to enter and expand business.
- The ICCIA is undertaking activities that would directly or indirectly lead to develop the economies of the Member states. In line with Resolution No.78 of the 28th Session of the COMCEC, which calls on the ICCIA to increase its capacity building programmes, B2B and Public Private Partnership events, the ICCIA has been undertaking relevant activities.
- These activities target young entrepreneurs and focus, on how entrepreneurship triggers, fuels and propels the engine of economic growth towards self-reliance, progress and prosperity.
 - 1. It also aims to uplift the spirit of change and leadership and to encourage the youth to find innovative ways to add value on locally available raw material. This would hopefully work towards self-reliance and capacity building.
- The ICCIA has held a Training Programme on Entrepreneurship Development for OIC Countries in Sharjah, UAE, from 18th to 20th March 2013, in collaboration with the Perez-Guerrero Trust Fund (PGTF) / United Nations Development Program (UNDP) and the Sharjah Chamber of Commerce and Industry. This Training Programme has provided a platform for the participants of the member states, to further enhance their knowledge, skills and taught them how to establish / expand their businesses so as to eventually contribute to poverty alleviation and capacity building.
- Taking into consideration that the lower income people need to be educated and enlightened about doing business, the General Secretariat in collaboration with a local NGO (KASHF Foundation) organized a two day workshop, for people from the grass root level. For most of the participants it was the first time that they had seen the inside of an office and had been taught about spending and saving and how best to use their resources and limited capital. The workshop laid emphasis on ethics of doing business and also focused on doing business with the available raw materials to cut cost and also those items which are required all the year round. It is hoped that in the near future the concept of targeting the grass root level could be promoted in other member countries as well.
- The ICCIA will ask its member chambers to show their interest in organizing such workshops within their Chambers, for the above mentioned strata of people.

Workshop on Capacity Building on Value Chain Analysis for Agri-Business Bangladesh – December 2014

As per the Organization of Islamic Cooperation's (OIC) 10-Year Program of Action and the
role assigned to the Islamic Chamber for alleviating poverty and capacity building in the OIC
Countries, the Islamic Chamber of Commerce, Industry and Agriculture (ICCIA) has been
conducting several Training Programs / workshops and that could lead to increasing the level
of trade among the OIC countries. Moreover, ICCIA's corporate strategy is to focus on

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activities that help to develop a competitive economy and promote sustainable trade and industrial development.

- Following this mandate, the ICCIA has embarked on numerous capacity building programmes for 2014:
- One of the outcomes of the Workshop on Food Security and Agribusiness for OIC Countries held in Uganda, from 10-12 October, 2011, was to organize workshops on Capacity Building on Value Chain Analysis for Agri-Business.

In this respect, ICCIA has planned to organize the Workshop in Dhaka – Bangladesh in 2014 in collaboration with the Perez-Guerrero Trust Fund (PGTF) and the Islamic University of Technology (IUT). The primary purpose of the Workshop is to promote exchange of experiences and discussion of best practices among primary producers and small-to-medium scale entrepreneurs engaged in first, second and third level agroprocessing activities that provide value chain concept to the farmers, create off-farm employment, help stabilize local markets, improve hygienic standards for marketed products and/or facilitate market access.

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