



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

**Proceedings of the 8th Meeting of the
COMCEC Trade Working Group**

**“Improving The Border Agency Cooperation Among
the OIC Member States for Facilitating Trade”**



**COMCEC COORDINATION OFFICE
November 2016**



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

**PROCEEDINGS OF THE 8TH MEETING OF THE
COMCEC TRADE WORKING GROUP
ON**

**“Improving The Border Agency Cooperation Among the OIC
Member States for Facilitating Trade”**

(October 6th, 2016, Ankara, Turkey)

COMCEC COORDINATION OFFICE

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For further information, please contact:

Mr. Mustafa Adil SAYAR
Expert

Mr. Fazıl ALATA
Expert

COMCEC Coordination Office
Necatibey Caddesi No: 110/A
06100 Yüce-tepe
Ankara/TURKEY
Phone : 90 312 294 57 10
Fax : 90 312 294 57 77
Web : www.comcec.org
e-mail : comcec@comcec.org
trade@comcec.org
msayar@comcec.org
falata@comcec.org

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Introduction

The 8th Meeting of the COMCEC Trade Working Group was held on October 6th, 2016 in Ankara, Turkey with the theme of “Improving The Border Agency Cooperation Among the OIC Member States for Facilitating Trade.” The Meeting was attended by the representatives of 18 Member States, which have notified their focal points for the Trade Working Group namely, Algeria, Bangladesh, Indonesia, Iran, Iraq, Jordan, Kazakhstan, Kuwait, Malaysia, Morocco, Oman, Pakistan, Palestine, Saudi Arabia, Senegal, Sudan, Turkey and Uganda. Representatives of COMCEC Coordination Office, ICDT and Cross-Border Research Association have also attended the Meeting.¹

At the outset, the representative of the COMCEC Coordination Office informed the participants about the trade outlook of the Member Countries. Then the participants considered Border Agency Cooperation through focusing on the Analytical Study titled “Improving The Border Agency Cooperation Among the OIC Member States for Facilitating Trade.” commissioned by the COMCEC Coordination Office specifically for the Meeting with a view to enriching the discussions.

The Representatives of the Member States have shared their experiences, achievements and challenges regarding Border Agency Cooperation in their respective countries. The participants had the chance to discuss the policy options for enhancing the cooperation in this important field. The Room Document based on the findings of the Analytical Study submitted to the Trade Working Group Meeting and the answers of the Member Countries to the policy questions sent to the Member States by the COMCEC Coordination Office were the main inputs for the discussions during policy debate session.

Lastly, the COMCEC Coordination Office presented the COMCEC Project Funding Mechanism, introduced by the COMCEC Strategy, and informed the participants of its details.

¹ The list of participants is attached as Annex 4.



1. Opening Session

In line with the tradition of the Organization of the Islamic Cooperation (OIC), the Meeting started with the recitation from the Holy Quran. At the outset, Mr. Selçuk KOÇ, Director in the COMCEC Coordination Office introduced the COMCEC and its activities briefly.

Mr. Waqar Ahmed SHAH, Joint Secretary from Ministry of Commerce of PAKISTAN was elected as the Chairman of the Meeting. Mr. SHAH introduced himself and thanked all the participants for electing him as the Chairman of the Meeting.

2. The COMCEC Trade Outlook

Ms. Vildan BARAN, expert in the COMCEC Coordination Office has presented some of the key findings of the COMCEC Trade Outlook 2016.

In her presentation, Ms. BARAN focused on the recent trends and main characteristics of the trade between OIC Member States and the world, recent trends in intra-OIC trade and trade facilitation in the OIC Member States.

Concerning the trade between OIC Member states and the world, Ms. BARAN stated that total OIC trade decreased to 3.4 trillion \$ in 2015 down from 4.1 trillion \$ in 2015. Ms. BARAN stated that total OIC exports decreased sharply by 25 per cent to 1.6 trillion dollars in 2015 whereas total OIC imports declined by 8.6 per cent.

Ms. BARAN stated that mineral fuels and oils accounted for 64 per cent of the decline in total OIC exports as this sector contracted sharply mainly due to collapse in oil prices in 2015. She also stated that major oil exporter member states' exports fell sharply.

Ms. BARAN pointed out main factors accounted for the weakness of exports in 2015 including the sluggish pace of world demand growth, collapse in oil prices, falling prices for other commodities, US dollar appreciation and ongoing political instability in the Middle East. Ms. BARAN also shared some figures about total OIC trade, share of OIC trade in global trade and the breakdown of total OIC exports and imports by countries and sectors.

Ms. BARAN also stated that high country and product concentration in total OIC exports makes OIC member states vulnerable to external shocks. She also stated that recent oil price slump and falling prices for other commodities underlies the importance of policies aiming to enhance export diversification. She said that in the commodity composition of total OIC exports, the share of mineral fuels, oils and related products was 47 percent in 2015.

Ms. BARAN also elaborated on the intra-OIC trade. She shared some figures about intra-OIC trade and commodity composition of intra-OIC exports. She expressed that the long-sought target of 20 percent intra-OIC trade has been reached in 2015 and 30 member states surpassed this target level in 2015.

Ms. BARAN concluded her presentation by sharing figures on border compliance costs and times for exports in the OIC Member States. She stated that border compliance costs and times vary immensely across members and reducing trade costs in the OIC member states is important to be more competitive in the international markets.



Questions and Comments:

Question: According to the presentation, intra-OIC trade is declining. We employed TPS-OIC, and it was expected to increase intra-OIC trade. What is the reason of this situation?

Answer: TPS-OIC's legal base is completed but it is not fully operational yet. After the circulation of updated concession lists and taking internal measures by relevant Member countries, TPS-OIC will be fully operational. Also it is a base for further cooperation within OIC Countries. So it should be followed by next steps in order to improve intra-OIC trade.

Comment: During the presentation it is expressed that the trade volume of OIC Member Countries with non OIC regions fell about 25 percent. Also trade of OIC Member Countries mainly depend on the single product or single sector in terms of exports. So this situation shows the importance of the diversification of products and sectors. Also it forces us to decrease the cost and time required for intra-OIC trade.

3. Role of Border Agency Cooperation on Facilitating Trade

Dr. Juha HINTSA, from Cross-border Research Association (CBRA), Switzerland, made a presentation on role of border agency cooperation on facilitating trade”.

He mainly focused on five items: Differences between uncoordinated and coordinated border management, examples of border agency roles and responsibilities, generic framework for Border Agency Cooperation (BAC), 15 key actions and activities in BAC, international legal frameworks and global trends in BAC

According to the World Customs Organization (WCO 2014), uncoordinated border management is characterized by little or no communication, duplicative controls, conflicting requirements and separate functional silos.

Typical examples of border agency roles and tasks include collection of taxes, duties and excise, compilation of trade statistics, passport controls, immigration, product safety, enforcement of intellectual property rights, fight against drug trafficking, transport safety, transport security, control of CITES-products (endangered species), controls of pests, plant diseases and extraneous species and animal quarantine.

Next, Dr. HINTSA presented a generic framework on BAC, developed by CBRA. The framework visualizes the different levels of cooperation (3), the areas of integration (4) and objects of sharing (4), when border agencies are evolving from coexistence to collaboration.

CBRA developed 15 key actions in BAC, where five actions per primary beneficiary category – supply chains, government agencies and both parties – were visualized and explained.

Dr. HINTSA shared information on key international BAC related frameworks, namely WTO, WCO and UN.

Dr. HINTSA concluded this presentation with four case studies on OIC member states : Abu Dhabi / United Arab Emirates, Uganda, Malaysia, and Albania and three cases from non-OIC member states : USA – Mexico, Zambia – Zimbabwe and Vietnam – Laos.

Abu Dhabi and the UAE follow a common customs law of the Gulf Cooperation Council that obliges the member countries to use the same harmonized dataset for customs declaration. The common customs law also facilitates exchange of intelligence and deeper collaboration on customs training and education. There are some special arrangements to synchronize and coordinate inspections at the Oman-UAE and Saudi-UAE land border crossings. The GCC countries are working towards regional AEO programs and e-clearance (Single Window) systems.

In Uganda, the recently-established One-Stop Border Post (OSBP) at the Kenyan border makes cross-border trade and travel faster, more reliable and cost-effective. Uganda and countries of the East African Community (EAC) have reduced the complexity of cross-border trade and logistics by harmonizing regulations concerning food and agricultural products, simplifying



certificates of origin and by establishing a trade helpdesk. The World Customs Organization supports Uganda and other EAC countries in launching a regional Authorized Economic Operator Program.

Malaysia has a powerful national government-industry body, Special Task Force to Facilitate Business (PEMUDAH), to promote trade facilitation. The body provides an open forum for interactive discussion and a platform for pilot projects. Malaysia has strengthened collaboration across different border control agencies to step up the fight against cross-border drug trafficking and people smuggling as well as to improve enforcement of the country's territorial waters.

In Albania, the Central European Free Trade Agreement (CEFTA) provides a regional platform for BAC improvements, especially with respect to risk management and elimination of non-tariff barriers to trade (e.g., harmonization of technical measures and rules of origin). The European Union supports Albania in customs modernization efforts that seek to upgrade the country's ICT capability, establish a EU-compliant regulatory framework, as well as train customs and other border control agencies. Albania has two important bilateral BAC arrangements with its neighbor Kosovo: simplified transit program and mutual recognition of import/ export certificates

Mexico and the US have a long history of border agency cooperation. Current high-level initiatives include the 21st Century Border Management, the High Level Economic Dialogue, and the Merida Initiative. Mexican and US border control authorities collaborate in many ways, including joint border patrolling, and training and awareness building. Reaching agreements over priorities of joint border control activities at the US-Mexican border is one of the main challenges for the future.

The Chirundu One-Stop Border Post (OSBP) between Zambia and Zimbabwe is considered to be the leading OSBP in Africa, with a high-degree of practical cooperation in place. Reported OSBP benefits in Chirundu include (i) improved clearance time of less than a day, (ii) reduced cost of doing business, (iii) information sharing among border agencies and (iv) drastic reduction of fraud, among several other benefits.

Lastly, in Vietnam – Laos, the cooperation in Laobao-Dansavanh border crossing point builds on the Greater Mekong Sub-region Economic Cooperation Program since 2005. Key achievements include: (i) advanced participation of key border enforcement agencies in the two countries including customs, border guard, police, immigration and quarantine, (ii) improved enforcement and faster and easier clearance and (iii) increased inbound and outbound volumes of trade in goods and traffic in vehicles.

Questions and Answers

Question: In the presentation it is stated that Norway, Sweden and Finland has special agreement and even the one side is closed, the other side can work for the counterpart and control the all border. Can you provide more information about this situation?

Answer: The cooperation between these three countries depends on the division of labor. All documents related to export or import can be attended by one side. We may not literally say that the other side can be closed but one officer from the other side can sign every document.

Comment: Within this framework, mobility of businessmen is also important. Knowing other markets and partners in other country and expanding network in order to make trade is essential. So increasing mobility of businessmen via border agency cooperation have potential to increase intra-OIC trade.

4. Cross Border Cooperation Among the OIC Member States

Dr. HINTSA made a second presentation titled cross border cooperation among the OIC Member States with following agenda: Overview on iBAC across the three OIC regions, case study in Abu Dhabi, case study in Uganda, case study in Malaysia, case study in Albania and recommendations / iBAC roadmap for the OIC57.

He started his presentation by stating that the iBAC activities in Abu Dhabi and UAE include the following ones: Joint border controls, international exchange of intelligence, cross-border collaboration in customs training, GCC standard for customs declaration data, towards regional e-clearance systems, and towards regional AEO-program.

Also the iBAC activities in Uganda and EAC include the following ones: The Malaba One-Stop Border Post (OSBP), harmonization of import regulations of food and agriculture products, EAC Simplified Certificate of Origin, Trade Helpdesks / Information Desks and towards regional AEO program.

Dr. Hints also mentioned the iBAC activities in Malaysia which include the following ones: Risk-based controls and international exchange of intelligence, cooperative fight against trafficking in pharmaceuticals and controlled substances, international training, harmonization of licensing and product safety rules, international collaboration on air cargo security, regional e-clearance systems and mutual recognition (MRAs) of Authorized Economic Operator (AEO) programs.

He continued his presentation with the iBAC activities in Albania which include the following ones: Pre-arrival information exchange SEED, transit arrangements, mutual recognition of import/ export certificates, risk management and risk profiling sharing of customs intelligence, rules of origin, harmonization of technical measures and training and awareness building.

He concluded his presentation with recommendations and iBAC Roadmap for the OIC57 which can be stated as steps:

Step 1. Identify and analyze factors that currently slow down the cross-border flow of goods or drive additional costs.

Step 2. Explore the BAC opportunities to be achieved from stronger collaboration with neighboring countries.

Step 3. Focus on daily practicalities that have a tremendous impact on the speed and predictability of cross-border traffic.

Step 4. Consider various modes of collaboration that are not clearly visible for supply chain operators but still have a significant impact on the speed and predictability of cross-border logistics.

Step 5. After building and fostering BAC with neighboring countries, the focus of BAC efforts is to be shifted to regional cross-border trade and customs programs.

Step 6. The last and often the most challenging step in BAC, is to extend the cooperation to cover larger regions, even the entire world.

Questions & Remarks

Question: In the presentation it is said that in order to improve border agency cooperation for trade facilitation, technologic devices are needed. But there are many OIC Member Countries which are categorized as LDC. So how can these countries can proceed?

Answer: Using technology to for trade facilitation eases many procedures and decrease time and economic costs. So it has a special importance. But as you said most of the technologic devices used by border agencies costs huge amount of money. In order to finance that, you need to finance yourself or find a grant. Also low cost border agency cooperation methods such as providing helps desks, education and training can be preferred and tailored to the country.

Comment: In order to find funds to finance trade facilitation applications, PCM grants and IDB funds can be used.

5. Success Stories of the Member States

5.1. Morocco

Mr. Youssef Ben ABDOUH from Ministry of Foreign Trade of Morocco made a presentation on Moroccan policy of trade facilitation and the cooperation with the OIC Member States.

At the beginning of his presentation he pointed out the importance of the partnership between the Kingdom of Morocco and the OIC Member States. The Kingdom of Morocco is working hard to support all established actions to enhance the cooperation with its partners, especially in the economic and trade fields. Morocco gives a special attention to these relationships across many measures by signing of agreements on preferential trade, and by participating in all economic and trade initiatives that are adopted under the COMCEC flag.

Also he stated that Morocco adopted an ambitious policy for strengthening its presence in international trade, through the early access to multilateral trade system. Many regulations have also been established for trade liberalization and for improving the business and investment climate. Several Free Trade Agreements were signed (which includes many of the OIC Member states) that allow a preferential access into multiple regions of the world, through the preferential markets of more than one and a half billion consumers (50 countries). The main objective of this policy, is to enhance its position in the international trade and to improve the performance of exports. Several programs have been set up for business operators, which are compatible with the national policy of industrial, agricultural fields, and transport, logistics sectors.

He continued his presentation with international commitments of Morocco. Morocco has adhered to the international and trade facilitation standards:

- International Convention on the simplification and harmonization of customs procedures, revised in 1999 (Kyoto Convention).
- Geneva Convention on the harmonization of border procedures (1982).
- International Road Transport Convention (1975).
- Convention of Goods by Road (1970).

He also mentioned the trade facilitation efforts of Morocco such as simplification , harmonization and making paperless important export bonds; the adoption of the mechanism of the Single Goods Declaration in 1992; standardization of trade documents for export and import; the simplification and the computerization of customs clearance procedures; the removal of exchange commitment; the implementation of automated custom basis and networks (BADR system); enhancing transparency (publication of all regulations of the foreign trade, and projects of laws); the establishment of a National Commission of International Trade Procedures Simplification.

He gave information on single window project of Foreign Trade. It's a national plan to simplify the international trade procedures and the dematerialization of foreign trade procedures, documents and the establishment of SWFT called PortNet. It includes the dematerialization of a set of documents: the summary declaration, notice of arriving ships, dangerous goods declaration, the import document, export license, health certificate, phytosanitary and normative. The PortNet platform has nearly 25.000 users, more than 20.000 importers and exporters, 792 freight forwarders, 135 shipping agents, 7 administrations and 16 banks active in 11 ports in Morocco.

He concluded his speech with encouraging results in terms of bilateral trade between Morocco and the OIC Member States. These actions have contributed to increase in the volume of trade between the Morocco and the OIC countries, by turning the total volume from 6.9 billion USD in 2007 to 9.8 billion in 2008, and exceeding 10 billion in 2015.

5.2. Pakistan

Mr Waqar Ahmed SHAH from Ministry of Commerce of Pakistan made a presentation on Border Agency Cooperation in Pakistan.

Firstly, he gave brief information on border trade of Pakistan. Pakistan share long land border with India, Afghanistan, Iran and China totaled 6,774 km. Pakistan is Afghanistan's largest trading partner, while Afghanistan is Pakistan's second largest export market. Iran is one of the major importer of rice and citrus and exports petroleum products, electricity and fruits to Pakistan. But over the years both exports to and imports from Iran has declined.

Figure 1 - Afghanistan (import/ export)

(source: PAJCCI/FBS)

Year	Export (\$ million)	Import (\$ million)
2013-14	1,742	198
2014-15	1,327	188
2015-16 (Feb)	1,346	226

He mentioned total exports and imports with Afghanistan. Exports to Afghanistan decreased relatively to 2013-2014 period even though there is a slight decrease after 2014-2015 period. On the other hand the imports are higher than the 2013-2014 period.

Figure 2 – Iran (import/ export)

(source: FBS)

Year	Exports (\$ million)	Imports (\$ million)
2009	400	922
2010	207	962
2011	162	572
2012	153	153
2013	98	168
2014	53	164

He also expressed the situation in exports and imports with Iran. Exports after 2009, imports after 2010 dramatically decreased. In 2014 the exports to Iran is one eighth of the volume in 2009.

He continued his presentation with major border stations of Pakistan. Torkham is the largest and busiest International crossings between Pakistan and Afghanistan. It connects Nangarhar of Afghanistan with Pakistan's Khyber Agency (FATA). The Vesh- Chaman border crossing is one of the major crossings between Afghanistan and Pakistan. On the other hand, Taftan, has historic trade route with Iran/ CARs/ Turkey. Also it has available railway link.

He pointed out BAC measures made with Afghanistan. One of the main measures is Transit Trade Agreement (APTTA 2010) which includes cooperation to gradually achieve “coordinated controls”- inspection jointly and simultaneously, coordinating hours of operation of their adjacent Customs Stations, maintaining rapid and reliable telecom services, provision of sheds and spaces for goods in transit to and from Afghanistan, multiple entry permits, recognizing domestic driving licenses, registration documents, cooperation between Customs for speedy clearance, accepting mutual recognition of checks and findings of their respective Customs officials, harmonizing codes and description of commodities.

He also mentioned BAC measures made with Iran which includes PTA 2004, Agreement with Iran for travelling on Rahdari, coordinated working hours (10 hours) crossing over on Carnet for the cargo vehicles of both the countries, Joint Border Trade Committee Meetings (4 sessions).

He concluded his presentation with the steps needs to be taken in order to improve Border Agency Cooperation. Establishing EDI links with both Iran and Afghanistan for Real time data access is needed. For transit goods TIR Convention should be ratified. To avoid duplication of work coordination should be made. Harmonization of processes and documentations, issuance of alerts for changes in trade and customs rules and procedures, mutual assistance and recognition agreements are also essential.

5.3. Turkey

Ms. Nagehan ÖZKAN TURUNÇ and Mr. Hakkı GÜRKAN, Assistant EU Experts from the General Directorate of EU and External Relations, Ministry of Customs and Trade made a presentation and shared Turkish Customs' experience in "Trade Facilitation and Border Agency Cooperation (BAC)".

In the first part of the presentation, Ms. ÖZKAN TURUNÇ gave a general view of international legal instruments which Turkey is a party, and BAC activities across OIC regions and Turkey. It was mentioned that being party to many significant international agreements which regulate border agency cooperation for facilitating trade namely as WCO SAFE Framework, Revised Kyoto Convention and UN TIR Convention, Turkey conducts bilateral relations with OIC countries mainly based on Agreements on Co-Operation and Mutual Assistance in Customs Matters.

She gave brief information on e-TIR Pilot project with Iran which carries the system into electronic environment and aims at testing C2B data, including e-guarantee. It was also asserted that the first phase of the pilot project has been completed with a great success while the second phase commenced as of 02.09.2016 planning to test multiple loading-unloading, partial and transit transports. She also informed the participants that Islamabad-Tehran-Istanbul (ITI) Corridor as another project in the OIC region was approved at the 8th Ministerial Meeting on Transport and Communications of Economic Cooperation Organization (ECO). She added that this Corridor along which TIR System would be applied as transit system under the TIR Pilot Project seeks to contribute to the sustainable development and poverty reduction through enhancement of transit trade among the Member States. It was underlined that since Pakistan is now a Contracting Party to TIR Convention on 21 January 2016, ITI project could serve as a better trade facilitation instrument among all the related countries.

She also mentioned another project called Silk Road Initiative, which was launched in 2008, and Caravanserai Project, which was launched in 2009 as the concrete dimension of Silk Road Customs Initiative. She emphasized that Silk Road Customs Initiative aims to revitalize ancient Silk Road and to increase the trade and transportation volume between Europe and China and among the countries on this route.

In her last remarks, she concluded Turkey have bilateral cooperation with Iran, Kyrgyzstan, Afghanistan and Iraq, mainly on data exchange, training activities, general customs procedures and intelligence.

In the second part of the presentation, Mr. GÜRKAN gave information on National Committees on Trade Facilitation (NCTF), how they affect BAC processes and ongoing work on Turkish NCTF, Board of Trade Facilitation.

In the beginning of his presentation he explained and underlined BAC specific articles of WTO Trade Facilitation Agreement (TFA) and presented Analysis of WTO Membership and ratification/category notification status of OIC Member Countries.

Mr. GÜRKAN explained the current status of work of Turkey's NCTF. He stated that, in order to answer to commitment to TFA Article 23.2, Turkey has started to work of establishing her own NCTF in the form of Board of Trade Facilitation (BoTF). The technical work carried out by two



main stakeholder government agencies, Ministry of Customs and Trade and Ministry of Economy of Republic of Turkey. In the conclusion of technical work, a draft Circular of Prime Ministry that covers members, structure and objectives of Board has been created. Board will have 18 Members that comes from government agencies and private sector representatives and will be co-chaired by Undersecretaries of Ministries of Customs and Trade and Economy. Two level of Board will be established: Board itself, which is the decision-making and high level body, and technical committee, overseeing technical work being done by Board.

In the concluding remarks, Mr. GÜRKAN gave examples on how a NTCF well-established and working effective can influence a country's activities within the area of BAC. Also, he presented goals of BoTF, which includes establishment of national trade facilitation strategy.

6. Policy Options for Improving The Border Agency Cooperation Among the OIC Member States for Facilitating Trade

The session was moderated by Mr. Steven KAMUKAMA, Principal Commercial Officer from Ministry of Trade Industry and Cooperatives of Republic of UGANDA. At the outset, Mr. KAMUKAMA stated that “the Room Document for the Moderation Session of the 8th Meeting of the Trade Working Group”, prepared by the COMCEC Coordination Office in light of the findings of the analytical study prepared specifically for the Meeting and the answers of the Member Countries to the policy questions which have already been sent by the CCO.

At the beginning of the session, Mr. Mustafa Adil SAYAR, Expert from the COMCEC Coordination Office, made a brief presentation on the responses of the Member Countries to the policy questions on improving border agency cooperation sent to the Trade Working Group focal points by the CCO. In his presentation, Mr. SAYAR gave a brief information on policy questions. He stated that the purpose behind these policy questions was to strengthen policy dimension in the discussions of the Trade Working Group. After presenting the questions and responses of the Member Countries, he introduced the draft policy advices included in the Room Document.

After the presentation, Mr. KAMUKAMA gave the floor to all delegations asking their opinions and comments for each of the policy advices as well as the experience of their respective countries in this regard. Based on intensive deliberations, the participants agreed on the policy advices given in the attached room document to be submitted to the 32st Session of the COMCEC as an outcome of the 8th Meeting of the Trade Working Group.

The policy recommendations highlighted by the participants are as follows:

- Promoting the adoption of international standards in customs and other relevant cross border trade and logistics matters for harmonizing and simplifying rules
- Promoting mutual recognition arrangements/agreements for border controls and trusted traders
- Enhancing information exchange among the border agencies of the Member Countries, providing regular knowledge exchange platforms and participating in relevant international networks
- Improving the infrastructure of land border crossing points and transport connectivity.

7. Utilizing the COMCEC Project Funding

Mr. Ali ORUÇ, Expert at the COMCEC Coordination Office made a presentation on the COMCEC Project Funding introduced by the COMCEC Strategy. At the outset, Mr. ORUÇ informed the participants about where the COMCEC Project Funding stands in the COMCEC Strategy. Mr. ORUÇ also explained purpose and function of the Project Funding Mechanism and its linkage with the Strategy. He underlined the basic qualifications of the COMCEC Project Funding as “simple and clearly defined procedures and financial framework”, and mentioned that CCO provided continuous support to the member countries during the all stages of the COMCEC Project Funding Mechanism. With respect to the financial framework, Mr. ORUÇ emphasized that the funds are grant in nature and would be provided by the CCO.

After briefly explaining the COMCEC Project Funding, three key actors and their responsibilities under the COMCEC Project Funding were identified; Project Owner (Project Submission and Implementation); the CCO (Program Management) and the Development Bank of Turkey (Project Monitoring and Financing). Moreover, steps and roles of these key actors throughout the project application process were defined.

He continued his presentation by explaining the “Project Selection Criteria” namely, compliance with Strategy’s Principles, and targeting strategic objectives of the Strategy, focusing on output areas and pursuing multilateral cooperation among the OIC Member Countries. Mr. ORUÇ also emphasized that project proposals submitted by the member countries should be compliant with the sectoral themes for the fourth call stated in the Program Implementation Guidelines. Mr. ORUÇ pointed out the importance of the multilateralism for project appraisal and stated that project proposals should focus on common problems of at least two member countries and also should offer joint solutions for these problems. He also underlined that CCO considers regular and active participation of countries and institutions to the relevant working group meeting while evaluating their project proposals.

Mr. ORUÇ also gave information on 2014, 2015 and 2016 projects. He stated that member countries and OIC institutions had shown great interest and 209 project proposals were submitted by member countries and OIC institutions in three-year period (2013-2015). He also stated that totally five trade projects were implemented under the COMCEC Project Funding in 2014 and 2015. They were implemented respectively by Afghanistan, ICDT, Indonesia, Gambia and Qatar. He also mentioned that another important project is being implemented by Uganda in 2016.

Mr. ORUÇ reminded participants that fourth call for project proposals has started as of September 1st, 2016. He also underlined that project submission period was extended and project proposals would be submitted to the CCO until 7th October, 2016. He also invited all esteemed countries and OIC institutions to submit their project proposals.

In the last part of his presentation, Mr. ORUÇ shared brief information with participants regarding steps of project proposal submission process and online project submission system. He also stated that member countries could submit their project proposals easily by using this user-friendly system.

8. Closing Remarks

The Meeting ended with closing remarks of Mr. Waqar Ahmed SHAH, Joint Secretary from Ministry of Commerce of PAKISTAN and Chairperson of the Meeting and Mr. Selçuk KOÇ, Director in the COMCEC Coordination Office.

In his remarks, Mr. SHAH thanked all the Member Countries for giving him the opportunity to chair this session. He also thanked all the participants, presenters for their invaluable contributions, comments and ideas presented during the discussions.

Mr. Selçuk KOÇ also thanked all the participants for their invaluable contributions. He underlined that the observations, comments and critiques of the participants on the analytical study prepared specifically for the Trade Working Group Meetings would be mostly welcomed in order to improve its quality. He also stated feedbacks about the main output of the meeting, the draft policy recommendations which will be presented to the 32nd Session of the COMCEC, is very valuable. Mr. KOÇ also highlighted the importance of COMCEC Project Funding and invited the Member Countries as well as the relevant OIC Institutions to submit project proposals to benefit from this important facility.

Mr. KOÇ also informed the participants that the next (9th) Meeting of the Trade Working Group will be held on March 9th, 2017 in Ankara with the theme of *“Single Window Systems in the OIC Member States for Facilitating Trade.”*

Before concluding, Mr. KOÇ thanked again all the participants and wished them a safe trip back home.

Annex 1: Agenda of the Meeting



DRAFT AGENDA OF THE EIGHTH MEETING OF THE COMCEC TRADE WORKING GROUP

October 6th 2016,
Crowne Plaza Hotel, Ankara / Turkey
*“Improving the Border Agency Cooperation
among the OIC Member States for
Facilitating Trade”*

Opening Remarks

1. COMCEC Trade Outlook
2. Role of Border Agency Cooperation on Facilitating Trade
3. Cross Border Cooperation Among the OIC Member States
4. Policy Options for Improving Border Agency Cooperation Among the OIC Member States
5. Utilizing the COMCEC Project Funding
6. Member Country

Presentations Closing Remarks



*Senior researcher
Cross-border Research Association*

11.30-12.30 - *Discussion*

12.30-14.00 *Lunch*

Policy Options for Improving Border Agency Cooperation Among the OIC Member States

There will be a moderation session under this agenda item. The participants are expected to deliberate on the policy options/advices for improving border agency cooperation among the OIC Member States. The Room Document was prepared by the CCO, in light of the findings of the analytical study prepared specifically for the Meeting and the answers of the Member Countries to the policy questions which have already been sent by the CCO. This Document was shared with the Trade Working Group focal points before the Meeting with a view to enriching the discussions during the Session and coming up with concrete policy advices for the policy approximation among the Member Countries in this important field. At the beginning of the session, CCO will make a short presentation introducing the responses of the Member Countries to the policy questions as well as the Room Document.

14.00-14.15 - Presentation: “Responses of the Member Countries to the Policy Questions on Improving Border Agency Cooperation Among the OIC Member States”
*Mr. Mustafa Adil SAYAR
Expert
COMCEC Coordination Office*

14.15-15.30 - *Discussion*

Utilizing the COMCEC Project Funding

15.30-15.45 - *Presentation: Mr. Ali ORUÇ
Expert
COMCEC Coordination Office (CCO)*

15.45-16.00 - *Discussion*

16.00-16.15 *Coffee Break*

16.15-17.15 **Success Stories of the Member States**

- *Presentations*

- *Discussion*

Private Sector Experience

17.15-17.30 *Closing Remarks*



Annex 3: The Policy Recommendations

THE POLICY RECOMMENDATIONS HIGHLIGHTED BY THE 8TH MEETING OF THE TRADE WORKING GROUP

The COMCEC Trade Working Group (TWG) has successfully held its 8th Meeting on October 6th, 2016 in Ankara, Turkey with the theme of “*Improving The Border Agency Cooperation Among the OIC Member States for Facilitating Trade.*” During the Meeting, Trade Working Group, made deliberations for policy approximation among the Member Countries regarding improving the border agency cooperation. The Room Document, prepared in accordance with the main findings of the analytical study conducted specifically for the 8th Meeting of the COMCEC Trade Working Group titled “*Improving The Border Agency Cooperation Among the OIC Member States for Facilitating Trade*” and the answers of the Member Countries to the policy questions sent to the COMCEC Trade Working Group focal points by the COMCEC Coordination Office. During the Meeting, the participants agreed on the policy recommendations included in the Room Document. The existing document includes these policy recommendations highlighted during the Meeting.

Policy Advice 1: Promoting the adoption of international standards in customs and other relevant cross border trade and logistics matters as well as accession to the relevant international conventions for harmonizing and simplifying rules and procedures related to the cross border trade and logistics operations

Rationale:

The cooperation of the border agencies among the member countries is very crucial for trade facilitation. The strong cooperation among the border agencies facilitates the trade and logistics flows and cut down the administrative and other costs. This collaboration can be ensured through the coherency among the rules and procedures applied by the border agencies of the member countries. In this respect, the analytical study also highlighted the importance of harmonizing and simplifying rules and procedures relating to weighing, technical conformity of vehicles, goods, registrations, driver’s licenses, insurances, and other issues of cross-border logistics operations. Moreover, Member States can pursue to adopt international standards in customs matters and accede to the relevant international conventions.

Policy Advice 2: Promoting mutual recognition arrangements/agreements for border controls and trusted traders

Rationale:

Mutual recognition is a practice in which an action, decision or authorization taken by a custom agency is accepted and recognized by another custom agency. Mutual recognition agreements/arrangements ensure countries to avoid from the duplicated efforts and to increase economic efficiency through reduced time and costs in border agencies. Through

these agreements, the member countries can benefit from the developed and effective risk management and facilitate foreign trade flows.

Mutual recognition of Authorized Economic Operators (AEO), a tool utilized for border agency cooperation, ensures the recognition of the validation findings and AEO authorisations of one customs administration by another. This element expedites the custom procedures of the authorized companies and reduces costs and time delays of the companies. Although this mechanism has many benefits for the countries as well as the private sector, according to the analytical study, only a few member countries utilize the mutual recognition of AEOs.

Policy Advice 3: Enhancing information exchange among the border agencies of the Member Countries through enhancing connectivity of information and communication technology systems, providing regular knowledge exchange platforms and participating in relevant international networks

Rationale:

Developing information exchange among the border agencies is essential for a more effective and efficient cross-border movement of goods. It enables to assess the risk represented by transit goods prior to their arrival. Moreover, it may reduce the administrative burden imposed by risk management and allow customs to devote its resources to more high-risk goods. In this respect, the connectivity of information and communication technology systems is of particular importance for an effective information exchange among the border agencies. Moreover, providing regular platforms for the border agencies and active participation to the relevant international networks can be instrumental for formal and informal information exchange among the border agencies. Establishing a committee is also crucial to make collaboration on high-risk related products and to monitor the implementation of the process.

Policy Advice 4: Improving the infrastructure of land border crossing points and transport connectivity through the joint efforts of the neighboring countries e.g. through establishing joint technical/working committees, which include relevant stakeholders to identify the factors which cause bottlenecks.

Rationale:

For the smooth movement of goods among the neighboring countries, there is a need to develop infrastructure on both sides of the border. In this respect, neighboring countries need to work in close cooperation to ensure simultaneous upgrading of infrastructure of the both sides of the land border crossing points. At this stage, neighboring countries may establish joint technical/ working committees, which include the relevant stakeholders including the private sector with a view to identifying infrastructural and operational problems / obstacles faced and the steps needed to address them, and managing the process from the planning to implementation.



Instruments to Realize the Policy Advices:

- ***COMCEC Trade Working Group:*** In its subsequent meetings, the Working Group may elaborate on the above mentioned policy areas in a more detailed manner.

COMCEC Project Funding: Under the COMCEC Project Funding, the COMCEC Coordination Office calls for project proposals each year. With the COMCEC Project Funding, the Member Countries participating in the Working Groups can submit multilateral cooperation projects to be financed through grants by the COMCEC Coordination Office. For the above mentioned policy areas and their sub-areas, the Member Countries can utilize the COMCEC Project Funding and the COMCEC Coordination Office may finance the successful projects. The projects may include seminars, training programs, study visits, exchange of experts, workshops and preparing analytical studies, needs assessments and training materials/documents, etc.

Annex 4: List of Participants

DRAFT LIST OF PARTICIPANTS 8th MEETING OF THE TRADE WORKING GROUP 6 October 2016, Ankara

MEMBER COUNTRIES OF THE OIC

PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA

- Mr. TAREK ALLOUNE
Chef of Bureau, Ministry of Trade
- Mr. YACINE HADJI
Minister Counsellor, Embassy of Algeria in Ankara

PEOPLE'S REPUBLIC OF BANGLADESH

- Mr. MOHAMMAD MOSHIUL ALAM
Deputy Chief, Bangladesh Tariff Commission under Ministry of Commerce

REPUBLIC OF INDONESIA

- Ms. SARI HANDINI MURTI Trade Analyst, Ministry of Trade

ISLAMIC REPUBLIC OF IRAN

- Mr. HAMID ZADBOOM
Commercial Counsellor, Iran Embassy in Ankara

REPUBLIC OF IRAQ

- Mr. MOHAMMED IBRAHIM AL MAGAZACHI
Iraq Commercial Attaché, Iraq Embassy in Ankara Ms.
- ABEER SALIM KHALEEF AH
Deputy Ambassador, Iraq Embassy in Ankara
- Mr. NIHAT İMAMOĞLU
Interpreter, Iraq Embassy in Ankara

HASHEMITE KINGDOM OF JORDAN

- Mr. YOUSEF ABDELGHANI
Minister Plenipotentiary and Deputy Head of Mission, Embassy of Jordan in Ankara

REPUBLIC OF KAZAKHSTAN

- Mr. BIRZHAN ZHUMAGULOV
Chief expert, Ministry of National Economy

THE STATE OF KUWAIT

- Mr. MESHAL ALARDHI
- Mr. SAQER ALFADLI
First Foreign Affairs Researcher, Ministry of Finance

MALAYSIA

- Mr. FAIZALKHAN JAAFAR
Assistant Director, Ministry of International Trade and Industry



KINGDOM OF MOROCCO

- Ms. ASMAA EL MKHENTAR
Head of Division, Ministry of Foreign Trade

- Mr. YOUSSEF BEN ABDOUH
Responsible of OIC Affairs and Trade Relations with Islamic Countries, Ministry of Foreign Trade

SULTANATE OF OMAN

- Mr. HAMED AL MASHAKHI
Director of Customs Dhofar, Royal Oman Police Mr.

- SALIM AL HAJRI
Economic Researcher, Supreme Council for Planning

ISLAMIC REPUBLIC OF PAKISTAN

- Mr. WAQAR AHMED SHAH
Joint Secretary, Ministry of Commerce

- Mr. FAZALE SAMAD
Additional Collector, Pakistan Customs (FBR)

THE STATE OF PALESTINE

- Mr. ZEYAD ABDEL RAHMAN
Director, Ministry of National Economy

- Mr. RAED FATOOH
Director General, Palestine Borders and Crossing Authority

KINGDOM OF SAUDI ARABIA

- Mr. ANWAR BINHASUSAH
Commercial Attaché, Royal Embassy of Saudi Arabia in İstanbul, Ministry of Commerce & Investment

- Mr. SAAD AL MESAIHEL Customs, Saudi Customs

REPUBLIC OF SENEGAL

- Ms. AMINATA KANE
Head of Office of Bilateral Affairs, Ministry of Trade

REPUBLIC OF SUDAN

- Mr. BADR ELHAG MUSTAFA ABDELGADIR Customs, Sudan Customs Authority

REPUBLIC OF TURKEY

- Mr. BÜLENT ORHAN TÜREL
Head of Department, Ministry of Customs and Trade

- Mr. MEHMET ALİ ORAN
EU Expert, Ministry of Customs and Trade

- Mr. EMRAH ASLAN
EU Expert, Ministry of Customs and Trade

- Ms. BURCU ÖZERGÜL ÇOLAK
EU Expert, Ministry of Customs and Trade
- Mr. İBRAHİM TUNA ÖZEL
EU Expert, Ministry of Customs and Trade
- Ms. AYŞEGÜL DEMİR
Expert, Ministry of Economy
- Ms. NAGEHAN ÖZKAN TURUNÇ
EU Assistant Expert, Ministry of Customs and Trade
- Mr. HAKKI GÜRKAN
EU Assistant Expert, Ministry of Customs and Trade
- Ms. MÜŞERREF TUĞÇE İPEK
EU Assistant Expert, Ministry of Customs and Trade

REPUBLIC OF UGANDA

- Mr. STEVEN KAMUKAMA
Principal Commercial Officer, Ministry of Trade Industry and Cooperatives

- **THE OIC SUBSIDIARY ORGANS**

ISLAMIC CENTER FOR THE DEVELOPMENT OF TRADE(ICDT)

- Mr. ABDEL AZIZ ALAMI Head of Marketing Department

- **INVITED INSTITUTIONS**

CROSS-BORDER RESEARCH ASSOCIATION

- Dr. JUHA HINTSA Executive Director

COMCEC COORDINATION OFFICE

- Mr. SELÇUK KOÇ
Head of Department
- Mr. MUSTAFA TEKİN
Head of Department
- Ms. VİLDAN BARAN
Expert
- Mr. FAZIL ALATA
Expert
- Mr. MUSTAFA ADİL SAYAR
Expert