



REPORT

TWENTY EIGHTH MEETING OF THE FOLLOW-UP COMMITTEE OF THE COMCEC

ANKARA, 09-10 MAY 2012



COMCEC Coordination Office
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COMCEC

**Standing Committee for Economic and
Commercial Cooperation of the Organization
of the Islamic Cooperation**

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R E P O R T

**TWENTY EIGHTH MEETING OF THE
FOLLOW-UP COMMITTEE OF THE STANDING COMMITTEE
FOR ECONOMIC AND COMMERCIAL COOPERATION OF THE
ORGANIZATION OF THE ISLAMIC COOPERATION**

(Ankara, 09-10 May 2012)

Original: English

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FOR ECONOMIC AND COMMERCIAL COOPERATION OF THE
ORGANIZATION OF THE ISLAMIC COOPERATION

(Ankara, 09-10 May 2012)

1. The Twenty Eighth Meeting of the Follow-up Committee of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation (COMCEC) was held in Ankara on 09-10 May 2012.

2. Representatives of the following Member States of the Committee attended the Meeting:

- | | |
|---------------------------------|--|
| 1- Republic of Turkey | : (Chairman, Permanent), |
| 2- Kingdom of Saudi Arabia | : (Vice Chairman, Permanent Member), |
| 3- State of Palestine | : (Vice Chairman, Permanent Member), |
| 4- Republic of Senegal | : (Vice Chairman, Current Chairman of the
11 th Summit), |
| 5- State of Qatar | : (Vice Chairman, Representing the Arab
Region), |
| 6- Republic of Kazakhstan | : (Vice Chairman, Representing the Asian
Region), |
| 7- Republic of Mali | : (Vice Chairman, Representing the
African Region), |
| 8- Islamic Republic of Pakistan | : (Rapporteur), |
| 9- State of Kuwait | : (Member of the Previous Bureau), |
| 10- Islamic Republic of Iran | : (Member of the Previous Bureau), |
| 11- Republic of Cameroon | : (Member of the Previous Bureau) |

3. Representatives of Malaysia and Republic of Iraq also attended the meeting as observers.

4. In addition, Representatives of the OIC General Secretariat, Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRTC), Islamic Center for the Development of Trade (ICDT), Islamic Development Bank (IDB) Group, Islamic Chamber of Commerce, Industry and Agriculture (ICCIA), Islamic University of Technology (IUT), the Standards and Metrology Institute of Islamic Countries (SMIIC), and United Nations Industrial Development Organization (UNIDO) have attended the Meeting.

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

Opening Session (Agenda Item: 1)

5. Following recitation from the Holy Qur'an, H.E. Dr. Cevdet YILMAZ, Minister of Development of the Republic of Turkey, inaugurated the Meeting.

6. H.E. Abdullah GÜL, President of the Republic of Turkey and Chairman of the COMCEC, has sent a message to the Meeting. His message was read out by Erşat HÜRMÜZLÜ, Advisor to the President. In his message, H.E. Abdullah GÜL stressed the rapid change brought by the globalization and emphasized the necessity to improve cooperation, in particular multilateral cooperation among the countries to benefit from the opportunities and to minimize the risks brought by globalization.

7. In this framework, H.E. Abdullah GÜL underlined the unique role of the COMCEC, which has been the economic and commercial cooperation platform among the Member States not only to improve common understanding and cooperation but also to share their development experiences for 28 years. In order to keep the cooperation efforts dynamic and result oriented, H.E. Abdullah GÜL invited all the Member States to increase their support to the cooperation projects and activities developed under the auspices of the COMCEC.

8. H.E. GÜL expressed his satisfaction on the cooperation programmes developed in different economic sectors and the progress achieved towards the finalization of these projects in recent years. He also requested the Member States to increase their support and participate in the cooperation programs.

9. H.E. Abdullah GÜL concluded his message with best wishes for the success of the Meeting.

(A copy of the text of the Message of H.E. President Abdullah GÜL is attached as Annex II.)

10. Following the message of H.E. President GÜL, H.E. Dr. Cevdet YILMAZ addressed the meeting. In his statement, H.E. YILMAZ highlighted the recent world economic developments, evaluated the current progress in economic and commercial cooperation, and stressed necessary steps to be taken to move cooperation to desired levels.

11. Regarding the current world economic developments, H.E. Cevdet YILMAZ underlined that the fragile economic outlook of the developed economies may negatively affect Member States' external trade. To mitigate its adverse effects, H.E. YILMAZ stressed the necessity for the Member States to put more emphasis on the cooperation projects and programs under the auspices of COMCEC which aim to increase intra-OIC trade, particularly the TPS-OIC, and implement them on a priority basis.

12. H.E. YILMAZ touched upon the recent developments and activities in priority sectors and stressed the importance of member states' participation and ownership for achieving successful results. He also underlined the vital role of private sector in increasing trade and sustaining economic development and requested that cooperation efforts take into consideration the needs of the private sector. In this regard, H.E. YILMAZ emphasized the importance of this year's exchange of views theme and invited the Member States to actively participate in the exchange of views session to share experiences and make recommendations for the sustainability and competitiveness of the SMEs in the Member States.

(The text of the Statement of H.E. Cevdet YILMAZ is attached as Annex III.)

13. Message of H.E. Professor Ekmeleddin İHSANOĞLU, Secretary General of OIC, was read out by H.E. Ambassador Hameed OPELOYERU, Assistant Secretary General of the OIC. In his message to the Meeting, H.E. Prof. İHSANOĞLU emphasized the importance of creating workable implementation modalities for all OIC programmes, including the critical issue of mobilization of funds for its various development and cooperation projects, particularly in such critical sectors as agriculture, rural development and the provision of social safety nets.

14. He also stressed on the crucial role of deepening of national ownership of OIC projects and the elaboration of bankable projects so as to generate greater confidence participation and collaboration of international donors and regional partners.

15. The Secretary General expressed his appreciation to the President, Government, and People of the Republic of Turkey for their constant support to the activities of the OIC in general and the COMCEC in particular.

(A copy of the text of the message of H.E. Prof. Ekmeleddin İHSANOĞLU is attached as Annex IV.)

16. The Meeting was then addressed by the Heads of Delegations of the Islamic Republic of Iran, State of Kuwait, the Islamic Republic of Pakistan and Republic of Mali. They expressed their thanks and appreciation to the President of the Republic of Turkey and the Government and people of Turkey for their continued support to economic and commercial cooperation among the Member States as well as for the warm welcome accorded and the excellent arrangements made at the Meeting. The delegates expressed their views regarding the importance of enhancing economic and commercial cooperation carried out under the umbrella of the COMCEC in order to mitigate the adverse effects of the global economic crisis and for development.

Working Sessions

17. The working sessions of the Meeting were chaired by H.E. Mehmet CEYLAN, Deputy Minister of Development of the Republic of Turkey and H.E. Ahmet YAMAN, Deputy Undersecretary of the Ministry of Development of the Republic of Turkey.

18. The agenda of the Meeting was unanimously adopted by the Committee.

(A copy of the Agenda is attached as Annex V.)

Review of the Implementation of the OIC Ten Year Program of Action (TYPOA) and the Plan of Action to Strengthen Economic and Commercial Cooperation among the OIC Member States (Agenda Item: 2)

i) OIC Background Report:

19. The Committee **took note** of the Background Report submitted by the OIC General Secretariat on the implementation of the OIC Ten Year Program of Action.

20. The Committee reiterated its **request** to the OIC General Secretariat to focus on the general evaluation of the implementation of the TYPOA and OIC Plan of Action to Strengthen Economic and Commercial Cooperation in its Review Reports.

21. The Committee also **requested** OIC Institutions to focus on the evaluation of their activities in their reports submitted to the COMCEC Sessions and Follow up Committee Meetings.

22. The Committee **requested** the COMCEC Coordination Office, in coordination with the OIC General Secretariat and relevant OIC Institutions to prepare a list of activities to be organized for the upcoming year and submit it to the 28th Session of the COMCEC.

(The report by the OIC General Secretariat on the Review of the Implementation of the TYPOA, and OIC Plan of Action is attached as Annex VI.)

ii) OIC Plan of Action for Cooperation with Central Asia

23. The Committee **welcomed** the organization of the Workshop on “Country Partnership Models with Central Asia” on 22-23 February, 2012 in Ankara, Turkey by the COMCEC Coordination Office and Turkish Cooperation and Coordination Agency (TİKA).

24. The Committee **took note with appreciation** of the recommendations of the Workshop on “Country Partnership Models with Central Asia” and **requested** the

Executive Committee to consider these recommendations in planning its future activities.

(The report of the Workshop is attached as Annex VII.)

iii) Report of the Sessional Committee:

25. The Committee **took note of** the report of the Sessional Committee and **welcomed** the positive developments regarding the implementation of the projects on the agenda of the Sessional Committee.

26. The Committee **also took note of** the recommendations of the Istanbul Conference on "Needs Assessment of the OIC Member States in the Field of Competition Law and Policy" held on 21-22 November 2011, in Istanbul, Turkey, as a kick-off activity for the Sessional Committee Project, entitled "Technical Cooperation in the Area of Competition Law and Policy".

27. The Committee **requested** the interested Member States to actively participate in the implementation process of the projects on the agenda of the COMCEC.

(The report of the 20th Sessional Committee Meeting is attached as Annex VIII.)

Cooperation in the Area of Trade (Agenda Item: 3)

i) TPS-OIC

28. The Committee **welcomed** the ratification of the Rules of Origin by the State of Palestine; the ratification of the Framework Agreement by the Republic of Iraq; and the submission of concession lists by the People's Republic of Bangladesh and Syrian Arab Republic and also **welcomed** the announcement of the Islamic Republic of Pakistan regarding its ratification of the TPSOIC Rules of Origin and submission of the concession list.

29. The Committee **urged** the Member States which have ratified PRETAS to notify the Trade Negotiating Committee Secretariat, of their specific annual installments of reduction along with the list of products and the MFN applied rate applicable on October 1st, 2003.

30. The Committee also **urged** the Member States which have ratified the Rules of Origin to complete the necessary internal legislative and administrative measures, which include printing TPS-OIC Certificate of Origin and conveying specimen impressions of stamps to the Trade Negotiating Committee Secretariat.

31. The Committee **called on** the Member States that 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.

32. The Committee **welcomed** the organization of the seminar on the TPS-OIC for the benefit of the Member States of the League of Arab States, by the State of Kuwait in collaboration with the ICDT, to be held in Kuwait on 14-15 May 2012.

33. The Committee **requested** the relevant OIC Institutions to further their efforts with a view to raising the awareness of Member Countries, as well as the regional trading blocs comprising the member countries, on TPS-OIC.

ii) Islamic Trade Fairs

34. The Committee **welcomed** the offers of the following Member States to organize upcoming trade fairs:

- United Arab Emirates (1st OIC Halal Food Expo-10-12 December 2012, Sharjah)
- Kingdom of Morocco (1st OIC Handicraft Exhibition-11-14 April 2013, Casablanca)
- The Islamic Republic of Iran (14th Islamic Trade Fair, 2013, Tehran)
- The Kingdom of Saudi Arabia (1st Fair on Furniture, Decoration and Household Electrical Appliances, 12-17 May 2013, Medina)

35. The Committee **welcomed** the offer of the Kingdom of Saudi Arabia to host the 17th Islamic Trade Fair in 2019.

36. The Committee **called upon** all the Member States to encourage their private sector to actively participate in these fairs.

37. The Committee **requested** ICDT to submit regular progress reports on the trade and tourism fairs of the OIC Member States and the other specialized exhibitions which would include the evaluation of these fairs to the COMCEC Sessions.

38. The Committee **welcomed** the offer of the Union of Chambers and Commodity Exchanges of Turkey to share its experiences in organizing international fairs with the interested Member States within the framework of its Chamber Academy Program.

iii) Road Map for Enhancing Intra-OIC Trade

39. The Committee **took note** of the follow-up report of the Executive Programme of the Road Map for Enhancing Intra-OIC Trade.

40. The Committee **requested** the OIC Institutions to increase their efforts for the implementation of projects and programmes in the Executive Programme and **called upon** the Member States to lend the necessary support to the OIC Institutions for the implementation of the Program.

41. The Committee **requested** the Member States to keep providing the ICDT with the most up-to-date data relating to trade statistics.

(The Follow-up Report of the Executive Program of the Road Map is attached as Annex IX.)

iv) WTO Related Technical Assistance

42. The Committee **expressed** its appreciation to the Republic of Turkey, IDB and ICDT for organizing capacity building programmes on WTO Related Issues for the Member States whose accession to the WTO is underway.

43. The Committee **called on** IDB and ICDT to synergize their efforts to strengthen the human and institutional capacities of the OIC Member States so as to contribute to their accession to the multilateral trading system on an equitable and fair basis.

44. The Committee **further called on** IDB and ICDT to continue providing technical assistance to the Member States on WTO-related issues.

v) Trade Financing Activities

45. The Committee **noted** with appreciation the role being played by the ITFC in enhancing and promoting intra-OIC Trade.

46. The Committee **also noted** the declaration of ITFC of offering competitive terms for its trade operations, including the lines of financing.

47. The Committee **requested** the ICIEC to expand its investment insurance programs in the Member and Observer States with a view to increasing intra-OIC investment flows.

48. The Committee **welcomed** the offer of the Islamic Republic of Iran to host a conference on “Cooperation and Collaboration among Export Credit Agencies of OIC Member States” in Tehran.

(The Report by ITFC on Trade Promotion Activities is attached as Annex X.)

vi) Institutionalization of SMIIC

49. The Committee **welcomed** the increasing visibility of SMIIC in its field of competence and **requested** member states to actively participate in its activities.

50. The Committee **took note of** the reports of the Third General Assembly and Fourth Board of Directors Meetings of SMIIC held on 3-5 May 2012 in Istanbul, Turkey.

51. The Committee **welcomed** the finalization of SMIIC Standards and requested its Members to take necessary actions in their respective countries.

52. The Committee **welcomed** the Islamic Republic of Iran, Republic of Gambia, Republic of Gabon and Republic of Senegal as new members of the SMIIC.

53. The Committee **requested** the SMIIC to organize capacity building programmes in the area of standards in cooperation with Member States and International Organizations.

54. The Committee **requested** the Member States which have not done so far, to join SMIIC to benefit from the services to be provided by SMIIC.

(The report by SMIIC on its activities is attached as Annex XI.)

vii) Arbitration Mechanism

55. The Committee **called upon** the Member States to convey their views on the Study on “Relevance of Establishment of an Arbitration Mechanism” circulated by the OIC General Secretariat by August 2012.

Cooperation in the Priority Sectors (Agenda Item 4)

i) Agriculture

56. The Committee **took note of** the report of the 8th Meeting of the COMCEC Task Force on Agriculture held on May 8th, 2012 and **requested** the OIC General Secretariat to circulate the Draft Framework for Cooperation in Agriculture, Rural Development and Food Security to OIC Member States for their views and comments.

57. The Committee **requested** the COMCEC Coordination Office, in collaboration with the SESRIC and IDB, to finalize the draft Framework reflecting prospective

comments and views of the member states and submit it to the 28th Session of the COMCEC for its adoption.

58. **Recalling** the relevant decisions of the 6th OIC Ministerial Conference on Food Security, Agriculture and Rural Development held in 2011, the Committee **appealed** to the Member States to share their knowledge and best practices in the area of agriculture with the interested member states with a view to enhance their cooperation and solidarity in this field.

59. The Meeting **welcomed** the proposal of the Republic of Kazakhstan to establish an OIC Food Security Office in Kazakhstan and **requested** thorough study of the mandate and functions of the Office, its financial aspects and its operation in coordination with other regional bodies and centres as well as with Member States and OIC Institutions.

60. The Committee **welcomed** the initiative of the SESRIC for organizing capacity building programmes in the area of agriculture and food security in collaboration with the Ministry of Food, Agriculture and Livestock of the Republic of Turkey and requested the Member States which have not done so to respond to the questionnaire of these programmes.

(The Report of the 8th Meeting of the COMCEC Task Force on Agriculture, Rural Development and Food Security is attached as Annex XII.)

ii) Tourism

61. The Committee **took note** of the Report of the 2nd Workshop on “Private Sector Cooperation for Development of Tourism within OIC” held on 9-10 December 2011 in İzmir, Turkey.

62. The Committee **welcomed** the establishment of the OIC/COMCEC Private Sector Tourism Forum which would regularly bring together the private sector representatives of the OIC Member Countries.

63. The Committee **urged** Members of the Coordination Committee on Tourism to actively participate in the 3rd Meeting of the Committee to be held on 12-13 June 2012, in Tehran.

64. The Committee **welcomed** the offer of the Republic of Turkey to host the 1st Meeting of the OIC/COMCEC Private Sector Tourism Forum in December 2012 in İzmir and **urged** the Member States to encourage their private sector representatives in tourism sector to actively participate in this event.

65. The Committee **also welcomed** the offer of the Republic of Sudan to host the 8th Session of the Islamic Conference of Tourism Minister (ICTM) in Khartoum in 2012, and the offer of the Arab Republic of Egypt to organize the 2nd Tourism Fair of the OIC Members on 20-23 December 2012 in Cairo.

66. The Committee **welcomed** the offer of the Republic of Turkey to share its experiences in medical tourism with the other Member States.

(The Report of the 2nd Workshop on Private Sector Cooperation for Enhancing Intra-OIC Tourism is attached as Annex XIII.)

iii) Transportation

67. The Committee **requested** the COMCEC Coordination Office to finalize its study on the working modality of Transport Working Group and submit it to the 28th Session of the COMCEC.

68. The Committee **called on** the Member States and OIC Institutions to give their full support to the implementation of the İzmir Document by developing cooperation projects in line with the spirit of the said document.

69. The Committee **requested** the Member States to participate in the Seminar and exhibition on “Ship-building” to be organized by the IUT on 31st August-1st September 2012 in Dhaka, Bangladesh.

Financial Cooperation (Agenda Item: 5)

i) Cooperation among the Stock Exchanges

70. The Committee **took note of** the progress achieved within the context of the OIC Stock Exchanges Forum and **supported** the launch of the S&P OIC/COMCEC Index in the last week of June 2012.

71. The Committee **welcomed** the offer of the Republic of Turkey to host the Sixth Meeting of the OIC Member States’ Stock Exchanges Forum on 24-25 September 2012 in İstanbul and **called upon** the Member States to actively participate in this Meeting.

72. The committee **welcomed** the offer of the SESRIC to organize two training courses for the staff of Stock Exchanges in Kyrgyz Republic and Tajikistan in 2012 and **requested** SESRIC to organize similar training programs for the other members of the OIC.

ii) Cooperation among Capital Markets' Regulatory Bodies

73. The Committee **welcomed** the establishment of the COMCEC Capital Market Regulators Forum and called on the Member States to extend their support to the activities of the Forum.

74. The Committee also **welcomed** the offer of the Republic of Turkey to host the 1st Meeting of the COMCEC Capital Market Regulators Forum on 24-25 September 2012 in İstanbul and **urged** Member States to actively participate in this Meeting.

iii) Cooperation among the Central Banks

75. The Committee **took note of** the recommendations of the 11th Meeting of the OIC Central Banks and Monetary Authorities held on 14-16 November 2011 in Malaysia.

76. The Committee **welcomed** the organization of the 12th Meeting of the OIC Central Banks and Monetary Authorities by the Central Bank of Turkey in collaboration with SESRIC, in its capacity as the Secretariat of these meetings, on 14-15 May 2012 in İstanbul and **called upon** member countries to actively participate in this Meeting.

77. The Committee **also welcomed** the training and capacity building programs organized by the Central Bank of Turkey and SESRIC within the framework of the cooperation among the Member States' Central Banks and Monetary Authorities in different aspects of cooperation and **called upon** the other member states to join these efforts.

(The Final Communiqué of the 11th Meeting of the Central Banks and Monetary Authorities of the Organization of Islamic Cooperation is attached as Annex XIV.)

Private Sector Cooperation (Agenda Item: 6)

78. The Committee **welcomed** the organization of Chamber Academy Programs, by the Union of Chambers and Commodity Exchanges of Turkey (TOBB), in collaboration with the IDB/ITFC and ICCIA and **called on** the private sector representatives of the member states to actively participate in the upcoming program. The Committee **appealed** to the concerned member states to organize similar capacity building activities.

79. The Committee **called on** the ICCIA to increase its capacity building programmes, professional business to business (B2B) and business to government events and its studies to enhance commercial and investment transactions among the OIC Member States.

80. The Committee **took note** of the holding of Training Programme and Workshop by the ICCIA for the private sector in the areas of value addition, microfinance, and entrepreneurship development in SMEs.

81. The Committee **invited** the Member States to encourage their private sector to actively participate in the 15th Private Sector Meeting to be held in the Islamic Republic of Iran in 2013.

(Report by ICCIA on the activities of the Chamber is attached as Annex XV.)

- ***Exchange of Views on 'Enhancing the Competitiveness of Small and Medium Sized Enterprises in the Member States'***

82. The Committee **welcomed** the organization of the workshop on "Enhancing the Competitiveness of the SMEs in the OIC Member States", by SESRIC, in collaboration with ICD, the SMEs Development Organization of Turkey (KOSGEB), and SMECorp of Malaysia, on 12-14 June 2012, in Ankara, Turkey and **requested** the Member States to actively participate in this event.

83. The Committee **requested** the Member States to send their country reports on SMEs to the COMCEC Coordination Office by September 15th, 2012 to be distributed at the 28th Session of the COMCEC.

84. The Committee **called upon** the government agencies, chambers, business associations and universities of the Member States to increase their support to the SMEs for ensuring their sustainability and competitiveness.

85. The Committee **invited** the Member States, wishing to share their best practices and experiences, to communicate their relevant technical cooperation proposals to the COMCEC Coordination Office to be submitted to the 28th Session of the COMCEC.

86. The Committee **welcomed** the offer of Small and Medium Sized Enterprises Development Organization (KOSGEB) of Turkey to organize expert exchange and capacity building programmes in 2013.

- ***Possible Themes for the Exchange of Views Session of the 29th Session of the COMCEC***

87. The Committee **took note** of the following possible themes for the Ministerial Exchange of Views Session of the 29th Session of the COMCEC:

Theme 1: The role of PPP (Public Private Partnership) in tourism sector development in the Member States

Theme 2: Increasing FDI Flows to the OIC Member States

Theme 3: Promoting Islamic Financial Services in the OIC Countries

88. The Committee **requested** the SESRIC to circulate a questionnaire to the Member States to explore their views on the abovementioned themes and report them to the 28th Session of the COMCEC.

Poverty Alleviation (Agenda Item: 7)

i) ISFD and SPDA

89. The Committee **welcomed** the IDB's efforts towards realization of the objectives of ISFD and SPDA.

90. The Committee **reiterated** its request to the Member Countries who have pledged to the ISFD to fulfill their commitments so as to enable it to finance more projects in the Member States and Muslim Communities and Minorities.

91. The Committee **urged** the Islamic Development Bank (IDB) to seek mobilization of additional resources from different financing institutions to increase the funds for the Special Programme for the Development of Africa (SPDA).

92. The Committee **called upon** the Member States and relevant OIC Institutions to provide the necessary assistance to the Republic of Mali to address its ongoing food crisis.

(Report of IDB on Implementation Status of ISFD and SPDA is attached as Annex XVI.)

ii) OIC Cotton Programme

93. The Committee **requested** the IDB Group to finalize its consideration of the projects which have already been submitted for financial support.

94. The Committee **further requested** the IDB Group to submit regular progress reports to COMCEC Meetings on the status of the projects under consideration for funding.

95. **Recalling** the relevant resolution of the 27th Session of the COMCEC, the Committee **welcomed** the proposal to organize an investment forum for the OIC Cotton Programme projects in December 2012.

96. The Committee **took note** of the Cotton Training Programmes of SESRIC and **urged** the Cotton Research Centers of Excellence to enhance their cooperation with SESRIC in implementing these programmes.

iv) OIC-VET Programme

97. The Committee **welcomed the efforts** of SESRIC for the implementation of OIC-VET Programme, and **requested** the SESRIC and IDB to further their efforts towards the implementation of the planned projects under the OIC-VET programme and report their outcomes to the 28th Session of the COMCEC.

98. The Committee **called upon** the Member States to participate and support the iSMEK Master Trainer Program, the OIC Occupational Safety and Health Network and OIC International Students Internship Programme (OIC-ISIP).

99. The Committee **took note** of the efforts of SESRIC and IDB towards the preparation of the "Strategic Framework for Disaster Risk Management in the OIC Member Countries" and requested them to report the progress to the 28th Session of the COMCEC.

Draft Agenda of the 28th Session of the COMCEC (Agenda Item: 8)

100. The Committee **decided** to submit the Draft Agenda to the 28th Session of COMCEC.

(A copy of the Draft Agenda of the 28th Session of the COMCEC is attached as Annex XVII.)

Any Other Business

101. The Committee **requested** the IDB Group/ICIEC to finalize its study on intra-OIC investment flows that comprises information on investment environments and investment governing laws and regulations in the OIC Member States and submit it to the 28th Session of the COMCEC.

Thanks and appreciation

102. The Committee **thanked and appreciated** the efforts of the Republic of Turkey as the host country, Member States, OIC General Secretariat, COMCEC Coordination Office, IDB Group, SESRIC, ICDT, ICCIA, IUT, SMIIC and all other cooperating partners that have carried out the activities stated in the "Working Sessions" section of this Report.

Closing Session

103. At its Closing Session chaired by H.E. Ahmet YAMAN, Deputy Undersecretary of the Ministry of Development of the Republic of Turkey, the Committee adopted its Report together with its Annexes. The Committee requested the

COMCEC Coordination Office to circulate the Report among Member States, and to submit it to the Twenty Eighth Session of the COMCEC.

104. The Head of Delegation of the State of Palestine proposed to send a message of thanks to H.E. Abdullah GÜL, President of the Republic of Turkey and Chairman of the COMCEC for his valuable message sent to the Meeting.

105. H.E. Ambassador Hameed OPELOYERU, Assistant Secretary General of the OIC read out the message of H.E. Prof. Ekmeleddin İHSANOĞLU, Secretary General of the OIC. In his message, H.E. Prof. İHSANOĞLU expressed his most profound appreciation to the Government and people of the Republic of Turkey for the traditional warm and brotherly hospitality accorded to all delegations at this Meeting. H.E. the Secretary General stated that this Meeting with its various recommendations will deepen the ownership of COMCEC programmes among the Member States.

106. The Head of Delegation of the Republic of Mali made a statement on behalf of the delegates. He expressed his profound gratitude to the Government and people of Turkey for the warm welcome and excellent hospitality extended to the delegates during their stay in Ankara. He also thanked the Chairman of the Meeting, and all the supporting staff for the excellent arrangements made for the Meeting.

107. In his closing statement, H.E. Ahmet YAMAN highlighted the recent progress made in cooperation areas of the COMCEC and expressed his desire to further this cooperation through commensurate actions. H.E. YAMAN thanked all the participants, including Member States and OIC Institutions for their valuable contributions and support. Finally, H.E. YAMAN wished the delegates a safe journey home.

(A copy of the text of the Closing Statement by H.E. Ahmet YAMAN is attached as Annex XVIII.)

A N N E X E S

ANNEX

I

Original: English

**LIST OF PARTICIPANTS
OF THE TWENTY EIGHTH MEETING
OF THE FOLLOW-UP COMMITTEE OF THE COMCEC
(Ankara, 09 – 10 May 2012)**

A. MEMBER STATES OF THE OIC

REPUBLIC OF CAMEROON

- H.E. IYA TIDJANI
Ambassador of Republic of Cameroon in Riyadh
- Mr. BOUBA AAOUSSINE
Sub Director, Ministry of Trade
- Mr. EVANE EVARISTE
Attache, Prime Minister's Office

ISLAMIC REPUBLIC OF IRAN

- Ms. ZOHREH BAHREHBAR
Division Chief, Grants and Credit Facilities, Office for Loans, International Organizations and Institutions, Organization for Investment, Ministry of Finance
- Ms. MAHSA ZIAEDDINI
Expert, Office for Loans, International Organizations and Institutions, Organization for Investment, Ministry of Economic Affairs and Finance

REPUBLIC OF KAZAKHSTAN

- Mr. MUSLIM UMURYAYEV
Vice Minister, Ministry of Agriculture
- Ms. MALIKA BILYASHEVA
Head of Division, Nonfinancial Support
- Mr. BAKHYT BATYRSHAYEV
Permanent Representative of Kazakhstan to the OIC
- Ms. ARMAN BAYSUANOV
Representative of the Permanent Mission of Kazakhstan to the OIC
- Ms. ZARINA KALIASKAROVA
Chief Expert of the Ministry of Transport and Communications

- Ms. DINARA IZANOVA
Counselor of the Embassy of the Republic of Kazakhstan
- Mr. ALMAZ AZHIBAYEV
Attache of the Embassy of the Republic of Kazakhstan

STATE OF KUWAIT

- Mr. ISHAQ ABDULKARIM
Director of International Economic Co-operation Department, Ministry of Finance
- Mr. SAAD AL-RASHEDI
Head of OIC Affairs Division,, Ministry of Finance
- Mr. SALEM AL-BATHER
Economic Researcher, Ministry of Finance
- Mr. TAREQ AL-KHASHRAM
Third Secretary of the Embassy of the State of Kuwait
- Mr. RASHED AL-OUWAIHAN AL-ANZI
Third Secretary in the Ministry of Foreign Affairs of the State of Kuwait

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- H.E. MOHAMED MAHMOUD BEN LABAT
Ambassador of Republic of Mali to Saudi Arabia and OIC
- Mr. OUSMANE DIAKITE
Consul General of Republic of Mali in Jeddah
- Mr. MOUSSA ALIOU KONE
Counselor of Republic of Mali in Riyadh
- Mr. HÜSEYİN BAŞARAN
Honorary Consul of Republic of Mali in Ankara

ISLAMIC REPUBLIC OF PAKISTAN

- Mr. ATIQ-UR REHMAN
Deputy Secretary (Foreign Trade Wing-III) of Ministry of Commerce
- H.E. MUHAMMAD HAROON SHAUKAT
Ambassador of Islamic Republic of Pakistan to Turkey

- Mr. MOIN UL HAQUE
Deputy Head of Mission, Embassy of Pakistan in Ankara
- Mr. SAAD AHMAD WARRAICH
Second Secretary, Embassy of Pakistan in Ankara

STATE OF PALESTINE

- Mr. RAFAT RAYYAN
Director, Ministry of National Economy

STATE OF QATAR

- Mr. AHMED MOHAMMED AL-MARZUKI
Head of Department of Regional and International Organizations,
Ministry of Business and Trade
- Mr. HASAN ABDULLAH AL-MOHANNADI
Senior Specialist for International Cooperation,
Ministry of Business and Trade

KINGDOM OF SAUDI ARABIA

- Mr. ABDULLAH BIN ABDULWAHAB AL-NAFISAH
Director General, Ministry of Commerce and Industry
- Mr. NASSER MOHAMMED AL-MUTLAQ
Economic Researcher, Ministry of Finance
- Mr. HAMDAN ALBAGMI AYED
Economist, Ministry of Commerce and Industry
- Mr. HUSSAIN BIN EED AL-RASHEED
Economist, Ministry of Commerce and Industry

REPUBLIC OF TURKEY

- H.E. Dr. CEVDET YILMAZ
Minister of Development
- Mr. MEHMET CEYLAN
Deputy Minister of Development
- Mr. AHMET YAMAN
Deputy Undersecretary, Ministry of Development

- Mr. SALİH MUTLU ŞEN
Consul General of Turkey to Jeddah
- Mr. İSMAİL SEFA YÜCEER
Head of Department, Ministry of Foreign Affairs
- Mr. MUSTAFA SEPETÇİ
Head of Department, Ministry of Customs and Trade
- Ms. DENİZ BERBER
Head of Department, Ministry of Food, Agriculture and Livestock
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- Mr. SİDDİK KAYA
Head of Department, Ministry of Customs and Trade
- Dr. İSA ÖZKAN
Acting Head of Department, Ministry of Food, Agriculture and Livestock
- Dr. ERALP POLAT
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- Mr. H. EGEMEN KILIÇ
Manager, Export Credit Bank of Turkey
- Ms. LERZAN KAYIHAN ÜNAL
Acting Director of International Relations, The Turkish Competition Authority
- Mr. ADNAN HORAN
Coordinator, Ministry of Food, Agriculture and Livestock
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- Mr. YÜKSEL KAYA
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- Ms. SEÇİL SAYIN GÜNDÜZ
Chief Expert, Capital Markets Board of Turkey (SPK)
- Ms. HÜLYA ÖRS
Expert, Ministry of Development

- Mr. KADRİ YAVUZ ÖZBAY
Expert, Turkish Patent Institute
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Expert, Ministry of Economy
- Mr. MURAT ÇİTİLGÜLÜ
Expert, Ministry of Economy
- Mr. ETKİN ÖZEN
Expert, Central Bank of the Republic of Turkey
- Ms. NEVAL AYAS
Expert, Ministry of Culture and Tourism
- Ms. FATMA GÜLİN ÖZYİĞİT
Expert, Ministry of Culture and Tourism
- Mr. ERTUĞRUL NAZLI
Expert, Small and Medium Enterprises Development Organization (KOSGEB)
- Mr. M.GÖRKEM GÜRBÜZ
Expert, Small and Medium Enterprises Development Organization (KOSGEB)
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Expert, Ministry of Customs and Trade
- Ms. AYŞE ÖZCAN
Expert, Turkish International Cooperation and Development Agency (TİKA)
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Expert, Ministry of Science, Industry and Technology
- Ms. HÜMEYRA COŞAR
Expert, Turkish Standards Institutions (TSE)
- Mr. KADİR BURAK YETKİN
Expert, Turkish Standards Institutions (TSE)
- Ms. GÖKÇE DEMİRDERE
Expert, Undersecretariat of Treasury
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Engineer, Ministry of Food, Agriculture and Livestock

- Ms. H. BANU ŞENER
Engineer, Ministry of Customs and Trade
- Mr. ALİ RIZA KARAGÖZ
Engineer, Ministry of Science, Industry and Technology
- Mr. SEDAT GÜNEYPARLAK
Teacher, General Directorate of Vocational Education
- Ms. ASLI TA ŞMAZ
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- Mr. MURAT ERDEM
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- Mr. UFUK KADİR ERGİN
Assistant Expert, Turkish Union of Chambers and Commodity Exchanges (TOBB)
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- Mr. FARAJ MOHAMMED ABDULLAH
Head of Section of Regional Organizations
- Mr. NAZIM HASAN ABBAS
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MALAYSIA

- Ms. MAZITA MARZUKI
Principal Assistant Secretary, Ministry of Foreign Affairs
- Ms. NURYANTE BINTI MOHD YAZID
Minister Counselor, Embassy of Malaysia, Ankara

C. THE OIC GENERAL SECRETARIAT

- H. E. Amb. HAMEED A. OPELOYERU
Assistant Secretary for Economic Affairs
- H. E. Amb. NABIKA DIALLO
Advisor to the Secretary General
- H.E. Amb. VEFAHAN OCAK
Director General of the Cabinet and Chief Advisor to SG
- Mr. GHOLAM HOSSEIN DARZI
Director, Department of Economic Affairs
- Mr. ABDUNUR MUHD SEKINDI
Professional Officer in Cabinet of SG.

D. OIC SUBSIDIARY ORGANS

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Director General
- Mr. NABIL DABOUR
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- Dr. JIAN MARDUKHI
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- Dr. KENAN BAĞCI
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ISLAMIC CENTRE FOR DEVELOPMENT OF TRADE (ICDT)

- Mr. EL HASSANE HZAINE
Director General of ICDT
- Mr. AMADOU CIRE SALL
Director of Studies and Training Department

ISLAMIC UNIVERSITY OF TECHNOLOGY (IUT)

- Prof. Dr. IMTIAZ HOSSAIN
Chancellor of a University

E. SPECIALIZED ORGANS OF THE OIC

ISLAMIC DEVELOPMENT BANK (IDB) GROUP

- Mr. ABDUL BASIT RASHEED JAM
Cooperation Specialist
- Mr. MOHAMED IQBAL AZAD
Adviser to CEO (ITFC)

F. AFFILIATED ORGANS OF THE OIC

ISLAMIC CHAMBER OF COMMERCE, INDUSTRY AND AGRICULTURE (ICCIA)

- Ms. ATTIYA NAWAZISH ALI KHAN
Assistant Secretary General

G. OTHER INTERNATIONAL INSTITUTIONS

THE STANDARDS AND METROLOGY INSTITUTE FOR ISLAMIC COUNTRIES (SMIIC)

- Mr. HALUK DAĞ
Interim Secretary General of SMIIC

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION (UNIDO) CENTRE FOR REGIONAL COOPERATION IN TURKEY

- Mr. SÜLEYMEN YILMAZ
UNIDO Director in Turkey

H. COMCEC COORDINATION OFFICE

- Mr. MEHMET METİN EKER
Director General,
Head of COMCEC Coordination Office

- Mr. EBUBEKİR MEMİŞ
Head of Department
- Mr. SELÇUK KOÇ
Head of Department
- Mr. MUSTAFA TEK İN
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- Mr. METİN GENÇKOL
Expert, Drafting
- Mr. MURAT DEL İÇAY
Expert, Drafting
- Mr. GÖKTEN DAMAR
Expert, Drafting
- Ms. AYTEN KAÇAR
Expert, Press Relations
- Mr. ORHAN ÖZTAŞKIN
Protocol Relations and Press Relations
- Dr. NAZIM GÜMÜŞ
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- Mr. KAĞAN AKDOĞAN
Assistant Expert, Drafting
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- Mr. KEMAL ARSLAN
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- Ms. SEHER KURUGÜL
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- Ms. GÜL SAYIN
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- Ms. Z. LEYLA AŞK
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- Ms. NAZİFE GÜLGEN
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- Ms. BİLGE GÜLLÜ
Executive Secretary
- Mr. SEYFİ UYANIK
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I. DEPARTMENT OF SUPPORT SERVICES OF MINISTRY OF DEVELOPMENT

- Mr. NURETTİN AYDIN
Head of Section
- Mr. MEVLÜT YAŞAR
Coordinator of Transport Relations
- Mr. MEHMET ÖCAL
Coordinator of Accommodation
- Mr. CAFER ERDOĞAN
Stock Coordinator

ANNEX

II

Original: Turkish

**MESSAGE OF H.E. ABDULLAH GÜL,
PRESIDENT OF THE REPUBLIC OF TURKEY AND
CHAIRMAN OF COMCEC**

**Twenty Eighth Meeting of the
Follow-up Committee of the COMCEC
(Ankara, 09 May 2012)**

Honorable Chairman,
Distinguished Members of the Follow-up Committee,

I am very pleased to be hosting you, Distinguished Representatives who are attending the 28th Meeting of the Follow-Up Committee of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Cooperation.

I hope this meeting during which you will make discussions for enhancing the economic and commercial cooperation between us, will produce concrete steps aimed at promoting the welfare of our countries.

Distinguished Delegates,

We are witnessing an historic transformation at the heart of the Islamic World marked by calls for rights, justice and democracy which have reflections on a global scale. I believe that this process of change and transformation will serve the establishment of peace, security, stability and welfare in our region. I think that, as Islamic countries, we need to manage this historic process in solidarity and cooperation based on democratic legitimacy and social consensus.

Esteemed Guests,

The head spinning speed of the movement of peoples, information, capital and goods around the globe is accelerating the course of history. Globalization has brought with it, also a change in the balance of power between continents and countries.

Globalization which carries serious challenges and risks, at the same time offers great opportunities. The way to benefit from the opportunities presented by globalization and to mitigate risks associated with it lies in accelerating the movement of peoples, information, capital and goods and increasing commerce and joint investments among our countries. Due to the interdependency it creates, globalization, now more than ever, makes multi-lateral cooperation a necessity.

In this respect, COMCEC, with its potential for strengthening the culture of solidarity and cooperation, and developing a common language and understanding between our countries, serves as a strategic tool in turning global and regional threats into opportunities. COMCEC which has regularly brought together countries with differing levels of development for the past 28 years offers our countries an opportunity to share their experiences of development with one another. Through enhancement of cooperation within COMCEC, we can save our countries from being the passive elements of the globalization process, and elevate them to positions that they deserve in global governance as subjects that steer the process.

I closely follow the activities of COMCEC which I have the honor of presiding over. I consider the efforts of our countries to enhance cooperation very promising. I would like to underline once again the need for us to exert more efforts in order to realize our potential.

Now I would like to draw attention to some important cooperation endeavors that are in the agenda of COMCEC.

Esteemed Delegates,

As you know, the Trade Preferential System (TPS-OIC) which is one of the most important projects of COMCEC, will serve to enable free travel of goods between our borders. I am very pleased to inform you that the legal basis for the Trade Preferential System has been completed. Now, it is time for completion of procedures for implementation. I am closely following this issue. Most recently, I sent letters to my counterparts in concerned countries, reiterating my call for urgent completion of implementation procedures. I am fully confident that with the increasing efforts of our countries, TPS-OIC will shortly be implemented.

Esteemed guests,

Agricultural sector plays a crucial role in the efforts of OIC countries aimed at economic growth, rural development and poverty alleviation. I am very pleased that our efforts in the area of agriculture, which was designated as a priority sector under COMCEC, have intensified in recent years. I hope that these endeavors will provide solutions in a number of areas in which we have deficiencies, such as the enhancing agricultural productivity, modernization of production processes, and facilitation of the access of agricultural products to the market.

I believe that, tourism, as a sector which is developing rapidly and ever becoming more competitive around the world, not only contributes to national income and employment, but also serves as an important tool bringing closer our peoples who

share a common history and cultural values. I am pleased to observe that travel have become easier and cultural interaction between our peoples' have increased thanks to a number of concrete steps, such as the recent increase in number of visa waiver agreements between our countries.

Tourism sector is one of the leading areas where we can benefit from the dynamism of the private sector. I believe that cooperation and dialogue mechanisms to be developed with the private sector in this priority cooperation area will serve to increase the service quality in tourism and enhance the competitiveness of our countries in the global tourism market.

The recent increase in activities intended for the private sector within the framework of tourism cooperation under COMCEC, is hope inspiring. In this respect, I must state that I am very pleased with the establishment of the OIC/COMCEC Private Sector Tourism Forum last December in Izmir. I sincerely believe that by enriching its agenda through concrete projects, this Forum will enable the promotion of dialogue and cooperation among private sector representatives, and facilitate talks on business and investment opportunities; and hence will make major contributions in increasing our countries' share in the world tourism market. I am requesting from you, Esteemed Delegates, to encourage your private sector representatives in tourism sector to make active contributions to the activities of this Forum.

Another one of our priority sectors, transportation, is of great importance in terms of facilitating free movement of peoples and goods among our countries, promoting tourism and commerce as well as integration of our countries with the global economy. I hope that the Framework Document for Cooperation in Transportation which we have adopted last year will be implemented hastily as our countries start to embrace it more.

Distinguished Representatives,

I am also closely following financial cooperation activities such as the OIC Stock Exchanges Forum, COMCEC Capital Market Regulators' Forum and the Meetings of the OIC Central Banks and Monetary Authorities. I am fully confident that these endeavors will help reduce the obstacles to capital movements among our countries, increase investments, diversify financial products and establish balance between demand and supply of funds. Furthermore I believe that, these endeavors will make a major contribution to the efforts of OIC countries aimed at economic growth, and financial stability.

As the Chairman of COMCEC, I am proud to see that financial cooperation endeavors have started to bear fruit. The imminent launch of the S&P OIC COMCEC Index thanks to the endeavors of the OIC Stock Exchanges Forum is the most concrete

example of this. I think that the progress recorded in this field will be a source of inspiration for our other cooperation efforts.

Esteemed Delegates,

I frequently reiterate the need for strengthening the role of private sector, among COMCEC activities, as the engine of development. I believe that fairs and private sector meetings organized under COMCEC helps our companies to get to know each other and make great contributions to the growth of their volume of trade. I think that these activities should continue and be further enriched in the future.

I see the designation of the theme of the COMCEC Exchange of Views Session as the “Enhancing the Competitiveness of Small and Medium-Sized Enterprises in the Member States” as an appropriate choice. In this respect, I believe that the preparatory workshop on this subject to be held in Ankara in June will produce invaluable recommendations for increasing the competitiveness of our SMEs.

Honorable Chairman,
Esteemed Delegates,

As I conclude my remarks, I hope that the 28th Follow-Up Committee Meeting, which you are gathered here for, will produce results that will serve the welfare of our brotherly countries.

With these thoughts in mind, I extend my sincere greetings to all participants and wish you all success in your endeavors.

ANNEX

III

Original: Turkish

**OPENING STATEMENT BY H. E. DR. CEVDET YILMAZ
MINISTER OF DEVELOPMENT
OF THE REPUBLIC OF TURKEY**

**Twenty Eighth Meeting of the
Follow-up Committee of the COMCEC
(Ankara, 9 May 2012)**

Distinguished Secretary General,
Distinguished Members of the Follow-up Committee,
Esteemed Guests,

I would like to express the pleasure of meeting and having you as our guest, once again, on the occasion of the 28th Follow-up Committee Meeting of COMCEC and welcome you all to Ankara.

As you may all know, in the COMCEC Follow-up Committee meetings, we monitor the implementation of the resolutions of the previous COMCEC meeting and decide on the agenda for the upcoming session. Therefore, a major task rests with the Follow-up Committee in developing cooperation between our countries.

As the Committee, we need to effectuate COMCEC agenda in light of identification of problems that have been encountered in the process of implementing resolutions taken in previous meetings and the developments in the global economy. In this respect, as distinguished members of the Follow-up Committee, active participation and support on your part is quite crucial. On this occasion, I would like to thank all the representatives for their contribution to the successful conduct of the Follow-Up Committee Meeting, and I wish you all success.

Distinguished Guests,

A fragile but promising recovery had been observed in the global economy when we convened this time last year. However, as of the third quarter of the last year, we have experienced a process when risks and uncertainties increased once again and growth estimations were revised to the downside. Structural problems of the developed economies as well as particularly banking and debt crisis of Euro zone are yet to be overcome. Precautions taken to overcome these problems such as bank deleveraging and

fiscal consolidation are expected to dent short-term growth prospects. Downside risks to the growth still persist even though the recent decisions taken to restore confidence in financial markets and to offer a solution for the debt crisis in the Euro zone have blocked a sharp slowdown in the global economy. On the other hand, relatively high unemployment rates and weak foreign demand particularly in the Euro zone and the developed countries are expected to remain.

According to IMF projections, the global economy having grown at 4 % last year is expected to grow at 3.5 % this year. The deterioration in the economy of developed countries defaces the economies of developing and rising countries as well. Shrinking foreign demand and fluctuating capital flows adversely affect exports, investments and foreign capital inflow. With the slowdown of developing countries at 1 % compared to the last year, their growth rate is expected to be around 5 % this year.

On the other hand, oil prices have risen in spite of a disruption for the estimated growth in the global economy. The effects of recent developments in our region have led to an increase in supply-side concerns and the oil prices have crept above 120 dollars once again. The increase in oil prices and the fluctuating course persist to be a risk and uncertainty over the outlook for the global economy tending to slow down.

The outlook for the global trade has deteriorated in parallel with overall picture of the economy. Growing at 5 % in 2011, the global trade volume is projected to further decelerate in 2012 and grow only at 3.7 %. In view of the average growth of the global trade at 5.4 % in the last 20 years, the extent for the stagnation we currently experience manifest itself.

In the light of these data hinting at the persistence of uncertainties and risk in the forthcoming period in despite of a relative recovery, the prominence of establishing a more robust and long-lasting cooperation among our countries distinguishes itself in an inevitable fashion. I am of the belief that we can overcome our problems by means of developing a common understanding, harmonizing our policies and sharing our know-how and experience.

Distinguished Members of the Follow-up Committee,
Esteemed Guests,

In 2010 when the effects of the crisis were relatively felt, we were not able to return to pre-crisis levels even though the foreign trades of our countries considerably recovered. Our total export having reached to a volume of 1.9 billion USD in 2008 has plunged to 1.3 billion USD in 2009, and seen a 29 % increase and reached to a volume of

1.6 billion USD in 2010. The high commodity prices are the reason behind this increase. Our total foreign trade surplus in 2010 as OIC countries was 180 billion USD which means only the half of the pre-crisis level.

Intra-OIC trade reached the pre-crisis level attaining 270 billion USD in 2010. The intra-OIC trade share increased from 16.6 % to 17 % in 2010. Only 10 countries accounted for approximately 70% of the intra-OIC trade. The way to increase trade between our countries up to 20% and above resides in ensuring a more balanced and sustainable trade structure through diversification of both goods and exporting countries.

As you may all know there are a great deal of projects and activities within the body of COMCEC in an effort to enhance the intra-OIC trade. The foremost among these projects and activities is, beyond doubt, the OIC Trade Preferential System. Three agreements making up the system have been ratified by the required number of countries and entered into force. We thus completed the legal ground for TPS-OIC. What we need to do now is to complete some certain procedures and bring this prestigious project of COMCEC into an actual effect as soon as possible. In this regard, I invite member countries that have ratified the Preferential Tariff Scheme (PRETAS) to submit their lists of concessions to the Secretariat of the Trade Negotiating Committee as immediate as possible. I hereby would like to thank Bangladesh for submitting its lists of concessions to the Secretariat in past weeks. On this occasion, I invite the countries which have not signed and ratified the agreements to do so immediately. I believe that TPS-OIC project will establish a robust cooperation ground for our countries against the potential uncertainties and risks expected to occur in the global economy in the forthcoming period.

I would also like to draw your attention to the activities conducted within the framework of the Road Map and Executive Programme, which have been devised to increase trade between our countries. I believe that activities conducted under titles such as trade facilitation, trade financing, trade promotion, capacity building and development of strategic commodities will contribute to the expansion of the trade capacity of our countries and the enhancement of trade among ourselves. I invite all countries to actively support these activities.

Distinguished Members of the Follow-up Committee,

All the activities and endeavors carried out by us with a view to promote intra-OIC trade are in fact aimed to give leeway to the private sector, which is the real actor on the field. It is essential that solid dialogue channels between the COMCEC platform and the private sector are established so as to solve the problems encountered by private sector

representatives in the field. In this respect, I believe that all intergovernmental platforms, particularly COMCEC, should be enriched with side-activities such as private sector meetings, business forums and sectoral business fairs, and thus the participation in private sector activities should thus be encouraged.

As you may all remember, we have designated the theme of the Ministerial Exchange of Views of the 28th Session of the COMCEC as “Enhancing the Competitiveness of SME’s in OIC Member States”. In this regard, we are going to hold a workshop in Ankara in the upcoming month. As you may all know, SMEs make considerable contributions to the gross domestic product, the economic growth and the employment in our countries. However, macroeconomic instabilities, poor infrastructure, unfavorable business environment, imperfections in the managerial skills and financing problems pose a severe obstacle to the growth of SMEs. We will have an opportunity to discuss these problems and offer solutions in the upcoming COMCEC Meeting.

We keep making progress that will enhance our cooperation in the prioritized fields of Agriculture, Tourism and Transportation. You are all aware of the problems we face such as enhancing efficiency in the agriculture, modernizing production processes and facilitating access to markets for agricultural products. We continue our efforts with a view to enhance our cooperation in the agriculture, rural development and food security within the framework of COMCEC Task Force. With the completion of the efforts made within the framework of the Task Force, I am of the belief that we will establish a robust ground for our cooperation in this field.

I welcome the actions taken to boost cooperation in a rapidly developing sector of tourism. The dialogue and cooperation with the private sector will improve the service quality in tourism and competitiveness and thus contribute to the attainment for a well-deserved share of our countries in the global tourism market in today’s world when the international market in tourism has been increasingly competitive. I welcome OIC/COMCEC Private Sector Tourism Forum established in Izmir in the past December with a view to boost dialogue and cooperation in tourism among our countries. I believe that the said Forum is a major platform in terms of identification of the common problems faced in tourism and discussions over potential fields of cooperation. I invite all the member countries and the respective private sector institutions to actively participate in the activities of the Forum.

We have taken major steps in the field of transportation in the past COMCEC meeting. The foremost of these steps is the approval of the transportation cooperation framework. We have been conducting our studies pertaining to the COMCEC Transportation Working Group projected to be established within the scope of the said

framework document. I believe that our cooperation in this field will rapidly enhance with the commencement of activities by the working group.

Distinguished Members of the Follow-up Committee,
Esteemed Guests,

We all are aware of the prominence for financial cooperation studies that will serve for an easier movement of capital among our countries. I welcome the “COMCEC Capital Markets Regulatory Authorities Forum” established in the past September within the framework of financial cooperation. I believe that all our member countries will actively participate in this initiative. In addition, I appreciate that the studies pertaining to the S&P OIC-COMCEC Index and conducted within the scope of OIC Stock Exchanges have now come to the final stage. I believe that all the studies will make a contribution to capital flows among our countries and thus to the improvement of welfare in our region and.

As you may all know, we have many cooperation projects aimed to alleviate poverty on our agenda. I welcome the actions taken within the body of Islamic Solidarity Fund for Development and the Special Programme for the Development of Africa established under the roof of the Islamic Development Bank. However, we have to admit that these actions have underachieved thus far. As the member countries, we need to honour our commitments pertaining to the fund and the programme, and to bring them into effect as soon as possible. We have a long way to go in the Cotton Action Plan and Vocational Education and Training Program, which are among other cooperation projects of significance. As a matter of fact, when the multi-dimensional nature of poverty is taken into account, the fight against poverty emerges as a phenomenon that should be addressed in all realms of our cooperation.

Esteemed Guests,

As I conclude my remarks, I would like to thank all the representatives of the member countries and the Secretariat General of OIC, the Islamic Development Bank, the Ankara Center, the Casablanca Center, the Islamic Chamber of Commerce and Industry and the COMCEC Coordination Office. I hope that your endeavors during the 28th COMCEC Follow-up Meeting will help strengthen our countries and contribute to the peace and welfare of our peoples.

I hope that you will have a grand time in our Capital Ankara and I would like to thank you all.

ANNEX

IV

Original: English

**MESSAGE OF
H.E. PROF. EKMELEDDİN İHSANOĞLU,
SECRETARY GENERAL OF THE ORGANIZATION
OF THE ISLAMIC COOPERATION
(Ankara, 09 May 2012)**

Bismillahi Arrahmani Arrahim

Distinguished Representative of His Excellency President Abdullah GÜL,
Your Excellency Honorable Minister,
Distinguished Delegates,
Honorable Colleagues from the various OIC Institutions,

Assalamu Alaikum wa-Rahmatu Allahi wa-Barakatuhu

It is indeed a great pleasure for me to address the 28th Meeting of the Follow-Up Committee of COMCEC, and to express my most sincere appreciation to the President, Government and esteemed people of the Republic Turkey for their constant support to the activities of the OIC in general and the COMCEC in particular.

This Meeting offers us a unique opportunity not only because it would enable Committee Members to review the statute of the implementation of COMCEC decisions, but also to propose in a constructive manner the way forward with regard to our flagship project on Trade Preferential System of OIC.

This is in the aftermath of submission of the lists of concessions from the required number of countries necessary for the actual take-off of this trade facilitation mechanism.

There is no doubt that with the level of intra-OIC trade reaching 17.03 percent at this moment, the implementation of TPS-OIC will be of greater significance for attaining our target of attaining 20% intra-OIC trade by 2015. I must therefore commend those Member States which have responded to our repeated calls for the completion of the domestication process of the three OIC Agreements on TPS-OIC.

In the same vein I urge the Members of this Committee not to rest on their oars until all the 57 OIC Member Countries accede to this tariff preferential scheme, so that

our people can benefit from the advantages of a large market which has 1.4 billion consumers.

Mr. Chairman,
Distinguished Delegates,

It is well known that the global economic crisis still has its negative consequences on the economies of our Member States. This situation has informed our common resolve to accelerate intra-OIC economic cooperation in such critical sectors as agriculture, rural development, food security and the provision of social safety net.

Despite the impressive performance of the OIC economies which recorded an average of GDP growth of 5% in 2011, the Human Poverty Index (HPI) in OIC Countries has increased from 27% in 2007 to 38% in 2011.

It is for this reason that I commend the preoccupation of this Meeting with issues relating to the development of Micro, Small and Medium Enterprises in OIC Countries, along with the very important issues of entrepreneurship and youth employment.

There is no gainsaying the fact that investment promotion and employment generation are very crucial to the implementation of the OIC Ten Year Programme of Action in the area of poverty alleviation.

I am glad to note that in addition to overall intervention of IDB Group in the area of micro finance, human capacity building and agriculture and rural development, other credible initiatives such as Sustainable Villages and elaboration of Disaster Management Strategy are being put in place. This is obviously in addition to the programmes that we are hoping to put in place under the OIC Executive Framework of Agricultural Development as well as implementation of both Special Programme for Development of Africa (SPDA) and the OIC Plan of Action for Cooperation with Central Asia.

Honorable Minister,
Distinguished Delegates,

As we proceed with the discussion of various concepts there is one important issue that should engage our kind attention. This is the issue of creating workable implementation modalities for all our programmes. There is also the critical issue of mobilization of funds for our projects. All these issues are deserving of our primary attention.

I am sure that the importance of mainstreaming OIC projects in national priorities of Member States has informed the decision to repackage the 27 approved projects under the OIC Cotton Action Plan. The same applies to the OIC Regional Project on Cross-Border Network of Parks and Protected Areas in West Africa.

In this regard the deepening of national ownership and the elaboration of bankable projects are very crucial to generating greater confidence, participation and collaboration of our international donors and regional partners.

While I wish this important meeting a fruitful deliberation, I thank the Follow-up Committee for their due diligence dedication and forthrightness in considering these and other issues.

*I thank you for your kind attention,
Wassalamu Alaykum wa-Rahmatullahi wa-Barakatuh*

ANNEX

V

Original: English

**AGENDA OF THE
TWENTY EIGHTH MEETING OF THE
FOLLOW-UP COMMITTEE OF THE COMCEC
(Ankara, 09-10 May 2012)**

1. Opening of the Meeting and Adoption of the Agenda
2. Review of the Implementation of the OIC Ten-Year Program of Action and the Plan of Action to Strengthen Economic and Commercial Cooperation Among the OIC Member States
 - OIC Plan of Action for Cooperation with Central Asia
3. Cooperation in the Area of Trade
4. Cooperation in Priority Sectors
 - Agriculture
 - Tourism
 - Transportation
5. Financial Cooperation
6. Private Sector Cooperation
 - Exchange of Views on “Enhancing the Competitiveness of Small and Medium Sized Enterprises in the Member States”
7. Poverty Alleviation
8. Draft Agenda of the 28th Session of the COMCEC
9. Any Other Business
10. Adoption of the Report

ANNEX

VI

Original: English

**REVIEW BY OIC GENERAL SECRETARIAT
ON REVIEW OF THE IMPLEMENTATION OF THE TEN YEAR
PROGRAMME OF ACTION AND THE PLAN OF ACTION
TO STRENGTHEN ECONOMIC AND COMMERCIAL COOPERATION
AMONG THE OIC MEMBER STATES**

I. INTRODUCTION:

1. This report features the recent activities carried out by the OIC General Secretariat towards coordinating the various activities of the diverse OIC institutions in the domain of economic cooperation. These activities are aimed at following up the implementation of the relevant recommendations and decisions of the relevant OIC Ministerial meetings, such as the CFM, COMCEC and other sectorial meetings and workshops.

2. The Report will dwell on the most recent actions taken by the General Secretariat and Institutions working in the economic domain, since the convening of the 27th COMCEC General Assembly session held in Istanbul, Turkey on 17-20 October 2011. In addition reporting on details of the coordination work of the General Secretariat, the Report would cover the recent reports provided by the relevant OIC Institutions, including the conclusions reached at last Coordination Meeting of OIC institutions in the Economic Domain held at the OIC General Secretariat in Jeddah, Saudi Arabia on 21-22 January 2012.

3. Emphasis has been placed on providing details of those actions, which have the potentials of supporting the implementation of developmental projects, thereby contributing to the vision of OIC leaders for socio-economic transformation in OIC Member States as well as the increased welfare of their peoples.

4. Considering the fact that most of the activities and projects identified in the domain of intra-OIC trade had been implemented, the General Secretariat is inviting attention in the Report to the need for impact assessment of the actualization of the target set for intra-OIC trade, as well the need to give effect to the various projects already approved by the competent OIC authorities in the domain of agriculture, food security and rural development, and the mainstreaming of the role of the private sector in the economic development of OIC Member States. Importantly, details of the implementation of the decision on the creation of OIC Food Security Reserves in OIC Member States, the findings of the OIC Task Force on SME are covered fully in the

Report, and the Workshop of Agro-Industrial Development held in Kampala, Uganda on 11-12 October 2011.

II. COOPERATION IN THE AREA OF TRADE

5. The implementation of the OIC strategy on promotion of intra-OIC trade has continued to feature prominently in the Organization's scheme of work. In this regard, 27th COMCEC General Assembly session mandated relevant OIC institutions to continue to support activities in the domain of trade promotion, financing and facilitation.

6. In addition to the following traditional activities of ICDT, IDB, ITFC, ICIEC, ICD, and ICCI, the Fourth Meeting of Consultative Group for Enhancing Intra-OIC Trade, held in Marrakesh, Kingdom of Morocco on 21-22 February 2012 reviewed the implementation of the Executive Programme of the Road Map for Achieving Intra-OIC Trade Targets. It decided to conduct a comprehensive impact assessment of the activities and the strategies adopted towards achieving the current target of 20% of intra-OIC trade by 2015. In this regard, it is worth noting that the activities outlined in the Executive Road Map have been satisfactorily accomplished, considering the fact that 79% of 261 identified projects were fully implemented.

7. The Meeting emphasized on the role of Export Credit Insurance in enhancing intra-OIC trade and recommended to: (i). request the Member States which has not done so to join ICIEC; (ii). encourage the Member States to participate in the capital increase of ICIEC and enhance the capital resources of their respective Export Credit Insurance Agencies (ECAs); (iii). Invite Member States to establish their own National Export Credit Insurance Agencies; (iv). recommend to Central Banks in OIC Member States to encourage Commercial Banks under their supervision to use Export Credit Insurance as an acceptable risk mitigation for trade finance; and (v). invite Member States to establish Trade Finance Support Schemes.

a) Trade Facilitation/Preferential System among the Member States of OIC (TPS-OIC)

8. Efforts aimed at securing Member States execution of the multilateral instruments for the Trade Preferential System of OIC (TPS-OIC) continued to feature prominently in the activities of the Organization. In line with the demarche to exhort Ministers of Member States on finalization of participation process in TPS-OIC, the Secretary General addressed specific letters to Ministers of Bahrain, Bangladesh, Guinea, Guinea Bissau, Jordan, Iran, Kuwait, Maldives, Pakistan, Somalia and Syria respectively. Consequently,

Bangladesh, Iraq, Jordan, and Kuwait have conveyed in writing the imminent conclusion of their ratification processes.

9. During 27th Session of COMCEC on 16-20 October 2011, the State of Kuwait signed PRETAS and Rules of Origin, while the Republic of Indonesia ratified the Framework Agreement on TPS-OIC and signed the PRETAS and Rules of Origin. On its part, the Republic of Iraq and Palestine respectively ratified the Framework Agreement on TPS-OIC. Furthermore, Djibouti signed PRETAS, Rules of Origin and the Framework Agreement. The current status of signing and ratification of OIC economic agreements is indicated in the Annex.

10. It is worth mentioning that the non-receipt of concession lists from those Member States which have already ratified the PRETAS is delaying the implementation of the relevant component of the TPS-OIC on tariff reduction. Member States are hereby reminded of the need to forward their lists in line with the relevant provisions of COMCEC resolutions. This includes the submission of their specific annual installments of reduction along with the list of products (schedules of concessions), sample of certificates and specimen impression of stamps used in their customs and to complete internal and legislative and administrative measures. So far, Turkey, Malaysia and GCC Member States (Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates) have submitted the required information.

11. Within the framework of providing technical assistance to Member States on TPS-OIC, the ICDT in collaboration with the Chamber of Commerce, Industry and Agriculture and the Libyan Ministry of Foreign Affairs and International Cooperation organized a national symposium for Libya on the impact and importance of joining TPS-OIC, in Tripoli, Libya on 13-14 March 2012. The symposium discussed the various national and regional aspects of participation of Libya in the TPS-OIC.

Consultations with Regional Economic Blocs:

12. In order to harmonise the implementation of the OIC tariff regimes along with those of other regional economic blocs with common membership with OIC, the General Secretariat has continued its consultations with West African Economic and Monetary Union (WAEMU). Based on the conclusions of the Coordination Meeting of OIC institutions in the Economic Domain held in Jeddah, the General Secretariat on 29 February 2012 has forwarded the TPS-OIC Frequently Asked Questions to enable sensitisation of WAEMU Member States on the benefits of TPS-OIC. This will enable the resumption of official talks to ensure that WAEMU resolves to join the TPS_OIC as a

group. In the same connection, the ICDT and ITFC will organize regional workshops for ECOWAS, ECO, and ASEAN in 2012 and 2013.

b) Trade Facilitation: Regional Workshop on Cross-Border Cooperation

13. The OIC Regional Workshop on Trade Facilitation, with emphasis on cross-border cooperation and role of customs administrations was held in Ankara, Turkey on 21-23 November 2012. Three UN Regional Economic Commissions (UNECE, UNESCAP, and UNESCWA), UNCTAD, WCO and ITC actively participated at the Workshop and made presentations on international Trade and Transport Facilitation (TTF) standards, recommendations, conventions, tools and mechanisms used in TTF, including Business Process Analysis (BPA), WCO Data Model, Single Window Application, Customs modernization and UNCTAD' ASCYCUDA system, roles, structure, functions, and funding modalities of National Trade and Transport Facilitation Committees (NTTFC).

14. The Workshop recommended among others, to: (i). take advantages of international standards on TTF for the simplification, rationalization and harmonization of procedures (Single Window), documentation and information flows to promote intra-OIC trade and enhance economic cooperation and regional integration; (ii) identify key bottlenecks in export and import chains and propose relevant actions to improve end-to-end supply chain performance; (iii) promote active Private Sector participation in the design and implementation of trade and transport facilitation programmes in the OIC Member States; (iv) prepare OIC level trade and transport facilitation programme with relevant OIC institutions, including regional economic organizations.

c) Cooperation among the Trade Promotion Organizations

15. ITFC has continued to support trade promotion activities of Trade Promotion Organizations (TPOs) by organizing and sponsoring their collective participations in international trade fairs, buyers-sellers meetings and business forums to enable them to reach new markets and promote products of their members companies in these markets. In this vein, it organized the collective participation of 10 TPOs and Chambers of Commerce and Industry in 13th Trade Fair of Member States of the OIC during 24-29 April 2011, and facilitated organization of 14th Private Sector Meeting for Promotion of Trade and Joint Venture Investment among Islamic Countries.

d) Trade Fairs and Exhibitions

16. The 1st OIC Health Expo was held in Tunis, Republic of Tunisia on 1-4 March 2012 under the auspices of the ICDT. The First Cotton and Textile Exhibition in the OIC

Member States was held in Ouagadougou, Burkina Faso, on 21-25 September 2011. The Expo brought together actors of the health sectors including pharmaceutical industry, nutrition professionals, dietetics, and surgery in order to promote their products and services, through a professional exhibition. The Exhibition enabled the decision makers and experts to exchange best practices on public health issues. It also created a forum for developing partnership and strategic alliances between the actors of the health sector in the OIC Member States in order to generate business contacts among them.

17. Similarly, the Forum on Specialized Exhibition on the Services of Higher Education in the OIC Member States was held in Girne, Turkish Republic of Northern Cyprus, on 28th November-1st December 2011. The Forum aimed at establishing direct contacts between the stakeholders in the field of training, encourage investment in this sector and develop partnerships between the Universities in the OIC Member States, notably through the exchange of students and trainers.

e) Trade Financing

18. During the year 2011, the trade approval of ITFC reached about US\$ 3,033 million, as against US\$ 2,554 million in 2010, while the disbursements for the year was US\$ 1.8 billion. Therefore, the cumulative trade finance approvals of ITFC since its inception reached US\$ 9.6 billion. However the cumulative trade finance approvals in the IDB Groups reached approximately US\$ 40 billion. Most of the approvals relates to public-private financing and capacity building in various areas of trade, agriculture and strategic commodities development.

19. In line with its diversification strategy, the ITFC attracted new client and succeeded in penetrating new countries. In 2011, ITFC sustained growth in its Structured Trade Financing (STF) operations which have been expanded in both number (17 operations) and aggregate amount (US\$501 million). During the period under review, ITFC provided input financing for the agriculture sector to the tune of US\$ 303 million. Although, ITFC does not extend direct facilities to SMEs, the Corporation has devised a line of financing to local banks, which have better access to information on SMEs. Accordingly, ITFC sustained its focus on 2-step Murabaha facilities for SME financing and US\$ 86 million worth of facilities allocated to SME financing.

f) Standardization and Metrology:

20. Having adopted the three documents prepared by the OIC Standardization Expert Group (SEG) on Halal Standards, the Standards and Metrology Institute for Islamic Countries (SMIIC) has since established seven technical committees including a

committee on Halal Food Issues. The other committees deal with Halal Cosmetic Issues; Service Site Issues; Renewable Energy; Tourism and Related Services; Agriculture Process; and Transportation.

III. AGRICULTURE, FOOD SECURITY AND RURAL DEVELOPMENT

a) Elaboration of OIC Executive Framework for Agriculture, Food Security and Rural Development (OIC-EFA)

21. Pursuant to the decision of 7th Meeting of the COMCEC Task Force on Agriculture, Rural Development and Food Security, which was held in Istanbul, Turkey, on 4 October 2011, the final draft of Executive Framework, which was prepared by FAO, has been circulated to all members of expanded Task Force in December 2011 for further inputs.

22. Accordingly, SESRIC and IDB have been requested to review the FAO draft from a technical point of view. It is expected that SESRIC and IDB would complete this exercise by the end of March 2012 to enable COMCEC Task Force accomplish action on the preparation of a Comprehensive Framework.

b) Establishment of OIC Food Security Institution in Kazakhstan

23. The 27th Session of the COMCEC, which was held in Istanbul, Turkey, on 17-20 October 2011, welcomed the resolution of 6th OIC Ministerial Conference on Food Security and Agricultural development with regard to the proposal by Kazakhstan on establishment of an OIC Food Security Office in Kazakhstan. It recommended that the relevant details on this initiative be submitted to 39th Session of CFM through ICECS.

24. Consequently, the delegation of Kazakhstan visited OIC General Secretariat and IDB on 16-18 January 2012 to discuss the modalities for establishing the OIC Food Security Office as a specialized institution of the OIC. During this visit the General Secretariat received the Draft for the proposed OIC Food Security Office, and later on proposed a separate Draft Protocol on the establishment of the OIC Food Security Reserve for Central Asia.

25. The reaction of Kazakhstan is being awaited to enable submission of an appropriate report to ICECS and CFM.

c) Current Status of implementation of OIC Cotton Action Plan

26. In order to mainstream the role of the Centers of Excellence in the implementation of the OIC Cotton Action Plan, the General Secretariat requested all Centers of Excellence to submit reports on their current and future activities within the framework of the OIC Cotton Action Plan, as well as to identify the specific research programmes which they intend to accomplish in 2012.

27. The two Centers of Excellence in Nigeria and Senegal, namely (Institute for Agricultural Research, Ahmadu Bello University, Nigeria; and Senegalese Agricultural Research Institute/Development and Textile Fabrics Company (SODEFITEX)), have submitted detailed reports of their activities in this regard.

28. These reports reflect the inventory of both accomplished and current activities of the above Centers in the area of research and development of cotton, ranging from variety improvement; cultural and management practices; and crop protection to phytosanitary protection; and seed production.

29. The General Secretariat has posted these reports on the dedicated web-page of the OIC Cotton Action Plan and requested all OIC Member States to make use of the said research documents appropriately. When received, the reports of the remaining four Centers of Excellence would be similarly posted to promote knowledge sharing and exchange of research materials.

30. With regard to the decision of the Steering and Project Committees on the need to re-package the existing cotton projects to make them bankable and attractive to prospective donors, the IDB has commenced action on a standard format for a Feasibility Study/Terms of Reference for preparing project proposals under OIC Cotton Action Plan.

31. It is to be recalled that 27 projects have been approved by the Steering and Project Committees and are waiting funding. Only IDB has agreed to fund 6 of the projects, even as the Bank would still need to re-structure the said projects to enable easy processing of these projects. In line with the request of the General Secretariat, the SODEFITEX, Center of Excellence of Senegal, has submitted a project on Capacity Building and Enhancing production efficiency on regional basis. The project aims at enhancing the productivity of cotton cultivation for about 80,000 smallholdings in Senegal to fight poverty for rural dweller. The total project cost is about Euros 190,150. Activities of the project encompasses training of field staff and pilot producers, genetic and seed multiplication, survey and testing of soils, entomology and sanitary protection,

as well as coordination at the Center of Excellence. IDB Group and other funding institutions have been requested to finance this project.

32. In addition to the projects approved, ICD is working on a flagship program to support the development of Special Economic Zones for Cotton Sector in Member States, while ITFC in its own capacity has hired consultancy services to draft country support strategy for cotton sectors of African countries. Benin and Burkina Faso have been selected as the pilot cases for each initiative respectively.

33. Member-States sponsoring these cotton projects have been requested to formally submit these projects through their respective IDB Governors, with proper indication that these projects have been incorporated into their national plans and priorities.

34. Within the framework of its Capacity Building Programmes, the SESRIC will organize four training courses on cultivation and production techniques of cotton in a number of OIC countries, namely Togo, Uganda, Niger and Sudan during 2012.

d) Establishment of OIC Agro-Industrial Association

35. The decision of the Forum on the Development of Agro-food Industries in OIC Member States held in Kampala, Uganda, on 11-12 October 2011, to establish an OIC Agro-Industrial Association was reported to the 27th Session of the COMCEC, which took note of this initiative accordingly. Upon circulation of this proposition to other Member States, several comments were received to this effect.

36. In reply to the General Secretariat's request, some OIC Member States, namely Iraq, Saudi Arabia, Jordan, Syria and Pakistan, as well as Islamic Centre for the Development of Trade (ICDT), forwarded their comments on the proposed establishment of the said Association. In its feedbacks, Iraq and Pakistan proposed several steps to develop a mechanism for establishing agro-food industries in OIC Member States.

37. On its part, and while proposing ways and means to establish an OIC Agro-Industrial Association, Saudi Arabia and Jordan made reference to taking advantages of the experience of the Arab Agro-Industries Federation in modeling the proposed Association. It also identified its key areas for cooperation as: poultry, date, dairy and animal feed industries. On their part, the Governments of Kuwait and Syria indicated their support for the proposed Association. Similarly, the ICDT enumerated the goals, expected functions and membership of the proposed OIC Agro-Industrial Association.

38. On the basis of feedbacks so far received from some OIC Member States and Institutions on the subject matter, the General Secretariat prepared and circulated among all OIC Member States in February 2012 the document entitled “The Elements for the Draft Statute Establishing the Proposed OIC Agro-Industrial Association” in February 2012.

39. The proposed Agro-Industrial Association is expected to promote agribusiness and a value-chain approach to agricultural development in OIC Member States. It would provide services to its members through the coordination and complementarity, revitalization of trade relations, development and coordination of relations in the areas of food industries and product-based specialization.

40. It is also expected that public and private enterprises operating in the agro-food and agro-industrial domains in the OIC countries would be potential members of the proposed Association. Based on investment capital of the enterprises, the membership categories of the Association would consist of ordinary, associate and honorary members. The governing bodies of the Association would be General Assembly and Board of Directors, while its Secretariat would be responsible for implementing the decisions of the governing bodies.

41. In a similar way, the General Secretariat has also requested OIC Member States to submit the list and contact details of public and private enterprises operating in the agro-food and agro-industrial domains in their respective countries for the purpose of preparing a database of prospective members of the Association.

42. It should be emphasized that this initiative also confirms the recommendations of the 6th OIC Task Force Meeting on SME on the establishment of intra-OIC clusters in such areas as agro-food processing, transportation and logistics, manufacturing and services.

e) Seminar on Experiences in Establishing Effective Commodity Exchanges (COMEXs) in OIC Member States

43. The Seminar on Experiences in Establishing Effective Commodity Exchanges (COMEXs) in OIC Member States was organized by IDB Group in partnership with Union of Chambers and Commodity Exchanges of Turkey in Ankara, Turkey, on 15-16 December 2011. The outcome of the Seminar includes recommendations at the national and regional level towards ensuring the effective functioning of COMEXs in OIC Member States.

44. Recommendations at the national level feature supporting establishment of enabling legal and regulatory environment for exchanged based trade system; enhancing human and institutional capacities of COMEXs; and supporting development of market information system for timely dissemination of market/production information, and others.

45. At the regional level proposed activities include establishment of OIC Network of Commodity Exchange with a view to enhancing knowledge/experience sharing and trade cooperation; and promotion of intra-OIC commodity trade; among others.

f) Implementation of Jeddah Declaration Initiative for Food Security

46. The IDB within its US\$1.5 billion Jeddah Declaration Initiative for Food Security has continued to support OIC Member States to develop agriculture and rural sector. As of January 2012, IDB Group's cumulative approvals to support agriculture and rural development projects in OIC countries amounted US\$ 845.4 million.

g) Capacity Building Programmes

47. Within the framework of its Capacity Building Programmes, the SESRIC will organize 12 training courses in the domain of agriculture and rural development in a number of OIC countries during 2012. These courses will cover various issues ranging from water management, combating desertification, and rural development to seed development, livestock management, and crop cultivation.

48. On its part, ICCI will organize a four-day workshop on agribusiness and value chain for OIC countries, and a four-day training programme on microfinance sector development for OIC countries during 2012.

IV. COOPERATION IN TRANSPORTATION SECTOR

a) OIC Dakar-Port Sudan Railway Project

49. Consultations between OIC and African Union (AU) on the implementation of the OIC Dakar-Port Sudan Railway Project continued in line with the alliance established by the two organisations in this regard.

50. IDB participated at the Validation Workshop on the Draft Final Report of Pre-Feasibility Study on the Missing Links on the AU/NEPAD Dakar - Djibouti corridor, which was held in Addis Ababa on 22 October 2011. The Workshop formulated many

comments and observations on the Draft Final Report and urged the consultant to take stock of these observations. IDB has recently received the final version of the Report of the consultant.

51. The Summary of recent developments on the study indicate that there are two alternative scenarios for the development of railway component of Dakar - Djibouti corridor, including new alignments and rehabilitation of existing sections. The first alternative would involve addition of 3686 km of new lines to the project at the total estimated cost of USD 12.2 billion. The second alternative would involve the addition of 5100 km of new lines at a total estimated cost of USD 13.6 billion. The consultant also recommended further studies for different sections of the corridor.

52. Meanwhile, parallel actions on the national segments of this project are expected to proceed while the feasibility studies on the entire corridor are underway. For example, practical actions are being undertaken by a number of West African States to improve and complete the railway system linking Abidjan, Ouagadougou, Niamey and Cotonou. New sections are to be built and existing ones are to be rehabilitated. A transnational committee was established and practical actions are being taken to assess the investment and to conduct the detailed studies. In this context, the concerned sections in Burkina Faso and Niger are considered part of the Dakar - Port Sudan Corridor.

b) Transport Cooperation Framework within the OIC – Izmir Document 2011

53. The 27th Session of the COMCEC endorsed the “Transport Cooperation Framework within the OIC – Izmir Document 2011”. This document is aimed at enhancing cooperation among OIC Member States in the transportation sector. To this end, Izmir Document envisages the establishment of OIC Working Group on Transport to discuss issues related to intra-OIC cooperation in the area of road, rail, maritime transport and civil aviation.

54. The General Secretariat has circulated Izmir Document 2011 among all OIC Member States, in order to facilitate its adoption by the 39th Session of Council of Foreign Ministers of the OIC scheduled for Djibouti in November 2012.

V. COOPERATION IN THE TOURISM SECTOR

a) Regional Project on Sustainable Development of Tourism in a Cross-Border Network of Parks and Protected Areas in West Africa

55. The Donor’s Conference for this Project was held in Dakar, Senegal on 27-28 May 2011 under the patronage of the Chairman of the OIC Summit II. E. President Abdoulaye Wade. The Conference was attended by representatives of the participating Member

States, OIC General Secretariat, relevant OIC institutions, UNWTO, KOICA as well as potential donors such as Islamic Development Bank (IDB), African Development Bank (AFDB) and United Nations Development Programme (UNDP) among others.

56. The Donor's Conference failed to register a high turn-up of Donors as had been anticipated due to some organizational and technical flaws. Nevertheless, those donors in attendance such as IDB and AFDB expressed their readiness to participate in the financing of various aspects of the project such as infrastructure development, agricultural development and poverty reduction. In this regard they requested participating Member States to re-submit their concrete projects in accordance with the respective parameters set by these institutions.

57. The potential donors further observed that there was need for participating Member States to address a number of issues pertaining to their projects, such as the management structure, Private Sector involvement and inclusion of local communities in the project implementation to ensure their successful implementation..

58. Following the Donor's conference and the observations made therein, the General Secretariat wrote to participating Member States on 20th June 2011 calling on them to submit project details on their respective segments of the Project in compliance with the requirements of the Donors. It further wrote to the UNDP/ South- South Cooperation Unit and sought its support for the Project, to which the latter agreed in principle. .

59. In an effort to see the project entering the operational phase, the Steering Committee of the project held a recent meeting in Casablanca, Morocco on 7-8 February 2012. The meeting in Casablanca received a proposal for the expansion of the scope of the Project to cover Ghana, Liberia, Togo and Nigeria respectively. Accordingly, the OIC Secretary General has since established communications with both Presidents of the ECOWAS and WAEMU Commissions calling upon them to identify with the implementation of the Project.

b) Follow-up activities on the decisions of the 7th Session of the Islamic Conference of Tourism Ministers

60. **Mechanism and Criteria for the Selection of OIC City of Tourism:** Pursuant to the decision of the 7th Islamic Conference of Tourism Ministers (ICTM) which was held in Tehran, Islamic Republic of Iran on 28-30 November 2010 in respect of initiating an annual "OIC City of Tourism" award in recognition of exceptional contributions to the improvement of tourism in OIC Member States, the General Secretariat developed a draft

mechanism and criteria for the selection of such a city and circulated the said draft among Member States and OIC institutions concerned for their comments.

61. The elements included in the draft mechanism and criteria are intended to guide Member States on how to present their applications for nomination of any city as an OIC City of Tourism for the year. They are also meant to facilitate the work of the competent selection panel.

62. Once the comments from Member States and OIC institutions are received, the General Secretariat will finalize the Mechanism and Criteria and present it to the next ICTM for approval.

63. **Simplification of visa, customs and foreign exchange procedures:** The 7th ICTM Session of the ICTM also approved, among other things, simplification of visa, customs and foreign exchange procedures. To this end, the General Secretariat has called on Member States to put in place mechanisms that will help them achieve a speedy implementation of this decision. It has also requested Member States to indicate the steps they are taking towards achieving the objective of simplifying visa procedures to facilitate unhindered flow of tourists. In response, the Republic of Indonesia has provided a range of concessions on visa accorded to the OIC Member States. These concessions include granting of free visit visas, granting of visas on arrival and free visit visas for 14 days for Diplomatic and Service passport holders from some of OIC Member States. In the same vein Iraq and Djibouti have also submitted their respective visa regime in respect of nationals of OIC Member States. Response from other Member States is awaited.

64. **Focal points:** On the activities of the three focal points, the 7th Session ICTM called for urgent action in tourism marketing, tourism facilitation and tourism research and training. In this regard, the Governments of the Republic of Indonesia and the Islamic Republic of Iran updated the Questionnaires on Tourism Facilitation; and Tourism Research and Training, respectively. These Questionnaires were circulated among the Member States, which are being to facilitate identification of areas of cooperation and intervention on the part of OIC Member States. Up to date, only 5 Member States have submitted their completed Questionnaires on Tourism Research and Training outlining the data and information regarding their relevant contact points and training institutions in the domain of tourism. Similarly, OIC Member States are invited to complete and return the Questionnaires on Tourism Facilitation and Tourism Research and Training. So far only 2 Member States have submitted their reply on Questionnaires in this respect.

65. **Organization of tourism fairs, exhibitions and tourism investment Forum:** The 2nd Tourism Fair of the OIC Members is scheduled to be held in Cairo, Arab

Republic of Egypt from 20-23 December 2012. This Fair was initially scheduled to be held from 9-12 October 2011 but due to the common will to enhance its chances of success a decision was taken to defer it to the above-mentioned new dates. Saudi Arabia has reiterated its offer to host the Islamic Tourism Fair in 2019 or earlier should any the Member States that had earlier offered to host pull out for any reason whatsoever.

66. In the meantime, the General Secretariat is liaising with the competent authorities in the Islamic Republic of Iran to set new dates for the 3rd Coordination Committee on Tourism which was postponed from 7-8 December 2011 due to lack of quorum.

67. The outcome of all these events will be reported to the 8th Islamic Conference of Tourism Ministers scheduled to take place in the Republic of the Sudan in 2012.

c) 2nd Workshop on Private Sector Cooperation for enhancing Intra-OIC Tourism

68. The 2nd Workshop on Private Sector Cooperation for enhancing Intra-OIC Tourism was held in Izmir, Republic of Turkey on 9-10 December 2011 under the auspices of the Ministry of Culture and Tourism of the Republic of Turkey. Delegations from Private Sectors of several OIC Member States and OIC institutions concerned attended the meeting.

69. The meeting, among other things, considered and approved the Modality proposal for OIC-COMCEC Private Sector Tourism Forum aimed at providing an enabling environment for the Private Sector of the OIC Member States to discuss potential cooperation areas and identify common issues in the field of tourism. The Forum will also serve as a regular communication channel for them to share their experiences and knowledge.

70. The General Secretariat is referring the document for necessary action by the 6th ICTM so that it can be incorporated in the Framework for Development and Cooperation in the domain of Tourism in order to ensure coordinated implementation of the joint action in the domain of tourism.

d) Convening of the 8th Session of the Islamic Conference of Tourism Minister (ICTM) in Khartoum, Republic of Sudan

71. The General Secretariat has communicated with the Government of Sudan on convening of the 8th ICTM to be held in Khartoum, Republic of Sudan in 2012. The proposed items of the Draft Agenda among others include considering the Report and recommendations of the Third Coordination Committee Meeting on Tourism, and

Review the progress on the implementation of the Framework for Development and Cooperation in the Domain of Tourism between the OIC Member States.

VI. COOPERATION IN FINANCIAL SECTOR

a) Central Banks and Monetary Authorities of OIC Member States

72. The Meeting of the Central Banks and Monetary Authorities of the OIC Member Countries was jointly organized by SESRIC and the Central Bank of Malaysia (Bank Negara Malaysia) and held in Kuala Lumpur, Malaysia on 16th November 2011 under the theme “Central Banking and Financial Sector Development”. Consequently, the SESRIC’s questionnaire in respect of Capacity Building Programmes for Central Banks has been circulated to Member States. This would determine such needs as reserve management, risk management, Islamic financial instruments etc. to promote sharing of best practices and enhance intra-OIC cooperation in this domain.

73. The next Meetings of Central Banks and Monetary Authorities will be held in Istanbul, Turkey and Saudi Arabia and Indonesia in 2012, 2013 and 2014 respectively.

74. On its part, SESRIC within its mandate will organize three training courses for the representatives of the Central Banks in Djibouti, Kyrgyzstan and Tajikistan during 2012.

b) Cooperation among Stock Exchanges of the OIC Member States

75. The 27th Session of COMCEC took note of the decisions and recommendations of the 5th Meeting of the OIC Member States' Stock Exchanges Forum which was held on 17-18 September 2011 in Istanbul, Turkey.

76. The Meeting, among other things, encouraged Member States that had not yet signed the agreement on Customized Indices and Exchange Traded Islamic Financial Products to do so by 1st December 2011. The General Secretariat has since circulated the draft agreement to all Member States for their respective actions as the Chairman of OIC Member States' Stock has indicated that the S&P OIC index was ready for launching during the 1st quarter of 2012. The Sixth Stock Exchange Forum will take place in Istanbul, Turkey, in October 2012.

77. Within the framework of its Capacity Building Programme, the SESRIC will organize two training courses for the staff of Stock Exchanges in Kyrgyzstan and Tajikistan in 2012. In addition, SESRIC has prepared a Questionnaire on Capacity building programme for Stock exchanges to identify training needs and existing

capacities of Stock Exchanges in OIC member States. This questionnaire has been circulated among all OIC Member States. Responses from Member States are still awaited.

c) The establishment of Capital Market Regulators Forum among OIC Member States

78. The 27th Session of COMCEC welcomed the establishment of a forum for the capital markets regulatory authorities of the OIC Member States, which would carry out its activities under the name “COMCEC Capital Market Regulators Forum” with structures comprising of four Task Forces in the areas of Market Development, Capacity Building, Islamic Finance and Financial Literacy respectively.

79. The General Secretariat appreciates and supports the efforts being exerted by Mr. A. Vedat Akgiray, Chairman Capital Markets Board of Turkey (CMB) and his team who was designated the pioneer Chairman of the Forum and CMB in developing and promoting this nascent Forum. It further calls upon Member States to sensitize their respective Capital Market Regulatory bodies to join this Forum. The next meeting of the Forum will take place in Istanbul, Turkey later this year.

VII. ROLE OF PRIVATE SECTOR

80. Particular emphasis was placed in the OIC Ten Year Programme of Action on the mainstreaming of the role of the Private Sector in the economic cooperation agenda of the OIC. It is the conviction of OIC leaders that intra-OIC investment and employment generation can be enhanced through the development of the Small and Medium Enterprises, considering the latter as a major employer of labour and a catalyst for growth-promoting economic activities. To this end, the General Secretariat has stepped up the implementation of the recommendations of the OIC Task Force on SME, in addition to outcome of the meeting held on the sidelines of the Global Entrepreneurial Summit held under the auspices of the Government of Turkey and, in collaboration with the Government of the United States of America. The findings of the OIC Task Force of SMEs were considered by the 24th session of COMCEC General Assembly in October 2008.

a) Establishment of a Network of Business and Technology Incubation Centers

81. The need for the establishment of the above-named Network is to promote entrepreneurship among the teeming population of unemployed youth in OIC Member States. The proposed Network would ensure that business incubators assist in promoting

trade among OIC Member States through providing SMEs with information and support for imports and exports, while technology incubators would assist in evolving an international innovation system regime in OIC Member States and the smooth transfer of technology from the university to the industry. The proposed networking activities would also include the compilation of a database of Business Angel Investors and creating linkages with SMEs investment opportunities in OIC Member States.

82. Based on the request by the General Secretariat, Egypt, Jordan, Syria and Turkey have forwarded their comments on modalities for operationalising this Network. While Jordan's submission included the Plan of Action of the Jordanian Establishment for Development of SMEs (JEDCO); Syria indicated support for all the elements of the Strategic Plan; while Egypt emphasised the need for knowledge sharing among OIC Member States. On its part, Turkey proposed to share its experiences with OIC Member States, complementary to the training program for Business Incubator Managers organised by KOSGEB in Ankara, Turkey on 30th September-1st October 2010.

83. To fast-track the creation of this Network, the General Secretariat has also written to selected Incubator Centers in OIC Member States, including those that participated in the Training Programme mentioned above.

b) Facilitation of Visas to Business Persons

84. Pursuant to COMCEC resolution on this issue, the General Secretariat addressed relevant communication to Member States to indicate all visa facilities granted business persons and other citizens of OIC Member States. In their respective replies, Indonesia provided a list of the different visa concessions granted in this connection, while Iraq indicated readiness of the appropriate authorities in Iraq to consider granting such concessions in future. On its part, Niger provided a list of countries with which it has visa abolition agreements, featuring mostly member states of ECOWAS and WAEMU, as well as Morocco and Tunisia. The relevant lists are attached as annex to this report.

c) Forum on Public Private Partnership and Development of SME in OIC Member States

85. The General Secretariat, in collaboration with the Governments of Turkey and the United States of America, organized a Forum on Public Private Partnership and Development of SME in OIC Member States in Istanbul, Turkey on 3 December 2011, on the sidelines of the Second Global Summit on Entrepreneurship, which took place in Istanbul, Republic of Turkey, on 3-6 December 2011. The Forum made a set of recommendations. The most prominent of them are:

- need for proper coordination of the activities of the existing Private Sector institutions within the OIC and for the expansion of their activities and membership, so as to ensure that a greater number of the Private Sector establishments in OIC Member States is duly represented.
- development of capacity building and vocational training programmes and promoting access to microfinance facilities, with a view to encouraging and facilitating the participation of SME in tourism, agro-allied industry, and other activities;
- expansion of existing funding windows under ISFD, SPDA, ITFC, ICIEC and ICD to foster intra-OIC investment for the development of SME;
- need to create a networking mechanism among technology and business incubators in OIC Member States;
- creation of intra-OIC SME Clusters to promote utilization of research outcomes in such sectors as agro-food processing, transportation and logistics, energy, manufacturing and services, and etc.

86. The recommendations of the Forum were forwarded to OIC Member States and Institutions for their consideration and comments. The OIC Member States and Institutions were also requested to inform on their respective policies with regard to the development of SME.

87. In reply to the General Secretariat's request, some OIC Member States, namely Turkey, Jordan and Egypt forwarded their relevant comments. While welcoming the outcome of the Forum, the Ministry of Science, Industry and Technology of Turkey, and Small and Medium Enterprises Development Organization of Turkey (KOGSEB) expressed their readiness to cooperate with OIC and its Member States on development of SME through sharing experiences and knowledge in this domain. On its part, the Ministry of Industry and Trade of Jordan and Jordanian Society for Development informed on their programmes and projects in support of SME development in Jordan.

88. In its feedbacks, the Social Fund for Development of Egypt made several proposals on PPP and SME Development in OIC countries. Main thrust of these proposals is creating a favorable environment for SME development through building human capacity, developing vocational training, promoting value chain, expanding funding facilities and sharing best practices and knowledge.

d) *Workshop on “Enhancing the Competitiveness of SME in OIC Member States*

89. In preparation for the Exchange of Views at the 28th Session of the COMCEC on the theme “Enhancing the Competitiveness of SME in OIC Member States”, SESRIC in collaboration with IDB Group, Small and Medium Enterprises Development Organization of the Republic of Turkey (KOSGEB) and SME Corporation Malaysia (SME Corp Malaysia), will organize a workshop on the above topic in Istanbul, Republic of Turkey, on 12-14 June 2012.

90. The workshop will focus on the following four sub-themes related to SMEs in OIC countries: (1) Access to Markets; (2) Access to finance; (3) Access to Technology and Innovation; and (4) Country Practices and Experiences. The workshop also will consider the practical ways and means of implementing the recommendations of the 6th Meeting of OIC Task Force on SME.

VIII. REGIONAL DEVELOPMENT PROGRAMMES

a) *Special Programme for the Development of Africa*

91. This year the Special Programme for the Development of Africa has entered its final phase. As of April 2011, the IDB Group, within its US\$4 billion contribution to SPDA, has financed 267 projects with a total value of US\$ 3.06 billion in OIC African Member States, especially those in Sub-Saharan Africa. Majority of the projects were in the area of promoting agricultural development and food security, access to water and sanitation, power generation, development of transport infrastructure, human resource development and combating communicable diseases. Additionally, an amount of US\$3.99 billion has also been mobilized through co-financing and public-private partnership for these projects.

92. It is expected that by the end of the current year the SPDA would attain its financing target of US\$ 12 billion, comprising US\$ 4 billion IDB Group contribution and mobilization of US\$ 8 billion external funding in the form of co-financing for the projects under this programme. Moreover, implementation of the SPDA has proved to be effective tool in supporting the development aspirations of OIC African Member States.

93. The successes achieved in the course of the implementation of the SPDA underscored the need to elaborate a successor programme for OIC African Member States (SPDA-2) in 2013, so as to sustain progress recorded by these countries in the various domains. However, during a bilateral review meeting between the General Secretariat and IDB, it was observed that the SPDA can be more effective if regional

projects are included in its Plan of Action. Furthermore, it was suggested that ownership by Member States should be deepened through the establishment of a mechanism for policy and technical consultations among Member States on the identified projects. There is the need to elaborate a Plan of Action and benchmarks for the various projects, in association with relevant OIC Institutions and international donor agencies. To this end, a number of activities will be implemented in 2012. These activities, inter alia, include:

- The Working Session of the Governors of IDB from African Countries on the Implementation of SPDA on the sidelines of the 37th Annual Meeting of the Board of Governors of IDB scheduled for Khartoum, Sudan, on 3-4 April 2012;
- Visits to Headquarters of AU/ NEPAD, Regional Economic Groupings in Africa (ECOWAS, WAEMU, etc), UN Economic Commission for Africa (UNECA), and others to identify areas of cooperation under the SPDA-2;
- Convening of two forums (one for West African countries, one for Central, East and Southern African countries) respectively with objective of assessing the implementation of SPDA-1 as well as identifying priority sectors for SPDA-2;
- Elaboration of SPDA-2 and its launching at the beginning of 2013.

b) The Islamic Solidarity Fund for Development (ISFD)

94. As of 15 March 2012, the ISFD capital commitment stood at US\$2.639 billion, with US\$1.639 billion being committed by 43 member countries and US\$1 billion by IDB. In terms of paid-up capital, the cumulative total stood at US\$1.633 billion. A total of 24 member countries have fully paid their commitments, while 14 countries have not paid any contributions against their commitments. It should be noted that Gabon has paid additional contribution of US\$ 2 million to ISFD, while Egypt has announced commitment of US\$ 10 million to the Fund.

95. As of 15 March 2012, the ISFD had approved 27 projects with direct funding from its income, in addition to co-financing from IDB, governments and other donors. The cumulative total project cost of these ISFD-funded projects is US\$855.06 million. The Fund contributed US\$156.01 million, while the remaining amount was leveraged from the IDB and other partners and donors, such as, Government institutions and sister organizations. In the year 1432H, ISFD loan approvals amounted to US\$45.95million for seven projects with a total cost of US\$182.31 million. These approved projects were in Palestine, Nigeria, Togo, Yemen, Senegal, Sudan and Chad. Financing by the Fund is

provided on concessional terms, primarily for the 25 Least Developed Member Countries (LDMCs) of the IDB.

96. In order to augment resources and enhance the impact of its poverty reduction interventions, a Memorandum of Understanding (MOU) was signed between the Earth Institute (EI) and IDB- ISFD on 17th June 2011. The purpose of the MOU is to facilitate collaboration and cooperation between the IDB, the EI and the Millennium Development Goals Centre in their common aim of poverty reduction, sustainable development and achievement of MDGs. The ISFD is working on developing partnership arrangements with the World Congress of Muslim Philanthropists (WCMP) and the Arab Bank for Economic Development in Africa (BADEA).

97. An ISFD Strategic Retreat was held on 19-20 December 2011 in order to strategically position ISFD over the next few years. The aim was to identify key strategic issues and carry out detailed global, regional, and internal analyses to pave the way for the development of a comprehensive Strategic Plan (2012-2015) that will position ISFD as an innovative organization in the field of poverty reduction. The key areas of discussion were: (i) changing the business model to one where there is focus on identifying, piloting, scaling-up, and replicating successful poverty reduction initiatives; (ii) improving the Fund's financial resources, (iii) building human resources and institutional capacities; and (iv) strengthening and streamlining corporate governance.

98. ISFD recognizes the importance of resource mobilization, particularly in light of the current low- level of paid-up capital. There are delays from countries in paying in their committed contributions as some of them have only partially paid their commitments and some have not made any payments to date. In addition, there are member countries that have not made any commitments yet. The ISFD is undertaking several branding and awareness activities in 2012 to address this issue.

c) OIC Plan of Action for Cooperation with Central Asia:

99. Further to the submission of a detailed report on the activities of the General secretariat under the OIC Plan of Action for Cooperation with Central Asia, the First Meeting of the Executive Committee of the Plan was held in Istanbul, Republic of Turkey on 18th October 2011. The Executive Committee Meeting approved Executive Programme including various projects to be implemented under the Plan and identified the OIC lead institutions for implementation of the projects.

100. In order to fast-track implementation of the various identified projects under the Plan of Action, OIC institutions have been informed to commence implementation of their

respective segment of the Plan. On its part, SESRIC's planned capacity building programmes for the current biennium in identified areas have been forwarded to the five Central Asian Countries for the latter to liaise with SESRIC on the commencement of these capacity building programmes.

101. In this connection, the Workshop on Country Partnership Models with Central Asia was organized in collaboration with COMCEC Coordination Office and Turkish Cooperation and Coordination Agency (TIKA) in Ankara, Republic of Turkey on 22-23 February 2012. The Workshop discussed the existing technical cooperation programmes between Central Asian Member Countries and other OIC Member States and exploring the best practices and possible partnership modalities to enhance cooperation of the OIC Member States with Central Asia.

102. The workshop included six working sessions and a roundtable discussion. Representatives of Kazakhstan, Kyrgyz Republic, Tajikistan, Iran and Turkey in addition to COMCEC Coordination Office, SESRIC and SMIIC made presentation during the workshop. While highlighting the significance of developing South-South technical cooperation and partnership programmes with the Central Asian Member Countries, the Workshop encouraged Member States to develop their partnership programs/projects with the region within the framework of the OIC plan of Action for Cooperation with Central Asia.

IX. RECOMMENDATIONS:

103. Having greatly addressed the constraints of inter-institutional coordination through the various meetings and exchange of data between the General Secretariat and the relevant OIC institutions, there is still the need to increase the ownership on the part of the OIC Member States of the various programmes and projects which were put in place pursuant to relevant COMCEC resolutions. Responses to questionnaires, concept papers, and implementation feedbacks have been bellow average or in some cases as low as 5 percent. The other constraints observed is the need to scale up mobilization of funds for the various projects including participation of international and regional donor agencies.

104. To this end, the attention of the Follow up committee is invited to the following recommendations:

a) Intra-OIC Trade

- Early submission of the Concession Lists as well as signing and ratification of TPS-OIC Agreements by Member States to ensure early take off of the tariff reduction regime;
- Support by Member States belonging to different regional economic communities to for the on-going engagement with these blocs in the actualization of TPS-OIC;
- Inviting attention of Member States to the increasing activities of ITFC, ICD and ICIEC in the domain of trade financing and export credit insurance and micro financing and urge them to accede to these OIC financing;

b) Agriculture, Rural Development and Food Security

- Calling on Member States to make maximum use of research materials prepared by the Centers of Excellence under the OIC Cotton Action Plan;
- Underscoring the need to encourage both public and private agro industrial institutions of Member States to participate in the proposed OIC Agro-Industrial Association;
- Endorsing the proposition for establishment of OIC Network of Commodity Exchanges with a view to enhancing intra- OIC knowledge sharing and trade promotion;

c) Transportation

- The General Secretariat undertakes to continue its follow-up with relevant OIC institutions on the implementation of the Dakar-port Sudan Railway Project, particularly the development and funding of the national rail segments along the corridor;

d) Tourism Sector Development

- The submission by Member States of their projects under the Regional Projects on Cross Border Network of Parks and Protected Areas in West Africa in accordance with recommended format, to enhance prospects of financing by regional and international donors;

- Recommending to the Follow-UP Committee the commendation of the Government of Sudan for its offer to host the 8th Session of the ICTM in 2012, while urging Member States to actively participate in the Meeting;

e) Financial Sector

- Member States are to consider continued liaison with their respective Central Banks authorities for urgent feedbacks on the questionnaires with regard to the capacity building programmes designed by SESRIC for Central Banks operatives;
- The need for Member States to sensitize their respective Capital Market Authorities to join the recently established OIC Capital Market Regulators Forum;
- Consideration is to be given to encouraging the respective Stock Exchanges Authorities in Member States to sign the OIC/COMCEC S&P Index ;

f) Role of the Private Sector

- It is necessary for Member States to support the establishment of OIC Network of Business and Technology Incubators and encourage their relevant incubation centers to actively participate in this scheme;
- The General Secretariat would compile a comprehensive data on visa concessions in Member States. On its part, the Committee may wish to call on Member States to consider granting bilateral and multilateral visa concessions to business people;
- Calling on Member States to actively participate in the Workshop on enhancing the competitiveness of SMEs in OIC Member States scheduled for Istanbul, Republic of Turkey on 12-14 June 2012;

g) Regional Development Programmes

- Member States and relevant OIC Institutions are to consider active participation in the various elaboration and implementation processes of the SPDA2, while ensuring ownership of the Programme;
- Emphasising the need for Member States to actively participate in the implementation of various projects identified under the OIC Plan of Action for Cooperation with Central Asia.

Annex VI to OIC/COMCEC-FC/28-12/REP

MEMBER STATES THAT SIGNED /RATIFIED THE TPS-OIC AGREEMENTS (As of 30 March 2012)								
No.	Member States	Framework Agreement		PRETAS		TPS-OIC Rules of Origin		Submission of the Documents
		Signed	Ratified	Signed	Ratified	Signed	Ratified	
1	Bahrain	✓	✓	✓	✓	---	---	✓
2	Bangladesh	✓	✓	✓	✓	✓	✓	✓
3	Burkina Faso	✓	---	✓	---	✓	---	
4	Cameroon	✓	✓	✓	---	✓	---	
5	Chad	✓	---	---	---	---	---	
6	Comoros	✓	---	✓	---	✓	---	
7	Cot d'Ivoire	✓	---	---	---	---	---	
8	Djibouti	✓	---	✓	---	✓	---	
9	Egypt	✓	✓	✓	---	---	---	
10	Gabon	✓	✓	---	---	---	---	
11	Gambia	✓	✓	---	---	---	---	
12	Guinea	✓	✓	✓	---	✓	---	
13	Guinea-Bissau	✓	---	✓	---	✓	---	
14	Indonesia	✓	✓	✓	---	✓	---	
15	Iran	✓	✓	✓	✓	---	---	
16	Iraq	✓	✓	---	---	---	---	
17	Jordan	✓	✓	✓	✓	✓	✓	
18	Kuwait	✓	---	✓	---	✓	---	✓
19	Lebanon	✓	✓	---	---	---	---	
20	Libya	✓	✓	---	---	---	---	
21	Malaysia	✓	✓	✓	✓	✓	✓	✓
22	Maldives	✓	✓	---	---	---	---	
23	Morocco	✓	✓	✓	---	✓	---	
24	Nigeria	✓	---	✓	---	✓	---	
25	Oman	✓	✓	✓	✓	✓	✓	✓
26	Pakistan	✓	✓	✓	✓	✓	---	
27	Palestine	✓	✓	✓	---	✓	---	
28	Qatar	✓	✓	✓	✓	✓	✓	✓
29	Saudi Arabia	✓	✓	✓	✓	✓	✓	✓
30	Senegal	✓	✓	---	---	---	---	
31	Sierra Leone	✓	---	✓	---	✓	---	
32	Somalia	✓	✓	✓	✓	✓	✓	
33	Sudan	✓	---	---	---	---	---	
34	Syria	✓	✓	✓	✓	✓	✓	
35	Tunisia	✓	✓	✓	---	✓	---	
36	Turkey	✓	✓	✓	✓	✓	✓	✓
37	UAE	✓	✓	✓	✓	✓	✓	✓
38	Uganda	✓	✓	---	---	---	---	
		38	28	26	13	24	10	9

ANNEX

VII

Original: English

**REPORT
OF THE WORKSHOP ON
“COUNTRY PARTNERSHIP MODELS WITH CENTRAL ASIA”
(Ankara, 22-23 February 2012)**

1. The workshop on “Country Partnership Models with Central Asia” within the framework of the OIC Plan of Action for Cooperation with Central Asia was organized by the COMCEC Coordination Office in collaboration with Turkish Cooperation and Coordination Agency (TİKA) on 22-23 February 2012 in Ankara, Republic of Turkey.

2. The Workshop aimed at identifying the existing technical cooperation programmes between Central Asia and other OIC Member States, exploring the best practices and defining possible partnership models.

(The Agenda and Work Programme and the Explanatory Note of the Workshop are attached as Annex 1)

3. Representatives of the following Member States attended the Workshop:

- Republic of Kazakhstan
- Kyrgyz Republic
- Republic of Tajikistan
- Turkmenistan
- Republic of Uzbekistan
- Islamic Republic of Iran
- State of Kuwait
- Malaysia
- Kingdom of Saudi Arabia
- Republic of Turkey
- United Arab Emirates

4. In addition to the OIC General Secretariat and the COMCEC Coordination Office representatives of the following international institutions have also attended the Workshop:

- Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC),
- Islamic Research Centre for History, Culture and Art (IRCICA),
- Islamic Centre for the Development of Trade (ICDT),
- Islamic Development Bank (IDB),

- Standing Committee for Information and Cultural Affairs (COMIAC),
- Islamic Chamber of Commerce and Industry (ICCI)
- Islamic Educational, Scientific and Cultural Organization (ISESCO),
- Standards and Metrology Institute of the Islamic Countries (SMIIC),
- United Nations Development Program (UNDP),
- Economic Cooperation Organization (ECO).

(The list of participants is attached as Annex 2.)

Opening Session:

5. The Opening Session was chaired by H.E. Dr. Cevdet YILMAZ, Minister of Development of the Republic of Turkey. Following the recitation from the Holy Qur'an, H.E. Dr. Cevdet YILMAZ made his opening statement. H. E. Dr. Cevdet YILMAZ highlighted the importance of South-South cooperation among the Islamic Countries and stated that development cooperation between Central Asian and other OIC member countries, leading to mutual learning and knowledge exchange would be a powerful tool to assess development challenges and find paths to address them from within the Islamic community.

(Opening Statement of H.E. Dr. Cevdet YILMAZ is attached as Annex 3.)

6. H.E. Mr. Sanzhar MUKANBETOV, Deputy Minister of Economy and Antimonopoly Policy of the Kyrgyz Republic made a statement. In his statement, H.E. Mr. Sanzhar MUKANBETOV, on behalf of all participating member countries, stressed the significance of the cooperation between the Central Asian member countries and other OIC member countries and pointed out that the Workshop would serve as an important platform for experience sharing in development cooperation activities.

7. Message of H.E. Professor Ekmeleddin İHSANOĞLU, Secretary General of OIC, was read out by Mr. Cheikh Oumar T. SOW, Director General for Economic Affairs of the OIC General Secretariat. In his message to the Workshop, H.E. Prof. İHSANOĞLU expressed his sincere hope that the outcome of the Workshop would provide modalities for the implementation of the identified projects in the OIC Plan of Action for Cooperation with Central Asia.

(A copy of the text of the message of H.E. Professor Ekmeleddin İHSANOĞLU is attached as Annex 4.)

8. In his statement, Mr. Savaş ALPAY, Director General of the SESRIC, underlined the growing interest of the Central Asian countries to get more involved into the various OIC cooperation activities in the political, socio-economic and

cultural fields. Mr. ALPAY stressed that this workshop would contribute to the efforts of the Central Asian member countries towards enhancing their cooperation and integration with the rest of OIC member countries.

(A copy of the text of statement of Mr. Savaş ALPAY is attached as Annex 5.)

9. In his statement, Mr. M. Metin EKER, General Director of COMCEC Coordination Office, underlined the significant role of the COMCEC as a platform for enhancing economic and commercial cooperation among the Islamic Countries. Mr. EKER gave some examples of the cooperation programs and projects under COMCEC which may be utilized by the Central Asian member countries. He emphasized that COMCEC is determined to enhance technical cooperation and partnership with its Central Asian member countries.

(A copy of the text of the statement of Mr. M. Metin EKER is attached as Annex 6.)

Working Sessions:

10. The workshop included six working sessions and a roundtable discussion, chaired by Mr. Ahmet YAMAN, Deputy Undersecretary of the Ministry of Development of the Republic of Turkey.

Working Session I: Development Cooperation with Central Asia:

11. In the first working Session, COMCEC Coordination Office and SESRIC representatives made presentations on “Development Challenges of Central Asia and Technical Cooperation Activities” and “Capacity Building Programs with Central Asia” respectively. COMCEC Coordination Office presented the data regarding the technical cooperation activities implemented in Central Asian region and shared the findings of the Questionnaire that had already been circulated to the respective Central Asian countries. After that, the representative of SESRIC informed the participants of the current and planned capacity building programs of the Centre in Central Asia, particularly within the framework of OIC-VET.

(Presentations on development cooperation with Central Asia are attached as Annex 7.)

Working Session II: Partnership Programs with Kazakhstan:

12. The second working session focused on technical cooperation/partnership programs with Kazakhstan. The Kazak representative briefed the participants on the details of the technical cooperation activities being implemented in Kazakhstan,

including total volume, major donors, types of assistance and legal and institutional framework.

13. The representatives of Iran and Turkey, as partner OIC countries, have presented their technical cooperation and partnership programs/projects being implemented in Kazakhstan. Next, UNDP presented its technical cooperation/partnership programs with Kazakhstan. In addition, the other international institutions, namely IRCICA, ISESCO, ECO, SESRIC and ICDT gave information about their technical cooperation activities implemented in Kazakhstan. The Session ended with general discussion.

(Presentations on Partnership Programs with Kazakhstan are attached as Annex 8.)

Working Session III: Partnership Programs with Kyrgyz Republic:

14. The third working session started with the presentation by the representative of Kyrgyz Republic. In this presentation, the significance of technical assistance in social and economic development of Kyrgyz Republic, the priorities of the country with regard to technical cooperation programs as well as the main challenges in this respect were highlighted.

15. Representatives of Turkey and Iran made presentations on their technical cooperation activities with Kyrgyz Republic.

16. SESRIC, IRCICA and ISESCO shared their institution's technical cooperation experience with the Kyrgyz Republic. After that the UNDP representative presented UNDP's partnership programs with Kyrgyz Republic and the priorities of the organization when carrying out these programs.

(Presentations on Partnership Programs with Kyrgyz Republic are attached as Annex 9.)

Working Session IV: Partnership Programs with Tajikistan:

17. Fourth working session concentrated on cooperation with Tajikistan and began with the presentation of the Tajik Delegate on technical cooperation activities being implemented in the country. The participants were informed of the latest technical cooperation trends and challenges encountered in this regard. In the presentation, the ways to overcome those challenges were suggested. Lastly, the IT-based monitoring system for technical cooperation programs being implemented in the country was presented.

18. Turkey, Iran, SESRIC, ISESCO and UNDP representatives presented their cooperation activities with Tajikistan with special emphasis on some important sectors such as infrastructure, transportation, renewable energy, finance and tourism.

(Presentations on Partnership Programs with Tajikistan are attached as Annex 10.)

Session V: Partnership Programs with Turkmenistan:

19. During this session, first, Turkey presented her technical cooperation activities implemented in Turkmenistan. Then, Iran, SESRIC and ISESCO informed the participants of their technical cooperation efforts in Turkmenistan.

20. In this session, IDB also made a presentation. In the presentation, the IDB Representative informed the participants of the IDB's technical cooperation/partnership models and introduced the IDB's new triangular partnership model, named as "reverse linkage", aiming to enhance knowledge and experience sharing among the Member Countries.

21. Lastly, the representative of Islamic Republic of Iran mentioned about the current and future macro economic trends, key social and economic development challenges of the Central Asian countries.

(Presentations on Partnership Programs with Turkmenistan are attached as Annex 11.)

Session VI: Partnership Programs with Uzbekistan:

22. The last working session commenced with the presentation by the TIKa's representative on their technical cooperation programs/projects with Uzbekistan, which are mainly in the areas of health and agriculture.

23. The representatives of Islamic Republic of Iran, ISESCO and SESRIC also informed the participants of their technical cooperation activities in Uzbekistan.

24. Following the presentations on the partnership programs with Uzbekistan, SMIIC Secretary General made a presentation on the importance of standardization in alleviating the barriers to trade and informed the participants of the planned SMIIC Activities. He also invited the Central Asian countries to join the SMIIC.

(Partnership Programs with Uzbekistan are attached as Annex 12.)

Roundtable Discussion:

25. The workshop continued with a Roundtable Discussion moderated by Mr. Ahmet YAMAN, Deputy Undersecretary of the Ministry of Development of the Republic of Turkey. Mr. YAMAN reiterated the mechanisms put forward by the OIC Plan of Action for Cooperation with Central Asia for its implementation and summarized the discussions made during the working sessions.

26. In light of the presentations and discussions made during the working sessions, the participants shared their views on the challenges and possible ways of enhancing the efficiency of the technical cooperation activities between the Central Asian and other OIC Member States. After the deliberations, the participants identified the following major challenges encountered in technical cooperation/partnership programs with Central Asia.

Challenges:

- Lack of harmony between the government priorities and the offered technical cooperation programs
- Lack of coordination among the partner agencies in the field
- Duplication of the cooperation efforts by technical assistance providers resulting in waste of time and financial resources
- Lack of data and statistics
- Lack of monitoring and evaluation mechanism of the partnership programs/projects.

27. In order to overcome these challenges and improve the effectiveness of the technical cooperation efforts for the future, the Workshop agreed on the following recommendations:

Recommendations:

The Workshop:

- **Encouraged** the Member States to develop partnership programs/projects with the region within the framework of the OIC Plan of Action for cooperation with Central Asia;
- While underlining the importance of coordination with and among the donor community, **invited** all the stakeholders to build programmatic synergies at country, regional and multilateral level for enhancing the effectiveness of the development cooperation efforts and to avoid duplication;
- **Recommended** that the relevant parties should give utmost importance to the needs/priorities of each Central Asian country when designing the technical cooperation/partnership programs/projects;

- **Highlighted** the significance of developing South-South technical cooperation/partnership programmes with the Central Asian countries;
- **Underlined** the fundamental role of capacity building programs in the development efforts of the Central Asian countries;
- **Also underlined** the importance of sharing experience on monitoring the effectiveness of development cooperation activities;
- **Emphasized** the significance of private sector involvement in terms of economic and social development of the region in general and technical cooperation/partnership programs in particular.

28. The Workshop was concluded with the closing remarks of Mr. Ahmet YAMAN.

ANNEX

VIII

Original: English

**REPORT OF THE 20TH SESSIONAL COMMITTEE MEETING
(Ankara, 8 May 2012)**

1. The 20th Meeting of the Sessional Committee of the COMCEC was held on May 8th, 2012, prior to the 28th Meeting of the Follow-up Committee of the COMCEC.
2. The Meeting was chaired by Mr. M. Metin EKER, Director General of the COMCEC Coordination Office.
3. In addition to the OIC General Secretariat and the COMCEC Coordination Office (CCO), the following OIC Institutions attended the Meeting:
 - Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRIC)
 - Islamic Center for the Development of Trade (ICDT)
 - Islamic Development Bank (IDB) Group
 - Islamic Chamber of Commerce and Industry (ICCI)

Some Turkish Institutions, as the owners of the proposed cooperation projects of the COMCEC, and the representative of Mali also attended the Meeting.

The Meeting agreed on the following agenda items for consideration:

- 1- Review of the Proposed Cooperation Projects of the COMCEC
 - 2- Consideration of the New Project Proposals
 - 3- Any Other Business
4. CCO briefed the Committee on the background of the projects and reiterated the decisions taken by the previous Sessional Committee Meeting.
 5. Following the brief, owners of the projects informed the Meeting of the latest developments regarding each project.
 6. After the deliberations, the Meeting decided on the following :
 - The Committee **welcomed** the offer of the Turkish Patent Institute to host the Workshop on “Industrial Property Policies” on 13-14 September 2012 in Ankara, Turkey. The Committee **requested** the ICDT, as the Project Coordinator, to communicate with the Moroccan Patent Office to fix the date of

the Workshop on “Innovation and Promotion” planned to be held in Morocco in 2013 as the final event of the Project.

- The Committee **decided** to graduate the project entitled “Study on Air Transportation Infrastructure and Industry in OIC Member States” from the Project List due to the lack of progress and ownership.
- Concerning the project entitled, “Creation of a Network of Cross-border Parks and Reserves in West Africa”, the Committee **reviewed** the progress and **requested** the Project Owners/Coordinators to submit a detailed Work Plan to the COMCEC Coordination Office one month before the subsequent Sessional Committee.
- The Committee **reviewed** the progress on the projects, entitled “The Establishment of the Federation of the Islamic Road Transport Associations” and “The Establishment of the Federation of the Islamic Air Transport Associations” and **requested** the Turkish Union of Chambers and Commodity Exchanges (TOBB) to revise them as a single project proposal and submit its PPF to the COMCEC Coordination Office one month in advance of the next Sessional Committee Meeting at the latest.
- Regarding the Project, entitled, “Establishment of a Dynamic B2B E-Marketplace Web Portal”, the Committee **requested** COMCEC Coordination Office to finalize its consultations with the Turkish Union of Chambers and Commodity Exchanges (TOBB) on the project and circulate the revised PPF to the concerned OIC institutions one month in advance of the subsequent Sessional Committee Meeting.
- The Committee **appreciated** the work carried out by the Turkish Competition Authority regarding the project, entitled “Technical Cooperation in the Area of Competition Law and Policy” and **welcomed** the recommendations of the Istanbul Conference on "Needs Assessment of the OIC Member States in the Field of Competition Law and Policy" held on 21-22 November 2011, in Istanbul, Turkey, as the kick off activity for the project. The Committee **requested** the Turkish Competition Authority to submit the Work Plan to the COMCEC Coordination Office one month in advance of the subsequent Sessional Committee Meeting.
- The Committee **considered** the Project Profile Form of the Dakar-Port Sudan Railway Line Project and **requested** the Project Owners/Coordinators to complete the missing parts of the form and to submit the full-fledged PPF to the COMCEC Coordination Office one month before the next Sessional Committee Meeting at the latest.

For the New Project Proposals

- The Committee **reviewed** the new project proposal of the SESRIC and **requested** SESRIC to submit the full-fledged PPF for the project entitled “The OIC Green Energy Platform” to the COMCEC Coordination Office one month before the subsequent Sessional Committee Meeting at the latest.
- The Committee **took note** of the new project proposal related to the OIC Single Window, raised by the ICDT representative and **requested** the ICDT to submit the PPF one month in advance of the next Sessional Committee Meeting.

Any Other Business

- The Committee **agreed on** the criteria prepared by the COMCEC Coordination Office in line with the relevant decision of the 19th Sessional Committee Meeting with a view to measuring the progress and ensuring better evaluation of the Sessional Committee projects.

(The criteria are attached as Annex 1.)

- The Committee **welcomed** the offer of the COMCEC Coordination Office to prepare a List of Activities of the OIC Institutions regarding the economic and commercial cooperation to be organized under the auspices of the COMCEC annually and **requested** the concerned institutions to convey their planned activities for 2013 to the COMCEC Coordination Office one month before the next Sessional Committee Meeting.
7. The Meeting ended with a vote of thanks.

LIST OF PROJECT PROPOSALS OF THE SESSIONAL COMMITTEE

PROJECTS PROPOSALS (Project Profile Forms submitted)				
No	Proposal Name	Proposing State/ Institution	Date of Proposal	Coordinator
1.	Technical Cooperation Among Patent Offices in the OIC Member States	Turkey	1998 (Revised in 2005)	ICDT
2.	Creation of a Network of Cross-border Parks and Reserves in West Africa	Guinea	November 2005	ICDT/ SESRI
3.	The Establishment of the Federation of Islamic Road Transport Associations*	OIC General Secretariat	May 2009	TOBB
4.	Establishment of a Dynamic B2B E-Marketplace Web Portal	COMCEC Coordination Office	May 2009	
5.	Technical Cooperation in the Area of Competition Law and Policy	Turkey	May 2010	ICDT
6.	Dakar-Port Sudan Railway Line Project	Sudan	October 2008	OIC General Secretariat
PROJECT PROPOSALS (Project Profile Forms not submitted)				
1.	The Establishment of the Federation of the Islamic Air Transport Associations*	OIC General Secretariat	May 2009	

**These two projects will be revised and combined as a single project proposal by the TOBB.*

Original: English

**CRITERIA FOR MEASURING THE PROGRESS
AND ENSURING BETTER EVALUATION
OF THE SESSIONAL COMMITTEE PROJECTS**

In line with the decision of the 19th Sessional Committee Meeting, held on October 16th, 2011 in Istanbul, the COMCEC Coordination Office (CCO) has prepared the following criteria with a view to measuring the progress and ensuring better evaluation of the projects on the agenda of the Sessional Committee:

1. Sessional Committee shall not consider any project proposal without Project Profile Form (PPF).

2. The Project Owners/Coordinators are required to submit the full-fledged PPFs with clearly identified financial resources¹ to the CCO one month in advance of the subsequent Sessional Committee Meeting at the latest for their circulation among the relevant OIC institutions.

3. Following the technical evaluation of the PPFs by the Sessional Committee:

- The projects which are considered as technically insufficient are returned to the Project Owners/Coordinators. The Project Owners/Coordinators may revise and re-submit the projects to the Sessional Committee if they wish to do so.
- The projects which are considered by the Sessional Committee as technically sufficient are added to the Project List.

4. When the Project is added to the List, the Project Owners/Coordinators are required to send their respective PPFs to the OIC General Secretariat for their circulation among the Member Countries. The OIC General Secretariat shall convey the countries views/comments on the projects to the Project Owners/Coordinators and the CCO one month in advance of the subsequent Sessional Committee Meeting.

5. When the project is added to the list, the Project Owners/Coordinators are also required to submit a detailed Work Plan² in line with its PPF. The Work Plan, which serves as the baseline for measurement of the progress, shall be submitted to the CCO one month in advance of the subsequent Sessional Committee Meeting.

6. For the projects having their Work Plans, the Project Owners/Coordinators are required to submit regular progress reports to the CCO one month before each Sessional Committee Meeting.

¹ Project Profile Form item 18.

² The Work Plan shall include activities, time schedule and division of labor between Project Owner, Project Partners and Coordinators. A Sample Work Plan is attached. According to the duration of the Project, new rows and columns can be added to the table.

7. The progress report must indicate the completion of at least one activity identified in the Work Plan.

8. Given the financial and institutional limitations for the timely and effective implementation of the Projects, the new project proposals to be considered by the Sessional Committee shall be soft in nature such as policy research, analytical and feasibility studies, workshops/seminars, capacity building and training programs, study visits.

9. Sessional Committee shall consider to revise or graduate the projects which do not fulfill these criteria.

A SAMPLE WORK PLAN

ACTIVITIES	YEARS						IMPLEMENTING AGENCY
	Year 1		Year 2		Year 3		
	1st Half	2nd Half	1st Half	2nd Half	1st Half	2nd Half	
.....	X						Project Owner/Coordinator
.....	X						
.....		X					
.....			X				
.....			X				
.....				X			
.....					X		
.....						X	

ANNEX

IX

**FOLLOW UP REPORT BY ICDT
ON THE IMPLEMENTATION
OF THE “EXECUTIVE PROGRAMME OF THE ROAD-MAP
FOR ACHIEVING INTRA-OIC TRADE TARGETS”**

In the context of the implementation of the resolutions relating to Economic Cooperation of the 3rd Extraordinary Summit of the OIC, particularly, the Declaration of Makkah Al Mukarramah, the Final Communiqué and the Ten-Year Programme of Action to meet the challenges facing the Islamic Ummah in the 21st century;

And in compliance with the outcomes of the First, Second and Third Consultative Group for Enhancing intra-OIC trade, held respectively in Casablanca on 11th and 12th February 2009; 31st May and 1st June 2010 and 3rd and 4th February 2011, in particular the “*Executive Programme of the Road-MAP for Achieving intra-OIC Trade Targets*”;

And In compliance with resolutions n° 3- ii/ of the 26th session of the COMCEC, which **requested** the OIC Institutions to carry out their activities according to the Executive Program and the IDB to provide necessary financial contribution for the achievement of the activities and projects included in the Executive Program and **urged** the Member States to give the required support to the OIC Institutions for the implementation of the Executive Program and to actively participate in those activities.

The ICDT and the ITFC organized the “Fourth Meeting of Consultative Group for Enhancing Intra-OIC trade” in Marrakesh (Kingdom of Morocco) on 21st and 22nd February 2012.

2. The following Institutions attended this meeting:

- ✓ The COMCEC Coordination Office;
- ✓ The Islamic Development Bank GROUP :
The International Islamic Trade Finance Corporation (ITFC);
The Islamic Corporation for Insurance of Investments and Export Credit (ICIEC);
The Cooperation Department of IDB Group.
- ✓ The Islamic Chamber of Commerce and Industry (ICCI);
- ✓ The Organisation of the Islamic Shipowners Association (OISA);
- ✓ The Islamic Centre for Development of Trade (ICDT).

This meeting was also attended by:

- ✓ The Ministry of Industry, Trade and New Technology of the Kingdom of Morocco;
- ✓ The Export Promotion Center of Tunisia (CEPEX-Tunisia Exports);
- ✓ The Business Owners Union of the OIC (BOU);
- ✓ The Arab Maghreb Union (AMU);

- ✓ The United Nations Conference on Trade and Development (UNCTAD);
- ✓ The United Nations Development Program (UNDP-Geneva Office);
- ✓ The United Nations Industrial Development Organisation;
- ✓ And the International Trade Center (ITC).

Following the opening session, participants examined in plenary sessions the following agenda items:

Working Session I: Review of the implementation of the “Executive Programme of the Road-Map for Achieving intra-OIC Trade Targets”

1. Presentation of the Executive Program: Achievements and challenges-ICDT.
2. Presentation of the outcomes of the High Level IDB Trade Forum, Jeddah 8 October 2011- ITFC.
3. Examination of the amendments to be introduced to the Executive Programme- ITFC & ICDT.
4. Current status of the TPS/OIC agreement and related protocols (Protocol on the Preferential Tariff Scheme for TPS/OIC “PRETAS”, Rules of Origin)- ICDT.

Working Session 2: *Ways and means to Enhance Economic Integration among the OIC Member States.*

1. The role of the Export Credit Insurance in Enhancing Intra-OIC Trade- ICIEC.
2. Aid for Trade Agenda: Highlights for OIC Countries-UNDP (Geneva).
3. Impact of the creation of an OIC Free Trade Area on Intra-OIC trade-UNCTAD.
4. Enhancing intra-regional trade through foreign investment: UNIDO’s Investment Monitoring Platform (IMP)-UNIDO.

Working Session 3: Review of the “Executive Programme of the Road-Map for Achieving intra-OIC Trade Targets” in the light of the new developments of intra-OIC trade.

1. Consideration of the Revised Executive Programme
2. Consideration of the new modalities of implementation of the Executive Programme
3. Consideration of the recommendations to be submitted to the OIC fora

The sessions were chaired respectively by:

Working Session 1: H.E. Dr. Waleed Abdelmohsin ALWOHAIB, CEO of ITFC

Working Session 2: The Representative of the the Ministry of Industry, Commerce and New Technologies of the Kingdom of Morocco.

Working Session 3 and Closing Session: H.E Dr. Abdel-Rahman Eltayeb TAHA, Chief Executive Officer of ICIEC.

During the working sessions, the OIC Institutions presented their respective reports individually, these reports tackled on the one hand, the achievements of the “Executive Programme of the Road-MAP for Achieving intra-OIC Trade Targets” and

their planned activities scheduled to be implemented for the remaining years of the Ten Year Programme of Action of the OIC, lasting from 2012 till 2015. On the other, ICDT presented a working paper on the current status of TPSOIC Agreements and related protocols and its impact on boosting intra-OIC Trade. International institutions representatives like, UNDP, UNCTAD and UNIDO made their presentations respectively on Aid for Trade Agenda: highlights of OIC Countries; Impact of the creation of OIC FTA on intra-OIC Trade; and enhancing intra-regional trade through foreign trade investment.

This report is based on data continued in the reports of the Consultative Group composed of : The COMCEC Coordination Office, the International Islamic Trade Finance Corporation (ITFC), The Islamic Centre for Development of Trade (ICDT); the Islamic Chamber of Commerce and Industry (ICCI) and The Organization of Islamic Ship-owners Association (OISA), the Islamic Corporation for Insurance of Investments and Export Credit (ICIEC) and the Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC) .

***ASSESSMENT OF THE IMPLEMENTATION OF THE PROGRAMME
(FEBRUARY 2009-FEBRUARY 2012)***

The “Executive Programme of the Road-MAP for Achieving intra-OIC Trade Targets on Intra-OIC trade” is composed of about 261 activities and projects dispatched as follows:

Table 1: Evolution of the activities of the Executive Programme per OIC Institution
(Feb 2010-Feb 2012)

Institution	Feb 2010	Feb 2011	Feb 2012
ITFC	47	82	91
ICDT	48	64	74
ICIEC	5	14	29
ICCI	16	25	26
SESRIC	1	3	22
COMCEC	4	6	14
OISA	3	5	5
TOTAL	124	199	261

According to table n° 1, the activities of the group increased from 124 to 199 projects, i.e. a rise by 60% between 2010 and 2011 and by 31% between 2011 and 2012 due to the implementation by institutions such as ITFC, ICDT, ICIEC and ICCI.

Table n° 2: Evolution of the share of activities of the Executive Programme of the OIC Institutions (Feb 2010-Feb 2012)

Activity	Feb 2010	Feb 2011	Feb 2012
Capacity building	42%	33%	33%
Trade facilitation	19%	28%	28%
Trade promotion	27%	23%	18%
Trade financing	5%	9%	12%
Development of strategic commodities	7%	7%	9%
TOTAL	100%	100%	100%

With respect to the activities organised by this Group, the projects relating to capacity building hold the first position followed by those of promotion and trade facilitation which vary between 79 and 88% of the whole activities between 2010 and 2012 (see table n° 2).

Table n° 3: Distribution of planned activities by Institution and sector (Number of activities) (As of February 2012)

Activity Institution	Trade financing	Trade Promotion	Trade facilitation	Strategic Products	Capacity building	TOTAL
ITFC	15	8	24	11	33	91
ICDT	0	35	21	4	14	74
ICIEC	15	1	0	0	13	29
ICCI	0	4	7	1	14	26
SESRIC	0	0	3	7	12	22
COMCEC	0	0	14	0	0	14
OISA	0	0	5	0	0	5
TOTAL	30	48	74	23	86	261

The table n° 4 shows that ITFC and ICDT account for 63% of the proposed activities and projects.

Table n°4: Distribution of Planned Activities per Institution (%) (as of February 2012)

Institution	Number of projects and activities	Share of each institution
ITFC	91	35%
ICDT	74	28%
ICIEC	29	11%
ICCI	26	10%
SESRIC	22	8%
COMCEC Coordination Office *	14	5%
OISA	5	2%
TOTAL	261	100%

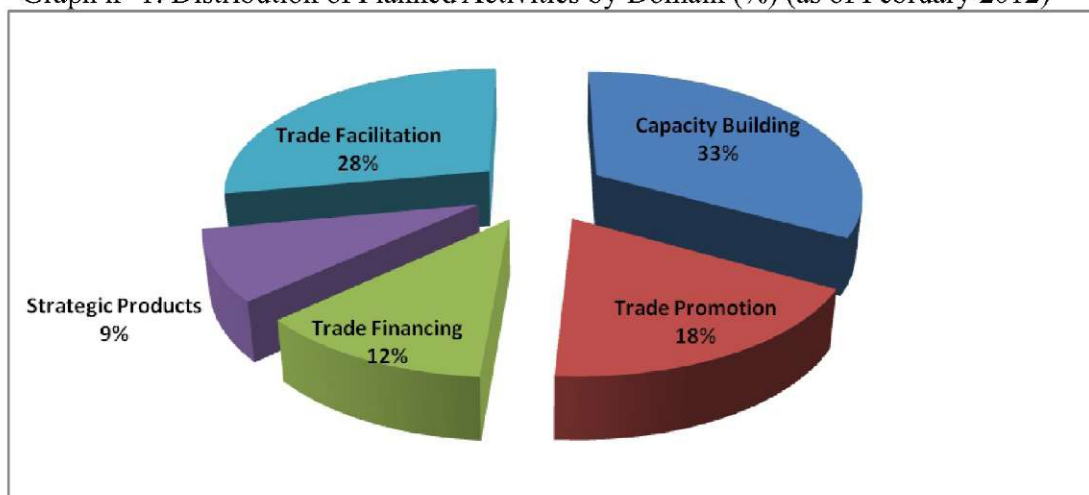
** The COMCEC is not an OIC Institution, nevertheless we have included it in this table since it proposed and managed few but very important projects*

According to the data of table n° 5, the capacity building activities are in the first position with 33%, followed by trade facilitation activities with 28%, trade promotion activities with 18%, trade financing and development of strategic commodities activities are lagging behind with respectively 12% and 9% in February 2012.

Table n° 5: Distribution of Activities by Domain (%) (as of February 2012)

Capacity building	33%
Trade facilitation	28%
Trade promotion	18%
Trade financing	12%
Development of strategic commodities	9%

Graph n° 1: Distribution of Planned Activities by Domain (%) (as of February 2012)



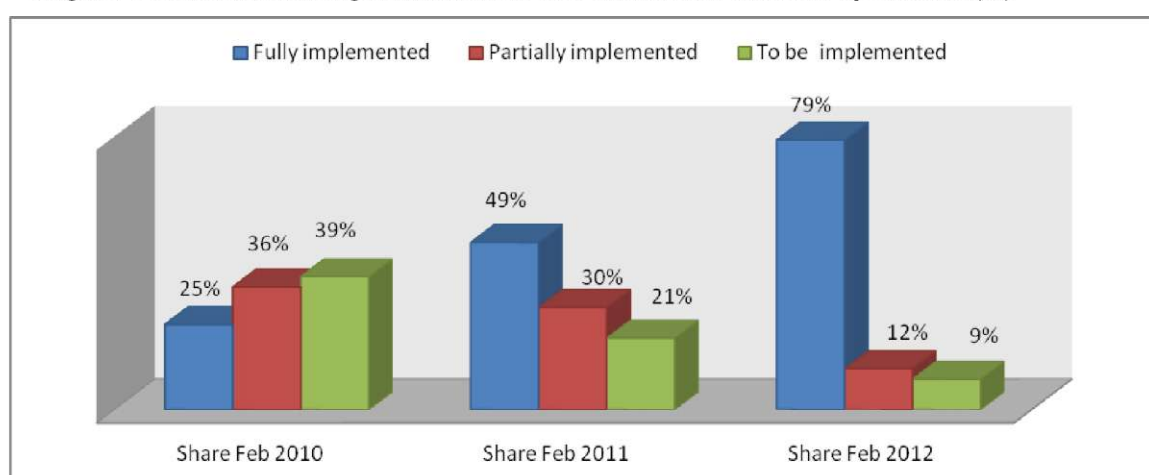
The implementation of the “Executive Programme of the Road-map for Achieving intra-OIC Trade Targets”, which is composed of about 261 activities, shows the following:

- About 79% of the projects were fully implemented up to February 2012;
- 12% of the projects are in the process of implementation;
- 9% of the projects are on stand-by position and are to be implemented.

Table n° 6: State of play of the implementation of the Executive programme
(Feb 2010-Feb 2012)

State of play	Share Feb 2010	Share Feb 2011	Share Feb 2012	Evolution of share 2010/11	Evolution of share 2011/12	Evolution of share 2010/12
Fully implemented	25%	49%	79%	96%	61%	216%
Partially implemented	36%	30%	12%	-17%	-60%	-67%
To be implemented	39%	21%	9%	-46%	-57%	-77%
Total	100%	100%	100%			

Graph 2: Evolution of the implementation of OIC' Institutions activities by Domain (%)



OBSTACLES AND CHALLENGES:

It is true that the OIC Institutions have strived to achieve the objectives of the Executive Programme, however, the programme as it has been implemented is not a viable strategy yet, owing to the fact that it is only a compilation of individual activities. During the 3rd Meeting of this Group in February 2011, it was decided to bridge this gap by the launching of a pilot experience including a list of priority activities of products and services comprised in an integrated projects programme but unfortunately no institution has so far adhered to this experience.

In spite of the efforts made by ITFC, the Executive Programme deserves to be provided with a special fund for its functioning.

The Group puts special emphasis on the lack of involvement of Member States and their TPOs in the activities of the Executive Programme of the OIC Institutions.

We can also note the work duplication of the activities of the OIC Institutions.

Besides, the capacity building programmes achieved by the OIC Institutions are not in line with intra-OIC trade promotion and facilitation activities.

Finally, we can also note that the inadequate involvement of international organisations to the activities of the Executive Programme in spite of the MOUs signed between the OIC Institutions and the latter.

THE WAY FORWARD:

The OIC Institutions operating in the field of economic and commercial cooperation are provided with adequate expertise to increase the share of intra-OIC trade in the overall trade of Member States to 20% by 2015.

To that effect, it would be advisable to:

- Organise joint activities involving at least two OIC institutions and an important number of Member States and regional and international organisations in the OIC strategic sectors of products and services and regions indentified by the Consultative Group;
- Provide the Consultative Group with a fund dedicated to its activities in collaboration with regional and international institutions and foundations operating in the OIC regions;
- Further involve the other IDB's affiliated institutions such as ICD, Department of Cooperation in the implementation of the activities of the Executive Programme, especially within the framework of the GRTC ;
- Involve the private sector in all the activities of the Consultative Group by motivating the participation of SME-SMI and the LDCs through a significant funding by the OIC Financial Institutions;
- Hold marketing and communication days of services provided by the OIC Institutions of the Consultative Group for the benefit of public and private sectors to speed up the membership of some OIC Countries to the TPS/OIC Agreement and Protocols, the ICIEC, the OISA, and the SMICC.

**EXECUTIVE PROGRAMME OF
THE ROAD-MAP FOR ACHIEVING INTRA-OIC TRADE TARGETS
(As February 2012)**

Area	Recommended Action	Projects/ Programs/Activities	Date/Location	Initiator	Partners
1. Trade Financing Coordinator: ITFC	1.1 Develop and introduce new mechanisms/ tools aimed at increasing financing for SMEs and LDMCs	Introduce new lines of financing in addition to the existing ones in I430H (2009)	2009	ITFC	ICIEC
		Mobilize resources and arrange co-financing	2010-2011		
	1.2 Enhance ITFC field presence	1. Partnership with Financial and non-financial entities in MC's to enhance ITFC accessibility	2011	ITFC	ICIEC
		2. "ITFC Customer Days" organized in some MC's	2009-2010	ITFC	MC's
		3. Meeting of Financial Institutions on Resources Mobilization	2010-2011	ITFC	MC's
	1.3 Introduce new trade finance products	1. Meeting/Brainstorming to discuss creation of Specialized Funds	2010-2011	ITFC	MC's
		2. Workshop on ITFC's Lines of Finance: Challenges and Opportunities	2009	ITFC	MC's
		3. Meeting for Trade Finance and Insurance of Credit Institutions.	2009	ITFC	ICIEC
		4. Structured Trade Finance	2009-2011	ITFC	MC's
		5. Pre-Export Financing	2009-2011	ITFC	MC's
		6. Workshop on I.C. Confirmations and Possible Role of IDB Group in this regard for enhancing intra-OIC Trade	2009	ICIEC	MC's
		7. Training Programme for Central Banks and Financial Institutions to enhance the awareness of export credit insurance and its benefit in facilitating trade finance	2009	ICIEC	MC's
		8. Promotion of DCIP (Documentary Credit Insurance Policy) among the OIC Financial Institutions to enable them to increase their exposure in relatively high risk countries.	2009	ICIEC	MC's
		9. Possibility to consider ICIEC's insurance policies as collaterals to extend financing for Intra-Trade	2009	ICIEC	OIC Financial Institutions and Central Banks
		10. Exploring the ways and means to develop new structures and products which will help in meeting the market demand and accessing new segments	2009	ICIEC	ITFC
		11. ITAP support Syrian Investment Agency's Workshop on Arbitration	2010	ICIEC	Syrian Investment Agency
		12. ITAP sponsors the inauguration of the International Smart Building Centre of Bahrain	January 2010	ICIEC	ITPO and UNIDO
		13. ITAP and Jordan Investment Board Familiarization Program for the Officials of Iraqi Investment Promotion Agency	March 2010	ICIEC	IEZC and JIEC
		14. Export Credit Insurance Promotion (Mission to Qatar)	Q2 Y2011	ICIEC	Qatar Development Bank

1. Trade Financing Coordinator: ITFC	1.3 Introduce new trade finance products	15. Export Credit Insurance Promotion (Business Development mission to West African Countries (Nigeria, Cameroun and Senegal))	Q2 Y2011	ICIEC	Banks, exporters, chambers of commerce, governmental institutions
		16. Export Credit Insurance Promotion (MCIPS Pakistan: 3 workshops)	Q2 Y2011	ICIEC	Private and Public Institutions
		17. Export Credit Insurance Promotion (Aktif Bank Turkey)	Q3 Y2011	ICIEC	Turkish exporters
		18. Export Credit Insurance Promotion (ITFC- Multilateral)	Q3 Y2011	ICIEC	ITFC
		19. Export Credit Insurance Promotion (ECO Bank Africa)	Q3 Y2011	ICIEC	ECO Bank Africa
		20. Export Credit Insurance Promotion (Turk Eximbank meeting + correspondence)	Q3 Y2011	ICIEC	Turk Eximbank
2. Trade Promotion Coordinator: ICDT	2.1 Strengthen brand awareness and promote products made in OIC MCs	1. Showroom of OIC products and Services	Ongoing, Casablanca	ICDT	ITC
		2. Establishment of an e-marketplace	2010-2011	COMCEC Coordination Office	MUSIAD, ICDT, IDB Group, ICCI and MC's
	2.2 Encourage MCs to utilize the existing platform within the OIC organs such as ICDT's trade network (TINIC)	1. Enhancement of virtual exhibition	2010	ICDT	MC's
		2. OIC Tijari Exchange (with a view to complement TINIC)	2010	ICDI	ITC
		3. Trade Information System-FITC	2010-2011	ITFC	
	2.3 TPOs to encourage and facilitate annual buyers-sellers meetings (business matching, trade bridging)	Specialized exhibition and supply/demand workshop on agribusiness products			
		1. Agri-business	February, 2009, Bamako	ICDI	ITFC, OIC and Government of Mali
		2. Cotton	October 2009, Egypt	ICDT	ITFC, TPOs, ITC
		3. Agro-industry	May 2009/2010/2011/ 2012 Saudi Arabia	ICDT	ITFC, TPOs, ITC
		4. Building and construction services	24-27 June 2010, Senegal	ICDT	ITFC, TPOs, ITC
		5. Pharmaceuticals, medical equipment and services	1-4 March 2012, Tunisia	ICDT	ITFC, TPOs, ITC
		6. 1 st International Cotton and Textiles Exhibition in the OIC Member States (OIC COTEXPO)	21-25 September 2011 Ouagadougou	ICDT	ITFC, MC'
		7. Furniture	Medine, KSA, May 2013	ICDT	ITFC, TPOs, ITC
		8. Logistics and transportation	2013, Tangiers or Dubai	ICDT	ITFC, TPOs, ITC
		9. Turkey, Africa, Foreign Trade Bridge	2009, Istanbul	TOBB/ITFC	MUSIAD, TUSKON, MC's
		10. Intra-Trade Malaysia	2009, Kuala Lumpur	MATRADE	ITFC

	2.3 ITOs to encourage and facilitate annual buyers-sellers meetings (business matching, trade bridging)	11. 1 st International Exhibition and Forum on Halal Food	2-6 March 2010, Iran	ICCIM	ITFC
		12. 7 th Malaysia International Halal Showcase	23-27 June 2010, Malaysia	MATRADE	ITFC
		13. 14 th Private Sector Meeting	24-29 April 2011, Sharjah	ICCI	ICDT/ITFC
		14. 13 th International MUSIAD Trade Fair	6-10 October 2010 Istanbul	MUSIAD	ITFC, ICDT, ICCI, MC's
		15. Fifth Forum for Businesswomen in Islamic Countries	April 2010, Egypt	ICCI	
		16. 6 th Businesswomen Forum	Sudan, 2011	ICCI	MC's, UNDP, IDB Group
		17. 1 st OIC - Central Asia Business Forum	Nov 2011, Kazakhstan	ICDT	IDB Group, ICCI, MC's
		18. IDB Day in Morocco/Tunisia	6-10 October 2010 Morocco/Tunisia	ITFC	Moroccan/Tunisian Institutions
		19. 4 th Trans-Saharan Exhibition	September 2011, Niger	ITFC	MC's
	2.4. Promotion of Trade in services	Study to identify Potential services to be traded among OIC Countries	2010	ICDT	ITFC, SESRIC
		Specialized Exhibitions and Partnership forum on High trading potential services on:			
		1. Architecture /Construction/Engineering	24-27 June 2010, Senegal	ICDT	MC's
		2. E-commerce, IT and related services	2013, Morocco	ICDT	ITFC, MC's
		3. Distribution services: franchising	2013, UAE	ICDT	MC's
		4. Health related services	1-4 March 2012, Tunisia	ICDT	ITFC, MC's
		5. Education and training	2012, UAE	ICDT	MC's
		6. Forum and specialized Exhibition on the Services of High Education in the OIC Member States	28 Nov-1 Dec 2011, Lefkosa, Cyprus	ICDT	OIC Institutions, MC's
		7. Regional Trade Fair of Central Asia OIC Member States	7-9 June 2011, Astana, Kazakhstan	ICDT	KAZNEX INVEST, MC's
		8. Steering Committee of the Regional Project of Parks and Protected areas in West African Member Countries	7-8 February 2012 Casablanca	ICDT	MC's
		9. 1 st Exhibition of Handicrafts Products in the OIC Member State	25-28 Oct 2012 Marrakech	ICDT	IRCICA/ISESCO, MC's
		10. Specialised Forum and Exhibition on Islamic financial services of export insurance and investment guarantee in the OIC Member States	November 2012	ICDT/ICIEC	MC's
		11. OIC Furniture Expo	12-17 May 2013 Medine-Saudi Arabia	ICDT	Medine International Exhibitions Co., MC's

	2.5 Encourage MCs to increase participation in trade fairs and activities organized by ICDT	1. 12 th Islamic Trade Fair	October 2009, Egypt	ICDT	ITFC, MC's
		2. Trade Fairs of OIC Countries (OIC EXPO)	24-29 April 2011, UAE	ICDI	ITFC, MC's
			2013, Iran	ICDT	MC's
			2015, Guinea	ICDT	MC's
			2017, Arab World	ICDI	MC's
		3. Tourism Fair of Islamic Countries (OIC TOURISM)	20-23 Dec 2012, Egypt	ICDT	MC's
			2014, Syria	ICDT	MC's
			2016, Iran	ICDT	MC's
			2018, Africa/Asia	ICDI	MC's
		4. OIC-China Expo	11-15 September 2013 Ningxia-Hui	ICDT	MC's
3. Trade Facilitation Coordinator: ICDT	3.1 Expedite the ratification of PRETAS by the MCs	5. OIC Halal Food Expo	Sharjah, UAE, December 2012	ICDI	Chamber of Commerce and Industry of Sharjah, MC's and IPOs
		1.Implementation of PRETAS	5 February 2010	COMCEC	OIC General Secretariat, MC's
		2.Training Seminar on PRETAS for North Africa (CENCAD, AMU and Middle East): Libya-Morocco-Kuwait	March-May 2012	ICDT	COMCEC Coord. Office
		3.Training Seminar on PRETAS for Central Asia and ECO Countries	Tehran 2013	ICDI	COMCEC Coord. Office
		4.Training Seminar on PRETAS for WAEMU Countries	2013	ICDI	COMCEC Coord. Office
		5. Training Seminar on PRETAS for ECOWAS Countries	2013	ICDI	COMCEC Coord. Office
		6. Training Seminar on PRETAS for South East and South Asia Countries	2013	ICDI	COMCEC Coord. Office
		7. Training Seminar on PRETAS for COMESA Countries	2014	ICDI	COMCEC Coord. Office
	3.2 Conduct meetings on specific infrastructure issues which will have a direct impact on trade facilitation	8.Procurement of remaining Concession Lists and other documents from the concerned Member States	2012	ICDT	COMCEC Coord. Office
		1.Forum on "Trade Efficiency and the Role of the Customs in the Context of International Trade"	2012	ICDT	COMCEC, ITFC, WCO, MC's
		2.Seminar on "Transport Facilitation and Intra-OIC Trade"	June 2010, Syria	ICDI	OISA, ITFC, UNCTAD
		3.Expand the relationship between Bakkah Shipping Company (OISA Project); IDB Group and ITFC	Ongoing project	OISA	IDB, ITFC, ICD
		4.Opening new branch of Islamic Protection and Indemnity Club "IPIC" (OISA Project) in Jakarta , Dubai and Tehran	2009	OISA	OIC, COMCEC, MC's
		5.Signing the Statute of OISA by the member states which have not done so	34 countries signed	OISA	OIC, MC's
		6.Registration of member states maritime companies' suitable tonnage with Islamic P&I Club Branches in Tehran, Dubai and Jakarta	Ongoing project	OISA	MC's, COMCEC
		7.Elimination of piracy in Somalia and Gulf of Aden with the other international organizations	Need further details	OISA	OIC, international organizations

		8.Cooperation in the area of Transportation	June 2011	SESRIC, COMCEC	Other OIC Institutions, MC's
		9. Harmonization and simplifying customs and transit procedures documentation and regulations	2012	ITFC	Other OIC Institutions, MC's
	3.3 Enhance partnership with IPOs in MCs	1. Establishment of Trade Information Facilitation System	2011	ITFC	ITC
		2. Meeting on Aid-for-Trade for ESCWA Region-Phase I	10-12 January 2010, Beirut	ITFC	WTO, ESCWA
		3. Expert Meeting on Aid-for-Trade Road Map for SPCA Region	2009-2011	ITFC	WTO, UNDP, Kyrgyz, Azerbaijan
		4. Ministerial Meeting on Aid-for-Trade Road Map for SPCA Region			
		5.Aid for Trade Road Map for Arab States Initiative	February 2011, Doha	ITFC	Arabe League, UNDP, UNIDO, ITC, UNECE, AIDMO, AULI, CAEU
		6. Development of a database in order to facilitate commercial exchanges as well as cooperation and coordination (ICRIC)	2009	ICCI	ICDT, ITC
		7. Preparation of a framework for statistical activities coordination among OIC Institutions	2009 and 2010	SESRIC	OIC's Institutions
		8. Setting up of an observatory on procedures of Intra-OIC trade	ongoing	ICDI	
		9. Meeting to develop the Roadmap for enhancing intra-OIC Trade	23-24 June 2010, Baku	ITFC	All other OIC Institutions
		10. 2 nd Consultative Meeting of the OIC Institutions on enhancing intra-OIC Trade	May-June 2010, Casablanca	ICDI/ITFC	All other OIC Institutions
		11. Feasibility study on the project of setting up a free trade area among OIC MC's	2010	ICDI	ITFC
		12. Seminar on Aid for Trade	6 July, 2010, Jeddah	ITFC	
		13. Meeting to improve Executive Program for Enhancing Intra-OIC Trade	21-22 June 2010 Baku	ITFC	OIC Institutions, UN Organs, MCs
		14. 3 rd Consultative Group for Enhancing intra-OIC Trade	3-4 February 2011 Casablanca	ICDI/ITFC	All other OIC Institutions
		15. 4 th Meeting of the OIC Statistical Working Group	2012 Casablanca	ICDI	All other OIC Institutions
		16. Development of database in order to facilitate commercial exchanges as well as cooperation and coordination (tourism)	2011	ICCI/FORAS	MC's
		17. Islamic Tourism Council Meeting	2011	ICCI/FORAS	MC's
		18. Halal Food System for the Private Sector in OIC Countries	2011	ICCI	MC's
		19. International Conference on Economic and Trade Integration among OIC MC's	21-22 November 2010, Teheran	ITFC	MC's

3. Trade Facilitation Coordinator: ICDT	3.3 Enhance partnership with TPOs in MCs	20. Forum on trade and investment expansion among the CIS MC's and the other OIC MC's	2011, Kazakhstan	ICDI	ITFC/MC's
		21. Meeting on Evaluation of TCPP Activities	2011, Istanbul	ITFC	MC's
		22. Arab-Turkish Industrial Cooperation Conference	Dec 2011, Istanbul	ITFC	TOBB, AIDMO, MC's
		23. Seminar on the simplification and modernization of Customs procedures	Nov 2011, Ankara	ITFC	MC's
		24. Cooperation with THIQA-ICD	2011	ITFC	ICD, MC's
		25. Workshop/EGM on the Impact of Transportation Network on Trade and Tourism	June 2011, Istanbul	ITFC	MOT, OIC Institutions
		26. Forum on the role of private sector in developing the roadmap for enhancing intra-OIC Trade	June 2011, Jeddah	ITFC	MC's
		27. Consultative Meeting on enhancing AFT initiative for Arab States	July 2011, Egypt	ITFC	Arab States
		28. Seminar on Aid for Trade for African Member Countries	May 2011 Casablanca	ITFC	African Countries
		29. Seminar on simplification & Modernization of customs procedure	November 2011 Ankara	ITFC	MC's
		30. Arab Turkish Industrial Cooperation Conference (AIDMO)	December 2011, Istanbul	ITFC	AIDMO
		31.10 th Seminar of the Economic Advisers to the Embassies of the OIC Member States accredited to Rabat	January 2012, Rabat	ICDI	MC's
		32.4 th OIC Consultative Group on enhancing intra-OIC Trade	21-22 Feb 2012 Marrakech	ICDI-ITFC	OIC Institutions and TPOs
		33. Creation of database and establishment of regular contacts with large-sized business corporations from OIC Member States for promotion of joint-venture and Public Private Partnership (PPP)	2012	ICDI	OIC Institutions and MC's
		34. Regional trade promotion and facilitation activities as contained in the OIC Plan of Action for Cooperation with Central Asia	2012-2016	OIC Institutions	Central Asia Member States
		35. Creation of the OIC Center for Cooperation among Business and Technology Incubators	2013	ICCI	OIC Institutions
		36. Prioritisation of the implementation of agreed programmes such as Aid for Trade Initiative	2013	ITFC	UN Agencies, MC's
		37. Collaboration between SMIC and ICCI in the proposed Halal Accreditation System	2012	ICCI/SMIC	MC's

3. Trade Facilitation Coordinator: ICDT	3.4 Continue to conduct annual meetings for TPOs in MCs	1. 1 st Meeting of the Export Promotion Centers of French Speaking OIC Member Countries	23-24 December 2009, Casablanca	ICDT	MC's and ITC
		2. OIC TPO's Meeting	2009, Malaysia	ITFC	ICDT, MC's, ICCI, ITC
		3. 1 st Meeting of the OIC Arabic Speaking Member States' Trade Promotion Organs	3-4 November 2010, Tunis	ICDT	ITFC/Tunisia Export
		4. 1 st Meeting of the OIC English Speaking Member States' Trade Promotion Organs and 1 st Global Meeting of the OIC Trade promotion Organs	2012	ICDT	ITFC/ICCI/MC's
		5. Expansion of existing networks for coordination and capacity building among the Trade Promotion Organizations in the other regions of OIC	2012	ICDT	OIC Institutions and TPOs
	3.5 MCs to ease visa processes for member country businessmen	1. Establishment of Business Owners Union	2009	ICCI	IDB Group
	3.6 Mutual Recognition Agreements (MRAs) for certification and testing bodies	1. Development of OIC Halal Food Standards	2009-2011	COMCEC/ISE	MC's
		2. 10 th OIC Standardization Expert Group Meeting	2009, Ankara	ICCI, SMIC	MCs, COMCEC Coord. Office
		3. Operationalization of SMIC (Islamic Countries Metrology and Standards Institute)	August 2010	COMCEC Coord. Office, OIC General Secretariat	MC's
		4. Establishment of Islamic Rating and Certification Agency (Needs Further Details)	2009	ICCI	ICRIC, ICIEC
		5. Implementation of Halal Food Standards	2011	COMCEC	National offices of standardization
4. Development of Strategic Commodities Coordinator: ITFC	4.1 Create funds for investment in agriculture and other strategic commodities	1. Gulf Cooperation Council Food Security Initiative (Promoting Intra Investment by private sector and the role of IDB Group)	2009	ITFC	ICDT, ITAP
		2. Summit on International Food Crisis	2009	ITFC	ICDT, ITAP
		3. Training Seminar and knowledge sharing program on roles of Agricultural Commodity Exchange in Agricultural Marketing	October 2011, Izmir	ITFC	FAO, UNCTAD, CFC, MC's
	4.2 Expedite the implementation of Action Plan in cotton development and develop new action plans for development of other strategic commodities	1. Trade and Investment Cooperation Opportunities among the OIC Member Countries in Cotton industry	2009	ITFC	ITC, FAO, CFC, ICDT, ITAP, MC's
		2. Forum on development of investment and trade in the field of basic food commodities	2009	ITFC	ITC, FAO, CFC, ICDT, ITAP, MC's

4. Development of Strategic Commodities Coordinator: ITFC	4.2 Expedite the implementation of Action Plan in cotton development and develop new action plans for development of other strategic commodities	3. Revitalization of the groundnut sector in selected sub-Saharan countries (Senegal, Gambia, Guinea-Bissau) : phase I and II	2009-2010	ITFC	ITC, FAO, CFC, ICDI, ITAP, MC's
		4. Forum on ways and means to enhance Trade and investment in food in Africa	2009	ITFC	ITC, FAO, CFC, ICDI, ITAP, MC's
		5. Fourth Steering Committee and third Project Committee Meetings on Cotton	Casablanca, 27-28 September 2010	ICDI	IDB Group and OIC
		6. Fifth Steering Committee and fourth Project Committee Meetings on Cotton	September 2011 Casablanca	ICDI	IDB Group and OIC
		7. Forum on Development Agro-Food Industries in OIC Countries	Kampala, 11-12 October 2011	ICCI	OIC, other OIC Institutions
		8. Validation Symposium of the 123 revitalization project of groundnut sector in Senegal, Gambia and Guinea Bissau	9-10 November 2010	ITFC	MC's
		9. 2 nd Phase of Groundnut Project	2011, Gambia	ITFC	MC's
		10. Program on the Development of Cotton Industry in selected African Countries	2011	ITFC	MC's
		11. SESRIC Cotton Capacity Building Programme (SESRI-CotCaB): Training Course on 'Plant Protection and Disease' in Kampala, Uganda	20-22 June 2011	SESRIC	MC's
		12. SESRIC Cotton Capacity Building Programme (SESRI-CotCaB): Training Course on 'Breeding and Biotechnology: Pedigree Selection' in Gence, Azerbaijan	22-24 June 2011	SESRIC	MC's
		13. SESRIC Cotton Capacity Building Programme (SESRI-CotCaB): Training Course on 'Quality Improvement: Seed Quality and Preparation' in Atakent, Kazakhstan	28-30 September 2011	SESRIC	MC's
		14. SESRIC Cotton Capacity Building Programme (SESRI-CotCaB): Training course on "Plant Protection: Insects" in Kolda, Senegal	15-17 November 2011	SESRIC	MC's
		15. SESRIC Cotton Capacity Building Programme (SESRI-CotCaB): Training Course on "Breeding and Biotechnology: Hybridization" in Dhaka, Bangladesh	15-17 November 2011	SESRIC	MC's
		16. SESRIC Capacity Building Programme in Agriculture and Food Security	Initiated January 2012	SESRIC	MC's
		17. Coordination of research activities of Cotton Research Centers of Excellence and identification of cotton research areas	2 nd half of 2012	SESRIC	Nazilli Cotton Research Centre and the 6 Centers of Excellences of the OIC regional groups

		18. Investment Forum and Project Committee and Steering Committee on Coton	December 2012	ICDI/IDB	MC's and International org.
5. Capacity Building Coordinator: SESRIC with a collaboration of ICDT and ITFC	5.1 Organize more training programs for MCs/enterprises in trade related areas	1. Training Course on Export Strategies and International Marketing	2010, Egypt	ITFC	ICDI, ICCI, ITFC, MC's, ITC, Chambers of Commerce, TUSKON, TPOs
		2. Training Workshop on SME Cluster Development for OIC Member Countries	2009, Nigeria	ICCI	
		3. Workshop on "Promotion of Export Processing of Value Added Fishery Products"	2009, Benin	ICCI	ITC, FAO, UNIDO
		4. Training Program on Micro Finance Sector Development	2009, Sudan	ICCI	
		5. 13 th Private Sector Meeting for Promotion of trade and joint venture investment among the OIC	June 2010, Tajikistan	ICCI	
		6. Workshop on Coffee Processing	2009, Uganda	ICCI	
		7. Regional training program for the staff of the chambers of Arab Member Countries	2009 19-22 September 2010, Kuwait	ICCI	ITFC
		8. Regional training program for the staff of the chambers of African Member Countries	2009, Uganda	ICCI	
		9. Workshop on Food Security for OIC Countries	Kampala 11-12 October 2011	ICCI	IDB
		10. Workshop on food security for OIC Countries	2010	ICCI	
		11. 2 nd Training Program on Microfinance Sector Development for OIC MC's	2010	ICCI	
		12. 3 rd International Islamic, Economic and Cultural Conference	2011	ICCI	
		13. Training of incubator Managers of the OIC Countries	30 Sept to 1 October 2011, Ankara	ICCI	KOSCEB
		14. 2 nd Training Programme on Microfinance Sector Development for OIC Member Countries	2012	ICCI	
		15. Capacity building program with the Ministry of Investment of Sudan	2010	ICIEC	Ministry of Investment of Sudan, UNIDO
		16. Capacity Building project with Ugandan Investment Agency	2010	ICIEC	UNIDO and BADEA
		17. Familiarization Program for the Officials of Investment Promotion in IDB Countries	2010	ICIEC	MIDA
		18. Training Program for the Officials of Investment Promotion Agencies in IDB Countries	2010	ICIEC	IOBB and IEPAV
		19. Capacity Building Program for the Officials of Investment Promotion Agencies in IDB Countries	2010	ICIEC	UNCTAD
		20. Capacity Building Program for the Assessment Analysis for Sierra Leone Investment and Export Promotion Authority and Mauritanian Investment Promotion Agency	2010	ICIEC	BADEA
		21. Logistics and its role in developing intra-OIC trade	Nov 2011, Tunisia	ICDT	IDB

5. Capacity Building Coordinator: SESRIC with a collaboration of ICDT and ITFC	5.1 Organize more training programs for MCs/ enterprises in trade related areas	22. Agreement of the Doha Round and intra-OIC trade negotiations	2012	ICD1	IDB
		23. Competition Policy and regulations in Islamic Countries	22-24 /02/2010/Tunisia	ICDT	IDB, TTC
		24. Competition Policy and regulations in Islamic Countries	Nov 2011, Istanbul	ICDT	IDB, TCA, UN Agencies
		25. Competition trade intelligence and export decision making	2012	ICD1	IDB, TTC
		26. Training course on enterprises strategy and international marketing	2013	ICDT	IDB, TTC
		27. Export Auditing and capacity building of the SMEs for Arab States.	2014	ICDT	IDB, TTC
		28. Seminar on "The Project on the Intra-OIC Free Trade Area"	2011	ICD1	IDB Cooperation Office, MC's
		29. Seminar on Regional economic grouping within the OIC: Current status and prospects	15-17/02/2010 Casablanca 17-19/05/2010 Abu Dhabi	IDB Cooperation Department/ ICD1	IDB Cooperation Dept/ICD1
		30. Training courses on e-commerce and technical assistance to ITPOs	2011, Casablanca	ICD1	ITFC
		31. Follow up of the Multilateral Trade Negotiation in this sector and coordination of Member States' positions with a view to setting up of a common negotiations platform	Ongoing	ICDT	
		32. Training Workshop on International and intra-OIC Trade for the Executives of the Ministry of Commerce of Iraq	2011 Casablanca	ICD1	ITFC
		33. Workshop on local vocational courses	June 2010 Istanbul	SESRIC	OIC Institutions, MC's
		34. ISMEK Master Trainer Program for Pakistani Trainers	March 2011 Istanbul	SESRIC	Pakistan
		35. Environmental and occupation Health and Safety Capacity Building Programme	April 2011 Oman	SESRIC	Oman
		36. Occupation Health and Safety Capacity Building Programme	April 2011 Brunei	SESRIC	Brunei
		37. OIC- Occupation Health and Safety (OIC-OSLINE1)	May 2011 Turkey	SESRIC	ISCUM, MC's
		38. OIC International Students Internship Programme (OIC-ISIP)	October 2010	SESRIC	MUSIAD, IBE, MC's
		39. Seminar on Foreign Trade Liberalization and the Trade Defence System in the OIC Member States.	April 2012, Casablanca	ICD1/IRIT	MC's
		40. Intellectual Property Policies	May 2012, Istanbul	ICDT/TPI	MC's
		41. Promotion and Innovation	May 2012, Casablanca	ICDT/OMPIC	MC's

5. Building Coordinator: SESRIC with a collaboration of ICDT and ITFC	5.1 Organize more training programs for MCs/enterprises in trade related areas	42. Training Workshop on "Export and Investment Promotion Strategies in the context of Globalisation".	November 2012, Lefkosa	ICDI	Near East University, MEA, MC's
		43. Workshop on "Enhancing the Competitiveness of the SMEs in OIC Countries"	12-14 June 2012, Istanbul, Turkey	SESRIC	IDB/ICD-KOSKIEB/ Turkey and SME Corp/Malaysia
		44. OIC-VET Sub-Programme on Trade, Economy and Finance (OIC-VET-TEF) 1. Networking and Knowledge Sharing Programme for Trade Professionals 2. Certificate Programme on Trade 3. Scholarship Programme on Trade, Economy and Finance; 4. Skill Development for Youth Employment (Study Visit) 5. Training of Trainers in Agriculture Sector	Ongoing	SESRIC	IDB/MC's
		45. SESRIC Statistical Capacity Building Programme (Stat-CaB): Training course on "Basic Data Analysis for Price and Foreign Trade Data"	24-26 December 2011, Central Dept of Statistics and Information (CDSI), Kingdom of Saudi Arabia	SESRIC	IDB/MC's
	5.1 Organize more training programs for MCs/enterprises in trade related areas	46. SESRIC Statistical Capacity Building Programme (Stat-CaB): Training course on "Foreign Trade Statistics and Indicators"	2012, Statistical Agency of Tajikistan	SESRIC	IDB/MC's
		47. SESRIC Statistical Capacity Building Programme (Stat-CaB): Training course on "Trade Statistics and Indicators"	2012, Kuwait Central Statistical Office	SESRIC	IDB/MC's
		48. SESRIC Statistical Capacity Building Programme (Stat-CaB): Training course on "Trade Statistics and Indicators"	2012, Statistics Sierra Leone	SESRIC	IDB/MC's
		49. Foreign Investment Promotion (Capacity Building Program - Investor-State Dispute and International Investment Rulemaking)	22-25 March 2011, Casablanca, Morocco	ICIEC	Morocco
		50. Foreign Investment Promotion (Capacity Building Program - Promoting Domestic Investment through Entrepreneurship Development" (Bahrain Model) for CIS-MCs)	28 May-1 June 2011, Manama, Bahrain	ICIEC	UNIDO, ARCELL, MC's
		51. Foreign Investment Promotion (Capacity Building Program for CIS Member Countries on "Improving the investment climate in the CIS countries")	6-10 June 2011, Ankara, Turkey	ICIEC	TOBB, TIKA, TEPAV
		52. Foreign Investment Promotion (ITAP-ISPAT Training/Road Show Program for KAZNEX INVEST)	14-16 Sept. 2011 Astana, Kazakhstan	ICIEC	KAZNEX INVEST
		53. Foreign Investment Promotion (ITAP-TOBB-TEPAV Capacity Building Program)	10-14 Oct. 2011 Ankara, Turkey	ICIEC	TOBB-TEPAV, ISPAT

5.Coordinator : SESRIC with a collaboration of ICDT and ITFC		54. Foreign Investment Promotion (ITAP-MIDA-World Bank Capacity Building Program on "FDI Promotion and Economic Development Strategies")	10-14 Oct. 2011 Ankara, Turkey	ICIEC	TEPAV, ISPAT
		55. Foreign Investment Promotion (ITAP-MIDA-World Bank Capacity Building Program on "FDI Promotion and Economic Development Strategies")	21-25 Nov. 2011 KL, Malaysia	ICIEC	MC's
		56. Interface with Member States' Export Credit Agencies on expanding export credit schemes	2012	ICIEC	MC's
		57. Presentation of feedbacks from OIC Member States on the study with regard to the establishment of an Arbitration Mechanism	2012	ICIEC	
		58. Training programs on Chamber Management for ASMCs	2010, Karachi	ITFC	ICCI
		59. 3 rd International Islamic, Economic and Cultural Conference	2012	ICCI	
	5.2 Organize seminars on 'best practices' for MCs	1. On Job Training (OJT) for staff of TPOs of MC's on Foreign Trade Bridges	2010, Turkey	ITFC	ITC, ICDT, ICCL, FTTC, MCs, TUSKON, Chambers of Commerce
		2. OJT for Officials and staff of Chamber of Commerce of the AMCs	2010, Saudi Arabia	ITFC	ITC, ICDT, ICCL, FTTC, MCs, TUSKON, Chambers of Commerce
		3. OJT for Trade Mapping	2010, Egypt	ITFC	ITC, ICDT, ICCL, FTTC, MCs, TUSKON, Chambers of Commerce
		4. Training courses on Trade information	February 2010, Dubai	ITFC	EDC, MC's
		5. Training Courses on export strategies and international marketing	February 2010, 3-6 October 2010, Kuwait	ITFC	Chambers of Commerce of Kuwait, FTTC
		6. Familiarization and knowledge Sharing program for the government and chambers of commerce from ECO Countries	5-9 April 2010, Istanbul	ITFC	TOBB, MC's
		7. Training Courses on export strategies and international marketing for Palestine	July 2010, Amman	ITFC	Arab League, FTTC
		8. Networking and Knowledge Sharing Program for Senior Staff of Chambers of Commerce from Arab MC's	22-25 June 2010, Ankara	ITFC	TOBB, MC's
		9. Capacity Building Program for Iranian Chambers of Commerce on WTO related subjects	27 June, 1 July, 2010, Ankara	ITFC	TOBB, MC's
		10. Training Courses on export strategies and international marketing	25-29 December 2010, Jeddah	ITFC	Chambers of Commerce of KSA, FTTC

5.Coordinator: SESRIC with a collaboration of ICDT and	5.2 Organize seminars on 'best practices' for MCs	11. Training Courses on export strategies and international marketing	13-17 November 2010, Dubai	ITFC	EDC and FITC
		12. Familiarization and Knowledge sharing program on commodity Exchange Markets for African Member States	October 2010, Karachi	ITFC	IOBB
		13. Training programs on Chamber Management for ASMCs	2010, Karachi	ITFC	ICCI
		14. Familiarization and Knowledge Sharing Program on Commodity Exchange for Staff of Chambers of Commerce	October, 2010, Turkey	ITFC	TOBB, MC's
	5.3. Cost sharing schemes for marketing and enhancing of exports	1. Develop High Trade School of Tunisia: phase I and II	2009-2010, Tunisia	ITFC	ITC
		2. Training Seminar on Doha Development Round	2009	ITFC	ITC
		3. Help to develop the training Department of ICEME: phase I and II	2009-2010, Turkey	ITFC	ITC
		4. Help to develop the training department of MATRADE: phase I and II	2009-2010, Malaysia	ITFC	ITC
		5. Implementation of Phase-II of Project for strengthening training dept of TPOs	2011, Kuala Lumpur	ITFC	ITC
		6. Support for establishment of TPOs in Kyrgyzstan	2011, Kyrgyzstan	ITFC	
		7. Knowledge Sharing Programs on Commodity Exchange Markets	July 2011, Ankara	ITFC	
		8. Training Course on Export Strategies and International Marketing	Dec 2011, Jeddah	ITFC	
		9. Training Course on Export Strategies and International Marketing	Feb 2011, Dubai	ITFC	
		10. Training Course on Export Strategies and International Marketing for Palestinian Businessmen	July 2011, Amman	ITFC	
		11. Training Courses & on the job training for staff of TPOs on excelling trade promotion activities	2011, Kuala Lumpur	ITFC	
		12. OIC Chamber Development Programs	June 2011, Ankara	ITFC	
		13. Knowledge Sharing programs for staff of trade ministries on the subject of international trade and export development	Oct 2011, Ankara	ITFC	
		14. Establishment of a Trade Training Centre in Kuwait	2011, Kuwait	ITFC	
		15. Enhancing GCC Capacity for Trade and Employment	2011, Kuwait	ITFC	

ANNEX

X

REPORT BY ITFC ON TRADE PROMOTION ACTIVITIES

A. Trade Finance Overview

In 1432H, ITFC achieved its objectives in several areas while adjusting itself to the continuing global turmoil. Trade approvals reached USD 3,033 million for the year. ITFC was able to attract new clients and new countries were penetrated as an alignment to diversification strategy of ITFC for reaching more customers and expanding its coverage to include more member countries. Approvals achievement is commendable and represents a remarkable increase of 18.75% compared to 1431H approvals as shown in the table below.

The regional breakdown for the 1431H approvals, in USD Million

Region	1431H Actual	%	1432H Actual	%
ASIA/CIS	1,544	61	1,959	60
MENA	849	33	879	30
SSA*	161	6	195	10
Total Approvals	2,554	100	3,033	100
Total Disbursement	1,800		2,826	

*SSA: Sub-Saharan Africa

In 1432H, disbursement level exceeded USD 2.8 billion, registering an increase of 55% over the previous year. Substantial improvement in disbursement for 1432H can be attributed to the successful implementation of the business plan to focus on short tenor financing and enhancing internal business processes. Quick disbursement of big ticket operations in Asia and North Africa (Egypt and Morocco) helped achieve these results. 1432H was an unprecedented year which marked social and economic changes across the globe. As a reflection of these changes, ITFC business dropped in some countries. The drop in business in these countries has been compensated by marketing initiatives in other countries. Notwithstanding the above, the achievements of ITFC in the MENA region, despite the transformation the region is going through, are admirable.

1. Providing Solutions for Impact

ITFC, as a part of multilateral development bank group, has mandate to create a developmental impact which might differ from other commercial financial institutions operating in trade finance sector. It is within ITFC mandate to provide financing in countries where the interventions have strong potential to make difference in the lives of people who benefited from financing. Particularly, in rural communities creating value

for agricultural output in early stages of production endeavour is essential for food security which has emerged as an important agenda matter since 2008. Action Plan on the Recommendations of the 21st IDB Annual Symposium entitled: “Achieving Food Security in Member Countries in the Post-Crisis World” mandates ITFC with fostering significant increases in intra-OIC trade in agricultural commodities through adopting an integrated approach by concerned entities in the IDB Group. In 1431II, ITFC approved 14 operations for agricultural sector amounting to US\$ 384 million increase from US\$ 90 million in 1430II. Sector & Commodities financed were cotton, wheat, sugar, fertilizer, palm oil, soy beans and sunflower. In 1432II, ITFC has continued to exert efforts to provide input financing for agriculture sector. The main motivation is availing funds for farmers as early as possible at the upstream stages of production cycle. In this approach farmers’ hard work is acknowledged by effecting payment immediately upon delivery of products instead of pending income for farmers until proceeds from final sales arrive. In this regard, US\$ 303 million financing is provided for agricultural sector for 1432II. The financing provided not only utilized for providing fertilizer and agricultural inputs but also farmers products has been purchased upstream to provide them with needed funds as soon as after harvest. Such value chain operations have been approved for input financing in Cameroon and Zambia. Besides, In Gambia, Indonesia and Kazakhstan post-harvest financing operations has been conducted for purchase of groundnut, wheat and coffee. On 08/03/2011 ITFC signed a financing agreement with the government of the Gambia to support agricultural sector. The agreement will avail funds for exports of strategic groundnut which contributes by 35% of the Gambia’s GDP and employs 75% of the rural population in the Gambia.

A unique transaction that ITFC undertook this year was the financing for two coffee exporters in Indonesia under the Fair Trade scheme (Fair Trade USA, a leading certifying body that aims to assure fair return for farmers). ITFC had the opportunity to facilitate financing for the 13 cooperatives in the Takegon region in Medan, Indonesia by a structure that would help the cooperatives. Under this initiative two structured trade finance operations were approved in favor of two exporters in Medan, Indonesia. With ITFC’s financing, the cooperatives are now receiving cash against delivery of the coffee beans in the warehouse. The cooperatives have cut out the middleman and they are getting the right price for their coffee with the financing structure. One of ITFC’s smallest approved operations in amount for just US\$1.0 million has touched the lives of 12,000 farmers and their families. In addition, the exporters are delighted that the financing arrangement has brought in 15 new buyers and hence they are able to expand their business operations.

2. *Supporting Strategic Commodities*

In 1432H, ITFC registered sizeable increase in financing commodities which are considered as strategic in nature for the concerned countries. As part of ITFC strategy for developing resilience at the aftermath of global financial crisis and during the sustained effects of on-going turbulence, ITFC keeps supporting strategic commodities such as oil, cotton, wheat, and others in several countries. The focused commodities are vital for the sustainability of such economies. In 1432H, “Crude Oil and Refined Products” has sustained its place as a major item in the portfolio as total of US\$ 2,177 registered for this commodity. Big ticket/quick disbursed oil financing has long been crucial contributor to portfolio. In 1432H, new strategic operations have been approved, for the Coal Sector in Turkey for US\$ 20 million, Corn, Soybean and Wheat in Egypt for US\$48 million and Sugar in Syria and Mauritania for US\$42 million. In addition, ITFC has, as always, maintained its support to its member countries in their requirements despite difficult circumstances, the US\$ 356 million oil financing to Egypt testifies on the type of commitment that ITFC has towards its member countries.

3. *Providing Privileged Solutions*

As part of strategy to accommodate business environment needs after the global financial crisis ITFC aligned its strategy to providing total trade solutions to customers rather than providing mere funds based on conventional securities. New business practices goes beyond relying upon balance sheet as part of credit control function and stretches to ensure relevant use of funds and linking credit assessment to primary source of repayment from transaction. Accordingly, in 1432H, ITFC has successfully increased the size of Structured Trade Finance (STF) deals in its total portfolio to provide privileged solutions to the customers which is now a parameter highlighted within ITFC strategy. In 1431H, total 10 structured trade finance operations amounting to \$ 376 million were approved. In 1432H, STF operations have been further expanded both in number and in amount as 17 operations were approved with an aggregate amount of US\$ 501 million. Besides, ITFC approved operations in Kuwait and Syria based on Credit Insurance, in cooperation with ICIEC, as an alternative security mode for US\$ 32 million.

4. *Diversifying Further the Business Portfolio*

In 1432H, a lot of efforts have been exerted to break into new sectors and new markets. Such efforts are in line with ITFC strategy which calls for the diversification of the trade finance portfolio. In 1431H, 24 new clients with a total amount of US\$ 515.5 were attracted. In 1432H, 23 new clients were attracted with a total amount of US\$ 449 million. Some new sectors, particularly in the non-oil sectors, such as coffee, bauxite, aluminium have been penetrated. The new sectors gave rise to a more healthy and diversified portfolio in line with the agreed high level change agenda. In addition to

member countries, ITFC registered two operations, totalling US\$ 75 million, in Malawi and Zambia under BADEA Export Finance scheme. Oil still sustains its importance in the portfolio as approval amount for this commodity hit US\$ 2,177 million in 1432H. This indicates an increase from 63% share in portfolio to 72% from 1431H to 1432H. On the other hand, public-private sector financing ratios are stable. In 1431H, US\$1,555 million, representing 61% of approvals, and in 1432H, US\$ 1,928 million, presenting 64% of approvals, were registered for public sector.

Approvals by Sector(Public/Private) US\$ Million				
SECTOR	Amount 1431H	Percentage 1431H	Amount 1432H	Percentage Amount 1430H
Public	1,555	61%	1,938	64%
Private	999	39%	1,095	36%
Total	2,554	100 %	3,028	100

5. Access to SMEs and LDMCs

The Framework Agreement on Trade Preferential System among the Member States of the Organization of the Islamic Conference (TPS-OIC), which has been drafted in 1980s, identifies, in Article-2, trade finance as a tool for promotion of trade among OIC countries. Unlike 1980s, today several member countries, though negative effects of global financial crisis prevails, appear to cope with accessing funds for financing their trade. However, the lack of trade finance still seems to be problem need to be addressed for least developed member countries (LDMCs). In this regard, in 1432H, efforts were under way to increase direct operations and enhance implementation of Lines in LDMCs. The financing amount to LDMCs increased from US\$1,140 million in 1431H to US\$1,495 million in 1432H.

ITFC Trade Finance Approvals for LDMCs in 1432H

Country	No.of Operations	Commodity	Total Amount
Bangladesh	10	Crude Oil and Petroleum Products	1,370.0
Cameroon	1	Fertilizer and agricultural Inputs	18.0
Gambia	4	Petroleum Products and groundnuts	42.0
Mauritania	3	Seeds and Fertilizer	75.85
TOTAL	18		1,505.85

In 1432H, Maldives graduated from Least Developed countries list. In addition to member countries, ITFC approved operations in non-member LDCs of Malawi and Zambia for US\$ 75 million under BADEA export financing scheme as highlighted above. ITFC does not have direct facilities to SMEs as significantly large number of small disbursements needed and credit control is difficult to assess in many local markets. However, accessing SMEs is one of the pillars of ITFC strategy as part of high level OIC mandate. In order to fulfil this mandate, ITFC extends Line of Financing and 2-Step Murabaha Financing (2SMF) to local banks to overcome such shortcomings. These local banks are in better position to access to information on SMEs, hence evaluate credit worthiness, and can handle small disbursement amounts. Under Line of Trade Financing and 2-Step Murabaha Financing, funds are made available to local banks which then provide it to the SMEs for specific trade finance transactions. In 1432H, ITFC continued its focus on these mechanisms for SME financing and provided US\$86.35 million as aggregate amounts are provided below:

ITFC 2-Step Murabaha Lines for SMEs in 1432H

Country	Amount
Azerbaijan	2.50
Bahrain	20.00
Mauritania	3.85
Turkey	60.00
Total	86.35

In addition to availing facility, in 1432H, ITFC managed to forge a strategic alliance with Albaraka Banking Group one of the biggest and widely existing Islamic bank with a formal MoU signed at the beginning of the year. This alliance will allow ITFC to access to market intelligence in all 19 markets where Al Barak operates as well as provides real time collaboration among both institutions.

B. TRADE COOPERATION AND PROMOTION PROGRAM

Following is the brief information about the main activities/programs implemented after 27th Session of COMCEC Meeting organized in Istanbul, Turkey during 17-20 October 2011.

1) Supporting trade promotion activities of TPOs and OIC Organs

1. After the 27th Session of COMCEC Ministerial Meeting, ITFC through its TCPP supported two important trade promotion events; 1) Forum on trade and investments expansion among the CIS MCs and the other OIC MCs is organized by ICDT in Kazakhstan during 21-23 November 2011 with the objective of Enhancing trade and investment relations among CIS countries and the rest of OIC MCs. 2) Arab-Turkish Industrial Cooperation Conference organized by AIDMO and TOBB in 4-5 December 2011 to promote trade and investment relations among Turkish and Arab businessmen.

2) Identification of Trade Facilitation and Trade Development Needs of MCs :

2. **SPECA Aid for Trade Initiative:** Following the Ministerial Meeting on Aft Initiative for SPECA Countries organized in Azerbaijan in December 2010, ITFC remained committed to be part of this initiative and continued to exchange views and thoughts with UN organizations to identify its roles in the implementation of projects/activities developed during the first phase of the initiative, which was the identification of needs in trade development at national and regional level.

3. Ministerial Meeting agreed on the following priority areas for trade development in the region stated in Baku Ministerial Declaration: 1) Within-border supply side measures, at the country level, to raise the international competitiveness of enterprises through i) productive capacity and market development within selected sectors such as agriculture, manufacturing and tourism in the services sector, ii) establishment and/or reinforcement of existing trade support institutions and services, iii) enhancement of business environment through regulatory reforms, improved access to trade information. 2) Cross border cooperation by improving i) physical infrastructure, ii) institutional trade infrastructure with a focus on trade facilitation; and iii) market access, 3) Matters related to the multilateral trading system to facilitate the beneficial integration of SPECA countries into multilateral trading system by i) building awareness and knowledge, ii) supporting SPECA countries during the process of their accession to the WTO, taking into account their development objectives, trade facilitation efforts and their specific needs as developing landlocked countries.

4. Currently, TCPP/ITFC is actively following up the progress with SPECA Aid for Trade Implementing and Monitoring Council, "SPECA Aft Council", established after Baku Ministerial Meeting by UNECE and also includes major donors and implementing agencies with high level national input being provided by the SPECA Project Working Group on Trade. The project proposals submitted to Baku Ministerial Meeting are being reviewed by "SPECA Aft Council", which will be submitted to Donor Conference

scheduled to be organized last quarter of 2012. TCPP/ITFC plans to integrate some of the project proposals to the Executive Program of OIC Plan of Action for Cooperation with Central Asian Member States.

5. **Aid For Trade Initiative for Arab States:** ITFC has launched the AfT Initiative for Arab States in collaboration with Arab League, the United Nations Development Programme (UNDP), the International Trade Centre (ITC), United Nations Industrial Development Organization (UNIDO), United Nations Economic Commission for Europe (UNECE) and United Nations Conference on Trade and Development (UNCTAD). Program Document prepared in consultation with the partners and several consultative meetings among possible partners of the initiative are being held to discuss roles and responsibilities of partners in the implementation.

6. Since the preparation of the first program document, the ITFC, on behalf of the IsDB Group, initiated an extensive consultation process through a number of meetings to discuss and reach a consensus on the main elements of an AfT Initiative for the Arab region, including the League of Arab States (LAS), Arab Maghreb Union (AMU), Gulf Cooperation Council (GCC), Arab Industrial Development and Mining Organization (AIDMO), Arab Union of Land Transport (AULT), Council of Arab Economic Unity (CAEU), the Arab Regional Accreditation Commission (ARAC). The programme document was also submitted to Arab Group at the WTO for their review and feedback in a meeting held in Geneva on 29 February 2012. Currently, ITFC is actively working with partners mentioned above to mobilize required financial resources for the implementation of the initiative. ITFC and its UN partners are studying the possibility of launching this important initiative for the Arab region during the next United Nations Conference on Trade and Development (UNCTAD XIII) in Doha, Qatar on 21 April 2012.

7. The project is organized around 3 main result areas and will be executed by ITFC, on behalf of the Islamic Development Bank Group, and the agencies participating in the UN Trade and Productive Capacity Cluster (including ITC, UNCTAD, UNDP, and UNIDO). These 3 expected results can be formulated as follows :

Result 1 (Led by UNDP): Diagnose and analyze the Capacity gaps and priorities for technical assistance in relation to trade and productive capacity development at the national, sub-regional and regional levels, and formulate the implementation road maps.

Result 2 (Led by UNCTAD): Enhance the capacities of the League of Arab States (LAS), Gulf Cooperation Council (GCC) and Arab Maghreb Union (AMU) to facilitate, implement and monitor regional integration processes and the Pan Arab Free Trade Area (PAFTA).

Result 3 (led by ITC and UNIDO): Enhance the capacities of trade support institutions, specialized regional organizations and policymakers to promote regional trade, overcome non-tariff barriers with entrepreneurs and be enabled to seize regional trade opportunities.

8. In addition to these initiatives, ITFC in cooperation with Ministry of Custom and Trade of Turkey and TOBB organized a regional workshop In Ankara, Turkey during 21-23 November 2011, on trade facilitation with an emphasis on roles of custom administration. The workshop was attended by 16 MCs, 4 OIC organs, 2 regional organizations and 5 international institutions. The Workshop covered the following Trade Transport and Custom Facilitation issues: (i) Concepts and Components of Trade and Transport Facilitation, (ii) Ways and means for efficient collaboration at national, regional and international level for the development of collaborative programs (iii) Roles, Functions and Structure of National Trade and Transport Facilitation Committees (NTTFCs) (iv) Use of ICT in trade facilitation and Customs modernizations such as ASCYUDA and other Customs processing systems (v) Developing and operating single window systems & using Business Process Analysis Guidelines in identification of Trade and Transport Facilitation Measures. National Custom Authorities shared their programs and projects on the theme of the workshop. International institutions including UNCTAD, WCO, UNECE, UNESCAP presented their works, tools and measures in the area of trade facilitation and custom modernization. TCPP/ITFC plans to organize similar workshops, seminars and capacity building activities on Single Window, Business Process Analysis, Custom Clearance Time with a view to contribute to improving national capacities for the design and implementation of national trade and transport facilitation program.

9. In the context of the implementation of COMCEC resolutions within the framework of Executive Program for Enhancing Intra-OIC trade, ICDT and ITFC jointly organized Fourth Meeting of Consultative Group for Enhancing Intra-OIC trade” in Marrakesh, Morocco on 21st and 22nd February 2012. The meeting was attended by OIC organs and government officials and representatives of Trade ministries, and Trade promotion organizations from Morocco, Tunis, representatives of Business Owners Union of the OIC, Arab Maghreb Union and international organizations including UNCTAD, UNIDO, UNDP, ITC. The meeting reviewed the implementation and accordingly revised the Executive Program based on the information provided by OIC Organs. Among other recommendations main recommendations of the meeting are following: (i) establish a monitoring framework for intra-OIC trade including KPIs for impact measurement, (ii) set-up a consultation and monitoring mechanism among the regional economics groupings in order to enhance cooperation and harmonize their regulations (ECO, GCC, AMU, Agadir Agreement)

with a view to inviting them to join the Consultative Group Meeting, (iii) invite relevant OIC and IDB Group institutions to continue mobilizing necessary funds in order to expedite the implementation of the Executive Programme (iv) organize regional sensitizing seminars for the benefit of OIC MCs to urge those which has not sign and ratify OICTPS, (v) use the Aid for Trade Initiative as a platform for enhancing coherence/collaboration with the relevant UN Agencies for the benefit of the OIC Member States.

3) Enhancing Trade Support Capacities of MCs

10. Human and institutional development is the key for sustainable trade development. Thus, ITFC continued to place great emphasis on supporting human development in MCs in trade related areas. In 1433H, two capacity building programs targeting SMEs will be organized jointly with FTTC. One in Umman, Jordan and one in Jeddah KSI. Participants will improve their managerial skills and capacities on various subjects including conducting marketing research, international marketing, product and quality development as well as supply chain management.

11. In 2012, TCPP/ITFC will continue to cooperate with TOBB and ICCI to organize capacity development programs under OIC Chamber Academy Development Program. In addition to customized chambers development programs, more specific programs are planned to be organized on market analysis, export promotion, SMEs support services to enhance skills and experience of concerned staff in chambers on these subjects with a view to organize joint trade promotion activities such as business matching activities, sourcing mission to exporter countries from importing countries.

12. In addition to these activities, in 2012, TCPP/ITFC plans to launch second phase of capacity development program designed for Tunisian and Malaysian TPOs to enhance their training and advisory service capacities. This program will be organized with ITC in order to strengthen existing institutional capacities in selected countries to enable them provide better training services to SMEs and other trade support institutions from other MCs.

4) Development of Strategic Products

13. TCPP/ITFC organized a training seminar and knowledge sharing program on Roles of Agricultural Commodity Exchange in Agricultural Marketing in Ankara, Turkey during 15-16 December 2011 in partnership with TOBB. International organizations including FAO, UNCTAD, CFC and national commodity exchanges presented their experiences in establishing and developing agricultural commodity

exchanges in LDCs. National COMEXs also shared their experience and knowledge in establishing and developing COMEXs in their respective countries. This seminar provided a platform to discuss and exchanges views on the following topics: (i) Roles and functions of commodity markets (ii) governance, core actors and rules and regulations of commodity markets (iii) characteristics of successful commodity exchanges and how they can be replicated in developing countries (iv) prerequisites for and challenges against successful functioning of commodity marketing (v) Warehouse Receipt System (WRS) & Quality and electronic trade infrastructure of CMs (vi) Derivate Markets and their roles in agricultural commodity trading. Following the program, IDB Group is preparing a toolkit on establishing/developing exchanged based trading ecosystem in MCs. specific actions are also being formulated to assist some selected MCs to enhance their existing COMEX based trading system.

14. TCPP/ITFC, in light of above, will continue to support development of strategic products, particularly groundnut and cotton. In this regard, TCPP/ITFC is exploring the possibility of sponsoring implementation of some selected projects under the revitalization of groundnut sector in Guinea-Bissau, Gambia, and Senegal. TCPP also plans to support the quality development programme of Coffee cooperatives in Indonesia to assist them generate more income by improving coffee quality and yield.

ANNEX

XI

REPORT BY SMIIC ON ITS ACTIVITIES

1- THE FIRST BOARD OF DIRECTORS MEETING OF SMIIC

After the inaugural First General Assembly Meeting of SMIIC held in Ankara, Republic of Turkey on 02-03 August 2010, resulting in the establishment of SMIIC; The First Board of Directors Meeting of SMIIC was held in Istanbul, Republic of Turkey on 08 January 2011. The Meeting was attended by the Member States having membership in the SMIIC Board of Directors.

The Board unanimously adopted the Action Plan for SMIIC for the term 2011-2012 to enable the Institute to effectively fulfil its designated missions. The Action Plan embodies promotional and organizational activities, which includes, inter alia, attracting OIC countries to the membership of SMIIC, representation of SMIIC at the relevant international and regional platforms; establishing organizational units and human resources of the Institute; and initiating work to revise the SMIIC Statute to keep up with the present approaches in the world.

1.1- SMIIC/TECHNICAL COMMITTEE MEETING ON HALAL FOOD ISSUES

The Board endorsed that SMIIC is the ideal platform for undertaking the mandate of halal food standards and procedures, and decided to consider the three draft standards (prepared by Standardization Expert Group, before the establishment of SMIIC, mandated by COMCEC) as SMIIC standards.

The Board decided to establish a Technical Committee on this issue with the involvement of both SMIIC members and non-members (as observers) which are OIC Member States to undertake any further tasks with regard to the halal food standards.

Within this frame, the Technical Committee Meeting was held in Yaoundé, Republic of Cameroon on 16-17 May 2011, with the participation of 33 representatives from various OIC Member States. The mentioned Technical Committee Meeting considered and adopted the three documents as OIC/SMIIC Standards, namely "*OIC/SMIIC 1:2011, General Guidelines on Halal Food*", "*OIC/SMIIC 2:2011, Guidelines for Bodies Providing Halal Certification*" and "*OIC/SMIIC 3:2011, Guidelines for the Halal Accreditation Body Accrediting Halal Certification Bodies*". The mentioned standards entered into force as of 17 May 2011 and were adopted in English language, though their translated versions in other official languages of the OIC (Arabic and French) are also available. The adoption of the first three SMIIC standards were communicated to the National Standards Bodies of all OIC countries as well as the General Secretariat of the OIC (28 May 2011-SMIIC 2011/9).

2- THE SECOND BOARD OF DIRECTORS MEETING OF SMIIC

The Second Meeting of the SMIIC Board of Directors was held in Istanbul, Republic of Turkey on 11 July 2011.

At the meeting, Mr. Tahir BÜYÜKHELVACIG İL who was elected as the Chairman of the SMIIC Board of Directors at the Board's First Meeting held in Istanbul, on 08 January 2011, was replaced by Mr. Hulusi ŞENTÜRK as the President of the Turkish Standards Institution (TSE) as a result of the election at the TSE General Assembly Meeting held on 23rd February, 2011.

3- THE SECOND GENERAL ASSEMBLY MEETING OF SMIIC

Second SMIIC General Assembly was held in Istanbul, Republic of Turkey on 12-13 July 2011. The decisions taken at the General Assembly generated important steps that would pave the way for a more efficient SMIIC.

Among the steps taken are the designation of SMIIC logo and the revision of SMIIC Statute in a way that would better address the current needs and facilitate membership procedure. According to the revised provision of the Statute (Article 4), the membership of SMIIC no longer requires the ratification of the SMIIC Statute by the Member State. Instead, the National Bodies of the OIC Member States can now be admitted into the Institute as a member upon their application to the SMIIC General Secretariat. With this greatly facilitated membership procedure, SMIIC will surely flourish at a quick pace by attracting more OIC Member States.

The General Assembly also endorsed the encouragement of implementation by the SMIIC members of OIC/SMIIC Standards as their national standards and with regard to halal issues, decided to encourage the mutual recognition of the certificates issued in line with OIC/SMIIC Standards.

4- ATTENDANCE TO THE 6th MINISTERIAL CONFERENCE

Secretary General of SMIIC has attended to the Sixth OIC Ministerial Conference on Food Security and Agricultural Development held in Istanbul, Republic of Turkey, on 03-06 October 2011. The importance of standards to food safety and to the economy is highlighted and all OIC Member states are encouraged to implement common standard and common certification mechanism which will eliminate barriers to trade and increase the trade by mutual recognition of certificates.

At the meeting it has been agreed to prevent the technical barriers among OIC Member states trade.

5- ATTENDANCE TO THE 27th COMCEC MEETING

Secretary General of SMIIC has attended to the 27th Session of COMCEC in Istanbul, Republic of Turkey, on 17-20 October 2011. In the resolutions of the meeting, related to SMIIC:

- the ratification of the Headquarters Agreement of SMIIC by the Republic of Turkey, and
 - the commencement of SMIIC's activities, with a view to helping the Member States to improve quality and standards of their products and services
- have been evaluated and appreciated.

6- CEN/BT WG 212 3rd MEETING ON HALAL FOOD

Secretary General of SMIIC has attended to the meeting of WG 212 of European Committee for Standardization on Halal Food held in Brussels, Belgium on 21-22 November 2011.

At the meeting, one important point in the discussion focused on stunning. It was agreed to send a letter to the European Council for Fatwa and to the International Islamic Fiqh Academy asking for a unified and detailed opinion about stunning till end of January 2012 at the very latest. This opinion will be presented to CEN/BT WG 212 and be subject for further discussion at next CEN/BT WG 212 as basis to which one of the below options in regard to stunning should be preferred:

Option A: Stunning is prohibited in general. This option will lead to a high number of A-deviations making the European Standard less applicable in European countries.

Option B: Stunning is allowed under certain conditions, e.g. the stunning shall ensure that the process is reversible, methods of stunning complying with these conditions can be indicated in an Annex of the European Standard(same approach in the OIC/SMIIC 1).

7- SMIIC ESTABLISHED ISTANBUL OF FICE, AS ITS HEADQUARTERS

7.1- September 2011: SMIIC Istanbul Office has been put in service in Istanbul at the below address:

Süleyman Demirel Bulvarı, İPKAS Camii Yanı, İkitelli, Başakşehir - İstanbul/
TURKEY, 34490.

Tel: +90 212 407 05 20; +90 212 407 05 22, **Fax:** +90 212 407 05 21;

E-mail: secretariat@smiic.org; info@smiic.org, **Web:** www.smiic.org

7.2- October 2011: SMIIC e-mail address has been announced (info@smiic.org; secretariat@smiic.org).

7.3- November 2011: SMIIC web site has been announced (www.smiic.org).

7.4- December 2011: SMIIC draft official documents have been prepared and circulated to SMIIC Member countries to have their comments and to discuss these comments in the Third Board of Directors Meeting held on 23-24 January 2012, in Istanbul.

Draft SMIIC Documents:

- a) STRATEGIC PLAN AND ACTION PLAN OF SMIIC (GS/SP-AP/001),
- b) REVISED STATUTE OF SMIIC (GS/STA/002),
- c) RULES OF PROCEDURE OF SMIIC (GS/ROP/004),
- d) STAFF REGULATION OF SMIIC (GS/PER/006),
- e) ORGANIZATION CHART OF SMIIC (GS/ORG/003),
- f) SMIIC DIRECTIVES PART 1: PROCEDURES FOR THE TECHNICAL WORK (SD/DIR/001),
- g) SMIIC DIRECTIVES PART 2: RULES FOR THE STRUCTURE AND DRAFTING OF OIC/SMIIC DOCUMENTS (SD/DIR/002),
- h) AGREEMENT BETWEEN SMIIC AND MEMBER STATES FOR THE DISTRIBUTION AND SALES OF OIC/SMIIC STANDARDS (GS/AGR/005).

8- THE THIRD BOARD OF DIRECTORS MEETING OF SMIIC

Third SMIIC Board of Directors meeting was held in Istanbul, Republic of Turkey on 23-24 January 2011.

The 3rd Board of Directors Meeting decided that the General Secretariat of SMIIC get in touch with the OIC Member States in the shortest time possible in order to collect nominations from both the national standardization and accreditation bodies which are interested in becoming a member of both the Accreditation Committee and Technical Committees.

The Board emphasized the importance of the establishment of SMIIC taking into account the objectives regarding elimination of any factors likely to affect adversely the trade among intra-OIC and gaining maximum benefit from the economic advantages to be brought about by the standards. Consequently, the Board instructed the SMIIC General Secretariat to encourage and invite all the OIC member states through the official diplomatic channel of the OIC General Secretariat to support the cause of SMIIC.

9- COMCEC Workshop on Country Partnership Models with Central Asia

Secretary General of SMIIC has attended to the meeting of COMCEC Workshop on Country Partnership Models with Central Asia held on 22 - 23 February 2012, Ankara, Republic of Turkey.

In the meeting, the importance of standards to the economy is highlighted and all OIC Member States are encouraged to harmonize OIC/SMIIC Standards as their national standards and to implement common standard and common recognized certification mechanism which will eliminate technical barriers to trade and increase the trade by mutual recognition of certificates issued in line with OIC/SMIIC Standards to boost the economies of OIC Countries. This is nothing but the accreditation process itself through its peer assessment.

10- CEN/BT WG 212 4th MEETING ON HALAL FOOD

Secretary General of SMIIC has attended to the 4th meeting of CEN/BT Working Group 212 – Halal Food Sarajevo, Bosnia and Herzegovina, 06 March 2012.

The European Committee for Standardization (CEN) has set up this Working Group (CEN/BT WG 212) to analyse the feasibility of a European Standard on halal food. This 4th meeting was the last meeting and WG 212 will be proposed to be disbanded to CEN/BT decision by its secretariat. Its feasibility report will also be submitted to CEN/BT meeting which will be held by the end of March 2012 for final consideration.

In this last meeting, Secretary General of SMIIC made reference to SMIIC standards about the relevant subjects and proposed to adopt the OIC/SMIIC Standards on Halal food.

11- RECOMMENDATIONS

11.1- SMIIC General Secretariat expects from all members of SMIIC (ideally from all OIC Member States after completing the membership procedure) to adopt above OIC/SMIIC Standards as their national standards and launch certification activities for the sake of supporting common standard and common certification mechanism among OIC Member States.

11.2- The OIC Member States which has already signed SMIIC Statute are:

- 1- Republic of Azerbaijan
- 2- Burkina Faso
- 3- Republic of The Gambia
- 4- Republic of Guinea-Bissau
- 5- Federal Republic of Nigeria

- 6- State of Palestine
- 7- Republic of Senegal
- 8- Republic of Sierra Leone
- 9- Syrian Arab Republic
- 10-Republic of Yemen

(Source: 25/10/2011 dated and No. OIC/ECO-04/38/2008 List of Member States Sheet

(<http://www.oic-oci.org/uploads/file/conventions/en/Accords-Eng-25-10-2011.pdf> link)

At the 2nd General Assembly of SMIIC, furthermore, which was held in Istanbul, Republic of Turkey, on 12-13 July 2011, its Statute is amended in a way that would better address the current needs and facilitate membership procedure. According to the revised provision of the Statute (Article 4), the membership of SMIIC no longer requires the ratification of the SMIIC Statute by the Member State. Instead, the National Bodies of the OIC Member States can now be admitted into the Institute as a member upon their application to the SMIIC General Secretariat via an official letter.

Consequently, SMIIC General Secretariat expects from above signatories of SMIIC Statute to complete their membership procedure at their earliest convenience by the support letter of OIC dated 25 February 2012 and No. OIC/ECO-04/138/2012/001035 addressed to all OIC Member States.

11.3- SMIIC would also invite all the SMIIC member states first with participating status(P-Member with voting right), then non-member states with observing status(O-Member without voting right) to participate in their interested SMIIC Technical Committees, namely TC1: Halal Food Issues, TC2(or TC1/SC1): Halal Cosmetic Issues, TC3: Service Site Issues, TC4: Renewable Energy, TC5: Tourism and Related Services, TC6: Agriculture Processes, TC7: Transportation.

11.4- General Secretariat of SMIIC also invites the national accreditation bodies of OIC Member States to become a member of the Accreditation Committee.

ANNEX

XII

Original: English

REPORT

THE 8TH MEETING OF THE COMCEC TASK FORCE ON AGRICULTURE, RURAL DEVELOPMENT and FOOD SECURITY

(Ankara, 8 May 2012)

1. The Meeting of the COMCEC Task Force on Agriculture, Rural Development and Food Security was held on May 8th, 2012, in Ankara, Turkey.
2. The Task Force Meeting was chaired by Mr. Metin EKER, Director General of the COMCEC Coordination Office.
3. The Task Force Meeting was attended by the members of the Task Force, namely the OIC General Secretariat, the COMCEC Coordination Office (CCO), the Islamic Development Bank (IDB) and representatives from the Ministry of Food, Agriculture and Livestock of the Republic of Turkey (as the current chairman of the OIC Agricultural Ministerial Conference), and Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC) as well as the representatives of Islamic Chambers of Commerce and Industry (ICCI) and Islamic Center for Development of Trade (ICDT) as guests.

(The list of participants is attached as Annex).
4. The Task Force, after elaborating on the Draft Framework for Cooperation in Agriculture, Rural Development and Food Security in the OIC Member States, decided that the Draft Framework will be circulated to the member states by the OIC General Secretariat, at its earliest convenience, for their consideration.
5. The Task Force also decided that the contributions of the member states, which are to be conveyed by mid August 2012, the latest, will be incorporated into the document by the COMCEC Coordination Office in cooperation with the IDB and SESRIC. Upon completion of this process, the final draft of the Framework will be submitted to the 28th Session of the COMCEC for its adoption.
6. The Task Force agreed that the issues regarding the operationalization of the Framework, upon its adoption by the COMCEC, will be considered by a working group to be established by the COMCEC.
7. The Task Force also agreed that the COMCEC will study the issues pertaining to the working modalities and composition of the proposed working group.

**List of Participants
of the Eighth Meeting
of the COMCEC Task Force on Agriculture,
Rural Development and Food Security**

I. Members of the Task Force

1. OIC General Secretariat

- Mr. Gholamhossein DARZI, Director;
- Abdunur Muhd SEKINDI, Professional Office.

2. COMCEC Coordination Office

- Mr. Metin Eker, General Director;
- Mr. Selcuk Koc, Director;
- Mr. Metin Gençkol, Planning Expert;
- Mr. Erdoğan Emrah Hatunoğlu, Planning Expert;
- Mr. Mehmet Fidan, Assistant Planning Expert.

3. IDB GROUP

- Mr. Abdul Basit RASHEED JAM, Cooperation Specialist.

II. Guests

1. Turkey

- Ms. Deniz BERBER, Head of Department;
- Mr. Ayhan BARAN, Engineer.

2. SESRIC

- Mr. Nabil Dabour, Director of Research Department;

3. ICDT

- Mr. Amadou Cire SALL, Head of Department;

4. ICCI

- Ms. Attiya Nawazish ALI KHAN, Assistant Secretary General.

ANNEX

XIII

Original: English

**REPORT OF THE 2nd WORKSHOP ON
PRIVATE SECTOR COOPERATION FOR ENHANCING
INTRA-OIC TOURISM**

(İzmir, Republic of Turkey, 09 December 2011)

1. The 2nd Workshop on “Private Sector Cooperation for Enhancing Intra-OIC Tourism” was held on Izmir on 09 December 2011 on the sidelines of the Travel Turkey Tourism Fair and Conference.

2. The Workshop was attended by the public and private sector representatives from the following Members of the OIC:

- Republic of Azerbaijan
- Arab Republic of Egypt
- Republic of Indonesia
- Hashemite Kingdom of Jordan
- Republic of Maldives
- Republic of Mali
- Republic of Turkey

3. The representatives of following OIC Institutions took part in the meeting:

- The OIC General Secretariat
- COMCEC Coordination Office (CCO);
- Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRIC);

(The list of participants is attached in Annex-I).

4. H.E. Faruk ŞAHİN, Deputy Undersecretary of the Ministry of Culture and Tourism of the Republic of Turkey, as the Chairman of the Workshop delivered his opening speech. H.E. ŞAHİN pointed out the growing importance of tourism sector in the world as well as in OIC and stressed high role of private sector in the cooperation in the field of tourism. He mentioned that sharing experiences and good practices are of particularly importance for the OIC Region. Finally, he highlighted the added value of bringing the private sector representatives together for improving the cooperation in this area.

5. Mr. Selçuk KOÇ, Director of COMCEC Coordination Office, also made a statement. In his statement, he gave background information about the cooperation in the domain of tourism sector under COMCEC. Stressing the importance of private

sector in tourism, he concluded that COMCEC would continue to exert its efforts to promote the cooperation among private sector institutions and organizations operating in this field.

6. Ms. Arzu Emel YILDIZ, Controller from General Directorate of Investment and Establishments, Ministry of Culture and Tourism of the Republic of Turkey, delivered a presentation entitled “Turkish Tourism: Development Story”. In her presentation, she submitted the essential numbers about the Tourism Sector in Turkey, expressed three main development periods of Turkish Tourism Sector and delivered some predictions about the coming future in the context of tourism industry.

7. Mrs. Ayşe Nur ERGÜLŞEN, Director Cooperate Affairs of Association of Turkish Travel Agencies (TUR SAB) delivered a presentation on Turkish experience in health tourism.

8. Mr. Mazhar HUSSEIN, the representative of SESRIC, made a presentation on the current situation and common challenges of the OIC Member Countries in the field of tourism. In his presentation, he provided among others, the figures on the intra-OIC Tourism including tourist arrivals and tourism receipts.

9. Mr. Didien JUNAEDY, the representative of Indonesia, made a presentation on his countries experience in tourism sector.

10. The participants held discussions on PPP's and shared their experience and knowledge in this regard.

11. The representatives agreed on the modality of the OIC/COMCEC Private Sector Tourism Forum.

(The modality is attached in Annex-II)

12. PROPOSALS, RECOMMENDATIONS AND DECISIONS

- OIC/COMCEC Private Sector Tourism Forum was established among the OIC Member Countries.

Based on the discussions, question-answers and presentations, the Workshop also:

- emphasized the significance of diversification of tourism products in the member countries and raising the awareness of the tourism destinations.

- underlined the importance of availability of data in terms of developing sound policies in tourism sector and requested SESRIC to regularly publish tourism statistics and member states to respond the questionnaires circulated by the former in a timely manner.
- highlighted the need for sound marketing strategies, i.e. joint tour programs.
- requested the Ministry of Culture and Tourism of the Republic of Turkey to consider extending training programs on bilateral and multilateral basis to the member countries in need.

13. The participants also expressed their profound gratitude to the Ministry of Culture and Tourism of the Republic of Turkey for hosting this important workshop as well as for the great efforts they have made to ensure its success.

MODALITY PROPOSAL FOR OIC/COMCEC PRIVATE SECTOR TOURISM FORUM

1. Background Information

The COMCEC Economic Summit and the 25th Session of the COMCEC held in November 2009 in Istanbul decided to prioritize the cooperation in the domain of tourism. Accordingly, in pursuance of the relevant resolution of the 26th Session of the COMCEC, Turkish Ministry of Culture and Tourism in collaboration with the Association of Turkish Travel Agencies (TURSAB) organized the 1st Workshop on “Private Sector Cooperation for Enhancing Intra-OIC Tourism” on December 10th, 2010 in Izmir.

The Workshop, attended by the public and private sector representatives of the OIC Member States in tourism sector, recommended the establishment of an OIC/COMCEC Tourism Platform which would regularly bring private sector representatives together to discuss potential cooperation areas in the field of tourism. In addition, it requested the Turkish Ministry of Culture and Tourism in cooperation with COMCEC Coordination Office to work on modality and details of the OIC/COMCEC Tourism Platform.

The 27th Session of the COMCEC, held on 17-20 October 2011 in Istanbul, welcomed the recommendation of the said Workshop on the establishment of OIC/COMCEC Tourism Platform and supported this initiative. The Session called upon Member

States to encourage their private sector representatives to actively contribute to this initiative.

Based on the above-mentioned resolutions and recommendations, Turkish Ministry of Culture and Tourism and COMCEC Coordination Office have worked on the modality of the COMCEC Tourism Platform in terms of its objectives, cooperation areas and structure. In this respect, the draft modality was finalized and adopted as a result of the 2nd Workshop on “Private Sector Cooperation for Development of Tourism within OIC” to be hosted by the Ministry of Culture and Tourism of the Republic of Turkey on 9-10 December 2011 in Izmir.

2. Modality for OIC/COMCEC Private Sector Tourism Forum

OIC/COMCEC Private Sector Tourism Forum aims at providing an enabling environment for the private sector representatives of the member countries to discuss potential cooperation areas and identify common issues in the field of tourism. This Forum will also serve as a regular communication channel for them to share their experience and knowledge.

2.1. Possible Cooperation Areas

OIC/COMCEC Tourism Forum may focus on the following cooperation areas¹:

- Enhancing the competitiveness of the tourism services and products
 - Improving the quality of tourism services and products,
 - Upgrading skills in the tourism industry through vocational training
 - Approximating tourism standards
- Developing effective marketing strategies
 - Raising awareness on the existing tourism destinations and products
 - Diversifying tourism products and destinations to attract more tourists from COMCEC region
- Financing modalities
 - Public-Private Partnership (PPP) Models
 - Tourism incentives
- Investment opportunities
 - Raising awareness on the existing investment facilities and relevant legislation of the member countries
 - Enhancing intra-COMCEC tourism investments

¹ These cooperation areas are not exhaustive. If need arises, new areas may be added.

2.2. Structure and Organizational Issues

The private sector representatives of the OIC Member States in the area of tourism, inter alia, tour operators, tourism investors, travel agencies, as well as the representatives from relevant public institutions may attend OIC/COMCEC Private Sector Tourism Forum. OIC Institutions and International Organizations may also contribute to the works of the Forum.

Forum meetings are held regularly, at least once a year. Every year the Forum focuses on a specific theme of interest, such as quality of services, financing modalities and competitiveness.

Turkish Ministry of Culture and Tourism offers to host the Forum in every December in Izmir. Member States may also host the Forum meetings if they wish. Besides, OIC Members are welcomed to host the activities to be planned in accordance with the discussions of the Forum.

If need arises, for each cooperation area a Task Force may be formed among the voluntary members of the Forum. A voluntary Member State may be also assigned as the coordinator of each Task Force.

Turkish Ministry of Culture and Tourism may serve as the Secretariat of the Forum. The Secretariat prepares the agenda of the each Forum meeting, coordinates the activities of the Forum, deals with the organizational matters and informs the COMCEC Sessions and Islamic Conference of Tourism Ministers (ICTM) about the outcomes of the Forum meetings.

ANNEX

XIV

Original: English

**MEETING OF CENTRAL BANKS AND MONETARY AUTHORITIES
OF THE ORGANISATION OF ISLAMIC COOPERATION (OIC)
MEMBER COUNTRIES
“Central Banking and Financial Sector Development”
16 November 2011, Kuala Lumpur, Malaysia**

FINAL COMMUNIQUÉ

1. We, the Governors and Heads of delegations, met at a time when uncertainties in the global economy continue to pose significant challenges to Central Banks and Governments. The global financial crisis has highlighted that weaknesses in the financial sector and fiscal policies could have destabilising effects and negative consequences on the real economy. This has reinforced the importance of an effective functioning financial sector in supporting sound and sustainable economic development. We also agree on the need for increased efforts to mitigate the destabilising consequences of these developments on our respective economies.
2. We acknowledge that the financial sector has an essential role to efficiently intermediate funds towards productive economic activities and generating sustainable and balanced growth. A well-developed financial sector can improve standards of living, create high value employment, and drive the economic transformation process.
3. We appreciate that whilst individual economies are unique, there are essential building-blocks to build a diversified, progressive and inclusive financial sector including exploring the role of Islamic finance in achieving these objectives. We discussed the importance of building strong financial institutions to serve the economy, having the necessary financial infrastructure supported and balanced by a strong regulatory and supervisory framework, including macro and micro-prudential framework, to safeguard financial stability. We also recognise the need to create an inclusive financial sector towards achieving balanced economic growth and greater shared prosperity.
4. We acknowledge that Central Banks in collaboration with the relevant Government agencies should play a critical role in facilitating a nation's developmental agenda towards achieving sustainable and non inflationary economic growth. It is imperative for Central Banks to continuously undertake

transformation and modernisation in enhancing organisational capacity and governance to effectively perform our mandate.

5. Moving forward, we can expect emerging economies to continue to contribute towards driving global economic recovery and growth. The potential role of Islamic finance in supporting this endeavour should be given special attention. In this regard, we reaffirm our commitment to strengthen collaboration in capitalising our growth potential. We hereby affirm that we will leverage on our individual strengths and cooperate in building our capacities, including the training programmes organised by SESRIC for Central Banks of the OIC member countries.
6. We thank Malaysia and SESRIC for organising the Meeting of Central Banks and Monetary Authorities of the OIC member countries, and we welcome the offer of the Republic of Turkey to host the 2012 meeting, and Saudi Arabia and Indonesia to host the meeting in 2013 and 2014, respectively.

ANNEX

XV

**REPORT ON
THE ACTIVITIES OF THE ISLAMIC CHAMBER OF COMMERCE,
INDUSTRY AND AGRICULTURE
AND THE WORK PLAN FOR 2012**

Introduction:

The year 2012 marks the 33rd year of the establishment of the Islamic Chamber of Commerce & Industry (ICCI) as an affiliated Institution of the Organisation of Islamic Cooperation (OIC).

In consonance with the 10 year Programme of Action of the OIC, the ICCI has developed its 10 Year Work Plan, as a mechanism to assist in the implementation of the OIC Programme of Action.

Within the framework of the implementation of Its Ten-Year Work Plan, which *also serves as a mechanism to implement the OIC Programme of Action*, and its endeavors to serve the Private Sector, the Islamic Chamber has *undertaken several activities and programmes to address the needs and serve the private sector. These include the holding of business forums, workshops, training programme. In addition the Islamic Chamber is also working in the area of doing Halal Business and concept of Zakat as a means for socio economic development of the community.*

The ICCI is also taking an active role in the implementation of the executive framework on intra Islamic trade to reach the target of 20% by 2015. In addition, it is also activating its strategy on the development of the SMEs.

14th Private Sector Meeting:

14th Private Sector Meeting for the Promotion of Trade and Joint Venture Investment in OIC Countries was held in Sharjah, 24-26 April 2011, under the kind patronage of H.H. Sheikh Dr. Sultan Bin Mohammed Al Qassimi, Member of the Supreme Federal Council & Ruler of Sharjah.

Outcome of the Meeting:

- ✓ The Recommendations of the Meeting were submitted to the COMCEC, which took note.
- ✓ Setting up of a permanent Islamic Trade and Exhibition Center, in the Emirate of Sharjah, for promoting and marketing products and services of member countries.
- ✓ Contacts have been established with SMEs in Member OIC Countries to discuss the problems and solutions. The 6th Task Force Meeting of the SMEs held in Thailand, approved the Strategic Plan put forward by the ICCI on the

development of SMEs. This Plan unfortunately could not be fully implemented due to lack of a defined financial mechanism. This Plan is now being reactivated and put forward during the Exchange of Views session, to be held during the 28th Session of COMCEC in October 2012.

Chamber Academy Programme:

- Chamber Academy Programme was organized by ICCI, in collaboration with the Union of Chambers and Commodity Exchanges of Turkey (TOBB) and International Islamic Trade Finance Corporation (ITFC) on 20-24 June 2011.
- The Training Programme was attended by 22 participants from 20 Countries.
- The Programme imparted training to Chamber executives on ways and means of adopting Standard Operating Procedures (SOPs), which would enhance the role of the Chambers to play a contributory role in the promotion of trade among member countries.
- The participants have introduced the best practices learnt in their respective member chambers and shared knowledge on innovative services provided for corporate world as well as exchanged benchmarks on core business of the chambers.

Food Security and Development of Agri-business

Workshop on Food Security and Agribusiness for OIC Countries, Kampala-Uganda, 10-12 October 2011:

- The Workshop was held in Uganda on 10-12 October 2011 in collaboration with Islamic Development Bank (IDB) and Uganda National Chamber of Commerce & Industry (UNCCI). Food Security is one of the priority areas of the OIC Programme of Action.
- The Workshop led to negotiations on technology and know how transfer between:-
 - ✓ Palestine and Nigeria
 - ✓ Bangladesh and Uganda
 - ✓ Afghanistan and Uganda
- A databank of agro processors is to be established. ICCI has already approached the Islamic University of Technology in this context and it has agreed to cooperate with ICCI in undertaking a research project on Agro-Processing leading to setting up of a Database.
- ICCI will also be organizing a Workshop on Capacity Building on Value Chain Analysis for agri-business sometime in 2012
- **AgriBusiness Development Forum (ABDF)** has been established. The broad objective of the ABDF is to provide a cohesive platform for all agri players in Pakistan, at the micro, meso and macro levels. The ABDF will

provide a voice to policy level concerns, as well as incubation for innovative pilot projects at the grassroots level, utilizing a hybrid value chain approach. The first and second series of the Forum of have already been held in Lahore and Karachi, Pakistan. It is hoped that similar Forums be developed in other member countries as well. In this context the cooperation of Academia and Multinationals in Agro processing are sought.

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 ICCI 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 ICCI 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 ICCI. 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.

Cooperation with International Organizations:

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

- Perez-Guerrero Trust Fund (PGTF);
- Special Unit for South-South Cooperation of the United Nations Development Program (SUSSC-UNDP);
- Food and Agriculture Organization (FAO)
- International Finance Corporation of the World Bank Group.

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

SME DEVELOPMENT:

Islamic Chamber of Commerce and Industry was mandated by the General Secretariat of the OIC to develop the SMEs and hold Task Force Meetings. ICCI held six sessions of the Task Force Meetings and in its Final Meeting proposed the Strategic Plan for the Promotion and Development of SMEs Sector in OIC Member States. However, very little of the Strategic Plan has been implemented due to lack of a mechanism and a well defined implementing strategy. Under the subject of Enhancing the Competitiveness of the SMEs in OIC countries the 28th Session of COMCEC is also

having an exchange of views session. This session is to be preceded by a Workshop. ICCI will submit the Strategic Plan to the Workshop, after some updates, so as to make it more doable given the current situation, wherein funding is a constraint. This Workshop will focus on the state of SMEs, their needs, their issues and how they can be addressed. It is intended that this Plan be one of the important component of how to enhance competitiveness and could serve as a overall guideline for SMEs development in Member States.

Training Programme on Entrepreneurship Development:

In collaboration with a local Business School, in Karachi, a series of two day Workshops have been and are continuing to be held at the Headquarters of the ICCI. Each Workshop is addressing different sectors, such as Banking, SMES, Women, Youth etc. The aim of this workshop is to empower young and aspiring entrepreneurs by equipping them with skills, tools that helps them initiate business ventures to bring about a social-economic uplift for the benefit of their respective country.

Efforts are being undertaken to carry out similar Workshops in other member states as well.

Zakat and Halal:

In the area of Zakat and Auqaf, considerable work has been done by the ICCI, by preparing a principal Zakat Funds byelaws and regulations for the needy. Several workshops and research papers made, explaining the concepts of Zakat as a mechanism for eradicating poverty.

In promoting economic cooperation among the OIC countries, the ICCI is also focusing on a very important aspect of “doing business”, namely “Halal business”. In this context, the Islamic Chamber is cooperating with Muslim Chambers of Commerce, in non Islamic countries, to create awareness on the various concepts of halal, through booklets prepared by the ICCI. It is expected that through this cooperation halal trade would increase between the non OIC countries and the other OIC member countries. The ICCI has also extended its cooperation and is ready to work with other entities within the OIC in the field of Halal. In this context it has:

- Participated and co-sponsored the 1st International Conference & Exhibition on Halal Food Control, which was organized by the Saudi Food and Drug Authority, Kingdom of Saudi Arabia from 12-15 February 2012 along with special exhibition of ICCI.
- An MOU on Halal was signed with the Council of Saudi Chambers.
- Initial Draft of an MOU to be signed with the Saudi Food and Drug Authority, Kingdom of Saudi Arabia.
- Another Draft MOU to be signed with Brazilian Islamic Chamber of Commerce and Industry.

- Negotiations are going on with the World Muslim League about cooperation in the field of Halal.
- Participated in the 1st Gulf Halal industry & its services conference, which was held on 24-26 Jan. 2011 at Kuwait. The agenda of the said conference were centered on Shariah, Scientific, Economics & Halal trade dimensions. Agreements were concluded with a number of experienced halal institutions.
- A meeting was held on 18 April 2011 in Jeddah with Arab Chinese Association & Cultural Exchange Council & Ningxia International trade certificate center for Halal food. The main agenda of the said meeting was to foster and reactivate Halal trade exchange between China and OIC member countries. An elementary understanding was reached to conclude a comprehensive agreement in this regard
- Collaboration agreement in Halal matters was prepared in order to be signed with Arab Chinese Council for trade integration and cultural exchange, along with the activities of the Halal forum organized by the said council which was held on 21-23 Sep 2011, but unfortunately ICCI was unable to attend the said forum due to entry visa problem.
- A comprehensive collaboration agreement was prepared in the domain of Halal issues, with federation of Pakistan Chambers and Pakistan Authority for development of Halal products, which will be signed in due course.
- A meeting was held with Arab-Brazil chamber of commerce representative, with the aim of collaboration in the field of Halal trade. The meeting minutes was signed by both parties. The most important areas of deliberation were:
 - Exchange of data that concern the relevant activities which will be organize by both parties.
 - An understanding was reached to foster and increase the volume of trade exchange between Brazil and Islamic countries as well as encouraging the Brazilian investments in the Islamic countries.
 - An understanding was reached on formulation of collaboration protocol in the domain of halal products to use ICCI's Logo in accordance with detailed procedures which will be discussed mutually later on.
- A considerable part of the data of Halal promotion booklets were completed, the collection of the complete data of the said books will be finalized and published during the coming three months Insha'Allah

The Islamic Chamber has also set up the FORAS International Investment Company:

FORAS has embarked on the implementation of its strategic plan that aims to cover the Islamic world in 2020. Foras began in implementing its projects in African countries reaching thereafter to the Middle East and the countries. Foras international founded 5 companies in Africa in collaboration with local private sector and the message of each company is to help Foras to explore investment opportunities, structuring projects, and

accessing government concessions and exemptions to increase profitability of the project.

Foras Investment Company has established companies to provide technical knowledge and technical building capacity in areas that are the needs of the OIC countries, such as Agriculture, tourism, housing, real estate, healthcare, science and technology and human development.

It also established Tatarstan International Investment Company in cooperation with ICD.

As per the resolution of the Progress Report adopted by the 7th Islamic Conference of Tourism Minister (ICTM) held in Antalya, Republic of Turkey during 24-25 March 2010, FORAS International Investment Company, an investment arm of Islamic Chamber of Commerce and Industry (ICCI), is organizing a “Workshop on the Promotion of Tourism among OIC Countries” in Dubai on 14th April 2012. The Workshop will discuss the promotion of tourism among OIC Member States through best available technology. Initially, the officials from ten countries are invited for said Workshop in Dubai.

FORAS has also created an OIC Tourism Portal & Booking Engine. The Portal looks after promotion of tourism at OIC level initially starting with 11 Countries (Saudi Arabia, Egypt, Turkey, Iran, Malaysia, Indonesia, Tunis, Morocco, UAE, Kuwait, Qatar). The e-gate for air-ticketing, hotel booking, rent a car, and tourism promotion. The business plan, targets the markets of Saudi Arabia, Gulf region and Middle East. The rest of the markets in addition to the European market will be covered at a later stage.

Media & Information:

In the area of Media & Information, the ICCI has an extensive mechanism, by means of which it covers its activities, new developments, world news, briefs on member countries and business opportunities. In this context it has:

“The Chamber” Magazine

- The quarterly printed magazine titled “The Chamber” has been first issued in Arabic and English languages since June 2008.
- It contributes to achieving and publicizing the goals and activities of the Chamber and its members through promotion of their activities.
- Each issue highlights one of the Islamic countries and its wealth, resources and the available opportunities in it.

ICCI Website (www.iccionline.net)

- The new design for the ICCI main website is made with the aim of being more dynamic and useful for its visitors. And now it enjoys an average of one million visitors monthly.

- Comprehensive broadcast coverage with photos and videos for the Chamber's major events, conferences and meetings of the executives.
- The Website provides ad space in accordance with the comprehensive marketing plan of the Secretariat' products..

Online Magazine (www.chambermag.com)

- The e-magazine is published in Arabic and English languages
 - It focuses on the top stories of the Chamber as its prime priority, then the events of the federations of chambers and the OIC countries, specifically the economic proceedings.
- Moreover, the e-magazine gives due attention to the economic reports and studies in addition to the contributions of the experts of the Islamic economics.

Weekly Newsletter

- The weekly newsletter of the Chamber has been created since July 2008. It is issued in Arabic and English languages.
- It includes fixed sections, covering the economic news of the Chamber, federations of the chambers of commerce in the OIC member countries, and the whole world.
- It is sent to the federations of chambers in the OIC countries, some companies, businessmen, major economic institutions and relevant bodies.

The ICCI also issues press releases and holds TV interviews to publicize the Chamber and its goals.

Business Owners Union (BOU):

Another mechanism the ICCI is using to implement its goals is the Business Owners Union (BOU). Its membership is open to all. The objective of the BOU is to

- Provide the opportunity for the chambers' members, organizations, trade clubs, NGOs, business owners and entrepreneurs in the Islamic countries to take part in activating the Objectives of the Ten-Year Work Plan.
- Encourage communication and acquaintance among the business owners in the 57 Islamic States so as to increase trade and investment exchange amongst the countries.
- Provide opportunities and deliberate on projects conducted by the offices of the Union Advisory members in the Islamic countries.
- Displays the opportunities of commercial agencies and goods of the Union's manufacturing companies in the Islamic world.
- Help the companies operating in the Islamic countries to increase their sales in the non-Muslim countries

Key achievements

- Since May 2011, BOU has been inviting chambers' members, trade associations and organizations to join the Union.
- The BOU has started entering information about the chambers and trade associations on the Portal's Data Bank in September, 2011
- The process of registration and classification of the members' projects on the Portal of Business Owners Union has been conducted since October, 2011.

ANNEX

XVI

**REPORT BY IDB
ON THE IMPLEMENTATION STATUS
OF THE ISFD AND THE SPDA**

ISFD

1. The ISFD was established as a Special Fund within the IDB following a decision of the Extraordinary Islamic Summit Conference held in Makkah, Saudi Arabia, in December 2005. It was officially launched during the 32nd Annual Meeting of the IDB Board of Governors (BOG), held on 12-13 Jumad-I, 1428H (29-30 May, 2007) in Dakar, Senegal. The Fund has been established in the form of a *Waqf*¹ (i.e. Trust), with a principal target capital of US\$10 billion. All IDB member countries were called on to announce their financial contributions to the Fund and extend technical and moral support to its operations.

2. The Fund is dedicated to reducing poverty in its member countries by promoting pro-poor growth, emphasizing human development, especially improvements in health care and education, and providing financial support to enhance the productive capacity and sustainable means of income for the poor, including financing employment opportunities, providing market outlets especially for the rural poor, and improving basic rural and pre-urban infrastructure. These objectives are linked directly to the achievement of the UN Millennium Development Goals (MDGs) and are also in line with the IDB 1440H (2020G) Vision. The financing of the Fund is provided on concessional terms, primarily for the 28 least developed member countries of the IDB.

II. STATUS OF RESOURCE MOBILIZATION

3. Although more than four years have elapsed since the start of the ISFD operations and the launching of its Five-Year Strategy (2008-2012), the Fund is still constrained by the low level of mobilized resources, compared to its approved target capital of US\$10.0 billion.

4. The Fund has been established on the basis of voluntary contributions from member countries to illustrate “Islamic solidarity and brotherhood” among them. As such, major contributions are expected to come from the group classified as high income member countries at a level which would offset the potentially small contributions that are expected from the least developed member countries (LDMCs).

¹ The concept of *Waqf* (Trust) implies that only the income which will be made from the investments of the Fund’s resources will be available to finance its operations.

5. As of 18 April 2012, the level of announced capital contributions to the ISFD stands at US\$2.66 billion, announced by 43 member countries (US\$1.66 billion) and the IDB (US\$1.0 billion). During 1433, and since the 27th Session of COMCEC in October 2011, the ISFD has received new commitments of US\$10 million from Egypt and an additional commitment of US\$12.0 million by Bangladesh (bringing Bangladesh's total commitment to US\$13.0 million). Twenty eight member countries have fully paid their announced contributions, 4 paid partially, and 11 countries of those who announced their contributions are yet to start payment of those contributions. Thirteen countries are yet to announce their pledges to the Fund. Annex 1 shows the status of contributions to the Fund as of 18 April 2012).

6. The total amount of received contributions so far is US\$1.639 billion, of which US\$400 million was paid by the IDB and US\$1.239 billion by member countries. The gross income of the Fund in 2011 was US\$31.88 million (compared to US\$20.02 million in 2010) and net income of US\$30.07 million (compared to US\$18.62 million in 2010).

7. In a bid to address the low level of commitments to the ISFD Capital by member countries, the ISFD's Board of Governors adopted Resolution ISFD/BOG/3-432 (attached) in its fourth meeting that took place in Jeddah in June 2011. The Board adopted a way of determining the appropriate level of a member country's voluntary contribution to the ISFD based on an average weighted criterion of three indicators:

- The value of a country's Gross Domestic Product(GDP) in real terms
- The value of a country's exports of goods and services
- The value of a country's foreign exchange reserves

8. The Resolution is in line with the view expressed in previous COMCEC meetings that the lack of guidelines designed to help each member country determine the appropriate contribution might be one of the main reasons for the low level of contributions. It is also in line with the view of the Procedures Committee of the ISFD Board of Governors and the recommendation of a group of experts that met in Jeddah in December 2010 to take stock of the ISFD's performance and consider prospects for its progress.

9. Furthermore, the ISFD Board of Governors, in its 5th meeting held in Khartoum on 3-4 April 2012, adopted a Resolution (No. ISFD/BG/3-433) calling on all member countries to:

"... take all measures to support the efforts of the ISFD in resource mobilization such as allocating a suitable Waqf in favour of the ISFD which the ISFD can develop to generate revenues that can enhance its resources. The allocated Waqf shall be considered an addition to the financial contribution of the donating member country

to the capital of the ISFD. At least 50% of the income generated from the investments of the Waqf will be used by the ISFD to finance its projects in the concerned member country, and the remaining amount will be used to finance other activities of the Fund.”

10. Obviously, the implementation of this important resolution will enable the Fund to enhance its resources while directly benefiting the donating member countries from income which will be generated from their allocated *Waqf*.

11. The Fund looks forward with optimism that member countries will implement these resolutions as well as the resolutions of the Islamic Summit Conference, COMCEC Summit in this regard. It also looks on the 28th COMCEC Session to reaffirm the need for member countries to implement these resolutions in its final communique.

III. ISFD OPERATIONS

12. To-date, the ISFD has approved 27 projects with direct funding from its income, in addition to co-financing from IDB, governments and other financiers. The cumulative project cost of these projects is estimated at US\$855.0 million. The Fund contribution to these programs is US\$156.0 million, while the remaining amount of US\$699.0 million has been leveraged from the IDB, governments and other financiers. This represents an average leverage ratio of 1:4.8. The Least Developed Member Countries (LDMCs) have been the main beneficiaries of these operations, enjoying more than 80% of the Fund's financing. So far five of these 27 projects are disbursing.

IV. ISFD THEMATIC PROGRAMS

13. Two thematic programs have been emphasized by the ISFD for implementation for poverty reduction during its first Five-Year Strategy period (2008-1012): Vocational Literacy Program (VOLIP) and Microfinance Support Program (MFSP). The total cost of each of these two programs is estimated at US\$500 million over a five-year period. The amount is divided evenly over the five year period i.e. US\$100.0 million annually per program. ISFD plays the role of a catalyst by providing US\$ 20.0 million for each program annually as seed money from its own resources and mobilizing the remaining amounts from other partners, including MDBs, private sector, Islamic banks/institutions, and charitable and civil society organizations.

14. So far, a number of projects have been approved under these two programs with a total cost amounting US\$195.98 million (US\$47.7 million for VOLIP, and US\$148.3 million for MFSP). The ISFD contribution is US\$21.1 million for VOLIP

and US\$36.2 million for MFSP. The IDB contribution was US\$11 million and US\$ 32.1 million to these two programs respectively. The bulk of the approvals have been allocated to African countries.

V. PROMOTING CO-FINANCING WITH DEVELOPMENT PARTNERS

15. The ISFD actively promotes co-financing to increase the total amount of funding available and maximize its impact. This also enhances the working relationship with stakeholders and other development partners for greater chance of project success and sustainability. In addition, the Fund has entered into a number of strategic partnerships in launching new initiatives. Below are examples of these initiatives:

- Sustainable Villages Program (SVP):

16. The ISFD has launched this program in May 2011 to be initially implemented in six countries in Africa over the next three years. The program, which is partially inspired by the UN Millennium Villages Project (MVP), is aimed to offer a multi-sector, integrated and model of development for addressing extreme poverty among rural communities. Two SVPs have already been launched in Chad (Salamat Region) and Kulbus in West Darfur in Sudan. The amount approved for the program is US\$120 million (an average of US\$20.0 million per project) as loan, and small grants. The Fund is currently working on the next batch of countries in the program, including Kyrgyzstan and Mozambique. The program will be implemented in collaboration with the Earth Institute of the University of Columbia, MDG Centre in Nairobi, Arab Bank for Development in Africa (BADEA), Qatar Red Crescent, and other partners.

- IDB-TCF (The Citizen's Foundation) – Pakistan

17. The TCF Model has evolved as a successful Educational Model for the poorest segment of society, where the poor have direct access to quality education in their own locations. It has a quality assurance system, which enables it to maintain high standards of education even though it is aimed at the poorest. This program aims to develop a *Waqf* (Trust) for TCF, which will generate the required funds to meet the major part of the costs of running the schools. It also aims at expanding the schools and students intake and replication of this model in selected IDB Member countries.

VI. WAY FORWARD

18. The ISFD intends to take a number of steps aimed at achieving and intensifying the efforts for resource mobilization and advocacy. These steps include:

- Enhancing the efforts for resource mobilization through consultations with member countries, tapping non-conventional sources of income, and advocacy.

- The ISFD through its Board of Directors and Board of Governors is working in collaboration with the OIC to put the ISFD Resource Mobilization on the agenda of the forthcoming OIC Summit for support.
- Engaging with the private sector under the Fund's Corporate Social Responsibility (CSR) initiatives, as well as approaching high net-worth individuals and institutions within member countries to solicit contributions to the Fund.
- Developing an investment policy with a view to ensuring a stable source of income for the Fund, consistent with the resource needs and the long-term preservation and appreciation of the real value of the principal invested amounts of the Fund.
- Developing the Second ISFD Strategy for the period (2013-2015).
- Setting up specific poverty-related Trust Funds under the umbrella of the ISFD. These funds will be aimed to finance the provision of basic services to the poor, such as primary education, primary health care, microfinance, agriculture and rural development, energy for the poor, emergency relief and institutional capacity building.
- Developing and launching a dynamic web portal with an anticipated start date of the assignment schedule for mid-May 2012. The portal will not only serve the information and advocacy objectives of the Fund, but also be the interactive gateway to ISFD's portfolio of interventions in its member countries. The procurement for the web-developer is nearing completion.
- Widening partnerships to enhance the financing leverage of the Fund.

19. The ISFD would like to request the COMCEC Follow-up Meeting to recognize the efforts so far exerted by the ISFD to address poverty in member countries despite the meagre resources at hand and the need for member countries to strengthen their support to the ISFD to enable it mobilize its target capital of US\$10.0 billion.

Annex XVI to OIC/COMCEC-FC/28-12/REP

ISLAMIC DEVELOPMENT BANK ISLAMIC SOLIDARITY FOR DEVELOPMENT STATEMENT OF CONTRIBUTION UPDATED- 1 May 2012								ANNEX -1
USD '000								
S.No	DESCRIPTION	COMMITMENTS	1ST INSTALMENT	2ND INSTALMENT	3RD INSTALMENT	4th INSTALMENT	GRAND TOTAL	Remarks
1	Afghanistan	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
2	Albania	10,000.00	0.00	0.00	0.00	0.00	0.00	No payment
3	Algeria	50,000,000.00	20,000,000.00	14,768,327.14	15,000,000.00	231,625.00	49,999,952.14	Fully Contributed
4	Azerbaijan	300,000.00	300,000.00	24,000.00	0.00	0.00	324,000.00	Fully Contributed
5	Bahrain	2,000,000.00	2,000,000.00	0.00	0.00	0.00	2,000,000.00	Fully Contributed
6	Bangladesh	13,000,000.00	1,000,000.00	0.00	0.00	0.00	1,000,000.00	Fully Contributed
7	Benin	12,250,000.00	0.00	0.00	0.00	0.00	0.00	
8	Brunei	2,000,000.00	1,999,980.00	0.00	0.00	0.00	1,999,980.00	Fully Contributed
9	BurkinaFaso	2,200,000.00	758,309.88	1,479,937.89	0.00	0.00	2,238,247.77	Fully Contributed
10	Cameroun	2,000,000.00	2,000,000.00	0.00	0.00	0.00	2,000,000.00	Fully Contributed
11	Chad	2,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
12	Comoros	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
13	Cote d'Ivoire	5,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
14	Djibouti	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
15	Egypt	10,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
16	Gabon	2,000,000.00	2,000,000.00	0.00	0.00	0.00	2,000,000.00	Fully Contributed
17	Gambia	No commitment	11,965.54	0.00	0.00	0.00	11,965.54	1st Installment
18	Guinea	2,000,000.00	2,000,000.00	0.00	0.00	0.00	2,000,000.00	Fully Contributed
19	Guinea-Bissau	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
20	Indonesia	10,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
21	Iran	100,000,000.00	30,000,000.00	35,000,000.00	0.00	0.00	65,000,000.00	1st & 2nd Installment
22	Iraq	1,000,000.00	1,000,000.00	0.00	0.00	0.00	1,000,000.00	Fully Contributed
23	Jordan	3,000,000.00	3,000,000.00	0.00	0.00	0.00	3,000,000.00	Fully Contributed
24	Kazakhstan	No commitment	999,970.00	0.00	0.00	0.00	999,970.00	1st Installment
25	Kuwait	300,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
26	Kyrgyz Republic	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
27	Lebanon	1,000,000.00	1,000,000.00	0.00	0.00	0.00	1,000,000.00	Fully Contributed
28	Libya	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
29	Malaysia	20,000,000.00	1,000,000.00	9,500,000.00	9,500,000.00	0.00	20,000,000.00	Fully Contributed
30	Maldives	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
31	Mali	4,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
32	Mauritania	5,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
33	Morocco	5,000,000.00	1,666,667.00	1,666,667.00	1,666,667.00	0.00	5,000,001.00	Fully Contributed
34	Mozambique	200,000.00	200,000.00	0.00	0.00	0.00	200,000.00	No payment
35	Niger	2,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
36	Nigeria	2,000,000.00	666,666.66	665,611.29	667,728.71	0.00	2,000,006.66	Fully Contributed
37	Oman	5,000,000.00	5,000,000.00	0.00	0.00	0.00	5,000,000.00	Fully Contributed
38	Pakistan	10,000,000.00	5,115,507.43	0.00	0.00	0.00	5,115,507.43	1st Installment
39	Palestine	500,000.00	185,946.15	0.00	0.00	0.00	185,946.15	1st Installment
40	Qatar	50,000,000.00	16,666,666.66	16,666,666.66	16,666,666.66	0.00	49,999,999.98	Fully Contributed
41	Saudi Arabia	1,000,000,000.00	333,333,333.33	333,333,333.00	333,333,333.67	0.00	1,000,000,000.00	Fully Contributed
42	Senegal	10,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
43	Sierra Leone	1,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
44	Somalia	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
45	Sudan	15,000,000.00	0.00	0.00	0.00	0.00	0.00	No payment
46	Suriname	500,000.00	499,894.00	0.00	0.00	0.00	499,894.00	Fully Contributed
47	Syria	2,000,000.00	666,667.00	666,667.00	666,667.00	0.00	2,000,001.00	Fully Contributed
48	Tajikistan	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
49	Togo	1,000,000.00	0.00	0.00	999,950.00	0.00	999,950.00	Fully Contributed
50	Tunisia	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
51	Turkey	5,000,000.00	5,000,000.00	0.00	0.00	0.00	5,000,000.00	1st payment
52	Turkmenistan	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
53	Uganda	100,000.00	0.00	0.00	0.00	0.00	0.00	No payment
54	UAE	No commitment	0.00	0.00	0.00	0.00	0.00	No payment
55	Uzbekistan	300,000.00	100,000.00	100,000.00	100,000.00	0.00	300,000.00	Fully Contributed
56	Yemen Republic	3,000,000.00	1,991,194.71	980,461.85	28,318.00	0.00	2,999,974.56	Fully Contributed
57	Islamic Development Bank	1,000,000,000.00	100,000,000.00	100,000,000.00	50,000,000.00	150,000,000.00	400,000,000.00	1st+2nd, 3rd & 4th Installments
	Grand Total	2,661,360,000.00	540,162,768.36	514,851,671.83	428,629,331.04	150,231,625.00	1,633,875,396.23	
i	26.61	% of Commitments to Target Capital						
ii	61.39	% of Paid-in to Commitments						
iii	16.34	% of Commitments to Target Capital						

SPDA

Origins

The Third Extraordinary Summit of the OIC held in Makkah Al Mukarramah, Saudi Arabia, in December 2005 recommended the formulation of **“a special program for the development of Africa”** (SPDA) to tackle poverty, build capacity, eliminate illiteracy and eradicate diseases and epidemics. SPDA is an extension of the “Ouagadougou Declaration” of October 2002, the *“IDB Cooperation Framework with Africa”* with a commitment of US\$2 billion for least developed member countries in Africa over a five-year period (2003-2007).

Member Countries under the SPDA: (22 in number)

Benin, Burkina Faso, Cameroon, Chad, Comoros, Côte d'Ivoire, Djibouti, Gabon, The Gambia, Guinea, Guinea Bissau, Mali, Mauritania, Mozambique, Niger, Nigeria, Senegal, Sierra Leone, Somalia, The Sudan, Togo and Uganda

Formulation Process

The SPDA was developed jointly with African countries, culminating in a Ministerial Forum held in Dakar, Senegal, in January 2008, at which its objectives and priority areas were reviewed and validated.

Adoption by the IDB Board

The SPDA was adopted by the IDB Board of Executive Directors (BED) at its 250th Meeting held in Tehran (Iran), in Safar 1429H (February 2008).

Main Objectives

Scale up IDB's interventions in Africa, particularly in African LDMCs, to support the countries' poverty reduction and economic growth endeavors.

Timeframe

Like its predecessor, the SPDA's implementation timeframe is 5 years, effective from 1429H (2008) and ending in 1433H (2012).

Financing Quantum

The financing amount for the program was US\$12 billion, out of which IDB Group has committed to contribute one-third (US\$4 billion). The outstanding amount is being mobilized from other development partners and Governments of recipient countries.

Thematic/Sectoral Focus Areas

These are: (a) Infrastructure (broadly defined); (b) Agriculture and food security; and (c) Social sectors (health, education, potable water).

Implementation Progress

The overall implementation status, in terms of approvals and disbursements, is well on target. Total approvals by the IDB Group as of 25th November 2011 (the end of 1432H) amounted to US\$3.98 billion, representing nearly 99 percent of the total earmarked amount. All the priority sectors identified by the program have benefited, with the agriculture sector receiving the largest share (25 percent) followed by transport (23 percent), energy (14 percent), water and sanitation (12 percent) and education (12 percent).

By mode of financing, Istisna'a has so far accounted for the largest share (36 percent) followed by Loan financing (24 percent), Mudaraba (21 percent) and leasing (11 percent). Grants (1 percent) and Installment Sale (4 percent) modes of finance were also utilized for the Program.

Total disbursements, as of November 2011, were US\$1.4 billion or 35 percent of the approvals which is a satisfactory figure given that the average implementation life span of a typical project in Africa is 5 years.

The IDB has also been playing a catalytic role by attracting additional financial flows from both public and private sources, including its traditional partners, the Coordination Group (CG)¹. Furthermore, the IDB has been cooperating with sister multilateral development banks (MDBs), UN Agencies and financial institutions such as major Islamic banks and investment houses seeking investment opportunities in Africa. The amount co-financed by other development agencies and member countries themselves to IDB financing since the commencement of the SPDA has risen to US\$3.96 billion. This represents an actual co-financing ratio Ordinary Capital Resources (OCR) of nearly 1:2.4 (approved amount in relation to total cost of projects thus financed).

Along with the SPDA, the IDB Group has been implementing other initiatives/programs that target African member countries. For example, the IDB is implementing the Bilingual Education Program (BEP), the Roll Back Malaria Quick

¹The Coordination Group set up in 1975 an association of eight development agencies and one monetary agency either based in the Gulf region or with a large shareholding stake by an Arab State. It comprises: Abu Dhabi Fund for Development (ADFD), Arab Bank for Economic Development in Africa (BADEA), Arab Fund for Economic and Social Development (AFESD), Arab Gulf Program for Development (AGFUND), Arab Monetary Fund (AMF) which has diversified its programs to include pan-Arab development finance institutions, Islamic Development Bank (IDB), Kuwait Fund for Arab Economic Development (KFAED), OPEC Fund for International Development (OFID) and the Saudi Fund for Development (SFD).

Win Program, Blindness Control and the Jeddah Declaration on Food Security. The outcomes of these programs have been commendable; ranging from the increased girls' enrolments in Niger, to the restoration of the sight of nearly 9,000 patients through cataract operations in 8 member countries (Benin, Burkina Faso, Cameroon, Chad, Djibouti, Guinea, Mali and Niger). The Jeddah Declaration targets agricultural development and food production to avert the recurrent food shortages afflicting Africa.

A successor program is being conceptualized, with preparations already underway. The successor program will build on the achievements of the SPDA which enters its final year. The new program will continue to contribute to the relaxation of binding constraints to economic growth and development in African member countries.

ANNEX

XVII

Original: English

**DRAFT AGENDA
OF THE 28TH SESSION OF THE COMCEC**

(İstanbul, 8-11 October 2012)

1. Opening of the Meeting and Adoption of the Agenda
2. Review of the Implementation of the OIC Ten-Year Program of Action and the Plan of Action to Strengthen Economic and Commercial Cooperation Among the OIC Member States
3. World Economic Developments with Special Reference to the OIC Member Countries
4. Intra-OIC Trade
5. Priority Sectors
 - Agriculture
 - Tourism
 - Transportation
6. Financial Cooperation
7. Poverty Alleviation
8. Increasing the Role of Private Sector in Economic Cooperation
 - Exchange of Views on “Enhancing the Competitiveness of Small and Medium Sized Enterprises in the Member States”
9. Date of the 29th Session of the COMCEC
10. Any Other Business
11. Adoption of Resolutions

ANNEX

XVIII

Original: Turkish

**CLOSING SPEECH OF H.E. AHMET YAMAN,
DEPUTY UNDERSECRETARY OF MINISTRY OF DEVELOPMENT
OF THE REPUBLIC OF TURKEY AND CHAIRMAN
OF THE CLOSING SESSION OF THE 28TH FOLLOW-UP COMMITTEE
MEETING OF THE COMCEC**

(Ankara, 10 May 2012)

Distinguished members of the Follow-up Committee,
Esteemed Delegates,

We have successfully concluded the 28th Meeting of the COMCEC Follow-Up Committee, following a fruitful working program. During this meeting we have reviewed the issues on the agenda and prepared the agenda of the 28th Session of COMCEC. I would like to express my thanks to you all for your participation and contributions which I believe will serve to further enhance the cooperation between OIC countries.

Esteemed Delegates,

As you all know, we are going through a period marked by increasing fragilities, uncertainties and risks. Against these developments, the need for cooperation among OIC countries has unequivocally increased more than ever. In this respect, by hastily implementing the programs and projects in our agenda, we will have enhanced our cooperation and increase our resilience against external crisis and shocks.

Hereby, I would like to take the opportunity to briefly remind the major issues that came to the fore during this meeting.

Although intra-OIC trade have slightly picked up recently; increasing it up to the level of 20% in three years will require extra effort. In this respect, we must at once start implementing the OIC Trade Preferential System and add momentum to our trade. As the number of countries who have ratified the agreements that make up the system has reached the required level last year, the legal basis for the system has been established. Now, without further delay, we must put the TPS-OIC into action, by submitting the list of concessions to the Secretariat and completing other procedural processes. I invite all concerned countries to sign and ratify the agreements and complete all necessary procedures.

I would also like to draw your attention to other factors that contribute to the promotion of trade between OIC countries. In this respect, as member countries, we must extend all sorts of support to the Roadmap for Enhancing Intra-OIC Trade, implemented under the coordination of OIC institutions. Standardization and Metrology Institute of the Islamic Countries, which has started its activities last year, plays a crucial role in harmonization of standards among OIC countries and removal of barriers to trade. I am confident that member countries will extend firm support to this Institute.

Lesteemed Delegates,

We are all aware of the increasing role of private sector in the development efforts of OIC countries. We must benefit more from the dynamism of the private sector in the economic and commercial cooperation under OIC. In this respect, tasks such as ensuring the sustainability of private sector, modernizing manufacturing systems and strengthening the physical, administrative and legal infrastructure is of utmost importance. Furthermore, it is necessary to increase the effectiveness of platforms like trade fairs and business forums and pay more heed to the voice of the private sector. COMCEC remains determined to strengthen cooperation in this area.

As you may all know, SMEs make up the overwhelming majority of the private sector in OIC Countries. SMEs make great contributions to our economies in terms of growth, employment, exports and tax revenues. Therefore it is important to develop policies and instruments, sensitive to the needs and growth of SMEs. Also, supporting entrepreneurship, developing faster procedures for starting businesses, enacting legislations devised to make the business environment more convenient, enhancing innovative capacities of SMEs and ensuring ease of access to funding are among our priority topics. During the exchange of views session to be held on the sidelines of the upcoming COMCEC session, we will seize the opportunity to enhance our cooperation by discussing all these matters and sharing our experiences, know how, and policies. Hereby, I would like to invite all member countries to actively participate in the workshop to be held next month in Ankara as a preparatory event for the exchange of views session.

Lesteemed Delegates,

We continue to enhance our cooperation in all three of the priority sectors. The Task Force in the field of Agriculture has successfully completed its studies and produced the draft agricultural cooperation framework. After receiving the contributions of Member Countries we will find the opportunity to discuss and adopt this document in the upcoming COMCEC session. I believe that the framework document will provide a firm cooperation platform in the areas of agriculture, rural development and food security, in order to cater for the needs of member countries. Furthermore, we welcome the proposal of Kazakhstan to establish a Food Security

Agency. I believe that such an agency will make significant contributions to the promotion of food security in our region.

I am also confident that the Private Sector Platform which was launched in the area of tourism will bring together private sector institutions that operate in this sector in the OIC Member countries and facilitate exchange of know-how and experience. The İzmir Document adopted in the previous COMCEC Meeting concerning transportation which is another one of our priority sectors, must be implemented without any further delay. I call on member countries to come up with proposals in line with the Izmir Document and thus make contributions to the cooperation in this area.

We have made some pleasing progress in the area of financial cooperation. We have entered the last phase for the launch of the Islamic Index, developed under the OIC Stock Exchanges Forum. Hereby, I invite all member countries to sign the index agreement and partake in this project. The Capital Market Regulatory Bodies Forum which was launched last year and the Central Bank and Monetary Authorities meetings regularly held since 2009, are projects that have great potential for increasing capital movements and investments between OIC countries. As member countries we must achieve success in these projects by embracing and actively participating in them.

Another problem troubling the Islamic Community is poverty. Twenty one of the OIC member countries are among the least developed countries. And a great portion of the population in the rest of OIC countries also suffers from poverty. Therefore alleviation of poverty should always be a priority item in our agenda. Islamic Solidarity Fund for Development, and Special Program for the Development of Africa, which were established under Islamic Development Bank, will play a crucial role in alleviation of poverty in our region. In this respect I invite all those countries concerned to make contributions to the fund and program, commensurate with their financial capacity.

Esteemed Delegates,

As I conclude my speech I would like to thank all the delegates, representatives, OIC General Secretariat, Islamic Development Bank, Casablanca and Ankara HQs, COMCEC Coordination Office and other OIC institutions for their contributions. I would also like to express my gratitude to the translators and interpreters for their relentless performance. I hope you had a grand time in Ankara, and wish you all a safe trip home.

Thank you.

**BRIEFS OF
THE COMCEC COORDINATION OFFICE**

BRIEF ON TRADE/TPS-OIC

OIC/COMCEC-FC/28-12/D(3)



CCO BRIEFS

BRIEF ON TRADE/TPS-OIC

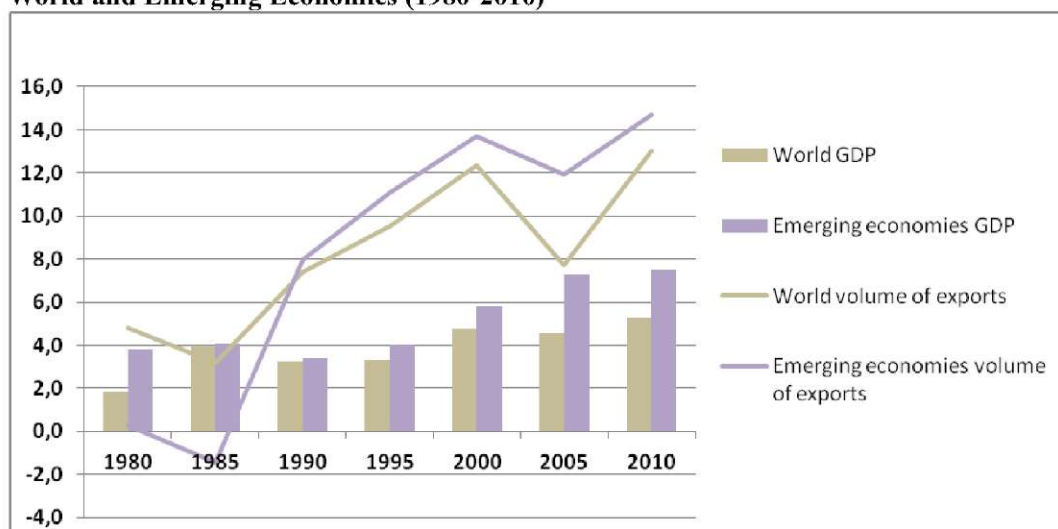
COMCEC COORDINATION OFFICE
MAY 2012

CCO BRIEF ON TRADE/TPS-OIC

Introduction

Trade is widely recognized as a powerful engine of growth, job creation, and development. Countries that have sustained high levels of growth and have increased their per capita income in last 50 years have, to a large extent, done so by greatly expanding their trade. The advance of globalization in recent decades marked by technological change has dramatically reduced costs in transport and communications. This has led to the emergence of new opportunities for countries and regions that were previously at the periphery of the world economy. Accordingly, many developing countries could integrate into global economy through international trade by exploiting their comparative advantages. While the growth of global trade is more than two folds of the global output in last two decades, the annual growth rate of developing countries as a group has doubled the world average within the last decade (See Figure 1). Trade between developing countries, South-South trade, has also seen a marked increase. The share of developing countries' exports going to developing countries increased from 29 per cent in 1990 to 47 per cent in 2008, a reflection of the new market opportunities that have been created (WTO 2011).

**Figure 1: Annual Percentage Change in GDP and Volume of Exports
World and Emerging Economies (1980-2010)**

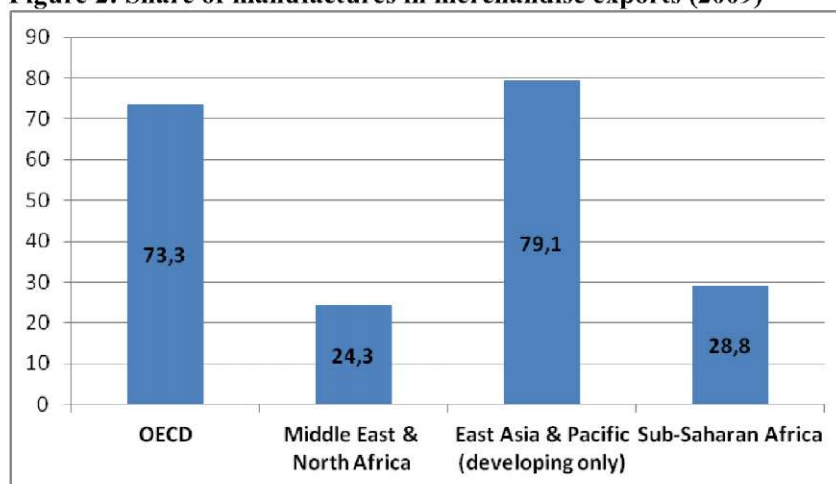


Source: IMF WEO Database, April 2012

Global Trends and Challenges

It would be fair to assert that developing countries are now main drivers of global trade. Yet, a considerable number of developing countries -including many LDCs- have remained at the margins of this process. They have not shifted away much from traditional exports of primary commodities. Many of them continue to rely on a highly concentrated export structure, comprising mainly natural resources and agricultural products, exported to a limited number of markets. Indeed, the share of minerals and fuels in total LDC exports stands at around 67 percent in 2009, up from 43 percent in 2000 (UNCTAD, 2010). Much of the trade dynamism of developing countries as a group is driven by Asian economies, which have collectively more than doubled their share of global exports since 1990. Other regions have recorded much smaller increases in market share. Most of the recent African trade growth is due to increases in natural resource exports, both in volume and value (See Figure 2). Export diversification remains a key means for developing countries to leverage trade for growth.

Figure 2: Share of manufactures in merchandise exports (2009)



Source: World Bank WDI 2012

To integrate the countries that have lagged behind in the global economy so that they may also enjoy the benefits of expanding world trade is one of the main challenges facing the international community.

Globalization and trade openness create great opportunities for countries to leverage global demand for goods and services and increase their productivity, key factors in sustained development. Yet, such outcomes are not automatic; mutually supportive policies – an adequate macroeconomic framework, infrastructure and human resource development – are essential in this process (UNCTAD 2008). Greater openness also increases the vulnerability of countries to global shocks, with potentially major adverse consequences especially for the poorer segments of the society. Furthermore, some econometric studies show that there is no causality between trade openness and

growth. Also, the causation link can be ambiguous, as it might be argued that expanding trade causes economic growth as well as that increased trade is the consequence of economic growth. It should also be noted that developed economies of today protected their manufacturing in the initial stages of industrialization. On the other hand, no fast growing developing country has achieved rapid economic expansion by imposing trade barriers. Today's economic realities necessitate an open trade regime supported with well-designed policies to manage external shocks while sustaining an export-led growth (UNCTAD 2008).

The aftershocks of the recent global economic crisis continue to dominate the global trade agenda. World trade expanded in 2011 by 5.0 per cent, a sharp deceleration from the 2010's rebound of 13.8 per cent. The WTO projects that world trade will further decelerate in 2012, with a growth rate of 3.7 per cent (WTO 2012). Contrary to what might have been expected, protectionist measures were relatively muted and did not play a significant role both during and after the crisis. Given their size, stimulus measures to rescue sectors of systemic importance, preserve jobs, stimulate growth and increase domestic production ("buy national") may be more significant in terms of their impact on trade than direct trade policy measures (OECD 2010; WTO 2011). Insofar as trade policies are being used extensively in a manner that distorts global markets, this is largely limited to agriculture -including both import protection and export restrictions by net exporting countries. Indeed, tariffs as tools of trade policy are losing their relevance. Non-tariff measures have become relatively more significant as determinants of market access and the conditions of competition. Non-tariff measures may be designed to influence competitive conditions in markets, or they may focus on public policy concerns such as health, safety, and the environment. These public policy interventions have trade consequences and may be more or less discriminatory in their effects (WTO 2011).

Despite the lack of progress in the multilateral trade negotiations ("the Doha Round"), trade liberalization continues, thank to the unprecedented proliferation of Preferential Trade Agreements (PTA's). The number of PTA's notified to the WTO was 58 in 1995, 188 in 2005, and nearly 300 in 2011 (WTO 2011). The rules brought by the PTA's and whether or to what extent they converge to, or diverge from that of WTO's, are another important points that are subject to the global trade policy debate. It remains as an important challenge to sustain the coherence of the regulations of the PTA's and the WTO and to avoid inconsistency and conflict.

In short, policymakers now confront a more complex trade agenda. Trade negotiations are becoming more about domestic regulatory policies, rather than just import tariffs. Furthermore, international trade policy issues are dealt not just by trade ministries, but a range of public policy areas including various ministries, regulatory bodies, etc. Maintaining coordination and consistency across these actors remains a great challenge especially for developing countries that find it increasingly difficult to address these challenges with limited human resources and administrative capacity.

Intra-OIC Trade and the TPS-OIC

All the issues and challenges mentioned above naturally concern OIC member countries as well. The effects of the global crisis and shrinking demand in advanced economies may well undermine our exports. Furthermore, tightening credit conditions may limit trade finance sources. Within this state of affairs, it is crucial to take necessary actions to mitigate the possible negative effects of the current economic environment.

While the level of intra-OIC trade revolves around 16 % for the last couple of years, increasing it to 20 % and beyond continues to be an important challenge. This can only be achieved by concrete actions towards trade liberalization and facilitation in the OIC region through well-designed programs and projects, supported with political will.

Since its establishment, COMCEC's overarching goal has been to increase trade flows among its members, as well as to enhance cooperation in the area of trade. COMCEC's milestone project, the TPS-OIC is the most crucial instrument in this regard. The TPS-OIC is based on three agreements, namely the Framework Agreement, the Protocol on Preferential Tariff Scheme (PRETAS) and the Rules of Origin.

The Framework Agreement, which sets out the general rules and principles for the negotiations towards the establishment of the TPS-OIC, entered into force in 2002. The PRETAS, which complements the Framework Agreement by laying out the concrete reduction rates in tariffs in accordance with a time-table for implementation, entered into force in February 2010. The Rules of Origin, which will be applied for the identification of the origin of products eligible for preferential concessions under the TPS-OIC, entered into force in August 2011. Therefore, the legal basis of the system is completed.

The TPS-OIC System is expected to contribute to increasing the level of intra-OIC trade to 20 per cent and beyond, as well as to provide resilience to the member states in the face of the current relatively unfavorable global economic conditions.

References:

OECD (2009) Trade and Economic Effects of Responses to the Economic Crisis
UNCTAD (2008) Trade and Development Report
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WTO (2011) World Trade Report
WTO (2012) Press Release, 658

THE MEMBER STATES WHICH SIGNED / RATIFIED THE TPS-OIC AGREEMENTS (May 2012)							
	Framework Agreement		PRETAS		Rules of Origin		Submission of List of Concessions
	Signed	Ratified	Signed	Ratified	Signed	Ratified	
1	Bahrain	Bahrain	Bahrain	Bahrain			Bahrain
2	Bangladesh	Bangladesh	Bangladesh	Bangladesh	Bangladesh	Bangladesh	Bangladesh
3	Burkina Faso		Burkina Faso		Burkina Faso		
4	Cameroon	Cameroon	Cameroon		Cameroon		
5	Chad						
6	Comoros		Comoros		Comoros		
7	Cote d'Ivoire						
8	Djibouti		Djibouti		Djibouti		
9	Egypt	Egypt	Egypt				
10	Gabon	Gabon					
11	Gambia	Gambia					
12	Guinea	Guinea	Guinea		Guinea		
13	Guinea-Bissau		Guinea-Bissau		Guinea-Bissau		
14	Indonesia		Indonesia		Indonesia		
15	Iran	Iran	Iran	Iran			
16	Iraq	Iraq					
17	Jordan	Jordan	Jordan	Jordan	Jordan	Jordan	
18	Kuwait		Kuwait		Kuwait		Kuwait
19	Lebanon	Lebanon					
20	Libya	Libya					
21	Malaysia	Malaysia	Malaysia	Malaysia	Malaysia	Malaysia	Malaysia
22	Maldives	Maldives					
23	Morocco	Morocco	Morocco		Morocco		
24	Nigeria		Nigeria		Nigeria		
25	Oman	Oman	Oman	Oman	Oman	Oman	Oman
26	Pakistan	Pakistan	Pakistan	Pakistan	Pakistan		
27	Palestine	Palestine	Palestine	Palestine	Palestine	Palestine	
28	Qatar	Qatar	Qatar	Qatar	Qatar	Qatar	Qatar
29	Saudi Arabia	Saudi Arabia	Saudi Arabia	Saudi Arabia	Saudi Arabia	Saudi Arabia	Saudi Arabia
30	Senegal	Senegal					
31	Sierra Leone		Sierra Leone		Sierra Leone		
32	Somalia	Somalia	Somalia	Somalia	Somalia	Somalia	
33	Sudan						
34	Syria	Syria	Syria	Syria	Syria	Syria	Syria
35	Tunisia	Tunisia	Tunisia		Tunisia		
36	Turkey	Turkey	Turkey	Turkey	Turkey	Turkey	Turkey
37	UAE	UAE	UAE	UAE	UAE	UAE	UAE
38	Uganda	Uganda					
	38	27	27	14	24	11	10



CCO BRIEFS

BRIEF ON AGRICULTURAL COOPERATION

**COMCEC COORDINATION
OFFICE
MAY 2012**

BRIEF ON AGRICULTURAL COOPERATION

The importance of the sector and its status in the OIC Countries

Agriculture is widely known to be a main economic activity and plays a crucial role in the economy of developing countries. It constitutes the main source of employment for the majority of the world's poor. Agriculture sector has been occupying a higher place on the international agenda since the food crises of 2007 and 2008.

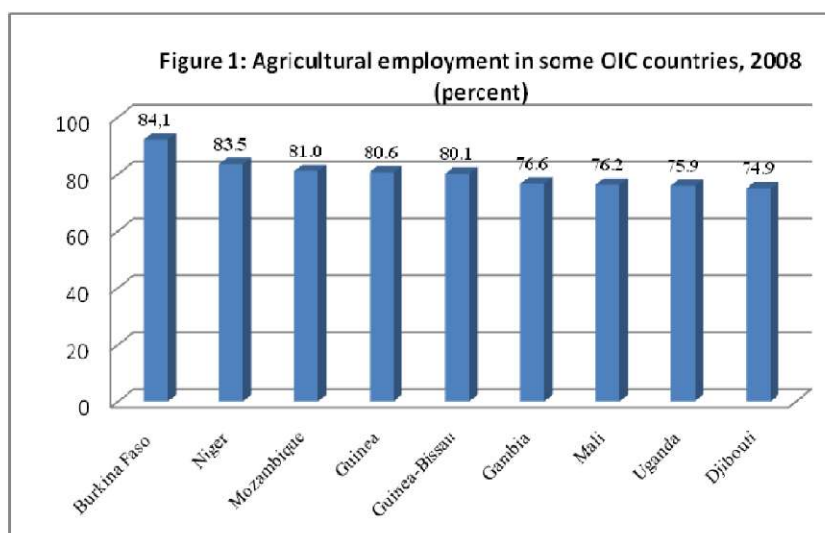
Agriculture is also of critical importance to many OIC member countries, especially the least developed ones. On average, the agricultural population represents more than one-third of the total population in OIC countries. However, agriculture sector has relatively low performance in the member countries. To illustrate, while the per-capita agricultural labor productivity accounted for USD 570 in the OIC region, it was USD 707 in the world in 2008 (see Table 1).

Table 1: Some Indicators of Agriculture Sector in the OIC, 2008

	OIC	Developing countries	World
Agriculture / GDP	10,5	9,5	5,0
Agricultural population (%)	37,4	44,9	38,8
Rural Population (%)	55,3	54,9	50,2
Agricultural land (%)	43,7	38,7	37,9
Cultivated land/ agricultural land	24,1	31,0	31,5
Agricultural labor productivity (Agricultural value added (US\$)/ Agricultural population)	570	490	707

Source: SESRIC Annual Economic Report, 2010

Agriculture is considered as an important economic activity with high potential to contribute significantly to the economic development of many OIC countries. It is a very important mean of broad-based income generation. It remains the largest contributor to the livelihoods of millions of people living in the rural areas. In some member states, the share of agricultural employment in total is estimated at more than 80 percent (see Figure 1).



Source: SESRIC

Main Challenges of the Sector in the COMCEC Region

The majority of the member countries is not self-sufficient in food production and depends to a large extent on imports to meet their food demand. In addition, OIC agricultural production is mainly concentrated in a few member countries, namely Indonesia, Turkey, Bangladesh, Nigeria, Pakistan, Iran, Egypt, Kazakhstan, Uzbekistan and Morocco. These countries represent more than 75 percent of the total agricultural production in the OIC region.

In the OIC Member Countries, millions of people do not have access to sufficient food, which is the most basic need of human beings to healthily sustain their lives. Food shortages have been affecting a significant number of member countries; without enough and adequate food it is not possible to climb the ladder of development.

According to the recent classification of the Food and Agriculture Organization of the United Nations (FAO), out of 70 low-income food-deficit countries (LIFDCs) in the world, 33 are OIC member countries. It is estimated that almost 27 percent of the OIC population were living below the income poverty threshold of USD 1.25 a day, and almost half of the OIC population below the poverty threshold of USD 2 a day. With more than half of their population living in rural areas and most of them depending on agriculture for their income and survival, addressing the challenges facing agricultural and rural development is a prerequisite for the OIC Countries.

The agriculture sector in the OIC countries has been suffering from, among others, lack of public sector investment in physical infrastructure, lack of private sector investment in farming and agribusiness enterprises, lack of sustainable natural resource management (land, water, fisheries and forests), and post-harvest losses.

COMCEC's Efforts for Agricultural Cooperation

The prominent status of agriculture sector, however, has been reinforced in the wake of the 2007-08 food price crises. Ensuring food security has become an increasingly grave concern for most countries of the world as well as for the OIC countries. Public perception of agriculture has also reversed. The International community and national governments have started to change their course of action in favor of agricultural support. Similarly, the OIC countries have intensified their efforts to mitigate the negative effects of the volatility of food prices, which is predicted to become more frequent and persistent in the new global economic environment.

With a view to strengthening cooperation among the Member Countries in the field of agriculture, the COMCEC Economic Summit and the 25th Session of the COMCEC held in November 2009 prioritized cooperation in this domain. The 25th Session of the COMCEC decided to establish a Task Force on Agriculture, Rural Development and Food Security comprising the OIC General Secretariat, CCO, IDB and FAO. In line with its mandate, the COMCEC Task Force has been working on the preparation of a Framework for Cooperation in Agriculture, Rural Development and Food Security.

Meanwhile, the 5th and 6th OIC Ministerial Conferences on Agriculture were held in Sudan and Turkey in 2010 and 2011 respectively. The latter highlighted the importance of exchanging knowledge and experiences in the field of agriculture as well as developing technical cooperation, capacity building and training programmes.

To sum up, COMCEC has intensified its cooperation efforts to provide an enabling environment for the Member Countries for sharing their experience and knowledge in the field of agriculture, rural development and food security to enhance, among other things, agricultural productivity, institutional and human capacity and raise awareness regarding food insecurity as well as poverty in the Member Countries.



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BRIEF ON TOURISM COOPERATION

COMCEC COORDINATION
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MAY 2012

BRIEF ON TOURISM COOPERATION

Tourism is an important sector of the economy in both developed and developing countries. It can be a powerful engine for economic growth, job creation and development. Besides its economic benefits, tourism contributes to poverty reduction and fosters cross cultural understanding and well-being among countries.

Globalization has given rise to a new momentum in the global tourism market. It has resulted in changing patterns of travel flows and demand. With the internationalization of demand, international tourism market has become characterized by wide geographical distribution and continuous diversification of destinations. New tourist-receiving markets have been emerging in the developing regions of Asia, the Pacific, the Middle East and Africa. Rapid expansion of new destinations and new markets has strengthened the competition globally.

Recent Trends in International Tourism

Over decades, tourism has experienced sustained growth and become one of the fastest growing economic sectors in the world. International tourism maintained this momentum in 2011, a year marked by a stalled global economic recovery, major political changes in the Middle East and North Africa and natural disasters in Japan. Despite this challenging context, international tourist arrivals grew by 4.4% in 2011 and totaled 980 million tourists, up from 939 million in 2010.¹

As shown in Table 1, UNWTO forecasts that international tourism will continue to grow in 2012 and tourist arrivals are expected to increase by 3 to 4%, reaching the one billion levels by the end of 2012.²

Table 1: International tourism growth

	2011	2012 (Projection)
World	+4.4%	+3% to +4%
Europe	+6.0%	+2% to +4%
Asia and the Pacific	+5.6%	+4% to +6%
Americas	+4.2%	+2% to +4%
Africa	+0.0%	+4% to +6%
Middle East	-8.0%	+0% to +5%

Source: UNWTO

UNWTO,

¹ World Tourism Barometer, Vol.10, March 2012.

² UNWTO, 2011 International Tourism Results and Prospects for 2012, January 2012.

In recent years, international tourism activity in the COMCEC member countries has shown a positive trend in terms of both tourist arrivals and tourism receipts. This trend has been disrupted by the regional turmoil, called “The Arab Spring”, in the Middle East and North Africa which recorded negative growth rates of -8% and -12% respectively, in 2011.³

At country level, the effects of the Arab Spring are more striking: Syria (-41%), Egypt (-32%), Tunisia (-31%) and Lebanon (-24%) reported negative growth.⁴ Some destinations such as Saudi Arabia, Oman and the United Arab Emirates sustained steady growth.⁵ In 2012, the MENA region is expected to start recovering its losses; hence, there are signals of attaining the positive growth trend for COMCEC tourism in the very near future.

Challenges Affecting Tourism Performance in the COMCEC Region

Tourism sector has a great potential for the socio-economic development of the COMCEC member countries. Their performance in this sector, however, indicates that there is still a great deal of scope for realizing their potential. The challenges affecting tourism performance in the COMCEC region ranges from, among others, insufficient tourism-related infrastructure and investments, unskilled tourism workforce to low-capacity tourism administrations and lack of safety and security.

In order to address the challenge of insufficient tourism-related infrastructure and investments, the quality and efficiency of tourism infrastructure and services need to be improved in conformity with the international standards. To develop tourism-related infrastructure in the COMCEC region, private sector’s resources can be utilized. In this respect, public-private partnerships can be promoted and an enabling environment can be provided for attracting FDI in the tourism sector.

Due to its labor-intensive nature, tourism sector requires a highly qualified workforce that has a direct effect on the productivity of the sector. Training programs and projects need to be developed for upgrading the quality of workforce in the member countries. COMCEC platform can be utilized by the member countries for sharing good practices and experiences in tourism education and training policies and programs.

Tourism is a horizontal and multi-stakeholder industry which necessitates the cooperation and coordination among different line ministries, local authorities, private sector and NGOs to develop effective tourism policies. In the COMCEC member

³ Ibid. UNTWO,

⁴ World Tourism Barometer, Vol.10, March 2012.

⁵ Ibid.

countries, it is crucial to strengthen tourism governance through strong tourism administrations capable of coordinating among different stakeholders.

Safety and security issues are the other critical factors affecting the quality of tourism industry. The existence of a negative perception of the COMCEC region necessitates cooperation among the member countries on workable solutions in order to mitigate the adverse impacts of safety and security incidences on tourism industry and affected destinations.

Tourism is a dynamic sector that is subject to political, social, environmental and technological trends. These trends are shaping tourist preferences, skill requirements of tourism related-jobs and structure of the tourism market. It is crucial for COMCEC members to better engage with the long-term global tourism market trends and to build sound tourism policies in order to improve their competitiveness and realize their potential in this sector.

Cooperation Efforts under the COMCEC Umbrella

To enhance the cooperation among its Member Countries in the area of tourism, the COMCEC Economic Summit, held on 9 November 2009 in İstanbul, decided to prioritize the cooperation in this important field. In this framework, ongoing cooperation activities under the COMCEC umbrella such as Islamic Conference of Tourism Ministers, Tourism Coordination Committee Meetings have been enriched by the new cooperation efforts. In this respect, the OIC/COMCEC Private Sector Tourism Forum was established in December 2011.

OIC/COMCEC Private Sector Tourism Forum aims at serving as a regular communication channel for the Private Sector Representatives of the Member States to share their experiences and knowledge. The Forum is an important initiative of the COMCEC Members enabling the active participation of the Private Sector in COMCEC tourism cooperation. With the increased ownership of the Forum activities by the Member States, the Forum is expected to help overcoming some of the above-mentioned challenges facing COMCEC tourism and provide new insights from private sector perspective for designing effective tourism policies.



CCO BRIEFS

BRIEF ON TRANSPORT COOPERATION

COMCEC COORDINATION
OFFICE

MAY 2012

BRIEF ON TRANSPORT COOPERATION

Introduction

Transport has an indispensable role in economic activity. Without physical access to resources and markets, economic growth and development would not be possible. An effective transport system is, therefore, a fundamental element in enabling sustainable economic development. Transport facilitates movement of people, goods, services and resources and improves access to local and international markets. Transport is also essential for accessing to basic public services such as health and education. Therefore, removal of physical and non-physical barriers to effective transportation has direct impact on economic and social development of countries. Apart from their role in economic development, modern and effective transport infrastructure and services, along with laws and regulations governing smooth flows of goods and services within and across countries, are crucial factors in strengthening regional economic cooperation and integration.

Current Trends and Issues

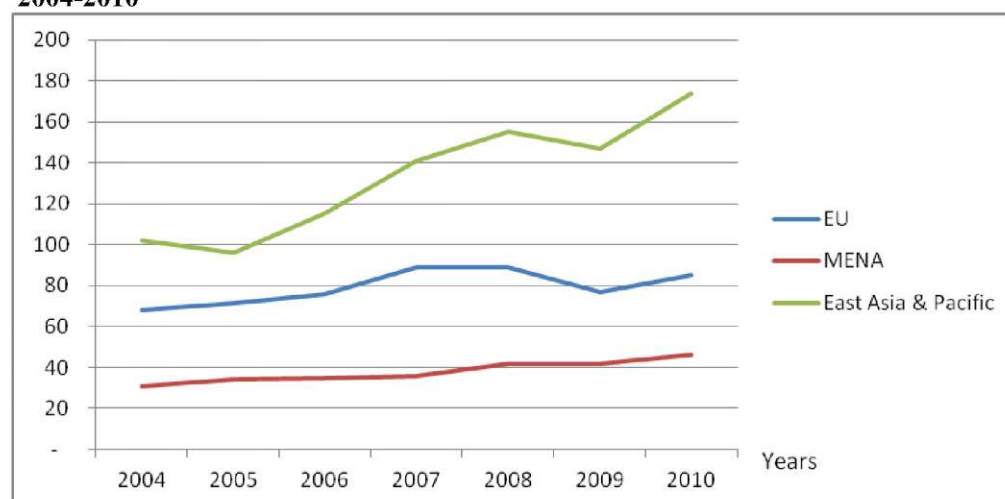
Rapid advancement of information and communication technologies within the last decades has led to dramatic improvement of the transport sector. Today, people and goods can move much faster and easier than ever before. Furthermore, as globalization increases international competition, countries constantly need to improve and update their transport infrastructure and services to meet the demands of the global economy. Countries that have managed to bring the quality of transport sector at the globally required level have enjoyed the benefits of the globalization and fully integrated into the global economy. On the other hand, particular regions of the world suffer from inadequate transport infrastructure as well as poor access to proper transport services, which impede their development efforts and leads to their marginalization and impoverishment. Poor infrastructure, prolonged cross-border formalities and counter-productive regulations result in high transport costs rendering imports expensive and exports uncompetitive and thereby limit economic growth and trade competitiveness in these countries.

Currently the transport sector is struggling to recover from the negative effects of the global economic crisis. While the freight traffic is still yet to come back its pre-crisis level in the EU, other regions of the world, particularly East Asia and the Pacific saw a less dramatic decrease and the recovery has been much stronger (See Figure 1). The effect of the crisis on passenger sector has been less severe. Passenger traffic in all

modes of transport has continued to increase throughout the world, albeit with different paces (UNECOSOC 2010).

Another adverse effect of the crisis has been on the transport infrastructure projects, due to the fragile fiscal positions of many countries as well as tightening credit conditions worldwide. High oil prices continue to put pressure on and significantly increase costs in transport sector. Yet in the short to medium term, high oil prices will like to stay and the sector will need to adjust itself accordingly. Apart from high oil prices, climate change and low carbon agenda are pushing the industry to search alternative power sources that would reduce its dependency on oil.

Figure 1: Container Port Traffic in Million TEU (Twenty Foot Equivalent Units) 2004-2010



Source: World Bank WDI, April 2012

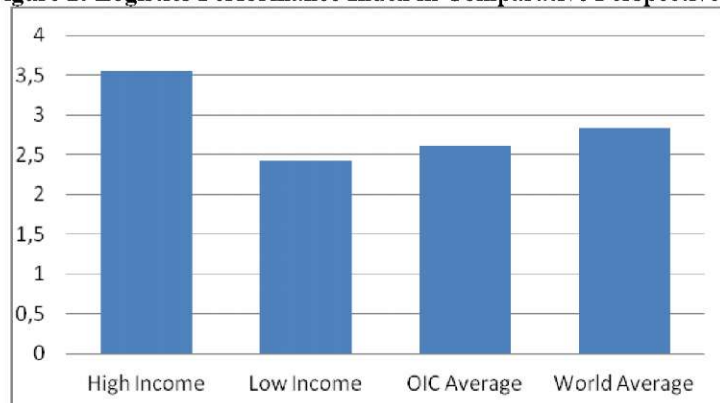
Transport Sector in the OIC Region

With regard to the situation in OIC countries, the overall picture of the sector seems to be quite uneven. While some member countries, through advanced and efficient transport infrastructure, are well integrated to the global economy, a number of others which severely suffers from lack of accessibility are exposed to the risk of further marginalization and exclusion. As a result, they are posed to a vicious cycle of economic and social deprivation.

Some major common problems of the transport sector in the COMCEC Region include; Poor infrastructure and maintenance services, high costs associated with the sector, complex and inconsistent border-crossing procedures, inadequate human and institutional capacity of relevant authorities, and lack of a sound, harmonized, and straightforward legal and regulatory framework, both at national and regional levels. The need for a substantial improvement in particularly trade-related transport services in the OIC Region was also confirmed by the World Bank's Logistic Performance

Index¹ of 2010, in which the OIC Countries in average have performed worse than the world average and slightly better than low income group in terms of logistics performance.

Figure 2: Logistics Performance Index in Comparative Perspective



Source: World Bank /LPI 2010

The current situation of the transport sector in the COMCEC region calls for dedicated efforts to improve the functioning, effectiveness and sustainability of transport systems, which are also crucial for the development of the member countries, and is a key component for enhancing economic and commercial cooperation among them. Increasing interconnectivity among member countries through transport facilitation would serve as a catalyst to create convergence between higher and lower income member countries. It would also provide an opportunity for those member states which have remarkable experience and know-how in this area to share it with relatively less developed member states.

The quality of transport-related public services has also a central role in the overall functioning of the sector. In this context, cooperation among the Member States would include harmonization of transport related services and regulations with internationally recognized standards.

¹ The Logistics Performance Index (LPI) is a multidimensional assessment of logistics performance, rated on a scale from one (worst) to five (best). It uses more than 5,000 individual country assessments made by nearly 1,000 international freight forwarders to compare the trade logistics profiles of 155 countries. The Index summarizes the performance of countries in six areas that capture the most important aspects of the current logistics environment: Efficiency of the customs clearance process; Quality of trade and transport-related infrastructure; Ease of arranging competitively priced shipments; Competence and quality of logistics services; Ability to track and trace consignment; and Frequency with which shipments reach the consignee within the scheduled or expected time. The date used in this chart is taken from the 2010 edition of the World Bank's report entitled *Connecting to Compete*. The report, as well as wider explanation on the Index, is available at <http://www.worldbank.org/lpi>.

Transparent, responsive, and effective institutions would substantially contribute to the development of the sector in our region. Therefore, enhancing institutional and human capacity through intensive training programs is another area that would bring substantial improvement to the sector.

Transport Cooperation within the COMCEC

In order to enhance cooperation among the Member States in the area of transport, the COMCEC Economic Summit, held on 9 November 2009 requested the COMCEC to revitalize cooperation in this important field. In this regard, the Ministerial Exchange of Views Session of the 27th Session of the COMCEC was on the “Impact of Transport Networks on Trade and Tourism”. In the said Session, member states have welcomed the “Transport Cooperation Framework within the OIC “ (İzmir Document 2011). The main objective of the İzmir Document is to establish a safe, secure and of high quality transport network among the member countries. In doing this, the main instrument will be a transport working group, the working modality of which is currently being studied.

The İzmir Document is an important indication of the willingness of the OIC Member States for cooperation in the area of transport because of its vital role for poverty reduction and economic and social development. Since transport is an important factor with regard to trade, intra-OIC trade is also affected negatively by its poor performance. Keeping in mind the efforts of other multilateral and regional organizations and lessons learned from the previous practices, COMCEC is determined to address common major obstacles of the member states in transport sector.

